

“MINING ELDORADO OR ON A ROAD TO NOWHERE”- THE ROADMAP TO MINING GROWTH IN NIGERIA

The Nigerian solid minerals sector presently contributes approximately N400billion (1.3billion USD) accounting for 0.33% of the nation's GDP, a sharp contrast to the 4 - 5% it contributed to GDP in the 1960's and 70's. With the current low oil prices and an economic recession, Nigeria faces and uncertain economic future. This has forced the Federal government to examine ways of diversifying the economy to stem its dwindling fortunes. One of the sectors it hopes will transform the economy is the solid minerals sector and to this end, recently launched the Nigerian mining growth roadmap.

This roadmap an improvement on the 2012 roadmap, acknowledges the barriers to a vibrant sector as including lack of reliable data, limited enforcement of existing laws and lack of clarity on institutional and organizational design, fiscal uncertainty and lack of skilled manpower. To address these barriers, the roadmap recommends 8 critical levers for the success of the sector and these include:

- a. The introduction of an integrated which is proactively communicated;**
- b. Creation of an investor friendly regulatory environment;**
- c. Institutional reform (This would see the introduction of a new regulatory agency, reformation of Public Mining Institutional such as the Environmental Compliance Department and the Artisanal and Small Scale Mining Department);**
- d. Community Partnership. This would involve the partnership of State and Federal government in facilitating mining projects;**
- e. Co-ordination of infrastructure investments amongst MDA's (Ministries Departments and Agencies);**
- f. Data availability; and**
- g. Government must see mining as its development catalyst.**

These levers are to be introduced and implemented in the immediate (0-6 months – 2 years), medium (2-5 years) and long (5-10years) terms. Whilst laudable in what it seeks to achieve, it will be interesting with time, to see whether the roadmap implemented for mining growth actually fosters mining investment that leads us to economic prosperity or simply leads us on a road to nowhere.

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