

Ghana Debt Exchange Programme

Frequently Asked Questions (FAQs)

1. What is the Ghana Debt Exchange Programme?

Answer: On Monday December 5, 2022, the Minister of Finance announced the Government of Ghana Debt Exchange programme as part of measures to restore the Ghanaian economy in the medium to long-term.

Under the debt exchange programme, domestic bondholders are requested to exchange their existing bonds for new bonds maturing in 2027, 2029, 2032 and 2037. The coupon on these bonds will be set at 0% in 2023, 5% in 2024 and 10% from 2025 until maturity.

Principal payments will be made at 17% by 2027 (Two instalment payments in 2026 and 2027), 17% by 2029 (Two instalment payments in 2028 and 2029), 25% by 2032 (Three instalment payments in 2030, 2031 and 2032) and 41% by 2037 (Four instalment payments in 2033, 2034, 2035, 2036 and 2037).

2. Are my investments safe with CalBank PLC?

Answer: Yes, your investments are safe. CalBank is committed to ensuring all investments held with us are protected, in line with best practices.

3. Will my Treasury Bills be affected by the restructuring programme?

Answer: There will be no impact on your Treasury Bills as an individual or corporate entity as this is not in the scope of the Debt Exchange Programme.

4. If I disinvest my Treasury Bills before maturity, what will be lost? My principal, interest, or both?

Answer: Your Treasury Bill investments remain intact, and you will not lose out on either principal or interest on maturity. However, if you disinvest before maturity a discount percentage shall be applied to the amount.

5. What will happen to my Fixed Deposit/CIP/Supersave investments?

Answer: Your Fixed Deposit/CIP/Supersave investments are safe and will not be affected by the Debt Exchange Programme.

6. I am an individual, what happens to my bonds?

Answer: All bonds held by individuals (natural persons) who are registered in the Central Securities Depository (CSD) will not be impacted by the Debt Exchange Programme. Therefore, there will be no loss of principal and scheduled coupon (interest) payments of individual bonds.

7. My account is a corporate account, what happens to my bonds?

Answer: Bonds held by corporate entities and institutions will be impacted by the domestic bond exchange. These existing bonds will be exchanged for new ones maturing in 2027, 2029, 2032 and 2037 at the following annual coupon rates ■ 0% in 2023 ■ 5% in 2024 ■ 10% from 2025 until maturity.

8. I have a corporate account and I have bought Government of Ghana Eurobonds. What will happen to them now?

Answer: We are on standby for information from the Central Bank regarding Eurobonds. We will share any information received duly.

9. Does CalBank have enough money for me anytime I need it?

Answer: CalBank is in good financial standing, and we shall continue to ensure our customers have access to their funds anytime needed.

10. I have investments with your subsidiary, CAL Asset Management, will they be impacted?

Answer: Individual Central Securities Deposit accounts with CAL Asset Management will not be impacted under this programme. In addition to Bonds, CAL Asset Management also invests in other financial instruments not impacted by this Programme.

11. I have bonds in ESLA and Daakye, as well as in Cocoa Bills, and I am an individual, are they safe?

Answer: Individual accounts will not be impacted under this Programme.

12. I have bonds in ESLA and Daakye, as well as in Cocoa Bills, and I am a corporate entity, are they safe?

Answer: Corporate entities and institutions investments in ESLA and Daakye Bonds will be impacted under this programme, however Cocoa Bills will not be impacted under the programme.

13. Do I have the option to disinvest my investment now or do I have to wait till maturity?

Answer: To realise the full benefits of your investments, you are encouraged to wait until maturity.