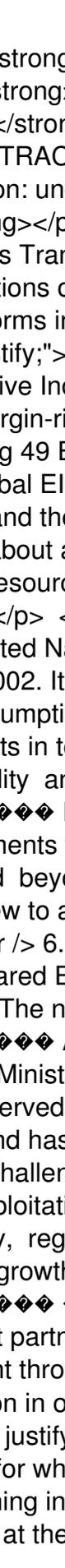


PRESS RELEASE
FOR IMMEDIATE
RELEASE
GHANA
WINS GLOBAL EXTRACTIVE INDUSTRY T
RANSPARENCY AWARD
February
2016

Ghana has been acclaimed an exemplary implementer of the Extractive Industries Transparency Initiative (EITI), and honoured for its strict implementation of the recommendations of the Ghana EITI (GHEITI) leading to far-reaching policy, regulatory, and institutional reforms in its mining, oil and gas sectors.

 Ghana was among four countries

selected from among 49 EITI implementing countries for the prestigious EITI Chair's award, at the ongoing 7th Global EITI Conference in Lima, Peru. The others are: Democratic Republic of Congo, Mongolia, and the Philippines.

The awards, instituted about a decade ago, are given to countries that have shown leadership, determination and resourcefulness in ensuring that the EITI implementation improves extractive sector governance.

EITI emerged as a brainchild of the United Nations World Summit on Sustainable Development (WSSD) in Johannesburg, in 2002. It initially focused on extractive sector revenue transparency, and operated on the assumption that when citizens receive information on the payments companies make to governments in terms of share of production, taxes, and royalties, they will be able to demand accountability and better use of the revenues.

In 2013, at the 6th EITI Global Conference in Sydney, Australia, the initiative's requirements were varied, and replaced with what is now the EITI Standard, and the scope expanded beyond just revenues, to the other links in the industry value-chain, ostensibly with a view to addressing some of the critical governance challenges in the extractive sector.

Ghana has been implementing the initiative since 2003, and was declared EITI-compliant in 2010 after going through a rigorous international validation exercise. The next validation is due in April 2016.

Accepting the award on behalf of the Government and people of Ghana, the Deputy Minister for Finance, who led Ghana's delegation to the Conference, Hon. Mona Quartey, observed that, Ghana has always approached its implementation of EITI with a sense of purpose and has from the inception of the initiative in Ghana intended to use it not only to identify the challenges that thwart government's efforts at making the most of its natural resource exploitation, but more importantly, to leverage its recommendations to institute the necessary policy, regulatory, and institutional reforms to enhance the contribution of the sector to economic growth and poverty reduction.

The EITI for Ghana is therefore not a fanciful exercise designed to please development partners and to enhance the international public image of Ghana. It is for us, a deeply thought through exercise meant to enhance the development outcomes of natural resource exploitation in our country, Hon Mona Quartey told the international gathering.

The policy reforms that have been inspired by Ghana's EITI and for which it has been honoured, include: the review of the fiscal regime under which the mining industry operates and the development of guidelines for the utilisation of mineral royalties at the sub-national level.

Hon Mona Quartey also told the conference that one of the most critical findings from the first Ghana EITI Reports was the abysmally low rate of ground rent paid to landowners by mining companies in the country.

11. The increase in the rate, which was a GHEITI recommendation, was finally approved by Parliament in December 2014 through the Fees and Charges Amendment Instrument 2014 LI 2216 from the low level of GHC0.50/square Km to GHC15 per Acre, she disclosed, adding that, this has resulted in significant improvement in incomes of land owners on whose land the mineral resources are exploited.

12. Other reform initiatives include: variation of the royalty rate for mining from a range of 3 to 6 percent to a fixed rate of 5 percent; changes to capital allowance recovery regime from 80 percent upfront to 20 percent annually over 5 years; renegotiation of the AngloGold and Newmont stability agreement; and enhancement of inter-sectoral collaboration.

13. The Deputy Minister of Finance was full of praise for Ghanaian Civil Society Organisations, mining conglomerates, international oil and gas companies, the World Bank, and GIZ for their support to the Ghana EITI. By their support, they have demonstrated their commitment to ensuring that natural resource exploitation in Ghana returns equitable benefits to all concerned, she noted.

14. Concluding her remarks, she assured the conference that, the award will inspire Ghana to maintain the momentum of its EITI implementation and for that matter the dialogue on accountability, transparency and good governance in general to ensure prudent and sustainable management of our natural resources.

15. Ghana's delegation to the 7th Global EITI Conference is made up of Hon. Mona Quartey, (leader), Dr Steve Manteaw (Co-Chair of the Multi-Stakeholder Steering Committee) Mr Franklin Ashiadey (Ministry of Finance), Bashiru Abdul-Razak (Coordinator, GHEITI), Dr Gad Akwensivie (Office of the Administrator of Stool Lands), Mr Christopher Opoku Nyarko (Chamber of Mines), Hon. Ben Ayeh (Member, Parliamentary Committee on Mines and Energy), Ms Victoria Benson (GHEITI Secretariat), Mr Allan Lassey, Senior Extractive Industries Advisor at GIZ, a major partner to Ghana's EITI, and Mr Samuel Bekoe, Natural Resource Governance Institute.

Issued by the Public Relations Unit

THE NEWS EDITOR