

LE MONDE AFRIQUE

African Nations Use Export Restrictions to Force Local Mineral Processing Investment

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A growing bloc of approximately fifteen African mineral-producing nations has adopted a coordinated shift in resource policy since 2023, imposing export embargoes and production quotas on critical minerals including cobalt, manganese, and lithium. The strategy marks a deliberate departure from the historically extractive model, under which raw ore left the continent with minimal value addition, and signals a structural change in how African governments intend to negotiate with foreign operators and investors.

The policy instrument being deployed is straightforward in design but significant in ambition: restrict or embargo the export of unprocessed critical minerals to compel international companies to establish downstream processing capacity on African soil. By creating artificial scarcity at the point of export, producer governments are forcing a commercial renegotiation that decades of conventional investment agreements failed to deliver. The approach echoes Indonesia's earlier nickel export ban, which successfully attracted smelter investment, and suggests African policymakers have studied and internalized that precedent.

Cobalt, manganese, and lithium sit at the center of global battery supply chains feeding electric vehicle production and grid-scale energy storage in Europe, North America, and Asia. Africa holds a disproportionate share of global reserves for each of these commodities, giving the continent genuine leverage — leverage that governments are now willing to exercise. The Democratic Republic of Congo alone

accounts for a dominant share of global cobalt output, and several southern and west African states hold similarly concentrated manganese and lithium positions. This geographic concentration is the foundation on which the embargo strategy rests.

For foreign operators, the implications are material. Companies that previously structured their African mineral operations around extraction and export must now evaluate the commercial and logistical feasibility of building or partnering in refining and processing facilities in-country. This requires capital expenditure, longer project timelines, engagement with local regulatory frameworks, and in many cases, negotiation of power supply arrangements to run energy-intensive processing operations. Governments are, in effect, raising the entry cost for access while simultaneously offering the prize of long-term processing concessions to those willing to meet the new terms.

The broader investment climate consequence is a bifurcation: companies that adapt early and build local processing partnerships will secure preferential access to feedstock, while those that delay face quota-constrained supply and potential exclusion. African governments are signaling that the window for legacy extraction-only models is closing, and the pace of embargo adoption across fifteen countries in under two years suggests this is a durable policy direction rather than opportunistic posturing. For any company with African mineral exposure — including those in adjacent energy and infrastructure sectors — understanding the regulatory trajectory of this movement is now a baseline requirement for investment planning.

Why this matters to partners and clients of Saga

Norwegian service companies with energy infrastructure and industrial construction capabilities should monitor this shift closely, as building in-country processing facilities will require substantial power supply, industrial utilities, and logistics infrastructure — areas where Norwegian engineering and project management expertise is directly applicable. Companies should begin mapping which of the fifteen countries are implementing restrictions and identifying local partners capable of co-developing processing infrastructure. This is a medium-term opportunity to position ahead of firm investment decisions by mining operators forced to comply with the new regulatory environment.

PARTNER ANGLES

- **Pipeline:** Processing facilities require dedicated utility and feedstock transport infrastructure — Norwegian pipeline and industrial piping contractors should evaluate opportunities in manganese and lithium hub development zones.
- **LNG:** Energy-intensive mineral processing plants in off-grid or weak-grid locations may require dedicated gas-to-power or LNG supply solutions, creating an opening for Norwegian LNG infrastructure specialists.
- **Subsea/FPSO:** Indirectly relevant: if processing investment accelerates economic activity in coastal mineral states, associated offshore energy demand may increase — worth monitoring for future FPSO or subsea work in those jurisdictions.
- **Service:** Norwegian project management, HSE, and construction supervision firms can offer feasibility and EPCM services to mining operators that must now design and build processing plants they have no prior experience operating.
- **Drilling:** Expanded in-country processing ambitions may spur greenfield mineral exploration drilling programs to secure feedstock supply for new refineries — a potential market for drilling service companies active in Africa.

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