

PANORAMIC

MINING

Nigeria

 LEXOLOGY



Mining

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MINING INDUSTRY

Standing

What is the nature and importance of the mining industry in your country?

The Nigerian mining industry is emerging after decades of neglect. The industry, which dates back to the 1940s, was abandoned following the discovery of petroleum in the 1960s. From 2016, however, as part of its [national economic recovery and growth plan](#), the Nigerian government began actively focusing on the mining industry as a potential alternative foreign direct investment and revenue source. The importance of the mining industry was underscored by the launch of the [Mineral Sector Support for Economic Diversification Project \(MinDiver Project\)](#) in 2017. The objective of the MinDiver project was to enhance the mining sector's contribution to Nigeria's economy. This has led to a relatively significant rise in activity in the industry, with particular focus on gold and battery metals and ores such as lithium, nickel, tin and manganese.

Law stated - 15 May 2025

Target minerals

What are the target minerals?

The most targeted minerals in the Nigerian mining industry are lithium, gold and rare earths.

Law stated - 15 May 2025

Regions

Which regions are most active?

The middle belt region (Nasarawa, Plateau, Kogi); northwest and north central regions (Kebbi, Kaduna, Bauchi, Zamfara); the southwest (Osun, Oyo); and the southeast (Enugu, Ebonyi).

Law stated - 15 May 2025

LEGAL AND REGULATORY STRUCTURE

Basis of legal system

Is the legal system civil or common law-based?

The Nigerian legal system is common-law based.

Law stated - 15 May 2025

Regulation

How is the mining industry regulated?

The Nigerian mining industry is primarily regulated by the Ministry of Solid Minerals Development, through various departments and agencies within the ministry.

Law stated - 15 May 2025

Regulation

What are the principal laws that regulate the mining industry? What are the principal regulatory bodies that administer those laws? Were there any major amendments in the past year?

The departments and agencies responsible for the administration of mining laws include the MCO, which manages mineral titles; the Mines Inspectorate Department, tasked with regularly inspecting mining sites to ensure compliance with statutory standards; the Mines Environmental Compliance Department, responsible for all environmental regulations; the Nigerian Geological Survey Agency, a parastatal that provides relevant and up-to-date geo-scientific information; and the Council of Nigerian Mining Engineers and Geoscientists, which regulates professionals in geoscience and metallurgy.

The principal laws that regulate the mining industry are the Nigerian Minerals and Mining Act 2007 (the Mining Act), the Nigerian Minerals and Mining Regulations 2011 (the Mining Regulations), and the Guidelines that govern various aspects of mining and related activities. Although there were no major amendments to these laws in the past year, the Minister of Solid Minerals Development issued the Nigerian Mineral Value Chain Regulations 2024 to provide a legal framework for regulating value addition in the mineral sector through beneficiation and downstream development.

Another major development in the past year is the significant increase in the administrative fees for mineral title applications and renewals and revised royalty rates.

Law stated - 15 May 2025

Classification system

What classification system does the mining industry use for reporting mineral resources and mineral reserves?

The reporting framework for mineral resources and mineral reserves in Nigeria is based on licence category, and to an extent, the mineral type. Section 129 of the Mining Act classifies certain minerals as 'radioactive minerals', and section 75 classifies asbestos, china clay, fuller's earth, gypsum, marble, limestone, mica, pipe clay, slate, sand, stone, laterite, gravel, as 'quarriable minerals'. This classification is relevant for purposes of determining the type of title required to mine those categories of minerals.

Law stated - 15 May 2025

MINING RIGHTS AND TITLE

State control over mining rights

To what extent does the state control mining rights in your jurisdiction? Can those rights be granted to private parties and to what extent will they have title to minerals in the ground? Are there large areas where the mining rights are held privately or which belong to the owner of the surface rights? Is there a separate legal regime or process for third parties to obtain mining rights in those areas?

Under section 44(3) the Constitution of the Federal Republic of Nigeria 1999 and section 1 of the Nigerian Minerals and Mining Act 2007 (Mining Act), all minerals in Nigeria are exclusively owned and controlled by the federal government, regardless of whose land they are found on. The Mining Cadastre Office (MCO) is the agency responsible for granting mineral titles that comprise reconnaissance permit, exploration licence, small-scale mining lease, mining lease, quarry lease and other permits such as water use permit. These titles confer the right to search for and extract minerals, but not ownership of the minerals in the ground, as ownership vests in the state until extraction. After extraction, the licensee gains ownership of the minerals.

Landowners do not own the minerals beneath their land. However, under section 100 of the Mining Act, the consent of the landowners must be obtained before mining operations can commence on their land.

Landowners cannot lawfully exploit the minerals unless the government grants them a mineral title. Mining rights are not tied to surface rights in Nigeria, as all mineral rights reside with the federal government.

There is no separate legal regime for obtaining rights in areas held by private landowners, as all applicants must go through the MCO and apply for mineral titles, obtain consent from the surface landowner as required under the Mining Act, comply with Environmental Impact Assessment requirements and community development obligations.

Law stated - 15 May 2025

Publicly available information and data

What information and data are publicly available to private parties that wish to engage in exploration and other mining activities? Is there an agency, or securities commission regulating public companies, which collects mineral assessment reports from private parties? Must private parties file mineral assessment reports? Does the agency or the government conduct geoscience surveys, which become part of the database? Is the database available online?

Private parties that wish to engage in exploration and other mining activities may apply to the Nigeria MCO for information regarding a mineral title. The information provided upon receipt of a formal application include:

- validity or otherwise of the mineral title;
- duration of the term granted under the mineral title;
- details of any encumbrance(s) or charge(s) created or registered in favour of any third party on the mineral title;

- details of any breach or non-compliance by the mineral title holder;
- existence of any disputes;
- restrictive conditions attached to the mineral title; and
- penalties imposed or likely revocation incidents.

Public companies are regulated by the Securities and Exchange Commission. Public companies, including those listed on the NGX, are required to make certain corporate disclosures and reports (such as their corporate governance report), file their financial statements and director dealings. These reports do not include mineral assessment reports.

Mining and exploration companies are required to file half-yearly reports, which will include mineral assessment reports, with the Mines Inspectorate Directorate, Mines Environment Compliance Department, and MCO in connection with any technical work carried out on an exploration licence area, mining lease or quarry lease area

The Nigerian Geological Survey Agency is the custodian of mineral assessment reports, which can be accessed in the Nigeria Geological Survey Agency GeoData Centre at <https://ngsa.gov.ng/geodata-centre/>

Law stated - 15 May 2025

Acquisition of rights by private parties

What mining rights may private parties acquire? How are these acquired? What obligations does the rights holder have? If exploration or reconnaissance licences are granted, does such tenure give the holder an automatic or preferential right to acquire a mining licence or more senior tenure? What are the requirements to convert to a mining licence?

Private parties may acquire the following mineral titles under the Mining Act:

- Reconnaissance Licence – This is a non-exclusive right to carry out reconnaissance work on an area of land for a period of one year, subject to an annual renewal. This permit allows the holder to have access to, enter, fly over and even obtain surface samples of minerals in reasonable quantities. To obtain this permit, an application is made, and a prescribed fee is paid to the MCO. The MCO is expected to give its approval within 30 days of receiving the application.
- Exploration Licence – This licence gives the holder an exclusive right to carry out exploration activities in an area of land for a maximum period of three years, subject to a renewal for a maximum of two additional periods of two years each. The licence usually covers a mining area of not more than 200 square kilometres.
- Small Scale Mining Lease – This lease allows the holder to conduct artisanal mining operations that do not involve the use of mechanised methods of exploration, extraction and processing of mineral resources.
- Mining Lease – This lease confers on the holder an exclusive right to explore, prospect and mine mineral resources in an area of land for a maximum period of 25 years. An applicant for this lease must demonstrate, under conditions stated in the Mining

Regulations, that there are mineral resources in commercial quantities in the area over which the lease is sought and list the minerals to be mined.

- Quarry Lease – This lease creates a proprietary interest over land and confers an exclusive right to mine and process construction materials (such as sand, gravel and stone) in an area of land for a maximum period of five years. This term is renewable for two additional periods of five years each.
- Water Use Permit – This permit is usually given to the holders of an exploration licence, a mining lease, a small-scale mining lease, or a quarry lease who require water use during their operations. It permits them to use water sources for their operations.

The obligations of mineral title holders are set out in the Mining Regulations. The grant of an exploration licence or a small-scale mining lease over an area gives the holder a preferential and exclusive right to acquire a mining lease, one or more small-scale mining leases, or quarry leases in respect of any part of the exploration area. No mining lease can be granted in respect of any area covered by an exploration licence or small-scale mining lease except to the holder of the exploration licence or small-scale mining lease over such an area. A reconnaissance licence does not give the holder a preferential right to acquire a mining lease.

The holder of a small-scale mining lease may convert it to a mining lease by adhering to the laid-down procedure for obtaining a mining lease, which are set out in the Mining Regulations.

Law stated - 15 May 2025

Renewal and transfer of mineral licences

What is the regime for the renewal and transfer of mineral licences?

The requirements and steps for the renewal and transfer of mineral titles are set out in the Mining Act and the Mining Regulations.

The renewal of the mineral titles are in the following manner – reconnaissance permit: one year term (renewable annually); exploration licence: three-year term (renewable for two terms of two years each); small scale mining lease: five-year term (renewable every five years); Mining lease: 25 years (renewable every 24 years); and quarry lease: five years or for the applied term or for five years, whichever is shorter (renewable for further terms, each one not exceeding the first term). water use permits are also granted for periods underlying the type of licence granted.

A reconnaissance permit is not transferable. The transferable rights under a mineral title may be wholly or partially assigned, sub-leased, pledged, mortgaged, charged, hypothecated or subject to any security interest.

The transfer of mineral titles is subject to the approval of the transfer by the minister and registration with the MCO. The approval of the MCO is, however, not required for an assignment of a mineral title to an affiliate where the obligations of the affiliate are guaranteed by the assignor or by a parent company.

The application for transfer or assignment of a mineral title must be made in the requisite form and accompanied by:

- the terms and conditions of the proposed assignment or transfer; and
- a copy of the instrument of the proposed assignment or transfer.

Law stated - 15 May 2025

Duration of mining rights

What is the typical duration of mining rights? Is there a requirement to relinquish a portion of the mining rights to the government after a certain number of years?

Under the Mining Act, each mineral title has a distinct duration as set out in the table below-

Mineral Titles	Duration
Reconnaissance Permit	1 - year term
Exploration Licence	3 - year term
Small Scale Mining Lease	5 - year term
Mining Lease	25 - year term
Quarry Lease	A Quarry Lease may be issued for the applied term or for 5 years, whichever is shorter.
Water Use Permit	The Water Use Permit remains valid as long as the small - scale mining lease, mining lease, quarry lease or exploration licence for which it was granted is valid.

There is no requirement to compulsorily relinquish a portion of the mining rights to the government after a certain number of years. The holder of a mining lease, exploration licence or a water use permit may voluntarily relinquish a part or the whole of the exploration licence area at any time during the term of the licence. However, the holder of a mineral title may surrender its mineral title to the MCO before the expiration of the term of the mineral title.

Law stated - 15 May 2025

Acquisition by domestic parties versus acquisition by foreign parties

Is there any distinction in law or practice between the mining rights that may be acquired by domestic parties and those that may be acquired by foreign parties?

Under the Mining Act, mineral titles may only be granted to Nigerian citizens or to companies incorporated under the Companies and Allied Matters Act (CAMA). There are no restrictions on foreign ownership of companies incorporated under CAMA for the purpose of holding mineral rights. Thus, a company with full or partial foreign ownership can validly acquire and hold mineral titles, provided it is duly incorporated in Nigeria.

A foreign company cannot have a branch in Nigeria. The CAMA requires any foreign company that intends to carry on business in Nigeria to incorporate a separate entity in Nigeria for that purpose. Until so incorporated, the foreign company must not carry on business in Nigeria or exercise any of the powers of a registered company or have a place of business or an address for service of documents or processes in Nigeria for any purpose. In addition, foreign-owned companies are also required to register with the Nigerian Investment Promotion Commission. This registration is a prerequisite for enjoying investment incentives and legal protection provided to foreign investors under Nigerian law.

Law stated - 15 May 2025

Protection of mining rights

How are mining rights protected? Are foreign arbitration awards in respect of domestic mining disputes freely enforceable in your jurisdiction?

Mining rights are protected mainly through statutory guarantees and rights. Once a mineral title (license, lease) is granted in accordance with the Mining Act, it becomes a legal right. The Act gives security of tenure to the extent that once a titleholder fulfils the necessary terms, the government cannot arbitrarily revoke the right.

Foreign arbitration awards in respect of domestic mining disputes are enforceable in Nigeria. Nigeria is a party to the New York Convention (1958) on the Recognition and Enforcement of Foreign Arbitral Awards. The New York Convention was domesticated into Nigerian law, first through the Arbitration and Conciliation Act 1988, and now replaced by the more recent Arbitration and Mediation Act, 2023 (AMA). Section 57 of the AMA provides that the New York Convention shall apply to the enforcement of foreign arbitral awards.

Mining disputes, even if they arise in Nigeria and concern Nigerian assets, can still lead to foreign awards if the contract provides for international arbitration or if the seat of arbitration is outside Nigeria. In such cases, the award is considered a foreign award and enforceable under the New York Convention rules in Nigeria.

The award can be recognised and enforced by simply applying to a Nigerian court with the appropriate jurisdiction. For matters relating to mining rights, an application will be made to the Federal High Court.

Law stated - 15 May 2025

Surface rights

What types of surface rights may mining rights holders request and acquire? How are these rights acquired? Can surface rights holders

oppose these requests or does the holder of the mineral tenure have priority over surface rights use?

The holder of a mineral title may request for a right of occupation or use of a land.

Surface rights may either be granted under a deed of lease (which grants the mineral title holder surface rights over the land for a specified period of time) or under a deed of assignment (which is an outright sale of the rights of occupancy of the landowner to the mineral title holder). The mineral title holder may also obtain a direct allocation of the land from the government of the state where the land is situated.

Notwithstanding the forgoing, the Mining Act accords priority to mining activities over other uses of land. Specifically, section 22 of the Mining Act recognises land use for mining as constituting an overriding public interest within the meaning of the Land Use Act. Where a mining lease is granted over land already subject to a statutory or customary right of occupancy, the governor of the state in which the land is situated is required to revoke such right within 60 days, in line with section 28 of the Land Use Act. The federal government may also compulsorily acquire land where minerals are found in commercial quantities.

In practical terms, while consent remains a legal requirement, both state and federal authorities retain the power to override private land rights where such action is necessary to give effect to mining operations.

Law stated - 15 May 2025

Participation of government and state agencies

Does the government or do state agencies have the right to participate in mining projects? Is there a local listing requirement for the project company?

Yes, the government or state agencies can participate in mining projects, as provided by section 44(3) of the Constitution of the Federal Republic of Nigeria 1999 (as amended) and section 1 of the Nigerian Minerals and Mining Act 2007 (the Mining Act), which vests the ownership and control of all mineral resources in the federal government. The provision affirms the federal government's exclusive ownership of mineral resources and grants it the authority to engage in and regulate mining activities. There is no local listing requirement for mining project companies.

Law stated - 15 May 2025

Government expropriation of licences

Are there provisions in law dealing with government expropriation of licences? What are the compensation provisions?

There are provisions under Nigerian law regarding government expropriation of licences. Under section 151 of the Mining Act, the government has the power to revoke mineral titles for lawful reasons, such as breach of licence conditions, non-payment of fees, failure to commence operations, and environmental breaches. Public interest or national security are also potential causes of expropriation.

The Mining Act itself does not specifically spell out compensation rules for title revocation. However, section 44(1) of the Constitution provides that no movable or immovable property shall be compulsorily acquired by the government except in the manner and for the purposes prescribed by a law that requires the prompt payment of compensation and gives the person an opportunity to challenge the acquisition in court. Accordingly, the Constitution protects against compulsory acquisition of property without prompt and adequate compensation. Section 25 of the Nigerian Investment Promotion Commission Act (the NIPC Act) prohibits the expropriation or nationalisation by the federal government of any enterprise to which the Act applies. The NIPC Act is the principal law that governs foreign investment in any of the economic sectors in Nigeria.

Law stated - 15 May 2025

Protected areas

Are any areas designated as protected areas within your jurisdiction and which are off-limits to mineral exploration or mining, or specially regulated?

Yes, there are areas restricted for mining activities under the Nigerian legal framework for mining activities. Specifically, section 3 of the Mining Act prohibits the grant of a licence over restricted land areas. It prohibits the reconnaissance, exploration, or exploitation of mineral resources or the erection of beacons on or the occupation of any land that is:

- set apart for, or used for, or appropriated or dedicated to any military purpose except with the prior approval of the president;
- within 50 metres of a pipeline area granted under the Oil Pipeline Act;
- occupied by any town, village, market, burial ground, cemetery, ancestral, sacred or archaeological site, appropriated for a railway, or situated within 50 metres of a railway, or which is the site of, or within 50 metres of, any government building, reservoir, dam or public road;
- subject to the provisions of the National Commission for Museums and Monuments Act;
- over which a Mineral Title has previously been granted by the Mining Cadastre Office and where such Mineral Title is subsisting; and
- closed to mining operations.

Section 98 (Prohibition of Mineral Exploration in Certain Areas) of the Mining Act, also provides that no person shall, in the course of exploration or mining, carry out operations in or under any area held to be sacred or permit injury or destruction of any tree or other thing that is the object of veneration. The section further provides that any questions as to whether an area, tree or thing is an object of veneration shall be decided by the MCO on the recommendation of the Mineral Resources Committee of the State concerned.

Law stated - 15 May 2025

DUTIES, ROYALTIES AND TAXES

Duties, royalties and taxes payable by private parties

What duties, royalties and taxes are payable by private parties carrying on mining activities? Are these revenue-based or profit-based?

Taxes

In Nigeria, private parties that engage in mining activities are taxed based on the profits generated from their activities. Companies are taxed under the Companies Income Tax Act, and individuals and partnerships are taxed under the Personal Income Tax Act. Please see below the relevant fiscal considerations:

- **Corporate Income Tax:** Mining companies are subject to Companies Income Tax under the Companies Income Tax Act at the rate of 20–30 per cent depending on the annual turnover of the company.
- **Tertiary Education Tax:** Mining companies are required to pay tertiary education tax at the rate of 3 per cent of their assessable profit, as prescribed under the Tertiary Education Trust Fund (TETFund) Act.
- **Value Added Tax:** VAT is charged at the rate of 7.5 per cent on the sale of minerals within Nigeria. However, exports are zero-rated, meaning they are exempt from VAT under Nigerian law.
- **Capital Gains Tax:** There is a 10 per cent CGT levied on the disposal of chargeable assets in Nigeria, which will apply where the private parties involved in mining operations dispose of a chargeable asset.
- **Withholding Tax:** Withholding tax applies to passive income such as dividends, interests, rent and royalties at 10 per cent except where treaty rates apply; consultancy, technical, management and professional fees as well as payments on contracts are all subject to withholding tax at the rate of 2–10 per cent depending on whether the recipient is a Nigerian or non-resident recipient.

Royalties

Regarding royalties, the royalty rates in Nigeria are ad valorem, ranging from 3 to 5 per cent of the market value of the mineral, depending on the mineral. The applicable royalty rate for a mineral is based on the type of mineral being traded.

Duties

Stamp duties are also payable on dutiable instruments and transactions. These instruments must be stamped within (1) 30 days from the date of execution or (2) 30 days from the date of receipt in Nigeria if executed outside Nigeria. The applicable rates are either nominal or ad valorem depending on the nature of the instrument or transaction.

Other fees

Further, mineral title holders are required to pay other fees such as (1) annual service fees for the maintenance of the mineral titles, which are based on the number of Cadastre Units held; (2) surface rent, which is paid to landowners or occupiers.

Law stated - 15 May 2025

Tax advantages and incentives

What tax advantages, tax credits and incentives are available to private parties carrying on exploration and mining activities?

The Mining Act grants tax incentives to companies or enterprises engaged in mining operations in Nigeria, some of which include:

- Accelerated capital allowances of 95 per cent of qualifying capital expenditure incurred in relation to (1) certified exploration, development and processing expenditure, including feasibility study and sample assaying costs; and (2) infrastructure costs.
- Indefinite carry forward of loss relief.
- Three-year tax holiday, which commences on the date the company begins operations and may be extended, by application, for one further period of two years.
- Exemption from customs and import duties on machinery and equipment imported specifically for mining operations.

These incentives are also contained in the relevant tax laws.

Law stated - 15 May 2025

Tax stabilisation

Does any legislation provide for tax stabilisation or are there tax stabilisation agreements in force?

There is no mining related legislation that provides for tax stabilisation under Nigerian law. The use of tax stabilisation clauses by the Nigerian government used to be a common practice in the oil & gas industry to attract foreign investment. This practice has, however, diminished over recent years, and has not been adopted in relation to mining projects, since in the absence of a national mining company, there is minimal government involvement in mining projects.

Law stated - 15 May 2025

Carried interest

Is the government entitled to a carried interest, or a free carried interest in mining projects?

Nigeria does not have a state-owned mining company, and as such, there are no concessions or joint venture agreements in place between the federal government and third parties. The concept of carried interest, from a government perspective therefore does not currently exist within the mining industry.

Law stated - 15 May 2025

Transfer taxes and capital gains

Are there any transfer taxes or capital gains imposed regarding the transfer of licences?

Yes, any gains derived from the transfer of a licence will be liable to capital gains tax at 10 per cent.

Law stated - 15 May 2025

Distinction between domestic parties and foreign parties

Is there any distinction between the duties, royalties and taxes payable by domestic parties and those payable by foreign parties?

There is no distinction between the duties, royalties and taxes payable by domestic parties and those payable by foreign parties, except in relation to withholding tax on passive income, which will depend on the existence of a double tax treaty between the country of residence of the foreign party, and Nigeria. There is also a different rate of withholding tax that will apply in relation to certain types of transactions.

Law stated - 15 May 2025

BUSINESS STRUCTURES

Principal business structures

What are the principal business structures used by private parties carrying on mining activities?

The principal business structure used by private entities to engage in mining activities in Nigeria is the limited liability company. Other structures include registered mining cooperatives, which the government recommends for artisanal miners.

Law stated - 15 May 2025

Local entity requirement

Is there a requirement that a local entity be a party to the transaction?

Nigerian law permits foreign participation in the mining sector, with or without the involvement of a local entity. There is no legal requirement for a Nigerian partner to be a party to a mining transaction.

Sections 17 and 20 of the Nigerian Investment Promotion Commission Act allow foreign investors to participate in and operate any enterprise in Nigeria, provided that the enterprise is incorporated in Nigeria prior to commencing business operations. This requirement is subject to the exceptions outlined in section 80 of the Companies and Allied Matters Act 2020.

Law stated - 15 May 2025

Bilateral investment and tax treaties

Are there jurisdictions with favourable bilateral investment treaties or tax treaties with your jurisdiction through which foreign entities will commonly structure their operations in your jurisdiction?

Yes, there are. Nigeria is party to bilateral investment treaties with 31 countries, 15 of which are in force. It also maintains double tax treaties with 15 countries. The terms of the bilateral investment treaties are generally the same, with minimal differences. The double tax treaties are also generally the same, with minor differences in some cases.

Law stated - 15 May 2025

FINANCING

Principal sources of financing

What are the principal sources of financing available to private parties carrying on mining activities? What role does the domestic public securities market play in financing the mining industry?

Capital raising for mining activities through public offers of securities is not common in Nigeria. The principal sources of financing for mining projects are equity investments (often structured as joint ventures) as well as debt and quasi-debt instruments.

However, the Rulebook of the Nigerian Stock Exchange (NGX) provides that an application for listing from an issuer whose current activities consist solely of mineral exploration will normally not be considered, unless it is able to establish: economically exploitable reserves over an area which the issuer has mineral rights, an estimate of the capital cost required to bring the issuer into a productive position; and the time and capital required to bring the issuer into a position to earn revenue.

Furthermore, statements in any listing document as to the existence of natural resources must be substantiated by the issuer's professional adviser and supported by drilling results, analysis or other evidence. In addition to the general requirements for listing on the NGX, a mining project company that seeks to list for the first time (or a listed company that seeks to engage in mining as a new venture) is required to submit its listing document with detailed information on its mining operations.

Direct financing from government or major pension funds**Does the government, its agencies or major pension funds provide direct financing to mining projects?**

The government, through the Solid Minerals Development Fund, provides financing to artisanal and small-scale miners. There is no express prohibition against pension fund administrators (PFAs) from investing in mining projects. However, such investments must comply with the eligibility criteria set out in the National Pension Commission's Regulation on the Investment of Pension Fund Assets before PFAs can participate.

Law stated - 15 May 2025

Security regime**Please describe the regime for taking security over mining interests.**

Section 147(2) of the Mining Act provides that the rights arising from a mineral title or permit can be wholly or partially assigned, sub-leased, pledged, mortgaged, charged or hypothecated.

The nature of the security interest that a lender can take over mining rights under the Act includes:

- **Mortgage:** This involves the transfer of the legal title to the mineral right by one party (the borrower/mortgagor) to another (the lender/mortgagee) as a security for the payment of the debt or the discharge of some other obligation for which it is given. This will be subject to a condition that the mineral title shall be re-conveyed to the mortgagor if the secured obligation is discharged by the borrower. This security interest can either be a legal mortgage which transfers title to the lender with immediate right over the mortgaged mineral title and must be created by a deed, or an equitable mortgage that is created by a mortgage over a mining right already subject to a legal mortgage or by depositing the title documents to the mineral rights with the lender with or without a memorandum of deposit.
- **Charge:** This creates a security interest in favour of the lender over the mineral title. That security interest can be enforced on the occurrence of specified events of default. A charge created over the mineral rights of a borrower does not transfer the title in the charged title to the lender but simply creates a security interest in favour of the lender, which can be enforced upon the occurrence of specified events. A charge can either be fixed or floating.
- **Pledge:** This involves the deposit of the instrument of title over the mining rights with a lender as security for the secured obligation. This will be on the condition that the pledged items will be redelivered to the borrower if the debt is repaid. The essential element of a pledge under Nigerian law is actual or constructive possession of the instrument of title over the mining right. If the lender must part with the possession of the mineral title in an enforcement scenario, then the borrower will be required to

execute a trust receipt in favour of the lender. This is not a common form of security over mineral rights.

- **Assignment:** An assignment involves the transfer of ownership rights over a mineral title to a lender as collateral for a debt or other obligations. This will be on the condition that the transferred right will be reassigned to the borrower upon the repayment of the debt or discharge of the secured obligations. The mining rights may include exploration licences, mining leases, quarry leases and small-scale mining leases.
- **Sublease:** This involves the transfer of the proprietary rights to use a mining right or mineral title to a lender as collateral for a debt or other obligations. The parties must ensure that the duration of the sublease is at least a day less than the term granted to the holder by the Minister under the Mining Act and Mining Regulations. This is not a common form of security over mining rights for lenders.
- **Hypothecation:** Hypothecation is a form of a security interest created when a mining right or mineral title is pledged as collateral for a debt obtained by the holder of the mining right. A mining company may hypothecate its mining rights to a lender as security for a loan. This security interest entitles the lender to take possession of the hypothecated mining rights if the borrower or mining company defaults on the loan. This is also not a common form of security over mining rights for lenders.

Law stated - 15 May 2025

RESTRICTIONS

Importation restrictions

What restrictions are imposed on the importation of machinery and equipment or services required in connection with exploration and extraction?

There are no restrictions on the importation of machinery and equipment required in connection with exploration and extraction. Operators in the mining industry enjoy exemption from payment of customs and import duties in respect of plant, machinery, equipment and accessories imported into Nigeria specifically and exclusively for mining operations. However, to benefit from this exemption, the prior approval of the MID must have been obtained for the machinery and equipment to be imported by the holder of the mineral title.

Where the importation of services will require the employment of a foreigner, the mining operator would need to obtain an expatriate quota and other immigration permits. Additionally, where services are provided under a management or technical services agreement, such agreements are deemed as transfer of technology agreements and would need to be registered with the National Office of Technology Acquisition and Promotion.

Law stated - 15 May 2025

Standard conditions and agreements

Which standard conditions and agreements covering equipment supplies are used in your jurisdiction?

In Nigeria, the Standard Organisation of Nigeria Conformity Assessment Programme (SONCAP) regulates and guarantees the quality of imported products. The SONCAP entails two mandatory processes of verification of product quality to meet specified standards, such as the International Organisation for Standardisation (ISO). The two mandatory processes are:

- Obtaining a Product Certificate 1 (Unregistered Status) or Product Certificate 2 (Registered Status), or Product Certificate 3 (Licensed Status); and
- Obtaining a Certificate of Conformity.

The agreements that cover equipment supplies typically depend on the type of equipment involved and the nature of the supply (whether for construction, manufacturing, processing, etc). Agreements for equipment supplies can take the form of Purchase Agreements or contracts, supply and maintenance contracts, service level agreements, lease or hire purchase agreements.

Law stated - 15 May 2025

Mineral restrictions

What restrictions are imposed on the processing, export or sale of minerals? Are there any export quotas, licensing or other mechanisms that prevent producers from freely exporting their production?

In Nigeria, there are restrictions relating to the exportation of minerals to other countries.

Regulation 8 of the Nigerian Mineral Value Chain Regulations 2024, restricts the exportation of unprocessed minerals. A permit must be obtained from the Downstream Mineral Implementation, Monitoring and Evaluation Committee, and a 50 per cent royalty must be paid on the value of the product.

Regulation 8(1) further provides that export sales of value-added minerals and processed development mineral products may be made only by holders of Authorised Processing Facility licences issued by the Downstream Mineral Implementation, Monitoring and Evaluation Committee.

Law stated - 15 May 2025

Import of funds restrictions

What restrictions are imposed on the import of funds for exploration and extraction or the use of the proceeds from the export or sale of minerals?

There are no restrictions to capital importation under Nigerian law. A foreign investor is, however, required to procure a Certificate of Capital Importation (CCI) for the inflow of foreign currency or raw materials or equipment. The CCI guarantees access to the official foreign exchange market for the repatriation of both the capital and returns on the investment. The foreign capital must be imported into Nigeria and converted to naira for the foreign investor to be able to access the foreign exchange market.

Where a foreign investor imports funds for exploration and extraction without obtaining a CCI the investor will not be able to access the foreign exchange market to repatriate the capital or investment returns.

Regarding export proceeds, exporters are mandated to ensure that export proceeds are repatriated and credited to their export domiciliary account within 180 days from the Bill of Lading date. The Central Bank of Nigeria is responsible for monitoring the repatriation of all export proceeds.

Law stated - 15 May 2025

ENVIRONMENT

Principal applicable environmental laws

What are the principal environmental laws applicable to the mining industry? What are the principal regulatory bodies that administer those laws?

The principal environmental, health and safety laws applicable to the mining industry are the Mining Act, the Environmental Impact Assessment Act Cap. E12, LFN 2004 (EIA Act), the National Environmental Standards and Regulations Enforcement Agency (NESREA) Act 2007, the National Environmental (Mining and Processing of Coal Ores and Industrial Minerals) Regulations 2009, the National Environmental (Permitting and Licensing System) Regulations 2009, the National Environmental (Noise Standards and Control) Regulations 2009, the National Environmental (Air Quality Control) Regulations 2021 (as Amended) and the Harmful Waste (Special Criminal Provisions) Act, Cap. H1 LFN 2004.

The Ministry of Solid Minerals Development, through the Mines Environmental Compliance Department, is responsible for enforcing environmental best practices in mining. In addition, the federal and state ministries of the environment, as well as the NESREA are responsible for monitoring and enforcing compliance with environmental and health standards in the mining sector.

Through the Nigerian Nuclear Regulatory Authority, the Nuclear Safety and Radiation Protection Act regulates the mining industry specifically concerning the discovery, handling, storage, transport, and use of radioactive materials or naturally occurring radioactive minerals such as uranium (NORMs).

Law stated - 15 May 2025

Environmental review and permitting process

What is the environmental review and permitting process for a mining project? How long does it normally take to obtain the necessary permits?

The EIA Act requires every person that proposes to undertake a project or an activity, of which the extent, nature or location is likely to have a significant effect on the environment, to conduct an environment impact assessment (EIA) on such project or activity. A company involved in mining activities would therefore be required to make a written application to the Federal Ministry of Environment (FME) providing a synopsis of the project (such as an

analysis and estimation of the extent of the proposed activity, the duration and frequency of the activity, risks/environmental effects, project significance, environmental effects, etc). After screening the application, the FME will provide the applicant with a terms of reference (ToR). The applicant is, thereafter, required to carry out the EIA study based on the ToR and submit an EIA report to the FME. The FME, where necessary, will provide its comments to the applicant to produce a final report; otherwise, the FME will issue an Environmental Impact Statement (EIS) followed by a certification to the applicant.

The Mining Act requires every mineral title holder (other than a reconnaissance permit holder) to submit to the Mines Environmental Compliance Department an EIS and an Environmental Protection and Rehabilitation Program for approval prior to commencing mining operations, upon an application for an extension of a term, or upon an application to convert a mineral title.

In addition, companies whose operations may potentially impact the environment (such as entities involved in mining operations) will be required to comply with the NESREA's environmental standards and regulations. To this end, a mineral title holder will be required to make a formal application to the NESREA for permits such as waste and toxic substance permits, air quality permits, noise emission permits, etc.

The timeline for the grant of the above permits varies and largely depends on whether the applicant has provided all the required documents and satisfied all the conditions of the relevant regulator.

Law stated - 15 May 2025

Sustainability

Do government agencies or other institutions in your jurisdiction provide incentives or publish environmental and social governance (ESG) guidelines for green projects?

Yes, government agencies provide incentives for green projects in Nigeria.

The Nigerian government exempts renewable energy equipment from value-added tax. This exemption is created by the VAT (Modification) Order 2021. Where such equipment is used for mining purposes, the exemption would still apply.

While there are no published ESG guidelines for green projects in Nigeria, the NSE (now NGX) Sustainability Disclosure Guidelines provide a framework for listed companies to disclose their ESG performance. This will apply to mining companies that qualify as listed companies in Nigeria.

Nigeria has adopted a phased approach to the adoption of the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards. Given that the early adopters phase has been concluded, public interest entities may voluntarily adopt the IFRS Sustainability Disclosure Standards for the accounting period beginning on or after 1 January 2024 and through to the accounting period ending on or before 31 December 2027. This window period enables reporting entities to build capacity and prepare for mandatory adoption, which commences on or after 1 January 2028.

Law stated - 15 May 2025

Closure and remediation process

What is the closure and remediation process for a mining project?

What performance bonds, guarantees and other financial assurances are required?

Every holder of a mineral title under the Mining Act is required to, as far as it is reasonably practicable, to: (1) minimise, manage and mitigate any environmental impact resulting from activities carried out under this Act; and (2) rehabilitate and reclaim, where applicable, the land disturbed, excavated, explored, mined or covered with tailings arising from mining operations to its natural state or to such state as may be specified in the Mining Act, its Regulations and other laws in force, and in accordance with established best practices.

A holder of a mineral title is required to submit a Reclamation Plan and a proposed Environmental Protection and Rehabilitation Programme to the Mines Environmental Compliance Department before the commencement of mining operations.

Every mineral title holder with an approved Environmental Protection and Rehabilitation Programme is required to contribute to the Environmental Protection and Rehabilitation Fund in accordance with the provisions of the Mining Act. The approved programme shall not take effect, and mining operations may not commence, until the operator has satisfied all Environmental Protection and Rehabilitation Fund requirements.

A mineral title holder who intends to close or abandon a mineral title area must apply in writing to the Mines Environmental Compliance Department not less than three months before the intended closure or abandonment. Copies of the closure plan must also be submitted to the Mines Inspectorate Department and the Mining Cadastre Office (MCO).

The application must include an environmental audit report covering the area surrounding the mine site, which shall be prepared by an independent expert.

A mineral title holder applying for mine closure must ensure strict compliance with all conditions specified in the Environmental Impact Assessment Statement and the Environmental Protection and Rehabilitation Programme, as provided under the Act and applicable regulations.

Upon satisfactory implementation of the closure obligations, the Mines Environmental Compliance Department shall issue a closure certificate, and the mining right, permit or relevant portion thereof shall be cancelled by the Minister.

Law stated - 15 May 2025

Restrictions on building tailings or waste dams

What are the restrictions for building tailings or waste dams?

Under the Mining Regulations, mineral title holders are required to prepare a waste disposal plan and establish wastewater retention and treatment techniques suitable for their individual sites. The permit of the MCO is required for any deposit of tailings. This permit also specifies the maximum amount of tailing that may be deposited in a natural watercourse by the holder of the permit. The Mining Regulations do not contain express provisions relating

to the building of tailings or waste dams. However, other environmental laws such as the NESREA Act must be adhered to.

Law stated - 15 May 2025

HEALTH AND SAFETY, AND LABOUR ISSUES

Principal health and safety, and labour laws

What are the principal health and safety, and labour laws applicable to the mining industry? What are the principal regulatory bodies that administer those laws?

The health and safety regime of the mining industry in Nigeria is provided under Part IV of the Mining Regulations. Other health and safety laws applicable in the mining industry are the Environmental Impact Assessment Act, the National Environmental Standards and Regulations Enforcement Agency Act, the National Environmental (Mining and Processing of Coal Ores and Industrial Minerals) Regulations, 2009, the National Environmental (Permitting and Licensing System) Regulations, 2009 and the National Environmental (Noise Standards and Control) Regulations 2009.

The principal labour laws applicable in the mining industry are:

- Factories Act – This law provides for the registration of factories to protect factory workers exposed to occupational hazards. The regulator is the Director of Factories.
- The Labour Act, Chapter L1 LFN 2004 – this law is regulated by the Ministry of Labour.
- The Pension Reform Act 2014 – This law governs the regulation of pension contributory schemes in Nigeria, and it is regulated by the Pension Commission.
- The Industrial Training Act 2004 and the Industrial Training (Amendment) Act 2011 – This law sets up the Industrial Training Fund to be utilised to promote and encourage the acquisition of skills in industry or commerce in Nigeria with a view to generating a pool of indigenous trained manpower sufficient to meet the needs of the economy.
- The National Housing Fund Act, Chapter N45 LFN 2004 – This law sets up the National Housing Fund to facilitate the mobilisation of the Fund for the provision of houses for Nigerians at affordable prices. The fund is managed by the Federal Mortgage Bank of Nigeria.
- Employee Compensation Act 2010—This law provides comprehensive compensation to employees who suffer from occupational diseases or sustain injuries arising from accidents at the workplace or in the course of employment. The regulator is the Nigeria Social Insurance Trust Fund Management Board.
- Immigration Act 2015 and the Immigration Regulation 2017—These apply to the employment of an expatriate employee and are regulated by the Nigerian Ministry of Interior.

Law stated - 15 May 2025

Management and recycling of mining waste

What are the rules related to management and recycling of mining waste products? Who has title and the right to explore and exploit mining waste products in tailings ponds and waste piles?

The Mining Regulations require the mineral title holders to prepare their mine waste disposal plan, establish wastewater retention and treatment requirements suitable for industrial sites, and ensure the safe management of contaminated runoff and groundwater contamination. These rules must be adhered to in addition to other environmental and waste management regulations must be adhered to.

The owner of a requisite mineral title has the right to explore and exploit mining waste products in tailings and ponds. The Mining Act defines mineral resources to mean:

any substance whether in solid, liquid or gaseous form occurring in or on the earth, formed by or subjected to geological processes including occurrences or deposits of rocks, coal, coal bed gases, bituminous shales, tar sands, any substances that may be extracted from coal, shale or tar sands, mineral water, and mineral components in tailings and waste piles.

Law stated - 15 May 2025

Use of domestic and foreign employees

What restrictions and limitations are imposed on the use of domestic and foreign employees in connection with mining activities?

There are no restrictions on the use of domestic or foreign employees in the mining sector. However, on a general note, the employment of foreign nationals in Nigeria is subject to strict regulatory controls in order to protect local labour and ensure skill transfer to Nigerians. The primary legal framework is the Immigration Act 2015 and the Immigration Regulations 2017, which require any company seeking to employ a foreigner to first obtain an Expatriate Quota Approval from the Federal Ministry of Interior. This quota sets out the specific number and designation of expatriate positions that a company may fill, and it must be justified on the basis that no qualified Nigerian is available for the role. To further promote localisation, the Guidelines on Expatriate Quota Administration issued by the Federal Ministry of the Interior require that, for every expatriate position granted, the employer must designate and train at least two Nigerian understudies to ensure knowledge and skill transfer. Failure to comply with this requirement may lead to the revocation of the expatriate quota.

Additionally, section 116 of the Mining Act requires every holder of a mining lease, small scale mining lease or quarry lease to enter into a Community Development Agreement (CDA) with the host community prior to the commencement of mining activity within the lease area. This obligation is in place to ensure the transfer of social and economic benefits to the host Community. Part of the issues that may be considered under the CDA are employment opportunities for indigenes of these communities. So, where the CDA provides that the indigenes of the host communities must be employed for the mining operations, the mineral title holder must comply with such obligation.

Law stated - 15 May 2025

SOCIAL AND COMMUNITY ISSUES

Community engagement and CSR

What are the principal community engagement or corporate and social responsibility (CSR) laws applicable to the mining industry? What are the principal regulatory bodies that administer those laws?

The Mining Act is the principal legal framework governing host community engagement in the Nigerian mining sector. The law requires holders of a small-scale mining lease, mining lease or quarry lease to enter into a Community Development Agreement (CDA) with their host communities before the commencement of mine development and mineral extraction. A CDA sets out the obligations of the mining company to the host community and is intended to facilitate the equitable distribution of social and economic benefits arising from mining operations. In 2023, the Ministry of Solid Minerals Development issued Guidelines for Production Community Development Agreements in the Solid Minerals Sector (CDA Guidelines). The objective of the CDA Guidelines is to establish minimum standards for the negotiation of community development agreements.

The Mines Environmental Compliance Department is responsible for reviewing and approving CDAs to ensure compliance with regulatory standards.

Law stated - 15 May 2025

Rights of aboriginal, indigenous or disadvantaged peoples

How do the rights of aboriginal, indigenous or currently or previously disadvantaged peoples affect the acquisition or exercise of mining rights?

Under Nigerian law, all minerals in Nigeria are owned by the federal government. However, the prior consent of the owner or occupier of private land is required before a mineral title is granted over such private land. Additionally, the grant of mineral title does not impede the right of the lawful occupier to graze livestock and cultivate the surface of the land, insofar as the grazing or cultivation does not interfere with the mining operations in the area.

Where, by reason of the grant or existence of a mining lease, there is a revocation of an existing right of occupancy over land, the mining lessee will be required to pay the government a compensation amount, which the government will, in turn, pay to the holder of the right of occupancy. The amount payable may include reasonable compensation for any disturbance of the surface rights of the owners or occupiers and any damage done to the surface of the land on which exploration or mining activities are being or have been carried out; and compensation for any crop, economic tree, building or work damaged, removed or destroyed by the holder of the lease or licence or by his agent or servant.

To protect the rights of the indigenous, the exploration or mining licences to carry out operations in or under any area held to be sacred or permit injury or destruction of any tree or other thing which is the object of veneration will not be granted. Where there are any questions as to whether an area, tree, or thing is an object of veneration, it shall be decided by the Mining Cadastre Office on the recommendation of the Mineral Resources Committee of the state concerned.

The holder of a mining lease, a small-scale mining lease or a quarry lease shall conclude the CDA with the host community prior to the commencement of any development activity within the lease area. The CDA will cover the social and economic contributions that the project will make to the community. One of the principal objectives of the CDA is to protect the rights of the indigenes.

Law stated - 15 May 2025

International law

What international treaties, conventions or protocols relating to CSR issues are applicable in your jurisdiction?

The International Labour Organisation Core Conventions informs CSR on fair labour practices.

United Nations Convention Against Corruption was ratified by Nigeria in 2004 applies to the mining sector and aims to promote corporate accountability and ethical conduct.

The African Charter on Human and Peoples' Rights guarantees the local community's rights affected by mining activity.

United Nations Framework Convention on Climate Change and Paris Agreement. Nigeria ratified this, which encourages mining companies to adopt low-carbon practices and requires the integration of climate change mitigation into development strategies, including mining projects.

The Convention on Biological Diversity requires CSR policies to protect habitats and ecosystems.

The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes (1989) was ratified by Nigeria.

It regulates the safe disposal of hazardous mining waste, including tailings and chemicals, and it also requires companies to implement waste management CSR strategies to avoid cross-border pollution.

Law stated - 15 May 2025

ANTI-BRIBERY AND CORRUPT PRACTICES

Local legislation

Describe any local legislation governing anti-bribery and corrupt practices.

The local legislation that govern anti-bribery and corrupt practices in Nigeria, are: the Economic and Financial Crimes Commission (Establishment) Act 2004; the Money Laundering (Prevention and Prohibition) Act 2022; the Corrupt Practices and other Related Offences Act 2000; the Advance Fee Fraud and other Related Offences Act 2006 and the Dishonoured Cheque (Offences) Act.

Law stated - 15 May 2025

Foreign legislation

Do companies in your country pay particular attention to any foreign legislation governing anti-bribery and foreign corrupt practices in your jurisdiction?

Companies in Nigeria that operate globally pay particular attention to the US Foreign Corrupt Practices Act, the UK Anti-Bribery Act, and the Organisation for Economic Co-operation and Development Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

Law stated - 15 May 2025

Disclosure of payments by resource companies

Has your jurisdiction enacted legislation or adopted international best practices regarding disclosure of payments by resource companies to government entities in accordance with the Extractive Industries Transparency Initiative (EITI) Standard?

The Nigerian National Assembly enacted the Nigeria Extractive Industries Transparency Initiative Act, 2007 (the NEITI Act), which establishes the Nigerian Extractive Industry Transparency Initiative (NEITI).

The NEITI is charged with the responsibility for, among other things, developing a framework for transparency and accountability in the reporting and disclosure, by all extractive industry companies, of revenue due to or paid to the federal government.

The NEITI Act requires the NEITI to appoint independent auditors in each financial year to audit the total revenue accrued to the federal government from extractive industry companies and determine the accuracy of payments and receipts.

Law stated - 15 May 2025

FOREIGN INVESTMENT

Foreign ownership restrictions

Are there any foreign ownership restrictions in your jurisdiction relevant to the mining industry?

Other than the restriction on the application for mineral title by an individual, there are no specific foreign ownership restrictions relevant to the Nigerian mining industry. Sections 47(a), 49(a) and 51(a) of the Mining Act provide that a citizen of Nigeria with legal capacity who has not been convicted of a criminal offence may apply for a reconnaissance permit, a small-scale mining lease or a quarry lease.

Under sections 47, 49 and 51, a company incorporated in Nigeria may also apply for the respective mineral titles and permits. There is no provision restricting the beneficial ownership of such companies to Nigerians. Therefore, foreign parties can apply for mineral titles provided they incorporate a company in Nigeria. This is in line with section 78 of the

Companies and Allied Matters Act 2020, which states that any foreign company intending to conduct business in Nigeria must incorporate a separate legal entity in the country for that purpose.

Law stated - 15 May 2025

INTERNATIONAL TREATIES

Applicable international treaties

What international treaties apply to the mining industry or an investment in the mining industry?

The international treaties that apply to the mining industry include the respective bilateral investment agreements and double taxation agreements that Nigeria is party to; the ECOWAS Tax Treaty, which is a regional double tax agreement; and the African Continental Free Trade Area Agreement, which is also regional trade agreement. Other relevant international agreements include the Treaty on the International Centre for the Settlement of Investment Disputes; and the Convention on the Recognition and Enforcement of Foreign Arbitral Awards.

Law stated - 15 May 2025

UPDATE AND TRENDS

Recent developments

What were the biggest mining news events over the past year in your jurisdiction and what were the implications? What are the current trends and developments in your jurisdiction's mining industry (legislation, major cases, significant transactions)?

- The Nigerian Mineral Value Chain Regulations 2024, which articulate the government's value addition policy aimed at reducing the export of raw minerals and promoting the development of local industries, were enacted.
- In April 2024, the Nigerian government revoked 924 dormant mining titles comprising 528 exploration licences, 20 mining leases, 101 Quarry licences and 273 small-scale mining licences. The objective of the government was to tackle 'licence racketeering' and to promote legitimate investment by offering new licences on a 'first come, first served' basis to willing investors.
- In July 2024, the Ministry of Solid Minerals Development (MSMD) announced the increase in fees for various services provided by the MSMD and other mining regulatory agencies. The increase in annual service fees for mineral titles was significant, with increments as high as 2,000 per cent for exploration licences and 4,000 per cent for mining leases. The Minister had indicated at the time that the objective behind the increase was to deter speculation and encourage serious investors. However, the increase was considered excessively high, especially by existing holders of exploration licences, most of whom had made their projections based on the previous annual service fees.

- In December 2024, the MSMD downwardly revised annual service fees for mineral title holders. Other revised rates, including the application and renewal fees for exploration licences, small-scale mining leases and quarry leases, which were also slightly reduced, can be viewed [here](#).
- In April 2025, Nigeria and South Africa signed an agreement to enhance cooperation in the mining sector. The partnership focuses on joint geological mapping, data sharing and exploration of agro and energy minerals, leveraging South Africa's advanced mining expertise to bolster Nigeria's mining capabilities.
- Environmental Sustainability Initiatives – The Ministry of Environment, in collaboration with the Ministry of Solid Minerals, rolled out the Sustainable Mining Initiative. Under the initiatives mining companies are required to adopt eco-friendly practices, including land rehabilitation, water conservation, and carbon reduction strategies.
- Crackdown on Illegal Mining Activities – The Nigerian government intensified efforts to combat illegal mining, particularly in the lithium sector. The government also established the Mining Marshals in collaboration with security agencies to support the fight against illegal mining and racketeering. The operations led to the arrest of unlicensed miners and the seizure of illegally extracted minerals, aiming to curb revenue losses and environmental degradation.

Law stated - 15 May 2025