



**WHY INVEST IN**  
**CÔTE D'IVOIRE**  
**MINING SECTOR**

REPUBLIC OF CÔTE D'IVOIRE



MINISTRY OF MINES  
AND GEOLOGY

# THE VISION

Increase and diversify mining production in order to increase the contribution of the mining sector to Côte d'Ivoire's Gross Domestic Product (GDP) from 2% in 2011 to more than 4% by 2020, such is the target assigned to the mining sector by the National Development Plan (NDP) for the 2016-2020 cycle. To realize and accelerate the achievement of this goal, our country has chosen to establish, for the first time in its institutional history, a Directorate General of Mines and Geology in a ministerial department exclusively devoted to mining and geology. This institutional reorganization reflects, once again, the will of His Excellency Mr. Alassane OUATTARA, President of the Republic of Côte d'Ivoire, to give the mining sector, the means to take its place, all its place, in the march towards progress and the emergence of Côte d'Ivoire. Spearheading this fight for a sustainable, profitable, efficient and environmentally friendly mining industry,



the Government of Prime Minister Amadou Gon COULIBALY, Head of Government, Minister of Budget and State Portfolio shows, daily, its determination to carry out the necessary reforms to make the mining sector of our country the second engine of the growth of our economy. The goal set by the NDP is therefore within reach. It can even be exceeded in the best interests of the companies, the people and the state of Côte d'Ivoire. The ambition of our country rests, in this matter, on two (2) key assets:

- First asset is a favorable macroeconomic context:

Why invest in the Ivorian mining sector?

- Because Côte d'Ivoire has natural advantages:
- A bioclimatic environment conducive to the development of economic activities
- Heavy rains all year round;
- Low relief, facilitating human settlement, agriculture and infrastructure construction;
- abundant watercourses favorable to irrigation, fishing and river navigation;
- A maritime facade of over 520 km favorable to port and tourist activities;
- Because Côte d'Ivoire has quality infrastructures:

- A dense road network (82,000 km of which more than 7,000 km paved);
  - 2 deep-water ports (Abidjan and San Pedro) provide the link with the outside;
  - 3 international standard airports and 6 aerodromes provide air services;
  - Railway connections: 1260 km of railway linking Côte d'Ivoire to Burkina Faso;
  - A reliable supply of energy
  - More than 2,000 MW of installed capacity (66% thermal and 34% hydroelectric);
  - By 2020: 4,000 MW of which 67% gas, 7% coal, 18% hydroelectric and 8% other energy.
  - Because Côte d'Ivoire is a country with strong economic performance;
  - Côte d'Ivoire Ranked 4th in terms of economic growth in 2018.
  - Côte d'Ivoire Has been eligible for the Compact MCC Program since December 2015, due to significant progress in governance;
  - Côte d'Ivoire Officially accepted as a member of the Open Government partnership (OGP)
- on October 28, 2015.
- To date, it respects eight (8) indicators out of twelve (12).
  - Côte d'Ivoire Ranks among the world's top ten (10) reformers in the business environment in the World Bank's Doing Business 2019 report, with a gain of 17 places from 2017 to 2018.
  - Côte d'Ivoire Recorded a gain of 12.5 points from 2017 to 2018 in the Ibrahim Index on African Governance (IIAG). She went from 41st to 22nd place.
  - Because Côte d'Ivoire has Human Resources in quantity and quality:
  - A young and fast-growing population
  - A skilled labor pools
  - Because Côte d'Ivoire has a tradition of liberal economy;
  - Free trade and customs unions within the framework of ECOWAS, UEMOA, AGOA, EPA, SGP and ZLECAF
  - Main gateway for access to the regional market of UEMOA and ECOWAS:
    - 80 million consumers in the WAEMU zone
    - 320 million consumers in ECOWAS zone
- Because the socio-political climate is appeased:
- Democratic polity in place
  - All institutions of the Republic are operational
  - All elections were held in peace
  - Second asset: a significant mining potential that allows for serious prospects for creating wealth, prosperity and jobs for young people and women.
- Of all the countries of West Africa, Côte d'Ivoire has the most important mineral potential, because 2/3 of the country is covered by formations reputed rich in various mineralization's including 35% of the rock belts of West Africa known for their proven gold potential. The first studies carried out since independence by the Company for the Mining Development of Côte d'Ivoire (SODEMI), highlighted important deposits in quantity and quality:
- Precious stones (rough diamond);
  - Precious metals (gold);
  - Base metals (Iron, Nickel, Copper, Cobalt, Colombo Tantalite, and Manganese);
  - Other substances: Bauxite (Chromium, Phosphate).

# MINING PROGRAM

Acquisitions of the mining sector

If our soil has allowed Ivorian agriculture for decades, to be the engine of our economy, the quantitative and qualitative wealth of our subsoil should enable us to accelerate our economic and social development; if we give ourselves the means to exploit, in a sustainable way, all these riches. That is why, from 2012, the Government initiated the reform of the legal framework in order to adapt the mining sector to the new requirements of the development of the extractive sector and to attract more Foreign Direct Investments (FDI). Comparative advantages of this reform:

- better governance;
- the preservation of the environment and the ecosystem;
- the increase of state revenue;
- local development of communities impacted by farms;
- the profitability afforded to private operators, all in the context of a win-win partnership.

Our efforts to promote the Côte d'Ivoire destination were rewarded with the "Best Country Reform in the Mining Sector" award, obtained in December 2014 from Finland, Peru and Serbia. To improve the governance of our extractive sector, Côte d'Ivoire joined the Extractive Industries Transparency Initiative (EITI) in 2008. The EITI requires the publication of comprehensive reports, including full disclosure of government revenues from the extractive industries, as well as the disclosure of all significant payments made to the Government by mining, oil and gas companies. In May 2013, Côte d'Ivoire was declared a "compliant country" for the EITI initiative. Based on the 2016 EITI Standard, our country has been re-validated and started in April 2017. At the conclusion of this review, the EITI Board decided on May 9, 2018, that Côte d'Ivoire has made "significant progress". The revision of the Mining Code has been accompanied by an

ambitious program of development of the mining sector, oriented towards the intensification of the research and the industrialization of the mining production.

Balance sheet of the mining sector as of December 31, 2018

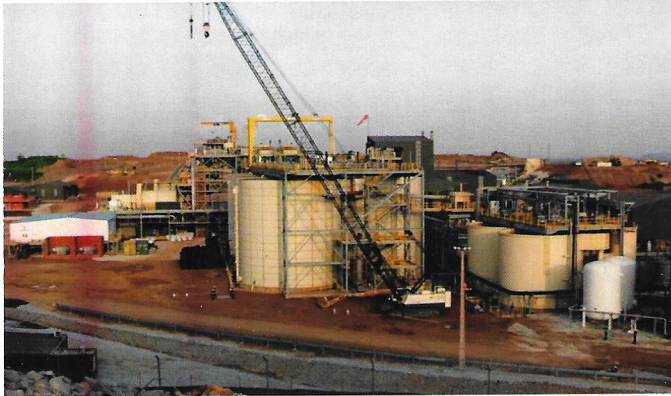
The mining sector is organized around four (4) main types of activities:

- mining research;
- the exploitation of mine substances;
- the exploitation of quarry substances;
- Approval of subcontractors and buying and selling offices, purchase and sale authorizations, as well as control and expertise of precious stones and metals, pressure equipment and explosive substances for civil use.

A: Balance on the mining plan A-1: Mining Research

As of December 31, 2018, the number of valid mining research permits is one hundred and seventy-eight (178), compared to one hundred and sixty-four (164) in 2017. Gold is the substance the most sought after, with one hundred and fifty-four (154) research permits against one hundred and thirty-eight (138) in 2017. Gold accounts for 86.52% of applications.

# MINING PRODUCTION



Permits have also been awarded for the research of Columbo Tantalite, phosphate, iron, diamond, copper-nickel-cobalt, chromium, bauxite, ilmenite, lithium and manganese.

To promote the diligent processing of mining exploration permit applications, the Interministerial committee on Mines (CIM) was renewed by Order No. 008 / MMG / CAB of 4 December 2018 and its members were invested on 10 January 2019.

A-2: Exploitation of mine substances

A-2-1: Industrial mining

- Exploitation license

• As of December 31, 2018, sixteen (16) industrial mining licenses

are valid compared to fourteen (14) in 2017. The sixteen licenses are distributed as follows:

- Eight (8) for gold, i.e. 50%;
- four (4) for manganese, i.e. 25%;
- one (1) for bauxite, i.e. 6.25%;
- one (1) for laterite nickel, i.e. 6.25%
- two (2) for mineral water, i.e. 12.5%.

- Industrial mining production

• Gold production

Industrial production of gold increased from 7 tons in 2009 to 13.2 tons in 2012, 15.4 tons in 2013, 18.6 tons in 2014, 23.5 tons in 2015, 25.05 tons in 2016 and 25,395 tons in 2017. For the year 2018, the production is 24 488 tons for a forecast of 26.5

tons, a decrease of 3.57% compared to 2017. This Côte d'Ivoire production site ranks seventh (7th) in the ranking of gold producing countries in Africa over the last three years, after South Africa (190 tons), Ghana (100 tons), Mali (50 tons), Tanzania (50 tons), Burkina Faso (40 tons) and the Democratic Republic of Congo (32 tons).

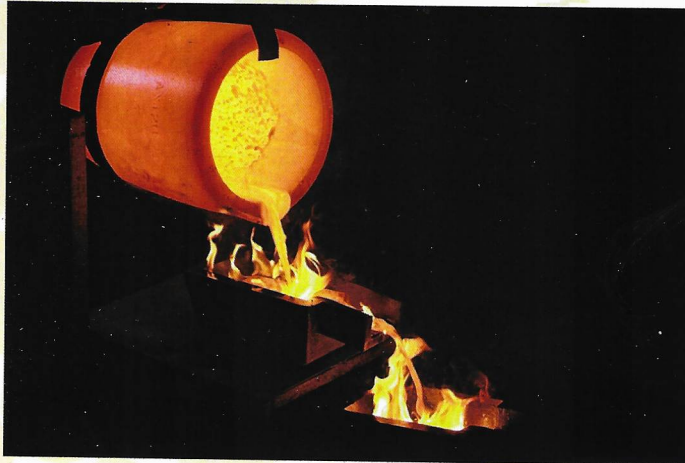
-Base metals Production

The production of base metals comes from four (4) manganese mines (Kaniasso Bondoukou, Guitry, and Lagonkaha) and the lateritic nickel mine of Biankouma Touba. For manganese, industrial production, which started in 2012, was 511 868 tons in 2017.

In 2018, manganese production is 791 911 tons for a forecast of 550 000 tons, an increase of 54.71% compared to 2017.

This production ranks Côte d'Ivoire as the 13th largest producer of manganese in the world. For lateritic nickel, for a forecast of 750,000 tons, production in 2018 was 889585 tons compared with 379800 tons in 2017, an increase of 134.25%. On the other hand, the Bénéné Bauxite mine (Bongouanou department) will only come into production in the second half of 2019.

# MINING PRODUCTION



sand in some communes of the Autonomous District of Abidjan (Koumassi and Port-Bouët). To ensure the viability of lagoon sand quarry operations in compliance with the Mining Code and the Environmental Code, the Interministerial Technical Committee set up in 2017 will be reactivated in order to update and formalize the vulnerability mapping of the water table of the district of Abidjan.

**A-2-1: Semi-industrial and artisanal mining**  
As of December 31, 2018, the total number of valid semi-industrial authorizations is seventy-nine (79) as compared to sixty-six (66) in 2017. These authorizations are as follows:

- Gold: sixty-four (64) semi-industrial authorizations, i.e. 81,03%;
  - Diamond: ten (10) semi-industrial authorizations, i.e. 12,65%;
  - Coltan: five (5) semi-industrial authorizations, i.e. 6,32%.
- In addition, the total number of authorizations of artisanal mining in validity is twenty-one (21)

These permissions are distributed as follows:

- Gold: twelve (12) artisanal authorizations, i.e. 57,14%;
- Diamond: nine (9) artisanal authorizations, i.e. 42,86%.

**A-3: Quarrying Operations**  
In 2018, the number of valid Granite Industrial Quarries is sixty-four (64).

In terms of production, the production of crushed materials amounted to 5,868,062 tons in 2018 against 3,672,661.97 tons for 2017, an increase of 59.77%. In 2018, the total number of valid industrial sand permits is thirty (30). The reported production of lagoon

**A-4: Technical controls**

- Pressure equipment, stones and precious metals
- The technical inspections concern the tightness and resistance tests of equipment under pressure of steam (boilers, autoclaves, sterilizers) or gas (gas cylinders, compressed air tanks, butane tanks, extinguishers and separators), as well as that control and expertise of jewelry, gold and precious stones. In 2018, 632579 pressure equipment were tested against 561703 in 2017, an increase of 12.61%. In 2018, 1423 jewels were punched for a total weight of 15.959 kg against 1410 jewels punched for a total weight of 9.3812 kg in 2017, an increase, in mass, of 70.11%.

# LEGAL MEASURES

- Explosive substances  
At December 31, 2018, the total number of explosive substance deposits in operation was nineteen (19).

For 2018, 511,816 tons of explosive substances were imported against 356 575 tons in 2017, an increase of 43.54%.

To optimize its effectiveness, the Interministerial Commission for Explosive Substances (CISE) was renewed by decree 2018-013 / MMG / CAB of December 17, 2018 and its members were invested on January 10, 2019.

A-5: Status of specific projects and programs It's:

- Kimberley Process Certification System (KPCS);
- Western Integrated Mining Development Project (PDMIO);
- National Program for the Rationalization of Gold panning (PNRO).
- Kimberley Process Certification System

The Kimberley Process is a joint initiative of Governments, the diamond industry and civil society to control

6



the production and trade of rough diamonds under a Certification Scheme (KPCS). Following the lifting, in April 2014, of the Ivorian diamond export embargo, Côte d'Ivoire resumed the production and export of rough diamonds in accordance with the Kimberley Process. In 2018, nine (9) diamond exports were authorized for a volume of 5,290.50 carats representing a turnover of 1.393 million US dollars (about 800 million XOF) against five (5) diamond exports in 2017 covering 10933.33 carats

representing a turnover of 2.092 million US dollars (about 1.2 billion XOF). In 2016, seventeen (17) exports of 21,724.43 carats of diamonds representing a turnover of 4,889 million US dollars (approximately 2,439 billion XOF) were authorized against 13,936.70 carats for a figure of business of 2.075 million US dollars (about 1.14 billion XOF) in 2015.

- Integrated Western Mining Development Project (PDMIO)  
Significant deposits have been discovered in the west of the country, like:
  - the iron deposits of the Klahoyo, Tia and Gao Mountains;
  - Samapleu platinum nickel copper deposits;
  - the nickel / cobalt deposits of Sipilou-Foungbesso.

# LEGAL MEASURES

The research for the development of the iron deposits of the Klahoyo and Tia Mountains on the one hand, and those of Mount Gao on the other hand, were carried out, respectively, by PAN AFRICAN MINERALS and SODEMI. According to preliminary studies, the iron resources of these deposits are estimated at nearly 4 billion tons. Research on the nickel-copper platinum deposits of Samapleu and nickel / cobalt from Sipilou-Foungbesso was carried out by SAMA Nickel and IC NICKEL, in partnership with SODEMI. On the basis of preliminary studies, Samapleu resources are estimated at 60 million tons of nickel-copper to platinoids and Sipilou-Foungbesso resources to 260 million tons of lateritic nickel. These deposits have not yet been exploited because of the lack of transport infrastructure and the recent global fall in iron prices. In 2018, two (2) investor groups expressed their

interest in financing and developing rail infrastructure, in partnership with SODEMI. It is:

- the limited company known as the "Integrated Center for Economic and Social Investment Development (CIDES Invest SA)", based in Luxembourg;
- the Chinese company "China Railway Construction Corporation".

Exchanges with SODEMI continue this issue.

- Summary of the national program for the rationalization of illegal gold panning
- Balance sheet for the period 2013-2019

The Government adopted, in October 2013, the National Program for the Rationalization of Gold panning (PNRO) at a cost of two billion (2,000,000,000) XOF

aimed at cleaning up, organizing and supervising gold mining activity and create a context conducive to the development of artisanal and semi-industrial mining. Five (5) illegal evictions of illegal gold mining sites were organized throughout the country at the following times:

- From 27 April 2015 to 16 May 2015 (ORPI I);
- From 24 September 2015 to 16 October 2015 (ORPI II)
- From June 17, 2016 to July 6, 2016 (ORPI III);
- From 26 August 2017 to 14 September 2017 (ORPI IV)
- From 13 July 2018 to 1 August 2018.

These operations resulted in the closure of one thousand one hundred and ninety-five (1,195) sites, the arrest of hundreds of illegal miners and the weapons seizure, ammunition, equipment, chemicals and narcotics.





- Balance sheet for the period 2018-2019

As of December 6, 2018, Côte d'Ivoire had close to 241 clandestine sites distributed as follows:

- in the North, 98 sites identified;
- in the center, 54 identified sites;
- in the west, 89 sites identified and;
- in the east 70 sites.

The gold digger population was estimated at 23,400 individuals, distributed as follows:

- in the North, 5000 miners surveyed;
- at the Center, 7,500 identified miners;
- in the West, 6400 miners surveyed;
- in the East, 4500 miners surveyed.

In order to remedy this, the Council of Ministers in its session of December 12, 2018, decided to strengthen and increase the fight against illicit gold panning, through the following immediate actions and short-term measures:

- Immediate Measures Taken:
- in terms of repression:



- The creation of the Mining Code Offenses Police (BRICM)

- Swearing in and training of Mines Administration staff

- in terms of supervision of small-scale mining activities:

- The design and implementation of the "School Projects Project" in the small-scale mining sector.

The "School Project " aims to:

- To provide initial and in-class training and in-service training to young Ivorians with a view to providing them with the professional knowledge and skills

needed to operate in the small-scale mining sector, in relation to the potential of Côte d'Ivoire and environmental, fiscal and social requirements;

- To organize additional training for the benefit of holders of active artisanal and semi-industrial mining permits;

- Promoting entrepreneurship and developing the corporate culture of young Ivorians in the small-scale mining sector.

These people, trained in good practices, will be installed on dedicated sites and supervised by the Company for the Mining Development of Côte d'Ivoire (SODEMI). The first school building was opened in Bozi (Bouaflé) on January 25, 2019. The training of the first Promotion has been completed and steps are underway for their installation. Five (5) other

## ENFORCING PARTNERSHIP

- Short Term Measures
- Resumption of the issuance of artisanal and semi-industrial mining permits to applicants fulfilling the conditions provided for by the mining regulations;
- the reactivation of Local Technical Committees (CTL) to avoid re-colonization; These local technical committees (CTL), set up under the National Program for the rationalization of gold panning (PNRO), are chaired by the Prefects and their task is to ensure and monitor the proper execution of the measures adopted locally. Across the national territory, 100 CTLs were selected to be activated in view of the extent of illegal gold panning in these localities. Each CTL will have to hold at least 4 sessions per year, for the implementation and follow-up of anti-gold mining measures.
- o the definition, by decree, of mineralized corridors intended for the operators of the sector of the artisanal mining;



The small mine is operated using manual or low mechanized techniques that do not use explosives or chemicals. It mainly targets alluvial or eluvial resources extracted from the soil surface or at a depth of up to 15 meters for artisanal permits and up to 30 meters for semi-industrial farms. To take account of these specific constraints, the Ivorian legislator has planned the establishment of dedicated zones favorable to artisanal mining. The Mining Administration is therefore responsible for listing, throughout the national territory, these areas conducive to mining crafts.

- The reactivation of Côte d'Ivoire-Ghana and Côte d'Ivoire-Burkina Faso cooperation Côte d'Ivoire concluded, on 17 October 2017, with Ghana, one (1) strategic partnership agreement and two (2) memoranda with the objectives of strengthening cooperation in geological and mining, as well as combating proliferation of illegal small-scale mining. As part of the implementation of these agreements, the Minister of Mines and Geology has asked the Ghanaian side to send an expert mission to Accra, Ghana, in 2019, to agree on measures to combat illegal gold panning upstream of Bia and Tanoé. Otherwise, during the 3rd meeting of the Joint Committee for Monitoring and Evaluation of TAC Decisions and Recommendations between the Republic of Côte d'Ivoire and Burkina Faso, held in Bobo-Dioulasso from 22 to

## INFRASTRUCTURE DEVELOPMENT

24 May 2019, a draft framework agreement for cooperation in the fields of mining and geology was retained with a view to its possible signature at the next summit meeting.

- Mining balance sheet in fiscal, financial and social terms

- Jobs, Turnover, Investments and Social Impacts

- Jobs In 2015, the number of direct jobs induced by the mining sector was 6600. This number rose to 8291 in 2016, 10524 in 2017 and 13327 on December 31, 2018, an increase of 26.63% compared to the previous year. In 2015, the number of indirect jobs was 18,000. This number increased to 24,800 in 2016, 31,500 in 2017 and 39,890 on December 31, 2018, an increase of 26.63% compared to 2017.

- Turnover In 2018, the turnover reported to the Mining Administration by all operating companies in the mining sector is 582,298 billion XOF



in 2017, an increase of 8.02%.

- Investments

The total volume of investments made in 2018, in exploration and mining, amounts to 268,111,261,001 XOF. These investments include exploration, mine construction and quarrying, as well as the purchase of mining and quarrying equipment.

- Local development

For each mining operation, a Local Mining Development Committee (CDLM) is set up to develop, adopt and implement a Local Mining Development Plan.

This Plan covers the following areas:

- \* The development of basic infrastructure and equipment;
- \* The development of basic social services and the living environment;
- \* The promotion of employment;
- \* The development of the local economy;
- \* The development of human capital.

The CDLM is financed by a contribution from the operating company to the extent of 0.5% of the taxable turnover. To date, ten (10) CDLMs have been installed, including three (3) in the last half of 2018 (Bonikro and Sissingué gold mines, as well as Founbesso lateritic nickel mine). The contribution of mines to the financing of CDLMs was 1.2 billion XOF in 2015.

# REVENUES

This contribution rose to 2.4 billion XOF in 2016, 2.64 billion XOF in 2017 and 2.548 billion XOF in 2018, a slight decrease of 3.48%.

- Tax revenues

Tax revenue generated in 2018 by the mining sector amounted to 65.841 billion XOF against 56.441 billion XOF in 2017, an increase of 16.65%. These receipts were 33.96 billion XOF in 2016, compared to 19.547 billion XOF in 2015. These receipts include all the tax burdens borne by companies in the mining sector, including the ad valorem tax, the production tax, the dividends, the BIC, the BNC and the wage costs. At the end of 2018, the turnover reported to the Mining Administration by all operating companies in the mining sector is 582,298 billion XOF against a turnover of 539,072 billion XOF in 2017, an increase of 8.02%. The total volume of investments made in 2018, in exploration and mining, amounts to 268,111,261,001 XOF.

- Challenges and prospects for the mining sector

Thanks to the reforms initiated since 2012 by the Government, the contribution of the mining sector to the Gross Domestic Product (GDP) rose to 3% in 2018. However, the objectives set are far from being reached due to the persistence of many brakes, namely:

- the lack of geological and geophysical infrastructure, as well as the national laboratory for mineral studies and geological analyzes;
- Delays experienced by some key mining projects;
- the shortage of qualified manpower in quantity and quality, considering the performances already recorded;
- Mineral processing;
- the unfinished nature of the reform of the mining cadaster;
- Difficulties related to the export of base metals;
- Difficulties in supplying electricity to certain mining projects;

- Insufficient road and rail infrastructure in western Côte d'Ivoire impacting the Western Integrated Mining Development Project (PDMIO);

- the informal nature of the small-scale mining sector and the difficulties caused by illegal gold panning.





In total, to ensure that these objectives are met and to improve the contribution of the mining sector to tax revenue, wealth creation and employment, the Ministry of Mines and Geology has included in its Priority Action Plan the major projects:

✔ the development and adoption of the mining policy document and its strategic action plan, guiding and steering tools that will define, for the 2020-2025 cycle, the government's vision, key areas and expected results.

✔ Realization of the geological infrastructure to improve our knowledge and understanding of the phenomena related to the soil, the subsoil and the continental shelf of our country. Regarding this step, prior to any action to promote and enhance our mining potential, Côte d'Ivoire is a long delay that we will strive to catch up.


- ✔ Promotion of research and mining by speeding up the processing of applications for titles and authorizations, in strict compliance with the regulations in force.
- ✔ the relentless struggle against illegal gold panning that undermines legal mining operations, destroys our environment, threatens the quality of life in our villages and the lives of our parents and mortgages the future of our children and grandchildren.
- ✔ Promotion of local content to increase the share of nationals in the value chain of mining activities.
- ✔ the development of key mining projects and the transformation of the raw materials produced;
- ✔ the enactment of 10 decrees and 6 decrees of application of the law n ° 2014-138 of the 24th of March 2014 bearing the Mining Code;
- ✔ the revision of the Mining Code to favor.
- ✔ the exploitation of underground mines.
- ✔ the development of the small-scale mining sector, in order to make it a viable economic sector and profitable for individuals and companies that are interested in it, a source of revenue for the State and a lever of community development for the benefit of the population riverside.


These projects, we carry with all those who have chosen to believe in the potential of our country, to invest and create wealth and new jobs. I want, here and now, to thank all the players in the mining sector, as well as all the partners of Côte d'Ivoire, for their undeniable contribution to the success of this collective ambition. The policy of the Ivorian Government, our Government, is above all a policy for tomorrow, for the benefit of present and future generations. Today's young people, who are tomorrow's leaders, will therefore be the first beneficiaries of the proper implementation of the reforms we are striving to achieve today. It is therefore, all together, around the same table, to give and to receive, looking towards a common goal, that we will be able to ensure a better future and common future for ourselves and for the future generations who will be grateful to the President of the Republic Alassane OUATTARA who has been successfully pursuing, since 2011, a work of peace, a work of development and above all, a work of edification of the new Ivorian.


May God assist President Alassane OUATTARA and all our leaders and bless abundantly the Côte d'Ivoire, our motherland and each of its citizens.

The Minister of Mines and Geology  
**Jean-Claude KOUASSI**

## GET IN TOUCH WITH US

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