



HOUSE OF REPRESENTATIVES FEDERAL REPUBLIC OF NIGERIA

VOTES AND PROCEEDINGS

Thursday, 1 June, 2006

1. The House met at 11.18 a.m. Mr Speaker read Prayers.
2. Votes and Proceedings:
Mr Speaker announced that he had examined and approved the Votes and Proceedings of Wednesday, 31 May, 2006.

By unanimous consent, the Votes and Proceedings was adopted.
3. Petition:
A petition was received and referred to House Committee on Public Petitions:

Hon. George Ford Nwosu, from Hon. Dr Shedrach Nweke (JP) and 11 others, on behalf of Umuakuru-Igbo Etche Community of Rivers State, praying the House to prevail on Shell Petroleum Development Company and its Integrated Waste Management Facility, to halt permanently the dumping of toxic-waste in Etche land and grant other reliefs sought in the petition.
4. Presentation of Bills:
 - (i) Insurance (Amendment) Bill, 2006 — *Read the First Time.*
 - (ii) Investment and Securities (Amendment) Bill, 2006 — *Read the First Time.*
 - (iii) National Housing Trust Fund Bill, 2006 — *Read the First Time.*
 - (iv) Nigerian Social Insurance Trust Fund (Amendment) Bill, 2006 — *Read the First Time.*
 - (v) Trustee Investments (Amendment) Bill, 2006 — *Read the First Time.*
 - (vi) Petroleum Products Pricing Advisory Agency (Amendment) Bill, 2006 — *Read the First Time.*
5. Consideration of Reports:
 - (i) *Committee on Solid Minerals:*
Motion made and Question proposed, "That this House do consider the Report of the House Committee on Solid Minerals on a Bill for an Act to Repeal the Minerals and Mining Act, No. 34 of 1999 and Re-Enact the Minerals and Mining Act for the Purposes of Regulating all Aspect of the Exploration of solid Minerals in Nigeria and for Connected Purposes, 2005" (Hon. Ogbuefi

Question put and agreed to.

Question that the House do resolve into the Committee of the Whole to consider the Report, agreed to.

(HOUSE IN COMMITTEE)

(Mr Deputy Speaker in the Chair)

A BILL FOR AN ACT TO REPEAL THE MINERALS AND MINING ACT, NO. 34 OF 1999 AND RE-ENACT THE MINERALS AND MINING ACT 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 I—OWNERSHIP AND CONTROL OF MINERALS

Committee Recommendation:

- Clause 1: Control of and 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 Act 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 to the person by whom the Mineral Resource are lawfully won, upon their recovery in accordance with this Act (*Hon. Ogbuefi Ozomgbachi*)—*Agreed to.*

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

Committee Recommendation:

- 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.
 - (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 (*Hon. Ogbuefi Ozomgbachi*)—*Agreed to.*

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

Committee Recommendation:

- 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 land—(Co) 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
 - (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 Minister 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 (*Hon. Ogbuefi Ozomgbachi*).

Amendments Proposed:

- (0) *Leave out* the provision in subclause (1) (b) and *insert* the following instead thereof:
"within two hundred metres of an oil and gas pipeline licence area granted under the Oil and Gas Pipeline Act" (*Hon. Bankura Lawan*).

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

- (ii) *Leave out* the provision in subclause (1) (b) as amended and *retain* the provision in Committee Recommendation (*Hon. Tsegba Terngu*).

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

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

PART II — ADMINISTRATION OF THE ACT

Committee Recommendation:

New 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 an indigenous interest,
- (f) exercise general supervision over all activities and operations under this Act;
- (g) define the roles to be played the Federal State and Local Governments in the administration of mineral exploitation;
- (h) accelerate the development of technical and professional manpower required in the mineral sector;
- (i) establish environmental procedures and requirements applicable to Mining Operations;
- (j) 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;
- (k) prescribe measures for the general welfare and safety of workers engaged in Mineral Resources operations;

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

Amendments Proposed:

- (i) *Leave out* the provision in paragraph (g) and *insert* the provision paragraphs (f) and (g) in the Principal Bill as follows:
"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" (Hon. Tsegba Terngu).

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

- (ii) In paragraph (q), *leave out* the words "a Mining Cadastre Office, and" (Hon. Almajir Geidam).

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

- (iii) In paragraph (w), immediately after the word "are", *insert* the word "reasonably" (Hon. Bala Ibn Na' Allah).

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

the word "a" instead thereof (Hon. Almajir Geidamn). *Question that the amendment be made, put and agreed to. Question that New Clause 4 as amended, stand part of the Bill, put and agreed to.*

Committee Recommendation:

New Clause 5: Establishment of the Mining Cadastre,

- (1) There shall be established a Mining Cadastre Office with the exclusive responsibility for the administration of Mineral Titles and the maintenance of the cadastral registers,
- (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 in respect of all matters related to Mineral Titles.
- (5) Pursuant to the requirements of this Act, the Mining Cadastre Office shall have the exclusive power to undertake the following-
 - (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 necessary for the carrying out of its duties and responsibilities under the provisions of this Act (*Hon. Ogbuefi Ozomgbachi*).

Amendments Proposed:

- (i) In subclause (1), line 1, immediately after the word "established" insert the words ", within six (6) months of the coming into effect of this Act" (*Hon Bankura Lawani*).

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

- (ii) Leave out the provision in subclause (d) and insert the following instead thereof:
"undertake such other activities reasonably necessary for the purpose of carrying out its duties and responsibilities under the provisions of this Act" — *consequential amendment*.

question that New clause y as amended, stand part of the bill, put and

Committee Recommendation:

New Section 6: Central Zonal Offices of the Mining Cadastre.

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 (*Hon. Ogbuefi Ozomgbachi*) — *Agreed to*.

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

Committee Recommendation:

New Section 7: 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 Act, comprising of—

- (a) a register of Reconnaissance Permits;
- (b) a register of Exploration Licences;
- (c) a register of Mining of lease;
- (d) a register of small - Scale Mining Leases;
- (e) a register of the Water Use Permits; and
- (f) a register of Quarry Leases (*Hon. Ogbuefi Ozomgbachi*) — *Agreed to.*

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

Committee Recommendation:

New Section 8: Priority.

- (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
 - (ii) the date and time of the application (*Hon. Ogbuefi Ozomgbachi*) — *Agreed to.*

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

Committee Recommendation:

New Section 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 shall consider competing bids and shall, through an open and transparent method, select the 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 55 or 58 (*Hon. Ogbuefi Ozomgbachi*).

Amendment Proposed:

In subclause (3), line 1, *leave out* the provision "55 or 58" and *insert* the following provision "50 or 51" instead thereof (*Hon. Ogbuefi Ozomgbachi*).

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

Question that New Clause 9 as amended, stand part of the Bill, put and agreed to.

Committee Recommendation:**New Section 10:****Fees payable to the Mining Cadastre.**

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 (*Hon. Ogbuefi Ozomgbachi*) — *Agreed to.*

Question that New Clause 10 stand part of the Bill, put and agreed to.

Committee Recommendation:**New Section 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 (*Hon. Ogbuefi Ozomgbachi*) — *Agreed to.*

Question that New Clause 11 stand part of the Bill, put and agreed to.

Committee Recommendation:**New Section 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 cancel the Mineral Title (*Hon. Ogbuefi Ozomgbachi*) — *Agreed to.*

Question that New Clause 12 stand part of the Bill, put and agreed to.

Committee Recommendation:**New Section 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 (*Hon. Ogbuefi Ozomgbachi*) — *Agreed to.*

Question that New Clause 13 stand part of the Bill, put and agreed to.

Committee Recommendation:**New Section 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 (*Hon. Ogbuefi Ozomgbachi*) — *Agreed to.*

Question that New Clause 4 stand part of the Bill, put and agreed to.

Committee Recommendation:**New Section 15:****Relationship between the Minister and the Mining Cadastre.**

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 (*Hon. Ogbuefi Ozomgbachi*) — *Agreed to.*

Question that New Clause 4 stand part of the Bill, put and agreed to.

Committee Recommendation:**New Section 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 and agencies 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 {Hon. Ogbuefi Ozomgbachi}.

Amendment proposed:

In subclause (1) (c), immediately after the word "departments" *leave out* the words "and agencies" (Hon. ChidiDuru).

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

Question that New Clause 16 as amended, stand part of the Bill, put and agreed to.

Committee Recommendation:**New Section 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—

- (a) exercise general supervision over all reconnaissance, exploration and Mining Operations to ensure their compliance with this Act;
- (b) supervise and enforce compliance by Mineral Title Holders with all mine health and safety regulations prescribed under this Act 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 Act 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 (Hon. Ogbuefi Ozomgbachi) — *Agreed to.*

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

Committee Recommendation:

New Section 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 Act, its regulations and by any other law in force;
- (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 (*Hon. Ogbuefi Ozomgbachi*) — *Agreed to.*

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

Committee Recommendation:

New 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; a representative of the Federal Ministry of Environment in the State.
- (3) The functions of the Committee are to—
 - (b) consider issues affecting compensation and make necessary recommendations to the Minister;
 - 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;
 - if) 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;

- (g) advise the Local Government Areas and communities on the implementation of programs for environmental protection and sustainable management of Mineral resources;
- (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;
- (i) advise the Minister in resolving conflicts between stakeholders;
- (f) 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 Minister;
 - (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 (*Hon. Ogbuefi Ozomgbachi*).

Amendment Proposed:

Retain the provision in subclause (3) (a) of the Principal Bill as follows:

"consider and advise the Minister on issues affecting returns of necessary reports affecting grants of mining titles" (*Hon. Ogbuefi Ozomgbachi*).

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

Question that New Clause 19 as amended, stand part of the Bill, put and agreed to.

Chairman to report progress:

Mr Deputy Speaker in the Chair, reported that the House in the Committee of Whole considered the Report of the House Committee on Solid Minerals on a Bill for an Act to Repeal the Minerals and Mining Act, No. 34 of 1999 and Re-Enact the Minerals and Mining Act for the Purposes of Regulating all Aspect of the Exploration and Exploitation of solid Minerals in Nigeria and for Connected Purposes, 2005. It approved Clauses 1 and 2, amended Clauses 3, 4 and 5, approved Clauses 6, 7 and 8, amended Clause 9, approved Clauses 10, 11, 12, 13, 14 and 15, amended Clause 16, approved Clauses 17 and 18, amended Clause 19. *He asked leave to sit again.*

Question that the House do adopt the Report of the Committee of Whole, put and agreed to.

6. Adjournment:

That this House do now adjourn till Tuesday, 6 June, 2006 at 10.00 a.m. (*Hon. Abdul Ningi*).

Adjourned accordingly at 1.16 p.m.

Aminu Bello Masari
Speaker

CORRIGENDUM

In the Votes and Proceedings of Wednesday, 31 May, 2006:

- (i) In Item 2 (Votes and Proceedings), line 1, *leave out* the entry "Thursday, 25 May, 2006" and *insert* the entry "Tuesday, 30 May, 2006" instead thereof;
- (ii) In Item 7 (Adjournment) *leave out* the name (*Hon. Bawa Bwari*) and *insert* the name (*Hon. Abdul Ningi*) instead thereof.