BANK OF GHANA

NOTICE NO. BG/GOV/SEC/2026/43

NOTICE TO PAYMENT SERVICE PROVIDERS AND SETTLEMENT BANKS ON THE MANAGEMENT OF MERCHANT COLLECTION FUNDS

MANAGEMENT OF MERCHANT COLLECTION FUNDS BY SETTLEMENT BANKS AND PAYMENT SERVICE PROVIDERS

Pursuant to Section 101 of the Payment Systems and Services Act, 2019 (Act 987), the Bank of Ghana hereby brings to the attention of all Payment Service Providers (PSPs) and Settlement Banks, the regulatory obligations governing the handling of merchant funds collected through payment services.

Payment Service Providers are licensed to facilitate payment transactions and collect funds on behalf of merchants as part of their permissible activities. PSPs are not deposit-taking institutions and are therefore not permitted to hold, utilize, pledge, encumber, or otherwise exercise ownership rights over funds collected on behalf of merchants.

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Accordingly, all funds collected on behalf of merchants shall be held in designated settlement accounts maintained with approved settlement banks and shall at all times be segregated from the PSP's operational and business accounts. Such funds shall remain the property of the respective merchants until settlement is effected in accordance with the terms and timelines specified in the Service Level Agreement (SLA) executed between the PSP and the merchant.

In this regard:

1. Funds collected on behalf of merchants shall be credited into the designated settlement account and shall not be commingled with the operational funds of the PSP.
2. PSPs shall settle merchant funds into merchant's designated bank accounts strictly in accordance with the settlement periods agreed upon under the applicable SLA.
3. Under no circumstances shall a PSP withdraw, transfer, pledge, subject to a lien, effect a set-off against, or otherwise encumber merchant funds held in the settlement account, except for the purpose of effecting settlement to the merchant and transferring duly earned fees and charges attributable to the PSP.
4. Settlement Banks shall ensure that settlement accounts holding merchant funds are maintained and operated solely for settlement purposes and shall not permit a PSP to access or utilize such funds for operational, financing, investment, or any other purposes unrelated to merchant settlement.
5. The portion of merchant funds representing the PSP's agreed fees, commissions, or charges may only be transferred from the settlement account

to the PSP's operational account as part of the settlement process and in accordance with the agreed commercial arrangements with the merchant.

6. PSPs and Settlement Banks shall maintain adequate records, controls, and audit trails to demonstrate compliance with the requirements relating to the safeguarding, segregation, and timely settlement of merchant funds.
7. The Bank of Ghana may, pursuant to this Notice, require settlement banks to submit statements relating to settlement accounts used for the collection of funds on behalf of merchants, at such intervals and in a manner as may be determined by the Bank of Ghana.

Failure to comply with these requirements shall constitute a breach of the applicable regulatory framework and may attract appropriate regulatory, supervisory and enforcement actions.

All Payment Service Providers and Settlement Banks are required to take immediate steps to ensure full compliance with the foregoing directives and to review their operational arrangements, agreements, and internal controls accordingly.

Contact the address below if further information is required:

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(SGD)
AIMEE VYDA QUASHIE (MS.) **6TH NOVEMBER 2026**
THE SECRETARY OF THE BANK