

An Appraisal of the Legal and Regulatory Responses to Illicit Exploitation of Gold in Nigeria

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Apart from crude oil, gold is the most treasured mineral that Nigeria has. It is estimated that Nigeria has between one million ounces to six hundred ounces of gold reserve. Unfortunately, illegal mining, which is carried out majorly by artisanal and small-scale miners, is depriving Nigeria of the revenue that it could derive from this mineral. Between 2012 and 2018, Nigeria lost about US \$9million to the illegal mining of gold. Apart from this, illegal mining is promoting armed conflict and environmental pollution in areas where gold is mined.

The legal responses to the illegal exploitation of gold

The federal government enacted the Nigerian Minerals and Mining Act of 2007(the Act) , the main legal framework that regulates mining operations in Nigeria. Pursuant to section 21 of the Act, the Minister of Mines and Steel Development made the Nigerian Minerals and Mining Regulations of 2011(the Regulations).

- Formalisation of the activities of artisanal and small-scale miners: They can apply for small-scale mining leases as individual applicants or as mining cooperatives.
- Prohibition and criminalisation of illegal mining and smuggling of gold, with stringent penalties for offenders.
- The penalties include imprisonment, fine and revocation of mineral title, if the offence was committed by a person or an entity that has a mineral title that does not authorise it to exploit gold.



The regulatory responses to the illegal exploitation of gold

The Act establishes the Ministry of Mines and Steel Development. The Ministry is charged with the duty of implementing the provisions of the Act, and the Regulations. In a bid to ensure that the provisions of the Act and the Regulations, the Act establishes a number of departments in the Ministry. The two that are vital to curbing illegal mining of gold are the Artisanal and Small-Scale Mining Department, and Mine Inspectorate Department.

The Artisanal and Small-Scale Department

This department is charged with the duty of coordinating the activities of artisanal and small-scale miners. Also, this department is charged with the duty of providing extension services to mining cooperatives and artisanal and small-scale miners.

Mine Inspectorate Department

This is the main department that is charged with the duty of arresting illegal miners; hence, their role is central to curbing the activities of illegal miners.

The Mining Cadastre Office

Apart from these departments, the Act also established the Mining Cadastre Office. The Mining Cadastre Office is an independent agency under the Ministry of Mines and Steel Development, and it is headed by a Director-General. It is the sole agency that is charged with the responsibility of administering minerals titles.



Factors undermining the effectiveness of the legal and regulatory responses to illegal exploitation of gold

- The conditions stipulated by the Act and the Mining Regulations for the formalisation of artisanal and small-scale miners are too stringent
- The failure of the government to prosecute arrested illegal miners
- Ineffective monitoring and supervision by regulatory agencies,
- The complicity of the Nigerian Police Force and other security agencies,
- The transnational nature of illegal mining and smuggling of gold.



Recommendations

- Artisanal and Small-Scale Mining Department in the Ministry of Mines and Steel Development should liaise with and encourage artisanal and small-scale miners to formalise their mining operations.
- Mines Inspectorate Department should carry out regular visits to mining sites with a view to arresting illegal miners.
- The Nigerian Police and other security agencies should be mandated to prioritise the arrest of illegal miners.
- The federal government must ensure that any person that is arrested for illegal mining of gold and other related crimes is prosecuted.

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