



KEYNOTE REMARKS

BY

**THE MINISTER OF FINANCE, PLANNING AND
ECONOMIC DEVELOPMENT**

DURING

**THE INTERNATIONAL ASSOCIATION OF DEPOSIT
INSURERS AFRICA REGIONAL COMMITTEE
CONFERENCE AND AGM 2024**

AUGUST 27, 2024

The Chairman and Members of the Deposit Protection Fund Board,
The Secretary General of International Association of Deposit Insurers,

The Deputy Governor, Bank of Uganda,

Chief Executive Officers of Deposit insurance jurisdictions present,

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

All Delegates in your respective capacities,

Management and Staff of DPF,

Distinguished Ladies and Gentlemen.

1. It is five years and nineteen days since I was on this podium for a similar purpose. I am therefore pleased to join you for this event for the second time running. I appreciate the warm welcome you have accorded me. In a similar vein, I wish to very warmly welcome all of you to this conference and AGM "Karibu".
2. For those who have visited Uganda before, welcome back. To those who are visiting us for the first time, consider this as your alternate home.

3. Ladies and Gentlemen, I wish to commence my remarks with a brief focus on your host institution, the Deposit Protection Fund of Uganda by noting that the Fund is a Government agency overseen by the Ministry of Finance, Planning and Economic Development. In its relatively short lifespan the performance of DPF has so far been nothing short of a stellar one.

4. I take note of and wish to briefly take stock of some of the commendable highlights that the Fund has recorded;
 - i. There has been an upward trend in the Fund grow from UGX 200million to over UGX 1.4 trillion just over five years of existence as an independent agency.
 - ii. Robust administrative systems and structures focusing on automation have been established.
 - iii. A team of fifty-four professional and committed staff have joined the Fund, up from the pioneering team of eleven staff.
 - iv. The DPF CEO Dr. Julia Clare Olima Oyet has continued in her pioneering path as the first CEO, the first female Chairperson of the Africa Regional Committee and the first Ugandan to hold the position.
 - v. With the automation of systems, it is pleasing to note that the Fund commenced payment of the depositors of closed financial institutions within the shortest time possible. For example when Bank of Uganda closed some financial

institutions this year, the Deposit Protection Fund was able to commence payments to the depositors within four (4) days. This was the first time depositors of a liquidated financial institution have been paid that fast.

vi. Hosting of the IADI-ARC conference here in Uganda, is a vote of confidence in the Fund. I thank you for this gesture.

5. These are but a few of the commendable milestones that the Fund has posted for which we are proud as the Ministry and the country at large.

6. Ladies and Gentlemen, turning to the business of the day, I am informed that focus will be on Core Principle 6 (Deposit Insurer's role in contingency planning and crisis management) and Core Principle 9 (Sources and uses of funds). The theme you have chosen of *Ensuring Financial Stability and Protecting Depositors in a Dynamic Financial Ecosystem* is not only appropriate but also very timely.

7. On one hand, ensuring reliability of the sources of funds and the frugal use of such funds are key tenets necessary for ensuring financial stability. On the other hand, the recognition and appreciation of the dynamism that prevails in the financial ecosystem resonates with the need to ensure that adept contingency planning is an ongoing effort. In fact, I was

tempted to think that you picked this theme off one of our scripts in Government. *Ensuring financial stability* is certainly a cardinal duty of my Ministry, working closely with other institutions like the Central Bank, The Deposit Protection Fund and other financial sector safety net players.

8. Ladies and Gentlemen, our Government has over the years demonstrated its resolute and unwavering intention of *Protecting Depositors*. It is the long held and practiced strategy of the Government to broaden financial literacy and financial inclusion among the populace. This is intended to ensure that more people are absorbed into the formal financial inclusion among the populace intended to ensure that more people are absorbed into the formal financial system.
9. Ensuring financial stability is therefore a key factor to motivate the uptake of formal financial engagement especially among the less sophisticated depositors. It is comforting to note that at the current protected limit of UGX 10 million, up to 98% of the less sophisticated depositors are fully covered. We review this limit every five years and we shall be undertaking the review this year.
10. Ladies and Gentlemen, ensuring the stability of the financial sector, through robust and effective monetary and fiscal policy

management is one of the long-cherished hallmarks of the Government. The growth and development that Uganda has witnessed through the years is directly attributable to the existing sound policies.

11. These micro and macro-economic policies are developed taking into account the *Dynamic Financial Ecosystem*. Government is acutely aware of the volatility and dynamism that defines the financial ecosystem globally. It is for this reason that fiscal and monetary policies are constantly monitored to ensure that they remain relevant and adapt to the changes.

12. Despite all these efforts, it is not unusual that occasionally some financial institutions get consumed by the dynamics in the financial eco-system. Over the last few months, two financial institutions had to be closed while three others downscaled their status. This demonstrates the *dynamic financial ecosystem* that forms part of the theme for this conference. Downscaling is probably a copping mechanism for these institutions to respond to the dynamism in the financial ecosystem.

13. Ladies and Gentlemen, closure of a financial institution comes with several not-so-good impacts and every step is taken to ensure that it doesn't get to this stage. As Government it is my appeal to all of you from the different deposit protection

jurisdictions to champion the establishment of relevant policies and procedures buttressed by robust IT solutions to mitigate and address the root-causes of most bank failures.

14. I am informed that there are potential members willing to join the deposit insurance fraternity. To IADI Secretariat, I propose that you accelerate the process as this indicates that standardized frameworks in the sector works for all of us.
15. Ladies and Gentlemen, I wish to commit that my Ministry will continue to provide support to the Deposit Protection Fund in particular, and by extension, the global deposit insurance system.
16. To Ms. Eva Hüpkes, the Secretary General of the International Association of Deposit Insurers, we thank you for choosing DPF and Uganda to host this event. We thank you for all the support and efforts to promoting international solidarity and standadization of the sector.
17. Ladies and Gentlemen, in our African culture, visitor are welcome at any time. However, we have adopted a culture in which visitors are either invited or they first seek an opportunity

to visit. I believe you all know the discomfort of inviting guests to your event and they don't show up.

18. Our distinguished visitors, and my fellow country men and women thank you for coming.

19. I wish you fruitful deliberations and I earnestly look forward to receiving the recommendations and resolutions coming out of this meeting for it is through such discussions that we look at our past to improve the future.

20. I promise you; Uganda has the future of nature. It is my hope, therefore, that the organizers have arranged outdoor activities to enable you to experience the magnificent beauty of this country and the warmth of its people. I invite you to ensure that you do not go back without venturing out to explore our culinary delights of very fresh fruits, organic food and the scenic beauty of the countryside.

21. Lastly Ladies and Gentlemen, a notable highlight of this conference is the official launch of the Africa Regional Committee Logo. It is my hope that this logo shall be a symbol of the collaboration between member states that we yearn for. It is now my singular pleasure and honour to declare this

conference open and to formally launch the logo of the Africa Regional Committee.

For God and My Country

Matia Kasaija (Hon)

MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT