Inauguration of the Non-Interest Financial Advisory Council (NIFAC)

Remarks

by

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Chairman,

Distinguished Members of the Non-Interest Financial Advisory Council,

Representatives of Regulatory Agencies,

Advisors,

Heads of Departments

Invited Guests,

Ladies and Gentlemen.

Good morning.

It is a pleasure to welcome you to the inauguration of the Non-Interest Financial Advisory Council, NIFAC. The inauguration of NIFAC underscores our commitment to establishing a robust governance framework for the effective regulation and supervision of Non-Interest Banking Institutions in the country.

Before I speak about the Council, let me acknowledge why the work we are doing matters.

The Bank of Ghana is committed to a fair and inclusive financial system that responds to the different needs of Ghanaians. A trader seeking stock, a manufacturer needing equipment, or a family looking for a product consistent with its values should have an option it can understand and trust.

Non-interest finance widens that choice. It is not free finance, but a complement to conventional banking based on trade, leasing, partnerships and asset-backed transactions. Open to all, it can expand financial inclusion while protecting consumers and financial stability.

Transition from Legal Provision to Practice

Section 18(1)(r) of the Banks and Specialised Deposit-Taking Institutions Act, 2016, Act 930, provided the legal basis for non-interest banking services in Ghana. But legal provision alone does not create a functioning market.

In 2025, the Bank of Ghana therefore constituted a dedicated team, led by the Advisor on Non-Interest Banking and Finance, to develop the necessary regulatory and supervisory arrangements. This work led to the publication, in January 2026, of the *Guideline for the Regulation and Supervision of Non-Interest Banking in Ghana.*

The Guideline provides for existing financial institutions to offer non-interest services through dedicated windows. It also provides for the licensing and supervision of fully fledged non-interest banking institutions. In developing and implementing this framework, the Bank will continue to draw on international prudential standards and the experience available through our membership of the Islamic Financial Services Board.

Since the publication of the Guideline, we have seen growing interest from financial institutions and the public. Today's inauguration is therefore the next practical step. It puts in place the national advisory structure needed to support the orderly development of the sector.

The next stage will be shaped by the decisions made under this framework. As institutions develop new products, questions of interpretation, compliance and consistency will arise.

Addressing them will require sound and independent judgment. That is why strong governance matters, and why NIFAC has been established.

Ladies and gentlemen let me turn to the Mandate and Charge to NIFAC

The framework requires non-interest banking institutions to establish their own advisory committees to guide their boards and management. These committees will operate at the institutional level, while NIFAC will advise the Bank of Ghana at the national level.

NIFAC shall serve as the Bank of Ghana's advisory council on the governance of non-interest banking and finance and is mandated to advise the Bank of Ghana on matters relating to the regulation and supervision of Non-Interest Banking Institutions in Ghana. The Council will also provide advisory support to the Securities and Exchange Commission and the National Insurance Commission as the non-interest finance ecosystem evolves until such a time that all the regulatory institutions have their own advisory councils.

NIFAC's role is advisory. The quality and consistency of its advice will influence the credibility of the sector. At the same time, its work will not displace the supervisory, enforcement or regulatory authority of the Bank of Ghana or the respective sector regulators.

Distinguished Members of NIFAC, your appointment reflects the confidence placed in your competence, integrity and professional standing. Collectively, you bring expertise across banking, finance, governance, accounting, law, economics and non-interest financial principles.

That range of knowledge matters because the questions that will come before you will not always have simple answers. You will be required to assess new products, interpret principles in changing market conditions and balance innovation with consumer protection and financial stability.

I therefore urge you to approach your mandate with independence, objectivity, professionalism and diligence. Your duty is to the integrity of the framework, the soundness of the financial system and the public interest.

You must apply the necessary standards. Products should not be accepted merely because they carry a non-interest label. Their structure, risks, costs and obligations must be transparent and capable of being understood by customers. The success of this initiative will not be measured by the number of new products introduced, but by whether those products are sound, useful and worthy of public confidence.

On behalf of the Bank of Ghana, I congratulate you on accepting this important national responsibility. I am confident that your collective expertise and commitment will support the orderly development of non-interest finance in Ghana.

It is now my honour, pursuant to the Guideline for the Regulation and Supervision of Non-Interest Banking in Ghana, to formally inaugurate the Non-Interest Financial Advisory Council.

May your deliberations be guided by wisdom, sound judgment and an unwavering commitment to the public interest. Thank you.