



The Bank regularly receives questions from the media and other stakeholders on various issues related to its work. Here, we publish such questions and the Bank's responses, as part of efforts to deepen transparency.

### QUESTION 1

Following a report by the IMF's Monetary and Capital Markets Department prepared in collaboration with the Bank, there are growing calls from policy analysts for the establishment of a dedicated financial stability committee, with a mandate similar in standing to the Monetary Policy Committee, focusing specifically on systemic risks in the financial sector. Given Ghana's recent experience with financial sector stress, including the spillover effects of the Domestic Debt Exchange Programme (DDEP), do you believe the current institutional framework within the Bank is sufficient to monitor and mitigate systemic risks, or is there merit in creating a formal, standalone macroprudential decision-making body in addition to the Financial Stability Council?

**Response:** *One of the fundamental requirements for effective macroprudential supervision is a strong institutional set-up, anchored in a legal framework that sets out a body with a clearly defined mandate for macroprudential policy, the decision-making process, accountability and transparency mechanisms, and supervisory cooperation. Currently, macroprudential policy formulation and implementation are largely integrated into the monetary policy process, hence macroprudential policies aimed at reinforcing financial stability are set by the Monetary Policy Committee (MPC), which has the primary mandate of ensuring price stability. The IMF recommendation proposes the establishment of a dedicated body mandated to implement macroprudential policies aimed at strengthening financial stability. Just like the MPC, the proposed financial stability committee, an internal Committee of the Bank, will have its own mandate for contributing toward financial stability through the implementation of macroprudential policies anchored on an independent decision-making process, accountability mechanisms, and operational independence. This aligns well with post-Global Financial Crisis (GFC) reforms, and the Bank will implement it alongside other recommendations to enhance macroprudential policy in Ghana.*

*Given that Ghana implements a sectoral approach to financial sector regulation, the broader Financial Stability Advisory Council will continue to operate as an inter-agency committee for supervisory cooperation that can recommend policies, including prudential and conduct policies to members for consideration and implementation to strengthen overall stability in the financial sector.*

### QUESTION 2

Why did the Bank of Ghana Act supersede the International Accounting Standards (IAS) in reporting the Bank's 2025 Financial Statements? Previous statements have been released following International Accounting Standards, why the shift? If you had followed the IAS, what would the outcome of the 2025 Financial Statements look like?

**Response:** *International Financial Reporting Standards (IFRS) are accounting standards rather than statutory requirements. Accordingly, in situations where conflict arises between IFRS requirements and the provisions of an Act, the Act takes precedence, as it is legally binding. The Bank's Board adopted strict compliance with Section 7 of the Bank of Ghana Act, 2002 (Act 612), as amended.*

*It is important to emphasise that Ghana is not unique in departing from certain aspects of IFRS. Other central banks, including the European central bank, the Bank of Greece, the central bank of Nigeria, the Bank of Uganda, and the Bank of Tanzania, have similarly deviated from specific IFRS requirements where necessary to align with their respective legal and regulatory mandates.*

### QUESTION 3

There are growing concerns among policy analysts that the Bank of Ghana's increasing exposure to government-related liabilities and quasi-fiscal operations could blur the distinction between fiscal and monetary policy and potentially affect perceptions of the Bank's operational independence. Given the Bank's recent losses, ongoing liquidity management costs, and discussions around recapitalisation, how does the Bank intend to safeguard its institutional independence while supporting broader macroeconomic and fiscal stability objectives?

**Response:** *In 2025, amendments to the Bank of Ghana Act were passed by Parliament. The revisions to the Act have significantly strengthened the institutional independence of the Bank by imposing tighter legal limits on central bank financing, enhancing governance and accountability frameworks, and reinforcing the Bank's operational autonomy.*

### QUESTION 4

What volumes of the Bank of Ghana bills is the Bank doing currently, at what tenors and at what rates? How does this differ from 2025 and why the change?

**Response:** *The Bank currently conducts its liquidity management operations mainly through the 14-day BoG bill, issued twice weekly, and has reduced reliance on the longer-tenor 56-day and 273-day bills that were heavily used in 2025 to absorb persistent structural excess liquidity. The shift reflects improved liquidity conditions, changing government financing patterns, and stronger FX liquidity, while allowing for more flexible and responsive liquidity management.*

*OMO rates, which ranged between 18 and 28 per cent during the 2025 tightening cycle, have declined significantly following the cumulative 1,400 basis points reduction in the Monetary Policy Rate to 14 per cent. Lower rates are helping to reduce the Bank's sterilisation costs while maintaining effective liquidity management.*

**QUESTION 5**

What are your plans for the structuring, timing, and issuance of diaspora bonds as a means of mobilising foreign exchange?

**Response:** *Diaspora bonds form part of a broader National Remittance Strategy being developed by the Bank of Ghana and the Ministry of Finance to channel diaspora flows into long-term investments, including infrastructure, SMEs, and capital market development. The strategy also includes collective investment schemes and foreign currency-denominated products.*

*Currently, the initiative is at the design and stakeholder consultation stage, with a focus on establishing the appropriate legal framework and strong investor protections to ensure transparency and build investor confidence. The Bank's role is to create an enabling environment for the Ministry of Finance and other issuers to successfully mobilise diaspora financing for national development.*

**QUESTION 6**

One observes the phenomenon of the gig economy within the labour market as many are taking up flexible short-term jobs and contracts on a freelance basis. You find that happening in the media, nightlife, research, but now more pronounced in the Information and Communication Technology (ICT) industry. Does the Bank have data on the size and scope of the gig economy and its share and impact on the overall Ghanaian economy?

**Response:** *The Bank of Ghana does not produce a dedicated dataset on the gig economy; its size and impact are therefore not directly measured.*

*Gig activity is instead reflected across several sectors. In the informal economy, many workers, such as ride-hailing drivers, delivery personnel, and freelancers operate outside formal employment structures, contributing to overall informal sector output. Within services, gig work is embedded in areas such as ICT, transport, trade, and media, where digital platforms facilitate flexible, on-demand work opportunities*

*A key driver and indicator of this growth is mobile money and digital finance. Most gig workers receive payments through mobile money and other electronic channels, making the expansion of digital transactions a strong proxy for gig economy activity. This has significantly supported financial inclusion, increased transaction volumes, and deepened participation in the digital economy.*

*Overall, the gig economy is expanding employment opportunities, particularly for young and digitally-skilled workers, while stimulating growth in ICT and related services. However, it also raises issues around taxation, income stability, and worker protection.*

**QUESTION 7**

I would like to know whether the Bank subjects its operations to monthly and quarterly audits as part of its continuous performance review to give indications of some persistent inherent challenges, and cost patterns? And does the Bank institute remedial measures, if possible, to make your operations more cost-effective?

**Response:** The Internal Audit Department (IAD) of the Bank of Ghana continues to strengthen operational efficiency and conducts a number of risk-based audits every quarter, half-yearly, and annually, including ISO 27001:2022 audits across all Departments, Offices, and Branches. In addition, the Bank carries out operational audits in all nine agencies across Ghana. The IAD of the Bank also conducts special reviews of foreign exchange receipts and payments, and Petroleum Revenue Management Operations as defined by law. The IAD also reviews and assesses its work programme every half-year to determine and/or prioritise emerging risks and threats, and has been part of special assignments aimed at improving the operational efficiency of the Bank.

### QUESTION 8

How is the central bank positioning itself to sustain the current economic gains in order not to incur losses in 2026?

**Response:** The significant exchange rate volatility experienced between December 2024 and December 2025 is not expected to recur in 2026. A more stable exchange rate environment should mitigate adverse revaluation effects, thereby supporting greater stability in the Bank's financial performance.

The appreciation of the exchange rate from GH¢14.70 in December 2024 to GH¢10.45 in December 2025 has contributed significantly to a reduction in Government's public debt burden, estimated at approximately 45 per cent of GDP. This improvement in the debt position enhances fiscal space, enabling the Government to redirect resources toward priority areas of the economy.

Furthermore, the marked decline in inflation—from 23.8 per cent in December 2024 to 3.4 per cent in April 2026—indicates a substantial stabilisation of the macroeconomic environment. As a result, the Bank is unlikely to incur the same level of costs associated with liquidity sterilisation operations in 2026 as observed in 2025.

### QUESTION 9

Given the Bank of Ghana's current negative equity position, does the Bank still retain sufficient capacity and credibility to further tighten monetary policy if economic conditions require it?

**Response:** As a central bank, our policy decisions are guided by inflation outcomes, consistent with our primary mandate of ensuring price stability. In conducting monetary policy, the Monetary Policy Committee (MPC) undertakes a comprehensive evaluation of domestic and global macroeconomic conditions, as well as risks to inflation and growth. The Bank of Ghana's negative equity position will not hinder its ability to implement decisions made by the MPC.

### QUESTION 10

To what extent could the losses associated with the Bank's gold purchase programme affect its ability to sustain or implement further monetary policy tightening measures?

**Response:** *The main purpose of the gold purchase programme is to strengthen our reserves and serve as a buffer against external shocks. Losses associated with the gold purchase programme do not directly affect how we implement our monetary policy measures. Rather, the policy decision is guided by key economic indicators and developments in the economy.*

*In addition, the Bank, together with GoldBod and the Ministry of Finance under the Ghana Accelerated National Reserve Accumulation Policy (GANRAP), has introduced measures to significantly reduce losses linked to the programme. As a result, the Bank remains well positioned to conduct monetary policy effectively in line with evolving economic conditions.*

#### QUESTION 11

What specific safeguards or policy measures has the Bank of Ghana put in place to ensure that its financial losses do not undermine macroeconomic stability, inflation management, or confidence in the financial system?

**Response:** *The Bank of Ghana will continue to implement its monetary policy framework to ensure that the economy is stable, inflation is kept within the medium-term target band, and inflation expectations are broadly anchored. In doing so, the Bank will continue to deploy all its policy instruments, including Open market Operations (OMO), in support of the monetary policy decisions of the MPC, an independent policy-making body.*

*The financial losses are as a result of the huge haircut on BoG investments in GoG bonds, significant mopping to achieve low inflation, currency stability, and improved reserves. Notwithstanding the financial loss in 2025, the Bank of Ghana remains policy solvent, meaning we will continue to deliver on our mandate of price and financial stability.*

*As you are aware, there are plans for the Government to recapitalise the Bank over the coming years. The financial losses of the central bank are not related to the financial soundness of the banking sector, as the central bank maintains sound supervisory oversight.*

*While the Bank has recorded losses due to the pursuit of a favourable macroeconomic environment, the banking industry remained stable and resilient. In 2025, the banking sector recorded strong growth in assets, underpinned by robust deposit growth, reflecting improved confidence in the sector. As of today, almost all banks that were hard hit by the DDEP have fully recapitalised, with only two banks yet to fully do so. A recent systemic risk survey of the industry suggests that confidence in financial stability now, and in the near term, remains very high.*

#### QUESTION 12

Do the recent losses and negative equity position pose any risks to the operational independence of the Bank of Ghana or weaken the effectiveness of monetary policy transmission mechanisms?

**Response:** *Central bank losses and negative equity positions are not unusual due to their policy mandates of price and financial stability. In terms of risks to their operational independence, we do not think they pose such risks. Remember the Government of Ghana (GoG) is the sole shareholder of the central bank, and so the recapitalisation of the central bank by the GoG to restore its equity level is not*

*intended to be associated with any interference of the central bank's mandate or its operational procedures. Further, the negative equity position will not in any way weaken the monetary policy transmission mechanism.*

*In 2025, amendments to the Bank of Ghana Act strengthened its operational independence, ensuring that the Bank has full autonomy in the conduct of the monetary policy decisions of the Monetary Policy Committee, an independent policy-making body.*

*Additionally, with regards to monetary policy transmission, it is important to note that headline inflation declined to 5.4 per cent at end-December 2025, from 23.8 per cent at end-December 2024. The financial losses recorded in 2025 largely reflect the cost of achieving those outcomes and provide strong evidence for the effectiveness of the monetary policy transmission.*

### QUESTION 13

Open Markert Operations (OMO) costs rose sharply to GH¢16.73 billion in 2025, while the stock of OMO liabilities expanded to GH¢93.56 billion. Can the MPC clarify what is fundamentally driving the excess liquidity conditions in the market? To what extent are these liquidity pressures linked to fiscal operations, banking sector liquidity, or BoG's own interventions?

**Response:** *The excess liquidity conditions in the market largely stem from the structural liquidity overhang created during the 2022–2023 crisis period, when the Bank undertook monetary financing operations. In 2025, the Bank moved to discontinue such financing and implemented aggressive liquidity absorption measures through OMO, which explains the sharp rise in OMO liabilities and related costs. These actions played an important role in supporting the disinflation process in 2025. At the same time, reduced reliance on monetary financing reinforced fiscal discipline and helped create room for banking sector liquidity to increasingly support private sector activity and critical sectors of the economy. The gradual recovery in private-sector credit growth and broader economic activity reflects the combined impact of disciplined fiscal policy and coordinated monetary policy measures.*

### QUESTION 14

Given the pace of Open Markert Operations (OMO) issuance so far in 2026, should the market expect a repeat of the 2025 trend in terms of elevated sterilisation costs and balance sheet pressure? Or does the MPC expect the liquidity conditions to improve materially this year?

**Response:** *The MPC does not expect a repeat of the elevated sterilisation costs and balance sheet pressures experienced in 2025. Liquidity conditions are expected to improve materially in 2026 as the key drivers of the earlier excess liquidity have largely eased.*

*The decline in the Monetary Policy Rate from a peak of 28 per cent to 14 per cent has significantly reduced the cost of OMO, since OMO instruments are priced off the policy rate. In addition, the large scale monetary injections that contributed to the liquidity overhang before 2025 are no longer occurring. As a result, the Bank's liquidity management position in 2026 is considerably stronger and more sustainable than in the previous year.*

**QUESTION 15**

The Bank strengthened the dynamic Cash Reserve Ratio (CRR) framework in 2025 to absorb structural liquidity. Is the MPC considering a greater reliance on CRR and other non-interest-bearing tools to reduce the growing financial cost of OMO operations on the Bank's balance sheet and policy solvency position?

**Response:** *The Bank of Ghana uses a range of instruments to manage excess liquidity, each with different cost and transmission implications. While non-interest-bearing tools such as the CRR can reduce direct interest costs, they effectively shift the burden through other channels, including potential impacts on credit intermediation and financial conditions.*

*Accordingly, the Bank continues to maintain a balanced approach between remunerated and non-remunerated instruments, guided by prevailing macroeconomic conditions and the need to preserve effective monetary policy transmission. The interest costs associated with liquidity absorption remain a necessary part of maintaining price stability and do not undermine the Bank's mandate or financial stability.*

*Going forward, the Bank will further enhance its liquidity forecasting framework and deploy the most efficient mix of instruments to support its mandate in a cost-effective manner, with a focus on strengthening policy transmission rather than solely minimising balance sheet costs anchored to preserve macroeconomic stability.*

**QUESTION 16**

The Bank reported a positive policy solvency position despite recording a GH¢15.63 billion loss and negative equity of GH¢93.82 billion. How sustainable is this position if inflation proves sticky or interest rates remain elevated longer than expected? At what point do sterilisation costs become a concern for monetary policy flexibility?

**Response:** *The Bank maintains that sterilisation costs and accounting losses do not impair its ability to conduct monetary policy effectively. The key consideration is the Bank's policy solvency, which reflects its capacity to achieve its mandate rather than its accounting equity position.*

*The 2025 financial statements indicated that the Bank remained policy solvent, with a marked improvement in its policy solvency position of close to 600 per cent. This strengthening underscores the Bank's enhanced capacity to undertake the necessary monetary policy actions in support of price and macroeconomic stability.*

*Accordingly, even under scenarios of sticky inflation or prolonged elevated interest rates, sterilisation costs are not expected to constrain monetary policy flexibility, as the Bank remains firmly positioned to deploy the instruments required to achieve its mandate.*

**QUESTION 17**

The financial statements show that the impact of the Domestic Debt Exchange Programme (DDEP) continues to weigh heavily on the Bank's balance sheet. How long does the MPC expect the DDEP-related losses to affect the Bank's financial position and operational flexibility, and what milestones should the market monitor regarding recapitalisation?

**Response:** *The Bank's current negative equity position originates from losses incurred under the DDEP. Specifically, the financial impact of a 50 per cent haircut on Government securities amounting to GHS 48 billion, together with a significant reduction of approximately 50 per cent in interest income on Government securities, continues to weigh on the Bank's balance sheet.*

*However, in compliance with the new Bank of Ghana Amendment Act, 2025 (Act 1158), the GoG, through the Ministry of Finance, is expected to recapitalise the Bank within a specific timeframe.*

**QUESTION 18**

The Ghana Reference Rate (GRR) stood at 10.03 per cent as of 6 May 2026, yet average lending rates remain around 19.7 per cent, a near 10 percentage point gap, representing billions of cedis in excess borrowing costs for the private sector. Governor Asiana has publicly stated his ambition to see lending rates fall below 10 per cent before the end of his term. What is the BoG's specific mechanism, beyond policy rate cuts, to close this spread, and what timeline does the Bank consider realistic.

**Response:** *The average lending rate recorded as of April 2026 was 16.33 per cent, as compared to February 2026, which was 19.17 per cent. This reflects a downward trend in alignment with the GRR. High NPLs and the risk profile of the obligors largely contribute to the gap between the average lending rate and the GRR. The BoG has instituted targeted measures directed at improving the lending environment.*

*The BoG recently introduced the Notice on the Regulatory Measures to Reduce high Non-Performing Loans (NPLs) aimed at strengthening credit underwriting standards, loan recovery processes, and sanctioning wilful defaulters.*

*This has resulted in the decline of NPLs, reduction in lending risks, and, ultimately, lower borrowing costs across the industry.*

*Furthermore, the Bank is enhancing the credit reporting and collateral registry framework to reduce information asymmetry and enhance alignment of risk profile of the obligors as well as the collateral realisation process.*

## QUESTION 19

The BoG inaugurated Steering and Technical Committees in February 2026, to guide the listing of commercial banks on the Ghana Stock Exchange, framing it as a strategy to redirect domestic savings into local assets and strengthen governance. What is the Committee's assessment of whether lower lending rates, which compress net interest margins, could weaken the commercial case for banks to pursue Initial Public Offerings (IPOs), creating a tension between the rate normalisation agenda and the capital market deepening objective?

**Response:** *The ongoing rate normalisation agenda is expected to stimulate increased demand for loan facilities across the economy. The expected rise in credit uptake is likely to sustain banks' profitability within a lower-risk environment, thereby strengthening their overall commercial viability.*

*Moreover, the listing of banks is anticipated to reinforce corporate governance frameworks, enhance transparency, and sustain confidence in the financial system. It also provides access to patient capital, enabling banks to pursue strategic expansion and undertake long-term investments. Ultimately, this is expected to support sustainable growth and strengthen the resilience of the banking sector over the long term.*

## QUESTION 20

The BoG's January 2026 microfinance framework sets a 30 June 2026 notification deadline, and this is less than seven weeks away. How many institutions have proactively engaged the Bank on their transition pathway, and what share of the sector does the BoG assess is at risk of regulatory action by year-end?

**Response:** *The Bank has engaged all institutions and their associations, including investors, on the reform and transitional issues. About 28 institutions have formally indicated their intent to become Microfinance Banks, with early signs of capital injections and consolidation. Others have chosen alternative paths, including becoming Last Mile Providers. The Community Banking transition took effect on 1 April 2026, with Rural/Community Banks given up to end-December 2026 to complete alignment.*

*The Credit Union process will commence after end-June 2026. For the Microfinance Bank category, the Bank's initial assessment indicates a large number of current institutions are at risk, with the top 10 to 20 institutions assessed as likely to meet the requirements based on balance sheet strength. This position is expected to change as institutions respond to the range of transition options available to them. A second assessment at end-June 2026, when transition pathways are confirmed, will provide a clearer view of the scale of risk. A further review in September 2026 will guide the determination of appropriate supervisory actions.*

**QUESTION 21**

The services sector received 77.7 per cent of annual private sector credit flows in December 2025, up sharply from 24.5 per cent the previous year, while manufacturing and agriculture continue to be underserved. Does the BoG have any directed credit tools, risk-weight adjustments, or targeted lending incentives under consideration to rebalance the composition of bank credit toward the productive sectors of the economy?

**Response:** *The BoG has moved away from the use of directed credit tools. However, we continue to implement policies aimed at fostering broad-based economic growth across all sectors of the economy. These include measures on sector-specific risk weight adjustments and expansion of the capital market and guarantee schemes. For example, the BoG has granted regulatory dispensation for guarantees by Ghana Incentive-Based Risk-sharing System for Agricultural Lending (GIRSAL) and Ghana Export-Import (GEXIM) Bank to be treated as eligible collateral aimed at de-risking lending to the agricultural, manufacturing, and SME sectors. The passage of the Development Finance Institutions (DFI) Act, 2020 (Act 1032) has provided the enabling environment for the establishment of DFIs whose main focus is to provide long-term funding to meet policy objectives. In addition, a Steering Committee has been instituted to facilitate the listing of banks on the stock Exchange. This initiative is expected to significantly enhance access to patient capital needed for productive sectors of the economy, including agriculture and manufacturing.*

**QUESTION 22**

The Ghana Association of Banks has acknowledged that certain lending requirements, including collateral coverage of at least 120 per cent in some cases, are regulatory obligations rather than arbitrary bank decisions. Does the BoG consider these collateral thresholds appropriate, given the current interest rate environment, and is there a review underway that could ease credit access without compromising depositor protection?

**Response:** *Section 62(9) of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) requires banks to maintain a collateral coverage ratio of 120 per cent of the outstanding balance (principal + interest) to determine secured financial exposure for single obligor limit (SOL) computation purposes. This regulatory requirement is intended not only to ensure adequate coverage of the principal and accrued interest, but also to account for the costs associated with collateral realisation, as well as any potential decline in the future value of the collateral in the event of default. This is expected to support sustained credit expansion, limit overexposure to an obligor, and strengthen the resilience of the banking sector in its role of financial intermediation.*

**QUESTION 23**

The cedi has seen one of its strongest appreciations in recent years. How much of this appreciation is market driven versus central bank intervention?

**Response:** *The appreciation of the cedi has been largely market driven and supported by improved macroeconomic fundamentals, including fiscal consolidation, strengthened external buffers, an appropriate monetary policy stance, and a robust external position reflected in higher reserve accumulation.*

*The Bank's role has primarily been through FX intermediation rather than discretionary intervention. This involves channeling FX liquidity to the market via competitive auctions, largely supported by foreign exchange proceeds from gold operations, which are transparently and orderly introduced into the system. In contrast, outright FX intervention has been minimal over the past six months and has been limited to smoothing short-term volatility under a rules-based framework, without undermining exchange rate flexibility.*

#### QUESTION 24

Fitch Ratings has said that the Bank of Ghana will hold off policy rate cuts to keep inflation under control. What is the Bank's position on this?

**Response:** *The primary mandate of the Bank of Ghana is to maintain price stability. Currently, headline inflation stands at 3.4 per cent, well below the medium-term target of  $8 \pm 2$  per cent. Decisions on the positioning of the monetary policy rate will take these outcomes into account as well as developments in the domestic and global economy. Following its comprehensive assessment of macroeconomic and financial conditions, the MPC will take the appropriate policy decisions consistent with its evaluation of the outlook and risks to inflation.*

#### QUESTION 25

Concerns have been raised about the BoG's liquidity management strategy in 2025, particularly the issuance of Open Market Operations (OMO) instruments at rates above the Monetary Policy Rate despite easing inflationary pressures. Could you explain the rationale for sterilising liquidity at rates above the policy rate, and does the Bank believe the pace and intensity of the disinflation process justify the significant financial cost associated with those operations?

**Response:** *These concerns are not supported by the evidence. During 2025, the Bank's liquidity management relied primarily on 56-day OMO instruments, supplemented by a one-off issuance of a 273-day instrument, until the 14-day bill was reinstated as the main operational tool. All instruments were issued through a multiple-price auction system at competitive market-determined rates.*

*Available data indicate that the weighted-average yields on these instruments were, at most, broadly aligned with the prevailing Monetary Policy Rate at the time of issuance, with some auctions clearing below the policy rate. This reflects the competitive nature of the auction process rather than any systematic pricing above the policy anchor.*

*With the easing of inflation and the reduction in the policy rate in 2026, yields on the current 14-day OMO instruments have declined further, consistent with the overall disinflationary environment and the transmission of monetary policy easing.*