



PRESS RELEASE

BANK OF GHANA SANDBOX PILOT

The Bank of Ghana on Thursday, February 25, 2021 launched a regulatory and innovation sandbox pilot in collaboration with EMTECH Service LLC. This is in line with its commitment to evolve an enabling and inclusive regulatory environment that promotes FinTechs and supports innovation.

Within the financial sector, a regulatory and innovation sandbox is a supportive and controlled policy environment that enables firms to test innovative products, services and business models under the supervision of a regulator. Effectively, the regulatory and innovation sandbox will provide a forum for financial sector innovators to interact with the sector regulator to test digital financial service innovations while evolving enabling regulatory environment. In this regard, the Bank and the innovator are able to assess the usefulness, viability and safety of innovations through shared understanding of their respective interests.

The sandbox will be available to banks, specialised deposit-taking institutions and payment service providers including dedicated electronic money issuers as well as unregulated entities and persons that have innovations that meet the sandbox requirements. Innovations eligible for the sandbox environment will have to satisfy any of the following broad categories:

- New digital business models not currently covered explicitly or implicitly under any regulation;
- New and immature digital financial service technology; and
- Innovative digital financial services products that have the potential of addressing a persistent financial inclusion challenge.



Within the broad categories outlined, the Bank of Ghana would give preference to products and services leveraging blockchain technology, remittance products, crowdfunding products and services, e-KYC (electronic know your customer) platforms, RegTech (regulatory technology), SupTech (supervisory technology), digital banking, products and services targeting women financial inclusion and innovative merchant payment solutions for micro, small and medium size enterprises (MSMEs).

Notably, the sandbox is of strategic importance in driving financial inclusion through innovative digital financial services as it presents the following opportunities:

- Reduce time-to-market;
- Allow regulators to learn about innovations faster;
- Encourage innovators to formalize their business and incentivise incumbents to experiment with new ideas;
- Reduce the cost of innovation for innovators; and
- Provide valuable insight for regulators to evolve effective regulations.

The Bank of Ghana through this project, would like to reaffirm its commitment to addressing the financial inclusion needs of the unbanked and underserved persons and businesses.

For further enquiry, please contact the following:

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