

One of the main hypotheses underlying much of the discussion about extractive industries, and a central recommendation in the *Report of the World Bank Group's Extractive Industries Review*, is that the quality of a country's governance is a key determinant of the development outcomes of extractive industry activities. While the quality of national governance is undoubtedly a key ingredient, this comparative study of mining code reform in Africa seeks to demonstrate that no amount of local governance is sufficient if it is not accompanied by legal and fiscal frameworks designed to meet development objectives, and implemented in the context of good international policies and rules.

Based on five case studies (Ghana, Guinea, Mali, Madagascar, and Tanzania), the volume suggests that the reform measures introduced largely on the recommendation of multilateral financial institutions over the last twenty years have entailed a redefinition of the role of the state so profound that it is without historical precedent. The comparative study of three generations of African mining codes concludes that past reforms have the potential to drive down standards in areas of critical importance to social and economic development, as well as to protecting the environment in the countries concerned.

The question that arises from this study is whether a country which deregulates and liberalises in order to be fully competitive in the context of evolving norms and incentives, and which respects its obligations under WTO rules, can, indeed, ensure the enforcement of environmental norms, pursue development objectives that build backward and forward linkages to resource extraction (such as value added processing of minerals), and introduce "trade balancing", involving, if necessary, export/import restrictions to increase local content and stimulate local productive activities. At best, the answer to this question appears to be uncertain, leading to the further question: *Regulating mining – for whose benefit?*

Nordiska Afrikainstitutet

DISCUSSION PAPER 26

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REGULATING MINING IN AFRICA FOR WHOSE BENEFIT?

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ISSN 1104-8417
ISBN 91-7106-527-X



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