

**ADDRESS BY THE MINISTER FOR LANDS AND NATURAL
RESOURCES, HON. SAMUEL A. JINAPOR, MP, AT THE
FIFTH (5TH) GHANA MINING AND ENERGY SUMMIT, HELD
AT THE ACCRA INTERNATIONAL CONFERENCE CENTER,
ON WEDNESDAY, 7TH JUNE, 2023**

President of the Ghana Chamber of Mines and Chairman of this august occasion;

Chief Executive Officer of the Chamber;

Members of the Executive Committee and Council of the Chamber;

Founder and Executive Chairman of LVSafrica;

Chief Executive Officer of Association of Ghana Industries;

Managing Director of the Ghana Stock Exchange;

Chief Executive Officer of Stanbic Bank Ghana;

Members of the Ghana Chamber of Mines;

Captains of the Mining Industry;

Excellencies, members of the Diplomatic Corps,

Distinguished Guests;

Ladies and Gentlemen.

Let me, at the outset, thank the Ghana Chamber of Mines, for instituting this Ghana Mining and Energy Summit, which is in its fifth year. Throughout history, the mining and energy sectors have been intrinsically intertwined, with energy being a key requirement for producing and processing minerals, while minerals remain very essential to the production of energy technologies. Our Gold for Oil Policy is one classic example of the nexus between the mining and the energy sectors.

Mr. Chairman, the global transition to clean energy sources, and the demand for minerals and metals, such as lithium, bauxite and manganese for this green transition, coupled with the necessity to ensure sustainable, environmentally-sound and energy-efficient mining practices, makes the mining and energy discussions even more imperative today. I am, therefore, happy that Captains of the mining industry are taking keen interest in matters relating to the energy sector and vice versa.

The theme chosen for this year's Summit, "***Harnessing Mining and Energy Potential for Sustainable National Development,***" brings into sharp focus one of the essential developmental issues on our continent. Many have asked, and rightly so, that why is Obuasi, which for years hosted the world's richest gold mine, not like Johannesburg?

I just hope that this question is still relevant, when today, unlike Obuasi, Johannesburg is reeling under the brunt of dumsor. That is an aside. Or why is Tarkwa, the historical mining town, not like Perth in Australia. Why are so many of our people poor, despite the several years of mining?

This awful situation is not peculiar to our country. Why does Africa, which still holds some thirty percent (30%) of the world's mineral reserves even after centuries of extraction, remain the poorest continent on the planet? Available data shows that even non-monetary welfare indicators, such as literacy rates, life expectancy, malnutrition, and infant mortality, are weaker in resource-rich countries on our continent than they are in countries without natural resources.

Harnessing our mining and energy potentials for sustainable development must, therefore, not be a mere rhetoric, but awaken in us the urgent need to utilise these resources for socio-economic development. And I must commend the Ghana Chamber of Mines, a key stakeholder in the extractive industry, for taking keen interest in this matter. It is further testament of the Chamber's commitment to partner with Government for the development of our country, and I applaud the leadership of the Chamber for this.

Ladies and Gentlemen, it cannot be denied that as a country, we have not, in the past, done very well in negotiations for the extraction of our mineral resources. Some of our policies and contracts have, unfortunately, resulted in extraordinary profits to mining companies at the expense of the country. And we had, until recently, failed to put in place a proper framework that will ensure that we benefit optimally from these resources. Our overdependence on the export of raw minerals have denied us of the benefits that accrue from these minerals across the value chain.

But other actors in the extractive industry, particularly extractive companies, cannot escape blame. Is it not alarming, as the data shows, that the extractive sector continues to be the major contributor to illicit financial flows from the continent? Illegal exploitation, tax evasion, trade mis-invoicing, transfer pricing, under-declaration, are just a few of the practices contributing to this menace. The Africa Centre for Energy Policy (ACEP), for example, reports that illicit financial flows from our country, through trade mis-invoicing averages about One point Four Four Billion US Dollars (US\$1.44 billion) per year with export under-invoicing and import over-invoicing accounting for almost another Billion Dollars. We, obviously, cannot sustainably develop if these continue.

Distinguished Guests, Ladies and Gentlemen, in spite of all these loopholes I set out above, the mining industry continues to be the bulwark of our economy, with gold alone contributing some Six point Six Billion US Dollars (US\$6,600,000,000.00) in export receipts, last year. In the past few years, the energy sector has also been a major contributor to our economy. The hard truth, however, is that we have not benefitted optimally from these two sectors.

The convergence of these two sectors, mining, and energy, presents us with a unique opportunity to shape our destiny and build a sustainable and prosperous nation using clean energy and responsible mining practices. We must unlock the full potential of our mining and energy sectors for local industrialisation. And do so in a manner that ensures energy efficiency, environmental protection, and responsible ecosystem management for climate action.

But we can only do so if we work together towards a common goal. I have said it on many occasions, and it bears repeating that Government recognises the Chamber as a partner in the exploitation and utilisation of our natural resources for national development. And we have worked closely and in good faith for the good of the industry, and will continue to do so.

As we embark on this journey to harness our mining and energy potentials for sustainable development, we must prioritise sustainable practices and adopt an approach that balances economic growth, social equity, and environmental stewardship. It is through this approach that we can ensure the preservation of our natural resources for future generations while reaping the maximum benefits for our present population. The Government of President Akufo-Addo remains committed to working with all stakeholders to ensure compliance with stringent environmental regulations, the protection of local communities, and the fair distribution of benefits. Ours is a policy aimed at developing a mining sector that is socially inclusive, respects the rights of indigenous peoples, and contributes to the well-being of our citizens.

That is why we have, since 2017, prioritised value addition and local content and local participation in the mining industry, through policies such as the establishment of the Ghana Integrated Aluminium Development Corporation (GIADEC) and the Ghana Integrated Iron and Steel Development Corporation (GIISDEC), and the progressive revision of our local procurement list. Indeed, as at today, we have before Cabinet for its consideration a policy on the green minerals of our country, which, hopefully, will jettison the age-old exportation of raw minerals in favour of value addition.

We, also, recognise the importance of technology and innovation in the mining industry. We will, therefore, continue to create an environment that encourages research and development, promotes the use of modern mining techniques, and embraces renewable energy solutions. By harnessing the power of innovation, we can maximise efficiency, reduce waste, and create a knowledge-driven mining and energy sectors that will ensure the realisation of the vision of the President Akufo-Addo to make Ghana a hub of mining in Africa.

The Ministry of Lands and Natural Resources remains committed to working with the Ministry of Energy to accelerate our efforts in renewable energy development. By diversifying our energy mix and reducing our reliance on fossil fuels, we can mitigate the impact of climate change, create a resilient energy infrastructure, and provide affordable and reliable power to all our citizens, regardless of their location.

It will be remiss on my part to conclude without mentioning the vexed issue of local content and local participation. It is in the interest of mining companies, and indeed, energy companies, to build local capacities, and, ultimately, indigenise these sectors. Government will continue to provide the needed leadership in this direction.

Mr. Chairman, President and Chief Executive Officer of the Ghana Chamber of Mines, Distinguished Guests, Ladies and Gentlemen, our commitment to sustainable national development is not just a choice; it is a responsibility we owe to our people and the planet. We will, therefore, continue to collaborate closely with all stakeholders, including local communities, civil society organisations, private sector entities, and international partners to achieve sustainable development, anchored on integrity, transparency, candour and utmost of good faith. Let us work together to transform our nation into a shining example of how economic growth and environmental stewardship can go hand in hand. Together, we can shape a future where the integration of our mining and energy potentials contributes, not only to our economy, but also to the well-being of our people and the preservation of our natural heritage. It is my hope that out of this summit, we can produce a blueprint for the two key sectors of our economy to collaborate and synergise for sustainable national development.

Ours is a higher duty, as managers of our natural and energy resources, to be discharged with dedication, competence and above all, utmost integrity.

I thank you for your attention, and wish you fruitful deliberations.