

## Mining market in Burkina Faso

Burkina Faso has been experiencing a mining boom since the early 2000s, mainly in gold but also in the zinc and manganese sectors. Today, the country is Africa's fifth-largest gold producer. In 2020, the Burkinabe mining sector underwent a significant reorganization, with Endeavour acquiring Canadian mining companies SEMAFO and Teranga. These are the main mining companies operating in Burkina Faso:

- Endeavour Mining (4 mines)
- lamgold Essakane
- Fortuna Silver Mines Inc. (formerly ROXGOLD)
- Nordgold (2 mines)
- West African Minerals
- Orezone
- Trevali

Industry Highlights	
<b>Open on restricted basis</b> Export Development Canada's position	<b>1.1%</b> Global exploration share
<b>51.4</b> World Bank Ease of Doing Business score	<b>Gold, zinc and manganese</b> lead Burkina Faso's mining sector
<b>Can\$2.5 billion</b> Burkina Faso ranks 19th overall in Canadian mining assets abroad	<b>17</b> Canadian companies operating in Burkina Faso

## Key opportunities for Canadian mining suppliers

### Mining operations

Burkina Faso is a landlocked country. This significantly increases logistical costs, particularly for oil and gas supplies, which may account for up to 45% of a mining company's operating costs. Companies are therefore looking for ways to increase energy efficiency and reduce fuel consumption.

In the dry Sahelian climate, mining operations generate a huge amount of dust; mining companies seek dust-reduction solutions.

There are also many business opportunities in the environmental field, including consulting services, waste management and site rehabilitation.

### Health and safety

The security situation is especially challenging in Burkina Faso. Mining companies that most often operate in areas where security is a major challenge increase their investments in security systems to keep their operations going and ensure the safe transport of their employees and logistics convoys. Therefore, there are needs for:

- armoured vehicles
- surveillance drones
- surveillance cameras
- aircraft rentals for transporting employees

This is in addition to routine needs, particularly in terms of personal protective equipment.

### Mine site construction

The only mine under construction currently in Burkina Faso is Orezone's mine in Bomboré. This US\$153-million project is nearly finished and mine production will begin in the third quarter of 2022. The opportunities that it will offer are mainly in the areas of operational efficiency, security and environmental protection.

## Notable challenges for Canadian mining suppliers in Burkina Faso

- The threat of terrorism and unstable governance
- The lack of transparency in contracting activities with mining companies
- The implementation of regulations regarding local content. Mining legislation imposes thresholds reserved for Burkinabe suppliers for each identified product. This may make it necessary to form alliances with local suppliers.
- The volatile security situation and threat of terrorism. In its [travel advice](#), the Government of Canada advises against all travel to Burkina Faso.
- The specific holdback imposed on foreign service providers

## Burkina Faso business landscape

- The Burkina Faso-Canada foreign investment promotion and protection agreement came into effect in October 2017. This agreement gives Canadian investors in Burkina Faso some predictability in legal matters.
- The Canadian industry is well known for, among other things, its expertise, accountability and adherence to the highest industry standards.
- Despite the deterioration of security conditions in Burkina Faso, Canadian mining goods and services providers are still fairly well positioned, and they form an ecosystem that facilitates business relations.
- Canadian companies are facing stiff competition from South Africa and Australia, which have an advantage because several of their citizens head mining companies in Burkina Faso.
- It is recommended for Canadian suppliers to focus on partnerships with local companies as an effective strategy for maintaining a presence in Burkina Faso.

## Request a meeting

To learn more about the mining industry in Burkina Faso, please request an in-person meeting with a Trade Commissioner on the Business-to-Trade Commissioner scheduling platform ahead of PDAC 2022. <https://go.b2b-2go.com/en/canadapdac-2022/>