

Stanbic Bank Ghana and the German Government funded KfW Investing for Employment facility launch joint project to support SMEs and preserve employment in the face of the Covid-19 pandemic

Frankfurt/Accra, 28 August 2020.

The Investitionen für Beschäftigung (**Investing for Employment**) GmbH, Frankfurt/Germany (“**IFE**”) and Stanbic Bank, Ghana (“**Stanbic**”), announce that they have jointly launched a project to support the preservation of employment by small and medium enterprises (SME) in Ghana against the effects of the Covid-19 Pandemic.

Under the project, the German Government via the KfW IFE, will provide a **total grant funding of EUR 6 million**, which Stanbic will deploy to selected SMEs in its portfolio suffering from the negative effects of Covid-19 related restrictions. Stanbic will supplement the grant by providing **additional credit relief** to these SMEs through extended loan tenors. This combination of measures aims to enable the beneficiary SMEs to **maintain the largest share of their employees**.

In total, KfW IFE and Stanbic expect to be able to **support at least 40 SMEs** across a wide spectrum of important economic sectors (such as education or health) through the project, **with a total of around 4,400 employees**. In addition, the combined intervention aims to contribute to the **preservation of more than 8,000 jobs** at other small enterprises which are collaborating with the beneficiary SMEs, e.g. as suppliers or service providers. **This adds up to more than 12, 000 jobs** that are foreseen to be preserved.

At the ceremony, the Head of Cooperation at the Embassy of the Federal Republic of Germany, Mrs. Dorothee Dinkelaker said “**Germany and Ghana maintain close and trustful relations**. Ghana is a key partner for Germany in Africa, as illustrated not least by the intensive cooperation under the G20 Compact with Africa and its bilateralisation, the Reform and Investment Partnership.” She added that “in light of the massive socio-economic impact of the Covid-19 pandemic both on a global and domestic level in Ghana, quick and substantive measures are necessary to help preserve employment, production capacities and supply chain linkages. KfW IFE’s Corona Response Programme forms part of the Special Initiative on Training and Employment under which the German Federal Ministry for Economic Cooperation and Development (BMZ) **offers a package of measures to support investment activities** that have a high impact on employment in selected countries of Africa, including Ghana. With the joint support, not only SMEs and their employees, but also their families who are maneuvering through these challenging times will benefit from this intervention.”

Implemented by

“We believe that when our SME sector is supported to survive this pandemic, the sector will be uniquely positioned to continue being the backbone of the Ghanaian economy that takes it to the next level”, Mr. Andani said. He further noted that the aim of the facility, which is to help **preserve jobs and support the SME sector**, is in line with Stanbic Bank’s own interventions aimed at **mitigating the impact of COVID-19** on the sector. “Stanbic Bank has, since the advent of the pandemic, put in place a number of measures to ensure that **Ghanaian SMEs are supported through these difficult times** and this joint project fits perfectly into our efforts to mitigate the impact of COVID-19. This partnership with the IFE is the ideal supplement to our own efforts so far.” Mr. Andani encouraged businesses in the country to take advantage of the opportunity provided by the facility to ensure that they thrive to continue to contribute significantly to the economy.

Mr. Andreas Holtkotte, one of the Executive Directors of KfW IFE, commented at the virtual signing ceremony: “We are very pleased to collaborate with Stanbic Bank Ghana under IFE’s Corona Response Programme. IFE is proud to have a professional and reputable partner such as Stanbic in order to implement the allocated funds. The project aims at supporting SMEs which are known to be the backbone and job engine of the Ghanaian economy. The partnership with Stanbic Bank enables us to **deploy our results-based grant support in a targeted manner** to SMEs which hold the potential for poverty reduction and development of African economies.”

The new Director of KfW Office Ghana, Mr. Arndt Wierheim, gave a goodwill message at the ceremony. He said “the Corona Response Programme marks the beginning of KfW’s collaboration (through IFE) with Stanbic Bank Ghana. I am convinced that **the funds will be put to an effective deployment and use in order to positively impact the lives of the target group** being affected by the Covid-19 pandemic. Given that Stanbic and KfW share a common goal of financing SMEs, I look very much forward to the successful execution of this project.” Mr. Wierheim further indicated that **KfW remains committed to contributing to the sustainable socio-economic development of Ghana** through its partnership with the Government of Ghana and the private sector.

About IFE

IFE, a **subsidiary of the German Development Bank (KfW)**, was established in 2020 as an integral part of the German Government’s Special Initiative on Training and Employment (**Invest for Jobs**). Under the Invest for Jobs brand, the German Federal Ministry for Economic Cooperation and Development (BMZ) offers a package of measures to support investment activities that have a high impact on employment in Africa, of which IFE is one key pillar. The objective of the Special Initiative is **to create jobs and apprenticeships and to improve working conditions in our partner countries**. The Special Initiative thus contributes to the implementation of the G20 investment partnership **Compact with Africa** and the **Marshall Plan with Africa**.

About Stanbic Bank Ghana

Stanbic Bank Ghana, a member of the **Standard Bank Group**, opened its doors to the banking public two decades ago, in 1999. It has spent half of the ensuing **20 years as a tier one bank in Ghana** and indeed has since then ranked among the leading banks in Ghana by size, by financial solidity and by the sheer quality of the financial intermediation and transaction products and services it provides.

For enquiries regarding Stanbic, please contact Mr. Kojo Akoi Larbi (Manager Communications, Stanbic Bank Ghana), Tel. 0244283630, Email: Akoi-LarbiK@stanbic.com.gh.

We look forward to hearing from you!

For general enquiries regarding the Special Initiative:
info@invest-for-jobs.com

For enquiries to the Investing for Employment GmbH:
info@investing-for-employment.com

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Registered offices
Frankfurt am Main
Germany

c/o KfW Banking Group
Palmengartenstraße 5-9
60325 Frankfurt am Main

info@investing-for-employment.com
invest-for-jobs.com/ife

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Author/Responsible/Editor:
Andreas Holtkotte - Executive Director

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