



Gimpa Law
Conferences



The Banking and Financial Sector Crisis in Ghana: Towards Sustainable Reform

VIRTUAL Conference – (6th – 7th August 2020)

CALL FOR PAPERS

Financial sector reform is an ideal that governments and central banks periodically focus their attention on. In Ghana, the proliferation of banks, non-banking financial institutions and micro & savings and loans companies in the 2000's, led to fierce competition hitherto unknown. Although laws were enacted and the legal and regulatory framework in respect of the banking and financial sector was strengthened, along the line there was the need for re-capitalization of banks, for instance, due to insolvency issues identified by the Bank of Ghana (BOG). A lack of proper corporate governance structures, weak management and internal (Board) supervision, insider trading, abuse of capital etc. also meant that there was a need to sanitize the system. Thus, by the time of completion of the clean-up of the banking, specialized deposit-taking (SDI) and non-bank financial institutions (NBFI) sectors that began in August 2017 by the BOG, about 9 Universal Banks had their licences revoked. There was also the revocation of licences of: 347 microfinance companies (of which 155 had already ceased operations); 39 micro credit companies/money lenders (10 of which had already ceased operations); 15 savings and loans companies; 8 finance house companies; and 2 non-bank financial institutions that had already ceased operations.

In addition to the above, the Security and Exchange Commission (SEC) acting pursuant to the Securities Industry Act, 2016 (Act 929) cracked the whip on several fund management companies by revoking their licences for *inter alia*, failing to return client funds which remained locked up, persistent regulatory breaches, folding up their operations and generally failing to perform their functions efficiently, honestly and fairly. Fifty-three (53) fund management companies thus had their licences revoked by the SEC in November 2019. It is important to also note that in September 2018, the SEC ordered Menzgold Ghana Limited to shut down its operations because the aspect of the company's business involving the purchase and deposit of gold collectibles and guaranteed returns for customers was a capital market activity within the meaning of Act 929, and that since the company did not have the requisite licence, it was in breach of the law. The BOG fully backed this decision, considering the fact that it had previously issued several warnings to the public against dealing with Menzgold. The Menzgold issue, for example, has led to huge public outcry as many people have their funds locked up at the gold trading firm due to its closure. The actions of the financial sector regulatory bodies, in particular the BOG and the SEC have therefore resulted in divergent views regarding their proper role and the need for a fundamental reform of the banking and financial sector of Ghana's economy. This call for reform has even been further exacerbated by the onset of COVID-19, which has brought the world to a virtual standstill, with many experts holding the view that COVID-19 will have a lasting effect on the banking and financial sectors of all economies globally.

The Steering Committee of the 2020 GIMPA Law Conference is honored to hold this timely Virtual Conference from the 6th – 7th August 2020, under the auspices of the **African Center on Law and Ethics (ACLE)** at the GIMPA Faculty of Law, to provide a platform for discussions relating to the banking and financial sector crisis in Ghana. This is important because, financial sector reform has become topical within the past few years as a result of the collapse of several banks and other financial institutions. The event would thus provide an opportunity for all stakeholders in the financial sector of Ghana's economy to meet and debate their ideas leading to concrete resolutions and proposals.

The Steering Committee of the 2020 GIMPA Law Conference therefore invites submissions in the form of paper presentations from scholars, academics, finance professionals and other stakeholders

within the banking and financial sector of Ghana, on any of the following or ancillary topics/sub-themes:

1. The role of regulatory bodies in financial sector management;
2. Perspectives from the Bank of Ghana (BOG) and Securities and Exchange Commission (SEC);
3. Understanding financial sector management laws and regulations;
4. Ethics and the financial sector in Ghana;
5. Planning, crafting, and implementing a solution-oriented financial sector policy;
6. Capitalization and other requirements of financial institutions;
7. Corporate Governance and internal oversight of financial institutions;
8. Curbing insider trading;
9. Introducing a multi-disciplinary approach to financial education: The role of professional and academic institutions;
10. Financial literacy and outreach;
11. Continuous financial education;
12. Standards for finance professionals;
13. Cyber Security, Technology and its impact on the financial sector;
14. Comparative perspectives on financial sector management;
15. Making financial services more responsive to societal needs;
16. Consolidating a multi-stakeholder approach to financial sector management;
17. Promoting financial scholarship and publication; and
18. Encouraging financial research.

The submission should include:

- An abstract of the paper of about 500 words (or at least one page) clearly indicating the sub-theme you want your abstract to be reviewed under; and
- A Curriculum Vitae (CV) of the Author.

The deadline for submissions is **23rd July 2020**. Submissions/abstracts should be sent as email attachments to info@gimpalawconferences.org, with a copy to Dr. Kwaku Agyeman-Budu at kagyeman-budu@gimpa.edu.gh.

The conference will also feature keynote speeches from distinguished personalities within the financial management sector of the economy of Ghana who will be invited to grace the occasion, as well as panel discussions and interviews featuring top financial experts in Ghana and beyond.

The conference organizers intend to collate the recommendations, resolutions, proposals and draw an action plan at the end of the conference for onward submission to the appropriate authorities for possible implementation. All the papers presented during the conference will also be peer reviewed for publication in the Inaugural Edition of the **African Journal on Law and Ethics**, to be published by December 2020.

Registration for participation in the conference is free and interested persons should register by visiting the conference website at: www.gimpalawconferences.org

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