

CIVIL SOCIETY & SOCIAL ACCOUNTABILITY IN THE MINING SECTOR

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on EITI

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CONSIDER THESE CHILLING FACTS

- On February 2nd, 2006, Soldiers acting on behalf of AngloGold-Ashanti Iduapriem Mine Limited (AAIL) shot 4 farmers in Teberebie.
- On or around July 13th, 2005 the Military opened fire on demonstrators, shot and wounded seven people in Prestea.
- On November 2nd, 2005, some farmers embarked on demonstration against Newmont Akyem mine in demand for fair and adequate compensation. The police in response to the demonstration opened gunfire on the demonstrators. Two people died from the gunshot wounds.

IMMEDIATE CAUSES

- Popular protests, and resistance to irresponsible mining practices and non-compliance to agreements reached with the communities in respect of resettlements, compensation, alternative livelihood support etc.

REMOTE CAUSES

- The remote cause, and indeed the more important fuel for conflicts in mining communities in Ghana today, is however economic and social deprivation in the midst of abundant mineral wealth.
- The reason for the deprivation is often the lack of accountability on the part of those in whose hands the dividends of the mining sector is entrusted, and also the irresponsible mining practices by some mining companies as well as the inadequate compensation for the social and environmental costs of mining.

GAINERS & LOSERS

- Who gains in the conflict situations that characterise most mining communities?
- The State? Diversion of resources for development to maintain peace
- The companies? Investment threatened. Life and property insecure.
- The communities? Injuries and lost of lives
- IN EFFECT, NO ONE GAINS. WE ARE ALL LOSERS.

SOCIAL ACCOUNTABILITY & DEVELOPMENT

- One way to reduce conflict in mining communities is to make mining revenue work for the people, to reduce poverty especially in mining communities.
- In the past, development had come to the people packaged as coming out of the magnanimity of the political duty bearers.
- In such circumstance, the people did not perceive development as a right.

DEVELOPMENT AND SOCIAL ACCOUNTABILITY AS A RIGHT

- Because people did not see development as a right, they did not see it as their right to demand accountability from those in whose hands the prudent husbandry of our natural resources have been entrusted.
- In spite of the many institutions set up to ensure accountability such as the SFO, CHRAJ, etc. we cannot say without hesitation that we have been able to engender a culture of accountability on the part of our leaders.

ACCOUNTABILITY TABLE

ROBUST
FINANCIAL
MANAGEMENT
SYSTEMS

ROBUST
FINANCIAL
MANAGEMENT
LEGISLATION

INDEPENDENT
AUDITOR
GENERAL,
INDEPENDENT
AGGREGATOR
IN THE CASE
OF EITI

STRONG
PARLIAMENT,
ACTIVE CIVIL
SOCIETY,
AWARE
ELECTORATE

TOP-BOTTOM - A FAILED APPROACH

- The top-bottom approach to development and therefore to matters relating to social accountability has not worked.
- The new strategy is therefore to build capacity at the bottom to demand accountability as a right.

HOW EITI SEEKS TO ADDRESS THE ISSUE OF SOCIAL ACCOUNTABILITY IN THE MINING SECTOR

- EITI is one of several schemes to ensure social accountability. It seeks in particular to:
 - Ensure revenue transparency
 - Eliminate corruption
 - Ensure companies' compliance with statutory payments.
 - Ensure the judicious use of extractive sector revenue, to reduce poverty especially in mining communities, and to promote national development.

WHAT THE EITI DOES NOT SEEK TO ACHIEVE

- The payment of a fair share of the dividends in the extractive sector to host governments.
- Does not seek to address social and environmental concerns.
- Human rights abuses by companies, working in tandem with state security apparatus.
- Transparency in contract negotiations with companies. Does not seek to remove the practice of embedding in contracts, confidential clauses, through which the national interest could be compromised.

WHY DEMAND ACCOUNTABILITY IN THE MINING SECTOR?

- Because extractive sector resources are finite, non-renewable, and the damage caused to the environment in exploiting them - long lasting,
- It is therefore important that, we as a people ensure that dividends from such undertakings are utilized responsibly, transparently, and to the benefit of all, especially those immediately and negatively affected by extractive activities.
- It is in the national interest that, we as civil society worked with the governments we elect to ensure responsible corporate mining practices, such that minimizes the toll of the sector on the environment.

ACCOUNTABILITY – THE HALL MARK OF GOOD GOVERNANCE

- Accountability is a hallmark of Good governance. Good governance ensures the most prudent use of resources that commonly belong to the people. It is about eliminating waste, corruption, inefficiencies that thwart our genuine efforts to progress as a people.

How do we prepare ourselves to play our role?

- 1. Mobilise and organise.
- 2. Build capacity.
- 3. Keep an eye on the money. To do this, we must develop tools for tracking the money, and build the capacity to use them.
- 4. Understand the national and district level budget systems.
- 5. Engage with the budget process.
- 6. Acquire advocacy and lobby skills.
- Build research and analytical capacity.