



BANK OF GHANA

NOTICE TO BANKS, SPECIALISED DEPOSIT-TAKING INSTITUTIONS AND THE GENERAL PUBLIC

NOTICE NO. BG/GOV/SEC/2024/14

DISQUALIFICATION OF A SIGNIFICANT SHAREHOLDER, DIRECTOR AND KEY MANAGEMENT PERSONNEL

1. Poor Corporate Governance contributed significantly to excessive and imprudent risk-taking in the financial sector, which led to the failure of some Regulated Financial Institutions (RFIs) licensed by the Bank of Ghana (BOG), consequently necessitating the 2017-2019 banking sector clean-up. In order to sustain the gains made from the clean-up, the BOG issued the Corporate Governance Directive in 2018 as well as the Fit and Proper Persons Directive in 2019 to strengthen and embed sound corporate governance practices in RFIs and to entrench the gatekeeping role of the BOG in the financial sector.
2. To enhance governance disclosure practices by RFIs, the BOG further issued the Corporate Governance Disclosure Directive in 2022 to convey its regulatory expectations under Pillar III of the Basel Capital Accord, relating to regulatory and public disclosures.
3. Significant Shareholder, Directors and Key Management Personnel in their oversight and management functions shall at all times be of good repute and possess sufficient knowledge, skills and experience to perform their duties in line with the dictates of the Fit and Proper Persons Directive, 2019.
4. Among others, the Fit and Proper Standards considers whether a person has been a director of, or directly involved in the management of, any company or institution:
 - a. which had its licence revoked;
 - b. or is being or has been wound up by a court of competent jurisdiction or other authority competent to do so within or outside Ghana;
 - c. has gone into receivership, insolvency or involuntary liquidation.
5. In order to further promote the safety and soundness of RFIs, the BOG is by this Notice bringing to the attention of RFIs, their obligation under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) and the Fit and Proper Persons Directive, 2019 to ensure the continuous fitness and



propriety of Significant Shareholders, and Persons, serving as Directors and Key Management Personnel of RFIs.

6. The BOG reminds the public that persons who have been directly implicated in the 2017-2019 Financial Sector clean-up, and all previous directors of failed banks and SDIs since the enactment of Banks and Specialised Deposit-Taking Institution Act, 2016 (Act 930) do not qualify to hold key positions under the fit and proper persons criteria.
7. Banks and Specialised Deposit-taking Institutions (SDI) and the General Public are to note the above for their information.

(SGD)
SANDRA THOMPSON (MS)
THE SECRETARY

11TH JULY 2024

PUBLIC