



2014 Minerals Yearbook

THE GAMBIA

THE MINERAL INDUSTRY OF THE GAMBIA

By Staff

The Gambia, with a total area of 11,300 square kilometers (km²), is the smallest country on the mainland of Africa and shares an international border on all sides with Senegal, excluding its coastline with the Atlantic Ocean. The population of The Gambia increased by 38% during the past 10 years to nearly 1.9 million in 2014. The country's real gross domestic product decreased by 0.2% in 2014, which followed a 4.8% increase in 2013 and a 5.9% increase in 2012. Mining did not play a significant role in the country's economy (U.S. Central Intelligence Agency, 2014; World Bank, The, 2015a, b).

Production

Mineral output was limited to the production of industrial minerals, such as clay, ilmenite, laterite, silica sand, and zircon, but the available data were inadequate to make reliable estimates of output.

Commodity Review

Metals

Titanium.—In September 2014, the International Centre for Settlement of Investment Disputes (ICSID) ruled in favor of Carnegie Minerals (Gambia) Ltd., a wholly owned subsidiary of Astron Ltd. of China, regarding the dispute between the company and the Government of The Gambia. In 2008, the Government revoked Carnegie Minerals' mining licenses for its heavy mineral sand (ilmenite, rutile, and zircon) mines, which are located near the towns of Batukunku and Sanyang, and seized the company's mining assets. The Government alleged that Carnegie Minerals had commercially exploited minerals outside of the mining license. As of yearend 2014, the ICSID had not awarded damages to Carnegie Minerals (Astron Ltd., 2015, p. ii; International Centre for Settlement of Investment Disputes, 2015c; Roskill Information Services, 2015).

Mineral Fuels

Petroleum.—The Gambia did not produce petroleum and depended on imports to meet its domestic energy requirements. In 2014, several international petroleum companies, including United Kingdom-based African Petroleum Corp. Ltd. and Texas-based CAMAC Energy Inc. explored for petroleum offshore The Gambia. In August, African Petroleum, through its wholly owned subsidiaries African Petroleum Corp., Gambia Ltd., and APCL Gambia L.V., acquired the remaining 40% operating interest in Blocks A1 and A4 from Buried Hill Gambia BV, which increased its total operating interest in the blocks to 100%. Blocks A1 and A4 together covered an area of about 2,670 km². African Petroleum had filed for arbitration with the ICSID in January 2014 following the Government's termination of the company's exploration licenses in Blocks A1 and A4.

In November, however, the company filed a request of discontinuance of the arbitration to the ICSID following an agreement between the company and the Government to reinstate African Petroleum's exploration licenses. This agreement stipulated that African Petroleum must drill an exploration well in one of the blocks and reprocess the three-dimensional (3-D) seismic survey on Block A4 prior to September 1, 2016 (African Petroleum Corp. Ltd., 2014a, b; 2015, p. 3, 83; International Centre for Settlement of Investment Disputes, 2015a, b).

CAMAC Energy held a 100% interest in two 4-year offshore petroleum exploration, development, and production licenses (Blocks A2 and A5), which covered a combined surface area of about 2,670 km². CAMAC Energy originally acquired the licenses in 2012 and was obligated to conduct a regional geologic and geophysical study; acquire, process, and interpret 750 km² of 3-D data; and drill one exploration well to a maximum depth of 5 kilometers below mean sea level and evaluate the results. The geologic and geophysical study and the acquisition of 3-D data were required to be completed by May 2014 (Erin Energy Corp., 2015, p. 3, 7).

In 2014, CAMAC Energy received a completed regional geology and geophysical study of Blocks A2 and A5, which it had commissioned from RPS Group PLC of the United Kingdom. In December 2014, CAMAC Energy announced that it had commissioned Polarcus Ltd. of Dubai to perform the 3-D survey of Blocks A2 and A5; however, as of yearend 2014, Polarcus had not secured permits for its seismic vessel and the 3-D survey had not been conducted (CAMAC Energy Inc., 2014a, b; Erin Energy Corp. 2015).

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