

RÉSUMÉ

Paix et sécurité en Afrique et le rôle des intérêts miniers canadiens : de nouveaux défis pour la politique étrangère canadienne

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Au cours des vingt dernières années, le processus de réforme du secteur minier en Afrique a impliqué un processus de libéralisation en profondeur qui visait à créer un climat propice aux investissements étrangers. Corrélativement cependant, les réformes ont eu pour effet dans de nombreux pays concernés d'abaisser les normes dans des domaines critiques pour le développement économique et social et pour la protection de l'environnement. Dans ce contexte, il est de plus en plus reconnu qu'il existe une corrélation entre la dépendance sur la rente d'une ou de quelques ressources de haute valeur, le risque que le système de gouvernance manque d'imputabilité envers la population locale et le risque de conflit violent. Les intérêts miniers canadiens occupent une position de leadership dans l'exploration et l'investissement dans le secteur minier en Afrique. Aussi, les pays riches en minerais de ce continent occupent une place prioritaire parmi les pays de concentration dans les politiques de développement international du Canada.

L'hypothèse qui sous-tend cet ouvrage est, ayant pour objectif de créer un environnement favorable aux investissements étrangers, a engendré de profondes modifications dans les rôles et fonctions des États concernés. Qui plus est, la manière dont les mesures de libéralisation et de dérégulation, puis les formes de re-régulation qui ont été introduites respectivement dans les années quatre-vingts et quatre-vingt-dix, n'a pas été nécessairement compatible avec les défis de développement auxquels faisaient face les pays concernés et a pu même être contradictoire à leur réalisation.

**Peace and Security in Africa and
the Role of Canadian Mining Interests:
New Challenges for Canadian Foreign Policy¹**

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We will not enjoy development without security, we will not enjoy security without development, and we will not enjoy either without respect for human rights. Unless all these causes are advanced, none will succeed.

Kofi Annan. Introduction to the draft report
*In Larger Freedom: Towards Development,
Security and Human Rights for All* (2005)

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Further subsequent debates which echoed and in fact adopted certain of the recommendations contained in the Memorandum to the Senate Committee are to be found in the Report of the Canada's Parliamentary Sub-Committee on Human Rights on Canadian mining companies and human rights, which were then reflected in the series of hearings on the same subject of the Parliamentary Standing Committee on Foreign Affairs and International Trade. <http://www.parl.gc.ca/committee/CommitteePublication.aspx?SourceId=122509> En français: <http://www.parl.gc.ca/committee/CommitteePublication.aspx?COM=0&SourceId=122>

Introduction

Over the last two decades, new mining legislation has been introduced into the mineral rich countries of Africa, notably at the initiative of the Bretton Woods Institutions, in order to create a favourable environment for private investment. New mining codes have been enacted with a view to substantially liberalize legislation in this area and state enterprises have been privatized. While it is beyond the scope of this article to develop this in detail, research on the very extensive process of reform of regulatory and legal frameworks favouring greater harmonization and stability in the mining sector in Africa suggests that these measures have indeed contributed to creating a more favourable environment for foreign investment. The reforms have entailed, however, a process of redefining the role of the state which is so profound that it has no historical precedent. In this context, the introduction of new fiscal and regulatory frameworks has had the potential and paradoxical effect of driving down norms and standards in areas of critical importance for social and economic development, as well as the protection of the environment in the countries concerned. There is in fact strong evidence which suggests that the latter tendency has been and continues to be the case in an increasing number of situations (Campbell et al, 2004).

The study of the design of the regulatory fiscal and legislative frameworks introduced at the recommendation of the multilateral financial institutions and notably the World Bank, suggests the very real possibility that these reforms which focused above all on shorter term financial and economic considerations such as redressing fiscal deficits and debt reimbursement, not only paid insufficient attention to longer term social and development goals but failed to address the issue as to how activities in the extractive sector could contribute to them and notably to poverty eradication.

The hypothesis appeared to be that growth resulting from the export led sector driven by foreign investment would of itself bring sustainable development and a reduction of poverty. In the mineral rich countries of Africa this has not happened. While economic growth is clearly necessary, further conditions are essential. And in order to reinforce sustainable patterns of growth, foreign investment

must be compatible with and reinforce local development strategies by contributing for example to pursuing development objectives that build backward and forward linkages to resource extraction (such as value added processing of minerals). Investment strategies must also be compatible with strategies which might seek to introduce “trade balancing” involving export/import restrictions if necessary to build up local content so as to stimulate local productive activities.

In the mining sector there is good reason to question whether the regulatory and fiscal frameworks which have become increasingly standardized over time were designed with such objectives in mind. While the orientation of the reforms was successful in creating a favourable environment for investment and to that end, based on results of questionnaires which sought to identify the expectations of investors in the sector, the reforms were conceived in a manner which gave insufficient attention to other concerns. The result was the introduction of a particular notion of the state and of its the function, well defined in the World Bank’s 1992 study in which the central premise was that governments should act above all as facilitators to the private sector. This required, concluded the study, “a clearly articulated mining sector policy that emphasizes the role of the private sector as owner and operator and of government as regulator and promoter” (World Bank, 1992: 53). It is striking to see with the benefit of hind sight how different such a notion was to that present in the March 2005 document *Our Common Interest. Report of the Commission for Africa*, which notes concerning the need for state capacity: “Weak institutional capacity prevents the state from undertaking its responsibilities effectively, whether planning and budgeting, managing development assistance, providing services or monitoring and evaluating progress” (Commission for Africa: 128).

Moreover, and again with the benefit of hind site, the observations of the same international Commission go further and point to the very damaging consequences of the manner in which mineral wealth has been developed in certain countries: “Countries with economies dependent on one or a few primary commodities, particularly high-value resources such as oil and other minerals, are often poor, have weak and less accountable governance systems,

and are more vulnerable to violent conflict and economic shocks” (Ibid: 161).²

The findings of this Commission, of other official studies and of academic research present strong evidence which echoes previous concerns and challenges so directly formerly-held positions that such concerns can no longer go unheeded. The first challenge addresses the widely-held assumption to the effect that foreign investment in poor countries will of itself bring growth, development and poverty reduction. The equation is far from being that simple as convincingly set out in the North-South Institute’s 2004 Canadian Development Report *Investing in Poor Countries*. The second challenge concerns the fact that evidence now irrefutably suggests that under certain circumstances, investment in mineral rich countries rather than further development, may in fact

²Nothing is more devastating to the poor than civil war. As the World Development Report 2000-2001 explains, “Wars cripple economies by destroying physical, human, and social capital – reducing investment, diverting public spending from productive activities, and driving highly skilled workers to emigrate.” [p. 50] Those who are impoverished in peacetime are most likely to suffer from the catastrophe of war. Countries that are dependent on oil and mineral wealth face a much higher danger of civil war than states that are resource-poor. According to Collier and Hoeffler [2000], a state that depends heavily on the export of oil and minerals faces a risk of civil war of 23 percent for any given five-year period; an identical country with no natural resource exports has a civil war risk of just 0.5 percent. Table 4 lists 12 oil and mineral dependent countries that have recently suffered from civil war”. Michael L. Ross, *Extractive Sectors and the Poor*, Oxfam America Report, October 2001 [PDF] <http://www.polisci.ucla.edu/faculty/ross/oxfam.pdf>.

Table 4: *Recent Civil Wars in Oil and Mineral Dependent States*

Country	Duration	Resources
Algeria	1991-present	Oil
Angola (UNITA)	1975-present	Diamonds
Angola (Cabinda)	1992-present	Oil
Congo, Republic	1997-1999	Oil
Congo, Democratic Republic	1997-present	Copper, diamonds
Indonesia (Aceh)	1986-present	Natural gas
Indonesia (Irian Jaya)	1969-present	Copper, gold
Iraq 1974-75,	1985-92	Oil
Liberia	1989-95	Diamonds, iron
Nigeria	1967-1970, 1980-84	Oil
Papua New Guinea	1988-present	Copper, gold
Sierra Leone	1991-present	Diamonds
Sudan	1983-present	Oil
Yemen	1986-87, 1990-94	Oil

fuel violent conflict and impede development (Collier and Hoeffler, 2000; Collier, 2004 and Ross, 2001).

New Challenges for Canadian Foreign Policy

These findings have very direct relevance to Canada for several reasons. Canadian foreign policy has over the years accorded a particularly central place to the African continent and the same priority is expected to be maintained over the coming years.³ Moreover, Africa's enormous potential mineral wealth has increasingly been put forward as the source of growth and consequently, an important part of the answer to the challenges of development in mineral rich countries of that part of the world.

Concerning Africa's resource endowment, the continent's known mineral wealth includes the following percentages of the world's proven reserves of the following minerals:

Bauxite 30%; Chromium 81%; Cobalt 60%; Copper 9%; Gold <40%; Manganese 61%; Platinum Group Metals 89%; Tantalum 20%; Titanium 24%; Vanadium 30%; Zirconium 46%.⁴

Because of the disappointing results from agriculture due to a wide range of factors including the neglect of this sector over the last decades, inadequate or inappropriate measures of agricultural reform, falling international prices caused among others things by

³Of the twenty-five countries designated in April 2005 as Canada's development partners, fourteen of these countries are in sub-Saharan Africa and the rest are in Asia, the Americas, and Central and Eastern Europe.

According to the Canadian International Development Agency (CIDA), Canada's International Policy Statement Development at a Glance: "This focus will mean that over time, bilateral assistance will be increasingly concentrated in sub-Saharan Africa, consistent with the Government's Budget 2005 commitment to double aid to Africa from its 2003-04 levels by 2008-09. Canada has played an important role in bringing African issues onto the global agenda, within the G8 and other forums. We will continue to press forward, in close collaboration with other partners in Africa and other donors, to support regional initiatives such as NEPAD. New and ongoing Canadian initiatives focused on Africa as a region include the \$500-million Canada Fund for Africa, launched at the Kananaskis G8 summit in 2002." http://www.acdi-cida.gc.ca/cida_ind.nsf/vall/EBAAD69E1CE405C08525704C00453FAC?OpenDocument#3.

⁴Source: African Renaissance, Mining Journal, 26 January 2001; Dale Hull and James Lauer, Leveraging Experience – Mobilizing Canada's Mining, Legal and Financial Expertise, Minerals and Metals Sector, Natural Resources Canada, Canada-Africa Mining Forum: Leveraging Opportunities with Canada, Cape Town, South Africa, 9 February 2004.

the subsidies to northern producers, the extractive sector is gaining in importance in the export receipts of many African countries and occupies an increasingly important place in aid, trade and investment relations with Canada.

Of the nine countries selected by Canada for an enhanced aid partnership identified in the country's policy statement of September 2002⁵, five were located in Africa, all had important mineral resources and for three, Ghana, Mali and Tanzania, mining represents the country's leading sector. In the subsequent April 2005 reform, it was announced that of the 25 countries selected as Canada's development partners, and consequently to receive

Table 1 <i>Canada's Development Partners</i>			
Africa (14)	Asia (6)	Americas (4)	Europe Maghreb and Middle East (1)
Benin	Bangladesh	Bolivia	Ukraine
Burkina Faso	Cambodia	Guyana	
Cameroon	Indonesia	Honduras	
Ethiopia	Pakistan	Nicaragua	
Ghana	Sri Lanka		
Kenya	Vietnam		
Malawi			
Mali			
Mozambique			
Níger			
Rwanda			
Senegal			
Tanzania			
Zambia			

Source: CIDA, 2005. Consulted 29 July 2005.

⁵CIDA, Canada Making a Difference. A Policy Statement on Strengthening Aid Effectiveness, Ottawa, September 2002. The countries were: Bangladesh, Bolivia, Ethiopia, Ghana, Honduras, Mali, Mozambique, Senegal and Tanzania.

priority in terms of the allocation of development assistance 14 were African. These include past mineral rich countries of concentration (Ghana, Mali and Tanzania) and five others where Canadian mining interests are present, notably in Burkina Faso, Kenya, Niger, Senegal, and Zambia, (see Annex 1), as well as countries with potential mineral prospects such as Mozambique.

Canada's overall trade patterns and investment in sub-Saharan Africa underline the importance of imports of oil, metals and metal ores:

- Total trade: In 2003, total two-way trade in goods with sub-Saharan Africa was \$2.5 billion (exports of \$772 million and imports of \$1.7 billion). This represented an 11.7% increase in exports and a 39% in imports from 2002.
- Top Canadian exports: cereals, machinery, communications equipment and used clothing.
- Top imports from sub-Saharan Africa: oil (51.6% of the total), cocoa, precious stones and metals, metal ores, and fruits and nuts.
- Key trading countries: South Africa, Nigeria and Equatorial Guinea. The trade relationship with South Africa dominates and is increasing.
- Investment: The 2003 estimated market value of the stock of Canadian direct investment in sub-Saharan Africa was \$3.8 billion (mostly in mining and oil). Sub-Saharan African investment in Canada, mostly in mining from South Africa, is around \$300 million (Canada. Department of Foreign Affairs and International Trade).

Moreover, the African countries identified by CIDA in April 2005 for enhanced concentration include the six countries identified for reasons of governance as Canada's key potential trading partners:

In addition to the established markets and product categories [...], attention should be paid to the countries in Africa which CIDA has identified for enhanced concentration because of their governance history. It is widely recognized that good governance goes hand in hand with a good investment climate and provides the kind of environment which will be more attractive to the foreign business person. These countries are: Ethiopia, Ghana, Mali, Mozambique, Senegal and Tanzania (Ibid).

Canada represents a leading player internationally and Canadian companies are at the forefront of exploration and mining activities in Africa. At the end of 2003, companies of all sizes listed on Canadian Stock Exchanges⁶ held interests in almost 550 mineral properties located in 36 countries on the African continent, about 20 more properties than at the end of the previous year. Canadian companies held interests in almost 90 properties in South Africa, almost 50 in Tanzania, more than 40 in each of Burkina Faso, Ghana and Mali, and more than 20 in each of Botswana, Guinea and Zambia.

In 2003, the larger-company mineral exploration market in Africa was valued at \$448 million, or more than 18% of the \$2.4 billion larger-company market worldwide. The larger Canadian-based companies planned to spend more than \$43 million in Africa, equivalent to roughly 10% of the market on that continent.

There are more mineral exploration companies based in Canada exploring in Africa than from any other country in the world (Lemieux, 2003) (Table 2). Canadian companies account for the dominant share of all worldwide mineral exploration activity undertaken by the larger companies. The larger companies based in Africa account for 20% of exploration, while those based in Europe and Australia each account for 13% and those based in the United States account for 11% (Tables 3 and 4). The distribution of operating mines with a significant Canadian participation by country is given in Table 5.

The publication *Canada's Global Mining Presence* in the 2003 Canadian Minerals Yearbook produced by Natural Resources Canada, lists the eleven countries which accounted for 75% of Canadian Mineral Property Portfolio Holdings in Africa in 2003. In decreasing order of importance these were South Africa, Tanzania, Burkina Faso, Ghana, Mali, Zimbabwe, Guinea, Zambia, Botswana, Democratic Republic of the Congo, and Sierra Leone (Lemieux: 7.17). The same document also provides an overview of certain investments planned by Canadian companies in various African counties.

⁶There are more than 1,000 mining companies listed on Canadian Stock Exchanges, more than in any other country.

Table 2 *Number of Companies Exploring in Africa, by Country of Origin, 2003*

<i>117 Companies – US\$374.2 million</i>	
Australian-based Companies	34
Canada-based Companies	53
European-based Companies	12
U.S.-based Companies	3
Others	3
African-based Companies	12

Source: Natural Resources Canada, based on Metals Economics Group's, *Corporate Exploration Strategies: A Worldwide Analysis*; Hull and Lauer.

Table 3 *Exploration Budgets for Africa, by Country of Origin, 2003*

<i>117 Companies - US\$374.2 Million</i>	
Australian-based Companies	15.0%
Canada-based Companies	17.6%
European-based Companies	14.4%
U.S.-based Companies	5.1%
Others	3.4%
African-based Companies	44.5%

Source: Natural Resources Canada, based on Metals Economics Group's, *Corporate Exploration Strategies: A Worldwide Analysis*; Hull and Lauer.

Table 4 *Worldwide Exploration Spending by Region, 2003*

<i>917 companies - budgets totaling \$2.19 billion</i>	
Pacific/SE Asia	4.2%
United States	7.0%
Rest of the World	11.1%
Australia	15.5%
Africa	17.1%
Canada	21.5%
Latin America	23.6%

Source: Metals Economics Group, *World Exploration Trends, Report for the Prospectors & Developers Association of Canada 2004 International Convention* [PDF] <http://www.metalseconomics.com/catalog/pages/pdac2004.pdf>, p. 3.

Table 5 *Operating Mines in Africa with a Significant Canadian Interest, 2003*

<i>Country</i>	<i>Commodity (# of operations)</i>
Botswana	Ni-Cu (1)
Democratic Republic of the Congo	Cu (2)
Ghana	Au (3); Bauxite (1)
Guinea	Diamonds (2); Bauxite (1); Gold (1)
Mali	Au (2)
Namibia	Diamonds (1)
Sierra Leone	Diamonds (1)
South Africa	Au (3); Diamonds (8); Pt (1)
Tanzania	Au (2)
Tunisia	Zn-Pb (1)
Zambia	Cu (3)
Zimbabwe	Au (1)

Source: Natural Resources Canada, Info Mine, and used under licence; Hull and Lauer.

According to this source, Tanzania ranks 11th in the world in terms of countries where Canadian companies are the most active in mineral exploration. Barrick planned to spend almost \$12 million in that country, mainly in the Lake Victoria greenstone belt. Barrick's program for Tanzania in 2003 was the largest for that country. Barrick planned to explore for gold at or in the vicinity of the Bulyanhulu underground mine located south of Lake Victoria, and at the Tulawaka deposit, located 100 km to the west of that mine. The capital cost of building an open-pit mine at Tulawaka to produce some 75 000 oz of gold annually over a period of four years is estimated at roughly US\$50 million. Probable reserves at Tulawaka are estimated at 1.4 Mt grading 11.6 g/t gold. Production was expected to begin in early 2005. Average cash production costs are likely to be about US\$175/oz.

In Eritrea, Nevsun Resources Ltd. planned to spend \$7 million on grassroots exploration for gold-copper at the Bisha property located in the Gash-Barka district.

In southwestern Mali, Nevsun planned to spend \$5 million at the Tabakoto deposit and at the adjoining Segala gold deposit located in the Kenieba district. The company is building, at a capital cost of US\$40 million, an open-pit mine that would produce roughly 100 000 oz of gold annually from the Tabakoto deposit over a period of five years and which was expected to start up in mid-2005. That deposit contains reserves estimated at 3.1 Mt grading 5.45 g/t gold. Reserves at the Segala deposit, which the company plans to also process at the Tabakoto plant, amount to an estimated 3.3 Mt grading 3.02 g/t gold.

In Botswana, Lionore Mining International Ltd. planned to spend over \$2 million on grassroots exploration to find additional resources to feed the processing plant at the Phoenix nickel-copper-cobalt- precious metal open-pit mine located east of Francistown in the northeastern part of that country.

In Namibia, Teck Cominco planned to spend \$2 million on grassroots exploration for zinc in the southern part of the country.

In South Africa, SouthernEra Resources Limited planned to spend roughly \$3 million exploring for platinum at the Millenium property located on the eastern limb of the Bushveld Igneous Complex, and for diamonds at the Prieska property, located in the Northern Cape Province. Also in South Africa, Placer Dome planned to spend \$2 million on grassroots exploration for gold and PGM (platinum group metals).

While Canadian companies are without doubt at the forefront of exploration and mining activities in Africa, it is junior companies, those defined by Natural Resources Canada as companies which spend less than \$4 million a year on exploration (Brewer and Lemieux, 1997: 15) which represent by far the large majority of companies listed on Canadian stock exchanges. On the basis of the different sources⁷, information available concerning 296 mining companies listed on the Toronto (TSX) and TSX Venture Exchange, the two stock exchanges which are where most mining companies are listed, illustrates the rise of junior companies. Of the companies listed, 55 were larger companies and 99 juniors companies (Annex 1).

⁷Northern Miner, Canadian & American Mines Handbook 2004-2005, Business Information Group, Toronto, October 2004 ; and InfoMine, compiled by the TSX, February 2004.

The growth in the number of junior companies represents one of the most important developments in the mining industry in the last 50 years. In his report entitled *International Dimensions of the New Minerals and Metals Policy of the Government of Canada: Partnerships for Sustainable Development*, Torsten Strom of Natural Resources Canada noted that “Canada’s major mining companies have been actively involved in overseas mining for the better part of the twentieth century. It is only in the last decade, however, that other segments of the industry – including junior exploration companies – have embraced the opportunities presented by the geological potential of countries beyond North America” (Strom: 33). Junior companies, which lack the financial resources of the larger mining companies, must rely on the stock market for the capital needed for their exploration programs.

In order to understand how this has taken place, it is important to recognize the role played by corporate financing through Canadian securities markets. According to Brewer and Lemieux, the Canadian financial services industry has been very efficient in bringing Canada’s junior mining sector to the attention of investors in Canada, the United States and Europe, Asia and elsewhere. Moreover, foreign investors have been a growing source of funds for Canadian-based resource companies (Ibid: 39). In fact, by the end of the 1990s, the Canadian financial services industry appeared to have raised more equity capital for the mineral industry than was raised in Australia, the United States and South Africa combined (Ibid: 39).

While the close interaction between the finance and mining sectors, coupled with the signing of multilateral agreements, and favourable tax legislation for the mining industry have all contributed to making Canada a leader in global mining exploration (Campbell, 1999) and placing Canadian juniors at the forefront, this also entails certain challenges as junior companies tend to be less subject to controls, less prone to apply best practices and more inclined to operate in high risk and at times zones of conflict. They nonetheless represent the majority of Canadian companies operating in Africa and their number is growing.

This trend is of considerable significance in view of the fact that issues concerning security and mining activities are already critically important and they are destined to become increasingly so

and rapidly. This was clearly recognized in the recommendations of the Report of the Extractive Industries Review of December 2003 and notably in its recommendation to the effect that there should be no support from the World Bank Group for extractive activities in areas of conflict or at high risk of conflict. More recently and with considerable precision as to what should be done, these same issues were analyzed and concrete recommendations were put forward in the Report of the Commission for Africa which started from the now widely recognised premise noted above that : “Countries with economies dependent on one or a few primary commodities, particularly high-value resources such as oil and other minerals, are often poor, have weak and less accountable governance systems, and are more vulnerable to violent conflict and economic shocks” (Commission for Africa, chap. 5).⁸

Canada at the Crossroads

If I have chosen this area as the focus for this article, it is because the research of the team I head up and my recent travels to Africa have convinced me that these are critically important and urgent issues. Moreover, at present, rather than take the lead as one might expect, in view of the importance which Canadian interests occupy and in contrast to the steps taken by other countries, Canada is lagging behind and making a rather poor showing. The assumption appears to be that it is sufficient to promote the OECD Guidelines for Multinational Enterprises, which remain voluntary. This is simply not sufficient.

By comparison, certain other countries such as the Scandinavian ones have been much more dynamic in asking for inquiries when complaints have been lodged. For example, in Finland, the National Contact Point (NCP) has recently been reinforced by the creation of an Advisory committee made up of representatives from companies, unions and NGOs which has the mandate to do the follow up work when complaints are received and to make recommendations when an inquiry is necessary. In Sweden, the National Contact Point seeks the advice of experts internationally and entrusts the Swedish embassy in the country

⁸See also Ballentine and Sherman, 2003.

concerned to undertake an inquiry in the case of disputed or contested cases.

By contrast, Canada has shown considerable reservation over the possibility of adopting more energetic procedures permitting the follow-up of complaints lodged concerning the activities of its companies and appears to believe that existing international instruments such as the OECD Guidelines are sufficient. To the best of our knowledge, complaints that have been brought before Canada's NCP have not given rise to an inquiry. Further to the findings of the Panel of Experts set up by the Security Council of the UN on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo which in its 2001 Report named eight Canadian mining companies, a first request for an inquiry was submitted in 2002 to the NCP and a second at the beginning of 2004. These two reports did not lead to further inquiry as Canada's NCP accepted the conclusions of the Final Report to the Security Council in October 2002 which no longer mentions Canadian companies with the exception of International Panorama Resources (now known as Kakanda Development Corp.). Canada's NCP interprets its mandate as that of facilitating dialogue among the parties concerned but beyond its mandate to undertake an inquiry.

While in no way presuming the results of such inquiries, the first point is to underline that Canada's response to these critical issues is in sharp contrast to the far more energetic response of other countries. The Swedish government, for example, was in touch with me about a complaint they had received concerning one of their companies in Ghana.

Secondly, Canada's response seems paradoxical in view of the fact that the presence of Canadian mining companies is far more important than in the case of countries which intervene much more energetically.

Third, beyond questioning why this is happening, in view of the well recognized links between natural resources and violent conflict in Africa, it is important and urgent to examine very concretely what can be done about this situation and more generally, the role which Canada can play in responding to the challenges of development and security facing Africa today.

Having set out a series of considerations outlining the importance of the presence of Canadian mining interests in Africa and the place occupied by mineral rich countries of Africa in Canada's development and commercial strategies on the one hand and the potential links between natural resource extraction and the risk of violent conflict on the other, the second section of this article seeks to summarize a series of proposals concerning eventual directions for the renewal of Canadian policies in this area. These proposals relate to the renewal of Canadian policies to enhance peace and security in Africa.

Towards a Long-Term Vision of Canada's Policy Objectives

As the Report of the Commission for Africa notes "Investing in development, growth and job creation, including through fairer trade policies, is essential to reducing violent conflict in Africa". Studies suggest that "doubling per capita income approximately halves the risk of rebellion and each additional percentage point on the growth rate reduces the risk of rebellion by approximately one percentage point" (Commission for Africa: 160). The Report continues: "However, development and growth that do not address inequality and exclusion will not reduce violent conflict. Inequality and exclusion are central causes of violent conflict" (Commission for Africa: 161).

The research carried out by the *Groupe de recherche sur les activités minières en Afrique* suggests that given the current emphasis on creating an environment favourable to attracting foreign investment in the extractive sector, and the manner in which measures of deregulation and forms of re-regulation and facilitation were introduced in the 1980s and the 1990s, may not necessarily be compatible with, and even present impediments to meeting the development challenges of the countries concerned (Campbell, 2004).⁹

In the present context of ever-increasing liberalization and fragile state forms there is a very real danger that unless further steps are taken to ensure a better balance among Canada's policy objectives (creation of local employment, minimum wage

⁹Documents available online at GRAMA's website: <http://www.unites.uqam.ca/grama/>

standards, environmental protection, etc.), the promotion of Canadian mining interests in Africa may well contribute to social exclusion and inequality in the countries concerned and consequently, to the increasing instability and potential conflict. In view of this, it would appear urgent that Canada be far more attentive to the coherence and balance of its policies in the extractive sector and sensitive to the fact that the design of current mining legislation in Africa which seeks to encourage foreign investment may not in fact be necessarily compatible with the achievement of social and economic development.

Moreover, it is underlined in the Report of the Commission for Africa that “Governance can be a deciding factor in whether or not a country experiences violent conflict” (Commission for Africa: 161). It also noted that “The state is responsible for ensuring security for its people” (Ibid). However, our research indicates that the manner in which highly standardized economic and institutional reforms have been introduced at the initiative of multilateral financial institutions throughout the period of structural adjustment and to the present, has tended to reduce the capacity of local states to monitor and enforce their own legislation and regulations in areas which are critical for social and economic development and the protection of the environment. Although there are in fact provisions for impact assessments, research carried out in this area with regard to Mali for example, points to the government’s absence of resources, its lack of access to information and the lack of headway made so far in this regard (Dembele, 2000; Gosselin and Toure, 2000). In a similar manner in the case of Madagascar (Sarrasin, 2002), in spite of the introduction of legislation to ensure environmental protection and a new 1999 mining code, there is good reason to question whether the government of this country, just as that of Mali, is in fact in a position to ensure the enforcement of norms in key areas, should they not be respected by private operators, for the reasons pointed out by the World Bank : “After several years of budgetary reductions, Government institutions lack the human and financial resources to enforce the law, especially in the context of decentralization”.(World Bank 1998:6). Under the circumstances, although countries such as Mali and Madagascar do possess legislation in the area of environmental protection for example, its application is far from assured particularly in the

context of the increased liberalization contained in their respective mining codes. This situation appears to leave responsibility for the monitoring and enforcement of environmental norms largely up to private operators and, because of the heritage recognized by the World Bank, there is good reason to remain sceptical concerning the capacity of local states to question or remedy the resulting practices.

More generally, current trends contributing to the redefinition of the role of the state through the introduction of increasingly standardized legal and fiscal frameworks with a view of creating a favourable environment for investment but at the expense of its capacity to respond to the challenges of development is neither viable nor in the interest of either local populations or foreign investors.

In the long run, the responsibility to define, monitor and enforce norms and standards must rest with local governments and the communities concerned. Consequently it would seem of foremost importance that Canada recognize the long-term benefit of reinforcing the legitimacy and capacity of African countries to apply existing regulations, to monitor and to enforce. To this end, Canada must be determined to work with local governments and other actors concerned (whether multilateral institutions, private enterprises or non governmental organizations, etc) to mobilize the financial and technical resources necessary to ensure that states can effectively be responsible for ensuring security and development of their people.

With regard to investment in zones of conflict, the Commission for Africa has recommended that OECD countries should promote the development and full implementation of clear and comprehensive guidelines for companies operating in areas at risk of violent conflict, for incorporation into the OECD Guidelines for Multinational Enterprises. One of the negative impacts of instability is reduced foreign and domestic investment. However, while this investment is often desperately needed, companies that are actively engaged in such countries can also have a negative effect on peace and security. By using disreputable private security companies or co-opting armed groups to protect installations, multinationals have contributed to wider insecurity. Another disruptive factor can be hiring disproportionate numbers of people from one socio-economic or ethnic group, or providing 'development assistance' to

particular communities. In other cases, companies are more directly involved in fuelling war by, for example, paying substantial sums to governments or warlords and helping oppressive or corrupt regimes to remain in power. Sometimes these payments go directly to financing conflict. Some firms are even involved in arms trafficking. Many such actions are in breach of international laws. But many unhelpful acts are not actually crimes and cannot be controlled using existing channels of regulation. The regulatory gap is currently filled by various standards and codes for behavior, such as the OECD Guidelines for Multinational Enterprises. Although voluntary, OECD governments are obliged to promote and ensure adherence to the guidelines. The G8 has already committed to 'encouraging the adoption of voluntary principles of corporate social responsibility by those involved in developing Africa's natural resources'. That obligation now needs to be implemented.

However, existing guidelines make inadequate provision for economic activity in areas at risk of, or actively engaged in, violent conflict. Corporate guidelines need to be revised with conflict zones in mind, setting out the best current practice on security arrangements, transparency, and revenue-sharing arrangements. Such guidelines should be aimed at helping companies to avoid the potential risks to their own business of operating in such environments, and thus allow them to invest with greater confidence. They should set out the importance of using conflict analysis and risk assessments to avoid creating or worsening conflicts. The mechanisms for implementation of the OECD Guidelines through National Contact Points (NCPs) should be strengthened, for example through establishing NCPs in resource-rich African countries, as recommended by participants at the Commission's regional consultations.

In addition, shareholders can exercise their considerable influence to ensure that codes and standards are adhered to and consumers also have substantial power to persuade companies to adopt ethical policies.

The Commission also suggests the

Guidelines alone, of course, will not be enough. A body will be needed to monitor their effectiveness, with clear disincentives for non-compliance. This could be another function for the permanent Expert Panel within the UN Security Council

charged with overseeing various issues relating to conflict resources and their trade, which we recommend... This body should also be charged with ensuring that companies do not circumvent guidelines by taking a deliberately narrow interpretation of them. It could also play a role in monitoring the activities of businesses not registered in OECD countries. (Commission for Africa: 166)

More generally, if Canada's NCP were more effective, without drawing foregone conclusions as to what would be found, a more active NCP would allow for a more transparent and systematic treatment of complaints which are currently formulated informally but increasingly frequently, concerning the activities of Canadian mining companies in Africa not only in zones of conflict but also in countries such as Ghana, Mali and Tanzania.

In order to ensure the above, it is urgent that the role and mandate of Canada's National Contact Point be clarified, formalized and strengthened in order to ensure that it be able to act more effectively than is presently the case concerning the monitoring, evaluation and if necessary, remedial measures to be taken further to complaints in general and particularly in zones of conflict. Furthermore, in view of the considerable impact of these issues on Canada's international reputation, Canada's National Contact Point might also be requested to report annually to Parliament concerning complaints lodged with regard to the activities of Canadian companies abroad, inquiries conducted and recommendations proposed.

The presence of mining companies in zones of conflict should in itself sound an alarm and encourage the National Contact Point or other institutions in Canada to monitor very closely the activities of such companies. To this end it would seem important that any company considering investment in a country designated as a conflict zone should be required to include in its risk assessment, an analysis of the potential human rights and humanitarian implications of its presence (Gagnon et al: 133).

In this manner, all investment in zones of conflict should, as a minimum, be accompanied by an assessment of the implications of the exploitation of natural resources on human rights in a manner similar to impact assessments which are carried out on environmental risks. This idea is already promoted in Norway's

“Guidelines Concerning Human Rights and Environment for Norwegian Companies Abroad”, the UN Human Rights Responsibilities, and the Voluntary Principles (Ibid).

More effective action to obstruct the trade in conflict resources is hampered by the fact that there is as yet no internationally recognized definition of such resources. This means that each commodity, and each instance of misuse, has to be dealt with separately, on an ad hoc basis. It took two years and several UN resolutions to establish the Kimberley Process. A common definition of conflict resources with clear criteria for when resources become conflict resources would remove the need for separate schemes on individual commodities. International measures designed to stop the trade in conflict resources could then kick into action as soon as there was convincing evidence that revenues from extraction of a particular resource in a specific country were being diverted towards funding violent conflict. The international community should set priorities and fund the process of agreeing to a common definition of conflict resources. The definition could eventually be incorporated into a UN General Assembly resolution, to maximize its international impact.

Another obstacle is a lack of political will to ensure that international sanctions are enforced, and to punish sanctions busters. The monitoring and enforcement of recommendations by Expert Panels are also often weak. In recognition of these problems, the Commission for Africa has suggested a number of steps that the international community should take to improve the effectiveness of sanctions. According to the Commission, the international community should support the implementation of these measures to improve the efficiency of international sanctions. The monitoring and enforcement of sanctions can be improved by establishing a permanent body attached to the UN General Assembly with standing capacity to investigate and sanction malfeasance. The UN Expert Panels established in recent years have faced significant bureaucratic and logistical hurdles when being set up, and only had temporary mandates. A permanent Expert Panel would make it possible to retain the institutional knowledge essential to conduct investigations, and would be able to respond more rapidly to complex, highly-changeable conflict situations. This permanent

body could also be tasked with investigating the links between natural resources and violent conflict.

In order to weaken the link between natural resources and violent conflict in Africa, Canada should support the recommendations on the Report of the Commission for Africa by notably:

- working towards a common definition for ‘conflict resources’, for global endorsement;
- supporting the recommendation on increased transparency through support of the Extractive Industries Transparency Initiative (EITI) and extending transparency principles to other natural resources sectors like forestry and fisheries;
- taking the lead in the creation of a Permanent Expert Panel within the UN to monitor the links between natural resource extraction and violent conflict, and the implementation of sanctions. (Commission for Africa: 164).

As noted by the Commission for Africa: “Responsibility for resolving conflict in Africa should lie primarily with Africans, but there is much more the developed world can do to strengthen conflict prevention” (Ibid: 174). However, this will not happen if all actors concerned, whether the multilateral financial institutions, the countries of origin of mining companies, the NGO community, as well as mining companies, do not accept their responsibilities. For in the end, the security of mining companies and their activities will never be assured if that of the mining communities where they operate is not also assured and the promise of social and economic development of the countries concerned respected. These issues are inextricably linked. Canada’s position as a leading player in the extractive sector in Africa suggests that it is only fitting that as a country it shows leadership in implementing the key recommendations contained in this Report.

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Annex 1 *Canadian and American Mining Companies Listed on Canadian Stock Exchanges, by African Country*

Compiled on the basis of Northern Miner, *Canadian & American Mines Handbook 2004-2005*, Business Information Group, Toronto, October 2004, and InfoMine, from the TSX, February 2004.

Canadian or American Mining Company	Country	Stock exchange
Adastra Mineral Inc.	Angola	TSX
Amcan Minerals Ltd	Angola	TSX Venture
America mineral Field	Angola	TSX
Diamond Works Ltd	Angola	TSX
Easton Minerals Ltd	Angola	TSX Venture
Energem Resources Inc.	Angola	TSX
Randsburg International Gold	Angola	TSX Venture
SouthernEra Resources Ltd	Angola	TSX
AfriOre Ltd	Botswana	TSX
Falconbridge	Botswana	TSX
Fancamp Exploration Ltd	Botswana	TSX Venture
First Strike Diamonds	Botswana	TSX Venture
International Kirkland	Botswana	TSX Venture
LionOre Mining International Ltd	Botswana	TSX
M.I.T. Ventures Corp.	Botswana	TSX Venture
Motapa Diamonds Inc.	Botswana	TSX Venture
Noranda	Botswana	TSX
Opawica Explorations	Botswana	TSX
Playfair Mining	Botswana	TSX Venture
RNC Gold	Botswana	TSX
SouthernEra Resources Ltd	Botswana	TSX
Trivalence Mining Corp.	Botswana	TSX Venture
Tsodilo Resources Ltd.	Botswana	TSX Venture
Afcan Mining Corporation	Burkina Faso	TSX Venture
AngloGold Ashanti Ltd	Burkina Faso	NYSE (USA)
Axmin Inc.	Burkina Faso	TSX Venture
Boliden	Burkina Faso	TSX
Challenger Minerals Ltd	Burkina Faso	TSX Venture
Channel Resources Ltd	Burkina Faso	TSX Venture
Crew Gold Corp.	Burkina Faso	TSX
Etruscan Resources Inc.	Burkina Faso	TSX
Goldbelt Resources Ltd	Burkina Faso	TSX Venture
Goldcrest Resources Ltd	Burkina Faso	TSX Venture
High River Gold Mines	Burkina Faso	TSX
Iamgold Corporation	Burkina Faso	TSX
Interstar Group Inc.	Burkina Faso	TSX Venture
Jilbey Gold Exploration	Burkina Faso	TSX Venture

Canadian or American Mining Company	Country	Stock exchange
Kinbaouri Gold Corp.	Burkina Faso	TSX Venture
Melkior Resources Inc.	Burkina Faso	TSX Venture
Orezone Resources Inc.	Burkina Faso	TSX
Placer Dome Inc.	Burkina Faso	TSX
Queenstak Resources	Burkina Faso	TSX
Riverstone Resources	Burkina Faso	TSX Venture
Semafo Inc.	Burkina Faso	TSX
Solomon Resources	Burkina Faso	TSX Venture
St. Jude Resources	Burkina Faso	TSX Venture
Teck Cominco Ltd	Burkina Faso	TSX
Ateba Technology & Environnemental Inc.	Central African Republic	TSX Venture
Axmin Inc.	Central African Republic	TSX Venture
Energem Resources Inc.	Central African Republic	TSX
United Reef Ltd	Central African Republic	CNQ (Ontario)
Vaaldiam Resources Ltd	Central African Republic	TSX Venture
Magnesium Alloy Corp.	Congo/Brazzaville	TSX Venture
America Mineral Fields Inc.	Congo/Kinshasa	TSX
Adastra Minerals Inc.	Congo/Kinshasa	TSX
Anvil Mining Ltd	Congo/Kinshasa	TSX
Banro Corporation	Congo/Kinshasa	TSX Venture
Bema Gold	Congo/Kinshasa	TSX
Caledonia Mining	Congo/Kinshasa	TSX
First Quantum Minerals	Congo/Kinshasa	TSX
Kakanda Development Corp.	Congo/Kinshasa	TSX Venture
Melkior Resources Inc.	Congo/Kinshasa	TSX Venture
Neuer Kapital Corporation	Congo/Kinshasa	TSX Venture
Phelps Dodge Corp.	Congo/Kinshasa	NYSE (USA)
Rubicon Minerals Corp.	Congo/Kinshasa	TSX
SouthernEra Resources Ltd	Congo/Kinshasa	TSX
Tenke Mining	Congo/Kinshasa	TSX
Arca Explorations	Côte d'Ivoire	TSX Venture
Etruscan Resources Inc.	Côte d'Ivoire	TSX
Falconbridge Ltd	Côte d'Ivoire	TSX
Golden Star Resources	Côte d'Ivoire	TSX
Melkior Resources Inc.	Côte d'Ivoire	TSX Venture
Noranda	Côte d'Ivoire	TSX
Randgold and Exploration Company Ltd	Côte d'Ivoire	NASDAQ
Semafo Inc.	Côte d'Ivoire	TSX
Tanqueray Resources	Côte d'Ivoire	TSX Venture

Canadian or American Mining Company	Country	Stock exchange
Cresset Precious Metals Inc.	Egypt	PS (USA)
Explorations Minières du Nord Ltée	Eritrea	TSX
Nevsun Resources Ltd	Eritrea	TSX
Sanu Resources Ltd	Eritrea	TSX Venture
Sunridge Gold Corp.	Eritrea	TSX Venture
Motapa Diamonds Inc.	Gabon	TSX Venture
Searchgold Resources Inc.	Gabon	TSX Venture
SouthernEra Resources Ltd	Gabon	TSX
Adamus Resources	Ghana	TSX Venture
African Metals Corporation	Ghana	TSX Venture
Akrokeri-Ashanti Gold	Ghana	TSX Venture
Alcan Inc.	Ghana	TSX
AMI Resources	Ghana	TSX Venture
AngloGold Ashanti Ltd	Ghana	NYSE (USA)
Arena Gold Resources Inc.	Ghana	TSX Venture
Axmin Inc.	Ghana	TSX Venture
Birim Goldfields Inc.	Ghana	TSX
Cangold	Ghana	TSX Venture
Centura Resources	Ghana	TSX Venture
Crew Gold Corp.	Ghana	TSX
Fairstar Explorations Inc.	Ghana	TSX
Gold Fields Ltd	Ghana	NYSE (USA)
Golden Star Resources Ltd	Ghana	TSX
Iamgold Corporation	Ghana	TSX
Icon Industries	Ghana	TSX Venture
Midland Minerals Corporation	Ghana	- (Ontario)
Moydow Mines International Inc.	Ghana	TSX
Nevsun Ressources Inc.	Ghana	TSX
Newmont Mining Corporation	Ghana	TSX/NYSE (USA)
Orezone Resources Inc.	Ghana	TSX
Pacific Comox Resources	Ghana	TSX Venture
Patrician Diamonds	Ghana	TSX Venture
Pinnacle Resources	Ghana	OTCBB (USA)
PMI Ventures	Ghana	Venture
Red Back Mining Inc.	Ghana	Venture
Semafo Inc.	Ghana	TSX
St. Jude Resources	Ghana	TSX Venture
Trio Gold Corporation	Ghana	TSX Venture
Red Back Mining Inc.	Guinea Bissau	TSX Venture
Afcan Mining Corporation	Guinea Conakry	TSX Venture
Alcan Inc.	Guinea Conakry	TSX
Alcoa Inc.	Guinea Conakry	NYSE (USA)
AngloGold Ashanti Ltd	Guinea Conakry	NYSE (USA)

Canadian or American Mining Company	Country	Stock exchange
Arena Gold Resources Inc.	Guinea Conakry	TSX Venture
Cassidy Gold	Guinea Conakry	TSX Venture
Dia Bras Exploration	Guinea Conakry	TSX Venture
Diagem International	Guinea Conakry	TSX Venture
FNX Mining Company Inc.	Guinea Conakry	TSX
Golden Chalice Resources	Guinea Conakry	TSX Venture
Guinor Gold Corporation	Guinea Conakry	TSX Venture
Mano River Resources Inc.	Guinea Conakry	TSX Venture
Maple Minerals Corp.	Guinea Conakry	TSX Venture
Northern Abitibi Mining	Guinea Conakry	TSX Venture
Pro-Veinor Resources Inc.	Guinea Conakry	TSX Venture
Searchgold Resources Inc.	Guinea Conakry	TSX Venture
Semafo Inc.	Guinea Conakry	TSX
Trivalence Mining	Guinea Conakry	TSX Venture
Viking Exploration Inc.	Guinea Conakry	PS (Ontario)
AfriOre Ltd	Kenya	TSX
Azimut Exploration Inc.	Kenya	TSX Venture
Barrick Gold Corporation	Kenya	TSX
Kansai Mining Corporation	Kenya	TSX Venture
Tiomin Resources Inc.	Kenya	TSX
Diamond Fields International Ltd	Liberia	TSX
Mano River Resources Inc.	Liberia	TSX Venture
Americana Gold & Diamond Holdings Inc.	Madagascar	PS (USA)
Diamond Fields International Ltd	Madagascar	TSX
Dynatec Corporation	Madagascar	TSX
Majescor Resources Inc.	Madagascar	TSX Venture
Pan African Mining Corp.	Madagascar	TSX Venture
Phelps Dodge Corp.	Madagascar	NYSE (USA)
Afcan Mining Corporation	Mali	TSX Venture
African Metals Corporation	Mali	TSX Venture
AfriOre Ltd	Mali	TSX
AngloGold Ashanti Ltd	Mali	NYSE (USA)
Axmin Inc.	Mali	TSX Venture
Azco Mining Inc.	Mali	TSX
Barrick Gold	Mali	TSX
Etruscan Resources Inc.	Mali	TSX
Fancamp Exploration Ltd	Mali	TSX Venture
Golden Star Resources Ltd	Mali	TSX
Great Quest Metals Ltd	Mali	TSX Venture
Iamgold Corporation	Mali	TSX
Metalex Ventures Ltd	Mali	TSX Venture
Moydow Mines	Mali	TSX
Nevsun Resources	Mali	TSX

Canadian or American Mining Company	Country	Stock exchange
North Atlantic Nickel Corp.	Mali	TSX
North Atlantic Resources Ltd	Mali	TSX
Orezone Resources Inc.	Mali	TSX
Randgold & Exploration Company Ltd	Mali	NASDAQ
Robex Resources Inc.	Mali	TSX Venture
Sanu Resources Ltd	Mali	TSX Venture
Teck Cominco Ltd	Mali	TSX
Defiance Mining Corporation	Mauritius	TSX
Rex Diamond Mining Corporation	Mauritius	TSX
Afri-Can Marine Minerals Corporation	Namibia	TSX Venture
AfriOre Ltd	Namibia	TSX
AngloGold Ashanti Ltd	Namibia	NYSE (USA)
Boulder Mining Corporation	Namibia	TSX Venture
Diamond Fields International Ltd	Namibia	TSX
Motapa Diamonds Inc.	Namibia	TSX Venture
Tsodilo Resources	Namibia	TSX Venture
Etruscan Resources Inc.	Niger	TSX
Semafo Inc.	Niger	TSX
Wave Exploration Corp.	Nigeria	TSX Venture
Axmin Inc.	Senegal	TSX Venture
Iamgold Corporation	Senegal	TSX
Randgold & Explorations Company Ltd	Senegal	NASDAQ
Afcan Mining Corporation	Sierra Leone	TSX Venture
Africa Diamond Holdings Ltd	Sierra Leone	British Columbia)
Amcan Minerals Ltd	Sierra Leone	TSX Venture
Axmin Inc.	Sierra Leone	TSX Venture
Caldera Resources Inc.	Sierra Leone	TSX
Diamondfields International Ltd	Sierra Leone	TSX
Diamondworks Ltd	Sierra Leone	TSX
Energem Resources Inc.	Sierra Leone	TSX
Golden Star Resources Ltd	Sierra Leone	TSX
Mano River Resources Inc.	Sierra Leone	TSX Venture
Nord Resources Corporation	Sierra Leone	OTCBB (USA)
Rex Diamond Mining Corp.	Sierra Leone	TSX
AfriOre Ltd	South Africa	TSX
Anooraq Resources Corp.	South Africa	Venture
Bema Gold Corp.	South Africa	TSX
Brasilca Mining Corp.	South Africa	Venture
Caledonia Mining Corp.	South Africa	TSX
Crew Gold Corp.	South Africa	TSX
Diamcor Mining Inc.	South Africa	Venture
Diamond Fields International Ltd	South Africa	TSX
Diamondworks	South Africa	TSX

Canadian or American Mining Company	Country	Stock exchange
Etruscan Resources Inc.	South Africa	TSX
Falconbridge	South Africa	TSX
Gold Fields Ltd	South Africa	NYSE (USA)
Great Basin Gold Ltd	South Africa	TSX
Harmony Gold Mining Company Ltd	South Africa	NYSE (USA)
Hinterland Metals	South Africa	Venture
Iamgold Corporation	South Africa	TSX
Jaguar Mining	South Africa	Venture
Lalo Ventures	South Africa	Venture
MinRes Resources Inc.	South Africa	Venture
Monroe Minerals Inc.	South Africa	Venture
Mountain Lake Resources Inc.	South Africa	Venture
Nordic Diamonds	South Africa	TSX Venture
Northern Orion Resources	South Africa	TSX
Olympus Stone	South Africa	TSX Venture
Pinnacle Resources Inc.	South Africa	OTCBB (USA)
Placer Dome Inc.	South Africa	TSX
Platinum Group Metals Ltd	South Africa	TSX Venture
Randgold & Exploration Company Ltd	South Africa	NASDAQ
Rex Diamond Mining Corp.	South Africa	TSX
Rupert Resources Ltd	South Africa	TSX Venture
SouthernEra Resources Ltd	South Africa	TSX
Superior Mining Corporation	South Africa	TSX Venture
Thistle Mining Inc.	South Africa	TSX
Trivalence Mining Corp.	South Africa	TSX Venture
Vaaldiam Resources Ltd	South Africa	TSX Venture
AngloGold Ashanti Ltd	Tanzania	NYSE (USA)
Axmin Inc.	Tanzania	TSX Venture
Barrick Gold Corp.	Tanzania	TSX
Cœur d'Alene Mines Corporation	Tanzania	NYSE (USA)
Conquest Resources Ltd	Tanzania	TSX Venture
Falconbridge Ltd	Tanzania	TSX
First Quantum Minerals Ltd	Tanzania	TSX
Great Southern Enterprises	Tanzanie	TSX Venture
Lakota Resources Inc.	Tanzanie	TSX Venture
McWatters Mining	Tanzanie	TSX
Midlands Minerals Corporation	Tanzanie	- (Ontario)
Norther Mining Explorations Ltd	Tanzanie	TSX
Orezone Resources Inc.	Tanzanie	TSX
Patrician Diamonds	Tanzanie	TSX Venture
Placer Dome Inc.	Tanzanie	TSX
Randgold & Exploration Company Ltd	Tanzania	NASDAQ
Serengeti Resources	Tanzania	TSX Venture

Canadian or American Mining Company	Country	Stock exchange
Sola Resources Corp.	Tanzania	TSX Venture
Tan Range Exploration Corp.	Tanzania	TSX
Breakwater Resources Ltd	Tunisia	TSX
Consolidated Global Minerals	Tunisia	TSX Venture
IBI Corporation	Uganda	TSX Venture
Uganda Gold Mining Ltd	Uganda	TSX Venture
Adastra Minerals Inc.	Zambia	TSX
America Mineral Fields Inc.	Zambia	TSX
Anvil Mining Ltd	Zambia	TSX
Caledonia Mining Corp.	Zambia	TSX
Crew Gold Corp.	Zambia	TSX
Equinox Minerals Ltd	Zambia	TSX
First Quantum Minerals Ltd	Zambia	TSX
Phelps Dodge Corp.	Zambia	NYSE (USA)
Queenstake Resources	Zambia	TSX
South Atlantic Ventures	Zambia	TSX Venture
SouthernEra Resources Ltd	Zambia	TSX
Tan Range Exploration	Zambia	TSX
Vaaldiam Resources	Zambia	TSX Venture
AngloGold Ashanti Ltd	Zimbabwe	NYSE
Cline Mining	Zimbabwe	TSX Venture
Conquest Resources Ltd	Zimbabwe	TSX Venture
First Quantum Minerals Ltd	Zimbabwe	TSX
First Silver Reserve	Zimbabwe	TSX
Globemin Resources	Zimbabwe	TSX Venture
Golden Cariboo	Zimbabwe	TSX Venture
Inmet Mining	Zimbabwe	TSX
Jaguar Mining	Zimbabwe	TSX Venture
Kinross Gold Corporation	Zimbabwe	TSX
Mandarin Goldfields	Zimbabwe	TSX Venture
Placer Dome Inc.	Zimbabwe	TSX
Skeena Resources	Zimbabwe	TSX Venture
SouthernEra Resources Ltd	Zimbabwe	TSX
St.Andrew Goldfields	Zimbabwe	TSX
Strongbow Resources	Zimbabwe	TSX Venture
Titanium Corporation	Zimbabwe	TSX Venture
Tsodilo Resources	Zimbabwe	TSX Venture