



APRI
AFRICA POLICY RESEARCH INSTITUTE

PUBLICATION | OCT 2025

ECOWAS Policy Analysis Series

*Harnessing ECOWAS's Mineral Wealth:
Building a Trillion-Dollar Industry for West Africa*

Eniola Rebecca Sonuga



Implemented by

giz Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH

RIGHTS AND PERMISSIONS

This work is available under the Creative Commons Attribution license 4.0 (CC BY-NC 4.0) <https://creativecommons.org/licenses/by-nc/4.0>. This license allows reusers to distribute, remix, adapt and build upon the material in any medium or format for non-commercial purposes only, and only so long as attribution is given to the creator.

DISCLAIMER

This publication was produced with the support of the ECOWAS Commission on Organisational Development project, commissioned by the BMZ and implemented by GIZ. The content of this publication does not necessarily reflect the official position of GIZ or the German government. GIZ assumes no responsibility for the content of external websites referenced in this publication.

This paper is part of the ECOWAS Policy Analysis Series (EPAS)—a flagship initiative that highlights the perspectives of African thought leaders and researchers on ECOWAS. EPAS aims to critically examine the evolution of ECOWAS over the past five decades, from the viewpoint of scholars and citizens alike, and to contribute to a forward-looking vision for regional integration in West Africa. The series is coordinated by the Africa Policy Research Institute as part of the Support to the ECOWAS Commission on Organisational Development project. This project is implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ).

INTRODUCTION

On 29 January 2025, thousands of demonstrators in Niger, Mali and Burkina Faso took to the streets to celebrate the withdrawal of their countries from ECOWAS. Their rallying cry, “*À bas la CEDEAO*”—which translates to “*Down with ECOWAS*”—underscored the depth of popular anger towards the regional bloc. One of the most common grievances against ECOWAS is its perceived dependence on Western powers, particularly France, the former colonial ruler of much of West Africa. Many citizens in the region accuse France of maintaining an exploitative, neocolonial relationship with their countries.

Specifically, France has faced allegations that its companies extract mineral resources from these countries in ways that primarily serve French interests at the expense of local populations. However, France is not the only foreign power exerting influence over West Africa’s mineral wealth. As French geopolitical influence in the region wanes, other external actors such as Russia and China are expanding their footprint in the mineral sector.

For example, the Wagner Group, a Russian private military company allegedly overseen by Russia’s Defence Ministry, has been actively working to secure access to gold mines in Mali. Similarly, in December 2024, the Canadian mining firm Orezone Gold secured a \$58 million loan to expand operations at the Bomboré gold mine in Burkina Faso. The company plans to increase its annual production from approximately 125,000 ounces to at least 170,000 ounces by 2026.

According to the Africa Policy Research Institute, at least 12 foreign governments have signed strategic bilateral agreements with African countries granting them access to critical minerals—broadly defined as scarce, strategically important resources essential for advancing the technological innovations driving the ongoing green and digital transitions. These deals have often been criticised for their lack of transparency, as they are typically negotiated in secrecy. This opacity has fuelled domestic perceptions of exploitation, particularly given Africa’s contentious history with mineral exploration. The withdrawal of Mali, Niger, and Burkina Faso from ECOWAS marks a pivotal shift

that challenges the regional bloc's traditional approach to resource governance. It raises pressing questions about ECOWAS's strategy for managing the region's mineral wealth, which should ideally serve as a key source of financing for the social development of West African nations. These three countries have become emblematic of a broader wave of resource nationalism across Africa, with governments increasingly demanding a greater share of profits from mineral extraction and calling for more local processing.

In 2024, Burkina Faso's military leader, Captain Ibrahim Traoré, announced plans to revoke the mining licences of certain foreign companies, prioritise domestic firms for local gold production, and renegotiate profit-sharing formulas to achieve what he described as a fairer balance (Coulibaly, 2024). His pronouncements drew mixed reactions, as supporters praised his push for resource sovereignty, while critics warned that such moves could trigger capital flight and deter foreign investment in Burkina Faso's economy.

Nevertheless, Traoré's positions have resonated across West Africa, prompting other governments in the region to adopt similar measures aimed at asserting greater sovereignty over their mineral resources. For example, Ghana has introduced restrictions on foreign participation in its domestic gold trade as part of broader reforms to increase revenues from gold sales and strengthen regulatory oversight of the mining sector. A key component of this reform was the enactment of the 2025 Ghana Gold Board Act, which established the Ghana Gold Board (GoldBod) and granted it exclusive operational and oversight authority over the production of gold and other precious minerals in the country. Under the new law, large mining companies in Ghana are now required to sell up to 20 percent of the gold they intend to export to GoldBod.

In addition, GoldBod has introduced new regulations that give it more oversight over the artisanal gold trade. Under this new framework, Goldbod is the sole authority responsible for "the purchase, sale, assaying and export of gold" produced through artisanal mining. It revoked all foreign licenses issued by the Ministry of Lands and Natural Resources or the defunct Precious Minerals Marketing Company, and introduced a new licensing regime under its purview. Ghana's regulatory overhaul signals a concerted effort to assert greater control over its mineral wealth and curtail capital flight from its economy.

IS ECOWAS LOSING CONTROL OF ITS MINERAL WEALTH?

According to the African Development Bank, Africa's mineral endowments are valued at over \$30 trillion (African Development Bank, 2013). The International Monetary Fund (IMF) projects that critical minerals could generate up to \$16 trillion in global revenue over the next 25 years. African countries are expected to contribute approximately \$2 trillion of this figure, according to estimates by the Atlantic Council (Atlantic Council, 2024). This suggests that mineral-rich economies in the ECOWAS zone are well positioned to benefit significantly from the growing global demand for mineral resources.

However, for West African countries to fully capitalise on this demand, they must address the persistent challenges of mineral smuggling and illicit financial flows in the mining industry. In 2022

“Illegal artisanal mining further complicates the picture in West Africa.”

alone, more than \$30 billion worth of gold—equivalent to over 435 metric tons—was smuggled out of Africa, according to a report by Swissaid, a Swiss aid organisation. The report also estimated that between 32 and 41 percent of the gold produced in Africa goes unrecorded in official statistics.

Illegal artisanal mining further complicates the picture in West Africa. While not all artisanal mining is unlawful, a significant portion operates outside regulatory frameworks. In Ghana, for example, an estimated 85 percent of small-scale artisanal mining is conducted illegally.

Similarly, illegal artisanal mining accounts for more than 80 percent of mineral production in North-West Nigeria alone (Institute for Security Studies, 2020). In Ghana, illegal gold mining—known locally as *galamsey*—is driving deforestation, degrading land and water resources, threatening cocoa production, and posing serious public health risks.

Although artisanal mining holds potential for sustainable development—as demonstrated by Niger, where it has historically employed up to 600,000 people—the lack of government oversight is often exploited by criminal non-state actors in countries like Nigeria, where illegal mining operations help fuel armed conflicts. In response, the Nigerian federal government has outlawed artisanal gold mining in the North-West region and deployed military forces to enforce the ban.

The global demand for lithium has risen dramatically, driven primarily by the growth of electric vehicles and the expanding use of lithium-ion batteries for energy storage. However, the lack of infrastructure and technical expertise needed to process and refine mineral resources limits the ability of African economies to integrate fully into global value chains. Consequently, countries like Nigeria continue to export large quantities of raw minerals, missing out on the industrialisation benefits of refining and battery production, such as higher earnings, job creation, and technology transfer.

With Chinese-backed mining operations and increasing interest from European and North American investors in lithium, cobalt, and gold, West Africa has become a key arena in the global competition for critical minerals. While this demand could generate substantial financial gains for West African economies, it also raises concerns about extractive partnerships that prioritise foreign interests over local development. Without strong governance frameworks, these dynamics risk perpetuating the region’s reliance on raw material exports at the expense of developing value-added industries that could deliver long-term benefits to local populations.

ECOWAS' RESPONSE: POLICIES AND CHALLENGES

Over the years, ECOWAS has introduced several initiatives aimed at harmonising mining regulations across the region. One such initiative was the ECOWAS Directive on the Harmonization of Guiding Principles and Policies in the Mining Sector, which sought to establish a unified set of mining regulations and a common mining code for the region. These frameworks were underpinned by commitments to sustainable socio-economic development, environmental protection, and respect for human rights. However, enforcement of this directive has been weak due to poor coordination among ECOWAS members (Pam-Hworo, 2024).

In 2011, the bloc also adopted a Mineral Development Policy, designed to establish a regulatory framework to support the sustainable development of ECOWAS' mineral resources. While the 2009 directive focused primarily on harmonizing regulatory regimes, the 2011 policy emphasized long-term development goals, including regional cooperation, environmental sustainability, and the integration of mining into broader socio-economic planning. By promoting the creation of an integrated West African mining sector, the policy sought to help countries in the region capitalize on rising global demand for African minerals and foster a stable investment environment that balanced the need for foreign investment with the demand for domestic economic sovereignty.

More than a decade later, however, several challenges persist (Mac-Pods, 2024). Regulatory uncertainty, volatile commodity prices and political instability continue to deter investment in West Africa's mining industries. Geopolitical tensions, including the risk of civil unrest, further aggravate concerns over investment security. For example, in Niger, security threats such as terrorism and banditry amplify the risks associated with mining in mineral-rich areas.

RECOMMENDATIONS

This paper makes the following recommendations, grounded in a realistic assessment of the current geopolitical landscape, and proposes three strategic interventions:

- **Strengthen anti-illegal mining protocols.** ECOWAS should adopt a coordinated, multinational approach to tackling illegal mining. The bloc should support the establishment of joint-agency task forces within each member state, allowing for national discretion in determining their composition based on local contexts and institutional capacity. Each country would decide whether to include police, civil defence corps, military personnel, or a combination of these. These national task forces would serve as focal points for cross-border collaboration, working directly with their counterparts in neighbouring countries. This structure would balance local dynamics with the regional cooperation necessary to address the transnational nature of illegal mining.
- **Improve oversight through satellite surveillance.** ECOWAS member states should consider adopting satellite surveillance systems to enhance oversight in the mining sector. Nigeria's initiative, centred on the development of a detailed mineral map providing comprehensive data on the location and distribution of mineral resources, offers a useful model that could be scaled across the region.
- **Establish a unified export and marketing strategy.** ECOWAS should develop a 'West African Minerals' brand certification, modelled on standards such as Fairtrade Gold and the Kimberley Process. This would enable the region to market its minerals as ethically sourced and sustainable, commanding higher prices on the global market. Such a certification would also help address concerns about human rights violations and environmental degradation. To support this initiative, the ECOWAS Mineral Development Policy could be amended to include a clear framework for ethical certification and traceability. This framework would define expectations for member states and introduce mechanisms for regional oversight, ensuring that national objectives align with broader regional goals.

ABOUT THE AUTHOR

Eniola R. Sonuga is a lawyer, public policy advisor, and advocate for trade and economic development in Africa. She serves as Chief Policy Advisor at Optima Policy, a pan-African think tank focused on legal and policy solutions for Africa's development. A published author, Eniola has contributed thought leadership on economic integration and trade, including papers on the AfCFTA and its operationalization through finance, technology, and land reform. She has spoken at high-level conferences hosted by UNECA, the European Commission, GIZ, and AFIELN.

BIBLIOGRAPHY

Acemoglu, D., & Robinson, J. A. (2012). Why nations fail: The origins of power, prosperity, and poverty. Random House. <http://www.tinyurl.com/27cosoab>

Africa Defense Forum. (2024, April). Russia tightens control of Malian gold. <https://adf-magazine.com/2024/04/russia-tightens-control-of-malian-gold/>

Africa Policy Research Institute. (2025). Mapping Africa's green mineral partnerships. <https://afripoli.org/mapping-africas-green-mineral-partnerships>

African Development Bank. (2013, October 7). Africa's mineral wealth: A blessing or a curse? <https://blogs.afdb.org/this-is-africas-hour/post/africas-mineral-wealth-a-blessing-or-a-curse-12336>

African Union. (2010, February 12). The African Mining Vision. African Union. <https://au.int/en/ti/amv/about>

Business & Human Rights Resource Centre. (2024, June 3). Africa: Billions of dollars in gold smuggled out of Africa each year mostly ends up in the United Arab Emirates; report finds. <https://www.business-humanrights.org/en/latest-news/africa-billions-of-dollars-in-gold-smuggled-out-of-africa-each-year-mostly-ends-up-in-the-united-arab-emirates-report-finds/>

Coulibaly, N. (2024, November 6). Burkina Faso: Endeavour and Iamgold in Traoré's sights. The Africa Report. <https://www.theafricareport.com/367322/burkina-faso-endeavour-and-iamgold-in-traores-sights/>

Deutsche Welle. (2024, January 28). ECOWAS formally loses members Burkina Faso, Mali and Niger. <https://www.dw.com/en/ecowas-formally-loses-members-burkina-faso-mali-and-niger/a-71441211>

Economic Community of West African States. (2011, June 7). Ministers validate the ECOWAS Mineral Development Policy. AllAfrica. <https://allafrica.com/stories/201106071229.html>

Economic Community of West African States. (2022). ECOWAS Vision 2050: ECOWAS of the Peoples—Peace and Prosperity for All. ECOWAS Commission. https://ecowas.int/wp-content/uploads/2022/09/Vision2050_EN_Web.pdf

Fairtrade Foundation. (2025). Gold miners. <https://www.fairtrade.org.uk/farmers-and-workers/gold/#:~:text=The%20Fairtrade%20Gold%20Standard%20includes,including%20water%20sources%20and%20forests.>

Firstpost. (2025, January 29). Burkina, Mali, Niger Exit ECOWAS, Thousands Hit Streets to Cheer Decision [Video]. YouTube. <https://www.youtube.com/watch?v=G6Q41XIFx-o>

Izerimana, J. D., & Godwin, L. S. (2024). Opportunity and side effects of artisanal and small-scale mining in Nigeria. *Modern Economy*, 15(3), 287-300. <https://doi.org/10.4236/me.2024.153012>

Karkare, P., & Medinilla, A. (2023, November). Green industrialisation: Leveraging critical raw materials for an African battery value chain (Discussion Paper No. 359). European Centre for Development Policy Management. <https://ecdpm.org/application/files/4017/0108/2796/Green-Industrialisation-Leveraging-Critical-Raw-Materials-African-Battery-Value-Chain-ECDPM-Discussion-Paper-359-2023.pdf>

Kimberley Process. (n.d.). Ensuring conflict-free diamonds worldwide. <https://www.kimberleyprocess.com/>

Mac-Pods, L. (2024, May 14). Driving sustainable investment in West Africa's mining industry. Stanbic Bank Ghana. <https://www.stanbicbank.com.gh/gh/personal/about-us/news/driving-sustainable-investment-in-west-africas-mining-industry>

Naadi, T. & Wycliffe, M. (2024, April 5). Ghana bars foreign nationals from gold trade. BBC News. <https://www.bbc.com/news/articles/cpvr0x3mkl1o>

Nwobodo, O. (2024, September 13). Nigeria's \$2 billion lithium reserves to drive renewable energy and jobs. Nigerian Mining. <https://nigerianmining.com/nigerias-2billion-lithium-reserves-to-drive-renewable-energy-and-jobs/>

Ogbonnaya, M. (2020, June 16). How illegal mining is driving local conflicts in Nigeria. Institute for Security Studies. <https://issafrica.org/iss-today/how-illegal-mining-is-driving-local-conflicts-in-nigeria>

Pam-Hworo, G. (2024, October 16). Mining natural resources is fuelling human rights violations in West Africa. Centre for Democracy and Development. <https://www.cddwestafrica.org/blog/mining-natural-resources-is-fuelling-human-rights-violations-in-west-africa/#:~:text=However%2C%20mining%20despite%20its%20role,of%20land%20reclamation%20and%20restoration>

Sisterson, C. (2022, February 21). West Africa's mineral diversity still untapped. Africa Legal. <https://www.africa-legal.com/news/west-africas-mineral-diversity-still-untapped/100252>

Tossou, E. (2024, December 26). Burkina Faso: Coris Bank provides \$58 million loan to Orezon Gold for Bomboré mine. Ecofin Agency. <https://www.ecofinagency.com/mining/2612-46280-burkina-faso-coris-bank-provides-58-million-loan-to-orezon-gold-for-bombore-mine>

United Nations Economic Commission for Africa. (2009, September 29). Africa Review Report on Mining (Summary). <https://sustainabledevelopment.un.org/content/documents/AfricanReviewReport-on-MiningSummary.pdf>



Africa Policy Research Institute is an independent and nonpartisan African think tank. It researches key policy issues affecting African countries and the African continent. APRI provides insights to the German and European Union policy-making processes on Africa. In addition, APRI provides policy options to African policymakers and civil society actors.

Imprint

APRI - Africa Policy Research
Institute gGmbH
Prinzenstrasse 85D
10969 Berlin
Germany

Executive Director:

Dr. Olumide Abimbola
Contact: Dr. Amandine Gnanuënon
Senior Fellow and Head of the Geopolitics
& Geoeconomics Program
Email: agnanguenon@afripoli.org

License:

Creative Commons (CC BY-NC-ND 4.0) <https://creativecommons.org/licenses/by-nc-nd/4.0>