

High interest rates discourage us from accessing credit facilities

-business women

From Dennis Peprah,
Sunyani

Women engaged in Small-Scale businesses in Sunyani, the Bono Regional capital, on Monday called for government's intervention to reduce the high interest rates for them to access credit facilities to expand their activities.

The Bank of Ghana raised its benchmark monetary policy rate by 100 basis points to 28 per cent on March 28, 2025, after three consecutive meetings with no changes.

The decision was driven by concerns about the inflation outlook with the nation's annual consumer inflation.

Speaking in an interview with the Ghana News Agency (GNA) in Sunyani on the implementation of the Post COVID-19 Skills Development and Productivity Enhancement Project (PSD-

PEP), women traders described the 28 per cent interest rate as high.

The high interest rates make it difficult for many of them to access loans although they needed it to open their economic activities.

The GNA is a beneficiary, and implementer of the government's PSDPEP project seeks to build health-related skills in higher education, restore livelihoods, strengthen communication and create jobs among the youth and women in the coun-



Madam Agyekum speaking to journalists in Sunyani

try.

Under the implementation of the African Development Bank (AfDB) \$30 million project, \$4 million is expected to be given to Small and Medium Enterprises as loans at a reduced rate to enable them to withstand the shock of the pandemic.

However, the women traders said they were unaware about the facility, and expressed worry about the difficulties some of them often went through in accessing loans from some major banks due to lengthy paper works.

"Our problem is the interest rates, as for the loans some of us can easily apply and get", Madam Agnes Akua Badu, the owner of the "Oman Dehyia" Cosmetics shop at the Sunyani 'Masommasom' daily market told the GNA.

"The banks will even deduct some of the small loans you are accessing for processing fees and you can't even get the amount you want", she stated.

However, she expressed the hope that with the Ghana cedi's gain, the government would help to reduce the interest

rate.

Mad Ajara Danda, a popular porridge seller around the Sunyani Penwkwasi Traffic Light, said "We access the loans from the banks, we end up using all our profits to pay back the loan and that is impeding the growth of our businesses."

"If there is a facility like that, then it's our prayer that the government will come to our aid and support us here too", she added.

Mad Gloria Agyekum, a dealer in women underwear at the Masommasom market also added that "banks will give you the loan with high interest rate and unfavourable payment agreement. In fact, it is easy to access loans from some private financial institutions, however if they give you GHC20,000 then you must pay about GHC1,200 every week for six months and sales are even poor nowadays".

Mrs Agyekum added that "we can't go to the banks because the interest rate there is too much" and called on the government to come to their aid.