

Hon. Chairman,
Hon. Deputy Minister of Finance,
Hon. Members of Parliament
Representatives of Mining Companies
Members of the GhEITI
Distinguished Invited Guests
Members of the Media

Ladies and Gentlemen, From inception in 2003, the Extractive Industries Transparency Initiative (EITI) was dominated by oil and gas interests, both governments of countries and non-state actors. Ghana was the only one which signed on at this early stage of the Initiative because of the good governance aspirations it had for its mining sector. Subsequently, having undergone validation, Ghana became EITI compliant along with extending the coverage of the Initiative to Oil and Gas, in 2010.

The Ministry responsible for mining has therefore been committed to implementing EITI from its inception in Ghana 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.

Mining in Ghana has had a long rather diverse and complex history; issues which bring about this complexity include the range of fiscal elements, national and sub-national flows, diversity of minerals, diverse geology, numerous companies of varying size, a sizeable small scale mining sector, even complicated by illegal operations, and also the multiple associated socio-economic local impacts.

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 2013, 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. This is especially so when the price of gold, our single most important mineral, has plummeted to its lowest over the last 5 years.

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, whom honorable Members who we are meeting today represent, to have access to information and also create the platform for inclusiveness in policy formulation and decision-making that affect them.

For EITI to succeed as a tool in the management of our extractive – mining, oil and gas - industries, the role of Parliament in effectively carrying out its core functions of regulatory and institutional oversight; representation; and law-making is critical. This is because "... parliament is the only public oversight institution with the constitutional mandate to oversee the implementation of policy by the government, scrutinize public expenditures, influence and shape policy through the law-making process, and represent citizen concerns and needs in decision making." (Agora).

To quote from "Agora"

"Parliaments through their oversight function can help ensure that EITI is well managed, reports are accurate, issued on time, and that they are published widely. Their representation function entails making sure the program reflects the broader interests of the community for example through meaningful participation in multi-stakeholders groups - Legislatures' lawmaking capacity should see them amending and enacting new laws to remove legal obstacles for implementing the EITI strategy."

Here, in addition to the GHEITI Bill, we would want to make reference to the Minerals Development Fund Bill that is presently before the House and to express appreciation to Members for the work you are already doing on them. The Ministry of Lands and Natural Resources is therefore happy that this forum is being held with members of the relevant Parliamentary Select Committees whose mandate cover:

- Encouraging Transparency;
- Encouraging Public Accountability
- Enforcing Budgetary Control and
- Linking development frameworks to the extractive sector

The Ministry of Lands and Natural Resources as a pioneer and ardent supporter of the 10-year history of publication of the EITI Reports will continue to support reforms – both institutional and policy-wise resulting therefrom - 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.

Finally, on this occasion, as the 2012-2013 EITI Reports are being out-doored to Hon. Members, we trust that the cordial relationship that has existed between the august House, its Committees and the Ministry would be further strengthened in our strife to achieve sustainable improvement in the standards of living of our people, catalyzed by an efficiently managed mining sector.

Thank you.