



FOR IMMEDIATE RELEASE

March 27, 2023

Re: Banks facing insolvency risks on debt exchange programme

Our attention has been drawn to media publication by The Africa Report on the subject matter above. We wish to draw the attention of the general public that the report is not only false in its entirety, it is malicious and published without any factual foundation.

While participating in the Domestic Debt Exchange (DDE) by the banking industry in the national interest resulted in impairment losses on Banks' holdings of Government of Ghana bonds, as indicated in the recent Bank of Ghana (BoG) MPC Report, the banking industry is fairly resilient. This, coupled with regulatory measures implemented by BoG, the Ghana Association of Banks (GAB) wishes to assure the general public, customers and clients that the industry remains well capitalized, strong and resilient. The financial markets have so far positively responded to the DDE resulting in gradual decline in market interest rates, general improvement in the rate of inflation and the relative stability of the cedi; these developments have put banks in a good position to remain competitive and stable in serving customers, clients and other stakeholders.

It is important to note that the core business of banks remains strong, and they have continued to grow their customer base and expand their services during this period of the DDE. The banking industry as a whole has robust risk management and contingency planning framework which have made it possible to navigate the current economic environment and maintain financial stability and viability.

We wish to notify the publishers of the unfounded report and the general public that the banks named in the report are considering legal options available to them and hereby advise readers and commentators to be guided accordingly.

We encourage customers and the general public to contact the Ghana Association of Banks at info@gab.com.gh or their respective banks for any additional information they may require on this subject matter for assistance.

The GAB welcomes constructive engagements with our media partners, customers, stakeholders, and the general public whose activities are impacted by our operations.

Signed.

John Awuah
Chief Executive Officer

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About the Ghana Association of Banks

The Ghana Association of Banks is the country's leading mouthpiece for the universal banking sector, currently representing the interests of 23 member banks, the Development Bank Ghana and the ARB Apex Bank. The Association was established on 29th May 1980. GAB supports and promotes policies and initiatives that balance both the interest of banks, and the wider public. In consonance with similar global bodies, GAB's work is underpinned by three core priorities: Helping customers - both households and businesses; Promoting growth, including supporting Ghana as the financial gateway to West Africa; Carrying out research, analysis and dissemination of information on issues affecting the banking industry's performance and growth.

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