



# **BANK OF UGANDA**

## Updates on legislative amendments

2nd Financial Stability Symposium  
Held at Golden Tulip Hotel

November 23, 2022



# **THE MICROFINANCE DEPOSIT-TAKING INSTITUTIONS (AMENDMENT) BILL, 2022**

- On July 4, 2022, Cabinet considered and approved the draft Microfinance Deposit-Taking Institutions (Amendment) Bill, 2022; and authorized the Hon. Minister of Finance, Planning and Economic Development to submit the Bill to Parliament.
- Yesterday (November 22, 2022), the Hon. Minister presented the Bill for First Reading on the Floor of Parliament.
- Key amendments proposed in the Bill include:
  - ✓ Permitting MDIs to extend/provide their services through agents (Agency banking);
  - ✓ Permitting MDIs to provide insurance services and products through Bancassurance mechanism; and
  - ✓ Permitting MDIs to offer Islamic finance (Islamic microfinance), amongst others.



# **THE MDIs (REGISTERED SOCIETIES) REGULATIONS, 2022**

- Bank of Uganda is mandated under Section 110 of the Tier 4 Microfinance and Money Lenders Act, 2016 to provide supervisory oversight over Registered Societies with voluntary savings in excess of one billion five hundred million shillings and institutional capital above five hundred million shillings.
- In order to operationalize the above mandate, Bank of Uganda together with the line Ministry, and the First Parliamentary Counsel are finalizing drafting of the Micro Finance Deposit-taking Institutions (Registered Societies) Regulations, 2022.
- The regulations have been approved and gazetted, Bank of Uganda with the Registrar of Cooperatives shall conduct country wide sensitization campaigns on the Microfinance Deposit-Taking Institutions (Registered Societies) Regulations, 2022 ahead of the anticipated licensing activities.



## **THE CRB REGULATIONS, 2022**

- On September 30, 2022 The CRB Regulations 2022 were gazette. They are in the process of being published by UPPC. The final copies are out and shared with various stakeholders and on the Bank of Uganda webpage.
- Key amendment in the Regulations is the opening of the Credit Information sharing space to include Accredited Credit Providers, other than dealing with just those entities regulated by Bank of Uganda.
- To further facilitate operationalization these new regulations, Bank of Uganda issued a Circular on the shift from the Financial Card System to the National IDs as the key unique identifier effective January 1, 2023.