Remarks

by

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Deputy Governor

Town Hall Meeting with Kabale District Leaders

Theme: *"Celebrating Six Decades of the Bank's Contribution to Uganda's Prosperity"*

White Horse Inn

Kabale Municipality

25th September 2026

Celebrating Six Decades of the Bank's Contribution to Uganda's Prosperity

The Member of Parliament, Kabale Municipality

The District Woman Member of Parliament

The Member of Parliament, Ndorwa East

The Member of Parliament, Ndorwa West

The Resident District Commissioner (RDC)

The Chairperson LCV and the entire district leadership team

The Mayor, Kabale Municipality and the Municipal Council leadership team

Religious and cultural leaders present

Distinguished participants

Ladies and gentlemen.

Mureiregye *(I Hope you slept well).*

A]. Introduction

It gives me great pleasure to address you this morning in Kabale District, widely known as the ***"Switzerland of Africa."*** Its hilly terrain, cool climate, and breathtaking scenery remind us of one important truth: Uganda is truly the Pearl of Africa. Thank you for honouring our invitation to engage with us and to learn more about the Bank of Uganda. Understanding the institutions upon which our economic prosperity depends is important; equally important is ensuring that those institutions listen to and understand the people they serve.

This meeting was initially scheduled for May 2026 but was postponed in the interest of safeguarding the health and well-being of participants, given the Ebola outbreak at the time. We are grateful to God that we can now convene under safer circumstances.

Yesterday, our team met residents of Kabale in the first of these two Town Hall engagements. We listened to your questions, concerns and experiences, including:

1. ***Harassment by moneylenders, especially those operating on digital platforms.***
2. ***Predatory lending behaviours combined with excessively aggressive recovery actions by small SACCOs.***
3. ***Access to the Agricultural Credit Facility (ACF) and the Small Business Fund (SBF) – the banking institutions have not been supportive in awareness creation and in guiding potential borrowers.***

Those conversations are precisely why we hold Town Hall meetings: not only to explain what the Bank does, but also ***to hear how our policies and the financial system are experienced by the people we serve***.

Since 2016, the Bank of Uganda has been conducting Town Hall meetings across the country to engage directly with Ugandans, explain our mandate, and receive feedback to improve service delivery. Our policies may be formulated at the centre, but their effects are felt in homes, farms, markets, and businesses across Uganda. These engagements therefore provide a unique opportunity for us ***to listen to you and to remind us of who the ultimate beneficiaries of our work are***. I encourage you to embrace this platform as key stakeholders in our work.

Let me hasten to add that our relationship with you is one of mutual reinforcement. While the Bank has a responsibility to provide clear and timely explanations of its decisions, the public also has an important role in sustaining trust and confidence by seeking accurate and reliable information, and by ***being mindful of misinformation and unsubstantiated rumours***, particularly in today's fast-paced digital space.

As **Professor Paul Collier** reminds us, ***"You are a citizen, and citizenship carries responsibilities."*** One such responsibility is to seek accurate information, to ask questions, and to engage constructively with the institutions that serve you.

B]. Celebrating the Bank of Uganda at 60

Since its ***establishment in 1966***, the Bank of Uganda has been central to the evolution of Uganda's financial system. From issuing and managing the nation's currency to steering key economic reforms, safeguarding price stability, strengthening financial-sector regulation, and modernising payment systems, ***the Bank has consistently served as an anchor of stability, trust, and long-term economic progress***.

Last month, the Bank of Uganda marked sixty years of service. This milestone is being commemorated under the theme **"BoU@60: *Our Legacy, Our Future*."** As part of the anniversary activities, the Bank has organised a nationwide poetry competition for primary schools and an innovation Hackathon targeting young people with technology skills. Other engagements, including a Youth Forum, Governors' Forum, and interdenominational prayers, are planned during the anniversary period.

As we celebrate this legacy, our attention must also be on the future: how can the Bank's work be better understood, more accessible, and more strongly felt by households, farmers, businesses, and communities such as Kabale? That is the conversation I would like us to have today.

C]. Our Mandate and Why It Matters to You

In accordance with the Constitution of the Republic of Uganda and the Bank of Uganda Act, the Bank performs ***several functions that support price stability***

and a sound financial system. Allow me to highlight the areas that most directly affect your everyday lives.

D]. Safeguarding Price Stability for Uganda's Economy

At the Bank of Uganda, we are committed to promoting price stability and maintaining a sound financial system while supporting the country's broader socio-economic transformation. ***Put simply, our role is to help ensure that your money retains its purchasing power over time.***

We achieve this through the implementation of monetary policy, ***primarily by setting the Central Bank Rate (CBR)***, which guides short-term interest rates and influences the broader cost of borrowing and the return on savings in the economy. In doing so, we work to keep inflation low and stable so that households and businesses can plan with greater confidence. For a family in Kabale, this matters when budgeting for food, school fees, and transport. For a farmer, it matters when planning production and assessing the value of a harvest. Similarly, for a business, it matters when making decisions about investment, stock, and employment.

E]. Currency Management

The Bank of Uganda has the sole mandate to design, issue, and manage the circulation of Uganda's currency. To ensure ***efficient distribution and safeguard the integrity of our currency***, the Bank maintains branches and currency centres across the country, including our presence here in Kabale.

The high cost of printing and replacing currency, partly due to poor handling practices, remains a challenge. I therefore appeal to you to handle currency responsibly. Avoid writing on banknotes, storing them in damp conditions, excessive folding, stapling them, or using them for decorative purposes such as money bouquets. ***Currency bank notes and coins are national assets. By taking care of it, we reduce avoidable replacement costs and preserve its quality in circulation.***

F]. Supervision, Regulation and Financial Stability

The Bank of Uganda licenses, supervises, and regulates financial institutions within its mandate, including commercial banks, credit institutions, microfinance deposit-taking institutions, forex bureaux, and money remittance companies. ***Our goal is to protect depositors' interests and maintain a sound and stable financial system.***

Pursuant to the Microfinance Deposit-Taking Institutions (Registered Societies) Regulations 2025, the Bank has commenced licensing and supervising qualifying large SACCOs—those with voluntary savings above UGX 1.5 billion and institutional capital above UGX 500 million. This is particularly relevant in communities where SACCOs play an important role in mobilising savings and providing credit. ***The transition to formal supervision is intended to strengthen governance, risk management, and confidence in institutions that hold people's savings***.

To date, eight (8) large SACCOs have been licensed by the Bank of Uganda to protect members' savings, promote good governance, enhance financial stability, and build public confidence in SACCOs that hold substantial member deposits. We would like to remind all eligible SACCOs that the deadline for compliance with the licensing requirements is ***30th September 2026***. We therefore encourage qualifying SACCOs that have not yet completed the licensing process to work closely with the Bank of Uganda and submit the required documentation before the deadline.

We implore you to explore the different products offered by regulated financial institutions, compare interest rates, fees, and charges, and choose the services that best meet your needs. ***Being financially included is not merely about having an account; it is also about being able to use financial services safely, affordably, and with adequate information.***

G]. Strengthening Uganda's Financial Infrastructure

In line with the National Payment Systems Act, the Bank of Uganda licenses and oversees payment service providers and payment system operators ***to promote safe, efficient, and reliable payment services***. Digital payments and mobile money have made transactions easier and brought financial services closer to many Ugandans.

But greater convenience also brings risks. ***Fraud and cybercrime*** can cause devastating losses to households and businesses. I urge you to keep your Personal Identification Number (PIN) and passwords confidential, avoid suspicious calls and messages, use authorised channels, and report suspected fraud promptly to your service provider.

H]. Enhancing Access to Affordable, Long-term Financing

Pursuant to the Microfinance Deposit-Taking Institutions (*Registered Societies*) Regulations 2025, the Bank of Uganda administers targeted Government credit schemes designed to improve access to affordable financing for productive sectors of the economy. These include the Agricultural Credit Facility (ACF) and the Small Business Fund (SBF), which are implemented through participating financial institutions.

This is particularly relevant to Kabale, where agriculture remains central to livelihoods and enterprise. The wider Kigezi sub-region is among the areas covered by the Uganda Climate-Smart Agricultural Transformation Project, with value chains including dairy, aquaculture and fisheries, bananas, and coffee. The opportunity is therefore not only to produce more, but also to ***improve productivity, storage, processing, value addition, and access to markets.***

The ACF can finance eligible investments in agriculture and agro-processing, including machinery and equipment, post-harvest handling, farm infrastructure, and value addition. The SBF supports eligible small businesses to recover, stabilise, and grow. Details on eligibility and how to access these facilities will be provided during the presentations that follow this address.

I am pleased to note that the Government's financing initiative continues to make a significant impact in Kabale District. Under the Agricultural Credit Facility (ACF), a total of 325 beneficiaries have accessed financing amounting to UGX 13.59 billion, with the Government of Uganda contributing UGX 6.81 billion towards this support. Similarly, under the Small Business Recovery Fund (SBF), 70 beneficiaries have benefited from financing worth UGX 636 million, of which the Government contributed UGX 318 million. ***These interventions demonstrate the Government's commitment to supporting agricultural transformation, promoting enterprise growth, and improving access to affordable credit*** for businesses and households in Kabale.

We encourage the leaders of Kabale District to take this information beyond this room to farmer groups, SACCOs, women and youth enterprises, and small businesses that may qualify but may not yet know how to access these facilities. This is one practical way in which the work of the Bank can be more strongly felt at community level.

I]. Championing the Tenfold Growth Strategy

Uganda stands at a critical point in its economic journey, guided by the Government's ***Ten-Fold Growth Strategy to grow the economy from about***

USD 50 billion to USD 500 billion by 2040. The strategy is anchored in agro-industrialisation, tourism development, mineral-based industrialisation, and science and technology.

Kabale is well positioned to contribute to this transformation because of its agricultural base, its location as a commercial gateway in the Kigezi sub-region, and its tourism potential. The financial system must be able to support farmers who want to move ***from subsistence to commercial production***, enterprises that want to add value, and businesses that serve the tourism and wider regional economy. This is where the Bank of Uganda must be felt - not because the Central Bank can finance every farm or solve every business challenge directly, but because our mandate is to create and safeguard the conditions in which productive activity can thrive: *stable prices, a sound financial system, safe payments, trustworthy institutions, an efficient currency system, and well-administered Government credit schemes*.

J]. From Engagement to Action

Yesterday's engagement with residents, and today's discussion with district leaders, should not end when we leave this hall. We want to know where people are struggling to access regulated financial services; what prevents eligible farmers and businesses from using available credit facilities; what challenges consumers face with digital payments; and where clearer information from the Bank would make a difference.

I therefore ***invite you to speak freely and constructively***. Your questions and experiences will help us understand what is working and where we need to improve. The Bank's contribution to Uganda's prosperity over the past sixty years has been built not only on policy and institutions, but also on public trust. As we look to the future, that trust must be strengthened through listening, transparency, and service.

K]. Conclusion

Allow me to reaffirm the Bank of Uganda's unwavering commitment to fostering a stable, sound, and inclusive financial system for all Ugandans. We remain resolute in our mandate to safeguard price stability, strengthen the financial system, and support socio-economic transformation.

As Scripture reminds us in **Galatians 6:9, "*Let us not grow weary in doing good, for in due season we shall reap if we do not give up.*"** Together, let us remain steadfast in our efforts, confident that our collective actions today can contribute to a more prosperous and resilient future for Kabale and for Uganda as a whole.

Thank you for your time, your presence, and your trust.

Mwebare munonga. *(Thank you very much).*