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**The experience of Newmont Ghana in EITI**

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**Executive Session: Sharing Experiences with EITI Implementation**

**A Place at the Table: Civil Society Experiences in the EITI**

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Obviously, I do not represent civil society. However, I do represent a company whose involvement in EITI has brought us in West Africa much closer to elements of civil society, to, I think mutual benefit.

Some years back, Hilary Benn noted that the Economist magazine had once described the EITI participants and supporters as a ‘curious coalition’.

I think these kind of curious coalitions are more and more common now and the reason is that from very different starts we have in our various sectors realized that we often have a common vision and overlapping agendas with regard to development. This is certainly true of the aim to make the extractive industries and our financial relationships with governments more transparent.

Newmont Mining Corporation supports the Extractive Industries Transparency Initiative (EITI) as a significant and necessary step in a process which can be nothing less than the basis for redefining the relationship between resource companies and society. No longer can companies and governments hide in a mutually exclusive, mutually beneficial relationship while other stakeholders – local communities and civil society – are locked out by a ‘We know best’, ‘Trust us and we’ll do the right thing’ attitude.

This is not a new approach for Newmont. In Indonesia in 1999 we began publishing in the newspapers details of our payments to governments including the amount and nature of payments as well as bank account numbers and to whom payment was made. There was initially some degree of resistance to this from some quarters, but it was widely applauded at the local level, as you can imagine. We continue the practice to this day.

In 2002, Newmont was one of the first corporations to commit support to the George Soros ‘Publish What You Pay’ campaign. Early in June 2003 we took part in an EITI workshop at El Mina in Ghana. Participants included government, industry and civil society including traditional leaders. As Newmont goes forward with our operations and projects in Ghana, we are committed to working further and closely with the Ghanaian Government as part of the EITI process there.

Newmont has built transparency into our global social responsibility policy and performance and we have this independently audited on a regular basis. We were also one of the few corporations who testified before the US Congress in favour of those aspects of the Dodd-Frank bill that relate to NYSE-listed companies reporting payments to governments. As Dave Baker, our Vice President and Chief Sustainability Officer stated at the time: "The responsible development of mineral resources can bring great benefit to a country and its people, but only when good governance is in place to monitor the distribution of those benefits."

It is not just about governments and companies, however, as this session attests. Newmont’s involvement with EITI in Ghana has brought about significant benefits to us in stimulating greater interaction between the company and civil society. In the last few years, our engagement with EITI has led in West Africa to a closer relationship with Revenue Watch and local umbrella representative NGO within GEITI, ISODEC. This has specifically involved, among other things, a pilot to raise capacity around mineral revenue transparency and management by the local district assembly area in which our Ahafo mine is located; tours of our operations by Revenue Watch and local civil society and government delegates to EITI training programs and visits to our operating areas by the global EITI board. More recently Newmont Ghana has participated in GOXI, the World Bank Institute’s governance and contract transparency project along with civil society and donor partners, to assess the current reality and capacity needs in terms of strengthening governance of the sector. This involvement has come directly out of our EITI relations with Ghanaian and broader West African civil society.

Although other parts of Newmont are involved in EITI, the Africa region has been our most vigorous participant, specifically in Ghana and especially so now that Ghana has been validated.  We find that the transparency produced by participation in the EITI process and its inherent requirements have helped create an improved business climate of trust and credibility. Newmont also finds it very encouraging that the Ghanaian Government is moving to implement the EITI transparency process at the local or sub-national level as well. This certainly induces a greater awareness on the part of citizens of the existence and uses of mineral wealth for their benefit, therefore creating an environment of increased support for our business and operations.

A quick couple of comments based on my experience in Ghana: First, ‘Publishing what you pay’ is the relatively easy part. Traditional leaders – elders and chiefs – in El Mina at our 2003 meeting and right through to today - also want ‘Publish what the money goes’! Distribution of revenues is clearly a major issue for them. This may not be easy with the constitutional prohibition on government ‘interference’ with chieftaincy affairs including financial.

Second, a note of caution, with the greatest respect. We need to watch that EITI does not remain an example of the relationship that causes the problem that brings us here to this gathering today: that is, that we merely end up forming pacts between high levels of government and company executives, with civil society co-opted into a secondary role. In the same way, we need to watch that we don’t leave out those most affected by our actions – local communities. This latter has not always happened.

Finally, EITI has been an excellent start to achieving greater transparency and multi-stakeholder engagement, but it is merely a platform, a beginning, something on which to build bigger and more penetrative partnerships to use mineral wealth for the benefit of all relevant stakeholders and to achieve development at the local and national levels through the synergies and complementary roles that the private sector, governments and civil society can each play. Civil society and the private extractive sector, if anything, need each other more than government needs us singly to achieve this goal.