

**APPLICATION REQUIREMENTS FOR APPLYING FOR A MICROFINANCE  
INSTITUTION LICENCE**

**A. RESTRICTING ELIGIBILITY TO LICENSED CORPORATE BODIES**

No person other than a body corporate incorporated in Ghana shall be eligible to apply for a license to carry on the business of deposit taking microfinance institution unless it has obtained from the Bank of Ghana a licence for that purpose.

**B. RESTRICTIONS ON SHAREHOLDING**

- a. Shareholding of Deposit taking microfinance institutions and Financial NGOs shall be restricted to only Ghanaians.
- b. Shareholding of non-deposit taking microfinance institutions may be exclusively Ghanaian, exclusively foreign or jointly Ghanaian and foreign.

**C. MINIMUM PAID-UP CAPITAL**

**a. Tier 2 Activities (Microfinance Companies)**

All Tier 2 entities shall require not less than GH¢ GH¢2,000,000.00 (Two Million Ghana Cedis only) as minimum paid-up capital.

**b. Tier 3 Activities (Money Lending)**

All Tier 3 entities shall require not less than GH¢2,000,000.00 (Two Million Ghana Cedis only) as minimum paid-up capital.

**D. APPLICATION FOR LICENCE**

An application for a licence to engage in the provision of Microfinance services or Money Lending services shall be made in writing and addressed to the Head, Other Financial Institutions Supervision Department, Bank of Ghana, Accra for consideration and shall be accompanied by:

1. A certified true copy of certificate of incorporation. The registered name of the company should include '**Microfinance**' or '**Money Lending**'.
2. A certified true copy of Company's Regulations detailing:
  - a. the shareholding structure of at least two (2), with one (1) shareholder having a minimum of 10% share of the total number of shares.
  - b. the Board of Directors of at least five (5) members
3. Duly completed Personality Notes Form (**in duplicate**) by Directors, Shareholders and Key Management Personnel downloaded from the Bank of Ghana website ([www.bog.gov.gh/supervisionandregulation/licensingandpolicyguidelines](http://www.bog.gov.gh/supervisionandregulation/licensingandpolicyguidelines)) together with their:
  - a. personal financial statement of affairs (Appendix 1) certified by practicing Auditors
  - b. three (3) passport size photographs each
  - c. certified true copies of academic and professional certificates.
  - d. detailed Curriculum Vitae
  - e. Individual Tax Clearance Certificate (Key Management Personnel excluded)
4. Evidence of request for police clearance for Shareholders and Directors.

5. Information on capital and documentary evidence of capital injection of the minimum paid-up capital of GH¢2,000,000.00 (Two Million Ghana Cedis only) for both Microfinance and Money Lending Institutions.
6. A copy of Feasibility or Business Plan detailing the financial Projection of Income Statement, Balance Sheet and Cash Flow for the first five (5) years of operation including assumptions used in arriving at the projections and areas of specialisation intended.
7. Evidence of paid non-refundable License Processing Fee of GH¢500.
8. Such other particulars as the Central Bank of Ghana may require for the processing of the application.

#### **E. Approval in principle**

The Bank of Ghana may issue an 'approval-in-principle' to the applicant on such terms and conditions as it may consider necessary and appropriate, if it is satisfied that:

- a. the applicant would carry on the business with integrity, prudence and the required professional competence; and
- b. the applicant has the capacity to raise the initial paid-up capital required to hold a licence.

#### **F. FEES**

Tier 2 and 3 microfinance institutions shall pay the following fees:

- a. Processing fee: **GH¢500.00**
- b. Licence fee: **GH¢1,000.00**
- c. Annual licence renewal fee: **GH¢500.00**

#### **G. CHANGES IN LICENSING CONDITIONS**

It should be noted that:

- a. the above conditions for licence are subject to review, and could affect an application in process.
- b. The Bank of Ghana relies on other agencies both local and external in the processing of applications, and this could cause delays in the processing of applications.
- c. Information provided by applicants shall be subject to verification by the Central Bank
- d. The submission of any false, misleading or inaccurate information or suppression of any material information shall render the applicant as not fit and proper and shall constitute sufficient grounds for rejection of the application, or revocation of the licence in accordance with Section 13 (1) of the Banking Act 2007, Act 738 as amended, where a licence has already been granted.
- e. Submission of these requirements **does not constitute an approval**.

FOR FURTHER INFORMATION PLEASE CONTACT:

**OTHER FINANCIAL INSTITUTIONS SUPERVISION DEPARTMENT  
BANK OF GHANA  
8TH FLOOR CEDI HOUSE  
P.O.BOX 2674  
ACCRA  
TEL: 0302-665252**