

## **Michael Atingi-Ego: Launch - the Okusevinga money market unit trust scheme pilot**

Remarks by Mr Michael Atingi-Ego, Governor of the Bank of Uganda, at the launch of the Okusevinga money market unit trust scheme pilot, Kampala, 17 December 2025.

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PS/ST, MoFPED, Dr Ramathan Ggoobi; distinguished guests, colleagues, and partners; ladies and gentlemen - good morning to you all.

Mahatma Gandhi once observed: "To lose patience is to lose the battle." Today, we celebrate patience rewarded. After a journey spanning concept to Cabinet approval, pandemic disruption to structural benchmarking by the IMF, we gather to launch the Okusevinga pilot-Africa's first government-owned unit trust scheme. This is no mean achievement.

But let me be candid: patience alone does not build infrastructure. What brings us here is conviction-that financial inclusion without investment opportunity is incomplete; that mobile money's 66% penetration represents not just payments infrastructure, but untapped savings potential; and that linking millions of small savers to productive government securities serves both citizens and country.

### **The Imperative: From Access to Agency**

The FinScope 2023 data reveals a paradox. Uganda has achieved 81% overall financial inclusion-a commendable advance from 77% five years prior. Mobile money accounts have surged to 33.7 million, outpacing bank accounts by a considerable margin. Yet 60% of adults save, and of these, the vast majority keep funds at home or in informal arrangements.

This is the gap Okusevinga addresses. We have democratised transactions; now we must democratise investment. Consider the estimated monthly savings for Ugandans, at about UGX 3.4 trillion-UGX 40 trillion annually, roughly 23% of GDP. Yet these savings circulate inefficiently, earn negligible returns, are vulnerable to inflation's erosion, and are disconnected from the instruments that finance national development.

Okusevinga transforms this dynamic. Through a simple USSD code, any Ugandan with a mobile phone can invest a minimum of UGX 10,000-approximately USD 3- into money market and bond funds. No intermediaries. No prohibitive minimums. No branch visits. Just accessible, transparent, return-generating investment.

### **The Design: Simplicity as Strategy**

Let me speak plainly about our design philosophy. Complex financial products fail not because citizens lack sophistication, but because products lack simplicity. Okusevinga succeeds where others faltered precisely because we asked: What would it take for a rural trader, an urban youth, a smallholder farmer to invest with confidence?

The answer: three transactions. Register via USSD. Invest UGX 10,000 with a transparent 0.7% fee. Check your balance. That is the entire user journey-no apps to download, no bank accounts required, no documentation beyond mobile registration.

This simplicity rests on robust foundations: ICEA-Lion Asset Management managing the money market fund; Old Mutual onboarding as bond fund manager; custodians, trustees, and primary dealers aligned through rigorous negotiation; and regulatory architecture spanning the Capital Markets Authority and Uganda Communications Commission. We learned from Kenya's M-Akiba, adapted for Uganda's context, and built a platform scalable beyond this pilot.

## **The Economic Logic: Savings, Stability, Sovereignty**

Why does this matter for monetary policy and financial stability? Three reasons.

First, monetary transmission. Effective monetary policy requires deep, liquid financial markets. When retail participation in government securities stands at just 5.9% of outstanding stock, the investor base remains highly concentrated. Okusevinga broadens this base, enhances market depth, and diversifies demand for domestic debt instruments, while attracting complementary financial products that strengthen transmission mechanisms.

Second, fiscal sustainability. Our National Development Plan IV targets 10.13% average annual growth-doubling the economy every five years toward Vision 2040's tenfold expansion. Financing this ambition through external borrowing imposes refinancing risks and foreign exchange vulnerabilities. Mobilising domestic savings reduces dependency on costly external debt, extends maturities, and improves debt sustainability metrics.

Third, household resilience. FinScope tells us that 90% of Ugandans faced unexpected expenses in 2023; 70% lack sufficient income to cover regular expenditures. When citizens accumulate even modest investment portfolios, they build buffers against shocks, improve creditworthiness, and gain leverage for accessing formal credit. Financial health, in short, begins with the capacity to save productively and borrow prudently.

## **The Broader Canvas: Beyond Bonds**

Yet Okusevinga's potential extends beyond government securities. I urge our partners-pension administrators, insurance providers, fund managers-to recognise this platform as financial infrastructure, not merely a product. Imagine leveraging Okusevinga to mobilise retail pension contributions, channelling diaspora remittances into structured investment, or creating collateralised credit lines secured against unit trust holdings.

Consider the data: Ugandans send trillions annually in domestic remittances, primarily for consumption. What if a fraction flowed into investment accounts that compound over time? We receive UGX 5.34 trillion (USD 1.5 billion) in remittances from abroad-funds that currently circulate without multiplying. Okusevinga offers the rails to redirect these flows toward wealth accumulation.

Similarly, our National Financial Inclusion Strategy II recognises that payments alone are insufficient. True inclusion demands savings, investment, credit, and insurance. Okusevinga addresses the first two; partnerships must address the rest.

When an Okusevinga investor builds a track record of disciplined saving, that history becomes a credit signal, unlocking access to productive capital.

## **Implementation Realities: The Pilot Phase**

Let us be clear-eyed about what this pilot entails. Over the next several months, 200 whitelisted Ugandans-initially Airtel subscribers-will test the full functionality: registration, investment, and balance inquiries. We begin with Airtel because formalities are concluded; MTN integration follows shortly, already accessible on their menu.

This is a controlled rollout, designed to surface technical issues, refine user experience, and validate operational workflows before the mega-launch. We expect glitches. We welcome feedback. The alternative-launching prematurely to millions-risks reputational damage that would take years to repair. Better to move deliberately now than retreat later.

I must also acknowledge constraints. Okusevinga currently offers money market and bond funds-low-risk, stable-return instruments suited to conservative savers. As the platform matures, we envision equity funds, sector-specific investment vehicles, and hybrid products. But sequencing matters. We build trust first, sophistication second.

## **The Collaborative Imperative**

This achievement belongs to many. The Project Steering Committee navigated institutional complexity with patience and precision. The Ministry of Finance, Planning and Economic Development confirmed budgetary commitment when external funding was diverted to the Covid response. The IMF elevated Okusevinga to a structural benchmark, signalling international confidence. Our regulatory partners-CMA, UCC-aligned frameworks to accommodate innovation without compromising oversight.

To Innova Limited, our vendor: you translated vision into code, bureaucracy into user interface. To ICEA-Lion and Old Mutual: your participation lends credibility and expertise. To Airtel and MTN: your networks are the highways on which this product travels.

Yet the hardest work lies ahead. Financial literacy campaigns must reach every district, every village. Customer service infrastructure must handle inquiries at scale. Security protocols must safeguard against fraud. And we, collectively, must sustain momentum through challenges that will inevitably arise.

## **From Pilot to Prosperity**

Ladies and gentlemen, let me conclude where I began-with patience. We have waited years for this moment. But today's launch is not a culmination; it is a commencement. The 200 pilot participants are pioneers, testing a platform that could, within years, serve millions. If we execute thoughtfully, Okusevinga will stand as proof that innovation need

not sacrifice inclusion; that technology can democratise opportunity; and that small savers, aggregated, constitute a force for national development.

The metrics we track will be straightforward: registrations, transaction volumes, balances accumulated, returns delivered. But the true measure of success lies beyond spreadsheets. It resides in the rural mother who invests UGX 10,000 monthly and, years hence, finances her child's university education. It lives in the urban youth who builds an investment portfolio that becomes collateral for entrepreneurial credit. It manifests in reduced household vulnerability, enhanced financial stability, and a citizenry empowered to participate-not merely survive-in Uganda's economic transformation.

We do not promise miracles. We offer infrastructure. The rest depends on trust- earned transaction by transaction, balance by balance, return by return. And on that foundation, I am optimistic.

Congratulations to all who brought us to this milestone. Let us now demonstrate that Okusevinga works-not for 200, but ultimately for 25 million Ugandans.

Thank you. God bless!