



# 2015 Minerals Yearbook

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**DJIBOUTI [ADVANCE RELEASE]**

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# THE MINERAL INDUSTRY OF DJIBOUTI

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In 2015, the East African country of Djibouti produced basalt, brick clay, cement, salt, sand and gravel, and dimension stone (table 1). Djibouti's production and consumption of minerals were not globally significant. The mining sector was governed by law No. 66/AN/94 of December 7, 1994. The natural gas and petroleum sector was governed by law No. 117/AN/05 of October 16, 2005.

In 2013, the manufacturing sector accounted for 2.9% of the gross domestic product, and the mining and quarrying sector, 0.2%. Total imports were valued at \$440 million in 2014, of which petroleum products accounted for 12.7% (African Development Bank Group, 2016).

## Production

In 2015, cement production increased by an estimated 13%. Salt production remained minimal. Data on the production of other minerals were not available (table 1).

## Structure of the Mineral Industry

The cement plant at Ali Sabieh was Government owned, and the plant at Balbala was privately owned. Salt production at Lake Assal was carried out by artisanal miners. Crushed basalt, brick clay, and dimension stone were produced near the capital. Sand and gravel were produced from dry stream and river beds around the country (table 2).

## Commodity Review

### Metals

**Gold.**—In 2015, Thani Startex Resources Ltd. (Thani Emirates Holding of the United Arab Emirates, 60%, and Startex International plc of the United Kingdom, 40%) renewed its gold exploration licenses in Djibouti. The company planned to start drilling at the Pandora project in the second quarter of 2016 (Stratex International plc, 2016, p. 12, 17).

### Industrial Minerals

**Cement.**—In February 2013, Cimenterie d'Ali Sabieh S.A. opened a new cement plant with a capacity of about 240,000 metric tons per year (t/yr) at Ali Sabieh. The company started production at about one-third of capacity; output was planned to reach full capacity by mid-2014. In March 2013, Nael Cement Products of the United Arab Emirates opened a new plant at Balbala, which reportedly produced at one-half of its capacity of 220,000 t/yr. In 2015, both plants were estimated to be operating near full capacity (Edwards, 2013; Emily Stoll, Economics Officer, U.S. Embassy, Djibouti, Djibouti, written commun., April 29, 2014, and May 5, 2014).

China Resources Cement was considering the construction of a new cement plant at Ali Sabieh with a capacity of between

2 million metric tons per year (Mt/yr) and 5 Mt/yr. It was unclear when production would start (Oxford Business Group, 2016b).

**Potash.**—A new terminal for handling trade in mineral commodities was expected to be completed at the Port of Tadjourah by December 2016. The terminal, which would handle shipments from a new potash mine in Ethiopia, had a planned capacity of 4 Mt/yr of potash. A new railway that would transport Ethiopian potash to Tadjourah was likely to be completed by the first quarter of 2019 (Oxford Business Group, 2016a).

**Salt.**—Artisanal miners produced salt at Lake Assal. By the end of 2013, salt mining had nearly ceased because of the discovery of salt deposits in the Afar region of Ethiopia (Emily Stoll, Economics Officer, U.S. Embassy, Djibouti, Djibouti, written commun., April 29, 2014).

The Port of Goubet was being expanded to handle exports from large-scale salt mining at Lake Assal. The planned salt capacity of the port was 6 Mt/yr; the first phase of the expansion was expected to be completed by March 2016 (Oxford Business Group, 2016a).

## Mineral Fuels and Other Sources of Energy

**Natural Gas.**—POLY-GCL Petroleum Group Holdings Ltd. of China was considering the development of the Calub and Hilala gasfields in Ethiopia's Ogaden Basin. The company's plans included a pipeline from Calub and Hilala to Djibouti and a new liquefied natural gas (LNG) plant and export terminal in Djibouti. The LNG plant's initial planned capacity was 3 Mt/yr (equivalent to 4.1 billion cubic meters per year of natural gas); POLY-GCL expected to increase capacity to 10 Mt/yr. LNG production could start by mid-to-late 2018 (Maasho, 2016).

**Petroleum.**—As of the end of 2015, Djibouti was not a producer of crude or refined petroleum and relied on imported petroleum products. Government-owned utility Électricité de Djibouti consumed imported diesel and fuel oil in its power stations, which had a total capacity of 173 megawatts (MW). Power costs were about twice the average for African countries (Richardson, 2015).

**Renewable Energy.**—The Government planned to produce 100% of Djibouti's power requirements from renewable sources. As much as 1,000 MW of capacity could be developed from geothermal sources; the Government planned to start geothermal power production by 2020 (Richardson, 2015).

## References Cited

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- Edwards, Peter, 2013, East African cement focus: Global Cement Magazine, November, p. 47–54.

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Stratex International plc, 2016, Annual report 2015: London, United Kingdom, Stratex International plc, 56 p.

TABLE 1  
DJIBOUTI: PRODUCTION OF MINERAL COMMODITIES<sup>1</sup>

(Metric tons)

Commodity <sup>2</sup>	2011	2012	2013	2014 <sup>c</sup>	2015 <sup>c</sup>
Cement	--	--	150,000 <sup>c</sup>	400,000	450,000
Salt <sup>e</sup>	8,000	4,000	500	500	500

<sup>c</sup>Estimated; estimated data are rounded to no more than three significant digits. -- Zero.

<sup>1</sup>Table includes data available through June 10, 2016.

<sup>2</sup>In addition to the commodities listed, basalt, brick clay, sand and gravel, and dimension stone were produced, but available information was inadequate to make reliable estimates of output.

TABLE 2  
DJIBOUTI: STRUCTURE OF THE MINERAL INDUSTRY IN 2015

(Metric tons)

Commodity	Major operating companies	Location of main facilities	Annual capacity
Cement	Cimenterie d'Ali Sabieh S.A. (Government, 100%)	Plant at Ali Sabieh	240,000
Do.	Nael Cement Products (subsidiary of Nael General Contracting Establishment)	Plant at Balbala, Kilo 12 Graveyard	220,000
Salt	Artisanal miners	Mines at Lake Assal	12,000 <sup>e</sup>

<sup>e</sup>Estimated. Do. Ditto.