



REPUBLIC OF MALI FACT SHEETS

Highlights

- Mali was once part of three West African empires that controlled trans-Saharan trade.
- High Potential for armed conflict, weak governance, human rights abuses, and corruption.
- Mali lies in the torrid zone and is among the hottest countries in the world.
- Third largest producer of gold on the African continent.

INTRODUCTION

Mali, officially the Republic of Mali, once home to several pre-colonial empires, the landlocked, arid West African country of Mali is one of the largest on the continent. For centuries, its northern city of Timbuktu was a key regional trading post and centre of Islamic culture. Its capital and largest city is Bamako. The sovereign state of Mali consists of eight regions and its borders on the north reach deep into the middle of the Sahara Desert. The country's southern part is in the Sudanian savanna, where the majority of inhabitants live, and both the Niger and Senegal rivers pass through. The country's economy centres on agriculture and mining. One of Mali's most prominent natural resources is gold, and the country is the third largest producer of gold on the African continent, It also exports salt.

Population	21,024,579
Land Area	1,240,192 km ²
Official Language(s)	French
Capital	Bamako
Head of State	Unitary semi-presidential republic currently under a military junta Interim President: Assimi Goïta
Currency	West African CFA franc (XOF)
Major Trade Partners	United Arab Emirates, Switzerland, China, India, Mauritania

Political Context

After independence from France in 1960, Mali suffered droughts, rebellions, a coup and 23 years of military dictatorship until democratic elections in 1992. In 2013, France intervened militarily upon the government's request following the capture of the town of Konna and its troops overran Islamist strongholds. Authorities agreed a United Nations-sponsored ceasefire with Tuareg separatists in 2015, but parts of the country remain tense, with Tuareg rebels sporadically active. The military council that seized power in August 2020 is led by Colonel Assimi Goïta. At first, he put an interim president and prime minister in place.

but ousted them in May 2021 in a dispute over their attempt to replace two Goïta allies in the cabinet. Mali has struggled with mass protests over corruption, electoral probity, and a jihadist insurgency that has made much of the north and east ungovernable.

President Ibrahim Boubacar Keïta, who took office in September 2013, proved unable to unify the country or face down the insurgency, and was ousted in the August 2020 coup .

Economic context

Mali has a low-income economy that is undiversified and vulnerable to commodity price fluctuations. The extreme poverty rate, which stood at 47.2% between 2011 and 2015 owing to the security crisis, fell to 42.3% in 2019 as a result of record levels of agricultural production since 2014.

The Malian economy slipped into a recession in 2020, with real GDP estimated at -1.6%, reflecting the adverse effects of the pandemic and the socio-political crisis, as well as weak agricultural output. However, several key economic sectors linked to services and agriculture began to recover in early 2021.

As an oil importing and gold exporting country, lower crude prices and higher gold prices improved the terms of trade in 2020. This improvement, combined with the drop in demand for imports, led to a reduction in the current account deficit, despite the decline in remittances and other external financial flows.

Selected development indicators

Development Indicators	2019	2020	2021
GDP per capita (current USD)	936	913	980
GDP growth per capita (% annual)	4.77%	-1.65%	3.50%
Population Growth (%)	3.26	3.20	3.20
Goods: Export (fob) (\$B)	3.93	4.10	4.61
Total Imports (cif) (\$ B)	4.67	4.52	4.99

Mining indicators and trends

Africa's third-largest gold producer: Mali is a leading producer of gold (the world's tenth largest and Africa's third), although prospecting for other minerals is on-going. Gold is mostly mined in the Southwest of the country, in the Mandigue Plateau. Industrial gold production rose by 23% in 2018 according to the Ministry of Mines. The rising gold production is in stark contrast to the dire socio-economic environment. Social conflicts have centred on environmental impacts of mining, distribution of revenues and informal mining.

Discoveries of other minerals: Mali has many mineral deposits which are not commercially exploited, owing to limited infrastructure for exploitation. Iron is found in the west near the Senegal and Guinea borders; Bauxite deposits are located near Kayes and on the Mandingue Plateau. Recent discoveries have tripled the country's bauxite reserves. Manganese, Phosphate, Lithium and Uranium can be found around Ansongo, Kayes, Bougouni and Iforas respectively. Kaolin, limestone, tungsten, tin, lead, copper, and zinc exist in small amounts.

Prominence of Artisanal mining: Artisanal mining, which accounts for about ten percent of production has picked up in the last two years.

Mineral Reserves, 2020

Minerals	Unit	2020
Gold	metric tons	800
Bauxite	billion metric tons	1.2
Manganese	million metric tons	10
Phosphates	million metric tons	2
Iron	billion metric tons	2
Uranium	metric tons	5000
Zinc	million metric tons	1.7

Mining Business Climate

Foreign Trade: In July 2017, Germany, the African Development Bank, the World Bank, France, the European Union, and the United Nations Development Programme launched the Sahel Alliance with the aim of providing a coordinated and tailored response to the challenges faced by the G5 Sahel member countries (Burkina Faso, Chad, Mali, Mauritania, and Niger). Since then, Denmark, Italy, Luxembourg, the Netherlands, Spain, and the United Kingdom have joined the Alliance.

Challenge and opportunity in the mining sector: Mali's artisanal gold mining sector regularly uses chemicals and dredges rivers, despite these practices being prohibited. The consequences for human health, environmental sustainability and local stability are dire. The western region of Kayes is among the most severely affected. It produced an estimated 73% of the country's 26 tons of artisanal gold in 2019 and generated US\$1.23 billion. Corruption among some security forces makes borders more porous, facilitating crime. Intensive, improper use of these chemicals presents massive risks for agriculture, fishing and herding due to groundwater contamination that can lead to animal and human poisoning.

As the government seeks to reduce dependency on gold and diversify the mining sector, foreign firms have a unique opportunity to support this expansion. Mali has also formalized and reformed the process of registering and delivering research and exploitation permits to mining companies.

Major Mining Companies

Company Name	Mineral produced	Mines
Barrick Gold Corp	Gold	Loulo
Allied Resources Ltd	Gold	Sadiola Hill
Resolute Mining Ltd	Gold	Syama
Endeavour Mining	Gold	Kalana
IAMGOLD Corp	Gold	Siribaya
Sahara Mining	Iron Ore	Tienfala

Outlook

The latest EITI disclosures (2016) show that Mali received USD 407 million from extractive industry taxation. The vast majority of these revenues came from gold mining. Revenues were mainly collected through company taxation (25%) customs duties (14%), special tax on certain goods (13%). With new discoveries by mining companies, industrial gold production rose by 23% in 2018 according to the Ministry of Mines. Discoveries of other minerals such as bauxite and silver have boosted revenues from the mining sector. Following a three-month suspension of artisanal and small-scale mining activities in 2017 aimed at restructuring the sector and capturing revenues, artisanal mining has been on the increase.

The Malian government is also committed to developing the fledgling hydrocarbon sector, whose activities had been stalled due to the conflict in Northern Mali since 2012. In definitive, the rising gold production is in stark contrast to the dire socio-economic environment. Social conflicts have centred on environmental impacts of mining, distribution of revenues and informal mining.

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