



BANK OF GHANA

NOTICE TO BANKS, SPECIALIZED DEPOSIT-TAKING INSTITUTIONS (SDIs) AND THE GENERAL PUBLIC

NOTICE NO. BG/GOV/SEC/2019/12

PAYMENT OF FACILITATION/BUSINESS DEVELOPMENT FEES TO MOBILISE DEPOSITS

The Bank of Ghana observed, during the banking industry clean up exercise, a practice whereby facilitation/business development fees or some other payments are made to agents who assist in the mobilization of Wholesale Deposits, particularly from the public sector. The practice had the tendency to increase the "Cost of Funds" of institutions, which invariably was passed onto customers through high lending rates.

Banks and SDIs are, therefore, hereby directed to desist from the payment of facilitation/business development fees or any other fees to attract deposits henceforth. It should be noted that any institution which fails to comply with this Notice shall be severely sanctioned.

The Bank of Ghana wishes to draw the attention of Banks and SDIs to Section 16 (1) (f) of the Banks and Specialized Deposit-Taking Act, 2016 (Act 930) which gives the Bank of Ghana authority to revoke the licence of any institution which in the judgement of the Bank of Ghana, is deemed to be engaged in unsafe or unsound banking practices.

All Banks, SDIs and the general public are to take note of the above and be guided accordingly.

**(Sgd.)
FRANCES VAN-HEIN SACKY (MRS.)
THE SECRETARY**

DATE: 14TH AUGUST, 2019