

Michael Atingi-Ego: Opening remarks - 10th Meeting of the Financial Sector Stability Forum (FSSF)

Opening remarks by Mr Michael Atingi-Ego, Governor of the Bank of Uganda, at the 10th Meeting of the Financial Sector Stability Forum (FSSF), Kampala, 4 December 2025.

* * *

Members of the Financial Sector Stability Forum,
Representatives of participating institutions,
Ladies and gentlemen,
Good morning.

It is my honour to formally welcome you to the 10th Meeting of the Financial Sector Stability Forum (FSSF). Your presence here reflects the collective dedication and professionalism that have sustained this Forum as a central pillar in safeguarding the stability and resilience of Uganda's financial system.

Over the past year, our financial system has remained sound and resilient, supported by strong capital and liquidity positions across supervised financial institutions. Domestic economic conditions have been broadly favourable, with stable inflation, steady economic activity, and positive private-sector performance. These developments have helped keep key macro-financial vulnerabilities stable or moderate, offering an encouraging backdrop for the sector.

Nonetheless, the broader global environment continues to evolve in ways that warrant close attention. Global financial stability risks have increased, driven by stretched asset valuations, rising sovereign debt burdens, tightening geopolitical tensions, and persistent uncertainty across international markets. These dynamics heighten the risk of sudden price corrections, amplify sovereign debt vulnerabilities, and contribute to volatile capital flows, factors that could spill over into our domestic financial system.

Domestically, while liquidity and funding conditions have strengthened, we continue to observe elevated operational risks, including cybersecurity threats and fraud incidents within certain institutions. Although the overall incidence of these risks has declined, their persistence underscores the need for ongoing vigilance, strengthened internal controls, and an industry-wide commitment to operational resilience.

A key highlight of the year was the successful completion of the Crisis Simulation Exercise, which enhanced institutional coordination and tested our readiness to manage systemic shocks. As we meet today, it is essential that we consider the recommendations from this exercise and assess the required follow-up actions to fortify our crisis management and resolution frameworks.

In parallel, the Forum has continued to advance work on financial innovation. The Special Technical Working Group on Blockchain Technology has made substantive progress in identifying use cases, assessing risks, and exploring regulatory approaches to support the safe and responsible adoption of emerging technologies. This work

remains central to strengthening the sector's capacity for innovation while mitigating associated risks.

Looking ahead, Uganda's financial sector has significant opportunities to deepen stability, efficiency, and inclusion. The rise of sustainable finance, increased digitalisation of financial services, and ongoing modernisation of regulatory frameworks provide strong foundations for future growth. However, seizing these opportunities will require continued vigilance, effective risk management, and coordinated policy action.

Ladies and gentlemen, financial stability is a dynamic, ongoing responsibility. The risks confronting us whether global, domestic, technological, or institution specific require constant monitoring and decisive, well-coordinated responses. This Forum remains an essential mechanism for aligning our assessments, strengthening our preparedness, and ensuring the resilience of our financial system.

Today's meeting will cover several critical items. We will review the Financial Sector Risk Assessment Report, the report on the crisis simulation exercise, and a report on blockchain use cases. We will also receive a progress update on the technical sub-committee's annual work plan FY 2025/2026. These agenda items are central to our mandate and are designed to ensure that we maintain a clear and coordinated understanding of sector risks, institutional preparedness, and emerging opportunities.

In conclusion, I extend my sincere appreciation to the Technical Subcommittee, the Special Working Groups, and all participating institutions for your continued dedication to the objectives of this Forum. Your efforts remain indispensable to strengthening the resilience and stability of Uganda's financial system.

I wish you all productive and insightful deliberations during this 10th Meeting of the Financial Sector Stability Forum.