



**LAUNCH OF AFFIRMATIVE FINANCE ACTION FOR WOMEN IN  
AFRICA (AFAWA) FINANCE SERIES**

**KEYNOTE ADDRESS**

**BY**

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**KEMPINSKI HOTEL, GOLD COAST CITY, ACCRA**

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**Representative of the Honourable Minister for Finance**

**Representative of the Honourable Minister for Gender, Children, and Social Protection**

**Ms. Eyerusalem Fasika, Country Manager for Ghana, African Development Bank**

**Ms. Esther Dassanou and other officials of the AfDB Group**

**Mr. Jules Ngankam, Group Chief Executive Officer, African Guarantee Fund**

**Chief Executive Officers and other officials of banks and other financial institutions**

**Mr. John Awuah, Chief Executive Officer of the Ghana Association of Banks**

**Invited Guests**

**Distinguished Ladies and Gentlemen**

1. Good morning. On behalf of Governor Ernest Addison, it is a great pleasure to join you today to launch the *Affirmative Finance Action for Women in Africa (AFAWA) Finance Series*, a three-day event aimed at introducing to stakeholders in Ghana key interventions to promote gender inclusive finance in Africa. I congratulate the African Development Bank Group (AfDB), the African Guarantee Fund, and the Ghana Association of Banks for their successful collaboration leading to today's launch event.
2. This occasion provides a unique platform to discuss pertinent issues regarding access to finance for women entrepreneurs in Africa, a key socio-economic challenge in these times. I applaud the efforts of the AfDB to promote more access to finance for women-owned businesses through a number of interventions including the AFAWA initiative that seeks to close the US\$42 billion access to finance gap for women-empowered businesses in Africa over the next five to six years by working with partner financial institutions and through innovative financing instruments to provide capacity building and policy dialogue to support appropriate legal and regulatory reforms.
3. I note also that the AfDB's Risk-Sharing Agreement with the African Guarantee Fund since 2021 seeks to unlock some US\$2 billion in financing for women-owned and women-targeted small and medium-sized enterprises (SMEs) in Africa, which facility is in turn supported by a US\$25 million technical assistance grant to enhance the capacity of financial institutions in Africa to better address the needs of women-owned and women-targeted SMEs.



4. Ladies and Gentlemen, a lot has taken place since 2020, and the global economy continues to reel under the lingering effects of the pandemic and the war in Ukraine. Global growth has remained moderated, having come under additional shocks including, elevated geopolitical tensions with spill overs on the commodities markets, and consequential inflationary pressures. Inflation has spiked above targets in advanced economies as well as in emerging and developing economies, resulting in monetary policy tightening by central banks. In turn, global financing conditions have significantly tightened especially for emerging markets and developing economies, amid portfolio reversals on the back of rising interest rates and a strong US dollar.
5. In Africa, such adverse shocks have constrained access to finance, not only for governments, but also for firms particularly SMEs majority of which tend to be owned by women. Access to finance for all economic actors remains a key policy challenge in Africa, including women and the youth, and policy makers continue to explore new interventions to address existing gaps.
6. Indeed, the World Bank estimates that between 2011 and 2021, about 250 million individuals in Sub-Saharan Africa gained access to formal financial services through mobile money and other financial technology (Fintech) innovations facilitated by the widespread use of mobile devices. Against this background, eleven countries in Sub-Saharan Africa are noted to now have a greater share of adults with mobile money accounts, rather than a bank or other financial institution account. The spread of mobile money has undeniably created opportunities to better serve the vulnerable and financially excluded segments of society, including women-owned businesses.
7. Notwithstanding the progress made in promoting inclusive finance in Sub-Saharan Africa, the gender gap in access to finance remains entrenched. The World Bank's Global Findex Report 2021 revealed that 61 percent of the adult male population has access to finance, compared with 49 percent of female in Sub-Saharan Africa. Although for the first time in the developing world since 2011, the gender gap in access to finance reduced from 9 percent to 6 percent in 2021, some 745 million women are still left without access to financial services in the developing world.
8. In Sub-Saharan Africa, the gender gap in access to finance, according to the World Bank Findex report of 2021, is at 12 percent, higher than the average of 6 percent for



the developing world. In Ghana, the gap as of 2021 had widened to 11 percent, compared with 9 percent that had persisted since 2017, although the percentage of women accessing finance had increased from 27 percent in 2011 to 63 percent in 2021.

9. Despite the critical role of women in economic development, access to finance has been a major constraint for women-owned businesses. With an estimated US\$42 billion financing shortfall for African women-owned businesses as estimated by the AfDB across all value chains, women entrepreneurs encounter various obstacles when accessing finance. This translates into constrained overall economic growth and resilience, and lost opportunities for all.
10. Indeed, it is well-established by existing literature that improving women access to finance positively impacts consumption levels, increases economic growth and socio-economic development, promotes financial stability, and improves overall resilience of economies. Broadly speaking, promoting gender inclusive finance serves as a catalyst for rapid, sustainable, and resilient economic growth and socio-economic development.
11. The market for finance for women empowered businesses in Africa therefore remains untapped, and holds significant promise for financial institutions and Governments need to tap into. Ghana's efforts in this regard have been noteworthy, although much remains to be done. The Government of Ghana's National Financial Inclusion and Development Strategy (2017-2022) set out to increase access to finance for women as part of a comprehensive strategy to increase financial inclusion to underpin inclusive macroeconomic growth and development. Other Government interventions such as credit lines to SMEs through the Ghana Enterprises Agency, the Ghana Women Fund, and others continue to provide a lifeline to women empowered businesses.
12. On the part of the Bank of Ghana, in addition to providing the enabling regulatory environment to promote financial stability, we are fully committed to promoting inclusive finance and gender inclusive finance particularly. As a member of the Alliance for Financial Inclusion, the Bank of Ghana has made commitments under the Denarau Action Plan on Gender Inclusive Finance, to advance gender inclusive finance with emphasis on promoting women's access, usage and quality of financial services and products.



13. In November 2019, the Bank of Ghana launched Ghana's Sustainable Banking Principles – a set of seven ESG-related principles, which enjoins banks to among other things promote financial inclusion and gender equity in their internal operations and in relation to their delivery of products and services to clients. Banks are currently reporting to the Bank of Ghana on a quarterly basis, in compliance with these principles, and we expect to see higher levels of compliance. We believe that the AFAWA initiative will be critical in supporting the banks with the necessary capacity building and sources of funding to support their efforts at improving more gender inclusive finance.
14. The Bank of Ghana has also recently implemented a new online reporting and analytics supervisory tool by which our regulated financial institutions submit their prudential returns to us on a monthly basis on a sex-disaggregated basis. As a result, financial institutions report not only aggregate numbers in terms of financial products and services, but also the gender dynamics of their customer base and product and service offerings. This should help address current data constraints and provide critical data for evidence-based design of policy making, regulation, and supervisory measures as well as financial products and services.
15. We continue to strengthen critical credit market infrastructure such as our credit bureau-based credit reporting system and our Collateral Registry to help facilitate lending to MSMEs and women-owned businesses.
16. We also continue to ensure that our regulation of the payments space is supportive of innovation and inclusion by allowing fintechs and other payments system service providers to partner with banks and other licensed financial institutions to provide innovative financial services that are convenient, cost effective, and responsive to the unique needs of women entrepreneurs.
17. Ladies and Gentlemen, let me emphasize that the financial sector has an important role in advancing access to finance for women-owned businesses. We expect that financial services take up this challenge and see the business opportunities that remain untapped in the women market, in order to build a stronger and more resilient financial sector.



18. This partnership between AFAWA, the AGF, and the Ghana Association of Banks is therefore very timely and urgent, as part of efforts to help our economy recover from the current macroeconomic challenges, and make it more resilient going forward. The partnership also holds great potential to equip women-owned businesses to spearhead the development of the single Africa market under the African Continental Free Trade Agreement to help expand our economy and create more jobs for our youthful population.
19. I therefore call on all stakeholders to get on board to support this initiative, for our common good. The Bank of Ghana stands ready to continue to lend its support to ensure the realization of the objectives of this partnership.
20. Thank you again for having me here, and I wish us all fruitful deliberations.