



Remarks by
Mr. Ben Patrick Kagoro,
Chairman, Board of Directors (BoD), Deposit Protection Fund of Uganda

*International Association of Deposit Insurers (IADI), African Regional
Committee (ARC) Conference*

Lake Victoria Serena Golf Resort & Spa, Uganda

September 16 - 19, 2019

The Honorable Minister of Finance, Planning and Economic Development (MoFPED),

The Governor, Bank of Uganda,

The Auditor General,

The Secretary General of the International Association of Deposit Insurers,

Board Members and Chief Executive Officers of Sister Deposit Insurance Agencies.

Board Members and Chief Executive Officers of Contributing Institutions,

Chief Executive Officers of Financial Sector Safety Players,

Delegates from Central Banks within the African Region,

Delegates from IADI Members countries and Associates,

Distinguished guests,

Ladies and Gentlemen,

Good morning to you all,

It is a privilege for me to welcome you to Uganda, the Pearl of Africa. I also take pride in welcoming you to the first ever IADI Conference to be held in Uganda.

The hosting of this Conference is a key milestone for the Deposit Protection Fund of Uganda (DPF), which was established as a legal entity only two (2) years ago. It demonstrates the resolve of the Fund to play a key role in

contributing not only to the financial stability of Uganda, but the entire African Region.

The Conference whose theme is “Why Deposit Insurance?” is anchored on IADI Core Principles 2 and 3. These principles address issues related to the Mandate and effective Governance of Deposit insurance entities. They give broad guidance on the different forms a deposit insurance entity can take, and the Governance structure which must be in place, for a deposit insurance entity to contribute effectively to enhanced public confidence in the financial sector.

During the course of the Conference, jurisdictions with well established deposit insurance agencies will share experiences on how they have contributed to public confidence in the financial sector, which is a prerequisite for financial sector stability. Countries which are in the process of establishing such entities will be given an opportunity to share their experiences as well. This is intended to encourage other African Countries to start the process of establishing such institutions, and is in line with the famous saying that “No one lights a lamp and then puts it under a basket. Instead, a lamp is placed on a stand, where it gives light to everyone in the house.’

As I have indicated, the DPF is a relatively young institution. Nevertheless, in the few years of its existence as a legal entity, a number of achievements have been posted as follows:

- Conducted extensive research to support the revision of the deposit insurance limit from UGX 3 million to UGX 10 million. At this insurance limit, 98 percent of the total deposit accounts in the banking sector will be fully insured.
- Drafted regulations to operationalize the provisions related to Deposit Protection Fund contained in the Financial Institutions Act, 2004 as amended.
- Initiated the single customer view project which requires depositors to be verified using National IDs.
- Commenced public awareness campaigns throughout the country.
- Grew the fund from UGX 485 billion as at June 30, 2017 to UGX approximately 650 billion as at June 30, 2019.
- DPF was appointed to take charge of the IADI African Regional Committee Secretariat.
- Engaged closely with key strategic partners. The signing of Memorandum of Understanding with the Kenyan Deposit Insurance Corporation tomorrow is testimony of such strategic alliances.

The Fund has been able to achieve these milestones because of the unwavering support from our strategic partners. These include: the Ministry of Finance, Planning and Economic Development, Bank of Uganda, the World Bank, IADI and the Deposit Insurance Agencies of Nigeria, Kenya and Zimbabwe.

The role of deposit insurance in contributing to enhanced public confidence in the financial sector cannot be over emphasized. One of the major ways this is achieved, is by making sure the public is well informed about the benefits of deposit protection. Increased public awareness about deposit

protection will no doubt, boost savings in the formal financial sector and provide more funds for financial intermediation. It is in this regard, that I appeal to all the contributing institutions to play an active role in sensitizing depositors and the general public about the benefits of deposit insurance.

On a lighter note, we have planned for a number of recreational activities during the Conference. I encourage all participants to actively participate, not only for health purposes, but in order to network more effectively.

Ladies and gentlemen, with these few remarks I once again welcome you to this conference and wish you fruitful deliberations.

I thank you for listening to me.

Ben Patrick Kagoro

Board Chairman, Deposit Protection Fund of Uganda