

Emmanuel Tumusiime-Mutebile: Farewell party for the 2010 retired staff

Speech by Prof Emmanuel Tumusiime-Mutebile, Governor of the Bank of Uganda, at the farewell party for the 2010 retired staff, Kampala, 17 December 2010.

* * *

Members of the Board
Deputy Governor
Governor(s) Emeritus
Invited Guests
Retired Staff
Staff present
Ladies and Gentlemen

It gives me pleasure once again to host 30 retiring staff for the year 2010 who has diligently served the Bank and our country. I want to acknowledge with gratitude their selfless contribution in the service of the bank.

To have served the Bank until retirement is not a simple matter. We all know that you started service in this Bank when you were many but some of your colleagues fell by the wayside. It is for this reason that we who are still in the Bank, look at you with admiration and gratitude for a job well done. We thank you sincerely for being exemplary. You may be aware that while presiding over the commissioning of the new building for Mbale Bank of Uganda Regional Branch, His Excellency the President stated that Bank of Uganda staff is the most exemplary and professional in Uganda. To this end, I would like to congratulate the entire Bank staff. Bank of Uganda as you are all aware plays a leading role in the exceptional story of reform and development that Uganda has so far experienced.

Distinguished Guests, ladies and gentlemen, Uganda's banking sector emerged out of the recent financial crisis unscathed and the outlook for the sector is very promising. Credit growth has remained robust, largely on account of improving business conditions and moderating credit risks. The ratio of nonperforming loans to total loans has been reduced to below 5.0 percent reflecting overall improvements in asset quality. In addition, banks have remained well capitalized with capital well above the regulatory minimum. The sound and stable financial sector has in turn enhanced the effectiveness of the conduct of monetary policy by the Bank of Uganda. The Bank has managed to contain inflation to a stable and single digit level.

Bank of Uganda has also taken the following measures to promote financial inclusion:

- Promoted Mobile Money transfer services
- Designed a regulatory framework for Tier 4 institutions that includes the regulation of SACCOs
- Promoted the development of an effective framework for financial literacy and financial consumer protection
- Made proposals to amend the Financial Institutions Act 2004 to provide for Islamic Banking and Finance.

I want to emphasize that within the financial sector, Bank of Uganda with its regulatory mandate will continue to promote financial innovations. Efficient and effective regulation promotes competition, which in turn lead to innovations and lower costs of financial intermediation.

In addition, Bank of Uganda has played and indeed continues to play a major role in the East African Monetary Integration efforts. I believe that you are aware that if we are to survive and

be competitive in the current and future international economy, regional economic integration is a must.

I am happy to note that the Bank has been able to excel on the national and regional scene because of our performance in accordance with our strategic plan.

As you join the wide world, I would like to assure you that you will continue to be members of the Bank of Uganda family. I am happy to note that the Bank has improved and will continue to improve post-retirement benefits such as pension and medical services to ensure that you maintain reasonable standard of living.

It is unfortunate that we use the English word retirement because we all know that you are retired, but you are not tired. It is in this context that I wish to advise you that the Bank has provided you knowledge and skills which you can utilize in your transition management to an even better endeavour. Always bear in mind that this so called retirement should not herald your deterioration. It should be a point at which you transition to another prosperous career.

I wish to thank your family members who provided you support while you worked in the Bank. I implore them to continue rendering you support in your transition management.

There is no doubt that you will uphold the good corporate image you have been exhibiting while in the Bank because once a central banker, always a central banker.

Ladies and gentlemen, please allow me at this stage to commend all staff whose performance was outstanding during the recent appraisal period. Let me pay special recognition one of us who participated in a noble cause. This is Augustine Muwonge who cycled around the country in a bid to promote HIV/AIDS awareness in the country. In recognition of this endeavor the Bank presents a token of appreciation to Mr. Augustine Muwonge.

It is now my honour, on behalf of Bank of Uganda, to thank you, once again, for your excellent service and commission you to be good ambassadors of the Bank as you embark on another phase in your development process.

I wish you all a merry Christmas and a happy new year.

Thank you.