

SUDAN

By Neil Scott

Sudan's long-running civil war between the government and the Sudan People's Liberation Army (SPLA) is on the brink of settlement following the signing of framework deal between the two sides in June 2004. It has been Africa's longest-running conflict, spanning 21 years and claiming 1.5 million lives, and its ending will have a profound affect on the country's future economic development. But in the Darfur region in the west of the country a new tragedy unfolds, with the ethnic cleansing of civilians by Arab militias, known as the Janjawid. Backed by the government in Khartoum, they have displaced one million people and forced some 200,000 to flee to neighbouring Chad.

Sudan's economy has been transformed in recent years by the discovery and development of oil reserves, which stood at 800 Mbbl in 2002. Officials from the Greater Nile Petroleum Operating Co (GNOP), the principal producer, believe that the final reserve figure could exceed 3,000 Mbbl, which would put Sudan on a par with other established African producers such as Egypt and Gabon.

Most of the country's 270,000 bbl/d oil production comes from the Helig and Unity fields operated by GNOC, a consortium between the Sudanese Government, Petronas (Malaysia), China National Petroleum Corp (CNPC), Sudapet (a Sudanese State firm) and ONGC, an Indian state-owned company that acquired Talisman's 25% stake in mid-2003.

Gulf Petroleum Co of Qatar is developing a new oil field, as are CNPC, Petronas and Sudapet, independently of GNOC. Production from both is not expected until at least 2005. Lundin Oil (Swedish subsidiary of IPC), Petronas, OMV of Austria and Sudapet had planned to bring a new concession into production in 2002, but the then deteriorating security situation forced Lundin to sell its share to Petronas, and OMV sold out to ONGC. The French firm, TotalFinaElf, also holds a concession, but has let it be known that it does not intend to re-activate it until the civil war is over. It may not have long to wait.

The Geological Research Authority of the Sudan (www.gras-sd.com) regulates and administers solid mineral exploration and development. It is involved in exploration for gold and base metals, and industrial minerals (notably marble), and is the focus for incoming investors where it acts as a one-stop shop for information, licensing and regulation.

The Ariab gold mine is the country's only metalliferous operation. Owned 40% by Cominor (formed by BRGM of France to manage its African mining assets) and 60% by the government, Ariab Mining Co mines some 800,000 t/y of ore at about 7 g/t Au from the supergene and stockwork zones of four closely

located massive base-metal sulphide deposits in the Ariab-Arbaat greenstone belt. Comincor is also exploring for gold in the north of the country, near the Egyptian border. Others involved in gold exploration in Sudan include the South African company Uni Group Holdings, Rida Mining Co and Advanced Mining Works (both local groups) and African Gems of the UK. Wadi al Rawda Industrial Investments from Dubai is evaluating the Hofrat-en-Nahas copper deposit in the south of Darfur State following Billiton's withdrawal in 2000.

Apart from cement raw materials (limestone, clay and gypsum) and salt (by solar evaporation on the Red Sea coast), the only other significant industrial mineral production in Sudan is of marble and chromite. Two local companies quarry decorative marble near Atbara in River Nile State, with production being exported to Italy; Advanced Mining Works and Elneelain Works mine 15,000 t/y of chromite from the Ingessana Hills. The chromite occurs in podiform-type deposits and reserves are reported to be of the order of 2 Mt of high-quality, hard, lumpy, metallurgical-grade chromite at 51% Cr₂O₃, and with a chrome:iron ratio of 3:1.

Undeveloped industrial mineral deposits of commercial interest include: decorative marbles in the Central Butana area (being promoted as the Sudan Nile Marble); the Qala en Nahl talc-magnesite deposit, with an estimated 25 Mt amenable to quarrying and containing 50% talc and 42.5% magnesite; the Dirbat Well wollastonite deposit, with an estimated 300,000 t of 70-90% wollastonite; and the Jebel Gerein kyanite deposit containing an estimated 450,000 t of kyanite.