

KEYNOTE ADDRESS BY;

HON. SETH TERKPER
DEPUTY MINISTER,
MINISTRY OF FINANCE AND ECONOMIC PLANNING (MOFEP)

AT THE;

GHANA EXTRACTIVE INDUSTRIES TRANSPARENCY
INITIATIVE (GHEITI)
WORKSHOP
ON REPORTING TEMPLATE FOR THE OIL/GAS SECTOR
OCTOBER 5-7
AKROMA PLAZA
TAKORADI- WESTERN REGION

Mr. Chairman

Nananom,

Members of the Traditional Authorities

Colleague Ministers,

Municipal and District Chief Executives,

Municipal and District Finance Officers,

Members of the GHEITI NSC,

Distinguished Ladies and Gentlemen.

1. Good morning and Welcome once again to yet another GHEITI platform. Today we are gathered as stakeholders in the Ghana EITI process to deliberate on our various roles in Ghana's Oil find. We will be required in that capacity to comment on, and discuss the content of a Reporting Template developed for the sector. This template will be an addition to the current GHEITI reporting template used for the mining sector.
2. Mr. Chairman, the discovery of oil has heightened the demands of many Ghanaian for better living standards, and it is incumbent on us to ensure that the requisite systems are in place to promote principles of good and accountable governance in the management of our oil resources. As Government the need to ensure increased transparency does not only satisfy the demands of our Citizen but also meets the requirements of international financial institutions, investors, Development Partners and our Civil Society Organizations. It is therefore important to us that initiatives like GHEITI are strengthened and supported.
3. Distinguished Ladies and Gentlemen, ensuring good governance, macroeconomic stability and the phenomena of the Dutch Disease are

paramount and we will keep working with relevant institutions and stakeholders to achieve that. I must admit that in our quest to achieve these goals there will be challenges. We will have challenges in creating a viable, integrated and diversified oil and gas industry that does not compromise our environment, cultural and social values. We as stakeholders must take a keen interest in processes around us to ensure that we are empowered enough to hold our leaders accountable.

4. The GHEITI Secretariat and the GHEITI NSC have worked hard to narrow the Audit reporting gap which existed at the start of the initiative in 2003. So far, they have managed to produce financial audits reports for 2004, 2005, 2006, 2007, 2008 and 2009. All these reports and other very useful information are available on the GHEITI website at www.gheiti.gov.gh.
5. After a series of consultations with a majority of the stakeholders in the Oil/Gas Sector we hope to bring on board very soon financial audit reports for the oil/gas sector. We have almost covered the reporting gap for mining and it is our expectation that stakeholders will soon discuss reports relatively recent audit reports for both sectors.
6. Mr. Chair, at this juncture I wish to call on MDA's responsible for implementing recommendations from the many mining sector audit reports to accelerate their efforts at operationalizing them to enhance GHEITI contributions to national development.
7. On this note, Mr. Chair, I will like to call on the OASL and other Agencies responsible for operationalizing the guidelines for utilization of mineral royalties, revision of the ground rent rates, and provisions of capital allowances to show some results as soon as possible. As we wait for the process to materialize, I would like to call on Metropolitan, Municipal and District Chief Executives (MMDCEs) to commit to working with some of the provisions in the draft royalties utilization guidelines. For those who have not seen them, the draft guidelines are available in page () of the GHEITI

newsletters on your tables. I would also want to recommend that our MMDCEs should not only apply the principle to royalties' utilization but also to the other mineral revenues such as property and ground rents.

8. It is time to stop comparing Obuasi, Tarkwa, Prestea, and other mining communities to mining cities like Johannesburg and Kuwait and start acting in ways that will transform our mining communities. I therefore urge our MMDCEs to start investing mineral revenues into developmental projects such as housing, hospitals, schools, vocational centers, and the provision of water and sanitation facilities to mention but a few.
9. It is my pleasure to inform you that, in 2009 GHEITI opened its doors for international scrutiny. This process subsequently welcomed Ghana to the club of EITI Compliant Nations in November last year. I also wish to inform you that the current Coordinator of the GHEITI process, Mr. Franklin Ashiadey has been nominated to serve on the Public Interest and Accountability Community (PIAC). This Committee has been set up in line with the Petroleum Revenue Management Act (Act 815). The Committee has the mandate of ensuring that the Ghanaian Public has the opportunity to take part in the debate on how Government manages the petroleum revenue. The committee also has the responsibility to monitor and evaluate compliance of the Petroleum Revenue Management Law by Government and other relevant Institutions.
10. Mr. Chair, kindly permit me to use this forum to call on Nanamon and Traditional Authorities to partner government and CSOs in the on-going fight against galamsey activities. The damage galamsey activities is causing to lives, properties and our environment is unacceptable and we must all work assiduously to stamp out the practice.
11. We as Government commit to creating the right environment for our fast growing Oil/Gas Sectors. For this reason we will support the activities

of initiatives like the GHEITI that is working at promoting transparency and good governance in the sector.

12. Mr. Chair, the challenge for many resource rich countries in Africa is the phenomena of the Resource Curse. Many developing countries with huge economic potential fail to translate benefits from their resources into better standards of living for the majority of their people. We as a government are mindful of this problem and therefore will work with all the relevant bodies to ensure that collectively we strengthen our institutions to better manage the benefits from our oil discovery. We will work with institutions to ensure that, the resources from the sector are used in accordance with the provisions of our Petroleum Revenue Management Act.
13. Nananom, Mr. Chairman, Ladies and Gentlemen, the Government is for the people so let's work together to propel this economy to its full height (The Better Ghana Agenda).
14. Thank you all, and have a productive session.