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SEMINAR REPORT

The Role of Resources in Africa's future:

Towards a vision for the governance of Africa's natural resources

Golf Course Hotel, Kampala, Uganda on 13 March 2012

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1. Concept Note

How do we ensure that Africans benefit maximally, equitably and sustainably from the continent's natural resource riches? This is not a new question. Questions about wise and accountable stewardship of earth's

resources have long preoccupied both decision-makers and ordinary citizens the world over. Too often we stand accused by history. Today, and as pressures on limited resources – both non-renewable and renewable – intensify, we stand even to be accused by future generations. In debating causes and solutions for these global challenges, Africa is often relegated to the position of subject for outside study and scrutiny; an easy target to which to apply phrases like “resource curse” or “paradox of plenty”. This seminar attempted to move beyond hackneyed and deterministic catch phrases. It did not deny the challenges faced by the continent, but urged Africans to think also of potential and opportunity, and importantly about ways to overcome challenges and to turn potential into reality.

SAIIA, ACODE and our partners in the Governance of Africa’s Resources Research Network (GARN) are particularly concerned with the role of governance in answering the question posed at the outset. It is to this end that the South African Institute of International Affairs (SAIIA) and Advocates Coalition on Development and Environment (ACODE) convened selected delegates from Uganda and other resource-rich African states for a one-day seminar entitled, ‘The Role of Resources in Africa’s Future: Towards a vision for the Governance of Africa’s Natural Resources’. The seminar was held in Kampala, Uganda on 13 March 2012 and brought together 44 delegates –29 local, 14 African and one international – from policy research institutes, civil society, academia and the media. A list of delegates is attached as Annex A. The proceedings for the seminar follow below. These fed into a one-day closed GARN workshop on 14 March 2012 entitled ‘Towards a research agenda for the governance of Africa’s natural resources’.

Feedback from delegates indicated that the seminar was well organised. Speakers were knowledgeable and presentations relevant and topical. Interesting lessons were drawn across countries and sectors. Discussions were lively. It would, however, have been good to have more time to go into greater depth on the many issues raised. This could be facilitated by strict time-keeping as well as the allocation of more time (e.g. a 2-day event).

2. Opening remarks:

Godber Tumushabe (Advocates Coalition for Development and Environment - ACODE, Uganda)

In his welcoming remarks, Executive Director of ACODE Godber Tumushabe said that a meeting of this nature is central to Africa’s development. Natural resources, like minerals, have the potential to contribute significantly to wealth generation and poverty alleviation on the continent, but only if governed well. Researchers need to define the agenda by framing a forward-looking approach to mineral resource research. In doing this, the primary aim should always be to influence policy and governance. The speaker lamented widespread corruption giving the example of the forestry sector in Uganda and the limitations on access to information by affected communities. He urged delegates to come up with mechanisms that could be used to address these and other issues in the resource industries. Finally he identified conflict as one of the most urgent challenges facing natural resources, urging researchers to make it their responsibility to promote sustainability while ensuring that resource extraction does not fuel conflict.

Mari-Lise du Preez (South African Institute of International Affairs - SAIIA, South Africa)

Mari-Lise du Preez briefly introduced the South African Institute of International Affairs (SAIIA), and the governance of Africa's Resources Programme (GARP) as one of the programmes within the Institute. She explained that both SAIIA and ACODE are members of the Governance of Africa's Resources Research Network (GARN), as are the other African speakers on the programme. She used the energy sector as an example of how the world is changing and illustrated this with the help of a series of world maps. Firstly, a map of global gas and coal exports is set to change with recent discoveries in Mozambique, Botswana and off the coast of Namibia. In the same way, a map of oil exports would soon also need to include countries like Ghana and host-country Uganda. Most of these energy resources are exported to the so-called "North" and increasingly to emerging power-houses like China and India. Even as Africa is rising as an exporter of energy to the rest of the world, most of its own population still relies on biomass for energy. This is one of the main drivers of high rates of deforestation on the continent. She asked, "So what is Africa saying about all of this?" If the number of published scientific journal articles are anything to go by, then compared to the rest of the world, the answer seems to be "not much". For this reason, a meeting of African minds and voices is crucial.

3. Keynote address

Peter Veit (World Resources Institute - WRI, United States of America)

Peter Veit began by introducing the WRI as a global environmental think tank that works in close collaboration with various African organisations in the resource sector. He argued the case for partnering with international organisations by saying that the organisations that work on natural resource issues have three roles to play in society: shaping international discourse on minerals governance; identifying best practices for domestic actions and establishing global public policy or international norms. The presentation looked at the concept of Environmental Governance: how its meaning has been lost and how the WRI has redefined it as pertaining to the distribution, exercise and accountability or limits of power over matters affecting the environment. Focussing on the principle of distribution of power or decentralisation, the following questions were raised: How do you divide power between private and public institutions? How is power exercised?

He also highlighted that access to information is especially lacking in Africa. He spoke a joint project between the WRI and African organisations that analyses petroleum legislation in different countries with the aim of identifying what the shortcomings are. By way of example, he pointed to Liberia, who has enacted legislation that provides for access to information but in practice the public can only access oil companies' environmental impact assessments (EIAs). The preliminary findings of this collaborative project are that there are major gaps in those legislative frameworks that have already been analysed. The Extractive Industries Transparency Initiative (EITI) was briefly highlighted as an initiative that is slowly becoming an international norm, which could perhaps in years to come achieve the status of international law. In support of this, some African countries e.g. Liberia, have even enacted the EITI in national law, which the speaker said is a step in the right direction.

Finally, the speaker discussed the Wall Street Reform Act, which illustrates the far-reaching influence of international instruments on domestic resource governance regimes.

Discussion

One of the delegates argued that investors need to be educated on the issues under discussion given that they exercise significant influence over oil companies. In response, Peter Veit said that non-governmental organisations can gain access to shareholders meetings by purchasing even a single share. In this way, they too can influence decisions made by resource companies.

Delegates raised the point that the world is in the midst of a “scramble for Africa” which could lead to a re-colonisation of the continent. In light of this the question raised was what the impact of this re-colonisation will be, and whether the EITI is practicable as a means of regulation? Given that the speaker was preoccupied with the concept of environmental governance, some were interested in what this concept means for local communities. The speaker responded that it is crucial for parliaments to exercise their oversight role in the resource sector. EITI is a step in the right direction but that taken on its own it is not enough. Countries need to go beyond focussing only on payments and revenues towards broader societal changes. Finally, he admitted that he did not have all the answers, but that it is in forums such as the conference that interested people can thrash out solutions for Africa’s resource sector.

4. Session 1: Oil

Chair: Dr. Arthur Bainomugisha (ACODE)

Oil is arguably still the most strategic natural resource. Recent discoveries in many African states beg the question, ‘How can oil contribute to the equitable and sustained development on the continent?’ Thoughts from experienced players (like Angola), some of whom face new challenges and opportunities (like the newly independent Southern Sudan) will be followed by a discussion of ‘new players’ like Ghana and host country, Uganda.



A GARN member during his presentation

Vicente Pinto de Andrade (Centro de Estudos e Investigacao Cientifica - CEIC at UCAN, Angola)

Vicente Pinto de Andrade's presentation focused on arguments for or against the establishment of state oil companies. He borrowed from some of the experiences of the Angolan state oil company, Sonangol, to argue that state oil companies had benefits. He said that the Sonangol model could be used as an example in spite of criticisms that the company lacks transparency, because it had managed to diversify and contribute significantly to the country's economy. Sonangol operates on four continents with interests in multiple sectors; it is a commercial oil/gas producer and regulator; it provides bursaries; publishes audited accounts (although some of its activities are not declared); the company is a major driver of national development and is also one of the strongest state institutions; it has international outward-looking ambitions; it engages in both upstream and downstream activities; it has plans to open a second refinery in 2015; the company has diversified to telecoms, air transport and cleaning services and that the company has established a fund to stimulate local enterprise. The speaker concluded that the model Sonangol represented was one that could be used by states looking to establish state-owned resource companies.

Joana Osei-Tutu (Kofi Annan International Peacekeeping Training Centre - KAIPTC, Ghana)

Joana Osei-Tutu's presentation was based on fieldtrip visits to Ghana's oil region. From her observations and interviews, she noted that there were four areas that the Ghanaian government (and governments across the continent) needed to focus on in order to ensure that oil developments benefitted the country as a whole and did not lead to conflict. Firstly, the government needs to manage expectations of local communities in order to avoid agitations and discontent. This is because exports do not translate to local growth within the first 5-10 years of production. Local traditional structures and NGOs must be capacitated to educate people on issues around oil

development. In the case of Ghana, it is important to note that the oil fields are off-shore which means that infrastructure development will be minimal and oil companies do not even have contact with local communities. Secondly, the Revenue Act in Ghana, in place since last year, has remained largely present only on paper. The challenge is whether government will make it visible on the ground. The exploration and production bill has not yet been passed, but production has begun. This needs to be addressed as well. Thirdly, political parties need to stop politicising the oil agenda in order to gain political mileage as this also leads to unmet expectations. Lastly, oil companies must be committed to local content. Local communities must be involved and engaged in production process. They must also benefit from oil development through measures such as employment creation and ownership schemes.

Leben Nelson Moro (University of Juba, South Sudan)

Leben Moro focussed on the relationship between Sudan and South Sudan in the aftermath of the latter's 2011 independence. The relationship has come under strain, much of it related to disagreements on the issue of oil exports. Previously the two countries had had a 50-50 split agreement for oil exported from South Sudan through Port Sudan: an agreement that changed with the independence of South Sudan. Cracks started to show soon after independence when it appeared that there would be problems between the countries because Sudan, having the export infrastructure in place, demanded \$36/barrel exported via its ports, far higher than the international norm of \$1/barrel. In a response deemed by some as suicidal, South Sudan shut down all oil exports through Sudan and began a process of negotiating bi-national agreements with various surrounding countries for oil export routes. The speaker was of the opinion that this would have a positive impact on regional integration.

Unfortunately the tensions between Sudan and South Sudan appear to be fuelling violence, evidenced by bombardments in the border areas. This has resulted in a fear that if the situation escalates, the end result could be a war fought in the oil-rich regions, which would dislocate vast numbers of South Sudanese. He concluded that it did not help that within South Sudan there were some challenges with corruption, a lack of institutions or legal frameworks, poor capacity to enforce regulations and poor civil society presence.

Petrus de Kock (South African Institute of International Affairs – SAIIA, South Africa)

This presentation was based on a research report the speaker and his colleague (Kathryn Sturman) compiled on Uganda's oil developments. The study looks at the political history of the state, how the current government has managed to rid the country of rebel movements that were threatening its power and the implications that oil development will have on the democratic agenda in Uganda. The speaker focussed on local level issues surrounding oil development and the impact that the commencement of oil operations will have on the Ugandan state. One of the main points was that in Africa and elsewhere, local level issues or tensions are often exacerbated by natural resources and the lack of information which usually comes with such developments. One of the findings from the fieldwork conducted on Lake Albert is that there is a general lack of information on the ground, which creates fear and uncertainty and impacts negatively on people's livelihoods. In response to this

there is a need for government to address this issue with urgency. Another issue emanating from the research is whether the beginning of oil production will result in the state becoming more militarised to the point where it becomes a regional military power. This consideration is especially important given that the oil is located close to the border with the DRC. Lastly, the speaker identified a need for government and private business to include society and more specifically local communities in processes and decisions related to oil extraction.

Discussion

There was an interest in how the Angolan government spent income from Sonangol operations, whether state control of oil was sustainable as well as how the negative impacts of oil had been managed in Angola. Some delegates were of the opinion that it is difficult to manage expectations of local communities and asked Joana Osei-Tutu how this could be done, and whether it was realistic to expect politicians not to use oil developments to their benefit, since natural resources are a political issue. She maintained that false hope could be blamed for the eruption of discontent and tensions by giving the example of the oil issue being included in the governing party's election manifesto and the failure of the ruling party to realise its promises. Another interesting discussion point was how far countries had come to implementing the African Mining Vision and whether there was a need for another vision. Petrus de Kock responded that the Mining Vision was sufficient for now and merely needed commitment from African leaders. The lack of information around resource issues was a major concern, as one delegate put it, because the Ugandan government had no real interest in providing information to local communities and that NGOs had a major role to play to ensure that this takes place. One delegate expressed an interest in whether Uganda's oil discoveries would change relations between the country and South Sudan. Leben was of the opinion that relations between the two countries would remain as is given that the oil in South Sudan is located closer to the border with the DRC. Finally, the question of whether it was possible for Africans to shield themselves from western interests who were only interested in exploiting the continent's resources was raised.

5. Session 2: Renewable resources – land, forestry, fisheries

Chair: Onesmus Mugenyi (ACODE)

Some argue that renewable resources – fertile land, fresh water, forests, fisheries – are the strategic resources of the future. These resources come with their own sets of opportunities and challenges that differ from that of the purely extractive sectors. A short introduction on land – a resource that highlights the complex linkages with other resource sectors – was followed by ones on forestry and fisheries.

Onesmus Mugenyi (Advocates Coalition for Development and Environment – ACODE, Uganda)

In his introduction, session chair Onesmus Mugenyi noted that in as much as we discuss new oil or mineral discoveries, land remains strategic. For one thing, resources are located either in the water or on the land. Whereas the benefits of land uses like agriculture or tourism are more likely to benefit surrounding communities, oil resources are more prone to elite capture. He referred to the politics of land policy-making, asking who the real drivers of these policies are: the African citizens or external actors; and is there a space for home-grown

solutions? This flowed into a discussion of land grabs – an issue made more complicated by the fact that, despite the way in which it has captured imaginations, still begs proper definition. Because of this, it is not yet clear what exactly constitutes a land grab. Does it refer to state appropriation of land? Or to the buying/leasing of land by multi-national corporations, for growing food (for export or domestic consumption) or for bio-fuels? And does something only count as land-grabbing when it is done in contravention of land laws and policies (which might prove inadequate or outdated in the face of recent trends)?



Onesmus Mugenyi discussing during the session

Joël Kiyulu Nyanganzo (Centre de coordination des recherches et de la documentation en sciences sociales pour l'Afrique subsaharienne – CERDAS, DRC)

Joël Kiyulu Nyanganzo spoke of forestry in the DRC with particular reference to the challenges faced by this sector. The DRC is a resource-rich country with 67% of the country covered by forests. This means that there is massive potential for the forestry sector to contribute to the country's economic growth. Unfortunately the country has a high population growth which impacts heavily on forest resources. The DRC is ranked 50/53 countries for good governance because it is riddled with poor governance and corruption. The country is also just coming out from general elections which have shown that those who have money stay in power. The DRC has entered into numerous partnerships with the emerging powers, the SADC, Korea, Uganda, Angola and others in the region. Unfortunately the forestry sector is funded more by development partners than by the Congolese themselves, the state is not very active in the forestry network and currently the sector contributes a mere 1% to the national GDP. There are many laws to regulate the sector but illegal timber trade continues regardless. Some of the problems in the DRC's forestry sector are that the tax regime is too cumbersome, illegal trade is rife, that the government does not prioritise and support forestry, there is poor implementation of existing legislation and there

are persistent conflicts between ministries. The speaker expressed a fear that the next war in the country would be caused by natural resources. An important consideration is how scientists/experts can effect positive change, reduce conflict potential and address some of the problems seen in the DRC and elsewhere. Finally, he said that it is important that the solutions to these problems come from Africa.

Alex Benkenstein (South African Institute of International Affairs – SAIIA, South Africa)

Alex Benkenstein recently conducted research on Uganda's fisheries sector. He explained that the sector contributes significantly to food security, job creation and sustainability. Some broader positive trends in fisheries governance were identified, including: African countries have some fairly comprehensive structures for management, although implementation remains problematic, that the capacity to manage stocks is changing, the concept of resource nationalism is gaining ground as a means to ensure that natural resources reach intended beneficiaries, that increasingly fisheries are being seen as a national resource that should benefit local people, and that the lack of industrial fishing in Uganda contributes to employment creation. Some of the negative aspects are: that fisheries stocks and support systems are under pressure due to overfishing, fishing and small-scale artisanal fishing activities are under-reported, the existence of a poor knowledge base and poor monitoring capacity, fisheries management is often under-funded across the continent and that the funding that does exist mainly comes from donors and finally, that natural eco-systems are under pressure. The speaker suggested that the following areas could be considered for collaborative research: trends in co-management in fisheries, resource nationalism, climate change and fisheries, and locating sustainable fisheries examples.

Discussion

Some issues that were raised were the need for benefit-sharing to benefit women and not only men, that the impact of diseases such as HIV/Aids on fisheries needed more research and that the network should look more at the following issues: looking at fisheries in the context of the Common-Pool Resource Regime, positive mechanisms to curb illegal fishing and the establishment of pro-poor funds. There was an interest in how much local communities in the DRC benefitted from the forestry sector and how pollution issues on Lake Albert could be resolved given that it runs along numerous countries.

Session 3: Mining

Chair: Alex Benkenstein (SAIIA)

Africa is also rich in mineral resources. Recent patterns that have seen highly volatile commodity cycles will most likely continue into the future. Despite this volatility, overall long-term trends indicate an upward trend in the demand for these resources. As in the case of oil, this demand is spurred by intensified international competition for resources linked to the rise of so-called 'emerging powers' like China and India. A broad overview of the challenges and opportunities that face the Africa (and South Africa's) mining sector will be followed by case-specific discussions of Mozambique and Zimbabwe.

Petrus de Kock (South African Institute of International Affairs – SAIIA, South Africa)

The main theme in Petrus de Kock's presentation was the South African mining industry and how government can ensure that it captures more value out of the country's natural resources. The speaker said that the South African government has the following options at its disposal: taxation, royalties and community share regimes. There is a need to ensure that value is added to society through either mineral beneficiation or industry or both and that the issue of nationalisation gained ground primarily because of the country's economic and political history, and the lack of broad-based gains from the industry. The option currently under discussion in the country is a more interventionist state, and if this is favoured, then revenues will have to be managed well. The speaker highlighted the importance of local linkages stating that it is desirable for local companies to provide services, technical assistance and labour to mining companies in order for there to be a knock on effect in the country's economy. The speaker was concerned that the resources debate in South Africa is highly polarised with only the views of big business and governments being put forward at the exclusion of the local communities. He concluded that practical solutions are needed to transform the industry in a way that will lead to poverty eradication and the promotion of education.

Carlos Muianga (Instituto de Estudos Sociais e Económicos – IESE, Mozambique)

Carlos Muianga looked at the extractive economy within a system of accumulation rather than only at the process of resource extraction. Foreign direct investment in Mozambique is driven by capital intensive, export-oriented mega projects. The country remains highly dependent on foreign funds, and much of these funds come from donor countries and organisations as well as in the form of foreign direct investment. The country is characterised by a mineral-energy dynamic which has resulted in the following: industrial output and export volumes are on the rise, there is rising demand for skilled labour, energy and infrastructure within the country but the fiscal contribution of this sector is still lower than the VAT of the agricultural sector. However, investment from the mineral-energy dynamic will be close to US\$100 billion in the next 10 years. The speaker then concluded that in order for Mozambique to capitalise from this investment, there is a need to address the pressing infrastructure and legislative framework challenges currently plaguing the country.

James Mupfumi (Centre for Research and Development – CRD, Zimbabwe)

James Mupfumi began by giving a description of the minerals sector in Manicaland Province in Zimbabwe, stating that it is rich in gold and diamonds deposits, and that the extraction of these minerals presents major governance challenges. Mining communities are vulnerable because their environments are at risk, pollution from mining activities affects living conditions, they are subjected to forced removals, loss of land, livelihoods and even loss of life as a result of mining operations. He then proceeded to state that the law governing the industry is a colonial law, and save for a few amendments, remains outdated. This is the main reason why the sector is characterised by poor governance and corruption in the awarding of licenses and contracts. There are even

contestations regarding revenues and exports between the Ministries of Mines and Finance. The mining industry is highly politicised and there are numerous inconsistencies in how the sector is governed. Local communities are not recognised as stakeholders in the sector and people at the local level are unhappy with what they see as foreigners benefitting from resources belonging to them. This is in spite of the existence of legislative provision for community ownership schemes. The speaker said that this discontent is fuelling illegal digging, even in the Marange diamond fields which the recently the subject of a Kimberley Process Certification Scheme review, which is further threatening lives.

Discussion

Some of the areas that emerged as discussion points were how the community ownership scheme in Zimbabwe works, that in some countries legislative provisions for good governance exist but the main challenge is implementation and that political governance is inextricably linked to resource governance. The question of the EITI came up again with some interested in the lessons that can be learnt from the initiative and even stating that it is relevant but needs to move beyond its current limited focus. Finally, one delegate communicated that in his experience, governments can hide behind the “national interest” defence when it comes to controversial resource-related issues. One of the challenges faced by civil society is how to exercise their oversight role (e.g. demand-side calls for accountability), without being accused by government of promoting the interests of their foreign funders.



Participants during the discussions

Session 4: Identification of cross-cutting themes

Chair: Mari-Lise du Preez (SAILA – South Africa)

These were some of the cross-cutting themes identified in the last session:

The fact that natural resources do not respect human-drawn boundaries leads to challenges for the governance of these resources. Minerals/oil deposits are sometimes shared between countries and/or found in disputed border areas. The examples of oil off the coast of Ghana and Ivory Coast, oil and gas in Africa's Great Lakes and oil shared between Sudan and South Sudan were mentioned. Renewable resources like forests show an even greater disregard for boundaries (e.g. the Congo Basin rainforests). Fish swim. Rivers and other water bodies often form boundaries between countries even as they serve as conduits for the transport of traded resources. In the case of trans-boundary/shared resources states need to cooperate, either bi-laterally or regionally. Sometimes they engage in conflict rather than cooperation. These challenges translate into opportunities for policy-related research, including: regional economic communities' (like SADC and ECOWAS) resource-related policies, including legal harmonisation, treaty/protocol ratification and implementation by member countries; ecosystem-based approaches (like the Benguela Current Commission or the Congo Basin Forest Partnership); broader studies of bilateral and regional cooperation and conflict.

When resources are traded across boundaries, there are a host of trade-related issues that need to be addressed. Resource flows can be formal or informal, legal or illegal, sustainable or unsustainable, equitable or inequitable. Studies could look at: the flow of resources, whether formal (e.g. how the flow relates to regional transport plans/transit corridors; regional or international trade policy), informal (e.g. informal trade) or illegal (e.g. smuggling). Supply chain analyses often show where value is added/could be added. Many international initiatives also focus on trade-related aspects, including certification schemes (Kimberley Process, Forest Stewardship Council certification). Some initiatives focus on the home countries (where resources are located), some on the host (where companies are registered e.g. Wall Street Reform Act). Many focus on both (e.g. Extractive Industries Transparency Initiative (EITI), Forest Law Enforcement, Governance and Trade and the related Voluntary Partnership Agreements) or on ensuring responsible chains of custody (e.g. Dodd Frank Act on conflict minerals, Lacey Act Amendment on forestry).

Conflict is a topic that could also stand on its own. **Natural resources discoveries have the potential to exacerbate existing tensions or even create new ones, both between states and within them.** There are many examples of this happening on the continent, for example Sudan and South Sudan, Africa's Great Lakes (especially the DRC, Rwanda and Uganda) and the Niger Delta. Studies could focus on analysing tensions/conflicts (including local, national, regional and international dimensions), sharing lessons across regions (e.g. lessons from the Niger Delta for Ghana/Uganda's oil discoveries), preventing conflict or solving it. In

all of this, the role of the military (including civil/military relations) and/or other security-related actors (e.g. private security companies or rebel groups) are relevant.

One of the key questions remains, **who benefits from Africa's natural resources?** In the international context, the realisation that benefits do not automatically accrue to the countries in which natural resources are found have led to a resurgence of so-called 'resource nationalism' – something that manifests itself in discussions about ownership and nationalisation and acts such as the creation of state-owned mining/oil companies, the review and sometimes renegotiation of contracts, or the inclusion of local content requirements/stricter tax regulations in natural resource-related legislation and policies. In the domestic context, questions relate to such things as benefit-sharing, decentralisation, and local linkages.

Often decisions related to natural resources require difficult trade-offs or at least entail some opportunity costs. This is apparent when valuable natural resources are found in environmentally sensitive areas (e.g. oil/gas/minerals in national parks or marine protected areas). Even if the areas are not environmentally sensitive, one finds challenges related to alternative uses of land/water. So for instance, even though the contribution of smallholder agriculture/artisanal fishing/ecotourism to a state's GDP might be smaller than that from oil exploitation in the same area, the benefits of the former often flow more directly to the local people. By contrast, large and capital-intensive sectors (like oil) are more open to elite capture. When resources are located in densely populated areas with many competing claims to land/water use this can lead to conflict, for instance related to community relocation. Conversely, where they are located further away (offshore, for instance), the threat of an enclave economy increases. Environmental or social impact assessments (EIAs or SIAs) go some way in addressing these concerns, while payment for environmental services (PES) schemes – including REDD+ – aim to shift incentive structures to make environmentally friendly choices more palatable/attractive. These schemes come with their own sets of opportunities and challenges.

When one speaks of ensuring that Africa benefits maximally and equitably from its natural resources, one most often refers to the financial benefits that accrue from these resources. In short, **money matters**. It matters from the beginning, when resources are discovered and valued ("proven reserves"), it matters when capital is raised on stock markets, when taxation regimes are decided, when contracts are negotiated/renegotiated, when money starts flowing into state coffers and when it flows out. One initiative that deals explicitly with the flow of natural resource rents is the Extractive Industry Transparency Initiative (EITI), which compares the money declared as paid to governments by companies and that governments declare as received from companies. This seminar noted that EITI is a step in the right direction, but that it is not enough. Access to information is important not only in terms of the money flowing in, but at all stages of the valuation and extraction process. Even more important than knowing how much money flows in, is showing how the benefits from natural resource depletion contributes to broader societal changes. One of the mechanisms for doing this is sovereign wealth funds – championed by some, criticised by others.

Related governance-related issues that beg consideration are accountability and representation.

Governments need to be held accountable, but so too companies and even civil society. The representative and oversight roles of parliaments were emphasised. Finally, there was discussion of **the roles and responsibilities of different stakeholders: not only of governments and companies, but also of communities, civil society (local and international) and development partners.** More could be done on the impact of aid dependence in natural resource-rich states. That being said, there is the realisation that this is a dynamic issue. As state income from natural resource exploitation increase, that of development aid could decrease. Angola is a case in point. A country like Angola also illustrates the different partnerships open to resource-rich African states today. Europe and the US remain interested in Africa's resources, but they are increasingly joined by emerging powerhouses like China, India and Brazil.