

PRESS RELEASE:

**Bank Of Ghana Steps up Efforts to Protect Consumers of Financial Services**

*Monday 20<sup>th</sup>, March 2017*

*Accra, Ghana*

The Bank of Ghana (BOG) as part of measures of protecting consumers of financial services has instituted two regulations namely **Consumer Recourse Mechanism Guidelines for Financial Service Providers**, and **Disclosure and Product Transparency Rules for Credit Products and Services**. These regulations are to ensure that the welfare of consumers are protected and to provide mechanism for redress.

This was contained in a speech read on the behalf of the Governor of Bank of Ghana. Dr. Abdul Nasiru Isahaku at a policy dialogue to mark World Consumer Rights Day organized by CUTS International Accra,

Dr. Settor Amedeka, Head of Payment Systems at the Bank of Ghana emphasized that the core aim of the Bank of Ghana in relation to consumer welfare is to ensure financial and price stability. He added that the institution is working to ensure that violations are remedied, sanctions are applied and the consumer is given a voice in the financial sector. In doing so, he added that “the Central Bank has charged all banking and other financial institutions to set up a complaint centre to collate all the views and concerns of consumers. A redress mechanism has also being put in place through the establishment of information centres either in banking halls or online to inform consumers of their rights.”

The Minister for Trade and Industry Honourable Alan Kwadwo Kyeremanten in his remarks said that “financial and digital services providers in the country need to work to guarantee consumer confidence in the technology platforms on which they deliver their products. Without consumer confidence in technology, technology usage will go down and can become a disincentive for technology service providers. Service providers need to ensure that consumers have access to secured networks and services, right to privacy and data protection as well as avenue for redress mechanism”

Mr. Robert Ahomka-Lindsay, a Deputy Minister at the Ministry of Trade and Industry in his remarks mentioned that the ministry is taking three key steps in addressing consumer related welfare issues. These include data protection, reviewing all regulations associated with industries and greater entrepreneurship and SME development.

Justice Samuel Kofi Date Bah, a retired justice of the Supreme Court of Ghana in his remarks indicated that “the contemporary national and global environment provide much opportunity for innovation in both the digital and financial Worlds. Regulators in these sectors must combine adequate consumer protection with empowerment of imaginative enterprise and entrepreneurship.”

Appiah Kusi Adomako, the Centre Coordinator for CUTS Ghana in his presentation indicated that consumer protection law is required to protect consumers of financial services. He complained about high interest rates, bank charges, ATM charges as well as deliberate non-disclosure of products information. He urged the Bank of Ghana to ensure that consumer rights in the financial services are

respected. He further called on financial service providers to improve on their product design and delivery, prevent over-indebtedness and ensure responsible pricing as well as privacy of client's data.

Isaac Yaw Obeng, a Programs Associates at CUTS Ghana in his presentation on "Building a Digital World Consumers can Trust" mentioned low internet speed, phishing scam, spam messages, trust issues in online services and products, data protection and security issues, high cost of data, credit card fraud, identity theft and unrestricted adult content as the main welfare issues bordering today's consumer in the digital world.

Mrs Teki Akwetteh Falconer, Executive Director of the Data Protection Commission (DPC), in her remarks stressed on the need for privacy, integrity and trust as the main issues bordering the consumer in the digital world. She emphasized that her outfit is working assiduously to ensure that data protection is linked with consumer protection law.

Mr. James Lartey, the Head of Communications at the Food and Drugs Authority (FDA) was of the view that the blame should not be shifted only to regulators because consumers themselves sometimes do not uphold their rights and called for vigilance among consumers of goods and services.

Mr. Kafui Tsekpo from the Participatory Development Associates and a consumer activist, mentioned trust issues in both the digital and financial worlds, wide gap between interest rate on loans and interest on savings as well as lack of transparency and information as the major issues bedeviling consumers in the both sectors. These he added "need to be addressed to win back the interest of consumers in digital and financial services."

The World Consumer Rights Day Celebration is observed on 15<sup>th</sup> March every year worldwide to generate awareness about the need for consumer rights. The theme for celebration was Building a Digital and Financial World Consumers can Trust. CUTS is a public policy think-tank working in the areas of trade and development, competition and economic regulations, and governance and consumer protection across Asia and Sub-Saharan Africa. Established in 1983 and with its headquarters in Jaipur, India, the organisation has its regional presence in Accra, Nairobi, Lusaka, Geneva and Hanoi.

This policy dialogue was attended by Ministry of Trade and Industry (MOTI), Data Protection Commission, Bank of Ghana, Attorney General's Office, German Development Cooperation (GIZ), Ghana Education Service, Food and Drugs Authority (FDA), Centre for Environmental Law (CELD), Participatory Development Associates (PDA), Citizen's Rights, Vivo Energy representatives from a law firms, banking and financial institutions, micro finance institutions, telecom service providers, media houses, students and the general public.

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### ***About CUTS***

*CUTS Ghana is a research and advocacy policy think tank which works in the areas of consumer protection and education economic regulation, trade and development, regional integration, competition policy and law, etc.*

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