

SPECIAL ADDRESS

BY

**THE EXECUTIVE SECRETARY OF THE NIGERIA
EXTRACTIVE INDUSTRIES TRANSPARENCY
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AT

**THE 2022 WEST AFRICAN MINING HOST
COMMUNITIES' INDABA**

THE ROCKVIEW HOTEL CLASSIC ABUJA

23RD-25TH NOVEMBER 2022

Protocols:

1. I am delighted to join our partners- Global Rights at this annual event.
2. NEITI's close working relationship with Global Rights especially in the solid minerals sector has endured over the years in all areas, especially in the ongoing reforms in the sector. It is a partnership that we at NEITI are proud of.
3. I am also delighted to note that Global Rights is in partnership with the African Coalition for Corporate Accountability (ACCA) for this year's West African Mining Host Communities INDABA whose theme **"Enhancing Efficient Natural Resource Management for the Sustainability of Extractive Host Communities in West Africa"** could not have come at a better time.
4. One area that NEITI and Global Rights share a very strong passion for is Community Development Agreements- CDAs. By NEITI's mandate, our concern and obligations are to Nigerian citizens. CDAs in this very respect have far-reaching implications for mining host communities, many of whom are at the receiving end of the negative impacts of mining activities.
5. NEITI and Global Rights thus seek support in favour of these communities for public education, enlightenment, access to information and data sharing.
6. For instance, we are concerned about how these host communities can be supported to understand that Community Development Agreements are a right, a legitimate initiative that is built to enhance cordial relations between extractive companies and their host communities.
7. I am currently the Chair of the Global EITI contract transparency network. As part of the roadmap for the implementation of contracts in the 20 countries within the Network, CDAs were identified as a priority. Our

Network is working on a global policy to ensure that member countries disclose in full, the contents of Community Development Agreements.

8. In Nigeria, NEITI has already set up a working committee made up of government agencies and mining companies to work out the details of implementation strategies. The global initiative is to compel holders of solid mineral rights to negotiate the contents of the Community Development Agreement (CDA) as a matter of responsibility to the mining host communities.
9. The negotiations will require clarity and understanding on putting in place a transparent and accountable process of transfer of social and economic benefits to the host communities.
10. In addition, this will also require full disclosure of the rules of engagement between the host communities and the mining companies, requiring periodic reviews of the process, and mechanisms for strong monitoring and oversight.
11. Above all clarity in the contents of the CDAs will target directly the needs and welfare benefits of affected communities as key. Some of these benefits include; an educational scholarship scheme, skills acquisition, infrastructure development, access to employment, health care and protection of their environments.
12. Today the sector contributes less than 5% to the GDP and has earned only N624.1 billion in 12 years. While we may celebrate the increased attention being paid to the sector and the increased revenues derivable, NEITI still views the revenues accruable from the sector, as very poor and performance far below the sector's potential, especially when compared to what the big mining countries that are less endowed are doing with their solid minerals endowment.

13. In the last two years, we have worked closely with the Federal Ministry of Mines & Steel Development, and the Mining Cadastral Office through the exchange of information and data to improve governance processes that will incentivize revenue generation in the sector. The gains of these efforts have been trickling in slowly but steadily. We commend the Minister and his team for their cooperation and steadfastness.
14. The Conduct of our solid minerals industry report for 2021 has reached an advanced stage. A total of 121 Mining companies will be covered. Out of this number 74 representing 61%) have already provided in full the required information and data while we are expecting full submissions from the remaining 47 companies representing 39% that are outstanding. We hope that before the December 6th deadline, these companies will make their submissions in full.
15. I am happy to report that over 96% of Government agencies covered by the audit have made submissions to NEITI in full to enable us to commence a nationwide data verification and reconciliation exercise.
16. With the PIA in place and NEITI sitting on the Presidential Implementation Steering Committee, our roles in the oil and gas sector are now precisely clear. The 2021 report is therefore very important because its contents will be rich in information and data and will guide NEITI's priority focus on the development of the Solid Minerals sector from next year.
17. As I conclude, let me once again remind us that the impact of our solid minerals endowment and our interventions in the sector will only be felt when the sector contributes directly to employment generation, increase in revenue and provision of the necessities of life that will lift the standard of living of our citizens resident in the mining host communities.

18. Until this is done, our work at NEITI and by all stakeholders in the mining sector especially coalitions and networks that are driven by Global Rights is not done.
19. I once again congratulate Global Rights and its partners for this event and look forward to closer collaboration with this exceptional organisation in the coming years.
20. On this note, I thank you all for your audience and wish you all successful deliberations.