



GLOBAL EYE
INTELLIGENCE

BURKINA FASO'S GOLD MINING AND GEOPOLITICAL DIMENSIONS

AFRICA WATCH



EXECUTIVE SUMMARY

Burkina Faso, a leading gold producer in West Africa, is enacting reforms to control artisanal mining and prevent its potential misuse for terrorism financing. These reforms come amidst a backdrop of political instability, including recent military takeovers. The situation is further complicated by Burkina Faso's evolving relationships with global powers such as Russia, which has implications for both security and economic strategies.



CURRENT SITUATION

1. Uncontrolled Mining Sites: Burkina Faso has over 800 unregulated gold mining sites, posing risks of misuse and financing terrorism due to inadequate oversight.

2. CONAPEM's Initiatives: The National Corporation of Artisans and Small Mine Operators (CONAPEM), under President Potierozie Didier Dabire, is working to formalize and regulate the mining sector. This includes training miners, improving site management, and conducting environmental impact studies for semi-mechanized mines.

3. Government Reforms: Amendments to the 2015 mining code include:

- National Gold Reserve: Establishing a gold reserve with contributions from mining companies.
- New Infrastructure: Building a national gold refinery and a tailings treatment plant.
- Export Suspension: Temporarily halting artisanal gold exports to better manage and regulate the sector.

4. Economic Impact: Gold is Burkina Faso's main export, significantly contributing to state revenue and employment. The suspension of artisanal gold exports may disrupt local economies and affect livelihoods.



GEOPOLITICAL CONTEXT

1. Military Takeovers: Burkina Faso has experienced political instability, including two military coups in 2022. The junta's control has led to changes in mining regulations and a suspension of artisanal gold exports to enhance sector management and address security concerns.

2. Terrorism and Security: The rise of militant groups in the Sahel has exacerbated security risks for mining operations. The government's measures to formalize mining and enhance regulatory frameworks are part of a broader strategy to combat terrorism financing and stabilize the region.

3. Russia-Burkina Faso Cooperation:

- Strategic Partnership: Burkina Faso and Russia have been strengthening their bilateral relations, with cooperation extending to defense and economic sectors. Russia has offered support in military training and counter-terrorism efforts.

- Military Assistance: Russia's involvement includes providing military equipment and training, which aligns with Burkina Faso's needs amidst ongoing security challenges.

-Economic Cooperation: The relationship also encompasses economic cooperation, including potential investments in the mining sector. Russia's support is seen as a counterbalance to Western influence and aid, providing Burkina Faso with alternative sources of support and investment.



STRATEGIC IMPLICATIONS

1. Counter-Terrorism Efforts: Formalizing the gold mining sector is crucial to prevent resource diversion to terrorist groups. Enhanced monitoring and regulatory measures are expected to mitigate these risks.
2. Regulatory Adjustments: The new mining code and government actions aim to strengthen state control and transparency in the sector, which will be critical for economic stability and attracting investment.
3. Security and Stability: The military takeovers and ongoing insurgency impact mining operations and overall stability. The junta's policies, including the export suspension, reflect a focus on stabilizing the sector amidst these challenges.
4. Russia's Role: Russia's involvement in Burkina Faso, particularly in military assistance and economic investment, highlights a strategic partnership that provides Burkina Faso with support in counter-terrorism and economic development. This cooperation also impacts the broader geopolitical landscape, influencing regional security dynamics and economic opportunities.

CHALLENGES

1. Political Instability: Continued political instability and military takeovers pose risks to the effectiveness of mining reforms and overall sector stability.
2. Security Risks: The ongoing insurgency and militant threats require robust security measures to protect mining operations and ensure the safety of personnel.
3. Implementation and Compliance: Effective implementation of new regulations and compliance by mining companies are essential. Monitoring and enforcement will be necessary to achieve desired outcomes.
4. Geopolitical Tensions: The alignment with Russia may affect Burkina Faso's relations with Western countries and impact foreign aid and investment flows.

RECOMMENDATIONS

1. Enhance Security Measures: Strengthen coordination with security forces and international partners to protect mining operations and infrastructure from insurgent threats.
2. Support and Transition for Artisanal Miners: Implement support programs for artisanal miners affected by export suspensions, including alternative livelihoods and financial assistance.
3. Strengthen Regulatory Frameworks: Ensure transparency and effective implementation of new mining regulations. Collaborate with international bodies for technical and financial support.
4. Monitor Geopolitical Developments: Stay informed about the implications of the Russia-Burkina Faso partnership on regional security and economic dynamics. Adapt strategies accordingly to manage potential geopolitical risks and opportunities.

CONCLUSIONS

Burkina Faso's strategic initiatives in gold mining, coupled with its political instability and growing partnership with Russia, reflect a complex landscape of economic and security challenges. Effective implementation of mining reforms, robust security measures, and strategic geopolitical alignments will be key to navigating these challenges and ensuring long-term stability and growth.



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