



MADI

Minerals Africa Development
Institution

MADI AFRICA

Times

Newsletter

September - 2022 - Issue

// EDITOR'S NOTE



Dearest readers, we would like to congratulate you upon finishing the month of September. For us at MADI, this month has been one of the most fulfilling months.

MADI, was one of the few African organizations which were called upon to participate in the Science Summit at the United Nations General Assembly (UNGA77).

This placed MADI on a global platform on which to inspire many for innovative change for Africa especially among its youth. All these and much more in our newsletter.

Charlotte Kwitonda - **Editor in Chief**



EVENTS

Here's a look at some of our upcoming exciting events at Minerals Africa Development Institution (MADI):

MADI WEBINAR



The poster for the MADI Webinar Panel Discussion features a dark background with a cityscape and a large yellow diagonal stripe. The text is in white and yellow. It includes the MADI logo, the topic, date, time, and a grid of speaker portraits with their names and titles. A Zoom logo and contact information are also present.

MADI WEBINAR
PANEL DISCUSSION

Topic:
The Impact of the Russia & Ukraine War on Africa's Minerals Resources Development - Opportunities & Challenges

Date: 26th September, 2022.
Time: 2:30 pm - 4:30 pm (East African Time) GMT +3

SPEAKERS

 Dr. Frank Dixon Mugenyi Executive Chairman, MADI	 Prof. Nellie Mutemeri	 Dr. Victoria Nakule	 Mr. Chishimba G. Chitekwa
 Mr. Sam Okot	 Mr. Nerson Tjelos	 Mrs. Pauline S. Mundia	 Ms. Kabanda Leah Lopa
 Ms. Winfred Ngabirwe	 Mr. John Yohanes Mogot	 Mr. Jerry Ahadjie (AFDB)	 LIVE ON ZOOM

For more information, contact info@madi.africa

Topic - The Impact of the Russia & Ukraine war on Africa's Minerals Resources Development - Opportunities & Challenges

MADI on the 26th of September 2022 held a webinar under the theme "Impact of the Russia-Ukraine War on Africa's Mineral Resource Development". This widely attended webinar feature 3 informative sessions in which our distinguished speakers were called upon to weigh in on different related topics.

The webinar was started off by opening remarks made by our Executive Chairman, Dr. Frank Mugenyi who gave a brief background on why the Russia-Ukraine war has a critical implication on Africa's mineral resource development and how important it is for Africa to pattern

itself to make its resources work to the benefit of its people.

Thereafter, our chief moderator, Mrs Phyllis Nkhazi kickstarted the session by thanking all participants for taking the time to join in, thus ushering us into the plenary session. Overall, it was a highly informative session featuring brilliant African minds that made for an interactive and educative webinar.

Key Highlights

The price of one tonne of iron ore shot up by 100% from 3000 Ghana cedis to 7000 Ghana cedis a tonne as a result of Russian -Ukrainian war.- **Mr Jerry Ahadjie, AFDB**

"You cannot industrialize or support economies in terms of gender equality, education, decent quality education without having to manage our resources"- **Dr. Frank Mugenyi, MADI**

We need to impart minerals development in our education system" - **Okot Sam Olaa Founder, Economic Misfit**

The future is minerals because without minerals there is no technology, we will not have the green transition that we are all talking about - **John Youhanes Magog, Nile Youth Development Actions (NYDA)**

Do we share the same passion on how our natural resources are managed? There is a diversion in our vision in each country. The Africa Mining Vision is a good document but if we don't have a shared vision as Africa, our challenges will persist. - **Winfred Ngabirwe, E.D Global Rights Alert**



EVENTS

We can speak a little louder using the laws that we have to be able to make impact. **Chishimba Chilekwa**

What the Russia-Ukraine war has shown us is the importance of diversification. Africa needs to diversify in order to deal away with the resource curse. '- **Ms. Beatrice Nyabira, ISLP**

Africa coming together with more joint sustainable development efforts, digital transformations and new innovations for especially our critical minerals will lead to better opportunities - **Olusola Olaniyi**

"One of Africa's biggest challenges is creating demand for its own mineral commodities. Take for example, Electric Vehicles, most of them are usually taken to South Africa. There is not much demand anywhere else in Africa."- **Mr. Jerry Ahadjie, AFDB**

MADI AT THE UNITED NATIONS GENERAL ASSEMBLY (UNGA77)



Theme- African Leadership for African Development through Sustainable Mineral Resource Exploitation- Regulations, Innovation and Investment

On the 29th of September 2022, MADI held its Youth Session at the Science Summit of the United Nations General Assembly (UNGA77). This session was centred on **UPLIFTING YOUNG AFRICAN MINDS FOR DEVELOPMENT IN AFRICA'S MINERAL RESOURCE SECTOR.**

[Link to Video on our website:](#)

MADI- PROF. CALESTOUS JUMA ESSAY COMPETITION 2021 WINNERS

First Place



Ms. Adaji Ufedo-Ojo Eleojo

Second Place



Mr. Gideon Nwankwo

Third Place



Mr. Joshua John Inioluwa



AFRICAN YOUTH FOR DEVELOPMENT AND INDUSTRY (AY4DI)



The Stage is set for young African Leaders shaping the future of the African continent. Over 200 Delegates will grace the **2-day event in Lusaka Zambia on February 3rd and 4th**. Through facilitated discussions, knowledge exchanges, workshops and on Country learning with First Nations Elders, AY4DI will explore new models of leadership and current themes in the mineral resources industry sector faces and into the future. The program will be tailored in response to the needs of African youth and young CEOs' building companies that will be the next Top 100 countries in the continent.

One of the up-coming events is the MADI- Science Summit at the United Nations General Assembly (UNGA77) on 29 September, 2022 where we expect over 20 young leaders from 20 different African countries to share with the world on Africa's future in Science and innovation.

Each session is facilitated by a leading expert in the field, providing participants with an unparalleled opportunity to engage with and learn from today's leaders. AY4DI seeks to engage and enlighten members of this generation as they mature and become future leaders, consumers, workers and voters, what effect will our choices and decisions today have on their views and expectations of society, governments and businesses?

What enduring changes do they foresee? And what would Gen Zers do differently if they were in charge? Business leaders need to heed these insights to thrive in the world beyond 2030.

Given that this generation has grown up entirely in the internet age, it is perhaps expected that they lean so heavily on data, science and technology as the main tools for building the continents future. As MADI we want to be part of this journey and we invite you to join us as We Explore Africa's Young Leaders.

By Les Brown





DOES AFRICA'S MINERALS AND MINING INDUSTRY NEED MORE *Creativity*?

Do we as Africa need to expand our definition of what creativity is? One of the things we do at MADI media is capture visual and audio content for our relevant events and online marketing. This has given us a unique overview on some of the key elements that come together to form the minerals and mining industry, from one end of the value chain to the other.

In growing to understand some of the struggles Africa's minerals industry faces in the battle to become an equal global economic strength and observing the international markets continue to grow, but in addition become intensely more dependent on ore minerals, one thing has become evident. Amongst all the ingredients required for an economy to grow, a business to be birthed, a product to be made, or even a service to be provided one ingredient seems to be critical if not a catalyst for positive success and growth. Creativity!

Creativity: "the use of imagination or original ideas to create something; inventiveness". One of its greatest attributes of creativity is problem solving. When applied intentionally, creativity is at the heart of all great solutions, innovations and technologies. Our mining industry needs ideas tailored to the African and global narrative.

From geological equipment, mining machinery and technologies, health and safety equipment and manufacturing equipment to finished products like construction materials telecoms and tech elements, digital camera components, media equipment jewellery making to cleaner energy sources the list goes on.

All these markets are made up of individuals that had ideas that were then "created" into a business. A large majority of products and services related to the minerals sector are

businesses birthed and created outside of the continent. For example, majority of the tech we use today is based on a number of minerals from aluminium to zinc. In 2021, some 1.5 billion smartphones were sold around the world up from 122 million units in 2007. As of 2020, nearly four in five (78 percent) people own a smartphone. More than half of a mobile phone's components including its electronics, display, battery and speakers are made from mined and semi-processed materials.

With all this information, a question comes to mind. Do we as Africa need to redefine or expand our understanding of creativity? All these technologies, innovations and ideas that become products or services, from the fashion industry to automobile parts, are in their simplest form, birthed from some form of creative thinking at least. They are all just ideas, a person's vision to create a product that will add value to life or solve a problem. What are we as Africa thinking, especially when it comes to our minerals?

Are we inspiring / educating / facilitating and nurturing creative thinking enough? Or are we unknowingly suppressing Africa's greatest hope for radical innovations that could catapult us into a healthier economic and social position?

I leave our readers with this; a lack of true creative understanding and creative thinkers is more detrimental to Africa than a lack of finances or resources.

The last and most precious resource there is to be fully explored and tapped into is the deep pockets of endless possibility that lie dormant in the minds of millions of Africans.

By Frank Wesley Tumwesigye



INTERESTING READS:

MADI- PROF. CALESTOUS JUMA ESSAY COMPETITION 2021 SECOND WINNING ESSAY

We bring you the second winning essay from the recently concluded MADI-CJLF Essay Competition by Mr. Gideon Nwankwo



HARNESSING AFRICA'S MINERAL RESOURCES FOR SUSTAINABLE GROWTH AND DEVELOPMENT

INTRODUCTION

Once upon a time, the richest human being in all history lived in Africa. He went by the name Mansa Musa and he ruled over the Malian Empire in the 13th century. Mansa's wealth came from mining salt and gold deposits in the Malian kingdom. He developed ancient cities like Timbuktu and transformed the Malian empire into a sophisticated centre of attraction.

But where is that Mali today? She is standing pathetically among the least developed nations in the dark corner of global ignominy extending her arms desperately for aids from foreigners. Just like Mali, several African countries are endowed with substantial amount of mineral resources that have not translated to improved standard of living for

the larger population – a situation which conventional literatures termed “resource curse.”

This essay examines the causes of this unfortunate situation and proffers strategic solutions that will promote the exploitation of mineral resources for Africa's development and transformation.

2.0 Reasons for the poor exploitation of mineral resources for Africa's development.

Africa is home to some of the world's largest deposits of minerals. However, poverty, inequality and unemployment remain high in the continent. Some of the reasons for this unfortunate situation are highlighted below;

2.1. Absence of local processing capacity.

Africa exports most of its raw materials for processing into finished products in other parts of the world due to lack of processing capacity. For example, Africa holds 26% of the world bauxite reserves and produces 9% of world bauxite, in 2011 it only produced 4% of primary aluminium (International aluminium institute, 2011). It is more economical to process precious metals such as copper/cobalt locally because of high transport cost and the high value of the finished metals. The lack of local processing therefore potentially foregoes opportunities for job creation, revenue generation, development of skills and human capital.

2.2. Mineral resource industries are highly capital-intensive.

Mining and oil and gas production are capital-intensive ventures that have very little forward or backward linkages to other aspects of the economy and have often been grown as virtual enclaves without tangible positive impact on the economic realities of host countries other than payment of taxes and royalties. These industries neither create jobs nor contribute significantly to development of skills and human capital.

2.3. State ownership issues

The World Bank (1981) has long argued that state ownership of productive enterprises is inefficient and wasteful. Similarly, Tangri (1999)



argued that state-owned enterprises underperformed economically for several reasons including; inappropriate pricing policies, poor investment decisions, substantial overstaffing, and chronic management problems. Also, state ownership promotes corruption, enriches politicians and perpetuates poor management of mineral resources (Mbaku 1999).

2.4. Gender inequality in the extractive industry.

At the 4th World Conference on Women in Beijing in 1995, the United Nations said that; “poverty has a woman’s face and that 70% of the world’s poor are women” (Claudine and Learnado, 2012). Sadly, women account for up to 30 per cent of the global artisanal and small-scale mining workforce (Hinton et al. 2003) and up to 50 per cent in Africa (UNECA, 2002) in some cases (such as Guinea) the proportion reaches as high as 75 per cent (Hentschel et al. 2002). These gender disparities have been accentuated by the absence of strong political and economic institutions that could integrate gender dimensions into the mineral resource sector.

3.0 Strategies for harnessing mineral resources for Africa’s development.

The African mining vision says that “harnessing natural resources endowment in Africa is the key to Africa’s development.” The following steps are necessary in the exploitation of mineral resources for Africa’s development.

3.1. Promotion of local contents.

Promoting local content will stimulate broad-based economic development by encouraging economic gains from the extractive industries to trickle down to local businesses and communities. In terms of employment, it will foster local recruitment, training and career progression of the domestic workforce, gender mainstreaming, the development of local infrastructure and support the small and medium-sized service enterprises through purchase of local goods and services.

3.2. Elimination of gender inequality in the mineral sectors.

To promote gender equality in Africa’s extractive industries, there should be no discrimination between men and women in terms of workplace practices such as career advancement, remuneration, and a sense of belonging. Women should be allowed to occupy positions that enable them to be part of the decision-making body in the sector. This can encourage more women to join the sector and demystify the age-long narratives that society has about women working in a male-dominated work environment.

3.3 Adoption of minority ownership of mineral resource sectors.

Studies have shown that state-owned sectors or enterprises are less efficient economically than privately owned ones. Unlike many other mineral exporting African countries, Botswana has less than a majority share of its mineral resource sector. However, it is also unique in that it has exactly 50% ownership. By law, Botswana can demand between 15 and 25 percent of stock from mining companies, and it can purchase up to 50% (Cobbe, 1979). In fact, the parastatal De Beers Botswana Mining Company (DEBSWANA) is jointly owned by the state of Botswana and De Beers Mining Company, which is the sole diamond mining interest in the country. The state also has minority ownership of the next-largest extractive industry of copper-nickel, owning 15% of Botswana Roan Selection Trust. Other African countries need to learn from Botswana’s success.

CONCLUSION

The mineral resource sector wields great potentials for sustainable development in Africa. By following the recommendations made in this essay, we can achieve the African Union vision of “building an integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force in international arena.” The right time to change mind-set is now because African problems have African solutions. The clock is ticking!



GOLF TOURNAMENT PICTORIAL



// MINERAL COMMODITY PRICES

Source: WORLD BANK COMMODITIES PRICE DATA

Commodity	Unit	July 2022 (Price Average)	August 2022 (Price Average)
Aluminium	\$/mt	2,408	2,431
Copper	\$/mt	7,545	7,962
Iron Ore	\$/mt	108.6	108.9
Lead	\$/mt	1,985	2,073
Nickel	\$/mt	21,482	22,057
Tin	\$/mt	25,396	24,647
Zinc	\$/mt	3,105	3,588
Gold	\$/toz	1,733	1,765
Platinum	\$/toz	869	909
Silver	\$/toz	19.1	19.7

Available at <http://www.worldbank.org/commodities>





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