SNIM Guelb II Project

Mauritania

AfDB CONTRIBUTION: US DOLLARS 175 MILLION

PROJECT DESCRIPTION:
The National Industrial and Mining Company (SNIM) Guelb II Project involves developing an existing mine and constructing a new iron ore enrichment plant for the production of an additional 4 million tonnes of iron ore concentrates per year. SNIM, which produces 11 million tonnes of iron per year, is a privileged partner of the Bank Group. Since 1978, the Bank has participated in the financing of five SNIM transactions. SNIM is the largest company in Mauritania, and the world’s seventh largest iron ore exporter. The government holds 78% equity participation in the company.

PROJECT BENEFITS:
The expansion project is in line with the Bank’s Private Sector Operations Strategy aimed at assisting national enterprises and developing the country’s natural resources. In addition to the financing, the Bank has contributed significantly in maximizing the project’s environmental and social benefits. It mobilized significant resources to manage the preparation of the environmental framework study and the Environmental and Social Impact Assessment (ESIA), for the benefit of all funders. Finally, SNIM creates several direct and indirect jobs and generates significant income for the Mauritanian government (by way of taxes and dividends) which will enable the country to pursue its growth strategy in other key sectors.