

**EXTRACTIVE INDUSTRY TRANSPARENCY INITIATIVE
(EITI) WORKSHOP ON MONDAY, 15TH JANUARY, 2007
AT LA PALM ROYAL BEACH HOTEL, ACCRA –
STATEMENT ON BEHALF OF THE TRADITIONAL
AUTHORITIES IN GHANA THROUGH THE NATIONAL
HOUSE OF CHIEFS FOR SUCCESSFUL
IMPLEMENTATION OF THE INITIATIVE – BY
OSAHENE KWAKU ATERKYI II.**

MR. CHAIRMAN,
H. E. the VICE PRESIDENT – ALHAJI ALIU MAHAMA,
HONOURABLE MINISTERS OF STATE,
HONOURABLE MEMBERS OF PARLIAMENT,
HONOURABLE CHIEF DIRECTORS,
FELLOW RESOURCE PERSONS,
MEMBERS OF THE PRESS,
WORKSHOP PARTICIPANTS,
DISTINGUISHED GUESTS, LADIES AND GENTLEMEN:

1.0 Introduction:

This statement/or short paper is a contribution to recent discussions taking place between the government, extractive companies, International Agencies and NGO's in an effort to ^{help} develop a framework to promote transparency of payments and revenues in the extractive industries. As clearly indicated in the Ministry of Finance and Economic Planning's invitation letter dated 8th January, 2007 paragraph 4. "It is a shared belief that transparency over payments

and revenues increases the likelihood that, revenues generated by development of natural resources are used in an efficient and equitable manner. This can assist governments in financial and macro-economic planning and also reduce the risk of diversion or misappropriation of resources,” and it is in this regard that the Ministry - extended an invitation to the National House of Chiefs, through the sector Ministry for a statement to be made by the House within the context of the current discussion on the subject.

It is unfortunate the President of the National House of Chiefs, Odenho Gyapong Ababio II, who would have wished to be present himself today, has been taken off for another similar public assignment, has nominated me to stand in for him at this occasion, and I hope to do my best to express some concerns of many of my colleagues that need the attention of the Steering Committee of EITI and the government.

2.0 The Role of Traditional

Authorities in Promoting EITI:

Mr. Chairman, there is no need reminding you that traditional rulers are the fulcrum of development in our communities, as well as being the custodians of the land and natural resources – roughly 80% of the land mass of Ghana are held by traditional rulers. This of course, indicates the importance of chieftaincy Institution in Ghana as enshrined in Article 270(1) of the 1992 Constitution, which states:

“The Institution of Chieftaincy together with its traditional councils as established by Customary law and usage, is hereby guaranteed.”

It is the central role of traditional rulers to ensure - that democratic governance in our communities prevails. In pursuing our basic traditional functions in the areas of judiciary, legislation and executive duties it behoves on traditional rulers to exhibit these duties in the spirit of transparency, accountability based on principles of the rule of law, respect for human rights, civic participation, and civic inclusiveness – all of which are necessary for securing economic productivity and equitable distribution of natural resources.

Mr. Chairman, the concept of Extractive Industries Transparency Initiative is to promote accountability and transparency. I think transparency refers to openness in the process of governance – in the election process, policy and decision making, implementation and evaluation, at all levels of government (central and local) and in all branches of governance. It requires making the public account verifiable and official behaviour amenable to scrutiny and we the National House of Chiefs are ready for this challenge. We whole heartedly support the Extractive Industries Transparency Initiative since it will help reduce perennial conflicts, mutual suspicion in our mining communities.

We are also ready to declare what we receive in the form of royalties from the Office of the Administrator of Stool Lands. We believe that when it comes to the expenditure of public funds, nobody should be

above accountability. We have the duty and moral obligation to ensure that the resources we receive from management of our lands are used for development of our communities.

Mr. Chairman, it has also been suggested in some quarters that Nananom, in particular, could use mineral royalties as a unifying platform to initiate projects within the areas of our jurisdiction as a form of matching funds to bait government to send more development projects to our respective areas of jurisdiction.

However, the concerns of traditional rulers centre mainly on the practical implementation of Article 267(6) of the Constitution – which sets out the formula for apportionment of revenues, accruing from stool lands by the office of the Administrator of Stool Lands, which empowers the Administrator to deduct 10% of the total sum collected to cover administrative expenses, the remainder to be disbursed with following proportions –

- * (a) 25% to the stool through the traditional Authority for the maintenance of the stool in keeping with its status.
- (b) 20% to the traditional authority
- (c) 55% to the District Assembly, within the area of authority of which the stool lands are situated.

From the above constitutional provision it would be noted that the 25% + 20% respectively allocated to traditional Authorities are strictly speaking, not meant for development projects but rather for the maintenance of the stools in keeping with their status.

The major functions performed by traditional authorities are met from monies so received. Besides, the traditional Authorities ensure that most developments especially in the rural areas are initiated with assistance from traditional Authorities.

The question needed to be asked is, what happens to 55% of that part of stool revenues paid to the District Assemblies? What steps are to be taken to ensure that the District Assemblies are made accountable for 55% received for development purposes? It is the cherished hope of Nananom that a Legislative Instrument should be passed to regulate the use of this money.

Another area of concern is that payment of royalties are almost always made late and irregular and most at times too small. If therefore Nananom are expected to use part of monies received for development in our communities, then we appeal to the government to re-appraise the apportionment formula as contained under Article 267(6) as well as decentralizing payments of royalties to ensure regularity of payments.

It is the believe of Nananom that the transparent and accountable use of revenues as advocated by the EITI, is crucial in a modern democratic governance. The use of our revenue is under particular scrutiny. It is important to manage our funds in a transparent and accountable way to command the respect and trust of our people.

3.0 The Long-term

Hope of Traditional

Authorities:

The Land Administration Programme (LAP) which has now taken off in Ghana is being fully supported by traditional Authorities. The programme is a long-term commitment by the Ghana Government to reduce:

- poverty and enhance economic and social growth by improving security of tenure, Fostering prudent land management by
- establishing an efficient system of land administration both state and customary,
- based on clear coherent and consistent policies and laws supported by appropriate institutional structures – that would eventually lead to full establishment of Customary Land Secretariats to manage traditional land-holdings.

Conclusion:

The EITI has been supported by the National House of Chiefs at the earliest stage and particularly, chiefs in the mining communities have shown keen interest in the initiative.

We all have come a long way to this point. Ghana is a forerunner in the EITI globally, but for the EITI to stay a success, particularly on a sub national level, chiefs will have to play a greater role in the Initiative. We are really working at the grass roots level, we have

contacts with the people and we have their trust. This is an asset that the EITI should use!

The National House of Chiefs would like to thank the EITI National Steering Committee for their excellent work. You have the full support of traditional Authority to ensure greater success in your programmes for accelerated development of Mother Ghana.

THANK YOU.