



MINISTRY OF MINES AND STEEL DEVELOPMENT

2013 MINISTERIAL PLATFORM

MID-TERM REPORT FOR THE MINERALS AND METALS SECTOR

By

Arc. Musa Mohammed Sada, fnia, fnmgs, fnsme
Minister of Mines & Steel Development

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OUTLINE

- **Introduction**
- **Performance of the Sector**
- **Challenges**
- **Moving Forward : Sustainability and Growth**
- **Conclusion**



INTRODUCTION

- The Minerals and Sector houses all activities relating to the exploration, and exploitation / extraction of minerals and metals.
- Solid Mineral Resources is on the exclusive list of the Constitution and thereby controlled by the Federal Government.
- Nigeria is endowed with a variety of solid mineral / metal resources.
- These minerals and metals have been found to occur in more than 500 locations spread across the country.



Mineral Map of Nigeria showing more Than 44 mineral types occurring in more than 500 locations



Ministry of Mines and Steel Development

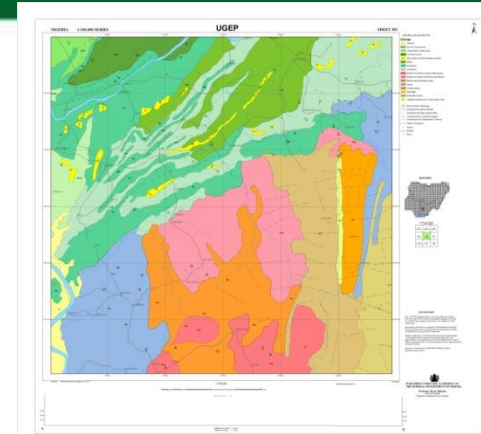


PERFORMANCE OF THE SECTOR

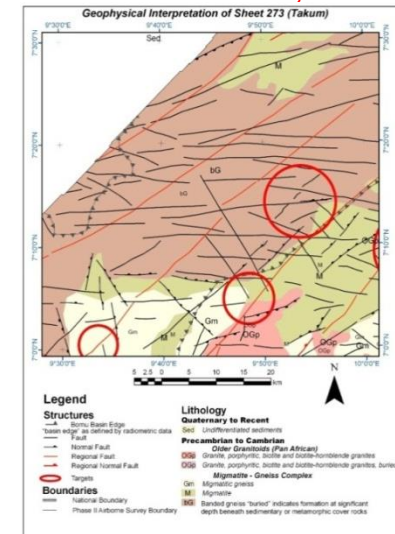
1. Despite certain serious challenges, the sector did fairly well, largely due to highly improved general awareness of the industry, both local and internationally, on the potentials for good returns in the sector
2. The awareness and subsequent private investment in the sector was largely due to certain critical activities undertaken by Government in the sector and these include:

A. Geosciences Data Generation Critical to Investment Decision

- Produced two data bases, 27 new geological maps on 1:100,000 scale to bring the total from 70 to 97 and 37 maps on 1:5,000 and 1:10,000 scale for iron ore, coal and ferro-alloy minerals”
- Completed airborne magnetic survey of the entire country and airborne radiometric survey of required areas
- Carried out geochemical mapping of four Global Reference Network Cells bringing the total of areas mapped to eight



Final Map of Ugep on a Scale 1:100,000



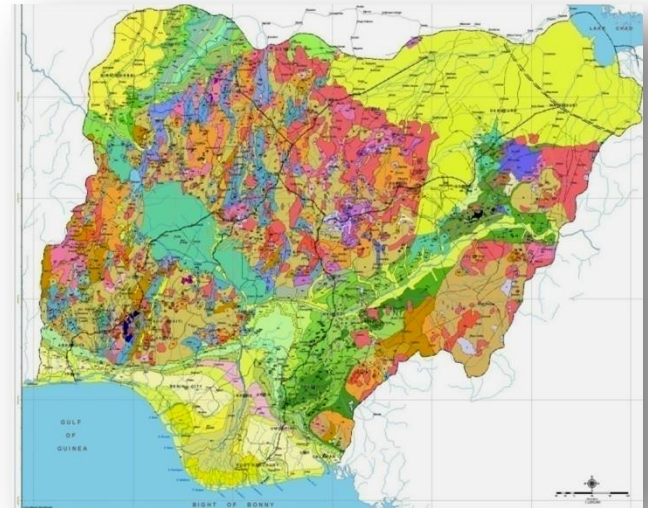
Interpreted Airborne Geophysical Map **2**



PERFORMANCE OF THE SECTOR

Geosciences Data Generation Critical to Investment Decision Contd

- Produced 2,385 interpreted airborne geophysical maps
- Mapped 37, 1:50,000 sheets made up of 31 sheets mapped in the NE-SE Axis Nigeria-Cameroon Mapping Programme and 6 sheets in the zonal mapping programme;
- Upgraded and equipped to world class status, the Geosciences Research Laboratories in Kaduna
- Discovered high grade iron ore resources assaying over 50% Fe in Gidan Jaja (Zamfara) Lamba (Bauchi), Gidan Buzu (Yobe), Jaruwa (Kaduna), Tama (Katsina), Ebiya and Agbado Okudu (Kogi State).
- Drilled 23 core holes aimed at generating reliable geosciences data on iron ore (Jaruwa), gold (Bishini) and coal (Lafia-Obi) as well as facilitated the drilling of over 500 core holes by the private sector in the course of their exploration activities



Geological Map of Nigeria



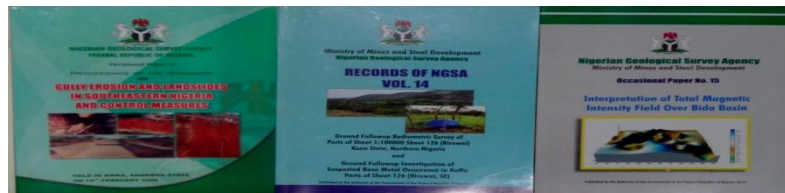
Ministry of Mines and Steel Development



PERFORMANCE OF THE SECTOR

Geosciences Data Generation Critical to Investment Decision Contd

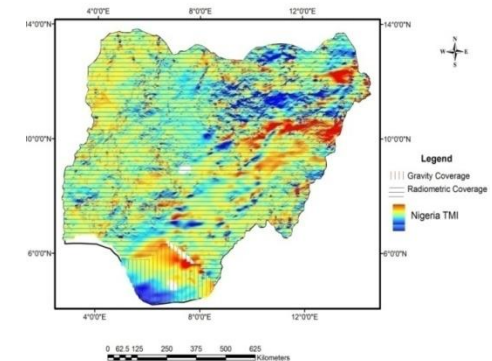
- Disseminated of 1073 geological maps and geophysical data sheets
- Produced 4 1: 250,000 Sheets namely: 21 (Zaria), 43 (Abuja), 51(Lafiaji) and 62 (Akure)
- Signed MoU with FUGRO for the use of their portal to disseminate geosciences data online
- Published of:
 - Bulletin 46 – Geology around Lafiagi, Kwara State
 - NGSA Occasional Paper Nos. 15 & 16; and
 - Four (4) volumes (Nos. 11, 12, 13 and 14) of Scientific papers.



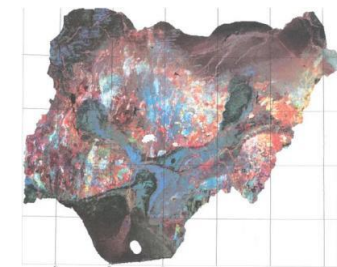
Some Publications of the NGSA



Plane capturing SGS Data



Total Magnetic Intensity Map















































Radiometric Ternary Image



PERFORMANCE OF THE SECTOR

B. Mineral Finds and Development

NIGERIA'S 44 MINERALS

 Barites	 Gypsum	 Kaolin	 Talc	 Diatomite	 Silica sand	 Bentonite	 Limestone
 Mica	 Phosphate Rock	 Clay	 Marble	 Magnesite	 Feldspar	 Kyanite	 Flourite
 Rutile	 Wolframite	 Bismuth	 Argentite	 Molybdenite	 Ilmenite	 Lithium	 Sillimanite
 Cassiterite	 Gold	 Coal	 Bitumen	 Gemstones	 Chromite	 Sperrylite	 Uraninite
 Galena	 Sphalerite	 Manganese	 Tantalite	 Columbite	 Iron ore	 Vanadinite	 Cobaltite
				 Chalcopyrite	 Rare earth metal (Lanthanum)	 Pentlandite	 Stibnite

Legend:



Industrial Minerals



World Class Minerals



Newly Discovered Minerals



Low World Demand















































PERFORMANCE OF THE SECTOR

Mineral Finds and Development Contd

- Ten additional minerals discovered bringing the total to 44
- Sallimanite for the production of refractories and spark plugs
- Chromite, Cobaltite, Vanadinite and Stibnite are sources of elements essential for alloy steel production
- Chalcopyrite (Copper), Lanthanum, Pentlandite (Platinum) are specialty minerals with high global demand
- Uraninite (Uranium) – Energy Mineral

NIGERIA'S 44 MINERALS

 Barites	 Gypsum	 Kaolin	 Talc	 Diatomite	 Silica sand	 Bentonite	 Limestone
 Mica	 Phosphate Rock	 Clay	 Marble	 Magnesite	 Feldspar	 Kyanite	 Flourite
 Rutile	 Wolframite	 Bismuth	 Argentite	 Molybdenite	 Ilmenite	 Lithium	 Sillimanite
 Cassiterite	 Gold	 Coal	 Bitumen	 Gemstones	 Chromite	 Sperrylite	 Uraninite
 Galena	 Sphalerite	 Manganese	 Tantalite	 Columbite	 Iron ore	 Vanadinite	 Cobaltite
				 Chalcopyrite	 Rare earth metal (Lanthanum)	 Pentlandite	 Stibnite

Legend:

- Industrial Minerals
- World Class Minerals
- Newly Discovered Minerals
- Low World Demand



PERFORMANCE OF THE SECTOR

Mineral Finds and Development Contd

- Nigerian minerals classified into:
 - Industrial Minerals (Limestone, Gypsum, Kaolin, Feldspar, Clay, etc) targeted for development through One Local Government One Mineral Commodity Programme to produce mineral raw materials needed by local manufacturing companies (manufacturers of Cement, Paint, Soap/detergent etc)
 - World Class Minerals (Gold, Lead-zinc ores, Chalcopyrite, Rare Earth Metals, etc) having very high global demand and targeted for development for export to earn foreign exchange
 - World Class Minerals but classified as strategic for Nigeria's industrial development such as coal and iron ore respectively needed for coal to power programme and steel development
- Evaluation programmes have been developed for identified mineral resources aimed at generating geosciences data needed to make them attractive to investors

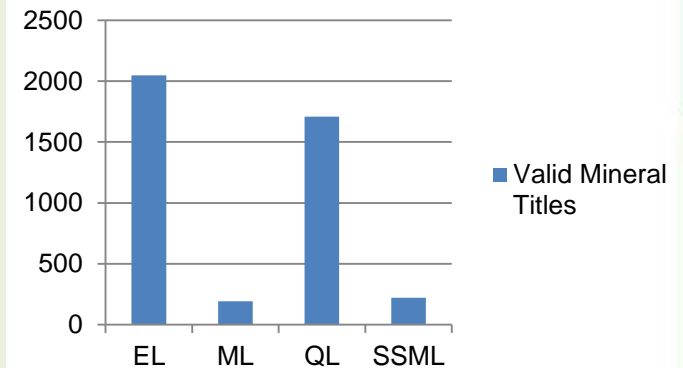


PERFORMANCE OF THE SECTOR

C. Enforcing Compliance with Provisions of NMMA, 2007 and its Regulations

- Established Mining Cadastre Office (MCO) as an autonomous agency to administer and manage mineral titles in line with international best practices
- Computerized the processes and procedures of granting mineral titles
- Using the “Use it or lose it” principle of Title Administration, the previous over 10,000 dormant and inactive titles were cleaned up into active and productive mineral rights
- Granted 3007 active mineral titles during the period under review
- Revoked all non-performing mineral titles resulting in:
 - Increased revenue generation as shown by the recent NEITI Audit thus creating more jobs; and
 - Increased activities by Mineral Title Owners .

Valid Mineral Titles



Hon. Minister on Monitoring Visit to a Quarry Site



PERFORMANCE OF THE SECTOR

Enforcing Compliance with Provisions of NMMA, 2007 and its Regulations Contd

- Upgraded MCO's SIGTIM Operational System
- Facilitated the maiden field Monitoring and Evaluation of Mining and Quarrying operations in the North Central zone by COMEG
- Conducted and reviewed 70 Mines Environmental Impact Assessment Studies
- Carried out 168 Mines Environment Audit Review and Compliance Monitoring in Mines and Quarries
- Established one Mines Environmental Analytical Laboratory for use in determining level of environmental pollution in Mine Sites.
- Facilitated the signing of 18 Community Development Agreements (CDAs) thus creating Social Licences for Stress Free Mining Operations
- Carried out one (1) Baseline Studies on Mercury, Lead and other metals contaminated sites in Zamfara State

Mines Environmental Compliance Laboratory, Abuja



**SIGNING OF CDA
(ENYIGBA COMMUNITY)**



PERFORMANCE OF THE SECTOR

Enforcing Compliance with Provisions of NMMA, 2007 and its Regulations Contd

- Reclaimed two high risk abandoned mines in Kuba B/Ladi areas of Plateau State
- Reactivated States Mineral Resources and Environmental Management Committees (MIREMCO) in Bauchi, Gombe, Cross Rivers, Ogun, Kano and Ebonyi States
- Registered 25 Private Mineral Buying Centres
- Formalized additional 595 ASM Cooperatives bringing the total to 845
- Carried out Baseline Study on Child Labour issues in ASM operations and has been established as a continuous ASM Programme
- Provided Extension Services to performing ASM Cooperatives aimed at sanitising the activities of artisanal miners

Abaomege MPCS – Micro Grant Beneficiary



Training on how to prepare platform for Horizontal Drilling of Dimension Stone Blocks



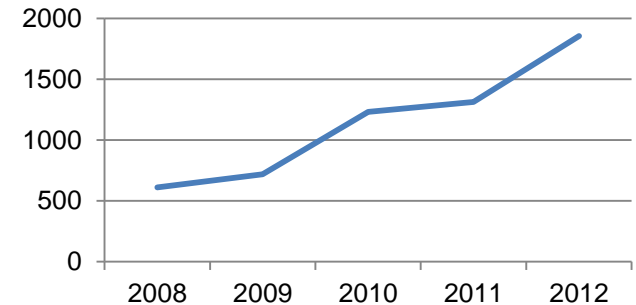
PERFORMANCE OF THE SECTOR

D. Mineral Production , Revenue & Employment Generation

- Facilitated the establishment of 1154 new quarries bringing the total quarries to 1,710 and 127 small scale mines bringing the total to 223 small scale mines in several locations around the country thus creating jobs and revenues to Government
- Recorded an increase in revenue generation resulting in increased contribution to the Federation Account
- Completed the development of the Pilot Programme of the One Local Government One Mineral Commodity programme in collaboration with the Ministry of Trade and Investment targeted at creating at least 150,000 direct jobs and many other indirect jobs.
- Established the National Dimension Stone Material Testing Laboratory in Kaduna.

A. Revenue generation trend from royalties

B. Active revenue block from fees and taxes (N1m royalties gave rise to N15m taxes)



Royalties are set low to encourage investment resulting in higher productivity and taxes



D/S Material Testing Lab, Kaduna



Quarrying and Crushing Operations



PERFORMANCE OF THE SECTOR

Mineral Production , Revenue & Employment Generation Contd

- Inaugurated the Board of Solid Minerals Development Fund (SMDF) in line with the provisions of the Nigerian Minerals and Mining Act, 2007 and already working with the support of the World Bank to get some Development Partners to support its activities.
- CIDA, AusAid, IM4D, DFID and China Ministry of Land and Resources are offering various supports to the sector through the SMDF
- Facilitated the production of about 60.54million tonnes of mineral products comprising:
 - Industrial Minerals - 58.41million tonnes
 - Metallic Minerals - 0.84million tonnes
 - Precious / semi- precious stone /minerals (Tourmaline, Amethyst, D/Stone, etc) - 0.99million tonnes*
 - Carbonaceous Minerals – 0.3million tonnes



Hon. Minister of Mines on Working visits to coal mines (Maiganga and Eta-Zuma)

opment





PERFORMANCE OF THE SECTOR

E. Capacity Building

- Carried out eight (8) Training programmes for NGSA staff in geosciences data generation, presentation, evaluation and interpretation.
- Trained 925 staff of the ministry and agencies in various fields
- Trained 40 Ex-Niger Delta militants at Metallurgical Training Institute (MTI), Onitsha in various metallurgical Plants' Maintenance and Operations Skills
- Commenced full enforcement of the Technical Competent requirement for mineral title application resulting in tremendous increase in the number of professionals applying for registration with COMEG
- Developed a professional e-library for use by registered members
- Produced an ASM Handbook and a Training Manual for use by extension officers to train ASM operators



Gemstones Awareness Training Session



Training on Gemstone Faceting



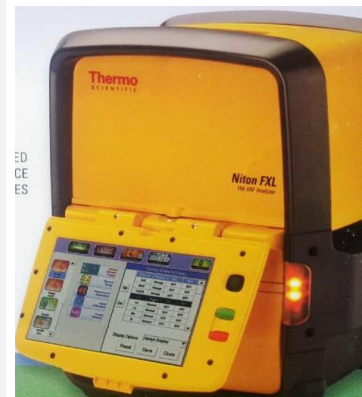
PERFORMANCE OF THE SECTOR

Capacity Building Contd

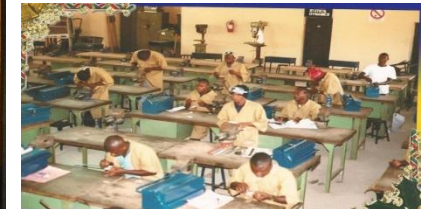
- Completed a Laboratory in NIMG's Permanent Site
- Established a Mechatronic Section following the installation of Mechatronic equipment at NMTI, Onitsha
- Trained the first batch of 34 NIMG students in practical oriented programmes comprising Post Graduate Diplomas in Mineral Exploration, Mining Engineering, and Minerals Engineering. Second batch of 22 students in session.
- Introduced two new short term courses (Special Welding and Mechatronics) at NMTI, Onitsha bringing the total of short term courses run at the institute to ten (10)



New Mechatronic Section



Niton XRF Analyser



Amnesty Trainees in the Fitting Shop



PERFORMANCE OF THE SECTOR

Capacity Building

- Fabricated small-scale multi-gravity separator for Artisanal and Small-Scale Miners at NIMG.
- Fabricated iGOLI equipment for mercury-free extraction of gold by Artisanal and Small Scale Miners in NIMG, Jos. (An attempt towards controlling the lead poisoning in Zamfara State.
- Facilitated the registration and induction of 717 Professional Members by COMEG bringing the total of registered Professionals to 1689.
- Facilitated the establishment of Professional Training Programmes by COMEG resulting in the training of 140 Professional Members



Multigravity Separator



iGOLI Equipment



Hon. Minister of Mines Addressing participants during COMEG's Professional Training Programme 16



**Mr. President
commissioning
700,00tpa WEMPCO's
Cold Steel Rolling Mill**

**Spiral Concentrators in
Gravity Separation Section
of NIOMCO Beneficiation
Plant**

Industries, Iron, and

- Construction of 150,000 tpa Rolling Mill at Abuja by African Foundries



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Hon. Minister of Mines inspecting Steel Billets produced for export at African Foundries



Rehabilitated Bergeaud Plant

- MOU being developed with ZSM/MZV for the operation of Wire Rod Mill and Engineering Workshops of ASCL

SECTOR



ASCL Machine and Tools Shop



PERFORMANCE OF THE SECTOR

Increased Steel Production

- Attained 90% increase in steel production
- Developments in steel production of niobium and phosphorus and cast components
- Facilitated the production of steel castings through the use of ladles, thereby saving cost and exchange
- Facilitated the production of mineral resources
- Facilitated the production of Process equipment
- A small scale plant for the production of and
- A calcination and hydration lime pilot plant for hydrated lime production amongst others.



Characterization of Mineral Resources using Differential Thermal Analyzer at NMDC, Jos

Calcination and Hydrated Lime Pilot

Plant at NMDC, Jos



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Hon. Minister at the Nigerian Boot in PDAC 2012, Canada

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Minerals and Metals
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Mining Investors in Nigeria

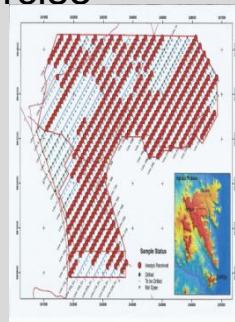
(KCM Mining) (Energio Limited) Kogi Iron

- Operating in Agbaja, Kogi State,
- Owns Exploration Licences covering Iron ore
- Declared at the Australian Stock Exchange the establishment of about 500million tonnes of Iron Ore JORC Compliance Inferred Reserves arising from a drilling exercise on 10% of their Tenement
- Currently carrying out process tests & planning for more drilling exercise



'A'

'A': Drilling Ops at Agbaja
'B': Exploration Core Hole Grids



'B'

Australian Mines Ltd

- Owns exploration licences in Zamfara and Niger States covering gold
- Carried out :
 - Geochemical survey to determine gold mineralized areas,
 - High resolution Airborne Geophysical Survey to map out gold bearing rocks and their orientation
- currently drilling to confirm gold occurrence in mapped geological structures



Diamond Core Drilling Operations at Yargarma Tenement



Mining Investors in Nigeria

Dangote Cement PLC

- Dangote Cement PLC engages in cement production using locally sourced mineral raw materials
- The company holds several mining titles covering limestone, coal, gypsum, located in Ibese in Ogun State, Obajana in Kogi State, Gboko in Benue State and in Akko LGA in Gombe State
- Limestone quarrying using environmentally friendly methods is its major mining activity at the moment



**Limestone Quarrying at
Ibese Quarry**



**Dangote Cement
Factory at Ibese**

Tropical Mines Limited

- Holder mining title covering gold in the Iperindo area of the Ilesha Schist belt of Osun State.
- The Tenement is operated as Segilola Gold Project in partnership with Segilola Gold Ltd and Ratel as Technical Partners and operator
- A JORC compliant gold reserve of 800,000oz of gold has so far been declared for the tenement
- The operations of the company are currently facing JV issues
- MMSD is facilitating the resolution of disagreement with gold production likely to start by early next year



Gold in Quartz Vein



Mining Investors in Nigeria

Savannah Mining Limited

- Holds mining licences covering gold in Yauri, B/Gwari, Minna and K/Namoda
- Carried out Regional Geochemical survey on all titles
- Completed 3000m diamond core drilling in Yauri
- Yauri tenement estimated to contain about 1.42million ounces of gold
- Other areas are billed to be drilled in 2013
- Already in the process of registering with Nigerian Stock Exchange (NSE)



Savannah Drilling in Yauri



Core Sample
Containing gold

Multiverse PLC (Quoted in NSE)

- Multiverse PLC is an indigenous company engaged in the production of stone aggregates, lead-zinc ores and baryte products
- The company is listed on the Nigerian Stock Exchange with over 4000 shareholders
- The company has mining / Quarry leases in Oloparun and Alagunta in Ogun State, Shape Village, Apo, in the FCT and Abuni and Azara in Nasarawa State.



Multiverse
Operations





Mining Investors in Nigeria

Royal Salt Limited

- Royal Salt Limited is an Indian based company that holds mineral titles covering lead, zinc and salt in Ebonyi State
- It has Completed 22,000m diamond core drilling at Enyigba, Ameri, Ameka and Amana mineralization zones using CS-14 Atlas Copco Rigs for the purpose of producing samples for test work.
- The firm has also completed mine and process plant design in preparation for the commencement of mine development and exploitation.



Diamond core drilling in progress



Laying of Baseline Survey Points



Core Samples

CGC Nigeria Limited

- CGC Nig. Ltd is a Chinese company that engages in Construction, Civil Engineering, Agriculture, Real Estate and Mining;
- The company holds several exploration licences in Kebbi, Adamawa, Kano, Taraba, Bauchi and Gombe States.
- Licences in Kebbi State have been mapped by a team of Chinese and Nigerian Professionals using Geophysical methods to locate ore bodies
- Phase I of the exploration activity has identified target drilling sites scheduled to commence 2nd Qtr of 2013
- Phase II is on-going in Adamawa, Kano, Taraba, Bauchi and Gombe States.



Exploration Activities in Progress





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Mining Investors in Nigeria

Greenfield Metals Limited

- Greenfield Metals Ltd is a Nigerian firm that plans to mine lead –zinc ore from their tenement area in Ebonyi State
- The firm is in joint partnership with a Chinese firm –Fujian Sannong Calcium Carbonate Ltd
- The company has so far established a mineral reserve of one million tonnes of lead-zinc ore
- Mine development activities towards developing an underground mine has commenced
- The firm has also signed a Community Development Agreement with its host community for the purpose of securing the social license to operate sustainably

Photo Speaks



MD with Chinese Govt and Company Reps



In a handshake after signing Agreement



Tunnel under construction



Rail line into the tunnel under construction



Technical Partners with Community Reps



Lead-Zinc Ore



Mining Investors in Nigeria

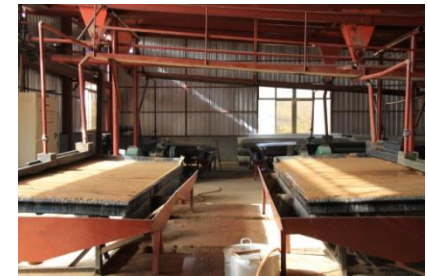
Tongyi Allied Mining Ltd

- Tongyi Allied Mining Ltd is a Chinese company that has interest in mining of gold, lead-zinc ores and cassiterite.
- The company was recently granted mining leases to mine cassiterite, lead and zinc ore in Bauchi and Plateau State.
- Development works on these sites have reached advanced stage with commencement of production scheduled for 2nd Qtr 2013.

Pictures Speak



Process Plant



Process Equipment



Mine Equipment



Haulage Trucks



Mining Investors in Nigeria

Zuma 828 Coal Ltd

- Zuma 828 Coal Ltd engages in the exploration and mining of coal
- The company holds mining leases covering coal in Okobo area of Kogi State
- Zuma 828 has started Mining, crushing and sale of coal to Cement companies in Nigeria for heating kilns in cement production plants
- Zuma is one of the two mines in Nigeria producing coal



**Mining and
Crushing
Operations
at Okobo
Mine**



Julius Berger

- A German company that engages in construction activities
- The company holds several quarry leases spread across the nation predominantly for the production of stone aggregates for use in roads, bridges and other construction works
- The company also carries out sand dredging in Nigerian inland water ways as well as produces dimension stones



Julius Berger Crushing Operations



SOME MAJOR MINING COMPANIES OPERATING IN NIGERIA

S/No	Name of Firm	Country of Origin	Mineral	Nature of Operations
1.	Dangote Cement Plc	NIG	Limestone, Clay	Quarrying
2.	Tropical Mines Ltd / Ratel	AUST	Gold	Exploration
3.	Savannah Gold	NIG/AUST	Gold	Exploration
4.	CGC Nig Ltd	CHINA	Gold	Exploration
5.	Erin Mineral Resources	AUST	Gold	Exploration
6.	Kenlyn Global Resources	JAP	Manganese	Exploration
7.	Energio Ltd	AUST	Iron Ore	Exploration
8	Australian Mines Ltd	AUST	Gold	Exploration
9	Zuma 828 Coal Ltd	NIG/UKR	Coal, Gold	Exploration & Mining
10	Ashaka / Lafarge	FR/ NIG	Limestone, Coal	Quarrying / Mining



SOME MAJOR MINING COMPANIES OPERATING IN NIGERIA

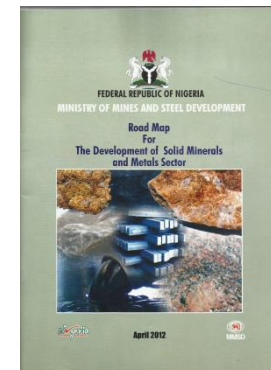
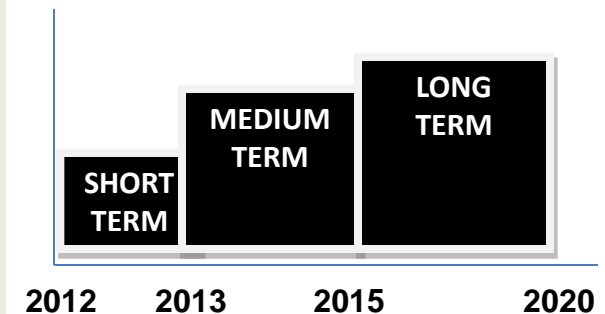
S/No	Name of Firm	Country	Mineral	Nature of Operations
11.	Royal Salt	INDIA	Lead / Zinc ore	Mine and Process Plant Development
12.	Multiverse Plc	NG	Lead / Zinc Ore	Quarrying/ Mining
13.	Tongyi Allied Mining Co Ltd	CH	Cassiterite, Columbite	Exploration and Mining
14.	Earthstone Resources	INDIA	Iron Ore	Exploration / Mining
15.	West African Ceramics Ltd	INDIA	Clay, Quartz	Quarrying
16.	Julius Berger Nig Ltd	NIG/GER	Granite	Quarrying
17.	Crushed Rock Industries	GER	Granite	Quarrying
18.	WAPCO/Lafarge	NIG/FR	Limestone, Clay	Quarrying
19.	ISS-HASS	NIG/CH	Gold	Exploration



PERFORMANCE OF THE SECTOR

H. Development of Roadmap for the Development of the Minerals and Metals Sector

- Developed a roadmap for the development of the sector based on the following policy thrust- Value addition, Import Substitution, Substantial job creation, Promotion of Modern Mining Practices, Natural Resources Conservation, Visibility of Private Sector, etc.
- The roadmap is phased into:
 - **The Short Term Programmes** - Activities that will strengthen sector reforms aimed at making Nigeria a preferred destination for mining investment capital such as generating credible geosciences data and formalization of ASM operators
 - **The Medium Term programmes** - Activities that will further increase mineral production in the country through effective exploitation of mineral resources found in almost all the LGAs of the federation
 - **The Long Term Programmes** - Activities that will enthrone large scale mining operations in the country such as delineating world class mineralized blocks for concessioning to investors amongst others





MAJOR RECORDED SUCCESSES

Milestone	Remarks
Limestone to Cement	Approaching self sufficiency in cement production using 100% mineral raw materials produced locally
Clay to Ceramic Products	Several Ceramic manufacturing companies established using local mineral raw materials
Raw Gemstones to cut and polished products	Greater volume of gemstone being exported in cut and polished form
Dimension Stone Production	Dimension Stone Testing Laboratory established
Enhanced Steel Production by Private Investors	Large number of Steel plants established with export of steel products already commenced
Exploitation of copper ore	Exploitation of copper ore commenced. It was not an identified mineral



MAJOR RECORDED SUCCESSES Contd

Milestone	Remarks
Massive production of construction material	Quarrying activities for construction material established in all the states of the federation
Contribution of revenue to the Federation Account	The Sector has once again commenced contribution into the federation account
Implementation of the Nigerian Minerals and Mining Act, 2007	Development of the Nigerian Minerals and Mining Regulations, 2011 facilitated the use of the internationally acclaimed NMMA, 2007 Act
Local Coal Production	Two coal mines producing coal



CHALLENGES

- Inadequate Funding of the sector
- Low level of geosciences information for investment
- Inadequate mine site infrastructure
- Inadequate skilled manpower
- Lack of adequate mines special purpose surveillance equipment for field work and revenue collection / monitoring.
- Illegal Mining activities and smuggling of minerals.
- Lack of legal and regulatory framework for the steel sector
- Insecurity in the minesfield and infiltration by illegal aliens
- Conclusion of phase I of the World Bank assisted Sustainable Management of Mineral Resources Project which anticipated a phase II that did not take place



GOING FORWARD FOR THE MINERALS AND METALS SECTOR

The strength, weakness, opportunities and threats for the solid minerals sub-sector are as shown below.

STRENGTH

- *Excellent Geology
- *World standard regulatory framework
- *Good sector specific incentives
- *Availability of mineral resources for industrial development;
- *Large pool of unemployed graduates that can be given skills to be employed in the sector;
- *Available labour

OPPORTUNITIES

- *Ever growing domestic market.
- *Access to neighbouring West Africa markets.
- *Import Substitution
- *World demand for available minerals
- *Endless value chain

WEAKNESS

- *Low level of geosciences information for investment
- *High level of informal mining activities
- *Lack of adequate capacity to effectively monitor mining operators
- *High insecurity in mining areas
- *High cost of funds.
- *Inadequate Infrastructure.
- *Difficulties of accessing investment funds

THREATS

- *Dumping by foreign manufacturing companies;
- *Cheap imports from other countries
- *Smuggling of high value-low volume minerals
- *The disposition of developed world on the industrialization of developing countries



GOING FORWARD: Sustainability and Growth

Strategies for Developing the Minerals and Metals Sector

- Seek to have improved funding for the solid minerals and Steel Sector via the Natural Resources Development Fund, Solid Minerals Development Fund, Steel Development Fund and improved budget allocation to facilitate the implementation of the sector's roadmap as endorsed by Mr. President.
- Continue with the generation of basic geosciences data being carried out by the Nigeria Geological Survey Agency such as the production of 1:100,000 Scale Geological Maps, Geochemical survey, etc to make the sector competitive enough to attract large scale mining operators
- Ground follow up of anomalous areas identified by airborne geophysical survey to confirm mineral occurrence and produce credible geosciences data
- Mineral Reserve Estimation of strategic mineral resources aimed at delineating mineral resource areas for concessioning to investors
- Strengthening the Inspectorate arm of the ministry to enable it improve on revenue collection as well as mines field inspection aimed at ensuring compliance with the laws and regulations governing mining operations.



GOING FORWARD: Sustainability and Growth **Strategies for Developing the Minerals and Metals Sector**

- Strengthening of the Technical Departments of the ministry through capacity building and provision of necessary equipment / funding required to effectively monitor and enforce compliance with all provisions of NMMA, 2007 in line with vision 20:2020 mandates.
- Improve infrastructural support facilities for the sector through collaboration with other MDAs.
- Support Nigerian Institute of Mining and Geosciences in areas of Research and Development
- Facilitating Joint Venture Partnership for developing delineated mineral resource areas amongst others
- Promote the development of industrial minerals for downstream industries through the proposed One Local Government Area One Mineral Commodity programme (OLGAOMIC)
- Continue to explore for iron ore deposits and other steel making minerals raw material for local steel production.



GOING FORWARD: Sustainability and Growth

Strategies for Developing the Minerals and Metals Sector

- Explore for Bauxite in Taraba and Ekiti States to facilitate the sourcing of aluminum production raw material locally.
- Sustain investment promotion of the Minerals and metals potentials of the country
- Mobilize and encourage States and Local Government areas to take special interest and participate actively in OLGAOMIC Programme.
- Facilitate the operationalization of completed units of ASCL and NIOMCO through PPP
- Continue to support private steel producing companies in their quest for increased local production of steel as well as catalyze, in collaboration with BPE, the operationalization of privatized steel companies
- Develop a framework for the exploration and exploitation of local Uranium resources



STRONG POINT OF NOTE

- One very important point to note on the Minerals and Minerals Sector is that results take a while and it requires large scale funding for longer periods.
- However, Government can accelerate growth by:
 - Ensuring availability of quality and reliable geosciences data
 - Providing basic mine site infrastructure
 - Ensuring right investment atmosphere and fiscal policy



CONCLUSION

- Foundation for the development of the sector has been laid
 - ✓ Legal and Regulatory framework
 - ✓ Mineral title administration
 - ✓ Generation of Basic geosciences data
 - ✓ Minerals and Metals Institutions for Human Capital Development
 - ✓ Good Bilateral Partnership with other Foreign Governments and Development Partners



CONCLUSION (cont'd)

■ Responses

- ✓ Improved awareness of Nigeria's solid minerals opportunities
- ✓ Exploration by foreign companies on-going for Gold, Iron-ore, lead-zinc ore, manganese amongst others.
- ✓ Artisanal miners substantially responding to the Extension Services provided by the ministry.
- ✓ Mining Cadastre Office operating successfully as an agency in line with NMMA, 2007 and Global Best Practice.
- ✓ Geological data available in digital formats



CONCLUSION (cont'd)

- Capacity of the Sector
 - ✓ High capacity for job creation
 - ✓ Over 2m artisanal miners operating through cooperative societies.
 - ✓ Catalyst to industrial growth by providing raw material inputs
 - ✓ Improved capacity of privately owned steel operators through contact and ministry's professional support
 - ✓ High capacity for import substitution
 - ✓ Improved revenue generation
 - ✓ Improved contribution to GDP



THANK YOU FOR YOUR ATTENTION