GAB

GHANA ASSOCIATION OF BANKS

2024

PROTECTING THE INTEREST OF BANKS AND CUSTOMERS

ANNUAL REPORT

GHIC

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Owned by Ghana Association of Banks (GAB)

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GAB
GHANA ASSOCIATION OF BANKS

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GHANA ASSOCIATION OF BANKS

Ghana Association of Banks

Annual Report

PROMOTING INTEREST OF BANKS AND CUSTOMERS

FOSTERING PARTNERSHIP AND SUSTAINABLE BANKING

Notice and Agenda

NOTICE AND AGENDA

NOTICE IS HEREBY GIVEN that the 42nd Annual General Meeting of the Ghana Association of Banks will be held on Thursday, 9th October 2025, at 10:00 a.m. at the Ecobank Auditorium to transact the following business:

- To review and adopt the President's Report for the financial year ended 31st December 2024.
- To receive a report on the Association's activities for 2024.
- To receive, consider, and adopt the audited financial statements as at 31st December 2024, together with the Auditor's Report.
- To confirm and ratify the appointment of the Auditors and approve their remuneration.
- Re-appointment of officers of the Association.
- Change to GAB's Article IX clause 3

Ghana Association of Banks

About the Ghana Association of Banks

GAB Structure and Governance

ABOUT THE GHANA ASSOCIATION OF BANKS

The Ghana Association of Banks (GAB) remains the country's mouthpiece and advocacy lead for the universal banking industry, currently representing the interests of 24 member institutions (including Development Bank of Ghana (DBG)). It is a not-for-profit organization originally formed to protect the interest and aspirations of its members; and provide a platform for bank-to-bank networking among members. At inception on May 29, 1980, there were seven universal banks in Ghana serving a population of approximately twelve million people. Over the years, membership has evolved; and our member banks have increased in number (currently at 24) mostly arising as a consequence of the economic liberalisation of the country in the late eighties; and partly in line with the economic expansion and population growth of the country. GAB supports and promotes policies and initiatives that balance the interests of member banks; customer population; and wider stakeholder targets. The Association acts as the connecting rod between its members and the industry regulator; the media, law and policy makers; civil society organisations; and other business organisations or associations and the wider community. Further, GAB promotes good and continuous business relationships among members; proposes and highlights programmes, initiatives and emerging best practices to member institutions; facilitates better understanding of developments in the country; and beyond our borders. Working with similar global bodies, GAB's work is underpinned by three core priorities:

- **championing and shaping the interest of the industry;**
- **helping customers; and**
- **promoting growth, including supporting Ghana's initiative as the financial gateway to the West African Sub-Region.**

We conduct research, analyse, and disseminate information on issues affecting the banking industry's performance and growth prospects. As the mouthpiece for our members, we deploy creative channels in communicating with our stakeholders; and act as thought-leaders in our market and beyond. We invest in and support initiatives aimed at reducing risk factors affecting the industry; and influence policy discussions that create an enabling business environment for our members and customers alike. We undertake self-introspection by conducting market surveillance to assess and evaluate the conduct of our members in the market in connection with compliance with banking laws, directives from the regulator, data protection; and treating customers fairly, amongst others.

Given the difference that knowledgeable and talented workforce can bring to bear on market performance, we assess people's development as critical to the attainment of industry objectives. As a result, we encourage our member institutions to ensure their employees have access to continuous professional development. This is achieved by providing business-specific educational opportunities to member banks.

We carry out our activities by liaising with key stakeholders such as the Bank of Ghana (BoG), Ghana Revenue Authority (GRA), Ghana Interbank Payment and Settlement Systems GhIPSS), Association of Ghana Industries (AGI), Ghana Employers' Associations (GEA), Private Enterprise Federation (PEF); and a host of other business associations, community leaders and Civil Society Organisations (CSOs).

VISION

GAB aspires to become the leading advocacy and network group utilising our unparalleled combination of quality, reach, high standards, openness, collaborative and innovative culture to create a forward-moving platform for our member institutions; and other stakeholders. As a national association of universal banks, GAB would progressively work towards being the most influential financial institution body in Africa and beyond.

MISSION

GAB's mission is to support the banking industry in developing best practices and standards; by advocating regulatory, financial, and economic policies and reforms that are in the broad interest of its members; and foster stability in the financial services industry, thereby ultimately engendering national economic growth and prosperity. We aim to be the sole voice of banks in Ghana; deploying unified voice for universal banks in the country in the areas of legislation, economic and fiscal discussions, market conduct, financial stability, media interaction, and community development initiatives

VALUES

As a representative body of an industry that builds on trust, our core values hold supreme and true to our 'Trust' foundation. As a consequence, our corporate values are a balancing act of Fairness, Responsiveness, Integrity, Sustainability and Confidentiality (FRISC)

FAIRNESS

Our Fairness attribute transcends Honesty, Decency, Impartiality and Propriety.

RESPONSIVENESS

We strive to understand our member institutions, observe market practices and deploy open-mind in our engagements.

SUSTAINABILITY

We believe in Continuity, Viability and Feasibility of Operations.

INTEGRITY

We operate with Probity, Principle, Candour and Sincerity.

CONFIDENTIALITY

We guarantee Privacy of deliberations.

GOVERNANCE AND STRUCTURE

The Ghana Association of Banks remains the national organisation of banks in the country. It was formed on May 29, 1980. Contemporary activities and operations of GAB are governed by the Revised Articles of Association adopted during 2022 financial year. The Association seeks inter alia to promote, strengthen, and improve on relations among Ghanaian universal banks; ensure effective representation of member banks on national discourse related to fiscal, monetary and other economic issues; with significant impact on effective performance of the financial system. Further, GAB seeks to advance the cause of member banks through effective contribution of the banking industry to accelerated development of agriculture, industry, commerce and services; while engaging and dialoguing with regulatory authorities, government and other key stakeholders in the private sector towards shaping policy; and regulations related to financial intermediation, among other pertinent considerations.

Membership of the Association is open to all licensed universal banks operating in accordance with the Banks and Specialised Deposit-Taking Institutions Act of 2016, Act 930; or any other legislation that remains in force and regulates the activities of Ghanaian banks and the Development Bank of Ghana (DBG). DBG was established under the Development Finance Institutions Act of 2020, Act 1032, to provide funding, guarantees, and other credit-enhancing structures to essential sectors of the economy; in a manner that is deemed financially sustainable.

The Governor of the Bank of Ghana remains an Honorary Member of the Association; and may attend the Association's meetings in person. Alternatively, the Governor may be represented by a nominated Deputy Governor of the Bank of Ghana. Respective Managing Directors (MDs) of member banks are expected to attend all meetings of the Association. In their absence, Senior Executives not below the grade of a Director shall attend. A Senior Executive so-appointed should have been appointed by the implied Managing Director in a prior period or periods. Pursuant to its fundamental objectives, the Association strives to champion the exchange of ideas and experiences in the fields of banking and financial intermediation through the organisation of periodic meetings, seminars, conferences, and short courses. Further, the Association sponsors research on pertinent issues with impact on the banking and financial sector; and other issues bordering on the economy in general. Outcomes of the research are published or disseminated as the Governing Council may deem appropriate.

The Association has three major organs. These include the Governing Council, General Assembly and Administrative Office. The Governing or Executive Council remains the supervisory arm of the Association. Its membership comprises Managing Directors of the five largest banks, referred to as Tier I banks; two Managing Directors who are representatives of the next five large banks (known as Tier II banks); two Managing Directors, representing all other banks (called Tier III banks); and the Chief Executive Officer of the Association.

The Governing Council may co-opt one additional Managing Director to the Council. This may become necessary if the Council seeks specific interest or skill that is not available in its constitution or composition by tiers. The highest decision-making body of the Association is the General Assembly or Council. It comprises a representative each of all member banks of the Association. Specific functions of the General Council include, but not limited to granting of honorary membership; amendment of the Articles of Association; election of persons to various offices of the Association; readmission of a suspended Member after successful appeal; review of Membership fees and other financial contributions; exclusion of a Member; and dissolution of the Association.

MEMBERS OF THE

GOVERNING COUNCIL

OF GHANA ASSOCIATION OF BANKS

KWAMINA ASOMANING — PRESIDENT
Ghana Association of Banks
MD, STANBIC BANK

HAKIM OUZZANI — VICE PRESIDENT
Ghana Association of Banks
MD, SG BANK

HENRY CHINEDU ONWUZURIGBO — TREASURER
Ghana Association of Banks
MD, ZENITH BANK

ABENA OSEI-POKU — MEMBER
MD, ECOBANK

THOMAS ATTA JOHN — MEMBER
MD, GT BANK

MANSA NETTEY — MEMBER
MD, STANCHART

FARIHAN ALHASSAN — MEMBER
MD, GCB

EDWARD NARTEY BOTCHWAY — MEMBER
MD, ABSA BANK

JULIAN OPUNI — MEMBER
MD, FIDELITY BANK

BENJAMIN DZOBOKU — MEMBER
MD, REPUBLIC BANK

JOHN AWUAH — MEMBER
CEO, GHANA ASSOCIATION OF BANKS

GENERAL COUNCIL OF THE
GHANA ASSOCIATION OF BANKS


EDWARD NARTEY BOTCHWAY
MD / ABSA


OLUMIDE OLATUNJI
MD / ACCESS BANK


EDWARD ATO SARPONG
MD / ADB


ABDERRAHMANE BELBACHIR
MD / BOA


CARL SELASI ASEM
Ag. MD / CAL BANK


NAOMI WOLALI KWETEY
MD / CBG


RANDOLPH NSOR-AMBALA
CEO / DBG


ABENA OSEI-POKU
MD / ECOBANK


VICTOR ASANTE
MD / FBN


JULIAN OPUNI
MD / FIDELITY


ODUN ODUNFA
MD / FAB


WARREN ADAMS
MD / FNB


FARIHAN ALHASSAN
MD / GCB


THOMAS ATTA JOHN
MD / GT BANK


DOLI-WURA ZAKARIA
MD / NIB


DANIEL ASIEDU
MD / OmniBSIC


BERNARD GYEBI
MD / PRUDENTIAL


BENJAMIN DZOBOKU
MD / REPUBLIC


HAKIM OUZZANI
MD / SG BANK


KWAMINA ASOMANING
MD / STANBIC


MANSA NETTEY
MD / STANCHART


UZOECHINA MOLOKWU
MD / UBA


PHILIP OTI- MENSAH
MD / UMB


HENRY CHINEDU ONWUZURIGBO
MD / ZENITH

ADMINISTRATIVE OFFICE

The Administrative Office of the Association is situated at No. 12 Tafawa Balewa Street, North Ridge, Accra. It is headed by the Chief Executive Officer (CEO), who is appointed by the Governing Council. The CEO is supported by three divisional heads, namely: the Head of Banking Operations, Risk and Cyber Security; the Head of Research, Media, Business Intelligence and Market Conduct; and the Head of Legal, Ethics, Compliance and Welfare. The terms and conditions of employment for the CEO and divisional heads are determined by the Governing Council.

The Administrative Office also draws on the expertise of several technical working groups and platforms of bank staffs, which represent key functional areas of banking operations. These include the Treasurers' Network, Chief Operating Officers (COOs) Network, Heads of Research / Strategy Network, Chief Compliance Officers (CCOs) Network, Chief Risk Officers (CROs) Working Group, Human Resource (HR) Network, Heads of Operations and Cash Management, Anti-Fraud and Forensic Network, Legal Committee, Trade Services Committee, Media and Communication Network, Internal Auditors Technical Working Group, Card Operations Technical Working Group, among others.

GAB SECRETARIAT TEAM

John Awuah
(Chief Executive Officer)

Lawrence Sackey
(Research Manager)

Audrey Mnisi Mireku
(Banking Operations, Risk & Cyber Security Specialist)

Jane Keziah Karikari
(Administrative Manager)

Collins Boamah
(Head of Regulatory, Ethics, Forensics & Special Duties)

Daniel Mensah
(Research Officer)

Rita Alifo
(Administrative Assistant)

Derick Ayiku Wanormetah
Research and Policy Assistant

Key Messages

PRESIDENT'S MESSAGE

MR. KWAMINA ASOMANING
(PRESIDENT, GHANA ASSOCIATION OF BANKS)

Address by the President of the Ghana Association of Banks 42nd Annual General Meeting

Distinguished colleagues, esteemed members, and valued stakeholders, it is an honour to address you at the 42nd Annual General Meeting of our Association. I am deeply grateful and humbled by the trust you have placed in me to lead at such a pivotal time. To me, this role is more than a position—it is a call to service: to safeguard the gains we have made, confront our challenges with clarity, and work together to build a banking sector that is resilient, competitive, and inclusive.

Before I proceed to the substance of my address, allow me to pay special tribute to my immediate predecessor, Mr. Kofi Adomako, whose strategic leadership and steady guidance strengthened the foundation upon which we continue to build. I also wish to acknowledge our Chief Executive Officer, Mr. John Awuah, whose clear direction, tireless advocacy, and close coordination with the GAB Secretariat have ensured that our collective voice is heard and our agenda advanced.

We further appreciate the diligence of our external auditors, whose independent oversight safeguards our credibility and reinforces public trust. We recognise the unwavering commitment of our member banks; the support of our regulators—the Bank of Ghana, Securities and Exchange Commission, National Insurance Commission, and the Ghana Stock Exchange; as well as our partners at GhIPSS, the ARB Apex Bank, and the Ministry of Finance. We equally value the contributions of our development partners, fintech innovators, civil society collaborators, and the media. Above all, we owe a debt of gratitude to the millions of customers—individuals, SMEs, corporates, and communities—whose confidence inspires us daily to innovate, preserve stability, and deliver excellence.

With these acknowledgments, let me now place our work within the broader economic and banking landscape.

From Recovery to Renewed Growth: The Resilience and Readiness of Ghana's Banking Sector

Ghana's economy has endured one of the most turbulent macroeconomic periods in recent memory, with far-reaching effects on households, businesses, and the financial system. Inflation, which soared above 50% in 2022, eroded real incomes, constrained consumer spending, and raised operating costs for businesses. To contain these pressures, the Monetary Policy Rate (MPR) was increased to an unprecedented 30% in 2023. While this action helped stabilise prices, it also came at the cost of significantly higher borrowing expenses, leading to weaker credit uptake and reduced repayment capacity across the economy. These difficult measures, though painful, were critical to restoring macroeconomic stability, anchoring inflation expectations, and protecting the value of the Cedi.

The banking sector has mirrored these pressures. The Non-Performing Loans (NPL) ratio now stands at about 23%—almost three times the sub-Saharan African average—signalling the strain many households and businesses continue to face in meeting debt obligations. Meanwhile, a loan-to-deposit ratio of just 40%, well below the optimal 70–80% range, reflects banks' defensive posture and the underutilisation of deposits that could otherwise fuel investment and growth. In short, the financial system has been operating cautiously, rather than serving as a dynamic engine of growth.

Encouragingly, the tide is beginning to turn. Inflation has fallen sharply to 11.5% as of August 2025, restoring stability to household purchasing power. The MPR has been eased to 25%, while the Ghana Reference Rate has declined to 19.67%—its lowest level in nearly three years—creating a more favourable environment for credit expansion and investment. Yet, these gains remain fragile. Without bold reforms to boost productivity, entrench fiscal discipline, and deepen the foreign exchange market, the recovery could easily falter. This is therefore the moment for collective resolve—to convert fragile stability into lasting progress, to channel deposits into productive lending, and to reposition the banking sector not merely as a defender in times of turbulence, but as a catalyst for Ghana's sustainable growth and prosperity.

The Silver Lining: Expanding Financial Inclusion

Amidst the turbulence, one of the most encouraging developments has been the steady progress in financial inclusion. Mobile money, in particular, has continued its upward trajectory, with transaction volumes now well above pre-COVID levels. Following the removal of the E-Levy, activity has surged to record highs, reinforcing the platform's role as the most widely used channel for payments in Ghana.

Yet, this success also brings concentration risks. With MTN Mobile Money accounting for the overwhelming majority of mobile money transactions nationwide, the system is heavily reliant on a single provider. While its dominance has enabled rapid adoption, it also represents a potential single point of failure. Any significant operational, technical, or regulatory disruption could ripple through the entire payments ecosystem and, by extension, the broader economy.

This is why diversification matters—not just for stability, but also to spur greater innovation, customer choice, and efficiency. Here, banks have been playing their part. Through agency banking, branchless solutions, and partnerships with Fintechs, banks have extended services to previously unbanked and underbanked populations. Products such as low-tier accounts, micro-savings, and simplified digital onboarding have helped draw more Ghanaians into the formal financial system. Importantly, banks have also invested in shared infrastructure—interoperable payment platforms, robust security systems, and collaborative initiatives like GhanaPay—an industry-led effort that embodies our commitment to resilience, inclusion, and innovation.

Taken together, these efforts—by Telcos, Fintechs, and banks—are reshaping Ghana's financial landscape. The challenge ahead is to sustain this momentum, broaden participation, and ensure that inclusion translates not just into access, but into empowerment: enabling households, SMEs, and communities to save, borrow, invest, and thrive within a system that is both resilient and fair.

Why GhanaPay Must Work

GhanaPay is more than an alternative. It has the potential to expand merchant networks, advance government's digitisation agenda, and bring the informal sector more firmly into the formal financial system. Its success, however, will depend on us—on our collective commitment as an industry, bold and consistent marketing, strong partnerships, and a culture of continuous innovation. Done right, GhanaPay will not only rebalance the ecosystem but also deepen financial inclusion and secure Ghana's digital financial future.

A Vision for the Association

As I assume leadership of the Association at this critical juncture—where the resilience we have built now meets the demands of rapid innovation—it is clear that our mission must be to make financial services safe, affordable, and accessible to every Ghanaian. To do so, we must evolve from being passive implementers of monetary policy to becoming proactive partners whose perspectives shape policy formulation. Only then can our sector add its full weight to Ghana's economic transformation.

Our vision therefore rests on five strategic priorities:

1. Regulatory Compliance and Stability – Working hand-in-hand with regulators and key stakeholders to maintain a stable, resilient banking sector while advocating for policies that support sustainable growth.

2. Access to Credit and SME Support – Expanding affordable financing for small and medium-sized enterprises, the true engines of job creation and economic development.

3. Financial Inclusion and Digital Transformation – Leveraging digital solutions to extend access to underserved populations, while ensuring innovation drives equity and efficiency.

4. Risk Management and Cybersecurity – Reinforcing risk frameworks and investing in cybersecurity to safeguard trust and operational integrity.

5. Capacity Building and Talent Development – Nurturing skills, leadership, and innovation across our workforce to keep the sector agile and globally competitive.

Conclusion

Africa is home to the youngest population in the world, with a median age of just 19—compared to 28 in India, and 38 in China and the United States. By 2050, 35% of all young people aged 15 to 24 will live on this continent. This coming “youthquake” represents both a challenge and an enormous opportunity. It demands that we design and deliver financial services that are digital-first, inclusive, and forward-looking.

For Ghana’s banking sector, staying relevant, competitive, and resilient will depend on how well we align our collective energy behind these strategic priorities. If we succeed, we will not only strengthen our industry but also secure a brighter, more prosperous future for our country.

Distinguished colleagues, thank you once again for the opportunity to serve. I look forward to working with all of you as we chart a bold, transformative, and sustainable path for Ghana’s banking industry.

God bless you all, and may God bless our homeland Ghana and continue to make her great and strong.

CEO'S MESSAGE

MR. JOHN AWUAH
(CEO, GHANA ASSOCIATION OF BANKS)

On our 42nd Annual General Meeting, I would like to extend my warm congratulations to the new President of the Ghana Association of Banks (GAB), Mr. Kwamina Asomaning, as well as the entire Governing Council. I would also like to take this opportunity to express my heartfelt appreciation to the immediate past President, Mr. John Kofi Adomakoh, for his significant contributions during his tenure, along with the members of the previous Governing and General Councils of the Association.

Since our last meeting in the first quarter, we have witnessed some changes in our industry's leadership, with a few Managing Directors departing and new ones stepping in. We extend our best wishes to them in their respective future endeavours.

As we reflect on our activities over the past year, I wish to acknowledge and express my profound gratitude to our major stakeholders, including the Bank of Ghana (BoG), Ministry of Finance (MoF), Ghana Revenue Authority (GRA), Ghana Interbank Payment and Settlement Systems (GhIPSS), Economic and Organized Crime Office (EOCO), Financial Intelligence Centre (FIC), Ghana Police, Cyber Security Authority (CSA), Lands Commission, The Judiciary, Driver and Vehicle Licensing Authority (DVLA), International Finance Corporation (IFC), World Bank, German Development Cooperation (GIZ), Chartered Institute of Bankers – Ghana (CIBG), leading accountancy firms, and other key stakeholders. Their invaluable input, collaboration, and strategic interventions have been essential in empowering banks operating in Ghana to remain competitive, responsive to customer needs, and effective in fulfilling their crucial role in national economic growth and development.

As we reflect on 2024, we do so with pride in the strength and resilience demonstrated by Ghana's banking sector. The industry recorded impressive growth across several key indicators, affirming its vital role in economic recovery. According to the summary of Economic and Financial Data reports by the Bank of Ghana as published in January 2025 and May 2025, total assets surged from GHS 274.9 billion in December 2023 to GHS 367.8 billion by year-end 2024 representing a solid 33.8% year-on-year growth. This was driven by strong deposit mobilization, with total deposits rising by 28.8% to GHS 276.2 billion. Credit to the private sector also expanded significantly, growing from GHS 77.0 billion to GHS 95.7 billion, a 24.3% increase reflecting renewed lending momentum.

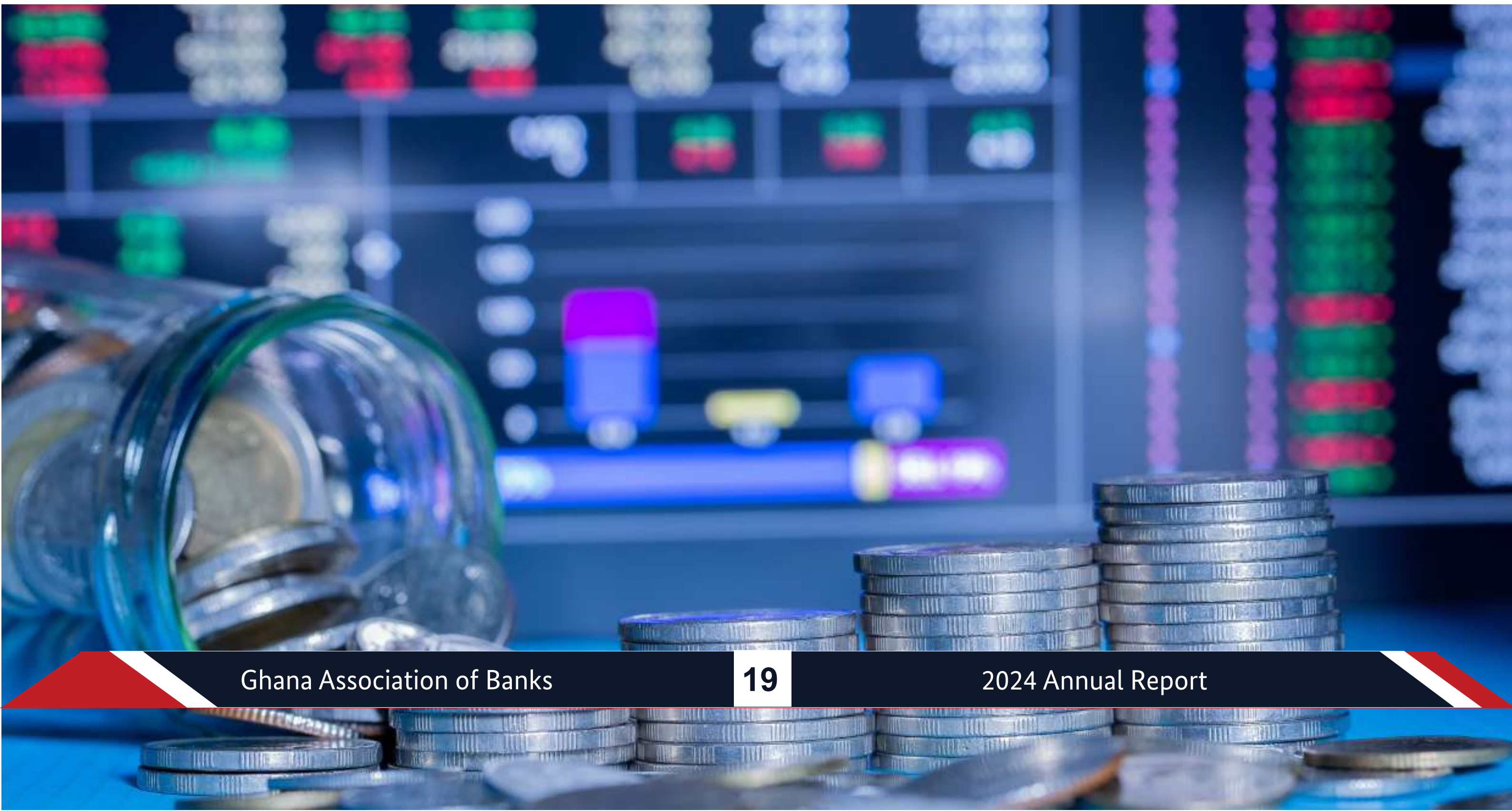
Profitability remained robust throughout the year. Return on Assets was steady at 5.0%, while Return on Equity closed 2024 at 30.8% before settling at 30.0% in early 2025. The sector's capital position also strengthened, with the Capital Adequacy Ratio averaging 15.5% in 2024 and increasing to 17.5% by April 2025. Even when regulatory reliefs are excluded, the CAR remained strong at 15.8%, well above the regulatory minimum. Liquidity indicators were equally healthy, with core liquid assets to total assets at 38.7% in December and 36.6% by April 2025, while core liquid assets to short-term liabilities stood at a secure 44.0%.

Operational performance held firm despite inflationary pressures. The cost-to-income ratio remained within 76% to 79%, while operational cost-to-income ratios ranged between 50% and 53%. Net interest margins were resilient, holding between 14.0% and 14.9%. Importantly, credit to the private sector showed renewed traction, with nominal growth rising from 10.8% in April to 28.8% in October 2024, and although it eased to 19.9% by April 2025, real credit growth remained positive in the latter half of the year.

The positive outlook has carried into 2025. Inflation is gradually easing; the cedi has shown signs of appreciation particularly in May and the banking sector continues to build on its momentum. Total assets have now exceeded GHS 390 billion, deposits have grown to GHS 289.5 billion, and while credit expansion has moderated, the industry's liquidity and capital buffers remain strong, positioning it to support sustained economic growth.

However, challenges remain. Non-performing loans, though improved, continue to pose a concern. The NPL ratio declined from 25.7% in April to 21.8% by December 2024 but inched back up to 23.6% in April 2025. Excluding the loss category, NPLs saw a more promising decline from 11.1% to 8.5% indicating improved credit risk management. Nonetheless, the persistence of elevated NPLs underscores the need for continued, focused efforts to further enhance asset quality and reduce credit risk.

The industry is still having detrimental fraud elements, and we must remain resolute to battle it consciously and more proactively. The Bank of Ghana's 2024 Fraud Report reveals that despite a 6.1% drop in reported fraud cases (2,110), total losses grew to GHS 56 million, driven by cash suppression (up 48%) and rising digital fraud as financial services rapidly digitalize. Staff involvement remains a key vulnerability, with 188 cases recorded. The shift to digital finance and the rise of new players in the market underscore the need for



stronger cybersecurity, internal controls, and fraud awareness to safeguard Ghana's financial sector.

Despite these lingering challenges, the Ghanaian banking sector has demonstrated exceptional resilience and remains well-positioned to navigate uncertainties while driving economic transformation in 2025 and beyond.

What this tells us is that the banking sector did not just endure 2024—it adapted, expanded, and reaffirmed its pivotal role in Ghana's economic architecture. As we look ahead, we remain committed to sound governance, prudent risk management, and financial innovation to support inclusive growth and long-term national development.

This past year has been defined by significant progress and strategic engagement, reinforcing our dedication to strengthening Ghana's financial sector. The Ghana Association of Banks (GAB) played a central role in shaping key regulatory developments, including substantial input into the Bank of Ghana's Guidelines on Digital Assets and the Open Banking Framework. These contributions ensured that emerging policies remain grounded in practical realities while supporting innovation. Our regulatory advocacy also encompassed revisions to the Cash-in-Transit Code of Practice and updates to banking hall notices, aligning them with evolving supervisory expectations. In support of enhanced regulatory compliance, we championed structured implementation of system log submissions to the Bank of Ghana's FICSOC.

Cybersecurity remained a priority as we intensified sector-wide capacity building. We facilitated the accreditation of cybersecurity professionals, supported the registration of Security Operations Centres, and led cross-sector efforts to fortify cyber resilience. Our leadership extended to public engagement, including training for media professionals and the launch of the CSA Cybersecurity Professionals Industry Forum. These initiatives were complemented by direct regulatory engagements to revise directives on Outward Interchange Fee charges and strategic forums that influenced trade-based FX reforms. Our advocacy also contributed to reforms in the Corporate Insolvency Regulations, introducing amendments that have revitalised Ghana's corporate recovery and business continuity framework.

Complementing our regulatory and security agenda was our commitment to knowledge dissemination and sectoral strategy. The 2024 Industry Outlook provided comprehensive analysis of macroeconomic conditions and highlighted banks' adaptive responses. Through our leadership in the YouStart initiative, we supported youth entrepreneurship and job creation, reinforcing financial inclusion. We also deepened regional and international collaboration by co-hosting the Pan-African Payment and Settlement System workshop with the Bank of Ghana, enhancing cross-border trade and financial integration. Our involvement in GARIA's Business Rescue training further highlighted our role in corporate turnaround strategies, while our partnership with the Ministry of Finance on the National Green Finance Taxonomy advanced alignment with global sustainability norms.

GAB's efforts to bridge industry and academia were equally notable. We co-developed a new MSc curriculum in Banking and Finance with the University of Ghana Business School to address

emerging talent needs. We supported financial literacy through targeted training for chemical engineering students and enriched the IMF's sectoral assessments with practical insights from the banking industry. Our thought leadership was further demonstrated through the publication of the 4th edition of The GH Banker's Voice Magazine, providing forward-looking perspectives on the sector.

Our commitment to sustainability and regional collaboration was reflected in our engagement with the UN Global Compact Network and the Tanzanian Central Bank, fostering cross-border knowledge exchange. We contributed to Ghana's National Human Capital Development Framework and collaborated with the West Africa Bankers Association (WABA) and other stakeholders to explore the future of digital finance. Additionally, we advanced remittance strategies through participation in the Stanbic Breakfast Meeting and supported inclusive economic development through partnerships with the GEA–JICA Enterprise Project and the EPA on climate-resilient agriculture.

Through these interconnected efforts, the Ghana Association of Banks remains unwavering in its mission to advocate for a resilient, innovative, and inclusive banking industry that underpins Ghana's economic transformation and long-term prosperity.

As we reflect on the strides made in the past year and look ahead to the future, I am delighted to share the progress and ongoing planned initiatives of the Ghana Association of Banks (GAB) for the year 2025, guided by our core strategic pillars—Regulatory, Business, Advocacy, Operational Environment, Competition and Sustainability. Key activities have included a proactive review and submission of formal feedback on the Data Protection Act to safeguard digital operations and mitigate regulatory risks; engagement with the Chief Justice to develop a framework that will expedite legal processes involving banks and foster an enabling business environment; successful review and submission of feedback on the Bank of Ghana's Outsourcing Directive to ensure compliance and cost efficiency in third-party collaborations; advocacy under the OIF Implementation programme to bolster the economic viability of card-based payments and advance digitalisation; the development of a policy paper on the implications of the current tiered cash reserve ratio regime on banks to enhance advocacy and call for review; active participation in the National Fintech Strategy to drive innovation; training for heads of fintech units on cryptocurrencies and blockchain; workshops to review AML/CFT/CPF guidelines to strengthen compliance culture; and verification of beneficiary ownership and company registration to reduce business costs.

Additional initiatives include collating fraud returns to support sector fraud prevention; participation in the JICA Enterprise Development Project to boost SME loan delivery; mystery shopping to improve service standards and customer retention; stakeholder courtesy visits to deepen relationships; co-hosted training for Internal Controllers and CISOs with BoG; continuous training for heads of physical security to ensure operational resilience; development of the 2025 Industry Outlook report; review of the State of the Nation address and the 2025 Budget Statement to align member priorities with national development goals; and the organisation of the Bankers Football League to promote healthy workforce rejuvenation. We also engaged in the International

Customs Day celebration, collaborated with the Centre for Financial Literacy and Inclusion on customer awareness;5th Edition of the GH Banker Voice Magazine to enhance sector visibility, and research on the fraud triangle theory and employee welfare. Further activities included efforts to establish an indemnity agreement for data sharing, implementing a fraud awareness campaign, advocating for women's desks in branches, conducting a systematic review of Islamic banking, synthesising the 2024 fraud report, and participating in national development planning through the NDPC.

These initiatives have been largely executed or are in advanced stages, delivering impacts such as cost efficiency, revenue enhancement, capital optimisation, regulatory alignment, stakeholder relationship building, innovation enablement, strategic networking, and improved customer trust. The Association remains resolute in its commitment to fully implement these programmes for the collective benefit of our members and the broader financial ecosystem, and I extend my heartfelt appreciation to all our member banks for their unwavering support and collaboration as we continue to build a competitive, resilient, and inclusive banking sector in Ghana.

In conclusion, I wish to express my deep appreciation to our member institutions and stakeholders for their unwavering support and invaluable contributions to the success of the Association. The dedication, commitment, and sacrifices of our Managing Directors (MDs) and Chief Executive Officers (CEOs) have been instrumental in driving the work of the Association, and for that, we are profoundly grateful.

We also extend our sincere thanks to the General Assembly for its continued support, as well as to the dedicated staff of the Association. Though lean in number, our team is ambitious and focused on delivering impactful advocacy, fostering meaningful dialogue, and enhancing stakeholder engagement as a forward-looking thought leadership institution.

Our achievements would not be possible without the tireless efforts of our professional network platforms, including the CFOs Technical Working Group, the Chief Compliance & Anti-Money Laundering Network, the Legal Committee, the Trade Services Committee, the Internal Auditors Technical Working Group, the Technology & Cyber Committee, the HR Network, the Network of Treasurers, and our newly constituted teams in Corporate Communications, Research, Strategy, and Business Intelligence. Please join me in extending a heartfelt thank you to each of them.

As we move forward, we remain committed to strengthening these relationships and upholding our core values: Fairness, Responsiveness, Integrity, Sustainability, and Confidentiality.

Thank you.

Mr. John Awuah
(CEO, Ghana Association of Banks)

ECONOMIC AND INDUSTRY REVIEWS

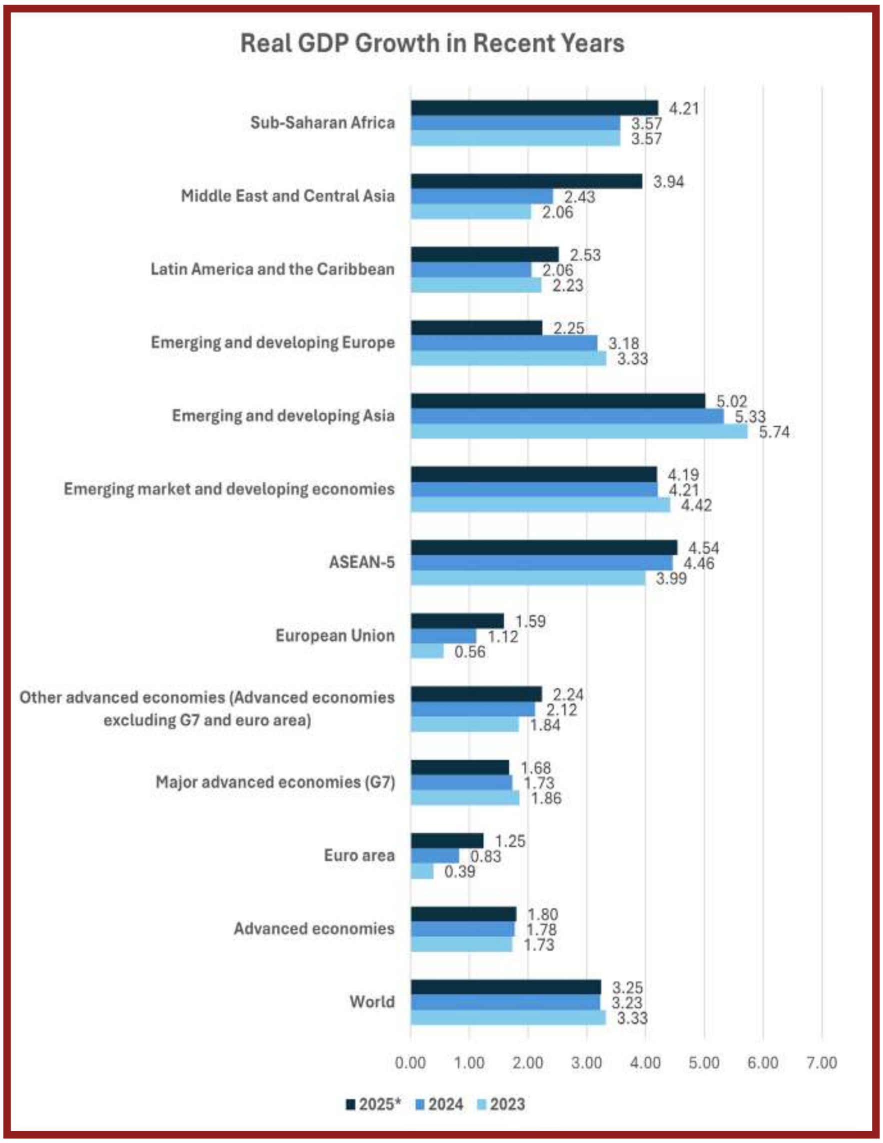
ECONOMIC REVIEW

GROWTH

The global economy in 2024 exhibited a nuanced performance marked by moderate output growth and a broad-based decline in inflation, though both trends were characterized by substantial variation across regions. According to the January 2025 World Economic Outlook Update by the International Monetary Fund (IMF), the world economy continued to navigate the aftershocks of post-pandemic adjustments, geopolitical tensions, and policy recalibrations. Macroeconomic indicators, such as GDP growth, inflation dynamics, exchange rate movements, interest rate trends, and the stance of fiscal and monetary policy, exert significant influence on key banking sector variables, including credit demand, asset quality, net interest margins, and systemic financial stability. Establishing a clear macroeconomic context enhances the analytical rigor of banking industry assessments in 2024, enabling more precise interpretation of sectoral trends such as credit expansion, the evolution of non-performing loans, profitability metrics, and capital adequacy levels. This approach ensures that banking sector developments are evaluated within the appropriate economic framework, thereby supporting more robust and informed decision-making, now and going forward.

Global real GDP grew by an estimated 3.2 percent in 2024, marginally down from 3.3 percent in 2023, and below the historical average of 3.7 percent seen between 2000 and 2019. On the surface, this points to a relatively stable economic environment; however, a closer examination reveals a picture of divergent growth paths shaped by regional headwinds, policy shifts, and structural factors.

Figure 1: Global Economic Growth Outlook



Source: World Economic Outlook Database as updated October 2024

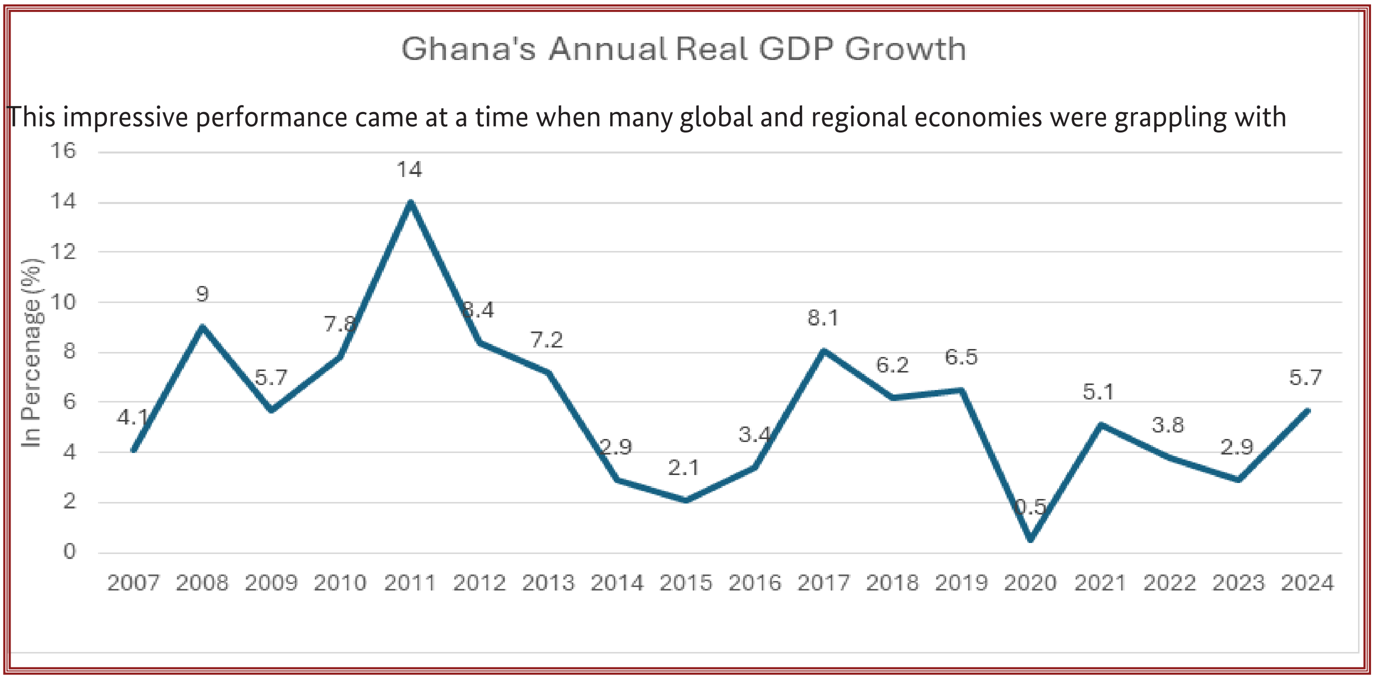
In advanced economies, growth held steady at 1.7 percent, echoing the figure recorded in 2023. Among the key players, the United States continued to stand out, posting a robust 2.8 percent growth rate. This resilience was underpinned by strong household consumption, a firm labour market, and relatively accommodative financial conditions. The momentum in the U.S. economy remained a bright spot globally, although it slightly moderated from the previous year's 2.9 percent.

Elsewhere, growth remained subdued. The euro area managed a modest recovery to 0.8 percent, following a stagnant 0.4 percent in 2023. Nevertheless, underlying weaknesses in manufacturing and export sectors, compounded by elevated policy uncertainty and geopolitical tensions, dampened prospects, particularly in Germany, which posted a mild contraction of −0.2 percent. The United Kingdom saw output rise to 0.9 percent, aided by improvements in real incomes and a more stable inflationary environment. In Japan, however, output declined by −0.2 percent, largely due to temporary supply chain disruptions.

In the emerging market and developing economies, output growth softened slightly to 4.2 percent from 4.4 percent the previous year. Yet again, performance varied. China registered a growth rate of 4.8 percent, down from 5.2 percent, reflecting the continued drag from its troubled property sector and dampened consumer sentiment, despite solid export performance. India, in contrast, remained on a strong trajectory, maintaining 6.5 percent growth, a testament to resilient domestic demand and policy support.
The story in sub-Saharan Africa was one of cautious optimism. The region's output rose to 3.8 percent in 2024 from 3.6 percent in 2023, with a further acceleration to 4.2 percent expected in 2025. Nigeria experienced modest gains, growing at 3.1 percent, while South Africa remained constrained, inching forward at 0.8 percent due to deep-rooted structural bottlenecks in energy and logistics sectors.

Ghana's Economic Performance in 2024 and Outlook for 2025: Resilience, Recovery, and the Road Ahead

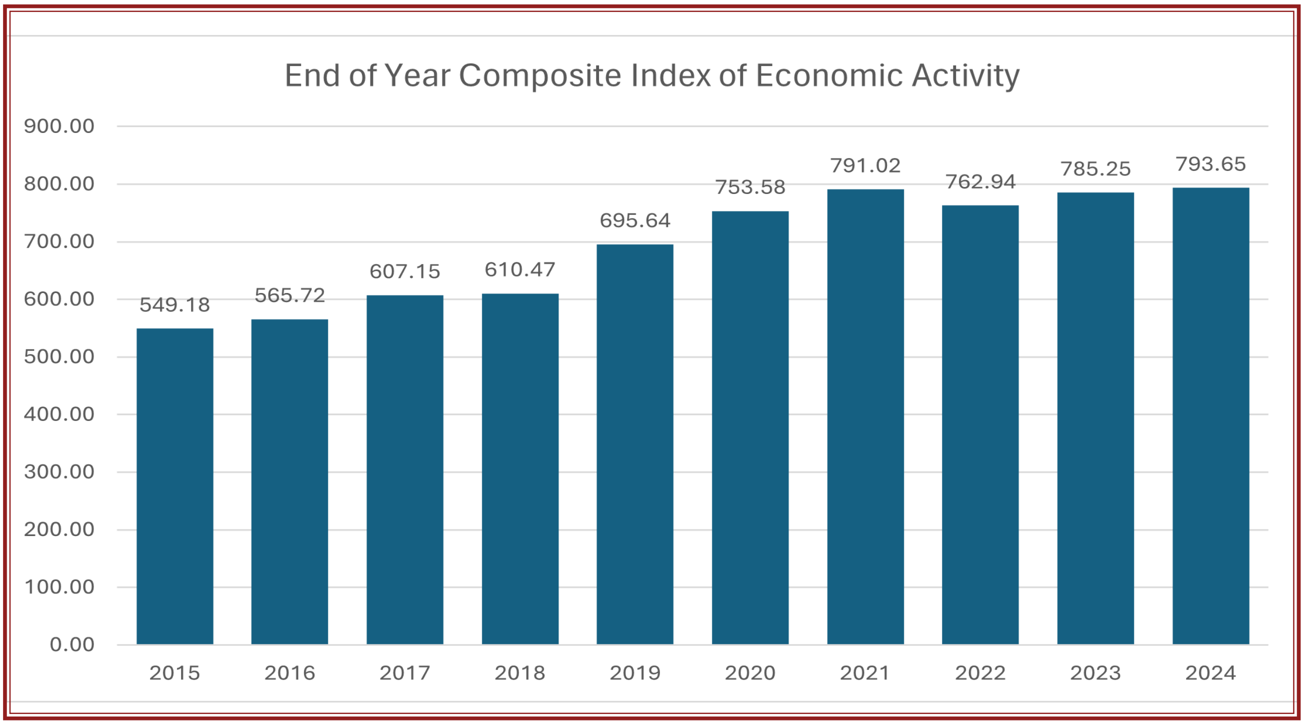
Ghana's economy in 2024 staged a remarkable comeback, delivering a real GDP growth rate of 5.7 percent, up significantly from 2.9 percent in 2023. Here is a quick recap on the end of year growth trend since 2007.
Beyond the growth numbers, the overall assessment of economic performance has proved remarkable resilience, as reflected by the continuous increase in the real composite index of economic activity to 793.65 by the end of 2024 as compared to 785.35 at the end of 2023. This indicates that the Ghanaian economy continues to expand in real terms, and therefore, would continue to gain the momentum of supporting business growth and expansion, a positive trajectory that will continue to drive-up credit demands.



This impressive performance came at a time when many global and regional economies were grappling with

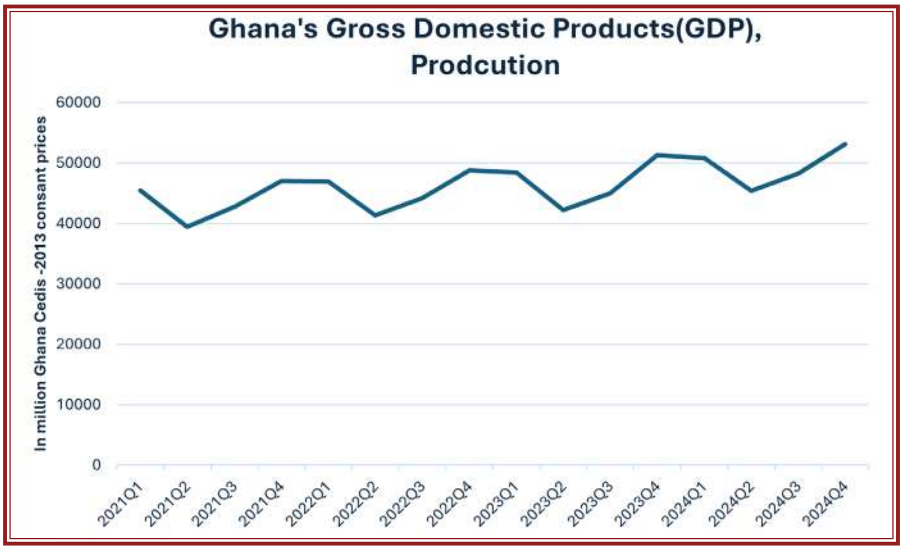
Source: Bank of Ghana Database Portal

Figure 2: Ghana's Real Composite Index of Economic Activity



Source: Bank of Ghana Database Portal

sluggish growth, heightened policy uncertainty, and the lingering effects of inflationary shocks. What makes Ghana's achievement particularly noteworthy is that it occurred in the immediate aftermath of a comprehensive sovereign debt restructuring—a context in which most economies tend to grow slowly, often in the range of 1 to 2 percent. Instead, Ghana defied expectations, demonstrating that with sound macroeconomic management, structural reforms, and sectoral momentum, strong and inclusive growth is possible even in a post-crisis setting. End of 2025 growth is expected to moderate to about 4.0 percent. This adjustment reflects a more measured



Source: Bank of Ghana Database Portal

pace following the high base of 2024, as well as anticipated fiscal consolidation efforts aimed at sustaining debt sustainability and macroeconomic credibility. The recent tariff wars present more global trade uncertainty, and the downside risk may distort global growth. Yet, even at 4.0 percent, Ghana's projected growth remains healthy and competitive, especially in the context of Africa's overall economic performance.

Maintaining this momentum will require Ghana to consolidate macroeconomic gains, deepen structural reforms, and strengthen institutions. Priority areas should include enhancing domestic revenue mobilization, improving public investment efficiency, fostering digital innovation, and expanding access to finance for small and medium-sized enterprises. Continued focus on agricultural transformation and industrial value addition will also be critical for job creation and export diversification.

Inflation

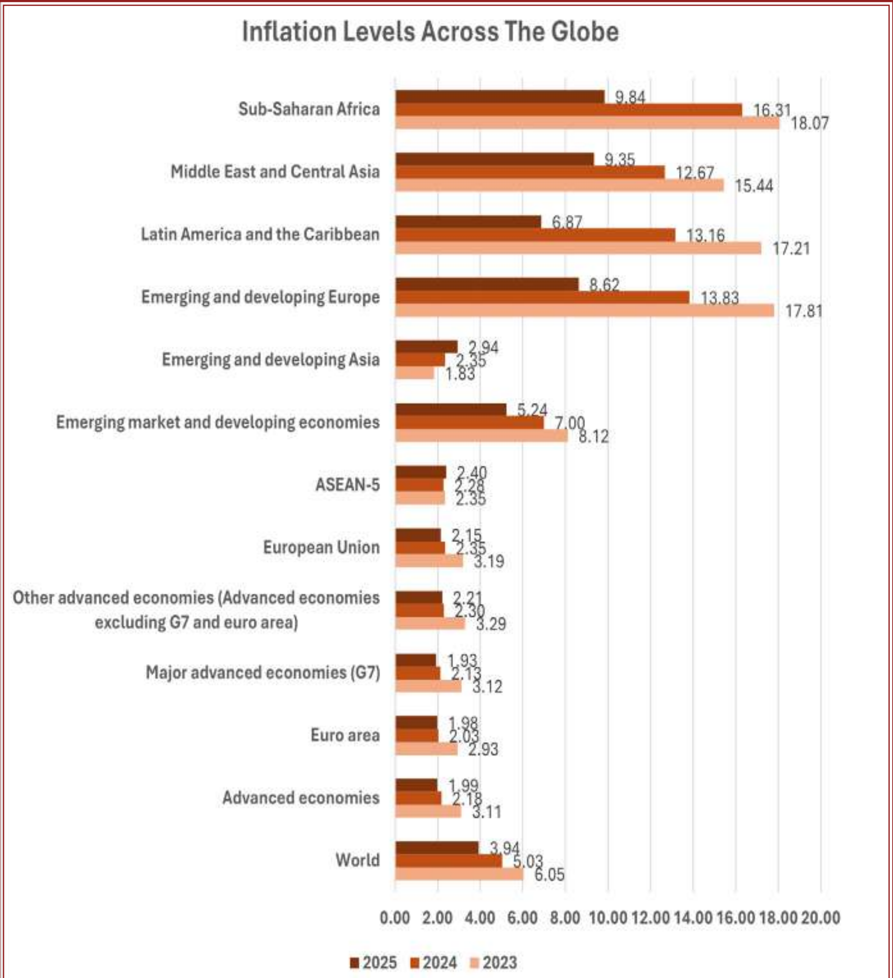
2024 was marked by a significant decline in inflation worldwide. After a period of sustained price pressures in the aftermath of the COVID-19 pandemic and the energy shocks of 2022, global inflation eased to 5.7 percent, down from 6.7 percent in 2023. This marked progress in the global disinflation process, though inflationary dynamics remained divergent and fragile, particularly in developing economies. The figure below presents on inflation outlook globally and its dynamism across major economic regions from 2023 to 2025.Advanced economies saw the most notable improvement, with inflation falling to 2.6 percent—well within striking distance of most central banks' targets. In the United States, inflation moderated to 2.6 percent, helped by slowing wage growth, lower energy prices, and easing supply chain constraints. The euro area saw inflation drop to 2.1 percent, while Japan and the United Kingdom also approached target levels, reinforcing expectations of monetary policy easing in the near term.

By contrast, in emerging and developing economies, inflation remained relatively elevated at 7.8 percent, though this too represented an improvement from the 8.1 percent recorded in 2023. In sub-Saharan Africa, the inflation trajectory improved marginally, supported by tighter monetary policies and more stable food prices. However, factors such as currency depreciation, supply-side constraints, and fiscal vulnerabilities kept price pressures higher than desired in many economies.

Several factors underpinned this global disinflation trend. Notably, oil prices declined by 1.9 percent, with weaker Chinese demand and robust non-OPEC+ supply leading the retreat. Core goods inflation also fell across many economies, while nominal wage growth began to moderate. These developments, along with a moderation in the labour market, helped contain demand pressures. That said, services inflation remained sticky in parts of the world, especially in the United States and Europe, due to stronger-than-expected consumption in those sectors.

The global economy is projected to expand by 3.3 percent in 2025, with inflation expected to ease further to 4.2 percent—a promising trajectory, yet one that hinges on coherent and coordinated policy efforts across regions. To sustain this momentum, central banks will need to remain firmly data-driven, ready to recalibrate monetary policy in response to evolving inflation and growth dynamics to maintain price stability. At the same time, governments must focus on gradually consolidating their fiscal positions to rebuild the fiscal space necessary for absorbing future shocks and enhancing long-term resilience

For sub-Saharan Africa, including Ghana, the journey toward sustainable recovery will depend not only on sound macroeconomic management but also on strategic investments in infrastructure, education, and health, alongside policies that build resilience to external shocks such as climate variability, food insecurity, and fluctuations in global capital markets. The path forward, though complex, offers a genuine opportunity for transformation if met with commitment, pragmatism, and collaboration at both national and international levels.



Source: World Economic Outlook Database, October 2024

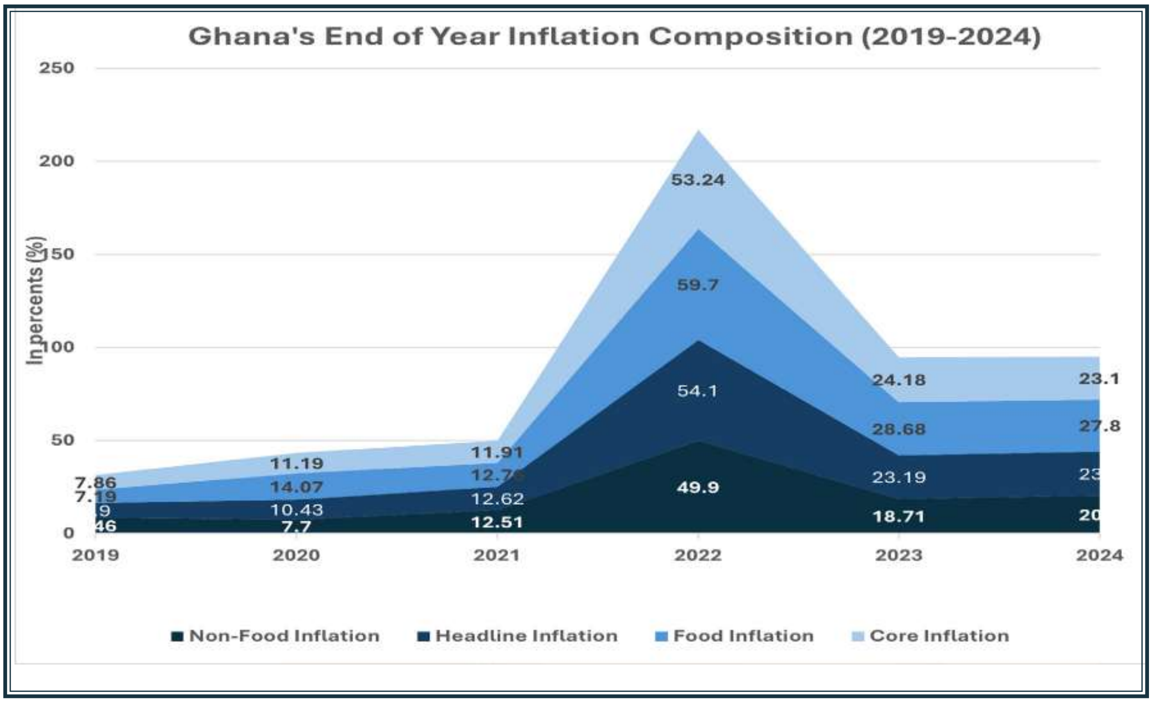
Ghana’s Inflation in 2024: Navigating a Bumpy Path Amid Progress-

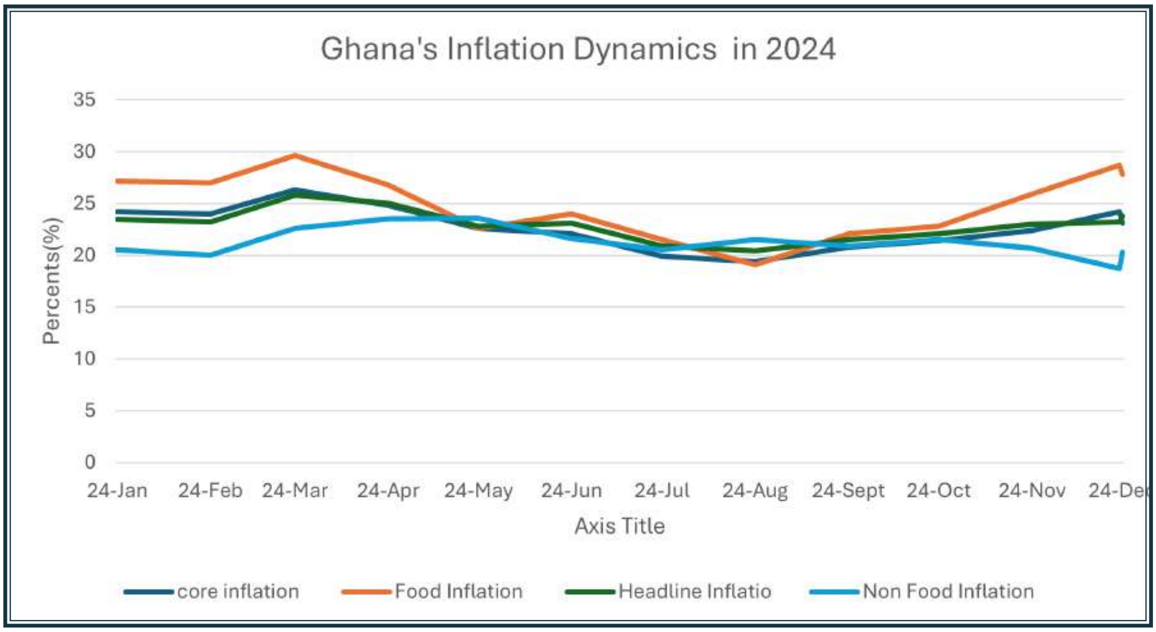
Ghana continues to face elevated inflationary pressures. Despite tight but cautious monetary easing, inflation remained ‘stubborn’ as reflected in the sluggish disinflationary trend over the past two years through to the end of 2024. Inflation continues to level far above the medium-term target of 8% with a band of (+/-2) %, and food inflation remained a key supply factor.

Ghana entered 2024 with headline inflation at 23.2% in December 2023, after a year of determined disinflation efforts. Hopes were high for continued moderation, but inflation dynamics in 2024 turned out to be more complex.

From April to August 2024, inflation decelerated gradually, reaching 20.4% in August — a significant improvement that nearly brought inflation back to the pre-crisis levels. This decline was largely influenced by steady non-food inflation and modest gains in monetary policy credibility.

Although some gains were made mid-year, renewed pressures, particularly from food prices, caused inflation to close the year slightly higher at 23.8%.





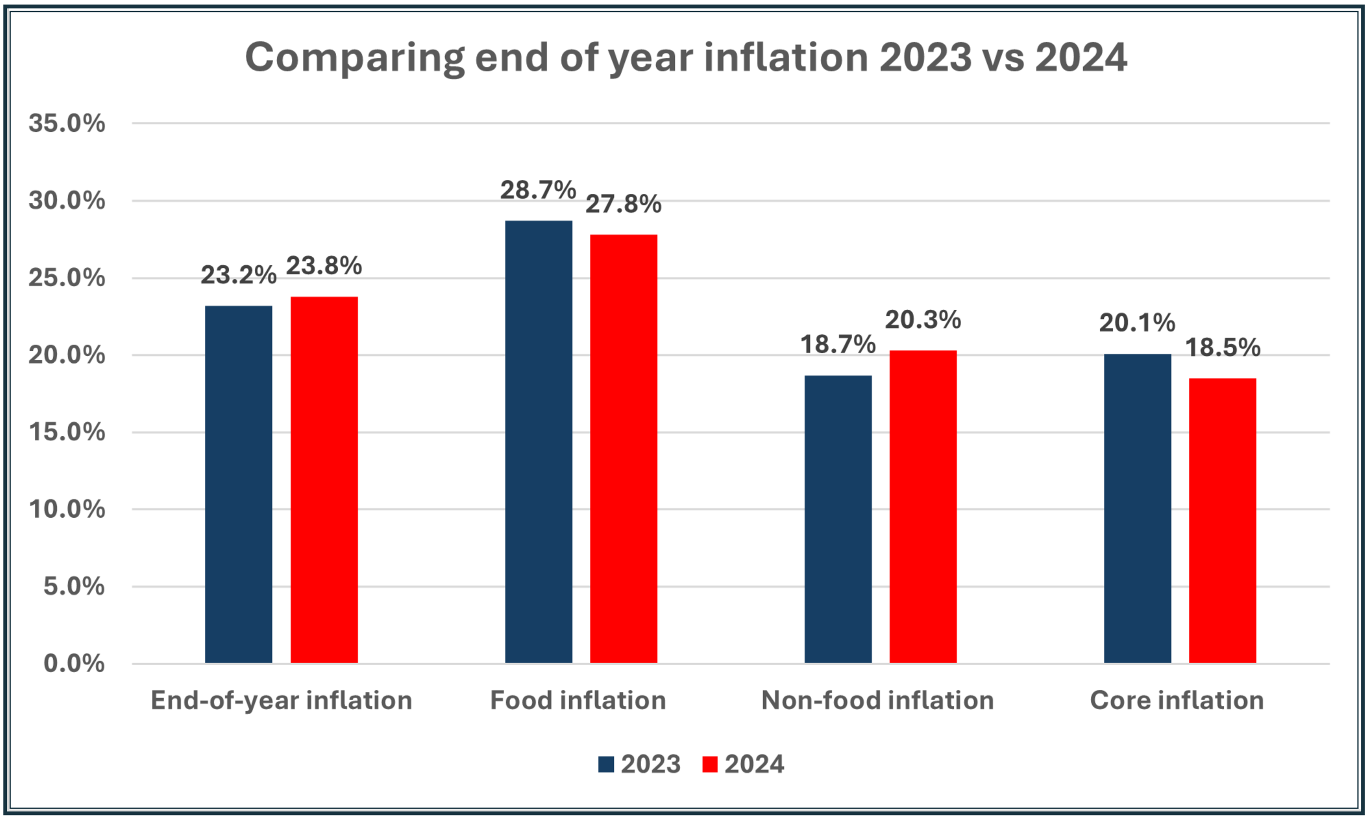
Food vs. Non-Food Inflation

A deeper look into the inflation components reveals that non-food inflation exhibited a more predictable downward trend, reaching 20.3% by December 2024, compared to 18.7% in December 2023. In contrast, food inflation surged from 28.7% to 27.8%, underscoring the susceptibility of Ghana's inflation to agricultural shocks.
The surge in food prices was largely attributed to dry weather conditions in the first half of the year, which hampered crop yields. Furthermore, supply chain bottlenecks, including transportation and storage inefficiencies, amplified price volatility in rural and urban markets alike.

The marginal rise in the end-year's inflation masked significant developments underneath. Non-food inflation trended downward, reflecting the impact of tighter monetary conditions and easing demand pressures.

However, food inflation, driven largely by climate-related disruptions to agricultural output, proved stubborn and kept headline inflation elevated. The composition below gives an insight on why food inflation remains a challenge.

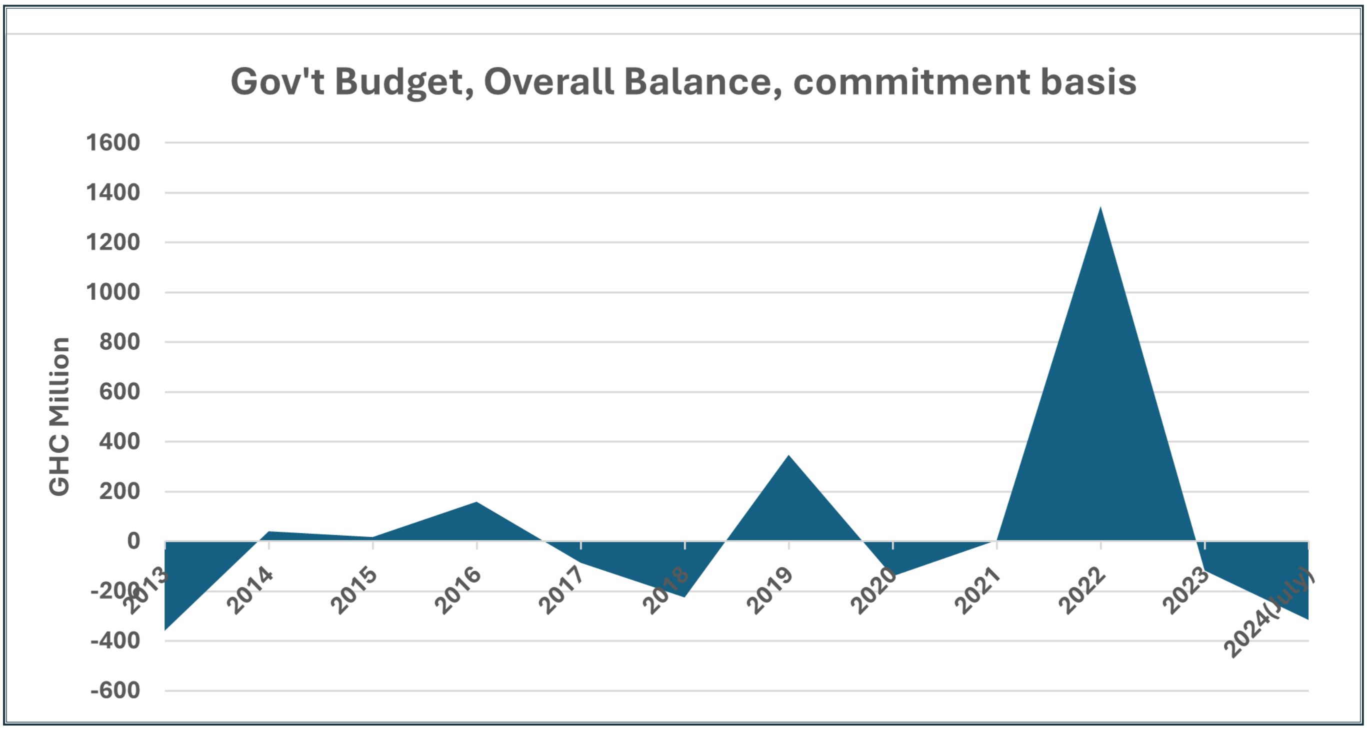
Despite falling short of the Bank of Ghana's medium-term target of 8 ± 2 percent, the outlook for 2025 remains optimistic. Inflation is projected to decline more firmly to 11.9% in 2025, a projection that hinges on continued fiscal consolidation, improved food supply conditions, and a stable exchange rate environment.



Source: Bank of Ghana Database Portal

FISCAL PERFORMANCE

Ghana's fiscal landscape in 2024 was shaped by a complex mix of gains in revenue mobilization and significant challenges in expenditure control. Despite recording impressive revenue performance, the country missed several key fiscal targets, largely due to unplanned spending and a ballooning of public arrears. Compared to the more restrained fiscal stance in 2023, 2024 marked a clear shift toward fiscal slippages, prompting a renewed sense of urgency in government circles as the nation prepares to reset its course in 2025.



Source: Bank of Ghana Database Portal

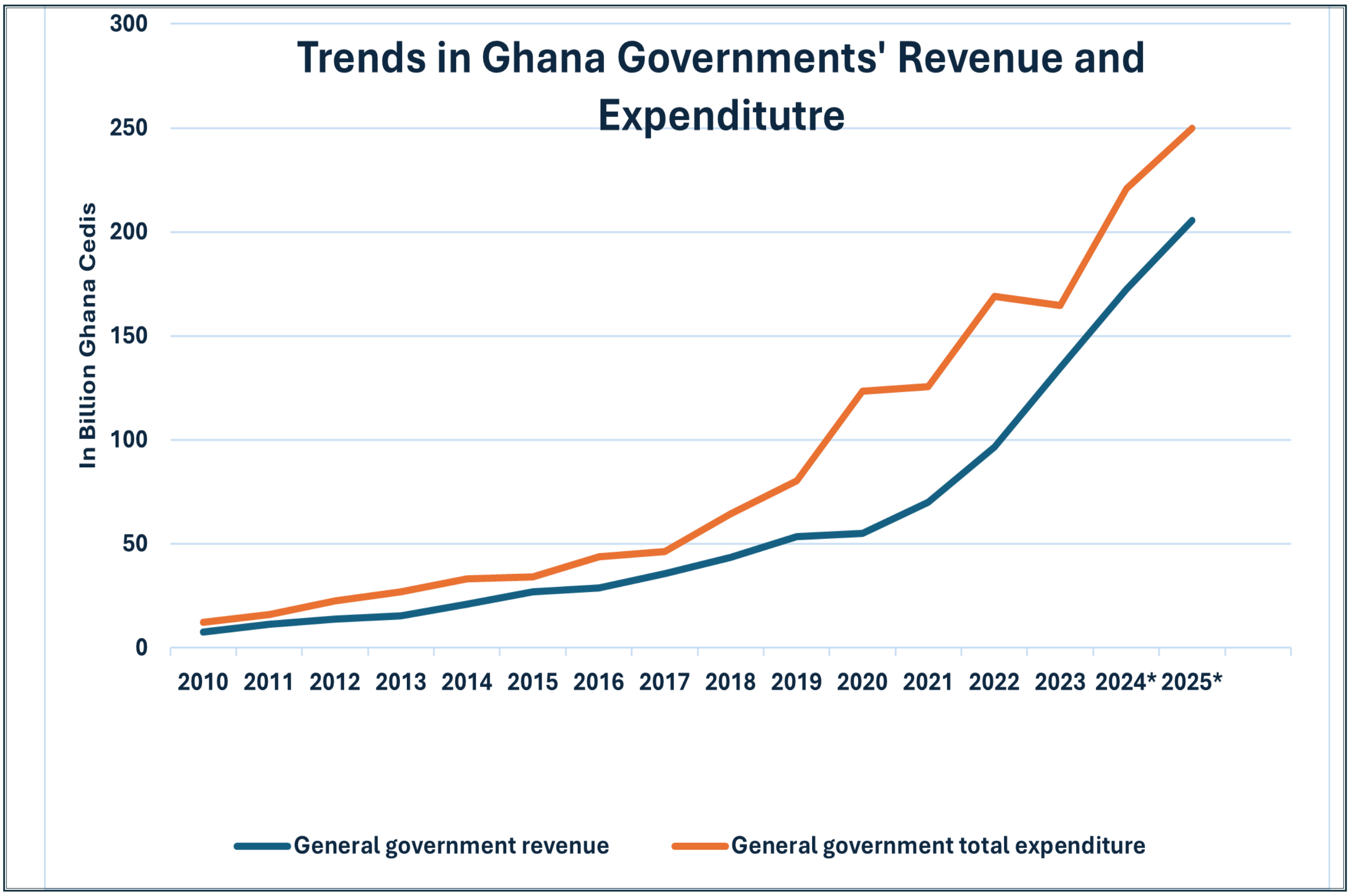
At the heart of the matter is the primary balance, a key indicator of a country's fiscal health excluding interest payments. In 2023, Ghana posted a relatively modest primary deficit of 0.2% of GDP, reflecting moderate spending within available resources. However, by 2024, this measure had deteriorated sharply to a deficit of 3.9% of GDP—falling well short of the projected surplus of 0.5% representing a 4.4 percentage point deviation, a clear indication of fiscal slippages.

On a cash basis, the primary deficit stood at 1.2% of GDP, doubling the target of 0.6%. The overall fiscal balance also worsened. On a commitment basis, the deficit widened to 7.9% of GDP—far above the target of 4.2%. While the cash deficit came in slightly better at 5.2% of GDP (versus a 5.3% target), this marginal gain does little to soften the broader picture of fiscal slippage.

Amid these challenges, there was at least one notable bright spot: revenue performance. Total revenue and grants reached GH₵186.6 billion in 2024, representing 15.9% of GDP. This figure surpassed the revised target of GH₵177.2 billion by a solid 5.3%.

Conversely, total expenditure rose to 21.1% of GDP, up from 19.5% in 2023. Within this, capital expenditure remained worryingly low at 2.5%, reflecting constraints on growth-oriented investments. Recurrent spending continues to dominate, limiting the government's ability to channel funds into infrastructure and productive sectors. As a result, the primary balance remained negative at −1.2% of GDP, while the overall deficit widened to −5.2%, from −3.3% in 2023.

These imbalances reinforce the importance of following through on fiscal consolidation plans. The window of relief provided by the restructuring must now be used wisely to implement reforms that strengthen public financial management, curb inefficient spending, and boost the quality of expenditure.



Source: World Economic Outlook Database as updated October 2024

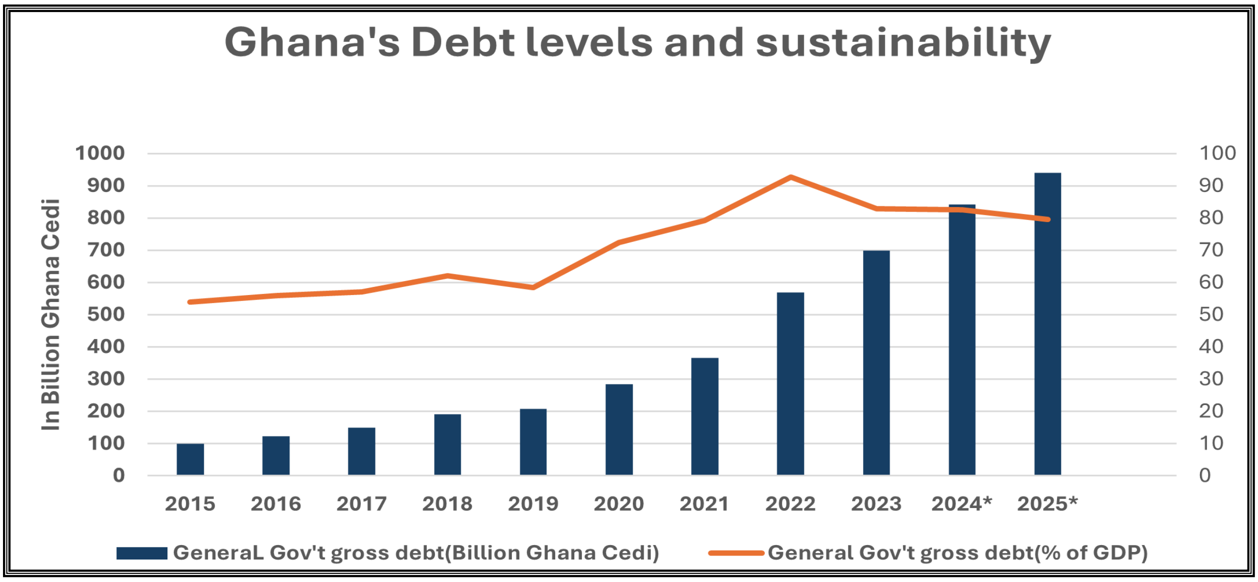
Beyond the headline figures, a critical concern that emerged during the year was the accumulation of arrears. Verified arrears reached GH₵67.5 billion by the end of 2024, and this number does not yet include additional liabilities from key sectors. Projections include an overall deficit of GH₵43.8 billion, equivalent to 3.1% of GDP, and a return to a primary surplus of GH₵20.3 billion (1.5% of GDP). These targets, while ambitious, represent an important step toward rebuilding fiscal credibility and anchoring macroeconomic expectations

PUBLIC DEBT

Ghana's public debt landscape in 2024 marks a critical transition from crisis management to cautious stabilization. After several turbulent years of unsustainable debt accumulation and financing challenges, the successful completion of domestic debt restructuring and recent breakthroughs in negotiations with external creditors signal a turning point in the country's path toward restoring fiscal and macroeconomic stability.

By the end of December 2024, Ghana's total public debt stood at GHS 726.7 billion, compared to GHS 610.0 billion in December 2023, representing a year-on-year nominal increase of 19.1%. In terms of GDP, the debt-to-GDP ratio fell from 68.7% in 2023 to 61.8% in 2024, largely due to improved fiscal discipline and a more stable macroeconomic environment. While the debt stock has increased in nominal terms, the improved ratio reflects Ghana's concerted effort to stabilize the debt trajectory through targeted reforms and strategic restructuring.

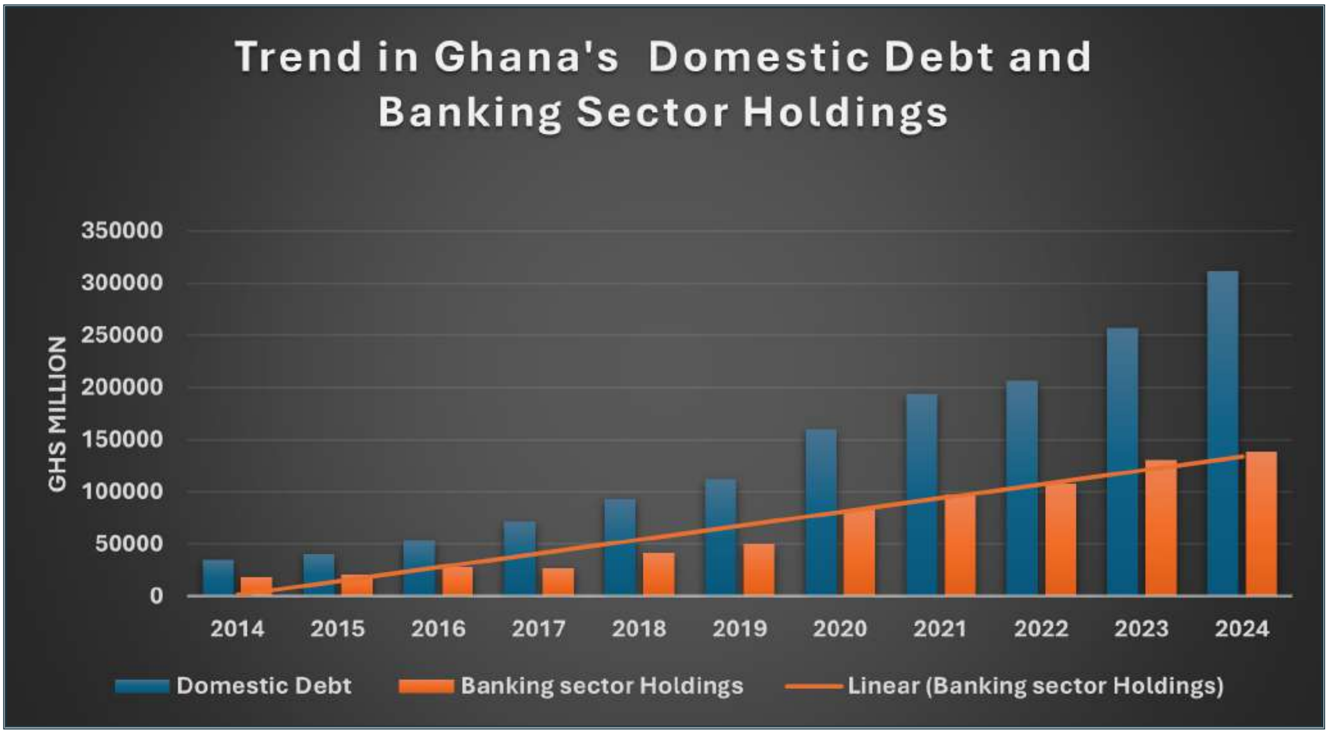
Despite these positive developments, the composition of the public debt remains a source of scrutiny. External debt declined slightly in U.S. dollar terms—from USD 30.3 billion in 2023 to USD 28.3 billion in 2024—but still represented a large share of the debt stock. In local currency terms, external debt stood at GHS 416.8 billion, equivalent to 35.4% of GDP, down from 39.7% the previous year. The marginal decline reflects not only restructuring outcomes but also limited new borrowing from external sources amid tight global financial conditions.



Source: World Economic Outlook Database as updated October 2024

On the domestic front, debt increased from GHS 257.3 billion in 2023 to GHS 309.8 billion in 2024, accounting for 26.3% of GDP. This continued reliance on the domestic market—while avoiding foreign currency risk—remains a delicate balancing act. Although the DDEP has softened interest obligations, the financial sector is still adjusting to the liquidity impacts and altered investment dynamics.

In recent years, Ghana's domestic debt has continued its sharp upward trajectory, rising from GHS 193,604 million in 2021 to an estimated GHS 311,652 million by the end of 2024. Banking sector holdings have also expanded, but at a relatively slower pace, from GHS 97,616 million to GHS 138,484 million over the same period, indicating a gradual diversification of domestic debt ownership beyond the banking sector. While banks still hold a significant portion of government securities, their relative share appears to be easing slightly. This dynamic reflects both the government's growing domestic financing needs and a cautious recalibration within the financial sector. However, the sustained rise in domestic debt levels poses important risks for financial stability, with potential implications for credit availability to the private sector and the broader economy. Going forward, fiscal consolidation efforts and strategies to widen the investor base will be crucial to safeguarding both debt sustainability and the resilience of the banking system.

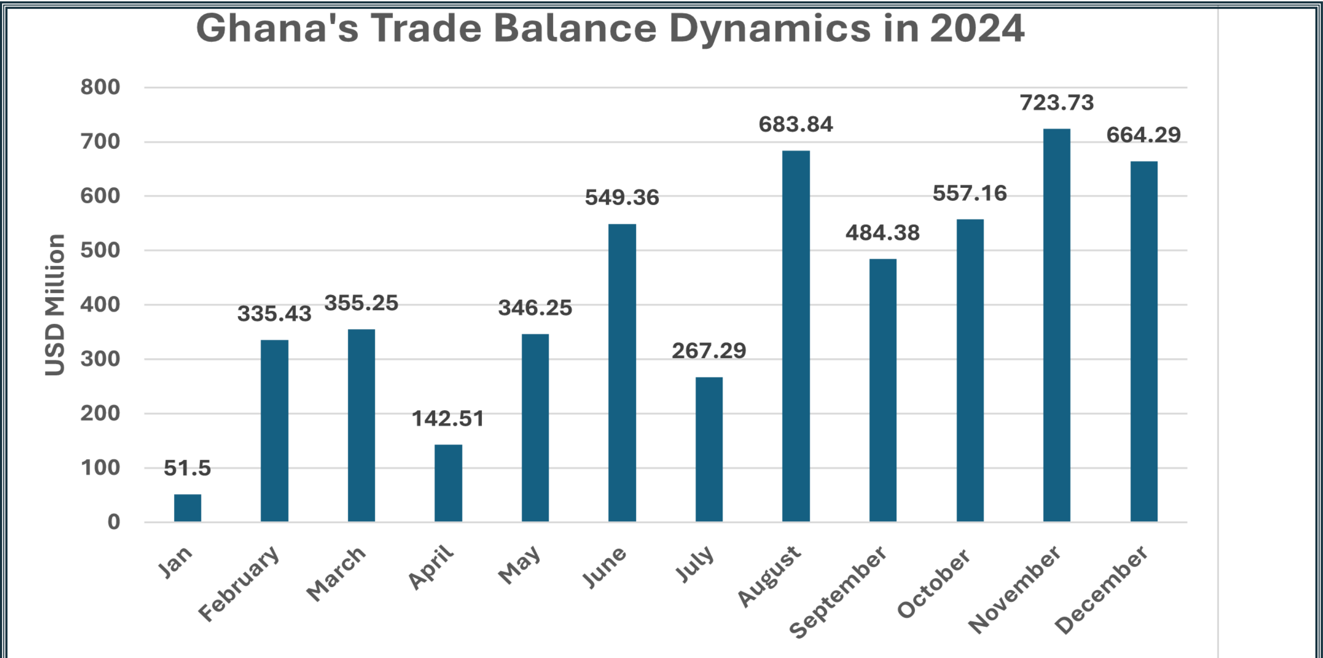


Source: Bank of Ghana Database Portal

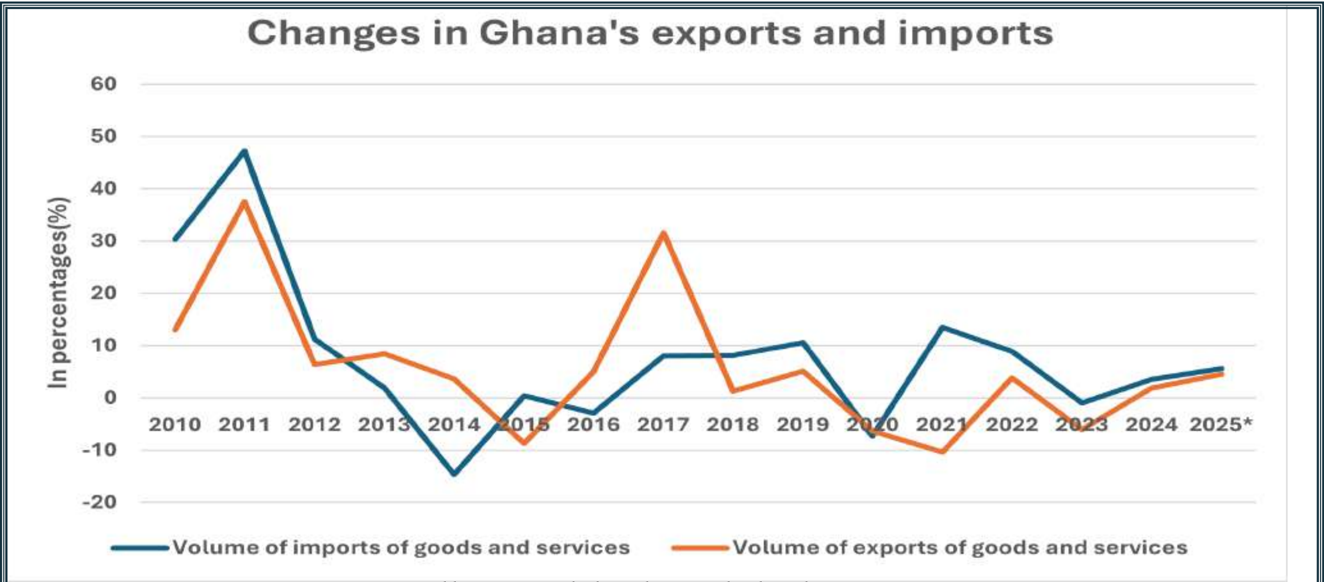
Ghana's Trade and Balance of Payments in 2024: A Narrative of Gradual Stability and Emerging Optimism

Ghana's external sector in 2024 demonstrated a marked improvement in both trade performance and balance of payments (BoP), reflecting the country's ongoing efforts to restore macroeconomic stability and reposition itself in the global economy. Compared to 2023, the year under review saw a more favorable trade balance, higher export earnings particularly from gold and a sustained build-up in international reserves, underpinned by stronger remittance inflows and renewed investor confidence.

A notable highlight of 2024 was the robust performance of Ghana's trade account, which maintained a positive balance throughout the year. Total exports rose significantly to US$20.43 billion by December 2024, up from US$16.70 billion in December 2023, representing a year-on-year growth of about 22.3%. This growth was primarily driven by an exceptional increase in gold exports, which surged from US$7.60 billion in 2023 to US$11.64 billion in 2024. Cocoa and oil exports also contributed positively, although cocoa recorded a relatively modest year-end value of US$1.87 billion due to global price fluctuations and domestic production challenges earlier in the year.On the import side, total imports rose to US$15.39 billion in December 2024, from US$14.01 billion in December 2023. While



Source: Bank of Ghana Database Portal



Source: World Economic Outlook Database as updated October 2024 this increase partially offset the gains in exports, the overall trade balance improved from US$2.69 billion in 2023 to a more impressive US$5.04 billion by the end of 2024. As a percentage of GDP, the trade surplus increased from 3.5% in 2023 to 6.0% in 2024, signaling stronger external competitiveness and a more balanced trade structure.

The current account, which captures a broader view of Ghana's economic interactions with the rest of the world, also improved significantly. By December 2024, the current account balance stood at US$3.58 billion, more than double the US$1.41 billion recorded in December 2023. This improvement was supported by the strong trade surplus and a notable increase in inward remittances, which grew from US$5.12 billion in 2023 to US$6.65 billion in 2024. These remittance inflows provided an essential buffer for household consumption and foreign exchange liquidity, further reinforcing the external position.

On the capital and financial account, however, Ghana continued to register net outflows, although the magnitude of these outflows moderated in 2024. The capital and financial account recorded a deficit of US$386.7 million by the end of the year, compared to a larger shortfall of US$732.6 million in 2023. This reflected a more cautious but recovering investor sentiment, as evidenced by the increase in net foreign direct investments (FDI) from US$1.31 billion to US$1.74 billion over the same period. Portfolio investments, while still negative, showed signs of stabilization, suggesting a slow but deliberate return of confidence in Ghana's financial assets.

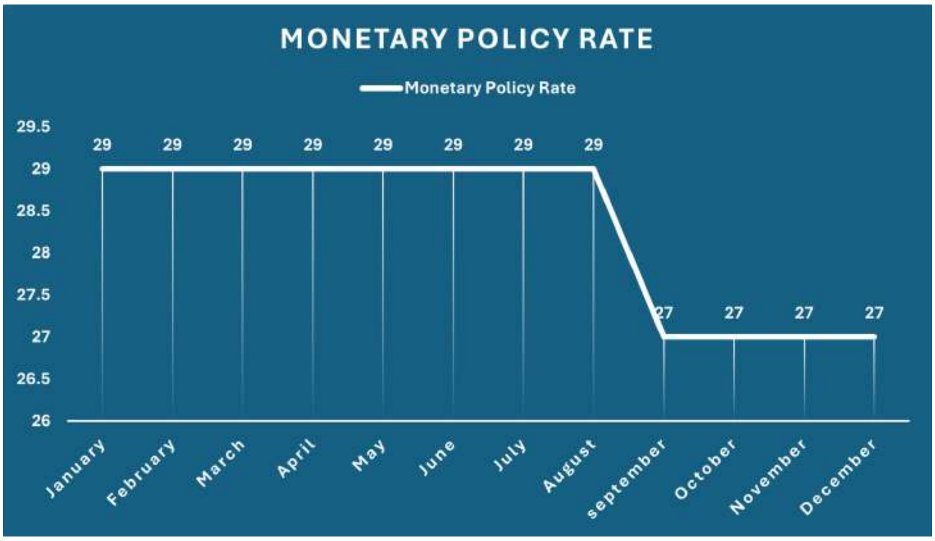
Consequently, the overall balance of payments turned significantly positive, reversing the deficit of US$617 million in September 2023 to a surplus of US$3.06 billion by December 2024. This surplus facilitated a steady accumulation of gross international reserves, which rose from US$5.91 billion in December 2023 to US$9.39 billion by February 2025. The corresponding import cover improved from 2.7 months to 4.2 months, offering increased protection against external shocks and enhancing Ghana's capacity to meet its international obligations. Similarly, net international reserves (NIR) expanded from US$3.13 billion to US$6.71 billion, further bolstering monetary and exchange rate stability.

Looking ahead, sustaining the gains made in 2024 will require a multi-pronged approach. First, enhancing the value chain of Ghana's key exports—especially cocoa and gold—could unlock additional revenues and reduce reliance on raw commodity exports. Second, a stable macroeconomic environment, including prudent fiscal policy and inflation management, is essential to attracting and retaining capital inflows. Third, remittances should be further leveraged through financial innovation and diaspora engagement policies that channel these funds into productive investments.

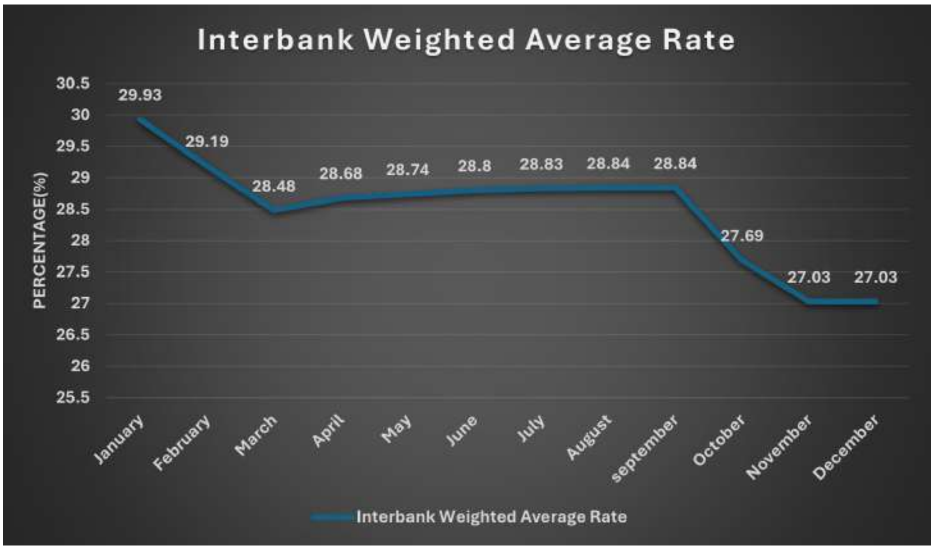
Monetary Policy and Interest Rate Trajectory in 2024

In 2024, Ghana's interest rate landscape reflected cautious monetary easing amidst fragile macroeconomic recovery. The Monetary Policy Rate (MPR), which stood at a high of 30.00% in December 2023, was reduced gradually to 27.00% by September 2024, where it remained until year-end. This 300-basis point reduction signaled a shift in the Bank of Ghana's policy stance—from aggressive inflation targeting to a more accommodative posture aimed at stimulating growth without undermining price stability. This approach of monetary policy, and the consciousness to fight inflation continues; as reflected in the outcome monetary policy decision in March 2025, an upward revision of the policy rate by 100 basis points in addition to the 274-day sterilization instrument.

The impact of this shift was also observed in the interbank market, where the weighted average rate dropped from 30.19% to 27.03%, aligning closely with the MPR. These developments collectively suggest improved liquidity conditions in the banking system and lower overnight borrowing costs among banks.
However, the cautious pace of easing reflects the Bank of Ghana's resolve to avoid reigniting inflationary pressures, especially in the face of lingering fiscal risks and external sector vulnerabilities. For financial institutions, this evolving monetary environment demanded responsive liquidity and asset-liability management strategies throughout the year.



Source: Bank of Ghana Database Portal

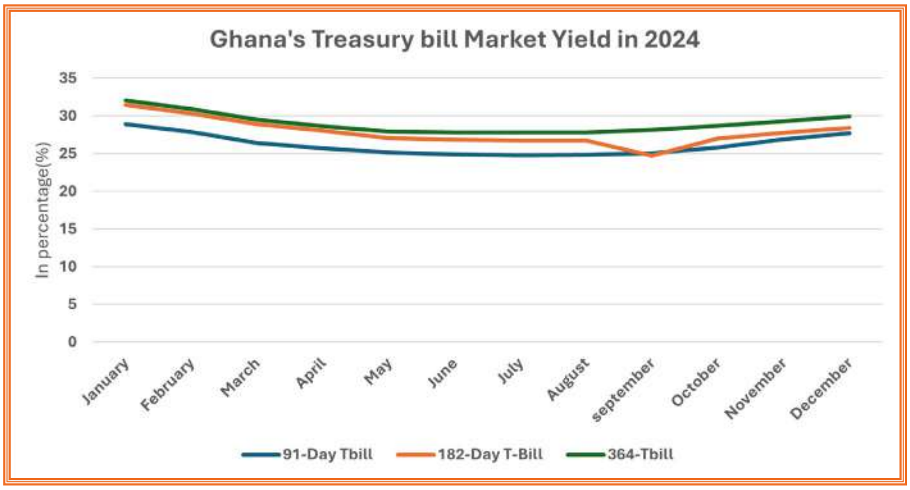


Source: Bank of Ghana Database Portal

Treasury Market Yields

Yields on government treasury instruments exhibited a marked downward trend in 2024, further confirming the easing of monetary conditions. The 91-day Treasury bill rate declined from 29.39% in December 2023 to 27.73% by December 2024, while the 182-day bill dropped from 31.70% to 28.43%, and the 364-day bill fell from 32.97% to 29.95% over the same period.

This drop in yields had a dual effect; on the one hand, it reduced the government's domestic borrowing costs, thereby easing fiscal pressure. On the other, it lowered returns for investors and financial institutions that traditionally rely on risk-free instruments to anchor their portfolios. Banks had to reassess their investment strategies, increasingly looking toward diversified assets—such as corporate bonds, digital financial products, and SME lending—for higher yields, albeit with higher associated risks.



Source: Bank of Ghana Database Portal

Deposit Rates

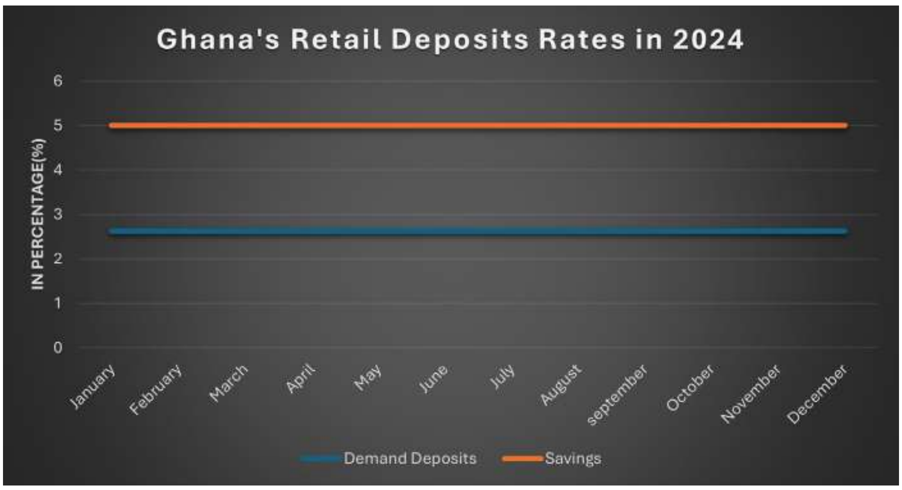
Despite the broad downward movement in policy and market rates, deposit rates remained flat. Demand deposit and savings deposit rates held steady at 2.63% and 5.00% respectively throughout the year.

For industry, this could compress net interest margins in a declining interest rate environment, as lending rates adjust downward while deposit costs remain unchanged. Surprisingly, deposits grew significantly despite the stagnant deposit rate reinforcing long-term deposit growth and financial intermediation.

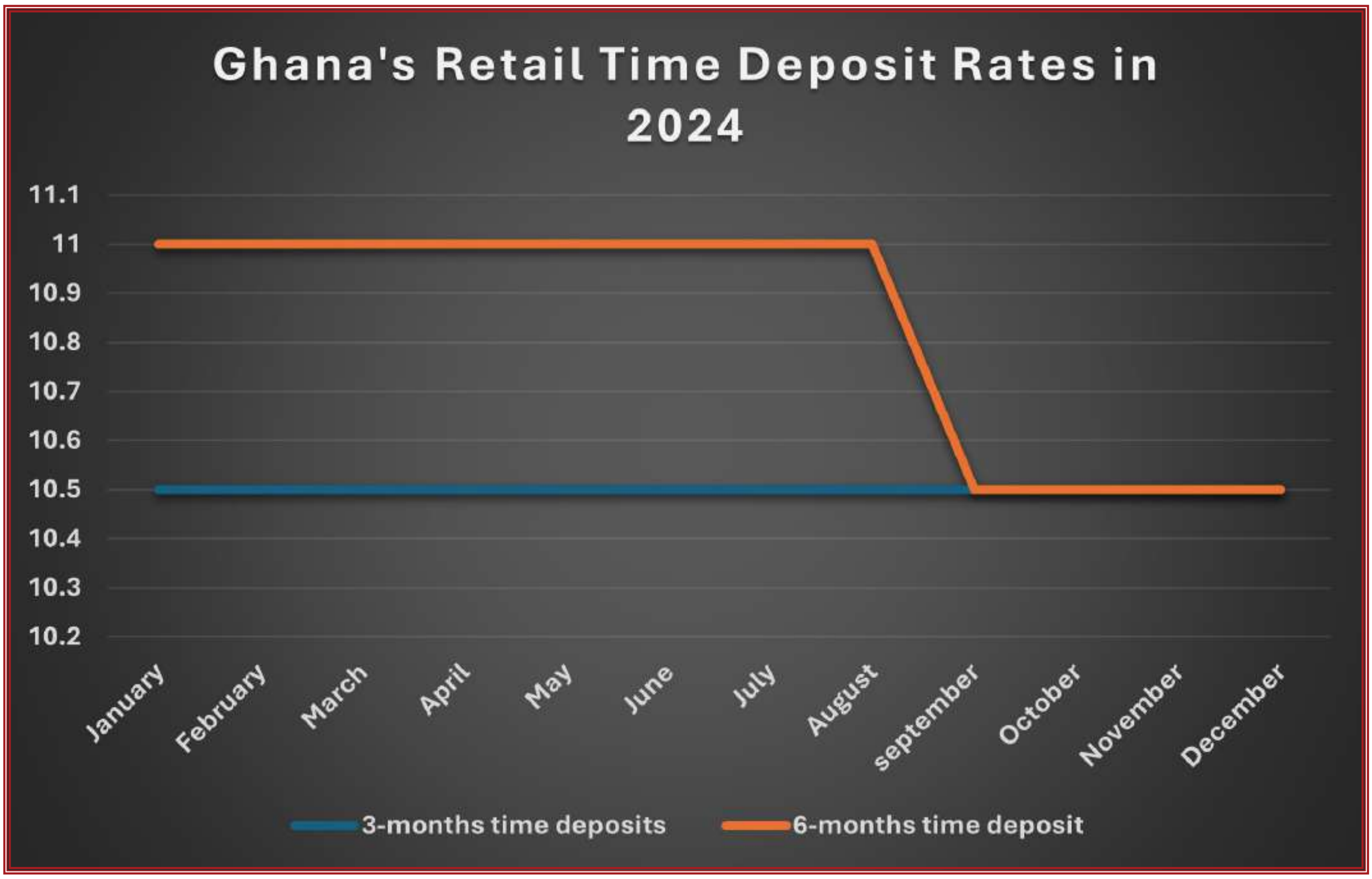
Time deposit rates, particularly for 3-month and 6-month maturities, remained at 10.50% and 11.00% respectively until a modest reduction to 10.50% across the board from September 2024.

These persistently low deposit rates reflect a longstanding challenge in Ghana's financial sector. The real return on savings remained negative in most of 2024 due to still-elevated inflation. This created disincentives for household savings in formal financial institutions and pushed many toward alternative, often informal, investment options.

For banks, the challenge was twofold—maintaining deposit mobilization amid low rates and managing interest expense margins in a competitive lending environment. This scenario made it imperative for banks to enhance value-added services, digital convenience, and customer engagement strategies to retain and grow deposits.



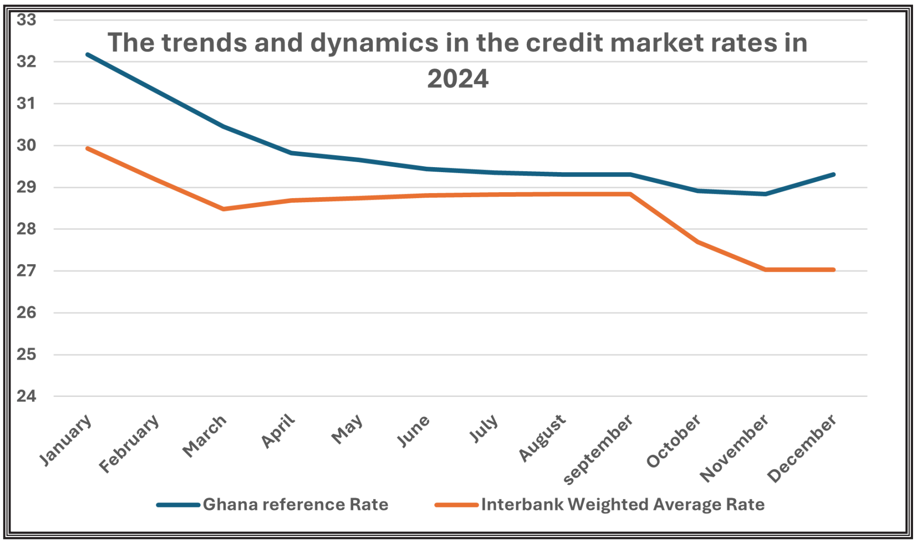
Source: Bank of Ghana Database Portal



Source: Bank of Ghana Database Portal

Lending Rates and Credit Market Dynamics

The Ghana Reference Rate (GRR), which serves as the base for loan pricing, declined from 32.16% to 28.84%. The gradual easing of the GRR created space for banks to offer relatively more affordable credit, especially to prime borrowers. However, for SMEs and high-risk sectors, access to credit remained constrained due to collateral requirements, stringent risk assessments, and poor credit culture.



Source: Bank of Ghana Database Portal

In parallel, Ghana's average lending rate eased marginally over the course of 2024—from 33.75% in December 2023 to 30.25% by December 2024. The pace of decline was slow and somewhat sticky relative to the drop in policy and treasury rates. This reflects the structural rigidities in Ghana's credit market, including high credit risk premiums, limited credit information, and inefficiencies in loan recovery processes.

Following the Domestic Debt Exchange Programme (DDEP), Ghana's bond market in 2024 continued to evolve in complexity and volatility. The introduction of new instruments post-DDEP and their trading on the Ghana Fixed Income Market (GFIM) created a secondary market that offered both risks and opportunities for banks, investors, and the broader financial system.

INDUSTRY ANALYSIS

2024 GHANA BANKING SECTOR PERFORMANCE ANALYSIS

The banking sector in Ghana continued to navigate a year of both challenges and strategic opportunities in 2024. While macroeconomic recovery and positive deposit inflows presented growth prospects, the industry was still grappling with legacy issues such as high non-performing loans (NPLs) and rising operational costs. The analysis is segmented into two parts: the first part examines aggregate industry data from the Bank of Ghana, while the second adopts a more comparative approach, focusing on 19 out of the 23 banks that had released their audited financial statements at the time of this analysis.

ANALYSIS USING AGGREGATE INDUSTRY DATA

AGGREGATE BALANCE SHEET

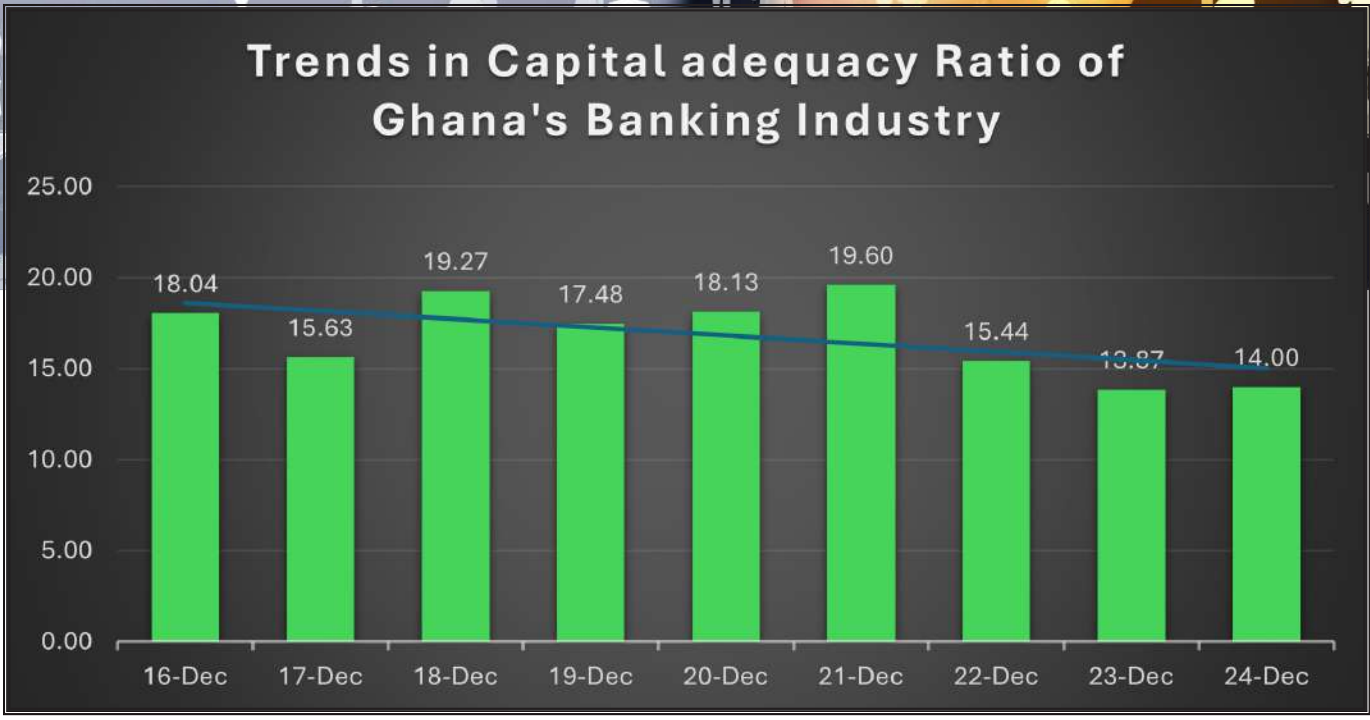
The banking sector experienced solid growth in its balance sheet in 2024, marking a positive recovery trend despite the lingering economic headwinds from previous years. Total assets grew by 33.8% year-on-year, rising from GHS 274.9 billion in December 2023 to GHS 367.8 billion in December 2024. This robust growth reflects confidence in the banking system and continued expansion in deposit-taking and investments. Deposits, which are the primary source of funding for banks, increased by 28.8% in 2024, from GHS 214.5 billion to GHS 276.2 billion. This surge can be attributed to the growing public trust in the banking sector and the accelerated uptake of digital banking products that make saving easier for individuals. On the lending side, total advances grew by 24.3%, reaching GHS 95.7 billion by December 2024. This reflects an improvement in credit supply, although lending growth was more moderate compared to deposits, suggesting that banks remain cautious about extending credit in light of the elevated NPLs and uncertain macroeconomic conditions.

Soundness – Capital Resilience, but NPLs Still a Concern

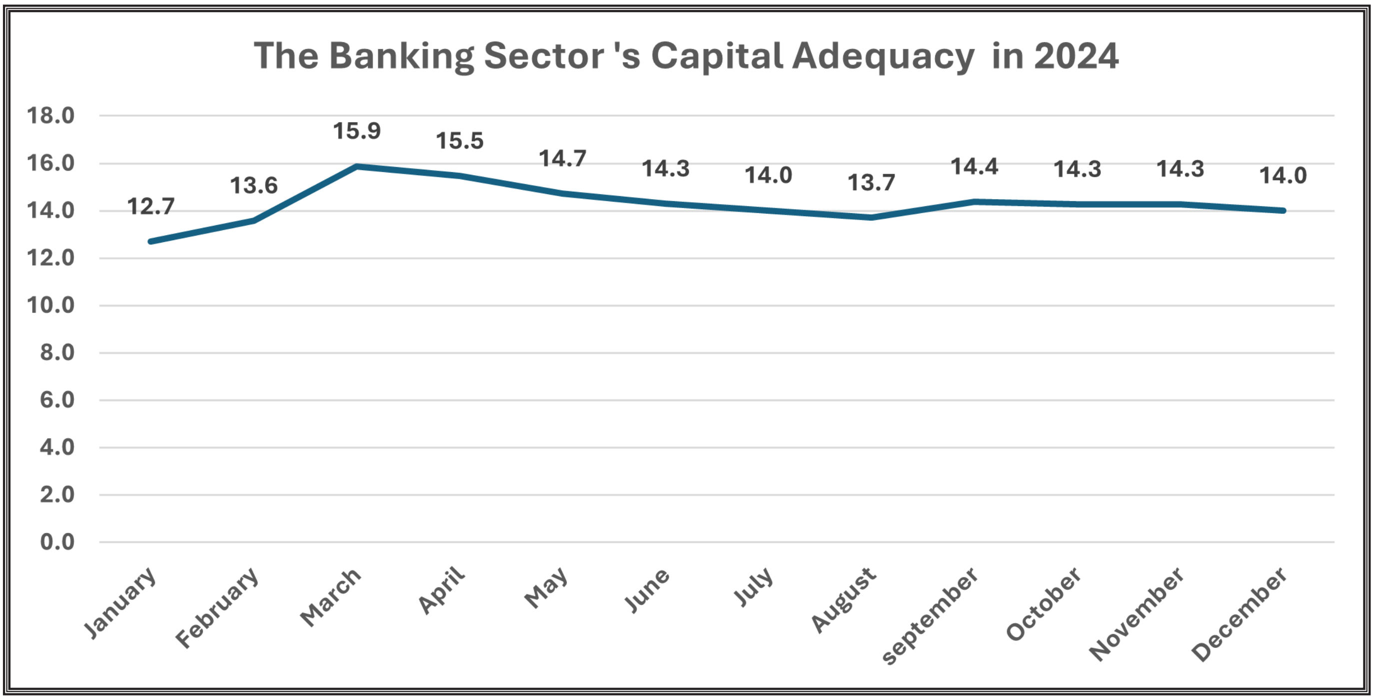
CAPITAL ADEQUACY RATIO (CAR)

Although all recorded CAR levels stay above the Basel II minimum requirement of 8%, the downward trend from 19.6% on December 21 to 14% by December 24 is noteworthy. This erosion of capital buffers, if sustained, could limit banks' ability to absorb losses and constrain future lending. Regulators and bank boards must closely monitor capital adequacy to avoid complacency, especially in periods of heightened credit or operational risks.

The Capital Adequacy Ratio (CAR), a key indicator of solvency, remained stable, closing at 14.0% by December 2024, a slight dip from 15.9% in March 2024. Although well above the regulatory minimum of 13%, this decline suggests that banks are beginning to deploy their capital reserves more actively, particularly in response to the credit expansion seen in the latter half of the year. The need for maintaining adequate capital buffers remains critical, especially given the potential for unexpected macroeconomic shocks or further increases in NPLs.



Source: Bank of Ghana Database Portal

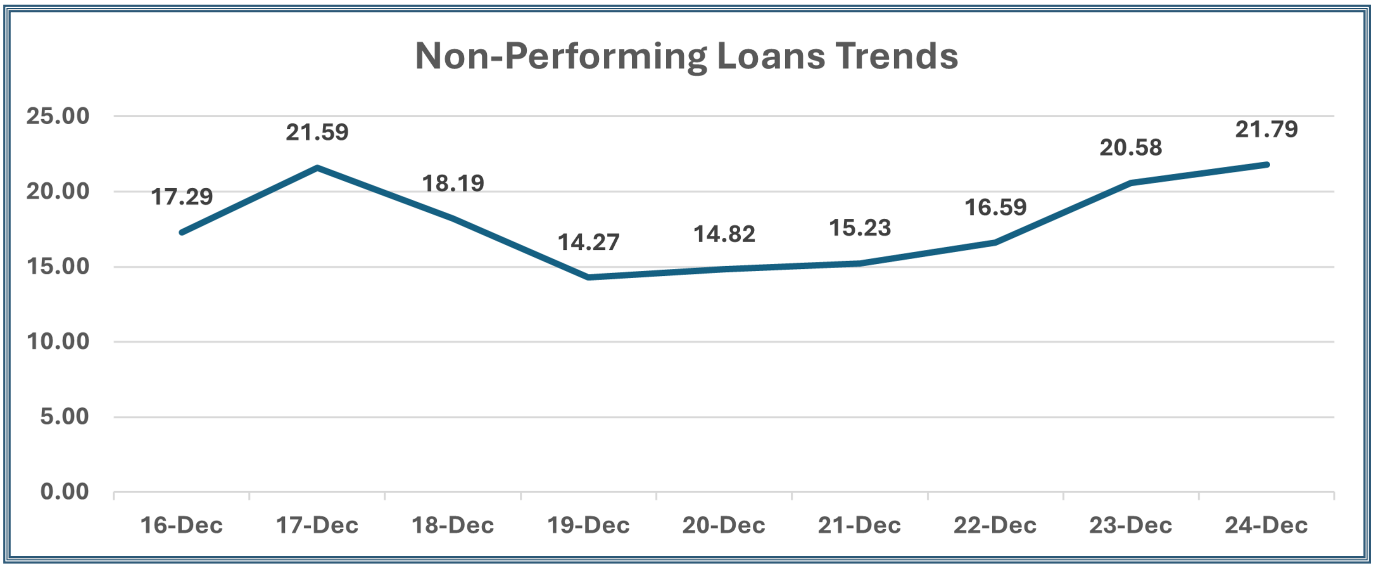


Source: Bank of Ghana Database Portal

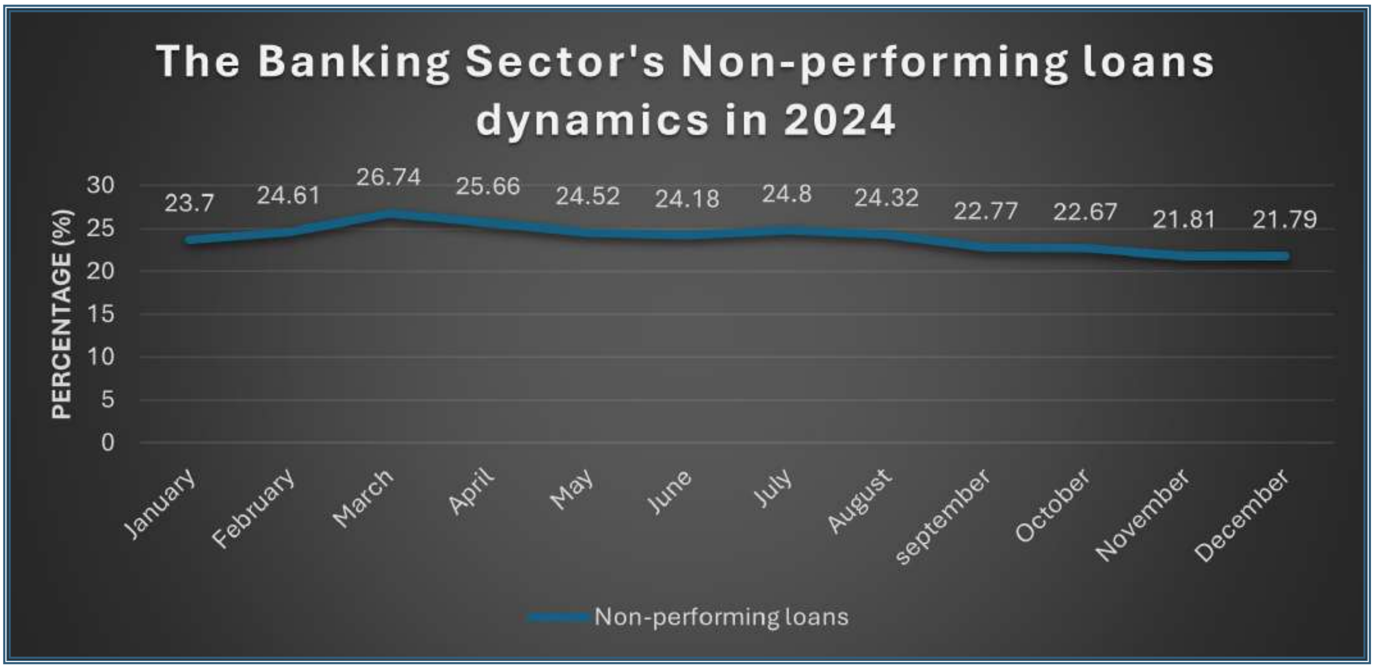
Asset Quality – The NPLs

Non-Performing Loans (NPLs) remain a persistent challenge in Ghana's banking sector, undermining asset quality, constraining credit growth, and posing risks to overall financial stability.The Non-Performing Loan (NPL) ratio showed persistent weakness, though it declined from a high of 26.7% in March 2024 to 21.8% by December 2024. While this improvement signals a stabilization in asset quality, the ratio remains notably above acceptable levels for the industry. High NPLs, particularly in sectors such as construction, agriculture, and services, continue to challenge banks' ability to generate income from their loan books.

Despite the improvement, banks will need to intensify their focus on credit risk management, especially in SME and agriculture lending, where vulnerabilities are more pronounced.



Source: Bank of Ghana Database Portal



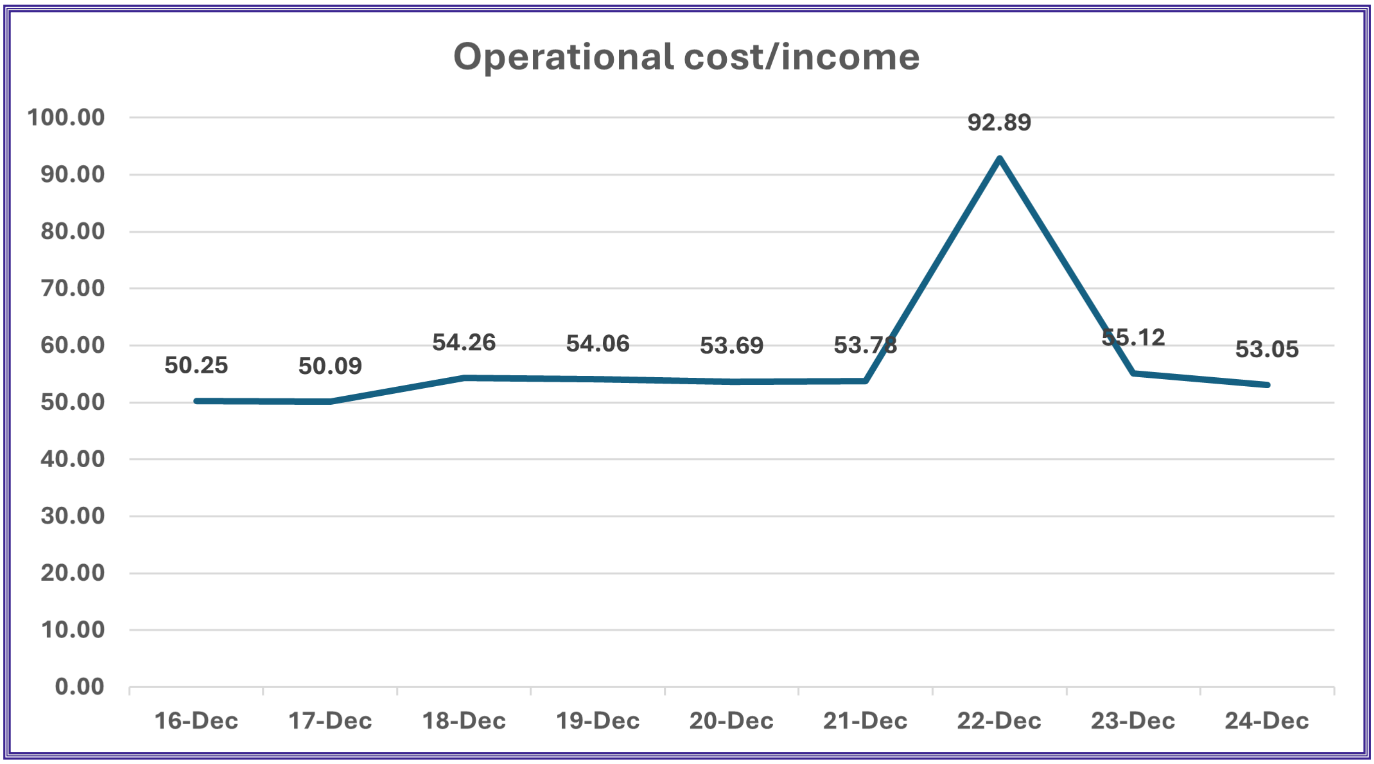
Source: Bank of Ghana Database Portal

Operational Efficiency – Positive but Modest Improvements

Operational efficiency is critical to enhancing profitability, and banks showed some signs of improvement in 2024, although challenges persist. The cost-to-income ratio (CIR) improved marginally from 80.1% to 79.1%, but it remains above the global benchmark of 50% to 60% for operational efficiency in the banking sector. This indicates that banks are still contending with relatively high operational costs, despite gains in revenue. • The operational cost-to-income ratio improved from 55.1% to 53.1%, suggesting that banks have managed to control certain costs. However, this improvement could be seen as only modest, and deeper structural reforms are necessary to reduce inefficiencies, particularly through the adoption of digital banking solutions and automation of routine processes.

• Net interest margins (NIM) were relatively stable, averaging around 13.3% to 14.9% throughout the year, which is higher than many global peers. This is reflective of high lending rates in the market, but there are concerns about how sustainable these margins will be since inflation continues to ease and interest rates adjust downward in 2025.

To achieve better efficiency, banks will need to aggressively drive digital transformation, enhance their data analytics capabilities, and explore more cost-effective service delivery models.



Source: Bank of Ghana Database Portal

Profitability

Despite the challenges with NPLs and operational inefficiencies, the banking sector in Ghana remained profitable in 2024. However, the profitability indicators showed signs of compression as the year progressed Return on Assets (ROA) was fairly stable at 5.0%, reflecting the sector's capacity to generate profit from its assets, despite asset quality issues. • The Return on Equity (ROE), however, showed a slight decline, from 34.2% in December 2023 to 30.8% by December 2024. While still a healthy return, this drop indicates that the banks' ability to generate returns for shareholders has been under pressure due to both higher operational costs and loan provisioning for NPLs. The decline in ROE and NIM highlights a need for banks to diversify their revenue sources and reduce their dependency on interest income alone. With profitability facing headwinds, banks are likely to explore new avenues such as fee-based services, asset management, and investment banking to shore up earnings in 2025..

Source: Bank of Ghana Database Portal

Source: Bank of Ghana Database Portal

Liquidity – Strong Reserves, Prepared for Shocks

In contrast to the challenges faced on the asset quality front, the liquidity indicators remained robust, offering a strong cushion against economic volatility.

Core liquid assets to total assets improved from 30.7% in December 2023 to 38.7% in December 2024, signaling that banks have maintained an adequate level of short-term assets to meet potential liquidity demands.

Core liquid assets to short-term liabilities also improved from 37.1% to 46.3%, offering a strong liquidity buffer. This is crucial, especially in periods of market stress or potential bank runs, as it suggests that banks are well-prepared to manage customer withdrawals and short-term obligations without jeopardizing their financial stability.

In conclusion, Ghana's banking sector in 2024 displayed a commendable degree of resilience, maintaining solid growth in both deposits and assets, while managing liquidity well. However, the high NPLs and operational inefficiencies represent significant risks that need urgent attention.

Looking ahead, strategic priorities for the sector should include:

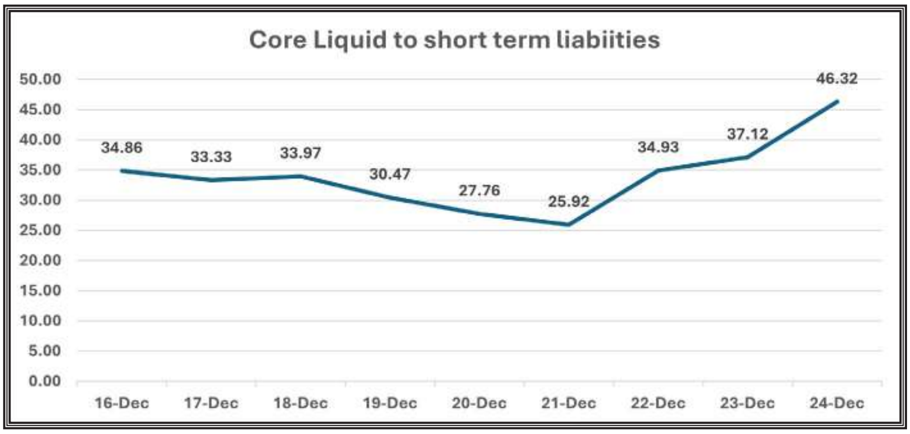
1. **Tackling NPLs through structured debt recovery frameworks and public-private partnerships.**

2. **Enhancing Operational Efficiency by accelerating digital banking initiatives, reducing branch footprints, and focusing on automation.**

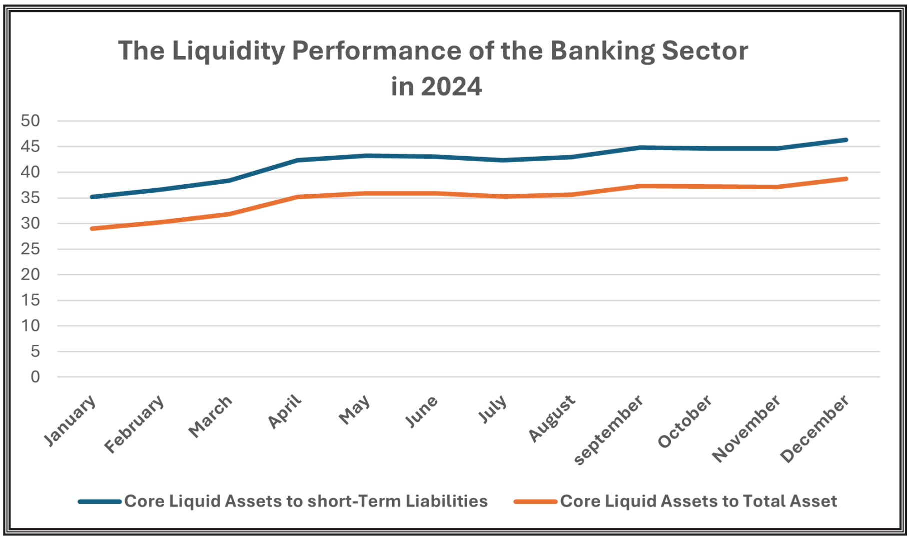
3. **Diversifying Revenue Streams beyond traditional interest income, focusing on fees, wealth management, and other value-added services.**

4. **Strengthening Capital Buffers to mitigate the impact of unexpected macroeconomic shocks and safeguard against future asset-quality deterioration.**

Overall, while 2024 represented a year of recovery for the sector, significant challenges remain. Banks must continue their efforts to improve credit risk management, streamline operations, and adapt to changing market dynamics to remain competitive and sustainable in the years ahead.



Source: Bank of Ghana Database Portal



Source: Bank of Ghana Database Portal

COMPARATIVE ANALYSIS USING BANKS AUDITED FINANCIAL

Profitability Analysis of Ghana's Banking Sector (2024 vs 2023)

The profitability performance of 19 out of 23 commercial banks in Ghana, based on available data for 2023 and 2024, reveals a generally positive outlook for the sector. This assessment considers two key profitability metrics: Profit Before Tax (PBT) and Profit After Tax (PAT), both of which have seen substantial improvement in 2024, indicating a robust recovery and strengthening of the banking industry's financial health.

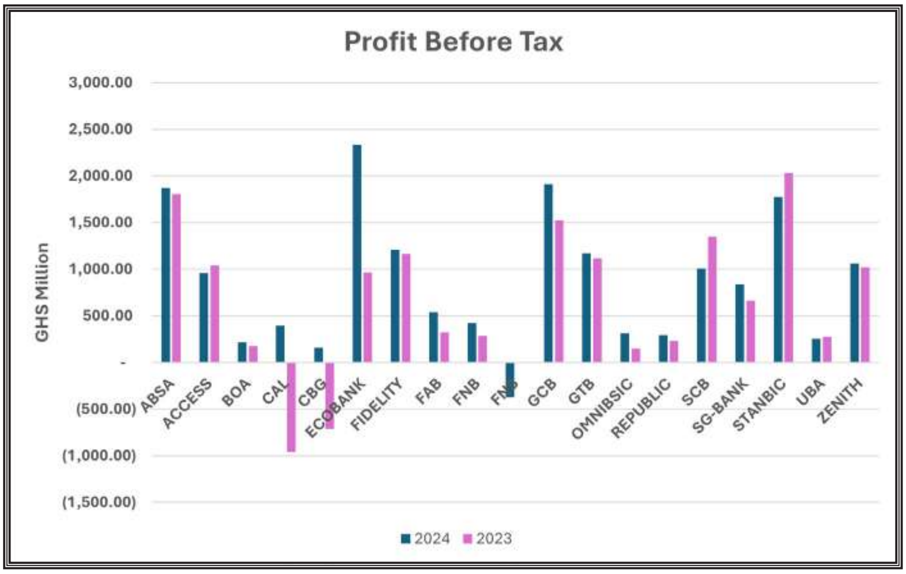
Profit and Loss (PBT and PAT) Distribution of the Industry for 2024 and 2023

BANK	Profit Before Tax (GHS Million)		Profit After Tax (GHS Million)	
	2024	2023	2024	2023
ABSA	1,872.78	1,805.03	1,194.73	1,136.70
ACCESS	959.20	1,037.81	536.91	618.47
BOA	216.03	174.79	134.95	111.91
CAL	396.15	(959.84)	256.39	(680.28)
CBG	160.06	(712.88)	112.22	(541.14)
ECOBANK	2,336.80	965.98	1,687.11	619.48
FIDELITY	1,211.13	1,165.38	772.16	750.83
FAB	538.93	323.34	485.02	323.24
FNB	422.45	284.68	310.09	209.39
FNB	(369.49)	(2.57)	(379.06)	(2.57)
GCB	1,911.28	1,525.04	1,209.16	994.10
GTB	1,171.39	1,118.50	744.02	837.64
OMNIBSIC	313.96	150.60	199.26	121.19
REPUBLIC	295.89	231.55	217.46	153.56
SCB	1,008.93	1,351.32	708.39	999.52
SG-BANK	838.40	661.59	551.30	424.80
STANBIC	1,775.81	2,033.49	1,162.60	1,280.42
UBA	253.58	275.97	164.31	175.84
ZENITH	1,061.17	1,022.39	451.98	676.10
TOTAL	**16,374.44**	**12,452.16**	**10,519.00**	**8,209.19**

Source: GAB's Extractives, 2024, Audited Bank's 2024 Financial Statement

Profit Before Interest and Tax (PBIT)

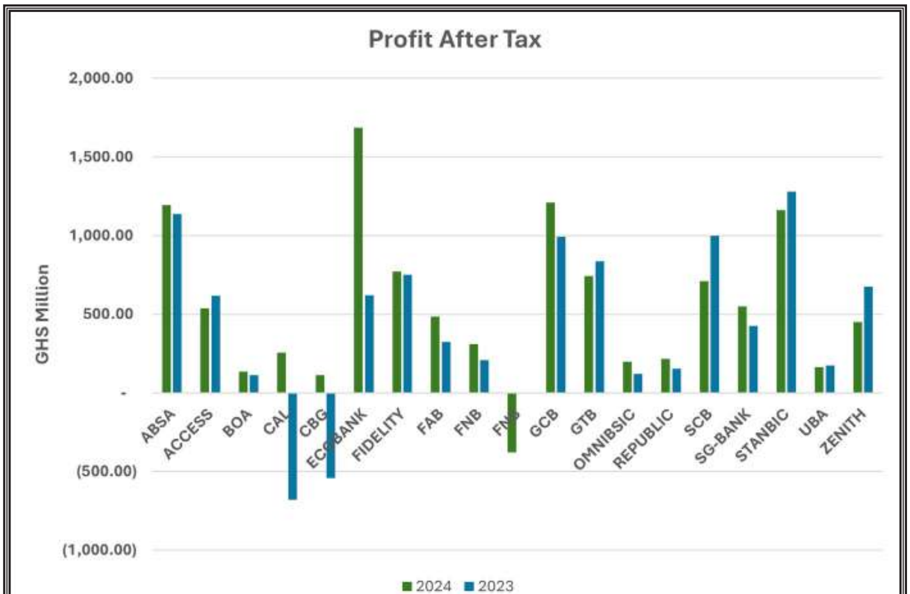
PBT serves as a critical indicator of a bank's operational efficiency and core business profitability, excluding the effects of tax and interest expenses.
The aggregate PBT for the 19 banks rose significantly from GHS 12,452.16 million in 2023 to GHS 16,374.44 million in 2024, representing a 31.5% increase. This growth signals a strong recovery in interest income, fee-based revenues, and improved asset quality across the sector.
Banks like Ecobank, GCB, Fidelity, First Atlantic Bank, and Zenith Bank recorded remarkable growth in PBIT, with Ecobank leading the pack at GHS 2,336.80 million in 2024, up from GHS 965.98 million. This dramatic surge suggests strong top-line growth, operational cost control, or both. Similarly, Cal Bank and Consolidated Bank Ghana, which recorded negative PBTs in 2023, returned to profitability in 2024—indicating strategic restructuring or rebound from prior asset impairments.
However, not all banks improved. Access Bank recorded a drop from GHS 1,037.81 million to GHS 959.20 million, and Stanbic declined from GHS 2,033.49 million to GHS 1,775.81 million. These contractions could reflect tighter net interest margins or higher operating costs. One significant outlier is First National Bank, with a PBT of negative GHS 369.49 million in 2024, down from a marginal loss in 2023, highlighting possible structural or portfolio quality issues.



Source: GAB's Extractives, Audited Banks' 2024 Financial Statement

Profit After Tax (PAT)

PAT captures the ultimate profitability after accounting for all expenses, taxes, and provisions, and is critical for assessing shareholder value and return on equity. The total PAT for the sampled banks increased from GHS 8,209.19 million in 2023 to GHS 10,519.00 million in 2024, representing a 28.1% growth, slightly trailing the growth in PBIT, suggesting stable but slightly elevated tax or provisioning expenses.
Ecobank again led with the highest PAT at GHS 1,687.11 million, up from GHS 619.48 million, while GCB, Stanbic, and Fidelity also posted strong net profit levels exceeding GHS 700 million each.
The recovery of Cal Bank (GHS 256.39 million PAT in 2024 from a loss of GHS 680.28 million) and CBG (GHS 112.22 million from a loss of GHS 541.14 million) is notable and suggests a turnaround in core earnings and improved cost control or provisioning.
Conversely, GT Bank and Access Bank witnessed declines in PAT, with GT Bank dropping from GHS 837.64 million to GHS 744.02 million, and ACCESS decreasing from GHS 618.47 million to GHS 536.91 million, reflecting either compressed margins or increased impairment charges. FNB again



Source: GAB's Extractives, Audited Banks' 2024 Financial Statement stands out with a deepening PAT loss (GHS -379.06 million), underscoring persistent challenges. The overall profitability landscape of Ghana's banking sector in 2024 shows strong signs of recovery and resilience. With 31.5% growth in PBT and a 28.1% increase in PAT across 19 banks, the industry appears to benefit from improved economic conditions, prudent cost management, and renewed credit expansion. However, disparities in performance among banks call for targeted regulatory and internal interventions, particularly for those with persistent or worsening losses. The data affirms that the Ghanaian banking sector remains a vital and increasingly robust pillar of the economy, capable of absorbing shocks while delivering value to stakeholders.

SOME INSIGHTS FROM THE BALANCE SHEETS

TOTAL ASSETS

The 2024 total asset figures for 19 commercial banks in Ghana reflect a significant expansion in the banking sector's balance sheets, indicating improved financial intermediation and economic activity. Ecobank retained its position as the largest bank by assets, growing impressively from GHS 33.5 billion in 2023 to GHS 45.7 billion in 2024. GCB also maintained its second-place ranking, with a strong asset growth from GHS 26.9 billion to GHS 42.6 billion. Stanbic Bank remained third, showing solid asset growth, while Absa and Fidelity held their 4th and 5th positions respectively, both experiencing notable increases. Zenith Bank moved up to 6th place, overtaking Consolidated Bank Ghana, which grew from GHS 13.7 billion to GHS 16.6 billion. Access Bank improved its ranking from 9th to 8th, supported by growth from GHS 12.3 billion to GHS 16.6 billion, while GTBank, FAB, and Cal Bank maintained middle-tier positions with steady asset increases. Republic, OmniBSIC, UBA, and Societe Generale Bank all expanded their asset bases as well, though their rankings remained unchanged. Notably, Standard Chartered Bank dropped from 6th to 10th place due to relatively low asset growth, suggesting a potential need to review its growth strategy. First National Bank and FBN Ghana, while still ranking among the smallest in asset size, recorded strong percentage growth, with BOA also maintaining its 19th position despite a 41.5% increase in assets.

Overall, the banking industry exhibited robust growth in 2024, with all 19 banks increasing their total assets, a sign of heightened banking activity, increased customer deposits, and an improving macroeconomic environment.

Banks' Ranking Based on Total Assets for 2023 and 2024

	TOTAL ASSETS (GHS Billion)				
BANKS	**2024**	**2023**	**Rank in 2024**	**Rank in 2023**	**Change(+/-)**
ABSA	27.3	21.5	4	4	→
ACCESS	16.6	12.3	8	9	▲
BOA	4.6	3.3	19	19	→
CAL	11.7	9.9	12	12	→
CBG	16.6	13.7	7	8	▲
ECOBANK	45.7	33.5	1	1	→
FIDELITY	22.1	17.2	5	5	→
FAB	13.3	10.5	11	11	→
FBN	6.2	3.7	17	18	▲
FNB	6.2	3.7	18	17	▼
GCB	42.6	26.9	2	2	→
GTB	15.4	11.2	9	10	▲
OMNIBSIC	9.4	5.7	16	16	→
REPUBLIC	9.5	7.0	15	15	→
SCB	14.3	13.9	10	6	▼
SG-B	10.4	8.5	13	13	→
STANBIC	32.6	24.6	3	3	→
UBA	9.8	7.9	14	14	→
ZENITH	19.1	13.9	6	7	▲

Increase in Rank ▲ *Decrease in Rank* ▼ *No Change in Rank* →

Source: GAB's Extractives, 2024, Audited Banks' 2024 Financial Statement

DEPOSITS FROM CUSTOMERS

The 2024 data on customer deposits (in million GHS) reveals a generally positive trend in Ghana's banking sector, with most banks recording substantial growth in mobilized funds. GCB took the lead with deposits rising sharply from GHS 21,556.86 million in 2023 to GHS 34,066.97 million in 2024, overtaking Ecobank, which dropped to second despite growing its deposits from GHS 25,642.12 million to GHS 31,198.86 million. Stanbic maintained third place, increasing its deposits from GHS 18,622,65 million to GHS 23,172.21 million. Absa and Fidelity held steady at fourth and fifth respectively, both posting notable growth. Zenith Bank retained its sixth position, while Access Bank improved from ninth to seventh with a significant rise from GHS 9,129.58 million to GHS 13,042.30 million. CBG remained eighth, and GTBank climbed to ninth place with deposits of GHS 12,741.12 million. Standard Chartered Bank, despite a small increase in deposits to GHS 11,319.90 million, slipped from seventh to eleventh. OmniBSIC and First Atlantic Bank made notable gains, while First Bank National surged from nineteenth to seventeenth, more than doubling its deposit base to GHS 4,368.67 million. In contrast, Bank of Africa, First National Bank, Republic, and United Bank of Africa experienced ranking declines due to comparatively slower growth. Overall, the upward shift in deposits across most banks underscores growing confidence in the sector, with the top performers consolidating their lead and several mid-tier banks making strategic advances.

This consistent growth in customer deposits across the majority of banks signals strong public confidence in Ghana's banking sector and reflects improved financial intermediation and resilience among banks. The impressive performance, particularly by GCB, Ecobank, and Stanbic, as well as the rising momentum among mid-tier institutions like Access, OmniBSIC, and First Atlantic Bank, highlights the sector's ability to attract and retain customer funds even amid economic challenges. As banks continue to strengthen their balance sheets and enhance customer trust, this positive trend lays a solid foundation for increased lending, financial inclusion, and broader economic development in the years ahead.

Banks' Ranking Based on Total Deposits from Customer for 2023 and 2024

	DEPOSITS FROM CUSTOMERS (GHS Million)				
BANKS	2024	2023	Rank in 2024	Rank in 2023	Change in position (+/-)
ABSA	17631.02	15883.07	4	4	→
ACCESS	13042.30	9129.58	7	9	▲
BOA	3342.19	2316.64	19	18	▼
CAL	9431.53	6945.63	12	12	→
CBG	12987.31	10428.03	8	8	→
ECOBANK	31198.86	25642.12	2	1	▼
FIDELITY	17393.06	12423.42	5	5	▲
FAB	11611.04	8972.97	10	11	▲
FBN	4368.67	2000.73	17	19	▲
FNB	3857.44	2443.93	18	17	▼
GCB	34066.97	21556.86	1	2	▲
GTB	12741.12	9011.57	9	10	▲
OMNIBSIC	8254.00	4877.70	13	16	▲
REPUBLIC	6114.92	5868.22	16	14	▼
SCB	11319.90	10818.78	11	7	→
SG-B	6219.86	5087.14	15	15	→
STANBIC	23172.21	18622.65	3	3	→
UBA	7285.04	6338.45	14	13	▼
ZENITH	15630.34	11702.52	6	6	→

Increase in Rank ▲ *Decrease in Rank* ▼ *No Change in Rank* →

Source: GAB's Extractives, 2024, Audited Banks' 2024 Financial Statement

LOAN & ADVANCES TO CUSTOMERS

Loan books expanded in most banks, with Ecobank again leading at GHS 10,533.58 million in loans and advances, closely followed by GCB and Stanbic. While a few banks like CAL and SG-B experienced slight declines in their loan portfolios, the overall trend points to an improved credit environment, as many others such as Zenith, GTB, and Fidelity registered notable increases. OMNIBSIC, for instance, rose in the rankings both in deposits and loans, reflecting a strengthening market position. The sector's steady upward trajectory in key indicators not only shows resilience amid macroeconomic pressures but also highlights the increasing confidence of both customers and investors. With growing assets, deposits, and loan portfolios, Ghana's banks are well-positioned to deepen financial inclusion, enhance private sector financing, and support national economic transformation in the years ahead.

Banks' Rankings Based on loans and Advances to Customers for 2023 and 2024

	LOAN & ADVANCES TO CUSTOMERS				
BANKS	2024	2023	Rank in 2024	Rank in 2023	Change in Position
ABSA	8344.9	6344.79	3	3	→
ACCESS	3699.019	2343.59	6	9	▲
BOA	1385.678	865.42	15	17	▲
CAL	2101.996	2754.78	12	7	▼
CBG	2056.709	1954.05	13	12	▼
ECOBANK	10533.576	9444.13	1	1	→
FIDELITY	3142.847	3213.86	8	6	▼
FAB	1927.368	1702.1	14	14	→
FBN	766.168	672.931	18	18	→
FNB	1294.201	1123.22	16	16	→
GCB	10229.504	6692.51	2	2	→
GTB	2553.795	1790.42	10	13	▲
OMNIBSIC	1026.703	579.945	17	19	▲
REPUBLIC	3054.049	2429.76	9	8	▼
SCB	2305.886	2104.27	11	11	→
SG-B	5011.6844	3987.84	5	5	→
STANBIC	7846.716	5989.34	4	4	→
UBA	114.366	1142.14	19	15	▼
ZENITH	3414.019	2246.98	7	10	▲

Increase in Rank ▲ *Decrease in Rank* ▼ *No Change in Rank* →

Source: GAB's Extractives, 2024, Audited Banks' 2024 Financial Statement

Ranking of 19 Banks' 2024 Financials Compared to their 2023 position

Overview of 19 Banks		Total Assets			Profit Before Tax			Deposits(customers)			Loans (Customers)		
		Rank	+/-	GHS mn	Rank	+/-	GHS mn	Rank	+/-	GHS mn	Rank	+/-	GHS mn
1	Ecobank	➡ 1	-	45,651	▲ 1	+8	2,337	▼ 2	-1	31,199	➡ 1	-	10,534
2	GCB Bank Plc	➡ 2	-	42,584	▲ 2	+1	1,911	▲ 1	+1	34,067	➡ 2	-	10,230
3	Stanbic	➡ 3	-	32,591	▼ 4	-3	1,776	➡ 3	-	23,172	➡ 4	-	7,847
4	Absa	➡ 4	-	27,342	▼ 3	-1	1,873	➡ 4	-	17,631	➡ 3	-	8,345
5	Fidelity	➡ 5	-	22,114	➡ 5	-	1,211	➡ 5	-	17,393	▼ 8	-2	3,143
6	Zenith Bank	➡ 6	-	19,127	▲ 7	+1	1,061	➡ 6	-	15,630	▲ 7	+3	3,414
7	CBG	▲ 7	+1	16,642	➡ 18	-	160	➡ 8	-	12,987	▼ 13	-1	2,057
8	Access Bank	▲ 8	+1	16,562	▼ 9	-2	959	▲ 7	+2	13,042	➡ 6	-	3,699
9	GTBank	▲ 9	+1	15,366	➡ 6	-	1,171	▲ 9	+1	12,741	▲ 10	+3	2,554
10	Standard Chartered	▼ 10	-3	14,300	▼ 8	-4	1,009	▼ 11	-4	11,320	➡ 11	-	2,306
11	First Atlantic Bank	➡ 11	-	13,323	➡ 11	-	539	▲ 10	+1	11,611	➡ 14	-	1,927
12	CalBank	➡ 12	-	11,659	▲ 13	+6	396	➡ 12	-	9,432	▼ 12	-5	2,102
13	Societe Generale	➡ 13	-	10,396	➡ 10	-	838	➡ 15	-	6,220	➡ 5	-	5,012
14	UBA	➡ 14	-	9,848	▼ 16	-3	254	➡ 14	-	7,285	▼ 19	-4	114
15	Republic Bank	➡ 15	-	9,545	▼ 15	-1	296	▼ 16	-2	6,115	▼ 9	-1	3,054
16	OmniBSIC	➡ 16	-	9,374	▲ 14	+2	314	▲ 13	+3	8,254	▲ 17	+2	1,027
17	First Bank Ghana	▲ 17	+1	6,245	➡ 12	-	422	▲ 17	+2	4,369	➡ 18	-	766
18	First National Bank	▼ 18	-1	6,179	▼ 19	-2	(369)	▼ 18	-1	3,857	➡ 16	-	1,294
19	Bank of Africa	➡ 19	-	4,610	▼ 17	-2	216	▼ 19	-1	3,342	▲ 15	+2	1,386

Increase in Rank ▲ *Decrease in Rank* ▼ *No Change in Rank* ➡ *Change in Rank compared to 2023 +/-*

Source: GAB's Extractives, 2024, Audited Banks' 2024 Financial Statement

Assessing Market Competition in Ghana's Banking Sector: A Concentration Analysis for 2024

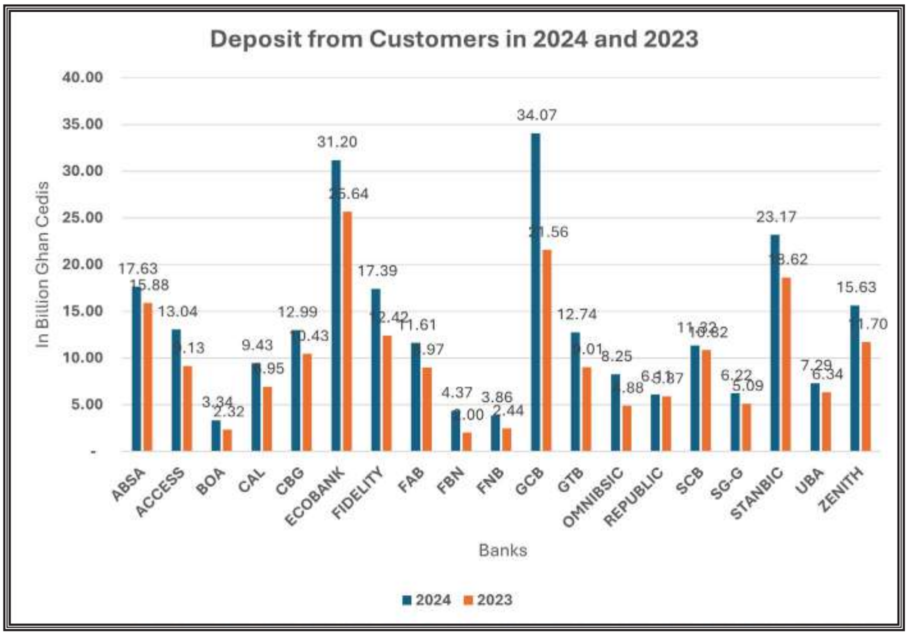
Understanding the level of competition in the banking sector is essential for assessing market efficiency, financial inclusion, and identifying areas of competition that could possibly shape strategic decisions. In Ghana's banking industry, where institutions vary in size and market presence, it is important to apply objective and data-driven methods to evaluate how market activity is distributed. This analysis uses two well-established metrics, the Herfindahl-Hirschman Index (HHI) and Concentration Ratios (CR), to examine market structure and competition across three key indicators: total assets, customer deposits from customers, and loans and advances to customers. These indicators serve as practical proxies for bank size, customer engagement, and lending capacity, respectively. By analyzing 2024 data from 19 out of 23 licensed banks, the study aims to provide a clear and balanced picture of the sector's competitive dynamics. Using both HHI and concentration ratios allows for a more comprehensive understanding of how market share is distributed and how this distribution may influence competition within the banking landscape.

Herfindahl-Hirschman Index (HHI Assessment of Market Concentration

This analysis evaluates market concentration in Ghana's banking sector based on HHI values computed from the distribution of customer deposits, total assets, and customer advances across 19 licensed banks in 2024. Interpretations are guided by both the OECD and European Commission (EC) standards, with HHI thresholds of 0.10 (1,000) and 0.12 (1,200) marking the transition from low to moderate concentration. All computed HHI values remain below these thresholds, suggesting a broadly competitive market environment.

Based on Deposit Mobilization Deposits

The HHI for customer deposits stands at 0.0742, indicating a low level of concentration and a highly competitive deposit market under both OECD and EC frameworks. Even when rounded, the value remains well below the moderate concentration threshold. This implies that deposit mobilization is broadly distributed across banks, with no single institution or small group holding a dominant share. Such conditions foster competition in interest rate offerings, customer acquisition strategies, and product innovation.

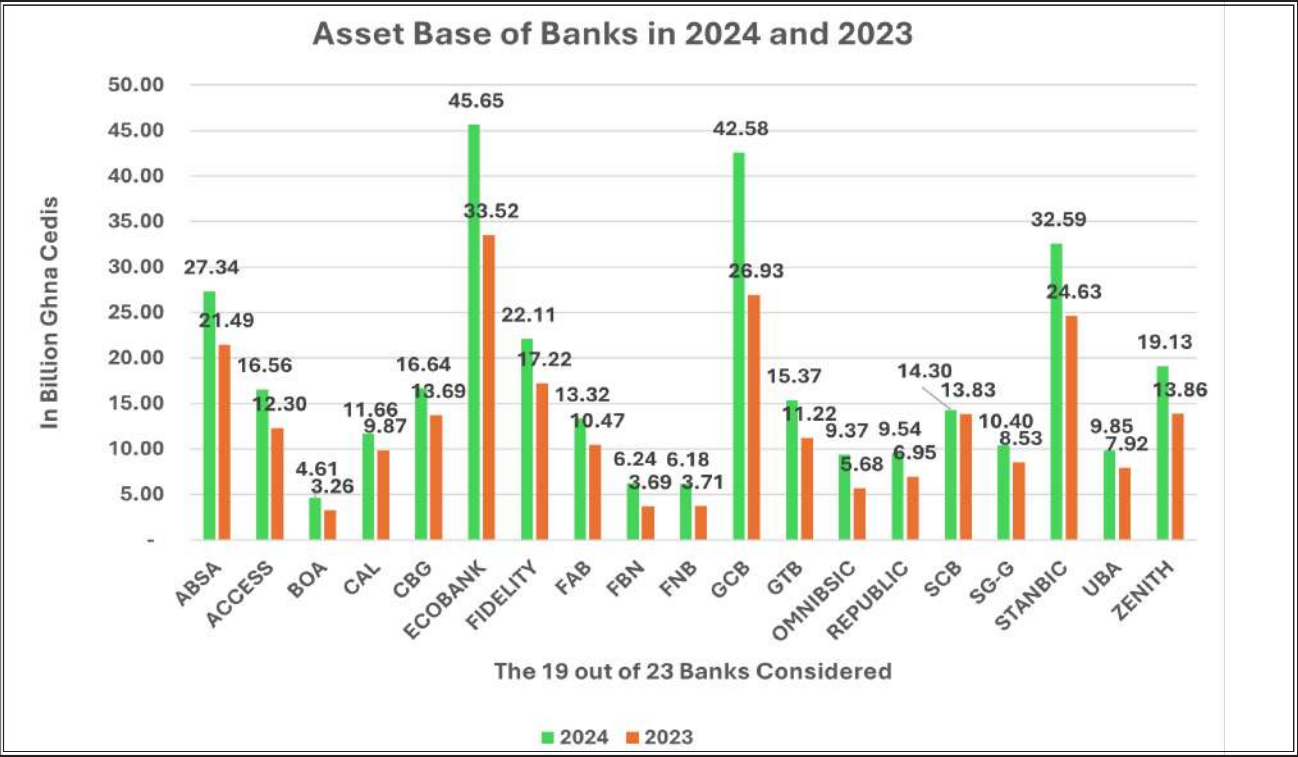


Computation of the HHI Based on Deposit from Customers in 2024

BANKS	%Share of Industry Deposit	Share(S)	S-Squared
ABSA	7.06%	0.0706	0.0050
ACCESS	5.22%	0.0522	0.0027
BOA	1.34%	0.0134	0.0002
CAL	3.78%	0.0378	0.0014
CBG	5.20%	0.0520	0.0027
ECOBANK	12.50%	0.1250	0.0156
FIDELITY	6.97%	0.0697	0.0049
FAB	4.65%	0.0465	0.0022
FBN	1.75%	0.0175	0.0003
FNB	1.55%	0.0155	0.0002
GCB	13.64%	0.1364	0.0186
GTB	5.10%	0.0510	0.0026
OMNIBSIC	3.31%	0.0331	0.0011
REPUBLIC	2.45%	0.0245	0.0006
SCB	4.53%	0.0453	0.0021
SG-G	2.49%	0.0249	0.0006
STANBIC	9.28%	0.0928	0.0086
UBA	2.92%	0.0292	0.0009
ZENITH	6.26%	0.0626	0.0039
HHI			**0.0742**

Total Assets Base

With an HHI of 0.0751, the distribution of total assets also reflects low concentration. This reinforces the notion of a well-dispersed asset base, where market share is not unduly concentrated among a few large institutions. While the figure is relatively close to the 0.10 threshold, it still comfortably falls within the competitive range. This is positive from a financial stability standpoint, as it reduces the systemic risks associated with dominance by a limited number of institutions

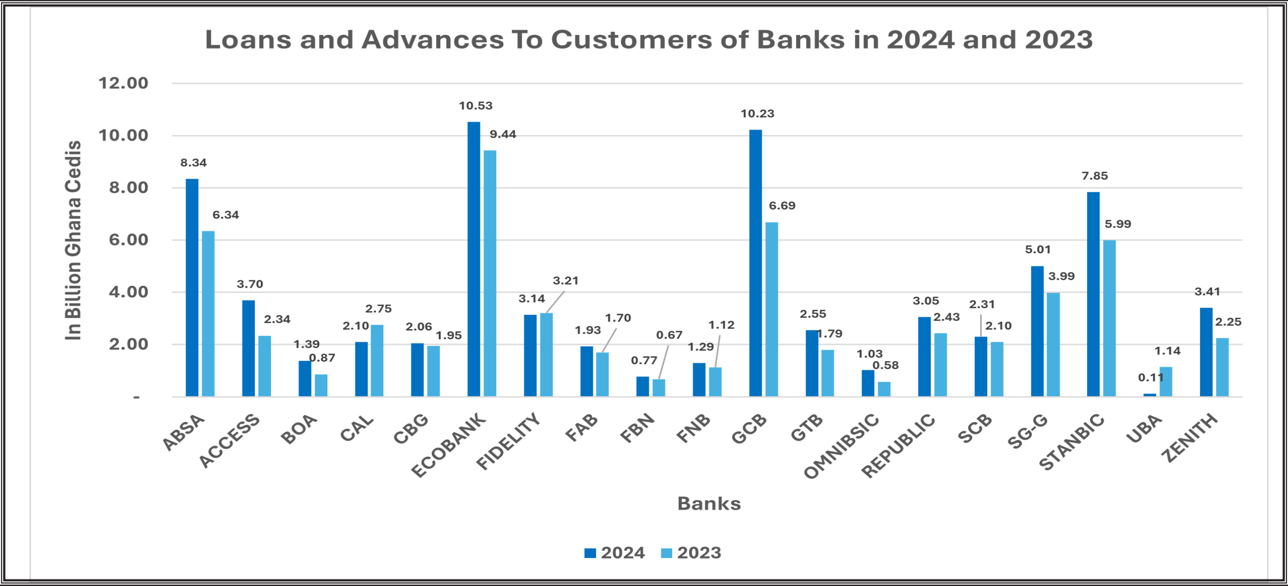


Computation of the HHI Based on Total Asset Values in 2024

BANKS	%Share of Industry Total Asset	Share(S)	S-Squared
ABSA	8.20%	0.0820	0.0067
ACCESS	4.97%	0.0497	0.0025
BOA	1.38%	0.0138	0.0002
CAL	3.50%	0.0350	0.0012
CBG	4.99%	0.0499	0.0025
ECOBANK	13.69%	0.1369	0.0187
FIDELITY	6.63%	0.0663	0.0044
FAB	4.00%	0.0400	0.0016
FBN	1.87%	0.0187	0.0004
FNB	1.85%	0.0185	0.0003
GCB	12.77%	0.1277	0.0163
GTB	4.61%	0.0461	0.0021
OMNIBSIC	2.81%	0.0281	0.0008
REPUBLIC	2.86%	0.0286	0.0008
SCB	4.29%	0.0429	0.0018
SG-G	3.12%	0.0312	0.0010
STANBIC	9.77%	0.0977	0.0096
UBA	2.95%	0.0295	0.0009
ZENITH	5.74%	0.0574	0.0033
HHI			**0.0751**

Credit Extension (Loan and advances to Customer)

The HHI for customer advances is 0.0889, higher than the other two indicators but still below the 0.10 (OECD) and 0.12 (EC) benchmarks. This suggests a mildly elevated level of concentration in the credit market, though still consistent with a competitive environment. The proximity to the threshold warrants monitoring, as a further upward trend may indicate growing concentration in lending activities, which could have implications for credit access, pricing, and competition over time.



Computation of the HHI Based on Loans and Advances to Customers in 2024

BANKS	%Share of Industry Advances in 2024	Share(S)	S-Squared
ABSA	11.79%	0.1179	0.0139
ACCESS	5.22%	0.0522	0.0027
BOA	1.96%	0.0196	0.0004
CAL	2.97%	0.0297	0.0009
CBG	2.90%	0.0290	0.0008
ECOBANK	14.88%	0.1488	0.0221
FIDELITY	4.44%	0.0444	0.0020
FAB	2.72%	0.0272	0.0007
FBN	1.08%	0.0108	0.0001
FNB	1.83%	0.0183	0.0003
GCB	14.45%	0.1445	0.0209
GTB	3.61%	0.0361	0.0013
OMNIBSIC	1.45%	0.0145	0.0002
REPUBLIC	4.31%	0.0431	0.0019
SCB	3.26%	0.0326	0.0011
SG-G	7.08%	0.0708	0.0050
STANBIC	11.08%	0.1108	0.0123
UBA	0.16%	0.0016	0.0000
ZENITH	4.82%	0.0482	0.0023
HHI			**0.0889**

Overall Assessment and Strategic Implications

The combined analysis points to a competitive banking sector in Ghana, with relatively low concentration across deposits, assets, and advances with an average HHI of 0.0794). This indicates that market power is not overly centralized and that institutions operate in an environment conducive to competition, innovation, and customer choice. That said, the relatively higher HHI in the area of customer advances may signal the early stages of concentration in lending. Strategic decision-makers, particularly within the regulatory and policy space, may consider this a signal to enhance market transparency, encourage diversified lending practices, and promote credit access across all tiers of the banking sector. For banks, the findings suggest a level playing field with opportunities to grow market share through service differentiation, product innovation, and digital transformation even though the. For regulators, the current competitive landscape supports continued efforts to maintain an open and inclusive financial system, while keeping an eye on emerging patterns that could alter the balance in the years ahead.

Using Concentration Ratios (CRs)

Concentration Ratios (CRs) are a key metric used to assess the distribution of market share among the leading firms in an industry, complementing the insights gained from the Herfindahl-Hirschman Index (HHI). In banking, CRs such as CR_3, CR_4, and CR_5 measure the combined market share of the top banks in terms of deposits, assets, or loans. The European Commission and OECD use specific thresholds to interpret these ratios: a CR_3 below 40% indicates low concentration, between 40%–60% reflects moderate concentration, and above 60% signals high concentration. Moreover, the concentration factor that leads to above 70% under each variable is keenly observed. This gives an insight into how many Banks do own significant portion of each variable under consideration. If the 'about 70% 'composition is attained at a lower CR level, say CR_3, CR_4 or more flexibly CR5, would imply higher concentration and hence less competitiveness in the industry under the variable category. These benchmarks help reinforce the findings from the HHI and offer a clearer understanding of competition within Ghana's banking sector, highlighting both market dominance and the opportunities for smaller institutions to grow and innovate.

Deposit Market Concentration: A Moderately Competitive Landscape

The 2024 concentration ratios for customer deposits in Ghana's banking sector point to a moderately competitive landscape. The top three banks account for 35.42% of total deposits (CR_3), rising to 42.48% for the top four (CR_4, aligning with international benchmarks for moderate concentration. As the ratio extends to the top seven banks, the share reaches 60.93%, indicating that while larger players have a notable presence, market power is not overly concentrated. By CR_9, the top nine banks hold 71.24% of deposits, reflecting a mildly oligopolistic structure, but one that still supports active competition. Overall, the distribution suggests a balanced and open market, where mid-sized banks have room to grow and regulators can maintain a pro-competitive policy stance. Strategic opportunities exist for banks to differentiate through innovation and customer-focused deposit mobilization.

Computation of Cumulative Concentration Ratio Based on Deposits

BANKS	%Share of Industry Deposits	CR3	CR4	CR5	CR6	CR7	CR8	CR9
GCB	13.64%							
ECOBANK	12.50%							
STANBIC	9.28%	**35.42%**						
ABSA	7.06%		**42.48%**					
FIDELITY	6.97%			**49.45%**				
ZENITH	6.26%				**55.71%**			
ACCESS	5.22%					**60.93%**		
CBG	5.20%						**66.14%**	
GTB	5.10%							**71.24%**
FAB	4.65%							
SCB	4.53%							
CAL	3.78%							
OMNIBSIC	3.31%							
UBA	2.92%							
SG-G	2.49%							
REPUBLIC	2.45%							
FBN	1.75%							
FNB	1.55%							
BOA	1.34%							

Asset Concentration: Indications of Balanced Market Influence

The 2024 concentration ratios for total assets reveal a fairly balanced distribution of market influence among banks in Ghana. The top three banks—Ecobank, GCB, and Stanbic—control a combined 36.23% of industry assets (CR3), reflecting a moderate level of concentration in line with OECD and EU standards. This rises to 44.43% at CR4 and 51.07% at CR5, showing that while leading banks hold a significant share, the market remains reasonably open. As the ratio extends to the top seven banks, the cumulative share reaches 61.79%, and by CR9, it stands at 71.37%, indicating that the asset base is spread across a broader set of institutions. These figures point to a sector where scale exists but does not overshadow competition, creating strategic space for both established and mid-sized banks to grow. The data supports a policy environment that fosters innovation and operational efficiency, without urgent concerns over asset concentration risk.

Computation of Cumulative Concentration Ratio Based Share of Total Assets

BANKS	%Share of Industry asset in 2024	CR3	CR4	CR5	CR6	CR7	CR8	CR9
ECOBANK	13.69%							
GCB	12.77%							
STANBIC	9.77%	36.23%						
ABSA	8.20%		44.43%					
FIDELITY	6.63%			51.07%				
ZENITH	5.74%				56.80%			
CBG	4.99%					61.79%		
ACCESS	4.97%						66.76%	
GTB	4.61%							71.37%
SCB	4.29%							
FAB	4.00%							
CAL	3.50%							
SG-G	3.12%							
UBA	2.95%							
REPUBLIC	2.86%							
OMNIBSIC	2.81%							
FBN	1.87%							
FNB	1.85%							
BOA	1.38%							

Credit Market Concentration: Moderate Control with Room for Competition

The concentration of total loans and advances in Ghana's banking sector for 2024 reflects a moderately concentrated credit market, with the top three banks—Ecobank, GCB, and Absa—collectively holding 41.11% of the market (CR3). This rises to 52.19% with the top four (CR4), suggesting a slightly stronger grip by leading institutions compared to deposits and assets. The top five banks control 59.27%, and by the time we include the top eight banks, the cumulative share reaches 73.75%, indicating that credit distribution is more concentrated than other financial metrics. Nonetheless, the data still aligns with moderate concentration thresholds under OECD and EU standards, where competition remains active beyond the dominant players. The implication is that while a few banks maintain significant control over lending, the market still presents meaningful space for credit growth among mid-tier institutions, particularly those that can target niche markets or underserved sectors. This environment invites both strategic partnerships and innovation in lending practices as banks compete for relevance and reach in a maturing credit market.

Computation of Cumulative Concentration Ratio Based on loan and Advances to Customer

BANKS	%Share of Industry Advances in 2024	CR3	CR4	CR5	CR6	CR7	CR8
ECOBANK	14.88%						
GCB	14.45%						
ABSA	11.79%	**41.11%**					
STANBIC	11.08%		**52.19%**				
SG-G	7.08%			**59.27%**			
ACCESS	5.22%				**64.49%**		
ZENITH	4.82%					**69.31%**	
FIDELITY	4.44%						**73.75%**
REPUBLIC	4.31%						
GTB	3.61%						
SCB	3.26%						
CAL	2.97%						
CBG	2.90%						
FAB	2.72%						
BOA	1.96%						
FNB	1.83%						
OMNIBSIC	1.45%						
FBN	1.08%						
UBA	0.16%						

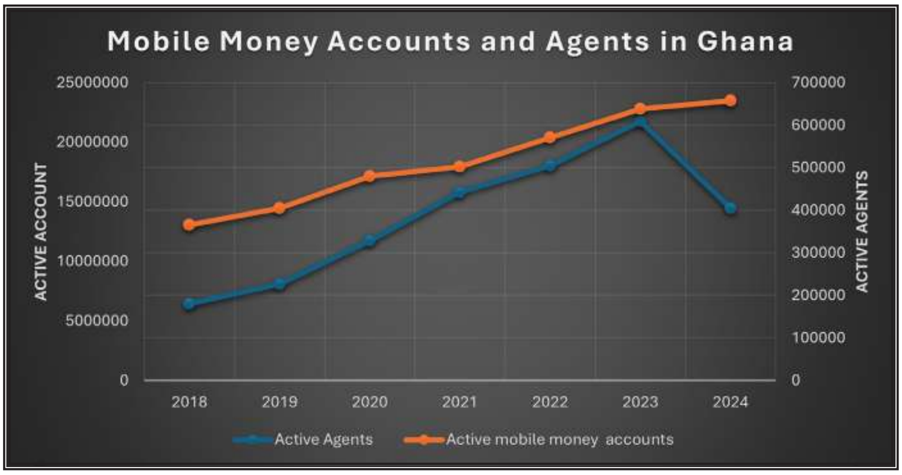
Ghana's Evolving Payment Landscape in 2024

In 2024, Ghana's payment ecosystem continued to evolve in a dynamic and robust fashion, building on momentum from previous years. This transformation has been marked by significant advances in digital transaction platforms, expanded access to financial infrastructure, and a growing preference for real-time, contactless, and online payment options. Compared to 2023, the landscape in 2024 reflected greater integration of technology with banking services, increased consumer confidence in digital channels, and a deliberate shift toward cash-lite systems. These developments have far-reaching implications for financial service providers, regulators, and consumers alike.

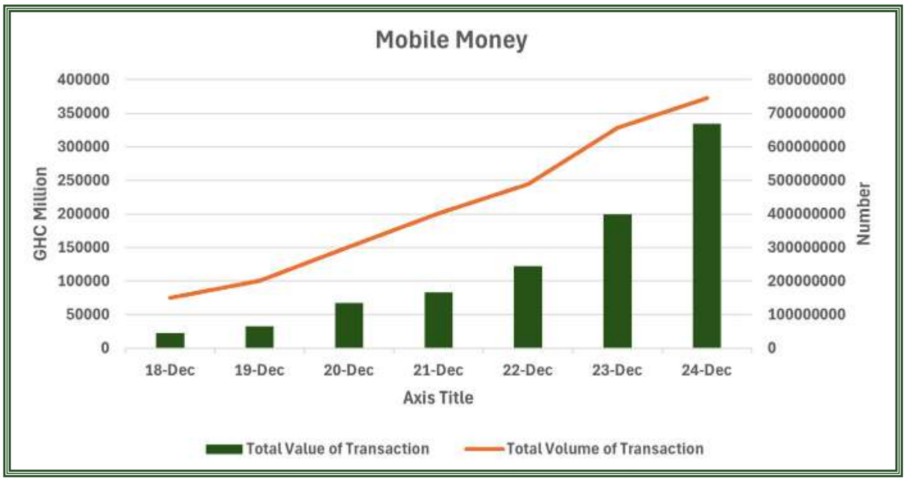
1. Digital Financial Inclusion through Mobile Money

Mobile money retained its centrality in Ghana's financial inclusion agenda throughout 2024. Registered mobile money accounts grew from 65.6 million in December 2023 to 73.0 million by December 2024—an 11.3% increase, indicating continued onboarding of the unbanked and underbanked populations. However, active accounts saw a more modest increase, rising from 22.8 million to 23.5 million over the same period. This discrepancy highlights the need for deeper user engagement strategies, especially for sustaining account activity beyond initial registration.

The number of transactions increased from 657 million to 745 million within the year, while the total value surged from GHC 199.3 billion to GHC 334.8 billion, representing a remarkable 68% growth. Additionally, the mobile money float balance grew to GHC 27.2 billion, up from GHC 18.3 billion. These figures illustrate not only increased digital liquidity but also growing public confidence in mobile wallets as secure stores of value. Despite these gains, the declining number of active agents—from 609,000 in December 2023 to 404,000 in December 2024 raises operational and service delivery concerns. While the agent network continues to expand in registration terms, the sustainability of the model is being tested by liquidity constraints and thinning margins. This calls for reimagined support systems for agents, including digital onboarding, liquidity automation, and commission restructuring.



Source: Bank of Ghana Database Portal

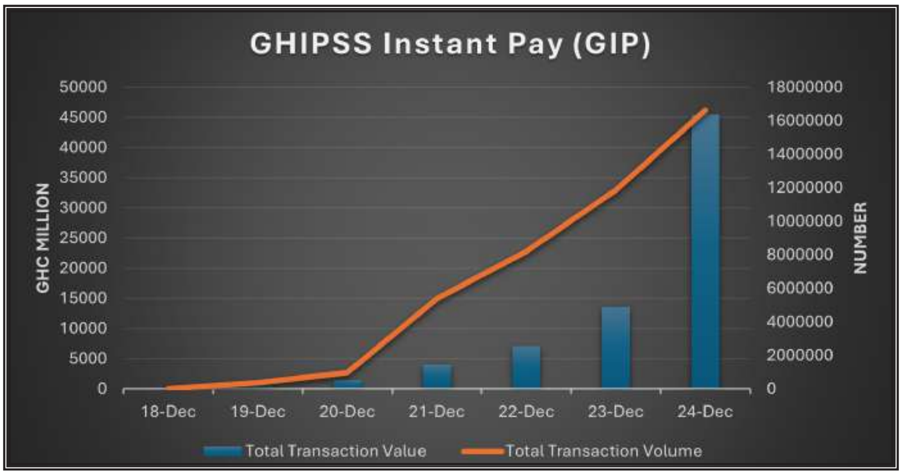


Source: Bank of Ghana Database Portal

2. Real-Time Payments and Instant Transfers

The adoption of real-time payment systems surged in 2024, reinforcing Ghana's digital transformation in financial services. Ghipss Instant Pay (GIP) led this transformation, with the total transaction value skyrocketing from GHC 13.6 billion in December 2023 to GHC 45.5 billion by the end of 2024. Transaction volumes mirrored this growth, increasing from 11.8 million to 16.6 million. The convenience of real-time, account-to-account transfers has made GIP a preferred channel for individuals and SMEs alike.

This shift toward instant payments reflects changing consumer expectations for speed, security, and reliability. It also necessitates that financial institutions upgrade their backend systems to support 24 / 7 processing, real-time fraud detection, and API-based integrations. The momentum behind GIP also signals a gradual but steady migration from physical cash and slower legacy systems.



Source: Bank of Ghana Database Portal

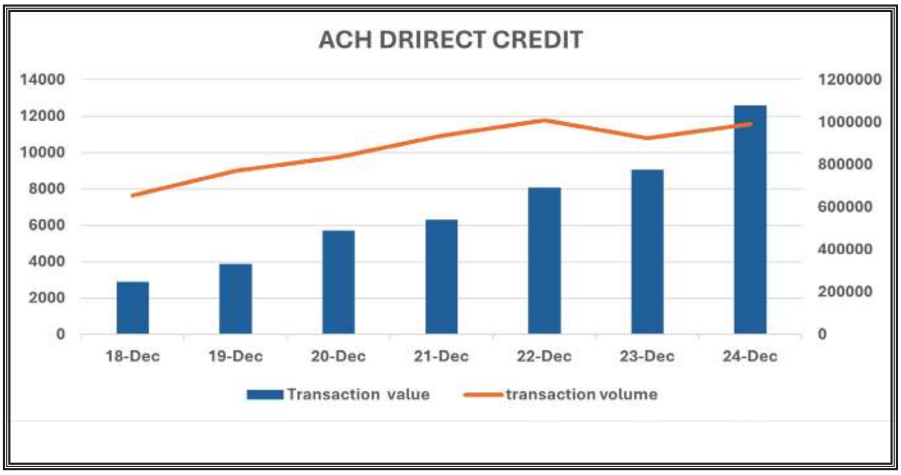
3. Evolution of Traditional Payment Infrastructure

While digital payments led the narrative in 2024, traditional instruments like cheques and ACH retained relevance.

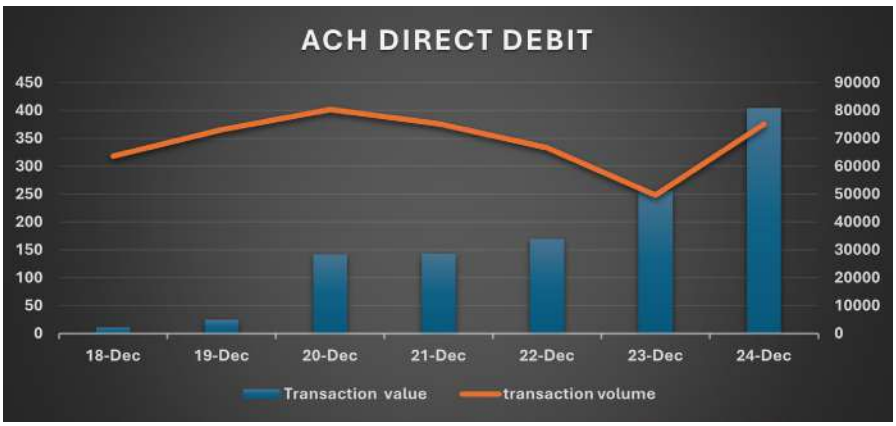
Cheque-clearing transactions, often used by large institutions and government bodies, increased in value from GHC 25.1 billion to GHC 38.2 billion by December 2024. The number of transactions remained relatively stable, signaling institutional continuity in cheque usage despite digital alternatives.

ACH (Automated Clearing House) services also performed strongly. Direct debit transaction values climbed to GHC 404 million from GHC 255.1 million in 2023, while ACH direct credit values rose to GHC 12.6 billion from GHC 9.1 billion. The growing use of ACH reflects a deepening culture of scheduled payments for salaries, bills, and vendor disbursements.

The challenge for banks lies in modernizing these legacy systems to integrate seamlessly with digital platforms while preserving their reliability and regulatory compliance.



Source: Bank of Ghana Database Portal



Source: Bank of Ghana Database Portal

4. Interoperability and Platform Integration

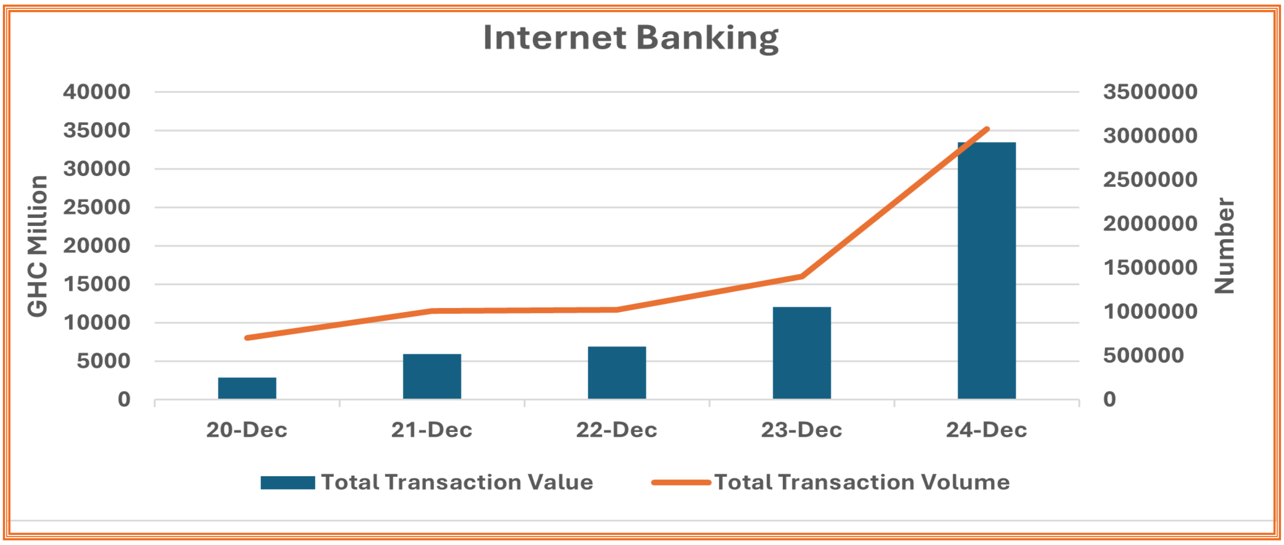
Mobile Money Interoperability (MMI) gained further traction in 2024, contributing to the vision of a seamless, interconnected financial ecosystem. The total value of MMI transactions increased from GHC 2.3 billion to GHC 3.1 billion, while volumes rose from 16.7 million to 19.9 million. This progress affirms the value of platform-neutrality and consumer choice in driving down transaction costs and improving access.

5. Internet and Card-Based Banking Channels

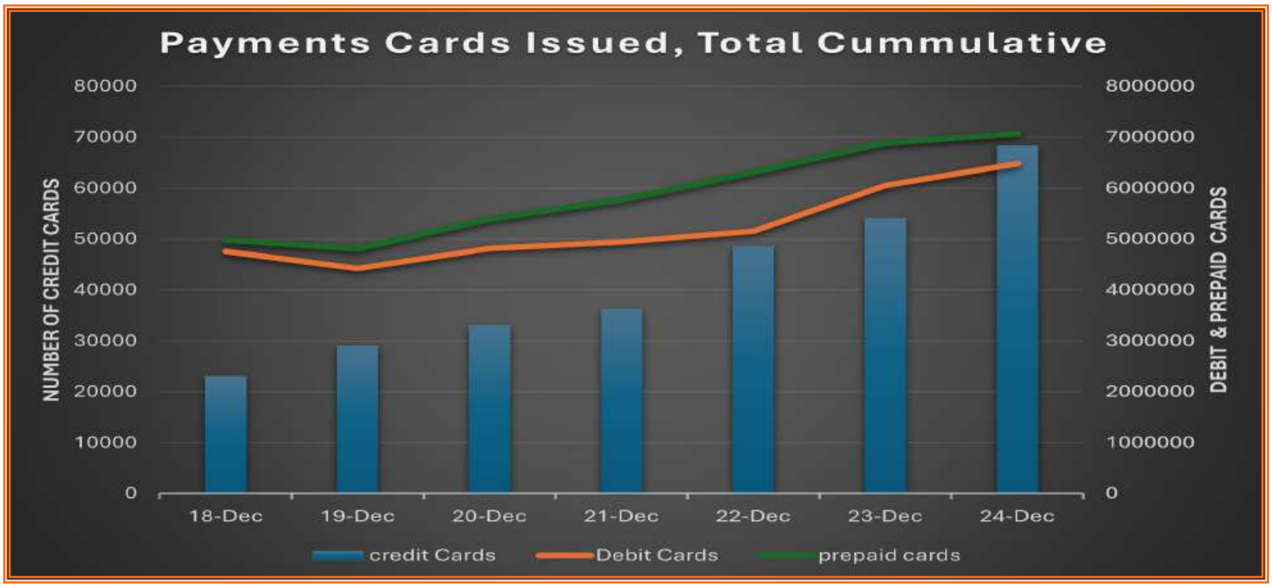
Internet banking experienced exponential growth in both value and volume during 2024. Transaction value almost tripled from GHC 12.1 billion in December 2023 to GHC 33.5 billion a year later. The number of transactions more than doubled to over 3.1 million. This trajectory reflects user adaptation to digital self-service, especially among urban and corporate clients.

Card usage debit, credit, and prepaid remained steady, though growth was relatively subdued. Debit cards reached 6.5 million users, while credit and prepaid cards showed limited growth. These patterns suggest a shift in preference toward mobile and instant channels over physical card payments.

POS terminal deployment increased from 12,491 to 15,597 units by year-end, affirming the demand for in-person digital transactions. However, ATM deployment remained flat, reflecting changing consumer behavior toward cashless lifestyles.



Source: Bank of Ghana Database Portal

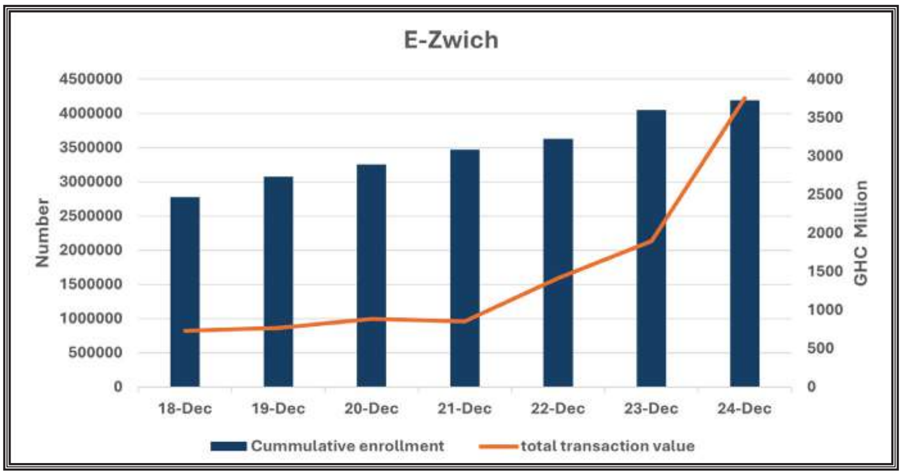


Source: Bank of Ghana Database Portal

6. E-zwich and Domestic Card Scheme Usage

E-zwich saw growth in transactional value, rising from GHC 1.9 billion in December 2023 to GHC 3.8 billion in December 2024. While total transactions fluctuated, the platform remains a critical tool for government-to-person transfers, student disbursements, and public sector payrolls. It continues to serve as a safety net for lower-income earners and rural populations, though its broader adoption is constrained by limited merchant integration.

Gh-link transactions remained modest in volume and value, but provided essential support for local card transactions, especially in areas without mobile money penetration.



Source: Bank of Ghana Database Portal

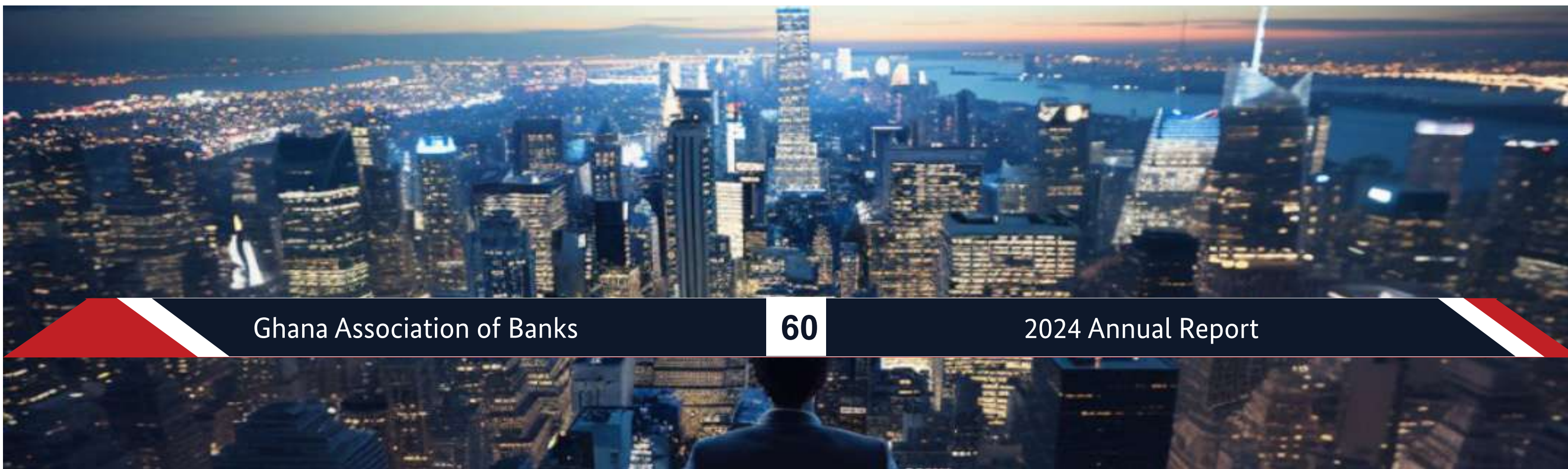
Source: Bank of Ghana Database Portal

STRATEGIC IMPLICATIONS FOR THE FINANCIAL AND BANKING SECTOR

The payment system trends in 2024 offer several critical takeaways for the banking and financial services industry. First, digital payment infrastructure must be prioritized in capital investment decisions, particularly in areas such as cybersecurity, data analytics, and mobile-first solutions. Banks should continue expanding beyond traditional branch banking, offering bundled digital services that align with customer lifestyles.

Second, the sharp increase in transaction values especially via GIP and mobile money—demands robust real-time risk management frameworks. Financial institutions must proactively mitigate digital fraud, operational downtime, and regulatory breaches that could erode public trust.

Third, the declining number of active agents poses risks to last-mile financial delivery. Addressing this issue will require cross-sector collaboration, leveraging fintech innovation and regulatory support to sustain rural agent networks and ensure national financial inclusivity. Lastly, policymakers and regulators must maintain an agile approach to oversight. Real-time supervision tools, national identification-linked payment solutions, and smart regulation (e.g., regulatory sandboxes) can unlock new innovations while ensuring consumer protection and system integrity.



GHANAPAY IN MOTION: BANKING SYNERGY FOR THE LAST MILE AND BEYOND

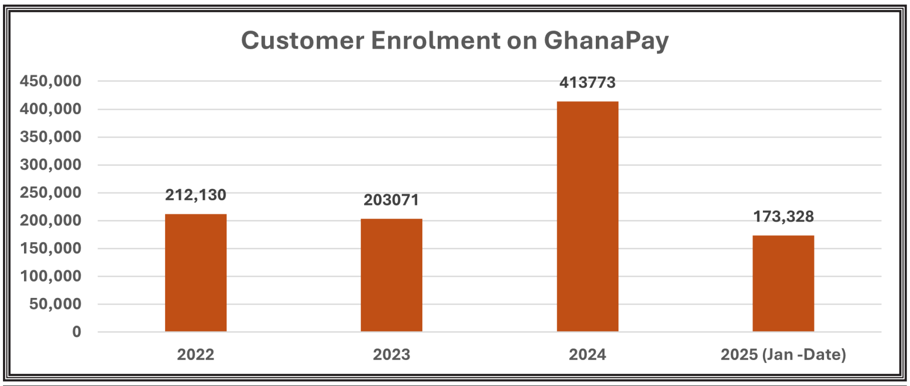
Since its inception, GhanaPay has evolved from a visionary collaboration into a fast-maturing digital banking infrastructure. Between 2022 and May 2025, the platform has shown exceptional growth across all operational indicators; customer enrolment, agent and merchant onboarding, and transaction activity; solidifying its role as a cornerstone for inclusive digital finance in Ghana.

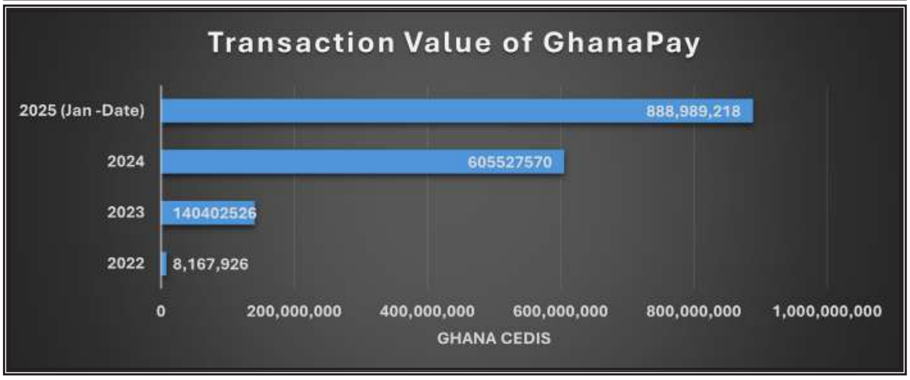
Rapid Adoption and Penetration Trends

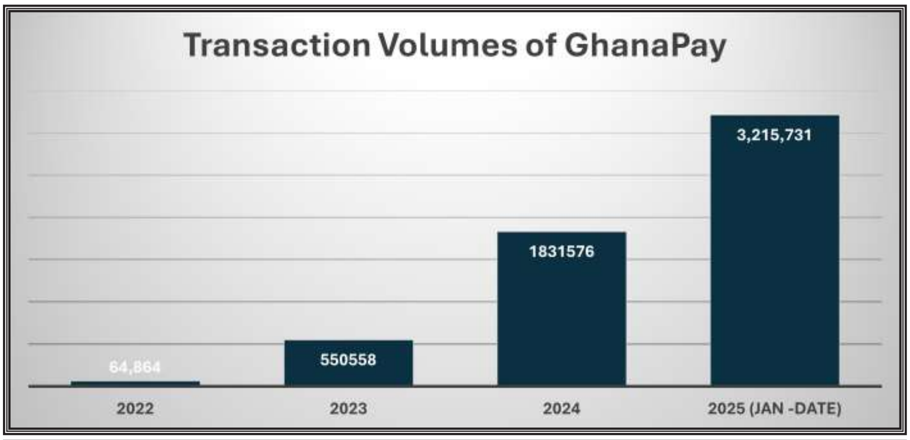
Customer enrolment has climbed from 212,130 in 2022 to over 1 million as of May 2025, representing a 373% increase over the period. Notably, 2024 alone saw more customers onboard than the combined total of the two previous years, with a 104% growth from 2023. Already in 2025, enrolment is pacing strongly, showing that uptake is not only sustained but accelerating.

Transaction volumes and values have followed an even more striking trajectory. Volumes surged from just under 65,000 in 2022 to over 5.6 million by May 2025, a massive 8,600% increase. Transaction value grew from GHS 8.2 million in 2022 to over GHS 1.64 billion, with more than half of this figure recorded in just the first five months of 2025. This explosive growth is a clear signal of rising trust, usability, and integration of GhanaPay into everyday financial behavior.

Merchant and agent onboarding have also expanded the platform's operational footprint. From zero merchants in 2022, GhanaPay now supports nearly 1,000 active business endpoints, enabling retail payments and commercial utility. Agent enrolment has reached over 13,200, reinforcing service reach across both urban and rural landscapes. Though 2025 agent onboarding appears slower than prior years, this may reflect a shift







Source: Ghana Interbank Payment & Settlement Systems Limited (GhIPSS)

Strategic Implications

This performance speaks volumes, not just in numbers but in opportunity. GhanaPay has proven itself as a shared infrastructure model that works, with both rural and universal banks benefitting from pooled resources, trust capital, and network effects. Yet, the concentration ratios show that a few institutions continue to drive most of the growth, indicating a huge untapped potential among the wider banking community.

Banks that are actively promoting GhanaPay are setting good grounds to seeing the returns, through growing wallet activity, transactional income, deeper customer engagement, and operational cost efficiencies. For others, now is the time to position early and build market relevance.

A Call for Deeper Engagement

The momentum is clear, but scale requires collective ambition. As the platform continues to gain visibility and usage, all member banks have a strategic role to play, not just in riding the wave, but in shaping it. By aligning marketing efforts, bundling GhanaPay with core services, integrating merchant solutions, and empowering agent networks, banks can extend their digital value proposition to both new and underserved markets.

GhanaPay is not just a product, it is a platform for future-proof banking. With continued collaboration, innovation, and participation, it can become the nation's leading digital channel, delivering on the promise of inclusive, interoperable, and customer-centric financial services.

Now is the time to invest in its promotion, not as a compliance requirement, but as a strategic growth engine.

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GAB ACTIVITIES & STAKEHOLDER ENGAGEMNETS

GAB Contributes to Policy on Digital Assets

The Ghana Association of Banks actively participated in the committee constituted by the Bank of Ghana to draft the national Guidelines on Digital Assets. Through strategic representation and informed advocacy, GAB successfully influenced key aspects of the policy direction to reflect the interests and operational realities of the banking sector.

Following the completion of the initial draft, the Digital Assets Guidelines have been released for public consultation. As part of its internal due diligence, GAB has commissioned its relevant Technical Committees to undertake a thorough final review of the document. This step ensures that member banks' perspectives are well-integrated before the Guidelines are finalised and officially adopted.

This milestone underscores GAB's proactive engagement in shaping regulatory frameworks that govern emerging technologies in Ghana's financial ecosystem.

GAB Shapes Open Banking Framework

The Ghana Association of Banks played a pivotal role in the development of the Bank of Ghana's Open Banking Framework. GAB participated in stakeholder consultations and submitted comprehensive comments on the initial draft of the framework.

Notably, most of the Association's recommendations were incorporated, reflecting GAB's influence in shaping a robust and inclusive regulatory foundation for Open Banking in Ghana. In December 2024, the Bank of Ghana issued the Exposure Draft of the Open Banking Framework for public review.

Following this, GAB's Technical Committees undertook a detailed assessment of the document and submitted final recommendations for the regulator's consideration. This intervention forms part of GAB's ongoing commitment to fostering innovation, competition, and security in Ghana's digital financial services landscape.

GAB Reviews and Influences CIT Code of Practice

As part of its regulatory engagement mandate, the Ghana Association of Banks reviewed the draft Code of Practice for Cash-in-Transit (CIT) operations and submitted a set of recommendations to the Bank of Ghana's Currency Department. Subsequent engagements with the Currency Department confirmed that 90% of GAB's inputs had been incorporated into the revised document—an affirmation of the Association's strategic influence on cash handling protocols within the banking sector.

GAB now awaits the final version of the Code of Practice, which is expected to be adopted ahead of the official rollout of the initiative. This collaborative effort reflects GAB's commitment to enhancing operational standards and promoting efficiency and security in currency management.

Review of Mandatory Banking Hall Notices

The Ghana Association of Banks, in collaboration with its member institutions, conducted an industry-wide assessment to map all notices and directives from the Bank of Ghana, along with the underlying legal and regulatory instruments mandating their display at bank premises. This initiative aimed to clarify compliance obligations and promote uniformity in customer-facing disclosures across the sector.

The assessment revealed that a number of mandated notices were outdated or no longer aligned with current regulatory expectations. As a result, GAB formally engaged the Bank of Ghana to request a comprehensive review of these outdated notices and sought approval for member banks to update and streamline the content displayed on banking hall notice boards. This effort reinforces GAB's commitment to regulatory compliance and enhanced customer communication.

Advancing Cybersecurity Collaboration at BoG FICSOC Forum

In 2024, the Ghana Association of Banks facilitated a high-level session on “Local and International Collaboration for Cyber Response and Resilience” at the Bank of Ghana’s Financial Industry Command Security Operations Centre (FICSOC) Forum. The session served as a platform to raise industry-wide awareness on the importance of collaborative cybersecurity frameworks. It also strengthened strategic partnerships between banks, regulatory authorities, and international cybersecurity organisations. Discussions focused on sharing best practices for cyber resilience, fostering cross-border intelligence-sharing, and aligning industry response mechanisms with both domestic and global regulatory standards. GAB’s leadership in this space reinforces its commitment to safeguarding the integrity and stability of Ghana’s banking ecosystem.

GAB Secures Extension on FICSOC System Log Submission

The Ghana Association of Banks engaged the Bank of Ghana’s Banking Supervision Department to address concerns surrounding the mandatory submission of system logs to the Financial Industry Command Security Operations Centre (FICSOC).

Recognising the timing of the directive—issued during the end-of-year holiday period when many banks enforce network change freezes—GAB successfully negotiated an extension to the implementation deadline. The Association also highlighted the diverse and complex nature of IT infrastructure across member banks, particularly within multinational institutions.

In its advocacy, GAB emphasised the importance of data security and urged the regulator to adopt a case-by-case approach, allowing banks to comply based on their individual operational realities. This intervention demonstrated GAB’s proactive support for pragmatic and secure implementation of regulatory requirements.

Advocacy on OIF Charges for Payment Card Transactions

Following the issuance of a directive by the Bank of Ghana's Payments Systems Division to cease Outward Interchange Fee (OIF) charges on payment card transactions—prompted by concerns over high currency conversion rates for online transactions—the Ghana Association of Banks engaged the regulator for clarity and industry input. Through GAB's intervention, the directive was revised to allow for a cap on OIF charges rather than a complete cessation. Banks were subsequently tasked to comply with the new capped charge structure. Ongoing engagements are being facilitated through the Bank of Ghana with international card schemes such as VISA and MasterCard. These discussions are focused on reviewing the fee structures extended to banks and their customers, while identifying opportunities for cost optimisation.

In addition, a stakeholder workshop is being planned to explore strategies for enhancing the profitability of card services within the banking sector.

Stakeholder Engagement on Trade-Based FX Reforms

In 2024, the Ghana Association of Banks convened a high-level stakeholder engagement session on trade-based foreign exchange (FX) transactions and documentation. The session brought together the Bank of Ghana's Financial Markets Department, the Ghana Revenue Authority (GRA), and Ghana Link Network Services to streamline requirements for foreign payment documentation and improve compliance efficiency.

As a direct outcome of the discussions, the Bank of Ghana revised the advance payment threshold for import-related transfers abroad—from US$50,000 to US$200,000 per importer—provided there are no outstanding documentation defaults. The central bank also granted amnesty to previously defaulting clients to promote regulatory alignment. Further measures include a commitment by the Bank of Ghana's Banking Supervision and Financial Markets Departments to deliver training sessions for banks on regulatory provisions and thresholds governing electronic payments and channels. Additionally, the GRA was tasked to issue a formal work order for upgrading the ICUMS system to close gaps in the Import Declaration Form (IDF) regime and curb misuse by importers. This collaborative initiative marks a significant step in modernising Ghana's trade finance landscape.

GAB Influences Corporate Insolvency Law Reforms

The Ghana Association of Banks actively participated in the review of the Corporate Insolvency Regulations at a stakeholder workshop convened by the Office of the Registrar of Companies and the Attorney General's Department.
Through this engagement, GAB contributed strategic insights that successfully influenced amendments to the Corporate Insolvency and Restructuring Act, 2020. Key reforms championed by the Association included the establishment of a formal administration and restructuring framework, the creation of an Insolvency Services Division, the licensing of insolvency practitioners, and the formal recognition of the Ghana Association of Restructuring and Insolvency Advisors (GARIA) as a statutory body.
These reforms mark a significant advancement in Ghana's corporate recovery landscape, enhancing the regulatory environment for distressed firms while supporting broader financial sector stability and business continuity.

Cybersecurity Accreditation and SOC Registration Drive

In line with the requirements of the Cybersecurity Authority (CSA), the Ghana Association of Banks facilitated the accreditation of cybersecurity professionals and the registration of Security Operations Centres (SOCs) across member banks.
A strategic engagement session was organised by GAB, bringing together Chief Information Officers (CIOs), Chief Information Security Officers (CISOs), and the Director-General of the CSA along with his team. The session focused on the regulatory importance, procedural clarity, and strategic relevance of complying with the CSA's directives.
As a result of these coordinated efforts, 95% of bank SOCs have been successfully accredited, and a significant number of cybersecurity professionals within the banking industry have been duly registered.
This milestone marks a major advancement in strengthening the cybersecurity posture of Ghana's financial sector and aligning with national regulatory standards.

Strengthening Cybersecurity Through Public Education and Industry Leadership

In 2024, the Ghana Association of Banks intensified its public education campaign on cybersecurity and fraud prevention, in collaboration with the Cyber Security Authority (CSA), Bank of Ghana, and the Data Protection Commission (DPC). A key initiative under this effort was a targeted training session for media professionals on the secure use of banking digital services.

GAB successfully trained 20 business journalists from 10 prominent media houses on emerging cyber threats, responsible financial reporting, and fraudulent withdrawal schemes—particularly those involving unverified SIM cards. This engagement not only enhanced journalists' understanding of cybersecurity issues but also helped reduce the risk of media reports inadvertently exposing sensitive customer information, such as Ghana Card and account numbers. It further deepened GAB's strategic partnership with the media.

In a separate but related initiative, GAB chaired the committee that led the establishment of the CSA Cybersecurity Professionals Industry Forum. By October 2024, the Industry Code of Conduct and Forum Constitution were finalised, in compliance with Section 81 of the Cybersecurity Act, 2020 (Act 1038).
This underscores GAB's thought leadership and commitment to advancing sector-wide cybersecurity governance.

GAB Champions Financial Sector Collaboration on YouStart Initiative

In 2024, the Ghana Association of Banks played a leading role in fostering collaboration between the Ministry of Finance (MoF), Participating Financial Institutions (PFIs), the National Banking College (NBC), and insurance companies to support the YouStart initiative. This national programme aims to empower entrepreneurial youth in Ghana by facilitating access to funding, skills development, and business support, with the goal of creating one million sustainable jobs over the next three years.
As part of the revised framework, the loan ceiling was increased from GHS 500,000 to GHS 1 million, while the applicable interest rate rose from 10% to 16.5%.

Insurance coverage requirements also increased from 0.5% to 1.2%, reflecting enhanced risk-sharing and protection mechanisms for both borrowers and lenders.
Each PFI received GH¢5,000,000.00 and contributed GH¢2,142,857.14 to the YouStart account, based on a 70 / 30 contribution ratio agreed with the Ministry of Finance. Out of the numerous applications, a total of 40 qualified applications were received, with PFIs currently undertaking credit risk assessments and due diligence processes.
Approved beneficiaries will undergo mandatory training at the National Banking College prior to disbursement, ensuring they are equipped with the financial and operational skills needed to build viable and resilient enterprises.

2024 Industry Outlook: Assessing Sectoral Risks and Strategic Response

The Ghana Association of Banks published the 2024 Industry Outlook, offering critical insights into prevailing macroeconomic conditions and their implications for the banking sector. The report assessed the impact of elevated non-performing loans (NPLs), foreign exchange volatility, government debt levels, inflationary pressures, and rising interest rates on banking performance and stability.

Beyond domestic factors, the Outlook also explored global political and economic developments shaping the operating environment. It further highlighted the strategic responses adopted by banks to navigate these headwinds, including risk mitigation, digital transformation, and strengthened capital buffers.

The publication serves as a vital resource for policymakers, industry stakeholders, and financial analysts seeking a deeper understanding of the challenges and resilience strategies within Ghana's banking industry.

PAPSS Workshop Promotes Cross-Border Trade and Financial Integration

The Ghana Association of Banks, in collaboration with the Bank of Ghana, successfully organised a Pan-African Payment and Settlement System (PAPSS) workshop in 2024 for members of the Ghana Union of Traders Association (GUTA) and participating banks.

The workshop focused on raising awareness and building capacity among the business community and financial institutions on the operational framework, benefits, and practical application of PAPSS. Key themes included promoting seamless cross-border transactions, advancing financial inclusion, and deepening regional economic integration under the African Continental Free Trade Area (AfCFTA) agenda.

Participants were equipped with knowledge to leverage PAPSS for efficient intra-African trade, while banks were encouraged to scale adoption and enhance system utilisation. The engagement also amplified national visibility of PAPSS and reinforced its strategic role in facilitating secure, real-time settlements across the continent.

Enhancing Business Rescue Capacity through GARIA Training

In support of ongoing reforms to Ghana's corporate insolvency framework, the Ghana Association of Banks participated in the Ghana Association of Restructuring and Insolvency Advisors (GARIA)'s specialised training programme for insolvency practitioners, focused on Business Rescue strategies.

The training followed the successful amendment of the Corporate Insolvency and Restructuring Act (CIRA) and was aimed at equipping practitioners with advanced skills in corporate turnaround and financial restructuring. The sessions emphasised recovery over liquidation, empowering participants to support the rehabilitation of viable but financially distressed businesses. The programme also reinforced the strategic role of banks and auditing firms in facilitating business rescue, thereby promoting financial stability and a more sustainable approach to corporate insolvency in Ghana.

Supporting the Development of Ghana's National Green Finance Taxonomy

The Ghana Association of Banks collaborated with the Ministry of Finance in the review and validation of the National Green Finance Taxonomy, ensuring it reflects global sustainability benchmarks while addressing the unique priorities of the local financial sector.

GAB's technical input was instrumental in shaping the final framework, which was successfully launched as a national guide to promote sustainable business practices.

The taxonomy provides banks with a structured and transparent approach to evaluating businesses against defined environmental criteria, enabling them to channel financing towards green and climate-resilient investments.

By aligning banking operations with the taxonomy, financial institutions are better positioned to access concessional green funding from multilateral partners for on-lending purposes—contributing to the growth of a more sustainable, inclusive, and environmentally responsible financial ecosystem.

Financial Literacy Training for Chemical Engineering Students

As part of its financial inclusion and youth empowerment agenda, the Ghana Association of Banks conducted a tailored financial literacy training session for members of the Chemical Engineering Students' Association (CHEESA).

The session focused on equipping students with practical knowledge in personal finance management, covering key areas such as budgeting, saving, investing, and responsible credit use. By fostering early awareness of financial planning, the training empowered students to make informed financial decisions and laid the foundation for long-term financial independence.

This initiative forms part of GAB's broader commitment to financial education and capacity building among young professionals, aligning with national goals for economic resilience and inclusive growth.

Strategic Collaboration with IMF on Banking Sector Assessment

In 2024, the Ghana Association of Banks collaborated with the International Monetary Fund (IMF) to evaluate the performance of Ghana's banking sector within the context of the ongoing IMF-supported programme.

As part of this engagement, GAB provided the IMF Ghana Country Director with a detailed industry analysis covering sector resilience, key operational challenges, and banks' adaptation strategies under the programme's reform agenda.

The insights offered by GAB contributed meaningfully to the IMF's assessment of financial sector stability, regulatory effectiveness, and the broader macroeconomic environment.

This collaboration reinforced the alignment between the banking industry and programme objectives, while deepening policy dialogue on sustaining financial system soundness during economic recovery.

Advancing Academic-Industry Collaboration with UGBS

The Ghana Association of Banks partnered with the University of Ghana Business School (UGBS) to co-develop a new MSc curriculum in Banking and Finance, aimed at aligning academic instruction with industry demands and international standards.

GAB played a pivotal role in shaping a comprehensive and practice-oriented curriculum that integrates advanced financial theory with practical competencies and regulatory perspectives.

The programme is designed to equip students with the skills and knowledge necessary to thrive in the evolving financial services landscape.

This initiative marks a significant step in strengthening academic-industry collaboration, bridging the gap between theory and real-world banking practice, and cultivating the next generation of financial sector leaders.

UGBS
UNIVERSITY OF GHANA
BUSINESS SCHOOL

Promoting Sustainability at the UN Global Compact Network Event

In 2024, the Ghana Association of Banks participated in the UN Global Compact Network event, which recognised member organisations for their contributions to sustainable business practices and featured the review of Ghana's Business Sustainability Report.
GAB took part in high-level discussions focused on corporate sustainability, ESG implementation, and the financial sector's role in advancing responsible business conduct. The engagement reinforced the growing importance of sustainable finance and offered valuable insights into strengthening sector-wide sustainability strategies in line with international benchmarks.
This participation aligns with GAB's continued commitment to embedding ESG principles within the banking sector and promoting responsible growth.

Knowledge Exchange with Tanzanian Central Bank Delegation

The Ghana Association of Banks hosted a delegation from the Central Bank of Tanzania in 2024, offering a comprehensive briefing on Ghana's financial and banking landscape, as well as GAB's strategic role within the financial ecosystem.
The engagement provided a platform for cross-border knowledge-sharing on regulatory frameworks, industry best practices, and innovations driving Ghana's banking sector. Discussions also explored collaborative approaches to financial sector development and supervisory excellence.
This visit strengthened regional partnerships and positioned Ghana's banking industry as a reference point for peer learning and regulatory innovation within the African financial landscape.

Release of 4th Edition of The GH Banker's Voice Magazine

In 2024, the Ghana Association of Banks collaborated with regulators, industry experts, and key stakeholders to develop and publish the 4th edition of The GH Banker's Voice Magazine. Themed "Navigating Economic Recovery", the publication provided timely insights on Ghana's financial markets, regulatory developments, and strategic considerations for post-crisis economic resilience.

The edition featured thought leadership pieces from leading practitioners and policymakers, exploring pressing issues such as monetary policy direction, capital market performance, and emerging regulatory challenges.

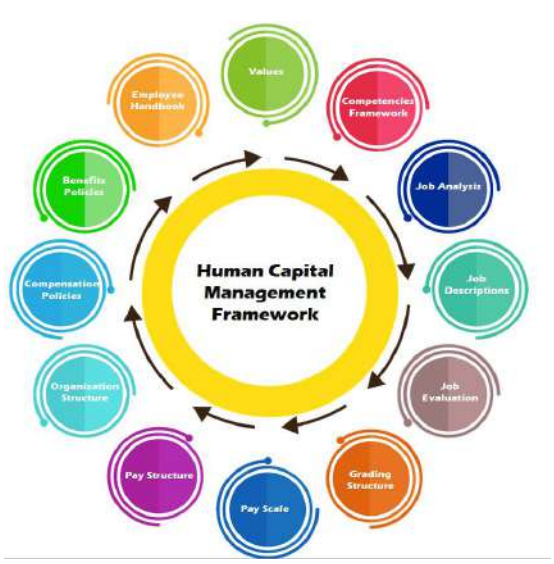
It also offered a platform for dialogue on sectoral innovation and institutional agility in the face of evolving macroeconomic dynamics.

The release of this edition reaffirmed GAB's commitment to thought leadership, industry dialogue, and knowledge-sharing within the financial services sector.

Contributing to Ghana's National Human Capital Development Framework

The Ghana Association of Banks participated in a strategic workshop organised by the National Development Planning Commission (NDPC) to support the development of a National Human Capital Development Framework.
GAB contributed critical insights on the evolving skills requirements and workforce priorities of the financial sector, shaped by rapid digital transformation and global banking trends. The Association successfully influenced the integration of financial sector competencies into the national strategy, ensuring that future workforce planning reflects the demands of a dynamic and innovation-driven banking environment.

This initiative advances national efforts in capacity building, talent development, and economic competitiveness while reinforcing the importance of aligning education and training with industry needs.



Cross-Border Engagement on Digital Finance and Open Banking

In 2024, the Ghana Association of Banks engaged with the West African Bankers' Association (WABA), Nigeria, to assess the evolving landscape of digital financial services and their implications for traditional banking models.

The collaboration involved a joint assessment of fintech-driven innovations, with a focus on identifying digital platforms that present both risks and opportunities to incumbent banks. As part of this engagement, GAB and WABA co-organised a strategic workshop on Open Banking, examining the role of banks in a rapidly digitising ecosystem.

The forum facilitated dialogue on risk mitigation, regulatory alignment, and competitive strategy, while reinforcing regional cooperation on digital finance governance and industry resilience.

Strategic Dialogue on Remittances at Stanbic Breakfast Meeting

The Ghana Association of Banks participated in the Stanbic Breakfast Meeting—a high-level forum focused on the role of remittance systems in Ghana's economic stability, particularly amid persistent depreciation of the Cedi.

GAB engaged in strategic discussions on harnessing remittance inflows to bolster foreign exchange reserves, mitigate currency volatility, and support macroeconomic stability. The session also explored policy options and banking sector strategies to optimise remittance channels and improve their contribution to national development.

The engagement reinforced the banking industry's commitment to advancing financial instruments and regulatory frameworks that strengthen the role of remittances in enhancing economic resilience.

Advancing SME Development through GEA-JICA Enterprise Project

The Ghana Association of Banks collaborated with the Ghana Enterprise Agency (GEA) and the Japan International Cooperation Agency (JICA) Coordination Committee to review the Enterprise Development Project anchored on the Kaizen methodology.

The meeting evaluated the project's performance and impact, and examined strategies for broadening its scope and sustaining its momentum beyond the conclusion of JICA's support in 2025. GAB contributed to strategic discussions on institutionalising the initiative as a long-term national programme to ensure continued support for Ghanaian enterprises.

Key focus areas included strengthening SME capacity, enhancing operational efficiency, and facilitating access to finance through the banking sector. The engagement reaffirmed GAB's commitment to enterprise development and financial sector involvement in driving inclusive economic growth.

Promoting Climate-Resilient Agriculture through Green Finance

The Ghana Association of Banks collaborated with the Environmental Protection Agency (EPA) in a stakeholder workshop aimed at advancing climate adaptation through the promotion of solar irrigation technologies for smallholder farmers in Ghana.

The workshop convened key actors across agriculture, environment, and finance to explore sustainable pathways for scaling solar-powered solutions. GAB supported discussions on green and sustainable agricultural financing, underscoring the pivotal role of banks in funding climate-resilient farming practices.

This engagement strengthened the financial sector's involvement in national climate adaptation efforts and championed improved access to green financing for smallholder farmers—supporting agricultural productivity, environmental sustainability, and rural economic development.

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GAB IN THE MEDIA

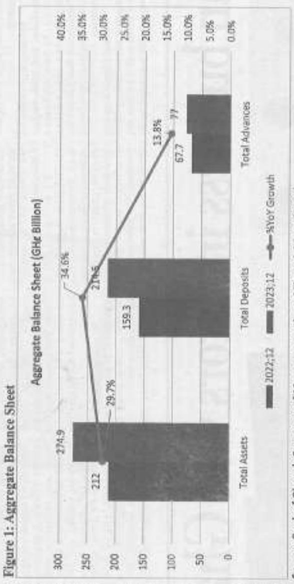
16 feature

Banking industry's performance in 2023 at a glance

Aggregate Balance Sheet – 2022 & 2023

Total Assets
Total Deposits
Total Advances

Figure 1: Aggregate Balance Sheet

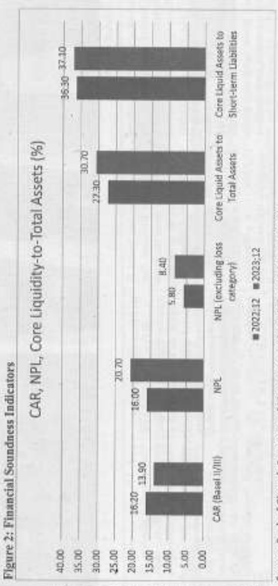


Source: Bank of Ghana's Summary of Macroeconomic and Financial Data (2024)

Financial Soundness Indicators – 2022 & 2023

Solvency (CAR)
Asset Quality (NPL)
Liquidity Indicators (liquid assets-to-total assets) in %

Figure 2: Financial Soundness Indicators



Source: Bank of Ghana's Summary of Macroeconomic and Financial Data (2024)

Continued on next page

Banking Industry's Performance in 2023 at a glance

Continued from previous page

portfolios; and efficient credit administration programmes. The foregoing is indicative of strong risk mitigation measures for capital and loan formation; and indicative of financial stability of the banking industry.

The average return on equity (ROE) (after tax) ratio for 2023 (34.2%) was significantly in excess of the negative ratio for 2022 (-34.4%); and indicative of how banks in the industry navigated the challenges experienced in 2022 to efficiently; and effectively derive profits from the investments of shareholders in 2023.

Similarly, the industry's return on assets (ROA) (before tax) witnessed monumental increase during the comparative review; the ratio in 2023 (5.4%) remained very impressive comparative to the negative ratio recorded in 2022 (-3.8%).

The higher return on assets ratio in 2023 (5.4%) attests to the productiveness and efficiency of banks in managing their respective balance sheets to ensure consistent and effective profit generation.

Core liquidity ratios of the industry during the period under review remained strong. This affirmed the availability of high-quality liquid assets to fund short-term cash outflows.

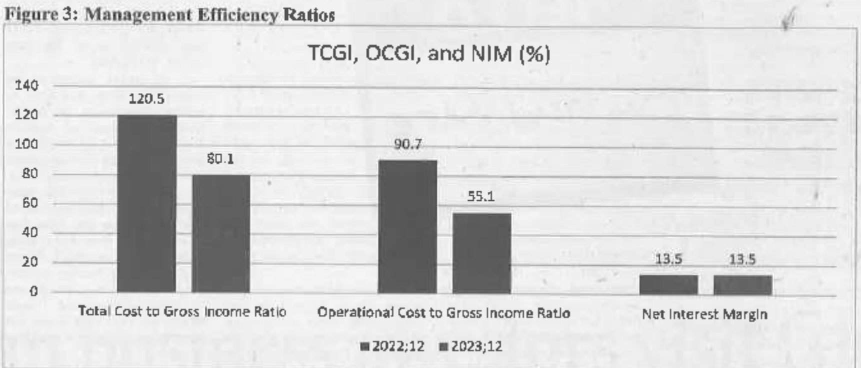
The relatively high liquidity ratio in 2023 comparative to 2022 buttressed banks' preparedness for potential market-wide shocks to avert any short-term liquidity disruptions that may wave the market.

Indicators of the industry's profitability such as return on assets, return on equity and net interest margin, amongst others, showed significant improvement and high level of operational efficiency during

Management Efficiency – 2022 & 2023

Total Cost to Gross Income Ratio (TCGI)
Operational Cost to Gross Income Ratio (OCGI)
Net Interest Margin (NIM)

Figure 3: Management Efficiency Ratios

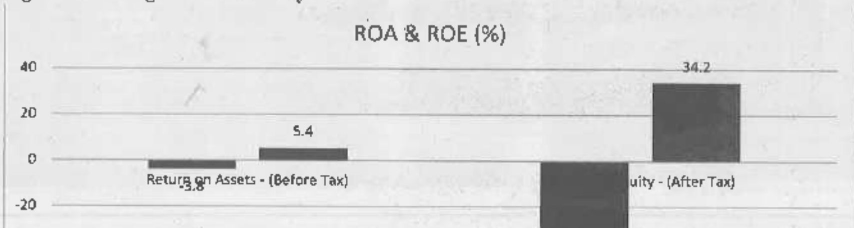


Source: Bank of Ghana's Summary of Macroeconomic and Financial Data (2024)

Earnings and Profitability – 2022 & 2023

Return on Assets – (Before Tax %)
Return on Equity – (After Tax %)

Figure 4: Earnings and Profitability Ratios



submission by the Bank of Ghana, it is imperative to state, primary considerations for the GH¢15 billion financial stability fund extend beyond universal banks to include rural and community banks; special deposit-taking institutions; collective investment schemes; broker-dealers; fund managers; and insurance companies. Disbursements, thus far, to institutions in the foregoing categories amount to GH¢2.5 billion.

It is refreshing to state, banks in the industry have taken proactive steps to strengthen their risk management practices and internal control mechanisms. These initiatives have strategically positioned the industry towards containment and mitigation of potential solvency challenges that may emanate from loan concentration.

Banks are not oblivious of their critical role in preserving stability of the country's financial system; and therefore, are consistently partnering the Bank of Ghana (BoG) and other key stakeholders to ensure sustained stability of the banking industry and financial sector.

The industry projects positive outlook; and banks remain committed to deepening financial inclusiveness and credit growth by increasing loans to businesses in the small- and medium-sized enterprises' (SMEs') category.

This financial support initiative which is nationally-focused would be concentrated in strategic sectors of the economy; and diligently advanced to minimise risk while increasing the rate of loan recovery; and restoring public confidence in the broader financial system in the immediate-, medium- and long-term.

Overall, the performance of banks and other related

TUESDAY OCTOBER 22, 2024 B&FT

Banking sector urged to adopt advanced measures against fraud

A News Desk Report

Financial institutions are being called upon to implement a range of sophisticated measures to combat increasingly complex fraud schemes.

The recommendations, outlined in the Ghana Association of Bankers (GAB) analysis of the Bank of Ghana's (BoG) 2023 fraud report, include adoption of advanced data analytics; implementation of zero-trust security frameworks; and the use of blockchain technology for enhanced transaction transparency.

These proposals come in response to a challenging year for the country's banking sector, which saw a paradoxical decrease in fraud attempts but an increase in financial losses.

The analysis emphasises need for a multi-faceted approach to fraud prevention, combining technological solutions with improved human resource practices and customer education.

Chief among these is the use of advanced data analytics for fraud detection.

"Banks should invest in artificial intelligence and machine learning tools to proactively detect and prevent fraud. These tools can identify patterns in transactions that indicate fraudulent activity even before it occurs," the bankers' association stated.

Notably, the recommendations extend beyond purely technical solutions. The analysis suggests enhanced staff-vetting and ethical training, as well as improvements in employee welfare. This human-centric approach acknowledges the potential impact of economic hardship on fraudulent behaviour, with the analysis noting: "Given the challenging economic environment and sharp rise in the cost of living over the past two years, financial hardship can significantly influence employee-behaviour and ethical standards".

The recommendations come against a backdrop of alarming fraud statistics. The report reveals a total of 15,865 fraud cases across the sector in 2023, marking a 4.6 percent increase from the previous year. Despite this modest rise in incidents, the financial impact has been substantial - with losses amounting to approximately GH¢88million.

Perhaps most striking is the shift in distribution of fraud cases. Payment Service Providers (PSPs), which include mobile money and other digital payment platforms, accounted for an overwhelming 92.37 percent of all reported incidents.

This figure, analysts say, underscores the growing vulnerability of digital financial services; a sector that has seen rapid expansion in recent years.

The banking sector, while reporting fewer incidents, faced its own set of challenges. Despite a 59 percent drop in attempted fraud cases, banks and Specialised Deposit Taking Institutions (SDIs) saw a 29 percent increase in total loss value - reaching GH¢72million in 2023. This discrepancy points to a troubling increase in the effectiveness of fraudulent activities.

Cash theft, particularly through suppression, emerged as a significant concern. "Cash Theft (Cash Suppression) accounted for the largest losses, totalling GH¢14.8million - a staggering 14-fold jump from the GH¢1million recorded in 2022," BoG noted.

The rise of new fraud typologies is another key finding. ATM/POS/Card fraud saw a significant surge, with 218 cases reported in 2023 compared to just 9 in the previous year. Additionally, the emergence of SIM-swap fraud as a new threat signals the need for enhanced security measures in mobile banking services.

Perhaps most concerning is the increased involvement of bank staff in fraudulent activities. The report notes a 46 percent surge in fraud cases involving employees in banks and SDIs, rising from 188 in 2022 to 274 in 2023. This trend raises serious questions about internal controls and the integrity of financial institution employees.

In response to these challenges, the BoG has issued a series of directives aimed at strengthening the sector's resilience against fraud. For banks and SDIs these include strengthening security protocols for account access and transactions, and intensifying fraud sensitisation for customers. PSPs are mandated to comply with the Payment Systems and Services Act 2019, particularly regarding SIM-swaps, and to implement robust financial fraud programmes.

BANKING

GAB launches YouStart Commercial Model to empower young entrepreneurs

See page 2

to catalyse inclusive growth

– *Finance Minister to World Bank*

See page 2

Security,

GAB launches YouStart Commercial Model to empower young entrepreneurs

The Ghana Association of Banks, in collaboration with the Ministry of Finance, has launched the YouStart Commercial Model, a groundbreaking initiative aimed at addressing youth unemployment and promoting entrepreneurship in Ghana.

In a statement, John Awuah, Chief Executive Officer of the Ghana Association of Banks said this innovative programme is designed to provide financial and technical support to young entrepreneurs, enabling them to grow, and sustain their businesses, thereby contributing to job creation and economic development in Ghana.

"The programme offers a comprehensive package of support that includes, low-interest loans, capacity building, and ongoing business support services," he said.

The YouStart Commercial Model is a key part of a strategy to empower young Ghanaians, particularly those aged 18 to 40, by enhancing their access to finance, training, and market opportunities.

Several leading financial institutions are participating in the pilot phase of the YouStart Commercial Model, including ABSA Bank Ghana, Consolidated Bank Ghana, Ecobank Ghana, First Bank Ghana, and GCB Bank. These banks will collaborate with the government to provide the necessary financial resources, expertise, and networks to help young entrepreneurs scale their operations.

Following the pilot phase, other financial institutions are expected to join the initiative. Through these partnerships, the YouStart Commercial Model aims to close the financing gap faced by small businesses, enabling them to scale and contribute significantly to Ghana's economic growth.

Key Features of the YouStart Commercial Model includes access to finance, where entrepreneurs will receive financial assistance tailored to their business needs through low-interest loans.

In term of capacity building, the programme offers extensive training and mentorship, equipping participants with the skills needed to manage and expand their businesses effectively.

The programme offers market access by providing connections to local and international markets will be facilitated, giving entrepreneurs the opportunity to expand their business reach. The programme also offers business support services, which would be an ongoing support, including legal, regulatory, and technical assistance, and will be provided to help entrepreneurs navigate challenges and sustain growth.

Application details

The first batch of applications for the YouStart loan opens on October 22, 2024, and closes on November 21, 2024. Interested entrepreneurs can apply through the official website at youstart.com.gh or contact participating financial institutions for more information.

BANKING

GAB President urges stakeholders to collaborate to tackle advance payment issues

See page 2

GAB President urges stakeholders to collaborate to tackle advance payment issues

The President of the Ghana Association of Bankers (GAB), Mr. John Kofi Adomakoh, who is also the Managing Director of GCB Bank PLC, recently addressed attendees at the GAB Stakeholder Engagement Event on Advance Payment held at the Ecobank Head Office recently, urging them to collaborate in order to find solutions to the challenges related to advance payment.

The session which was spearheaded by GCB Bank, brought together key stakeholders from the banking sector, representatives of trade associations, government officials, and business leaders. The primary goal of the meeting was to foster dialogue and develop practical solutions to streamline the documentation process and enhance the efficiency of foreign exchange (FX) transactions.

In his opening remarks, Mr. Adomakoh emphasised the importance of addressing the challenges related to the provision of requisite documentation for trade-related FX transactions, particularly advanced payments.

"We must recognise the interconnectedness between regulatory compliance and trade facilitation. While regulatory enforcement is essential to maintaining the integrity of our financial system, we must also seek solutions that do not unduly burden businesses or hinder international trade activities but explore innovative approaches and practical solutions that simplify FX documentation processes, enhance compliance, and facilitate trade. By working together, I am confident we can identify actionable recommendations that benefit our industry and the broader economy", he said.

"One of the key challenges highlighted during the session was the high exchange rates and bank charges that local businesses face during transactions. These high costs make it more expensive for local businesses to engage in international trade, placing them at a competitive disadvantage compared to businesses in countries with lower transaction costs.

Mr. Adomakoh also underscored the importance of collaboration between banks, regulatory authorities, and businesses. "To address the issues affecting our ability to effect trade seamlessly for a good section of our customer base, we must collaborate to ensure a convenient and user-friendly trade facilitation environment with enhanced compliance rules and streamlined processes to support trade-related transactions," he stated.

Two panel discussions that offered thorough insights into these issues and proffered solutions were included in the programme. One panel discussed the issues from the standpoint of the regulations, while the other focused on the practitioners. Perspectives were exchanged by specialists in compliance and documentation management, as well as best practices which were also shared by the panelists. Updates on steps taken to expedite the documentation process and changes to regulations were provided by representatives of the Bank of Ghana.

At the tail-end of the session, a joint task force comprising representatives from the Ghana Association of Bankers, GCB Bank, the Bank of Ghana, trade associations, and other pertinent stakeholders was formed to deliver on the agreed actions. This team was tasked with developing and implementing strategies to address documentation challenges and improve the overall efficiency of trade-related FX transactions.

The successful resolution of these documentation challenges will significantly contribute to Ghana's economic growth and development, reinforcing the nation's position as a hub for commerce and investment in West Africa. Under Mr. Adomakoh's leadership, the Ghana Association of Bankers is committed to fostering a robust and efficient banking industry that meets the needs of its clients and the broader economy.

GAB GHANA ASSOCIATION OF BANKS

Ghana Association of Banks launches YouStart Commercial Model to Empower Young Entrepreneurs

The Ghana Association of Banks in partnership with the Ministry of Finance has officially launched the YouStart Commercial Model, a groundbreaking initiative aimed at tackling youth unemployment and promoting entrepreneurship among the nation's youth. This innovative program is designed to provide financial and technical support to young entrepreneurs, enabling them to , grow, and sustain their businesses, thereby contributing to job creation and economic development in Ghana.

The Commercial Model of the YouStart is a key component of abroader strategy to empower young Ghanaians, particularly those between the ages of 18 and 40, by facilitating their access to finance, training, and market opportunities. The program offers a comprehensive package of support that includes, low-interest loans, capacity building, and ongoing business support services.

Participating Financial Institutions

The success of the YouStart Commercial Model is underpinned by a robust partnership with several leading financial institutions in Ghana, on pilot basis. These institutions, which play a critical role in the program's implementation, include:

- **ABSA Bank Ghana**
- **Consolidated Bank Ghana**
- **Ecobank Ghana**
- **First Bank Ghana**
- **GCB Bank**

These institutions will collaborate with the government to provide the necessary financial resources, expertise, training and networks to young entrepreneurs to scale their operations. Upon expiry of the pilot programme, other Financial Institutions may join the next phase. Through this collaboration, the program seeks to address the financing gap faced by small businesses, enabling them to scale and contribute to the national economy.

Key Features of the YouStart Commercial Model

- **Access to Finance:** Entrepreneurs will receive financial support tailored to their business needs through low-interest loans.
- **Capacity Building:** Participants will benefit from extensive training and mentorship programs designed to equip them with the skills needed to successfully manage and grow their businesses.
- **Market Access:** The program will facilitate connections to local and international markets, providing entrepreneurs with opportunities to expand their business reach.
- **Business Support Services:** Ongoing assistance, including legal, regulatory, and technical support, will be available to help businesses navigate challenges and sustain growth.

How to Apply for the YouStart Loan
Visit **https://youstart.com.gh**

First batch of application opens October 22 and closes November 21, 2014.

For more information contact the Participating Financial Institutions

Signed.

John Awuah
Chief Executive Officer

Media contact
No. 12. Tafawa Balewa Ave. North Ridge, Accra
Tel.: 0302670629/0302667138/info@gab.com.gh

About the Ghana Association of Banks

The Ghana Association of Banks is the country's leading mouthpiece for the universal banking sector, currently representing the interests of 23 member banks, the Development Bank Ghana and the ARB Apex Bank. The Association was established on 29th May 1980. GAB supports and promotes policies and initiatives that balance both the interest of banks, and the wider public. In consonance with similar global bodies, GAB's work is underpinned by three core priorities: Helping customers - both households and businesses; Promoting growth, including supporting Ghana as the financial gateway to West Africa; Carrying out research, analysis and dissemination of information on issues affecting the banking industry's performance and growth.

GAB'S FINANCIAL STATEMENTS

GHANA ASSOCIATION OF BANKS LBG

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	NOTE	2024 GH¢	2023 GH¢
NON-CURRENT ASSETS			
Property, plant & equipment	5	890,770	523,984
Investment in Subsidiary	6	10,500,000	10,500,000
Total non-current assets		11,390,770	11,023,984
CURRENT ASSETS			
Receivables & prepayments	7	1,447,264	1,195,419
Short-term investment	8	5,762,772	3,311,741
Cash and bank balances	9	2,285,701	3,025,924
Total current assets		9,495,737	7,533,084
TOTAL ASSETS		20,886,506	18,557,068
FUNDS & LIABILITIES			
FUNDS			
Accumulated fund		19,248,056	14,650,865
Total funds		19,248,056	14,650,865
NON-CURRENT LIABILITIES			
Term Loan	10	-	2,400,000
Total non-current liabilities		-	2,400,000
CURRENT LIABILITIES			
Account payables & accruals	11	1,638,450	1,506,203
Total current liabilities		1,638,450	1,506,203
TOTAL FUND & LIABILITIES		20,886,506	18,557,068

………………………………………] **PRESIDENT**

………………………………………] **CHIEF EXECUTIVE OFFICER**

ACCRA

……………………………….**2025**

GHANA ASSOCIATION OF BANKS LBG

STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2024

	NOTE	2024 GH¢	2023 GH¢
INCOME			
Subscription	12	12,297,055	7,899,585
Investment income	13	1,799,111	846,691
Other income	14	354,253	1,929,806
Total income		14,450,419	10,676,082
EXPENDITURE			
Staff cost	15	4,379,524	4,153,077
Occupancy cost	16	1,500,363	1,051,998
Depreciation		327,255	206,934
General and administrative expenses	17	3,066,306	2,601,165
Finance cost	18	579,780	175,000
Total expenditure		9,853,228	8,188,174
Excess of Income over Expenditure		4,597,191	2,487,908

ACCUMULATED FUND
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 GH¢	2023 GH¢
Balance as at 1 January	14,650,865	12,162,957
Excess of income over expenditure	4,597,191	2,487,908
Balance as at 31 December	19,248,056	14,650,865

GHANA ASSOCIATION OF BANKS LBG

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	NOTE	2024 GH¢	2023 GH¢
Cash flows from operating activities			
Excess of income over expenditure		4,597,191	2,487,908
Adjustments for:			
Depreciation	5	327,255	206,934
Operating cash flow before changes in operating assets and liabilities		4,924,446	2,694,842
Changes in receivables and prepayments	7	(251,845)	(172,289)
Changes in payables and accruals	11	132,247	476,027
Net cash generated from operating activities		4,804,848	2,998,579
Cash flows from investing activities			
Purchase of Property, Plant and Equipment	5	(694,040)	(118,055)
Investment in subsidiary		-	-
Net cash used in investing activities		(694,040)	(118,055)
Cash flows from financing activities			
Long term loan	10	(2,400,000)	(2,600,000)
Net cash(used)/generated from financing activities		(2,400,000)	(2,600,000)
Net change in cash & cash equivalent		1,710,808	280,524
Cash and cash equivalents at the beginning of the year		6,337,665	6,057,141
Cash and cash equivalents at the end of the year		8,048,472	6,337,665
Analysis of cash and cash equivalents as shown in the statement of financial position			
Cash	9	5,339	5,115
Bank	9	2,280,362	3,020,809
Short-term investments	8	5,762,772	3,311,741
		8,048,472	6,337,665

GHIC

GAB Health Insurance Company

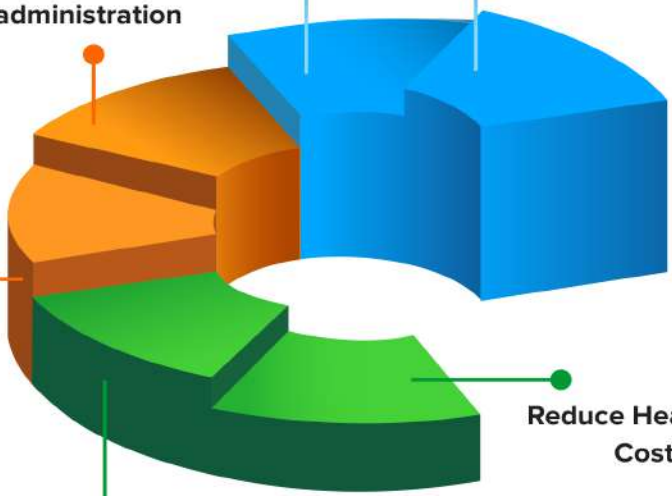
Owned by Ghana Association of Banks (GAB)

"Bending the Cost Curve"

Provide complete flexibility in health plan design

Protect your business and employees

Deliver exceptional claims administration



Reduce Healthcare Costs

Get insights into your health data with highly secured analytics

Eliminate costly procedures

CLIENT'S REWARD

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GAB

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