





Committee: The Pan-African Parliament of the African Union

Issue: Enhancing local value creation and secure cross-border infrastructure for the

processing and trade of Africa's strategic minerals

Student Officer: Öykü Duruk - Deputy Chair

# I. Introduction

Many African countries with vast reserves of strategic resources cannot transport these minerals to global countries with ease due to a lack of strong infrastructure. Even though they have the resources to make up an economy, they cannot fully profit and enrich themselves. This infrastructural weakness encompasses poor road networks, antiquated rail systems, inadequate port capacity, and unreliable energy grids. Individually and collectively, these inhibit the various African states from effectively processing their



Figure 1: Rustenburg, South Africa, October 15, 2012, Large Dump Trucks transporting Platinum palladium ore for processing with mining safety inspectors in the foreground

natural resources for export and distributions, thereby sustaining drops in overall deliveries and increasing operational costs. The result is that most multinational companies either shy away from long-term investments or negotiate deals highly favorable to themselves, thus further reducing Africa's full potential to benefit from its own wealth. To combat this many infrastructure projects are taking place such as the Lobito Atlantic Railway that connects the Atlantic coast of Angola to the Democratic Republic of Congo (DRC). A





private group has been given a concession to modernize and renovate the current railway line and related infrastructure, including links to the DRC's copperbelt mining area. There's also the Chinese Belt and Road Initiative (BRI) which offers a modernized perspective to the Silk Road.

African countries have suffered and continue to suffer economic, sociological and environmental consequences due to colonialism by Western and Eastern powers. Most African nations, mostly excluding South Africa, still struggle to profit off their resources and become independent actors in the global market. Even the resource-rich regions are constrained to export raw materials at very low prices and import finished products at higher costs due to a lack of local refining and manufacturing capacity. This begets a self-reinforcing cycle that constrains value addition, with associated consequences for job creation, technological transfer, and economic diversification. Important global states such as China and the US and organizations such as the European Union (EU) and the United Nations (UN) have started, in the last decades, to provide financial support and corridor plans. But however may the approach be, whether Western, Eastern, private-owned or state-led operations, they still tend to limit the economic activity and value creation of African countries. Western nations have exploited Africa for centuries and then implemented projects to help combat economic and environmental erosion that they very well created which could be criticized. However, it remains true that Africa cannot build itself up without the help of international collaboration and funding. It does, however, require forging partnerships that respect African sovereignty, ensuring fair economic terms, and building long-term capacity instead of short-term dependency. For Africa to truly realize its resource potential, strengthening local governance will be required, as will investment in education, support for regional trade blocs such as ECOWAS and the AfCFTA, and the promotion of technology transfer. If there is equitable cooperation with balanced policy frameworks, the natural wealth of African countries can be turned into sustainable development, lifting millions out of poverty and securing them a stronger position in global markets.

# II. Key Vocabulary

cross-border infrastructure: any cooperation initiative between two or more countries to strengthen physical connectivity

local value creation: economic and social benefits generated and retained within a specific geographic area as a result of sustainable activities, particularly in energy production or resource management

local value addition: economic activities such as processing, refining, or manufacturing conducted within a country that increase the product's value and create jobs, instead of exporting raw materials directly





economic corridors: an integrated system of roads, rails, and ports that connect countries. They link centers of production, including manufacturing hubs, industrial clusters, and economic zones, as well as centers of demand, such as capitals and major cities. They act as gateways to the subregion for regional and international trade

mineral dependancy: a critical reliance on minerals, creating vulnerabilities in supply chains and economies. Mineral-dependent countries are defined as countries that depend on minerals for at least 25% of their tangible exports

economic diversification: reducing reliance on a single export (like copper or cobalt) by expanding into different sectors or industries

extractive sector: industries involved in removing natural resources from the earth—such as mining, oil, and gas extraction

# III. Involved Countries and Organizations

#### African Union

The African Union (AU) plays a central role in promoting regional cooperation and infrastructure development to support Africa's strategic minerals. Agenda 2063 is a tangible representation of the pan-African aspirations for unity, self-determination, freedom, advancement, and shared prosperity pursued under Pan-Africanism and African Renaissance, and it serves as the continent's strategic framework for achieving its objective of inclusive and sustainable development. African leaders realized that Africa's agenda needed to shift away from the fight against apartheid and achieving political independence for the continent, which had been the focus of The Organization of African Unity (OAU), the forerunner of the African Union, and toward inclusive social and economic development, continental and regional integration, democratic governance, peace and security, and other issues aimed at repositioning Africa to become a dominant player in the global scale.

### Angola

Angola is a key actor in advancing cross-border infrastructure for Africa's strategic minerals, primarily due to its control of the Port of Lobito, one of the Atlantic's most important gateways for mineral exports from Central and Southern Africa. The Lobito Corridor railway stretches through Angola, the Democratic Republic of the Congo, and Zambia, connecting Southern and Central Africa while providing a route to Eastern Africa and the Atlantic Ocean. Originally built in the early 20th century, it declined after sustaining damage during the Angolan civil war, remaining underused until a nearly \$2 billion rehabilitation funded by China in 2015. The corridor's operations are now managed under a 30-year concession (extendable to 50





years) by European logistics companies, including Trafigura, Moto-Engil, and Vecturis, with backing from the United States and European Union. Angola plays a central role as the corridor's port hub, enabling efficient transport of minerals from the DRC and Zambia. This project is not only critical for global energy minerals but also represents a Western alternative to China's Belt and Road Initiative. By revitalizing the corridor, Angola supports ethical mining practices, job creation, investment, and broader regional economic integration.

#### USA

The United States has moved to deepen its footprint in Africa's critical mineral sector through the Partnership for Global Infrastructure and Investment and the Minerals Security Partnership. The U.S. supports infrastructure alternatives to the Belt and Road Initiative and invests in secure supply chains for cobalt, lithium, and rare earth minerals.

#### Namibia

Namibia is an increasingly important source of strategic minerals as it is Rich in lithium, rare earths, and uranium. It works closely with the EU and with private companies to promote the addition of local value, as well as to invest in green hydrogen and mineral-processing capacity.

#### African Development Bank (AfDB)

The AfDB is the largest funder of infrastructure in Africa, including roads, ports, power grids, and industrial zones connected with the mineral sector. It provides loans, capacity-building, and regional project coordination.

### The Democratic Republic of Congo

The Democratic Republic of the Congo plays a central role in Africa's strategic mineral supply chains, particularly due to its vast reserves of copper and cobalt, which are essential for global clean-energy technologies. Much of the region's mineral output originates in the DRC's Copperbelt, making efficient cross-border infrastructure critical for reaching global markets. The DRC is directly involved in regional initiatives such as the Lobito Corridor, where improved rail and transport links provide a shorter and more secure route to the Atlantic coast, reducing reliance on longer, costlier routes through East Africa. The Congolese government has also partnered with Angola, Zambia, the African Union, and international financiers to improve and adjust customs systems, facilitate border procedures, and attract investment into processing and value-addition facilities within the country. However, the DRC also faces challenges such as governance issues, mining conditions, and security concerns, which complicate efforts to increase local





benefits. Despite these obstacles, the DRC remains indispensable to any attempt to enhance regional value creation and develop secure mineral infrastructure.

#### China

One of the main projects to improve the infrastructure in Africa is China's Belt Road Initiative. Xi Jinping sees the project as a pushback against Washington. It is a way for China to develop new tradeways, export markets, increase incomes and export its already excessive productive capacity. "China has had a fair amount of success in redrawing trade maps around the world, in ways that put China at the center and not the U.S. or Europe," says CFR's David Sacks, an expert on U.S.-China relations.

# Private Mining and Logistics Corporations

Large mining and trading companies such as Glencore, Ivanhoe Mines, and Trafigura are key players in the mining and transportation of Africa's strategic minerals. Their activities drive investment, processing capacity, and cross-border trade.

## IV. Focused Overview of the Issue

#### Causes and impacts of Africa's infrastructure crisis

Africa is a region with rich mineral resources in which due to lack of strong infrastructure countries cannot enrich their economies by accessing global markets. To combat this problem; enhance economic and social development and build secure infrastructures within countries and in borders, many economic corridor projects are taking place; which will be mentioned throughout the report.

The unmet need of infrastructure in Africa is a huge barrier in African production and business, reducing company productivity by 40%. The region's infrastructure projects face difficulty in finding funding. Many African nations are unable to organize resources efficiently and are therefore impoverished. According to Azolibe & Okonkwo (2020), adequate and effective infrastructure not only enhances people's life but also promotes fast industrialization. The poor state of the African transportation infrastructure poses a big threat to economic progress in the region, including its railroads, airports and ports, telecommunication systems etc. Bad infrastructure also exacerbates investment productivity. This increases transaction costs and therefore discourages international investment and trade. The lack of secure transportation infrastructure also makes it difficult for women to trade.

African countries have funded a portion of the region's infrastructure development projects on a balance sheet basis which refers to a financial statement that accounts for a business' assets, liabilities and shareholders' equity. This system puts financial limits on development. Local banks also aren't able to make





the necessary amount of investments. Infrastructure development on the African continent needs between \$130 billion and \$170 billion a year, while funding falls short by \$68 billion to \$108 billion annually, according to the Development Bank of Southern Africa (2019).

In Africa, infrastructure development faces obstacles such as poor planning, low operational capacity, corruption, insufficient maintenance and harmful environmental impacts. Despite an increase in foreign investment appetite and financing for infrastructure on the continent, the bulk of projects anticipated never reach financial closure, with a projected 80% of infrastructure projects failing at the feasibility/business plan stage. Many African governments lack well-defined infrastructure programs and bankable project pipelines. Given costs, hazards, and long-time horizons, the private sector is not prepared to examine, plan, and prepare infrastructure projects. This implies that governments, donors, and international financial institutions (IFIs) must design long-term infrastructure based on population growth and development goals and the economic relevance of different regions a limited deal pipeline or selection of low-impact initiatives, often because of a lack of a long-term master plan capable of bridging political cycles. A shorter-term emphasis may result in a reluctance to construct bigger, more influential initiatives, as well as weak infrastructure policy frameworks leading to poor infrastructure project prioritization.

## Lobito Atlantic Railway / Lobito Corridor

Lobito Atlantic Railway supports mining companies in initiatives of regional actors such as mining companies, freight operators and regional traders by transporting minerals. It connects the Atlantic coast of Angola to the Democratic Republic of Congo (DRC) and Zambia. Today, this railway is under the jurisdiction of European logistic companies such as Trafigura, Moto-Engil and Vecturis. This private concession has been granted for 30 years. The United States and the European Union have shown support and plan to make financial contributions. Many of the minerals transported through this corridor are considered important for energy security. This project aims to enhance ethical extraction, improve job opportunities, increase investment and improve cooperation with the authorities. It also aims at modernizing an outdated infrastructure, reducing transportation delays, and lowering the cost of moving industrial minerals across borders. The corridor has the potential to greatly increase regional competitiveness by reducing reliance on long and inefficient routes, therefore attracting new industrial projects. In addition, it is likely to spur investment in various processing facilities, allowing African states to add more value to raw materials before exporting them into global markets.

This project is seen as an alternative to China's Belt and Road Initiative. The BRI was the largest infrastructure project in Africa, financed by China especially after the Angola Civil War by revitalizing the Bengali Railway and extending the Lobito port. The Lobito Atlantic Railway is a Western-backed investment model. This gives African countries more alternatives in choosing economic partnerships. The corridor also





offers more transparency as the BRI has been criticized for its lack of it. The Western involvement brings new standards of accountability, procurement procedures, and environmental protection that aim at ensuring that the long-term benefits from the projects remain with the host countries. The presence of different actors in Western, African, private sector, and regional arenas brings greater economic balance and reduces monopolistic tendencies characterized by single-country dominance. The diversified nature of partners increases the negotiating power of African nations for better terms of development.

Besides transport of minerals, the Lobito Corridor has strategic importance in terms of regional integration, given its capacity to facilitate transboundary trade in agricultural goods, manufactured products, and services. Certainly, with improved connectivity, access to new markets may be opened for small and medium-sized enterprises, while local communities benefit from economic mobility. The project reflects a modern approach to multi-stakeholder development, where governments, private companies, and international organizations work together to develop regional infrastructure. If executed well, it can become a model example for future infrastructure development in Africa-one that promotes sustainability, equity, and long-term prosperity.

#### Belt and Road Initiative (New Silk Road)

The Belt and Road Initiative is one of the major infrastructure projects around the world, started in 2013 by China. Its original aim was to connect East Asia and Europe through physical infrastructure. The project then went on to include Africa and was Africa's primary source of investment for a while, Oceania and Latin America. The project increased Chinese influence on politics and economy on the global scale. The plan had two steps: 1. the overland Silk Road Economic Belt 2. the maritime silk road. They were then referred to as the BRI. Xi Jinping had envisioned the creation of an expansive system including railroads, highways, docks and simpler border-crossing both westward and southward. This network would ensure the globalization of the Chinese currency "break the bottleneck in Asian connectivity," according to Xi. Moreover, the Chinese government has provided funding for many special economic zones (SEZ) or industrial areas to increase job opportunities and advised other nations to improve their tech offerings like the 5G network. China also invested in port development along the Indian Ocean to ameliorate and increase maritime trade. Besides these, the BRI has also been actively reshaping global trade routes through long-term loans to developing nations, engineering expertise, and open access to giant construction firms. Many countries joined in, hoping it might accelerate economic development, expand industrial capacity, and fill in huge infrastructure gaps left by decades of underinvestment.

The project has engendered a great deal of debate at the international level. Critics indicate that under the BRI, large-scale loans have brought financial vulnerabilities in many participating countries, with such investments often associated with debt dependence or political influence. Supporters note that the





modern port projects, highway networks, and investments in power and telecommunication have reached previously underdeveloped areas. This very duality makes the BRI both an opportunity and challenge for participating states, which stand to gain transformative infrastructure at what may be a deeper erosion of their sovereignty and longer-term financial commitments.

Moreover, China's global strategy through the BRI reflects a wider geopolitical ambition-to strengthen economic ties and secure access to strategic minerals, while building new markets for Chinese technology and manufacturing. Through constructing fiber-optic cables, railway systems, and logistics hubs, and establishing digital infrastructure, the BRI has gradually evolved from a purely physical project into a broad vision for global connectivity. In promoting initiatives such as the Digital Silk Road, China would seek to expand influence in fields like cloud computing, artificial intelligence, and telecommunications. The expansion of such projects shows that the BRI is not just an infrastructure project but also a long-term diplomatic and economic tool in shaping the future of global trade.



Figure 2: Trade routes shown on map





# V. Important Events & Chronology

Please write a timeline concerning the agenda item. Make sure that it is detailed and includes all of the essential dates.

Date (Day/Month/Year)	Event
1950s-1960s	Formal control over mineral-rich regions is granted to newly
	independent African states, but they inherit extraction
	techniques intended for exporting raw minerals with minimal
	infrastructure or local processing. The majority of nations
	lack industrial capability, smelters, and rail lines.
1970s-1980s	African governments try to establish state mining firms and
	nationalize mines. However, the growth of processing
	facilities and regional trade routes is hampered by
	inadequate infrastructure, a lack of funding, and political
	unrest. Unprocessed minerals are still being exported.
1990s	Foreign investment in mining in Africa is revived as a result of
	global deregulation. Underinvestment causes cross-border
	infrastructure to deteriorate. Though development is
	sluggish, African states are starting to talk about
	harmonizing regional trade frameworks within SADC,
	ECOWAS, ECCAS, and COMESA.
2000-2003	International financial organizations like the World Bank and
	IMF advocate for changes to stabilize mining governance.
	Attracting international businesses is prioritized over adding
	value locally.
2009	The African Union adopts the African Mining Vision (AMV).
	Building cross-border infrastructure, establishing mineral
	value chains, encouraging local beneficiation, and bolstering
	regional cooperation in transportation and energy are all
	specifically called for in this first continental strategy.
2013-2015	Agenda 2063 was introduced by the African Union, with a
	focus on "world-class infrastructure," the African Integrated
	High-Speed Railway Network, and value addition in natural



	resources. This increases political support for processing
	centers and regional corridors.
2015-2020	Major initiatives to ease the transportation of minerals are
	started by a number of African nations (Central Corridor,
	North-South Corridor, Maputo Corridor). Additionally,
	governments begin pressuring businesses to refine
	manganese, cobalt, copper, and lithium domestically rather
	than exporting raw ore.
2020-2022	The global energy revolution is driving up demand for
	essential minerals like copper, graphite, lithium, and cobalt.
	Africa takes center stage in international supply chains. One
	obstacle that keeps African nations from acquiring economic
	value is cross-border infrastructure.
2022	The Partnership for Global Infrastructure and Investment
	(PGII) is established by the US, EU, and G7, and African
	mineral corridors are recognized as strategic. African
	governments utilize this opportunity to demand investments
	in rail networks, smelters, and battery precursor factories.
2023	The African Union expedites the development of the African
	Continental Free Trade Area (AfCFTA), which consists of
	protocols designed to eliminate customs barriers for the
	trade of minerals, harmonize processing standards, and
	facilitate the transportation of commodities via shared
	infrastructure.
2023-2024	In order to facilitate mineral processing at locations closer to
	mines, regional economic communities (SADC, COMESA,
	ECCAS) advocate for cross-border energy grids and
	logistics corridors. African governments publish national
	strategies for battery production (e.g., DRC-Zambia Joint
	Battery Council).
2024-present	To increase Africa's share of the value from strategic
	minerals, rail corridors, mineral certification programs,
	processing facilities, renewable energy power plants, and
	investment frameworks are all implemented by African
	states, foreign partners, and private businesses.





# VI. Past Resolutions and Treaties

- https://digitallibrary.un.org/record/84665?ln=en
- https://digitallibrary.un.org/record/171442?ln=en
- https://digitallibrary.un.org/record/673729?ln=en&v=pdf
- https://digitallibrary.un.org/record/4084046?ln=en&v=pdf
- African Mining Vision (AMV), 2009 (Adopted by AU)
- Agenda 2063, 2013 (Pan-African development framework)
- African Continental Free Trade Area (AfCFTA), 2021

The international commerce of minerals and goods derived from them is facilitated by protocols. It promotes intra-African supply chains by facilitating the flow of commodities, harmonizing standards, and streamlining customs.

# VII. Failed Solution Attempts

Even though BRI is considered successful, it has produced major problems such as lack of transparency and corruption. And also, many of these investments run on Chinese debt and the Chinese debt sustainability policies don't always work out. The BRI also promotes Chinese globalism potentially limiting sovereign decision-making. Still trying colonial-era approaches also doesn't produce results because of newly-emerged sovereign nation-states. Moreover, the carrying out of large-scale infrastructure projects without local integration have failed; 1970s-1980s railway and port investments and also some BRI investments that did not focus on regional development or improve local jobs. These problems reflect a deeper tension in the initiative, wherein, though infrastructure development itself might spur economic progress, it often provides little long-term benefit if local needs, cultural context, and regional capacities are not factored into the plan. Many communities have been gravely concerned that foreign-led construction projects brought minimal employment opportunities to local populations, as much of the labor was imported from abroad or subcontracted through foreign firms.

## VIII. Possible Solutions

To combat this issue partnership with private entities and companies is necessary as local banks cannot carry out long term investments. New funding sources need to be taken into consideration because of the present budget deficits and restricted access to international financial markets. Besides capital, private sector involvement means bringing in technical expertise and innovation along with efficient project management, so important for the successful development and maintenance of infrastructure projects.





Recently, public-private partnerships have emerged as a feasible model to share risks and benefits between governments and investors in a way that would ensure sustainability and accountability.

More alternatives to the BRI and the Lobito Corridor should be implemented so that African nations have more economic freedom and that they don't suffer from exploitation and corruption. The diversification of investment sources puts African nations in better positions to negotiate terms and avoid overdependency on any one actor, further protecting their sovereignty and economic interests. Regional development banks, international financial institutions, and sovereign wealth funds have great scope to provide patient capital tailored to the specific needs of the continent. Development of domestic capital markets and incentivizing diaspora investments could be other options for bridging the financing gaps.

In addition, transparency and clarity of regulatory frameworks can go a long way in preventing corruption and ensuring that infrastructure projects deliver real benefits to local communities. Enhancing the capacity of African governments themselves-especially through better management of partnerships and implementation monitoring-can also go a long way in stimulating an enabling environment through which infrastructure investments can create sustainable growth and local jobs and promote long-term regional integration.



Figure 3: Trade in critical minerals shapes energy transition, digital transformation and industrial development worldwide – UNCTAD





# IX. Useful Links

Belt and Road Initiative Crucial in Supercharging Implementation of Sustainable Development Goals, Delivering Hope to World. Secretary-General Tells Forum

Letter dated 23 October 2023 from the Permanent Representative of China to the United Nations addressed to the Secretary-General

MIT Study Reveals Why Africa Is Still Poor

Critical Minerals for Africa's Inclusive Growth and Development

Strategic Foundations of Regional Integration in African Mining

Critical Minerals and Metals Strategy South Africa 2025

# X. Works Cited

African Development Bank Group. African Economic Outlook 2023. AfDB, 2023,

"Agenda 2063: The Africa We Want." Agenda 2063: The Africa We Want. | African Union, 1 Jan. 2019, au.int/en/agenda2063/overview. Accessed 17 Nov. 2025.

"Belt and Road Initiative." Council on Foreign Relations, www.cfr.org/belt-and-road-initiative. Accessed 17 Nov. 2025.

Brautigam, Deborah. The Dragon's Gift: The Real Story of China in Africa. Oxford University Press, 2009.

"China's Massive Belt and Road Initiative." Council on Foreign Relations, www.cfr.org/backgrounder/chinas-massive-belt-and-road-initiative. Accessed 17 Nov. 2025.

"Cross-Border Infrastructure."

Https://Www.Ppiaf.Org/Sites/Default/Files/Documents/2007-01/Cross-Border\_booklet\_29\_jan\_07.Pdf .

"Economic Corridor." Explainer: What Is an Economic Corridor? | Greater Mekong Subregion (GMS), www.greatermekong.org/explainer-what-economic-corridor#:~:text=Economic%20corridors%20are%20an%20integrated,as%20capitals%20and%20major%20cities. Accessed 17 Nov. 2025.

Fernando, Jason. "Balance Sheet: Explanation, Components, and Examples." Investopedia, www.investopedia.com/terms/b/balancesheet.asp. Accessed 17 Nov. 2025.

"Journalkeberlanjutan." The Effects of Africa's Infrastructure Crisis and Its Root Causes, www.journalkeberlanjutan.com/index.php/ijesss/article/download/671/646. Accessed 17 Nov. 2025.

"Local Energy Production → Term." Energy, 3 Mar. 2025, energy.sustainability-directory.com/term/local-energy-production/. Accessed 17 Nov. 2025.

"Mineral Dependency → Term." Pollution, 1 Jan. 1970, pollution.sustainability-directory.com/term/mineral-dependency/#:~:text=Meaning%20→%20Mineral%20De pendency%20is,in%20supply%20chains%20and%20economies. Accessed 17 Nov. 2025.





"OPM Study: Blessing or Curse? The Rise of Mineral Dependence among Low- and Middle-Income Countries." EITI, 1 Dec. 2011,

eiti.org/documents/opm-study-blessing-or-curse-rise-mineral-dependence-among-low-and-middle-income-countries. Accessed 17 Nov. 2025.

"Securing Minerals for the Energy Transition - Building Cross-Border Infrastructure to Unlock Critical Mineral Supply Chains." Initiatives. Weforum. Org,

initiatives.weforum.org/smet/case-study-details/building-cross-border-infrastructure-to-unlock-critical-miner al-supply-chains/aJYTG0000000pqX4AQ. Accessed 17 Nov. 2025.

"Yeni Dünya Düzeninin Kuruluş Projesi: Kuşak ve Yol Girişimi-Yeni İpek Yolu." 21. Yüzyıl Türkiye Enstitüsü, 21yyte.org/cin-halk-cumhuriyeti/yeni-dunya-duzeninin-kurulus-projesi-kusak-ve-yol-girisimi-yeni-i-pek-yolu/2 8888. Accessed 17 Nov. 2025.