



2015 Minerals Yearbook

BENIN [ADVANCE RELEASE]

THE MINERAL INDUSTRY OF BENIN

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Mining in Benin did not play a significant role in the country's economy. Benin produced mostly industrial minerals, which included cement, clay, limestone, marble, and sand and gravel. Cassiterite, colored gemstones (tourmaline and aquamarine), gold, and tantalum ore have been produced in small quantities by artisanal miners. Mining was regulated by law No. 2006–17, and oil and gas regulations were contained in law No. 2006–18 (Thomas, 2013; Van Wyngaardt, 2015).

Real GDP growth in 2015 was 5.2% compared with 6.5% in 2014. Benin's economic growth relied heavily on trade with Nigeria. As such, the 48% decrease in bonny light crude oil prices from 2014 to 2015 had a negative effect on the Nigerian economy and resulted in an 18% decrease in the value of goods and services that Benin exported to Nigeria. Since at least 2003, the extractive industries (mining and oil extraction) contributed less than 1% to real GDP. Mineral fuel imports accounted for about 17% of the total value of Benin's imports in 2015, and other mineral commodity imports accounted for about 6% of the total value of imports (Banque Centrale des Etats de L'Afrique de L'Ouest, 2015, p. 23; International Monetary Fund, 2015; 2016, p. 174; International Trade Center, 2015; Central Bank of Nigeria, 2016).

Production

Although metals and various industrial minerals were produced in Benin in 2015, cement was the only mineral commodity for which production data were available. Cement production in 2015 was an estimated 1.8 million metric tons (Mt), which was an increase of 29% compared with that of 2014. Data on mineral production are in table 1.

Structure of the Mineral Industry

The Government of Benin owns all mineral deposits in the country and grants exclusive rights for exploration, development, and mining. The Government had identified energy, infrastructure, and mining as some of its development priorities and had been revising its mining laws to attract foreign investment. Towards this end, the Mining Code was under review, with the goals of simplifying procedures in awarding mining permits, increasing the duration of permits, and establishing special categories for artisanal and semi-industrial production (Thomas, 2013; U.S. Department of State, 2015). Table 2 is a list of Benin's major mineral industry facilities.

Commodity Review

Metals

Iron Ore.—Minergy Resources Ltd. of India, through its subsidiary Minergy Metals BVI Ltd., was exploring the Loubou-Loubou and the Madekali iron ore deposits in the northeastern regions of Karimama and Kandi, respectively. The

Loubou-Loubou deposit had estimated reserves of 226 Mt and the Madekali deposit had estimated reserves of 240 Mt. Both deposits were estimated to have grades of 46% to 52% iron and 13% to 15% silica (Minergy Resources Ltd., 2010; Bénin Sous Sol, 2015).

Tantalum.—In July, G&B African Resources Benin SARL, which was a 100%-owned subsidiary of Premier African Minerals Ltd. of the British Virgin Islands, was awarded an exploration permit located 75 kilometers south of Parakou in Collines Department in central Benin. Tantalite and gemstones had been mined for more than a decade in the area by artisanal miners. Premier had identified mineralized tantalum pegmatites and discovered new gem-quality aquamarine (Regulatory News Service, 2015; Premier African Minerals Ltd., 2016).

Industrial Minerals

Cement.—Cement production in 2015 increased by 29% owing largely to the first full year of operations at the Nouvelle Cimenterie du Bénin (NOCIBE), which was wholly owned by Les Ciments du Sahel S.A. NOCIBE more than doubled Benin's cement production capacity, adding an additional 1.7 million metric tons per year (Mt/yr) of capacity as well as contributing to the 3.9% increase in growth of the country's industrial sector in 2015. Benin's cement exports increased by about 41% compared with those of 2014. Cement was also produced by Cimbenin S.A. (HeidelbergCement AG, 52.51%); Onigbolo Cement Co. Ltd. (Dangote Industries Ltd., 43%, and Société des Ciments Du Benin, 51%); and Société des Ciments du Benin (Government, 50%, and LaFarge Group, 50%). These companies had a combined production capacity of 1.6 Mt/yr (tables 1, 2; Direction Générale des Affaires Économiques, 2015, p. 10, 14; International Trade Center, 2015; Siemens AG, 2015, p. 42).

Mineral Fuels

Petroleum.—In 2013, Nigeria-based South Atlantic Petroleum Ltd. (SAPETRO) made a petroleum discovery in onshore Block 1 near Porto Novo. After unsuccessful exploration drilling, however, SAPETRO relinquished its 100% interest and operatorship in Block 1. SAPETRO also suspended its redevelopment project in Benin's only oilfield, the Sèmè offshore field. The low global prices of oil have made it too costly to overcome the technological hurdles necessary to restart production (Petroleum Africa, 2013; Buchanan, 2014; Kelechi, 2016; South Atlantic Petroleum Ltd., 2016).

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TABLE 1
BENIN: PRODUCTION OF MINERAL COMMODITIES¹

(Thousand metric tons unless otherwise specified)

Commodity ²	2011	2012	2013	2014	2015
Cement, hydraulic	1,460	1,390	1,422	1,396	1,800 ^c

^cEstimated.

¹Table includes data available through April 12, 2016.

²In addition to the commodity listed, cassiterite, clay, gemstones, gold, limestone, marble, sand and gravel, and tantalum were produced, but information was inadequate to make reliable estimates of output.

TABLE 2
BENIN: STRUCTURE OF THE MINERAL INDUSTRY IN 2015

(Metric tons unless otherwise specified)

Commodity	Major operating companies and major equity owners	Location of main facilities	Annual capacity
Cement	Cimbenin S.A. (HeidelbergCement AG, 52.51%, through its subsidiary Scancem International SA)	Cotonou plant	340,000
Do.	Onigbolo Cement Co. Ltd. (OCC) (Dangote Industries Ltd., 43%, and Société des Ciments du Benin, 51%)	Onigbolo plant	600,000
Do.	Société des Ciments du Benin (Government, 50%, and LaFarge Group, 50%)	do.	700,000
Do.	Nouvelle Cimenterie du Bénin (NOCIBE) (Les Ciments du Sahel S.A., 100%)	Plant in Masse near Cotonou	1,700,000

Do., do. Ditto.