

Controller partners banks to develop digital payment platform

By Chris Nunoo

THE Controller and Accountant-General has teamed up with the banking sector to develop an interoperable funds transfer platform which will be the authorised channel for payments by all public sector institutions.

The partnership between the Controller and Accountant-General, the Ghana Interbank Payment and Settlement Systems (GhIPSS) and 24 banks in the country, including the ARB Apex Bank, would ensure that all government payments through the Ghana Integrated Financial

Management Information System (GIFMIS) are carried out by direct funds transfers only on the GhIPSS Instant Payment (GIP) gateway, and no longer through physical cheques.

By this agreement, the government would no longer permit the payment of any government contract with cheques except through the GIP in an effort to curtail any discrepancies in national expenditure.

Service level agreement

Known as the Service Level Agreement (SLA), the GIP-GIFMIS payment platform is expected to strengthen the management and disbursement of public funds.

The Controller and Accountant-General, Kwasi Agyei, said at the

unveiling of the partnership in Accra yesterday that the initiative marked a significant step towards modernising public financial management in the country.

He said it signified a fundamental shift in the handling of public funds, moving decisively from outdated manual systems to a modern, controlled and fully traceable electronic payment system.

“For far too long the public sector has relied on manual cheque book systems that are slow, difficult to reconcile and prone to inefficiencies and misuse. That era must end now,” he stressed.

“The direction is clear; government payments must be electronic, traceable and accountable. Let us advance with determination, ensure compliance without exception and collaborate to protect the public purse,” the Controller and Accountant-General said.

Mr Agyei said the Controller and Accountant-General’s Department was responsible for ensuring that every amount spent was properly authorised, traceable and accounted for and that the new reform strengthened that responsibility.

He said the agreement was a demonstration of the strong commitment by all stakeholders to maintain high standards of service delivery, system reliability and financial accountability.

Manual cheque

On the full implementation of the agreement, the CAG explained that “the shift from manual cheques will be gradual, but it will be firmly enforced.”

He, therefore, urged the Ministries,

Departments and Agencies to comply, stressing that “We will facilitate this transition with clear guidelines, structured training and effective change management.”

He commended the teams from the CAGD, Bank of Ghana and the GhIPSS for their diligence in developing the SLA, and said their technical expertise and dedication made the achievement possible.

The Deputy Minister of Finance, Thomas Nyarko Ampem, said the reform would enhance accountability because it left footprints, created auditable trails and strengthened oversight.

It also enhanced the ability of the government to manage liquidity, monitor commitments in real time and enforce expenditure discipline, he added.

“By enabling end-to-end electronic payments from government accounts through the banking system, we significantly reduce processing time, eliminate manual bottlenecks and improve service delivery across Ministries, Department and Agencies.

The Chief Executive Officer (CEO) of the Ghana Association of Banks, John Awuah, for his part, said the collaboration was initiated to ensure that all government payments on state accounts with universal banks went through the same electronic transfer process to extend the efficiency, transparency and security of government payments.

In that regard, Mr Awuah said the banks were excited to see the coming to fruition of the agreement to ensure that other universal banks which hitherto used manual payment systems would be brought on board the electronic payment system.

The event was also attended by the Acting General Manager, Projects and Business Development, Akosua Blay, and Eric Hammond from the Office of the Governor of the Bank of Ghana.



• Kwasi Agyei (middle), Controller and Accountant General, John Awuah (right), CEO, Ghana Association of Banks, and Akosua Blay (left), Chief Business Officer, Ghana Interbank Payment and Settlement Systems Limited (GHIPSS), signing the agreement. Picture: ERNEST KODZI