

BANK OF UGANDA



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UPDATE ON THE LIQUIDATION OF EFC UGANDA LIMITED (IN LIQUIDATION) AS AT 31 DECEMBER 2024

1. General Information

EFC Uganda Limited was closed on **19 January 2024** and immediately progressed into liquidation following its failure to rectify significant undercapitalization. **Bank of Uganda** assumed the role of liquidator and is currently overseeing the liquidation process in accordance with the provisions of the **Microfinance Deposit-Taking Institutions Act, 2003**.

2. Depositor and Borrower Updates

Immediately following the closure, all uninsured depositors were fully reimbursed by the **Government of Uganda**, which subsequently assumed the uninsured depositors' position in the creditor hierarchy.

Borrowers and debtors of the institution, as well as those in possession of the institution's assets, were directed to continue servicing their loans or return the assets to **Bank of Uganda**. An account was provided to facilitate payments by borrowers toward their loans.

Additionally, creditors were invited to register their claims against the institution in accordance with the law.

3. Creditor Claims and Reimbursements

The verification of creditor claims has been completed, and a summary of the verification report is being prepared for publication on the Bank of Uganda website. All verified creditors shall be reimbursed depending on the availability of funds and in line with the creditor hierarchy stipulated by the **Microfinance Deposit-Taking Institutions Act, 2003**.

To date, and in accordance with the law:

- The **Deposit Protection Fund of Uganda** has been reimbursed for the protected deposits it paid out.
- The **Government's claim** has been reduced by **UGX 13 billion** from proceeds recovered.

4. Asset Disposal and Recoveries

Movable assets of EFC Uganda Limited have been publicly disposed of. The proceeds from these disposals, together with loan recoveries, are being applied continuously to the liquidation process. These efforts aim to maximize recoveries and ensure creditors are paid in accordance with the law.

5. Communication and Transparency

Bank of Uganda is committed to maintaining transparency and timely communication throughout the liquidation process. Updates on recoveries, creditor claims, and distributions will continue to be provided through public notices and updates on the Bank of Uganda website.

6. Contact Information

For further information or clarifications, stakeholders are encouraged to contact the **Bank Resolution Division**:

- **Telephone:** +256-414-345222 / +256-414-258441
- **Email:** Bankresolution@bou.or.ug