

Transition minerals in Africa

How should mineral wealth be harnessed for sustainable development?

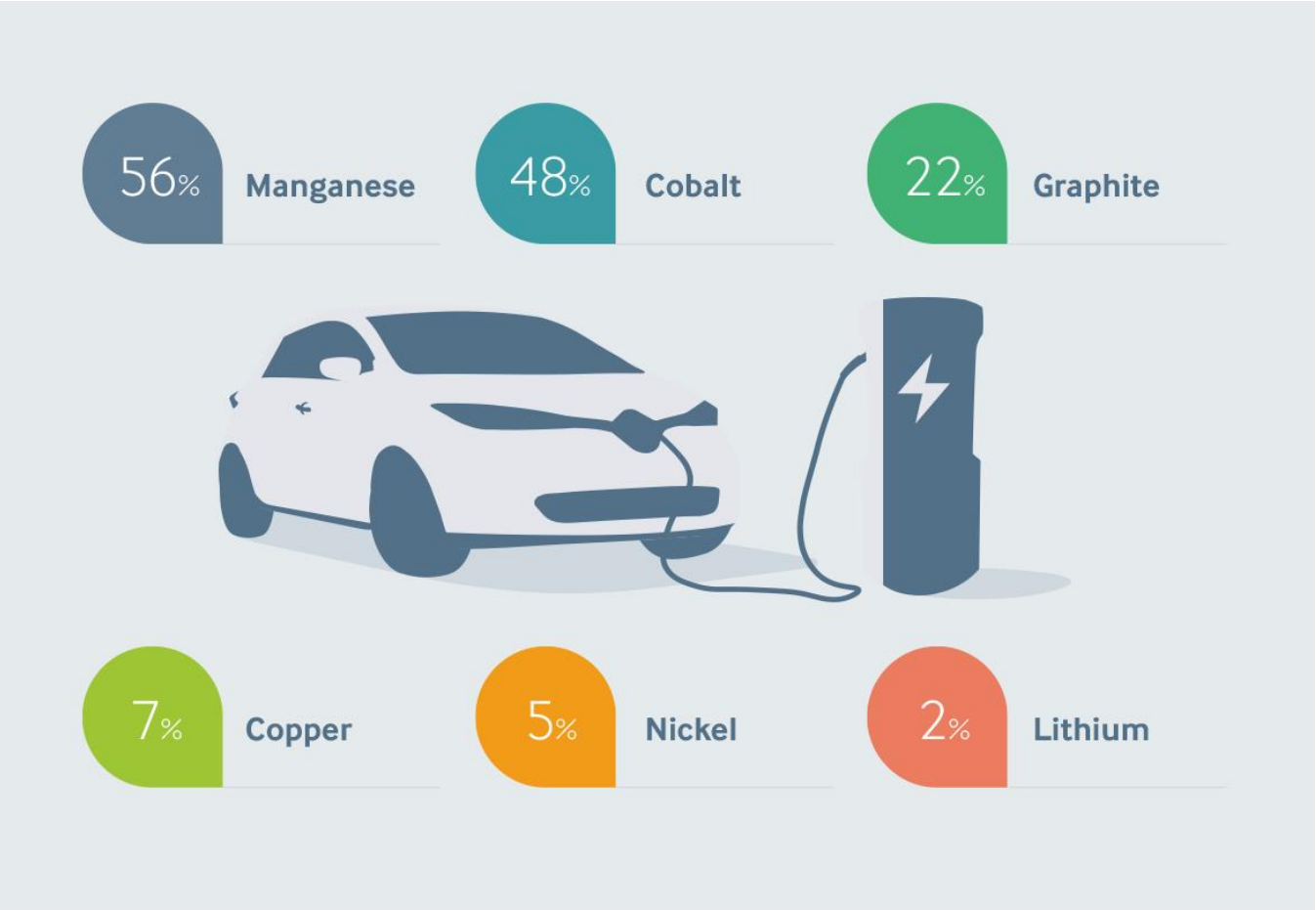
Intergovernmental Group of Experts on E-commerce and the Digital Economy, 8th session, UNCTAD

Papa Daouda Diene

Geneva – 12 May 2025



Africa holds significant reserves of key transition minerals essential for digital infrastructure and low-carbon technologies



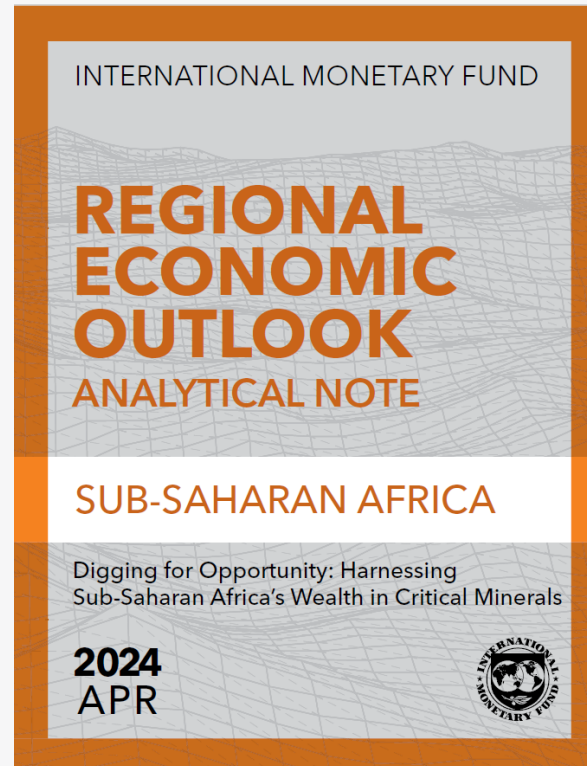
Source: *NRGI, Triple Win*

Mineral wealth must be harnessed for 3 outcomes: economic transformation, citizen well-being and environmental integrity.



What's at stake: a triple win

Public finance boost could be significant if revenues are collected and managed effectively.

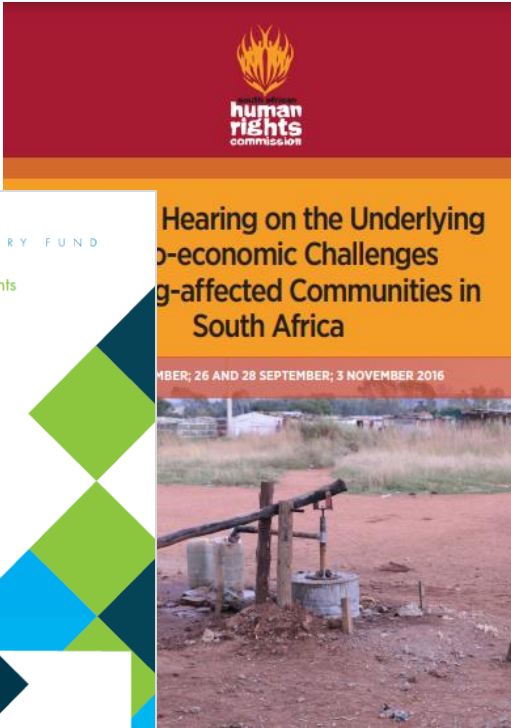
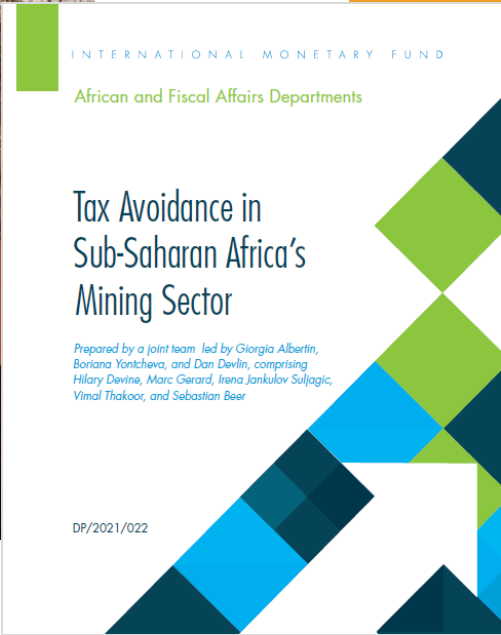
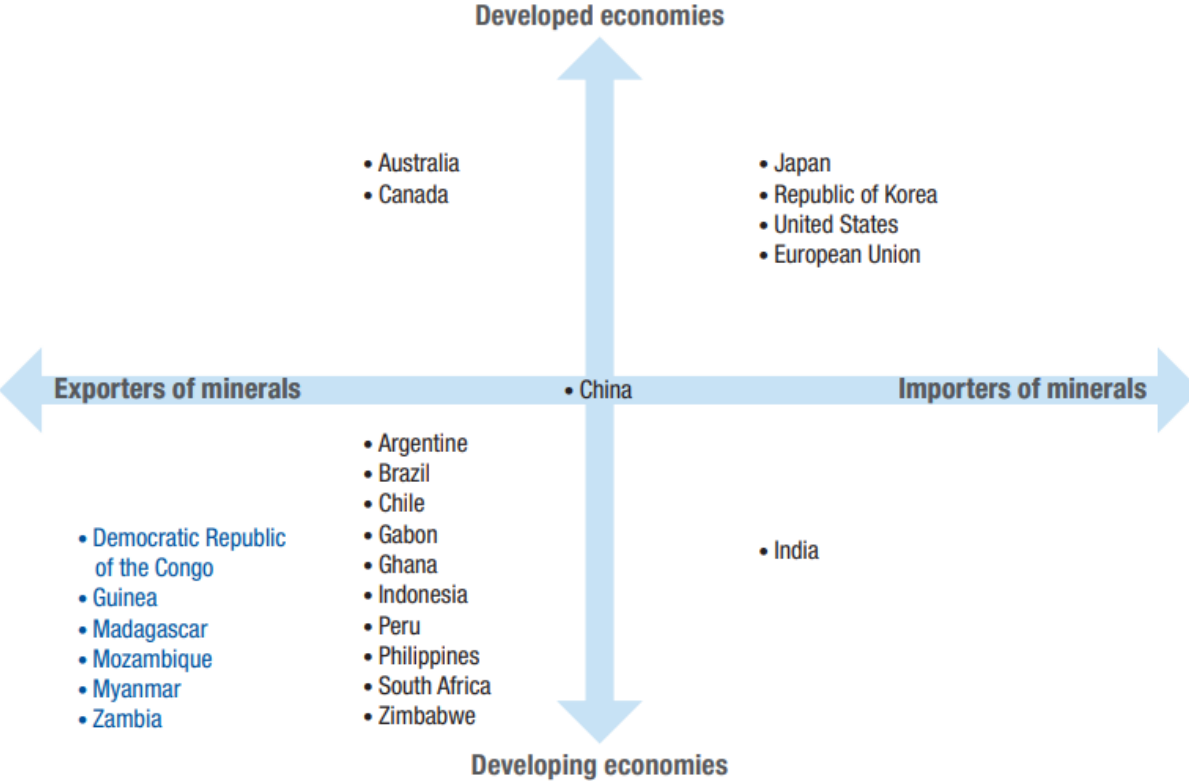


- IMF estimates Sub-Saharan Africa could **produce minerals worth \$1.9 trillion from now until 2050**
- This could generate **government revenue of \$300 billion** even just based on past collection rates*

* Various studies suggest around 16 percent of mining sales revenue has been going to tax payments on average

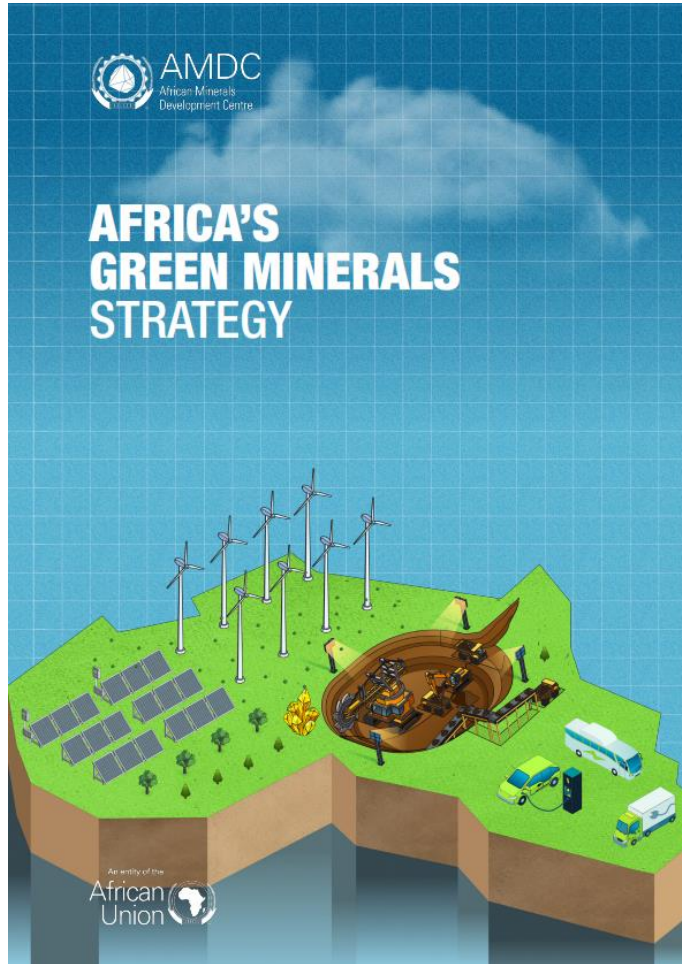
Sources: IMF, [Regional Economic Outlook – Sub-Saharan Africa](#); NRG, [Triple Win](#)


Without reforms, Africa risks repeating errors from the past—exporting raw minerals while bearing the costs and capturing only a limited share of the potential gains.



Source: UNCTAD, [Digital economy report 2024](#)

African governments and regional bodies are trying to secure more benefits



Recent geopolitical shifts may boost Africa's bargaining power, but also risk weakening global norms. Africa must respond with strategic foresight.  NRGI

> Context:

1. US mineral policy under Trump: transactional, deregulatory, and unilateral.
2. EU strategy focuses on domestic supply, sidelining African projects.
3. Global governance rollback threatens anticorruption and due diligence norms.

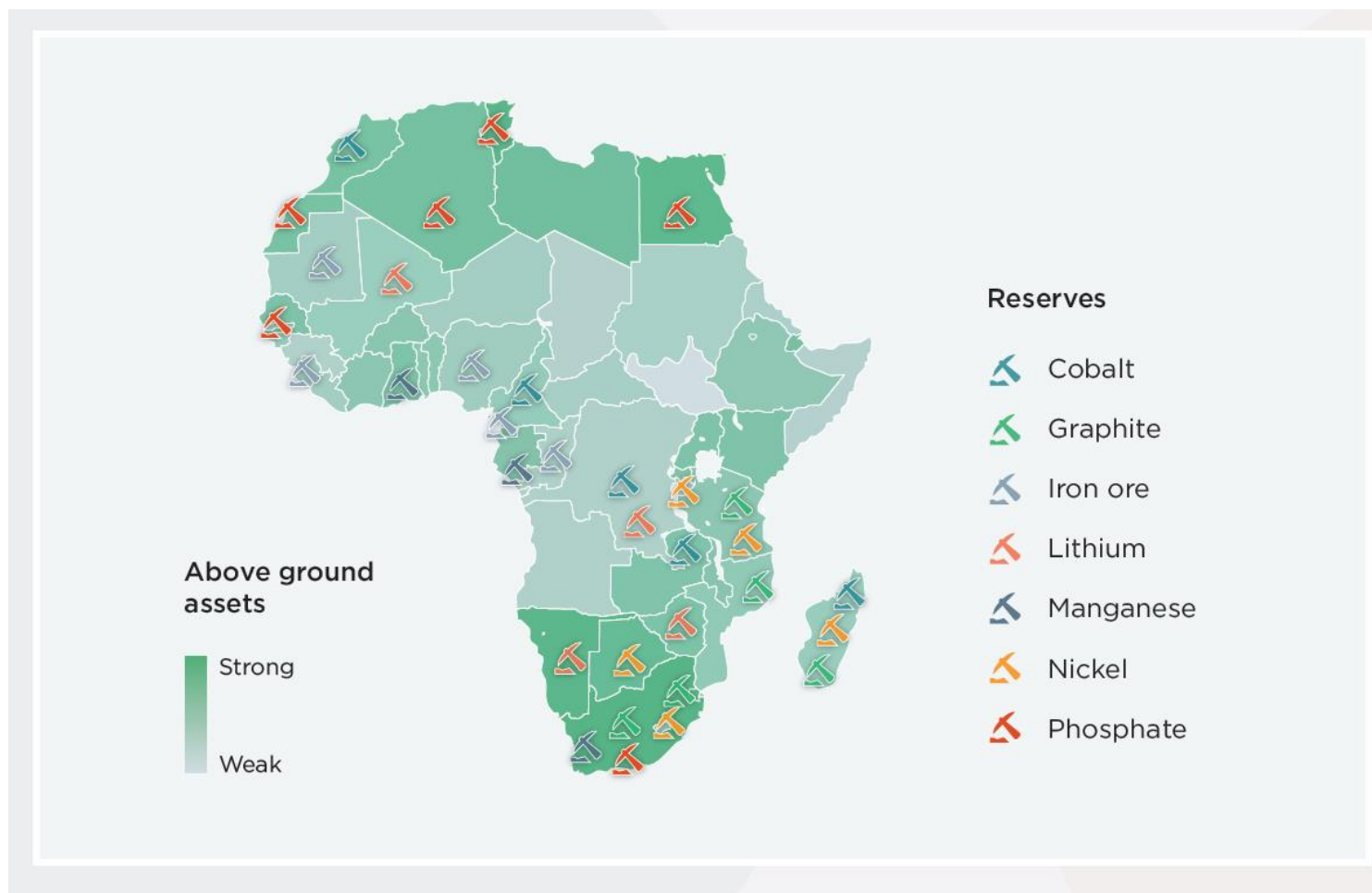
As the West Turns Inward, Can Africa Leverage Its Mineral Power?

Blog post • 9 April 2025 • [Papa Daouda Diene](#), [Nafi Chinery](#), [Susannah Fitzgerald](#), [Thomas Scurfield](#)

Strategic Responses for African States

- Analyze your leverage—and carefully weigh what you gain and give up in any deal
- Embracing strategic neutrality
- Hold the line on good governance
- Regional collaboration for collective leverage

Regional coordination is critical – particularly for achieving ambitions of more value addition and local content



Source: NRGi, [Triple Win](#)

A different approach to socio-environmental protection is needed – including no-go zones

ESIA disclosures in law and in practice in African mining countries



- **International funding could make it easier for governments to maintain no-go zones**
- **Including for more geological surveys outside of the zones**

Unlocking equitable value addition is key




NRGI briefing (2024): 6 Keys to Unlocking Equitable Value Addition

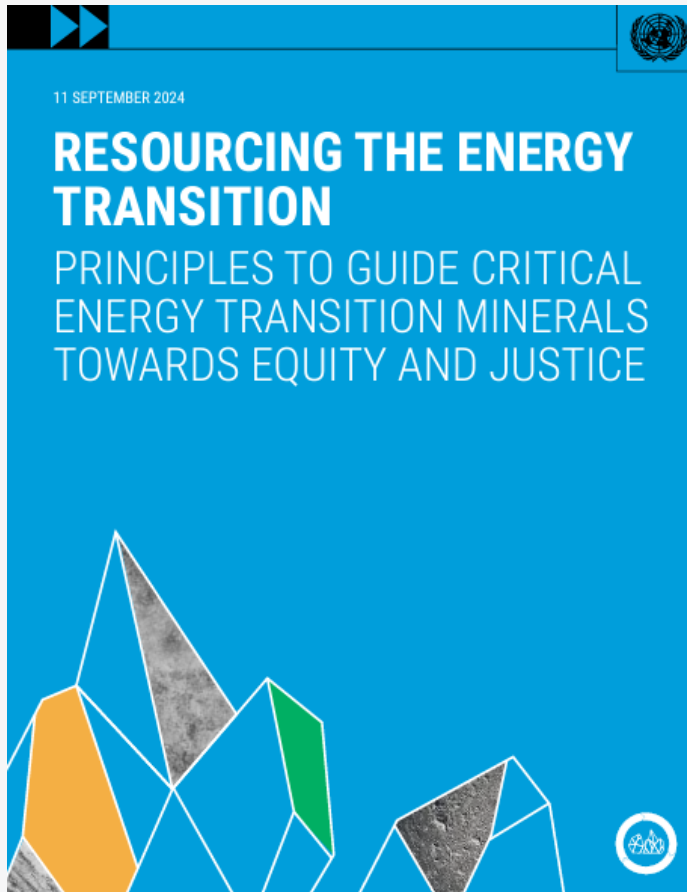
1. Develop clear, evidence-based strategy (e.g., clear objectives, specificity, feasibility, etc.)
2. Do no harm (e.g., socio-environmental impact)
3. Use policy mechanisms tailored to the strategy and focused on equitable distribution of benefits
4. Address corruption risks
5. Acquire needed support (e.g., finance, partners)
6. Ensure transparency and participation throughout the process

No need to reinvent the wheel

- **Securing more benefits will largely rely on applying good practices that already exist in some countries:**
- **E.g. on tax:**
 - **Sierra Leone has reduced the terms it negotiates**
 - **Mali has reduced its stability period**
 - **Cote d'Ivoire, Guinea and Ghana have introduced variable rate royalties**
 - **Zambia has invested in the capacity of its revenue authority**



Africa does not seek preferential treatment—but equitable engagement and fair opportunity to contribute to, and benefit from, the global transition economy. 



Key messages

- Africa's transition minerals are critical to global decarbonization and digitalization. But current dynamics risk reproducing extractive patterns of the past.
- Equity must be at the core of the global transition. Fair value-sharing, environmental protection, and local development must accompany mineral extraction.
- Countries must retain the space to define and implement their own development and industrialization strategies. At the same time, stronger regional coordination is essential to align efforts, pool resources, and enhance Africa's collective influence in global decision-making.
- Global standards on due diligence, ESG, and value chains must reflect African perspectives—and be rooted in strong governance, transparency, and anti-corruption norms.
- Ensure access to fair finance and technology. Investment and concessional finance should support value addition, environmental safeguards, and governance reforms.

Looking forward to questions or comments!