BANK OF GHANA

FREQUENTLY ASKED QUESTIONS (FAQS)
NON-INTEREST FINANCIAL ADVISORY COUNCIL OF THE BANK OF GHANA

AUGUST 2026

On 18 August 2026, the Bank of Ghana inaugurated the Non-Interest Financial Advisory Council (NIFAC) to provide authoritative guidance on standards, governance, and compliance for Non-Interest Banking (NIB) in Ghana's financial system.

To enhance public understanding of the Council's role and mandate, we address key questions that stakeholders and the general public may have regarding this advisory body.

QUESTION 1

What is the Non-Interest Financial Advisory Council (NIFAC)?

Answer: *NIFAC is an advisory body established by the Bank of Ghana to provide authoritative guidance on matters relating to Non-Interest Banking (NIB) standards and compliance within the Ghanaian financial system.*

QUESTION 2

What is the scope of NIFAC's operations?

Answer: *NIFAC's operations will cover regulatory advice on Non-Interest Banking and Financial products and services to the Bank of Ghana, the Securities and Exchange Commission (SEC), and the National Insurance Commission (NIC) until each regulatory institution establishes its own equivalent of NIFAC in the future. NIFAC will therefore serve BoG, SEC, and NIC.*

QUESTION 3

Why was NIFAC established?

Answer: *NIFAC was established to support the safe regulation, supervision, and standardisation of Non-Interest Banking and Finance in Ghana and to ensure that NIB products and services comply with approved Non-Interest Banking principles.*

QUESTION 4

Is NIFAC a regulator?

Answer: *No. NIFAC assists the Bank of Ghana by providing expert guidance on NIB standards and compliance issues. Opinions issued by NIFAC shall not replace the supervisory, enforcement, and regulatory discretion of the Bank of Ghana.*

QUESTION 5

Does NIFAC issue banking licences?

Answer: *No. Banking licences are issued by the Bank of Ghana pursuant to applicable laws.*

QUESTION 6

What role does NIFAC play in Non-Interest Banking products?

Answer: *NIFAC provides guidance on whether products, contracts, and services conform to Non-Interest Banking principles and applicable standards.*

QUESTION 7

Does NIFAC replace a Regulated Financial Institution's internal advisory committee?

Answer: *No. Each Non-Interest Banking institution is expected to maintain its own Non-Interest Banking Advisory Committee (NIBAC) as part of its governance structure.*

QUESTION 8

Does NIFAC decide on Regulated Financial Institutions' (RFIs) management issues?

Answer: *No. Governance and management decisions remain the responsibility of the board and management of each financial institution.*

QUESTION 9

Does NIFAC supervise daily banking operations?

Answer: *No. Day-to-day operations are conducted by licensed institutions and monitored through Bank of Ghana supervisory mechanisms.*

QUESTION 10

Can NIFAC hear customer complaints?

Answer: *Customer complaints and dispute resolution processes remain with the institution and relevant regulatory channels. However, when NIBAC is not able to settle disputes relating to Non-Interest Banking and Finance products, NIFAC may provide advice on the resolution of such disputes.*

QUESTION 11

Does NIFAC have authority over conventional banking?

Answer: *No. NIFAC's mandate relates specifically to Non-Interest Banking activities and products regulated under the NIB framework.*

QUESTION 12

Can NIFAC override the Bank of Ghana?

Answer: *No. The Bank of Ghana remains the ultimate regulatory authority under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) and other applicable financial sector laws.*

QUESTION 13

Does NIFAC make laws?

Answer: *No. Laws governing banking in Ghana are enacted by Parliament, while directives and guidelines are issued by the Bank of Ghana under its statutory powers.*

QUESTION 14

Is NIFAC important to the integrity of Non-Interest Banking?

Answer: *Yes. NIFAC helps ensure consistency, credibility, and confidence in the Non-Interest Banking framework by providing expert oversight and guidance on compliance with NIB principles. In line with global standards, NIFAC also helps Non-Interest Banking and Finance institutions to apply standards more effectively.*

QUESTION 15

How many members are on the NIFAC?

Answer: *NIFAC comprises five (5) members. The membership includes at least one woman to ensure gender balance and inclusivity.*

QUESTION 16

What qualifications must NIFAC members have?

Answer: *NIFAC members must meet strict qualification criteria, including:*

a. *High integrity, honesty, and ethical reliability;*
b. *Proven experience or knowledge in assessing the appropriateness of products and contracts for Non-Interest Banking;*
c. *Knowledge of international standards including International Financial Reporting Standards (IFRS), Islamic Financial Services Board (IFSB), Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI), and Basel Standards as they apply to Non-Interest Banking and Finance (NIBF);*
d. *Satisfaction of the Bank of Ghana's fit and proper person guidelines as well as international best practice.*

QUESTION 17

Who appoints NIFAC members and for how long?

Answer: *NIFAC members are appointed by the Governor of the Bank of Ghana. They serve for a term of four (4) years, which is renewable, subject to a maximum of three (3) terms, meaning a member can serve for up to 12 years in total.*

QUESTION 18

What is the relationship between NIFAC and NIBAC?

Answer: *NIBAC (Non-Interest Banking Advisory Committee) is established within each NIB institution and serves as the primary internal advisory and dispute resolution body. NIFAC, on the other hand, is the Bank of Ghana-level advisory council.*

The relationship works as follows:

- *a. NIBAC advises the institution's board and management on NIBF compliance;*
- *b. NIBAC serves as the primary internal dispute resolution body;*
- *c. If a dispute cannot be resolved at the NIBAC level, it is escalated to NIFAC as an appellate body;*
- *d. NIBAC submits quarterly dispute resolution status reports to NIFAC;*
- *e. If an institution discovers non-compliance with NIBF principles, it must immediately notify NIFAC.*

QUESTION 19

How often does NIFAC meet?

Answer: *NIFAC is required to meet at least quarterly (every three months). It may also be convened on an ad hoc basis (as needed) for urgent matters such as product approvals.*