



TCHOTA-ANGOLA 2018
III National Conference on Angolan Natural Resources
“Natural Resources: A Blessing for All”
Hall of Mediateca de Luanda – 28th, 29th and 30th August 2018

FINAL STATEMENT

Angola is a country with both soil and subsoil rich in natural resources, a variety of minerals such as inerts, granites, diamond, gold, iron, copper and oil and gas. The independence of Angola fostered the crude oil exploration growth to a point that it overtook and dominated over agriculture and industry, as well as upon other mineral resources that were ignored or became commercially unfeasible due to civil war that torn apart those resources exploration areas. Crude oil became the monoculture representing 95% of exports, 45% of GDP and 75% of National Budget.

The Angolan economy depends mostly on crude oil (1.65 million barrels /day) and is particularly exposed to the volatility of oil prices in the international market. Oil prices plummeted and with it an unprecedented economic and social crisis set in. However, the country is the fourth largest global diamonds producer (third in Africa, after Botswana and South Africa) producing around 6.5 million carats (11% of world global production) with an estimated value of US \$600 million. There is other mineral extractions such as inerts, limestone, granite, plaster, marble, salt, gold, copper, phosphate whose real contribution to the economy is unknown. This makes Angola the second least diversified economy in the world and the most dependent on extractable resources in the Sub-Saharan Africa.

The distribution of national revenue generated by crude oil, gas and other minerals exploration among Angola approximately 30 million inhabitants has been compromised by a combination of corruption and poor environment for doing business in the country.

In this context, the Angola Natural Resources Civil Society Organizations group namely, the Angolan Christian Churches Counsel (CICA), Rural Development and Environmental Association (ADRA), *Universidade Católica de Angola* African Studies Centre (CEA-UCAN), *Mãos Livres* (ML), Juvenile Association for the Angola Community Development (AJUDECA), Justice, Peace and Democracy Association (AJPD), Building Communities Association (ACC), Kubango Farming Charity Mission, Inclusion, Technologies and Environment (MBAKITA), Community Action for the Development of Angola (ACDA) and MOSAIKO – Citizenship Institute – under the leadership of the latter and with the sponsorship of the Norwegian Churches Aid (NCA) and the Open Society Initiative for Southern Africa (OSISA), held the III National Conference on Angolan Natural Resources “TCHOTA-ANGOLA 2018” on the 28th, 29th and 30th of August 2018, in the Hall of *Mediateca de Luanda* - Luanda, under the theme “Natural Resources: A Blessing For All” with the objectives *infra*:

1. To promote the good practices on financial flow taxation and prevent tax evasion in the exploration of natural resources.
2. To pass on the experience of communities of the natural resources exploration affected areas;
3. To argue on behalf of communities for better justice and benefits from the exploration of natural resources.

Two hundred and seventy nine participants attended the conference. They came from the provinces of Cabinda, Zaire, Bié, Huila, Benguela, Luanda, Malanje, Lunda-Norte, Lunda-Sul, Cuando-Cubango and Moxico, representing communities affected by the actions involved in extracting natural resources, associations for the development and protection of rights and public and private institutions namely, ABECC, ACDA, AFOFSB, AJELA, AALSIDA, AMIFADA, ARWSEPE, ATM, BD, Franciscan Catechists, CBA, Cafunfo, Cuango and Dundo Justice and Peace Commissions, CVA-Cuito, Dundo Diocese, DRC, World Lutheran Federation, FCS, Education Forum, Handeka, IGEO IMEL, Geology Institute, ISCED-Luanda, ISIA, JEA, *Mpalabanda*, *Mulher Raíz da Vida*, GREEN NATION, People in Need, PFLUAN, *Rede Terra*, SECAM, Cassinda Human Rights Sub-unit, UAN (FSC), UBUNTU, UCAN, UNDSKA, UTKA, Ministry of Mineral Resources and Oil, Ministry of Justice and Human Rights, Ministry of Environment and organizations from South Africa (Bench M. Foundation), Zimbabwe (ZCET E AFRODAD) and Zambia (CSPR). Representatives of the Norwegian Kingdom Embassy and PNUD were also represented during the opening and closing ceremonies.

The opening session speeches were made by Reverends Júlio Candeeiro from Mosaiko and Daniel Ntoni-a-Nzinga from CICA and Mr. Manuel Pembele, from AJUDECA. Reverend Júlio Candeeiro welcomed all participants and highlighted the important role of Tchota as a forum for dialogue, debate and cooperation on natural resources and its exploration as well as responsible management from all parties involved particularly public decision-makers. They also stressed the importance of involvement and participation of communities in the decision-making processes through previous informed and timely consultation.

Reverend Daniel Ntoni-a-Nzinga pinpointed Men (women and man) negative attachment to material possessions, encouraging participants to use nature assets, a blessing, in a responsible manner and only to meet reasonable needs, sharing them among their people. They also stressed the important need for strengthening social interaction based on ethic values and social justice that result in good social living for all. Mr. Manuel Pembele introduced Tchota highlighting its importance as a forum for sharing ideas and debating about the exploration of natural resources in the country and about participation in the African network of organizations, the INDABA.

The conference addressed six topics soon after the opening. Three topics in day one on (1) “The Role of Tax Justice and Prevention of Tax Evasion in Natural Resources Exploration”, presented by Arsénio Pinto; (2) “Management and Tax in Oil, Diamonds, Timber and others”, presented by Rosado de Carvalho; (3) “Sharing of OSC Influence Experience for Transparency and Making the Well-being of Communities Affected by Natural Resources Exploration [South Africa, Zimbabwe and Zambia] a Priority” presented by Hassen Logart and Adam Judas Phiri. The other three topics on the second day about the (4) “Angolan Mining Code and African Mining Vision: convergences and divergences”, presented by Filomeno Vieira Lopes; (5) “The Exploration of Natural resources in the Perspective of Human Rights in Angola”, presented by Hermenegildo Teotónio and (6) “Benefits and Harm of Natural Resources Exploration”, in work groups. The third day of the conference was dedicated to the launch of the campaign *Make it Happen* and the reading and discussion of the Final Declaration. Reverend Ntony Nzinga from CICA, Nelson João from NCA and Bishop Estanislau Tchindecasse from Lunda-Norte, represented by priest António Macoco Muiamba, participated in the launch of *Make it Happen*.

Given the increasing worries with the constant worsening of poverty, inequality and its negative impact in the country as a whole and in particular, in the communities, where it has been worsening further and further, the number of children that do not attend schools, the poor health system lacking materials and human resources and the incipient access to drinking water and basic sanitation, the participants conclusions and recommendations were the following:

(Conclusions)

1. The mining sector is biased towards a certain party, which prevents the application of programs aimed at providing sustainable development and provision of quality basic services to the communities affected by the exploration of natural resources;
2. There is a growing worsening of social condition, with unemployment being number one and with the increase in the consumption tax, the assets or income entice some to carry out fraud and tax evasions, resulting in lower tax revenues for the Government and high tax burden for honest taxpayers, adding to the many weaknesses of the tax administration system in the country, that create to main taxpayers conditions for capital flight, particularly in the natural resources extraction industry sector;
3. In the Angolan mining exploration regions there are serious environmental negative impacts and the surrounding communities live in extreme poverty and without access to basic services (health, education, basic sanity, employment, drinking water and energy);
4. We continue to see conflicts within the extraction industry areas between companies and communities and between communities and State institutions, because of the lack of return in relation to what is extracted versus direct benefits for local communities;
5. Extraction companies within the mining industry areas have been a trigger for conflicts between communities, using *Sobas* (person with local authority) as their instruments and violating human rights;
6. There is neither business ethics nor management transparency and application of tax money from resources in favor of communities, as a value and in that manner contribute to fight corruption, money laundering and capital flight;
7. Fighting corruption and capital flight in the mining sector, does not simply mean to approve new laws, but it also means making real and proactive political and administrative decisions translated into an effective process of public education and a culture of saying no to this phenomenon;
8. Angolan mining sector laws and regulations go against the spirit of the African Mining Vision, particularly in terms of issues of transparency, accountability, involvement of communities in decision making. They represent good intention plans that are difficult to be implemented or applied to obtain visible benefits;
9. Moments of crisis are good opportunities for civil society to change attitudes and make demands to government and regulators of the mining sector within the different African countries, for example, the 2008-2009 oil clash case that created the opportunity for a review of the Mining Code in 2011.
10. The exploration of natural resources has direct impact on access to fundamental rights, environment and ecologic balance, removes dignity from many communities that end up suffering as a result of the exploitation of workforce and destruction of the environment and biodiversity that in turn, has direct impact in the sustainable development of the regions that have natural resources.

(Recommendations)

1. Create a four-party national platform for cooperation that includes communities and their direct representatives, companies of the sector, Civil Society Organizations, political institutions representing the Government, in order to create the African Mining Vision and elaborate a Common Action Strategy for a good management of mining resources.
2. Acknowledge population direct access to local resources, that must be managed in such a way to benefit the people affected by the extraction activity and accept the idea of communities participating in the decision making process through active listening and inclusion;

3. Review laws in order to adequately clarify and organize the mining sector, bearing in mind the interest of people and local communities, namely the Mining Code and its regulation;
4. Eradicate the lack of transparency of public companies of the mining industry sector (namely Sonangol and Sodiam) that have no culture of accountability and cannot justify the (5 to 7%) percentages that they receive as concessionaires;
5. Keep an even closer eye on the mining sector companies that constantly change tactics to escape paying tax and neither take full social responsibility for communities within the extraction industry areas, nor environmental responsibility for replacing the soil and reforestation and also, the prompt compensation to communities that are victims of ecologic calamities and disasters caused by their activities;
6. Devise a more effective implementation within the country of the mines international policy particularly the Africa Mining Vision, adopted in 2009, improving further the business environment to attract investors that may provide sustainable development to communities;
7. The Executive must be open to companies that want to invest in the mining sector, privileging those projects that best benefit local communities;
8. The Angolan Institute of Norms and Quality (IANORQ) must create a national certification of mining companies that comply with their responsibilities namely, social responsibility, anticorruption norms and the protection of the environment and make it compulsory to present, during the concession bid phase, certifications SA 8000 (social responsibility), ISO 37001 (anticorruption), ISO 14001 (environmental responsibility) or other equivalents that must be updated and shown regularly to the public during the exploration license validity term;
9. Create a good connection between mining exploration and diversification of the economy through investment in agriculture, poultry industry, livestock and fish farming;
10. Tchota - Angola must promote the setting up of a study covering all aspects of the diamond mining sector;
11. Tchota - Angola must expand its participation in the African associations networks in order to put increased pressure upon companies and governments, at a continental and global level in relation to the exploration of Natural Resources;
12. Tchota - Angola must promote the setting up of environmental education programs within communities, with the participation of the media and OCB;
13. Tchota - Angola will support the Make it Happen campaign within the country, as part of the civil society of the Southern African Region contributing to Tax Justice.
14. Tchota - Angola must forward this statement to the President of Angola.

Luanda, 30th August 2018,

The Tchota, III National Conference on Angolan Natural Resources - Angola.

