

2008 Minerals Yearbook

SOMALIA

THE MINERAL INDUSTRY OF SOMALIA

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

Civil war continued in Somalia in 2008. Ethiopian military forces and the Transitional Federal Government engaged in combat with various antigovernment elements in Mogadishu. In northern Somalia, the semiautonomous region of Puntland and the self-declared Republic of Somaliland (which maintains a separate regional governing authority) engaged in armed conflict regarding an unresolved border dispute in January. Maakhir, which was part of the territory disputed by Puntland and Somaliland, declared autonomy from Puntland, Somalia, and Somaliland. Somaliland's declaration of independence in 1991 and Puntland's and Maakhir's declarations of autonomy in 1998 and 2007, respectively, had not been internationally recognized (Human Rights Watch, 2008; McGregor, 2008).

Production

Mineral production data continued to be unavailable because of the lack of a functioning central Government since 1991 and the conflict that pervaded most of the country. In 2006, a dimension stone operation that produced granite, marble, and sandstone started production in Somaliland. In 2008, niobium (columbium) and tantalum mining operations started. The war forced the closure of Somalia's oil refinery and cement plant in 1991 and 1996, respectively.

Structure of the Mineral Industry

Private companies produced granite, marble, niobium (columbium), sandstone, and tantalum. Gemstone and salt mining operations appear to be artisanal and small-scale in nature. The cement plant and refinery were operated by parastatal companies before their closure. The collapse of the central Government in 1991 led to ambiguity concerning mineral rights and ownership of facilities.

Commodity Review

Metals

Niobium (Columbium) and Tantalum.—In August 2008, Green African Development AB (GAD) of Sweden started mining niobium (columbium) and tantalum at Dalow near Berbera. About 120 miners produced at the rate of about 27 metric tons per year of columbite-tantalite. As of the end of 2008, the governing authorities of Somaliland had not awarded a mining license to GAD (Indian Ocean Newsletter, 2009).

Industrial Minerals

Gemstones.—Such gemstones as aquamarine, emerald, 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 2007, Somagem Mining Company Ltd. started trial mining of emerald at the Simodi deposit. The company also planned to mine gemstones at its Mandheera project, which is located northeast of Hargeisa.

Mineral Fuels

Natural Gas and Petroleum.—In March 2008, the governing authorities of Puntland approved new legislation to enable foreign companies to engage in drilling exploration wells. The Transitional Federal Government of Somalia reached an agreement with the governing authorities of Puntland on petroleum exploration in May; Africa Oil Corp. of Canada and Range Resources Ltd. of Australia received Federal approval to explore in Puntland (Africa Energy Intelligence, 2008a, b).

In December 2008, Africa Oil and Range Resources completed a seismic survey at their Dharoor Valley and Nogal Blocks in Puntland. The companies planned to start exploration drilling at Dharoor Valley in 2009; drilling had not taken place in Somalia since 1992 (Africa Oil Corp., 2009).

In May 2008, the governing authorities of Somaliland awarded exploration licenses to Asante Oil Ltd. of Norway for Blocks SL13 and SL14. Asante planned to start exploration drilling by 2009. Ophir Energy Company Ltd. of South Africa held the Berbera Block; Prime Resources Ltd. of the United Kingdom and Motherland Homes Ltd. of India also held licenses in Somaliland. In October, the governing authorities of Somaliland announced plans to start a new licensing round for natural gas and petroleum exploration blocks (Africa Energy Intelligence, 2008c, d).

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