

OPENING REMARKS BY CHAIRMAN OF THE  
GHANA EXTRACTIVE INDUSTRIES  
TRANSPARENCY INITIATIVE (GHEITI),  
MAJOR (RTD) MAHAMA TARA

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THE VALIDATION WORKSHOP FOR 2010-  
2011 GHEITI AUDIT REPORTS FOR MINING  
AND OIL/ GAS AT THE COCONUT  
GROOVE HOTEL ACCRA GHANA

21<sup>ST</sup> FEBRUARY 2013.

**Mr. Chairman**

**Member of the GHEITI NSC**

**Distinguished Ladies and Gentlemen**

Good morning and welcome to the Validation workshop for the 2010-2011 GHEITI Audit reports for mining and Oil and Gas sectors. Today's event is one of the most important aspects of the GHEITI process. This forum is crucial for two very important reasons

- 1) it create an opportunity to share the content of the draft report with all the relevant stakeholders, and
- 2) Secondly it gives affected institutions a window of opportunity to validate findings contained therein.

For those here who are new to the EITI, it is a governance tool that seeks to promote the principles of transparency and accountability in the payment and receipts of resources from the extractive sector. This is achieved by the regular publication, reconciliation and audit of all material benefits received by government from individual companies in the sectors.

So in line with EITI principles all EITI implementing countries are to regularly publish reports on extractive sector receipts and payments. Accordingly, the Ministry of Finance and Economic Planning and the Ghana EITI National Steering Committee through a competitive bidding process appointed an Independent Aggregator, Boas and Associates to collect, review and analyse data from the country's operating mines and oil and gas companies revenues to government to ensure that there was

transparency in payments made by the extractive companies and that payments were made appropriately and on time.

The Aggregator also had the responsibility of ascertaining whether revenues received by government agencies such as the District Assemblies have been properly accounted for and that beneficiaries have utilized the revenues judiciously.

Having implemented this initiative since 2003, Ghana is using this opportunity to understand better the problems of the sector and to resolve them. Ghana has therefore taken the decision to go beyond the simple reconciliation exercise demanded by the International Body to drill down into areas of assessing the effectiveness of implementing laws and policies within the sector.

It is for this reason that the Team of Reference for our Aggregator is so comprehensive.

I have been well informed of the difficulties the Aggregator encountered in collecting the data especially from the oil and gas companies. I must admit the challenges encountered in producing the current reports have been very frustrating, however we want to assume that because this is the first time companies in the Oil/Gas sector are participating in the process they are going through teething problems. I have also been informed that the oil and gas companies have pledged a very strong support and commitment to the Ghana EITI process and have assured the Ghana EITI Secretariat of their full cooperation in the production of future EITI reports.

As you all know the discoveries of oil/Gas in Ghana in 2007 has heightened expectations and renewed hope of economic prosperity amongst the citizenry. To ensure that these expectations are reasonable managed relevant industry information must be disclosed and shared with the public on time.

Mr. Chairman, EITI reports are the cornerstone of EITI implementation. They are the output of the work of diverse stakeholders involved in the EITI process and indeed all the institutions and companies that provided the data for the production of the reports are here represented to validate the data they provided. It is expected that if EITI reports are produced accurately, comprehensively and accessibly, they form the basis of informed and more participatory management of the extractive sector. The reports are the main vehicle to provide wider audiences with information about the sector, often absent in the public domain.

Despite all the challenges that the production of the reports pose we believe it is worth it. It is for this reason that Government with support from partners spend a lot of time and scarce resources to produce these reports, and this is done for very good reasons. The GHEITI Audit reports when produced, serve as a credible source of industry information. In the past, information generated from this process has informed many fiscal and administrative reforms. These reforms when successfully implemented can enhance efficiency and reduce bottlenecks. The reports also enable's Ghana comply with the disclosure requirements for EITI implementing countries.

Mr. Chairman, Distinguished ladies and gentlemen the next phase of the process is the finalization, launch and dissemination of the final report within the public domain. The process preceding this avails the content to the wider public and therefore it is important that whatever we put in the public domain is an accurate reflection of happenings within the industry. It is for this reason that I am entreating representatives of the institutions affected by this report to take a critical look and provide responses here and now to enable the consultants finalize the reports tomorrow.

To conclude, Mr. Chairman, Distinguished Ladies and Gentlemen, this is just the first stage of the process, I urge you all to fully support the process and help disseminate the outcomes of these reports to further strengthen the principles of good governance within the extractive sectors.

Thanks you all for coming and have a fruitful session.