



Remarks

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Governor

## **Moroto Town Hall Meeting**

Moroto District

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Hon. Members of Parliament, distinguished leaders, esteemed members of the Moroto community, ladies and gentlemen, good morning to you all.

It is a great honour to stand before you today in the shadow of Mount Moroto—a towering symbol of resilience, beauty, and the enduring spirit of Karamoja. Just as this mountain stands tall and unyielding against the elements, so too do the people of Moroto stand resilient in the face of challenges. Mount Moroto is not just a geographical landmark; it is a testament to the strength and potential of this region. Its slopes, rich with biodiversity, remind us of the delicate balance between nature and progress, and the need to protect our environment as we pursue economic growth.

I bring you warm greetings from the Bank of Uganda (BoU), your central bank. I am grateful for the warm welcome extended to me and my team since yesterday. Your presence here today is a testament to the profound insight of the French philosopher and activist Simone Weil, who said, "Attention is the rarest and purest form of generosity." By dedicating your precious time to engage with the BoU, you demonstrate a form of giving that surpasses material gifts and is truly irreplaceable.

Karamoja is not just a place on the map; it is a symbol of hope and potential. For years, this region has been on the margins of national development conversations, but today, we stand on the brink of a new era. The winds of change are blowing across Moroto and the wider Karamoja region, and we are here to assure you that the BoU is not just a spectator in this transformation—we are active participants, committed to walking this journey with you.

Why is the BoU here, in Moroto, today? You may ask, why has the BoU come to Moroto? The answer is simple yet profound: **because Karamoja matters.**

First, **because Karamoja is changing.** The emergence of industries like mining, cement production, and trade is reshaping the economic landscape of this region. The marble factory in Rupa and the upcoming Ateker cement factory in Nadunget are not just projects; they are signs of hope, promising jobs, revenue, and investment. But for these industries to truly benefit the people of Karamoja, we must ensure that financial systems are in place to support miners, traders, and entrepreneurs.

Second, **because financial inclusion matters.** Economic transformation is only possible when every Ugandan—whether a trader in Moroto Town, a pastoralist in Rupa, or a small-scale miner in Nakapiripirit—has access to

safe and affordable financial services. The BoU is here to ensure that financial services work for everyone, not just those in major cities.

Third, **because development is a shared responsibility**. As the central bank, our role is not just to set policies from Kampala but to engage with communities like Moroto, understand your challenges, and work together to find solutions.

At the BoU, we believe in the power of direct engagement. As a dutiful central bank, we pursue the public's interests in all we do. These town hall meetings are a vital part of our commitment to serve the public interest. They provide us with an opportunity to communicate our work, listen to public feedback, and improve our performance. We are here today to explain the BoU's role and how we carry out our mandate, and to receive your feedback.

We are not here merely to speak but to listen and learn. This town hall meeting serves as a crucial intersection between your needs and our services. We are here to listen, to learn, and to act.

Let me share a vision with you—a vision of a transformed Uganda where every farmer in Karamoja moves beyond subsistence to prosperity, where every small business owner has the capital to grow, and where every family can secure their financial future.

This vision inspired the BoU's mission: **To Promote Price Stability and a Sound Financial System in Support of Socio-economic Transformation in Uganda**, which aligns with the national Vision 2040.

We contribute to Vision 2040, i.e., "**A Transformed Ugandan Society from a Peasant to a Modern and Prosperous Country**," through the successful delivery of our mandate laid out in Article 162 of the Constitution of the Republic of Uganda and Section 4 of the Bank of Uganda Act.

At its core, our mandate is like a three-legged stool, each leg essential for stability:

1. **Price Stability:** When prices remain stable, a mother in the market can confidently plan her household budget. A farmer can predict the value of his harvest. A shopkeeper can stock her shelves without fear of sudden price surges. This stability is the foundation of economic growth.
2. **Oversight of Financial Institutions:** Your hard-earned savings in the bank are more secure than if locked in your home. When you

entrust your money to a bank, we ensure that trust is honoured. We oversee financial institutions to protect your savings and investments.

3. **Reliable Payment Systems:** Whether you are sending money through your mobile phone or conducting bank transactions, we ensure these systems work as smoothly as River Kobebe and River Lokok **during the wet season**. Reliable payment systems are the lifeblood of commerce and trade.

Beyond these core functions, the BoU also fulfils several traditional responsibilities that are vital to the nation's economic health:

- **Managing Foreign Reserves:** We safeguard Uganda's financial stability by maintaining foreign exchange reserves. This strengthens investor confidence, ensures we meet international financial obligations, and fosters economic balance, making Uganda an attractive destination for investment.
- **Currency Management:** As the sole authority responsible for designing, printing, and issuing Uganda's banknotes and coins, we ensure a reliable and secure currency system. Effective currency management is crucial for facilitating business transactions and maintaining monetary stability.
- **Banker to the Government:** We handle payments on behalf of the Government of Uganda, including those for ministries, departments, and agencies. In addition, we provide expert economic and financial advice to guide policies based on sound financial principles.
- **Supporting Economic Development:** Through administering programs like the Agricultural Credit Facility (ACF) and the Small Business Recovery Fund (SBRF), we support government initiatives of providing affordable financing for farmers, small businesses, and entrepreneurs. These programs empower Ugandans to grow their enterprises and contribute to national prosperity.

Mindful of the prevailing circumstances in the operating environment and emerging issues that affect central banking, the BoU is actively involved in initiatives that directly contribute to developing the financial sector and supporting the socio-economic transformation of Uganda.

- **Financial Inclusion:** We are expanding access to financial services for underserved populations through the second National Financial Inclusion Strategy (2023-2028). This strategy focuses on improving

access and usage, strengthening consumer protection, and promoting green and gender-inclusive finance.

- **Digital Financial Services:** We are promoting the use of secure and efficient electronic services, including mobile money, to reduce dependence on cash. This is especially important in remote areas like Karamoja, where access to traditional banking services is limited.
- **Domestic Gold Purchase Program:** Instead of exporting raw gold, we are promoting domestic refining and value addition. This will create jobs and ensure that Karamoja benefits from its mineral wealth. We encourage artisanal miners to organise into groups like SACCOs, which can then sell their gold output directly to the BoU.
- **Environmental, Social, and Governance (ESG) Initiatives:** We are championing sustainability within Uganda's banking sector. We are promoting guidelines to help financial institutions achieve their sustainability goals, support low-carbon economies, and foster financial inclusivity by serving the community's needs beyond narrowly focused profit maximisation for shareholders.

Every role the BoU plays—core, traditional, or emerging—is dedicated to ensuring economic and financial stability, fostering growth, and securing Uganda's financial future—a future increasingly threatened by climate change and environmental risks.

The breathtaking beauty of Mount Moroto and St. Lawrence Falls is a testament to Uganda's natural heritage. This region's rich biodiversity provides a sanctuary for 225 bird species and rare mammals, including the Ugandan kob, mountain reedbeek, and leopards—a reminder of our responsibility to preserve the environment.

Climate change is not a distant threat; it is a present reality. Erratic rainfall, prolonged droughts, and soil erosion in Karamoja are clear warning signs. Pastoralist communities, whose livelihoods depend on predictable weather and water access, are among the most vulnerable. The need for urgent action has never been greater.

The Kobebe water dam, constructed to address water shortages and improve food production through irrigation, is now drying up. This has caused panic among pastoralists who fear for the lives of their livestock. The dam, which was expected to store over 2 billion litres of water, now holds significantly less water after severe drought. This situation highlights the urgent need for sustainable water management practices and climate-resilient infrastructure.

The shifting seasons and erratic rains have disrupted traditional pastoralist lifestyles, leading to food insecurity and increased conflicts. Pastoralists are forced to travel longer distances in search of water and pasture, which not only strains their resources but also increases the risk of conflict over scarce resources. These challenges underscore the need for immediate and effective climate action.

The BoU recognises that economic growth must go hand in hand with environmental sustainability. Through our Environmental, Social, and Governance (ESG) initiatives, we are working to ensure that financial institutions adopt sustainable practices. We are promoting green financing, which supports projects that have a positive environmental impact, such as renewable energy, sustainable agriculture, and water conservation. We are also encouraging financial institutions to support businesses that prioritise environmental protection and resource efficiency.

In Karamoja, where pastoralism and agriculture are central to livelihoods, we must ensure that our natural resources—water, land, and forests—are protected for future generations. The BoU promotes sustainable land use, reforestation, and water conservation. We believe that by investing in green technologies and sustainable practices, we can build a resilient economy that thrives in harmony with nature.

I must commend the community and partners championing several promising initiatives to promote sustainability in Karamoja, such as the Lokok Catchment Management Plan, which offers guidance for water resource management while linking land, water, ecosystems and socio-economic systems. Ecosystem protection and restoration are key to enhancing land productivity and improving the quality of life for communities. Other efforts include reforestation, sustainable agricultural practices, exploring alternative income sources, community involvement, and enforcing environmental regulations. Let us all pull together to address the challenges posed by climate change and ensure a sustainable future for the people of Karamoja.

Ladies and gentlemen, I cannot conclude without drawing the attention of the Moroto and Karamoja communities to two crucial BoU-led initiatives that are transforming lives across Uganda—yet remain underutilised mainly in this region:

- 1. The Agricultural Credit Facility (ACF):** This public-private partnership has channelled over one trillion shillings to over 6,000 beneficiaries nationwide. In the northeastern region, over 500

projects have received UGX 62 billion. The loans serve various purposes, such as enhancing agricultural productivity and supporting farmers. They include the purchase of tractors for farming efficiency, working capital for grain purchases, financing grain trade activities, and improving agricultural operations through facilities like greenhouses and storage units. Additionally, loans are used to acquire agro-inputs, purchase cattle and livestock for farming, and invest in agricultural machinery. These initiatives collectively focus on increasing food security and improving farmers' livelihoods across your neighbouring districts.

- 2. The Small Business Recovery Fund (SBRF):** This fund has extended nearly UGX 69 billion to over 3,400 enterprises across Uganda. In the districts neighbouring Moroto, 186 businesses have received support, totalling UGX 3.1 billion. These funds are helping small businesses recover and grow, from pharmacies to schools to hotels.

The ACF and SBRF promote inclusive finance through the Block Allocation Arrangement. This approach enables smallholder farmers and micro-borrowers to access credit without traditional registered collateral, instead relying on the borrower's character, cash flow quality, and movable property.

But we know that these funds have not reached everyone who needs them. We have not yet registered measurable demand or uptake of the ACF and SBRF funding from Moroto. We hear your concerns about complex application processes and limited awareness. That is why we are taking action:

- Simplifying eligibility criteria.
- Strengthening financial literacy programs.
- Urging banks to serve all regions equitably.
- Allowing repeat borrowing to support sustainable growth.
- Increasing awareness so no eligible beneficiary is left behind.

We strongly encourage farmers, businesses, women, and youth in Moroto and Karamoja to take advantage of the funding available under the ACF and SBRF to address the region's limited access to financial services.

We urge you to engage with banks to explore these opportunities, which can help enhance the quality and quantity of your livestock through value-adding activities such as fattening and restocking. Please use the ACF and

SBRF alongside the Government's Parish Development Model funds to join and thrive in the money economy.

The transformation of Karamoja is a shared responsibility—one that requires collaboration among all stakeholders. This is the spirit behind our theme: Going Further, Together. As the African proverb wisely says, "If you want to go fast, go alone. If you want to go far, go together."

In that spirit, I now invite your feedback on our programs. Your questions will shape our improvements. Your suggestions will guide our path forward. Share your experiences, voice your concerns, and ask your questions—big or small—because it is through open dialogue that we build a stronger, more prosperous Uganda.

We have brought a team of senior BoU staff and experts, joined by several senior bankers, to listen, respond, and learn from you—the real actors in our economy. We are here to ensure that financial stability and economic empowerment go hand in hand.

Together, we can build a Moroto where businesses thrive, families are financially secure, and natural resources benefit all our people.

As we look to the future, let us draw inspiration from Mount Moroto—a symbol of resilience, sustainability, and unity. These are the keys to lasting prosperity. Together, we can build a future where Karamoja thrives—not just economically, but also environmentally and socially.

Let me conclude by thanking you for your attention. Your engagement, your willingness to listen, and your commitment to taking progressive action—each at your level, within your means and mandate—are invaluable contributions to this region's transformative journey.

Let us go further, together. God bless you all!