



## **PRESS RELEASE**

### **BANK OF GHANA ESTABLISHES ETHICS AND INTERNAL INVESTIGATIONS UNIT TO STRENGTHEN GOOD GOVERNANCE WITHIN THE BANK**

In line with the mandate of the Bank of Ghana to promote the safety, soundness, and stability of the financial system, and to protect the interests of depositors, the Bank of Ghana has had to take a number of regulatory actions, in the last 12 months, leading to the revocation of licenses of 7 banks.

These regulatory actions, which are part of comprehensive reform measures to strengthen the banking sector, also include an overhaul of the supervisory framework and processes of the Bank of Ghana.

In August 2017, the Bank of Ghana commissioned an independent investigation into the circumstances that led to the collapse of UT Bank and Capital Bank. The investigation was conducted by Boulders Advisors Limited whose report cited various instances of supervisory weaknesses, regulatory breaches, corporate governance failures, insider dealings, and accounting and financial improprieties, among others. The Bank of Ghana has commissioned similar investigations into the affairs of the 5 failed banks whose licences were recently revoked.

As part of efforts by the current leadership of the Bank of Ghana to introduce more accountability and integrity both within the Bank itself and in the industry, persons whose actions contributed to the collapse of the 7 banks will not be shielded, but will be made to face the full rigour of the relevant laws of Ghana. The Bank of Ghana will pursue administrative and civil action against such persons, and will liaise with relevant investigative and prosecutorial agencies of the State to take appropriate action as needed.

Furthermore, the Bank of Ghana has recently established a new office called the **Office of Ethics and Internal Investigations** to strengthen good governance within the Bank and to promote the highest standards of ethical conduct commensurate with the Bank's mandate. The Office will investigate all allegations of misconduct by staff including any role in respect of the collapse of the defunct banks. Staff found culpable will be dealt with in accordance with our Human Resource policies, and referred to law enforcement agencies, if necessary.

To promote the highest standards of conduct in the industry, the Bank of Ghana has also recently issued a number of Directives to strengthen corporate governance, risk management, and the capital base of banks.

The Bank of Ghana remains committed to promoting a strong, stable, and viable banking industry built on the values of trust, confidence, and integrity, to support robust macroeconomic development.

**End**

**15<sup>th</sup> August, 2018**