

REMARKS BY MINISTRY OF LANDS AND NATURAL RESOURCES AT THE
LAUNCH OF 2012/2013 GHANA EXTRACTIVE INDUSTRIES TRANSPARENCY
INITIATIVE (GHEITI) REPORTS
MENSVIC HOTEL, ACCRA - FEBRUARY 10, 2015

Mr. Chairman

Hon. MPs

Members of the GhEITI

Distinguished Invited Guests

Members of the Media

Ladies and Gentlemen,

Ghana's signing onto the Extractive Industries Transparency Initiative (EITI) in 2003 was at the instance of the mining sector. It is noted that, subsequently, having undergone validation it became EITI compliant along with extending the coverage of the Initiative to Oil and Gas, in 2010.

As the Ministry responsible for mining, we had therefore committed to implementing EITI since its inception in Ghana and participated fully in its activities both locally and internationally, 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.

The Ministry of Lands and Natural Resources would want to commend the Aggregator as well as members of the multi-stakeholder groups and participants in the associated activities for having worked hard to ensure

that the relevant recommendations were made, recommendations adopted and implemented to improve transparency and accountability in the sector and thereby promote development.

The mining sector has a long history in Ghana and is rather diverse and complex; issues which bring about this complexity include the menu of fiscal elements, national and sub-national flows, diversity of minerals, diverse geology, numerous companies of varying size, small scale mining, and also the associated local impacts being often greater than oil and gas, 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.

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. 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 to have access to information

and also create the platform for inclusiveness in policy formulation and decision-making. 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 has being a pioneer and ardent supporter of the publication of the EITI Reports, which is marking 10 years of published reports. 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 the Ministry has stated previously, we urge companies engaged in mining activities, a large number of which have foreign parentage, to be open, fair and uphold best practices in Ghana just as they do in their home countries.

Finally, as today we launch the 2012-2013 EITI Reports, which in addition to payments and receipts also documents information on the often elusive beneficial ownerships among others, we trust that civil society and other stakeholders will continue to walk arm-in-arm with 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.