

**REMARKS BY MINISTRY OF LANDS AND NATURAL RESOURCES AT THE**  
**GHANA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (GHEITI)**  
**2012/2013 REPORTS DISSEMINATION WORKSHOP**  
**EUSBETT HOTEL, SUNYANI, BRONG AHAFO REGION - APRIL 9<sup>TH</sup>, 2015**

**Mr. Chairman,**  
**Hon. 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 signed on to the Extractive Industries Transparency Initiative (EITI) in 2003 at the instance of the mining sector; through the Ministry responsible for mining. Ghana was therefore the 1<sup>st</sup> country to have its mining sector covered, because this coincided with the pursuit of the country's own transparency agenda in the sector; all other countries had EITI coverage for oil and gas. Subsequently, having achieved EITI compliant status, Ghana extended the coverage of the Initiative to Oil and Gas, in 2010.

The Ministry of Lands and Natural Resources 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 has therefore committed to implementing EITI since its inception in Ghana and actively participated in its activities,

The Ministry commends the Aggregator and all others who have been working together to make the relevant recommendations, and then ensure that the recommendations are

adopted and implemented to improve transparency and accountability in the sector and promote development.

Gold which accounts for more 90% of Ghana's mineral sector, has been mining in the country for over 100 years. From a regional perspective, the start of industrial mining of gold mining in the Brong Ahafo Region was marked by the commencement of gold production by Newmont Ghana's Ahafo mine at Kenyase in 2006. Though of rather recent origin therefore, it has been a significant contributor to the economy of the region nonetheless.

It has been noted that the coming of Newmont introduced a higher level of community engagement than the mines operating in Ghana had done previously. And in recent years, while providing employment for some 4,400 people (employees and contractors) the Ahafo mine has contributed about 20% of Ghana's annual gold output, thereby making it the country's second largest single gold mine.

In this context, forums like we are having here in Sunyani, to promote the sustained development of areas that host mines, along with the rest of the country, are therefore very important.

Ghana's broad mining sector has had a long, diverse and complex history. Issues which bring about this complexity include: the fiscal options that have been considered and used, national and sub-national fiscal and financial flows, diversity of minerals, diverse geology, numerous companies of varying size, small scale mining, even the proliferation of 'galamsey' by both local and foreigners, and also the associated diverse local impacts, 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.

Questions have been asked about the sufficiency of mining's contribution to the national development effort in general, but also the wellbeing of its host communities, like Kenyase and as well as adjoining communities like Sunyani. That is where EITI comes into its own. 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 - at the Kenyase Public Forum -, 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 as a pioneer and ardent supporter of the 10-year history of publication of the Ghana 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.

As we have said previously, the Ministry continues to 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, but important, beneficial ownerships, among others, are out-doored here in Sunyani, we trust that civil society and all other stakeholders will continue to partner 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.