

REMARKS BY MINISTRY OF LANDS AND NATURAL RESOURCES AT THE
GHANA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (GHEITI)
2012/2013 REPORTS DISSEMINATION WORKSHOP
HOTEL DE HILDA, TARKWA - MARCH 4TH, 2015

Mr. Chairman, also Dpty Western Regional Minister

Hon. Metropolitan and District Chief Executives

Coordinating Directors

Finance & Other Directors

Representatives of Mining Companies

Members of the GhEITI

Distinguished Invited Guests

Members of the Media

Ladies and Gentlemen,

Ghana's signing onto the Extractive Industries Transparency Initiative (EITI) in 2003 was at the instance of the mining sector; indeed, the Ministry responsible for mining. It is noted that, subsequently, having undergone validation it became EITI compliant along with extending the coverage of the Initiative to Oil and Gas, in 2010.

As the Ministry responsible for mining, we had therefore committed to implementing EITI since its inception in Ghana and participated fully in its activities both locally and internationally, because the Ministry subscribes to the EITI's aim of improving transparency and accountability in the management of revenues from natural resources, as a tool to facilitate the use of such revenues to promote sustainable socio-economic development.

The Ministry of Lands and Natural Resources commends the Aggregator as well as all who have worked hard to ensure that the relevant recommendations were made, the recommendations adopted and implemented to improve transparency and accountability in the sector and thereby promote development.

Tarkwa has had a long association with mining of all sorts; indeed, geologists have named a type of gold-bearing rock – the tarkwaian - after Tarkwa. We cannot therefore hold too many mining forums here in Tarkwa, if that is what will promote the development of Tarkwa.

Like Tarkwa, Ghana's mining sector at large, has a long rather diverse and complex history; issues which bring about this complexity include the menu of fiscal elements, national and sub-national flows, diversity of minerals, diverse geology, numerous companies of varying size, small scale mining, even galamsey, and also the associated local impacts being often greater than oil and gas, given the relative location of operations.

In recent times, the statistics show that while employing some 32,000 people in the large scale mining sub-sector and over 1,000,000 in small scale mining, the sector has contributed an average of 40% of government revenue collected by the Ghana Revenue Authority and about 17.5% of Ghana's total corporate tax earnings. In 2014, export revenues from the mineral sector, which was a major contributor to Ghana's foreign exchange earnings, amounted to over US\$5 billion.

In view of questions that have been asked about the sufficiency of its contribution to the national development effort in general, but also the wellbeing of its host communities, it is therefore understandable that the mining sector should welcome the credibility that EITI can bring about. Through verification and publication of payments by companies vis-a-vis government revenues receipts from relevant natural resource sectors which are then subjected to stakeholder validation, the EITI process creates opportunity for a broad range of stakeholders, including community members, some of whom we are meeting today and more so tomorrow, to have access to information and also create the platform for inclusiveness in policy formulation and decision-making that affect them. We would encourage the participation of all in today's discussions and any follow-ups. The resultant enhancement in good governance has been acknowledged to contribute towards optimization of the industry's impact on the long term development agenda and its implementation.

The Ministry of Lands and Natural Resources will continue to support reforms to ensure that extractive sector revenues due government are indeed paid by the operators and government in turn utilizes these transparently and accountably to achieve development in the most efficient and effective manner.

In this respect, the Ministry being a pioneer and ardent supporter of the 10-year history of publication of the EITI Reports, will continue to lend its support. Indeed, the findings and recommendations have informed wide

range institutional and policy reforms that have taken place in Ghana's extractive sector and it is our expectation that such improvements will continue.

The Ministry will again urge companies engaged in mining activities, a large number of which have foreign parentage, to be open, fair and transparent; upholding best practices in Ghana just as they do in their home countries.

Finally, as the 2012-2013 new-look EITI Reports with additional features including information on the often elusive beneficial ownerships, among others, are out-dooed here in Tarkwa, we trust that civil society and other stakeholders will continue to walk arm-in-arm with government as we seek to achieve sustainable improvement in the standards of living of our people, catalyzed by an efficiently managed mining sector.

Thank you.