

**KEYNOTE ADDRESS BY ARC. MUSA MOHAMMED SADA, *fnia*,
HONOURABLE MINISTER OF MINES AND STEEL DEVELOPMENT,
ON THE OCCASION OF THE OFFICIAL COMMISSIONING OF
THE NIGERIA MINING CADASTRE OFFICE COMPLEX, ABUJA,
TUESDAY, MAY 17, 2011**

Protocol,

I am highly delighted to address you this morning on the occasion of the commissioning of the headquarter complex of the Nigeria Mining Cadastre Office. This event marks another milestone in our quest to build a vibrant mining sector that will significantly contribute to the nation's GDP and also alleviate poverty amongst our citizens.

The establishment of a well-organized, uniform and interactive cadastral system has in fact been a priority objective of the mineral development policy of government. A reliable and transparent mining cadastre system represents an essential component for the promotion of investments in the minerals sector as it provides the technical security for mining titles tenure. Let me emphasize that no serious investor comes to a country with an opaque licensing system.

Prior to the mining reforms in 2005, the Nigerian mining cadastre system was poorly organized with an arbitrary licensing system. The Mining Cadastre Office generally manifested the following unfortunate features:

- i) accurate and representative statistical data about the status of cadastral information were lacking; and there was no access to reliable and representative information about the licensing situation in the country;
- ii) there was a significant backlog of pending applications and several dormant mining titles which were largely not compliant with the legal dispositions at the time;
- iii) the geodetic triangulation network of Nigeria was not satisfactory for mining cadastre purposes; and
- iv) there existed gaps in the available topographic map sheets, hindering the graphical positioning of the mining titles.

With this situation, it then became very imperative to quickly set in motion the processes that could lead to the transformation of the Nigerian mining cadastre system. With

the assistance of the World Bank and Nigerian experts, the following strategic plan was adopted:

- i) Re-organization of the Mining Cadastre Office; in Abuja;
- ii) Re-definition of the functions and establishment of the working procedures of the mining cadastre, including interaction between cadastral zonal offices and the central cadastre in Abuja.
- iii) design of the mining cadastre system, a modern computerized system for the administration of mining titles, including the supply of hardware, software, and the programming of the system;
- iv) Computerization of the work procedure of the mining cadastre in accordance with the provisions of the law including the digitization of the actual analogical information;
- v) Training of the staff of the Mining Cadastre Office in technical and legal aspects of mining titles administration as well as the operation of the mining cadastre system; and
- vi) Strengthening of the technical capacity of the mining cadastres in terms of provision of

computers, digital topographical sheets and office equipment.

Distinguished ladies and gentlemen, at this point, I deeply appreciate the efforts of many of our predecessors in building a modern cadastre system in Nigeria.

The reformed Nigeria Mining Cadastre System derives its strength from the Minerals and Mining Act, 2007 with the following features characterizing the operations of title administration:

- i) Access to minerals titles, open to all investors on a level and equitable playing field; and on first come, first served basis;
- ii) Guaranteed security of mineral rights;
- iii) The application of “use it or lose it” principle in mineral title administration;
- iv) Provision for sound environmental controls and Community Development Agreements;
- v) Involvement of other stakeholders through the creation of State Minerals Resources and

Environmental Management Committees to facilitate access to land; and

- vi) Introduction and compliance of minimum work programme.

In compliance with Section 5(1) of the Minerals and Mining Act, 2007, the Mining Cadastre Office with the responsibility for the administration of mineral titles and the maintenance of cadastre registers has been established and a Director-General has also been appointed.

Also, as stipulated in the Act, a Central Mining Cadastre Office with exclusive authority and jurisdiction over the whole of the country has been established in Abuja as the headquarters of the Mining Cadastre Office. The office shall maintain an appropriate number of zonal offices to be determined by administrative needs. So far, one zonal office has been established in Jos and will soon be opened to the public.

In summary, since the creation of the Mining Cadastre Office in October 2005, the following activities have been successfully executed:

- i) Generation of database covering all Mining Titles and Permits in the record of the Ministry.
- ii) Hosting of stakeholders' workshop on the new mining licence administration system.
- iii) Revalidation of existing mineral titles using modern and scientific methods.
- iv) Digitization of analogue topographic sheets.
- v) In collaboration with a German based consulting firm, Messrs GAF, the computerization of Mining Cadastre System and e-record management system of all mining titles (SIGTIM).
- vi) Creation and maintenance of a geometric and alphanumeric database of all mineral land applications and effective information delivery system.

The Mining Cadastre Office has so far received 11,777 applications out of which 7,550 applications have been granted.

Having provided the legal framework and infrastructural needs for the Cadastre Office, government has now moved

to commission a befitting office complex for the Nigeria Mining Cadastre System. Indeed, the World Bank Assisted Sustainable Management of Mineral Resources Project has extensively supported the transformation of the Nigeria Cadastre System in the last six years. It is, therefore, my singular honour to once again thank the World Bank for their support and assistance in the general reform of the minerals sector in the country.

Government has recorded significant achievements in the transformation of the minerals sector which is today on a predictable path of growth. The provision of conducive regulatory regime, institutional framework, improved title administration and acquisition of geological data has created a more favourable investment climate in the sector. Today, Nigeria is a major destination for global mining investment and is currently host to several mining exploration firms. Although mining business has long gestation period, the recorded transformation is expected to translate into substantial revenue for government, increased job creation in the industry and rapid development of the rural communities where these minerals are located in the next five to ten years.

Indeed, some of the primary achievements recorded under the mining reform programme of government from 2005 to date include:

- i) Enactment of Minerals and Mining Act, 2007 which compares favourably with legal codes in major mining economies;
- ii) Re-structuring of Ministry of Mines and Steel Development to make it more technical oriented;
- iii) Re-structuring of the Nigerian Geological Survey Agency to make it more focused in its statutory responsibility of geo-scientific data gathering;
- ii) Establishment of the Nigerian Institute of Mining and Geosciences as a Centre of Excellence for training and researches in the West African Sub-Region;
- iii) 100% Airborne Magnetic and Radiometric Survey coverage of Nigeria landmass;
- iv) Establishment of Nigeria Mining Cadastre Office for mineral title administration on first come first served basis, etc.

A strategic programme is on course to grow some minerals with potential for the rapid transformation of the industry.

These minerals include:

- i) Bitumen - to increase the nation's oil assets and supplement the heavy crude presently imported. The Nigeria bitumen is also suitable for various petro-chemical applications.
- ii) Coal - already admitted into the nation's energy mix as suitable for coal-fired electric power generating plants. The resource also has potential for domestic use including the production of coal briquettes.
- iii) Gold - currently one of the most attractive minerals for investment globally. The commodity has great potentials for generating revenue for government and employment opportunities for the populace.
- iii) Barytes - used as drilling mud in oil well drilling. Its development is expected to conserve foreign exchange for the country.
- iv) Iron-Ore - for use locally by the several smelters in Nigeria and for export.

- v) Lead-zinc - already mined in small holdings. Has potential for export.
- vi) Gemstone - Nigeria is already known globally for its beautiful gemstones. A lapidary has been established in Jos to train Nigerians processing the raw gems.

Let me at this juncture note that on our assumption of Office, we promised to bequeath some enduring legacies, for the benefit of the industry and these included:

- i) Provision of a befitting Mining Cadastre Office complex which we are privileged to commission today;
- ii) Production of Mineral Regulations;
- iv) Development of Dimension Stones Industry; and
- v) Policy stability and sustained implementation of the reform programmes.

From the results so far, we have no doubt delivered on all our promises and a sustainable foundation has been provided by government for the rapid development of the mining sector in Nigeria. Already, the impact of reforms is noticed in the industry. Contributions to the Federation Accounts and exports have increased by double digit.

There is no doubt that the development of mining sector will achieve the objectives of the Vision 20-20-20 by 2015.

I wish to use this occasion to specifically thank all the stakeholders in the mining sector for the cooperation we have received from them.

There is no doubt that the future of mining in Nigeria is very bright and we must be set to take advantage of all the available opportunities in this highly promising sector.

Finally I thank you all and God bless.