



REMARKS BY
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MINISTER OF FINANCE, PLANNING AND ECONOMIC
DEVELOPMENT

DURING THE LAUNCH OF THE DPF STRATEGIC PLAN
2022-2027

SEPTEMBER 30, 2022

The Deputy Governor, Bank of Uganda
Commissioner Financial Services MOFPED
Chairman and Members of the DPF Board,
Management and Staff of DPF,
Ladies and Gentlemen.

It is my pleasure to join you today for the launch of the second DPF strategic Plan 2022-2027. I thank the Board of Directors, Management and staff for the cordial welcome. When I received the invite to officiate at this event, I was very delighted, because I vividly recalled the advice I gave to the Board, to consider inviting me for significant events at the Fund. As such, despite my ever-busy schedule, I resolved to create time to be with you today in order to launch the DPF strategic plan, but most importantly to let more Ugandans know about the protection DPF gives to depositors in financial institutions regulated by the Bank of Uganda.

Ladies and gentlemen, the Deposit Protection Fund of Uganda is one of the State Corporations under the Ministry which has so far demonstrated an appreciation and understanding of the task set out for it to achieve. I am pleased to note that in a relatively short life span, the Fund has entrenched itself firmly on the path

of growth and development. It is comforting to know that at an insurance limit of UGX 10 million you fully protect 98 percent of deposit accounts in banking sector.

As you are all aware, we have in the past experienced not very pleasant moments in the banking sector when a number of banks had to be closed one after the other. Unfortunately, due to the reliance on manual processes, we took months to start paying depositors. It is therefore relieving to know that with the IT payout system which is being rolled out, Ugandans will be paid in a few days, using convenient means such as mobile money amongst others.

Ladies and Gentlemen, the Strategic Plan being launched today indeed serves as a very important tool to enable the Ministry to monitor the performance of the Fund on one hand and it provides accountability to the depositors, contributing institutions and other stakeholders on the operations of the Fund. It constitutes the service contract between government and depositors. Government therefore has special interest to ensure that the Fund is well established like it is the case on the global scene.

To the Chairman and members of the Board, it is appropriate for me to congratulate you for a job well done in your first term of office. Your good performance in the first term provided the first impetus for your reappointment for a second term. To that, attention was also paid to ensuring that there is no major disruption of the positive course that the Fund had set out on. I therefore wish to congratulate the Board for their commitment to see the Fund grow.

Ladies and Gentlemen, I listened carefully to the submissions from the CEO and Board Chairman and have taken note of the issues raised. I and my Ministry will do all that it takes to have a standalone DPF law and financing framework put in place. Additionally, I will work closely with the Office of the Speaker to ensure that Members of Cabinet and Parliament are continuously appraised on the role a strong deposit insurance system plays in an economy. I applaud the Fund for keeping its eyes on the ball with respect to these important deliverables.

Chairman and members of the Board, I have looked through the strategic plan and noted that the pertinent issues I have highlighted during our semi-annual meetings have been incorporated. These are; acquisition of a home for the DPF and

enhancing the level of public awareness about the Fund across the country. You are aware Ladies and Gentlemen, that Government is currently pursuing a cost efficiency model in running the affairs of state. Acquiring a home for the DPF therefore fits well within this framework of minimizing costs in the long run. I am pleased to hear that this process has commenced.

Ladies and Gentlemen, the second issue that I am keen on is the aspect of public awareness. From the remarks I have heard this afternoon, it is clear that there is consensus between the Ministry and the Fund that there is need to enhance the level of public awareness. I am pleased to know that the Fund has factored in these matters in the new Strategic Plan and it is one of the key strategic objectives of the plan I am launching today. Of course, I am aware that in the first few years of operation, the Fund placed emphasis on putting in place policies, procedures and strategies to boost public awareness. You also took time to ensure that the right staff were hired to execute the agreed strategy. Now that the foundation has been laid, and a competent team is on board, I expect the awareness levels about the role and mandate of the DPF to improve significantly across the country. This will not only enhance financial stability but will no doubt promote financial inclusion of the numerous small

depositors scattered across Uganda. As such, the number of Ugandans keeping money in 'secret' places will steadily decline.

At this juncture, I would like to appreciate Bank of Uganda for taking keen interest in the process of operationalizing the Fund. I am reliably informed that the decision to second staff from the Central Bank to spearhead this process has set the bar high at the Fund. It is also a pleasure to learn that the Fund has maintained a close working relationship with the Bank of Uganda as it strives to contribute to financial sector stability. The Fund has also taken its place in the Financial Sector Stability Forum as an active member. The Fund is therefore poised to play a more significant role in contributing to financial sector stability which will go a long way in boosting economic growth of our beloved nation.

To my fellow Ugandans, I urge you to start banking with financial institutions that are regulated. Please remove money from your homes, pillows and shops and deposit it in institutions that are monitored by the Government such as those that are regulated by the Bank of Uganda. This is because in the unlikely event that a bank is closed, you will be paid UGX 10 million in a few days, as you wait for the rest to be paid by the liquidator when the closed banks assets are sold off.

Ladies and Gentlemen, allow me to end by saying that I am pleased to officially launch the DPF Strategic plan 2022-2027. I wish you all every success in your endeavors as you implement the Strategic Plan.

For God and My Country

Matia Kasaijja (Hon)

MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT