The Republic of the Union of Myanmar
Ministry of Natural Resources and Environmental Conservation

Mineral Resources and Investment Opportunities in Kayin State

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INTRODUCTION

Area : 678528 sq.km
Coast Line : 2100 km
NS Extend : 2200 km
EW Extend : 950 km
Population : 60 millions(appx.)
Region : 7
State : 7
Location : 10° N to 28° 30’N
92°30’E to 101° 30’E
INTRODUCTION

- Myanmar is endowed with resources of arable land, natural gas, mineral deposits, fisheries, forestry and manpower.
- Myanmar has adopted the market oriented economic system in 1988.
- New legal instruments encouraging the private sector participation.
- Allowing foreign direct investment.
- Initiating institutional changes and promoting external trade by streamlining export and import procedures.
The Ministry of Natural Resources and Environmental Conservation (MONREC) is the government authority responsible for implementation of the policy, legislation and enforcement of law, rules and regulations in the mining sector. It is the policy of MONREC is not to make new investment on its own, but to encourage foreign and local investors to invest in the mining sector.

- The Mining Sector
- The Forest Sector
- The Environmental Sector
Objectives of Ministry of Natural Resources and Environmental Conservation (Mining Sector)

1. To implement the Mineral Resources Policy of the Government

2. To fulfill the domestic requirements and to increase export by producing more mineral products

3. To promote development of local and foreign investment in respect of mineral resources.

4. To supervise, scrutinize and approve applications submitted by person or organization desirous of conducting mineral prospecting, exploration or production.

5. To carry out for the devotement of conservation, utilization and research works of minerals resources.

6. To protect the environmental conservation works that may have detrimental effects due to mining operation.
Current Mineral Policy

➢ Foreign & Local Investors are invited to invest in mineral sector of Myanmar with their advanced technology & reliable investment amount.

➢ Any kind of raw ores are not allowed to export.

➢ Private entrepreneurs are permitted to sell their mineral products freely in the local market and may also export them after mineral processing.

➢ Encouraging to set up mineral processing and refining plants in Myanmar in partnership with local and foreign investors.

➢ Inviting to produce coal and build coal power plants but only for domestic use, not allowed to export.

➢ Gemstone Mining are not allowed to Foreign investors but can invest in Jewellery Making Industry or value added processing.

➢ Foreign investors can buy Jade and Gems in Emporium and also can be exported.
**MAIN FUNCTIONS OF DGSE**

DGSE is responsible for country wide geological mapping, mineral prospecting, exploration and joint venture with foreign companies in mineral exploration and feasibility study.

**STATUS OF GEOLOGICAL MAPPING**

- **Area extent of Myanmar** – 261227 sq miles
- **Geological mapping area (on ground)** ~70%
- **Geological mapping (by the aid of Aerial Photos & RS-GIS techniques)** ~30%
1. **Metallic ore minerals**
   - Iron & metals for steel alloys: Fe, Mn, Cr, Ni, Mo
   - Base & non-ferrous metals: Pb, Zn, Cu, Sn, W, Sb & Ti
   - Precious & rare metals: PGM, Au, Ag, Nb, Ta

2. **Industrial minerals & non-metallic raw minerals**
   - Chemical & fertilizer minerals: Barite, fluorite, Gypsum, rock salt
   - Ceramic & refractory minerals: clay, limestone, dolomite, feldspar, quartz, glass sand
   - Construction & building materials: Decorative stones, road materials, limestone for cement

3. **Precious & semi-precious Gemstones**
   - Ruby, Sapphire, Jade, Diamond, etc

4. **Fuel minerals**
   - oil, natural gas, oil shale, coal,

*Total 60 mineral commodities, more than 2000 occurrences.*
MINERAL DISTRIBUTION OF MYANMAR

MINERAL EXPLORATION ACTIVITIES

• Besides the geological mapping DGSE has also conducted the mineral prospecting during the regional mapping looked for the most prospective region for mineralization.

• From the result of the prospecting stage mineral exploration has follow up based on mineral commodity.

• Every year DGSE has carried out mineral exploration at the most promising part of mineral wealth area.

• It is now recorded about 63 mineral commodities for more than 2000 mineral occurrences.
Joint Research Cooperation with Foreign Companies

**KIGAM**
(Korea Institute of Geoscience and Mineral Resources)

**JOGMEC**
(Japan Oil, Gas and Metal National Cooperation)
Mineral Occurrences in Kayin State
Location Map of Kayin State
MINERAL DISTRIBUTION OF KAYIN STATE

• 22 mineral commodities are recorded in Kayin State as follow:
  Alum shale, Antimony, Barite, Coal, Copper, Clay, Decorative stone, Dolomite, Garnet,
  Gold, Gypsum, Iron, Lead, Limestone, Mica, Oil shale, Quartz, Phosphate,
  Precious stone, Tin-Tungsten, Road stone, and Zinc.

• Major important minerals in Kayin State are
  Limestone, Antimony, Coal, Gold, Gypsum, Iron,, Tin-Tungsten and Zinc.
MINERAL OCCURRENCES IN KAYIN STATE

- Antimony
- Coal
- Decorative stone
- Gold
- Gypsum
- Iron
- Limestone
- Oil shale
- Precious stone
- Quartz
- Zinc
Limestone deposits of Kayin State

Gypsum deposits of Kayin State
INVESTMENT OPPORTUNITY (JOINT VENTURE) LEGISLATION

- 2016  The Myanmar Investment Law
- 1994  Myanmar Mines Law
- 1996  Myanmar Mines Rules
- ( New Myanmar Mining Rules is under preparation)
- 2015  Amendment Myanmar Mines Law

- At present  MONREC has licensed the existing mines and large deposits to the local investors to invest in the mining sector.
- Myanmar practice the production sharing contract (P.S.C) system.
- In the production sharing types of agreement the investor shall have to contribute 100% of investment in which case the government would expect a share of the production and a production sharing will be signed with sharing ratio to be agreed upon between the parties.
Types of Permit

- **Prospecting Permit** (1 yr + extension = 12 months)
- **Exploration Permit** (3 yrs + extension = 1 yr (2) times)
  - Feasibility Study (1 yr + extension = 12 month)

- **Small Scale Mining Permit** (5 yr + extension (1) yr (4) times)
- **Large Scale Mining Permit** (15 yrs + extension (5)yrs (4) times)
- **Subsistence Mining Permit** (only 1 yr)
Restrictions of Permit

Large Scale Mining Permit
- Minerals - Precious Metallic, Industrial and Decoration Stones
- Max: 15 yrs + Extension (5) yr for (4) times
- Needing to get an approval from MIC and Union Government.

Small Scale Mining Permit
- Ministry can issue the permit.
- Gold (20) Acres, Minerals (50) Acres, Industrial Minerals (247.1) Acres, Gems Stones (1) Acres
- Max: 5 yrs + Extension (1) yr for (4) times
- Restricted to use of heavy machineries.

Subsistence Mining Permit
- Minerals
- Industrials Minerals
- Stone
- Only (1) yr
Recommendation on Future mineral exploration and mining in Kayin State

- Geological mapping and preliminary mineral exploration could not be carried out thoroughly in Kayin State because of the previous conditions and difficulties.

- Only few mineral data base have been recorded and the systematic mineral exploration are still needed.

- In the Kayin State there are still remaining the large area of virgin land and therefore the systematic mineral exploration and mining in Kayin State can be very effective for the economy of the country and development of the Kayin State in future.

- The most promising mineral potential of Kayin State are Limestone, Coal Gypsum, Antimony, Gold and Iron.

- The experiences of environmental impacts caused by the past mining activities in Myanmar, it to be taken care for the environmental conservation in the future mining industries.
Conclusion

- No environmental issues while conducting prospecting, exploration and feasibility study for any kinds of Mineral.
- Cooperate Mine Hazard Management with concerning department in Mining Sector.
- Foreign companies or Investors shall have to start from the grass root exploration at the interest potential areas if they desire.
- Mineral resources in Myanmar are very much under utilized and there exists a large mineral potential.
- Detail procedures for the application or proposal for mineral exploration can be inquired to the Ministry or DGSE

We hope there’ll be more cooperation between Myanmar and Other countries for building Green Mines & Sustainable development in mineral Resources in the future.
Thank You for Your Attention!