

## SOMMEDI - Delay in Installation Hinders Use of Mineral Processing Equipment Supplied

### Background

The solid mineral and mining industry world over has been recognized as a potential catalyst for the overall national economic growth in poorer countries and emerging economies. It plays a critical role in social human development and technological advancement, thus forming the basis of society today and the future. The Nigerian mining sector is bedeviled by several problems, chief among which are shady practices that have been identified by various stakeholders and in previous Nigeria Extractive Industries Transparency Initiative (NEITI) Audit Reports.

Nigeria currently has over 44 known types of minerals of varying mixes and proven quantities, some of which are concentrated in certain regions. Despite these huge potentials of mining in Nigeria, mining had been rudimentary and predominantly undertaken by small entrepreneurs and unlicensed, unskilled individuals, a situation that aggravates health hazards and environmental degradation.

In its bid to grow the sector to contribute to the nation's national Gross Domestic Product, the Federal Government opened up different initiatives targeting the development of the sector. One of such initiatives was the signing of memorandum of understanding between the Federal and Nasarawa State governments to establish the Solid Minerals Machinery and Equipment Development Institute (SOMMEDI) in the State. SOMMEDI's Mandate was to

design, develop, fabricate, and mass Production of Solid Minerals Mining and Processing Machinery and Equipment, in order to provide the enabling environment for sustainable industrialization of Nigeria's Mining and Mineral sector and the transfer of same to Manufacturers, Mining Operators and Mineral Processors as well as SMEs in the sector.

SOMMEDI is a research and development institute under National Agency for Science and Engineering Infrastructure (NASENI), an agency of the Federal Ministry of Science and Technology. The institute was commissioned on 27th May, 2019. SOMMEDI was established amongst other things to provide capacity building and enhancement, skill acquisition, research and development in the area of solid minerals development and processing, solid minerals machinery and equipment design, development and production. This should generally guarantee value addition and create chain of businesses in the sector. The institute also was set up to provide consultancy services, chemical analysis of minerals, exploration of mining geology, mine plan, processing, test design and many more. To this effect, the technical know-how, manpower development, machinery to mine solid minerals, and the determined investments require attention by the government. The Institute was important to the diversification programme of the Federal Government which is the gradual reduction on reliance on crude oil revenues which dropped to barest minimum during the outbreak of COVID 19 pandemic in 2020.

## SOMMEDI & Unexecuted Contract

According to the 2017 Audit Report, on 4th July 2014, contract was awarded for the supply and installation of two (2) nos of Mineral Processing Machineries and Equipment at Solid Minerals Machinery and Equipment Development Institute (SOMMEDI) in Nasarawa State. Full payment of ₦51.9 million was made in 2016 for the equipment to be supplied and installed within the premises of SOMMEDI. Physical inspection of the Institute in 2019 by the Office of the Auditor-General for the Federation revealed that the machineries and equipment though had been supplied are yet to be installed 3 years after full payment had been made. This had led to loss of value on public funds expended.

PLSI's Value for Money team visited SOMMEDI on 21st March 2020 for preliminary findings on the project. SOMMEDI was officially commissioned on 27th May, 2019 by the Honorable Minister for Science and Technology, Dr. Ogbonnaya Onu to improve and revolutionize mining operations with the use of advanced technological and mechanical equipment. Our VfM team observed during the visit to the project site that the machines were supplied but were not installed because the existing structure is unable to withhold the weight and pressure of the machines supplied. The Project Manager of the Institute complained about lack of funds as the reason for the delay in operations. We also observed that Engineers and staff of the institute were on ground. The manager said mineral processing workshop building should be completed soon for the installation of the mineral processing machine to start operations once funds are released since it already achieved about 80% completion.

Our team also held a community engagement meeting with stakeholders and citizens of Nasarawa local government on 10th September 2020. A community leader, Sullyman Mohammed disclosed that the community is pleased and grateful for the establishment of the Institute (SOMMEDI) in their community because it has brought development and some achievement to the community by providing jobs to some of the community members though the Institute is yet to commence full operation.

## Conclusion

Solid Minerals Machinery and Equipment Development Institute (SOMMEDI) was established solely for driving the Nigerian mining sector as way to support diversification of the Nigerian economy from over reliance on crude oil. The non-functionality of the supplied machineries and equipment impacts negatively on the progress of the mining

sector in Nigeria. For Nigeria to successfully explore the non-oil sector such as the mining sector, there is the need to effectively utilize machineries and equipment such as been supplied to SOMMEDI. The contractor should be prevailed upon to return to the institute and install the machineries and equipment for immediate use.

## Recommendations

- PLSI hereby recommend speedy completion of the workshop buildings and installation of acquired equipment for immediate use to enable the project to achieve its primary objective of improving and revolutionizing the mining sector in Nasarawa State and Nigeria at large.
- More support should be provided to the institute to allow it to perform optimally to fulfil the objective of enhancing the growth of the Nigerian mining sector.

Images of Mineral Processing Machineries and Equipment at SOMMEDI, Nasarwa.



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