

**SPEECH BY THE MINISTER OF FINANCE AND ECONOMIC PLANNING,  
HONOURABLE KWADWO BAAH WIREDU, AT THE BARCLAYS MICRO  
BANKING AWARDS NIGHT HELD ON THURSDAY, 6<sup>TH</sup> SEPTEMBER, 2007  
AT THE INDEPENDENCE SQUARE**

**The C.E.O. of Global Retail and Commercial Banking of Barclays bank Plc**

**The Managing Director of Barclays Ghana**

**The Executives and members of the Ghana "Susu" Collectors Association**

**Other Partnering Institutions of Barclays Microbanking**

**Members of the Media**

**Distinguished Invited Guests**

**Ladies and Gentlemen**

**1.** I am delighted and honoured to be here tonight as we celebrate the achievements of the partnership between Barclays Bank of Ghana Limited and "Susu" collectors in the area of Microbanking. The efforts by Barclays Bank at blending traditional banking, represented here by "susu" collection, and modern banking as provided by Barclays Bank is very innovative and deserves commendation. It will serve the Ghanaian society well, especially in the current efforts by government to increase accessibility to funding.

**2.** Besides the United Nations Millennium Development Goals (MDG), and indeed in our own development agenda as spelt out in the Financial Sector Reform Programme, access to funds and banking products and services clearly stand out as critical to the attainment of our development goals. This made it imperative for the government to focus attention on how to ensure an enhanced growth and development of the country's financial sector.

Distinguished Guests, Ladies and Gentlemen!

**3.** The vibrancy we are therefore experiencing in the banking industry in Ghana today is not a chance event. Rather, it is the result of well-thought out policies and options as enshrined in the strategic financial sector reform agenda of the government for deepening and enhancing the pillars of the financial sector so that it could play the role required of it. The introduction of universal banking in Ghana a few years ago, demonstrates some of the advantages the country is deriving for example.

**4.** In addition to that, the Government has continued to pursue a policy of supporting the development and growth of a sustainable micro-financial system under GPRS II as a means of reaching out to the productive poor of society with credit and other financial services. In this regard concrete steps have been taken to strengthen the establishment of the Micro and Small Loans Scheme.

**5.** For instance the Micro Credit Fund has been established with seed money of 50 million US Dollars and nine regional offices have been opened to ensure that the services of the Micro-finance and Small Loans Centre (MASLOC) are decentralized to benefit a larger group.

**6.** As part of the ongoing financial sector reform to deepen access and financial inclusion, a substantial amount of money has been set aside in the Economic Management and Capacity Building (EMCB-FSR) Programme to help strengthen susu collectors cooperative for membership expansion and self regulation through the umbrella association, Ghana Association of Microfinance Institutions. (GHAMFIN). Other activities such as review of existing code of ethics, continuous development of

training programmes and support initiative for advocacy for micro finance activities are being undertaken.

**7.** The development of a national benchmarking and standards for Microfinance Institutions is also underway. A Microfinance Information Exchange (Mix) which has the Data Collection Tools and Analysis Software to report on transparent and uniform accurate data on the financial health of their institutions in order to improve the safety and soundness of the industry is allow being provided by GHAMFIN through the Apex bodies – Ghana Cooperative Credit Unit Association (CUA), Association of Financial NGOs (ASFIN), Ghana Cooperative Susu Collectors Association (GCSCA), Association of Rural Banks, the Apex bank, and the Ghana Association of Saving and Loans Companies which is now in its formative stage.

Distinguished Guests!

**8.** Lack of credit has continued to plague most businesses in this country despite the numerous government interventions. Last year a total of about 154 billion cedis was extended as micro credit to over 103,000 borrowers in various sectors especially agriculture, fisheries and micro enterprises. In addition about 110,000 micro and 22,000 small scale borrowers were identified and received credit facilities to improve their businesses.

**9.** However, Government alone cannot shoulder the responsibility of providing credit to the informal sector. We need strong partnerships from financial institutions in this regard and I urge the financial sector of the country's economy to rise up to this challenge.

Distinguished Ladies and Gentlemen -

**10.** It is in this direction that I wish to recognise the effort by Barclays Bank which has culminated in today's celebration. **Additionally, Barclays has been involved**

**in developing products and services targeted at Small and Medium scale Enterprise (SMEs) on the hopeful note that credit pricing will reflect the declining trend of interest rate in the economy.**

**11.** These, I am confident will complement the government's efforts at increasing access to funds for the Ghanaian entrepreneur. I am hopeful that other banks would throw in their support so that together we can improve upon the performance of the private sector.

**12.** Let me conclude by congratulating the award winners for their outstanding performance. You have indeed demonstrated your level of competence and proven to all that before the advent of modern banking, Ghana had its own form of banking – "Susu" collection – which holds a lot of lessons for the modern banks! Congratulations once again.

**13.** I am hopeful that the award you receive tonight will go a long way to boost your morale and encourage you to commit to an even improved performance in the years to come.

I wish you all an enjoyable evening.

Thank you.