



BUSINESS SANS BORDERS STAKEHOLDER ENGAGEMENT

OPENING ADDRESS

BY

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**First and Second Deputy Governors of the Bank of Ghana,
The Representative of the Office of the Vice President, Professor
Appia-Adu,
Representatives of the Ministry of Finance,
Chief Fintech Officer of the Monetary Authority of Singapore,
Chief Executive Officers and Representatives of Banks, SDIs and
Fintechs,
Captains of Industry,
Representatives of the Monetary Authority of Singapore,
Distinguished Guests, Ladies and Gentlemen.**

- 1.0** Good morning and a warm welcome to all participants, both in-person and virtual, to this Business Sans Borders (BSB) stakeholder engagement programme. As you are aware, the BSB project is an initiative between the Monetary Authority of Singapore (MAS), Bank of Ghana (BOG) and the Ministry of Finance, which seeks to develop a network of digital platforms to serve as a global public infrastructure to facilitate cross-border trade.
- 2.0** Ladies and Gentlemen, the BSB project was initiated in 2019, under the direction of H.E. Dr. Alhaji Mahamudu Bawumia and H.E. Tharman Shanmugaratnam of Singapore. The objective was to collaborate and leverage the capabilities of digital technology to expand the frontiers of businesses, especially Small and Medium-sized Enterprises (SMEs)



in Ghana and Singapore. Since then, the Bank of Ghana has signed a Memorandum of Understanding with the Monetary Authority of Singapore to collaborate on projects of mutual interest in furtherance of the BSB project objectives.

- 3.0** Broadly, this project is aligned with the government's national digitization agenda, as well as the Bank of Ghana's cashlite and financial inclusion agenda, which has led to the implementation of widespread reforms in the payment and settlement systems. More recently, the reforms in the financial services industry in collaboration with stakeholders has paved way for expansive delivery of digital financial services in the eco-system.
- 4.0** One of the objectives of the payment systems reforms is to achieve a financially inclusive and economically empowered society. Delivering an economically empowered society hinges on strong SMEs, since account for close to 90 percent of businesses. Therefore, facilitating SMEs participation in the digital economy will enhance efficiency, extending market reach, and build their capacity to generate employment opportunities and boost economic growth. In addition, the broad-based acceptance of digital payments by SMEs will scale up products and services deployment, and provide digital footprints for improved credit services by financial service providers.



- 5.0** These clearly align with the BSB initiative which seeks to establish a digital-hub and connector of platforms of businesses in Asia and beyond to Ghanaian SMEs and financial institutions. With the full implementation of the BSB initiative, Ghanaian SMEs will be able to access diversified trade opportunities as well as critical, quality ecosystem facilities such as finance, accounting, and business referrals with Singapore. The BSB project also includes a global innovation hub to help FinTech companies develop additional innovative services and products. This component of the digital hub is very important for the Bank of Ghana.
- 6.0** Currently, the Bank of Ghana and the Monetary Authority of Singapore are creating a Financial Trust Corridor (FTC), which is a dedicated ecosystem for mutual recognition and closer relationships between businesses, including SMEs, and financial institutions on the platform. The Trust Corridor will comprise of a governance framework and digital infrastructure for banks and FinTech companies in both countries. Participants can then refer to and utilise key information available on the platform for credit assessment, whilst adhering to domestic and international regulations, including data protection and Anti-Money Laundering requirements. Participating SMEs will have the trust of financial institutions, leading to the much needed financial sector support for SMEs growth.



- 7.0** Ladies and Gentlemen, the importance of this project to partner countries cannot be underestimated. While the barriers to doing business across national boundaries may be high for SMEs, digital technology has proven a leveller. It is for this reason that the partner countries have committed to harness the potential of digital technology to overcome hurdles to international trade and improve global competitiveness of businesses. With massive investment in financial sector infrastructure, a reliable and widespread telecommunication infrastructure, a biometric national ID of high coverage, a robust and resilient banking sector, and a vibrant Fintech ecosystem, the stage is set to facilitate Ghanaian SMEs effective participation in the global economy, via these initiatives.
- 8.0** In 2020, the Bank of Ghana took another bold step to address SMEs' access to digital merchant wallets with the creation of three (3) tier merchant account categories. This enabling piece of policy has flexible and proportionate on-boarding requirements that recognize the peculiarities of businesses within the SME category. With this supportive policy regime, Banks, SDIs and Fintechs have been given a unique opportunity to on-board various types of SMEs for financial services.
- 9.0** As the host country of the African Continental Free Trade Area (AfCFTA), Ghana is also expected to play a leadership role in improving the international trade fortunes of the Continent. Therefore, the BSB



project provides another important platform towards this regional aspiration as the lessons to be learnt can be valuable to AfCFTA's project on internationalization of SMEs. This is a shared responsibility of Ghana Government and all private sector actors, and participants at this forum have been carefully chosen to reflect this reality.

10.0 Ladies and Gentlemen, the prospects of the BSB project cannot be gainsaid. Its potential contribution to formalising the Ghanaian economy and unleashing the prospects of SMEs are enormous. To conclude, let me state that the future is digitisation and fostering SMEs participation in the digital economy is an important component of our national development programme. This calls for our collective effort as stakeholders and market players, of which the BSB project will be an enabler. I am of the firm conviction that this forum would create the right atmosphere for a healthy exchange of ideas towards successful project that would strengthen SMEs to make impactful contribution to Ghana's economy. Thank you and I wish you successful deliberations.