



**FEDERAL REPUBLIC OF NIGERIA**  
**MINISTRY OF SOLID MINERALS DEVELOPMENT, ABUJA -**  
**NIGERIA**

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**MINING CADASTRE OFFICE (MCO)**

*Guide for Mining Rights Applicants*



**INTRODUCTION**

The Mining Cadastre Office (MCO) has been established by the Ministry of Solid Minerals Development as an autonomous body with exclusive responsibility to administer mining titles with integrity, in a transparent manner and on a “first come first served’ basis”. The MCO therefore, has exclusive responsibility to:

- CONSIDER, ISSUE, SUSPEND, REVOKE Applications/ Mineral Titles and Permits.
- Receive and dispose of applications for the TRANSFER, RENEWAL, MODIFICATION, RELINQUISHMENT of Mineral Titles or EXTENSION of areas.

A central Mining Cadastre Office has been established in Abuja and in the near future six zonal offices will be established in the Nigeria's six geopolitical zones.

The MCO is governed by the following basic principles:

- Priority (first come first served);
- Objectivity (based on legally-defined sets of regulations and procedures. No subjective evaluation criteria);
- Non-discretionary (same rules and criteria for all); and
- Transparency (MCO is a public office. The cadastral maps, database and registers are open to consultation).

## **MINING TITLES**

Under the provisions of the new law, the right to search for, or exploit minerals in Nigeria, is obtained through one of the following mining titles:

- Reconnaissance permit
- Exploration licence
- Small-scale mining lease
- Mining lease
- Quarry lease; and
- Water use permit

## **RECONNAISSANCE PERMIT**

The Mining Cadastre Office, within 30 days of the receipt of the application of any qualified applicant and on payment of the prescribed fees, is mandated to grant and issue a reconnaissance permit to search for minerals. The permit enables the holder to carry out reconnaissance on a non-exclusive basis. The holder of a reconnaissance permit is not expected to engage in drilling, excavation or other sub-surface techniques, and must conduct activities in an environmentally and socially responsible manner and compensate for any damage of crops or property in the course of prospecting. The permit is issued for one year and is not transferable, but renewable annually.

## **EXPLORATION LICENCE**

The MCO, on receipt of a valid application, is obliged by law to grant and issue an exploration license within 30 days. A license will not be granted over any land that is subject to an existing exploration licence, mining lease, small-scale mining lease, quarry lease or closed to prospecting/mining activity (e.g. forest reserves, military areas, government development areas, national heritage areas, etc). The duration of an exploration license is for three (3) years each, provided that titleholder has complied with minimum work commitments and all other legal requirements. The area of land covered by an exploration license shall not exceed 1,000km<sup>2</sup>.

## **SMALL-SCALE MINING LEASE**

The MCO shall, on receipt of a valid application, grant and issue a small-scale mining lease (SSML) within 45 days. An SSML shall not be granted in respect of any area within an exploration license area, mining lease area or quarry lease area to any person except the holder of an exploration license, quarry lease or mining lease covering the area. The duration of an SSML is five (5) years in the case of alluvial, and ten (10) years in the case of other forms of artisanal or small-scale mining; and is renewable for further periods of five and ten years, respectively, provided that the minimum work obligations have been met. The area of land for an SSML shall not exceed 3km<sup>2</sup>. When the level of operations of small-scale mining exceeds any of the criteria established in the definition of an SSML, the holder shall convert such a lease into a mining lease by submitting a written application to the MCO.

## **MINING LEASE**

The MCO shall, on receipt of a valid application, grant and issue a mining lease within 45 days of the application. The duration of a mining lease is 25 years, renewable every 20 years, provided that the holder has complied with minimum work commitments and that all other legal and regulatory requirements have been met. The lease area shall be determined in relation to the ore body as defined in the feasibility study, together with an area reasonably required for the working of the mineral, not exceeding 50km<sup>2</sup>.

## **QUARRY LEASE**

All operations for extracting of construction materials require quarry lease. On receipt of a valid application, the MCO shall grant a quarry lease within 45 days. The MCO may require the holder to apply for a mining lease. The duration of a quarry lease shall not exceed ten (10) years and may be renewed as often as required, provided the renewal application is made within three (3) months before the expiry of the lease. The area of land shall not exceed 5 km<sup>2</sup>.

## **WATER USE PERMIT**

The area of land in respect of which any water use permit (WUP) is granted shall not exceed the area reasonably required for the purpose of the permits as defined in the regulation. A WUP will remain in force as long as the mining lease, SSML or quarry lease for which use it was granted remains valid.

## **SUMMARY OF INFORMATION ON TITLES**

<b>S/No</b>	<b>TYPES OF LICENSES</b>	<b>MAXIMUM SIZE</b>	<b>DURATION</b>	<b>PROCESSING TIME</b>
1	Reconnaissance Permit ( <b>RP</b> )	Non-Exclusive	1 YEAR (Renewable annually)	Not later than 30 DAYS of filing application

2	Exploration License ( <b>EL</b> )	1000 km <sup>2</sup>	3 YEARS (Renewable twice for 2 years each)	Not later than 30 DAYS of filing application
3	Small Scale Mining Lease ( <b>SSML</b> )	3km <sup>2</sup>	5 YEARS (Alluvial) Renewable for further period of 5 years	Not later than 45 DAYS of filing application
			10 YEARS (Lode) Renewable for further period of 10 years	
4	Mining Lease ( <b>ML</b> )	50 km <sup>2</sup>	25 YEARS (Renewable every 20 years)	Not later than 45 DAYS of filing application
5	Quarry Lease ( <b>QLS</b> )	5 km <sup>2</sup>	10 YEARS (Renewable as often as required)	Not later than 45 DAYS of filing application
6.	Water use permit ( <b>WUP</b> )		Same with the duration of Lease	

## SHAPES OF LICENSES AND LEASES

Applications for exclusive licenses and leases must be submitted in conformity with allowed geometric shapes of polygons, and must be regular and parallel to coordinates system used in national topographic maps. The polygons should have a minimum dimensions which is called a CADASTRAL UNIT (also simply referred to as SQUARE). A license polygon should always be made up of a certain number of cadastral units (CU) (or squares). Consequently, the dimensions of the sides of any polygon corresponding to the license area will always be multiples of the size of the cadastral unit. The CUs must be adjoining by the sides not the edges (i.e., placed side by side to each other). The polygons cannot also be “floating” or placed anywhere. They must be located coherently with pre-defined and standardized grid.

For Nigeria, the cadastral topographic maps of 1:50,000 scale are divided by a grid of 15 seconds by 15 seconds (15” x 15”), using the

Geographic Coordinate System (latitude/longitude; degree/minute/seconds).

The average area of one CU (square) of 15" x 15" is roughly 20 Hectares. That means a polygon of one minute by one minute (1' x 1') will have 16 CUs (squares) with area of about 300 Hectares (or 3 km<sup>2</sup>).

The coordinate values limiting the licenses polygons can be obtained by direct readings from the cadastral maps (topo-sheets of 1:50,000 scale), or by readings from the field using the Global Positioning System (GPS) with the correct settings (i.e., Longitude/Latitude, WGS 84 - Minna Datum).

Applicants are required to submit their applications for licenses together with coordinates of either the corners of the entire polygons or CUs applied for or of the centre of the CUs. The coordinates will therefore have an incremental rate of 15 seconds (15") on both the x and y axes of the polygons. There is now no need to submit map plans for license applications. The Mining Cadastre Office will generate the license plans upon acceptance of the application.

<i>TYPE OF LICENSE</i>	<i>MAXIMUM AREA</i>	<i>NO. OF CUs (SQUARES)</i>	<i>HECTARES</i>
Exploration License	1,000 km <sup>2</sup>	4,938	100,000
Small-Scale Mining Lease	3 km <sup>2</sup>	15	300
Mining Lease	50 km <sup>2</sup>	245	5,000
Quarry Lease	5 km <sup>2</sup>	25	500

Example of licenses polygons. Polygons with ? are not acceptable for application as one license area.

1	1	1	1					?	?			9		?	?	?	?
1	1	1	1		2	2	2					9		?			?
1	1	1	1						5	5		9		?	?	?	?
									5	5		9					
					4	4	4	4								7	
3	3	3						4	4			6				7	
3		3		8	8	8			?						7	7	7
					8											7	

### LICENSE/PERMIT APPLICATION PROCEDURES

- APPLICATION FORMS CAN BE OBTAINED FROM THE MINING CADASTRE OFFICE (MCO) OR DOWNLOADED FROM THE WEBSITE OF THE MINISTRY OF SOLID MINERALS DEVELOPMENT.
- Submit completed application form (in 3 copies) along with the necessary documents and processing fees to the MCO.
- Submitted application shall be assigned with an identifying code and registered with date, hour and minute in the priority register dully signed, and a copy to be given to the applicant as **application certificate**

- Incomplete or wrongly completed application shall be rejected without refund of application fee.
- Where applications require minor amendments, the applicant shall be duly informed to effect the necessary corrections within a period of 5 working days; and if no response within the specified period, the application shall be rejected without any refund.
- After registration, the MCO shall provisionally plot the perimeter on the cadastral maps.
- If granted a license/permit the applicant shall be informed and be given 30 days within which to pay the Annual Service Fee (see fee table below) and collect the license/permit.
- If the applicant does not collect the license/permit within fifteen days of notification, the license shall be automatically cancelled, while provisional plotting be deleted from the cadastral maps and shall be sanctioned from applying for the same area or portion of it during the next three months.

<b>TYPE OF FEES</b>	<b>NAIRA</b>	<b>US\$ equiv.</b>
<b>Application Processing</b>	<b>5, 000</b>	<b>50</b>
<b>Reconnaissance Permit (RP) (Non-Exclusive)</b>	<b>2, 000</b>	<b>20</b>
<b>Exploration License (EL) Annual Service Fee/CU/Year</b>	<b>500</b>	<b>5</b>
<b>Mining Lease (ML) Annual Service Fee/CU/Year</b>	<b>10, 000</b>	<b>100</b>
<b>Small-Scale Mining Lease (SSML) Annual Service Fee/CU/Year</b>	<b>10, 000</b>	<b>100</b>
<b>Quarry Lease (QLS) Annual Service Fee/CU/Year</b>	<b>10, 000</b>	<b>100</b>
<b>Water Use Permit</b>	<b>5, 000</b>	<b>50</b>
<b>Cadastral Information (Text/Page)</b>	<b>200</b>	<b>2</b>
<b>Cadastral Information (Map on A4/Page)</b>	<b>200</b>	<b>2</b>
<b>Cadastral Information (Map on A3/Page)</b>	<b>500</b>	<b>5</b>
<b>Cadastral Information (Map on A2/A1 /Page - Black And White)</b>	<b>2000</b>	<b>20</b>
<b>Cadastral Information (Map on A2/A1 /Page - Coloured)</b>	<b>3000</b>	<b>30</b>
<b>Cadastral Information (Map on A0/Page)</b>	<b>5000</b>	<b>50</b>



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