

MOZAMBIQUE

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IN HIGHLIGHT NOVEMBER 2014

MINING AND NATURAL RESOURCES

EIGHT NEW CONTRACTS FOR COAL MINING OPERATIONS IN MOZAMBIQUE

The 4th Mozambique Annual Coal Conference came to an end on 30 October in Maputo. During the course of the conference, the Mozambican Mining Resources Minister, Esperança Bias, announced that the government will sign eight new contracts for coal mining operations in Mozambique within the next two years.

After this news was released, the following licences were granted:

- Mining Contract for the coal mine in the district of Tete, Tete Province with Eta Star Moçambique, SA;
- Mining Contract for the coal mine in the district of Cahora-Bassa, Tete Province with ENRC Moçambique, Lda;
- Mining Contract for the Mufa coal mine in the district of Mutarara, Tete Province with Kingho (Mozambique) Investment Co, Lda;
- Mining Contract for the development of the Chibuto heavy sands, Gaza Province, with the consortium of Anhui Foreign Economic Construction (Grupo) Co, Ltd and Yunnan Xinli Nonferrous Metals Co, Ltd.

Despite successive reductions in the price of coal in the international markets and the negative international economic situation, it is expected that the signature of these eight new contracts will increase coal production by between 10 and 15 million tonnes. The government is also studying ways of supporting and encouraging this increase in production. Its actions include making the transport of production easier by constructing coal transport infrastructures, reducing transport tariffs and dealing with other issues in relations to tariffs and logistics. The government is focusing heavily on the coal extraction industry by taking steps to incentivise new approaches and new uses of coal. It is also focused on the internal market and not only on exports and on the use of coal for electricity generation and other industries and products.

Sources:

<http://noticias.sapo.mz/aim/artigo/10402229102014193700.html> (in Portuguese)

<http://www.macauhub.com.mo/en/2014/10/30/mozambican-government-prepares-eight-new-contracts-for-coal-mining/> (in English)

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