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PRESS RELEASE

SME FINANCE - TTB AND SWISS GOVERNMENT SIGNS SECOND CREDIT LINE FOR ON-LENDING TO SMEs

The signing of the agreement shall be at the **Golden Tulip on Tuesday, 15 May 2007 at 10.30 am, prompt.**

The Swiss Government acting through the Swiss Investment Fund for Emerging Markets (SIFEM) will sign on Tuesday 15th May, 2007 a second loan agreement with The Trust Bank Limited (TTB) for an amount of US\$ 2.5 Million comprising the equivalent of US\$2 Million in GHC and US\$500,000. The objective of the credit line is to make medium to long term loans available to SMEs in Ghana.

This is the second Loan Agreement executed between SIFEM and TTB and demonstrates the level of commitment of both parties to the SME sector. The first credit facility of USD2.5 million to TTB was signed in December 2002 and was made of only local currency. TTB confirms, that to date all funds from the first credit line amounting to 21.7 billion GHC have been approved, committed and disbursed to 47 companies in various sectors of the economy, including commerce, services, manufacturing, construction and education.

The Swiss Government's interest in the private sector reflects the recognition of the Government of Ghana's efforts towards sustained economic growth and the acknowledgement that the private sector is the engine through which that growth can be achieved. Medium and long term loans are of utmost importance to SME's who constitute the growth pillar of Ghana's GPRS and more specifically the implementation of Government's private sector development strategy.

The Economic Counsellor of the Embassy of Switzerland to Ghana, Mr. Philippe Sas emphasized that economic development cannot be attained without sustainable economic growth based on private initiative, entrepreneurship and the development of trade, which requires access to finance as a key ingredient. 'I am particularly happy to see the attention that the Government of Ghana is paying to reform in the financial sector and wish to reiterate the Swiss Government's continued support in this domain'.

Mr. Isaac Owusu-Hemeng, the Managing Director of TTB, again underlined the importance of small businesses which are the foundation of the emerging private sector in developing countries. Sustainable and wide-spread private sector growth in Ghana must come from a flourishing pool of small and medium enterprises. However, this sector continues to struggle for survival due largely to lack of access to medium and long term sources of finance. That is why TTB has a strong interest in developing this segment of the market and is pleased with the support of SIFEM in this direction.

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