

Kenya on the cusp of a mining boom

The Kenyan government has recognised that the mining industry is a key pillar for growth and economic transformation and is preparing the country for the next big wave of mining activity.

This is according to the country's mining cabinet secretary, Dan Kazungu, who says he expects the country's mining sector to grow significantly in the next 10 years.



Photo: The Star/Enos Teche

Streamlining the sector

A new mining act was signed into law by Kenya's president in May and provides clear guidance on mining activities in the country.

The legislation is expected to streamline the sector and open the gates for its development as well as ensure environmental conservation.

"This act injects predictability and certainty that will fuel rapid expansion and sustainable development of the mining sector," Kazungu said at the time, on what he termed as one of the "most progressive mining laws in the continent".

The new law is aligned to Kenya's Vision 2030 and the Kenya Constitution 2010 - repeals the colonial laws on mining that

were counterproductive. It includes plans on principles of land policy, local content and environmental considerations, and rights to natural resources to name a few. It will attract investors and help make Kenya a mineral investment hub by providing transparency and good governance.

A new mining frontier

"With just a handful of companies operating in the country, Kenya is an attractive mining destination which offers mining companies and investors vast opportunities to discover and tap into new Greenfield projects, he told Mining Review Africa. "Tapping into potential mineral wealth could lead to the establishment of a new mining frontier."

Much of Kenya's mining potential is still unexploited, although it already ranks as the third largest producer of soda ash and the seventh producer of fluorspar in the world.

The country has a thriving gemstone sector, which is dominated by small-scale miners. Therefore the government is attempting to facilitate artisanal activities within the country as they are responsible for over 60% of annual gemstone production.

The minister will open the <u>Kenya Mining Forum</u> in Nairobi in September where the industry will discuss the new mining act and how it is expected to ease the way for investment into and development of the country's burgeoning mining sector.

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