URBRA

UGANDA RETIREMENT BENEFITS REGULATORY AUTHORITY

Protecting your retirement benefits

Newsletter

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End Of the Aid Era?

Africa Pension Funds Pledge to Finance Continent's Future

From Awareness to Habit: The Unfinished Journey of Uganda's Saving Culture

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

Design/layout, Billy B. Gang, Communication Officer, URBRA

Clement Hill Rd (3rd - 6th Floor)
P.O. Box 7561, Kampala
+256 417 304 500
www.urbra.go.ug
urbra@urbra.go.ug
@urbraUg

Accounting Officer's Foreword

Dear Reader,

As we usher in a new year, I am pleased to welcome you to this latest edition of URBRA's newsletter. A new year presents not only fresh beginnings, but also an opportunity for reflection, renewed commitment, and purposeful planning especially when it comes to our retirement futures.

Uganda's Retirement Benefits Sector continues to evolve, and with that evolution comes both progress and responsibility. In this edition, we highlight key developments across the sector and examine critical issues that directly affect savers.

As we begin the year, we also reflect on the state of the sector and pivot to the future. This can only happen with the active involvement of savers in their retirement planning that goes beyond simply saving for retirement. Retirement is not an event, it is a journey that requires early, informed, and consistent decisions.

At URBRA, we believe that a secure retirement goes beyond financial savings alone. Health, wellbeing, and financial literacy are equally critical pillars of a dignified retirement. As a nation, we must embrace a holistic approach that ensures Ugandans not only save adequately, but also live healthy, productive lives that allow them to enjoy the retirement benefits they have worked so hard to build.

As we step into this new year, I encourage every saver to take their retirement life seriously. Ask questions, review your statements, update your records, and plan deliberately for the future you desire. URBRA remains committed to safeguarding your savings and strengthening trust in the retirement benefits sector for the benefit of all Ugandans.

I trust that the insights shared in this edition will inform, inspire, and motivate you in your retirement journey in a way that will in the end benefits you and your loved ones. 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

End Of the Aid Era?

Africa Pension Funds Pledge to Finance Continent's Future

By Lydia Mirembe,
Manager Corporate and Public Affairs

Africa has enough long-term capital to finance its own future. This was the conviction shared by 650 delegates who gathered at Speke Resort Munyonyo, to attend the inaugural All Africa Pension Summit. Representing 31 African countries, the delegates generated ideas and charted ways of how African pensions and retirement savings can finance Africa's development agenda.

Hosted by the National Social Security Fund (NSSF), the summit was premised on the realisation that for too long, Africa has depended on development aid, but this has not fully emancipated the continent from under-development. Rather, it has created permanent dependency and a huge debt burden. Moreover, most of the aid is lost in illegal financial flows and corruption.

The figures are staggeringly high: Africa's Annual financing gap is USD1.3Tn; the annual infrastructure gap is USD200Bn; average foreign debt dependency is 68%. All this amidst a growing population which is projected to reach 2.5bn by 2050. These conditions create an urgent need for new financing solutions, otherwise the continent will never reach its ambitious development goals.

Unfortunately, the landscape of aid has fundamentally shifted. Despite remaining the biggest recipient of Official Development Aid (ODA) Africa's share of ODA has dropped from 37.6% in 2013 to 26.7% in 2023 – and it continues to drop. The impact of the closure of USAID is yet to be fully assessed. This change is an opportunity to innovate and rely more on domestic resources.

"Africa is not short of resources — we're short of mobilization. It's time to look inward, to unlock the vast pools of domestic capital already within our economies," NSSF Managing Director, Patrick Ayota said at the opening of the summit.

Re-echoing Ayota's message, Leonard Zulu, the UN Resident Coordinator in Uganda said that Africa must look inward, mobilize domestic savings, diaspora remittances, and blended finance models to reduce aid dependency. "It is imperative to unlock domestic capital through various sources, including pension funds that have been growing rapidly in recent years," Zulu said, giving the example of Uganda's retirement benefits sector which is now worth Ugx25.4 trillion, an 18.6% increment from Ugx21.4 trillion in 2023. Zulu further recommended that it would also be prudent to unlock domestic capital from capital markets and innovative instruments such as insurance funds, patient and venture capital, green and infrastructure bonds, as well as remittances and diaspora investments.

Thus, the All-Africa Pension Summit laid a foundation for a continental discussion on how Africa's US$ 1.3 Trillion pension assets could be strategically leveraged into transformation engines for inclusive growth, sustainable infrastructure, and social protection.

For President Museveni, the All Africa Pensions Summit was an opportunity to actualise the common expression of African solutions for African problems. In a speech read for him by Prime Minister Robina Nabbanja, President Museveni argued that of the four key factors of production, Africa has natural resources and labour and only lacks capital and entrepreneurship. He urged delegates to use the summit to address their minds to those outstanding factors.

The Minister of Gender Labour and Social Development, Betty Amongi implored pension funds to take up the mantle, not as charity but as a serious responsibility. She assured them that they had the power to change Africa's destiny. Amongi decried the fact that Africa's resources have been used to develop other economies, ignoring the continent's own development needs.

But while conviction and desire met in the three-day summit, stakeholders raised some challenges that must be addressed for Africa Pension funds to rise to the occasion. The key challenge in Africa is the loss of resources in illegal financial flows. Cristina Duarte, Special Advisor on Africa to the UN Secretary General highlighted that in 2022 alone, ODA worth USD4.4 bn was disbursed, but USD15-18 of that was lost in illegal financial flows. "Illegal financial flows drain 3.4 times more money than official development aid provides, yet the focus remains on ODA while IFF goes unchecked," Duarte lamented.

> A key output of the summit was the Kampala Declaration of the All Africa Pension Summit, in which delegates acknowledged the urgent need to bridge Africa's infrastructure financing gap while ensuring the retirement security of millions of African workers

Thus, if pension funds are to be leveraged to foster Africa's development, stakeholders must institute tight controls and strict regulatory regimes. Minister Amongin assured delegates that by harnessing the power of pension funds to invest in development, government would not jeopardise the citizens' social security. "Let me be unequivocally clear: the government stands resolute in its commitment. We will not jeopardize the social security our citizens depend on. We are committed to robust regulatory frameworks, to transparency, and to ensuring that these vital pension funds not only remain solvent but grow stronger," she said.

They also noted the importance of partnerships between pension funds, development partners, and governments to unlock the transformative potential of pension capital. The Summit concluded with concrete commitments to key outcomes across four strategic pillars:

Coverage Extension & Patient Capital. Delegates committed to increase coverage to 25% by 2028, generating USD 15 billion in new savings. Uganda, under NSSF was specifically tasked to scale the SmartLife voluntary scheme as a continental case study; lead informal sector pilots targeting 500,000 new savers; integrate NIRA, URA, NSSF systems for seamless registration

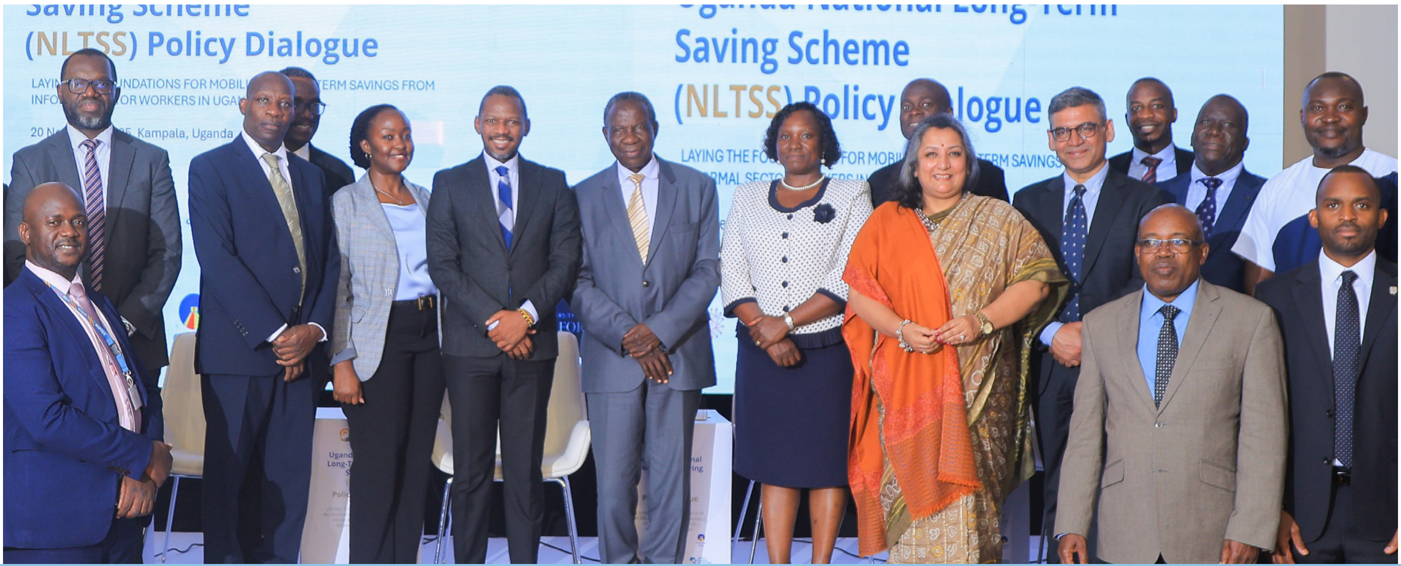
Cross-Sector Partnerships, strengthening relationships between Development Finance Institutions (DFI) and pension funds; promoting blended finance for SMEs and aligning policy frameworks with private-sector execution, with the aim to establish regional co-investment vehicles functional by 2027.

Infrastructure Investment. Delegates committed to mobilise pension assets for domestic infrastructure; build pipelines in renewable energy, transport, housing and social infrastructure; and ensure alignment with national development plans. They committed to allocate 5% of pension assets to infrastructure by 2028.

Environment Social Governance (ESG) and Social Impact, with a focus on instituting annual ESG reporting from 2026; establishing a green infrastructure facility worth USD1bn; and unified ESG standards across Africa. By 2027, 15% of all pension portfolios will be ESG-classified. Uganda, under NSSF, will lead the development of common ESG reporting templates; Pilot Uganda's Green Pension Investment Report with UNDP; and Integrate ESG into NSSF policy and national investment guidelines

The Kampala declaration affirmed the resolve to transform Africa's pension funds into strategic engines for sustainable growth, linking long-term savings to long-term development.

As NSSF MD Patrick Ayota concluded: "For too long, we have looked outward for solutions, despite possessing abundant savings and investable assets. This summit charts a new course: African pension funds will become engines for African infrastructure, financing domestic development and prosperity."



Uganda Charts a New Future for Inclusive Retirement Savings: Highlights from the National Long-Term Saving Scheme (NLTSS) Policy Dialogue

By Lillian Kakayi
Corporate and Public Affairs Officer

On 20th November 2025, the Uganda Retirement Benefits Regulatory Authority (URBRA), in partnership with the Ministry of Finance, Planning and Economic Development (MoFPED), Universal Pensions, and the Resource Enhancement and Accountability Programme (REAP), convened a National Long-Term Saving Scheme (NLTSS) Policy Dialogue at the Kampala Serena Hotel. The engagement brought together policymakers, regulators, pension institutions, development partners, digital innovators, and informal sector representatives to assess Uganda's readiness to roll out a national retirement savings solution for informal sector workers.

Held under the theme "Laying the Foundations for Mobilising Long-Term Savings from Informal Sector Workers in Uganda," the dialogue addressed a critical policy gap: while the informal sector constitutes about 84 per cent of Uganda's workforce, the majority remain excluded from structured retirement savings yet face increasing life expectancy and extended post retirement survival needs.

Opening the dialogue, URBRA's Accounting Officer, Ms Rita Faith Nansasi Wasswa, underscored the urgency of establishing sustainable long term savings mechanisms. She noted that many informal workers are likely to depend on personal savings for nearly 20 years after exiting active work. Ms Nansasi informed participants that URBRA had obtained a no objection from the Permanent Secretary/Secretary to the Treasury to collaborate with development partners through a regulatory sandbox framework to operationalise the NLTSS. She reaffirmed URBRA's commitment to a sound regulatory environment anchored in the URBRA Act and commended the support of MoFPED, Universal Pensions, FSD Uganda, APSA, the World Bank, and URBRA staff, urging stakeholders to champion the scheme nationally.

In his keynote address, the Minister of Finance, Planning and Economic Development, Hon. Matia Kasaija, highlighted the growing challenge of old age poverty. He observed that only about four million Ugandans are covered under formal retirement arrangements, leaving farmers, traders, daily wage earners, and domestic workers largely unprotected. He further noted that Uganda's elderly population is projected to rise from 2.3 million to 5.4 million by 2050, which could create fiscal pressures if long term savings mechanisms are not strengthened. The Minister emphasised that securing dignity in old age is central to Uganda's socio economic transformation and outlined the NLTSS objectives of enabling informal workers to save for retirement while mobilising long term domestic savings to support the Tenfold Growth Strategy.

The first technical session examined the rationale for NLTSS within national development. Mr Benjamin Mukiibi, URBRA's Chief Manager Research and Strategy, presented a situational analysis of the retirement benefits sector, highlighting challenges faced by informal workers, including irregular incomes, emergency driven spending, and exclusion from pension products. Drawing lessons from Rwanda, India, Mexico, and Kenya, he noted that Uganda is ready for a centralised, government supported digital savings model that combines long term pensions with short term liquidity and complementary insurance. Such a model, he argued, would both reduce old age vulnerability and mobilise domestic savings for development financing.

Panel discussions emphasised that NLTSS must be simple, flexible, and trustworthy, supported by clear, relatable communication. Participants underscored the importance of tailored approaches for women, farmers, and other occupational groups, community based champions, and inclusive technology solutions such as USSD, agent assisted onboarding, and easy balance enquiries. Global perspectives from APSA and international practitioners stressed that Africa's low pension coverage—estimated at below 10 per cent—makes voluntary micro pension schemes essential, particularly for young contributors with flexible saving patterns.

Discussions on ecosystem readiness highlighted Uganda's strong foundations for implementation. MoFPED noted that the pension sector contributes over 60 per cent of gross national savings and about 13 per cent of GDP, making it a pillar of economic growth. Studies by FSD Uganda and the World Bank recommend shared digital infrastructure governed by URBRA to ensure transparency and scalability. Financial and technology partners, including Centenary Bank, Universal Pensions, NIRA, MTN Mobile Money, NITA U, and SBG Securities, demonstrated readiness to support secure onboarding, interoperability, fraud prevention, prudent risk management, and seamless mobile money integration.

The dialogue also underscored the role of Government and development partners in driving mass adoption. With 81 per cent of Ugandans already financially included through banks or mobile money, participants noted strong potential for rapid uptake. The Bank of Uganda shared ongoing financial literacy initiatives, while speakers highlighted the role of incentives—such as tax benefits, onboarding bonuses, and bundled benefits—to accelerate participation, recommending pilot testing of different models.

Closing the dialogue, Mr Moses Kaggwa, Director of Economic Affairs at MoFPED, linked NLTSS to the Tenfold Growth Strategy, which aims to grow Uganda's economy from USD 50 billion to USD 500 billion by 2040. Achieving this ambition, he noted, will require increasing domestic savings from 21 per cent to 40 per cent of GDP. While financial inclusion stands at 81 per cent, only 16 per cent of the workforce has formal retirement coverage. He commended URBRA for leading the NLTSS initiative and reaffirmed Government's commitment to supporting its rollout through digital delivery, targeted incentives, enhanced financial literacy, and strong accountability frameworks.

The dialogue concluded with agreement on next steps, including finalising PensionTech procurement, completing business process reengineering, signing service level agreements with implementation partners, and implementing a comprehensive change management strategy. The NLTSS pilot will test integrated benefits combining micro pensions, micro insurance, and emergency micro savings, supported by community led financial literacy campaigns—laying the foundation for a secure, inclusive, and financially resilient future for millions of Ugandans.

A Lifelong Safety Net: Why Social Protection Must Start at Birth, Not Retirement

By Lydia Mirembe,
Manager Corporate and Public Affairs, URBRA

Somewhere in Masaka, an elderly grandmother takes care of 13 grandchildren. A dilapidated house left by her long-deceased husband is the only possession to speak of. She can hardly afford their food, education or healthcare. To make ends meet, she sends the grandchildren out to work in people's gardens and bring home some money. Members of the community threatened to arrest her, accusing her of withholding children from school and involving them in child labour. No one could see her plight! How does an ailing grandma deal with 13 orphaned grandchildren?

These are some of the realities that came to the fore during the Annual National Social Protection Dialogue, organised by the Ministry of Gender, Labour and Social Development, in October. Stakeholders discussed ways of making comprehensive and inclusive social protection a reality, breaking the cycle of poverty and insecurity experienced by families like the one in Masaka.

Social protection refers to public and private interventions that reduce the risks and vulnerabilities that expose individuals to income insecurity and social deprivation, helping them to live dignified lives. Uganda Vision2040 envisions a system including universal pensions for older persons, public works schemes for the vulnerable and unemployed and social assistance for children, persons with disabilities and the destitute.

Often, the mention of social security conjures images of older people, possibly retirees queuing up for pensions or SAGE handouts. This maybe because, all factors held constant, old age is the final stage for everyone – no matter the type or magnitude of their vulnerability. As people go through life from childhood through youth and adulthood, they are steadily moving towards old age and retirement.

While the ideal retirement is characterised by financial freedom, good health, comfortable living and all life's fine things, it should be the culmination of a journey and a context that's shaped right from birth. This is where the lifecycle approach to social security comes in. However, given the realities in Uganda, is it possible to achieve social protection from a lifecycle point of view? What are the key enablers and impediments that define the journey from early childhood to old age? Can the orphaned grandchildren in Masaka dream of a smooth journey to retirement?

At the social protection dialogue, keynote speaker Dr Fred Muhumuza raised key factors and issues affecting the social protection agenda in Uganda. He observed that in Uganda, 56% of the population is below age 16. Older persons over 60 are 2.3 million, accounting for 5% of the national population. According to the national social protection strategy, 45% of older persons live in poverty; only 2% can access any form of credit. This is compounded by low social security, where only 2.3% of older persons get a pension. Despite that level of poverty and vulnerability, older persons often assume the responsibility of looking after the young ones below 16 - just like that grandma

in Masaka.

Even as they go through the different stages of life, most Ugandans live in rural areas, with multi-dimensional poverty, and limited access to social services. There are 23.5 million people in the working age population, with only 34% of them in formal employment. The rest are independent workers dabbling in agriculture, unpaid care work or in jobs that cannot offer a decent income. The youth form 22.7% of the total population, yet they face a very high unemployment rate which stands at 17%, according to the Annual Labour Force Survey.

Most Ugandans live with the effects of these conditions until old age. Unemployment, underemployment, meagre incomes, job insecurity, occupational accidents, gender-based violence, psychosocial challenges – they all affect the quality of life in retirement and old age. Even people who are employed live with the constant worry of what will happen when they reach retirement age – “What shall I do when I reach 60?” they muse. As such, many refuse to vacate office even when they reach retirement age. Even if they had a guaranteed retirement income, they would still be constrained by family responsibilities, limited access to services and the onset of age-related bodily complications and diseases like diabetes, high blood pressure, dementia, and visual impairment among many others.

All these realities point to the need for a comprehensive approach to social protection to cover all people across the life cycle. The life cycle approach requires that from the onset, factors must be right for people to be productive. The keynote speaker, Dr Muhumuza argued that the life and health of children must be secured right from the start – including the nine months in their mothers’ wombs. “Pregnant women must be tracked, to ensure they get healthy children, who are the future of Uganda. If the country has healthy, productive people right from an early age, then old-age vulnerability will be significantly reduced,” he said.

The panelists at the dialogue re-echoed the call for a comprehensive, lifecycle approach which addresses the multiple dimensions of social security. Allan Munaabi, Strategy Services Manager at NSSF, argued that social protection should be a human right and that everyone across the country should have access to social security over their life cycle. Francis Muhumuza, a Principal Economist in the Ministry of Finance noted that as Uganda moves towards the middle-income economy, young ones should be relieved of the burden of looking after their elderly parents by ensuring that people at all stages of life are covered. Eric Kakoole, Assistant Commissioner for Policy in the Ministry of Education and Sports said that social protection should be approached from the education angle, observing that the uneducated are the ones most likely to be excluded from social protection. “Education is the greatest cornerstone for social protection,” Kakoole argued.

URBRA lays emphasis on early planning and saving for retirement to alleviate old age poverty. With a life cycle approach many of the old-age challenges could be arrested early enough for example, if one maintains a healthy and active lifestyle when they are younger, they may avoid some old age ailments; if one starts saving early enough they can attain financial independence in old age; if one builds a home during their most productive years, they will not lack a place of abode in old age; if one invests in meaningful relationships they will maintain social networks in retirement. But all of these depend on realities and experiences that shape one’s journey – what foundation do they get in infancy and childhood; how do they navigate the challenges of youth such as unemployment and under employment; how do they prepare for retirement during their most productive ages of 18-59?

Government and non-government actors must all be involved in efforts to make social protection a reality. Social security is not charity; it is a right, a social contract and a shared responsibility. Particularly for older persons, pensions and retirement benefits are a mechanism through which a society takes collective responsibility for its elders, transforming the economic challenge of aging into a source of stability and growth and protection against the loss of income and contingencies of old age. There is no better way to demonstrate this commitment than to adopt a life-cycle approach which addresses and tracks an individual’s wellbeing from birth to death.

SECURING TOMORROW: INSIDE UGANDA'S PENSION TRANSFORMATION

As Uganda's pension sector expands in scale, complexity, and strategic importance, the conversation around coverage, innovation, and long-term sustainability has never been more urgent. With assets now exceeding UGX 30 trillion and new schemes emerging to serve both formal and informal workers, the industry is undergoing a quiet but decisive transformation. At the centre of this evolution is the Uganda Retirement Benefits Regulatory Authority (URBRA), whose mandate on supervision and market conduct continues to shape the direction of retirement savings in the country. At the recently concluded Pan African Pension Conference (November 26-28, Diani Kenya), Daisy Lynda Nabakooza, Chief Manager Supervision and Market Conduct at URBRA, offered insights into the state of the pension industry in Uganda, emerging innovations, and the reforms driving higher participation across the workforce.

Q: How would you define the pension industry in Uganda and what is the penetration rate?

Nabakooza: The pension industry in Uganda comprises 66 retirement savings schemes regulated by URBRA (as of June 2025), facilitating long-term savings for retirement through both voluntary and compulsory contributions. The 66 comprise three mandatory schemes, 47 occupational / employer-based schemes, 14 umbrella schemes and two individual / informal sector schemes. As of June 2025, sector assets had grown to approximately 30 trillion Uganda shillings, majorly attributed to increase in contributions and increase in investment income. The penetration rate is approximately 15-18% of the working population, with approximately 3.1 to 3.4 million savers of an estimated 15 million workers, representing coverage mainly of the formal sector. The immediate challenge facing the pensions sector is low coverage as evidenced by the low penetration rate. Nearly 85% of Uganda's workforce (most of whom are non-salaried workers) are not saving for old age. Low coverage is partly due to the design of the retirement benefit system, which excludes informal sector workers. Informality therefore presents specific issues in retirement income provision and these cannot be addressed by extending conventional retirement benefit arrangements to these workers.

Q: As the officer in charge of market conduct at URBRA, what trends are you seeing in the industry geared towards increasing penetration?

Nabakooza: Key trends include growth in voluntary retirement savings, increased employer and employee participation in umbrella schemes, and rising assets under management. We are also seeing a positive shift towards voluntary and micro-pension schemes, digital onboarding, and partnerships with organised groupings and existing saving platforms such as SACCO networks, FinTechs, and mobile money platforms. There is also greater emphasis on financial literacy, transparency, and consumer protection, which are strengthening public confidence and participation in the sector. We have also noted more innovation in products that encourage wider participation, including flexibility and ease in contribution remittance as well as access. We are seeing schemes adjust their frameworks to better accommodate the needs of the informal sector, including intermittent access and targeted benefits that meet the social needs of contributors. Increasingly, there is a sustained focus on improving regulatory frameworks and enhancing member confidence to bring more informal sector workers into pension schemes

Q: What is Uganda doing to interest and capture young savers?

Nabakooza: Uganda is promoting innovative pension products tailored for the informal and youthful workforce – Including integrating technology such as mobile-based savings platforms, flexible contribution options, and targeted financial education campaigns. Efforts are also underway to integrate pensions into gig and digital economy ecosystems to attract younger contributors, meeting the contributors at their point of convenience. URBRA's financial literacy strategy has also incorporated the use of platforms that are predominantly utilised by the young people and deploys young people to conduct the literacy sessions, to have more peer-to-peer engagements.

Q: Which asset classes form the largest share of pension fund investments in Uganda?

Nabakooza: Pension funds in Uganda typically invest in a diversified portfolio comprised mainly of government securities, equities, corporate bonds, real estate, and fixed deposits. As of June 2025, the sector investments were invested 82.4% in Government Securities, 11.2% in quoted equities, 2.7% in immovable property, 1.4% in unquoted equities, and Cash and demand deposits, fixed deposits and other investments carrying less that 1% each. There is growing interest in alternative investments such as infrastructure and private equity, and in turn the need to revise the URBRA's prudential investment guidelines to facilitate prudence and oversight over the changing investment spectrum

Q: What are some of the innovations taking place in the pension industry?

Nabakooza: Key innovations in the pension industry are reshaping how schemes operate and how members engage with retirement savings. One of the most notable developments is the rise of mobile sign-up and contribution platforms, alongside digital pension management applications, dashboards, and member self-service portals. These tools have significantly enhanced flexibility and ease of remitting contributions, improved transparency and accountability, and expanded pension coverage to the informal sector by fostering greater trust and confidence. Another major area of innovation is the development and adoption of advanced supervisory technology. Regulators are increasingly using data-driven supervision and analytics to support risk and compliance management, which in turn promotes more efficient and prudent oversight across the sector. Additionally, pension schemes are progressively embracing ESG-aligned investment frameworks. This shift reflects a growing recognition that investment decisions must incorporate sustainability considerations. Beyond focusing solely on returns, schemes are now integrating environmental, social, and governance factors into their investment strategies, accompanied by sustainability reporting to track impact. There is also growing interest in alternative investments, with ongoing discussions on positioning pension funds as a viable source of long-term capital for private sector growth and infrastructure development. This trend is contributing to the deepening of capital markets and presents pension funds as an increasingly important alternative to dwindling foreign aid.

Saving Across Life Stages: Practical Financial Choices from Youth to Retirement

Personal financial planning is a lifelong journey shaped by changing income levels, responsibilities, risks, and priorities. Yet many people approach saving as a one-time decision rather than a strategy that must evolve with different stages of life. To shed light on how individuals can save more effectively from early adulthood through retirement, we spoke with David Kiwanuka, a Certified Public Accountant (CPA) and Senior Supervision Officer at the Uganda Retirement Benefits Regulatory Authority (URBRA).

Q. Why is it important to understand that saving goals must change across life stages? Give examples for different stages of life.

Kiwanuka: Saving goals must change because income levels, responsibilities, risks, and priorities evolve over time. A goal that works at one stage may be unrealistic or damaging at another. Aligning savings with life stages helps people save purposefully, reduce frustration, and support both current needs and future security.

Young adulthood (early 20s–early 30s):

Income is often low and unstable, but learning potential is high. The focus should be on building habits rather than saving large amounts. Key goals include creating an emergency fund of 3–6 months' expenses, saving for education or professional skills, starting small long-term or retirement savings, and accumulating basic work tools or a housing deposit. Consistency matters more than size.

Mid-career (mid-30s–late 40s):

Income usually rises, but so do responsibilities such as family, housing, school fees, and business commitments. Saving goals should shift toward wealth building and protection. These include increasing retirement contributions, saving for children's education, home ownership, diversified investments (land, unit trusts, SACCO shares), and adequate insurance.

Pre-retirement (50s–early 60s):

This is a consolidation phase with limited recovery time from losses. Priorities should include clearing debt, preserving capital, securing income, planning for healthcare, and moving investments into lower-risk options. The focus shifts from growth to stability.

Retirees:

Saving becomes about sustainability rather than accumulation. Goals include preserving capital, managing cash flow, meeting medical and living expenses, and maintaining dignity and independence through low-risk, income-generating options such as pensions, bonds, and fixed deposits.

Overall, saving is not one-size-fits-all. Adjusting goals across life stages reduces stress and improves long-term financial security.

Q. How can young people balance enjoying life today while saving for the future?

Kiwanuka: Balance comes from intentional and realistic choices. The goal is moderation, not deprivation.

First, young people should pay themselves first by saving 10–20% of income, starting small and increasing gradually using SACCOs, mobile money savings, or unit trusts.

Second, they should separate savings from enjoyment money by budgeting for fun while protecting savings. Once the fun budget is used, spending stops.

Third, avoiding lifestyle inflation is key savings should increase before upgrading rent, phones, or lifestyle.

Fourth, they should use available tools such as SACCOs, pensions, unit trusts, NSSF voluntary savings, and group savings, while avoiding high-interest debt.

Fifth, setting clear short- and long-term goals (emergency fund, education, land, retirement) makes saving purposeful.

Sixth, investing in skills and health raises future income and reduces medical costs.

Seventh, promoting financial awareness through open discussions about savings institutions and investment tools normalizes saving. Managing peer pressure and maintaining a 3–6 month emergency fund allows young people to enjoy life with confidence.

Q. Why do some mid-career professionals struggle financially despite high incomes?

Kiwanuka: The problem is usually poor financial structure, not low income.

Lifestyle inflation is a major cause, as higher income is matched or exceeded by spending on housing, cars, schools, and social obligations. Family and extended family demands also strain income.

Debt worsens the situation mortgages, car loans, SACCO loans, and mobile money advances reduce cash flow and increase stress. Weak budgeting, lack of emergency funds, and irregular saving compound the problem.

Many professionals start saving and investing late, forcing aggressive or unsustainable strategies. Income is often spent on depreciating assets rather than income-generating ones, and reliance on a single salary increases risk. Limited financial literacy further undermines stability. High income alone does not guarantee security.

Q. At what stage should people stop financial experimentation and focus on accumulation and preservation?

Kiwanuka: There is no fixed age, but the shift typically begins between 30 and 40 as income stabilizes and responsibilities grow. In the 20s, limited experimentation side hustles, small businesses, and basic saving is acceptable, but without debt-funded risks.

In the late 20s to early 30s, experimentation should reduce as consistent saving and long-term investing begin.The 30s to early 40s are key accumulation years, focusing on land, housing, pensions, and income-generating assets, using debt only productively.

From the mid-40s onward, the focus should move to preservation: reducing risk, clearing high-interest debt, strengthening pensions and insurance, and estate planning. The transition depends more on stability and responsibility than age.

Q. What catch-up strategies work best for mid-career professionals worried about lagging savings?

Kiwanuka: Catching up requires structure, not panic.

First, individuals must face the numbers by reviewing savings, pensions, debts, and obligations. Second, they should increase savings rates to 20–30% where possible and automate contributions. Third, aggressively clearing high-interest debt frees cash flow. Fourth, simplifying investments by focusing on a few strong assets improves efficiency.

Fifth, using formal retirement vehicles such as NSSF voluntary savings and occupational pensions enforces discipline. Sixth, monetizing existing skills or assets boosts income without speculation.

Finally, protecting gains through insurance, emergency funds, and possibly extending working life reduces pressure. Consistency, not shortcuts, drives success.

Q. How often should people review their savings plan, and what should trigger a review?

Kiwanuka: Savings plans should be reviewed at least annually, and more often for those with variable income.Immediate reviews are needed after income changes, marriage, children, caregiving duties, major purchases, medical emergencies, divorce, economic shifts, or nearing retirement. A simple financial calendar and small contribution adjustments keep plans aligned. A savings plan is a living document that must evolve to support long-term security.

From Awareness to Habit: The Unfinished Journey of Uganda's Saving Culture

By Lydia Mirembe,
Manager Corporate and Public Affairs, URBRA

The saving culture in Uganda has often been described as non-existent, or suboptimal at best. Many Ugandans have failed to make saving a way of life, despite intense financial literacy campaigns that have dominated the scene for many years.

According to the Finscope Survey 2023, an estimated 26% of Ugandans have deposit accounts – excluding mobile money; 54% save with formal financial institutions. Regarding saving goals, 39% of Ugandans save to cover living expenses; 6% have at least one insurance product; and 18% of the working population is covered by the existing retirement benefits arrangements.

The report further revealed that 70% of Ugandans operate deficit budgets at a personal level; 90% of Ugandans are faced with unexpected financial events like agricultural risks, weather events, theft; 70% don't have concrete long-term plans; and 60% of adult Ugandans have no confidence in their retirement financial plan.

A 2020 Financial Capability Survey conducted by Bank Of Uganda revealed that while some Ugandans are saving, they do so with unlicenced and unregulated entities, which exposes them to risk. The survey found that the top saving mechanisms were the Village Saving and Loan Associations (VSLA) and saving boxes. Other people save in cash rounds, also known as Merry-Go-Round, while some keep savings with friends and relatives. The survey also found that some people's savings were kept in form of animals and land, financial securities and stocks, while others saved on mobile money platforms. A small number of respondents held savings accounts with MDIs, credit institutions and SACCOs.

Financial literacy and personal finance management are some of the most trending topics today. Hardly a day goes by without a social media message popping up on your timeline or in your inbox, promoting different aspects of financial planning and management. A quick look at the X.com platform for example, shows Bank of Uganda dispensing advice on how to invest in government securities; NSSF promoting voluntary retirement saving through its SmartLife product; URBRA urging the youth to start saving early enough; Deposit Protection Fund (DPF) assuring Ugandans of how their savings are protected; and Capital Markets Authority (CMA) educating the public about corporate bonds. A fully fledged financial literacy association exists also promoting financial education around the country.

These initiatives are all shaping Uganda's saving culture in numerous ways. For example, the Retirement Benefits Sector assets have grown from Ugx15.4 trillion in FY 2020/21 to Ugx 25.4 trillion as

of June 2024. Sector Coverage increased from 14% in FY 2019/20 to 15.7% by 2024/25. These are indicators of growth in individual savings, which can partly be attributed to relentless public education campaigns.

The Uganda Institute of Banking and Financial Services (UIBFS) has been a leading champion of financial literacy, and personal finance management. Since 2020, the Institute has rallied financial services sector regulators, Uganda Bankers Association (UBA), Banks, Credit Institutions, Microfinance players, Insurers, deposit taking and non-deposit taking institutions to support the Banking and Financial Services Awareness Campaign. Key among the institutions involved in the campaign include, URBRA, Insurance Regulatory Authority of Uganda (IRAU), Financial Intelligence Authority (FIA) Capital Markets Authority (CMA), Microfinance Regulatory Desk (MRD), Uganda Insurers Association (UIA), Association of Microfinance Institutions of Uganda (AMFIU), Uganda Forex and Money Remittance Association among others.

Every 31st October, representatives from all those institutions come together to commemorate the World Savings Day and reinvigorate the campaign. Given the context of Ugandans saving culture, one may be hard-pressed to point out the impact of the campaign, but there is a lot to show. During the commemoration of the 2025 World Savings Day, UIBFS Executive Director Reported that the campaign had so far reached 13 corporate institutions, 13 education institutions including secondary schools, colleges and universities; and several market vendors and operators in Kampala. The campaign message has reached over 35,000 people so far. However, it's not all about the campaign implementation and wide reach. Rather, how the people can adopt and sustain the saving culture and make it a way of life.

At the commemoration of the World Savings Day 2025, experts from the financial services sector discussed ways that individuals can sustain a saving culture. Denis Kizito, Director of Supervision at Capital Markets Authority urged citizens to familiarise with the saving options and products available, especially those approved by CMA. Daisy Lyndah Nabakooza, Chief Manager Supervision at URBRA, emphasised that people must approach saving from a long-term perspective and set themselves goals to remain focused.

In a message delivered on his behalf by Mr. Phillip Wabulya, the Governor Bank of Uganda, Mr Michael Etingi Ego stressed the importance of adopting and sustaining a saving culture, to enable individuals plan and save for life's uncertainties and to meet today's needs while saving for long term goals like retirement. He urged Ugandans to be consistent, disciplined, and use modern financial tools to manage their finances conveniently and affordably.

"Let us see how to move Ugandans from survival to sustainability, from consuming earnings to saving and investing. Financial institutions have a critical role to play by designing affordable and user-friendly products," Mr Ego said and encouraged all service providers to leverage technologies and promote innovation for financial services.

"Let us affirm our shared commitment to build a financially resilient Uganda from short term survival to long term security. Our vision 2040 aims to raise national savings from 14% to 35% of GDP. Meaning that of every 100 shillings, 35 should be saved for the future. Achieving this will require all of us to embrace the culture of saving," he concluded.

Such is the importance of sustaining a saving culture.

Urbra Intensifies Retirement Savings Awareness To Strengthen Uganda's Savings Culture

By Lillian Kakayi
Corporate and Public Affairs Officer

The Uganda Retirement Benefits Regulatory Authority (URBRA) has stepped up efforts to promote retirement savings through a nationwide Retirement Savings Awareness Campaign and a public financial literacy engagement aimed at helping Ugandans prepare for old age.

The campaign carries a clear message: old age is unavoidable, but financial hardship in retirement is preventable. Through relatable testimonials, URBRA shows that saving for retirement is possible for everyone—whether formally employed or self-employed. **Individuals can start saving from as little as UGX 1,000 per day by joining URBRA-licensed retirement savings schemes**.

During the engagement, URBRA emphasized its role in regulating retirement savings schemes to protect members' funds and build public confidence in the sector. Participants were encouraged to move beyond good intentions and adopt consistent saving habits that support long-term financial security.

Discussions highlighted that although retirement savings assets in Uganda continue to grow, participation remains low, Ugandans, covered under existing retirement benefits arrangements, stand at 3,791,074, the majority of whom are in formal employment. This means that an estimated 17.6 million working Ugandans are not saving for retirement especially among young people and those in the informal sector according to the Sector report 2024. Speakers noted that challenges such as irregular income, limited financial knowledge, and competing priorities often discourage consistent saving.

Main speaker Mr. Daniel Ayebare the President Uganda Financial Literacy Association stressed the importance of financial literacy and mindset in building lasting saving habits.

"A savings culture is built when saving becomes a lifestyle, not an event. Consistency matters more than how much you start with." — Daniel Ayebare

Participants also learned about practical saving options available within the retirement benefits sector, from Ms. Geraldine Kyomugasho, the Market Conduct Officer at URBRA. The practical insights she stressed was the importance of "paying yourself first" and aligning savings with income patterns. She also explained the operations of umbrella retirement schemes, which allow individuals, groups, and employers to make flexible contributions starting from UGX 1,000. Using simple illustrations, she demonstrated how compound interest enables small, consistent contributions to grow significantly over time. Other savings and investment options, such as government securities and savings groups, were discussed, with an emphasis on understanding product features and staying disciplined even after financial setbacks.

Youth participation featured prominently in the discussions, with emphasis placed on connecting saving to personal goals and future plans. Simple budgeting and setting clear savings targets were identified as effective ways to help young people save consistently.

Saving for retirement is not about how much you earn—it is about starting early and staying consistent.

Save now, retire with peace of mind