

# CREDITOR PARTICIPATION IN CORPORATE INSOLVENCY: AN ANALYSIS OF CREDITORS' MEETINGS UNDER GHANA'S ACT 1015

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## Abstract

*This paper examines the legal and procedural framework governing creditors' meetings in corporate insolvency proceedings in Ghana, as set out in the Corporate Insolvency and Restructuring Act, 2020 (Act 1015). It explores the pivotal role creditors' meetings play in promoting transparency, participation, and oversight during both restructuring and liquidation processes. While Act 1015 introduces a modern insolvency regime, the paper identifies key challenges such as limited creditor awareness, procedural delays, and weak institutional support, which undermine the effectiveness of these meetings. Through a comparative analysis of insolvency regimes, the paper highlights international best practices and derives lessons applicable to the Ghanaian context. The study concludes with actionable recommendations aimed at enhancing creditor engagement, improving procedural efficiency, and strengthening regulatory oversight. By addressing these shortcomings, Ghana can better realise the participatory and creditor-centric objectives of its insolvency framework.*

## 1. INTRODUCTION

Insolvency proceedings are a fundamental component of any modern legal system, providing a structured mechanism for addressing the financial distress of companies and protecting the interests of stakeholders. In Ghana, the enactment of the Corporate Insolvency and Restructuring Act, 2020 (Act 1015) (CIRA) marked a significant shift in the legal landscape, replacing the outdated provisions of the Bodies Corporate (Official Liquidations) Act, 1963 (Act 180).<sup>1</sup> A key innovation under CIRA is the enhanced role and recognition of creditors' meetings, which now serve as critical platforms for creditor engagement, decision-making, and oversight in both restructuring and liquidation contexts.

Creditors' meetings function as the cornerstone of participatory insolvency regimes.<sup>2</sup> They empower creditors to vote on vital matters, appoint insolvency practitioners, approve restructuring plans, and influence the overall trajectory of proceedings.<sup>3</sup> This participatory approach is rooted in the principle that those with financial stakes in the debtor's estate should have a say in the management and resolution of the insolvency process.<sup>4</sup> Yet, despite the legal advancements introduced by CIRA,<sup>5</sup> Ghana's insolvency regime continues to grapple with practical challenges, notably the limited awareness and participation of creditors and delays that undermine the efficiency and integrity of the process.

This paper examines the legal framework governing creditors' meetings in Ghana under CIRA, analyzing how these forums are structured and the extent to which they achieve their intended goals. Particular attention is paid to how to address challenges such as creditor apathy, information asymmetry, and procedural inefficiencies. The discussion evaluates key challenges and limitations of the current Ghanaian system, drawing on legal scholarship, case law, and reports by insolvency practitioners. Finally, the paper offers

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<sup>1</sup> Under Act 180, distressed companies moved from their distressed state straight to liquidation without an opportunity of restructuring. The recourse of creditors was therefore to move the company into liquidation.

<sup>2</sup> SEMIGABO, Edouard. "Protection of creditors in insolvency proceedings. A comparative approach between Rwanda and the USA insolvency laws." (2024).

<sup>3</sup> Riedl, Ioana-Cristina. "Do Creditors Still Have the Right to Appoint the Insolvency Practitioner after the First Meeting of the Creditors' Assembly?" *Phoenix Revista Insolventa* 88 (2024): 22.

<sup>4</sup> Jacobs, Lézelle. "Corporate insolvency practitioners: ethics and fiduciary duties." *Research Handbook on Corporate Restructuring*. Edward Elgar Publishing, 2021. 447-464.

<sup>5</sup> CIRA introduced administration and restructuring for distressed companies. Distressed companies therefore have a chance of being rescued before liquidation. In addition, unsecured creditors have a better chance of recovering as much of their debts as possible.

recommendations for reform, grounded in both local realities and international experience, aimed at enhancing the efficacy, transparency, and participatory value of creditors' meetings in insolvency proceedings.

## 2. LEGAL FRAMEWORK GOVERNING CREDITORS' MEETINGS IN GHANA

The legal framework for creditors' meetings in Ghana is primarily governed by the Corporate Insolvency and Restructuring Act, 2020 (Act 1015) (CIRA). This Act provides a comprehensive system for corporate insolvency, restructuring, and liquidation,<sup>6</sup> aimed at promoting business rescue and maximising creditor returns. Central to this framework is the recognition of creditors as key stakeholders in insolvency proceedings, with statutory rights to be informed, consulted, and actively involved through organised meetings.<sup>7</sup>

### 2.1 Statutory Basis for Creditors' Meetings

Creditors' meetings are statutorily mandated under various provisions of Act 1015. The Act distinguishes between two primary types of insolvency proceedings, administration (restructuring) and liquidation.<sup>8</sup> In both cases, creditors' meetings serve distinct purposes and follow prescribed procedural rules.

In administration, a creditors' meeting must be convened by the administrator within 10 days of appointment to inform creditors of the appointment and discuss the financial status of the company.<sup>9</sup> A more substantive meeting is required within 28 days to consider proposals for a restructuring plan (the watershed meeting).<sup>10</sup> In liquidation, creditors' meetings are convened to approve the appointment or replacement of the liquidator, review progress reports, and authorise significant actions by the liquidator.<sup>11</sup>

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<sup>6</sup> The Long Title of the Corporate Insolvency and Restructuring Act, 2020 (Act 1015)

<sup>7</sup> Adarkwah, Samuel Boadi. "The development of insolvency law in Ghana." *Commonwealth Law Bulletin* 42.4 (2016): 485-520.

<sup>8</sup> Under Ghanaian law, liquidation involves the process of winding up and dissolution of companies.

<sup>9</sup> Sec 21, Act 1015.

<sup>10</sup> Sec 28, Act 1015.

<sup>11</sup> Sec 112-114, Act 1015.

## 2.2 Types of Creditors' Meetings

Under Act 1015, creditors' meetings can be broadly categorized into:

- Initial meetings: Usually convened shortly after the appointment of an administrator or liquidator to inform creditors of the situation and to allow them to vote on the appointment.<sup>12</sup>
- Decision-making meetings: These allow creditors to vote on substantive matters such as approving a restructuring plan,<sup>13</sup> replacement of the administrator or liquidator,<sup>14</sup> or realisation of key assets.<sup>15</sup>
- Periodic and final meetings: Convened to update creditors on the progress of proceedings and, in liquidation, to approve final accounts and discharge the liquidator.<sup>16</sup>

## 2.3 Voting and Decision-Making

CIRA outlines voting procedures to ensure equitable participation among creditors. Section 20(2) of Act 1015 stipulates that decisions are generally made by a majority in value of creditors present and voting,<sup>17</sup> aligning with common insolvency practices globally.<sup>18</sup> However, the Act also introduces mechanisms to address conflicts of interest, especially where secured and unsecured creditors may have divergent interests.<sup>19</sup> Voting rights are determined based on the amount of admitted claims, and creditors must file proofs of debt to be eligible to vote. The Act allows voting by proxy or remotely, reflecting efforts to modernise the process and increase accessibility.<sup>20</sup>

## 2.4 Role of the Registrar and Court Supervision

The Registrar of Companies and the High Court play supervisory roles in relation to creditors' meetings. Under section 25 creditors or insolvency practitioners may apply to the court to resolve disputes arising from creditors' meetings, including voting irregularities or unfair prejudice. This judicial oversight ensures

<sup>12</sup> See secs 21 and 112, Act 1015.

<sup>13</sup> Sec 28, Act 1015.

<sup>14</sup> Sec 21, Act 1015

<sup>15</sup> Sec 113, Act 1015.

<sup>16</sup> Sec 113, Act 1015.

<sup>17</sup> See also sec 112(12), Act 1015.

<sup>18</sup> Stef, Nicolae. "Voting rules in bankruptcy law." *Review of Law & Economics* 13.1 (2017): 20140063.

<sup>19</sup> See sections 25(2)(c) and 113(1) of Act 1015.

<sup>20</sup> See sec 20(2), 26(5)(b), 28(2) and 112(11) of Act 1015.

that meetings are conducted fairly and in compliance with the law. In addition, CIRA empowers the Registrar to receive copies of notices and minutes of creditors' meetings, adding a layer of administrative accountability. These mechanisms are intended to guard against abuses and enhance the transparency of insolvency proceedings.

### **3. TYPES AND PROCEDURES OF CREDITORS' MEETINGS UNDER ACT 1015**

CIRA outlines a structured and detailed approach to the conduct of creditors' meetings during corporate insolvency proceedings in Ghana. These meetings vary in function depending on whether the company is undergoing administration (restructuring) or liquidation, but they share common procedural requirements aimed at ensuring transparency, accountability, and creditor participation.

#### **3.1 Creditors' Meetings in Administration (Restructuring)**

In the context of administration, creditors' meetings are crucial for engaging stakeholders in business rescue efforts. The process begins with the appointment of an administrator who is expected to assume control over the company's affairs and attempt to restore its viability. Under section 21 of Act 1015, the administrator, upon appointment, must call an initial meeting of creditors within 10 days of the appointment. This initial meeting is intended to notify creditors of the appointment of the administrator. It is also to present the company's financial position to the creditors and to establish a committee of creditors, if necessary. In addition, this initial meeting will give the creditors the opportunity to decide whether they want to vote to maintain the administrator or have him replaced.

The second meeting, referred to as the watershed meeting, must be held within 28 days of the administrator's appointment.<sup>21</sup> During this meeting, the administrator presents a rescue or restructuring plan to the creditors. The creditors will then vote to approve, modify, or reject the plan. At this meeting, a

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<sup>21</sup> Section 24, Act 1015.

majority in value of creditors present and voting is required for approval of the plan.<sup>22</sup> If the plan is approved, it becomes binding on all creditors, subject to any court confirmation.<sup>23</sup>

### **3.2 Creditors' Meetings in Liquidation**

In liquidation proceedings, the creditors' meetings are designed to ensure effective oversight of the liquidator and the winding-up process. Once the liquidation process commences, the liquidator must convene a meeting of creditors within six (6) weeks of his appointment.<sup>24</sup> This first meeting is called to disclose the company's statement of affairs to creditors and to consider proposals for an agreement with the creditors on satisfaction of debts.<sup>25</sup> At this meeting, the liquidator shall put to the meeting questions that the liquidator considers appropriate and in the event that the company has proposed an agreement with the creditors, the creditors shall be asked to approve or reject same.<sup>26</sup>

Apart from the first meeting, the liquidator may convene other meetings to report on the progress of the liquidation process, provided they are not more than six months apart.<sup>27</sup> He may also convene other meetings to consult creditors on matters which may substantially affect creditors' rights.<sup>28</sup> Where creditors with at least one-fifth of the voting rights requisition a meeting of creditors, the liquidator shall be obligated to convene a meeting of creditors.<sup>29</sup> In the event that liquidation continues for more than one year, the liquidator must call a general meeting of the company and a meeting of the creditors and subsequently at the end of each year the liquidation process continues.<sup>30</sup> At this meeting, the liquidator shall lay before the members and creditors an account of the company showing the processes thus far.<sup>31</sup>

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<sup>22</sup> Section 28, Act 1015.

<sup>23</sup> Sections 48, 49 and 50, Act 1015.

<sup>24</sup> Section 112, Act 1015.

<sup>25</sup> Section 112(3), Act 1015.

<sup>26</sup> Section 112(4), Act 1015.

<sup>27</sup> Section 113(1)(a), Act 1015.

<sup>28</sup> Section 113(1)(b), Act 1015.

<sup>29</sup> Section 113(2), Act 1015.

<sup>30</sup> Section 113(4)(a), Act 1015.

<sup>31</sup> Section 113(4)(b), Act 1015.

### 3.3 The Legal Aspects and Procedures at Meetings

Act 1015 provides specific rules regarding notice, quorum, and participation to promote fair and inclusive proceedings during creditors meetings. In this regard, creditors must receive adequate notice before any meeting. The notice must indicate the time, venue, and agenda for the meeting. Where CIRA specifically provides for a notice period, then the notice of meeting must specifically follow the notice period. For instance, during administration, CIRA provides that the notice for the first meeting of creditors as well as the watershed meeting must be not less than seven days.<sup>32</sup> However, under section 113 of CIRA, there is no provision for a specified notice period before the liquidator holds consultation meetings with creditors. In addition, during the first meeting of creditors in a liquidation, CIRA does not specify a notice period. In both instances, the law suggests that the notice must be reasonable and practical to enable creditors to participate in the meeting. Thus, where the meeting is a physical meeting and creditors are scattered throughout the country, it will be unreasonable to call a meeting with notice which is forty-eight hours or less. The overarching aim is that depending on the circumstances, the notice period must be reasonable enough to allow any creditor who is minded to participate, enough accommodation to participate.<sup>33</sup>

Apart from the first meeting of creditors during liquidation, CIRA does not provide a quorum for other creditors' meetings. Under section 112(6) during the first meeting of creditors during liquidation, there must be at least three creditors present and if there are less than three then all of them must be present before the meeting can be underway.<sup>34</sup> In other meetings, although the law does not provide for a quorum, since creditors' meetings are called for the benefit of creditors, the same rules should apply as if the creditors meeting was a first meeting of creditors during liquidation. However, at an adjourned meeting where the meeting was adjourned for lack of quorum, the meeting should be underway if after thirty minutes there is no quorum. This will ensure that creditors' meetings strike a fair balance between the interests of creditors and other stakeholders during the insolvency period.

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<sup>32</sup> Sections 21(4) and 24(6), Act 1015.

<sup>33</sup> Section 21(3), Act 1015.

<sup>34</sup> Under section 112(7) & (8) a meeting of creditors will be adjourned by the liquidator if after 30 minutes of the meeting, there is no quorum present. At an adjourned meeting, if there is no quorum within 30 minutes, the meeting will be considered cancelled.

Creditors must first have their debts admitted before they can participate in creditors' meetings.<sup>35</sup> Once the debt is admitted or proved, a creditor is entitled to attend creditors' meetings in person or through a proxy. At the meeting, the creditor or his duly appointed proxy has the right to be heard<sup>36</sup> and to vote on any question.<sup>37</sup>

At a creditors meeting, the majority of creditors in value present or through their proxy may vote to pass a resolution. However, an administrator of related companies who calls a meeting of all the creditors of the related companies must first obtain the consent of all creditors.<sup>38</sup> Thereafter, a majority of the creditors in value present at the meeting may vote on resolutions at the meeting. Notwithstanding the above, voting on matters specific to the rights of creditors of a particular company will be restricted to the creditors of the company in question.<sup>39</sup>

### **3.4 Remote Participation in Creditors' Meetings**

In recent times, especially in the aftermath of the Covid-19 pandemic, it has become commonplace for creditors' meetings to allow remote participation of creditors. Remote participation via video conferencing and various electronic meeting platforms presents creditors with flexible means to participate in creditors' meetings. It can also be a cost-effective measure to conduct meetings so as not to put unnecessary financial pressure on the already distressed company with respect to the costs that are associated with in-person meetings. However, remote meetings may be an avenue to disenfranchise creditors of their rights and prevent them from full participation. Creditors who do not have access to the internet or the necessary accoutrements needed to participate in remote meetings may find themselves disenfranchised. In addition, the convener of the meeting may stifle debate by restricting the ability of vocal creditors to fully participate in the meetings.

The Corporate Insolvency and Restructuring Regulations 2024 provide the blueprint that serves as a guide for creditors' remote participation in meetings. Where video conferencing or other audio-visual means are

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<sup>35</sup> Section 112(11), Act 1015.

<sup>36</sup> Ibid

<sup>37</sup> Section 112(12), Act 1015.

<sup>38</sup> Section 20(4), Act 1015.

<sup>39</sup> Section 20(5), Act 1015.

used for creditors meetings, the convenor must ensure that, at his end, there is a clear and uninterrupted connection for the online meeting. In addition, the notice calling the meeting must clearly outline whether the meeting is virtual or whether there is an option to join the meeting remotely. It must also outline the means as well as the requirements for creditors to be able to access the meeting remotely.

### **The Role of the Court in Creditors' Meetings**

The court has enormous powers in the convening of meetings, the deliberations at the meeting and the decisions made at the meeting.<sup>40</sup> Although the court does not have the power to convene a meeting of creditors on its own motion, any creditor who is dissatisfied with the outcome of proceedings regarding a meeting of creditors may apply to the court for an appropriate relief.<sup>41</sup> In this regard, where a creditor is dissatisfied with the nature and manner of the notice of the creditors' meeting or the level of allowed participation at the meeting, the creditor or creditors may apply to the court for appropriate orders to safeguard their rights. In addition, where a decision is taken at a creditors' meeting and the said decision is contrary to the interests of a creditor or a class of creditors or is prejudicial to the interest of a creditor or a class of creditors, the court will be clothed with jurisdiction to hear and make appropriate orders.<sup>42</sup>

Where a creditor or a class of creditors invokes the jurisdiction of the court in respect of creditors' meeting, the court can make one or more of the following orders as appropriate.<sup>43</sup> The court has the power to set aside a decision made and order that a new meeting should be held to consider the matter. The court can also order that a specific related creditor should not vote on a decision or a decision to vary an earlier decision of the meeting. In fact, when the court comes to the decision that a right of a creditor or a class of creditors have been affected at a creditors' meeting, the court can make any other order that it deems appropriate to safeguard the rights of the said creditors.

<sup>40</sup> Benedetti, Lorenzo, et al. "Group of companies in insolvency and restructuring proceedings: common solutions for common problems. A comparative perspective." *Przegląd Ustawodawstwa Gospodarczego* 5 (2021): 2-17. ;Casey, Anthony J., and Joshua C. Macey. "Insolvency courts: General principles for systems design." *International Insolvency Review* 33.1 (2024): 23-39.

<sup>41</sup> Section 25(1), Act 1015.

<sup>42</sup> Section 25(2)(c), Act 1015.

<sup>43</sup> Section 25(4), Act 1015.

#### 4. ANALYSIS OF CREDITORS MEETINGS UNDER CIRA

The framework around CIRA demonstrates a strong creditor involvement in the insolvency proceedings. Although the provisions of CIRA are geared towards the long term survival of the company and therefore temporarily freeze some common law rights of creditors,<sup>44</sup> the system strikes a fair balance between the creditor rights and other stakeholder rights. This strong creditor participation model during insolvency is common not only in Ghana. There are other jurisdictions around the world which also adopt the same model. In the United Kingdom, strong creditor participation during insolvency is through a structured participation process.<sup>45</sup> The United Kingdom (UK) Insolvency Act of 1986 places a strong emphasis on creditor involvement in insolvency proceedings, particularly through creditors' meetings during administration and liquidation. For instance, in the UK, the administrator must call an initial meeting of creditors within ten (10) weeks of the appointment to consider proposals for administration.<sup>46</sup> This is similar to the requirements for creditors' meetings under section 28 of CIRA. In the UK, just like Ghana, approval of decisions at creditors' meetings requires approval by a majority in value of creditors present and voting.<sup>47</sup>

In the UK, key reforms introduced by the Insolvency (England and Wales) Rules 2016 and further accelerated during the Covid-19 pandemic now permit virtual meetings of creditors during insolvency.<sup>48</sup> In addition, these reforms introduced procedures that allowed creditors to make decisions via correspondence, thereby improving efficiency and greater accessibility. Ghana's introduction of virtual meetings under the current insolvency dispensation aligns well with the trend. However, in Ghana, a much clearer framework for holding virtual meetings and participation during meetings would be beneficial.

In South Africa, the Companies Act 71 of 2008 introduced the concept of business rescue, which is similar to the administration regime under Ghana's insolvency framework. The framework in South Africa ensures an early creditor meeting and an avenue for the creditors to vote on the proposed business rescue plan.<sup>49</sup> Under South African law, an insolvency practitioner is required to call a meeting of creditors within 10 days

<sup>44</sup> Section 1(1)(c), Act 1015.

<sup>45</sup> Tomasic, Roman. "Creditor participation in insolvency proceedings." *Work Paper* (2006).

<sup>46</sup> UK Insolvency Act 1986, Schedule B1, Paragraph 51(2)

<sup>47</sup> UK Insolvency Rules 2016, Rule 4.63.

<sup>48</sup> UK Insolvency Rules 2016, Rule 15.3.

<sup>49</sup> Chapter 6

of being appointed to explain the business rescue process and the company's prospects.<sup>50</sup> At a subsequent meeting, the creditors are then invited to approve the rescue plan with a minimum 75% vote in value.<sup>51</sup> South Africa also has a strong creditor participation during insolvency, however, just like in Ghana, South Africa faces issues of creditor apathy and delays. These challenges are often due to information asymmetry and insufficient transparency on the part of insolvency practitioners. These issues reinforce the need for strong creditor education as well as strong procedural safeguards.

## 5. CHALLENGES AND LIMITATIONS OF THE CURRENT FRAMEWORK

Although Act 1015 introduces a well-intentioned and coordinated framework for creditors' meetings in insolvency proceedings, its effectiveness in practice is hampered by a number of systemic and operational challenges. These issues affect both administration and liquidation processes and limit the transformative potential of creditor involvement in insolvency proceedings.

By far, the most significant challenge facing Ghana's insolvency regime is the low level of creditor awareness and participation. Many creditors, especially small and medium enterprises (SMEs) and generally small claimants, are either unaware of their rights or lack the technical understanding to engage meaningfully in the process. Many factors contribute to this problem. The lack of legal awareness among creditors, especially in rural and informal sectors, significantly affects participation. In addition, inadequate and ineffective communication by insolvency practitioners regarding meeting notices and procedures also hampers creditor awareness and participation. Again, the absence of advocacy groups to represent the interests of dispersed and uninformed creditors militates against the interests of creditors. In the end, industry experience has shown that creditor meetings are often poorly attended, and decisions are made by a limited group, thereby undermining the democratic intent of CIRA.

CIRA sets ambitious timelines for holding creditors' meetings. Ten days for the initial meeting in administration, 28 days for a restructuring plan meeting, and 14 days in liquidation. In practice, these

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<sup>50</sup> Companies Act 71 of 2008, Sec 147

<sup>51</sup> Sec 152, Act 1015.

deadlines are frequently missed because of administrative bottlenecks such as late delivery of notices. There are often delays in the verification and admission of claims, which prevent some creditors from voting. The congestion and inefficiencies in the courts,<sup>52</sup> especially where the courts intervention is needed to settle disputes, undermines the timeliness of the insolvency proceedings. These procedural delays can have a cascading effect, stall the entire insolvency process and thereby reduce creditor confidence in the system.

Information asymmetry and lack of appropriate transparency measures affect creditor participation during insolvency. Effective participation in creditors' meetings requires that creditors have access to accurate, timely, and comprehensive financial information. However, industry experience has shown that insolvency practitioners in Ghana often provide insufficient disclosures prior to meetings. This is compounded by weak enforcement of reporting requirements under CIRA. There is limited capacity in terms of numbers and knowledge base of officials at the office of the Registrar of Companies to monitor compliance. There are also instances of biases of insolvency practitioners towards a certain group of creditors. For instance, during the insolvency of Regency Nem Ghana Limited, injury claimants were paid twice as much as non-injury claimants although both categories of creditors ranked equally.<sup>53</sup>

The absence of clear, reliable information undermines informed decision-making and fosters mistrust in the insolvency process.

Although CIRA follows the practice in the UK, South Africa and Australia<sup>54</sup> to permit virtual participation of creditors at creditors' meetings, there is lack of infrastructure and standardized platforms for holding virtual meetings. In the post-COVID-19 era, digital access is essential for expanding creditor participation, yet practitioners continue to rely on manual processes that are prone to error and delay. In contrast, jurisdictions like the UK and Australia have developed robust systems for virtual meetings, electronic voting, and digital case management. Although there are some guidelines in Ghana,<sup>55</sup> they are yet to be fully

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<sup>52</sup> Osse, L., & Asiamah, G. B. (2020). Ghanaians cite high cost, bias, and long delays as barriers to using formal justice system.

<sup>53</sup> The National Insurance Commission v. Regency Nem Insurance Company Ltd. Suit No. CM/MISC/0290/2022. High Court Commercial Division, Accra. Unreported.

<sup>54</sup> Australia Insolvency Practice Rules (Corporations), Rule 75.75

<sup>55</sup> Ainuson, K. (2025). Shareholder Rights in a Digital Age: The Ghana Experience. *JL Pol'y & Globalization*, 14, 16.

adopted and implemented across all insolvency proceedings. Limited access to internet penetration and availability of reliable and affordable data also continue to hamper creditor participation.

Even though CIRA allows for the formation of creditors' committees, it is difficult to practicalise them. Creditors often fail to understand their role. In addition, there is the absence of detailed operational guidelines as well as the general mistrust between creditors and insolvency practitioners. The absence of a credible creditors' committee removes an important layer of oversight and continuous engagement, thereby limiting the transparency and accountability of the insolvency process.

## 6. RECOMMENDATIONS

From the foregoing, creditors are at the heart of the insolvency process. One of the key ways by which creditors participate in, and influence insolvency processes is the action of creditors at creditors' meetings. In this regard, to strengthen creditors' participation during insolvency, there is the need to build structures to ensure effective creditors' meetings. The author therefore recommends the following as part of a broad range of measures to strengthen creditors' rights during insolvency.

First, there should be enhanced creditor awareness and capacity building. An important first step towards improving creditor awareness and participation in meetings is to educate and empower creditors about their rights and roles under CIRA. In this direction, the Registrar of Companies with collaboration from professional associations and insolvency practitioners should intensify education and demystify the insolvency process. There should also be plain language guides and infographics explaining the rationale, structure and voting mechanisms at creditors' meetings. Regular workshops and training for SMEs and other trade associations would be important to bridge the knowledge gap.

Secondly, although CIRA provides for creditors' committees during insolvency, it is critical to provide regulatory guidance on the composition, powers and procedures for creditors' committees. The guidelines should ensure that committees receive regular and timely reports. It should also outline how creditors can exercise veto power over key decisions. In this direction, Ghana should actively promote the formation of creditors' committees in both administration and liquidation in line with the approach in the UK and

Australia. In order to institutionalise creditors' committees, the regulations should mandate the establishment of creditors' committees in large and complex insolvencies, unless specifically waived by a super majority of creditors.

The right of creditors to participate in virtual meetings is an important step towards enhanced creditor participation during insolvency. To enhance creditors' participation, there should be uniformity of application and certainty of process. In this direction, the Registrar of Companies should develop or endorse secure digital platforms for virtual meetings, electronic voting, and submission of claims. The Registrar of Companies should also encourage the use of hybrid meetings that allow both in-person and remote participants to deepen creditor access to meetings. Insolvency practitioners should be required to maintain digital records and submit meeting minutes and resolutions electronically for regulatory oversight. The UK's experience during the COVID-19 pandemic showed that digital transformation of insolvency procedures can significantly improve efficiency and creditor turnout.

In addition, creditor trust is built on access to accurate and timely information. To improve transparency and information disclosure, the Registrar of Companies must mandate pre-meeting disclosures including financial statements, restructuring plans and detailed reports of the company's affairs. There should be graduated sanctions including penalties for non-disclosure or late submission of information by insolvency practitioners. The Registrar of Companies should also consider developing template reporting formats to standardize communication and improve comparability. These changes will contribute to ensuring that creditors are not voting blindly or based on incomplete information.

Finally, there should be real efforts aimed at strengthening regulatory and judicial oversight. In this direction, the Office of Registrar of Companies should be equipped and funded to monitor compliance, enforce penalties and support digitisation. The Registrar of Companies should enforce annual reporting for insolvency practitioners to ensure that they account for the conduct and outcomes of creditors' meetings. In the end, there should be specialised courts within the High Court system equipped to expeditiously deal with disputes arising from creditors' meetings. These measures are sure to aid in the building of institutional credibility and the promotion of adherence to the letter and spirit of CIRA.

## 7. CONCLUSION

Creditors' meetings represent a foundational element of participatory insolvency regimes, serving as forums for transparency, accountability, and creditor empowerment. Under Ghana's Corporate Insolvency and Restructuring Act, 2020 (Act 1015) (CIRA), these meetings are intended to facilitate creditor input in both restructuring and liquidation processes, aligning the country's insolvency laws with international standards. Despite this progressive framework, the practical implementation of creditors' meetings in Ghana faces significant challenges, including low levels of creditor awareness, procedural delays, weak institutional support, and limited use of available digital tools. The promise of participatory insolvency is thus undermined by structural and operational shortcomings that reduce the effectiveness of these meetings.

Nevertheless, there are real opportunities that bode well for strengthening creditors' participation in creditor meetings during insolvency. For instance, enhanced creditor education, the institutionalisation of creditors' committees, the adoption of digital platforms, and robust regulatory oversight are measures that can be deployed to strengthen creditors' rights during creditors' meetings. When properly implemented, creditors' meetings can not only improve the efficiency of insolvency proceedings but also increase trust and creditor recovery rates.

To realise the full potential of Act 1015, reforms must go beyond legal provisions to address capacity, technology, and institutional culture. With targeted improvements, particularly in creditor engagement, digital infrastructure, and practitioner accountability, Ghana can establish a modern, transparent, and creditor-centric insolvency regime that supports business rescue and fair liquidation.