



Welcome Remarks by

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**MoFPED-BoU Policy Workshop on High
Commodity Prices**

Victoria Hall, Kampala Serena

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Cabinet Ministers,
Ministers of State,
Heads of Diplomatic Missions,
Members of Parliament,
Religious Leaders,
Members of Constitutional Commissions,
Permanent Secretaries,
Vice-Chancellors of Universities,
Distinguished Participants,
Ladies and Gentlemen.
Good morning to you all.

We thank each and everyone present here, in person, and on the virtual platforms, for joining this policy workshop that is jointly hosted by the Ministry of Finance, Planning and Economic Development and the Bank of Uganda to discuss the various views on the impact of high commodity prices as well as the optimal response to this shock that has hit the world and our economy.

Ladies and gentlemen, you are all most welcome to this policy workshop. We look forward to your active engagement today as we put our heads together to forge a constructive way forward from this shock that is threatening to suck the steam out of the economic recovery that had taken a firm hold following the re-opening of the economy in January this year.

In his recent address to the nation, H.E. the President of the Republic of Uganda remarked on our commendable resilience to the numerous diverse shocks that have rocked the nation in the recent past.

At the risk of preaching to the converted, let me highlight the essence of this very popular term “resilience”. In the words of a fellow central banker, Mr Ravi Menon (Managing Director, Monetary Authority of Singapore), “Resilience is not just about being strong, it is not even about staying on your feet all the time. Resilience is about getting back up again even after being knocked down ... and to keep moving forward.”

The timely expression, “this too shall pass” reminds us that the difficult season we are going through now will not last forever. It inspires us [*as in Galatians 6:9, which says, “And let us not grow weary of doing good, for in due season we will reap, if we do not give up.”*] to face our challenges and forge forward undaunted.

And that, ladies and gentlemen, is the purpose of this policy workshop i.e., to intensively discuss the evolution and impact of the high commodity prices and to assess the effectiveness of various policy options with a view to crafting a fruitful way forward with tangible recommendations and policy actions.

So far, Uganda has avoided a knee-jerk reactive approach in dealing with the spike in commodity prices. Taking the long-term view and subject to the outlook of inflationary developments, the Bank of Uganda has adopted a measured and data-dependent response to the upturn in inflation, so far.

Recall the favourite motto of Augustus Caesar, the first Roman emperor, i.e., “Festina Lente” or “make haste, slowly”. In other words, the quickest way to respond to the spike in commodity prices appropriately is to take the correct policy and personal actions (or responses) the first time.

Towards the end of this policy workshop, the Permanent Secretary/Secretary to the Treasury in the Ministry of Finance, Planning and Economic Development and I will leverage the deliberations of the day and indicate the most viable policy options and tangible interventions to help the country successfully contend with the high commodity prices.

But before then, Dr Fred Muhumuza, a Senior Lecturer at Makerere University and prominent ‘public intellectual’ will steward two rich sessions on the global perspective as well as the welfare impact of the spiked commodity prices. We are most grateful to the key presenters and diverse panellists who graciously accepted our invitation to lead the deliberations of this policy workshop.

It is now my distinct honour and privilege to invite Hon. Henry Musasizi to deliver the opening address of the Minister of Finance, Planning and Economic Development. You are most welcome, Honourable Minister, to address us and officially open this policy workshop.

I thank you all for listening to me.