THE MINERAL INDUSTRY OF SWAZILAND

By Philip M. Mobbs

The mineral industry of Swaziland was not a significant contributor to the country’s gross domestic product (GDP). The country’s nominal GDP was estimated to be about $3.8 billion in 2013.1 Exports of iron ore, which were valued at about $115 million, and exports of anthracite coal, which were valued at about $26 million, accounted for about 7.5% of total Swazi exports, which were valued at about $1.9 billion in 2013 (International Monetary Fund, 2014, p. 32).

The Mining Department of the Ministry of Natural Resources and Energy is responsible for the administration of the mineral sector. The mineral sector is regulated by the provisions of the Diamond Act No. 3 of 2011, the Explosive Act No. 4 of 1961, the Mines and Minerals Act No. 4 of 2011, and the Mines and Quarries (Safety) Regulations.

Production

The main minerals produced in 2013 included aggregate (crushed stone), coal, and iron ore. Compared with the previous year, coal production was estimated to have increased by about 35% in the fiscal year that ended on March 31, 2014; iron ore output, by 16%; and clay, by 11% (table 1).

Structure of the Mineral Industry

Tibiyo Taka Ngwane, which was a Swazi National Organization, held 25% interest in the larger mining operations in Swaziland for the Swazi people. The locations and capacities of the principal mining operations in Swaziland are in table 2.

Commodity Review

Anthracite coal from the Maloma Mine was shipped to South Africa by Maloma Colliery Ltd., which was a joint venture of Carbonex (Proprietary) Ltd. [a subsidiary of Chancellor House (Proprietary) Ltd. of South Africa], 75%, and Tibiyo Taka Ngwane, 25%. Stone was quarried and crushed at various sites for use in domestic construction projects.

Metals

Iron Ore.—The venture of Salgaocar Swaziland (Proprietary) Ltd. (a subsidiary of the Salgaocar Group of Companies of India), 50%, iNgwenyama, 25%, and Tibiyo Taka Ngwane, 25%, recovered iron ore from the Ngwenya Mine tailings dumps, which were located north of Ngwenya. The Ngwenya open pit mine most recently had operated from 1964 until 1977. The iron ore, which contained about 44% to 50% iron, was trucked to Mpaka, transferred to rail cars, and subsequently deposited at the docks at Maputo, Mozambique, for shipment to China. In 2013, Salgaocar was building a beneficiation plant to upgrade the Ngwenya iron ore to between 58% and 61% iron content (Kimbell, 1966, p. 785; Stevens, 1981, p. 1124; Geological Survey and Mines Department, 2006, p. 13; Swazi Observer, 2013; Swaziland Review, 2014).

Industrial Minerals

Diamond.—Continued delays by Roux Consolidated Investment (Proprietary) Ltd. on the expected redevelopment of the Dvokolwako diamond mine, which was located about 50 kilometers northeast of Mbabane, resulted in the Government canceling Roux Consolidated’s mining license in November 2012. The 20-year mining license had been issued in 2008. In 2013, the Government received five bids from other companies interested in reopening the Dvokolwako Mine, which Trans Hex Ltd. of South Africa had closed in 1996 (Coakley, 1998; Magagula, 2013; Kingdom of Swaziland, 2014, p. 4).

Outlook

Potential changes in the mineral industry in the near future include proposed new aggregate quarries near Mbabane, Nhlangano, Pigg’s Peak, and Sphofaneni. Exploration and evaluation of the gold occurrences around the former Pigg’s Peak gold mine are expected to continue. The low level of exploration and development in the recent past, the high level of HIV/AIDS infections (which has adversely affected an estimated 27.4% of the Swazi population aged 15 to 49), and the lack of infrastructure are expected to continue to constrain Swaziland’s mineral resource development and production (UNAIDS Secretariat, 2014).

References Cited


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1Where necessary, values have been converted from Swazi emalangeni (SZL) to U.S. dollars (US$) at the average exchange rate of SZL9.7=US$1.00 for 2013.
TABLE 1
SWAZILAND: PRODUCTION OF MINERAL COMMODITIES¹–⁴

(Metric tons unless otherwise specified)

<table>
<thead>
<tr>
<th>Commodity</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate, crushed stone</td>
<td>202,319</td>
<td>304,544</td>
<td>206,341</td>
<td>308,440</td>
<td>295,430</td>
</tr>
<tr>
<td>Clay for bricks</td>
<td>35,000</td>
<td>35,535</td>
<td>35,584</td>
<td>36,000</td>
<td>40,000</td>
</tr>
<tr>
<td>Coal, anthracite</td>
<td>129,647</td>
<td>145,903</td>
<td>121,050</td>
<td>152,284</td>
<td>205,000</td>
</tr>
<tr>
<td>Iron ore, gross weight</td>
<td>--</td>
<td>--</td>
<td>79,553</td>
<td>1,032,230</td>
<td>1,200,000</td>
</tr>
</tbody>
</table>

¹Estimated; estimated data are rounded to no more than three significant digits. -- Zero.
²Table includes data available through September 12, 2014.
³Data are for fiscal year that runs from April 1 to March 31.
⁴In addition to the commodities listed, modest quantities of crude construction materials (sand and gravel), kaolin, pyrophyllite (talc), and soapstone are produced, but output is not reported quantitatively and information is inadequate to make reliable estimates of output.
⁵Reported.

TABLE 2
SWAZILAND: STRUCTURE OF THE MINERAL INDUSTRY IN 2013

(Metric tons)

<table>
<thead>
<tr>
<th>Country and commodity</th>
<th>Major operating companies and major equity owners</th>
<th>Location of main facilities</th>
<th>Annual capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate, crushed stone</td>
<td>Camdel Construction (Proprietary) Ltd.</td>
<td>Kwalini Quarry, Matsapha</td>
<td>NA</td>
</tr>
<tr>
<td>Do.</td>
<td>Mbabane Quarry (Proprietary) Ltd.</td>
<td>Mbabane Quarry, Mahamba</td>
<td>NA</td>
</tr>
<tr>
<td>Bricks</td>
<td>Langa Brick (Fortis Enterprises Ltd.)</td>
<td>Mpaka</td>
<td>640,000</td>
</tr>
<tr>
<td>Do.</td>
<td>Mangweni Bricks</td>
<td>Kwalini Quarry, Matsapha</td>
<td>NA</td>
</tr>
<tr>
<td>Do.</td>
<td>INO Investment Co.</td>
<td>Portable plant</td>
<td>NA</td>
</tr>
<tr>
<td>Coal</td>
<td>Maloma Colliery Ltd. [Carbonex (Proprietary) Ltd., 75%, and Tibiyo Taka Ngwane, 25%]</td>
<td>Maloma Mine at Maloma</td>
<td>500,000</td>
</tr>
<tr>
<td>Iron ore</td>
<td>Venture of Salgaocar Swaziland (Proprietary) Ltd. (Salgaocar Group of Companies), 50%; iNgwenyama, 25%; and Tibiyo Taka Ngwane, 25%</td>
<td>Ngwenyana Mine, 2 kilometers north of Ngwenyana</td>
<td>1,500,000</td>
</tr>
</tbody>
</table>

Do. Ditto. NA Not available.