URBRA

UGANDA RETIREMENT BENEFITS REGULATORY AUTHORITY

Protecting your retirement benefits

Newsletter

Quarter-4, FY 2025/26

Expanding coverage and inclusion

URBRA ensures member payments of over Ugx 145 million

Positioning Uganda as a regulatory leader within the EAC and at the global level

Strengthening retirement security

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

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Chief Executive Officer's Foreword

Welcome to another edition of the URBRA Quarterly Newsletter, where we continue to share the milestones, insights, and conversations shaping Uganda's retirement benefits sector. As the sector evolves, so too does our responsibility to ensure that retirement savings translate into meaningful financial security for every Ugandan.

This edition captures a defining moment in our journey towards building a stronger, more inclusive, and resilient retirement benefits system. While the sector continues to record impressive growth in assets, membership, and investment performance in government securities, our focus is increasingly shifting to alternative investments as a means of diversifying portfolios, supporting economic growth and strengthening the country's capital markets.

URBRA continues to position Uganda globally as a model for sound Retirement Benefits regulation. through the enhancement of the URBRA Bridge, the Authority's Electronic Risk-Based Supervision System (ERBSS) that plays a key role in the Retirement Benefits Supervision System.

As we strive towards strengthening retirement security, we remain focused on building confidence in Uganda's retirement future. Confidence is created when members trust that their savings are well governed, prudently invested, and protected by an effective regulatory framework. It is equally strengthened when stakeholders work together to create a retirement system that is transparent, sustainable, and responsive to emerging challenges.

This edition also explores one of the sector's most important priorities, expanding retirement coverage and inclusion to ensure that every worker, regardless of occupation or income level, has an opportunity to achieve financial dignity in retirement.

As URBRA continues implementing its 2025–2030 Strategic Plan, we remain committed to building a retirement benefits sector that is inclusive, innovative, resilient, and trusted. Together with our regulated entities, policymakers, the Government of Uganda, and savers. We will continue working towards a future where every Ugandan can retire with confidence, dignity, and financial security.

We hope this edition provides valuable insights into the opportunities, achievements, and priorities shaping the future of Uganda's retirement benefits sector.

For God and my country

Martin Anthony Nsubuga
Chief Executive Officer

BOARD CHAIRMAN'S Message

Dear Stakeholders,

On 10th March 2026, the Hon. Minister of Finance, Planning and Economic Development appointed a new Board of Directors for the Uganda Retirement Benefits Regulatory Authority (URBRA). The Board was officially inaugurated and took the oath of service and confidentiality on 17th March 2026. We were entrusted with the responsibility to restore stability, plug governance gaps, and provide strategic leadership to an institution that safeguards the retirement savings of millions of Ugandans.

Upon assumption of duty, we immediately set to work. We constituted key Committees Technical, Finance, Audit & Risk Management, as well as Human Resource & Corporate Governance to support the effective conduct of Board business.

During our first 100 days, we prioritised institutional stability and strategic clarity. We took deliberate steps to strengthen internal governance, engage with Management and staff to align on our shared vision, and review the Authority's long-term strategic direction for the next five years.

A key part of our vision for the sector is the expansion of retirement benefits coverage to Uganda's informal sector. While the sector has grown by leaps and bounds, exceeding the Ugx30 trillion mark, more than 80% of the working population remain excluded from existing retirement benefits arrangements, the majority being informal sector workers. To address this challenge, we shall leverage existing government initiatives such as Emyooga, the Parish Development Model, and Operation Wealth Creation to encourage beneficiaries to save for retirement. We shall also tap into the mobilised groups of informal sector workers and bring them under the ambit of the pensions sector.

Looking ahead, we shall continue to provide strategic direction and guidance to Management in the implementation of the Budget and Work Plan for FY2026/27. We shall embark on continuous Board capacity enhancement and discharge our business as per the approved Board Calendar. We shall also support Management in the preparation of information papers to influence policy changes in the retirement benefits sector. We also plan to engage major stakeholders including the Hon. Minister of Finance, and the Attorney General to discuss critical matters such as supervision of the National Social Security Fund (NSSF).

We remain deeply grateful to the Hon. Minister of Finance, Planning and Economic Development for the confidence reposed in us. We also thank Management and staff for their commitment and cooperation during this transition. Together, we shall build a stable, inclusive, and resilient retirement benefits sector for all Ugandans.

Henry Balwanyi Magino

BOARD CHAIRMAN

Positioning Uganda as a regulatory leader within the EAC and at the global level

Uganda's Retirement Benefits Sector is transitioning from infancy to maturity. In a sit-down with Lydia Mirembe, the URBRA CEO, Martin Anthony Nsubuga shared his thoughts on expanding coverage, embracing innovation and building lasting financial security for all Ugandans.

Question: Over the past two years, you've been observing the sector from the outside. What were your impressions, and what did you observe that you had missed as an insider?

Answer: To give you some context, the Uganda Pension Reform started back in 2003 and eventually culminated in the establishment of the regulator in 2012. From the beginning, our focus was on building a solid foundation to ensure the protection of members' funds, to galvanize supervisory oversight, and to contribute to the stability of the financial sector. The ultimate outcome was long-term savings mobilization. The past two years gave me reassurance that the work we did in the past to establish a strong regulator has been tested and proven resilient. The regulator maintained strong oversight. Stakeholders continued to perform their duties and observe regulatory requirements. On the investment side, there was strong compliance with appropriate asset classes. It is highly rewarding to see that our early efforts from 2003 are yielding such positive results.

Question: Your recent reappointment in a way marks a new dawn for URBRA and for the sector. What does "new dawn" mean in practical terms?

Answer: The "New Dawn" is like a new dispensation, building on the past and taking us into the next phase. We are advancing from a foundational stage to a fully grown regulator with advanced capabilities, system functionalities, and full compliance. Think of it like a growing child. When a baby is growing, you are tolerant because you want them to grow. That is how we worked in the past. But now, a fully grown regulator we must do things differently, because we have strong functioning systems, capabilities, and high standards.

Practically, this means high competence in our service delivery and continuous collaboration with our stakeholders. We want to shift from a "regulator-regulated" relationship that sometimes implies a punitive approach, to a collaborative relationship to develop the sector together. Ultimately, we want to support every Ugandan who is planning and preparing for retirement, but the regulator cannot do this alone. Collaborating with different stakeholders is key and that's what this new dawn is about.

Question: With sector assets recently crossing the UGX 30 trillion mark, what is URBRA's plan for maintaining this 20%+ growth trajectory over the next five years?

Answer: The numbers are impressive, but the real story is how we got here. When the regulator came into place in 2012, the sector had less than 5 trillion shillings in assets under management. Hitting 35 trillion in less than 15 years, means the regulator is doing something right and the market is responding positively.

The growth has been driven by stronger compliance, which means more contributions, but the biggest driver has been prudent investment. Members have enjoyed double-digit returns for more than seven years because of strict adherence to investment standards and approved asset classes. We closely evaluate scheme investment policies, scrutinise fund managers and ensure Boards of Trustees fulfil their fiduciary duties. Going forward, fund managers must strengthen their research capabilities and stay closely engaged with trustees to ensure member interests remain at the centre of decision-making.

Beyond that, we want to get more people saving, but we are also looking at the volume of savings. Because saving is not easy for many people, we are thinking about indirect ways of saving that leverage today's digitalized environment. We want to collaborate with telecom companies and fintechs to build up portfolios and propel a stronger saving culture.

Question: What innovations do you plan to deploy to ensure every Ugandan worker can save for a dignified retirement, especially the informal sector workers?

Answer: We are working on a major initiative, the National Long-Term Savings Scheme (NLTSS). We know technology is key to delivering this. There are many innovations out there, but we haven't given them room for testing. So, alongside the NLTSS, we are setting up a regulatory sandbox to allow innovators to pilot ideas and subsequently take them to the market.

We also want to explore collaborations with telecoms, fintechs, and the Uganda Bankers Association (UBA). We want to capitalise on UBA's long term interest in a cashless economy. They are considering introducing minimum acceptable transaction levels that go without charges, where the waived charges are directed into a saving vehicle such as retirement saving. such an intervention would yield great results.

Government programmes such as the Parish Development Model are also creating opportunities. Our role is to connect these initiatives to long-term savings so that beneficiaries can build lasting financial security.

Question: There is growing debate about life-long social protection. How does URBRA evolve from being a pension regulator to a broader guardian of financial security?

Answer: To bring this into context, we must look at life expectancy. Life expectancy in Uganda has grown from 45 years a decade ago to 63 today, and it is predicted to reach 70 in the next five years. This makes lifelong social protection critical, especially when you consider that workers access NSSF benefits at 55 and public servants retire at 60. With an improving lifespan, retirees will live many years spending money without earning an income.

This is why we must rethink the benefits model. Beyond lump-sum payments, how do we preserve funds so that retirees enjoy a steady cash flow throughout retirement? What additional benefits can be bundled into that package, such as access to healthcare or other forms of social protection?

It is not easy because average savings are still relatively low. But even modest, consistent payments can transform lives. We have seen this through Social Assistance Grant for Empowerment (SAGE) initiative, where small monthly amounts make a meaningful difference.

The solution lies in partnerships. We need insurance companies and other players to help package additional benefits around retirement savings. That is the direction we want to take. It moves us beyond simply enforcing regulations to becoming a true guardian of financial security—from the early years of life, through accumulation, and into retirement.

Question: How do you intend to position Uganda as a regulatory leader within the EAC and at the global level?

Answer: Our aspiration is to be the best regulator in the region, but "best" isn't just a word; it is defined by capabilities, competencies, systems, and actual compliance levels. For example, four years ago we started building a risk-based supervision system. It is one of the best in the region, and we are advancing it further. We want to demonstrate to our peers that you can have a comprehensive, real-time risk-based supervision system that actively protects members' funds.

We also want to drive more research to inform policy and guide high-level discussions within the region. We want to make our own mark. In the economic world, they talk about "emerging regulators" with high-end capabilities that develop immense strength in a short time. We want Uganda to be exactly that—a prime case study for international benchmarks.

Question: The pension sector relies heavily on public confidence. What is your message to the millions of savers who may harbour uncertainty about the sector?

Answer: I just want to reiterate that the foundation laid to develop this sector regulator has been tested and found to be incredibly solid. It has successfully protected members' funds up to this point, and I have no doubt that this foundation will remain secure. When you build a very strong foundation, long-term stability is guaranteed.

The work we have done, the systems we've put in place, our internal competencies, and our ambitious, forward-looking structure should reassure the public. On top of that, our strict prudent investment demands on Boards of Trustees point directly to a positive future with consistent, double-digit returns. Protection for member funds is more than assured.

Strengthening retirement security in UGANDA

By Lillian Kakayi
Corporate and Public Affairs Officer

Protecting the members' money remains one of the most important strengths for the existence of the Authority. Retirement benefits have over time proved to give nations a particular kind of economic resilience and Uganda is not an exception. The FY 2024/25 Uganda's retirement benefits sector registered remarkable growth, demonstrating increased public confidence in long-term savings and the effectiveness of sector reforms.

According to the Annual Retirement Benefits Sector Performance Report, sector assets grew from UGX 25.4 trillion to UGX 30.7 trillion, representing a 21% increase within one year. The number of retirement savers also rose significantly to over 4 million Ugandans. Average interest credited to members increased from 10.97% to 14.6%, providing stronger returns and preserving the value of members' savings against inflation.

The growth reflects the combined efforts of regulators, employers, trustees, administrators, and fund managers to safeguard retirement savings and ensure sustainable returns. It also demonstrates that more Ugandans are beginning to appreciate the importance of planning for life after employment.

However, challenges remain. With Uganda's life expectancy now standing at approximately 68 years in recent studies by CPAR Uganda(Canadian Physicians for Aid and Relief), retirees are expected to live for nearly 17 years after retirement. This reality underscores the need for higher contribution levels, diversified retirement products, and improved financial planning.

As the sector enters FY 2026/27, the regulator plans to shift from merely increasing membership to ensuring adequacy of savings so that every retiree can maintain dignity and financial independence throughout retirement.

This makes trust as the major currency upon which every retirement benefits system must be built. Members contribute today because they trust that their savings will be available tomorrow. The trust is partly anchored on the strong governance frameworks, risk management systems, and supervisory mechanisms contributed by all sector players without under rating a contribution of none. This commitment by the service providers under the regulatory framework continue to give a heads-up strong sector performance and increased member confidence.

Additionally, the annual sector performance report FY 24/25 showed the increase in average member balances to more than UGX 10 million and the growth in membership, this is also an indication that there is a rising public trust in retirement schemes.

As retirement assets continue to grow, governance will become even more important. Trustees and service providers must remain vigilant against emerging risks including cyber threats, operational inefficiencies, and investment concentration risks to ensure that retirement funds continue to play a meaningful role in Uganda's economic transformation.

The Regulator has enhanced disclosure requirements, trustee training programmes, and stronger compliance monitoring through revamping the Risk Based Supervisory System (URBRA- Bridge) to further improve governance standards and compliance across the industry.

URBRA's FY 2025/26 Year-End Review: Advancing Inclusion, Growth, and Retirement Benefits Security.

The progress achieved in FY 2025/26 confirms that retirement savings are no longer viewed solely as a source of income after retirement. They have become a strategic national asset that expands financial inclusion, mobilizes long-term domestic capital, and supports Uganda's economic transformation.

By Hajji Hassan Nakabaale
Chief Manager Corporate and Public Affairs

The fiscal year 2025/2026 marked a pivotal period for Uganda's retirement benefits sector. URBRA focused on regulating and promoting a stable industry while safeguarding members' savings. As the year concludes, the Authority underscores key accomplishments that have fostered confidence in retirement savings, enhanced participation, and positioned pension funds as integral to Uganda's socio-economic development.

Leadership that inspires confidence

URBRA ended FY 2025/2026 with renewed leadership, following the appointment of a new Board of Directors, chaired by Mr. Henry Magano Balwanyi, and the reinstatement of Mr. Martin Nsubuga as Chief Executive Officer. These changes signal a renewed commitment to strengthening governance, accountability, and growth in Uganda's retirement benefits sector.

The Board combines expertise across law, finance, economics, accounting, and public policy. It comprises Chairperson Mr. Henry Magano Balwanyi, Ms. Florence N. Kuteesa, Prof. Irene Nalukenge, Mr. Moses Zziwa, and Mr. Musa Lukwago, who collectively provide strategic oversight for the Authority. Together with Mr. Martin Nsubuga, who has more than 25 years of experience in the pensions and insurance sectors and provides strong executive leadership. The Board and Management are well positioned to expand pension coverage, strengthen public confidence, and advance reforms that support Uganda's long-term economic development.

Trust remains the sector's greatest asset.

Confidence is crucial to a thriving retirement benefits system. In Uganda, trust in the retirement sector is rising, driving significant growth. In FY 2025/26, retirement assets rose from UGX 25.4 trillion to UGX 30.7 trillion, a 21% increase. Membership grew to 4.06 million, and average returns for members rose from 10.97% to 14.6%. These gains reflect better governance, effective supervision, improved investment oversight, and a stronger regulatory framework. A trustworthy system boosts participation, enhancing national savings and benefiting the economy.

The informal sector is the next frontier.

Uganda's retirement benefits sector is making progress; however, it continues to encounter significant challenges. A considerable segment of the workforce is engaged in the informal economy, leading to restricted access to organized retirement savings. This issue extends beyond pension concerns and signifies a broader developmental challenge for the nation. The absence of affordable retirement options may result in financial insecurity for many Ugandans in old age, thereby impacting familial stability and the country's overall savings capacity. The Uganda Retirement Benefits Regulatory Authority (URBRA) is dedicated to formulating retirement solutions tailored for informal workers, which could be a pivotal step toward achieving financial inclusion in the forthcoming decade.

Pension savings can finance tomorrow's economy.

Uganda's retirement assets surpass UGX 30 trillion, representing a substantial reservoir of long-term capital. Soundly managed pension funds have the capacity to finance infrastructure, housing, and various productive investments that generate employment opportunities and stimulate economic growth. Nonetheless, the primary responsibility resides in safeguarding the savings of members, as pension assets are the property of workers, not the government. Investment strategies must prioritize prudent risk management and robust governance to optimize long-term value. Effective governance can enable pension funds to attain sustainable returns while fulfilling national development objectives.

Strategy must translate into results.

The launch of URBRA's Third Strategic Plan (FY 2025/26–2029/30) emphasizes leveraging retirement savings to foster socio-economic development. Its primary objectives encompass broadening pension coverage, strengthening supervision, embracing digital innovations, and increasing operational efficiency, in alignment with Uganda Vision 2040. The effective execution of this plan will require sustained collaboration among government entities, employers, retirement schemes, regulators, partners, and workforce representatives.

Technology and financial literacy will shape the future.

Modern retirement systems rely on technology and informed citizens. During FY 2025/26, URBRA accelerated digital transformation to strengthen regulatory oversight, improve supervisory efficiency, and expand access to retirement services.

The Authority further endeavored to establish a National Long-Term Savings Scheme aimed at expanding pension coverage to workers in the informal sector, including youth, women, persons with disabilities, small business operators, and other marginalized groups.

In addition to these reforms, URBRA's financial literacy programs successfully reached over 324,900 Ugandans through education on retirement planning and long-term savings. Collectively, these initiatives contributed to increased pension inclusion, enhanced stakeholder engagement, facilitated improved access to retirement information, and promoted a more financially resilient society.

Promoting Long-**Term Capital for National Development.**

Uganda's pension sector, now managing more than UGX 30 trillion in retirement assets, is emerging as a key source of long-term capital for economic growth. During FY 2025/26, URBRA advanced discussions on mobilizing pension assets to support sustainable development while safeguarding members' savings.

The Authority further enhanced Uganda's regional and continental presence by actively participating in the East Africa Pension Supervisors' Association (EAPSA) and the African Pension Supervisors' Association (APSA), thereby contributing to initiatives designed to leverage Africa's pension assets for the purpose of financing the continent's long-term development.

The opportunity ahead.

The achievements in Uganda's retirement benefits sector during FY 2025/26 exemplify considerable growth and maturity. Enhancements in governance, leadership, membership, investment performance, and retirement assets signify progress. Nonetheless, a significant portion of Ugandans, particularly those engaged in the informal economy, remain without access to retirement savings.

Addressing this challenge necessitates sustained political support, advantageous policies, technological innovation, and collaboration among the government, employers, retirement schemes, and the private sector. Retirement benefits should be regarded as an investment in Uganda's future, providing financial security for workers, mobilizing domestic savings, supporting capital markets, and promoting sustainable economic growth.

With an accomplished Board and a clearly articulated strategy, URBRA is optimally positioned to leverage recent successes. If this momentum is sustained, Uganda's retirement benefits sector holds the potential to significantly contribute to inclusive and sustainable national development for millions of workers.

The writer is the Head of Communications & Public Affairs.

URBRA introduces the enhanced Retirement Benefits Supervision System

By Lillian Kakayi
Corporate and Public Affairs Officer

The Uganda Retirement Benefits Regulatory Authority (URBRA) convened its Annual Service Providers' Supervisory Engagements from 30th June to 2nd July 2026, bringing together Scheme Administrators, Corporate Trustees, Fund Managers and Custodians.

The engagements are aimed at strengthening URBRA's collaboration with supervised entities towards advancing a resilient, transparent and member-focused retirement benefits sector. It provides a platform for dialogue on emerging supervisory priorities, regulatory reforms and technological innovations aimed at enhancing governance, risk management and service delivery across Uganda's retirement benefits industry.

Opening the engagement, URBRA Chief Executive Officer, Mr. Martin Anthony Nsubuga, commended service providers for their continued partnership in safeguarding members' retirement savings and reinforcing confidence in the sector. He noted that the retirement benefits industry continued to register remarkable growth, with assets under management reaching UGX 35.6 trillion as of March 2026, 4.06 million active savers, and retirement savings equivalent to 13.6% of Uganda's GDP.

"As the sector grows and becomes increasingly sophisticated, supervision must also evolve. We must move beyond compliance as a checklist and embrace a supervisory approach that is forward-looking, risk-sensitive, technology-enabled and centred on protecting members' retirement savings," he said.

The CEO highlighted the transformative role of the URBRA Bridge, the Authority's Electronic Risk-Based Supervision System (ERBSS), which was launched in November 2023 to strengthen supervisory effectiveness while reducing regulatory burden through digital reporting, business process automation and advanced risk analytics.

The Chief Manager- Supervision and Market Conduct, Ms. Daisy Nabakooza applauded the project team for the excellency exhibited and dedication on ensuring the Bridge is perfect for all users. She explained that the system enables URBRA to identify emerging risks earlier, improve data quality, allocate supervisory resources more efficiently and promote proactive risk management across the retirement benefits sector.

URBRA presented improvements and modifications to the enhanced URBRA Bridge System (Version 2.0) representing its continued transformation on how to regulate and supervise the sector, with increased system validations aimed at improving data quality and ultimately accuracy in reporting. Participants received demonstrations of the latest upgrades to the URBRA Bridge, including enhancements to account creation, licensing applications and renewals, ad-hoc submissions, online complaints management, onsite inspection processes and the returns submission module. The sessions were designed to equip service providers with practical introductory knowledge on the system enhancements to improve regulatory reporting and compliance.

The Authority continues its move off manual information as all collaborations are intended to be online. The enhancements will ensure that the system flags any errors in submissions, and delays will be automatically identified resulting in implementation of the sanctions regime. Ms. Namono Salome- Supervision Officer- URBRA explained the impact of penalties of wrong data submissions and urged all system users to ensure correct data entries.

While recognizing the importance of technology, effective supervision ultimately depends on strong governance within supervised entities. Scheme Service Providers were encouraged to strengthen internal controls, operational resilience, cyber security, outsourcing oversight, and member service delivery to safeguard retirement savings and maintain public confidence.

The engagement also provided an opportunity for stakeholders to share experiences, discuss operational challenges, explore emerging industry trends and innovations, and identify areas where additional regulatory guidance was required. Some of the issues raised by Administrators included; the need for clarification on the support the Authority intends to provide to existing informal sector retirement benefit schemes, noting that many continue to face operational and financial challenges that affect their sustainability and growth; legal guidance on how to deal with death benefits; and tax related issues. URBRA reaffirmed its commitment to collaborative supervision that promotes continuous improvement while ensuring compliance with regulatory standards.

The annual engagement reflects URBRA's continued commitment to building a modern, risk-based supervisory framework that supports sustainable sector growth, strengthens governance and enhances protection of members' retirement benefits.

As the Authority continues to modernise supervision through digital innovation and stakeholder collaboration, engagements of this nature remain critical in fostering a safer, more efficient and resilient retirement benefits sector for all Ugandans.

Expanding coverage and inclusion

By Lillian Kakayi
Corporate and Public Affairs Officer

Bringing Retirement Savings to Every Ugandan

One of the most significant developments in the retirement benefits sector has been the steady expansion of coverage beyond traditional formal employment.

Membership in retirement schemes increased from approximately 3.37 million accounts in FY 2023/24 to over 4.06 million in FY 2024/25, representing one of the largest annual increases recorded by the sector. This growth was driven by enhanced employer compliance, financial literacy initiatives, and increasing public awareness of retirement planning and leveraging on technological innovation according to the Annual Sector Performance report.

Despite this progress, the sector faces a significant inclusion challenge. Uganda's working-age population is estimated at 26 million people according to the National Labor Force Survey 2021-UBOS, yet only about 4 million are currently covered by retirement savings arrangements. This means that more than 80% of workers remain outside formal retirement protection systems, most of them operating in the informal economy.

Recognizing this gap, the Authority and sector stakeholders are accelerating efforts toward innovative solutions such as the National Long-Term Savings Scheme (NLTSS), designed specifically to cater for informal sector workers through flexible and accessible saving mechanisms.

To deepen financial inclusion, Pension architects are designing technology-enabled savings platforms, targeted financial literacy campaigns, and partnerships. As the sector matures, the ultimate measure of success will not simply be the size of sector assets but the number of Ugandans who can look forward to a financially secure retirement.

Technology has also become a critical enabler for extending retirement savings to underserved populations, particularly informal sector workers. The increasing adoption of digital platforms has made retirement saving more accessible, transparent, and efficient. Members can now access statements, monitor balances, make inquiries, and engage with service providers through digital channels, reducing costs and improving customer experience.

The future of retirement saving will increasingly depend on how effectively the sector leverages mobile technology, artificial intelligence, data analytics, and digital financial services to simplify saving and improve member engagement.

Innovation is no longer an option; it is a necessity for expanding access and improving outcomes for retirement savers. The Plan is to have all Ugandans saving sustainably for their golden years.

Beyond Government Securities: The Future of Pension Investments in Uganda

By Billy Gang
Corporate and Public Affairs Officer

Throughout the financial year, Uganda's retirement benefits sector continued to see record strong returns from government securities, despite these good yields, attention is increasingly shifting towards alternative investments as a means of diversifying portfolios, supporting economic growth and strengthening the country's capital markets.

For years, government securities have been the cornerstone of investment portfolios for many retirement benefit schemes in Uganda. "Attractive coupon rates, favourable tax incentives and the security associated with government-backed instruments have enabled pension funds to generate healthy returns for their members"notes Daisy Linda Nabakooza, URBRA's head of Supervision.

However, while this investment strategy has served schemes well, regulators and industry stakeholders are now looking beyond traditional fixed-income investments. The conversation is increasingly centred on alternative investments, an asset class that includes private equity, infrastructure projects and other long-term investment opportunities capable of delivering competitive returns while contributing to national development.

Why the shift?

The retirement benefits sector has become heavily concentrated in government securities, these investments are generally regarded as low-risk, accounting for 82% of total scheme assets under management according to the 2024/25 Retirement Benefits Sector Performance report by URBRA. Although they have provided stable returns, excessive concentration in a single asset class creates exposure to concentration risk.And should conditions within the government securities market change, a large proportion of retirement schemes could be affected simultaneously. "This is a concern not only for pension funds but also for the wider financial sector" adds Ms. Nabakooza.

Regulators are therefore monitoring these risks through the Financial Stability Forum while encouraging broader diversification of investment portfolios.

Diversification has long been recognised as one of the fundamental principles of sound investment management. By spreading investments across different asset classes, pension schemes can reduce overall portfolio risk while positioning themselves to benefit from opportunities across multiple sectors of the economy.

Uganda's growth potential and Retirement Benefits

Alternative investments present an opportunity for pension funds to play a much bigger role in Uganda's economic transformation.

Unlike short-term investors, retirement benefit schemes manage long-term savings on behalf of members. Their investment horizon allows them to finance projects that may take years to generate returns but have the potential to create lasting economic value.

Infrastructure development according to Ms. Nabakooza, is one such area, Roads, energy projects, industrial parks and other strategic infrastructure require significant capital that is often difficult to obtain through traditional financing channels. Pension funds, with their long-term investment outlook, are well positioned to participate in carefully structured infrastructure investments, particularly through public-private partnerships supported by appropriate regulatory oversight.

Beyond infrastructure, alternative investments could also provide much-needed financing for growing businesses. Small and medium-sized enterprises (SMEs), manufacturing companies and emerging industries often face challenges accessing affordable capital through conventional bank lending. Pension funds could help bridge this financing gap by investing through professionally managed private equity funds.

> "Developing frameworks will give trustees greater confidence when evaluating new investment opportunities

Deepening Uganda's capital markets

Ms. Nabakooza notes that one of the broader objectives behind promoting alternative investments is the continued development of Uganda's capital markets. A well-developed capital market provides businesses with multiple sources of financing while giving institutional investors a wider range of investment opportunities.

Expanding the universe of investable assets reduces dependence on government securities and creates a more balanced financial ecosystem. As more investment vehicles become available, pension schemes can construct more diversified portfolios that better align with their long-term investment objectives. This diversification also supports financial stability by reducing systemic concentration within a single asset class.

Several sectors present promising opportunities for alternative investments. Uganda's growing oil and gas industry, the expanding manufacturing sector and continued investment in infrastructure all require substantial long-term financing. These sectors have the potential to generate attractive returns while contributing to employment creation and broader economic development.

Government has also demonstrated increasing commitment to creating an enabling environment for alternative investments, recognising their importance in supporting economic growth. For Retirement Benefits Schemes, these developments represent an opportunity to invest in productive sectors of the economy while continuing to meet their fiduciary responsibility of safeguarding members' savings.

Building the right framework

"While the opportunities are significant, successful implementation requires an appropriate regulatory and governance framework"- Ms. Daisy Nabakooza,

Industry discussions are already underway to develop clearer guidance on alternative investments, particularly in areas such as investment valuation, governance standards and trustee oversight. The objective is not simply to encourage more investment, but to ensure that every investment decision is supported by rigorous due diligence, proper risk assessment, and transparent reporting.

Developing these frameworks will give trustees greater confidence when evaluating new investment opportunities while maintaining their primary responsibility of protecting members' retirement savings.

Looking ahead

The growing conversation around alternative investments marks an important milestone for Uganda's retirement benefits sector. Government securities will undoubtedly remain an important component of scheme portfolios. However, the future is likely to involve a more balanced approach, one that combines the stability of traditional fixed-income investments with carefully selected alternative assets capable of delivering long-term value.

If supported by strong governance, clear regulation and sound investment practices, alternative investments could help strengthen retirement outcomes, deepen Uganda's capital markets and provide the long-term financing needed to drive sustainable economic growth.

For Uganda's Retirement Benefits sector, the next phase of investment may not simply be about earning higher returns it may be about investing in the country's future while securing the financial future of savers.

What Uganda Can Learn from Kenya and South Africa on Alternative Investments

By Billy Gang
Corporate and Public Affairs Officer

With the discussion in Uganda's pension sector about alternative investments beyond government securities, regional experiences, particularly from Kenya and South Africa, offer useful insights on how to structure, regulate, and scale private equity and other long-term investment vehicles.

While Uganda's retirement benefits industry has made significant progress in strengthening governance and delivering strong returns through fixed-income instruments, the development of alternative investments remains at its infancy. In contrast, some African markets have spent years building frameworks that support institutional participation in private equity, real estate, and infrastructure funds. Understanding these experiences provides practical insights into what works, the challenges to anticipate, and the institutional reforms that may be necessary.

Daisy Lynda Nabakooza, Head of Supervision at URBRA, notes that one of the most notable differences between Uganda and more developed markets such as South Africa is the depth and diversity of available investment vehicles. In South Africa, pension funds operate within a developed financial ecosystem that includes private equity funds, listed property funds, infrastructure investment vehicles, and structured products designed for institutional investors. This enables Retirement Benefits Schemes to spread risk across multiple asset classes while maintaining exposure to long-term growth opportunities.

Kenya has also made significant progress in developing real estate investment structures and collective investment vehicles that allow institutional investors to pool resources into large-scale projects. These structures have expanded access to investment opportunities that would otherwise be out of reach for individual schemes.

A key feature of these markets is the use of structured investment funds that act as intermediaries between retirement benefits capital and underlying investments. Rather than investing directly in individual companies or projects, pension schemes invest through professionally managed funds specialising in private equity, infrastructure, or real estate. These funds source investments, conduct due diligence, manage portfolios, and execute exit strategies, reducing operational complexity while ensuring investment decisions are made by professionals.

In Uganda, discussions between the Ministry of Finance, URBRA, CMA and service providers are ongoing around the development of similar pooled investment structures, which could enable broader participation in alternative assets.

One of the most widely adopted alternative investment structures in Kenya and South Africa is the Real Estate Investment Trust (REIT) model. REITs allow investors to gain exposure to income-generating real estate without directly owning property by purchasing units in a trust that owns and manages a diversified portfolio of real estate assets. This structure provides liquidity, diversification, and professional management, making it attractive to institutional investors such as pension funds.

Kenya has been a regional leader in developing REIT frameworks, while South Africa has a more mature listed property sector. In Kenya, REITs must distribute at least 80% of their distributable earnings annually to maintain tax-exempt status and invest at least 75% of their total assets in real estate, leaving up to 25% for cash and liquid instruments.

Another key lesson from these markets is the importance of strong governance and regulatory oversight. In both Kenya and South Africa, alternative investment markets have developed alongside clear regulatory frameworks defining investment limits, disclosure requirements, valuation standards, and fiduciary responsibilities. This regulatory certainty has helped build investor confidence. In contrast, emerging markets often struggle with inconsistent valuation practices, limited transparency, and underdeveloped reporting standards. Uganda's ongoing efforts to develop guidance for alternative investments reflect recognition of this gap and the need to strengthen institutional safeguards.

> **Industry-wide engagements have helped align expectations, standardise practices, and build consensus around investment guidelines.**

Investment expertise within pension fund governance structures has also been critical. Trustees and investment committees in South Africa and Kenya often have access to specialised training, advisory services, and professional fund managers who support decision-making in complex asset classes. In Uganda, capacity building is increasingly recognised as necessary for expanding into private equity and infrastructure investments. This has led to initiatives such as trustee training under the Insurance Training College, recognising that without adequate training and technical support, trustees may remain reluctant to move beyond familiar fixed-income instruments.

Alternative investments involve greater complexity and lower liquidity than government securities. More advanced markets have addressed this by developing clear exit strategies, secondary markets, and structured fund lifecycles that define how investments are realised. The absence of clear exit pathways has remained one of the key barriers to private equity participation in less developed markets, reinforcing the need for well-structured investment frameworks.

In both Kenya and South Africa, collaboration between regulators, fund managers, and institutional investors has played an important role in developing alternative investment markets and supporting innovation in investment products tailored for Retirement Benefits Schemes.

Ms. Nabakooza adds that discussions underway in Uganda between regulators, fund managers, and the Ministry of Finance reflect a similar direction. Pension funds are recognised not only as financial institutions but also as contributors to national development through investment in infrastructure, housing, and productive enterprises.

Uganda is at an early but important stage in the evolution of its pension investment landscape. The strong performance of government securities, with yields currently ranging from 14.75% to over 18% for long-term securities, has created a stable foundation while highlighting the risks of concentration. As discussions on alternative investments continue, regional experience demonstrates that diversification is achievable when supported by the right regulatory environment, institutional capacity, and investment structures, allowing Uganda's pension sector to become a more diversified source of long-term capital for national development.

URBRA ensures member payments of over Ugx145 million through its Complaints Handling Service

By Lydia Mirembe,
Manager Corporate and Public Affairs

Retirement should be a time of rest after years of hard work. But for some, it becomes a difficult journey marked by delayed payments, missing records, disputed calculations and long administrative processes.

At the centre of resolving these challenges is the Directorate of Legal Services at the Uganda Retirement Benefits Regulatory Authority (URBRA), which receives and handles complaints from members of retirement benefits schemes across the country.

According to Doris Kahuura Rusoke, Senior Legal Officer at URBRA, complaint handling is one of the Authority's most important public services. "It is one of the most outstanding services we give to the public as a regulator because it allows us to directly help people who are struggling to access their retirement benefits."

Each year, URBRA handles at least 40 new complaints. In Financial Year 2025/26, the Authority handled a total of 91 complaints, of which xx had been fully resolved with payouts amounting to UGX 145,236,670.

"The complaints we receive are only a fraction of the actual problem," Kahuura explains. "Almost everyone knows someone who is struggling with retirement benefits."

Many retirees, especially in rural areas, do not know that URBRA can help when they face problems with their retirement benefits. Others lose hope because some complaints, particularly those involving public service pensions, take time to resolve due to budget cycles or policy-related issues beyond the regulator's direct control.

Public awareness would ensure that people know how to seek URBRA's support when they have complaints. "We need to go where the people are. Most retirees are in rural communities, not in boardrooms or online meetings," Kahuura says.

Common complaints

Although every case is different, some issues appear repeatedly. Delayed payment and suspected underpayment of gratuity are some of the commonest complaints. This often happens because the formulas used to calculate benefits are technical and difficult to understand. "The formulas are quite technical," Kahuura notes. "Even well-educated people can struggle to interpret them."

Beneficiaries of deceased pensioners also face major hurdles. Before accessing benefits, families must obtain letters of administration or probate, a legal process that can take months or years. “The beneficiaries are really struggling,” Kahuura says. “If someone has all the required documentation, there should be a simpler and faster process.”

In the private sector, challenges commonly arise when employers try to settle financial obligations by attaching an employee’s retirement benefits after they leave service. Kahuura stresses that retirement benefits are protected by law and should not be treated as ordinary recoverable assets.

Prevention is better than resolution

While complaint handling is important, Kahuura believes the bigger opportunity lies in preventing them before they arise. Public education is central to that effort. She encourages scheme members to understand the laws and rules governing their retirement benefits, whether they belong to the public service pension system, NSSF or an occupational scheme.

Keeping employment records is equally important. “We regularly meet pensioners who are missing critical documents such as appointment letters or confirmation records,” she explains. “Keeping your employment records safely can save you enormous difficulty when it’s time to retire.”

For public servants approaching retirement, she recommends early engagement with Human Resource offices to ensure records are complete and all required documents are submitted on time.

She also believes technology can help reduce complaints. Automated reminders could alert employees several months before retirement, prompting them to verify their records and complete the necessary steps early. “If the system could automatically identify employees approaching retirement and guide them through the process, many delays could be avoided,” she says.

How to improve the system

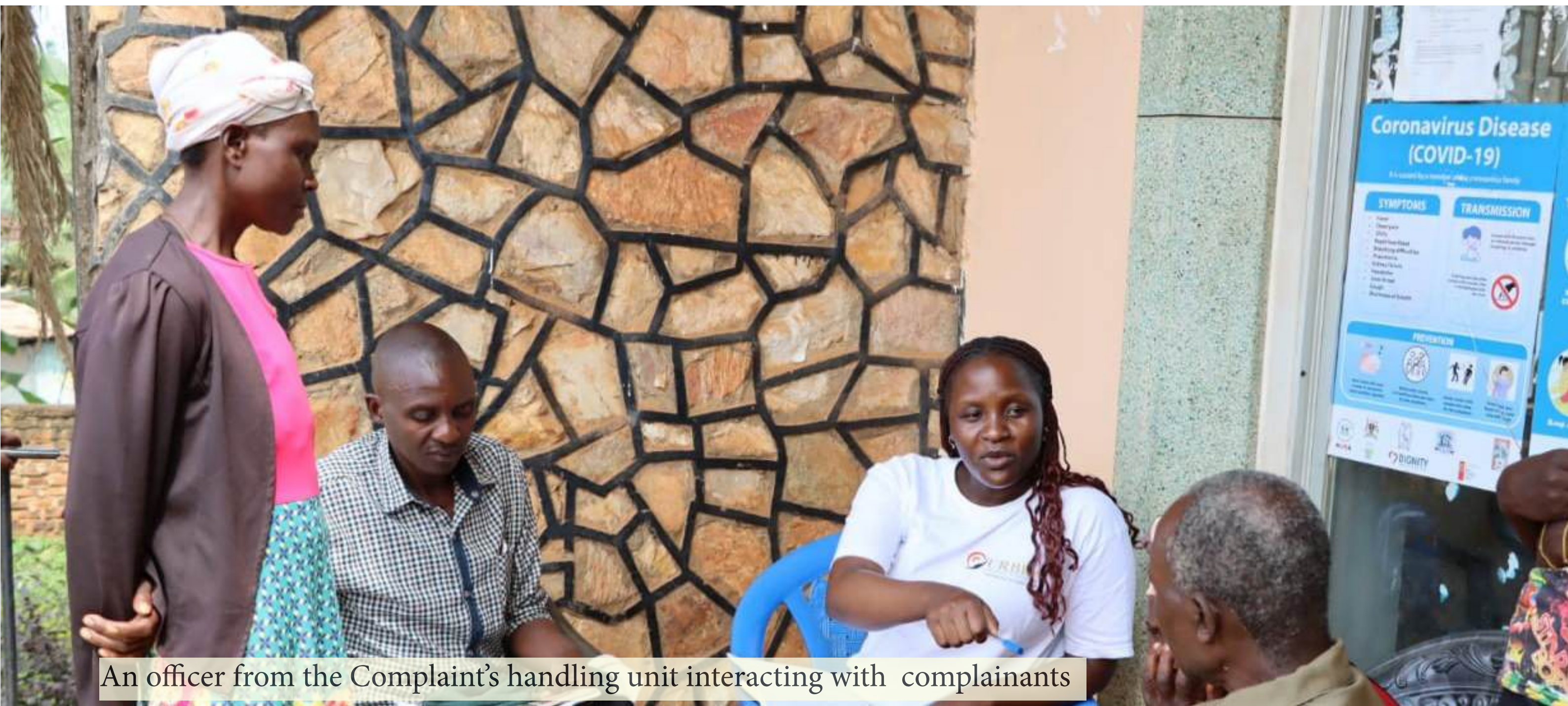
Beyond awareness, Kahuura sees room for broader reforms. She advocates for simpler pension calculation formulas so that both members and HR officers can understand how benefits are determined. She also believes legal processes around estates and succession should be reviewed to make it easier for beneficiaries to access retirement benefits after the death of a pensioner. In addition, she recommends continued engagement with judicial officers to improve understanding of retirement benefit matters and reduce unnecessary delays while still protecting legal requirements.

Ultimately, Kahuura says reducing complaints requires action from everyone involved—regulators, employers, scheme administrators and members themselves.

She advises Ugandans to understand their retirement schemes, stay informed about the law, keep employment records safe and engage early with employers before retirement.

“Retirement should be a time of dignity,” she says. “The more informed people are, and the better prepared they are throughout their working lives, the fewer problems they will face when it’s finally time to enjoy the benefits, they have worked so hard to earn.”

On its part, URBRA will remain available to handle complaints as they come in, with the hope that one day, retirement benefits systems and processes will be smooth without anyone complaining.



An officer from the Complaint’s handling unit interacting with complainants

Senior Legal officer, Doris Kahuura making a presentation to Lawyers in Hoima

URBRA-ULS partner to deepen lawyers' understanding of retirement benefits

By Lydia Mirembe,
Manager Corporate and Public Affairs

For the past five years, the Uganda Retirement Benefits Regulatory Authority (URBRA) has partnered with the Uganda Law Society (ULS) to equip legal practitioners with knowledge and skills in Uganda's Retirement Benefits Sector. What began as a professional sensitisation programme has evolved into an important platform for expanding legal practice, strengthening retirement planning and improving understanding of retirement benefits legal framework. Up to 675 advocates have since benefited from the programme which has so far covered Kabarole, Hoima, Mbarara, Masaka, Mbale, Jinja, Arua, Gulu and Kampala.

In FY 2025/26 alone, 140 practitioners were sensitised, enhancing their capacity to support compliance and member protection.

According to Doris Kahuura, Senior Legal Officer at URBRA, the initiative was designed with two objectives in mind: to expose lawyers to emerging opportunities within the retirement benefits sector and to contribute to their Continuous Legal Education (CLE).

"We wanted lawyers to understand the sector better and appreciate the different roles they can play not only as legal practitioners representing clients, but also as trustees, service providers and advisors involved in establishing and managing retirement benefit schemes," she explains.

Over the years, the programme has introduced lawyers to developments in retirement benefits regulation while broadening their understanding of a sector that was previously unfamiliar to many practitioners.

One of the clearest signs of the programme's impact is the growing number of retirement benefits cases now reaching URBRA through legal representatives.

"Previously, members would approach us directly," Kahuura says. "Today, we are seeing more complaints being filed through law firms. It shows that lawyers are increasingly recognising retirement benefits as an area of legal practice."

She believes the trend could eventually lead to greater specialisation in retirement benefits law, much like labour and employment law has evolved into a recognised field of legal practice.

Beyond professional practice, the sensitisation sessions are also encouraging lawyers to think more deliberately about their own financial futures.

During recent engagements in Hoima and Masaka, participants proposed the establishment of a provident fund for members of the Uganda Law Society to complement existing retirement savings arrangements. Although the proposal is still under discussion, Kahuura views it as evidence that the conversations are inspiring lawyers to take retirement planning more seriously.

The engagements have also highlighted challenges facing young lawyers, many of whom begin their careers without being enrolled in mandatory retirement savings arrangements.

“As young lawyers, many simply don’t know they should be asking about retirement benefits when they sign employment contracts,” she says. “If they understand their rights from the beginning of their careers, they will be better equipped to advocate for themselves.”

Looking ahead, URBRA intends to deepen its engagement with the legal fraternity by placing greater emphasis on advocacy. One priority will be encouraging stronger protection for lawyers and other professionals through proper employment contracts and compliance with mandatory retirement benefit contributions.

The Authority also plans to continue supporting discussions around the proposed Uganda Law Society provident fund while promoting retirement planning as an essential part of professional practice.

For Kahuura, the partnership between URBRA and the Uganda Law Society demonstrates the value of collaboration between professional bodies and regulators.

“Retirement benefits affect everyone,” she says. “When professional associations create opportunities for their members to access quality learning at no cost, they not only strengthen professional practice but also improve financial security for their members.”

As the programme enters its sixth year in 2026/27, URBRA hopes to build on the gains made so far by strengthening impact measurement, collecting participant feedback and ensuring more legal practitioners are equipped to support both their clients and their own retirement planning.

Managing Lumpsum payout

By Lillian Kakayi
Corporate and Public Affairs Officer

Retirement isn't about how much money you receive. It's about how long that money can take care of you.

That message echoed throughout URBRA's webinar conducted on 30th June 2026 on Managing Lump Sum Retirement Benefits, where retirement experts, financial planners, employers, trustees and retirement scheme members gathered to discuss one of the most overlooked aspects of retirement planning—what happens after receiving retirement benefits?

For many Ugandans, receiving a retirement benefit is viewed as the finish line after decades of hard work. In reality, it marks the beginning of a new financial journey—one that requires careful planning, informed decision-making and financial discipline.

The participants were challenged to rethink retirement, not as the end of employment, but as the beginning of managing a new source of income that does not flow regularly nor increase but just reduces and yet it must provide security, independence and dignity for your golden years.

Ms. Daisy Nabakooza the Chief Manager Supervision and Market Conduct Directorate -URBRA shared statistics from the National Beneficiaries Study 2024, conducted by NSSF and Enterprise Uganda on how people utilize their retirement benefits when they are paid. With the average retirement benefit standing at approximately UGX 24 million, and more than 60% of retirees receiving less than UGX 10 million, many retirees begin retirement with limited financial resources. Yet these savings are expected to sustain them for an estimated 15–20 years after retirement, highlighting the risk of outliving their retirement benefits. Although 80% of retirees have a plan before receiving their benefits, however, many of these plans were consumption-oriented rather than focused on generating sustainable income.

Many employees spend decades preparing to accumulate retirement savings. Yet very few prepare for the equally important phase—living on those savings. The concept was of de-accumulation was introduced to participant: Converting retirement savings into a sustainable income that lasts throughout retirement.

Unlike the working years, when income is earned monthly and savings steadily grow, retirement requires individuals to carefully draw down their accumulated wealth while preserving enough capital to support future needs. This shift demands more than financial planning; it requires a complete change in mindset.

"Don't spend tomorrow's income today. Preserve today's savings so they can provide tomorrow's security." As quoted by Ms Daisy Nabakooza, the Chief Manager Market Conduct and Supervision as she addressed the webinar.

One of the most noteworthy discussions focused on a behavioral concept known as the wealth illusion. Receiving a large lump sum can create a false perception of wealth, leading retirees to believe they have more financial freedom than they actually do. This psychological effect often results in:

- Lifestyle inflation
- Impulse spending
- Family pressure
- Poor investment choices
- Generosity beyond one's means

Speakers explained that although retirement benefits may appear substantial, they are intended to replace decades of employment income—not finance short-term consumption. Without careful planning, retirees may unknowingly spend years of future income within a very short period.

Mr Bongomin, Manager Business Development and Operations-Enwealth during his presentation revealed that retirees commonly use their retirement benefits to:

- Pay school fees
- Purchase land
- Build or improve homes
- Invest in businesses
- Meet family obligations
- Purchase vehicles

While these are legitimate needs, many of these expenditures do not generate regular income capable of sustaining retirees throughout retirement. Owning property, land or a business does not automatically guarantee financial security. Throughout the discussions, participants were encouraged to ask one important question before making any investment: "Will this investment continue providing income throughout my retirement?".

Retirement planning should focus not only on growing wealth but on ensuring that wealth continues to work for the retiree.

Underscoring five essential principles for achieving a secure and sustainable retirement, individuals should begin planning for retirement well before leaving active employment, as early preparation lays the foundation for financial security. Retirees are encouraged to preserve their retirement capital, recognising that it may be the largest single financial resource they will ever receive. Investment decisions should prioritise generating sustainable income rather than meeting short-term consumption needs. Seeking professional financial advice is equally important to help avoid costly mistakes and make informed decisions.

Looking forward, it's important to understand that Retirement is one of life's most significant transitions. While receiving a lump sum retirement benefit is an important milestone, what truly determines financial well-being is how that money is managed over time. The regulator is promoting a retirement system that delivers not only adequate savings but also long-term financial security by strengthening consumer protection through such financial literacy campaigns pre-retirement training to ensure that our members benefit from expert support as they work towards retirement. To strengthen preservation, now business regulations allow you to transfer your benefits from one scheme to another. There is also hope that the regulator has introduced a conversation with policy makers to introduce some incentives policymakers in terms of the tax regime for the sector, together with the, tax regulator that allow the members to preserve their benefits in their schemes, or in, other schemes that they go to.

Retirement Tip

Before making any major purchase with your retirement benefits, ask yourself: Will this decision improve my income tomorrow—or simply reduce my savings today?

HR Directorate transforms into a strategic enabler for a growing Retirement Benefits Sector

Building on a new five-year strategic plan, the Directorate of HR and Administration is shifting from a traditional support role to a strategic enabler for the entire institution. With settled leadership, a refreshed governance framework, and clear performance targets, DHRA is doubling down on staff development, welfare, and process efficiency. URBRA's HR Officer, Sylvester Bagenda, shared his reflections with Lydia Mirembe, highlighting what the Directorate has achieved and what lies ahead. Excerpts below

How is URBRA positioned to meet the demands of the sector, especially in relation to improving supervisory efficiency and effectiveness?

Following the roll out of URBRA's new five-year Strategic Plan (2025/26-2029/30), URBRA's HR Directorate renewed its commitment to efficient and effective service delivery. Under URBRA's strategic objective to improve supervisory efficiency and effectiveness, the HR Directorate is expected to sharpen process management and people development. Essentially the directorate shifts from being a back office to a strategic enabler. With a clear strategic plan, settled leadership, a new Board of Directors URBRA is well positioned to drive sector-wide ambitions.

How is URBRA streamlining its internal processes to enhance operational efficiency?

Efficiency doesn't make headlines. But it's the engine under everything else. This past year, the focus has been on making our processes less dependent on individual memory and manual workarounds. The most visible change is eDocS which is our digital document management system. Before, people were chasing paperwork, sending follow-up emails, never quite sure where an approval was stuck. Now everything lives on one platform. You can see where a document is, who's holding it, how long it's been sitting. That changes how work moves through the office. For a regulatory body where accuracy and turnaround matter, that's not a small thing.

Staff who feel looked after tend to stay and in a specialised environment like ours, experienced people who leave take a lot with them. With that in mind, we have kept investing in staff welfare. We also reinstated our staff retirement benefits scheme as a proper, member-run arrangement.

Within the Directorate, we've rebuilt performance plans to directly mirror URBRA's Strategic Plan leading up to 2030. We are not planning from habit; rather we are mapping each person's work to what the institution has committed to deliver. Connecting daily work to strategy is one of those quiet improvements that sounds simple but hard to do consistently.

How is URBRA contributing to sector capacity development?

HR's contribution here is indirect but foundational. We don't supervise schemes directly. But we build the capability of the people who do. And what those people are being asked to do has changed significantly. A decade ago, URBRA was overseeing a simpler sector. Today, assets under management have crossed

UGX 35 trillion up from UGX 12 trillion when URBRA was set up. Products are more complex, schemes are more sophisticated, and the informal sector is finally a serious policy conversation. With the exponential growth of the sector, expectations on URBRA have also grown. Overseeing the ever-growing sector requires people with different skills. So, our skills agenda isn't about ticking training boxes. We're putting in structured professional development and certification programmes to build skills deliberately and not waiting for it to happen on its own. When one of our officers sits across from a fund manager or trustee, the quality of conversation is a direct reflection of how much we've invested in skills building. We want those conversations to be substantive real technical exchanges, not just compliance check-ins. The CEO has been clear: URBRA needs to move from a policing mindset to genuine partnership with the sector. That's not about going easy on anyone. It's about recognising that schemes and trustees do better when they understand the rules and trust the people enforcing them. Building staff who can hold that kind of relationship - technically grounded but not adversarial - is a key HR job.

What key lessons has the Directorate learnt in FY 2025/26?

A few things became clearer this year.

• Leadership matters more than we sometimes admit. Two years without a settled CEO showed that clearly. Well-designed systems and capable people can carry an institution for a while. But not indefinitely.

• Governance is the foundation, not just a formality. A new, engaged Board resets the accountability tone for the whole institution and that tone matters to the sector too.

• Good tools need skilled people. The Bridge System and eDocS are real improvements, but they need confident, trained users to realise their value. Technology without people behind it just becomes expensive furniture.

• Small welfare investments pay back bigger than they look. In a specialist sector, losing experienced staff is costly. The health cover, wellness sessions, the reinstated retirement scheme they keep people who would otherwise leave.

What is on the horizon for FY2026/27?

FY2026/27 is where we stop talking about the plan and start delivering it.

• Filling the team. We've launched a structured recruitment exercise for key positions across several directorates. Having the right people in the right seats isn't a background HR task as it directly determines what URBRA can deliver to the sector.

• Living the strategy, not just having it. Every directorate enters the year with performance targets tied directly to the five-year strategy. The strategic plan should be more than a document on a shelf.

• Investing in cohesion. We're kicking the year off with a full-day team building event for all staff knowing that numbers on a team don't automatically become a team.

• URBRA goes into FY2026/27 in good shape. Leadership settled. Governance refreshed. Strategy rolling. The sector keeps growing the demands are real and they won't slow down, but we won't slow down either.

Unlocking long term capital for infrastructure: key considerations for the retirement benefits sector

By Lydia Mirembe,
Manager Corporate and Public Affairs

The discussion about the role of pension funds in national infrastructure development is quickly gaining pace. The key point raised by proponents is that countries, especially in the developing world, should not look beyond their borders for funds to develop their own infrastructure because many of them have accumulated enough savings in retirement benefits and pension schemes. On the other hand, sceptics worry about the regulatory implications of the proposal. The outstanding question is how to unlock the long-term capital in pension and provident funds without compromising members' outcomes.

In a webinar recently hosted by URBRA, sector stakeholders including trustees, fund managers, custodians, administrators, and scheme members discussed ways of channelling Uganda's growing pool of pension and provident fund assets into infrastructure while safeguarding members' interests.

In his opening remarks, Mr. Martin A. Nsubuga, CEO of URBRA, stressed that the regulator's interest in infrastructure investment is expected: "A regulator is always interested in anything that attempts to have a call on members' funds." He noted that the sector had for long been a pillar of national finance, with roughly 80% of the sector's Ugx35 trillion invested in government securities. However, he argued that the conversation has now shifted to ensure members' disposition toward direct ownership and a tangible sense of contribution to national development. Members should be able to say: "Yes, we contributed to that road, built that infrastructure, and we are all benefiting from it." Mr. Nsubuga emphasised that the critical question is not whether to invest in infrastructure, but how – with due attention to risks, governance, and the liquidity needs of individual schemes.

The Infrastructure Financing Gap

In his presentation, the key speaker, Kenneth Owera, Chief Investment Officer of the National Social Security Fund (NSSF), highlighted the infrastructure financing gap in Africa and Uganda. He shared that Africa's annual infrastructure financing needs range from $130 billion to $170 billion, with a financing gap of 50 70%. The shortfall costs the continent about 2% of GDP annually. For Uganda, which targets 5 6% annual growth, closing that financing gap could push growth to 7 8%. East Africa alone requires $42 billion per year up to 2040 – equivalent to 8.6% of regional GDP.

The current sources of infrastructure finance are government budgets, development finance institutions, commercial banks, and development assistance, but they all have limitations. For example, Uganda's tax to GDP ratio is just 12% to14% - among the lowest in Sub Saharan Africa. Commercial banks rely on short term deposits, which are not suited for long term projects. The country has experienced gradual withdrawal of overseas development assistance which has stalled many development projects.

Meanwhile, across East Africa, pension and provident funds manage roughly USD50 billion in assets, with Uganda accounting for about USD10 billion (Ugx 35 trillion shillings). Yet, the allocation to infrastructure and other productive local sectors stands at a mere 2.7% in Africa. Mr. Owera argued that if this allocation were increased to just 10%, it would unlock USD5 billion for infrastructure across the region.

However, he cautioned that the challenge is not the availability of capital but the supply of bankable, well structured projects. He cited the Kampala Jinja Expressway – a project discussed for 15 20 years – as an

example of how delays in project preparation would be a concern for pension funds. "Capital has never been a problem. The problem is on the supply side – we need projects that are screened, prepared, and structured to attract institutional capital."

Global and regional examples

Owera noted that Uganda is not alone in this push. "Across the globe, governments are increasingly looking at local capital sources to drive national development. Many countries are encouraging domestic pension funds to participate actively in national priorities," he said. The rationale is that infrastructure is a long term asset, and pension liabilities are long term, creating a natural match for "patient capital."

He shared inspiring success stories from around the world. In Canada, pension funds moved from heavy government bond concentrations in the 1990s to direct infrastructure ownership, now allocating up to 15% to the asset class. Australian funds hold a large share of the country's airports, ports, toll roads, and utilities, with 10 12% of portfolios in infrastructure. Chilean pension capital has backed road and airport concessions. In South Africa, the PIC and Old Mutual have long standing infrastructure programmes. These cases demonstrate that, with the right frameworks, pension funds can bring in good returns while supporting national development.

Regulatory prerequisites: a framework for prudent investment

Benjamin Mukiibi, URBRA's Chief Manager Research and Strategy, highlighted the regulatory and governance prerequisites for infrastructure investment. He emphasised the importance of regulatory clarity, governance integrity, and institutional safeguards. Key considerations for the regulator and the pension funds would include:

i) Investment regulations – defining eligible assets, instruments (debt, PPPs), exposure limits, and currency risk parameters

ii) Independent governance – ensuring trustees have clear powers, liabilities, and fiduciary duties, free from political influence

iii) Fiduciary accountability – requiring due diligence, conflict of interest management, and personal liability for negligence

iv) Risk management – integrating liquidity buffers, stress testing, and ESG principles

v) Project selection – mandating technical feasibility, financial validation, environmental assessments, and independent valuation;

vi) PPP frameworks – with transparent procurement, standardised contracts, and enforceable dispute resolution

vii) anti corruption measures – including whistleblower protections and independent oversight

viii) Regional coordination – partnering with the AfDB and Africa Finance Corporation to de risk projects and crowd in pension capital.

Mukiibi stressed that these frameworks are not obstacles but enablers: "When infrastructure funds do well, members also do well – because returns support their retirement security."

Participants raised several practical questions concerning participation of smaller schemes in such ventures; provident fund liquidity given uncertain exit dates; and securitisation. Owera advised that smaller occupational schemes could participate through consortia by pooling resources via fund managers. On provident fund liquidity he argued that schemes would still consider investing in operational, income generating assets to preserve capital and provide liquidity. On yields and benchmarks, Mr. Owera noted that as long as government bonds offer attractive yields (currently around 16 17%), they remain the default option. To steer capital toward infrastructure, government should create instruments with comparable risk adjusted returns or provide guarantees and first loss buffers. On annuities, the shift from lumpsum provident payouts to annuity based pension models could create a more predictable liability stream, further aligning with long term infrastructure projects.

The way forward

In his closing remarks, the CEO reaffirmed URBRA's commitment saying, "All these asset classes are already allowed. What we need is a guiding framework – and this is urgent for us. Whatever investments are made, our fundamentals remain: preserve funds, ensure certainty of return and liquidity." He assured participants that URBRA will follow up with concrete steps, including further stakeholder engagement and a roadmap for implementation.

Who's watching over your retirement benefits?

By Billy Gang
Corporate and Public Affairs Officer

For most workers, retirement benefits represent decades of sacrifice, discipline and deferred income. Every monthly contribution is an investment in future financial security. But an important question often goes unasked: Who is watching over the people entrusted with your retirement savings?

In Uganda, that responsibility falls to the Uganda Retirement Benefits Regulatory Authority (URBRA). Established to regulate and supervise the retirement benefits sector, URBRA's role extends far beyond licensing pension schemes. It provides continuous oversight designed to ensure that members' savings are protected, well-managed and available when they are needed most.

Rather than relying on a single safeguard, URBRA employs a layered system of supervision that addresses every aspect of retirement benefits governance from setting rules and investment oversight to compliance monitoring and enforcement. Together, these layers create a strong framework that builds confidence in Uganda's retirement benefits system.

"Every well-functioning financial system begins with clear rules"-Martin A. Nsubuga, URBRA CEO while addressing a Webinar on, who watches over those that you entrust with you funds on Friday 29th May 2026. However, the rules alone are not enough, They must be supported by good governance and URBRA enforces strict governance requirements by:

- Licensing and regulating trustees.
- Requiring appropriate member representation on Boards of Trustees.
- Promoting trustee capacity building.
- Requiring declarations of conflicts of interest.
- Providing guidance on benefits payment policies.

"The objective is simple: create a strong legal and regulatory foundation that ensures retirement benefits are managed consistently, transparently and in the best interests of members" notes Martin Anthony Nsubuga, the CEO of URBRA. Without clear standards he adds, pension savings would be vulnerable to inconsistent practices and unnecessary risks. Every course of action by the regulator must lead to some form of safeguard in the schemes

These standards define the responsibilities of trustees, administrators, fund managers and other service providers.

Good governance ensures that those making decisions about retirement savings are accountable, competent and acting in members' best interests. This promotes transparency while protecting beneficiaries from conflicts of interest and poor decision-making.

These measures have resulted in long term economic growth and transformation, growth in enrolment of participating employers translating to overall higher enrolment of savers, with the sector fielding a 35.46 trillion Ugandan shillings sector, rising from just 4.6 trillion in 2012.

Improving Operational Efficiency

A pension scheme can only perform well if its operations are transparent and efficient. URBRA implements these by supervising operational practices by requiring;: Licensing of scheme administrators, Regular financial reporting and disclosures, Approval

of independent external auditors, Publication of investment returns, Disclosure and comparison of interest declared to members.

These measures give employers and members greater visibility into how schemes are performing and how their savings are being managed. Transparency also strengthens accountability across the sector, ensuring that Trustees are held accountable by the scheme members they serve.

Monitoring Through Regular Reporting

One of URBRA's significant functions has been requiring retirement benefit schemes to submit quarterly statutory returns, replacing the previous annual reporting cycle.

In doing this, the frequent reporting enables the regulator to; Detect emerging risks earlier, monitor compliance continuously, identify operational issues before they become major problems and respond more quickly when intervention is needed. With this Mr. Nsubuga notes that Regular reporting transforms supervision from reactive to proactive.

Acting Against Mismanagement

Effective regulation requires consequences when rules are broken. Where non-compliance or misconduct occurs, URBRA has powers to take enforcement action. Penalize misconduct and mismanagement which in the end promotes accountability among regulated entities.

This enforcement role helps preserve confidence in the retirement benefits sector by ensuring that poor governance and regulatory breaches are addressed rather than ignored. It also reassures members that their retirement savings are protected by more than voluntary compliance.

As the sector evolves URBRA continues strengthening its institutional capacity through:

- Risk-based supervision that prioritizes higher-risk entities.
- Continuous collection and analysis of sector information.
- Real-time risk detection.
- Ongoing professional development of staff.

This modern approach allows regulatory resources to focus where they are most needed while enabling earlier identification of emerging risks.

Together, these oversight mechanisms create a comprehensive regulatory framework that safeguards retirement savers. They promote strong governance of retirement benefit schemes, prudent investment of members' savings, operational transparency, timely compliance monitoring, and effective enforcement against misconduct. Collectively, they foster the sustainable growth of the retirement benefits sector while enhancing the protection and confidence of pension scheme members.

Confidence Is Built Through Oversight

Retirement planning is built on trust. Members trust employers to remit contributions. Employers trust service providers to administer schemes professionally. Trustees trust investment managers to grow assets responsibly. Above all, the public needs confidence that someone is independently ensuring the entire system operates fairly, transparently and prudently.

That is the role URBRA performs. By setting standards, enforcing governance, overseeing investments, monitoring compliance, strengthening institutions and taking action where necessary, URBRA provides multiple layers of protection that safeguard retirement benefits throughout their lifecycle.

In his concluding remarks, Mr. Nsubuga emphasized that , for millions of Ugandans saving for retirement, this oversight provides something just as valuable as investment returns: confidence that the savings they build today are being protected for the future they are counting on tomorrow.

Public Service Pension Fund marks new dawn

The new fund will be governed under modern principles of transparency, accountabilityand professional management. It will have a board of trustees, professional fund managers,custodians, administrators, actuaries, auditors and other service providers.

By Catherine Bitarakwate Musingwiire
PS Ministry of Public Service

For decades, public servants have served the country with the assurance that, upon retirement, the Government would provide a pension as a constitutional obligation and as a matter of social justice. That commitment remains firm. What is changing is the manner in which that promise will be financed, managed and protected for the future.

The Public Service Pension Fund (PSPF) is, therefore, not merely another institutional reform. It is a national assurance to teachers, health workers, administrators, local government staff, police and prison officers covered under the public service arrangements and many other public officers who have carriedthe responsibilities of the State. It is a promise that retirement should not be aseason of uncertainty, delayed payments, repeated follow-ups and anxiety. Itshould be a dignified transition into a secure life after service.

The old pension system, which has served the country for many years, wasdesigned as a non-contributory, pay as-you-go arrangement. Under that model,pensions were paid directly from the Consolidated Fund through annual budgetallocations. While this arrangement reflected government's commitment to itsworkers, it has increasingly come under pressure due to a growing publicservice, salary reforms, longer life expectancy, accumulated arrears, recordschallenges and increasing pension and gratuity obligations.These realities demanded a bold, but carefully managed reform.

The PublicService Pension Fund Act, 2025, provides that new foundation. It establishes thePublic Service Pension Fund and the Public Service Pension Scheme to collectcontributions, manage retirement benefits, invest funds prudently and paypensions in a more predictable and sustainable manner. Under the newarrangement, the Government will contribute 10% while the employeecontributes 5%, making a total contribution of 15%.This shift should be understood positively. It is not a withdrawal of governmentresponsibility. On the contrary, it is government taking deliberate action tostrengthen, protect and modernise the pension promise.

The reform ensures thatpension resources are built up in advance, professionally managed and availablewhen benefits fall due. This is what will make timely and predictable paymentpossible.A major concern among public servants and pensioners has been whether thereform affects rights already earned under the old system. The answer is clear:Accrued pension rights are protected. Existing pensioners will continue to bepaid by government under the applicable legal framework. Public officers whohave already earned benefits under the old scheme will have those rightspreserved, including through retirement bonds as provided under the Act.Employees nearing retirement are also catered for under transitional provisions.The reform is being implemented with sensitivity because governmentrecognises that pension is not just a financial matter. It is emotional, personaland family-based. It affects school fees, medical care, family welfare, housing,food security and the confidence with which a public officer approachesretirement. That is why the Ministry of Public Service, working with keyinstitutions including the finance and justice ministries, Uganda RetirementBenefits Regulatory Authority (URBRA), Bank of Uganda, National SocialSecurity Fund, NITA-U and other stakeholders, is taking a structured approach.

The new fund will be governed under modern principles of transparency, accountability and professional management. It will have a board of trustees, professional fund managers, custodians, administrators, actuaries, auditors and other service providers. It will be regulated by URBRA, audited by the Office ofthe Auditor General and subject to oversight by Parliament. Another important benefit is that the reform will improve records management and service delivery. Pension administration has historically suffered from incomplete records, manual processes and delays in verification.

The Fund will be supported by modern systems linked to relevant government platforms to improve accuracy, reduce delays and support faster processing of benefits. Responsible officers in ministries, departments, agencies and local governments”250541001 will play a central role in ensuring that member records, contributions, payroll changes and retirement documentation are submitted accurately and on time.

The PSPF will also have wider benefits for the country. Pension funds are an important source of long-term national savings. Government is aware that reforms of this nature naturally raise questions. Will salaries reduce? Will current pensioners lose benefits? Will past service be ignored? Will the fund be safe? These are legitimate questions. The answer is that the reform has been designed to protect rights, promote fairness, preserve accrued benefits, strengthen governance and ensure continuity.

Sensitisation of stakeholders is ongoing and will continue across institutions and regions so that every public officer understands the reform and participates from a position of knowledge, not fear. To every public servant, the message is one of assurance: Your service matters, your pension rights are protected, and the reform is intended to secure your future. To every pensioner, the Government’s commitment to honouring earned benefits remains unchanged.

To the country, the Public Service Pension Fund is a responsible step towards sustainable public finance, stronger social protection and a more dignified retirement system. As government, we are determined to deliver this reform carefully, transparently and inclusively. The Public Service Pension Fund is not simply about contributions.

Source: The New Vision

Parliament receives petition to overhaul kenya's pension system, merge schemes for fairness

The petitioners, retired civil servants, argue that the current system is fragmented and unfair, leaving many pensioners struggling with rising living costs and unequal treatment compared to newer public servants.

A petition has been lodged before Parliament seeking to overhaul the country's pension system in a bid to merge existing schemes, improve monthly benefits and ensure retirees are better protected from the rising cost of living.

The petitioners, retired civil servants, argue that the current system is fragmented and unfair, leaving many pensioners struggling with rising living costs and unequal treatment compared to newer public servants.

The petition was presented to the National Assembly by Speaker Moses Wetang'ula on behalf of the Kenya National Association of Public Service Pensioners (KNAPSP). The retirees are calling for the merger of all non-contributory civil service pension schemes into one framework aimed at improving fairness, efficiency and better management of retirement benefits.

They argue that the existing pension structure is broken into separate systems, creating inequality and leaving many retirees unable to cope with increasing expenses.

The pensioners also want the National Treasury, working together with the Salaries and Remuneration Commission (SRC), to conduct an actuarial study on pension payments and recommend adjustments that would protect retirees from inflation.

They say many pensioners are receiving benefits that have failed to keep up with the rising cost of essential goods and services.

"They argue that while new entrants benefit from the modern contributory framework, existing retirees remain tethered to an obsolete system characterised by inadequate and irregular payments," Wetang'ula told the House.

The petitioners, led by John Serem, Eng Richard Bett and Olive Chepkoech, further want reforms to the Public Service Superannuation Scheme, saying it has created inequality between older retirees and newer public servants.

According to the petition, the Public Service Superannuation Scheme Act of 2012 introduced the shift from a non-contributory pension system to a contributory scheme that became effective on January 1, 2021. The retirees argue that this transition created a "dual pension system," where new entrants benefit from a modern structure while older pensioners remain under a system marked by low and irregular payments.

They further say this disparity amounts to discrimination against workers who served the same government but now receive different treatment in retirement.

In the petition submitted to the Petitions Committee, the retirees also raised concerns over difficulties faced by dependents in accessing pension benefits after the death of pensioners.

They are calling for simpler administrative procedures to ensure spouses and beneficiaries receive their entitlements without long delays or bureaucratic hurdles.

The petitioners further argue that recommendations made by the Salaries and Remuneration Commission in 2014, which proposed pension reviews every three years, have not been fully implemented, leaving many retirees exposed to rising living costs.

They also raised concerns over the requirement that retiring officers commute a quarter of their pension into a lump-sum payment, saying it reduces the monthly income available to retirees.

Legislators who contributed to the debate supported the petition, saying pensioners are facing serious challenges that require urgent attention.

Emuhaya MP Omboko Milemba supported the concerns, particularly on inflation, delayed pension payments and difficulties faced by dependents accessing benefits after the death of pensioners.

"Indeed, there is inflation on pensions, and as they have indicated, there is a need to revise them. The protocol involved is so long, and the beneficiaries do not get it," the MP said, adding that the Pensions Department's consumption of the budget was very low.

"Their consumption was at about 39 per cent, yet many teachers, civil servants and other workers have not been paid their pensions."

However, he cautioned that merging the old pension scheme with the Public Service Superannuation Fund may not be straightforward.

"This is a little bit more complex because there was an age timeline for those who joined the contributory scheme," he said.

Githunguri MP Gathoni Wamuchomba said pension matters affect all workers and should be treated as a national priority, while supporting proposals aimed at cushioning pensioners from taxation.

"We are considering how we are going to make sure that pensioners are no longer going to pay income tax on their income. It is in the interest of this House to make sure that all pensioners are treated fairly and whatever they are paid is their money without further deductions," she said.

Source: The Eastleighvoice

PSA outraged by employers' failure to pay employees' pension contributions

The Public Servants Association (PSA) is shocked and outraged following reports that thousands of employers across South Africa have failed to pay over employees' pension contributions, with arrear contributions amounting to an alarming R8.3 billion.

The PSA regards this as a gross betrayal of workers' trust and a direct attack on the financial security and dignity of employees who work with the legitimate expectation that deductions from their salaries will be paid over to their respective pension funds. Instead, many workers face uncertainty regarding their retirement savings because of the unlawful and unethical conduct of employers. This situation is nothing short of a national disgrace. Pension contributions are not optional payments. They are deferred earnings belonging to employees. Any employer who deducts these contributions but fails to pay these over is effectively depriving workers of hard-earned retirement savings.

The PSA is extremely concerned that many employees only become aware of these outstanding contributions when they resign, retire, or lodge benefit claims, by which time the financial prejudice may already be substantial. Such conduct undermines confidence in South Africa's retirement system and places countless families at risk of financial hardship.

The PSA calls on President Cyril Ramaphosa and government to take decisive and immediate action against employers who fail to comply with their legal obligations. The current situation cannot be allowed to continue unchecked. The PSA specifically calls for the imposition of severe financial penalties on employers who fail to pay pension contributions, criminal prosecution of employers who unlawfully withhold or misappropriate employees' pension contributions, strengthened enforcement and regular compliance inspections by the relevant regulatory authorities, publication of names of defaulting employers to promote transparency and accountability, and urgent measures to ensure that all outstanding pension contributions, together with applicable interest, are recovered and paid into affected employees' retirement funds without delay.

Workers should not be forced to pay the price for employers who disregard the law and exploit employees' trust. The PSA will continue to advocate for stronger protection of workers' retirement benefits and will support every effort to ensure that employers who violate their legal obligations are held fully accountable. Retirement savings represent the future security of millions of South Africans and must never be treated as a source of cash flow for irresponsible employers.

The PSA urges all employees to regularly verify that pension contributions deducted from their salaries are being paid over to their retirement funds and to report any discrepancies immediately to the relevant authorities.

Source: Public Servants Association (PSA) in Novus Group – Press Bulletin Posted on