



**Just
Minerals
Africa**



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SOUTHERN AFRICAN DEVELOPMENT COMMUNITY: COOPERATION FOR A JUST ENERGY TRANSITION

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INTRODUCTION

The Southern African Development Community (SADC) envisions a peaceful, inclusive, and industrialised region by 2050¹. One where all citizens enjoy sustainable economic well-being, justice, and freedom. However, this vision is increasingly threatened by the growing impacts of climate change as droughts, cyclones, and floods devastate livelihoods, damage infrastructure, and disrupt markets. In this context, a just energy transition is not only urgent but essential to protect communities and promote sustainable development.² The global shift toward cleaner energy has significantly increased demand for critical energy transition minerals such as lithium, cobalt, copper, manganese, and graphite.

These minerals are found in abundance across Southern Africa. The SADC region is therefore uniquely positioned to lead a regionally integrated transformation by harnessing these resources to build cross-border value chains that support cleaner industrialisation and reliable energy systems. This policy brief, developed as part of the Just Minerals Africa Campaign led by the Publish What You Pay (PWYP) network, aims to inform and strengthen civil society advocacy at the 2025 SADC Summit in Madagascar by offering policy recommendations that promote cooperation on energy, industrial and trade policy grounded in sustainable mineral governance and a just transition.

KEY TAKEAWAYS FROM THIS BRIEF

ONE

SADC faces deep structural energy inequalities despite its vast potential. Over 100 million people in the region lack electricity, and more than 150 million rely on harmful biomass for cooking. Despite abundant renewable energy resources, coal continues to dominate the energy mix, and essential infrastructure remains underfunded. This undermines both inclusive development and the goals of a just energy transition.

TWO

National critical mineral strategies are not enough; regional coordination is essential. While countries like Zambia, Tanzania, and South Africa are advancing national plans, the region lacks harmonised frameworks, shared infrastructure, and integrated value chains. Aligning strategies with the Africa Green Minerals Strategy and leveraging tools under the AfCFTA, including its investment and trade protocols, will be key to unlocking regional industrialisation and boosting SADC's global bargaining power.

THREE

Private sector-led financing models are failing to deliver equity or scale. Blended finance has largely bypassed foundational infrastructure and underserved communities. SADC must prioritise public-led, mission-driven investment, especially in grid development, industrial capacity, and decentralised energy systems with private capital playing a complementary role.

FOUR

Outdated Bilateral Investments Treaties and fragmented trade agreements are shrinking policy space and increasing risk. Legacy BITs and FTAs often restrict governments' ability to regulate in the public interest and expose countries to investor-state disputes. A joint review of existing agreements, alignment with AfCFTA's climate and development standards, and the creation of a SADC Trade and Investment Negotiators Working Group are essential to coordinate regional positions and prevent a race to the bottom.

FIVE

Regional tools and institutions can drive a just and climate-resilient transformation. A regional Green Industrialisation Index, joint battery mineral value chain projects, and corridor-based investment planning can help align policies, accelerate regional integration, and measure progress beyond GDP. To enable this, SADC must also invest in a unified Geological Data and Investment Portal, and adopt a Just Transition Investment Code that embeds climate, labour, and community standards into all cross-border investments ensuring the transition delivers real public benefit across borders.

REGIONAL ENERGY SOVEREIGNTY IS KEY FOR A JUST TRANSITION IN SADC

SADC's current development pathways are usually framed in a developmental paradox, often described as a "chicken and egg" dilemma: should energy drive development, or must development precede and enable energy access? This question is particularly urgent given the region's persistent energy struggles. As of 2020, only 48% of the SADC population had access to electricity, with rural electrification rates in Malawi and Tanzania plunging to as low as 10%^{3,4}. Urban areas fare significantly better, with electrification exceeding 80%, yet the regional disparity remains stark. Over 100 million people remain without electricity, and more than 150 million still rely on traditional biomass such as firewood and charcoal for cooking—fuels that pose severe environmental and health risks.⁵ Beyond access issues, the region also faces a substantial electricity shortfall of over 6,000 megawatts⁶, compounded by a projected energy infrastructure financing gap of \$83 billion annually through 2027. Ironically, many SADC countries continue to allocate 2–5% of GDP to fossil fuel subsidies⁷, further diverting resources from sustainable energy investments.

The current energy mix reflects this contradiction. Coal continues to dominate, accounting for approximately 59–62% of electricity generation, followed by hydropower at 24% and renewable sources comprising around 38%⁸. Yet the region is richly endowed with renewable energy

potential. Along the Rift Valley, geothermal energy could contribute an estimated 4,000 MW, while total hydropower potential stands at 1,080 terawatt hours per year—most of it untapped. Solar is particularly promising: Southern Africa receives an average of 2,500 hours of sunshine annually, translating into a potential generation capacity of 20,000 TWh per year⁹.

SADC's goal to increase renewables to 35% by 2030 reflects growing recognition of these opportunities. The SADC Renewable Energy and Energy Efficiency Strategy and Action Plan outlines key priorities; ensuring energy security, improving affordability and accessibility, reducing reliance on imports, and fostering climate-resilient low-carbon systems. However, inefficiencies remain a critical challenge. While transmission losses average 6%, total system losses, including distribution rise to 19%—more than double the global average of 8%¹⁰.

This highlights a two-fold challenge for a just transition in the SADC region. First, the region must address the widespread lack of access to electricity, particularly in rural areas. Second, it must shift away from fossil fuels, which still dominate the region's energy supply. While this transition is complex, prioritising renewable energy¹¹ can bring major health, economic, employment and financial benefits, and crucially, it can help expand energy access across the region.



Photo credit: Patricia William Swai (PWYP Tanzania)

FINANCING TO SUPPORT ENERGY SOVEREIGNTY

There is a need to re-think how the blended finance model in SADC, which is the preferred model in most government policies, is working. Blended finance is the use of concessional public resources to mobilise private capital for development. It relies on the assumption that government investment can attract private sector investment into a specific sector. However, growing evidence shows that public financing is not leading to private investment in preferred industries as initially expected.¹² This is because private sector led financing rarely invests in the supporting infrastructure of a sector because it lacks short-term returns on investment. The focus on private sector-led development drives further inequality with investment directed to higher income groups, leaving the poorest without access to energy. This has exacerbated the 'de-risking' investment philosophy, where governments and public institutions absorb the financial risks to make projects more appealing to private investors. In practice, this shifts the cost to lower and middle

classes, who end up paying through higher taxes or public debt. As a result, while the public takes on the risk, the financial rewards are captured by private companies.

This is not to say there is no room for blended finance, but there is a need to refine it. Public finance must be mission-oriented, supported by quality private finance, focused on building the supporting infrastructure of SADC to enable more energy-sharing and coordinate regionally focused investments. An example is the recent cross-border transmission financing deal valued at \$1.1 billion between the Southern African Power Pool (SAPP), Standard Bank, and the European Investment Bank. This agreement aims to fast-track the development of the Mozambique-Malawi-Zambia transmission corridor, a key element of the African Single Electricity Market (AfSEM)¹³. This will mitigate situations such as when Tanzania could not share its excess hydropower energy with its neighbour, Zambia, because of the lack of a sufficient interconnector.¹⁴

This public investment cannot happen as SADC fiscal constraints—especially unsustainable external debt¹⁵—limit public investment. Debt cancellation, global financial reform¹⁶, and scaled-up climate finance are essential. African countries need affordable long-term finance to support both centralized and decentralized energy systems. Potential pathways include further investment in green bonds that have been used in Tanzania, South Africa, Mozambique, Namibia, Mauritius and Zambia¹⁷. Green bonds can allow for improved access to local capital markets such as sovereign wealth funds, pension funds and remittances. This must be supported with building Africa's credit rating agency¹⁸ to mitigate excessive, discriminatory, incorrect perceptions of African countries being 'high-risk' countries.

A great potential source of coordinated

foreign investment in Africa's energy is China's pledge to invest in the AUDA-NEPAD Continental Master Plan that is driving the African Single Electricity Market. It can be a form of public financing support if the Chinese investment is state-led and not directed by their burgeoning private sector-led global investment strategy.

Crucially, the investment should be directed towards community-centred grids where energy access is needed. The table below of mini-grid categories provides a firmer understanding of different types of mini-grids, such as pico-grids (0-5KW), micro-grids (5-15KW), medium mini grids (15-60KW), large mini grids (60-350KW) and PPA mini grids (350KW-10MW) that is coupled with renewable energy being cheaper than fossil fuel focused energy supply chains²⁰.

Categories	kW	Tier	Services	Peak Capacity		Duration	
				Power	Daily Capacity	Hours per day	Hours per evening
Pico-grids (DC)	0–5 kW	Tier 1	Task light and phone charging	Very low power, min. 3 watts	Min. 12 watt-hrs	Min. 4 hours	Min. 1 hour
Micro-grids (AC)	5–15 kW	Tier 2	General lighting and television and fan	Low power, min. 50 watts	Min. 200 watt-hrs	Min. 4 hours	Min. 2 hours
Medium mini-grids (AC)	15–60 kW	Tier 3	Tier 2 and low-power appliances (e.g., refrigerator, sewing machine, grinder)	Medium power, min. 200 watts	Min. 1 kW-hrs	Min. 8 hours	Min. 3 hours
Large mini-grids (AC)	60–350 kW	Tier 4	Tier 3 and medium power appliances for productive use	High power, min. 800 watts	Min. 3.4 kW-hrs	Min. 16 hours	Min. 4 hours
PPA mini-grids	350 kW – 10 MW	Tier 5	Tier 4 and any high power appliances, covers all needs	Very high power, min. 2 kW	Min. 8.2 kW-hrs	Min. 23 hours	Min. 4 hours

Source: Energy And Environment Partnership 2018

COORDINATING SADC ENERGY AND INDUSTRIAL INFRASTRUCTURE POLICY TOWARDS IMPLEMENTATION

Over the past decade, the Southern African Development Community (SADC) has built a strong industrial policy framework to support inclusive, sustainable development across the region. Anchored in the SADC Vision²¹, the policy architecture rests on three core pillars: Industrial Development and Market Integration; Infrastructure Development in Support of Regional Integration; and Social and Human Capital Development. These priorities are reinforced by the SADC Industrialization Strategy and Roadmap and its infrastructure plan, which promotes industrialisation as the driver of economic transformation, competitiveness as a continuous upgrading process at all levels, and regional integration as the spatial and political foundation for long-term prosperity. Complementing these efforts is the SADC Protocol on Energy, adopted in 1996, which seeks to foster regional cooperation for energy development. The protocol promotes the harmonisation of national energy

policies, strategies, and procedures to ensure the security, reliability and sustainability of energy supplies across SADC. It also encourages collaborative research and development, particularly in low-cost energy sources, as part of a broader commitment to energy access and innovation.

SADC's development pathway has increasingly embraced environmental sustainability, most notably through the Regional Green Economy Strategy and Action Plan for Sustainable Development, which aims to guide the region toward a low-carbon, climate-resilient, and resource-efficient future. Yet, as the global economic and technological landscape evolves, there is a pressing need to shift from policy formulation to implementation. This includes adapting existing plans to reflect new realities, such as changing energy technologies, global decarbonization trends, and domestic industrial capacities.



In this context, a Green Industrialization Index²² could be a transformative tool. Designed to measure and benchmark how countries, industries, or policies perform in advancing green manufacturing and sustainable industrial development, such an index would evaluate key areas like the production of green goods, support for green industry inputs, expansion of green employment, and progress in decarbonising traditional sectors. Importantly, while it uses familiar industrial policy tools—like subsidies, public procurement, and infrastructure investment—it applies a “green filter,” encouraging feasible, affordable investments that align with environmental goals without demanding exclusive focus on green sectors.

Beyond measurement, the index can also serve as a yardstick for accountability, tracking each country’s progress in decarbonising their energy systems, scaling renewable energy investments, and improving integration within the region’s green industrial value chains. It would offer comparative insights that encourage peer learning, inform policy adjustments, and reinforce collective momentum toward a greener SADC. In essence, the Green Industrialization Index could operationalise the region’s policy commitments, ensure harmonised progress, and position SADC as a continental leader in sustainable industrial transformation.

SADC LEVERAGING THE AFRICA GREEN MINERALS STRATEGY

SADC stands at a strategic juncture in its pursuit of green industrialisation, and the Africa Green Minerals Strategy (AGMS)²³ offers a vital framework to guide the region’s transition. The AGMS envisions the harnessing of green mineral value chains for equitable industrialization and electrification, aiming to power green technologies and deliver sustainable development that enhances the quality of life across the continent. At its core, the strategy is

structured around four pillars: advancing mineral development, developing people and technological capabilities, building strategic value chains, and promoting responsible mineral stewardship. These pillars align closely with the economic aspirations of SADC, particularly as the region seeks to add value to its vast mineral resources and position itself competitively in the global clean energy economy.



Despite notable progress, such as the development of national critical minerals strategies by Zambia²⁴, South Africa²⁵, and Tanzania²⁶, a clear gap remains in coordinated regional implementation. While these countries increasingly speak the same policy language—identifying overlapping priority minerals like lithium, cobalt, rare earth elements, and graphite—there is still limited evidence of joint planning, synchronised industrial development, or harmonised investment frameworks. Zambia’s strategy (2024–2028), for instance, prioritises value addition and regional partnerships like the DRC-Zambia electric vehicle (EV) battery corridor. South Africa emphasises beneficiation and industrial transformation, while Tanzania integrates climate action and legal reforms into its approach. Greater synergy is required to transform these national strategies into a coherent regional value chain system.

SADC has the potential to lead in the development of high-impact value chains, particularly in nickel-chromium processing and green steel production. These sectors

are foundational to the energy transition, feeding directly into transmission grids, conductors, transformers, and other energy infrastructure critical to decarbonising electricity systems. Coordinated development lattices—grids of interconnected industrial and mineral activities—can ensure that the benefits of mineral wealth are equitably distributed and that economic linkages extend across borders. Additionally, the alignment of national strategies with continental initiatives like the Africa Mining Vision (AMV) and the African Continental Free Trade Area (more details below) enhances the potential for intra-African trade, industrial growth, and resilience against external market shocks.

To maximise impact, SADC must move beyond policy alignment toward integrated implementation. This includes developing regional standards, infrastructure corridors, joint investment platforms, and data-sharing mechanisms. Doing so will not only elevate SADC’s role in global critical mineral supply chains but also reinforce its commitment to a just and climate-resilient industrial future.

Table 1: Critical Minerals Policies Alignment with Africa/SADC Policies

Country	Africa/SADC Reference	AMV Reference	AfCFTA Reference	Regional Value Chains
Zambia	Yes	Yes	Not directly	Yes (Zambia-DRC EV)
Tanzania	Yes	Not directly	Not directly	Yes
South Africa	Yes	Yes	Yes	Yes

Source: Table Produced by Authors

Table 2: Critical Minerals National Strategy Comparison

Dimension	South Africa	Tanzania	Zambia
Policy Document	Critical Minerals and Metals Strategy – South Africa	Tanzania Critical and Strategic Minerals Strategy	National Critical Minerals Strategy 2024–2028
Publishing Ministry	Ministry of Mineral and Petroleum Resources	Ministry of Minerals	Ministry of Mines and Minerals Development
Strategy Timeframe	Not explicitly dated	2025 (no end date, but strategy review every 3 years)	2024–2028
Identified Critical Energy	Transition Minerals Manganese, PGMs, Vanadium, REEs, Lithium,	43 minerals including Lithium, Graphite, Cobalt, Titanium, REEs	Copper, Cobalt, Lithium, Graphite, REEs, Manganese, Sugilite, Uranium
Strategic Goals	Promote inclusive growth, industrial development, job creation, economic transformation	Support sustainable, resilient and inclusive economic growth; secure supply chains	Transform mining sector for economic growth and industrialisation
Core Pillars/ Focus Areas	6 Pillars: Geoscience, Value Addition, R&D, Infrastructure, Finance, Regulatory Harmonisation	5 Focus Areas: R&D & Exploration, Value Addition, Workforce, Climate Action, Legal Framework	4 Strategic Objectives: Mapping, Partnerships, Beneficiation, R&D
Value Addition Focus	Strong focus; mentions 2.3 million jobs & 12% GDP growth potential from beneficiation	Central pillar, aims to establish local & global supply chains	Core objective: increase value addition and promote local content
Exploration and Mapping	High priority, including mapping of geological formations	Strong focus on using advanced analytics, GIS and modelling	Prioritised with clear geographic and geological targets
Environmental Sustainability	Addressed via ESG and circular economy section	Strong emphasis on climate action and sustainable mining	Embedded in strategic goals and policy alignment
Regional Integration	Explicitly promoted as a strategic direction	Highlighted through regional and global cooperation	Mentioned, especially DRC-Zambia EV value chain partnership
International Partnerships	Emphasised for downstream processing and global partnerships	Key emphasis on global partnerships and supply chain resilience	Stressed through bilateral and multilateral engagement

Source: Table Produced by Authors

SADC AS A CATALYST FOR TRADE, FINANCIAL AND FISCAL INTEGRATION IN THE TRANSITION

The SADC is one of the African regional economic communities upon which [African Continental Free Trade Area \(AfCFTA\)](#) is built and which serves as a building bloc for boosting regional trade and integration in the transition and promoting industrial development through diversification and regional value chain development²⁷.

SADC trade is already guided by the [Protocol on Trade](#), [Protocol on Trade in Services](#) and other instruments that underpin the region's economic cooperation. While strides have been made in regional integration efforts, the creation of a regional value chain for transitional minerals is lagging. All SADC countries with significant critical raw materials; Zimbabwe (lithium), Zambia (copper), South Africa (manganese, platinum group of metals and chromium), and the Democratic Republic of the Congo (cobalt, copper), Mozambique (graphite), and Tanzania with (nickel and rare earth elements) export raw materials out of the region with limited refining or smelting, and import finished products. While some countries like Zimbabwe are banning export on unprocessed minerals to compel local value creation, such policies may not bring the desired outcomes without the necessary investment in energy, specialised skills, research and development, which are indispensable components for mineral value addition.

Again, SADC's Industrialisation Strategy and Roadmap, already recognised the urgent need for the regional body to champion economic transformation and industrialisation by leveraging the region's diverse resources for sustainable economic and social development, including through beneficiation and value addition. Ten years later, the region is yet to create significant regional value chain linkages for critical minerals.

However, the AfCFTA, with its Protocols on Trade in Goods, [Protocol on Investment](#) and Protocol on Trade in Services, offers strategic tools to catalyse regional efforts for cooperation.

SADC countries with significant reserves ought to form the backbone of energy technologies by manufacturing finished products that feed into electric vehicles, solar panels and other products by leveraging each other's comparative and competitive advantages. The region already has well-established trade corridors such as [North-South Corridor](#) which extends from the port of Durban in South Africa to Kasumbalesa in Zambia via Beitbridge border post and Chirundu One Stop Border Post (OSBP) in Zimbabwe connecting mineral rich regions and can anchor cross-border industrial development and pool infrastructure and fiscal resources.

SADC must take advantage of AfCFTA Protocol on Investment, article 6, which allows for joint investment promotion to facilitate regional value chain creation across countries in the same corridor. Further, with mature customs and trade facilitation frameworks, SADC provides a functional institutional base to advance AfCFTA implementation in areas such as rules of origin, transit regimes, and cross-border digital trade. Notably, SADC's model for [electronic certificate of origin systems](#), piloted between Eswatini, Botswana, and South Africa, is being studied as a template for AfCFTA-wide digital customs harmonisation.

However, disparities in customs revenue dependence (e.g., Lesotho and Eswatini's heavy reliance on Southern African Customs Union transfers) and uneven industrial capacity across member states pose fiscal risks that must be mitigated through deeper policy alignment. This makes SADC critical for coordinating fiscal compensation mechanisms, common industrial policies, and coherent regional infrastructure financing models to avoid fragmentation under AfCFTA. However, this requires reconciling national sovereignty with regional justice, transforming resource abundance into regional industrialisation, fiscal integration, and social equity. It

also means managing existing bilateral investment treaties (BITs) and fostering greater coordination in trade and investment negotiations.

Further, SADC countries ought to take advantage of the establishment of the [African Tax Administration Forum](#) (ATAF) to harmonise and effectively integrate the regional mining fiscal regime. Currently, ATAF is actively supporting fiscal transparency and fiscal integration initiatives through a range of policy, capacity-building and technical support to different African countries. While ATAF operates across Africa, it has also worked closely with several SADC member states on transfer pricing audits, tackling illicit financial flows, and tax avoidance. SADC should therefore proactively engage with the Forum for it to provide guidance on how SADC member states can align their tax systems with AfCFTA protocols, particularly regarding rules of origin, customs valuation, VAT harmonisation, and cross-border tax dispute resolution. The forum could also provide a platform not only for regional coordination of tax incentives, but also for ensuring that member states do not undercut one another in attracting investment in critical minerals. This is vital for fiscal policy coherence in shared corridors and value chains.





PROTECTING POLICY SPACE FROM UNBALANCED FTAS AND BITS

While mineral-rich countries rush to attract investment, there is a growing risk of policy space erosion through older Bilateral Investment Treaties (BITs) and unbalanced Free Trade Agreements (FTAs). Many SADC countries still operate under legacy BITs with broad investor rights and limited environmental or labour obligations. These BITs were also signed at a time when developing countries were desperate for investment, and they contain provisions allowing investors to bring disputes to international arbitration centres outside the continent. As a result, they limit the policy space of African countries, including in the SADC region, to regulate their internal affairs. Based on experience with ISDS, SADC member states (e.g. Lesotho, Namibia, South Africa and Zimbabwe), have raised serious concerns about the settlement of investor-state disputes by international arbitration. These concerns include inter alia, lack of legitimacy and transparency, huge costs of arbitration and arbitral awards, inconsistent

and erroneous decisions, and forum shopping.

Further, Tanzania's review of its mining laws in 2017 led to [disputes with foreign investors under pre-existing BITs](#), revealing the risks of limited flexibility in resource governance. Mozambique, for example, faced a [\\$2 billion arbitration threat by international investors](#) during its hidden debt crisis, underscoring the risks of investor-state dispute settlement (ISDS) clauses.

Moreover, recent trade agreements like the EU–SADC Economic Partnership Agreement (EPA), signed by only a subset of SADC countries, create asymmetries in external market access and tariff liberalisation schedules. These fragmented arrangements risk undermining AfCFTA objectives and weakening Africa's collective negotiating position.

Articles 25 and 26 of AfCFTA's Protocol on Investment address these concerns by embedding labour, environmental, and climate safeguards into regional investment policy. SADC must ensure that its Member States align their national legislation and regional MOUs with these standards to prevent a race to the bottom and ensure CRM extraction contributes to sustainable development. Crucially, Article 26's climate provision could be used to establish low-carbon special economic zones (SEZs) for green mining and battery assembly, offering tax and regulatory incentives tied to emission reduction commitments. To safeguard policy sovereignty, SADC must prioritise the SADC regional investment protocol coherence, coordinated BIT renegotiation, and transparent screening of new FTAs, aligned with AfCFTA.

Beyond the AfCFTA, the [SADC Model BIT](#) developed in 2012 provides progressive provisions to guide member states in negotiating investment treaties that balance investor protection with state regulatory space. The SADC Model BIT emphasizes limiting investor-state dispute settlement (ISDS) abuse, affirming states' right to regulate in the public interest, incorporating sustainable development clauses such

as protection of the environment, labour and minimum standards for protection of human rights²⁸, as well as transparency in information²⁹, right of the states to regulate³⁰. However, many states are yet to review their investment legislation and incorporate guidance from the SADC Model BIT.

The South African experience in unilaterally terminating several BITs with EU countries (e.g., Germany, Netherlands) after the [2009 Piero Foresti case](#), where mining investors challenged Black Economic Empowerment policies, is worth noting. The country replaced BITs with the Protection of Investment Act (2015), which shifts the dispute resolution mechanism away from international investor-state dispute settlement (ISDS) courts and instead guarantees domestic courts as the primary forum for resolving disputes. This approach reinforces the government's sovereignty by upholding the right to regulate for legitimate public purposes, and ensuring equal protection to domestic and foreign investors. Several other SADC countries could review their existing BITs and ensure they embed such clauses that include the right to pursue domestic industrial policy objectives without fear of international litigation.





Photo credit: Rui Mate (PWYP Mozambique)

STRENGTHENING INTER-STATE COORDINATION IN TRADE AND INVESTMENT NEGOTIATIONS

SADC countries find themselves structurally disempowered, politically fragmented, and economically exposed. Despite abundant resource endowments, the region remains reactive to external investment pressures and green growth narratives with piecemeal, uncoordinated national strategies. The most glaring challenge is inter-state disunity. While the rhetoric of regional integration is strong, the reality is that SADC member states often act in competition, not in coordination. For example, lithium in Zimbabwe, cobalt in DRC and nickel in Botswana are all critical for the transition, but all are being developed in isolation, often through separate Chinese or Western partnerships with no regional oversight or benefit-sharing mechanisms. This fragmented approach fuels a race to the bottom, where each state lowers fiscal terms or regulatory safeguards to attract investors, weakening long-term leverage and policy sovereignty.

In practice, instead of negotiating collectively, SADC states routinely sign

unbalanced bilateral trade and investment agreements (BITs, FTAs) that entrench investor protections and erode the space for progressive industrial or environmental regulation. The EU–SADC Economic Partnership Agreement is an example. The consequence is that these agreements lock countries into binding ISDS mechanisms, prevent them from revising local content or beneficiation policies, and expose governments to billion-dollar lawsuits. As noted, South Africa had to terminate outdated BITs after being sued for its Black Economic Empowerment policies, yet other SADC countries continue signing similar deals, often under opaque conditions and donor influence.

While the Southern African Customs Union has had joint trade negotiations, these have not been extended to critical minerals or just transition technologies, leaving countries exposed to bilateral pressure from external actors.

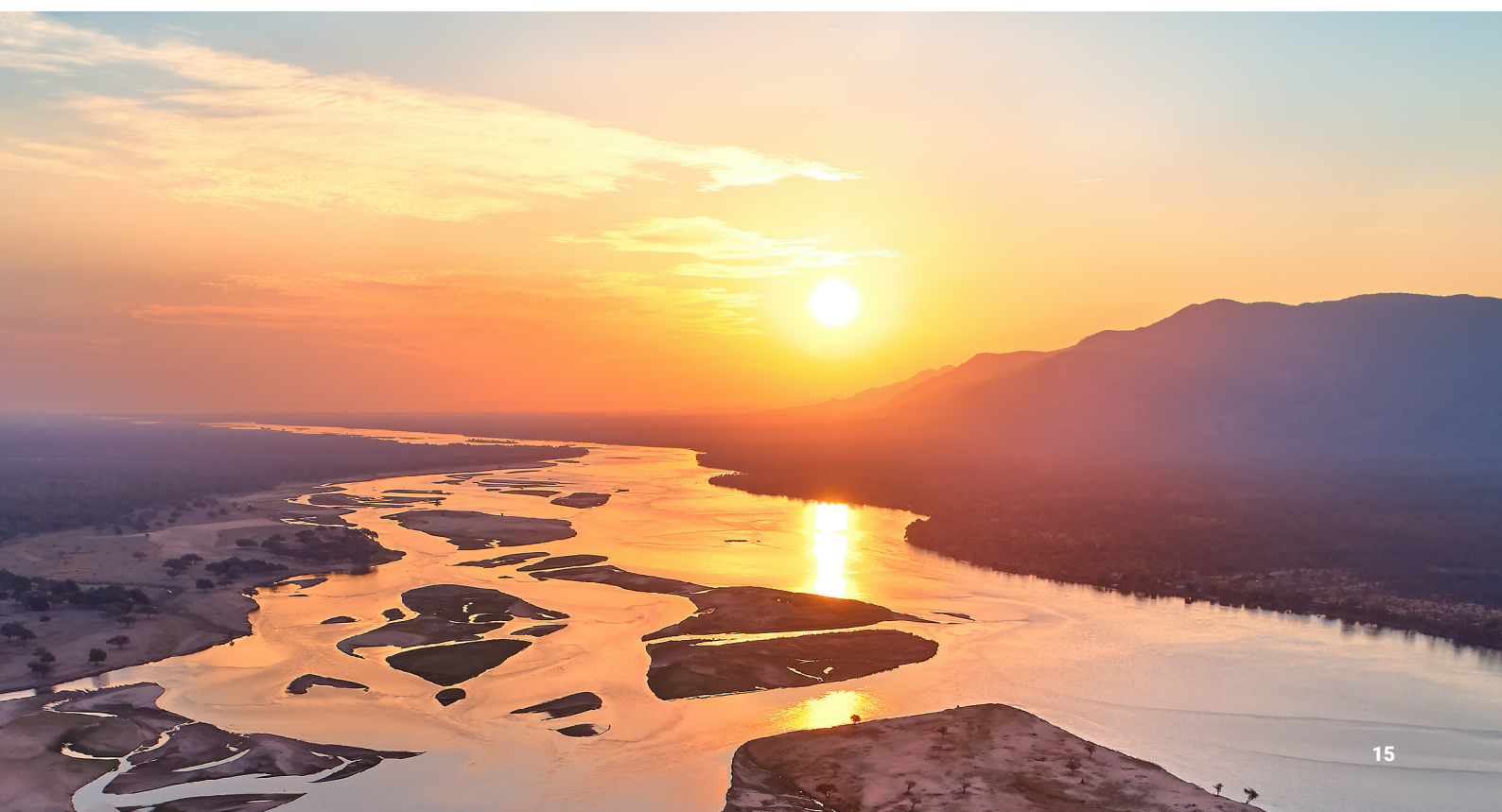
The SADC region can draw lessons from the European Union (EU). The EU implemented a [regional foreign investment screening mechanism](#) to coordinate responses to strategic investments (particularly from China) in critical infrastructure and technologies. A SADC-wide investment review body could be modelled to assess impacts on regional value chains, the environment, and strategic autonomy. Similarly, SADC could introduce regionally binding investment screening and benefit-sharing standards, especially for critical mineral investments

Effective AfCFTA implementation hinges on negotiating capacity and coordination, yet SADC countries often face institutional gaps. For example, divergent stances on rules of origin during the initial AfCFTA negotiations reflected limited coordination between SADC's technical working groups and AfCFTA organs.

The successful rollout of a regional battery value chain requires unprecedented levels of regional coordination. For example, despite the shared mineral geography of Zambia and the DRC, differences in export and

licensing regimes continue to deter joint smelting and refining investments. AfCFTA's Protocol on Trade in Services offers a solution by liberalising cross-border labour mobility and technical services, crucial for skills transfer in mining, metallurgy, and logistics. State Parties could prioritise mining-related services, including geological consultancy, environmental auditing, and engineering services, during AfCFTA Phase II liberalisation. Moreover, corridor-based trade facilitation, endorsed by AfCFTA leaders, can resolve border inefficiencies. The North-South and Walvis Bay corridors could serve as arteries for the movement of critical raw materials, with a focus on logistics reform and digital border management.

SADC's role must be to coordinate national efforts, provide technical assistance for customs alignment, and ensure the removal of Non-Tariff Barriers (NTBs) affecting mineral transport and trade. As per Annexe 5 of the AfCFTA Protocol on Trade in Goods, SADC states should establish focal points to report and resolve minerals-related NTBs that limit the development of battery value chains.





ACCELERATING THE CONSOLIDATION OF THE AfCFTA PROCESS

The acceleration of the AfCFTA is crucial for SADC member states to enhance their regional competitiveness, unlock intra-African trade potential, and leverage collective bargaining power in the global economy. While AfCFTA is one of the most ambitious integration projects in the world, its consolidation remains uneven, and SADC has a critical role to play in fast-tracking its implementation. SADC can do this by aligning regional trade and industrial policies with AfCFTA commitments. In particular, SADC can harmonise the SADC Trade Protocol with AfCFTA tariff schedules and rules of origin and update SADC

Industrialization Strategy (2015–2063) to reflect AfCFTA value chain opportunities. For example, South Africa and Namibia have begun aligning their automotive strategies with AfCFTA objectives, but broader alignment and coordination is still needed in many SADC countries across green minerals and other commodity value chains

Signing the [Common Governance Framework](#), called the “DRC – Zambia Battery Council”, is a promising starting point. SADC could scale this into a regional strategy for electric mobility under AfCFTA.

CONCLUSION AND RECOMMENDATIONS

In conclusion, achieving a just energy transition in SADC is both a developmental necessity and a strategic opportunity to reshape the region's future to centre on inclusion, sustainability, and climate resilience. A genuinely just transition must address the dual imperative of expanding energy access—particularly for rural and underserved communities—while shifting away from fossil fuel dependence. This transformation must deliver tangible social, economic, and environmental benefits that are equitably distributed across all member states. Realising this vision requires bold public-led investments, the implementation of accountability tools like the Green Industrialization Index, harmonised critical minerals strategies, and access to long-term, concessional climate finance. Crucially, SADC countries must act in concert—regional coordination is not merely a technical goal but a political necessity. Without unity, national interests will continue to fragment efforts, perpetuating a cycle of extraction without transformation. If the region fails to work together, it risks remaining a supplier of raw materials and a passive recipient of external agendas, rather than becoming the architect of its own green and just future. To break this cycle and fully seize the moment, we propose the following key recommendations.

1, Prioritise Public-led investment in backbone energy infrastructure to support a just transition.

SADC should reduce reliance on private sector-led financing, which often bypasses critical foundational infrastructure and marginalises low-income communities. Instead, governments must lead investment in grid infrastructure, regional interconnectors, and community mini-grids. Blended finance—with targeted public capital unlocking private co-investment—should focus on long-term development, not short-term returns.

2. Operationalise a Green Industrialization Index to drive accountability.

SADC should adopt a Green Industrialization Index to benchmark progress in decarbonization, green manufacturing, renewable energy integration, and regional value chain development. The index would serve as both a measurement and accountability tool, helping policymakers identify gaps, align strategies, and promote peer learning across the region.

3. Deepen regional coordination of critical mineral strategies.

To unlock the full potential of the Africa Green Minerals Strategy (AGMS), SADC must go beyond policy alignment toward joint planning and implementation. This includes harmonising regulatory frameworks, developing shared infrastructure, and coordinating value chains, especially in key sectors like green steel, nickel-chromium, and EV batteries.

4. Expand access to affordable, long-term climate finance

Achieving energy sovereignty and green industrialization requires scaled-up, concessional finance. SADC member states should advocate for debt cancellation, the establishment of an African credit rating agency, and wider access to tools like green bonds, sovereign wealth funds, and remittances. Partnerships—such as China’s investment in the AUDA-NEPAD master plan—should prioritise community energy access and state-led development goals.

5. Audit and reform Bilateral Investment Treaties and Free Trade Agreements.

Undertake a collective review of existing bilateral agreements to safeguard policy space, and ensure compatibility of BITs with national industrial development goals.

6. Establish a SADC trade and investment negotiators working group for strategic coordination.

SADC Member States should institutionalise a permanent trade and investment working group composed of senior negotiators, legal experts, and industrial policy officials across member states. Such a working group would coordinate collective positions in trade and investment negotiations with third parties (e.g., EU, China, US, Gulf States), and avoid a race to the bottom by undercutting and fragmentation. It would also serve as a forum for peer learning, technical support, and scenario planning, enabling SADC countries to reinforce each other’s positions in Free Trade Agreement (FTA), Bilateral Investment Treaty (BIT), and Memorandum of Understanding (MoU) negotiations.

7. Develop a SADC–AfCFTA trade integration acceleration plan with targeted value chain priorities .

To fast-track practical implementation of the AfCFTA, SADC should craft a Trade Integration Acceleration Plan (TIAP) that identifies sector-specific priorities for value chain development, such as electric mobility, battery precursors, fertilisers, and green steel. This TIAP should also set regional targets for cross-border investments, local content requirements, and public procurement alignment.

8. Establish a Unified SADC geological data and investment portal.

Harmonise and digitise geological data to attract sustainable mining investment to enable transparent value chain planning, in line with AfCFTA Article 6.

9. Develop a just transition investment code for the region

Integrate FPIC, climate, labour, and community development standards into regional investment guidelines to ensure that critical raw materials industrialisation contributes to inclusive and equitable development across borders.

10. Launch a SADC joint regional battery minerals value chain project

Coordinate joint investment promotion, aligned regulatory frameworks, and infrastructure projects linking DRC, Zambia, Zimbabwe, and South Africa, with support from AfCFTA Protocols on Investment and Services.

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JUST MINERALS AFRICA WORKING GROUP

A Pan-African Civil Society Platform for a Just Transition

The Just Minerals Africa (JMA) Working Group is a growing regional platform uniting over 100 members across 20+ African countries to ensure that the extraction and use of transition minerals upholds human rights, protects the environment, and benefits local communities. Convened by the Publish What You Pay (PWYP) network, the JMA campaign advocates for strategic, responsible, and sustainable governance of Africa's transition minerals to unlock the continent's development, energy sovereignty, and prosperity.

Our collective mission is to:

- Elevate Africa's transition minerals for Africa's development on the continent's political agenda.
- Promote and influence laws, policies, and practices that protect communities and ecosystems.
- Insert justice-centered standards into bilateral and regional deals and partnerships on transition minerals.

The Working Group provides:

- A trusted space for information-sharing and collaboration across national and regional civil society.
- Joint advocacy and engagement at key continental and global events and forums
- A platform to amplify shared demands and narratives rooted in justice, sustainability, and African sovereignty.
- Opportunities for joint research, capacity-building, and sustained influence on governance frameworks.

Members bring together deep expertise from sectors including natural resource governance, climate justice, human rights, research, media, and grassroots advocacy.

We welcome new collaborators and allies.

Contact: Ouleymatou Ngom | ongom@pwyp.org



**Just
Minerals
Africa**