

Nana Orders GH¢1.5bn Bailout For Defunct Banks' Customers

BY Ernest Kofi Adu

PRESIDENT NANA Akufo-Addo has directed the Finance Ministry to release another bailout of GH¢1.5 billion to customers of the defunct banks.

The Minister of Finance, Dr. Mohammed Amin Adam, who disclosed this in London, said the release of the funds is to be done between June and October 2024.

He was addressing a town hall meeting of Ghanaian residents in London at Trinity Baptist Church, Oasis House, Croydon.

In an effort to clean up the banking system, the

Bank of Ghana (BoG) revoked the licenses of five banks and other financial institutions in 2018 for violating banking regulations.

The development resulted in the locking up of funds of some customers of the defunct banks and the investment institutions.

The Finance Minister stated that, while the government could not be held responsible for the people's investment decisions, it was moved by the plight of those affected.

"Ideally, the government should not be held responsible for the investment decisions of individuals, but this government is so caring.

"Mistakes were made

and people were not well-informed, and they didn't know who to consult to be advised. But we also know that the people who are affected are suffering, and we have heard that some people have died and others had to commit suicide.

"This government is so caring that in the first place we granted some bailout to all the affected. And I want to tell you again that the President has directed that

we do another bailout," Dr. Amin Adam stressed.

"So between now and October (2024), we will release GH¢1.5 billion to the affected people. This will not pay the entire amount because the entire amount is GH¢4 billion," he added.

The Finance Minister also disclosed that Ghana had officially concluded and reached an agreement with its bilateral creditors, which will see the country benefit-

ing from a \$2.5 billion debt forgiveness.

According to him, Ghana has also secured a deal with its bondholders for an \$8 billion debt forgiveness.

According to Dr. Amin Adam, as a result of this, President Akufo-Addo has directed the Finance Ministry to establish a special fund to receive funds from debt forgiveness for specialised and targeted proj-

ects in the country.

He assured his audience that Ghana would meet all of the International Monetary Fund's (IMF) conditions for the next review on June 28, 2024, in order to receive an additional \$600 million in capital injections into the economy.

The minister stated that the country had successfully concluded its debt restructuring programme with the official creditors.

