



BANK OF GHANA

GUIDELINE ON NON-INTEREST BANKING IN GHANA: KEY QUESTIONS AND ANSWERS

DECEMBER 2025

On December 9, 2025, the Bank of Ghana issued the Guideline for the Regulation and Supervision of Non-Interest Banking (Exposure Draft) to solicit comments and inputs from the banking industry and the public, in line with its Procedures for Issuance of Directives, 2020. The Exposure Draft is made available on the Bank's website at www.bog.gov.gh for a period of not less than fourteen (14) days from the date of publication. All comments should be sent to the Bank on or before December 24, 2025. To further enhance review comments, here, we present answers to some key potential questions.

QUESTION 1

a. How did you come by the name Non-Interest Banking?

Answer: *This was due to a series of consultations and engagements with stakeholders, especially representatives of Christian and Muslim leadership. The entire guideline is influenced by the agreed principles during the engagements.*

b. What is the primary purpose of this Guideline issued by the Bank of Ghana?

Answer: *The Guideline provides the regulatory and supervisory framework for the introduction and operation of Non-Interest Banking (NIB) in Ghana. It aims to support economic growth, deepen financial inclusion, promote sustainable development, and create new jobs, aligning with the Bank's objectives of price stability, financial stability, and economic development.*

QUESTION 2

What is the legal definition of Non-Interest Banking (NIB) under this Guideline?

Answer: *NIB is defined as a form of banking business consistent with established Non-Interest Banking and Finance (NIBF) principles. It strictly avoids:*

- *Riba (interest)*
- *Gharar (excessive uncertainty or ambiguity)*
- *Maysir (gambling or speculative transactions resembling chance)*
- *Financing of prohibited activities.*

All transactions must be backed by permissible, real economic assets and activities.

QUESTION 3

Who must comply with this Guideline?

Answer: The Guideline applies to all Regulated Financial Institutions (RFIs) licensed to operate under the NIB model. This includes: Full-fledged non-interest banks, Rural and Community Banks (RCBs), Specialised Deposit-taking Institutions (SDIs), Microfinance Institutions (MFIs), FinTech and development finance institutions. Also, conventional banks and other institutions offering NIB products through a dedicated window or branch.

QUESTION 4

What are the main licensing requirements for establishing an NIB Institution (NIBI)?

Answer: Key requirements include:

- The applicant must be a body corporate incorporated under the Companies Act, 2019.
- Submission of a detailed application with documentation on promoters, shareholders, business plan, and financial projections.
- Meeting the minimum paid-up capital specified by the Bank of Ghana.
- For foreign ownership, at least 60% of the capital must be brought into Ghana in convertible currency and invested in non-interest compliant instruments.
- The proposed directors, key management, and significant shareholders must pass the "fit and proper" test.
- Establishment of a Non-Interest Banking Advisory Committee (NIBAC).

Approval of the institution's initial products by the Bank's Non-Interest Financial Advisory Council (NIFAC).

QUESTION 5

What are the permissible financing modes and contracts for NIBIs?

Answer: Upon approval, NIBIs can offer products based on contracts such as:

- Sale-based: Murabahah (cost-plus sale), Salam (forward sale), Istisna'a (manufacturing/construction contract).
- Lease-based: Ijarah (leasing).
- Partnership-based: Mudarabah (profit-sharing partnership) and Musharakah (joint venture partnership).
- Other contracts: Qard al-Hasan (benevolent loan), Wakala (agency), Kafala (guarantee), Rahn (mortgage).

QUESTION 6

How does a “window operation” differ from a full-fledged NIBI?

Answer: A window is a dedicated unit within a conventional financial institution that offers NIB products. Crucially, it must maintain strict operational and financial segregation from the conventional business:

- It must operate a separate Non-Interest Finance Fund (NIFF), which cannot be commingled with conventional funds.
- It must use a dedicated software system for all its transactions.
- All income and expenses related to the window must flow through the NIFF.
- Reallocating window funds to conventional operations is strictly prohibited without the Bank's prior written approval.

QUESTION 7

What are the key corporate governance requirements for NIBIs?

Answer: In addition to standard corporate governance directives, every licensed NIBI must establish a Non-Interest Banking Advisory Committee (NIBAC). The NIBAC:

- Must have at least 3 members with expertise in banking, finance, law, and NIBF principles.
- Must include at least one Ghanaian and one female member.
- Is responsible for advising the Board and management on compliance and product appropriateness.
- Its appointment is for a renewable 4-year term, with a maximum of three terms.

QUESTION 8

What is the role of the Bank of Ghana's Non-Interest Financial Advisory Council (NIFAC)?

Answer: The NIFAC is the Bank's own advisory council on NIBF matters. Its primary role is to advise the Bank of Ghana on the effective regulation and supervision of NIBIs in Ghana. It also reviews and approves products proposed by NIBIs and serves as an external recourse body for disputes unresolved by the NIBAC.

QUESTION 9

How are Profit-Sharing Investment Accounts (PSIAs) regulated?

Answer: PSIAs, where returns are based on profit-sharing and the risk of loss is borne by the investor, are subject to strict rules:

- **Clear Disclosures:** All risks, profit-sharing methodologies, and terms must be clearly disclosed to clients before account opening.

- **Written Notification of Risk:** Clients must sign a written notification acknowledging they bear the risk of financial loss, except in cases of the NIBI's negligence or misconduct.
- **Reserves:** NIBIs must establish a Profit Equalisation Reserve (PER) to smooth returns for investors and an Investment Risk Reserve (IRR) to absorb potential future losses on PSIA investments.
- **Reporting:** NIBIs must submit periodic returns to the Bank on PSIA operations and reserve balances.

QUESTION 10

What happens if an NIBI discovers its operations are not compliant with NIBF principles?

Answer: The institution must:

- Immediately notify the Bank's NIFAC.
- Immediately cease the non-compliant business/transactions.
- Within 30 days, submit a rectification plan to the NIFAC.
- Failure to comply can lead to penalties under the relevant Acts (Acts 930, 774, 1032).

QUESTION 11

What are the accounting and auditing standards for NIBIs?

Answer: A11: NIBIs must prepare financial statements in accordance with:

- International Financial Reporting Standards (IFRS) as adopted in Ghana.
- The Companies Act and relevant banking Acts.
- For matters not expressly covered by IFRS, standards from the Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI) apply.
- Auditors must have officers who understand the audit of NIBIs.

QUESTION 12

Are NIBIs allowed to charge fees and penalties?

Answer: Yes. NIBIs may charge fees or commissions for services. They may also levy late payment penalties. However, the NIBI cannot benefit from these penalties. Penalty income must be segregated into a separate account and disbursed in full to charitable causes integrated in the Corporate Social Responsibility (CSR) framework of the NIBIs.

QUESTION 13

How are disputes resolved?

Answer: *The primary path is internal:*

- *The NIBI's NIBAC acts as an internal adjudicatory body.*
- *If unsatisfied, the aggrieved party can petition the Bank's NIFAC.*
- *As a final recourse, parties can use the Alternative Dispute Resolution centre under Act 798 as amended.*

QUESTION 14

What is the policy on naming and marketing for NIBIs?

Answer: *The registered or licensed name of an NIBI must not have any religious connotation, symbol, or related expression. This rule must also be strictly followed in all marketing materials.*

QUESTION 15

Do NIBIs have specific prudential requirements like Capital Adequacy Ratios (CAR)?

Answer: *Yes. NIBIs must maintain a minimum Capital Adequacy Ratio (CAR) as prescribed by the Bank of Ghana and adhere to all prudential requirements on liquidity, large exposures, and risk management applicable to conventional banks, while ensuring all investments and activities comply with NIBF principles (e.g., no investment in interest-bearing securities).*

QUESTION 16

Is it only persons of a particular religious faith that can work or transact business with NIBIs in Ghana?

Answer: *No, NIB in Ghana as practice globally, is open to everyone, regardless of their religion. The services are available to any individual or business, who is interested in this banking model.*

QUESTION 17

What is a key prudential restriction on NIBI liquidity management?

Answer: *NIBIs are prohibited from investing in interest-bearing securities or activities. Their reserves and liquid assets must be maintained in NIBF-compliant instruments.*

QUESTION 18

What is the stipulated path for a FinTech company wanting to offer an NIB-approved products and services?

Answer: *It must enter into a prior written agreement with a licensed NIBI approved by the Bank of Ghana. The NIBI assumes responsibility for product structuring, governance, and financial obligations, while the FinTech can act as a technology and distribution channel.*

QUESTION 19

a. Are NIBIs being set up by government?

Answer: *No. It is a commercial entity and investors, existing conventional financial institutions, entrepreneurs and promoters who meet the various requirements will be allowed to set up NIBIs.*

b. Can a client have account with both NIBIs and Conventional banks?

Answer: *Yes. Customers are free to choose to hold accounts with both banking models, but no conventional bank customer shall be forced to hold account with NIBIs, especially where a conventional bank opens NIB window. Conventional bank customers shall only open account with a window voluntarily.*

QUESTION 20

Does the industry have any strategy for capacity building?

Answer: *The Bank of Ghana has facilitated a number of training programmes for the industry and continue to guide continuous training.*

The Chartered Institute of Bankers(CIB) has launched a certification programme focusing on Non-Interest Banking and Finance to support the training needs of the industry.