

# Coal in Nigeria: a 3-part series

## Part 1



**COAL MINING IN KOGI STATE  
BY  
DANGOTE CEMENT**

## Introduction

Out of 28 coal blocks identified across 12 States, Kogi State leads with 8 blocks while Enugu State has 6 blocks. Coal mining is currently active in **Kogi** and **Gombe** States.



Nigeria holds large coal deposits from the East to the Northern parts of the country, estimated to be at least **2 billion metric tonnes**.



The government has recently placed a high priority on utilising these resources to increase Nigeria's electricity generating capacity. In 2016, the Ministry of Mines and Steel Development announced that it was working in collaboration with the Federal Ministry of Power, Works and Housing to increase Nigeria power generation to include 30% coal in its power mix.

Nigeria's goal is to revitalise the coal mining industry and expand power generation by attracting companies to develop these large coal resources and construct coal-fired generating plants that will connect to the country's electrical distribution grid.

This factsheet looks at coal mining in Kogi State being undertaken by Dangote Cement and its effects on the livelihoods of local communities and in particular the degradation of soil and water resources.

## Study Methodology

The methodology used for this study was a mix of qualitative and quantitative techniques. The sample survey was conducted covering 50 households belonging to different occupational groups, marital status and educational background.

Primary data was collected through sample collection, key informant interviews, focus group discussions and community stakeholder meetings. Personal visit/observation of the study sites was also used by the researchers to confirm the respondents' views.

Secondary data was collected through desk research.

### I. Coal Mining by Dangote Cement

Dangote Cement is Africa's leading cement producer with nearly 46Mta capacity across Africa, a fully integrated quarry-to-customer producer with production capacity of 29.25Mta in Nigeria. Its Obajana plant in Kogi state, Nigeria, is the largest in Africa with 13.25Mta of capacity.

Dangote runs the largest coal mining operation in Nigeria in Ankpa to power the production of cement. For example, the 150MW Obajana plant was designed to use natural gas as the main power source but due to incessant gas supply disruptions, Dangote is currently redesigning it to use coal as the only power source as it is considered cheaper. As a matter of fact, Dangote has 3 cement factories in Nigeria and they have all been recently redesigned to use coal as the sole power source.

In its [2018 Sustainability Report](#), Dangote Cement stated, "We started exploring the feasibility of using alternative fuels in our kilns through effective and fit-for-purpose reutilisation of wastes produced in our sites. This is a further step towards the adoption of greener energy sources than coal and heavy oil, in addition to the current use of natural gas, to minimise emissions of greenhouse gases and other pollutants in our operations." Despite this statement, there is no evidence that this has been actualized as the company is fast-tracking the use of coal in its cement factories.

### II. Description of Study Area



The Kogi Coal District, covering 225,000 hectares lies on the northeastern side of the Anambra Coal Basin (located in south-eastern Nigeria, appears to contain the largest and most economically viable coal resources).

Dangote Cement according to records obtained from the Federal Ministry of Mines and Steel Development has two coal mining licenses (Licence 13222 issued on 16/10/2014 to mine in Bassa Local Government Area to expire on 16/12/2019, and Licence 19014 issued on 28/05/2015 to mine in Ankpa Local Government Area to expire on 28/05/2040).

Dangote Cement is actively mining coal in Onupi, Awo Akplokuta, Awo Ojuwo, Awo Ate, Ajobe Afeanyaka and Utala; these are the areas that were visited and the study undertaken.

### III. Results of the Study

#### a) Environmental Impact Assessment (EIA)

The study shows that there was no Environmental Impact Assessment (EIA) carried out before the mining activities started in the above mentioned areas; the community members corroborated this finding stating that they were never consulted nor have any record or report of the EIA.

According to the Environmental Impact Assessment, EIA Act No. 86 of 1992, it is mandatory for EIAs and environmental audits to be carried out with respect to all major projects, these have to be approved by the FME and the environmental agency of the State in Nigeria in which the project is located. **There is no evidence that an EIA was undertaken for Dangote's mining activities as stipulated by law.**

The study revealed that an **Environmental Management Plan** was presented to the Federal Ministry of Mines and Steel for the purpose of obtaining the mining licence and lease. A deeper look at the Environmental Management Plan shows that **the report in critical sections makes reference to limestone mining instead of coal mining.** This means the firm extracted copies of a previous plan meant for Dangote Cement for the Dangote Coalmine, demonstrating a lack of seriousness in curbing the negative effects of coal mining.

#### b) Community Development Agreement

A **Community Development Agreement (CDA)** was signed in 2017. It was subsequently reviewed and signed by Dangote Industries Ltd. representatives and community leaders on 24th of July, 2019. This agreement highlighted 9 key areas that Dangote shall support the community: water; health care; educational development, enterprise development and empowerment; electricity; roads; indigenous contractors; employment; setting up of an implementation committee; and reclamation of land.

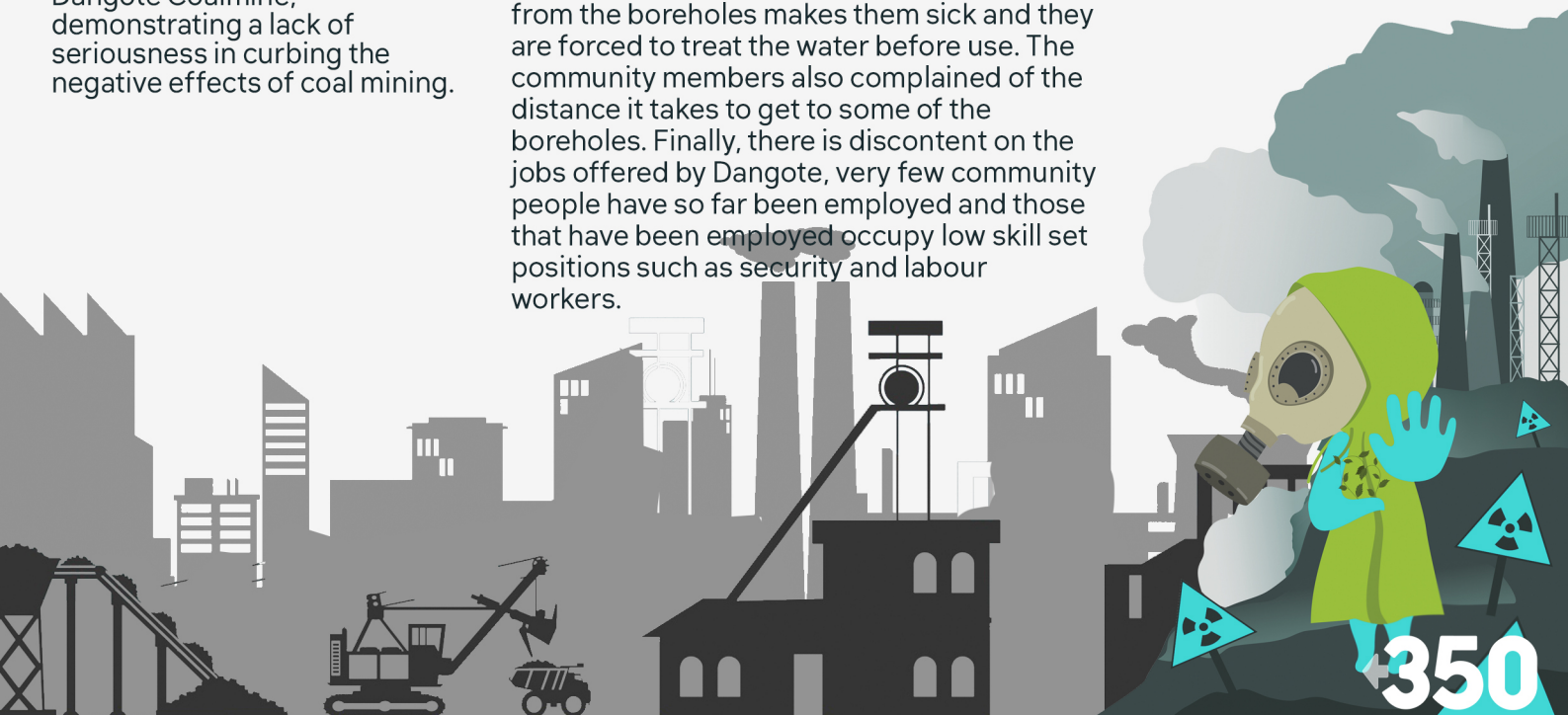
The agreement among other things stipulated that Dangote would supply portable borewell water within 3 months of signing the agreement, construct 2 health centres within 5 months of signing the agreement, provision of electricity to the host community within 1 year and construction or renovation of 1 block of 6 classrooms within the first two years. To ensure these obligations are undertaken an Implementation Committee of 7 community members and 3 representatives from Dangote was formed.

So far Dangote has provided 3 boreholes, paid scholarships for 20 students, provided low-skill employment opportunities, and constructed earth road and culverts. However, **the community is not happy with the CDA especially due to the fact that the health centres that were promised have not been provided and community members have to travel long distances to access healthcare.** Furthermore, The community women disclosed that the water they access from the boreholes makes them sick and they are forced to treat the water before use. The community members also complained of the distance it takes to get to some of the boreholes. Finally, there is discontent on the jobs offered by Dangote, very few community people have so far been employed and those that have been employed occupy low skill set positions such as security and labour workers.

#### c) Polluted Water

Hydrogeological studies of the coal mining areas were carried out which included hydrogeochemical analyses of water and soil samples.

These water analyses revealed **high lead and ammonia content in the water** (from samples obtained in streams and boreholes) as well as **high total dissolved solids (TDS) and low pH (acidity) values.** It is believed that waste water from the mines comes into contact with water in streams, rivers and aquifers which in turn get chemically polluted.





## d) Land Compensation and Land Degradation

The host communities who largely depend on agriculture as their main source of livelihood, are worried that **their land is being degraded and polluted at an alarming rate by the mining activities**. With the advent of mining a good portion of what used to be fertile farmland was turned to mine fields. The clearing of trees, plants and top soil from the mine fields has resulted in soil erosion and the destruction of adjacent agricultural land.

According to the CDA, land owners were to be compensated. However according to the community, compensation was paid to farmers whose crops and economic trees were damaged during the land clearing process and that no compensation has been paid for the land destroyed by the mining activities. The community attests that there has been **a decline in productivity from their farm lands shortly after the commencement of mining activities**. Soil samples were collected from the community farmlands and the soil analyses revealed **presence of heavy metals, and that the soil is acidic**.

## e) Dust and Smoke

The host community have complained of **dust and smoke as a result of spontaneous combustion of coal**, a phenomenon which occurs in surface mining. There are **increased cases of respiratory diseases in the community**.

The community has on several occasions raised their complaints on the air pollution to government agencies and Dangote; these complaints are what led to the 2017 CDA to be reviewed. However, there is currently no health center in the community, despite the fact that the CDA stipulates that Dangote would build two health centers as a matter of urgency.

## Conclusion

Coal mining leads to extensive environmental degradation. In the case of Kogi State, the mining activities have led to the **contamination of air, drinking and domestic water and the soil used to farm crops**. These various forms of pollution have an adverse effect on the health of the local communities.

Environmental Impact Assessments (EIAs) are a mandatory requirement in Nigeria for large scale undertakings that have the potential of contaminating the environment; EIAs should therefore be in place before coal mining is undertaken. **It is therefore clear that Dangote is mining coal illegally in Kogi State.**

There is a tendency for fossil fuel companies and large corporations when in need of natural resources, to initiate talks with the local community and consequently enter into agreements whose benefits are heavily skewed against the local people. In the case of Kogi State, **Dangote is benefitting greatly from the goodwill of the local community and is not honoring the agreements entered into**. The local communities are forced to either beg the company to honour the agreements or seek other avenues of redress as Dangote simply doesn't care about their wellbeing.

## Key Recommendations

1. The Federal Ministry of Environment of Nigeria should immediately carry out Environmental Impact Assessment on all the coal mining sites in Nigeria.
2. Dangote Industries should urgently review its operations and ensure its operations adhere to the UN Guiding Principle on Business and Human Rights.
3. The Federal Government of Nigeria should immediately investigate and correct the human rights violations in coal mining communities in Nigeria particularly in Onupi, Awo Akplokuta, Awo Ojuwo, Awo Ate, Ajobe Afeanyaka and Utala communities.
4. There is an urgent need to review the Community Development Agreement signed between the coal mining communities and Dangote.
5. The Ministry of Mines and Steel Development to stop the issuance of licences for coal mining in Nigeria.
6. The Federal Government of Nigeria should accelerate the national plans to a rapid, just transition towards 100% renewable energy for all Nigerians.
7. The Federal Government of Nigeria should abide by their commitments to the Paris Agreement which requires phased reduction of greenhouse gases emissions such as coal-fired plants.