

 Early Warning System

WB-P180719

Ghana Financial Stability Project



### Quick Facts

Countries	Ghana
Financial Institutions	World Bank (WB)
Status	Approved
Bank Risk Rating	B
Voting Date	2024-05-30
Borrower	Government of Ghana - Ministry of Finance
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	\$ 250.00 million
Project Cost (USD)	\$ 250.00 million



---

## Project Description

According to the Bank's website, the objective of this project is to support the recapitalization of viable banks and specialized deposit-taking institutions to contribute to financial stability.

This proposed US\$250-million project would include three complementary components: (a) Capitalization of Fund A1 of the GFSF (Capital Buffers Scheme); (b) Technical assistance; and (c) Project management, monitoring and evaluation (M&E).



---

## Early Warning System Project Analysis

The potential environmental risks of the proposed Project are expected to be moderate. The environmental risk management of the World Bank will apply to the entire portfolio of beneficiary banks and SDIs, including when banks and SDIs support individuals or MSMEs borrowers in sectors like agriculture, manufacturing, and services. These borrowers' operations might directly or indirectly impact the environment, with risks including land and forest degradation, habitat destruction, destruction and threat to native biodiversity, soil and water pollution and poisoning of non-target organisms associated with the use of pesticides. Specific concerns include the use of agrochemicals in agriculture and pollution from manufacturing processes, highlighting the need for effective risk management and environmental protection measures.

The potential social risks of the proposed Project are expected to be moderate. Given that borrowers of the beneficiary banks and SDIs are mostly individuals and MSMEs engaged in sectors such as agriculture, wholesale/retail, manufacturing, and services, the proposed Project could potentially generate various social risks based on their operations. These risks include displacement of communities, labor issues like poor working conditions and exploitation, child labor, health hazards due to inadequate safety measures, conflicts over resource access, and impacts on cultural heritage. The Project also risks exacerbating gender and income inequalities, as well as poor inclusion, if economic benefits are unevenly distributed. The country's weak grievance management systems need strengthening, particularly for handling sensitive issues like sexual exploitation and abuse (SEA), sexual harassment (SEA/SH), and child labor cases. Furthermore, the proposed Project could significantly impact food security in local areas. These challenges necessitate effective management strategies to mitigate potential negative social impacts.



---

## Investment Description

- World Bank (WB)

IDA Shorter Maturity Loan (SML): US\$ 250.00 Millions



---

## Contact Information

### World Bank

Carlos Leonardo Vicente  
Senior Financial Sector Economist

Cedric Mousset  
Lead Financial Sector Specialist

### Borrower/Client/Recipient

THE REPUBLIC OF GHANA  
Sampson Akligoh , Director, sampson@oofmghana.com

### Implementing Agencies

Ministry of Finance  
Sampson Akligoh , Director, sampson@oofmghana.com

### ACCESS TO INFORMATION

To submit an information request for project information, you will have to create an account to access the Access to Information request form. You can learn more about this process at: <https://www.worldbank.org/en/access-to-information/request-submission>

### ACCOUNTABILITY MECHANISM OF THE WORLD BANK

The World Bank Inspection Panel is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by a World Bank-financed project. If you submit a complaint to the Inspection Panel, they may investigate to assess whether the World Bank is following its own policies and procedures for preventing harm to people or the environment. You can contact the Inspection Panel or submit a complaint by emailing [ipanel@worldbank.org](mailto:ipanel@worldbank.org). Information on how to file a complaint and a complaint request form are available at: <https://www.inspectionpanel.org/how-to-file-complaint>



---

## Bank Documents

- [Appraisal Environmental and Social Review Summary \(ESRS\) - Ghana Financial Stability Project - P1807](#) [Original Source]
- [Concept Environmental and Social Review Summary \(ESRS\) - Ghana Financial Stability Project - P180719](#) [Original Source]
- [Concept Project Information Document \(PID\)](#) [Original Source]
- [Environmental and Social Commitment Plan \(ESCP\) - Ghana Financial Stability Project - P180719](#) [Original Source]
- [Ghana - Financial Stability Project](#) [Original Source]
- [Ghana - WESTERN AND CENTRAL AFRICA- P180719- Ghana Financial Stability Project - Procurement Plan \(E](#)
- [Stakeholder Engagement Plan \(SEP\) - Ghana Financial Stability Project - P180719](#) [Original Source]

## Media

- [World Bank Supports Ghana to Strengthen its Financial Sector](#)