

Introduction The Extractive Industries Transparency Initiative (EITI) is aimed at reducing poverty by improving transparency in the receipts and payment of mineral revenues from the country's extractive industries. The initiative supports countries rich in natural resources to strengthen the governance of the sector. It achieves this through the full publication and verification of company payments and government revenues from oil, gas and mining.

In 2003 Ghana signed onto this initiative and has since been implementing activities to enhance transparency in the mining sector. The Ghana version has been named the Ghana Extractive Industries Transparency Initiative (GHEITI). A Multi-stakeholders National Steering Committee drawn from Government, Civil Society and mining companies has oversight responsibility for the implementation of the initiative's work plan. In 2008 the GHEITI undertook the following activities;

1. Inputs into Ghana Oil and Development Forum The GHEITI NSC in collaboration with Integrated Social Development Centre (ISODEC), and Publish What You Pay (PWYP) Ghana organised a two-day oil and Gas workshop for key stakeholders from the 22-23 February 2008. Participants to this workshop were drawn from Parliamentary Select Committee on Mines and Energy, MOFEP, GHEITI NSC, CSO and the press.

The workshop was organised to prepare participants to make useful inputs into the Ghana Oil and Development Forum which took place from 25-26 February 2008. The Ghana Oil and Development Forum was a multi stakeholder platform organised by the Government of Ghana to set the framework for the development of a blue print for Ghana's emerging oil industry.

2. Extension of GHEITI into the Oil Sector In the later part of 2007, members of the Steering Committee started discussions on expanding the scope of GHEITI into the forestry, oil and gas sector. A two day collaborative meeting between the National Steering Committee and Civil Society Organizations involved in the oil sector was organised in February 2008. The extension of GHEITI into the oil sector has been incorporated into the work plan of GHEITI for 2009-2011. In addition, it was discussed and agreed at a Steering Committee meeting that membership of the Steering Committee will be expanded to include major players in the oil and gas sector.

3. Hosting of International EITI Board Meeting; In February 2008 members of the NSC worked with the International EITI Secretariat to prepare Ghana to host the 4th EITI Board meeting. The meeting took place at the La- Palm Beach Hotel in Accra from February 21- 22, 2008. It was attended by forty-four representatives of EITI implementing countries, extractive industry companies, Civil Society Organisations and observers.

The Board meeting was preceded by visits by the Board Members to Newmont Gold Mine at Ahafo, in the Brong Ahafo Region on Thursday, February 21, 2008. At the Newmont site, the group observed the process from top soil removal to the gold extraction and met some of the mine workers. They also visited the Ahafo District Assembly and had a meeting with the District Assembly. The meeting with the District Assembly provided the Board Members an opportunity to discuss mining sector revenue and accountability issues with regional, local officials and traditional chiefs.

To the Board Members the EITI creates an excellent framework for this discussion at the local level. On the evening of the 21st February the International EITI Secretariat hosted a reception to welcome all delegates to the Board Meeting. The reception was attended by Ministers of State, representatives of Governments, extractive industries companies and Civil Society Organisations. The welcome address of the reception was delivered by the Hon. Minister for Forestry, Mines and Energy, Madam Esther Obeng Dappah on behalf of His Excellency,

President J.A Kufuor. On Friday, 22nd February, 2008, the EITI Board Chairman Dr. Peter Eigen opened the meeting at 8.30 am by thanking the Government of Ghana for the hospitality and also took the opportunity to welcome new members of the Board.

At the Accra meeting, the EITI Board made some significant decisions. Please read more on the EITI Board Meeting Report on the GHEITI Website.

4. Finalization of 2005 Aggregators ReportThe 2005 GHEITI Aggregator's report was reviewed by the NSC and finalised by the Consultant in 2008. This event took place at a NSC meeting.

5. Follow-up on findings in 2004/2005 GHEITI Audit ReportIn 2006 a Consultant/Aggregator was engaged by the GHEITI NSC to reconcile mining benefits with those received by government for the year 2004 and 2005. In taking the outcome of these reports forward, in 2008, MOFEP engaged the services of the Aggregator to work with relevant Government institutions to operationalise the recommendations/ findings of the 2004 and 2005 EITI Aggregator's Reports.

6. IT Workshop for GHEITIThe need to develop an appropriate IT base of the Ghana EITI resulted in discussions between GHEITI Secretariat and GTZ/SAP in 2008. This discussion was taken forward when a two day workshop was organised to discuss the benefits and challenges of using IT in reporting and sharing information among the diverse users.

The Workshop took place at Novotel on 29th - 30th April 2008. The aim of the two day workshop was to examine the existing IT system, identify difficulties/shortcomings of the existing system and to identify the information needs of the diverse stakeholders. Findings from this workshop will serve as inputs in the design of software for GHEITI.

As a follow up to the recommendations of the workshop the developers of the IT Software for the EITI implementation, SAP had sent questionnaire to the major stakeholders to collect the necessary data/information on the existing IT infrastructure of the relevant agencies involved in the provision of data for the EITI implementation. The Agencies had since completed the questionnaires and sent it back to SAP.

The EITI Secretariat has follow-up with GTZ on the progress of the EITI Software development but no progress has so far been reported.

7. Participation in key International EITI Workshops and SeminarsIn ensuring that GHEITI is in tune with global debates on EITI implementation four members of the NSC represented Ghana in four major International workshops. The workshops took place in Berlin- Germany (9-13 June), Abuja –Nigeria (11-12 September), Oslo-Norway and Maputo-Mozambique. The workshops were to build the capacity of the Steering Committee members who participated and also to share in the experience of other EITI implementing countries.

8. Development of Legislation to back the EITI;In 2008, the GHEITI NSC with support from GTZ engaged the services of a Consultant to undertake a comprehensive review of Ghana's Minerals and Mining Act, Financial Administration Act, Local Government Act and any other existing piece of legislation relevant to revenue management. The Consultant was to evaluate to what extent existing legislature promotes the goals of GHEITI. The assignment has been completed in 2008 and the report has been forwarded to the Legal Division of MoFEP for a legal opinion after which the NSC will embark on a consultation process with key stakeholders in the sector.

9. Procuring a communication Expert to develop a National Communication

Strategy for the EITI Program:As part of the objectives of EITI, a Communication Strategy would have to be developed by the Secretariat to boost information sharing among relevant

stakeholders. In line with this, the Secretariat procured Mr. Kojo Yankah, a communications expert to develop a national communication strategy and 4 year implementation plan for the initiative. By end 2008 a first draft had been submitted to members of the NSC for their comments.

10. Start discussion with relevant stakeholders on preparing Ghana for International

Validation: International Validation is an essential feature of the EITI process which serves two critical functions. Firstly it safeguards the EITI brand by holding all EITI implementing countries to the same global standard, and secondly it promotes dialogue and learning at the country level.

EITI Candidate countries must complete a validation process within two years of implementing the initiative. Ghana is among a group of countries that are expected to undergo validation by 9 March 2010. Countries that fail to meet this deadline without proper justification will be delisted from the process.

In 2008 NSC started discussion with key stakeholders and Development Partners on preparing Ghana for Validation.

The GHEITI Secretariat has also prepared a pre-validation work plan to facilitate the process. Activities in the work plan will be implemented this year. 2008 Annual Report On Activities Of The Ghana Extractive Industries Transparency Initiative (GHEITI)