



The African Mining Vision: A Transformative Agenda for Development

Backgrounder¹

Overview

This backgrounder was prepared in January 2013 ahead of the South Africa Mining Indaba² and the expected participation of Minister of International Trade and Minister for the Asia-Pacific Gateway, Ed Fast. It provides a broad overview of the Africa Mining Vision (AMV), adopted by African Heads of State in 2009, and the implementation of this Vision to date. It situates this Vision within the current approach of the Canadian government towards the extractive industries, in particular in the areas of international development, and trade and investment, in terms of both policy and practice. Finally, it problematizes that approach against the AMV, but also alternative, and increasingly mainstream, thinking around the issue of resources extraction, development and poverty eradication.

The African Mining Vision: “Transparent, equitable and optimal exploitation of mineral resources to underpin broad-based sustainable growth and socio-economic development”³

The Origins of the AMV

The *African Mining Vision* (AMV) was adopted by African Heads of State and Government in February 2009. It represents a response by African Ministers to the paradox of living in a continent with huge natural resources that exist alongside pervasive poverty and disparities. It is innovative in that it goes beyond making improvements to mining regimes in countries, to establishing how mining can better and genuinely contribute to local, national and regional development. Locally, it considers how workers and communities can derive sustainable benefits from mining, while also protecting their environment. At a national level, it considers how countries can better negotiate contracts with companies to generate a fair source of revenues from resource extraction, and

¹ This backgrounder is the result of a collective effort by members of the CCIC Africa-Canada Forum and the Canadian Network on Corporate Accountability.

² <http://www.miningindaba.com/>

³ African Mining Vision, February 2009, p.v,
http://www.africanminingvision.org/amv_resources/AMV/Africa%20Mining%20Vision%20english.pdf

supports local procurement. Finally, it considers how mining can be better integrated into industrial and trade policy at a regional level.⁴

The AMV – a new approach to resource management

The AMV proposes a paradigm shift away from a model of extractive resource exploitation based on a high dependency on international export markets that has proven unable to bring socio-economic development to Africa. In doing so, it addresses the long-standing paradox of a continent endowed with abundant natural resources, but still faced with high levels of poverty and disparity among African populations. As noted by the UN Under-Secretary and Executive Secretary of UNECA, Dr. Carlos Lopez, "... the current resource-for-development model is not working to bring equity or boost development".⁵

Objectives of the AMV and preconditions for its success

Accordingly, the main objective of the AMV has been to shift from the current and dominant "resource-for-development" model, to one that could bring about a structural transformation of African economies by using mineral resources to catalyze broad-based and inclusive growth and development of Africa's resource markets, and foster economic diversification and industrialization throughout the continent. Through targeted policy reforms, the AMV seeks to address the structural flaws of a model inherited from colonial times, characterized by the "enclaved, mono sectoral nature of mining activities, the weakened institutional capacity and profoundly asymmetrical relations between the negotiating capacity of governments and companies..."⁶

Key elements needed to achieve this shared vision include the creation of linkages at the local, national, regional and continental levels; the establishment of mutually beneficial multipartite partnerships (between the state, the private sector, civil society, local communities and other stakeholders); the development of a comprehensive understanding of Africa's mineral endowment; and the strengthening of human resources and institutions to improve the governance capacities of the mining sector for a more effective deployment of resource rents.

Other objectives of the Africa Mining Vision include: transforming the enclave nature of the mining sector into something that contributes to a more diverse and industrialized African economy that is globally competitive; and diversifying Africa's finite mineral resource endowments by incorporating high value metals and lower value industrial minerals at both commercial and small-scale levels into its growth strategy.

More specifically, the AMV proposes to create development corridors across Africa to harness its resources and strengthen linkages with other economic sectors such as agriculture. The Vision also proposes making better use of infrastructure that would

⁴ The AMV was first drafted by the technical taskforce jointly established by the AU and the UNECA, with representatives from the African Mining Partnership (the intergovernmental forum of African ministers responsible for mining), the African Development Bank (AfDB), UNCTAD, and UNIDO. The AMV is on-line at http://www.africaminingvision.org/amv_resources/AMV/Africa%20Mining%20Vision%20english.pdf

⁵ Emmanuel K. Dogbevi, What Carlos Lopes said at the start of ADF VIII, ADF TODAY, 25 October, 2012

⁶ Bonnie Campbell, The role of the private sector in achieving Canada's international development interests, The Standing Committee on Foreign Affairs and International Development, 4 April, 2012

benefit different users, with a view to creating synergies between different economic sectors, including promoting local procurement by the mineral sector through the provision of locally developed goods and services, helping to catalyze the creation of small and medium-sized enterprises. The Vision also places particular emphasis on the need to integrate the informal artisanal and small-scale mining sector into the economy, and to promote the development of sustainable livelihoods for mining communities.

The AMV is seen as a driver for a fundamental and structural transformation of African economies, based on establishing and harnessing linkages between different economic sectors and regions. But it cannot occur without strong public policies, in particular industrial policies, and a strong developmental state as essential preconditions towards promoting economic diversification, the creation of decent jobs and wealth redistribution.

The AMV and Corporate Social Responsibility (CSR)

CSR policies and practices have become increasingly popular among large corporations, including mining companies, keen to demonstrate their willingness and capacity to act as good corporate citizens. But these CSR strategies have often been critiqued for blurring the lines between the state's responsibilities and the company's. According to the AMV, corporate social responsibility strategies have an important role to play in social development, but they should complement (rather than be a substitute for) the State's own responsibilities and actions to provide basic infrastructure and other public goods to its citizens, through local institutions and authorities. The AMV's notion of CSR, therefore, focuses on enhancing the capacity of states to fulfill their own development priorities and social and economic responsibilities. To achieve this, companies are also expected to contribute by fulfilling their tax obligations in a fair, transparent way and by paying equitable royalties.

The International Study Group (ISG) report, which as noted below deals with the implementation of the AMV, further recommends that countries elaborate national CSR frameworks to hold companies accountable through open and broad consultative processes. The frameworks would include the following elements: impact assessment indicators to be implemented by a wide range of stakeholders, including civil society; multi-stakeholder consultations and review of obligations and commitments; and mandatory reporting by companies. These recommendations highlight the need to acknowledge the legitimacy and rights of governments to provide services to their citizens, who in turn will be able to hold their governments accountable. It also clearly defines the role of companies in helping to realize this Vision. The ISG Report also highlights the mandate of bilateral aid agencies to contribute to medium and long term development objectives as defined and promoted by country-owned strategies (rather than donor priorities), for which governments can be held accountable to their own citizens (not just the donors).⁷

From Vision to Reality

As an immediate follow-up to the Vision, the African Union (AU) and the United Nations

⁷ See *The International Study Group Report on Africa's Mineral Regimes: Minerals and Africa's Development*, Chapter 6, "Corporate Social Initiatives", 2011, http://www.africaminingvision.org/amv_resources/AMV/ISG%20Report_eng.pdf.

Economic Commission for Africa (UNECA) issued a report in 2011 entitled, *The International Study Group (ISG) Report on Africa's Mineral Regimes: Minerals and Africa's Development*, which acts as a reference guide to policy makers on how the AMV can be implemented⁸. Based on this report, at the December 2011 Second AU Conference of Ministers Responsible for Mineral Responsible Development, the respective Ministers agreed to an Action Plan for implementing the Vision.⁹

To help implement the Mining Vision and the Action Plan, the African Mineral Development Center (AMDC) was created in 2011 as a central and strategic coordinating body to address the wide diversity of programme activities and development actors involved in the process. This includes “the need to optimise the policy space, to up-scaling geological exploration activities, improving the viability of small-scale mining, and addressing governance weaknesses that exclude the owners of mineral wealth – the people – from deriving full benefits from the sector”¹⁰.

Challenges remain

As with all things, the main challenge of the African Mining Vision lies in maintaining the momentum, determination and capacity of African governments and institutions to promote their Vision, and implement it in very concrete ways. This will require changing the rules of the game for trade and investments, and ensuring policy coherence and coordination both within and between states. This challenge is important given the difficulties that African governments have in exercising authority and decision-making power over trade and investments rules that often trump national sovereignty; and increasingly in bilateral trade and investments agreements where they lack negotiating capacity and power. This is further exacerbated by the (virtual) absence of mechanisms to hold transnational extractive companies accountable when they fail to respect local and internationally recognized human rights and environmental norms, and national laws.

Speaking at the UNECA Eighth African Forum,¹¹ Yao Graham, Executive Director of Third World Network-Africa, touched upon this issue. He expressed concerns about the capacity of African leaders to resist external pressure imposed by some donors to enforce other mining and development frameworks that sit at cross-purposes with the AMV: “For example, what are the implications of the bilateral investment treaties that African countries are signing in their search for foreign investments, for industrial policy, local enterprise development, and possibilities for mineral beneficiation? How will the Economic Partnership Agreements with the EU affect future policy space needed for the realisation of aspects of the AMV? How will the planned Africa Continental Free Trade

⁸ United Nations Economic Commission for Africa and the African Union, (November 2011) “Minerals and Africa's Development – the International Study Group Report on Africa's Mineral Regimes”. Available on-line.

http://www.africaminingvision.org/amv_resources/AMV/ISG%20Report_eng.pdf

⁹ African Union Commission, African Development Bank and United Nations Commission for Africa (December 2011) “Building a sustainable future for Africa's extractive industry : From vision to action – Action Plan for implementing the AMV”,

http://www.africaminingvision.org/amv_resources/AMV/Action%20Plan%20Final%20Version%20Jan%202012.pdf

¹⁰ African Minerals Development Center Business Plan,

<http://www.au.int/ar/sites/default/files/AMDC%20Business%20Plan%20EDITED%20Final%2017%20Sep%202012.pdf>

¹¹ http://new.uneca.org/adfviii/home_adf8.aspx

Area (CAFTA) take account of the Africa Mining Vision?”¹² These comments are equally applicable to Canada’s new interest in, and approach to, the African continent.

The Canadian Approach to Africa's Development

In recent months, the Canadian government has renewed its interest in Africa. This comes as a surprise since Africa had become less of a foreign policy priority ever since the Conservative government took power in 2006.¹³ The steady economic growth the continent has been experiencing in the last decade, driven by the ‘increased international demand and prices for its mineral and agricultural raw material exports,¹⁴ perhaps explains this new positioning by the Canadian government, in particular given the important role the government is increasingly placing on resource extraction both at home and overseas.

Canada’s renewed interest in the African continent appears motivated in part by an interest to ensure security and stability overseas, but is increasingly being linked to ensuring that such stability promotes Canada’s economic interests and the prosperity of the Canadian economy. Given that 1,293 companies, or over 75% of the world's exploration and mining companies¹⁵, are registered in Canada and traded on the Canadian stock market, and that Canadian mining assets overseas were valued at \$129 billion in 2010¹⁶ (up from \$30 billion in 2002¹⁷), extractive industries are a logical entry point for achieving this. This has resulted in the Canadian government’s strategy to negotiate trade and investment treaties with countries in Africa that are rich in natural resources, and a focus in its international development portfolio on CSR measures geared around the extractive sector.

Canadian CSR Strategy for the International Extractive Sector

In March 2009, the government launched its CSR strategy “Building the Canadian Advantage” which was meant as a response to the conclusions of the National Roundtables on Corporate Social Responsibility and the Canadian Extractive Industry in Developing Countries. The government CSR strategy is based on voluntary guidelines without a monitoring mechanism; its four pillars include host country capacity-building initiatives, promoting voluntary CSR performance guidelines, the Office of the Extractive Sector CSR Counsellor (which has no independent investigation power and cannot recommend sanction or remedy for bad corporate behaviour), and the CSR Centre of Excellence. Many civil society organizations felt this was the only viable portion of the government's CSR strategy, as it was the only space that provided for multi-stakeholder dialogue. The government failure to fund the Centre since March 2012 has led some

¹² Emmanuel K. Dogbevi, African Mining Vision not widely known Graham, ADF TODAY, 25 October, 2012

¹³ It is important to note that while Africa is less of a foreign policy priority, funding to Sub-Saharan Africa through CIDA has remained above \$2billion since 2008.

¹⁴ See Tetteh Hormeku's presentation at the 2012 Africa-Canada Forum Colloquium at http://www.youtube.com/watch?v=h_JUpf_6wpo&feature=plcp

¹⁵ Building the Canadian Advantage: A CSR Strategy for the International Extractive Sector, <http://www.international.gc.ca/trade-agreements-accords-commerciaux/ds/csr-strategy-rse-strategie.aspx?view=d>

¹⁶ Natural Resources Canada “Canada’s Mining Assets Abroad” Information Bulletin, January 2012, available on-line <http://www.nrcan.gc.ca/minerals-metals/publications-reports/4425>

¹⁷ Mining Association of Canada, Canada’s Global Presence: total Mining Assets in 2002 and 2008, available on-line: <http://www.mining.ca/site/images/WorldMap.pdf>

members of civil society, including the non-industry co-chair to the Executive Committee, to withdraw from the Centre's Executive Committee.¹⁸

This strategy ignored the Roundtables multi-stakeholder (industry, government and civil society) Advisory Committee Report's key recommendations¹⁹: the adoption of clear standards for Canadian extractive companies operating in developing countries; the establishment of an accountability mechanism that could lead to sanctions for companies which do not comply with the recommended standards; and the creation of an ombudsman who could investigate complaints and report publicly on the results. The consensus report also recommended linking the provision of government financial and political support to Canadian extractive companies to compliance with environmental and human rights standards.²⁰

New CIDA Priorities

Contrary to the Official Development Assistance Accountability Act (ODAA), which requires that poverty reduction and human rights standards be the determining factors in Canada's development assistance, Canada, through the Canadian International Development Agency (CIDA), is following in the footsteps of other bilateral donors who are using aid to promote their country's own national economic interests. Former CIDA Minister, Beverley Oda, said as much in an interview, when asked how she separates Canada's trade and foreign policy interests from Canadian development goals. Minister Oda replied, "I really don't separate them."²¹

The three pillars of the CIDA's Sustainable Economic Growth Strategy consist of Building economic foundations, Growing businesses, and Investing in people through vocational and entrepreneurial skills. Key drivers are women's economic empowerment, the Extractive Industry Transparency Initiative (EITI), partnerships with the private sector, and capacity building.

In November 2012, CIDA Minister Julian Fantino, delivered a speech to the Economic Club of Canada,²² confirming CIDA's intent to engage the Canadian private sector more actively in its Sustainable Economic Growth strategy. While envisaging a more engaged private sector as the only way to achieve the Millennium Development Goals, he also noted the huge business opportunities available to Canadian companies in developing countries (especially in the extractive sector), and that working together, the two [aid and business] could contribute to "Canada's long-term prosperity and security."

¹⁸ For a critique of this strategy, see the CNCA Briefing Note : Corporate Accountability Agenda at <http://cnca-rcrce.ca/cnca-briefing-note-the-corporate-accountability-agenda/>

¹⁹ National Roundtables Advisory Group Report at http://www.miningwatch.ca/sites/www.miningwatch.ca/files/RT_Advisory_Group_Report_0.pdf

²⁰ For critiques of the strategy see <http://cnca-rcrce.ca/category/issues/government-of-canada-csr-strategy/>

²¹ Payne, Elizabeth (January 26, 2012). Private Sector becomes key player in Canada's overseas aid. , Ottawa: The Ottawa Citizen. On-line at

<http://www.ottawacitizen.com/business/Private+sector+becomes+player+Canada+overseas/6057931/story.html>

²² CIDA (November 23, 2012). Speaking notes for the Honourable Julian Fantino Minister of International Cooperation for the Economic Club of Canada 'Reducing Poverty – Building Tomorrow's Markets'. Ottawa: Canadian International Development Agency.

CIDA has translated this focus on growth, the private sector and the extractive industries in a number of different ways.

Public Private Partnerships with the extractive sector

In September 2011, CIDA announced three pilot projects that have Canadian mining companies working in partnership with Canadian NGOs to implement projects in Peru, Ghana and Burkina Faso. The projects involve skills training, income generation and diversification programs for communities affected by, or living near, mining projects, as well as building capacity of local governments to help them provide access to education, and clean water.²³ Further announcements from CIDA of additional pilot projects are expected in 2013, along with a possible *Corporate Social Responsibility Framework for the Extractive Sector*.

The Canadian International Institute for Extractive Industries and Development

In October 2012, Minister Fantino announced the establishment of the Canadian International Institute for Extractives Industry and Development (CIIED), funded through a grant of \$25 million from CIDA. The University of British Columbia (UBC) and Simon Fraser University (SFU) will operate the Institute. In partnership with École polytechnique de Montréal, they “will offer developing countries best practice knowledge in extractive technology, public policy and regulations, and health and education outreach in order to empower industry, governments and non-governmental organizations to reduce poverty while protecting the environment.”²⁴

Extractive Industries Transparency Initiative

In Kinshasa at the 2012 Francophonie Summit, Prime Minister Harper announced a new contribution of \$10 million (2012-2016) to the World Bank for the EITI Multi-donor Trust Fund. The EITI, a multi-stakeholders initiative launched in 2001, aims at improving governance in resource-rich countries, mainly through the public reconciliation of payments by mining and resource extraction companies with revenue received by governments. Canada’s total contribution for the implementation of the EITI is \$12.65 million.²⁵ Canada has been a long-standing supporter of EITI, an important CSR initiative, even though it has not yet become an implementing country, failing to commit towards domestic transparency.

Extractive Industries Technical Advisory Facility

In 2012, Canada also announced a new contribution of \$10 million (2012-2016) to the International Extractive Industries Technical Advisory Facility (EITAF) to assist developing countries gain negotiation skills and expertise in implementing policy and regulatory frameworks to manage mining, oil and natural gas industries responsibly and transparently. EITAF’s focus on improving transparency through the sharing of information and consistent regulatory oversight should enhance the ability of local

²³ For details see, <http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/CAR-929105317-KGD>.

²⁴ UBC, SFU to further global sustainable mining practices through \$25M Institute, <http://www.sfu.ca/pamr/media-releases/2012/ubc-sfu-to-further-global-sustainable-mining-practices-through.html>

²⁵ <http://pm.gc.ca/eng/media.asp?id=5100>

communities and host governments to benefit from extractives project, and provide certainty for companies undertaking mining operations.²⁶

Support to the African Minerals Development Center

In January 2013, Prime Minister Steven Harper announced a contribution of \$15.3 million over five years to the African Minerals Development Center (AMDC) through a CIDA grant to the UN Economic Commission for Africa. As noted earlier, the AMDC is the central coordinating body of the AMV, and this contribution is a positive development in terms of supporting the implementation of the AMV. The government framed the contribution as one of several initiatives aimed at “helping resource-rich developing countries utilize the extraction of natural resources to promote and accelerate sustainable economic growth, create jobs and reduce poverty.”²⁷

Foreign Investments Promotion and Protection Agreements

Finally, Foreign Investments Promotion and Protection Agreements (FIPAs)²⁸ are key drivers of Canada's foreign policy in the extractive sector, for resources management and infrastructure. Canada has recently signed a FIPA with Benin²⁹, which is the first to enter into force in Sub-Saharan Africa. Canada has also concluded negotiations with Madagascar, Mali, Senegal and Tanzania, and is pursuing negotiations with Burkina Faso, Cameroon, Cote d'Ivoire, Ghana and Zambia. It also concluded a Trade and Investments Cooperation Agreement with South Africa.³⁰ These agreements, beyond the negotiating process, entrench disadvantageous policies and block democratic processes for policy change.³¹

Alternative and mainstream critiques of the nexus between mining and development

Since many of the above projects are in their early stages, it is difficult to know the extent to which they are in-line with the AMV – beyond the direct support Canada has given to the AMDC –and concretely contribute to its realization. As noted earlier, such measures must complement existing national development plans and efforts to strengthen the capacity of the state to fulfill its responsibilities to its citizens. Some of the above initiatives may realize that, but not when the Canadian government's priority for such investments is on promoting Canadian prosperity and Canada's commercial economic interests. This in fact sits at cross-purposes with the African Mining Vision.

While the focus of the Canadian government is on the growth, investment and development that promoting the Canadian extractive sector overseas can bring, an increasing number of mainstream players are contesting that hypothesis. In her testimony to the Standing Committee on Foreign Affairs and International Development (FAAE),

²⁶ For a critique of this new initiative, see *Assisting Developing countries, or Mining Companies?* by Karl Nerenberg at <http://rabble.ca/blogs/bloggers/karl-nerenberg/2012/10/prime-minister-africa-pittance-most-vulnerable-and-big-hug-min>

²⁷ <http://www.pm.gc.ca/eng/media.asp?id=5220>

²⁸ <http://www.international.gc.ca/trade-agreements-accords-commerciaux/agr-acc/fipa-apie/index.aspx?view=d>

²⁹ <http://pm.gc.ca/eng/media.asp?category=1&featureId=6&pageId=26&id=5222>

³⁰ <http://www.international.gc.ca/trade-agreements-accords-commerciaux/agr-acc/index.aspx?view=d>

³¹ See *Bilateral Investment Treaties: A Canadian Primer* at http://www.ccic.ca/files/en/what_we_do/trade_2010-04_investmt_treaties_primer_e.pdf.

Professor Bonnie Campbell stated “Investment in the private sector of itself does not translate into sustainable economic and social development. There is in fact no historical example anywhere on earth where sustainable growth, social and economic development, and poverty reduction took place through private investment in the absence of appropriate public policies and state interventions needed in order to plan, to regulate, and to monitor investment so that the presence of private investment would be harnessed to meet development objectives determined by the countries themselves.”³² Furthermore, many concerns have been raised with regards to negative social and environmental impacts of Canadian extractive companies’ operations in developing countries, including human rights violations.³³

What Africa’s fast-growing economies need is not so much more growth and investment – which is already happening – but much-needed jobs – which is not. The 2012 Africa Progress Panel noted this dilemma.³⁴ The World Bank’s World Development Report 2013 also focuses on jobs – which it describes as the cornerstone of development. While it acknowledges that the private sector is the driver of growth and the main engine of job creation, it also notes that growth does not always spill over into job creation. This is the case in many of the countries where CIDA is operating and would therefore suggest that CIDA should focus more on jobs than growth. In this vein, the report states, “In resource-rich countries, massive investments in extractive industries support accelerated rates of growth and connections with international markets but generate little direct (or even indirect) employment and often little poverty reduction.”³⁵ “In reality,” it notes, “micro- and small enterprises account for the bulk of employment [in developing countries], even in middle income countries.”³⁶

Furthermore, according to writer Rick Rowden³⁷, the “Africa's rise” narrative is exaggerated as it relates to a partial understanding of development, which is assessed in terms of GDP levels, enrichment of African elites and the increase in trade and foreign investments. This view completely abandons the idea of economic development as synonymous to industrialization, and the need to transform an economy based on activities like primary agriculture, mining, logging, fisheries, and move towards manufacturing and services activities.

A recent study by the North-South Institute (NSI) and the Canadian Council for

³² Driving Inclusive Economic Growth: The Role of the Private Sector in International Development, November 2012, <http://www.parl.gc.ca/HousePublications/Publication.aspx?DocId=5732913&Language=E&Mode=1&Parl=41&Ses=1>, p. 19

³³ See, for example, Keenan, Karyn, *Desperately Seeking Sanction: Canadian Extractive Companies and their Public Partners*, (May, 2012): <http://cnca-rcrc.ca/wp-content/uploads/Seeking-Sanction-Bill-C-300.pdf> at pp 4-6, and *National Roundtables on Corporate Social Responsibility (CSR) and the Canadian Extractive Industry in Developing Countries* (Advisory Group Report) (Ottawa: Foreign Affairs and International Trade Canada, 2007): http://www.miningwatch.ca/sites/www.miningwatch.ca/files/RT_Advisory_Group_Report_0.pdf , at p. 5

³⁴ Africa Progress Panel (2012), *Africa Progress Report 2012 - Jobs, Justice and Equity: Seizing opportunities in times of global change*. Available on-line at <http://www.africaprogresspanel.org/en/pressroom/press-kits/annual-report-2012/>

³⁵ World Bank (2012), World Development Report 2013: Jobs, pp. 88-89. Available on-line at http://siteresources.worldbank.org/EXTNWDR2013/Resources/8258024-1320950747192/8260293-1322665883147/WDR_2013_Report.pdf

³⁶ World Bank (2012), p.105.

³⁷ The Myth of Africa's Rise, Rick Rowden, Foreign Policy, January 4, 2013

International Co-operation (CCIC) shows that donors' growth and private sector strategies focus narrowly on making markets more equitable and creating better business environments. "Few donors focus on promoting policies that strengthen government capacity to create decent work, effectively collect taxes and deliver social services, and redistribute the benefits of growth to those who are most marginalized by the economic activities that create growth."³⁸

Civil society concerns with investment agreements include the lack of transparency, the pressure on developing countries to liberalize their economy to create a better investment climate and the lack of consideration for international human rights and environmental legal standards.³⁹

Despite the Canadian government rhetoric about accountability, many important gaps remain in the Canadian approach. Canadian companies operating internationally face few human rights and environmental requirements. The "host countries" in which these companies operate often lack the capacity or the political will to enforce environmental protections or protect the rights of workers and local Indigenous populations. Where they exist, such protections are vulnerable to the undue influence that natural resource companies often wield. With few exceptions, those who suffer corporate abuse are unable to access recourse in domestic courts or in international courts or tribunals. That leaves only one option – seeking justice in those countries where multinationals are incorporated and/or controlled (home states). However, in many home states, including Canada, foreign citizens face difficulties initiating legal claims regarding overseas transgressions.

The Canadian government relies on voluntary guides and codes of corporate conduct - mechanisms that allow potential abusers to opt out at any time, and fail to ensure that Canadian extractive companies respect environmental, labour and human rights norms when operating abroad.⁴⁰

Conclusion

Canadian civil society concerns echo Third World Network-Africa's preoccupation with the need for greater ownership of the AMV by African citizens, civil society, parliaments, local private sector, and the need for greater policy space for developmental states in Africa to regulate and monitor resource extraction for the benefit of their populations. Canada risks undermining the spirit of the AMV by focusing only on those aspects of the vision that are directly in line with Canadian foreign policy objectives - such as the promotion of Canadian mining interests, the free flow of capital, and the protection of trade and investment interests through FIPAs and FTAs. We are concerned that Canada's support for the AMV is too focused on the CSR dimensions of the agenda, and not

³⁸ Investing in the Business of Development, NSI and CCIC, http://www.ccic.ca/_files/en/what_we_do/2013-01-11_The%20Business_of_Development.pdf

³⁹ See CCIC seminar report on Investment Treaties and Extractive Industries: Implications for Human Rights and Sustainable Development http://www.ccic.ca/_files/en/what_we_do/trade_2009-08_invest_treaty_conf_report_e.pdf and Bilateral Investment Treaties: A Canadian Primer at http://www.ccic.ca/_files/en/what_we_do/trade_2010-04_investmt_treaties_primer_e.pdf.

⁴⁰ The Corporate Accountability Agenda How Canada can curb irresponsible business practices and hold companies to account, CNCA, <http://cnca-rcrce.ca/cnca-briefing-note-the-corporate-accountability-agenda/>

sufficiently supportive of efforts to build effective institutions and state capacity to deliver on its responsibilities, such as maximizing rent capture, ancillary business, and value added processing.

Recommendations

1. Canada should ensure its approach to the development of the African mining sector is aligned with the spirit of the African Mining Vision as a whole. Its support to the African Mineral Development Center should contribute to achieving key AMV objectives such as maximizing rent capture, ancillary business, and value added processing.
2. Rather than focus on the promotion of Canadian companies in the mining sector, Canada should privilege working with the UNECA in order to contribute to harnessing the potential of artisanal and small-scale mining to stimulate local/national entrepreneurship, improve livelihoods and advance integrated rural social and economic development.
3. Through Free, Prior and Informed Consent mechanisms, Canada should ensure effective participation of African communities and civil society organizations in decisions that will have a direct impact on their lives, especially where artisanal and small mining operations are already occurring.
4. Canada should ensure its trade and investments strategies and objectives do not conflict with the objectives of the African Mining Vision and efforts to implement it.
5. Canada should ensure that ODA disbursements in support of its growth and private sector strategies for development respect and comply with the Official Development Assistance Act (ODAA) which states that all aid resources should be dedicated to poverty reduction, take into account the perspectives of the poor and respect human rights.
6. Canada should establish an overall accountability framework to ensure oversight of government agencies and departments involved in promoting the role of the private sector in achieving Canada's international development interests. Clear guidelines and procedures for monitoring and evaluation should be put in place in order that government agencies and departments act responsibly and may be held accountable.
7. Canada should create an independent, effective and transparent non-judicial complaint mechanism, as recommended in the National Roundtable report (2007). This office should be mandated to make public findings of fact regarding extractive operations, to investigate complaints and assess compliance with legally-binding corporate accountability standards, and to recommend remedy and sanction by the Government of Canada. The participation of companies in such investigations should be mandatory.
8. Canada should ensure that those affected by the overseas operations of Canadian extractive companies are able to bring civil lawsuits before Canadian courts.