SDCI
Sustainable Development Conversations Initiative

The Bauchi Fiscal Research Programme
Policy Brief 001 # September 2026

GOVERNING THE GROUND: THE BMCC CASE AND A LAND FRAMEWORK FOR BAUCHI'S MINERALS

POLICY RECOMMENDATIONS

FOR THE HOUSE OF ASSEMBLY

- Enact a Mineral Agreements Disclosure Law requiring publication, within a fixed period of execution, of any agreement to which the State Government or a state vehicle is party concerning mineral exploration or extraction.
- Enact a Mineral Participation Standard as a schedule to law, binding every future state participation in a mineral venture: a minimum equity floor with board representation proportionate to it; a defined list of reserved matters requiring state consent (offtake pricing, related-party transactions, disposal of assets, transfer of licences); an independent right to verify production volume and ore grade; and a renegotiation trigger tied to proven-reserve upgrades.
- Enact a Mining Land Access Law establishing a single accountable process for land access agreements between titleholders and host communities, with required disclosure, minimum consultation standards, and a named authority responsible for verification.

FOR THE EXECUTIVE COUNCIL AND MINISTRY OF NATURAL RESOURCES

- Publish BAMSEL's ownership structure and state whether the Bauchi State Government holds shares in it.
- Publish the September 2023 Strategic Cooperation Framework Agreement and the BMCC shareholder agreement.
- Publish a register of every mineral title held by BAMSEL or any company in which it holds an interest, including the terms on which each licence was issued.

FOR THE AUDITOR-GENERAL

- Establish whether any expenditure representing a state equity contribution to BMCC Nigeria Limited appears in the state's accounts; the Governor has stated the state provided equity, and if it did, it is recorded somewhere.

At the launch of BMCC Nigeria Limited in Dass in November 2025, the Governor stated the company was registered with equity provided by Shandong Minsheng Group and the Bauchi State Government. A certified corporate extract records no Bauchi State Government shareholding: twenty per cent sits with BAMSEL, the state's own mining vehicle, which the filing itself declares is not a state-owned enterprise.

BMCC is the documented case. The underlying problem is structural: Bauchi's mineral governance challenge is not the total absence of regulation, but the absence of a consolidated state-level framework that clearly defines government participation in mineral investments and establishes predictable rules for land access, community engagement, compensation, and benefit-sharing in mining projects.

The case: two records that do not agree

BMCC Nigeria Limited was registered at the Corporate Affairs Commission on 17 March 2025 and formally launched at Baraza village, Dass Local Government Area, on 29 November 2025, where the Governor stated that two exploration licences and one small-scale mining licence had been issued. At the launch, the Governor stated that the company "was formally registered under Nigerian law with the equity provided by Shandong Minsheng Group and the Bauchi State Government."

A certified corporate extract obtained by SDCI on 1 September 2026 records three private corporate shareholders: Bauchi Mining Synergy and Exploration Limited (BAMSEL) — the state's own mining vehicle, described by the state government as empowered by the Ministry of Natural Resources — holding 20 per cent; and two companies of recorded Chinese nationality holding 20 and 60 per cent respectively. **No shareholding by the Bauchi State Government itself appears on the register.** Against the statutory question of whether the affiliated entity is a state-owned enterprise, the entry for BAMSEL records **"No."** Eighty per cent of the shares and voting rights, and the sole directorship, are attributable to one individual.

SDCI does not assert that either the Governor's public account or the certified register is false. A state's practical interest can be structured through a vehicle it does not directly hold shares in — which is what BAMSEL's position suggests. What the evidence supports is narrower: the two records disagree, and the single fact that would resolve the disagreement — who owns BAMSEL — is answerable from the same public register and has not yet been checked.

The wider pattern: no documented land access framework

BMCC is one documented instance among an estimated seventeen or more active mineral titles across the state. SDCI has not been able to establish, from any public document, how a mining company or its vehicle acquires the right to operate on land in a given community; what compensation or surface-rent arrangement, if any, is agreed; or which institution is responsible for verifying that an agreed arrangement is honoured once granted.

This is not a finding that any community has been treated unfairly. It is a finding that the question cannot currently be answered either way, by SDCI or, on the evidence available, by the institutions that would need to answer it. Every title beyond BMCC likely rests on a distinct, unrecorded arrangement negotiated site by site, with no consistent floor of protection and no consistent revenue mechanism.

What comparative experience indicates about the equity question

Botswana's diamond partnership secured a fifty-fifty equity stake in 1975, but the partner retained marketing rights, and Botswana's actual allocation of diamonds stayed at twenty-five per cent for fifty-six years. Bauchi's twenty per cent, held through a vehicle rather than directly, carries neither the board rights nor the cross-directorship that eventually made Botswana's equity mean something in practice. In Odisha, India, a state government with a large mineral endowment and only partial authority to set and verify royalty terms saw a documented pattern of underpayment evolve in technical form across more than a decade, because the underlying authority gap, not any single loophole, was never corrected. Neither case is a template. Both illustrate that an equity percentage alone answers none of the questions that determine how much value a jurisdiction actually captures.

A note on evidence and on fairness. Every factual statement concerning BMCC is drawn from a certified public register or from the Bauchi State Government's own published statements and contemporaneous reporting of a public ceremony. SDCI makes no allegation of wrongdoing by any person, company or institution named, and draws no inference beyond what those records show. Where the state's account and the register differ, both are set out and neither is asserted to be false. The Bauchi State Ministry of Natural Resources was written to before publication and did not respond; if it responds, its account will be published. This brief does not characterise any specific land-access arrangement, titleholder, or community, because none has been documented well enough to characterise.

THE FIVE EXTRACTIVES STANDARDS

The same underlying demand as this programme's fiscal briefs — traceable, published, verified — applied to minerals and land

1. **One title register. Every mineral title and land-access agreement recorded against a single public register, cross-referenced to the holding company.**
2. **Every agreement published. Equity, royalty and land-access terms published within a fixed period of execution, not held as commercially confidential indefinitely.**
3. **Royalty and production reported quarterly. Declared tonnage and grade published against independently verified figures where available.**
4. **A public mineral title and licence register. Coverage, date of last update, and the authority accountable for it.**
5. **Independent verification rights. Written into every agreement, not left to the counterparty's own reporting.**

METHOD AND SOURCES

Corporate Affairs Commission certified Status Report on BMCC Nigeria Limited, RC 8343391, generated 1 September 2026. Launch date, location, licences and the Governor's remarks from contemporaneous reporting by Nigerian Tribune, ThisDay, The Sun and Leadership, 29 November to 1 December 2025. State government position from bauchistate.gov.ng, 22 June 2024, and the Bauchi State Investment Summit portal. Botswana and Odisha comparators examined in full in *Bauchi at a Multipolar Crossroads* publication by SDCI, Chapter 8 and 9. Land rent and revenue-head findings companion to Policy Brief 4 (held pending Ministry of Lands and Survey confirmation); this brief's land-access finding is independent of that register question and does not depend on its resolution.

Companion to Bauchi at a Multipolar Crossroads (September 2026). SDCI has no financial relationship with any institution or company named.

The Bauchi Fiscal Research Programme
Policy Brief 002 # September 2026

BUILDING IN, NOT BOLTING ON: A MINERALS SECURITY FUNCTION FOR BAUCHI'S FUTURE STATE POLICE SERVICE

POLICY RECOMMENDATIONS

FOR THE HOUSE OF ASSEMBLY

- Engage the Sixth Alteration Bill now before the State Houses of Assembly, examining the constitutional safeguards, institutional structure and implications for Bauchi before taking a position on ratification.
- Use the current ratification period to develop and communicate Bauchi's institutional priorities for the subsequent operational framework, including provision for specialised sectoral policing capabilities where justified by evidence and state needs.Any future specialised capability should remain conditional on strong statutory safeguards, technical appointment criteria, professional oversight and institutional independence.

FOR THE EXECUTIVE COUNCIL AND MINISTRY OF NATURAL RESOURCES

- Begin identifying technical staff — geologists, licence-verification officers — who could be seconded to a future minerals enforcement function, drawing on the mine-title register recommended in the companion BMCC and mining land brief.
- Prepare a technical policy memorandum setting out Bauchi's requirements for minerals and extractives enforcement and position it for the next relevant federal legislative or implementation consultation on the National Policing framework.

WHY NOW?

The State Police constitutional amendment has now reached the 36 State Houses of Assembly. It requires approval by at least 24 states before the constitutional process can advance. The operational architecture for state policing is also still being developed nationally. Bauchi therefore has two immediate policy tasks: scrutinise the constitutional proposal now before its legislature, and prepare its institutional requirements before the implementing framework is settled.

Nigeria's state-police reform has entered a new stage. The constitutional amendment establishing the legal basis for State Police Services was transmitted to all 36 State Houses of Assembly on 16 September 2026 and now requires approval by at least 24 state legislatures. In parallel, the federal government is developing the operational framework that will govern how state policing would function in practice. For Bauchi, the policy window therefore remains open — but it has shifted from anticipating transmission to engaging the state-ratification and implementation-design stages.

Where the process actually stands

The Sixth Alteration (State Police) Bill has passed the National Assembly and was transmitted to all 36 State Houses of Assembly on 16 September 2026. Approval by at least 24 State Houses of Assembly is required, so the constitutional process is not yet complete and State Police Services are not yet operational. The separate National Policing framework concerns operational issues such as recruitment, training, funding, jurisdiction, discipline, oversight, firearms control and state readiness. Bauchi does not yet have an operational State Police Service, and any Bauchi-specific enabling and institutional arrangements remain future steps dependent on the national constitutional and legislative process.

Why that timing favours this brief

The constitutional question is now before the State Houses of Assembly, while important elements of the operational framework remain under development. This remains a design window for Bauchi: institutional requirements identified before the framework is settled are easier to advocate for than amendments sought after the architecture has hardened.

Why general policing is not built for mineral sites

Illegal and unregulated mineral extraction is not an ordinary policing problem. It requires the ability to identify ore, verify licences against a cadastral record, distinguish authorised from unauthorised extraction at a working site, and build a case that will hold against the specific legal defences a mining operation can raise. General-duty police are not trained or equipped for any of this. Civil-society commentary on Africa's illegalmining crisis describes ordinary police as routinely "bamboozled by legal counterclaims and regulatory loophole-jumping" that a mining-literate specialist unit would not.

Bauchi does not yet face illegal mining at the scale that produced South Africa's crisis — an estimated R49 billion in annual losses and seven tonnes of gold a year to unlicensed extraction. But the state's mineral portfolio is expanding, per the companion brief on BMCC and mining land governance, while its ability to verify what happens at any given site remains largely absent. A specialised minerals and extractives enforcement capability is therefore a policy option worth incorporating into Bauchi's institutional planning before the scale problem arrives, subject to the national constitutional and legislative process and to strong statutory safeguards, technical appointment criteria, professional oversight and institutional independence.

Two working models, neither a template

South Africa's SAPS–DMRE joint unit, created in 2022, is jointly staffed between the South African Police Service and the Department of Mineral Resources and Energy specifically so that mining-law and technical expertise sits inside the enforcement function rather than being called in after the fact.

India's Central Industrial Security Force, a roughly 170,000-strong force established by a 1969 Act to guard critical infrastructure, was granted statutory enforcement authority over coal mines in June 2026: CISF officers can now search vehicles and premises suspected of concealing illegally extracted coal and file complaints directly before competent courts. Neither is transplantable whole. What both illustrate, and what is transplantable, is the underlying mechanism: enforcement authority paired with technical verification capacity, housed in one function rather than split across agencies that do not talk to each other.

Why this is conditional

A specialised unit is only as independent as the body that houses it. Whatever Commission structure eventually governs Bauchi's state police service must itself be built with independent, technical-appointment provisions before a minerals unit is layered into it — a specialised unit inside a captured Commission would simply relocate the governance problem this brief is trying to prevent, not solve it.

Legislative status updated 23 September 2026: the State Police constitutional amendment was transmitted to all 36 State Houses of Assembly on 16 September 2026 and requires approval by at least 24 states to advance.