

International Centre for Tax and Development



Widening the debate on Tax and Development

FONDATION POUR LES ÉTUDES ET RECHERCHES SUR LE DÉVELOPPEMENT INTERNATIONAL

Taxing the extractive sector in low income countries: A new database and research initiative.

B. Laporte (CERDI), C. de Quatrebarbes (FERDI), Y. Bouterige (FERDI)

10 - 12 February 2016, Addis-Ababa





ICTD / FERDI program :

Taxing the extractive sector in low income countries: A new database and research initiative.

Oct. 2015-Jan. 2016

Financed by ICTD & FERDI

- 1. Previews: A state of knowledge on the mineral resource rent sharing.
- 2. Output 1: A pilot historical tax database on gold industry in Africa.
- 3. Output 2: A 'DCF' Model to compare the gold rent sharing in Africa.

1. The state of knowledge. What do we know about the sharing of mineral resource rent in Africa ?



A recurring debate on mineral resource rent sharing in the World and a development challenge for African countries.

Daniel, P., Keen, M. and McPherson, C. (eds) (2010) '*The Taxation of Petroleum and Minerals: Principles, Problems and Practices*', London: Routledge

Charlet, A., Laporte, B. and Rota-Graziosi, G. (2013) 'La fiscalité minière en Afrique de l'Ouest et du Centre', *Revue de Droit Fiscal* 48: 11-33

Lundstol O., et al. (2013) 'Low Government Revenue from the Mining Sector in Zambia and Tanzania: Fiscal Design, Technical Capacity or Political Will?' *ICTD Working Paper 9*.

Laporte, B. and Rota-Graziosi, G. (2014) 'Principles and dilemmas in mining taxation', in M. Boussichas and P. Guillaumont (eds), *Financing sustainable development. Addressing vulnerabilities*, FERDI.

Laporte, B. and de Quatrebarbes, C. (2015) 'What do we know about the sharing of mineral resource rent in Africa?' *Resources Policy*, Elsevier, vol. 46(P2), pages 239-249.



A recurring debate on mineral resource rent sharing in the World and a development challenge for African countries.

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Lundstol O., et al. (2013) 'Low Government Revenue from the Mining Sector in Zambia and Tanzania: Fiscal Design, Technical Capacity or Political Will?' *ICTD Working Paper 9*.

Laporte, B. and Rota-Graziosi, G. (2014) 'Principles and dilemmas in mining taxation', in M. Boussichas and P. Guillaumont (eds), *Financing sustainable development. Addressing vulnerabilities*, FERDI.

Laporte, B. and de Quatrebarbes, C. (2015) 'What do we know about the sharing of mineral resource rent in Africa?' *Resources Policy*, Elsevier, vol. 46(P2), pages 239-249.

The resource rent sharing in Africa: a lack of knowledge

No available historical databases to compare mining tax regimes in Africa :

- Historical databases focuses on resource and non-resource tax revenue discrimination.
 - ICTD (Prichard *et al.*, 2015), FERDI (Mansour, 2014).
- \Rightarrow No tax instruments breakdown.
- Private commercial firms provide tax law information for the last years.
 - RYSTAD (oil and gas), Wood Mackenzie, Ernst & Young, PwC...

No comparable indicators to publicly inform on the government take :

- NRGI, Columbia University, Oxcare, IMF (the FARI Model, oct.2015).
- \Rightarrow Modelling assumptions differ and results are hardly comparable.
- ⇒ There is no ceteris paribus comparison on the resource rent sharing in African countries.





Purpose : Allowing comparisons of mining tax regimes for African countries and resource rent sharing.

Output 1:

Taxing the gold industry in Africa: a new legal and tax database for 14 countries.

- An inventory of taxes, fees and duties: rate and base definition;
- Payable during the prospecting and mining phases of a industrial gold mining project;
- With a new historical depth: **1980 to 2015**;
- With a link between each tax data and its legal reference.

Output 2:

A rent sharing indicator allowing ceteris paribus comparisons on government take.

- 14 African countries;
- 1990-2015;
- 3 grades of mine;

2. Output 1.

An historical legal and tax database: 14 countries from 1980 to 2015.

Detailed explanations of ICTD/FERDI database:

Laporte B., de Quatrebarbes C. and Bouterige Y. (2016) 'Taxing the extractive industry in low income countries: The gold sector in 14 African countries from 1980 to 2015', ICTD/FERDI Working Paper, *Forthcoming*.



A pilot database on gold industry in Africa

- 34 African countries produce gold on an artisanal and/or industrial scale.
- ¹/₄ of world's total annual production.
- The increase in gold prices (x5 between 2005-2012) encouraged the exploitation of less profitable mines, mainly in WAEMU.



• An increase in prospecting licence and industrial production.



14 African countries: 8 French-speaking and 6 English-speaking

Declared as natural resources-rich countries (*) and/or with at least an industrial mine and/or potential for gold production.

Burkina Faso* Côte d'Ivoire Congo, Democratic Republic of * Ghana* Guinea* Kenya Madagascar Mali* Mauritania Senegal South Africa* Sierra Leone* Tanzania*



12 tax and non-tax instruments applied to industrial companies.

Prospecting phase	Mining phase
 Duties <i>Fees</i> <i>Annual ground fees</i> Direct taxes Capital gains on disposal 	 Duties <i>Fees</i> <i>Annual ground fees</i> <i>Mining royalties</i> Direct taxes Corporate income tax Minimum tax <i>Rent tax</i> Tax on dividends, interest and services Capital gains tax <i>State participation</i> Indirect taxes Value Added Tax Single entry duties Customs duties

For each tax tool:

- i. General law and mining regime.
- ii. Rate or lump sum.

iii.Tax base.

iv.Tax relief (exemptions, reduced rate...)

4 additional information:

- i. The validity periods of mineral right.
- ii. Stability clause.
- iii. Depreciation rule.
- iv. Thin-capitalisation rule.

The database summarizes the statutory tax regime and sets aside specific agreements and tax compliance's problems.

Tax database : Extraction of the Excel base focuses on the corporate income tax.

Data 🚽 🖓	Country	Tax system	Right -	Period 👻	Phase 🔹	Taxation	Tax 🗸	r
Public data	Cote d'Ivoire	Common tax system	No	No	No	Direct taxes	Corporate income tax	
Public data	Cote d'Ivoire	Mining tax system	Prospecting right	Attribution and renewals	Prospecting phase	Direct taxes	Corporate income tax	
Public data	Cote d'Ivoire	Mining tax system	Mining right	Attribution and renewals	Investment phase and five years	Direct taxes	Corporate income tax	
Public data	Democratic Republi	Common tax system	No	No	No	Direct taxes	Corporate income tax	
Public data	Democratic Republi	Mining tax system	Mining right	Attribution and renewals	Prospecting, investment and mining phases	Direct taxes	Corporate income tax	
Public data	Ghana	Common tax system	No	No	No	Direct taxes	Corporate income tax	
Public data	Ghana	Mining tax system	Mining right	Attribution and renewals	Prospecting, investment and mining phases	Direct taxes	Corporate income tax	
Public data	Guinea (Conakry)	Common tax system	No	No	No	Direct taxes	Corporate income tax	
Public data	Guinea (Conakry)	Mining tax system	Mining right	Attribution and renewals	Prospecting, investment and mining phases	Direct taxes	Corporate income tax	
Public data	Guinea (Conakry)	Mining tax system	Prospecting right	Attribution and renewals	Prospecting phase	Direct taxes	Corporate income tax	
Public data	Guinea (Conakry)	Mining tax system	Mining right	Attribution and renewals	Investment phase	Direct taxes	Corporate income tax	
Public data	Kenya	Common tax system	No	No	No	Direct taxes	Corporate income tax	
Public data	Madagascar	Common tax system	No	No	No	Direct taxes	Corporate income tax	
Public data	Madagascar	Mining tax system	Mining right	Attribution and renewals	Prospecting, investment and mining phases	Direct taxes	Corporate income tax	
Public data	Madagascar	Mining tax system	Mining right	Attribution and renewals	Prospecting, investment and mining phases	Direct taxes	Corporate income tax	
Public data	Madagascar	Mining tax system	Mining right	Attribution and renewals	Prospecting, investment and mining phases	Direct taxes	Corporate income tax	
Public data	Mali	Common tax system	No	No	No	Direct taxes	Corporate income tax	
Public data	Mali	Mining tax system	Mining right	Attribution and renewals	Investment phase and fifteen years	Direct taxes	Corporate income tax	
Public data	Mauritania	Common tax system	No	No	No	Direct taxes	Corporate income tax	
Public data	Mauritania	Mining tax system	Mining right	Attribution and renewals	Prospecting, investment and mining phases	Direct taxes	Corporate income tax	
Public data	Mauritania	Mining tax system	Mining right	First three years of the right	Prospecting, investment and mining phases	Direct taxes	Corporate income tax	
Public data	Mauritania	Mining tax system	Mining right	Attribution and renewals	Investment phase and three years	Direct taxes	Corporate income tax	
Public data	Senegal	Common tax system	No	No	No	Direct taxes	Corporate income tax	
Public data	Senegal	Mining tax system	Prospecting right	Attribution and renewals	Prospecting phase	Direct taxes	Corporate income tax	
Public data	Senegal	Mining tax system	Mining right	First seven years of the rig	Prospecting, investment and mining phases	Direct taxes	Corporate income tax	
Public data	Sierra Leone	Common tax system	No	No	No	Direct taxes	Corporate income tax	
Public data	Sierra Leone	Mining tax system	Mining right	Attribution and renewals	Prospecting, investment and mining phases	Direct taxes	Corporate income tax	
Public data	South Africa	Common tax system	No	No	No	Direct taxes	Corporate income tax	
Public data	South Africa	Mining tax system	Mining right	Attribution and renewals	Prospecting, investment and mining phases	Direct taxes	Corporate income tax	
Public data	South Africa	Mining tax system	Mining right	Attribution and renewals	Prospecting, investment and mining phases	Direct taxes	Corporate income tax	
Public data	Tanzania	Common tax system	No	No	No	Direct taxes	Corporate income tax	
Public data	Zimbabwe	Common tax system	No	No	No	Direct taxes	Corporate income tax	
D-111-14	1771 1	A Chailes Anno 1994	A finite state	A 44 - 11 - 41	Description interaction of a first of	D'and them	Comments in and	

Tax database : Extraction of the Excel base focuses on the corporate income tax.

nformation	Price 🔹	Tax base	- Unit	-	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014 20)11
Rate	All the gold prices	Earnings	Percent								27	%				25	5%			
Exemption	All the gold prices	Earnings	Percent																Exemption	on
Exemption	All the gold prices	Earnings	Percent		Ez	emptic	on							Exem	ption				Exemption	on
Rate	All the gold prices	Earnings	Percent									40%							35%	
Rate	All the gold prices	Earnings	Percent										30	%						
Rate	All the gold prices	Earnings	Percent				32,5	5%		30%				25	%				25%	
Rate	All the gold prices	Earnings	Percent							No	ot-existe	ent					35%			
Rate	All the gold prices	Earnings	Percent			35%														
Rate	All the gold prices	Earnings	Percent					35%									Norma		30%	
Exemption	All the gold prices	Earnings	Percent				No	t-existe	ent								Exemp	No	ot-existent	
Exemption	All the gold prices	Earnings	Percent				No	t-existe	ent								Exemp	mp Not-existent		
Rate	All the gold prices	Earnings	Percent									30)%							
Rate	All the gold prices	Earnings	Percent							30%			25%	24%	23%	22%	21%		20%	
Minimum rate	All the gold prices	Earnings	Percent									25%								
Medium rate	All the gold prices	Earnings	Percent		35				% 35%											
Maximum rate	All the gold prices	Earnings	Percent		40			%	6 40%											
Rate	All the gold prices	Earnings	Percent		35%				35%						30%					
Rate	All the gold prices	Earnings	Percent						Not-existent							25%				
Rate	All the gold prices	Earnings	Percent			35	%	20	%						25%					
Rate	All the gold prices	Earnings	Percent		30%				25	%						25	5%			
Exemption	All the gold prices	Earnings	Percent		xemptio	n			Exem	ption						Not-ez	xistent			
Exemption	All the gold prices	Earnings	Percent		ot-existe	nt			Not-e	ot-existent H					Exem	xemption				
Rate	All the gold prices	Earnings	Percent						33	%				25%					30%	
Exemption	All the gold prices	Earnings	Percent											Exem	ption					
Exemption	All the gold prices	Earnings	Percent									E	xemptio	n				No	ot-existent	
Rate	All the gold prices	Earnings	Percent			35%								30%						
Rate	All the gold prices	Earnings	Percent						37,	5%						30%		No	ot-existent	
Rate	All the gold prices	Earnings	Percent			30)%				29%			28	%			28	%	
Maximum rate	All the gold prices	Earnings	Percent			37	/%				35%			34	%		34%			
Provisio	All the gold prices	Earnings	Percent			18	35				175			17	70			17	0	
Rate	All the gold prices	Earnings	Percent											30	%					
Rate	All the gold prices	Earnings	Percent						35	%		30)%				25	%		
D -4-	A 11 41 1 4 1	Transformer and	Descent								1.0	07					1.0	07		

Applicable rules : Each tax data is linked to its legal applicable rule

Code	Vuote V	Reference
_ZAF_2009_CMfisc_2008_028_Sect4	(1) The percentage mentioned in section 3(1) is:	Mineral and Petroleum Resources Royalty Act, 2008 (No. 28 of 2008)
	0,5 + [earnings before interest and taxes/(gross sales in respect of refined mineral resources × 12,5)] × 100.	
	(2) The percentage mentioned in section 3(2) is:	
	0,5 + [earnings before interest and taxes/(gross sales in respect of unrefined mineral resources × 9)] × 100.	
	(3)(a) The percentage determined in terms of subsection (1) must not exceed 5%.	
	(b) The percentage determined in terms of subsection (2) must not exceed 7%.	
_ZAF_1990_ITmodif_1990_101_Schedule_Par1	 The rates of normal tax referred to in section 1 of this Act are follows: [] 	Income Tax Act, 1990 (No. 101 of 1990)
	(b) On each rand of the taxable income of any company (excluding taxable income derived from mining operations and	
	taxable income referred to in subparagraphs (e) and (g)), 50 cents;	#_Reference_ZAF_1990_ITmodif_
	(c) On each rand of the taxable income derived by any company from mining for gold otherwise than on any post-1966 gold	1 1990_101 - Cliquez une fois pour
	mine (with the exclusion of so much of the taxable income as the Commissioner determines to be attributable to the inclusio	n suivre. Cliquez et maintenez le bouton
	in the gross income of any amount referred to in paragraph (j) of the definition of "gross income" in section 1 of the principa	al de la souris enfoncé pour
	Act, but after the set-off of any assessed loss in terms of section 20(1) of the principal Act), a percentage determined in	sélectionner cette cellule.
	accordance with the formula:	
	y = 71 - 409/x	
	in which formula y represents such percentage and x the ratio expressed as a percentage which the taxable income so	
	derived (with the said exclusion, but before the set-off of any assessed loss or deduction which is not attributable to the	
	mining for gold from the said mine) bears to the income so derived (with the said exclusion);	
	(d) On each rand of the taxable income derived by any company from mining for gold on any post-1966 gold mine (with the	
	exclusion of so much of the taxable income as the Commissioner determines to be attributable to the inclusion in the gross	
	income of any amount referred to in paragraph (j) of the definition of "gross income" in section 1 of the principal Act, but	
	after the set-off of any assessed loss in terms of section 20(1) of the principal Act), a percentage determined in accordance	
	with the formula:	
	y = 71 - 516/x	
	in which formula y represents such percentage and x the ratio expressed as a percentage which the taxable income so	
	derived (with the said exclusion, but before the set-off of any assessed loss or deduction which is not attributable to the	
	mining for gold from the said mine) bears to the income so derived (with the said exclusion):	
_ZAF_1992_ITmodif_1992_141_Schedule_Par1	(1) The rates of normal tax referred to in section 1 of this Act are as follows: []	Income Tax Act, 1992 (No. 141 of 1992)
	(b) On each rand of the taxable income of any company (excluding taxable income derived from mining operations and	
	taxable income referred to in subparagraphs (d) and (f)), 48 cents;	
	(c) On each rand of the taxable income derived by any company from mining for gold on any gold mine (with the exclusion	
	of so much of the taxable income as the Commissioner determines to be attributable to the inclusion in the gross income of	
	any amount referred to in	
	paragraph (j) of the definition of "gross income" in section 1 of the principal Act, but after the set-off of any assessed loss in	n
	terms of section 20(1) of the principal Act), a percentage determined in accordance with the formula:	
	y = 58 - 290/x	

Legal references : Each applicable rule is linked to its legal reference.

Code	▼ Reference ▼	Country 🔹	Text 💌 Begin:	ning 🔻 End	▼ Source ▼
_ZAF_1992_CM_1991_050	Minerals Act, 1991 (No. 50 of 1991)	South Africa	Minerals and Mining 1992	2003	Government (South
_ZAF_1993_CMmodif_1993_103	Minerals Amendment Act, 1993 (No. 103 of 1993)	South Africa	Minerals and Mining 1993	2003	Government (South
_ZAF_1994_CMsupp1_1994_047	Mineral and Energy Laws Rationalisation Act, 1994 (No. 47 of 1994)	South Africa	Minerals and Mining 1994	2003	Government (South
_ZAF_1997_CMsupp1_1996_029	Mine Health and Safety Act, 1996 (No. 29 of 1996)	South Africa	Minerals and Mining 1997	In force	Government (South
_ZAF_1997_CMsupp1Modif_1997_072	Mine Health and Safety Amendment Act, 1997 (No. 72 of 1997)	South Africa	Minerals and Mining 1997	In force	Government (South
_ZAF_2009_CMsupp1Modif_2008_074	Mine Health and Safety Amendment Act, 2008 (No. 74 of 2008)	South Africa	Minerals and Mining 2009	In force	Government (South
_ZAF_1997_CMsupp1Appli_1997_093	Mine Health and Safety Regulations, 1997 (Government Notice No. R.93 of 1997)	South Africa	Minerals and Mining 1997	In force	Not-available
_ZAF_2001_CMsupp1_2001_134	Mine Health and Safety Amendment Regulations, 2001 (Government Notice No. R.134 of 2001)	South Africa	Minerals and Mining 2001	In force	Government (South
_ZAF_1986_CMsupp1_1986_056	Diamonds Act, 1986 (No. 56 of 1986)	South Africa	Minerals and Mining 1986	In force	Not-available
_ZAF_1991_CMsupp1Modif_1991_010	Diamonds Amendment Act, 1991 (No. 10 of 1991)	South Africa	Minerals and Mining 1991	In force	Government (South
ZAF_1996_CMsupp1Amende_1986_056	Diamonds Act, 1986 (No. 56 of 1986) as amended last by Act No. 88 of 1996	South Africa	Minerals and Mining 1996	In force	Ministry of Mines (
_ZAF_2006_CMsupp1Modif_2005_029	Diamonds Amendment Act, 2005 (No. 29 of 2005)	South Africa	Minerals and Mining 2006	In force	Ministry of Mines (
_ZAF_2006_CMsupp1Modif_2005_030	Diamonds Second Amendment Act, 2005 (No. 30 of 2005)	South Africa	Minerals and Mining 2006	In force	Government (South
_ZAF_2006_CMsupp1_2005_037	Precious Metals Act, 2005 (No. 37 of 2005)	South Africa	Minerals and Mining 2006	In force	Government (South
_ZAF_2004_CM_2002_028	Mineral and Petroleum Resources Development Act, 2002 (No. 28 of 2002)	South Africa	Minerals and Mining 2004	In force	Government (South
_ZAF_2013_CMmodif_2008_049	Mineral and Petroleum Resources Development Amendment Act, 2008 (No. 49 of 2008)	South Africa	Minerals and Mining 2013	In force	Polity
_ZAF_2004_CMappli_2004_527	Mineral and Petroleum Resources Development Regulations, 2004 (Government Notice No. R.527 of 2004)	South Africa	Minerals and Mining 2004	In force	Ministry of Mines (
_ZAF_2005_CMappliModif_2004_1288	Mineral and Petroleum Resources Development Amendment Regulations, 2004 (Government Notice No. R.120	South Africa	Minerals and Mining 2005	In force	Government (South
ZAF_2007_CMappliModif_2006_1203	Mineral and Petroleum Resources Development Amendment Regulations, 2006 (Government Notice No. R.120	South Africa	Minerals and Mining 2007	In force	Government (South
_ZAF_2011_CMappliModif_2011_349	Mineral and Petroleum Resources Development Amendment Regulations, 2011 (Government Notice No. R.349	South Africa	Minerals and Mining 2011	In force	Government (South
_ZAF_2009_CMfisc_2008_028	Mineral and Petroleum Resources Royalty Act, 2008 (No. 28 of 2008)	South Africa	Minerals and Mining 2009	In force	Polity
_ZAF_2009_CMfiscAppli_2008_029	Mineral and Petroleum Resources Royalty (Administration) Act, 2008 (No. 29 of 2008)	South Africa	Minerals and Mining 2009	In force	Polity
_ZAF_1962_IT_1962_058	Income Tax Act, 1962 (Act n°58 of 1962)	South Africa	Income Tax Act 1962	In force	Government (South
_ZAF_1988_ITmodif_1988_090	Income Tax Act, 1988 (No. 90 of 1988)	South Africa	Income Tax (Amendr 1988	In force	Not-available
_ZAF_1989_ITmodif_1989_070	Income Tax Act, 1989 (No. 70 of 1989)	South Africa	Income Tax (Amendr 1989	In force	Not-available
_ZAF_1990_LF_1990_089	Taxation Laws Amendment Act, 1990 (No. 89 of 1990)	South Africa	Finance Act 1990	In force	Government (South
_ZAF_1990_ITmodif_1990_101	Income Tax Act, 1990 (No. 101 of 1990)	South Africa	Income Tax (Amendr 1990	In force	Government (South
_ZAF_1991_ITmodif_1991_129	Income Tax Act, 1991 (No. 129 of 1991)	South Africa	Income Tax (Amendr 1991	In force	Not-available
_ZAF_1991_LF_1991_136	Taxation Laws Amendment Act, 1991 (No. 136 of 1991)	South Africa	Finance Act 1991	In force	Not-available
_ZAF_1992_LF_1992_136	Taxation Laws Amendment Act, 1992 (No. 136 of 1992)	South Africa	Finance Act 1992	In force	Government (South
_ZAF_1992_ITmodif_1992_141	Income Tax Act, 1992 (No. 141 of 1992)	South Africa	Income Tax (Amendr 1992	In force	Government (South
_ZAF_1993_LF_1993_097	Taxation Laws Amendment Act, 1993 (No. 97 of 1993)	South Africa	Finance Act 1993	In force	Government (South
_ZAF_1993_ITmodif_1993_113	Income Tax Act, 1993 (No. 113 of 1993)	South Africa	Income Tax (Amendr 1993	In force	Government (South
_ZAF_1993_LF_1993_140	Revenue Laws Amendment Act, 1993 (No. 140 of 1993)	South Africa	Finance Act 1993	In force	Government (South
_ZAF_1993_ITmodif_1993_168	Income Tax Amendment Act, 1993 (No. 168 of 1993)	South Africa	Income Tax (Amendr 1993	In force	Government (South
_ZAF_1994_LF_1994_020	Taxation Laws Amendment Act, 1994 (No. 20 of 1994)	South Africa	Finance Act 1994	In force	Government (South
_ZAF_1994_ITmodif_1994_021	Income Tax Act, 1994 (No. 21 of 1994)	South Africa	Income Tax (Amendr 1994	In force	Government (South
_ZAF_1995_ITmodif_1995_021	Income Tax Act, 1995 (No. 21 of 1995)	South Africa	Income Tax (Amendr 1995	In force	Government (South
_ZAF_1995_LF_1995_037	Taxation Laws Amendment Act, 1995 (No. 37 of 1995)	South Africa	Finance Act 1995	In force	Government (South
_ZAF_1996_ITmodif_1996_036	Income Tax Act, 1996 (No. 36 of 1996)	South Africa	Income Tax (Amendr 1996	In force	Government (South
T1T 4004 TT 4004 007		a	TT: 1		0

Legal references : Each legal reference is linked to the downloadable text.

Code	▼ Reference	🔁 Act n°1990-101 (11.07.1990) Income Tax Act 1990 (Gouvernement).pdf - Adobe Acrobat Reader DC
ZAF_1992_CM_1991_050	Minerals Act, 1991 (No. 50 of 1991)	Fichier Edition Affichage Fenêtre Aide
ZAF_1993_CMmodif_1993_103	Minerals Amendment Act, 1993 (No. 103 of 1993)	Origine Outils Act p°1990-101 /11 ×
ZAF_1994_CMsupp1_1994_047	Mineral and Energy Laws Rationalisation Act, 1994 (No. 4	
ZAF_1997_CMsuppl_1996_029	Mine Health and Safety Act, 1996 (No. 29 of 1996)	
ZAF_1997_CMsupplModif_1997_072	Mine Health and Safety Amendment Act, 1997 (No. 72 of	
ZAF_2009_CMsupplModif_2008_074	Mine Health and Safety Amendment Act, 2008 (No. 74 of	
ZAF_1997_CMsupplAppli_1997_093	Mine Health and Safety Regulations, 1997 (Government N	
_ZAF_2001_CMsupp1_2001_134	Mine Health and Safety Amendment Regulations, 2001 (G	
_ZAF_1986_CMsupp1_1986_056	Diamonds Act, 1986 (No. 56 of 1986)	
ZAF_1991_CMsupplModif_1991_010	Diamonds Amendment Act, 1991 (No. 10 of 1991)	
ZAF_1996_CMsupplAmende_1986_056	Diamonds Act, 1986 (No. 56 of 1986) as amended last by a	GOVERNMENT GAZETTE
ZAF_2006_CMsupplModif_2005_029	Diamonds Amendment Act, 2005 (No. 29 of 2005)	GOVERNMENT GALLITE
ZAF_2006_CMsupplModif_2005_030	Diamonds Second Amendment Act, 2005 (No. 30 of 2005)	
_ZAF_2006_CMsupp1_2005_037	Precious Metals Act, 2005 (No. 37 of 2005)	
_ZAF_2004_CM_2002_028	Mineral and Petroleum Resources Development Act, 2002	OF THE REPUBLIC OF SOUTH AFRICA
_ZAF_2013_CMmodif_2008_049	Mineral and Petroleum Resources Development Amendm	
_ZAF_2004_CMappli_2004_527	Mineral and Petroleum Resources Development Regulation	1
ZAF_2005_CMappliModif_2004_1288	Mineral and Petroleum Resources Development Amendm	As'n Nuusblad by die Poskantoor Geregistreer Registered at the Post Office as a Newspaper
ZAF_2007_CMappliModif_2006_1203	Mineral and Petroleum Resources Development Amendm	
ZAF_2011_CMappliModif_2011_349	Mineral and Petroleum Resources Development Amendm	
_ZAF_2009_CMfisc_2008_028	Mineral and Petroleum Resources Royalty Act, 2008 (No.	Verkoopprys e Seiling price (AVB utgestuit/GST excluded)
ZAF_2009_CMfiscAppli_2008_029	Mineral and Petroleum Resources Royalty (Administratio	Plaslik 70c Local Builelands R1,00 Other countries
_ZAF_1962_IT_1962_058	Income Tax Act, 1962 (Act n°58 of 1962)	Posvry • Post free
_ZAF_1988_ITmodif_1988_090	Income Tax Act, 1988 (No. 90 of 1988)	
_ZAF_1989_ITmodif_1989_070	Income Tax Act, 1989 (No. 70 of 1989)	KA A DOTA D. 11 HUY IZ 1000
_ZAF_1990_LF_1990_089	Taxation Laws Amendment Act, 1990 (No. 89 of 1990)	Vol. 301 No. 12624
_ZAF_1990_ITmodif_1990_101	Income Tax Act, 1990 (No. 101 of 1990)	CAPE TOWN, 11 JULY 1990
_ZAF_1991_ITmodif_1991_129	Income Tax Act, 1991 (No. 129 of 1991)	
_ZAF_1991_LF_1991_136	Taxation Laws Amendment Act, 1991 (No. 136 of 1991)	KANTOOR VAN DIE STAATSPRESIDENT STATE PRESIDENT'S OFFICE
_ZAF_1992_LF_1992_136	Taxation Laws Amendment Act, 1992 (No. 136 of 1992)	
_ZAF_1992_ITmodif_1992_141	Income Tax Act, 1992 (No. 141 of 1992)	
_ZAF_1993_LF_1993_097	Taxation Laws Amendment Act, 1993 (No. 97 of 1993)	No. 1604. 11 Julie 1990 No. 1604. 11 July 1990
_ZAF_1993_ITmodif_1993_113	Income Tax Act, 1993 (No. 113 of 1993)	Hierby word bekend gemaak dat die Staatspresident sy It is hereby notified that the State President has
_ZAF_1993_LF_1993_140	Revenue Laws Amendment Act, 1993 (No. 140 of 1993)	hierby ter algemene inligting gepubliseer word:— assented to the following Act which is hereby published for general information:—
_ZAF_1993_ITmodif_1993_168	Income Tax Amendment Act, 1993 (No. 168 of 1993)	101 van 1990: Inkomstebelastingwet, 1990. No. 101 of 1990: Income Tax Act, 1990.
_ZAF_1994_LF_1994_020	Taxation Laws Amendment Act, 1994 (No. 20 of 1994)	
_ZAF_1994_ITmodif_1994_021	Income Tax Act, 1994 (No. 21 of 1994)	
_ZAF_1995_ITmodif_1995_021	Income Tax Act, 1995 (No. 21 of 1995)	
_ZAF_1995_LF_1995_037	Taxation Laws Amendment Act, 1995 (No. 37 of 1995)	· · · · · · · · · · · · · · · · · · ·
ZAF_1996_ITmodif_1996_036	Income Tax Act, 1996 (No. 36 of 1996)	

3. Output 2.

A discounted cash flow model to know the average effective tax rate: 14 African countries from 1990 to 2015.

Detailed explanations of ICTD/FERDI model:

Laporte B., de Quatrebarbes C. and Bouterige Y. (2016) 'A discounted cash flow model for sharing mineral resource rent in low income countries: The gold sector in 14 African countries between 1990 to 2015', ICTD/FERDI Working Paper, *Forthcoming*.



Parameters : Choose the country of mine's location

Choose your language:	English				
Choose your display:	Full				
Choose the country of the mine's location	1: Burkina Faso	v			
	Cote d'Ivoire Democratic Republic of the Congo Ghana	•			
	Guinea (Conakry) Kenya Madagascar Mali				

Parameters : Choose the year of the attribution of the mining right

Choose your language:		English						
Choose your display:		Full						
Choose the country of the mine's locatio	n:	Burkina Faso						
Choose the year of the mining right:	2015	2015	-					
	2014 2013	:	Ξ					
	2012 2011 2010							
	2009 2008		-					

The year of the attribution of the mineral right fixed the taxation applied during all the lifetime of the project.

Parameters : Choose one of the three representative mines

Choose your language:		English									
Choose your display:		Full									
Choose the country of the mine's locati	on:	Burkina Faso									
Choose the year of the mining right:		2015									
Choose a mine:	Low a	Low grade open-pit mine (1.8g/t)									
Net cash flow of the three representative mines:	Mediu High <u>c</u> 350 0 250 0 150 0 -50 0 -150 0 -250 0	im grade open-pit mine $(3g/t)$ grade open-pit $(4g/t)$ and underground mine $(5.5g/t)$ 00 000 00 000 0000 00 000 00 000 000 00 000 000 000 00000 000000									

Parameters : Choose the price of gold

Choose your language:	English	L									
Choose your display:	Full										
Choose the country of the mine's location:	Burkina	a Faso									
Choose the year of the mining right:	2015										
Choose a mine:	Low gr	ade open	-pit mine	(1.8g/t)							
Choose the area of the mine:	150					km ²					
Choose the gold price per ounce:	2017 1 100	2018 1 100	2019 1 100	2020 1 100	2021 1 100	2022 1 100	2023 1 100	2024 1 100	2025 1 100	2026 1 100	USD/oz

Grade of mine and price of gold allow sensitivity analyses and progressivity analyses of the mining tax regime.



Outputs

Burkina Faso

2015

Low grade open-pit mine (1.8g/t) Low grade open-pit mine (1.8g/t) Medium grade open-pit mine (3g/t) High grade open-pit (4g/t) and underground mine (5.5g/t)

Public levies distribution







- Royalty
- Corporate income tax
- Non-residents' withholding tax on interests
- Non-residents' withholding tax on dividends
- State participation



Outputs

Burkina Faso

2015

Low grade open-pit mine (1.8g/t) Low grade open-pit mine (1.8g/t) Medium grade open-pit mine (3g/t) High grade open-pit (4g/t) and underground mine (5.5g/t)

Public levies distribution









- Royalty
- Corporate income tax
- Non-residents' withholding tax on interests
- Non-residents' withholding tax on dividends
- State participation





State participation





Average effective tax rate





Public levies distribution



- Annual ground fees
- Royalty
- Corporate income tax
- Non-residents' withholding tax on interests
- Non-residents' withholding tax on dividends
- State participation



Outputs: An historical perspective of the AETR in 14 African countries

Effective tax rates for each for medium-grade mines in **French-speaking** countries



For a discount rate of 10% and a gold price of USD 1,100/oz.

Important gap between countries and changes across time.



Outputs: An historical perspective of the AETR in 14 African countries

Effective tax rates for medium-grade mines in **English-speaking** countries



For a discount rate of 10% and a gold price of USD 1,100/oz.

Important gap between countries and changes across time.

Thank you for your attention

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