



SPEECH BY THE MINISTER OF FINANCE PLANNING AND ECONOMIC DEVELOPMENT AT THE IADI AFRICAN REGIONAL COMMITTEE CONFERENCE, HELD AT THE SERENA LAKE VICTORIA AND SPA, SEPTEMBER 16-19, 2019

The Board Chairman and Board Member of the Deposit Protection Fund of Uganda,

The Governor and Board of Directors Bank of Uganda,

The Secretary General of the International Association of Deposit Insurers,

The Auditor General,

Delegates from IADI Member countries and Associates,

Delegates from Central Banks, Deposit Insurance Agencies, Financial Sector Safety Players and Financial Institutions,

Ladies and Gentlemen,

I am delighted to join you this morning, to officially open the first ever Deposit Insurance Conference to be held in Uganda. I thank the International Association of Deposit Insurance (IADI), for entrusting Uganda with the responsibility of hosting this historic international event.

I note that there over 27 African Countries present at this conference, and am glad that we're discussing a matter of ensuring financial sector safety during this era of so many disruptions ranging from Financial Cyber-Crimes, Human Integrity, Financial Technologies, and Money laundering, among others.

Ladies and gentlemen, not long ago during the Global Financial crisis, a mere panic led to a run on English Banks that left more than 20 large banking houses either

Mission

"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development"

bankrupt or stopping payments to depositors and creditors. The crisis quickly spread to much of Europe and some other parts of the world.

In the United States, it started as a crisis in the subprime mortgage market, and developed into a full blown international banking crisis with the collapse of the investment bank Lehman Brothers and followed by a global economic downturn.

It is therefore important that we strengthen our supervisory measures of central banks over the financial sector but also uphold the deposit insurance funds to play a great role in financial sector safety net so as to propel financial stability.

Ladies and gentlemen, as the African Regional Committee of the International Association of Deposit Insurers gathers here today, we need to start drawing regional specific frameworks that will promote development and stability of our financial sector to support our development goals.

I am also informed that this Conference will place emphasis on issues related to the mandate of deposit insurance agencies and the most appropriate Governance structures which contribute to enhancing public confidence in the financial system in line with the Core Principles two (2) and three (3) on Deposit Insurance issued by the International Association of Deposit Insurers (IADI).

In 2016, the Government of Uganda took a strategic decision to create the Deposit Protection Fund as a legal entity with its own Board and Management. This was provided for in the Financial Institutions Act 2004, which was amended in 2016, and was in line with International Best practice on deposit insurance.

I therefore urge all the deposit protection entities present to be at forefront of supporting establishment of clear policies, procedures and robust IT systems that will limit failure or ensure timely resolution of financial institutions with minimal disruption to financial sector stability.

I also encourage our African counterpart jurisdictions that have not established deposit insurance agencies, to study and adopt the advantages of establishing the deposit insurance entities. The decision to establish a deposit insurance agency will not only strengthen financial stability, but will go a long way in building a more resilient African banking sector.

As I conclude, I would like to quote the famous saying that 'All work and no play makes Jack a dull boy'. I therefore, encourage you to take time off your busy schedules to explore the natural beauty of Uganda "The Pearl of Africa".

I am informed that you will be visiting the source of the longest river in the world, the River Nile, and the amazing Itanda falls. I wish you all the best as you tour this

peaceful and beautiful country.

I now take this opportunity to declare the first ever IADI African Regional Committee Conference to be held in Uganda open. I wish you all fruitful deliberations and a wonderful stay in Uganda.

I THANK YOU ALL FOR LISTENING.