



BANK RESOLUTION AND FINANCIAL SECTOR STABILITY

SEPTEMBER 2019

KAMPALA, UGANDA

1. A refreshing afternoon to you all.
2. Welcome to our last session for this conference focusing on bank resolution and financial sector stability.

All protocols observed

3. It is imperative to note that notwithstanding the best supervision practices banks can still fail.
4. Achieving financial stability requires a well-coordinated safety net framework where deposit insurance functions closely with and is consistent with the frameworks for bank supervision and failure resolution and not necessarily focusing on protecting depositors.
5. Regulatory intervention attempts to maintain financial stability and at the same time, induce greater efficiency of financial markets.
6. Some deposit insurance agencies' public policy objectives emphasize the need to maintain stability and public confidence in the financial system and participate in problem bank resolution (orderly exit of failed institutions) hence the importance of this topic.
7. Depending on the architecture of the safety net, resolution function may reside within the supervisor/Central bank but in some cases especially where the deposit insurer has a wider mandate, the function maybe accorded to the deposit insurer.

8. To help us unpack, this important topic we have the Executive Director Supervision, Bank of Uganda, Dr. Tumubweinee Twinemanzi.

Tumubweinee Twinemanzi aka “Twine” has a PhD in Economics, an MSc Economics, and a MS in Management & Administrative Sciences all from the University of Texas at Dallas in Texas, USA. He has received training in: Quantitative Competition Analysis at the Barcelona Graduate School of Economics, and in Utility Regulation and Strategy at the University of Florida – Gainesville. He is also a founding member of the Academy of Regulatory Professionals at the Public Utility Research Center of the University of Florida, a forum for the exchange of best practice ideas amongst utility regulators from around the World. He was a lecturer at the University of Texas at Dallas where he taught Mathematics for Economists, Asset pricing Theory and Advanced Macroeconomics.

Dr Twinemanzi has over 15 years of combined experience in the retail banking, telecommunications regulation, and in structured finance for Greenfield infrastructure projects in Uganda. He currently is the Executive Director Supervision at the Bank of Uganda, a position he has held since March 2018. Prior to this, he was the Director Industry Affairs and Content Development at the Uganda Communications Commission (UCC), the regulator for the telecommunications, broadcasting and postal sub-sectors

in Uganda. At the UCC, Dr Twine held brief over three areas within the communications sector: ensuring effective competition in the sector; maximizing consumer welfare; and the regulation of broadcasting content in the communications sector of Uganda.

While at the UCC he was pivotal in the establishment of an inter-agency collaboration framework between the central bank of Uganda (BOU) and the UCC for the co-regulation of the mobile money ecosystem in Uganda. He also represented the UCC on the Committee that developed the Financial Inclusion Strategy for Uganda 2017-2022. It should be noted that collaborative initiatives, including furthering the adoption of Open APIs for financial services development, are integral to his brief as the Executive Director Supervision at the Bank of Uganda.

In his current role at the Bank of Uganda, Dr. Twine is tasked with providing oversight over the prudential operation of both commercial Banks and Non-bank financial institutions, in addition to keeping an eagle eye on the state and degree of stability of the financial sector. As Executive Director Supervision, his brief includes ensuring that financial sector regulation as conducted by Bank of Uganda, is cognizant and adaptable to the dynamism and innovation that is increasing prevalent in the way financial intermediation is conducted in Uganda.

In addition, he has been a facilitator at a training workshop for Mobile Money and Agency Banking organized by the IMF and BOU in Uganda;

presented at the Mobile Money & Digital Payments Africa 2015 Conference in Johannesburg-South Africa on maintaining a balance between innovation and regulation in the evolving mobile money ecosystem in Uganda. He was an invited panellist at the Responsible Finance Forum IV held in Antalya-Turkey in September 2015, and more recently was an invited panellist representing Bank of Uganda at the very first Block Chain Technology Conference in Uganda. Dr. Twinemanzi was an active contributor to: the Focus Group at the ITU on Digital Financial Services, and in the development of the Terms of Reference for its successor Focus Group that is evaluating the potential of Digitally Issued Fiat Currency.