

STATEMENT

BY

THE GOVERNMENT OF GHANA

**PRESENTED BY HON. MIKE ALLEN HAMMAH,
MINISTER OF LANDS AND NATURAL RESOURCES
AT THE 5TH GLOBAL EXTRACTIVE INDUSTRIES
TRANSPARENCY INITIATIVE CONFERENCE, MARCH
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IN PARIS, FRANCE**

STATEMENT OF GOVERNMENT OF GHANA PRESENTED AT THE 5TH GLOBAL EITI CONFERENCE IN PARIS, FRANCE

Mr. Chairman,

Distinguished Delegates

On behalf of the President of the Republic of Ghana, I wish to thank the EITI Chairman and the Secretariat for extending an invitation to the President of the Republic of Ghana to participate in this important conference. Much as H.E Prof. Evans Atta Mills would have wished to be personally present here today, equally important national assignments which were scheduled earlier than this meeting, have engaged his attention. He has therefore mandated me to make this statement on his behalf. Though not present at this meeting, the President, and his Government remain committed to Ghana's implementation of the EITI.

The Government of Ghana committed itself and signed on to the EITI in 2003 and has since participated fully in all EITI activities both regionally and internationally. It is worth noting that Ghana is the first country to undertake the EITI in the mining sector and proactively extended it to the sub-national level.

To date Ghana has produced six EITI reports covering 2004-2008. The reports have been published and disseminated to all relevant stakeholders. It is important to mention that the Ghana EITI Reports have informed some institutional and policy reforms taking place in the mining sector currently. The policy reforms among others, include the review of the fiscal regime under which the mining industry operates and the development of guidelines for the utilization of minerals royalties at the sub-national level. Government is therefore actively implementing the recommendations of these reports. Let me also take the opportunity to inform you that the production of the seventh Ghana EITI Report is currently underway.

In light of the achievements of the Ghana EITI in the mining sector, Government has extended the EITI to the oil and gas sector. As a result, a new Multistakeholder Group which is the governing body of the Ghana EITI, with oil and gas sector stakeholders on board has been inaugurated in September, 2010. A framework is currently being developed to capture the oil and gas revenues in addition to the mining sector revenues. Let me emphasize that through the EITI reporting process the revenue accruing to government from the oil and gas sector will be documented and publicly disclosed. The public disclosure will allow for greater scrutiny of how the oil revenues are being used.

Ghana Government intends to be transparent not only on oil revenue management but throughout the entire value chain from the negotiation of contracts to issues of revenue utilization.

Mr. Chairman, the Government and the people of Ghana were very delighted when on the 19th October, 2010 the EITI Board designated Ghana as EITI compliant. We thank all who have in one way or the other contributed to this feat.

For us, the attainment of the EITI compliance status would spur us on to manage our extractive industry revenues better, especially our new oil revenues as we have started crude oil production in earnest. Government is committed in ensuring that the extractive sector revenues are utilized in the most efficient and effective manner with accountability being the guiding principles. We have therefore enshrined the EITI principles in our Petroleum Revenue Management Bill which has just become law. It is one of the main routes, we believe, which would enable us escape the spectre of our resources becoming more of a curse than a blessing to us.

Since Ghana committed itself to the EITI process, it has made substantial achievements by increasing transparency in the mining sector revenue streams through publication and public discourse of revenues received by government and mining companies' payments. It has brought stakeholders together to discuss critical extractive sector revenue issues. Our civil society and the extractive company stakeholders continue to

contribute significantly to the building of Ghana EITI. They have provided technical support and have also collaborated with the Ghana EITI in organizing several EITI events. We can confidently say that the constructive role played by the Ghanaian civil society organizations and mining companies have further enhanced the advancement of good governance in the country. We therefore want to take this opportunity to commend them for their active engagement in the EITI process and wish to assure all stakeholders including the extractive companies in Ghana that all of us have a duty to ensure that our natural resources are managed well for the betterment of the citizenry.

Once again let me reiterate our commitment to the principles of accountability, transparency and good governance which are consistent with the principles of the EITI. The Government of Ghana will therefore work assiduously to achieve the realization of the objectives of the EITI not only in the mining sector but also in the emerging oil and gas sector.

Thank you and may God bless you.