

Reforming European Development Aid: Creating Investment Incentives for Sustainable Mining in Africa*

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Abstract

This review investigates the potential for reforming European Union development aid policies to serve as strategic investment incentives that promote sustainable mining operations in Africa, moving beyond traditional donor-recipient models toward mutually beneficial economic partnerships that secure critical mineral resources for Europe while fostering African economic independence. Existing literature on EU-Africa development aid primarily focuses on humanitarian assistance and governance reforms, with insufficient attention to how aid policies could systematically incentivize European mining investments in African mineral sectors. Current research lacks comprehensive analysis of policy mechanisms that could transform development aid into investment-driven tools for sustainable resource extraction partnerships. This review employs qualitative analysis through systematic review of scholarly articles, policy reports, and case studies from Scopus and Web of Science databases. The research examines sources published within the past decade, analyzing EU development projects in African mining sectors, contemporary aid policies, and their effectiveness in supporting sustainable mining activities and economic outcomes for both European and African stakeholders. Results indicate that effective policy reforms should integrate economic incentives with environmental safeguards, transforming aid into both investment foundations and sustainability instruments. The review identifies four critical reform areas: dual incentive frameworks combining fiscal benefits with sustainability requirements, performance-based funding systems replacing traditional aid models, large-scale infrastructure and education investments, and enhanced governance mechanisms ensuring transparent, accountable mining operations that benefit local communities while securing European mineral supply chains.

Keywords: European development aid, Africa, mining investment, infrastructure, economic incentives