Lessons from FDI in mining in Sub-Saharan Africa

Colin N. Boocock
Dakar, Senegal

OECD Paris, February 2002
Major Regulatory Weaknesses

1. Lack of regulations and norms backing legislation
2. Poor enforcement and weakening of regulations
3. Weakness of environmental ministries
4. Inadequate social impact assessment and public consultation
Selected country specific weaknesses

1. Different regulations as a function of mine size in francophone Africa

2. Confidentiality of environmental audits/reports

3. Mining activity in natural reserves
National Environmental Action Plans

1. Main actors - IUCN, World Bank, aid agencies

2. Aimed to bring environmental considerations into decision-making

3. Lessons learned
   - capacity building in environmental management
   - strong political support necessary
   - broad participation at all levels
   - harmonisation of government and donor approaches
1. Does any revenue generated by mining return to mining areas?

Possible solutions
- earmarked taxation or royalties,
- company contributions

2. Environmental costs
Conclusions

1. Major causes of regulatory weakness
   - poor institutional capacity
   - lack of political will

2. Donor response
   - capacity building
   - raising awareness