



Activity brief (December 2014)

Implementation of Mining Local Procurement Frameworks in West Africa (World Bank)

5 June 2012 – 4 June 2014



Background: West Africa has an established and growing mining industry where activities result in significant spending on supplies. However, businesses located in the regions are not effectively engaged in the mining supply chain. A World Bank report on 'Increasing local procurement by the mining industry in West Africa' shows that promoting local content through local procurement can provide significant economic development benefits for the regional economy. The report provides the guiding principles for this activity. Twelve West African governments, the Economic Community of West African States (ECOWAS), the West African Economic and Monetary Union (WAEMU), mining companies operating in the region, the Chamber of Mines of Ghana and Guinea, suppliers and civil society endorsed the report.

Objective: The purpose of the activity was to support ECOWAS to put in place the necessary regional arrangements to promote the increased use of local suppliers; and to develop the necessary policy, systems, guidance, regulatory framework and tools that member states can implement.

Activity description: The activity worked at two levels: country and regional. At the country level, the World Bank assisted Liberia and Burkina Faso to review their relevant policies and regulations. The activity also assisted them to review and update systems, tools and capacities to monitor local procurement. It also helped them to undertake assessments and provide an estimate of current and future demand for mining-related goods and services.

At the regional level, the activity supported the development of a harmonised list of products and suppliers across the region, for inputs to gold, iron-ore and bauxite mining. It also involved an initial prioritisation of investment projects for which to undertake feasibility studies for the implementation of the framework.

The World Bank held two regional multi-stakeholder workshops to develop the proposed framework for defining, reporting, measuring and monitoring local procurement by the mining industry. Following the result of the workshops, the activity developed templates to assist member countries to

develop systems that measure and report on local procurement.

Sector: Extractives

Outcomes:

- The activity provided policy and regulatory guidance to national governments related to local procurement.
- Tools and instruments were developed and utilised to strengthen monitoring and verification systems.
- Enhanced capacity of regional organisations promoted local procurement by mining companies operating in the region.

Participating countries: Burkina Faso and Liberia



Date approved: 05/06/2012

Implementation partner/s: The World Bank, ECOWAS

Total cost: AUD 825 000