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Remarks by Dr. Johnson Pandit Asiama, Governor, Bank of Ghana

Africa Pension Supervisors Association (APSA) Annual Conference

Kempinski Hotel, Accra | Thursday, 30 July 2026 | 9:30 a.m.

Topic: Pension Systems and Financial Stability: Building Resilient Financial Ecosystems for Africa

Your Excellency, the President of the Republic of Ghana,
Honourable Minister for Finance,
Chairman of the Board of the National Pensions Regulatory Authority,
Chief Executive Officer of the National Pensions Regulatory Authority,
Chairperson of the Africa Pension Supervisors Association,
Heads of Pension Regulatory Authorities,
Governors and Deputy Governors of Central Banks,
Ladies and Gentlemen,

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It is a privilege to join you this morning at the Annual Conference of the Africa Pension Supervisors Association (APSA). I congratulate the National Pensions Regulatory Authority (NPRA) and APSA for convening this important gathering at a time when Africa's financial systems are undergoing profound transformation. The topic of "Pension Systems and Financial Stability" invites us to consider not only how retirement income is protected, but also how pension systems contribute to resilient financial systems and sustainable economic development.

Colleagues, for the worker making a contribution today, financial stability is not an institutional concept. It is a promise. It is the expectation that, thirty or forty years from now, the records will still be accurate, the assets will still be secure, the institutions will still be standing, and the money will still have meaningful value. That expectation is an extraordinary act of confidence in the financial system.

PENSION SYSTEMS AND THE CHANGING FINANCIAL LANDSCAPE

For many years, discussions on financial stability focused predominantly on the banking sector. Strong banks, adequate capital, sufficient liquidity and effective payment systems

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were rightly considered the cornerstones of a stable financial system. They remain fundamental. But they are no longer the whole picture.

Today's financial system is broader, more interconnected and increasingly shaped by non-bank financial institutions, digital innovation and new sources of systemic risk. Financial stability can therefore no longer be viewed through the lens of individual institutions or sectors. Pension systems are a clear example of why that wider view is necessary.

Across Africa, pension assets under management now exceed US$420 billion. In Ghana, the 2025 Financial Stability Review reports that pension assets grew by 26.3 per cent in one year, from GH¢86.23 billion in 2024 to GH¢108.88 billion in 2025, and that the pensions industry accounted for 16.8 per cent of Ghana's financial-sector assets. At that scale, pensions are not peripheral to the financial system. They are one of its major pools of long-term domestic capital.

From a financial-stability perspective, the connections between that pool of savings and the rest of the financial system operate through three principal channels. I want to take each in turn.

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First, the macroeconomic channel

A pension is a claim on future purchasing power. Whatever a portfolio contains, the value of that claim depends on the value of the currency in which it is denominated, and on the interest rates and market conditions that determine what those savings earn along the way.

High and persistent inflation is therefore not an abstract statistic to a pensioner. It is the erosion of food, medicine, rent and dignity. Ghana has learned this in the most direct way available. Headline inflation peaked at 54.1 per cent in December 2022. It stood at 5.3 per cent in June 2026.

I offer these figures because price stability is a necessary condition for preserving the real value of long-term savings. It is the contribution a central bank makes to every retirement account in the country, and one that no supervisory framework can substitute for. It is also the channel for which the Bank of Ghana is accountable.

Second, the market and interconnectedness channel

Private pension assets reached GH¢79.8 billion in 2025. Within those portfolios, the share held in Government of Ghana securities declined from 72.9 per cent to 64.5 per cent. The share in ordinary shares and non-redeemable preference shares rose from 5.7 per cent to 12.2 per cent, while bank and other market securities increased from 8.6 per cent to 14.0 per cent.

Let me be clear about how I am using these figures. I do not present them as a judgment on the investment decisions of pension funds. Those decisions are made by trustees within the regulatory framework administered by NPRA. My interest, as a central banker, is in what their growing scale and market connections mean for monetary and financial conditions.

Read together, these figures show one large pool of long-term savings with material exposures across sovereign, banking and equity markets. Changes in the size and composition of those exposures can affect demand for securities, market liquidity, price discovery and investor confidence. The relationship also runs in both directions: interest rates, asset prices, sovereign conditions and market liquidity affect the value and performance of pension portfolios.

This has implications for central banks. The channels through which monetary and financial conditions pass through an economy now extend well beyond bank balance sheets. Monetary policy still works through bank funding, credit and expectations. But it also works through the yield curve, asset prices and market liquidity, and large institutional investors influence each of these through their demand for government securities, bank instruments and equities.

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Pension systems therefore matter to a central bank not because the central bank supervises them, but because their scale, long horizon and market connections increasingly shape the conditions in which monetary and financial stability are maintained.

This is, on balance, a welcome development. Because their liabilities run over decades rather than quarters, pension funds can hold longer-duration assets, provide patient capital and, where liquidity and risk-management arrangements are sound, absorb rather than amplify short-term market volatility. My interest is not in slowing that growth. It is in seeing it clearly.

And third, the operational and confidence channel

The third channel is the one least often counted, and in some respects the most consequential.

A pension system holds not only assets, but records of promises extending across generations. Contribution histories, account balances and beneficiary information must remain secure, accurate and accessible through technological change, institutional transition and operational shock.

A promise that cannot be evidenced is not a promise.

Cyber resilience, business continuity and data integrity are therefore not administrative matters. They are part of pension security, and part of financial stability.

Confidence belongs in this channel too, because confidence is not only an outcome of stability. It is one of the mechanisms through which stability is produced. It sustains participation, it supports long-term saving, and it allows markets and institutions to function through periods of stress. It is also, once lost, difficult and costly to rebuild.

Taken together, these three channels explain why pension resilience can no longer be considered within the pension sector alone.

- Macroeconomic risk requires a stable policy environment.
- Cross-market exposure requires coordinated surveillance.
- Operational and confidence risk requires resilient systems, comparable data and cooperation across institutional boundaries.

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SEEING THE SYSTEM AS A WHOLE

Ladies and gentlemen, no single regulator can see all these connections alone:

- the pension supervisor sees scheme governance, liabilities, contributions and portfolio risks;
- the securities regulator sees issuers, markets, asset managers and trading conditions;
- the insurance supervisor sees underwriting risks, long-term liabilities and connections between insurers and other financial institutions;
- the central bank sees banks, payment systems, monetary conditions and system-wide liquidity;
- the Ministry of Finance sees the fiscal and sovereign dimension; and

- the deposit protection authority brings the perspective of depositor confidence and resolution.

Each perspective is necessary. None, on its own, is complete.

This is precisely why Ghana's Financial Stability Council matters. It was established in recognition of this changing landscape and brings together the Bank of Ghana, the Ministry of Finance, the National Pensions Regulatory Authority, the Securities and Exchange Commission, the National Insurance Commission and the Ghana Deposit Protection Corporation.

The Council provides an institutional platform for identifying emerging vulnerabilities, sharing information, coordinating policy responses and strengthening the resilience of Ghana's financial system. It does not replace the mandate of any member institution. Its value lies in bringing those perspectives together. The underlying principle is simple: systemic risks rarely respect institutional boundaries, and our response cannot stop at those boundaries either.

That cross-sector view depends on data. If information is fragmented, delayed or defined differently across sectors, a connected financial system can appear to regulators as a collection of separate balance sheets. By the time the connections become visible, the vulnerability may already have travelled.

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Effective macroprudential oversight therefore requires timely, comparable and sufficiently granular data, supported by modern supervisory technology and closer information sharing. Authorities must be able to identify common exposures, monitor risks closer to real time and undertake forward-looking analysis. The Africa Pension and Asset Management Data Hub to be discussed at this conference is especially relevant for that reason. Better market visibility is part of the infrastructure of financial stability.

RESILIENCE IN A CHANGING RISK ENVIRONMENT

Ladies and gentlemen, digitisation presents the same combination of opportunity and risk. Mobile money, digital identity, electronic contribution platforms and technology-enabled supervision can improve efficiency, expand access to pension products, strengthen compliance, improve reporting and raise the quality of pension-sector data. These tools matter particularly for workers in the informal economy, whom conventional channels have often struggled to reach.

The risks evolve alongside the opportunities, and they converge on that third the operational and confidence channel. As administration, record-keeping and payment move onto shared digital infrastructure, an operational failure in one place can reach institutions that have no commercial relationship with one another. Artificial intelligence introduces model and conduct risks into processes that were previously manual and auditable. Climate shocks affect not only asset values but the contribution capacity of the workers whose livelihoods are exposed. What these have in common is that none of them is contained within a single balance sheet or a single supervisory mandate.

For Africa, this is an opportunity. Our financial systems are still evolving, allowing us to integrate resilience into new frameworks and infrastructure from the outset. Innovation and resilience must advance together.

The National Pensions Regulatory Authority has an important role within this broader ecosystem. The 2025 Financial Stability Review records the completion of its risk-based supervisory system, the review and update of eight operational guidelines, and the integration of ICT governance and data-protection issues into supervisory processes. These measures strengthen not only pension supervision but Ghana's wider financial resilience. APSA provides a valuable platform through which such experience can be shared across the continent.

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Ladies and Gentlemen,

Financial stability ultimately depends on confidence: in the governance of institutions, the integrity of markets, the security of financial infrastructure and the capacity of authorities to respond when risks emerge.

As Africa's pension systems expand, their resilience will increasingly shape that of the wider financial system. Our collective responsibility is not only to strengthen individual institutions, but also to understand the connections between them.

Decades from now, the worker contributing today will not judge us by the number of institutions represented at this conference, or by the quality of our communiqués. She will judge the system by whether its promise was kept: whether the record is correct, whether the assets are there, and whether her savings still provide meaningful security in retirement.

I wish you productive deliberations and every success in your conference.

Thank you.

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