

# **2005 Minerals Yearbook**

## SOMALIA

## THE MINERAL INDUSTRY OF SOMALIA

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Somalia is an East African country located on the Gulf of Aden and the Indian Ocean that produced small quantities of gemstones and salt. The country also had deposits of feldspar, gypsum, iron ore, kaolin, limestone, natural gas, quartz, silica sand, tantalum, tin, and uranium. The mineral industry made a small contribution to Somalia's exports and economy in general.

Officially reported mineral and trade data continued to be unavailable because of the lack of a functioning central Government since 1991 and the conflict that pervaded most of Somalia. Somaliland (a region in northern Somalia) declared its independence in 1991, and Puntland (which is located to the east of Somaliland) declared autonomy in 1998 (United Nations Integrated Regional Information Networks, 2004). Neither of the declarations of independence were internationally recognized. Somalia's civil war has had considerable adverse consequences for the economy, which included the minerals sector. The war forced the closure of Somalia's cement plant and oil refinery and halted most exploration for mineral resources.

In 2005, the Transitional Federal Government (TFG) relocated to Somalia, but factional disputes prevented agreement upon the location of the seat of the Government. Sporadic conflict continued in some areas in 2005, including at Beletweyne, Galgadud, Gedo, and Mogadishu (United Nations Integrated Regional Information Networks, 2006).

Small amounts of salt were produced in coastal areas by solar evaporation methods. The Indian Ocean tsunami of December 26, 2004, disrupted salt production in Hurdiye in late 2004 and early 2005 (United Nations World Food Program, 2005). Such gemstones as aquamarine, emerald, garnet, opal, red spinel, ruby, sapphire, and tourmaline were produced in Somaliland on a limited scale. Garnet and opal accounted for the largest shares of gemstone production.

In October 2005, Range Resources Ltd. of Australia announced that it had signed an agreement with the governing authority of Puntland that would give the company a majority interest in the rights to all mineral and mineral fuel exploration in Puntland. The TFG subsequently declared the agreement to be invalid on the grounds that only the national Government had the authority to negotiate mineral rights (Blackburn, 2005).

The outlook for Somalia's mineral industry is for little change in the short run. Barriers to development included continuing civil unrest, weak infrastructure, and a domestic market limited by severe poverty.

#### **References Cited**

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