

BANK OF UGANDA



Remarks by

Mrs. Charity Mugumya,

Director Communications, Bank of Uganda

FINANCIAL STABILITY SYMPOSIUM - MEDIA

Golden Tulip Hotel, Mosaic Hall

(June 8, 2022)

The Executive Director Supervision,

Directors and all BoU Staff,

Our colleagues in the media,

Ladies and gentlemen,

A very good morning and a warm welcome to the **first Financial Stability Symposium**, hosted by Bank of Uganda (BoU), here at the Golden Tulip Hotel. My name is Charity Mugumya, Director, Communications Department at Bank of Uganda.

Thank you all for honoring our invitation. Your presence today speaks to the value you place in us, as well as your interest in BoU activities.

It is hard to imagine that over two decades ago, it was unlikely that a central bank would hold a conference stemming from the need to communicate more efficiently. We have come a long way from days when central banks were highly secretive institutions with rather ambiguous mandates. I am almost certain that central banks' communications departments, if they existed at all, were small establishments at the time.

However, since the global financial crisis of 2007/8, increasing responsibilities have been placed on the shoulders of central banks, including the addition of financial stability to central bank mandates in many countries, Uganda inclusive. This has prompted central banks to continue communicating their

expanding mandates, so that the public is aware of what a central bank can do, and what it cannot do.

Indeed, at Bank of Uganda, a fully-fledged Financial Stability Department was established in 2009 to strengthen Macroprudential supervision and contribute to the Bank's mission of fostering price stability and a sound financial system.

Dr. Twinemanzi Tumubweinee, Executive Director Supervision, and **Mr. Robert Mbabazize**, Director Financial Stability Department, will expound on Financial Stability and Macroprudential supervision in their presentations.

With the institution of the Financial Stability Department at BoU, several measures were also put in place to ensure transparency, by communicating on and about Financial Stability matters through the Financial Stability Report (FSR), Annual Supervision Report (ASR), Governor's meeting with Uganda Bankers' Association (UBA), Quarterly Financial Stability Reviews among others.

We continue to applaud the late Prof. Emmanuel Tumusiime-Mutebile for ensuring that BoU set up measures that strengthened its accountability, transparency, and credibility. We pledge to continue upholding his legacy by maintaining the values that he treasured. *(Let's take a moment of silence to remember him.....)* May he continue to rest in eternal peace.

Financial Stability has brought about challenges such as ‘**what to communicate**’, ‘**how to communicate**’ and ‘**how much to communicate**’. Certainly, communication on and about Macroprudential policies, should go beyond data, associated analyses, and derived measures, but focus more on “**getting the messages across**” and gaining support from stakeholders.

It is for this reason that we are here today. The key objective of this **Financial Stability Symposium** is to increase awareness, understanding and appreciation of BoU’s Financial Stability analysis and policy recommendations. Thus, today’s event incorporates two activities, that is, the *Launch of the Annual Supervision Report (ASR)* and a presentation on *the state of the Financial sector*.

We acknowledge that the Financial Stability Symposium is a useful forum not only to express and impart our message, but also to engage and listen to the views of our stakeholders. We recognize the importance of knowing what you think about the Bank and our policies.

Events such as this one are also important mechanisms for learning from each other, and are critical for the evolution and dissemination of ideas and experiences about what works and what does not work.

Similar to the inaugural Monetary Policy Forum (MPF) that was held on February 15, 2022, today's Financial Stability Symposium also focuses on the Media as our primary target audience. This is because you, the media, I believe, have a multitude of topics to discuss not just today, but even tomorrow.

In addition, with the need for timely communication, the evolution of the financial sector, emergence of new digital communication channels, and the challenges that come with them, the media is very instrumental in determining the success of our communication.

We therefore aim to empower the media through this Financial Stability Symposium, so that going forward, firsthand and accurate messages on and about the stability of Uganda's financial sector can be disseminated through the various media channels.

Thank you once again for taking the time to come and participate in this first Financial Stability Symposium.

It is now my honour to invite **Dr. Twinemanzi Tumubweinee, Executive Director Supervision**, to Launch the Annual Supervision Report (ASR).

I wish us all a fruitful engagement.