



Remarks by

Michael Atingi-Ego

Deputy Governor

Handover of Refurbished Nakaloke Health Centre III

Nakaloke, Mbale

27 November 2020

Hon. Gershom Wambedde, Member of Parliament, Bungokho North

Hon. Connie Galiwango, Woman MP, Mbale District

Mr Bernard Elly Mujasi, LCV Chairperson, Mbale District

Mr Sulaiman Ogajo (or his representative), the RDC Mbale

His Worship Zandya Mutwalib, the Mayor, Mbale City

His Worship Zubairi Galiwango, the Mayor Nakaloke Town Council

Hajji Waiswa Muhamad, the LC 1 Nakaloke Central

Ms Loyce Nambozo and your team, the Chief Administrative Officer Mbale District

Mr Fred Ahimbisibwe and your team, the District Police Commander, Mbale District

Dr Jonathan Wangisi and your team, the District Health Officer Mbale District

Mr Aaron Mulyanyuma and your team, the Town Clerk, Nakaloke Town Council

Sr. Rehema Wanjiro and your team, the In-charge Nakaloke Health Centre III

Ladies and gentlemen.

Good morning to you all.

It is an honour and privilege to address you today as the Bank of Uganda (BoU) hands over the Nakaloke Health Centre III, which has been restored to a cleaner, brighter, and more functional state through the outstanding team efforts of the central bank, the district, and the health centre itself. The renewal of this health facility – Nakaloke Health Centre III, was inspired by two things, that is, the spirit of Ubuntu and the BoU's delivery of its functions in the service of the people of Uganda.

You may recall that the BoU commemorated its Golden Jubilee in 2016 through a series of activities and events that aimed to maximize tangible engagement between the central bank and all its diverse stakeholders. One of those activities, which we all look back to with great pride, was a charity walk in Kampala, where our headquarters are located.

In that charity walk, the BoU staff joined hands (back in the days when physical handholding was ok) with well-wishers and stakeholders to raise funds in support of maternal and child health in the locations that host the central bank's branches across the country. The Bank's staff were driven by "**the belief in a universal bond of sharing that connects all humanity**", also known as "**Ubuntu**". We, as a BoU community are much less without you, the people of Nakaloke, the people of Mbale city/district, the people of Uganda, and all humane people across the world. We are richer, much richer because we give and share what we have with the community. Indeed, the Greek philosopher Aristotle said that giving is about improving the moral character of the giver.

The staff of the BoU could not sit idly by without minding our brothers and sisters across the country, who are deprived of decent health services. And so we approached you, the leaders of Mbale district in a noble collaboration that led to the rejuvenation of this health centre that we witness here today. This is because we firmly believe that every woman has a right to give birth in a proper health facility with appropriate medical equipment. Every woman has a right to hold her newborn baby or babies in her arms and to nurse and nurture them from tender toddlers to fully functional adults. Nakaloke Health Centre III will now serve the people more effectively because the BoU, the Mbale district officials, and the management and staff of this health centre worked smoothly together to uplift this centre. I thank everybody who contributed to the success of this project.

I am happy to say that the funds that were raised through the charity walk were generously supplemented by the BoU so as to intervene more meaningfully at this health centre. With the Bank's direct financial contribution and the gracious commitment of the district together with Nakaloke Health Centre III itself, we were able to develop a water supply system for the centre in addition to the improvement of the maternity ward as well as the provision of relevant medical equipment and supplies.

The BoU readily contributed directly to the project because it was in line with its public mandate. The Bank is mostly known for ensuring that the prices in the markets do not increase quickly or by huge jumps across the basket of the typical goods and services. Also, BoU is known for promoting financial sector stability through regulating and supervising commercial banks, credit institutions, micro-deposit taking institutions, foreign exchange bureaus and money remittance service providers, and the relevant national payment systems. What is less well known is that the Bank of Uganda Act states in section 4(2)(k) that **“where appropriate, participate in the economic growth and development programmes.”**

You may be aware that the third National Development Plan includes the Human Capital Development Programme, which aims to increase productivity of the population for increased competitiveness and better quality of life for all. And some of the key expected results of the programme are: improved child and maternal outcomes, increased life expectancy, and increased access to safe and clean water and sanitation, over the next five years. For sure, investment in health and sanitary services, as we have done here in Nakaloke, reduces the harmful effects of diseases thereby freeing people to devote their time to productive work, which boosts incomes and contributes to national economic growth. Therefore, I am pleased to say that the BoU's commitment to this project directly fulfils its functions as stated in the law.

At this point, I must also point out another key economic growth and development programme that the BoU directly participates in, that is, the Agricultural Credit Facility (ACF). BoU readily administers the operation of the ACF, which is a public-private partnership where government funds are extended to agricultural projects at lower than market interest rates through participating financial institutions that match the public funds and share the associated risks. In playing the role of an agent of the Government for the ACF, the central bank facilitates the provision of medium and long-term financing for agricultural projects that aim at value addition, such as those in agro-processing and grain trade, among others.

I encourage the leaders of Mbale district/city to work with the micro, small and medium-sized enterprises so that they are properly prepared to access the ACF to fund the value-adding agricultural projects in this region. The BoU regional branch in Mbale City serves 14 commercial banks in Mbale, Tororo, Busia, Malaba, Kapchorwa, Pallisa, Kumi, Soroti, Kotido and Moroto. These commercial banks present the network through which ACF can be accessed for modernization of agriculture.

I pray that the growing demand for the ACF funding will be looked at positively by the Government so that the facility's capital is boosted in order to broaden financial inclusion and enhance equity. The facility has innovated convenient means for very small borrowers to gain credit through **block allocations** based on non-traditional forms of collateral such as chattel (personal property other than land and buildings), cash flow based financing, and character-based loans, to name but a few. The farmers and business community in this region are encouraged to use the ACF to upgrade their activities so that the new cities such as Mbale City become hubs of manufacturing and industry, which will transform them from "consumption cities" to "productive cities".

Before I conclude my remarks, allow me to touch a few burning issues that we have heard voiced by the people. We gather that some people are shying away from accepting and using the shs.50 denominated coin. I encourage everyone to accept all the coins because they are legal tender; they are durable, and they facilitate competitive pricing in the shops and markets.

I also urge commercial banks to continue giving people change in the banking halls and at the ATMs. Anyone may also take their mutilated currency notes to commercial banks for a free exchange with clean notes to avoid overcrowding at the BoU branch during this COVID-19 era of social distancing. And, if I may; I would like to add the use of electronic payments to the existing list of standard operating procedures for mitigating the spread of the novel coronavirus. You are all encouraged to embrace the use of mobile money and other e-payments because they are safe, convenient, and secure means of payment. The promotion of cashless payments is in line with the BoU's strategic initiatives for controlling the high costs of printing, minting, and administering currency notes and coins.

One last thing, I strongly encourage you to carefully study the **Key Facts Documents** and the **Consumer Protection Guidelines** before signing contracts for access financial services from the supervised financial institutions. In this way, you will avoid excessive costs of loans and unfair service fees. And, in general, being “forewarned and forearmed” with the powerful knowledge of what you will be paying back and when, as well as your rights as a borrower from a supervised financial institution will enable you to protect against losing your collateral property. However, this is not the case with loan sharks who do not provide full information from the onset, but instead tempt borrowers with quick cash, only to end up charging an arm and a leg as they extract their proverbial pound of flesh when you inevitably struggle to pay back due to unfairly high interest rates.

Finally, the moment you have been waiting for has come. Now, I must officially handover the refurbished health centre for deployment in the service of a much deserving community.

And with much pride and gratitude to the team effort that delivered this successful project, I am most pleased to formally handover the refurbished Nakaloke Health Centre III, with its rejuvenated maternity ward and water supply system, as well as some medical equipment and supplies, to the management and staff of the centre, to the district leadership, and the community.

Thank you all for listening to me.