



NEWS

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Opening Remarks of His Excellency the German Ambassador to Ghana, Peter Linder, at the EITI National Workshop in Accra on January 15th, 2007

Mr. Chairman, for the last two days, the President of Ghana, H.E. J.A. Kufuor and the Federal President of Germany, H.E. Horst Köhler, had jointly invited the Heads of States of Nigeria, Botswana, Sierra Leone, and Benin and about two dozen other cultural, social, economic and political leaders from Africa and Europe. They met 40 German and African “Young Leaders” to have frank and open discussions on the future of Africa and its role in the global world. You won’t be surprised to hear that the core principles of the EITI initiative, transparency and accountability, were identified as key elements for an African future paying respect to the dignity of its people and paving the way for sustainable and accelerated development. I find it very encouraging to have the pleasure to open this workshop today. It shows me that we have not only been discussing an utopia for these last two days, but that we are already taking concrete steps towards making this vision become a reality.

The German Government has given support to Good Governance centre stage in its Development Cooperation, with one major focus on good financial management including the topics relevant to our present gathering: transparency of revenue flows, and its accountable and equitable use in overall political strategies of growth and reduction of poverty.

One of the major objectives of the Ghanaian Growth and Poverty Reduction Strategy II, also mentioned in the APRM process, is to improve the transparency and accountability of revenue generation. It is important to understand that revenue generation is an instrument not only to reduce dependency on foreign aid, but also to allow governments to formulate sustained policies of good governance and equity in using those generated incomes for the people they serve. In particular, good governance and equity in sharing into the nation’s natural wealth will have a very strong influence on preventing conflicts over the exploitation and use of natural resources. In many countries throughout Africa as well as in other regions of the world we have seen the most atrocious crimes against the peace of the land and, indeed, humanity over the exploitation of natural riches of a nation. The peace keeping effect of transparent and well regulated access to, as well as the distribution of proceeds of, mineral and other natural resources rights cannot be over-emphasised.

The German Government has shown its commitment to assist governments of developing countries to improve the revenue generation process, in Ghana as well as in other African countries. The mining sector represents a crucial field of activity due to its high importance for the national revenue. Here in Ghana, the contribution of the extractive industries to the national revenue in 2004 was no less than 50 Million Dollars, or more than 9 per cent of total revenue.

The Government of Ghana has been part of the EITI since 2003 and is now a frontrunner in the initiative. This has been achieved through the partnership with representatives from the local civil society and companies operating in the local industry. Clearly, political, technical as well as financial support from the international community has contributed to the achievements of EITI in Ghana. But of highest significance for the frontrunner position was the excellent cooperation between all stakeholders. Their joint efforts have been an irreplaceable component to achieve the aim of the EITI: to enhance transparency of the revenue flows in the extractive sector. EITI in Ghana has clearly become a joint success story!

To stay further on this path the Government of Ghana is planning to change legislation in order to increase the institutionalisation of the initiative. This requires political commitment and constant dialogue for the implementation to remain a success.

The report containing the necessary information on the financial flows from mining companies to the government which submitted to the EITI secretariat has been comprehensive and exemplary. It thereby describes the status of the audit. Due to this affirmative performance it will be rewarding to publish the 2005 report before the scheduled submission date. This enables a better evaluation of the current situation, which helps to make faster improvements.

The international commitment has been a milestone in the implementation of EITI. A better coordination will smoothen the process of the initiative. Therefore I am delighted to announce that the German Government is currently considering to provide a National Focal Person, who would participate as a representative of all the donors. Its function would be to coordinate all donor action and be the face of donors for EITI in Ghana.

From very early on the German Government through GTZ assisted the Government of Ghana in the EITI implementation process in a narrower and in a larger way: In a narrower way, a sound tax system and a good tax administration including the legal regimes re cornerstones for development. This includes knowledge management such as the development and hosting of the GHEITI Webpage, which will be launched today by H.E. the Vice President.

In a larger sense, we believe that the EITI initiative tallies in with more general governance issues such as equitable distribution of the national wealth, rule of law and accountability and access to information in the management of a democratic state. Transparency is a prerequisite, a sine qua non condition, of democracy! Our support to decentralisation and to the combating of corruption with state and non-state actors empowers people to participate in, and eventually control, development activities of their own areas.

Mr. Chairman, Mr. Vice-President, Ladies and Gentleman, in concluding I wish to thank and congratulate once again all the stakeholders for their dedication, support and cooperation and

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for making Ghana a frontrunner once again for democratic development, but also peace-building and peace-keeping within and outside her borders.

I wish you all a fruitful discussion leading to constructive contributions for the future of the EITI.