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"Natural Resources in Africa and impact on fiscal policy"

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Good Evening Ladies and Gentlemen,

I am honored to speak to members of the European Parliament, members of the African Diaspora, and the European MEPs regarding the natural resources of Africa and their impact on Africa’s fiscal policy.

I am firmly convinced that the abundance of natural resources in Africa has the potential to ensure abundant wealth in Africa but this hasn't been the case thus far. My goal today is to present to you the wondrous amount of natural resources Africa has at its disposal, so that we can begin to put them to the best use to help Africa overcome its poverty.

Let me start by stating that Africa is the 2nd largest continent on Earth. It has the longest human history of any continent and a wealth of natural resources at its disposal. Africa is bounded by the Mediterranean Sea, the Red Sea, the Indian Ocean, and the Atlantic Ocean, and is divided in half almost equally by the Equator. The size of Africa, combined with the varied climactic factors influence agriculture. It employs 2/3 of the working population and contributes 20-60% of every country in Africa’s gross domestic product (GDP). Those climactic agricultural regions include Tropical Wet, Savanna, Desert, Mediterranean and Highland. Having this many varied areas for the continent’s most important economic activity.

The Tropical Wet area crops include the plantain, pineapple, coffee, cocoa, and oil palms. The Savanna area crops include the cassava (related to the potato), peanuts, peppers, okra, eggplant, cucumber, and watermelon, as well as Africa’s most important grain crops, millet and sorghum. Even the Desert area produces date palms and cotton. The Mediterranean areas produce figs, olives, oranges, tomatoes, onions, and large vegetables, such as cabbage and cauliflower. And, last, but not lease the Highland areas produce alfalfa, potatoes, and wheat. What a vast and varied number of natural resources Africa provides for its residents.

In addition to agriculture, in central and western Africa, where forest cover is heaviest, the forest sector contributes more than 60 percent of GDP. Africa’s fishing industry provides income to more than 10 million people and has an annual export value of $2.7 billion. Africa is a major producer of important metals and minerals and Africa’s two most profitable mineral resources are gold and diamonds. Not only does Africa provide agriculture, forestry, fishing and mineral resources, but Africa also has deposits of oil and natural gas which are drilled for energy and fuel. In 2007, the continent produced 12.5 percent of the world’s total oil production and 6.45 percent of the world’s total natural gas production.

All of these varied natural resources could realistically provide a well-balanced economy for everyone who lives in Africa. They have already contributed to our man made buildings, structures, businesses and cities. The largest engineering projects and urban areas house the production and trade resources of water, oil and minerals. Despite this, Africa’s infrastructure deals with poor management and inefficient government regulation. This is a very real issue that needs to be dealt with if Africa is to prosper as we all know it can.

As part of the man-made superstructure, Africa houses several engineering wonders, including the Aswan Dam complex and the Driefontein Gold Mine. Lagos, Africa’s 2nd most populous city, is the commercial and industrial hub of Nigeria, which has a gross domestic product that is triple that of any other West African country. Johannesburg, the largest city in South Africa, is the financial hub for the African continent.

With all of these natural resources and all these man-made advancements, Africa should do more than just survive, it should thrive. But, with prosperity and advancements problems come along as well. There are reports of overharvesting of forests and fish; reports of blood diamonds and the sale of oil and natural gas being used to fund wars. And, the rapid economic growth in largest cities has caused uneven growth that creates unemployment and areas of great poverty in the same cities where there is great wealth and opportunity.

With this kind of division between resources and where they are dispensed, we have a great need for the European policy makers to ensure that the natural resources are fairly utilized to the benefit of the African continent. If this is done there is equally great potential for Africa to overcome the state of poverty that now exists in many areas.

I present you this information today so that the necessary decisions and changes can be made so that Africa meet its potential and its citizens can do more than survive, they can thrive.

Thank you