

# THE MINERAL INDUSTRY OF BURKINA FASO

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Burkina Faso was a producer of cement, dolomite, gold, granite, marble, phosphate rock, pumice and related volcanic materials, and salt. The country had other mineral resources, which included bauxite, copper, lead, manganese, nickel, and zinc, but these were not being mined. The mining industry was not a significant factor in the economy.

In 2003, Burkina Faso's gross domestic product (GDP) based on purchasing power parity amounted to \$14.1 billion. The GDP increased by 8% in 2003, 4.6% in 2002, and 6.8% in 2001. The manufacturing sector accounted for 15% of the GDP; construction and public works, 3%; and mining, less than 1% (Banque Centrale des Etats de l'Afrique de l'Ouest, 2004, p. A.7; International Monetary Fund, 2004, p. 206; 2004<sup>§1</sup>).

The National Assembly of Burkina Faso passed significant revisions to the country's mining code in May 2003. The revisions included lower tax and administrative requirements for small-scale mines and for projects in the exploration phase; improved financial assistance for small-scale miners; restriction of state ownership to 10% in large-scale mining projects; a ban on state ownership of small-scale mines; lower taxes on income from transferable securities; and reduced tariffs on fuel and lubricants (Mining Journal, 2003).

In October 2003, Axmin Inc. of Canada and High River Gold Mines Ltd. of Canada announced plans to proceed with the Taparko gold project. This project would produce gold from the Bouroum and the Taparko gold deposits during a 7½-year period. Average production was expected to be more than 2,800 kilograms per year (kg/yr), with output of 3,100 kg/yr in the first few years. Axmin and High River planned to start production in late 2005. Reserves at Taparko and Bouroum were estimated to total about 22 metric tons (t) of contained gold (High River Gold Mines Ltd., 2003).

Orezone Resources Inc. of Canada held properties in Burkina Faso with total measured and indicated resources of about 40 t of contained gold, and total inferred resources of about 78 t of contained gold. Orezone and its joint-venture partner Gold Fields Ltd. started a drilling program on the Essakan property in October 2003. The companies expected to finish drilling and to release a new resource calculation in January 2004. Orezone also drilled at the Bondi and the Sega properties with the goal of defining new resources by the first quarter of 2004 (Orezone Resources Inc., 2003).

Semafo Inc. of Canada explored for gold at its Nyafe and Wona properties in 2003; the company planned to complete a feasibility study for these deposits in 2004. Wona had resources of 10 million metric tons at a grade of 2.44 grams per ton (g/t) gold, and Nyafe, 850,000 t at a grade of 8.44 g/t gold (Semafo Inc., 2004, p. 7-8).

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

In 2003, Etruscan Resources Inc. of Canada signed an agreement with Ashanti Goldfields Co. of Ghana and Echo Bay Mines Ltd. of the United States to purchase the Youga gold deposits and the rights to three nearby exploration permits. Youga is located about 180 kilometers southeast of Ouagadougou; resources were estimated to be more than 30 t of contained gold (African Mining, 2003b).

Jilbey Gold Exploration Ltd. explored for gold at its Nongo Fayere and Taranga properties, which are located near the Taparko deposit. In late 2003, the Government awarded Jilbey exploration licenses for the Karka, the Koulouko, the Nomikdou, and the Tougouri properties, which also are located near Taparko. St. Jude Resources Ltd. of Canada explored for gold at the Goulagou property in eastern Burkina Faso; the company acquired the contiguous Rounga gold property in 2003 (Africa Mining Intelligence, 2003; African Mining, 2003a, b).

Société Burkinabe des Ciments et Matériaux operated a clinker grinding plant near Ouagadougou. The company's production has declined in recent years because of import competition from Côte d'Ivoire and Togo.

Burkina Faso did not produce or refine petroleum and depended upon imports for its petroleum requirements. In 2003, imports of petroleum products were \$101 million, or 20% of the country's total imports (Banque Centrale des Etats de l'Afrique de l'Ouest, 2004, p. A.23).

In 2003, Burkina Faso's production of electricity was 444.6 gigawatthours (GWh) compared with 364.7 GWh in 2002. Thermal plants accounted for 78% of the electricity produced by Société Nationale d'Electricité du Burkina in 2003, and hydroelectric plants, 22%. Domestic electricity costs were considerably higher than those of neighboring countries because of limited hydropower potential, reliance on imported petroleum products, high transportation costs, and lack of economies of scale (World Bank Group, 2004, p. 4, 33, 99).

The International Monetary Fund (2004, p. 206) predicted that Burkina Faso's GDP would increase by 4.8% in 2004 and 5.3% in 2005. In addition to gold, other deposits that could be developed included the Kodjari phosphate rock and the Perkoa zinc deposits.

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TABLE 1  
BURKINA FASO: PRODUCTION OF MINERAL COMMODITIES<sup>1</sup>

(Metric tons unless otherwise specified)

Commodity <sup>2</sup>	1999	2000	2001	2002	2003 <sup>c</sup>
Cement	180,000 <sup>e</sup>	100,000	50,000	30,000 <sup>e</sup>	30,000
Dolomite cubic meters	NA	NA	3,000	3,000	3,000
Gold kilograms	869	553	209	390	400
Granite cubic meters	NA	NA	280,000	300,000	300,000
Phosphate rock:					
Gross weight	NA	NA	1,010	2,350	2,400
P <sub>2</sub> O <sub>5</sub> content	NA	NA	280	650	650
Pumice and related volcanic materials <sup>c</sup>	10,000	10,000	10,000	10,000	10,000
Salt <sup>e</sup>	5,000	5,000	5,000	5,000	5,000
Stone, marble <sup>e</sup>	100,000	100,000	100,000	100,000	100,000

<sup>c</sup>Estimated; estimated data are rounded to no more than three significant digits. <sup>r</sup>Revised. NA Not available.

<sup>1</sup>Table includes data available through October 1, 2004.

<sup>2</sup>In addition to the commodities listed, sand and gravel and other construction material are produced, but information is inadequate to make reliable estimates of output levels.