



Nigerian Mining Sector Brief

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Glossary

AFC	Africa Finance Corporation
ASC	Ajaokuta Steel Complex
ASM	Artisanal and Small-scale Mining
CAC	Corporate Affairs Commission
CAMA	Companies and Allied Matters Act
CBN	Central Bank of Nigeria
CDA	Community Development Agreement
CGT	Capital Gains Tax
CGTA	Capital Gains Tax Act
CIT	Companies Income Tax
CITA	Companies Income Tax Act
COMEG	Council of Mining Engineers and Geoscientists
CRIRSCO	Committee for Mineral Reserves International Reporting Standards
CSR	Corporate Social Responsibility
DTT	Double Tax Treaty
EDT	Excess Dividend Tax
EL	Exploration Licence
EOI	Expression of Interest
ESG	Environmental, Social, and Governance
EV	Electric Vehicles
FCT	Federal Capital Territory
FDI	Foreign Direct Investment
FGN	Federal Government of Nigeria
FIRS	Federal Inland Revenue Service
GDP	Gross Domestic Product
GHG	Greenhouse Gas
HSE	Health, Safety, and Environment
ICMM	International Council of Mining and Metals
IDITRA	Industrial Development (Income Tax Relief) Act
IGF	Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development
ISSB	International Sustainability Standards Board
JTB	Joint Tax Board
LFN	Laws of the Federation
MCO	Mining Cadastre Office

MDA	Mininistries, Department and Agencies
MECD	Mines Environment and Compliance Department
MI & RMD	Metallurgical Inspectorate and Raw Material Development Department
MID	Mines Inspectorate Department
MIST	Mining Implementation and Strategy Team
ML	Mining Lease
MMSD	Ministry of Mines and Steel Development
MSD	Ministry of Steel Development
MSMD	Ministry of Solid Minerals Development
NBS	National Bureau of Statistics
NGOs	Non-governmental Organizations
NGSA	Nigerian Geological Survey Agency
NIPC	Nigerian Investment Promotion Commission
NMMA	Nigerian Minerals and Mining Act
NMRDSS	Nigerian Mineral Resources Decision Support System
PAGMI	Presidential Artisanal Gold Mining Initiative
PAYE	Pay-As-You-Earn
PIT	Personal Income Tax
PITA	Personal Income Tax Act
PPP	Public-Private Partnerships
QCEs	Qualifying Capital Expenditures
QL	Quarry Lease
RP	Reconnaissance Point
S&NMD	Steel & Non-ferrous Metals Department
SBIRs	States' Board of Internal Revenue
SG	Specific Gravity
SMDF	Solid Mineral Development Fund
SSML	Small-scale Mining Lease
TET	Tertiary Education Tax
TP	Transfer Pricing
VAT	Value Added Tax
WHT	Withholding Tax
WUP	Water Use Permit
YOA	Year of Assessment



01 Overview

Nigeria is endowed with vast reserves of natural resources such as energy minerals like coal and lithium, metallic minerals like gold and lead-zinc and industrial minerals like limestone and barite. The country was a major exporter of tin, columbite and coal in the 1960s to early 1970s. However, activities in this sector nose-dived considerably by the mid-1970s due to several political and economic factors, especially following the discovery of crude oil in Oloibiri, Bayelsa State. This discovery brought about a transformative era for Nigeria's economy and crude oil export become a major source of foreign exchange earnings for the country.

The significant export earnings from crude oil led to the neglect of the mining sector and the country became a mono-product economy, vulnerable to international oil politics and attendant uncertainty of export earnings. Successive Governments at the Federal level have demonstrated some level of commitment to revamping the sector, with minimal successes recorded. For example, in 1999, a new national focus and strategy on mining evolved and this culminated in the enactment of the Nigerian Minerals and Mining Act (the Act or NMMA) in 2007, amongst other policy efforts. However, these efforts only led to a stunted growth in the sector; with the sector's contributions to the nation's Gross Domestic Product (GDP) remaining at less than 1% as at 2023¹.

To demonstrate Government's commitment to enhancing the sector's contribution to the GDP and facilitating the diversification of the economy, the erstwhile Ministry of Mines and Steel Development (MMSD or the Ministry) issued a revised sector growth and development roadmap (Roadmap for the Growth and Development of the Nigerian Mining Industry – the "Roadmap") in 2016, with the objective of addressing the key challenges identified in the sector and outlining strategies for rapid development and utilization of key minerals and metals. One of the targets of the roadmap is the growth of the sectors' total contribution (direct and indirect) to Nigeria's GDP to about 10% by 2026. Pursuant to this target, the Government launched a N30 billion intervention fund to open up the sector to multinational companies. The fund was to be used to promote exploration and research. Despite these significant efforts, only little traction was achieved across the mining value chain, as the sector only contributed 0.77% to the GDP in 2023 according to the National Bureau of Statistics (NBS)!

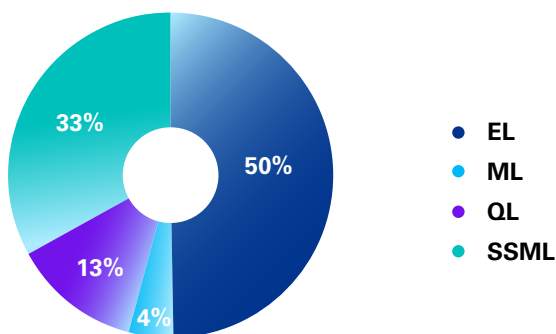
Nigeria's mining value chain can be categorized according to the key activities in the sector - exploration and mining (upstream), processing and beneficiation (mid-stream), and marketing and transportation (downstream). Historically, only the upstream and downstream subsectors were active. However, the past

¹ Based on the Nigerian Gross Domestic Product Report for Q4 2023, published by the National Bureau of Statistics, the total contribution of the Mining sector (i.e., coal mining, metal ores and quarrying and other minerals) to the 2023 GDP is about 0.77%.

five years have seen a remarkable growth with more mining companies investing in the mid-stream subsector, by engaging in the processing, beneficiation and refining of minerals. To further enliven the mid-stream subsector, the Government signed the Nigeria's Mineral Value Chain Regulations, 2021 ("the Regulation") in July 2021. The Regulations are primarily aimed at boosting the country's revenue through the local development (processing and refining) of raw materials into refined products before export. The Government's resolve to maintain this outlook was also re-emphasized in 2023 in the renowned Tesla story.

Whilst the downstream subsector appears to be dominated by individuals and indigenous companies, the upstream subsector is dominated by small scale/artisanal miners, and local integrated manufacturing companies (for example, cement manufacturers that extract limestone as input for their production). Also, a few junior mining companies have executed joint venture arrangements with indigenous companies for mining operations.

As of May 2024, a total of 7,182 companies and individuals were licensed to operate in the upstream subsector. The distribution of the entities approved, based on the type of licences held, is shown in the diagram below. Further analysis of the types of licences held per state, and the minerals licensed are shown in **Appendix 1**².



EL	Exploration
ML	Mining Lease
QL	Quarrying Lease
SSML	Small-Scale Mining License

The Nigerian Minerals and Mining Act is the principal legislation that regulates the sector. The Act vests the control, regulation and ownership of all mineral resources in the Federal Government of Nigeria (FGN). The Minerals and Mining Regulations and the National Minerals and Metals Policy also govern the sector.

The erstwhile Ministry of Mines & Steel Development (MMSD) oversaw the mining sector in Nigeria, pre-2024. However, the administration of President Bola Ahmed

Tinubu split the Ministry into two (2) separate ministries in 2023 for more focused and effective administration. The new ministries are the Ministry of Solid Minerals Development (MSMD) with focus on all minerals in the value chain of the mining sector other than steel, and the Ministry of Steel Development (MSD) with the sole mandate to accelerate the development of the country's steel potentials. Both Ministries administer the provisions of the NMMA as applicable. The Ministries are supported in performing their functions by the following statutory departments.

1. Mines Inspectorate Department
2. Mines Environment and Compliance
3. Mining Cadastre Office
4. Artisanal and Small-scale Mining Department.

There are other departments created under the Ministries to aid the performance of their functions, prominent of which are:

1. The Metallurgical Inspectorate and Raw Material Development Department
2. Steel & Non-ferrous Metals Department.

The functions of each department are discussed in greater details in **Section 3**.

Some of the key challenges facing the sector include, but are not limited to, the following:

- **Limited geoscience data and information**

A major issue facing the sector is the apparent lack of adequate, accessible and reliable geological data on available mineral resources and their locations, which affects the sector's ability to attract investors. Every investor requires access to credible data to facilitate investment decision making. Most of the available geological / geoscience data are dated. This raises questions about the credibility of the resource information and impacts the bankability of mining projects.

The FGN in May 2024, through the office of the Nigerian Geological Survey Agency introduced the Nigerian Mineral Resources Decision Support System (NMRDSS). This is a web-based application that provides read-only access to geo-scientific and geo-economic data of Nigeria. The NMRDSS allows users to analyze mineral occurrence locations and make informed decisions regarding mining activities. The NMRDSS is still quite new and the effectiveness of the resource is yet to be adequately tested. Nevertheless, it is envisaged that the NMRDSS will significantly alleviate the data challenge currently being faced in the Sector.

² Some companies hold multiple licences, for example, a Company may hold a mining lease and quarry lease with respect to different minerals.

- **Infrastructure development**

Lack of critical infrastructure, particularly adequate electricity supply and access roads to sites of mineral deposits is a major challenge facing operators.

However, the privatization of the national utility and reform of the power sector are potential stimuli for private investment in the sector. As capacity increases with new investments in the generation, transmission and distribution of electricity, the shortages currently being experienced will be overcome. Pending the resolution of the power problem on a national scale, mining investors can meet their power needs by engaging independent power producers for captive generation and supply of energy to the mines.

With the various efforts being harnessed via the Public Private Partnership (PPP) route, and fiscal

incentives being offered by the federal government (e.g., through the Road Infrastructure Development and Refurbishment Investment Tax Credit Scheme), it is expected that access roads to mine sites will ultimately improve over time. The ongoing rehabilitation of the rail lines will also facilitate effective pit-to-port evacuations across the country.

- **Security**

A number of the mineral rich communities in the Northern region of Nigeria have now been liberated from the occupation of terrorist group and insurgency. However, communal and religious conflicts occur intermittently in the middle belt region of Nigeria, which is known to be rich in minerals and metals.

The country's security apparatus is being equipped to respond appropriately to social conflicts as and when they arise, while the Ministries are strengthening the



operations of the Mines Surveillance Task Team to tackle the challenges of illegal mining. Furthermore, the recent inauguration of the Transport and Mining Marshals by the Honorable Minister of Solid Minerals Development is a step in the right direction as it could help to foster a more secured climate for operators.

Security concerns are therefore expected to abate overtime given the efforts of the FGN in this regard.

- **Illegal mining and community challenges**

Illegal mining activities in some of the regions poses attendant Health Safety & Environment (HSE) risks and community challenges. However, it is expected that with the strengthening of the nation's security apparatus, it will help to contain and curtail the nefarious activities of illegal miners.

The MSMD, in November 2023, launched the "Guidelines for the production of Community Development Agreement (CDA) in the solid minerals sector". The Guidelines are aimed at harmonizing the process of agreeing and documenting a CDA, to ensure the following objectives are fulfilled:

- i. Provide an acceptable structure / template for CDAs;
- ii. Outline the key elements and general contents of a typical CDA, including dispute resolution;
- iii. Proffer appropriate monitoring frameworks for its implementation; and
- iv. Suggest ways by which the community may participate in the planning, implementation, management and monitoring of activities carried out under the CDA.

The expectation is that as stakeholders and mining communities adopt the provisions of these Guidelines in formulating or crafting their CDAs, mining operations will be conducted in an atmosphere of peace and cordiality with the host communities.

- **Project funding**

Nigeria has continued to struggle to attract the necessary investments into the sector due to a combination of factors, including but not limited to, insufficient bankable projects (due to limited geoscience data about reserves), policy uncertainty, security concerns and global economic dynamics.

In 2023, the Africa Finance Corporation (AFC) and the Solid Minerals Development Fund (SMDF) partnered to co-fund and co-develop commercial scale 'eligible'

mining projects in Nigeria. The partnership, through a dedicated project development facility is aimed at fast tracking the development of priority mining projects in Nigeria, mitigate risks and create a pipeline of high-quality projects with economic impact. It is expected that similar interventions will be rolled out subsequently to maximize the reach and close the funding gap.

- **Lack of robust fiscal framework**

The existing fiscal framework for investors in the mining sector is not attractive enough and does not consider the peculiar nature of the sector, particularly, its long gestation period. In addition, incentives for miners appear to be scattered in pieces of different and independent fiscal legislation, which urgently calls for harmonization, to provide clarity to operators as to which should prevail (e.g., incentives in the NMMA and Companies Income Tax Act, CITA). Typically, fiscal incentives should be codified into the relevant corporate tax law to avoid overlaps and / or inconsistencies. Therefore, the FGN needs to revisit the entire fiscal framework for the taxation of mining operation, to bring it in alignment with global best practices to attract mining majors and foreign investors.

Apart from the harmonization of the fiscal incentives, the revision of the NMMA is long overdue, as some of the provisions may no longer be in tandem with current realities. Hence, the urgent need for an update to ensure the provisions align with global best practices and address the current realities of the mining ecosystem in the country.



In 2022, KPMG published the 9th Edition of its 'Investment in Nigeria' guide. This guide provides readers with detailed information on doing business in Nigeria, including; the requirements for incorporating a business, statutory filing requirements, regulatory agencies, etc. This report can be accessed online using the link in the footnote below³.

³ <https://assets.kpmg.com/content/dam/kpmg/ng/pdf/investment-in-nigeria-guide-2022.pdf>



02 Mineral Endowment

Nigeria is endowed with over 44 different minerals occurring in over 500 locations across the 36 states of the federation and the Federal Capital Territory (FCT). These minerals include, but not limited to, gold, barite, bentonite, limestone, coal, bitumen, iron ore, tantalite/columbite, lead/zinc, barites, gemstones, granite, marble, gypsum, talc, iron ore, lead, lithium, nickel and silver.

However, based on the Roadmap, the FGN has designated seven strategic minerals for focused development, due to the commerciality of the estimated deposits and their capacity to accelerate overall economic development through industrial linkages. The priority minerals are: Coal, Bitumen, Limestone, Iron Ore, Barites, Gold and Lead/Zinc.

The conversation around energy transition and replacement of fossil fuels with greener options have however, accentuated the need for embracing energy sources that are eco-friendly. This has in turn accelerated the demand, for example, in the transportation sector, for electric vehicles (EV) and the attendant upsurge in the demand for lithium, which is a major component for the production of electric batteries for EV. This dynamic has thus brought the importance of lithium production to the fore. And, in responding to this game changer, the MSMD, we understand, is considering the addition of two more minerals (lithium and nickel) as *“strategic”* to the current list.

These potential additional strategic minerals are discussed in greater detail below.

2.1 Coal



Coal mining has seen a lot of changes in recent years in terms of exploration and production. Surface and underground mining technologies are both used to extract coal. Nigerian coal has been found suitable for boiler fuel, production of high caloric gas, domestic heating, briquettes, formed coke and the manufacture of a wide range of chemicals, including waxes, resins, adhesives and dyes.

Nigeria’s current coal exploration reveals a large coal potential, with inferred reserves of 2.75 billion metric tons and a proven reserves of 639 million

tons. Coal exploration and extraction are currently taking place in Gombe, Kogi, Nasarawa and Enugu States.

The government has recognized the need to revive the country's coal mining subsector, which could provide fuel for power generation and domestic use. However, at COP26, Nigeria, alongside other coal-rich nations, agreed to utilize its coal resources by 2030 before global efforts to phase out coal intensify. This decision, part of a broader international initiative, involves 190 countries and key financiers committing to cease support for new coal power plants. Despite Nigeria's substantial coal reserves, estimated at over 2.8 billion tons, many of these resources may remain untapped due to these new commitments emanating from the journey towards reduction in greenhouse gas (GHG) emissions and transition to eco-friendly energy sources.

2.2 Bitumen

Bitumen, a dense black mixture of hydrocarbons, is naturally occurring or obtained as a byproduct



of petroleum refining. It finds various applications in road construction, roofing, adhesives, and insulation. Bitumen reserves are in Lagos, Ogun, Ondo, Rivers, Bayelsa and Edo States. In Nigeria, bitumen typically occurs both on the surface and sub-surface. The estimated probable reserves of bitumen in Nigeria are approximately 42.47 billion tonnes, ranking it sixth globally. However, the country is yet to fully tap into this resource, which could serve as a significant revenue stream.

Currently, the bitumen used in Nigeria is processed from imported heavy crudes, in addition to bitumen imported to supplement local consumption. Heavy and extra heavy crude can be extracted from Nigerian tarsands, sulphur and phenol can be derived from these crude grades. They are also suitable for production of lubricants for plain and roller bearings.

2.3 Limestone



The largest and purest deposits of limestone are found in the south-west and middle belt regions of the country. The Nigerian Geological Survey Agency (NGSA), in 2022, disclosed that Nigeria has approximately 10.6 billion tons of limestone resources spread across 14 states, including Gombe, Benue, Kogi, Sokoto, Edo, Oyo, Ebonyi, Anambra, Ogun, Ondo, Plateau, Bauchi, Akwa-Ibom and Cross River States. Limestone is a crucial commodity to the Nigerian economy since it is a key component in cement manufacture, which is used in the construction industry/infrastructural projects.

2.4 Iron Ore



Iron Ore is one of the critical minerals used in the production of steel. The ore deposits have been found in various locations in Nigeria, but mainly in the north-central, north-east and south-east regions. Iron ore deposits in Nigeria typically occur in the following forms: hematite, magnetite, metasedimentary, bands of ferruginous quartzites, sedimentary ores, limonite, maghemite, goethite and siderite.

Nigeria boasts of iron ore deposits across various states including Kaduna, Enugu, Kogi, Niger, Kwara, Bauchi, and Zamfara, totaling an estimated 3 billion tonnes. Among these, the reserves in Itakpe, Kogi

State, stand out for their significant size and high purity. Rich ore constitutes more than 4.5% of the total reserves with medium grades estimated at 85.4% and lean ore at 13.1%.

2.5 Barites



Barite, a mineral consisting of barium sulfate ($BaSO_4$), is widely utilized as a weighting agent in drilling fluids for oil and gas exploration. In Nigeria, most barite reserves are found in vein and cavity formations within various rock types such as sandstone, limestone, migmatite, shale, mudstone, and porphyritic granite. The estimated total reserves of high-density barite with a specific gravity (SG) of 4.2 in Nigeria are nearly 23 million metric tonnes.

These deposits are primarily concentrated in the southern and eastern regions of the country, particularly within the Benue Trough (including states like Benue, Taraba, and Adamawa) and extending into northern areas (such as Nasarawa, Plateau, and Gombe) as well as the southern fringe (notably Cross River state).

2.6 Lead-Zinc



Lead-Zinc ores are typically found together in-situ. They are often associated with copper and silver. In Nigeria, commercial deposits of lead and zinc ores have been discovered, with mineralization observed along a belt approximately 30-50 kilometers wide and stretching for about 560 kilometers from Ishiagu in Ebonyi state through Benue, Bauchi, Adamawa, Taraba, Nassarawa, and Plateau states. They occur in commercial

quantities in the northeast and central region of Nigeria. Among these, the Abakaliki field in Ebonyi State stands out as the primary host of Nigeria's lead-zinc deposits.

Lead-zinc ores are used in the production of batteries, electrical cables, solders glass and even protective coatings for other metals.

2.7 Gold



Gold is associated with the northwest, north central and southwest regions of Nigeria, although there are smaller occurrences beyond these major areas. Zamfara, Kaduna, Bauchi, Niger and Osun states have significant gold ore reserves. Other states with gold potential have been identified, including Kebbi, Kwara, and the Federal Capital Territory (FCT).

According to Forbes Africa, Nigeria has secured the sixth position among Africa's top 10 nations with significant gold reserves, boasting 21.37 metric tons valued at \$1 billion as at Second Quarter of 2023⁵.

Gold mining in Nigeria in 2021 achieved significant mileage with the coming on stream of Thor Exploration Project (Segilola Gold Mining) in Osun State of over \$100 million investment, being the first, largest and most advanced Gold Mining Project in Nigeria, the ongoing construction of Nigeria's first ever Gold refinery by Kian Smith, the launch of the Dukia Gold and Precious Metal Refining Company Limited – which is the foremost indigenous Gold and Other Precious Metals Refining and Trading Company in Nigeria, and the launch of the Presidential Artisanal Gold Mining Initiative (PAGMI), amongst others.

The above achievements underscore the country's growing importance in the region's gold market. With its rich reserves, Nigeria stands poised to capitalize on opportunities for economic growth and development, while also signaling potential for strategic partnerships and investments in the global gold industry

⁵ [West Africa's Gold Powerhouse With Over \\$1 Billion In Reserves - Forbes Africa](#)

The recognition of the above minerals as strategic is not an indication of the non-commerciality of other minerals. Other minerals, previously not on the priority list, but which have now assumed significant importance, have been discovered in commercial quantities across Nigeria. Two of them are discussed below.

2.8 Other Emerging Strategic Minerals

As noted above, the FG is also looking into certain key minerals to fuel the future. These minerals include metals such as Lithium and Nickel; which have various applications in emerging industries such as telecoms and EV manufacturing.

Nigeria recently made significant strides in the exploration of these other strategic minerals thereby putting Nigeria on the map of critical mineral producers. The two minerals are discussed briefly below:

2.8.1 Lithium

In 2022, high-grade varieties of lithium (such as spodumene and lepidolite) were discovered in some parts of Nigeria, associated with other rare metals like cassiterite and columbite-tantalite (coltan) amongst others. While the discovery was said to be of commercial value, the extent and viability of the deposits are still being explored.

Lithium is a crucial mineral used in lithium-ion batteries, which power various devices, including EVs and renewable energy storage systems.

Based on available data, Lithium deposits have been located in Nasarawa, Kogi, Ondo, Osun, Zamfara, Kaduna, Oyo, and Cross River States. The first lithium processing plant in Nigeria was built in Nasarawa State and was commissioned in May 2024.

2.8.2 Nickel

Nigeria also boasts of substantial nickel ore deposits. Nickel is used in various applications including the fabrication of stainless steel, batteries, and electronics. According to the NGSA, the metal has been discovered in certain Northern states including Kaduna, Kebbi, Nasarawa and Taraba States.

Approximately 5 million metric tonnes of nickel deposits, with an average nickel concentration of 1-3%, have been identified in Nigeria⁶. There are plans to build a \$5 billion nickel processing factory in Kaduna State, capable of producing 600,000 tonnes of pure nickel annually, which could boost employment and regional economic growth.

Apart from the apparent export potential of the minerals for ramping up foreign exchange earnings and by extension, enhancing the Sector's contribution to GDP, Nigeria will directly benefit from the processing and utilisation of the mineral. The FGN should, therefore, take active steps to conduct targeted geoscience reviews to confirm the extent of the deposits to boost investor confidence.

The geographical map of the country, showing the mineral occurrence across the regions, is in **Appendix 2**.



⁶ Overview of the Occurrence of Nickel in Nigeria - Skyline University Nigeria (sun.edu.ng)





03 Legal & Regulatory Framework

The NMMA is the principal legislation that regulates the mining sector. The Act vests the ownership of all mineral resources in the FGN and prescribes the procedures for acquiring the rights to explore and produce minerals, and specifies the rights, obligations and duties of all types of licence holders.

The FGN issued the National Minerals and Metals Policy in 2009. The main thrust of this policy is to promote a new legislative framework that encourages private sector-led growth and development of the sector. Some of the policy strategies include:

- ▶ Investment in quality geological surveys in order to provide and disseminate information and accurate geological data on Nigeria's mineral resources;
- ▶ Transparency in the granting of mining titles and permits;
- ▶ Ensuring compliance with environmental best practices;
- ▶ The promotion of small-scale mining activities and the formalization of informal mining activities;
- ▶ Creating an enabling environment for states and local government authorities to maximize the positive role the mining sector can play in promoting rural economy.

- ▶ Promoting minerals development by applying the "use-it or lose it" principle. Several mining licenses have been revoked within the last few years pursuant to this policy thrust.

The Minerals and Mining Regulations, 2011, issued pursuant to the Act, specifies the royalties, fees and compensation payable by holders of mining rights. Currently, the MSMD and the MSD both oversee the sector, supported by various departments. The roles and functions of each statutory department under both Ministries are discussed below:

3.1 Mines Inspectorate Department (MID)

The MID has overall responsibility for operations in exploration, evaluation, mine development and production. Some of its functions include:

- General supervision of mining, quarrying and explosives matters to ensure safe mining operation and enhance high production of minerals and revenue generation.
- Development of a database of all mining and quarrying operators.
- Ensuring preparation of mineral returns by operators as required by the government and as prescribed by regulations.

- Supervision and enforcement of compliance by mineral title holders with all work program and safety regulations prescribed under the Act and any other laws in force.
- Production of records of all mineral production nationwide.
- Taking custody of mineral resources required by any Court to be forfeited to the Government.
- Disposal of mineral resources forfeited to the Government.

3.2 Mines Environmental and Compliance Department (MEC)

The main function of the MEC is to ensure that mining companies adopt and maintain procedures that are environmentally friendly in their operations. In addition, MEC performs the following other functions:

- Establishing environmental procedures and requirements applicable to mining operations.
- Reviewing all plans, studies and reports required to be prepared by holders of mineral titles in respect of their environmental obligations under the Act.
- Monitoring and enforcing compliance by holders of mineral titles with all environmental requirements and obligations as required by law.
- Maintaining regular environmental audits to ensure the adoption of environmentally sound practices in all mining operations.

3.3 Mining Cadastre Office (MCO)

The MCO was established solely for the administration and management of mineral titles in Nigeria. The functions of the MCO include, but not limited to, the following:

- Considering applications for mining titles and permits.
- Issuing, suspending and / or revoking mining titles, subject to government's rules and regulations.
- Receiving and / or disposing applications for transfer, renewal, modification and relinquishment of mineral titles.

- Maintaining a chronological record of all applications for mineral titles in a priority order.
- Maintaining a register and a general registry book.

3.4 Artisanal and Small-Scale Mining Department (ASM)

The ASM carries out the following functions, amongst others:

- Supporting and assisting small scale mining operations.
- Providing extension services to mining cooperatives on exploration, exploitation, mineral processing, entrepreneurial training, and environmental management amongst other.
- Improving sustainable livelihood in ASM communities.

3.5 Other Non-Statutory Departments

Other relevant departments and their functions are detailed below:

3.5.1 Metallurgical Inspectorate and Raw Material Development Department (MI & RMD)

The roles of the MI & RMD include the following:

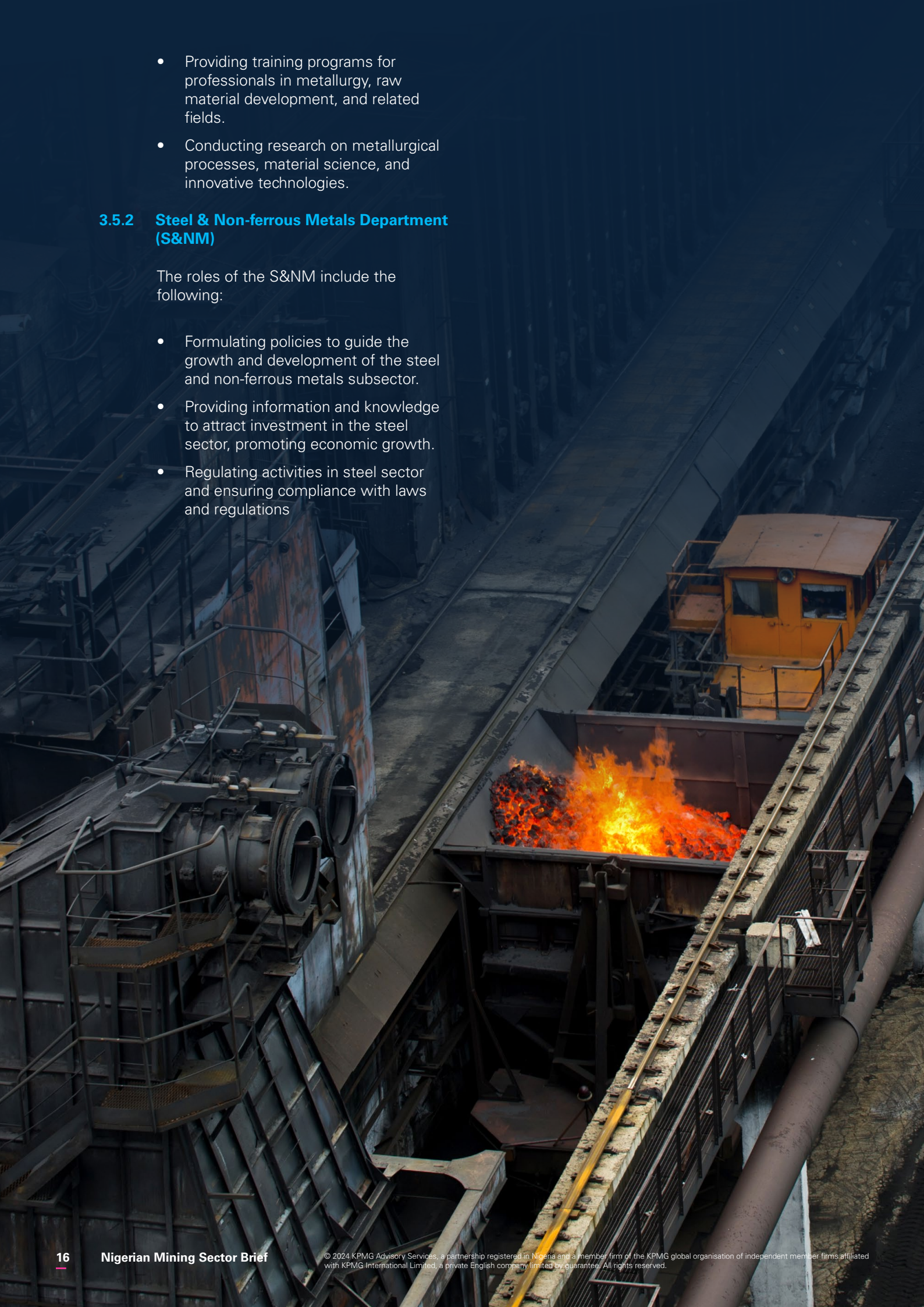
- Overseeing inspections related to metallurgical processes, ensuring compliance with safety standards, quality control, and efficient utilization of raw materials.
- Monitoring industrial facilities, including steel mills, foundries, and metal processing plants.
- Identifying and developing raw materials for the metal industry.
- Exploring and evaluating mineral deposits, especially those relevant to metallurgy and steel production.
- Encouraging value addition in the metal subsector.
- Contributing to policy formulation related to metallurgy, raw materials, and steel production.

- Providing training programs for professionals in metallurgy, raw material development, and related fields.
- Conducting research on metallurgical processes, material science, and innovative technologies.

3.5.2 Steel & Non-ferrous Metals Department (S&NM)

The roles of the S&NM include the following:

- Formulating policies to guide the growth and development of the steel and non-ferrous metals subsector.
- Providing information and knowledge to attract investment in the steel sector, promoting economic growth.
- Regulating activities in steel sector and ensuring compliance with laws and regulations





04 Types of Mineral Titles and Licences

The FGN grants mining titles to individuals, companies or co-operatives via a competitive bidding process or on individual request.

In a competitive bid, the government merges various mineral locations into blocks, and offers the blocks for sale to interested investors with sufficient financial and technical capabilities to carry on mining operations. The bidding procedure is typically conducted as follows:

- An advertisement in both local and international media.
- Data room due diligence process.
- Receiving Expression of Interest (EOI).
- Selection of preferred investor.
- Communication of selected investors to the National Assembly Committee on Solid Minerals.
- Offer of the mineral title.

The right to explore or produce minerals is authorized by a license granted under the NMMA. The types of licences and leases that could be granted are as follows:

4.1 Reconnaissance Permit (RP)

This permit is awarded to individuals, incorporated companies and mining co-operatives. Its duration is for one year and is renewable annually. The permit confers on the holder the non-exclusive right to search for mineral resources and the area covered is not limited. However, drilling and other subsurface activities are not permitted. A holder is allowed to obtain and remove samples in small quantities only. This permit is required to be processed within 30 days of submitting the application, and it is not transferable.

4.2 Exploration Licence (EL)

The licence is awarded to incorporated companies, mining co-operatives and holders of RP in respect of a mining area. This has a duration of 3 years, renewable for 2 further periods of 2 years each (i.e., it shall not exceed 7 years). It confers on the holder the right to explore [discover, determine the characteristics and evaluate the economic value of mineral resources] on an exclusive basis for all

mineral resources within the title area (established zone only). The mining activity is restricted to specified minerals.

The holder is allowed to remove, conduct bulk sampling and testing, export and sell mineral resources not exceeding established limits and the mining area is not more than 200sq km consisting of one contiguous polygonal area. The licence is required to be processed within 30 days of submitting the application.

4.3 Small-Scale Mining Lease (SSML)

The licence is awarded to individuals, incorporated companies, mining co-operatives and holder of exploration licence in respect of a mining area. This lease is for 5 years and it is renewable at the end of the lease term. The holder of the lease has the exclusive right to carry out small-scale mining operations [mining operations involving low-level technology or methods not requiring substantial expenditure] within the title area. The mining area is greater than 5 acres but less than 3 Km. The lease is required to be processed within 45 days of submitting the application.

4.4 Mining Lease (ML)

The licence is awarded to an incorporated company or any legal entity that has met the conditions for the issuance, in respect of a subject area of application, holders of EL and SSML. All mining leases are for 25 years, renewable for a maximum period of 20 years.

The holder has the exclusive right to carry out all mining operations within the mining lease area. The land area is determined in relation to the ore body defined in the feasibility study and additional area for working of materials. The mining area is not more than 50 sq km.

The holder also has the right to market, sell, export or otherwise dispose mineral products from mining, and the right to use water, wood, etc. found on land. The lease is processed within the same time frame as SSML.

4.5 Quarry Lease (QL)

The licence is awarded to individuals, incorporated companies, mining cooperatives and construction companies that need to extract minerals for own use and holders of EL. Minerals usually quarried include gravel, asbestos and gypsum. QL are for 5 years, and renewable after the expiration period.

QL confers the exclusive right to carry out quarry operations within the lease area. The holder has the right to remove and dispose any quarried mineral specified in the lease. The quarry area is less than or equal to 5sq km. The lease is also required to be processed within 45 days of submitting the application.

4.6 Water Use Permit (WUP)

The WUP grants exclusive right to obtain and convey water and/or occupy land for the conveyance of water. The permit is usually granted to holders of EL, ML, QL and SSML. The WUP is for the duration of the original licence granted.

An individual or a company can make an application to the MCO for a licence to explore for a particular mineral of interest. The requirements for applying for a mineral title are summarized in **Appendix 5**.

4.7 Transfer of Mineral Title

All mineral titles (with the exception of RP) are transferable under the Act, subject to the approval of the MSMD and registration of the transfer with the MCO. Rights arising from a mineral title that are transferable under the Act can be wholly or partially assigned, sub-leased, pledged, mortgaged, charged, hypothecated or subject to any security interest.

The approval of the MCO shall not be required for an assignment to an affiliate, where the obligations of the affiliate are guaranteed by the assignor or by a parent company.

All mining titles are not universal in nature. A licence only grants approval to explore and produce the mineral stated therein. If an additional mineral is discovered within the licence area, the licensee is expected to notify the MCO, and seek approval to explore and produce the additional mineral (except for designated security mineral).





05 Fiscal Considerations

5.1 Taxes, Royalties and Fees

Companies, operators and / or co-operative societies involved in mining activities are assessed to tax under the Companies Income Tax Act (CITA), Laws of the Federation (LFN) 2004, as amended. However, individuals and partnerships engaged in mining activities are liable to tax under the Personal Income Tax Act (PITA), LFN 2004 as amended.

5.1.1 Corporate Income Tax (CIT)

The profit of a company engaged in mining activity is liable to CIT at the applicable rate. The CIT rate in Nigeria varies depending on the gross turnover (GT) threshold, as shown in the table below:

Category	GT Threshold	CIT Rate
Small Company	< ₦25million	Exempted
Medium sized Company	≥ ₦25million but < ₦100million	20%
Large Company	≥ ₦100million	30%

The tax is applicable on the total profits of the company, after adjusting for non-tax-deductible items, unutilized losses from prior years and capital allowances (tax depreciation), if any. The CIT is payable to the Federal Inland Revenue Service (FIRS).

However, the above provisions would not apply where such mining company is granted a pioneer status (see below).

5.1.2 Tertiary Education Tax (TET)

Nigerian companies engaged in mining activities are also liable to pay TET at the rate of 3% of their assessable profit. The TET is payable to the FIRS.

5.1.3 Treatment of Losses

Losses incurred in any year of assessment (YOA) can be carried forward and set-off against the assessable profits of the subsequent YOA (if any), and if it cannot be so made, then from the assessable profits of the next YOA, and so on (indefinitely) until the loss has been completely set off against the company's subsequent assessable profits.

5.1.4 Minimum Tax Provision

Minimum tax is payable by companies under any of the following conditions:

- ▶ *where in any year of assessment the ascertainment of total assessable profits from all sources of a company results in a loss, or*
- ▶ *where the tax payable is less than the minimum tax,*

The exceptions to this rule are:

- where a company is in its first four years of commencement of business
- where a company is engaged in agricultural trade or business, or
- where a company earns gross turnover of less than ₦25million in the relevant YOA.
- Therefore, where a mining company meets the above conditions, it would be exempted from the payment of minimum tax.

5.1.5 Excess Dividend Tax (EDT)

A mining company will be liable to excess dividend tax where the dividend is paid out as profit on which no tax is payable due to no total profits (i.e., taxable profits) or taxable profits which are less than the dividend paid.

However, the EDT will not apply to the following classes of dividends, based on

the amendments to the CITA introduced by Finance Act 2019:

- dividends paid out of the retained earnings of a company i.e. paid out of profits that had previously suffered tax;
- dividends paid out of profits that are exempted from income tax by any provision of the CIT Act, the Industrial Development (Income Tax Relief) Act, the Petroleum Profits Tax Act, or the Capital Gains Tax Act or any other legislation;
- dividends paid out of profits or income of a company that are regarded as franked investment income under this Act;
- distributions made by a real estate investment company to its shareholders from rental income and dividend income received on behalf of those shareholders.

5.1.6 Transfer Pricing (TP)

Transactions between a Mining company and other connected taxable persons are subject to transfer pricing rules under the Nigerian TP Regulations and other amendments introduced to the CITA by Finance Acts, and review by the Nigerian tax authority. Connected taxable persons include persons, individuals, entities, companies, partnerships, and any entity that has any form of controlled transaction with the company.



The tax authority is empowered to adjust the rates/charges for any transaction between connected persons, if such rates/charges do not reflect arms-length dealings. Also, there are a number of compliance obligations imposed on companies under the TP Regulations.

5.1.7 Personal Income Tax (PIT)

An individual or partnership carrying on mining activities is liable to PIT on any profit or gain from such activity, in line with the provisions of PITA. The average effective tax rate is about 18.96%. PIT is payable to the States' Board of Internal Revenue (SBIRs) where the individual or the partners in a partnership are resident.

Furthermore, employers (including mining companies) are responsible for the deduction and remittance of the taxes payable on the remuneration of their staff, under the Pay as You Earn (PAYE) scheme, pursuant to the relevant provisions of the PITA.

5.1.8 Valued Added Tax (VAT)

A mineral title holder is expected to include VAT at the rate of 7.5% on all minerals sold locally (except such mineral is specifically exempted from VAT under the law). Minerals exported from Nigeria are, however, exempted from VAT, based on the provision of the VAT Act.

5.1.9 Capital Gains Tax (CGT)

The Capital Gains Tax Act (CGTA), LFN 2004 (as amended) regulates payment of CGT in Nigeria.

The rate of tax is currently 10% and is levied on capital gains accruing on disposal of chargeable assets, irrespective of whether the asset is situated in Nigeria or not⁷. Capital gains represent the difference between the proceeds from sale of a chargeable asset and its historical cost (including the expenses incurred in effecting the sale).

Capital gains accruing outside Nigeria to a non-resident company or individual are only subject CGT in Nigeria if such gains are received or brought into Nigeria. Further, certain types of assets qualify for roll-over relief, whereby the tax on any gain

derived is deferred to a later date, if the seller uses the proceeds from disposal to acquire another asset in a similar class.

5.1.10 Stamp Duties

Stamp duties are payable on all dutiable documents and transactions. Stamp duties are applicable on the initial share capital of a company and on any subsequent increases. The current stamp duties rate on the authorised share capital of a company is 0.75%. This rate is, however, subject to periodic review by the Joint Tax Board (JTB). The National Assembly must enact such changes into law before they can become effective.

Stamp duties may also apply on agreements entered into in Nigeria depending on the nature of the agreement.

5.1.11 Withholding Tax (WHT)

Dividends, interest, rent, royalty and other qualifying payments to shareholders, vendors and lenders are liable to WHT deduction at the appropriate rate. The rates vary between 2.5% to 10%, depending on the nature of the transaction and whether the beneficiary of the payment is a natural person, partnership or a limited liability company.

The WHT rate on dividend, interest, rent and royalty, when the beneficiary is resident in a country with which Nigeria has a double tax treaty (DTT) is 7.5%⁸, compared to 10% that is generally applicable on such payments.

Nigeria currently has DTTs with United Kingdom, Netherlands, Belgium, Pakistan, Romania, Philippines, Czech Republic, Canada, South Africa, Sweden, Singapore, China, France, Spain and Peoples Republic of Korea. The DTTs with Mauritius, South Korea, Kenya, Kuwait, the UAE, Poland, and Russia are yet to be ratified.

5.1.12 Royalty

Royalty is payable by companies engaged in mining activities in Nigeria. It is calculated on ad valorem basis. The applicable royalty rates range from 3% to 5% depending on the type of mineral. The Minister may grant concession to a

⁷ There are specific rules in the CGTA for determining the location of an asset, depending on the nature of the asset.

⁸ The reduced rate only applies to DTTs signed prior to 1999.

mineral title holder to defer payment of royalty on any mineral for a specific period, subject to the approval of the Federal Executive Council.

5.1.13 Annual Service Fee

Holders of a mineral title, other than the holder of an RP, are required to pay an annual service fee to the MCO equal to the number of Cadastre Units that comprise the title area multiplied by the fee per Cadastre Unit for the type of title they hold. This fee is payable on the anniversary of the issuance of the mining title. The current rate is ₦25,000 per Cadastre Unit.

5.1.14 Annual Surface Rent

Holders of a small-scale mining lease, mining lease, quarry lease, or water use permit are required to pay annual surface rent to the owner or occupier of the land. The rent to be paid is as agreed and documented in the Memorandum of Understanding between the owner of the land and the mining company.

5.1.15 Other Application and Licence Fees

Other fees/levies may be imposed by the MCO and relevant state or local government authorities.

5.2 Fiscal Incentives

The key incentives available to companies engaged in mining operations are summarized below:

5.2.1 Under the NMMA

- i. Tax holiday for an initial period of 3 years from commencement of operations, and renewable for additional 2 years. Any dividend recorded during the tax holiday period will not be subject to withholding tax upon distribution to shareholders.
- ii. Exporters of mineral products may be permitted to retain part of their foreign exchange earning in a domiciliary account for the purpose of acquiring spare parts and other mining inputs.
- iii. Exemption from customs and import duties in respect of plant, machinery, equipment and accessories imported exclusively for mining operations. However, the plant and equipment can only be disposed of locally upon payment of the applicable customs and import duties.
- iv. Free transferability of foreign currency through the Central Bank of Nigeria (CBN) for the following:
 - ▶ Payment for servicing of certified foreign loan,
 - ▶ Remittance of foreign capital in the event of the sale or liquidation of the business.
- v. Grant of personal remittance quota for expatriate personnel free from any tax imposed by any enactment for the transfer of external currency out of Nigeria.
- vi. Accelerated Capital Allowance on mining expenditure (95% initial allowance and retention of 5% until asset is disposed).
- vii. Grant of Investment Allowance of 10% on qualifying plant and machinery.
- viii. All infrastructure cost provided by the mining company and approved by the MCO to be capitalized and capital allowance claimed at 95% in the first year of operation.
- ix. Annual indexation of unutilized capital allowance carried forward by 5% for mines that commenced production within five (5) years from the date of enactment of the Act. Whilst the period for new companies to enjoy this incentive lapsed in 2012, new producers may apply to the Minister of Finance, through the Minister of Solid Minerals Development or the Minister of Steel Development, to enjoy this incentive. Such application may be considered on a case-by-case basis.
- x. The Minister may grant a concession for the royalty payable on any mineral to be deferred for a number of years, subject to the approval of the Federal Executive Council.
- xi. Actual amount incurred out of reserves made for environmental protection, mine rehabilitation, reclamation



and mine closure cost shall be tax deductible, subject to certification by an independent qualified person.

5.2.2 Under the CITA

- i. By virtue of the provisions of section 23 of the CITA, the profits earned by a mining company after the initial tax holiday period may continue to be exempted from income tax under the following circumstances⁹:
 - ▶ If the minerals are exported from Nigeria, and the proceeds from such exports are repatriated to Nigeria and used exclusively for the purchase of raw materials, plants, equipment and spares.
 - ▶ If the minerals produced are exclusive inputs for the manufacture of products for exports, provided the exporter gives a certificate of purchase of input to the company.
 - ▶ Partial exemption of interest on foreign loan from income tax, subject to the conditions stipulated under CITA.

- i. Any interest, rent, royalty, or dividend received by a Nigerian Company from abroad, and brought into the country through any of the approved Nigerian Banks, will be exempted from corporate income tax.
- ii. Under the Road Infrastructure Development and Refurbishment Investment Tax Credit Scheme ("the Scheme"), companies wishing to construct or refurbish any road identified and designated by the FGN as an "eligible road" may be entitled to recoup total costs - "Project costs" incurred in the construction or refurbishment of such "eligible road" as a Tax Credit against their future CIT liability, until full cost recovery is achieved.
- iii. As an incentive, eligible companies will be granted a single non-taxable uplift¹⁰ on Project Cost. The uplift will be included in the total Tax Credit available to each participant.

The above reliefs (item iii) are only available until 2029 financial year (i.e., 2030 tax year).

5.2.3 Under the Industrial Development (Income Tax Relief) Act (IDITRA)

The IDITRA provides the legal basis for the grant of pioneer status incentives (PSI) to eligible companies, industries and products. The Act empowers the President to direct the publication, in a gazette, of a list of pioneer industries and products, where he is satisfied that:

- ▶ "any industry is not being carried on in Nigeria on a scale suitable to the economic requirements of Nigeria or at all, or there are favourable prospects of further development in Nigeria of any industry, or
- ▶ it is expedient in the public interest to encourage the development or establishment of any industry in Nigeria by declaring the industry to be a pioneer industry, and any product of the industry to be a pioneer product."

The IDITRA grants a tax relief period of three years from the Company's production day and may be extended (upon approval) for an additional one or

⁹ However, the mining company may be subject to excess dividend tax where it pays dividend that is higher than the total profits post the pioneer period.

¹⁰ The Uplift will be a percentage of the project cost. The percentage to be applied is Monetary Policy Rate plus 2%.

two years subject to meeting certain conditions.

Currently, some mining activities / minerals are enlisted as eligible for PSI application, essentially in respect of mining of the earlier referenced strategic minerals (see Section 1). Successful applicants will in addition to the tax holiday, enjoy the following incentives:

- ▶ Exemption of dividends paid out of the tax-exempt profits, from tax
- ▶ QCEs incurred during the tax relief period is treated as having been incurred on the first day following the tax relief period for capital allowances purpose.
- ▶ The net loss incurred by a pioneer company during the tax relief period shall, for the purpose of computing taxable profits, be deemed to be incurred on the first day following the tax relief period. The loss can be carried forward by the company and relieved against its post-pioneer profits.

5.3 Summary of capital allowances for a mining company is provided below:

Description	Initial Allow %		Annual Allow %	
	Com	Indv	Com	Indv
Mining Expenditure	95	20	0	10
Furniture and Fitting	25	15	20	10
Motor Vehicle	50	25	25	20
Building and Leasehold (not industrial buildings)	15	5	10	10

5.4 Summary of Tax Considerations

The various taxes applicable to mining companies are summarized below:

Overall Tax Considerations	
Type of Tax	Tax Rate (%)
Corporate tax	Nil, 20 or 30
Tertiary Education Tax	3
Value Added tax	7.5
Capital gains tax	10
Customs duties on plant and accessories	Waived
Customs duties on other products	Varies
WHT on dividend, interest, rent and royalty	10 or 7.5, depending on whether beneficiary is resident in a tax treaty country
WHT on qualifying vendor transactions	2.5, 5 or 10, depending on the nature of the transaction
WHT on royalty paid to the government	0
Statutory Requirements	<ul style="list-style-type: none"> • Monthly filing of VAT and WHT returns • Annual filing of CIT and TP returns • Submission of reports periodically to the MID and MCO as prescribed in the Regulations.



06 Investment Considerations

6.1 Choice of investment vehicle

The NMMA identifies the acceptable investment vehicles for mining operations, to include: partnerships / unincorporated joint ventures, limited liability companies and cooperative associations.

Under section 78 of the Companies and Allied Matters Act (CAMA) as amended, the law that regulates company formation and operation in Nigeria, no foreign company may carry on business in Nigeria unless it incorporates a company in the country for this purpose. A foreign investor can own one hundred percent (100%) of the shares of the local subsidiary. After incorporation at the Corporate Affairs Commission (CAC), the subsidiary would need to register with the FIRS for tax purposes, and with other regulatory agencies listed in **Appendix 3**.

A foreign investor may, however, choose to acquire an already existing mining business, or form a strategic joint venture/technical partnership with a Nigerian entity to carry-on mining operations. Under these circumstances, the foreign investor may not be required to incorporate a subsidiary for the purpose of its operations in the country.

Whichever investment vehicle is selected, there would be attendant tax and regulatory compliance requirements which the investor should be conversant with.

6.2 Security of mineral title and investments

Security of mineral rights is guaranteed under the relevant legislation. However, the Government may withdraw/ revoke a license if the licensee fails to comply with the statutory obligations attached to the licence, including payment of the relevant levies, rents and/or charges.

Section 25 of the Nigerian Investment Promotions (NIPC) Act guarantees foreign investments against expropriation by the FGN. The Act also guarantees unconditional repatriation/transferability of the following through an authorised dealer, in freely convertible currency:

- ▶ dividends or profits (net of taxes) attributable to the investment;
- ▶ payments in respect of loan servicing where a foreign loan has been obtained, and
- ▶ the remittance of proceeds (net of all taxes), and other obligations in the event of a sale or

liquidation of the enterprise or any interest attributable to the investment.

6.3 Investment in reconnaissance and exploration activities

Due to the quality of available geoscience data, potential investors may be required to conduct further reconnaissance and /or exploration work to determine the correct value of reserves in the allocated cadastre/block.

6.4 Provision of relevant infrastructure

Nigeria has huge infrastructure deficit, especially in the areas of power (i.e., electricity) and transport infrastructure (e.g. road and rail transportation). Most of the developed infrastructure are concentrated in the urban cities. In rural and outer-city locations, the required infrastructure is either non-existent, or not up to the standard required for mining operations.

It is incontrovertible that Government would be unable to successfully close the infrastructure gap, in view of mounting economic challenges. Therefore, every potential investor should consider, as part of the investment plan, the provision of requisite infrastructure to facilitate mining operations “from pit to port”.

6.5 General security and host community engagement

In addition to FGN's efforts at securing lives and property, most extractive industries make independent arrangements to secure their facility and personnel. This is typically due to the remoteness of their operating sites.

Further, investors are well advised to have a robust corporate social responsibility (CSR) plan and CDA that will address the needs of their host communities. Investments in provision of key infrastructure in host communities should be a priority. Local management is also expected to be close to the mine location and be fully aware of the daily operations of the mines.

6.6 Environmental, Social and Governance (ESG) considerations

Globally, ESG issues are increasingly important, especially for mining companies. There are growing expectations from all relevant stakeholders, including communities, governments, investors, financiers, non-governmental organisations (NGOs) and potential

business partners, that companies manage ESG issues and risks, contribute to local development and report transparently.

Mining companies are required to maintain best practices on ESG related aspects of the business. The ESG framework requires that ecosystems, water management, waste disposals, air and noise management and chemical usage are properly managed and monitored with the utmost due care for environmental sustainability. Furthermore, mining companies can utilize the ESG framework for best practices in human rights, use of land allocations, human capital and equity, labour practices, health, safety and environment (HSE) and mines remediation amongst other socially responsible actions.

As demand for minerals and metals continues to grow so will the spotlight on mining companies' practices for compliance with ESG requirements.

Mining companies which are ESG-driven, should focus not only on the financial trends of the business but also on the non-financial indices that are covered under the ESG matrix. Consequently, mining companies would be required to set up frameworks to track and report their activities' environmentally-friendly nature, as may be required under the relevant standards issued by the International Sustainability Standards Board (ISSB).

6.7 Proactively seek expert guidance

The process of navigating the business environment in Nigeria can be somewhat challenging. Therefore, potential investors are encouraged to engage the services of competent and knowledgeable local business advisers, to advise on appropriate investment vehicles to adopt, available incentives and financing options, and provide guidance with respect to all necessary permits and licences to be obtained, both at the Federal and State Government levels.

The FGN is currently working to improve the ease of doing business in the country. One of the proposals is the establishment of a one-stop investor kiosk, to facilitate the obtainment of all necessary registrations and approvals by foreign investors at a single point.



07 The Roadmap for Growth and Development of the Sector

The erstwhile MMSD had released the road map for the development of the solid minerals and metals sector in August 2016. Whilst the aspiration of the Roadmap was to build a world class minerals and mining ecosystem designed to serve a targeted domestic and export market for minerals and ores, its specific objectives can be summarised as follows:

- i. Improve the quality and availability of relevant geo-scientific data, for investment purposes.
- ii. Develop a strategy to boost the production and domestic utilization of industrial and energy minerals, as well as development of the steel subsector.
- iii. Improve the capabilities and governance structure of the regulatory institutions, and strengthening the regulatory framework for the industry.
- iv. Ensure stronger economic and political coordination of minerals and mining policy in Nigeria
- v. Attract junior exploration companies, and the majors into the sector by creating favourable business and operating environments.
- vi. Facilitate access to funds and extension services, to small scale and Artisanal miners.

- vii. Formalise the minerals market, and invest in minerals processing and certification.
- viii. Promote rapid infrastructure development to encourage the growth of the sector.
- ix. Rapid capacity building by Nigerians, to increase the level of their participation in the sector.

The Roadmap identified three key development phases for the achievement of the aspirations and objectives as follows:

- ▶ Phase 1 – Rebuild market confidence in the sector and win over domestic users of industrial minerals that are currently imported. The plan was to stimulate the domestic demand of these minerals and ores by deliberate import substitution strategies, and achieving strong economies of scale over time. This phase was projected to span two to three years.
- ▶ Phase 2 – Expand the domestic ore and mineral processing industries (i.e., the mid-stream subsector), through increased beneficiation. This phase was to last about five to ten years.
- ▶ Phase 3 – Nigeria was projected to return to global ore and mineral markets at a market competitive

price point. This phase was expected to coincide with the next global commodity upswing.

The key provisions in the Roadmap include, but not limited to the following:

1. Communication Strategy

In order to facilitate the effective implementation of the Roadmap, the erstwhile Ministry was expected to ensure that all key stakeholders were carried along. In this regard, the Roadmap recommended the following action steps:

- Formation of a centralized communication council to coordinate the creation and dissemination of all vital contents via right channels e.g. social media, website, newspapers etc. to stakeholders. The members of the Council were to be drawn from the media personnel across the erstwhile MMSD's MDAs to ensure that only appropriate personnel are selected.
- The erstwhile MMSD was expected to develop and disseminate a definitive source of data on the state of the industry which investors can rely on (a single view of the Nigerian mining industry opportunities). Data was to be drawn from its multiple agencies and departments. The single view was to be updated periodically to reflect learnings from the field and other relevant information useful for both local and international investors.
- The erstwhile MMSD and its team were to place emphasis on providing messages aimed at providing succor to the needs of various stakeholders e.g. environmental protection, gender rights, regulatory stability etc.
- The erstwhile MMSD was expected to organize occasional town hall meetings to sensitize the mining communities on understanding the Roadmap and propagate the implications of its successful implementation to their communities.

2. The Mining Implementation and Strategy Team (MIST)

To ensure a sustained implementation of the plans detailed in the Roadmap, the then Minister created the Mining Implementation and Strategy Team (MIST), a programme management unit. The MIST operates as the central coordinating team for the Roadmap and will be essentially responsible for leading its execution.

The MIST was not meant to replace the Ministry and its departments but was to act as the delivery center for the Roadmap. The MIST supports the Ministry to

boost the participation of all stakeholders in owning, coordinating and implementing the Roadmap.

Membership of MIST was drawn from different backgrounds in the sector, to ensure that it has strong expertise to navigate and coordinate the initiative. The MIST has a tenure of 10 years, to coincide with the duration of the Roadmap. This was to ensure that the mission and objective of the document is not neglected when there is a change in leadership of the Ministry or in the Government of the day.

The timeline of key action items for executing the roadmap is attached as **Appendix 4**.

It has been 8 years since the roadmap was released and a number of the action items have been actualized. However, there are still some "unfinished business" around the major thrust of the document. Nevertheless, the current government in a bid to revamp the economy as a whole, highlighted eight (8) priorities that they planned to achieve. The Fourth priority area borders on "Unlocking Energy and Natural Resources". This agenda focuses on unlocking the potential of energy and natural resources to drive sustainable development. To set this agenda in motion, especially for the mining sector, the President split the erstwhile MMSD into two separate ministries – The MSD and MSMD. This move was aimed at streamlining and focusing efforts on the development of Nigeria's solid mineral resources and the steel sector.

The Honourable Minister for Solid Mineral Development has upon ascending office, formulated 7 key initiatives for the Transformation of Solid Minerals for International Competitiveness and Domestic Prosperity, as highlighted below:

1. The creation of the Nigerian Solid Minerals Corporation.
2. Joint Ventures with Mining Multinationals to foster collaboration with international mining companies and boost investment and expertise in the sector.
3. Data acquisition on specific seven priority minerals and their deposits. This entails the Gathering of Nationwide Geological Data to De-Risk Investment
4. Combatting Illegal Mining through Co-operatives and law enforcement.
5. Creation of Mines Surveillance Task Force and Mine Police. This is to secure the Mining communities and environment.
6. Comprehensive review of all mining licences



7. The creation of six Mineral Processing Centres to focus on Value-Added products. This is to drive value addition through policies which promote processing of raw minerals.

While no specific timelines were set for the actualization of the above initiatives, some of them are already in motion and receiving attention. For example, the FGN in March 2024, inaugurated the Mining Marshal to strengthen security in mining sites. The inter-agency security outfit is expected to incorporate special operatives from other security agencies like the Nigeria Police, the Nigerian Security and Civil Defense Corps and the Nigerian Army.

It is also expected that the launch of the online portal, NMRDSS will expand access to prospective investors to the relevant information about Nigeria's mineral deposits, infrastructure, policies guiding the mining sector and incentives for investment, from anywhere in the world.

Furthermore, the MSMD has enforced the "use it or lose it" principle, given the more frequent licence revocation rounds. The MSMD had, late last year, announced a 30-day grace for illegal miners to join artisanal cooperatives, or risk losing their licences.

The MSD is not left out in the buzz. The Ajaokuta Steel Complex (ASC), once a dormant giant, is now on the cusp of revival. The MSD recently announced that the ASC has reverted to the FGN, effectively freeing the entity from all contractual and / or legal encumbrances that had left it uncompleted and non-functional for decades. In addition, the announcement of a comprehensive three-year plan to breathe life into this moribund steel complex has ignited hopes of a resurgent Nigerian steel industry¹¹.

The above steps are a clear indication of the administration's seriousness in utilizing Nigeria's abundant mineral resources to contribute significantly to the economic diversification and growth agenda of the current government.

¹¹ Ajaokuta Steel Complex outlives 16 presidents in its moribund state - [Businessday NG](#)



08 Energizing the Nigerian Mining Sector and Placing Nigeria on the Global Mining Map

Based on the mineral wealth of Nigeria, the country should naturally be a preferred mining destination for many multinationals. However, considering the myriads of challenges plaguing the sector as described in Section 1, the Country has not been very successful in attracting and retaining the much-needed foreign participation and/or investments.

Therefore, in addition to its continuing efforts to mitigate the identified domestic challenges and to improve the ease of doing business in Nigeria, the FGN (through the relevant ministries or key mining associations) should consider becoming a member of renowned international Mining organizations such as the Committee for Mineral Reserves International Reporting Standards (CRIRSCO), the Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development (IGF), and the International Council of Mining and Metals (ICMM) amongst others.

Membership and affiliations with such globally renowned mining organizations confer several benefits to Nigeria

and mining stakeholders, and has the potential to put the Country in a pole position to attract FDIs. Some of the other benefits include the following:

- validating the veracity and existence of acclaimed mineral deposits, especially of critical metals.
- earning and maintaining global trust by promoting high standards of reporting of identified mineral estimates.
- strengthening the social and environmental performance of the mining sector, in view of the increasing ESG-investment considerations.
- building recognition of the mining sector contribution to local communities and society at large.
- strengthening laws and policies to achieve short and long-term sustainable development goals.

Given the recent laudable strides and advancements recorded in the Nigerian mining sector, the country can maximize its potentials by sending positive signals of

readiness for business to the global community. Such signals are energized by certifications obtained from and / or membership of such organizations, which can strengthen investor confidence and make the country the preferred investment destination of mining majors.



Appendix 1

S/N	REGION	STATE	EL	ML	QL	OLS	SSML	MINERALS
1	South East	ABIA	2	2	14	14	19	Lead, Zinc, Kaolin, Granite, Sand, Clay, Graphite, Lead, Limestone, Tantalum, Tourmaline, Laterite, Zeolite, Iron Ore
2	North East	ADAMAWA	112	1	10	1	30	Bentonite, Clay, Coal, Gypsum, Limestone, Shale, Copper, Gold, Graphite, Quartz, Precious stones, Tourmaline (Others), Gemstone, Feldspar, Fluorspar/Fluorite, Lead, Lithium, Granite, Tin, Iron, Uranium, Kaolin, Wolframite, Beryl, Baryte, Cobalt, Manganese, Cassiterite, Columbite, Kunzite, Platinum, Mica, Nickel, Bismuth, Ilmenite, Tantalum, Niobium, Tourmaline (Blue), Monazite, Aquamarine, Sand, Zircon Sand, Dolomite, Iron Ore, Sapphire, Laterite, Basalt, Tourmaline Chalcopyrite
3	South South	AKWA-IBOM	8	0	4	2	29	Titanium, Iron-Ore, Lithium, Tourmaline (Blue), Graphite, Silica Sand, Clay, Kaolin, Laterite, Limestone, Sand, Glass Sand, Ilmenite, Tantalum, Gravel, Manganese, Quartz, Topaz
4	South East	ANAMBRA	2	0	5	2	53	Ilmenite, Monazite, Rutile, Zircon Sand, Kaolin, Clay, Granite, Sand, Laterite
5	North East	BAUCHI	253	16	31	28	109	Baryte, Corundum, Dolomite, Lead, Zinc, Gold, Tin, Columbite, Ilmenite, Zircon Sand, Lithium, Tourmaline (Others), Cassiterite, Copper, Fluorspar/Fluorite, Muscovite, Topaz, Bauxite, Beryl, Quartz, Tantalum, Monazite, Niobium, Kaolin, Limestone, Calcite, Amethyst, Marble Aggregates, Iron, Cerium, Molybdenum, Ammolite, Bentonite, Sapphire, Tourmaline (Blue), Iron Ore, Silver, Mica, Gemstone, Rutile, Feldspar, Coal, Kunzite, Clay, Aquamarine, Dolomite, Graphite, Manganese, Nickel, Wolframite, Tourmaline (Green), Sand, Aluminium, Arsenic, Ruby, Zircon, Laterite, Phosphate, Gypsum, Silica Sand
6	South South	BAYELSA	0	0	0	0	2	Sand
7	North Central	BENUE	123	14	7	1	59	Baryte, Copper, Galena, Lead, Silver, Zinc, Limestone, Clay, Coal, Fluorspar/Fluorite, Cerium, Lanthanum, Zircon Sand, Titanium, Gold, Ilmenite, Iron, Iron Sand, Gypsum, Lithium, Marble Aggregates, Laterite, Aluminium, Iron Ore, Tantalum, Tin, Tourmaline (Blue), Aquamarine, Rutile, Agate, Amethyst, Monazite, Beryl, Feldspar, Mica, Manganese, Kaolin, Sapphire, Columbite, Quartz, Cassiterite, Granite, Tourmaline (Others), Kunzite, Gravel, Sand
8	North East	BORNO	17	1	4	3	12	Amethyst, Beryl, Fluorspar/Fluorite, Copper, Lead, Lithium, Bentonite, Magnesite, Gypsum, Iron, Manganese, Limestone, Iron Ore, Feldspar, Tantalum, Sapphire, Tourmaline, Quartz, Monazite, Zircon Sand, Basalt, Clay, Granite, Gold, Sand, Zinc
9	South South	CROSS RIVER	146	5	18	14	87	Ilmenite, Copper, Galena, Lead, Silver, Zinc, Gold, Tantalum, Tin, Lithium, Iron Ore, Tourmaline, Amethyst, Beryl, Micah, Gemstone, Feldspar, Mica, Tourmaline (Blue), Manganese, Limestone, Marble Aggregates, Tourmaline (Others), Shale, Granite, Iron, Sand, Baryte, Aquamarine, Tourmaline (Red), Kunzite, Cassiterite, Niobium, Columbite, Topaz, Tantalite, Sapphire, Platinum, Diamond, Emerald, Cobalt, Dolomite, Pyrite, Calcite, Wolframite, Obsidian, Ruby, Sapphire, Rutile, Monazite, Quartzite, Marble Blocks
10	South South	DELTA	3	2	2	1	78	Coal, Kaolin, Sand, Sandstone, Laterite

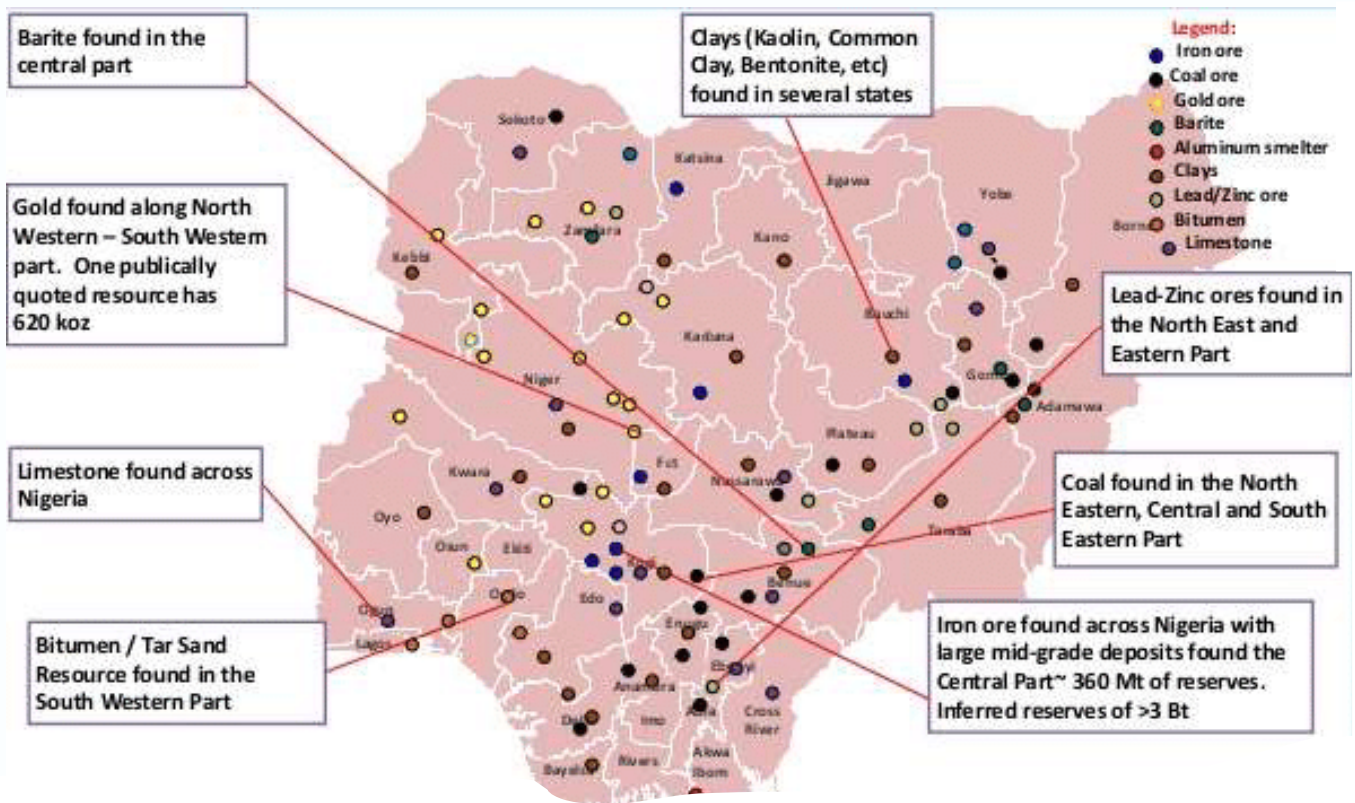
11	South East	EBONYI	49	12	28	21	44	Limestone, Lead, Zinc, Copper, Silver, Gypsum, Shale, Baryte, Iron Ore, Tantalum, Granite, Stone, Clay, Silica Sand, Iron, Marble, Marble Aggregates, Pyrite, Graphite, Lithium, Diorite, Dolomite
12	South South	EDO	56	13	55	15	84	Granite, Laterite, Limestone, Marble blocks, Kaolin, Feldspar, Clay, Marble Aggregates, Silica Sand, Coal, Bentonite, Gypsum, Aquamarine, Quartz, Gold, Iron Ore, Cassiterite, Dolomite, Copper, Lead, Zinc, Lithium, Manganese, Mica, Beryl, Tantalum, Columbite, Tourmaline (Blue), Bitumen/Tar Sand, Fluorspar/Fluorite, Talc, Tourmaline (Others), Baryte, Tourmaline (Green), Lignite, Iron, Sand, Gravel, Marble, Calcite
13	South West	EKITI	50	0	5	5	4	Gold, Bauxite, Beryl, Tourmaline, Gold, Tourmaline (Others), Baryte, Lithium, Tourmaline (Blue), Mica, Quartz, Gemstone, Amethyst, Cassiterite, Feldspar, Tantalum, Silver, Granite, Kaolin, Dolomite, Marble, Clay, Sand, Aquamarine
14	South East	ENUGU	31	12	1	2	21	Ilmenite, Monazite, Rutile, Zircon Sand, Limestone, Clay, Copper, Lead, Zinc, Coal, Kaolin, Iron Ore, Sand, Graphite, Shale, Tantalum, Granite, Iron, Laterite, Sandstone, Gravel, Marble Aggregates
15	North Central	FCT	77	17	51	24	39	Columbite, Gold, Marble Aggregates, Tantalum, Tin, Lead, Silver, Zinc, Copper, Beryte, Cassiterite, Lithium, Iron Ore, Amethyst, Aquamarine, Tourmaline (Blue), Ilmenite, Tantalite, Kunzite, Quartz, Tungsten, Niobium, Iron, Fluorspar/Fluorite, Beryl, Tourmaline (Others), Granite, Titanium, Sand, Dolomite, Clay, Wolframite
16	North East	GOMBE	46	9	6	0	27	Lead, Zinc, Iron Ore, Gemstone, Coal, Dolomite, Kaolin, Limestone, Clay, Shale, Gypsum, Fluorspar/Fluorite, Copper, Bentonite, Marble Blocks, Baryte, Iron, Calcite, Manganese, Graphite, Lithium, Gold, Cassiterite, Beryl, Dolomite, Zircon Sand, Sapphire, Granite, Quartz, Wolframite, Laterite, Mica, Sand, Talc, Agate, Kunzite, Tourmaline (Blue)
17	South East	IMO	0	1	0	1	32	Granite, Lead, Zinc, Sand, Gravel, Laterite, Gold, Amethyst, Ilmenite
18	North West	JIGAWA	9	0	5	9	15	Tantalum, Cassiterite, Columbite, Zircon Sand, Lithium, Beryl, Lead, Feldspar, Monazite, Zinc, Tourmaline (Others), Gold, Granite, Graphite, Sand, Ilmenite, Monazite, Tin, Laterite, Tourmaline (Blue), Crystal Quartz, Rutile, Iron Ore
19	North West	KADUNA	255	18	46	12	246	Beryl, Cassiterite, Columbite, Lithium, Tourmaline (Blue), Gold, Tantalum, Mica, Copper, Nickel, Silver, Gravel, Sand, Titanium, Cobalt, Garnet, Ilmenite, Zircon Sand, Vanadium, Iron, Amethyst, Emerald, Ruby, Sapphire, Tourmaline (Others), Graphite, Lead, Zinc, Manganese, Tin, Quartz, Platinum, Niobium, Aquamarine, Monazite, Iron Ore, Tourmaline, Kunzite, Tourmaline (Blue), Feldspar, Gemstone, Magnesite, Tungsten, Topaz, Molybdenum, Galena, Granite, Silica Sand, Kaolin, Clay, Laterite, Bismuth, Wolframite, Rutile, Quartzite
20	North West	KATSINA	31	1	10	6	33	Columbite, Gold, Manganese, Tourmaline (Others), Aquamarine, Beryl, Kaolin, Lithium, Iron, Copper, Cassiterite, Emerald, Tourmaline, Talc, Kunzite, Sand, Tourmaline (Blue), Monazite, Magnesite, Rutile, Zircon Sand, Amethyst, Ilmenite, Laterite, Granite, Quartz, Silica Sand, Chromium, Silver, Clay, Crystal Quartz, Garnet, Tin, Precious Stones, Mica, Feldspar, Tantalum
21	North West	KANO	58	4	52	15	158	Cassiterite, Columbite, Monazite, Zircon Sand, Lithium, Beryl, Lead, Zinc, Fluorspar/Fluorite, Mica, Gold, Lithium, Aquamarine, Tourmaline (Blue), Quartz, Tantalum, Iron Ore, Tin, Manganese, Tourmaline (Others), Copper, Precious Stones, Iron, Kaolin, Clay, Feldspar, Amethyst, Talc, Silica Sand, Tantalum, Tungsten, Wolframite, Graphite, Granite, Sand, Bauxite, Cobalt, Ilmenite, Gravel, Laterite, Tourmaline

22	North West	KEBBI	155	10	3	0	39	Columbite, Lead, Tin, Tourmaline (Others), Gold, Copper, Manganese, Zinc, Iron, Talc, Lithium, Limestone, Amethyst, Aquamarine, Beryl, Silver, Mica, Iron Ore, Quartz, Monazite, Kaolin, Silica Sand, Kunzite, Feldspar, Ilmenite, Apapite, Shale, Tourmaline (Blue), Garnet, Calcite, Tantalum, Fluorspar/Fluorite, Marble Aggregates, Sand, Topaz, Zircon Sand, Phosphate, Tourmaline (Green), Cassiterite, Bauxite, Magnesite, Clay, Granite, Aluminium
23	North Central	KOGI	370	65	24	13	106	Clay, Coal, Limestone, Kaolin, Lithium, Mica, Quartz, Feldspar, Laterite, Marble Aggregates, Silica Sand, Iron, Tantalum, Gold, Manganese, Iron Ore, Baryte, Beryl, Tourmaline (Blue), Kaolin, Columbite, Tin, Cassiterite, Tourmaline (Others), Aquamarine, Gypsum, Tourmaline (Red), Tourmaline, Bauxite, Tourmaline (Green), Tungsten, Gemstone, Granite, Sapphire, Kunzite, Cobalt, Niobium, Nickel, Zircon Sand, Amethyst, Silver, Dolomite, Graphite, Wolframite, Shale, Talc, Marble Blocks, Gravel, Sand, Anthracite, Apatite, Emeralds, Calcite
24	North Central	KWARA	390	18	17	9	97	Beryl, Fluorspar/Fluorite, Gold, Lithium, Tantalum, Tourmaline (Blue), Wolframite, Columbite, Feldspar, Mica, Tin, Cassiterite, Marble Aggregates, Beryl, Limestone, Dolomite, Gemstone, Quartz, Amethyst, Tourmaline (Green), Precious Stones, Aquamarine, Tantalite, Kaolin, Tourmaline (Others), Calcite, Kunzite, Marble, Baryte, Manganese, Tourmaline, Iron, Niobium, Cobalt, Nickel, Monazite, Clay, Talc, Garnet, Ruby, Shale, Copper, Lead, Zinc, Tungsten, Zircon Sand, Silver, Aluminium, Silica Sand, Platinum, Ilmenite, Topaz, Bismuth, Caesium, Emeralds, Iron Ore
25	South West	LAGOS	6	1	50	24	124	Bitumen/Tar Sand, Calcite, Clay, Feldspar, Gypsum, Kaolin, Kyanite, Limestone, Shale, Granite, Laterite, Sand
26	North Central	NASARAWA	392	21	30	13	143	Aquamarine, Cassiterite, Columbite, Gold, Lithium, Tourmaline (Others), Wolframite, Baryte, Copper, Gold, Lead, Tin, Titanium, Zinc, Limestone, Mica, Quartz, Marble Aggregates, Tantalum, Iron Ore, Kunzite, Niobium, Tourmaline (Blue), Iron, Beryl, Manganese, Monazite, Cobalt, Sapphire, Galena, Tourmaline (Green), Calcite, Feldspar, Gemstone, Amethyst, Fluorspar/Fluorite, Salt, Clay, Sand, Coal, Nickel, Silver, Marble, Kaolin, Construction, Graphite, Rutile, Metallic Minerals, Non-metallic Minerals, Rubidium, Dolomite, Marble Blocks, Tungsten, Granite, Chalcopyrite, Topaz, Bauxite, Ilmenite
27	North Central	NIGER	397	23	9	8	80	Beryl, Columbite, Gold, Lithium, Cassiterite, Tourmaline (Blue), Copper, Lead, Silver, Tungsten, Zinc, Tin, Gravel, Sand, Titanium, Garnet, Manganese, Tourmaline (Others), Tourmaline, Mica, Magnesite, Tantalum, Baryte, Quartz, Limestone, Amethyst, Aquamarine, Topaz, Zircon Sand, Marble Aggregates, Wolframite, Galena, Platinum, Kaolin, Emeralds, Bauxite, Kunzite, Monazite, Garnet, Quartzite, Nickel, Talc, Granite, Tourmaline (Green), Potash
28	South West	OGUN	112	23	49	15	171	Bitumen/Tar Sand, Calcite, Clay, Feldspar, Gypsum, Kaolin, Kyanite, Limestone, Shale, Laterite, Gold, Quartz, Beryl, Iron, Iron Ore, Copper, Columbite, Feldspar, Granite, Mica, Cobalt, Caesium, Cassiterite, Talc, Niobium, Bitumen, Sand, Amethyst, Platinum, Fluorspar/Fluorite, Aquamarine, Sandstone, Lithium, Tantalum, Kunzite, Nickel, Tourmaline (Green), Tourmaline (Blue), Tourmaline (Others), Rhyolite, Dolomite, Marble Aggregates, Garnet, Sharp Sand, Tantalite, Emeralds, Phosphate, Lead, Zinc
29	South West	ONDO	65	10	24	21	4	Baryte, Beryl, Clay, Gold, Mica, Tantalum, Tourmaline (Green), Bitumen/Tar Sand, Quartz, Gemstone, Amethyst, Tourmaline, Lithium, Kaolin, Columbite, Tourmaline (Blue), Silica Sand, Tantalum, Barite, Niobium, Copper, Sapphire, Limestone, Tourmaline (Others), Aquamarine, Marble Aggregates, Laterite, Sand, Granite

30	South West	OSUN	137	8	6	5	215	Mica, Quartz, Gemstone, Beryl, Tourmaline, Gold, Lithium, Bitumen/Tar Sand, Tantalum, Tourmaline (Blue), Feldspar, Talc, Tourmaline (Others), Manganese, Copper, Silver, Sapphire, Tourmaline (Red), Cobalt, Dolomite, Tourmaline, Tin, Aquamarine, Cassiterite, Emeralds, Shale, Nickel, Tourmaline (Green), Bitumen Sand, Granite, Amethyst, Kunzite, Columbite, Gravel, Sand
31	South West	OYO	215	14	37	9	82	Lithium, Gold, Cassiterite, Tourmaline, Tantalum, Columbite, Tin, Mica, Cobalt, Dolomite, Zinc, Silver, Iron, Copper, Tourmaline (Others), Aquamarine, Marble Blocks, Feldspar, Beryl, Tourmaline (Green), Kunzite, Chromium, Niobium, Graphite, Nickel, Wolframite, Kaolin, Tourmaline (Blue), Gemstone, Garnet, Caesium, Talc, Emeralds, Muscovite, Quartz, Granite, Clay, Coal, Rutile, Sand, Marble Aggregates, Ilmenite, Sand, Marble, Amethyst, Topaz, Sapphire
31	North Central	PLATEAU	201	15	9	4	92	Bauxite, Beryl, Cassiterite, Columbite, Quartz, Tantalum, Tourmaline (Others), Tin, Zircon Sand, Lead, Zinc, Calcite, Lithium, Gold, Feldspar, Tourmaline, Clay, Quartz, Aquamarine, Fluorspar/Fluorite, Beryl, Copper, Monazite, Manganese, Kunzite, Rutile, Titanium, Niobium, Topaz, Silver, Limestone, Emerald, Rutile, Wolframite, Sapphire, Laterite, Granite
32	South East	RIVERS	0	0	1	3	37	Sand, Quartz, Silica Sand, Laterite
33	North West	SOKOTO	43	5	0	1	7	Gold, Limestone, Lithium, Monazite, Kaoline, Manganese, Phosphate, Mica, Feldspar, Tourmaline (Blue), Beryl, Quartz, Copper, Graphite, Beryl, Gypsum, Iron, Iron Ore, Tantalum, Kunzite, Columbite, Lead, Zinc, Kyanite
34	North Eastern	TARABA	184	4	7	3	36	Baryte, Copper, Lead, Zinc, Gold, Columbite, Dolomite, Corundum, Fluorspar/Fluorite, Lithium, Tourmaline (Blue), Beryl, Sapphire, Quartz, Gemstone, Graphite, Feldspar, Marble Aggregates, Bentonite, Cerium, Molybdenum, Monazite, Silver, Iron Ore, Emeralds, Amethyst, Nickel, Niobium, Aquamarine, Cassiterite, Tantalum, Ilmenite, Cobalt, Calcite, Quartzite, Kunzite, Muscovite, Aquamarine, Kaoline, Wolframite, Galena, Manganese, Agate, Silica Sand, Tourmaline (Green), Granite, Iron, Bauxite, Barium, Tourmaline (Others)
35	North Eastern	YOBE	20	3	2	0	5	Gravel, Laterite, Sand, Granite, Diatomite, Iron Ore, Gypsum, Limestone, Magnesite, Phosphate, Ilmenite, Copper, Fluorspar/Fluorite, Columbite, Kaoline, Lithium, Tantalum, Tourmaline (Others), Maganese, Iron, Zinc, Silver, Gold, Lead
36	North Western	ZAMFARA	19	6	4	0	9	Copper, Gold, Manganese, Antimony, Lead, Zinc, Silver, Wolframite, Baryl, Feldspar, Mica, Tin, Granite, Sand, Fluorspar/Fluorite, Amethyst, Gemstone, Tourmaline, Lithium, Iron, Iron Ore, Baryte

Source: <https://www.miningcadastre.gov.ng/publication> (As at 2nd of May, 2024)

Appendix 2



Source: The Ministry of Solid Minerals Development (MSMD)

Appendix 3

Priority Minerals/Metals	
S/N	Name
1	Nigerian Investment Promotion Commission (if foreign shareholders are involved)
2	Federal Ministry of Interior/Nigerian Immigration Service (for business permits and expatriate quota approvals, if required)

Appendix 4

Timeline of key action items for executing the roadmap



Source: Roadmap for the growth and development of the Nigerian Mining Industry (2016)

Appendix 5

Requirements for Application for Mineral Titles

Mining Lease (ML)

Pre-grant conditions:

- Duly completed application forms
- Pre-Feasibility Report (with COMEG seal and signature)
- Prospective plan / reserve estimation
- Extant exploration licence
- Evidence of financial capability
- Evidence of technical competence
- Irrevocable consent from land owner(s) / land occupiers(s)
- Attestation of non-conviction of criminal offences under the Act
- Evidence of payment of processing fee
- Certified true copy of certificate of incorporation
- Mineral(s) to be exploited
- Area specified to be surveyed in accordance with provisions of Survey Co-ordination Act
- Notice to land owner(s) with a response on rate to be paid

Post-grant Conditions

- Environmental Impact assessment
- Community Development Agreement. A copy to be submitted to the MCO and all relevant departments in the Ministry
- Compensation
- Mine closure / rehabilitation plan
- Reports from state bodies

Quarry Lease / Small scale mining lease (QL / SSML)

Pre-grant conditions

The same conditions as ML will apply with the exception of the two below:

- Prospecting plan / reserve estimation
- Extant exploration licence

Post-grant conditions

See conditions under ML

Exploration Licence

Pre-grant conditions

In addition to the mining pre-grant conditions, there is a requirement to submit a detailed work program (with COMEG stamp signature)

Reconnaissance Permit

Pre-grant conditions

- Duly completed application forms
- Description of the work area and activities to be carried out
- Attestation of non-conviction of criminal offences
- Receipt of payment of processing fee
- Evidence of technical competence
- Evidence of financial capability

Contact us

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