

# SHARING AFRICAN MINING SECTOR PROFITS IMPACT OF MINING REFORM

## EXECUTIVE SUMMARY

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PUBLISH WHAT  
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# Executive Summary

Cameroon is one of Africa's developing countries that has an interest in the extractive sector. This can be seen in the definition and implementation of its economic and development policies. That is why, in 2016, the country adopted a Mining Code, one of the so-called 4th-generation Mining Codes. The mining reform, which led to the adoption of this Code, took place in a context marked, among other things, by the expectations of neighbouring municipalities and communities in relation to the benefits of mining activity. To that end, issues related to profit sharing from

the extractive sector have been the subject of great public debate. In particular, this involves achieving a better understanding of the benefits of mining, as well as the mechanisms for their redistribution. Assessing allocation and monitoring the management of profits, where they are achieved, are also key components. It is precisely these different analyses within the context of profit sharing from the mining sector that have triggered various advocacy campaigns carried out by CSO members of the Cameroon Publish What You Pay Coalition (CCPCQVP).

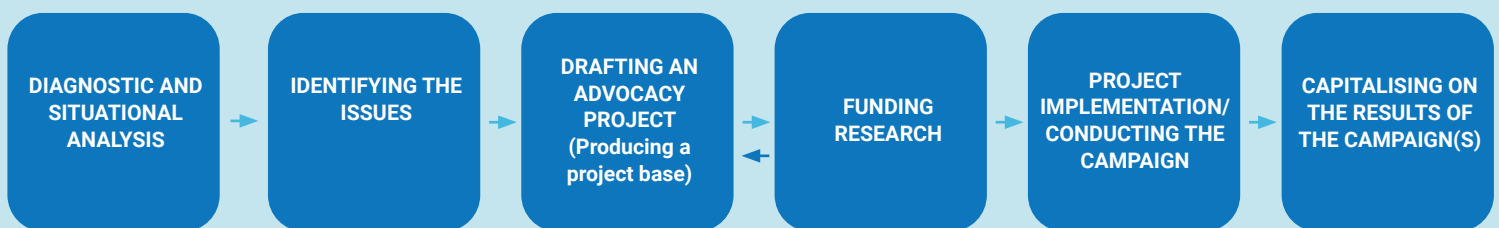


Diagram 1: process for defining campaign goals and their design

# The Campaign

CCPCQVP and its member organisations took part in monitoring profit sharing within the mining sector through advocacy campaigns carried out both before and after the mining reform took place. During the mining reform process itself, CCPCQVP and its CSO members took part in the development, and subsequent review, of draft legislation to introduce the

Mining Code. Independently of actions focussing on mining reform, it was also important to consider profit monitoring within the mining sector in terms of community-based action through the implementation of EITI-standard requirements (sub-national payments, sub-national transfers, etc.).

## Before the mining reform

- Forest and mine revenue management (RELUFA)
- Contracts disclosure (CED & RELUFA)
- Monitoring the mining reform (CED)
- Effectiveness of sub-national payments and transfers within the mining sector (RELUFA)
- Local quarry taxation (CRADEC)

## During the mining reform

- Workshop to prepare the draft legislation to introduce the Mining Code (CED, RELUFA)
- Review workshop on the draft legislation to introduce the Mining Code (CED, RELUFA, CCPCQVP, etc.)

## After the mining reform

- Monitoring the domestication of the African Vision within its mining regimen (CRADEC)
- Environmental fraud in semi-mechanised artisanal mining (DMJ)

Diagram 2: history of CCPCQVP activities on mining profit sharing in relation to mining reform

# Campaign Targets

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The methodology used was essentially the same for each of the advocacy campaigns carried out before and after the adoption of the 2016 Mining Code. This consisted of: involving key stakeholders, including parliamentarians; conducting a study; publishing the resulting report; raising awareness and communicating results; and building the capacities of key stakeholders, including the media. Depending

on individual cases (specific area of study, objectives, etc.), the campaigns also involved and/or addressed the issue of gender and ethnic minorities. This was notably the case when training women and Pygmy people on how to monitor mining projects in the north (Figuil limestone and marble mining) and south (Mbalam iron mining) of the country respectively.



**Diagram 3: modelling of complementary actions carried out during different campaigns**

# Campaign Sequencing

The advocacy campaign made a point of drawing on the contributions of various key stakeholders in different phases of the campaign.

## Phase 1. Conducting studies as a fundamental step in advocacy campaigns

As part of the studies, this phase involved the contributions of all key stakeholders, excluding the media.

## Phase 2. Capacity building and raising awareness based on the results of study

## reports

This phase involved strengthening the capacities of all key stakeholders and promoting an informed public debate based on study reports. Communication with the public was, in particular, facilitated by the active involvement of the media in various actions among civil society.

## Phase 3. Advocacy/lobbying

This phase mainly focussed on parliamentarians and the executive.



Diagram 4: main stakeholders during advocacy campaigns

# Campaign Results

Specifically, this campaign will have contributed towards:

1. **Providing decision-makers with a wealth of documentation exploring the issues and challenges specific to profit sharing within the mining sector. Below are some of the studies carried out.**
  - i. [Management of natural resource profits at local community level in Cameroon: forestry and mining licence fees in Yokadouma, Eastern Cameroon](#) (RELUFA, 2012)
  - ii. [Monitoring the local material and tax obligations of mining companies in Cameroon: case study of the Cameroon and Korea Mining Incorporation, Mobilong, Eastern Cameroon, diamond project](#) (RELUFA & CED, 2013)
  - iii. [How to improve the profitability of mining for the Cameroon economy: 14 pillars to consider in the ongoing Mining Code reform](#) (CED, 2014)
  - iv. [EITI and Mining Governance in Cameroon: rhetoric and reality. Sub-national payments and transfers in light of activity in the Figuil municipality](#) (RELUFA, 2014)
  - v. Local taxation: case study of operating gravel pits in the municipalities of the central region. Stumbling block? (CRADEC, 2015)
  - vi. [Monitoring the domestication of the African Mining Vision in Cameroon](#) (CRADEC, 2019)
  - vii. [Transparency and environmental fraud in the mining sector in Cameroon: case study of semi-mechanised artisanal mining in the East and Adamaoua](#) (DMJ, 2019).
2. **Greater appropriation by citizens and decision-makers of the issues and challenges related to profit sharing within the mining sector. The campaign will have been of particular benefit to indigenous communities, as well as those living near mining sites. Indeed, in addition to having been associated with certain activities within the advocacy campaigns, these groups of stakeholders benefited from capacity building on issues related to monitoring the legal and contractual obligations of the State, as well as companies.**
3. **Improvements to the legal framework on local materials (see Title VII, 'Local Materials' of the 2016 Mining Code) with, among other things, greater consideration of gender, an option to allocate area levies (see Article 176 (2) of the 2016 Mining Code), greater consideration of indigenous populations living near mining and quarry operations (see Title VII, Article 44... of the 2016 Mining Code), as well as greater consideration of customary law within the Mining Code.**

# Campaign lessons

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**The lessons of the campaign are certainly numerous, but some are worth specifically highlighting, including:**

1. The need to base advocacy campaigns on credible tools (reports, studies, etc.), which helps launch an informed debate
2. It is essential key stakeholders are identified who can influence the campaign one way or another
3. The media can prove powerful allies
4. The involvement of local residents living near operating sites can prove decisive



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