URBRA

UGANDA RETIREMENT BENEFITS REGULATORY AUTHORITY

Protecting your retirement benefits

Newsletter

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NSSF MEMBERS CELEBRATE 13.5% INTEREST ON SAVINGS

Spotlight on Uganda's Growing Challenge of Unclaimed Benefits

New Public Service Pension Fund Rolled Out: Key Questions Raised

Building your retirement beyond the bank balance

The Newsletter is a product of;
The Directorate of Corporate and Public Affairs

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Accounting Officer's Foreword

Dear Reader,

Welcome to yet another edition of URBRA's quarterly newsletter. In this edition, we look at the outstanding stories from across the retirement benefits sector. we delve into issues affecting the sector like the rise in unclaimed benefits and what can be done about it.

At the same time, we look at the much anticipated NSSF interest declaration that yeilded a 13.5% interest rate on members' savings and what that means for members as NSSF celebrates 40 years. This milestone comes as Uganda ushers in the new Public Service Pension Fund, raising important questions about sustainability and integration with existing systems.

As we evolve, we also face a growing challenge of unclaimed benefits. These funds represent lives and futures left in limbo, which leaves us with the task of uniting these funds with their rightful owners, we must act together with you savers to ensure every shilling reaches its rightful owner.

This October, we stand in solidarity with the fight against breast cancer. Let us raise awareness, encourage screening, and invest in the health of the women who help build our nation's future.Breast cancer isn't just a health issue, it's a retirement issue. At URBRA, we believe every woman deserves the chance to enjoy a long, healthy life and a secure retirement. Early detection through regular screening can save lives, ensuring more women live to claim and enjoy their retirement benefits. As we work to build financial security, we must also support the wellbeing of future retirees.

As we celebrate progress and look forward to our desired retirement, let us embrace both the financial and non financial aspects of retirement planning for all Ugandans. I hope that the insights in this edition of our newsletter will inspire you to take charge of your retirement journey. Please don't forget to share with us your feedback; send an email to:

urbra@urbra.go.ug

For God and My Country

Rita Faith Nansasi Wasswa
Accounting Officer
Uganda Retirement Benefits Regulatory Authority

NSSF MEMBERS CELEBRATE 13.5% INTEREST ON SAVINGS

By Lydia Mirembe,
Manager Corporate and Public Affairs

The National Social Security Fund (NSSF) Annual Members Meeting is arguably the most anticipated event nowadays – not just in the Retirement Benefits Sector, but in the whole economy. This is understandable because many Ugandans have now come to appreciate what it means to save and watch their money grow year-on-year.

Many have also come to appreciate the importance of the AGM as a platform, not just for the announcement of annual interest, but for important member information. The proliferation of online platforms like Zoom, YouTube, X, and LinkedIn has also made it possible for more members to participate in the AGM, without geographical or time impediments. Gone are the days when people waited for the evening news, or for the next day's newspapers to know the interest declared.

The 2025 AGM wasn't different from the ones in recent years. The countdown to the D-day carried tidbits of what the fund had been doing throughout the financial year 2024/25. In a media dialogue on September 10th, the MD, Patrick Ayota announced the fund's key achievements viz:

- The NSSF SmartLife Flexi, introduced in November 2024, had registered contributions worth over Ugx 27 billion in only 10 months.
- Customer satisfaction improved from 87% to 88% while staff engagement increased from 89% in 2023/24 to 91% in 2024/25.
- Member contributions increased by 10.4% from Ugx 1.93 trillion in 2023/24 to Ugx 2.13 trillion in 2024/25.
- The cost-to-income ratio dropped from 9.7% in 2023/24 to 7.9% in 2024/25, while the cost of administration reduced from 1.02% of total assets to 0.88%.
- Assets Under Management (AUM) increased by 17.5%from UGX 22.13 trillion in 2023/24 to UGX 26.0 trillion in 2024/25.

The impressive performance only heightened the buzz. "When are you declaring the interest on members savings?" netizens asked persistently – but the answer would only come with the Minister's declaration on 22nd September.

On D-day, NSSF social media platforms came to life with thousands of participants logging in even before the set hour of 9.00am. They exchanged pleasantries and bantered about their expectations. They were from all over the country – Lira, Kitgum, Gulu, Entebbe, Kawuku, even Doha in Qatar. The excitement was almost tangible – and it would soon be rewarded.

It wasn't long before a message from NSSF came through: "Good morning everyone, we are delighted to have you here. Catch the event live across all our social media platforms and on television as we take a deep dive into the Fund's journey looking back at the past year, celebrating current milestones, and future plans. We are live on UBC, NBS and NTV." That captured the magnitude of the event and the breadth of its reach.

The Auditor General's report was as curt as it ought to be: "In my opinion, the accompanying financial statements present a true and fair view of the Fund as at 30th June 2025 and its financial performance and cash flows for the year ended in accordance with the International Financial Reporting Standards and in the manner required by the NSSF Act Cap 230," James Bantu, Assistant Auditor General read out.

The Managing Director, Mr Patrick Ayota, presented his report highlighting the impact of the fund on the economy in form of contribution to GDP, investment in local companies and real estate, as well as job creation to the tune of 1.8 million. He emphasized that saving for retirement is more about discipline than the amount of money one has. He assured members that the fund remained committed to preserving the value of their savings by always paying interest that surpasses inflation.

In the same spirit, the Chairman NSSF Board of Trustees, Mr David Ogong, likened the NSSF to the servants in the parable of talents (Matthew 25:14-30), who invested their master's money with the bankers and brought him good interest. He assured members that they would all be happy with the interest the Minister was about to declare.

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> Other members recommended that NSSF should open to university and secondary school students, to enable them to start saving early.

Mr Ogong further reaffirmed that NSSF was ready and willing to invest in infrastructural projects if such bonds were created saying, "NSSF members are the ones who suffer in traffic jam, yet we could use our funds to invest in highways." He expressed gratitude to the government for opening up the fund to extend coverage to informal sector workers and mentioned that their ambition was to cover 50% of the working population.

The Minister of Gender, Labour and Social Development, Hon Betty Amongi, thanked employers for complying and Ugandans for trusting NSSF with their life savings saying, "your trust is not misplaced." She was particularly proud of the performance of the NSSF SmartLife Flexi product, which has attracted over 39,000 savers in just ten months. "Our ambition is to increase members from both formal and informal sector and we shall do anything to enable them save with NSSF, while maintaining strong oversight and corporate governance," Amongi reaffirmed before inviting Minister Kasaija to perform the most exciting part of the meeting.

Hon Kasaija did not sustain the suspense for too long. Visibly excited as he read the fund's outstanding achievements of Financial Year 2024/24, Minister Kasaija took time to reflect on the interest rates he had declared over the past five years with 12.5% in 2020/21; 9.65% in 2021/22; 10% in 2022/23 and 11.5% in 2023/24. But clearly, the audio-visual technician was even more excited because he (or she!) flashed the interest as the Minister was still reading statistics from previous years. The Minister's speech was momentarily drowned by jubilation, and he resignedly said, "the secret has already been let out!" Yes, it was 13.5% - the highest interest rates paid to members in NSSF's recent history!

Notwithstanding the celebration, members took the opportunity to ask questions, air their concerns and make recommendations on how NSSF can improve. Many asked about the calculation of interest which didn't seem to match their current balance.

NSSF explained that interest is paid on balance as of 1st July of the previous year. Others requested NSSF to start extending loan facilities to members and to construct affordable houses which members can purchase using their accrued benefits. As usual, there were rants about the age of access to benefits with the argument that it should be reduced from 55 to 40. Some members complained about non-remittance of savings by employers and NSSF encouraged them to use the whistleblower provision. Other members recommended that NSSF should open to university and secondary school students, to enable them to start saving early.

Around the same time next year (2026), NSSF will be declaring interest on members' savings for financial year 2025/26, basing on their balances as of 1st July 2025. Time, consistent saving, and factors in the broader economic context will tell how exciting the next AGM will be.

Spotlight on Uganda's Growing Challenge of Unclaimed Benefits

By Lillian Kakayi
Corporate and Public Affairs Officer

Unclaimed retirement benefits remain a key challenge in Uganda's retirement benefits sector, with billions of shillings tied up in schemes instead of reaching members and their families.

At the heart of the problem are unallocated contributions—money remitted by employers but never linked to individual employees. The National Social Security Fund (NSSF) alone holds over UGX 140 billion in unallocated benefits, while occupational schemes account for an additional UGX 23.64 billion.

Poor record-keeping and weak administration make matters worse. Without robust systems to capture and verify member data, benefits remain stuck when members exit employment. The human cost is severe: workers who lose jobs, transition into public service, or leave the country often fail to claim their savings. In some cases, unscrupulous employers have even attempted to withhold benefits from dismissed staff—a practice strongly discouraged under the law.

Unclaimed benefits are not dormant; by law, schemes must continue crediting interest and investing them in liquid assets so that payouts remain available when members or beneficiaries come forward. But access still depends on members taking proactive steps—submitting exit forms, providing banking details, or beginning the pension process early enough.

Updating beneficiary records is equally critical. Many disputes arise when outdated details exclude rightful dependents, delaying access to much-needed funds. As life changes, so should member records.

The solution lies in awareness, transparency, and collaboration. Members must keep track of their savings, employers must remit and record accurately, and schemes must maintain strong systems. Together, these efforts will reduce the burden of unclaimed benefits and unlock funds that serve as lifelines for families and communities.

Unclaimed benefits are more than numbers; they are delayed promises. Releasing them promptly is key to strengthening trust and sustainability in Uganda's retirement benefits sector.

New Public Service Pension Fund Rolled Out: Key Questions Raised

By Billy B. Gang
Corporate and Public Affairs Officer

The Ministry of Public Service and Uganda Retirement Benefits Regulatory Authority (URBRA) conducted a sensitization workshop on 9th and 10th September 2025 for Commissioners and Human Resource heads across Ministries, Departments, and Agencies (MDAs). The sessions focused on the forthcoming transition from the current Public Service Pension Scheme to the new Public Service Pension Fund (PSPF), a Defined Contribution (DC) retirement scheme.

The shift marks a significant reform in Uganda's pension landscape, moving away from the fully government-funded, non-contributory scheme under the Consolidated Fund to a model where both the employee and government contribute to the pension.

Why the Change?

According to experts from the Ministry of Public Service, the current pension system is unsustainable. By 2030, pension liabilities are projected to exceed UGX 6 trillion annually, accounting for 19.1% of the country's total revenue collection.

The new contributory system is expected to reduce this burden, while addressing long-standing issues in the public pension sector, including delayed payments, underfunding, and mismanagement of records. It is also anticipated to improve accountability and reduce corruption in pension disbursement.

Hon. Mugasa Grace Mary, Minister of State for Public Service, emphasized that the Fund will be governed with strong regulatory oversight and transparency. "This reform will help fight corruption in the pension system and ensure that every pensioner receives what is rightfully due to them," she said. "Good governance and a strong regulator like URBRA will be key to the success of this initiative."

Key Concerns Raised by Participants

Despite the projected benefits, the announcement of the new pension structure was met with several concerns from participants, particularly relating to financial security, governance, and the impact on take-home pay for public servants.

Guarantee of Savings and Financial Security

A central concern was whether the members' savings would be protected in the event of financial loss or mismanagement. In response, Commissioner Compensation Victor Bua reassured participants that the Government of Uganda would act as the guarantor of the fund, thereby securing members' contributions and payout in the future.

Employee Contributions and Reduced Take-home Pay

Under the new scheme, employees will contribute 5% of their gross salary toward their retirement savings. For many, especially lower-income staff, this represents a reduction in net income, creating concerns about financial hardship. The change from a fully government-funded scheme to one requiring employee contributions is perceived by some as a loss of salary which the commissioner noted as being countered by the Government's salary increment of 5% before implementation of the fund.

Shift from Non-Contributory to a shared Contribution model

The transition from a model where pensions were paid entirely by the government to a shared-contribution scheme has raised questions about fairness and the long-term benefits for employees, particularly those nearing retirement under the old system, these according to the ministry would have a choice of joining the new fund especially those with five or more years to retire.

Governance and Oversight of the Fund

Participants raised questions around governance and control of the Board of Trustees and transparency in the fund's management, especially since it's backed by government. Additionally, there were concerns about government dipping into the Fund's assets for its own use. The Ministry emphasized the importance of ensuring strict oversight and independence of the trustees as critical to winning the trust of contributors along side the oversight of the regulator URBRA in the operations of the fund.

Investment Risks

As a defined contribution scheme, the fund will invest members' contributions to generate returns. However, this also introduces market risk. Participants expressed fears that poor investment decisions or market downturns could erode their savings and impact future pension payouts.

Commissioner Bua agreed that the value of investments can fluctuate due to economic factors, poor investment decisions, or global financial downturns. However, to manage this risk, the fund is expected to follow strict investment guidelines, diversify its portfolio across asset classes (like Government securities, equities, and real estate) in the East African region and be overseen by qualified investment professionals and independent trustees who are all regulated and supervised by URBRA.

The Road Ahead

The sensitization workshop marked a critical first step in building awareness and opening dialogue about the changes to Uganda's public service pension system. Government officials acknowledged the concerns and committed to further engagement with stakeholders as the transition progresses.

The Ministry of Public Service and URBRA pledged to ensure that the new fund will be managed transparently, with safeguards in place to protect contributors' savings and deliver on the promise of a secure retirement for all public servants.

As the country prepares for the rollout of the Public Service Pension Fund, the next phase will involve legal, administrative, and operational adjustments alongside continued sensitization to address the concerns of Uganda's public servants.

UGANDA USHERS IN A NEW ERA FOR PUBLIC SERVICE PENSIONS

The PSPF Act, 2025 transforms a costly, unfunded system into a sustainable, contributory fund, aiming to reduce government debt and secure retirement income.

By Eric B. Kakala
Legal Assistant, URBRA

Uganda's retirement benefits system has undergone substantial changes in the last ten years, key among them, significant shifts in the size and scope of the Public Service.

For decades, public servants were covered by an unfunded, non-contributory pension scheme under the Pensions Act, Cap 89, in which government paid lumpsum gratuities and monthly pensions directly from the national treasury. This arrangement guaranteed income for retirees but did not accumulate assets, creating large unfunded liabilities that led to payment delays and arrears.

According a 2022 actuarial study, Uganda had 334,146 civil servants and 64,855 pensioners. In the 2021/2022 financial year, the total annual pensionable emoluments amounted to UGX2.8trillion while annual pension payments totalled UGX3.1trillion, as posted on the website of the Parliament of Uganda.

A 2007 World Bank Policy Research Working Paper titled "An Assessment of Reform Options for the Public Service Pension Fund in Uganda", discussed the results of simulations conducted to project future Government liabilities stemming from the provision of the Pensions Act, (CAP 286). The paper assessed reform options for Uganda's Public Service Pensions Fund and concluded that a hybrid two-pillar system, combining a small defined-benefit (DB) scheme with a complementary defined-contribution (DC) scheme, would reduce government expenditure while providing higher replacement rates due to redistributive and pooling properties.

Recognizing the need for sustainability, Parliament enacted the Public Service Pension Fund (PSPF) Act, 2025, marking the end of an era and the beginning of a modern, contributory retirement system.

This transformed the non-funded, non-contributory system into a funded, contributory scheme. The Act establishes the PSPF and outlines a mandatory pension scheme for eligible public servants. Key features include:

a) **Governance**: The Act establishes a Board of Trustees to manage the Fund. The Board is autonomous and accountable to the Minister of Public Service for policy direction. The PSPF fund will work with administrators, custodians and fund managers, licenced by URBRA.

b) **Contributions**: Public servants contribute

5% of their salaries and government as an employer contributes 10% providing a sustainable inflow of funds. The responsible officer, for instance, the Chief Administrative Officer (CAO) or the Principal Human Resource Officer (PHRO) must deduct and remit both portions monthly; failure to remit incurs penalties amounting to 1.5% of the remittance. If the contribution is delayed beyond the 15th day of the following month a higher penalty applies.

c) **Eligibility and Benefits**: To qualify for a pension, members must generally serve at least ten (10) years. A pension is payable at age 60 or after 20 years of service; benefits may also be granted for retrenchment, abolition of office or medical grounds. Employees dismissed from service are entitled to withdraw their contributions plus accrued returns. Contributions cannot be attached for debt or taxes except for government debts. Retirees receive a lifetime annuity, while short-service gratuities and commuted lumpsums are available in certain cases.

d) **Transitional Arrangements**: Existing pensioners under the old scheme continue to receive benefits from the Consolidated Fund. Civil servants aged 55 or above may elect to remain in the old scheme, while younger employees must join the new contributory scheme. Accrued benefits from past service are recognized through a "retirement bond."

Expected Impact and Future Directions

The shift to a contributory pension system is expected to produce multiple benefits including:

- Reduce the fiscal burden on government by accumulating assets to finance future benefits.
- Deepen national savings and provide a source of long-term capital for investment in infrastructure and other development projects.
- Improve equity by ensuring that benefits are commensurate with contributions, while still providing a social safety net through defined-benefit elements.
- Foster transparency and accountability by instituting penalties for late remittances and identifying members using National Identification Numbers (NINs).
- Employers will need to upgrade payroll systems to deduct and remit contributions accurately. The introduction of digital pension administration platforms will support efficient registration, contribution tracking, and benefits processing.

Conclusion

The Public Service Pension Fund Act, 2025, marks a pivotal reform to a sustainable, contributory system. This aligns with international best practices. The new system is expected to reduce fiscal pressures, mobilise domestic savings, and provide reliable retirement income for public servants. As the Attorney General, Hon. Kiryowa Kiwanuka guided, the idea of this scheme is that there should not be a public servant who is not saving.

From Reform to Reality: Operational Lessons for Uganda's Public Service Pension Fund

By Lydia Mirembe,
Manager Corporate and Public Affairs, URBRA

A trend is picking pace in pensions sector around the globe; countries are shifting from Defined Benefits (DB) to Defined Contribution (DC) or hybrid models. This trend is being driven by political, socio-economic, and regulatory changes. Private sector employers are moving away from DB to more stable options, while governments are working to bridge the gap between state pensions and citizens' retirement needs amidst economic and demographic challenges. Where once employees enjoyed unlimited retirement pay cheques from their employers, now they are required to contribute a portion of their monthly emoluments to their retirement pouch.

At the global level for example, several OECD countries have been forced to undertake reforms of their civil service schemes in recent years such as increasing the retirement age (Finland and Sweden), restricting early retirement (Germany, Italy and Sweden) reducing pension generosity (Austria, France, Germany, Greece, Finland and Portugal), changing indexation (Italy and Sweden), integrating civil-service schemes with general state schemes (Austria, Greece and Spain) and increasing contribution rates (for Sweden, Austria and Finland).

In East Africa, the governments of Kenya and Tanzania have already adopted the Defined Contribution model where traditional public servants are now contributing to their retirement benefits. In Kenya, the employer (Government) is required to contribute fifteen percent (15%) while the employees are required to contribute seven and a half percent (7.5%) of basic salary. In Tanzania, the employer is required to contribute 15% while the employee contributes 5% of the member's basic salary.

Uganda has for a long time been considering similar reforms. The current Public Service Pension Scheme is a Defined Benefit (DB) Pension arrangement, which is non-contributory and fully sponsored by Government through budget allocations from the Consolidated Fund on a pay-as-you-go basis. The scheme has faced challenges of equity, affordability and sustainability which have resulted in accumulation of pension and gratuity arrears. The scheme is also faced with governance challenges. As a result, government directed the Ministry of Public Service to undertake a reformation process and establish a funded pension scheme. The reforms efforts have been on since the 1990s.

A series of studies and stakeholder consultations have been undertaken, from as far back as 2007. These finally culminated in the enactment of the Public Service Pension Fund Act 2025, which established the Public Service Pension Scheme (PSPS) and the Public Service Pension Fund (PSPF). Government employees or civil servants are the members of the scheme, and their monthly remittances go to the Fund. The scheme will be operationalised next financial year 2026/27.

In the build up to the operationalisation, the Ministry of Public Service has made efforts to pick lessons from the countries where the changes already took effect. This will ensure that the government does not reinvent the wheel, adopts and contextualises the strategies that worked for other countries, and most importantly, avoid what didn't work.

In a recent learning journey to the Kenya Public Service Superannuated Scheme (PSSS), a team of sector experts commissioned by the Ministry of Public Service, returned with key observations, lessons and recommendations for the Uganda Public Service Pension Fund. The lessons can be summarised around three key issues – people, systems and effective communication.

Extensive stakeholder consultation and engagement – even if it takes a decade. The Kenya Act of Parliament establishing PSSF was enacted in 2012, but the scheme was not operationalised until 2021. All the nine years were about stakeholder engagement. By the time the change was implemented on 1st January 2021, all stakeholders had been duly sensitized, notwithstanding some cases of resistance. This shows the importance of a strong communication strategy that prioritizes buy-in from important stakeholders. Key among the stakeholders to engage are the trade unions, pensioners' beneficiaries, local government authorities, ministries and government departments, parliamentarians and other political leaders, financial sector regulators, other pension schemes in the market, service providers like fund managers, administrators, custodians, among others. This will increase awareness and reduce resistance.

Organisational structure and personnel: The Composition of the Governance and administrative structure should be inclusive, with a fair representation of key stakeholders. It is important to recruit technical personnel that are fit for purpose, to effectively implement the core business of the fund. The capacity of personnel can be strengthened through specialized trainings, attachments to funded Defined Benefit schemes and engagement of technical experts in funded DB schemes. The Fund may also consider obtaining staff on secondment from other government institutions. As it's often said, good systems and good strategies come to naught if they are not inhabited by the people who are fit for purpose.

Records keeping using robust systems. Pension administration is about records, and data management, hence you need a very good ICT system that can link employers, employees and payment systems. The fund also needs the right human capital or personnel. Systems are just that if they don't have the right human resources to manage them. The selected service provider should be able to offer a full package services – sensitization, capacity building, investment etc – just at the model at the County Pension Fund, (CPF). Under change management, as far as data migration is concerned, it is better to start on a clean slate to avoid inheriting the legacy from the old regime. Start with fresh data and work forward, while cleaning up and updating the old data. Develop new templates with very clear instructions. Set a deadline for when the transition will take effect. Bear in mind that data is owned by the scheme while the system is owned by the developer unless the client pays for it. All these terms should be clearly spelt out in the contract.

Conclusion

In the process of establishing the Public Service Pension Scheme, the Ministry of Public Service should keep learning and adopting best practices from countries which already implemented these reforms. Uganda can build on the achievements, lessons of neighbours like Kenya and Tanzania to establish a robust Public Service Pension Scheme.

On 28th August 2025, URBRA joined the Ministry of Public Service in its first sensitization of Local Government Leaders (Starting with the Central Region) on the new Public Service Pension Fund of Uganda.

Informal Workers Social Protection Scheme: The push for inclusion

The Informal Workers Social Protection Scheme (ISPS) is empowering Uganda's informal workers to save for a secure and dignified retirement. In this Q&A, scheme leaders Mr. Bashir Waswa Ssebuguzi and Mr. Juuko Robert share insights on the scheme's progress, challenges, and vision for expanding retirement inclusion nationwide.

By Lillian Kakayi
Corporate and Public Affairs Officer

Could you briefly tell us about the Informal Workers Social Protection Scheme (ISPS) how it started and what motivated its establishment?

ANS: ISPS was initiated to help informal workers such as market vendors, bodaboda riders, taxi operators, street vendors, shopkeepers, agriculturalists, waste collectors among others to save for their old age and times of difficulty. The idea was developed by URBRA after a sensitisation during the 2021 |Namasuba Market SACCO annual general meeting. Just like the formal sector workers are organised in their savings schemes like NSSF, we thought we could also be organised to plan for retirement. The people in the informal sector earn daily in comparison with the salaried workers who wait until the end of the month. The main challenge is that informal sector workers have no guaranteed payments as opposed to their counterparts in the formal sector.

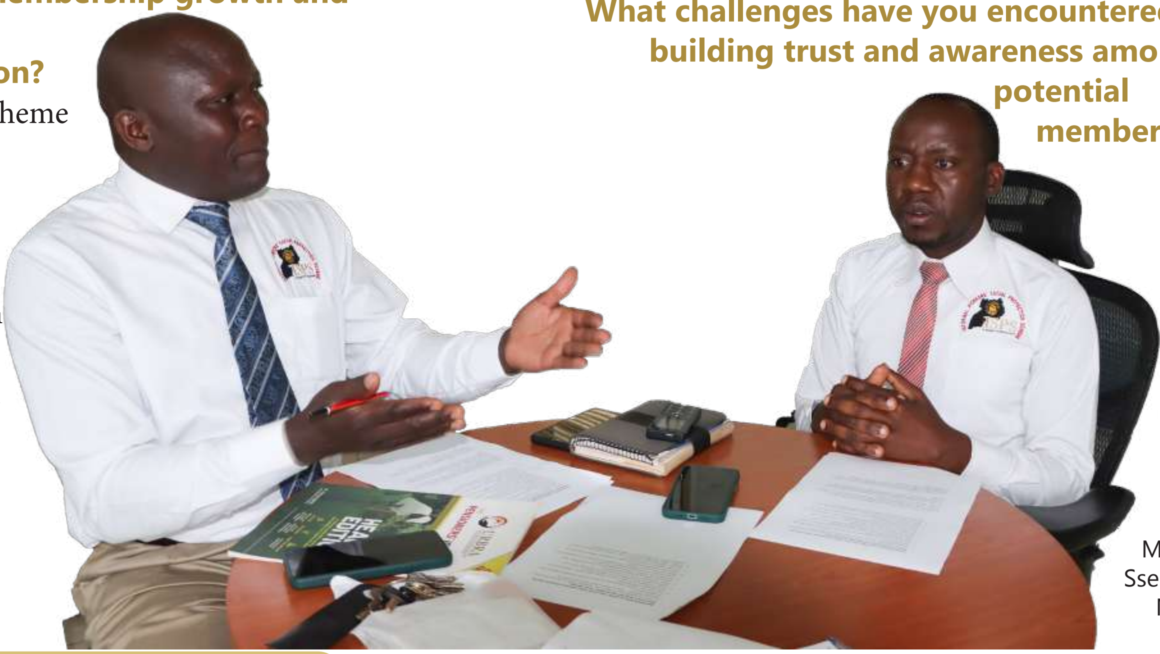
How has the scheme performed so far in terms of membership growth and savings mobilisation?

ANS: The scheme is positively progressing after mobilisation and sensitisation meetings. Over 90 members have been registered, with savings of 2.729.000million in three months. We have made efforts to reach all regions, working with colleagues in the executive positions of the Markets Union around the country. This mobilisation has been very challenging due to limited finances. Calling people to attend sensitisation sessions requires a budget for venue and related logistics. We appeal to the government through the Ministry of Finance and Ministry of Labour to help promote this cause. We believe if Ugandans are effectively mobilised and sensitised about saving for retirement, it will save the government the trouble of paying for people in old age.

What strategies have you used to attract and retain informal sector workers, given the low saving culture?

ANS: Given that the target clients are informal workers, for example shopkeepers and vendors, we have often used door-to-door campaigns and group sensitisation meetings in markets. We have also bought airtime for television and radio programmes. To retain the number of savers registered so far, we send constant reminder messages.

What challenges have you encountered in building trust and awareness among potential members?



Mr. Waswa Ssebuguzi and Mr Juuko

ANS: Most of our clients have challenges with technology. They do not use digital platforms. They cannot adapt to smart phones, making it difficult for them to use available apps for payment. Most of the communication material is in English so we have a language barrier, and there is need for translation. But we are actively looking for regional representation to ease communication. The other challenge is lack of information and knowledge about retirement and understanding of government agencies.

How does the scheme ensure transparency, accountability, and sustainability in managing members' funds?

ANS: All deposits are directly made to the custodial accounts, and every client receive deposit notification messages. No cash is received; all members are sensitised to save directly. And there are technocrats handling the scheme like fund managers and trustees.

What partnerships or support has URBRA provided to strengthen your operations and governance?

ANS: URBRA trained our trustees in scheme management, and sensitised members about the benefits of retirement planning.
Whenever we invite URBRA to our meetings, they attend and respond to all our inquiries and requests for assistance.
And again the regulator has been fundamental when it is helping the scheme with legal requirements needed to start up the scheme.

Are there plans to expand coverage or integrate digital solutions to improve efficiency and outreach?

ANS: We intend to hold more workshops and sensitisation meetings, train the trustees in their roles and popularise or advertise the scheme. We pray that this becomes a national agenda for the government. We have gone ahead to write to the International Labour Organisation (ILO) through Ministry of Gender, Labour and Social Development to attract partnerships. We were advised to write a proposal. So, we request the regulator if they can source some collaborations and partnerships for funding to enable countrywide coverage. We have heard that it has been done in Rwanda and Kenya, so we hope to get almost all regions in Uganda.

Finally, what message would you like to share with informal sector workers about the importance of saving for retirement?

ANS: We encourage all informal sector workers to save for their retirement since old age is inevitable. We also appeal for government support, through His Excellency the President. I recall during covid, the President looked for means of assisting the informal sector workers, but it was hard, yet for the formal sector workers it was easy as he allowed mid-term access of their NSSF Savings. If this scheme grows to its full potential, it will save the government from the problem of paying the aged people and also contribute to national GDP.

The Three Pillars of Holistic Retirement Planning

By Annet Jagenda
Senior Supervision Officer, URBRA

Holistic retirement planning goes beyond saving money—it's about harmonizing your financial goals with your overall well-being. It balances today's enjoyment with tomorrow's security, ensuring that every stage of life remains meaningful and fulfilling. True retirement readiness integrates three essential pillars: finances, health, and relationships for rewarding life after work.

1. The Finances

Retirement planning is deeply personal. Understanding your vision for life after work helps shape the choices you make today and ensures your lifestyle goals align with long-term financial security. Are you an adventurer who dreams of travel, or do you prefer the comfort of home and community? What brings you fulfillment? The answers to these questions guide your financial roadmap.

To build a secure financial future, consider key factors such as:

- Length of retirement: How long should your savings sustain you?
- Investment risk and returns: What level of risk can you take while ensuring stability?
- Impact of inflation: How will rising living costs affect your purchasing power over time?

Strengthening Financial Preparedness

- Enhance financial literacy: Seek information on investment options, savings strategies, and retirement tools. Consulting a qualified financial advisor can help you make informed, sustainable decisions.
- Maximize savings and investments: Start early, stay consistent, and make the most of employer-sponsored and voluntary schemes. Diversify investments to balance risk and growth.
- Assess your needs: Estimate the cash flow required for a comfortable retirement, review potential income sources such as NSSF, employer benefits, and personal investments, and plan for contingencies.

Building financial independence starts with deliberate action. The choices you make today determine your comfort and freedom in the years to come.

2. Health

With life expectancy in Uganda steadily rising, health has become a crucial component of retirement planning. A secure future depends not only on financial readiness but also on physical and **mental well-being.**

Good health habits established today will shape the quality of your later years. Engage in **regular exercise** to strengthen your body and improve mood. **Prioritize preventive healthcare**—go for check-ups, eat a balanced diet, stay hydrated, limit alcohol and energy drinks, and ensure quality sleep.

Equally important is nurturing mental wellness. Take time to read, socialize, and pursue activities that bring peace and joy. Healthy living doesn't just add years to your life—it adds life to your years.

3. Relationships

Relationships form the cornerstone of happiness and emotional stability in retirement. As you transition from active work life, nurturing strong personal connections will keep you grounded and fulfilled.

Begin with your closest bond—your spouse or partner. Open communication helps align expectations and strengthen friendship as you spend more time together. Deepen ties with your children and grandchildren, as these relationships bring purpose, love, and joy.

Equally, maintain your professional and social networks. Staying connected with colleagues, mentors, and community members keeps you intellectually active and socially engaged. Volunteerism, faith-based activities, and community service all foster belonging and impact.

A holistic retirement plan recognizes that life is dynamic. Regular reviews of your goals and strategies help you adapt to changes in finances, health, or personal circumstances as you look towards a vibrant chapter of independence, purposeful, and peaceful retirement.

Be intentional. Plan early. Live well—today and tomorrow.

Building your retirement beyond the bank balance

By Lydia Mirembe,
Manager Corporate and Public Affairs

Discussions about retirement planning often focus on financial matters – saving, investing, accessing retirement benefits. The non-financial aspects, are often ignored, yet indeed they are a key part of retirement.

Retirement carries excitement, fun, and freedom but can also bring disorientation and disenchantment regardless of how much money one has. While finances are important, they are driven by the emotional, mental, and social human needs like belonging, family and purpose. All of these are none financial in nature and make living bearable.

You have to ask yourself some critical questions as you age and draw closer to retirement;

- Who will I be without my pre-retirement profession?
- How will I live without my employer identity?
- What will I do for over ten to twenty years in retirement?
- "Who will I spend my time with and where will I live?
- "What will be my purpose?"

Perhaps the most important non-financial consideration is to invest in relationships. Build meaningful relationships with trustworthy people who will come to your rescue when you need them. Protect yourself from self-seekers who want to take advantage of you. But this can only be achieved when you're equally an honest person and have positively touched the lives of those around you.

Apart from strong relationships, plan your estate, document your possessions. Be clear on how you want your family and loved ones to deal with your belongings when you're gone. Develop an asset inventory to make it easy for people to support you when you are in your weak moments. People might want to support you but they don't know where to start. Don't demean yourself by hiding all your properties and assets. You want to leave order not chaos.

Develop your retirement planning around the 7-Fs framework which includes: Family, Firm, Friendships, Fitness, Fun, Faith and Finances. With such a framework, you will realise that retirement planning is much more than just finances.

Enwealth Encourages Sector Players to Harness Tech, AI for Inclusive Retirement Solutions

Simon Wafubwa, the Enwealth Managing Director.

By Kenneth Kazibwe, The Nile Post

Enwealth Financial Services has urged pension stakeholders to urgently embrace emerging technologies, such as Artificial Intelligence to better anticipate member needs and personalize services for improved retirement outcomes.

The financial services firm, while hosting a Client Appreciation Breakfast Meeting in Kampala on Friday, called on trustees, employers, and administrators to move beyond traditional models and use data-driven innovation to close Uganda's pension coverage gap.

The event attended by Enwealth clients, SMEs, trustees and stakeholders from the broader retirement benefits industry, centered on how technology, diversification, and member-centric service can be used as strategic levers to reduce investment risk, drive sustainable returns, and empower members particularly those underserved by conventional pension offerings.

According to current industry statistics by The Uganda Retirement Benefits Regulatory Authority, 3.37 million Ugandans are enrolled in formal retirement benefits schemes out of an estimated 21 million working population.

Enwealth emphasized that increasing this number requires deeper personalization and smarter engagement with members through technologies like Artificial Intelligence (AI), predictive modeling, and behavioral analytics.

Simon Wafubwa, Group CEO of Enwealth Financial Services said, "Technology is not just about automation, it's about insight. Through AI and behavioral analytics, pension schemes can build a clearer picture of how members think, save, and plan allowing us to respond with targeted advice, timely interventions, and more relevant solutions."

"By tracking usage patterns, decision points, and behavioral trends, schemes can now deliver custom experiences that resonate with members' realities, especially among younger and self-employed populations. This level of personalization is what will deepen pension inclusivity and improve retirement readiness for both formal and informal workers."

Discussions also explored how trustees can adopt diversified investment strategies that reflect both risk management and long-term value creation. Uganda's pension assets have grown rapidly to shs25.4 trillion by June 2024 (up from shs4 trillion in 2014), the potential to deploy capital in diversified investments such as infrastructure, real estate, private equity and capital markets is high.

However, stakeholders agreed that such diversification must be matched by robust governance and data-led decision-making.

Since launching operations in Uganda in 2019, Enwealth has grown its presence by delivering tailored fund administration, trustee training, investment services and member education programs.

The firm reiterated its gratitude to its clients and partners for their continued collaboration, and its commitment to shaping a more inclusive, tech-enabled retirement ecosystem.

The firm has also implemented tailored financial wellness programs aimed at improving member engagement and driving long-term savings behavior.

Looking ahead, Enwealth is investing in technology tools and advisory services that will allow schemes to not only scale but adapt to a rapidly evolving workforce.

Leveraging regional experience Enwealth continues to play a leading role in shaping inclusive, sustainable retirement solutions in Uganda.

Absa Strengthens Uganda's Capital Markets with Launch of its Custody Services

By Kenneth Kazibwe, The Nile Post

Absa Bank Uganda has announced the reintroduction of its custody services, marking a significant milestone in the bank's commitment to supporting the growth and development of Uganda's capital markets.

According to officials, the move aims to provide institutional investors with secure, efficient, and compliant solutions to safeguard their assets and facilitate seamless investment operations.

"Today marks an important milestone for Absa Bank Uganda as we reintroduce our custody services. With Uganda's capital markets growing and institutional investors seeking secure, efficient, and transparent solutions, we are proud to offer a full suite of custody services that combines global standards with local expertise," said Absa Bank Uganda Managing Director, David Wandera.

"Our goal is to empower investors from pension funds to insurers, asset managers, and high-net-worth individuals, to safeguard their assets, make informed decisions, and participate confidently in the growth of Uganda's financial markets."

Uganda's capital markets have witnessed notable growth in recent years, driven by regulatory reforms, increased investor participation, and a growing demand for diversified investment products.

According to data from the Capital Markets Authority, the total assets under management (AUM) of regulated fund managers in Uganda reached shs4.78 trillion by the end of December 2024, up from shs 4.56 trillion in September 2024, reflecting a 4.7% increase over the quarter.

Government of Uganda bonds accounted for 62.1% of the total AUM, highlighting the dominance of fixed-income instruments in the market.

Furthermore, the Uganda Retirement Benefits Regulatory Authority's 2024 Annual Report indicates that the pension sector's assets grew by 18% from shs21.41 trillion in financial year 2022/23 to shs25.4 trillion in financial year 2023/24, accounting for 12% of the country's GDP. This growth underscores the increasing importance of institutional investors in Uganda's financial ecosystem.

Absa Bank Uganda's reintroduced custody services are designed to support the evolving needs of institutional investors, including pension funds, asset managers, and insurers.

The services provide secure safekeeping of assets, timely settlement of both local and cross-border transactions, adherence to regulatory compliance, corporate actions monitoring, portfolio reconciliations, and transparent reporting. These offerings present clients with a trusted, efficient, and comprehensive solution for managing their investments.

The custody services are intended to cater to a wide range of institutional investors.

These include fund managers such as those managing collective investment schemes and gratuity funds; pension fund trustees overseeing occupational pension schemes; and life insurance companies managing umbrella funds, individual retirement schemes, income drawdown funds, and post-retirement medical schemes. Other key targets include Saccos, Shariah-compliant funds, and other long-term institutional investors.

Africa's $700bn pension funds now eye joint development kitty

Delegates pose for a group picture during the Pension Funds and Retirement Summit 2025 in Casablanca, Morocco. Uganda will host this year's summit in Kampala next month.

Dar es Salaam. For the first time, pension funds across Africa are seeking to pool their resources to address the continent's development challenges, aiming to reduce dependence on traditional foreign funding sources, according to leaders of the African pension industry. Africa faces enormous annual financing gaps, with the African Development Bank estimating that the continent requires over $1.3 trillion each year to meet its development goals. Source: The Citizen

Did you know?

Over 160 Billion Ugx remains unclaimed. update your contact information, nominate beneficiaries to make it easy for your loved ones to access your benefits when you're not around anymore.

China to expand private pension withdrawal options

Xinhua

BEIJING, Aug. 19 (Xinhua) -- China will expand the circumstances under which individuals can withdraw funds from their private pension accounts starting Sept. 1, according to a circular released by the Ministry of Human Resources and Social Security and four other government organs.

The new policy aims to enhance the flexibility of the private pension system, allowing withdrawals in situations such as high personal or family medical expenses and long-term unemployment.

According to the circular, individuals may withdraw funds if their own, their spouse's, or their minor children's out-of-pocket medical expenses within the past year exceed the previous year's per capita disposable income in their provincial-level region.

Withdrawals will also be permitted if applicants have received unemployment insurance benefits for a cumulative 12 months within the past two years or if they are currently receiving minimum living allowances for urban and rural residents.

Previously, private pensions could only be withdrawn if participants had reached the statutory retirement age, had completely lost the ability to work, or had settled abroad.

This marks a shift from pensions serving solely as a retirement income tool to also helping ease financial burdens during major life events, such as illness, said Lu Quan, professor at the School of Labor and Human Resources at Renmin University of China.

According to the circular, except for those who have reached the statutory retirement age, individuals who withdraw funds under the newly added conditions may continue contributing to their private pension accounts based on their financial circumstances.

China's private pension scheme was initially piloted in selected cities in November 2022 and expanded nationwide by the end of 2024.

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