



SENATE OF THE FEDERAL REPUBLIC OF NIGERIA

VOTES AND PROCEEDINGS

Wednesday, 24th January, 2007

1. The Senate met at 10:20 a.m. The Senate President read Prayers.
2. **Votes and Proceedings:**
The Senate President announced that he had examined the Votes and Proceedings of Tuesday, 23rd January, 2007 and approved same.

By unanimous consent, the Votes and Proceedings were approved.
3. **Message from Mr, President:**
The Senate President announced that he had received a letter from the President, Federal Republic of Nigeria which he read as follows:



PRESIDENT,
FEDERAL. REPUBLIC OF NIGERIA

PRES/134

23 January, 2007

Senator Ken Nnamani,
President of the Senate, Senate
Chamber, National Assembly
Complex, Three Arms Zone,
Abuja.

Dear President of the Senate,

RE: REPORT ON CENSUS 2006 PROVISIONAL RESULTS

I write to acknowledge the receipt of your letter Kef. No. NASS/S/10171X1181 dated January 18, 2007 on the above subject matter and I note that Section 213(3) of the 1999 Constitution of the Federal Republic of Nigeria stipulates that:

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"Where the Council of State advises the President to accept the report, the President shall accept the same and shall then lay the report on the table of each House of the National Assembly".

/ also note that this stipulation is different from Section 81 (1) in the case of budget which reads:

"The President shall cause to be prepared and laid before each House of the National Assembly at any time in each financial year estimates of the revenues and expenditure of the Federation for the next following financial year".

I consider writing to the presiding officer of each House as sufficient for laying on the table as opposed to laying before each House.

. In the circumstance, if the Senate of the Federal Republic of Nigeria will still require "laying on the table" as physically laying on the table of the Senate, I will be prepared to do so on Thursday, January 25, 2007, at 100hrs.

Thanks for the usual understanding and please, accept the assurances of my highest regards.

Yours sincerely,

Signed:

OLUSEGUN OBASANJO

The Senate President announced that the President, Federal Republic of Nigeria lay the Report on Thursday, 25th January, 2007 at 10:00 a.m.

4. Confirmation of Nomination:

Motion made and Question Proposed: That the Senate do consider the request by Mr. President Commander-in-Chief for the confirmation of the nomination of Alhaji Aliyu Muhammad, as a Commissioner representing Sokoto State in the Revenue Mobilization, Allocation and Fiscal Commission, (Senate Majority Leader).

Question put and agreed to.

Request accordingly referred to the Committee on National Planning, Economic Affairs and Poverty Alleviation to report within two weeks.

5. Confirmation of Nomination:

Motion made and Question Proposed: That the Senate do consider the request by Mr. President Commander-in-Chief for the confirmation of the nomination of Dr Harold Olusegun Demuren, as the Director-General of the Nigerian Civil Aviation Authority, NCAA (Senate Majority Leader).

Question put and agreed to.

Request accordingly referred to the Committee on Aviation to report within two weeks.

6. Confirmation of Nomination;

Motion made and Question Proposed: That the Senate do consider the request by Mr. President Commander-in-Chief for the confirmation of the nomination of Justice Idris Legbo Kutigi, CON as Chief Justice of Nigeria (Senate Majority Leader).

Question put and agreed to.

7. Privilege of the Floor:

(i) *Admission of Special Assistant on National Assembly Matters:*

Motion made and Question Proposed: That the Senate do invoke Rule 17(1) to admit the Special Adviser on National Assembly Matters, Senator Florence Ita-Giwa, to the floor of the Senate (Senate Majority Leader).

Question put and agreed to.

(it) *Admission of Nominee:*

Motion made and Question Proposed: That the Senate do suspend Rule 37(1) to admit the nominee and those accompanying him to the floor of the Senate (Senate Majority Leader).

Question put and agreed to.

Motion made and Question Proposed: That the Senate do resolve into the Committee of the Whole to screen the nominee (*Senate Majority Leader*).

Question put and agreed to.

(SENATE IN COMMITTEE OF THE WHOLE)

(Screening of Nominee)

Debate:

Nominee recommended for confirmation. Justice

Idris Legbo Kutigi, CON — *Agreed to.*

: .

Chairman to report.

(SENATE IN PLENARY)

The Senate President reported that the Senate in the Committee of the Whole conducted a confirmation hearing and screening of Justice Idris Legbo Kutigi, CON as the Chief Justice of the Federation and approved his nomination.

Question: That the Senate do approve the Report of the Committee of the Whole *Resolved in the Affirmative.*

Confirmation:

"Question: Will the Senate confirm the nomination of Justice Idris Legbo Kutigi, CON as the Chief Justice of the Federation? — *Agreed to.*

The nomination of Justice Idris Legbo Kutigi, CON as the Chief Justice of the Federation accordingly confirmed.

8. **Committee on Petroleum Resources (Upstream):**

Conference Report on the Indigenous Oil Companies (Regulations and Fiscal Terms) Bill 2007 (SB. 04): Motion made and Question Proposed: That the Senate do receive the Conference Report on Indigenous Oil Companies (Regulations and Fiscal Terms) Bill 2007 (*Senator Lee Maeba*).

Question put and agreed to.

Report presented and Laid.

Question, That the Senate do adopt the Conference Report — *Resolved in the Affirmative.*

9. **Extension of Time of Sitting:**

Motion made and Question Proposed: That the Senate do sit this day beyond the time appointed for its sitting (*Senate Majority Leader*).

Question put and agreed to.

10. **Committee on Solid Minerals Development:**

Report on the Nigerian Minerals and Mining Act (Repeat and Re-enactment) Bill 2007 (HB. 87): Motion made and Question Proposed: That the Senate do receive and consider the report of the Committee on Solid Minerals Development, on the Nigerian Minerals and Mining Act (Repeat and Re-enactment) Bill 2007 (*Senator Cosmas Niagwan*).

Question put and agreed to.

Report presented and Laid.

Motion made and Question Proposed: That the Senate do resolve into the Committee of the Whole to consider the Report (*Senate Majority Leader*).

Question put and agreed to.

(SENATE IN THE COMMITTEE OF THE WHOLE)

A BILL FOR AN ACT TO REPEAL THE MINERALS AND MINING ACT, NO. 34 OF 1999 AND RE-ENACT THE NIGERIAN MINERALS AND MINING ACT 2007 FOR THE PURPOSES OF REGULATING ALL ASPECTS OF THE EXPLORATION AND EXPLOITATION OF SOLID MINERALS IN NIGERIA AND FOR CONNECTED PURPOSES

CHAPTER 1 — MINERALS, PROSPECTING, MINING AND QUARRYING

PART 1 — OWNERSHIP AND CONTROL OF MINERALS

- Clause 1: Control of property in Minerals, water, etc vested in the State:
- (1) The entire property in and control of all Mineral Resources in, under or upon any land in Nigeria, its contiguous continental shelf and all rivers, streams and water courses through out Nigeria, any area covered by its territorial waters or constituency and the Exclusive Economic Zone is and shall be vested in the Government of the Federation for and on behalf of the people of Nigeria.
 - (2) All lands in which Minerals have been found in commercial quantities shall, from the commencement of this Bill be acquired by the government of the federation in accordance with the provisions of the Land Use Act.
 - (3) The property in Mineral Resources shall pass from the Government 10 the person by whom the Mineral Resources are lawfully won, upon their recovery in accordance with this Act.

Committee's Recommendation:

That the provisions in Clause 1 be retained (*Senator Cosmos Niagwan*) ~ *Agreed to.*

Question that Clause 1 do stand part of the Bill, put and agreed to.

- Clause 2: Prohibition of Exploration or Exploitation of Minerals without Authority:
- (1) No person shall search for or exploit Mineral Resources on any land in Nigeria or divert or impound water for the purpose of Mining except as provided in this Act.

Committee's Recommendation:

Leave out the words "on any land" in line 1 (*Senator Cosmas Niagwan*) — *Agreed to.*

- (2) The provisions of this Act in respect of Reconnaissance, Exploration and Exploitation of Mineral Resources in Nigeria shall apply to radio active Minerals with such modifications as may be determined by health and public' policy considerations.

Committee's Recommendation:

That the provisions in Clause 2 be retained (*Senator Cosmas Niagwan*) — *Agreed to.*

Question that Clause 2 do stand part of the Bill, put and agreed to.

- Clause 3: Lands excluded from Minerals Exploration and Exploitation:
- (1) No Mineral Title granted under this Act shall authorize Reconnaissance, Exploration or Exploitation of Mineral Resources on, or in, or the erection of beacons on or the occupation of any and-
 - (a) set apart for, or used for or appropriated or dedicated to any military purpose except with the prior approval of the President;
 - (b) within fifty metres of an oil pipeline licence area granted under the Oil Pipeline Act;

- (c) occupied by any town, village, market, burial ground or cemetery, ancestral, sacred or archaeological site, appropriated for a railway or situated within fifty metres of a railway, or which is the site of, or within fifty metres of, any government or public building, reservoir, dam or public road;
 - (d) that is subject to the provisions of the National Commission for Museums and Monuments Act, cap N19, Laws of the Federation of Nigeria, 2004 and the National Parks Service Act, Cap N65, laws of the Federation of Nigeria, 2004;
 - (e) Over which a Mineral Title has previously been granted by the Mining Cadastre Office and where such Mineral Title is subsisting.
- (2) No reconnaissance activity shall be carried out and Mineral Title shall be granted under this Act over any area that is designated as closed to mining operations.

Committee's Recommendation:

That the provisions in Clause 3 be retained (*Senator Cosmas Niagwan*) — *Agreed to.*

Question that Clause 3 do stand part of the Bill, put and agreed to. PART

II — ADMINISTRATION OF THE ACT

Clause 4:

Functions of the Minister:

Subject to the provision of this Act, the Minister shall -

- (a) ensure the orderly and sustainable development of Nigeria's Mineral Resources;
 - (b) develop a well planned and coherent programme of exploitation of mineral resources taking into account the economic development, ecological and environmental factors
 - (c) monitor compliance with Community Development Agreements by industry operators
 - (d) establish the procedure for monitoring developments in the solid minerals sector and encourage the private sector investment in mineral resources development;
 - (e) ensure that in the exploitation of the mineral resources, an equitable balance is maintained between foreign and indigenous interest.
- create an enabling environment for the private investors, both foreign and domestic by providing adequate infrastructure for mining activities, and identify areas where Government intervention is desirable in achieving policy goals and proper perspective in mineral resources development;
- (g) accelerate the development of technical and professional manpower required in the mineral sector;
 - (h) establish environmental procedures and requirements applicable to Mining
♦ Operations;
 - (i) maintain liaison between investors and Government Departments and Agencies set up for the purpose of development of mineral resources and allied projects; and collaborate with other Ministries and agencies of the Federal Government whose functions relate to the objectives of this Act;
 - (j) prescribe measures for the general welfare and safety of workers engaged in Mineral Resources operations;

- (k) develop a geo scientific databank, and collate detailed data concerning the identity, quantity and quality of Nigeria's Mineral Resources;
- (l) assist the private sector in identifying specific mining projects;
- (m) initiate, organize and participate in promotion activities in mineral resources development, such as exhibitions, conferences, seminars and workshops geared towards the stimulation of investments in mineral resources;
- (n) provide and disseminate up to date information on incentives in mineral resources available to investors under **this** Act;
- (o) register and keep records of all enterprises and companies established and pursuing activities in mineral resources and allied projects;
- (p) cause to be created, such departments and agencies as are necessary for the effective administration of this Act;
- (q) introduce investment friendly local contents measures for mining projects;
- (r) facilitate the development of indigenous technical and professional manpower required in the Mineral Resources sector;
- (s) cooperate on behalf of the Federal Government with other Governments and international agencies in respect of matters relating to Nigeria's Mineral Resources;
- (t) do such other things as are reasonably necessary or expedient for the performance of his functions under this Act; and
- (u) have the power to designate a Mineral as a radio active Mineral and by radioactive regulations make special provisions for the exploration, exploitation, possession, export or otherwise dealing in the radio active mineral.

Committee's Recommendation:

That the provisions in Clause 4 be retained (*Senator Cosmos Niagwan*) — *Agreed to.*
Qu
estion that Clause 4 do stand part of the Bill, put and agreed to.

Clause 5:

Establishment of the Mining Cadastre Office:

- (1) There shall be established within six (6) months of the coming into effect of this Act a Mining Cadastre Office with the exclusive responsibility for the administration of Mineral Titles and the maintenance of the cadastral registers.

Committee's Recommendation:

Leave out the word "exclusive" in line 2 (Senator Cosmos Niagwan) — Agreed to.

- (2) The Mining Cadastre Office -
 - (a) shall be a body corporate with perpetual succession and a common seal;
 - (b) may sue and be sued in its corporate name;
 - (c) may acquire, hold and dispose of property, whether movable or immovable.
- (3) The Mining Cadastre Office shall be administered by a Director General who shall be assisted by such officers as shall be required for the efficient functioning of the cadastre system.
- (4) In order to fulfill its functions under this Act the Mining Cadastre Office shall operate as the sole agency responsible for the administration of Mineral Titles.

Committee's Recommendation:

Leave out the word "sole" in line 2 (Senator Cosmos Niagwan) — Agreed to.

- (5) Pursuant to the requirements of this Bill, the Mining Cadastre Office shall have the exclusive power to undertake the following-

Clause 7:

Committee's Recommendation:

Leave out the provision in Subclause 5(5) and insert the following instead thereof:

"(5) The Mining Cadastre Office shall in addition to any other functions prescribed by or under **this** Act perform the following (*Senator Cosmas Niagwan*)—
Agreed to.

- (a) consider applications for Mineral Titles and Permits, issue, suspend and upon the written approval of the Minister, revoke any Mineral Title;
- (b) receive and dispose of applications for the transfer, renewal, modification, relinquishment of Mineral Titles or extension of areas;
- (c) maintain a chronological record of all applications for Mineral Title in-
 - (i) a Priority book which is to be specifically used to ascertain the priority and registration of applications for exclusive rights on vacant areas:
 - (ii) a General Registry book which is to be used for all other types of applications where registration of the priority is not required.
- (d) undertake such other activities reasonably necessary for the purpose of carrying out its duties and responsibilities under the provisions of this Bill.

Committee's Recommendation:

That the provisions in Clause 5 be retained (Senator Cosmas Niagwan) — Agreed to.

Question that Clause 5 do stand part of the Bill, put and agreed to.

Central Zonal Offices of the Mining Cadastre Office:

A Central Mining Cadastre office with exclusive authority and jurisdiction over the whole of the country shall be established in Abuja as the headquarters of the Mining Cadastre Office. The Mining Cadastre Office shall, according to administrative convenience, maintain an appropriate number of Zonal offices.

Committee's Recommendation:

That the provisions in Clause 6 be retained (Senator Cosmas Niagwan) — Agreed to.

Question that Clause 6 do stand part of the Bill, put and agreed to.

Mining Cadastre Registers:

The Mining Cadastre Office shall open a series of files to be known as Mining Cadastre Office Registers for the purposes of this Bill, comprising of-

- (a) a register of Reconnaissance Permits;
- (b) a register of Exploration Licences;
- (c) a register of Mining Leases;
- (d) a register of small Scale Mining Leases;
- (e) a register of the Water Use Permits; and
- (f) a register of Quarry Leases.

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Committee's Recommendation:

That the provisions in Clause 7 be retained (*Senator Cosmos Niagwan*) —
Agreed to.

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Question that Clause 7 do stand part of the Bill, put and agreed to.

Clause 8: Priority:

- SEC 8: (1) Where several applications are received on the same area or for overlapping areas from two or more persons on the same business day the application which is first received in the proper form shall be deemed to have priority over the others.
- (2) The criteria of first come, first served, as evidenced by registration with the issuing authority according to an established procedure, which in the case of the Mining Cadastre Office shall be registration in the Priority Register established by this Act, shall be strictly applied by the Mining Cadastre Office in case of competing applications for the same exclusive area.
- (3) The Mining Cadastre Office shall provide a receipt to an applicant for Mineral Title evidencing-
- (i) **all** documents and fees received from the applicant in respect of the application; and
 - iii the date and time of the application.

Committee's Recommendation:

That the provisions in Clause 8 be retained (*Senator Cosmas Niagwan*) — *Agreed to.*

Question that Clause 8 do stand part of the Bill, put and agreed to.

Clause 9:

Competitive Bidding:

- (1) The Minister shall by Regulations determine areas wherein an Exploration Licence and a Mining Lease shall be granted based on competitive bidding requirements.
- (2) The Mining Cadastre Office shall consider competing bids and shall, through an open and transparent method, select the¹ bid which will promote the expeditious and beneficial development of the Mineral Resources of the area having regard to:
- (a) **the** programme of Exploration and Mining Operations which the applicant proposes to carry out and the commitments as regards expenditure which the applicant is prepared to make;
 - (b) the financial and technical resources of the applicant; and
 - (c) the previous experience of the applicant in the conduct of Reconnaissance And Mining Operations.
- (3) The successful application shall be treated as an application under sections 59 or 65.

Committee's Recommendation:

That the provisions in Clause 9 be retained (*Senator Cosmas Niagwan*) — *Agreed.to.*

Question that Clause 9 do stand part of the Bill, put and agreed to.

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Clause 10; Fees payable to the Mining Cadastre Office:

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The Mining Cadastre Office shall collect -

- (a) a fee for processing of applications for Mineral Titles; and
- (b) an annual service fee established at a fixed rate per square cadastral unit for administrative and management services rendered by the Cadastre.

- No. 57
- Committee's Recommendation:*
That the provisions in Clause 10 be retained (*Senator Cosmos Niagwan*) — Agreed 803 to.
- Question that Clause 10 do stand part of the Bill, put and agreed to.*
- Clause 11: Revocation of Mineral Title for failure to pay fees:
A Mineral Title shall become liable to revocation where the holder thereof has failed to pay the prescribed fees.
- Committee's Recommendation:*
That the provisions in Clause 11 be retained (*Senator Cosmas Niagwan*) — Agreed to.
- Question that Clause 11 do stand part of Ike Bill, put and agreed to.*
- Clause 12: Process for Revocation when Mineral Title holder fails to pay fees:
In case of default of payment of the annual service fee due to the Mining Cadastre Office, the Mining Cadastre Office shall give a thirty day written default notice to the defaulting party and, if payment is not effected during that period, the Mining Cadastre Office shall record the default and revoke the Mineral Title.
- Committee's Recommendation:*
That the provisions in Clause 12 be retained (*Senator Cosmas Niagwan*) — Agreed to.
- Question that Clause 12 do stand part of the Bill, put and agreed to.*
- Clause 13: Determination of Fees Payable:
The amount of the fees payable under section 10, administration and modalities for their payment shall be determined in the regulations issued by the Minister.
- Committee's Recommendation:*
That the provisions in Clause 13 be retained (*Senator Cosmas Niagwan*) — Agreed to.
- Question thai Clause 13 do stand part of the Bill, put and agreed to.*
- Clause 14: Notice to Applicant:
Any notice required to be sent by the Mining Cadastre Office to an applicant for or holder of a Mineral title shall be sent by courier service or registered mail to the last known address in Nigeria of the Mineral Title holder or given in person to an authorized representative of the applicant or Holder of the Mineral Title in Nigeria or published in the Gazette. The notice shall for all purposes be sufficient notice of the subject matter of the notice to the applicant for or Holder of a Mineral Title.
- Committee's Recommendation:*
That the provisions in Clause 14 be retained (*Senator Cosmas Niagwan*) — Agreed to.
- Question that Clause 14 do stand part of the Bill, put and agreed to.*
- Clause 15: Relationship between the Minister and the Mining Cadastre Office:
In the execution of his functions and relationship with the Mining Cadastre Office, the Minister shall, at all times ensure the independence of the Mining Cadastre Office in regard to the discharge of its functions and operations under this Act.
- Committee's Recommendation:*
That the provisions in Clause 15 be retained (*Senator Cosmas Niagwan*) — Agreed to.
- Question that Clause 15 do stand part of the Bill, put and agreed to.*
- Clause 16: Establishment of Departments:
(1) For the purposes of carrying out his functions under this Act, the Minister shall establish in the Ministry-
- (a) a Mines Inspectorate Department;

- (b) a Mines Environmental Compliance Department; and ,
 - (c) such other departments as he may consider expedient for the proper administration of this Act.
- (2) Such inspectors, officers and other employees as may be considered necessary for carrying out the objectives of this Act shall be appointed into the departments and agencies established pursuant to subsection (1) of this section.
- (3) The powers and duties of the inspectors, officers, or other employees appointed under sub section (1) of this section shall be those assigned to them respectively under this Act, its Regulations and in accordance with the provisions of the Civil Service Rules in force.

Committee's Recommendation:

Leave out the word "Civil" in line 3 and insert the word "Public" instead thereof (Senator Cosmos Niagwan) — Agreed to.

Question that Clause 16 do stand part of the Bill, put and agreed to.

Clause 17:

Functions of the Mines Inspectorate Department: .

The Mines Inspectorate Department shall in addition to any other functions prescribed by this Act and subject to the direction of the Minister-fa,) exercise general supervision over all reconnaissance, exploration and Mining Operations to ensure their compliance with this Bill;

- (b) supervise and enforce compliance by Mineral Title Holders with all mine health and safety regulations prescribed under this Bill and any other law in force;
- (c) prepare and render records, reports and returns as required by the Minister or as prescribed by Regulations;
- (d) take custody of Mineral Resources required by any Court to be forfeited to the Government;
- (e) with the prior approval of the Minister, dispose of any Mineral Resources forfeited to the Government ;
- (f) carry out investigations and inspections necessary to ensure that all conditions relating to Mineral Titles and the requirements of this Bill are complied with;
- (g) discharge such other duties as may be assigned from time to time, by the Minister; and
- (h) review and recommend to the Minister, programmes for controlling Mining Operations.

Committee's Recommendation:

That the provisions in Clause 17 be retained (Senator Cosmas Niagwan) — Agreed to.

Question that Clause 17 do stand part of the Bill, put and agreed to.

Clause 18:

Functions of the Mines Environmental Compliance Department:

The Mines Environmental Compliance Department shall in addition to any other function prescribed by this Act and subject to the direction of the Minister -

- (a) review all plans studies and reports required to be prepared by Holders of Mineral Title in respect of their environmental obligations under this Act;
- (b) monitor and enforce compliance by Holders of Mineral Title with **all** environmental **requirements** and obligations established pursuant to this Bill- its regulations and by any other law in force;

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- (c) periodically audit the environmental requirements and obligations established pursuant to this Act, its regulations and by any other law in force and make recommendations thereon to the Minister; and
- (d) liaise with relevant agencies of Government with respect to the social and environment issues involved in Mining Operations, Mine closure and reclamation of land.

Committee's Recommendation:

That the provisions in Clause 18 be retained (*Senator Cosmos Niagwan*) ~ Agreed to.

Question that Clause 18 do stand part of the Bill, put and agreed to.

Clause 19: Establishment of State Mineral Resources and Environmental Management Committee:

- (1) There is hereby established for each State of the Federation a Committee to be known as the Mineral Resources and Environmental Management Committee, in this section referred to as "the Committee".
- (2) The Committee in each State shall consist of-
 - (a) a representative of the Mines Environmental Compliance Department in the Ministry who shall be the chairman of the Committee; -
 - (b) a representative of the Ministry responsible for land matters or mineral related matters in the State
 - (c) the Mines Officer responsible for the State;
 - (d) a representative of the Ministry of Agriculture or Forestry in the State;
 - (e) a representative of the Surveyor General of the State;
 - (f) a representative of the local Government Council when matters affecting the said local Government Area are being considered by the Committee.
 - (g) a representative of the State Environmental Department or Agency;
 - (h) a representative of the Federal Ministry of Environment in the State.
- (3) The functions of the Committee are to-
 - (a) consider and advise the Minister on issues affecting returns of necessary reports affecting grants of mining titles;
 - (b) consider issues affecting compensation and make necessary recommendations to the Minister;
 - (c) discuss, consider and advise **the** Minister on the matters affecting pollution and degradation of any land on which any mineral is being extracted;
 - (d) consider such other matters relating to mineral resources development within the state as the Minister may, from time to time, refer to the Committee;
 - (e) advise the Departments established in accordance with the provisions of this Act for the supervision of mineral Exploitation and the implementation of social and environmental protection measures;
 - (f) advise the Local Government Areas and communities on the implementation of programs for environmental protection **and** sustainable management of Mineral resources;

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(h) advise and other necessary assistance required by Holders of Mineral titles in their interaction with state governments, local government councils, communities, civil institutions, and other stakeholders; No. 57

(i) advise the Minister in resolving conflicts between stakeholders;

(j) advise the Minister in respect of matters connected with the implementation of this Act.

(4) The Committee shall-

(a) meet at least once every three months and at such times as the Minister;

Committee's Recommendation:

Immediately after the word "Minister" insert the words "may deem necessary" (*Senator Cosmos Niagwan*) — Agreed to.

(b) regulate its own procedure;

(5) The Chairman shall appoint a competent officer from the Mines Inspectorate Unit in the state to be the secretary of the Committee. The secretary shall have no right to vote at any meeting of the Committee.

(6) The Committee shall forward its report to the Minister after each meeting.

(7) Where the committee desires to obtain the advice of a host community or any other person on a particular matter, the committee may co opt a representative of the relevant host community or any person as a member or such period as it thinks fit, but such a person shall not be entitled to vote in any meeting of the committee and his attendance shall not count towards a quorum.

(8) (a) The chairman and three other members shall form a quorum at a meeting of ~~the~~ Committee.

(b) Every meeting of the Committee shall be presided over by the Chairman or, in his absence, by the Mines Officer for the State.

(c) If on any question to be determined there is an equality of votes, the Chairman shall have a casting vote; and

(d) The Committee shall have the power to determine its own procedure.

Committee's Recommendation:

That the provisions in Clause 19 be retained (*Senator Cosmos Niagwan*) — Agreed to.

Question that Clause 19 do stand part of the Bill, put and agreed to.

Clause 20:

Delegation of Powers by the Minister:

(1) The Minister may, by notification in the Gazette, delegate to any department or officer of the Ministry the exercise or performance, subject to such conditions and restrictions as may be prescribed in the notification, of any function conferred on the Minister under this Bill provided that it shall not apply to any function of the Minister to make Regulations.

(2) An officer authorized in writing by the officer in charge of the Mines Inspectorate Department may enter any Mineral Title Area where Mining Operations are being carried out under this Act, or which is within the general area of the Mineral Title for the purposes of inspecting such operations and he shall be provided by the Mineral Title Holder with any information reasonably requested for the purpose of making a report.

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- (3) The failure of the Mineral Title Holder to provide access to an officer for the purposes of inspection under subsection (2) shall constitute an offence.

Committee's Recommendation:

That the provisions in Clause 20 be retained (*Senator Cosmas Niagwan*) — *Agreed to.*

Question that Clause 20 do stand part of the Bill, put and agreed to.

Clause 21:

Regulation:

The Minister shall subject to the provisions of this Act make Regulations in respect of any matter required to be prescribed by Regulations under this Act and generally for giving full effect to the provisions of this Act, including prescribing, amending or withdrawing any form that may be required under this Act.

Committee's Recommendation:

That the provisions in Clause 21 be retained (*Senator Cosmas Niagwan*) — *Agreed to.*

Question that Clause 21 do stand part of the Bill, put and agreed to.

Clause 22:

Use of Land for Mining a Priority:

(1) The use of land for Mining Operations shall have a priority over other uses of land and be considered for the purposes of access, use and occupation of land for Mining Operations as constituting an overriding public interest within the meaning of the Land Use Act, Cap L5, Laws of the Federation of Nigeria, 2004.

(2) In the event that a Mining Lease, a Small Scale Mining Lease or a Quarry Lease is granted over land subject to an existing and valid statutory or customary right of occupancy, the Governor of the state within which such rights are granted shall within sixty days of such grant or declaration revoke such right of occupancy in accordance with the provisions of section 28 of the Land Use Act.

Committee's Recommendation:

That the provisions in Clause 22 be retained (*Senator Cosmas Niagwan*) — *Agreed to.*

Question that Clause 22 do stand part of the Bill, put and agreed to.

PART III — MINING INCENTIVES

Clause 23:

Persons Eligible:

The persons eligible for the fiscal regime set out in this Part of this Act shall include companies or enterprises engaged in Mining Operations, including mineral beneficiation, processing and treatment, contractors engaged in the development and construction of a mine up to the start of commercial production and, contractors engaged during the commercial production period when the method of Mining selected is contract Mining.

Committee's Recommendation:

Immediately after the word "treatment" in line 3 *leave out* the words "contractors engaged in the development and construction of a mine up to the start of commercial production and, contractors engaged during the commercial production period when the method of Mining selected is contract Mining" (*Senator Cosmas Niagwan*) — *Agreed to.*

Question that Clause 23 do stand part of the Bill, put and agreed to.

Clause 24:

Capital Allowances:

(1) Any licence holder eligible under the provisions of this part of this Bill shall be entitled, in determining its total profits, to deduct from its assessable profits a capital allowance of one hundred per cent of Qualifying Capital Expenditure incurred in the year in which the investment is incurred without any limit; provided however, that for the purposes of the Second Schedule of the Companies Income Tax Act, Cap. C21 Laws of the Federation of Nigeria 2004, Qualifying Capital Expenditure shall include-

Committee's Recommendation:

Leave out the provision in Subclause 24(1) and *insert* the following instead thereof: "(1) Any licence holder eligible under the provisions of this part of this Act shall be entitled, in determining its total profits, to deduct from its assessable profits a capital allowance of ninety-five percent of Qualifying Capital Expenditure incurred in the year in which the investment is incurred (*Senator Cosmos Niagwari*) — *Agreed to.*

- (a) all certified exploration, development and processing expenditure, including feasibility study and sample assaying costs; and
 - (b) all infrastructure costs incurred regardless of ownership and replacement.
- (2) The amount of any loss incurred by any person eligible under the provisions of this part of this Bill shall be deducted as far as is possible from the assessable profits of the first year of assessment after that in which the loss was incurred and in so far as it cannot be so made, then from such amount of such assessable profits of the next year of assessment, and so on without limit as to time until the loss has been completely set off against the company's subsequent assessable profits.

Committee's Recommendation:

Leave out the provision in Subclause 24(2) and *insert* the following instead thereof: "(2) The amount of any loss incurred by any person eligible under the provisions of this part of this Act shall be deducted as far as is possible from the assessable profits of the first year of assessment after that in which the loss was incurred and in so far as it cannot be so made, then from such amounts of such assessable profits of the next year of assessment, and so on up to a limit of four years after which period any unrelieved loss shall become lapse (*Senator Cosmos Niagwan*) — *Agreed to.*

Question that Clause 24 do stand part of the Bill, put and agreed to.

Clause 25:

Exemption from customs duty and other benefits:

- (1) All operators in the mining industry shall be granted the following benefits-
 - (a) exemption from payment of customs and import duties in respect of plant, machinery, equipment and accessories imported specifically and exclusively for mining operations
 - (b) expatriate quota and resident permit in respect of the approved expatriate personnel;
 - (c) personal remittance quota for expatriate personnel, free from any tax imposed by any enactment for the transfer of external currency out of Nigeria.
- (2) For the purpose of subsection (1) of this section the Mines Inspectorate Department shall approve the appropriate machinery, equipment and accessories to be imported by the holder of a Mineral title for the purpose of this section.
- (3) The plant, machinery, equipment and accessories imported pursuant to subsection (1) of this section may be disposed of by the holder of Mineral title upon the full payment of customs and import duties in respect thereof.
- (4) The Mines Inspectorate Department shall ensure compliance with this section of this Act.

Committee's Recommendation:

That the provisions in Clause 25 be retained (*Senator Cosmos Niagwan*) — *Agreed to.*

Question that Clause 25 do stand part of the Bill, put and agreed to.

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Clause 26: **Permission to retain and use earned Foreign Exchange:**
No. 57 Where the holder of a Mineral Title earns foreign exchange from the sale of his minerals he may be permitted by the Central Bank of Nigeria to retain in an foreign **809** exchange domiciliary account a portion of his foreign exchange earnings for use in acquiring spare parts and other inputs required for the mining operations which would otherwise not be readily available without the use of such earning.

Committee's Recommendation:

That **the** provisions in Clause 26 be retained (*Senator Cosmos Niagwan*) — *Agreed to.*

Question that Clause 26 do stand part of the Bill, put and agreed to.

Clause 27: **Free Transferability of Funds:**
Subject to the provisions of this Act, a holder of a Mineral Title shall be guaranteed free transferability through the Central Bank in convertible currency of -

- (a) payments in respect of loan servicing where a certified foreign loan has been obtained by the holder for his mining operations;
- (b) **the** remittance of foreign capital in the event of sale or liquidation of the mining operations or any interest therein attributable to foreign investment.

Committee's Recommendation:

That the provisions in Clause 27 be retained (*Senator Cosmos Niagwan*) ~ *Agreed to.*

Question that Clause 27 do stand part of the Bill, put and agreed to.

Clause 28: **Tax Relief Period:**
(1) The tax relief period of a company granted Mineral title under this Act shall commence on **the** date of operation and subject to the provisions of this Act or any other relevant financial enactment, the relief shall continue for three years.
(2) The tax relief period of a company granted a Mineral title under this Act may, by the end of the three years, be extended by the Minister for one further period of two years,
(3) The Minister shall not extend the tax relief period of a Company in exercise of **the** power conferred under subsection (2) of this section unless the Minister satisfied as to -
(a) the rate of expansion, standard of efficiency and level of development of the company in mineral exploitation for which the Mineral **title** was granted;
(b) the implementation of any conditions upon which lease was granted;
(c) the training and development of Nigerian personnel in the operation
of
.. the mineral concerned.

Committee's Recommendation:

That the provisions in Clause 28 be retained (*Senator Cosmos Niagwan*) — *Agreed to.*

*Question that Clause 28 do stand part of the **Bill**, put and agreed to.*

Clause 29: **Application of the Foreign Exchange (Monitoring and Miscellaneous Provisions) Act and the NIPC Act:**

- (1) The provisions of the Foreign Exchange (Monitoring and Miscellaneous Provisions) Act, Cap. F34 Laws of the Federation of Nigeria, 2004 shall apply to any investment in foreign currency made in respect of any Mineral Title granted pursuant to this Act.
- (2) The provisions of the Nigerian Investment Promotion Commission Act shall apply to any foreign investment made in respect of any Mineral Title granted pursuant to this Act.

Committee's Recommendation:

That the provisions in Clause 29 be retained (*Senator Cosmos Niagwan*)

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Question that Clause 29 do stand part of the Bill, put and agreed to.

Agreed to.

Clause 30: **Deductibility of Environmental Costs:**

A tax deductible reserve for environmental protection, mine rehabilitation, reclamation and mine closure costs shall be established by companies engaged in the exploitation of Mineral Resources; provided however, that: the appropriateness of the reserve is certified by an independent qualified person taking into account the determination made under the provisions of this Bill—fa) the reserve is recorded in the audited financial statements of the companies;

- (b) a sum equivalent to the reserve amount is set aside every year and invested in a dedicated account or trust fund managed by independent trustees appointed pursuant to the provisions of this Bill; and

Committee's Recommendation:

Leave out the provision in Subclause 30(b) and insert the following instead thereof:

"(b) tax deductibility will be restricted to actual amount incurred for the purpose of the reclamation (*Senator Cosmos Niagwan*) — *Agreed to.*

- (c) income or interest income earned by the investment fund shall be exempt from the payment of income tax, provided however, that any surplus over and above amount required to effect the reclamation shall be subject income tax.

Committee's Recommendation:

Leave out the provision in Subclause 30(c) and insert the following instead thereof: (c)

a sum equivalent to the reserve amount is set aside every year and invested in dedicated account or trust fund managed by independent trustees appointed pursuant to the provisions of the Act (*Senator Cosmos Niagwan*) — *Agreed to.*

Question that Clause 30 do stand part of the Bill, put and agreed to.

Clause 31: **Deductibility of Pensions Contributions: Federal Republic of Nigeria Official Gazette, No. 2 2004:**

A tax deductible amount established in accordance with the applicable rate set out in the Pensions Reform Act shall be imposed on mining companies or enterprises, towards the payment of pensions to each employee.

Committee's Recommendation:

That the provisions in Clause 31 be retained (*Senator Cosmos Niagwan*) — *Agreed to.*

Question that Clause 31 do stand part of the Bill, put and agreed to.

Clause 32: **Annual Capital Cost Indexation:**

An annual capital cost indexation, whereby the unclaimed balance of capital costs is increased yearly by five percent, shall apply to mines starting production within five years from the date of enactment of this Act.

Committee's Recommendation:

That the provisions in Clause 32 be retained (*Senator Cosmos Niagwan*) — *Agreed to*

Question that Clause 32 do stand part of the Bill, put and agreed to.

Clause 33: **Royalty:**

- (1) Any mineral obtained in the course of Exploration or mining operations shall be liable to pay royalty as prescribed in the Regulations made under this Bill.

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Committee's Recommendation:

Leave out the provision in Subclause 33(1) and *insert* the following instead thereof:

"(1) Any mineral obtained in the course of Exploration or mining operations shall be liable to pay royalty as prescribed in the regulations made under this Act and the agency to be responsible for the collection of royalty shall be the Federal Inland Revenue Service (*Senator Cosmos Niagwan*) — *Agreed to.*

- (2) The Minister may reduce or waive royalty on any mineral which the Minister is satisfied is being exported solely for the purpose of analysis or experiment or as a scientific specimen, not being in greater quantity than is reasonably necessary for that purpose.
- (3) The Minister may defer payment of royalty on any minerals for a specific period, on the approval of the Federal Executive Council.

Question that Clause 33 do stand part of the Bill, put and agreed to.

Clause 34:

Establishment of the Solid Minerals Development Fund:

- (1) There is hereby established a Fund to be known as the Solid Minerals Development Fund (in this Chapter of tin's Act referred to as the Fund).
- (2) The Fund shall be utilized for the following-
 - (i) development of both human and physical capacity in the sector;
 - (ii) funding for geo scientific data gathering, storage and retrieval to meet the needs of private sector led mining industry;
 - (iii) equipping the mining institutions to enable them perform their statutory functions;
 - (iv) Solid Minerals Sector contribution to CBN Micro-finance Scheme for on lending to small scale and artisanal Mining Operations.

Committee's Recommendation:

Leave out the provision in Subclause 34(2){iv} and *insert* the following instead thereof:

"(iv) Funding for the extension services to small scale and artisanal Mining Operators pursuant to Section 91 of this Act (*Senator Cosmas Niagwan*) — *Agreed to.*

- (v) provision of infrastructure in Mines Land.

Question that Clause 34 do stand part of the Bill, put and agreed

to.

Clause 35:

Management Board of the Fund:

- (1) The Fund shall be managed by a body to be known as the Solid Minerals Development Board (in this chapter of the Act referred to as "the Board") which shall be a body corporate with perpetual succession and a common seal and may sue and be sued in its corporate name.
- (2) The Board shall comprise-
 - (a) a Chairman to be appointed by the President on recommendation of the Minister of Solid Minerals Development;
 - (b) two persons to represent the Central Bank of Nigeria;
 - (c) one person to represent Banker's Committee;
 - (d) three persons to be appointed by the Minister; and

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Committee's Recommendation:

Leave out the provision in Subclause 35(2)(d) and insert the following instead thereof:

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"(d) two persons to be appointed by the Minister to represent private mining operators and Mineral Processors; and (*Senator Cosmos Niagwan*) — Agreed to.

(e) the Secretary to the Board.

- (3) The quorum for meeting of the Board shall be five, of whom at least one shall be a member representing the Central Bank.

Amendment Proposed:

Leave out the word "five" in line 1 and insert the word "three" instead thereof (*Senator Mohammed Ibrahim*).

Question that the amendment be made, put and agreed to.

- (4) The Board shall meet not less than four times in each year and on such other occasion as the Board may consider necessary.
- (5) At any meeting of the Board, the Chairman shall preside, but if he is absent, the members present at the meeting shall appoint one of their number to preside at the meeting.
- (6) Subject to Section 27 of the Interpretation Act (which provides for decision of a statutory body to be taken by a majority of its members and for the person presiding to have a casting vote), the Board may make orders regulating its proceedings and those of any of its Committees.
- (7) Where the Board desires to obtain the advice of any person on a particular matter, the Board may co-opt him as a member for such period as it thinks fit, but a person who is a member by virtue of this subsection shall not be entitled to vote in any meeting of the Board and shall not count towards a quorum.
- (8) There shall be a Secretary to the Board and the Secretariat of the Board shall be located in the Central Bank or such place as the Minister may determine.

Committee's Recommendation:

Leave out the provision in Subclause 35(8) and insert the following instead thereof:

"(8) The Secretariat of the Board shall be located in such place as the Minister may determine (*Senator Cosmas Niagwan*) — Agreed to.

- (9) The administrative expenses of the Board shall be borne by the Federal Government.

Question that Clause 35 as amended do stand part of the Bill, put and agreed to.

Clause 36:

Functions and Powers of the Board:

Notwithstanding any other provision of this Act, the Board shall—(a) monitor the operation and evaluate the progress of the Fund;

(b) advise the Minister as to changes required to improve the operation of the Fund;

(c) receive and consider the report of the management agent appointed under the provision of this Act and advise the Minister on it;

(d) determine the remuneration of external auditors and solicitors;

(e) publish names of defaulters of loans granted under this Act in the national newspaper;

(f) pursue defaulters through judicial action;

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(g) solicit the assistance of Government loan machinery in the recovery of loans granted under this Act; and

(h) perform such other functions relating to the Fund as may be assigned to it by the **Minister**.

Committee's Recommendation:

That the provisions in Clause 36 be retained (*Senator Cosmos Niagwan*) — *Agreed to*.

Question that Clause 36 do stand part of the Bill, put and agreed to.

Clause 37:

Custodian of the Fund:

The Central Bank shall be deemed to have been appointed as the Custodian of the Fund for the purpose this section.

Committee's Recommendation:

That the provisions in Clause 37 be retained (*Senator Cosmos Niagwan*) — *Agreed to*.

Question that Clause 37 do stand part of the Bill, put and agreed to.

Clause 38:

Financial Provisions:

The Fund shall consist of-

- (a) any sums appropriated for Solid Minerals Development under the Revenue Act or any other Federal Law;
- (b) any sums appropriated for Solid Minerals Development under the Small and Medium Industries Equity Investment Scheme (SMIEIS);
- (c) any funds received as grants, donations, foreign loans, bonds and long term swaps;
- (d) any sums appropriated to it by the Federal Government Budgetary allocation.

Committee's Recommendation:

That the provisions in Clause 38 be retained (*Senator Cosmos Niagwan*) — *Agreed to*.

Question that Clause 38 do stand part of the Bill, put and agreed to.

Clause 39:

Annual Budget:

The Ministry of Solid Minerals Development shall each year present to **the** National Assembly a Budget proposal for the administering of the Fund.

Committee's Recommendation:

That the provisions in Clause 39 be retained (*Senator Cosmos Niagwan*) — *Agreed to*.

Question that Clause 39 do stand part of the Bill, put and agreed to.

Clause 40:

Investment of surplus monies in the Fund:

Money in the Fund which may at any time be surplus to the current needs of the Fund may be invested in government securities and bonds, as may, from time to time, be determined by the Board.

Committee's Recommendation:

That the provisions in Clause 40 be retained (*Senator Cosmos Niagwan*) — *Agreed to*.

Question that Clause 40 do stand part of the Bill, put and agreed to.

Clause 41:

Accounts and Audit:

- (1) The Board shall keep proper accounts in respect of monies forming part of the Fund and proper records in relation to **those** accounts and shall prepare annually, a statement of account.

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- (2) For **the** purpose of subsection (1) of this section, the financial year of the Fund shall be from 1st January to 31st December of every year or such other period as may be determined by the Board with the approval of the Minister.
- (3) The account of the Fund shall be audited annually by an Auditor appointed by the Board from a list of Auditors provided by the Auditor General of the Federation.

Committee's Recommendation:

That the provisions in Clause 41 be retained (*Senator Cosmos Niagwan*) — *Agreed to.*

Question that Clause 41 do stand part of the Bill, put and agreed to.

Clause 42:

Annual Reports:

- (1) it shall be the duty of the Board to prepare and submit to the Minister, not later than three months after the end of the each financial year, a report which shall be in such form as the Minister may direct.
- (2) The copy of the report shall be forwarded to the Minister of Solid Minerals Development for his information and comments.
- (3) The report shall include the audited account of the Fund in respect of the period in question together with the auditor's report on the accounts and shall be presented by the Minister to the Federal Executive Council not later than one month thereof.

Committee's Recommendation:

That the provisions in Clause 42 be retained (*Senator Cosmos Niagwan*) — *Agreed to.*

Question that Clause 42 do stand part of the Bill, put and agreed to.

Clause 43:

Records and plans of Exploration and Exploitation:

- (1) Any person that undertakes or is involved in reconnaissance or exploration or exploitation of Mineral Resources under a Mineral Title or further to the authorization of the Minister in accordance with the provisions of this Act shall-
 - (a) keep correct plans of Exploration or Mining Operations conducted within the Mineral Title Area;
 - (b) keep correct records of every Mineral found and ore reserve calculated on the area of his Mineral Title Lease;
 - (c) supply to the Mining Cadastre Office copies of the plans and records at such time and periods and **in** such manners as the Mining Cadastre Office may demand; and
 - (d) provide to the Nigerian Geological Survey Agency for storage and archiving, a complete set of all geo scientific data acquired in the course of such activity inclusive of maps, coring and samples;
 - (e) the plans required to be kept shall be prescribed.
- (2) No core obtained in the exercise of rights conferred by a Mineral Title shall be destroyed or otherwise disposed of except for the purposes of assay, identification, or analysis without the permission in writing of the Minister, which permission shall not be unreasonably withheld.

Committee's Recommendation:

Leave out the words "not be unreasonably withheld" in line 4 and insert the words "be granted within 30 days of the receipt of the application" instead thereof (*Senator Cosmos Niagwan*) — *Agreed to.*

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- (3) Any person who destroys or disposes of core or samples in contravention of subsection (2) of this section shall be guilty of an offence.
- (4) The data required to be provided under subsection (1) of this section, shall be provided to the Nigerian Geological Survey Agency in such a manner as is sufficient for the identification of the core or sample and the location and geological horizon of its origin.
- (5) The data required to under subsection (1) of this section, shall be kept confidential and shall not be disclosed to the general public until the earlier of-
 - (a) a period of 5 years after its submission; or
 - (b) a part of the Mineral Title Area is relinquished by the Mineral Title Holder;
 - (c) when the Holder of the Mineral Title ceases to hold the title either as a result of revocation of the title or relinquishment thereof.
- (6) When disclosure of the data is required by the general public, it shall be made available in accordance with the format stated in the Regulations.
- (7) Any person that undertakes or is involved in the search for or exploitation of Mineral Resources in contravention of the provisions of subsection (1) of this section shall be guilty of an offence.

Question that Clause 43 do stand pan of the Bill, put and agreed to.

Clause 44: Discovery of Radioactive Minerals:

- (1) The Holder of a Mineral **Title-shall**, if he discovers during the course of mining, any radioactive mineral or any mineral that may reasonably be expected to be radioactive, immediately notify the Mines Inspectorate Department of the discovery in writing.
- (2) The provisions of the Nuclear Safety and Radio active Act, Cap. 19 LFN 2004 shall apply to any Radioactive mineral discovered pursuant to Mineral Exploitation under this Act.
- (3) The Mines Inspectorate Department may, in consultation with other relevant authorities and with the approval of the Minister, authorise the removal of the radioactive Minerals from the land where they have been obtained to any other place approved by the Minister for safe custody and in accordance with subsection (2) of this section.

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Committee's Recommendation:

That the provisions in Clause 44 be retained (*Senator Cosmas Niagwan*) — *Agreed to.*

Question that Clause 44 do stand part of the Bill, put and agreed to.

Clause 45: Disclosure of confidential information:

- (1) Any officer or former officer responsible for the administration of this Act who has any confidential information, which if generally known might reasonably be expected to materially affect a Mineral Exploitation activity which» -
 - (a) such officer acquired by virtue of his official capacity or former official capacity, and
 - (b) it would be reasonable to expect a person in his official capacity or former official capacity not to disclose except for the proper performance of the functions **attached** to that official capacity, shall not make improper use of such information to gain, directly or indirectly, an advantage for himself or for any other person.

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- (2) **An** officer appointed under this Act shall within thirty days of his appointment disclose any Mineral Title he may have or interest therein at the time of his appointment. No officer shall directly or indirectly acquire any Mineral Title under this Act
- (3) Any officer who fails to comply with the provisions of sub section (1) or (2) of this section commits an offence.

Committee's Recommendation:
That the provisions in Clause 45 be retained (*Senator Cosmos Niagwan*) — *Agreed to.*
Question that Clause 45 do stand part of the Bill, put and agreed to.

Clause 46:

- Grant of Mineral Titles:**
- (1) Subject to the provisions of this Act, the right to search for or exploit Mineral Resources is obtained through one of the following Mineral Titles in the form of-
 - (a) a Reconnaissance Permit;
 - (b) an Exploration Licence;
 - (c) a Small Scale Mining Lease;
 - (d) a Mining Lease;
 - (e) a Quarry Lease; and
 - (f) a Water Use Permit.
 - (2) Subject to the exceptions provided in this Act, any person that undertakes or is involved in the search for or exploitation of Mineral Resources without the requisite Mineral Title or authority shall be guilty of an offence.
 - (3) Any Mineral Title issued under this Act shall be subject to such conditions as may be prescribed in the licence **or** lease **or** by Regulation made under this Act.
 - (4) The form of all Mineral Titles shall be prescribed.

Committee's Recommendation:
That the provisions in Clause 46 be retained (*Senator Cosmos Niagwan*) — *Agreed to.*
Question that Clause 46 do stand part of the Bill, put and agreed to.

Clause 47:

- Qualification for Reconnaissance Permit:**
A qualified applicant for a Reconnaissance Permit is-
- (a) a Citizen of Nigeria with legal capacity and who has not been convicted of a criminal offence; or
 - (b) a body corporate duly incorporated under the Companies and Allied Matters Act; or
 - (0) a Mining Cooperative.

Committee's Recommendation:
That the provisions in Clause 47 be retained (*Senator Cosmos Niagwan*) — *Agreed to.*
Question that Clause 47 do stand part of the Bill, put and agreed to.

Clause 48:

- Qualification for Exploration Licence:**
A qualified applicant for an Exploration Licence is- ;

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- (a) a body corporate duly incorporated under the Companies and Allied **Matters** Act,
- (b) a Mining Cooperative.
- (c) the holder of a Reconnaissance Permit granted in respect of the area subject to the application, provided that the applicant has fulfilled all the conditions attached to the Reconnaissance Permit.

Committee's Recommendation:

That the provisions in Clause 48 be retained (*Senator Cosmos Niagwan*) — *Agreed to.*

Clause 49: *Question that Clause 48 do stand part of the Bill, put and agreed to.*

Qualification for Small Scale Mining Lease:

A qualified applicant for a Small Scale Mining Lease **is-**

- (a) a Citizen of Nigeria with legal capacity and who has not been convicted of a criminal offence;
- (b) a Mining Cooperative;
- (c) a body corporate duly incorporated under the Companies and Allied Matters Act.
- (d) the holder of a Exploration Licence granted in respect of the area subject to the application, provided that the applicant has fulfilled all the conditions attached to the Exploration Licence.

Committee's Recommendation:

That the provisions in Clause 49 be retained (*Senator Cosmos Niagwan*) — *Agreed to.*

Clause 50: *Question that Clause 49 do stand pan of the Bill, put and agreed to.*

Qualification for Mining Lease:

A qualified applicant for a Mining Lease is a body corporate duly incorporated under the Companies and Allied Matters Act or other legal entity that-

- (a) has demonstrated under conditions stated in the regulations that a commercial quantity of Mineral Resources exists in the area in respect of which the application is made, and
- (b) has fulfilled all the conditions attached to the Exploration Licence in respect of the area subject to the application.

Committee's Recommendation:

That the provisions in Clause 50 be retained (*Senator Cosmos Niagwan*) — *Agreed to.*

Clause 51: *Question that Clause 50 do stand part of the Bill, put and agreed to.*

Qualification for Quarry Lease:

A qualified applicant for a Quarry Lease **is -**

- (a) any individual citizen of Nigeria with legal capacity and who has not been convicted of a criminal offence;
- (b) a Mining Cooperative;
- (c) a body corporate duly registered under the Companies and Allied Matters Act;
- (d) any person extracting construction materials **for** the construction **of** roads, railway fines, dams and other engineering works or structures of public interest.

Committee's Recommendation:

That the provisions in Clause 51 be retained (*Senator Cosmos Niagwan*) — *Agreed to.* No. 57

Question that Clause 51 do stand part of the Bill, put and agreed to.

Clause 52: Qualification for Water Use Permit:

A qualified applicant for a Water Use Permit is-

- (a) the Holder of the Exploration License, Mining Lease or Quarry Lease at the time that the water right granted will be used; or
- (b) an applicant for a Mining Lease, Small Scale Mining Lease or Quarry Lease for which the water right will be required to be used.

Committee's Recommendation:

That the provisions in Clause 52 be retained (*Senator Cosmos Niagwan*) — *Agreed to.*

Question that Clause 52 do stand part of the Bill, put and agreed to.

Chairman to report Progress.

(SENATE IN PLENARY)

The Senate President reported that the Senate in the Committee of the Whole considered the Report of the Committee on Solid Minerals Development on the Nigerian Minerals and Mining Act (Repeal and Re-Enactment) Bill 2007 and approved as follows:-

Clauses 1 — 10	—	As Recommended
Clauses 11 — 24	—	As Recommended
Clauses 25 — 34	—	As Recommended
Clause 35	—	As Amended
Clauses 36 — 42	—	As Recommended
Clauses 43 — 52	—	A

s Recommended

Further consideration deferred till the next legislative day.

10. *Question; That the Report of the Committee of the Whole be approved — Resolved in the Affirmative.*

Adjournment:

And it being 2. 35 p.m. the Senate President adjourned the Senate till Thursday, 25th January, 2007 at 10.00-a.m.

Adjourned accordingly at 235p.m.

Ken Nnamani, GcoN
President of the Senate