

https://dspace.org/

# Towards a minerals policy for the Southern African development community (SADC)

**Mtegha, Hudson Dikamfwiri**

**2007-02-21T13:55:02Z**
http://hdl.handle.net/10539/2068

Downloaded from a DSpace repository. https://dspace.org/

# TOWARDS A MINERALS POLICY FOR THE SOUTHERN AFRICAN DEVELOPMENT COMMUNITY (SADC)

**Hudson Dikamfwiri Mtegha**

**A thesis submitted to the faculty of Engineering, University of the Witwatersrand, Johannesburg, in fulfillment of the requirements for the degree of Doctor of Philosophy.**

**Johannesburg 2005**

# DECLARATION

**I declare that this thesis is my own, unaided work. It is being submitted for the degree of Doctor of Philosophy at the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination at any other university.**

**Hudson Dikamfwiri Mtegha**

**This _____ day of _____ 2005**

# ABSTRACT

**The minerals sector in the Southern African Development Community (SADC) is considered to be the basis of economic reconstruction and development. After several decades of mineral extraction, SADC member States are still grappling with how the sector can contribute to the broader economy and achieve sustainable development. The sector has the potential to fulfill these national aspirations if appropriate policies are developed.**

**In the context of the SADC, the thesis argues that since most of the population is rural-based, strategies for meaningful mineral development must take into account the concerns of these people. Policy defines a vision and aspiration, and articulates what a nation wishes to do with its mineral resources. The process of policy development is therefore crucial to ensure that the concerns of several stakeholders are considered and consensus is reached on actions to be taken for beneficial mineral extraction.**

**The thesis shows a process of mineral policy development that result in the identification of key areas of emphasis to address concerns of the majority of the population in a country. The process has been applied in the development of mineral policies in Namibia and Malawi during this study. The outcomes address broad and specific social, economic and**

**environmental issues that are consistent with sustainable development. Since the SADC countries have similar problems and opportunities, once all States have articulated minerals policies using this process, a regional approach or policy can be derived. This study illustrates such a policy framework.**

# ACKNOWLEDGEMENTS

**The author would like to thank several individuals who played different roles in this study.**

**Dr Fred Cawood, Associate Professor in the school of Mining Engineering at the University of the Witwatersrand for his encouragement, patience and direction of this study.**

**The countries I worked with, which gave me a deeper understanding of the different perspectives to the issues under study.**

**Dr Philemon Mjwara and Brian Protheroe for their guidance in understanding the intricacies of participation processes.**

**The Minerals and Energy Policy Centre (MEPC) for encouraging its staff members to pursue graduate work in their areas of interest. Specifically, this is addressed to Dr Wilfred Lombe, who was its Director at the time this study commenced.**

**My late wife, Dr Dorothy NyaChipeta, for her encouragement and support; and my children, Lindizga, Chigomezgo, and Naseso, for their love.**

**In memory of my wife**

**Dr Dorothy Mercy Mtegha**

# TABLE OF CONTENTS


| CONTENTS | | Page |
|---|---|---|
| **DECLARATION** | | **ii** |
| **ABSTRACT** | | **iii** |
| **ACKNOWLEDGEMENT** | | **v** |
| **CONTENTS** | | **vii** |
| **LIST OF FIGURES** | | **xiv** |
| **LIST OF TABLES** | | **xv** |
| **LIST OF APPENDICES** | | **xvi** |
| **LIST OF BOXES** | | **xvii** |


## CONTENTS


| | | |
|---|---|---|
| **CHAPTER ONE** | **OVERVIEW OF THE PROBLEM AND BACKGROUND** | |
| **1.1** | INTRODUCTION | 1 |
| **1.2** | REVIEW OF RELATED STUDIES INFLUENCING THE RESEARCH | 3 |
| **1.2.1** | The Canadian Experience of Mineral Policy Development | 3 |
| **1.2.2** | The Brazilian Experience of Mineral Policy Development | 5 |
| **1.2.3** | The SADC Experience of Mineral Policy Development | 8 |
| **1.2.4** | Attracting Mining Investment | 10 |

| | | |
|---|---|---|
| **1.2.5** | Community Participation in Mineral Resource Management | 14 |
| **1.2.6** | Sustainable Development in Mining | 18 |
| **1.3** | THE PROBLEM CONTEXT | 20 |
| **1.4** | OBJECTIVES OF THE STUDY | 24 |
| **1.5** | METHODOLOGY OF THE STUDY | 25 |
| **1.5.1** | Research Questions | 25 |
| **1.6** | IMPORTANCE OF THE STUDY | 26 |
| **1.7** | LIMITATIONS OF THE STUDY | 27 |
| **1.8** | STRUCTURE OF THE THESIS | 27 |
| **CHAPTER TWO** | **TRADITIONAL POLICY DEVELOPMENT STRATEGY** | |
| **2.1** | INTRODUCTION | 31 |
| **2.2** | ELEMENTS OF A MINERALS POLICY | 31 |
| **2.3** | IMPLEMENTATION | 34 |
| **2.4** | SUMMARY OF THE PROCESS | 38 |
| **2.5** | DISCUSSION | 39 |
| **CHAPTER THREE** | **THE SOUTHERN AFRICA DEVELOPMENT COMMUNITY (SADC) AND MINERAL DEVELOPMENT** | |
| **3.1** | HISTORICAL BACKGROUND | 44 |
| **3.2** | THE MINERAL SECTOR | 45 |

| | | |
|---|---|---|
| **3.3** | EVOLUTION OF SADC MINERAL SECTOR POLICIES | 47 |
| **3.4** | MINERAL POLICIES IN THE SADC REGION | 48 |
| **3.4.1** | Angola | 49 |
| **3.4.2** | Botswana | 50 |
| **3.4.3** | Democratic Republic of Congo | 51 |
| **3.4.4** | Lesotho | 52 |
| **3.4.5** | Malawi | 52 |
| **3.4.6** | Mozambique | 53 |
| **3.4.7** | Namibia | 53 |
| **3.4.8** | South Africa | 54 |
| **3.4.9** | Swaziland | 55 |
| **3.4.10** | Tanzania | 55 |
| **3.4.11** | Zambia | 57 |
| **3.4.12** | Zimbabwe | 59 |
| **3.4.13** | Summary of SADC Mineral Policies | 60 |
| **CHAPTER FOUR** | **THE ROLE OF COMMUNITIES IN MINERAL EXPLOITATION** | |
| **4.1** | INTRODUCTION | 63 |
| **4.2** | THE SADC SITUATION | 64 |
| **4.3** | POLICY AND LEGAL FRAMEWORK IN MEMBER STATES | 66 |

| | | |
|---|---|---|
| **4.3.1** | Angola | 66 |
| **4.3.2** | Botswana | 66 |
| **4.3.3** | Democratic Republic of Congo | 67 |
| **4.3.4** | Lesotho | 67 |
| **4.3.5** | Malawi | 67 |
| **4.3.6** | Mozambique | 67 |
| **4.3.7** | Namibia | 68 |
| **4.3.8** | South Africa | 68 |
| **4.3.9** | Swaziland | 69 |
| **4.3.10** | Tanzania | 70 |
| **4.3.11** | Zambia | 70 |
| **4.3.12** | Zimbabwe | 70 |
| **4.3.13** | General observations | 71 |
| **4.4** | THE PLIGHT OF THE COMMUNITIES | 73 |
| **4.5** | SUMMARY AND CONCLUSIONS | 74 |
| **4.6** | RECOMMENDATIONS | 76 |
| **CHAPTER FIVE** | **PRINCIPLES OF MINERAL POLICY DESIGN AND IMPLEMENTATION** | |
| **5.1** | INTRODUCTION | 78 |
| **5.2** | PRINCIPLES | 78 |
| **5.2.1** | Definition of Policy | 78 |
| **5.2.2** | Role of Policy | 79 |

| | | |
|---|---|---|
| **5.2.3** | Characteristics | 79 |
| **5.3** | CONSIDERATIONS FOR A GOOD MINERAL POLICY | 80 |
| **5.3.1** | Sector's Contribution to Broader Economy | 81 |
| **5.3.2** | Accounting for Interests of Various Stakeholders | 81 |
| **5.3.3** | Use of Consultative and Participatory Approaches | 83 |
| **5.3.4** | The Environment in which Policy will operate | 84 |
| **5.3.5** | Sustainable Development Goals | 85 |
| **5.3.6** | Other relevant factors | 86 |
| **5.3.7** | Unique circumstances of a Country and the sector | 87 |
| **5.3.8** | Response to dynamic changes in external environment | 89 |
| **5.3.9** | Implementation of a Mineral policy | 90 |
| **5.4** | SUMMARY AND CONCLUSION | 92 |
| **CHAPTER SIX** | **A MODEL OF MINERAL POLICY DEVELOPMENT** | |
| **6.1** | INTRODUCTION | 94 |
| **6.2** | THE MODEL | 94 |
| **6.2.1** | Data gathering and generation of background documents | 98 |
| **6.2.2** | Identification and Synthesis of key issues | 101 |
| **6.2.3** | The Consultative stage and the White Paper | 109 |
| **6.3** | OBSERVATIONS ON THE PROCESS | 111 |

| | | |
|---|---|---|
| **6.4** | POST POLICY DEVELOPMENT | 114 |
| **6.5** | SUMMARY | 116 |
| **CHAPTER SEVEN** | **RESEARCH FINDINGS AND ANALYSIS OF RESULTS** | |
| **7.1** | INTRODUCTION | 119 |
| **7.2** | FINDINGS | 119 |
| **7.2.1** | Namibia | 120 |
| **7.2.2** | Malawi | 124 |
| **7.2.3** | South Africa | 130 |
| **7.3** | ANALYSIS OF RESULTS | 138 |
| **7.4** | CONCLUSION | 143 |
| **CHAPTER EIGHT** | **A REGIONAL MINERAL POLICY FRAMEWORK FOR THE SADC** | |
| **8.1** | INTRODUCTION | 144 |
| **8.2** | PROCEDURE | 145 |
| **8.3** | THE REGIONAL MINERALS POLICY FRAMEWORK | 146 |
| **8.3.1** | Promoting the sector | 146 |
| **8.3.2** | Social issues | 147 |
| **8.3.3** | Small-scale mining | 149 |
| **8.3.4** | Value-addition | 150 |

| | | |
|---|---|---|
| **8.3.5** | Environmental issues | 152 |
| **8.3.6** | Training | 153 |
| **8.3.7** | Research and Development | 154 |
| **8.3.8** | Governance | 155 |
| **8.3.9** | Regional Integration | 156 |
| **8.4** | DISCUSSION AND CONCLUSIONS | 157 |
| **CHAPTER NINE** | **DISCUSSION OF RESULTS, CONCLUSIONS AND RECOMMENDATIONS** | |
| **9.1** | POLICY ON MINERAL DEVELOPMENT | 159 |
| **9.2** | NEED FOR CONSULTATIVE PROCESSES | 161 |
| **9.3** | A REGIONAL MINERALS POLICY | 163 |
| **9.4** | FINAL CONCLUSION | 163 |
| **9.5** | RECOMMENDATIONS | 164 |
| **9.6** | AREAS FOR FURTHER RESEARCH | 165 |
| **REFERENCES** | | 167 |

## LIST OF FIGURES


| Figure | | Page |
|---|---|---|
| **6.1** | The Policy Process flow | 97 |
| **6.2** | Policy Implementation | 115 |

## LIST OF TABLES


| Table | | Page |
|---|---|---|
| **2.1** | Possible areas of conflicts and solutions | 36 |
| **2.2** | Process to develop and implement mineral policy | 38 |
| **6.1** | Summary of new policy process | 95 |
| **7.1** | Themes codes | 138 |
| **7.2** | Proportion of issues in themes | 139 |
| **9.1** | Traditional and new process models | 159 |

## LIST OF ANNEXURES


| Appendix | | Page |
|---|---|---|
| **A** | Article 5 of the Treaty of SADC | 174 |
| **B** | Key issues identified by groups | 176 |
| **C** | Results of STEEP analysis | 181 |
| **D** | Outputs from scenario analysis | 188 |
| **E** | Extract from proceedings of a community workshop | 201 |

## LIST OF BOXES


| Box | | Page |
|---|---|---|
| **6.1** | Theme on People Issues | 104 |