

2005 Minerals Yearbook

CONGO (BRAZZAVILLE)

THE MINERAL INDUSTRY OF CONGO (BRAZZAVILLE)

By Philip M. Mobbs

The economy of the Republic of the Congo [Congo (Brazzaville)] was based largely on the production of petroleum, which accounted for a significant segment of the country's export earnings, gross domestic product (GDP), and Government revenues. In 2005, the country had a GDP based on purchasing power parity of \$4.6 billion and a GDP per capita based on purchasing power parity of \$1,369. The real GDP grew by 9.2% in 2005 compared with a growth rate of 3.6% in 2004 (International Monetary Fund, 2006§¹).

Congo (Brazzaville) is located in equatorial central Africa and bounded by the Cabinda enclave of Angola and the Democratic Republic of the Congo [Congo (Kinshasa)] to the south and west and by Cameroon, the Central African Republic, and Gabon to the east and north. The country has an area of 342,000 square kilometers that supported a population of about 4 million in 2005. In addition to petroleum and natural gas, Congo (Brazzaville) also produced clays, diamond, gold, lime, sand and gravel, and stone. The manufacturing of cement and the production of potash were expected to resume in the near future, and the initial production of magnesium and salt was also planned.

Commodity Review

Metals

Magnesium.—In 2005, Magnesium Alloy Corp. of Canada changed its name to MagIndustries Corp. MagIndustries created MagMetals Inc. to develop the 72,000 metric-ton-per-year (t/yr)-capacity Kouilou magnesium smelter, which was to be built adjacent to a proposed potash plant near Pointe Noire in the Kouilou region. MagMetals proposed to acquire power for the smelter from the Inga II hydroelectric generating facility in Congo (Kinshasa). In 2005, MagEnergy Inc. (also a subsidiary of MagIndustries) began a feasibility study on the rehabilitation of the Inga II powerplant and installation of an electric-power transmission line to the smelter (MagIndustries Corp., 2006, p. 1).

Industrial Minerals

Potash and Salt.—In 2005, MagIndustries also created MagMinerals Inc. which began a feasibility study on the development of a 400,000-t/yr-capacity potash plant. The proposed plant was to be located about 15 kilometers from Pointe Noire (MagIndustries Corp., 2006, p. 1).

MagAlloy Congo S.A. was renamed MagMining Congo S.A., which was a partnership of MagIndustries (90%) and the Government (10%). MagMining was to manage the solution mining of halite and carnalite in the Makola License area, which was adjacent to MagMinerals' proposed potash plant plot.

Mineral Fuels

Natural Gas and Petroleum.—Most of the country's hydrocarbons were produced from offshore fields. Most associated natural gas produced in Congo (Brazzaville) was flared because of the lack of gas-gathering infrastructure; some of the natural gas produced, however, was diverted to be used as fuel at the Djeno power station, which was located south of Pointe Noire; some was reinjected to maintain hydrocarbon reservoir pressure; and some was stripped of liquids (butane and propane) on the Nkossa offshore barge. MagMinerals proposed to capture some of the flared natural gas for use at its potash plant.

Several subsidiaries of the state-owned Société Nationale des Pétroles du Congo (SNPC) managed the Government's interest in petroleum and natural gas. Société Nationale de Recherche et d'Exploration Pétrolière was the SNPC's exploration and production company.

Total Exploration & Production Congo (a subsidiary of Total S.A. of France) was the major private operator in the petroleum sector of Congo (Brazzaville). Other oilfield operators included Agip Congo S.A. (a subsidiary of Eni S.p.A. of Italy), Likouala S.A. of Congo (Brazzaville), Maurel & Prom of France, and the Perenco Group of France and the United Kingdom.

Outlook

Revenues from the petroleum sector, which will remain the cornerstone of the country's economy for the immediate future, provided the funding for Congo (Brazzaville)'s continued recovery from the 1997 civil war. National production of petroleum is expected to rebound with the development of additional oilfields, which include the Moho-Bilondo prospect that is expected to come onstream in 2008. The Government's interest in the extracting income from associated natural gas, which currently (2005) is being flared, also is expected to increase. Initiation of production from the proposed Kouilou magnesium and potash project and resumption of cement production from the Société Nouvelle de Ciment du Congo's rehabilitation of the Loutete cement plant would help to diversify the economy and aid development of the country's power infrastructure.

Reference Cited

MagIndustries Corp., 2006, Management discussion and analysis—2006 third quarter management discussion and analysis—December 31st, 2005: Toronto, Ontario, Canada, MagIndustries Corp., 7 p.

Internet Reference Cited

¹A reference that includes a section mark (§) is found in the Internet Reference Cited section.

International Monetary Fund, 2006 (April), Congo, Republic of, World Economic Outlook Database, accessed April 19, 2006, via URL http://www.imf.org/external/pubs/ft/weo/2006/01/data/index.htm.

Major Source of Information

Ministère des Mines, des Industries Minières et de la Géologie Service des Mines et de la Géologie B.P. 2124 Brazzaville, Republic of the Congo Telephone: (242) 83 58 73 Fax: (242) 83 62 43

TABLE 1 CONGO (BRAZZAVILLE): ESTIMATED PRODUCTION OF MINERAL COMMODITIES ^{1, 2}						
Diamond	carats	50,000	25,000	30,000	50,000	50,000
Gold, mine output, Au content	kilograms	10	10	75	60	20
Lime	metric tons	390	390	390	400	400
Liquid petroleum gas, propane	thousand 42-gallon barrels	3,734 4	3,000	1,900	919 ⁴	766 ⁴
Petroleum:						
Crude	do.	98,920 4	94,170 4	81,646 4	82,069 4	92,550 ⁴
Refined	do.	2,752 4	2,800	2,700 r	2,700 r	3,000

^rRevised.

¹Estimated data are rounded to no more than three significant digits.

²Table includes data available through September 30, 2006.

³Crude construction materials (for example, clay, sand and gravel, and stone) were produced, but information is inadequate to make estimates of output. Natural gas is also produced, but output is flared, reinjected, or vented.

⁴Reported figure.