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10 YEARS ANNIVERSARY

URBRA
UGANDA RETIREMENT BENEFITS REGULATORY AUTHORITY
Protecting your retirement benefits

THE PENSIONERS' JOURNAL

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ANNIVERSARY

ANALYSIS
Why we need a Retirement Benefits Regulator

INTERVIEW
Recounting the achievements of the retirement benefits sector

FROM THE SECTOR
Insights from a Pensions Lawyer

ABOUT US

Uganda Retirement Benefits Regulatory Authority is an autonomous body established by virtue of section 2 of the Uganda Retirement Benefits Regulatory Authority Act 2011

OUR MANDATE

Supervise and regulate the establishment, management and operation of Retirement Benefits schemes and protect the interests of members and beneficiaries of retirement benefits schemes in Uganda

OUR VISION

A vibrant, secure and sustainable retirement benefits sector

OUR MISSION

To Regulate, Supervise and promote the development of a stable and effective retirement benefits Sector

CORE VALUES

- Proficiency
- Integrity
- Innovation
- Transparency
- Accountability

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This is a message from the Uganda Retirement Benefits Regulatory Authority.

URBRA
UGANDA RETIREMENT BENEFITS REGULATORY AUTHORITY

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Publisher's Note

Welcome to yet another edition of the ***Pensioners' Journal.*** In this issue, we look back at the past ten years since the enactment of the URBRA Act in 2011. As the saying goes, a lot of water has since flowed under the bridge.

The URBRA Act has since been operationalized, leading to the firm establishment of a fully functional Regulatory Authority. The sector has since grown from UGX 5.1 trillion in 2014 worth of assets under management, to the current UGX18.9 trillion.

As you will discover from reading this issue, many stakeholders testify that it has not been a smooth ride. There have been several bumps and bruises, but the regulator, and by extension the sector, remained steadfast.

Key among the challenges still afflicting the sector, is the inadequate coverage of the Uganda's working force, whereby many people are engaged in gainful economic activities, but are not saving for retirement. This issue makes several recommendations on how these challenges can be tackled and surmounted.

Most importantly, this edition allows you to peek into the future of the retirement benefits sector, with key proposals on how different sector players can contribute to its betterment.

It's our sincere hope that the insights shared in this edition, will go along way in informing our readers' choices in terms of retirement planning not only at individual level, but also at institutional and structural level.

Please don't hesitate to share your feedback on email: urbra@urbra.go.ug

Enjoy the Pensioners' Journal PJ

Martin A. Nsubuga

Chief Executive Officer

Ten Years And Counting: A Journey of Sector Growth

A message from the Chairman, Board of Directors, on URBRA's tenth anniversary

On September 26th 2011, the URBRA Act was enacted. That marked the beginning of a journey of change in Uganda's retirement benefits sector. That October, the URBRA Board of Directors was constituted, appointed and given the task of setting up a functional regulator. As is commonly said, the rest is history. Here we are ten years later, with a well-established, functional and effective regulator.

It has been quite a learning curve at individual, institutional, and sector level. Everyone who has been involved in Uganda's retirement benefits sector over the last ten years has their own story to tell. Some have been involved as trustees, investment analysts, advisors, fund managers. Many Ugandans have also been involved in their capacity as savers – the ones that save with different schemes, contributing to long term domestic saving and ultimately to national GDP. Various institutions have also been involved in the sector. It has been ten years of sector realignment, streamlining, capacity building, efficient scheme management, investment and growth. It has been a decade of shedding old, undesirable tendencies typical of unregulated environments.

The objectives upon which the Regulator was established were: to improve the scope and efficiency of the Retirement Benefits Provision; protect members' funds and those of their beneficiaries; and ensure stability and integrity of the retirement benefits sector and that of the financial sector in general.

I have no doubt that in the last ten years, we have delivered on all the objectives. There is growing adherence to good governance and prudent investment practices, which are key to the protection of members' funds. We have also seen improvement efficiency in service delivery and adherence to disclosure requirements as Trustees exercise their fiduciary responsibility. The sector also boasts a pool of licenced professionals in schemes administration, custodial services and fund investment. All these have greatly contributed to the integrity of the retirement benefits sector, which currently accounts for 50% of Uganda's savings to GDP and a significant presence in the financial sector.

The Retirement Benefits Sector now stands as the fastest growing sector in Uganda, worth more than UGX18.9 trillion Shillings as of June 2022. This is a result of deliberate efforts by sector players, under the regulation of URBRA. For URBRA as an institution, it has been a period of tremendous growth. I wish to congratulate everyone who has been part of this journey. From those who saw the need for sector reform and led the process of establishing a regulator; those who undertook the protracted task of drafting the URBRA Act; the pioneer Board of Directors, the staff, stakeholders and the Government of Uganda. You have all made it worth the while. Your input, advice, guidance, watchful eyes..., have enabled the sector to bloom. Thank you so very much!

As we look to the next ten years, its our hope that the sector will continue to thrive. It's our hope that more Ugandans will realise the need to save for retirement and the joy of a poverty-free old age PJ

A.K.D.

***Andrew Kasirye,* URBRA Board Chairperson**

Counting the benefits of a regulated retirement benefits sector

It is ten years since the enactment of the Uganda Retirement Benefits Regulatory Authority (UBRBA) Act, 2011. It has been a decade of transformation for the retirement benefits sector. If anything, the last ten years have demonstrated the relevance and significance of a regulator for any sector. It's important to reflect on the circumstances that led to the establishment of a regulatory body and the factors that have facilitated the growth of the sector over the past decade.

Why regulate and supervise the Retirement Benefits Sector?

Saving for retirement is an important, long-term commitment. Savers need assurance that their lifelong savings are safe and secure. The Government of Uganda embarked on major reforms of the Retirement Benefits Sector following gross mismanagement and scandals in schemes at the time.

The Retirement Benefits Sector was unsupervised with no effective regulation, and was characterized by a growing fiscal burden of pension liabilities, poor governance, corruption and embezzlement of members' savings.

To address these challenges, Government established the Uganda Retirement Benefits Regulatory Authority (URBRA) under the URBRA Act with a primary objective of protecting members' funds; improve the scope and efficiency of pension provision to ensure adequate, affordable and sustainable retirement benefits to overcome old age poverty.

URBRA has since developed systems and capabilities to regulate and supervise the sector. The strong supervisory regime is the foundation for the current sector trends that have seen great improvements in governance, investments and scheme administration.

In March 2022, the Retirement Benefits Sector attained an unprecedented UGX18.9 trillion worth of assets, compared to UGX15.4 trillion in 2020. Over the years, the sector has grown at an average rate of 20% per annum – save for the Covid19 year when it fell to 18%. In terms of asset to GDP ratio, the sector has

Saving for retirement is an important, long-term commitment. Savers need assurance that their lifelong savings are safe and secure.

grown from 6.6% in 2015 to 11.1% in 2020.

Apart from the growth in the sector worth, there has been tremendous growth on all the key indicators of a performing retirement benefits sector. Member contributions have grown from UGX 829 Bn in 2015 to UGX 1,578 Bn in 2020; sector income has grown from UGX 902 Bn in 2015 to UGX 1,677 Bn in 2020; benefits paid to members have grown from 243bn in 2015 to UGX 655BN in 2020.

We can enumerate several areas where the impact of the regulator is evident.

Strong Supervisory Framework: URBRA has prioritized sector regulation and supervision, which has improved governance and administration of retirement benefit schemes in Uganda, building a strong foundation of trust and sector confidence to propel the current high growth rate evidenced in the sector.

Management of scheme operational costs: URBRA monitors costs incurred by schemes and service providers' conduct to avoid exaggerated costs, hence safeguarding the funds of members, whilst ensuring professional service provision in the sector. The Regulator continues to demand extensive disclosure to minimize unnecessary expenses that may eat into members' funds.

Improved Governance amongst licensed Schemes: With the establishment of URBRA, the retirement benefits sector has seen tremendous improvement in the level of governance of schemes. The regulator has consistently set governance standards that have been adopted by the schemes, and this has ultimately rid the sector of past scandals.

Fitness and Propriety: URBRA has introduced a rigorous fitness and propriety assessment of trustees and service providers. This has created a pool of vetted and well-grounded trustees and service providers, with proven aptitude, knowledge, professional capabilities and societal standing, that can be trusted with the management of people's funds and who have the ability to shoulder the fiduciary responsibilities placed on them. Over time, the URBRA fitness and propriety based licenses have gained traction within the corporate

Thanks to URBRA we have well-grounded trustees and service providers, with proven aptitude, knowledge, professional capabilities and societal standing.

space and are used by some employers as confirmation of the integrity of recruits.

Development of a Trustees' Certification Program: To further raise Governance standards of sector Trustees, URBRA has developed a certification programme to enhance Trustees' competences in executing their fiduciary responsibility in line with requirements of the URBRA Act. The Authority has signed a Memorandum of Understanding with the Insurance Training College to implement the Program.

Robust Risk-based Supervision (RBS) Framework: URBRA has developed a robust-risk based supervisory system to match the fast-growing trends in the sector and to mitigate risks that may arise from market complexity. This will enable real time rigorous and defensible decisions making, integrating supervisory activities to sharpen the focus on Scheme governance and risk management.

Contribution to long-term economic growth: Retirement benefits schemes are the largest institutional investors in Uganda and having a great impact to Uganda's financial market. Today, they hold over 80% of their assets under management in Government Securities.

Going forward, I challenge URBRA to enhance its supervision capabilities to identify and mitigate all risks that threaten to dent savers' benefits. URBRA should also endeavor to increase coverage of the formal sector, extend coverage to the informal sector so that all workers can save for retirement and avoid old-age poverty.

URBRA, should work to promote, the stability, security and good governance of Retirement Benefits Schemes, and to protect the interests of members and beneficiaries PJ

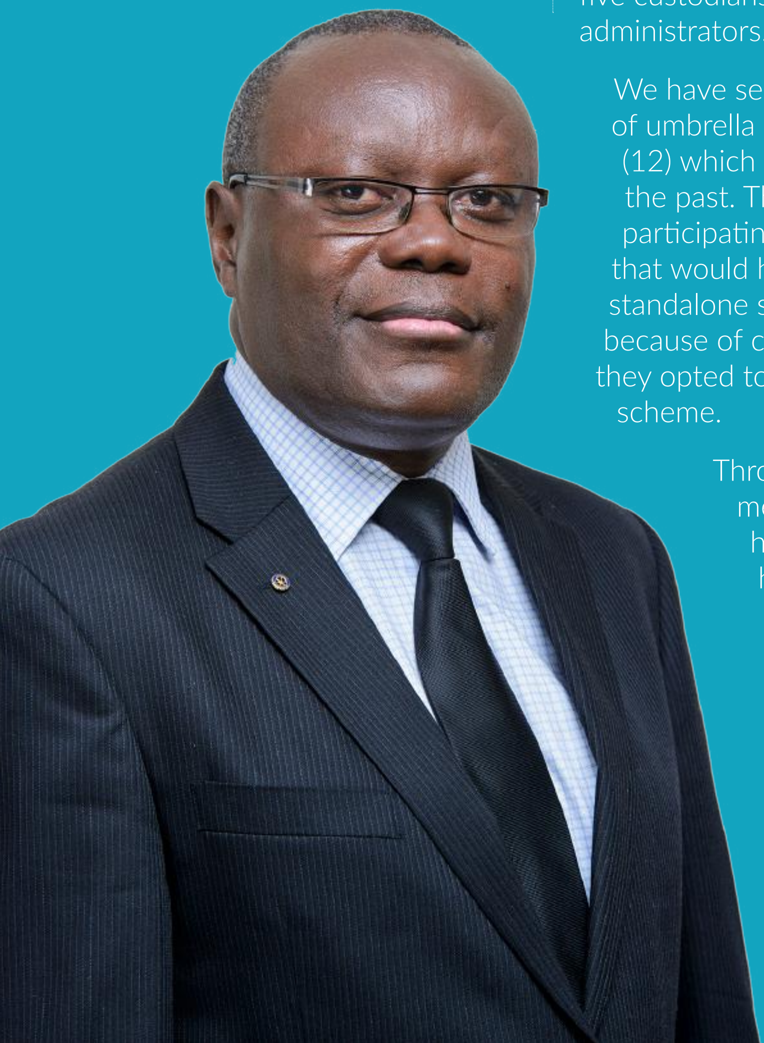
A decade of setting standards and professionalising the retirement benefits sector

Ten years since establishment, URBRA has addressed the inefficiencies, corruption, loss of funds and poor investments that characterized the sector. Through clear regulations and guidelines, the regulator has created a strong foundation and the sector is set to go to the next level. The CEO, Martin Anthony Nsubuga explains to The Pensioners' Journal

Q It is ten years since the URBRA Act was enacted. What are your reflections on what has transpired since the regulator was institutionalized?

A Well, it has been both a complicated and a smooth journey. The main objectives for establishing a regulator were: to ensure protection of member funds, preservation of funds and support the deepening of the financial sector. The secondary one was to mobilise the public for long term saving.

The journey started with just an Act, but now there is a fully functional regulator in place. There are few gaps but we are getting there.



One of the challenges in the market was lack of capacity. Few people had the capacity and competences to deal with matters of Pension and Retirement Benefits. We have been able to build capacity, we now have professional accountants, trained CFA professionals and in-house actuaries. We have enhanced our supervisory capabilities and we are continuously improving our oversight role. We regulate over 60 schemes as of today; we have professional fund managers who are helping us bring investment skills in the market; we also have five custodians and ten (10) administrators.

We have seen the emergence of umbrella schemestwelve (12) which were not there in the past. They are covering participating employers that would have opted for standalone schemes but because of cost implications they opted to join an umbrella scheme.

Through the mechanisms we have instituted, we have dealt with the issues that prevailed in the past - we have addressed the inefficiencies, corruption, loss of funds and poor investments.

We have put in place clear regulations and guidelines. We have created a strong foundation and the sector is set to go to the next level.

All these gains have culminated into a high degree of public confidence. We have seen growth in terms of assets under management from less than UGX4 trillion in 2014 to the current UGX19 trillion. Prudence in investment is very critical and we have consistently upheld that principle. We continue to provide assurance to members that their funds are protected, prudently invested and expected to get a good return.

Q Despite all the developments, some people still contest the presence of a regulator; with the argument that the regulatory role should be played by the Ministry of Finance. What's the justification for the existence of a regulator?

A The establishment of a regulator was motivated by the issues prevailing in the market. The sector had been characterized by inefficiencies like loss of funds, poor investments, lack of regulations and corruption. In its wisdom, the government, under the Ministry of Finance decided that somebody had to take charge, and this birthed the regulator.

By establishing the regulator, the government set standards for the market. Let's take this scenario for example: Worldwide, the retirement benefits sector lends

significantly to governments. Imagine a situation where a sector is lending the Government directly and the Ministry of Finance which is in charge of negotiation, is also the one overseeing the sector.

We would see a situation of direct influence in investment, market distortions, and probably flawed pricing of treasury bills, bonds and other investment decisions. Somebody has to check. We don't want to go back to the old way of working. We would lose all the good things we have done and the good foundation that has been set that can be used to project the next course of action.

Q We have a confidence gap that is preventing the regulator from being trusted, what factors are driving that lack of confidence?

A We need to understand where we are coming from. Uganda has a history of failed banks, and financial institutions where people lost money. The population is coming from a time of currency reforms, where there was loss of value in invested funds. All this creates mistrust or uncertainty. Additionally, retirement saving is for long term, and that also creates uncertainty. The only way to deal with that, is looking at the journey we have moved and whether there's significant growth. The numbers speak. People are getting a return of double digits for three years now, otherwise they would not be making contributions.

Of course, the public service pension is still a big challenge but irrespective of that historical challenge, we see that complaints are resolved quickly, non-payment of benefits has reduced, non-remittance is reducing, there is disclosure of financial statements and we have seen reduction in operation costs so members funds cannot be wasted anyhow. Members funds are invested in allowable investment classes and overseen by the regulator.

We have put in places controls and with this, trust will be built.

Q What are the challenges you have to contend with as the regulator?

A The biggest challenge the sector is facing today is appreciating the principle of saving for retirement. People have not distinguished saving for retirement from other savings. Financial literacy is still low.We also have the issue of lumpsum payment upon retirement. Statistics show that people use up their funds in three years, which means that they risk living without any cash flow for the rest of their retirement years.

Moreover, new statistics indicate that people now can live more than 20 years in retirement. Lumpsum payment impairs the whole agenda of saving for retirement. It is more of a postponed spending, where you get lumpsum payment and use it for other purposes.

Q How does the regulator plan to steer the sector on the positive growth trajectory witnessed over the last ten years?

A By reaching out to the unreached population, especially the informal sector. We are educating people to distinguish between saving for retirement and other savings. We are also extending our awareness to the future workers particularly university students; they need to appreciate long term saving. We are also championing a national Micro-pension scheme, which will go a long way to tap into the unreached population. The regulator is going to be aggressive in promoting the cause, working closely with key sector stakeholders. We will strengthen our capabilities, from the lowest to the topmost person in the institution. We shall support the creation of other investment vehicles. There's a lot that can be done in terms of policy initiatives.

The law that limits investing in East Africa can be reviewed to allow at least with 5% investments outside East Africa. Still on policy, the current lumpsum payout methodology is not good, we need to look at other options that smoothen the payment on a monthly basis. We are also looking at some tax measures that will attract more savings and reward those who have saved for long. It will create more savings and incentives, and provide comfort in terms of retirement PJ

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From skeletal staff and borrowed space to a fully constituted institution

URBRA Board Members recount the steps and milestones

Mrs. Rosemary Ssenabulya

Board Member, 2014 - to date

It has been a journey of challenges however there are a lot of milestones achieved. URBRA is now a well-established and operational institution. It has all the structures, procedures and systems in place.

There have been substantial improvements in the management of schemes. This is attributed to the close supervision and capacity building of service providers especially trustees.For example, URBRA together with Insurance Training College developed a well-coordinated program that will intensify the number of trustees trained and trustees will be able to deliver.

Retention of URBRA as an independent government agency is one of the most strategic issues that needs to be addressed as soon as yesterday. Secondly, savings should be mandatory for every ably working Ugandan to belong in a retirement benefit scheme

Setting up an institution is not easy. You need a reference point. Where I came from, people learn from others. There is always room to learn. For our sector we seem to have learnt a lot from others e.g. Kenya, India, Chile, Nigeria, Ghana. We should see how to apply those lessons.

The greatest milestone is the recent transition from an agency whose budget came through subvention under the Ministry of Finance to a stand-alone agency recognized by Parliament as a vote in its own right. That gives URBRA a level of autonomy in its operations. Regarding the sector itself, URBRA has introduced various regulations and brought order. In the past, different organizations established and operated disparate pension schemes. URBRA brought order in the sector and instituted regulations/guidelines on how things should be done. This led to the growth of the sector. For example, according to the recent Sector Performance Report of 2020, assets under management increased to the current UGX18.9 trillion

Dr. Robert M. Okello

Board Member, 2014- to date

Mr. James Ebitu

Board Member, 2019- To date

URBRA since its inception ten years ago, continues to make remarkable strides to contribute to the growth and vibrancy of the Retirement Benefits Sector in Uganda. Major achievements have particularly been registered in areas of policy formulation, consumer education and protection, and enforcement of regulatory and compliance requirements.

It must be noted that social protection generally in Uganda is still at its infancy stages, requiring deliberate and definite commitment by Government foremost, and the relevant stakeholders to invest in setting up a firm foundation for the take-off and growth of the sector. Advocacy, education and awareness creation, and systems strengthening form the bedrock for the desired growth and sustainability of the sector.

More needs to be done in this area. We need to Make our national social protection system more comprehensive to cover the different risks and vulnerabilities across the life-cycle

What is so good in the sector is that there is some assurance of safety. If you compare the media reports of now and ten years ago, URBRA is regulating these entities and providing safety to the funds. Secondly is of course the growth of the sector. The growth has been phenomenal except it is skewed towards NSSF and that's because of the legislative ground which gives NSSF monopoly over the sector. It gives the savers limited options and it curtails the improvement we want to see.

To me a good sector should give members options. Just like you see the insurance sector, service providers are forced to improve their products and services. We also need growth is not only financial but also in terms of enrolment of people especially private sector workers.

I've studied RBS in Uganda and abroad; I know that what can convince members to start saving is that assurance of the best products and services. Look at people in public service, they earn little but they don't want to leave because they have the assurance that they will get a pension all their life. One thing to promote saving is that assurance PJ

Mr. Victor Bua Leku

Board Member, 2019- To date

Ms. Ada Muwanga Board
Member, 2014 - 2018

At the time URBRA started, there were only staff seconded by various ministries and they did not have premises. Now, the Authority has full time employees and office space. This, I consider a milestone for the Authority given the history of how it all started.

URBRA has endeavored to build the capacity of its staff, board members and service providers, like the trustees who have a trustee certification program. I believe all these have been milestones for the Authority over the last 10 years.

The Authority needs to find innovative ways of increasing the budget in order to strengthen the existing strategies and identifying strategic allies that can help the institution to fully implement its activities.

I think we still have a lot to do on reaching out to the grassroots. We can get innovative ways of reaching out to the grass roots. I don't think majority of Ugandans know about URBRA and the retirement benefit schemes. We need to capture more people than we already have PJ

The sector supervision mechanism was weak in the beginning, but URBRA has strengthened it over time. There is need to build the confidence of the population to encourage them to save for retirement.

The key message should be that we now have an Authority in place to regulate the sector and to protect their savings.

At times people are not sure what these savings mean to them and if they will get their money when the time comes.

The other issue is the informal sector, that has not been properly sensitized. They should be organized and told the benefits of saving for retirement.

Interest paid is another issue to be addressed. Many people see the 12% of returns every after twelve months as inadequate compared to what they would earn if they invested in livestock for example.

Therefore, the effort should be invested in confidence building PJ

Mr. Kamya Simon Mugalu

Board Member, 2012- 2014

Stakeholder engagement central to the establishment of URBRA

URBRA Board Chairperson, Andrew Kasirye looks back at the regulator's teething and toddling experiences, and how the institution soldiered on

When we started, we had nothing – no premises; no staff; no budget. We were appointed by Minister Maria Kiwanuka and all that we were given was the URBRA Act. As is commonly said, the rest is history.

The URBRA Act was enacted in September 2011, we were appointed in October of the same year. According the law, we were required to licence all existing schemes, but we had no licencing rules, no regulations, no criteria, and no guidelines on how proceed. Thus, our first task was to have a framework under which we would licence all the schemes before the deadline stipulated in the law.

We brought different stakeholders together and started generating ideas for licencing and sector regulation. We consulted institutions like NSSF, Bank of Uganda, Trade Unions like NOTU. After an iterative process, an instrument was passed and we were able to licence the existing schemes. NSSF was the biggest scheme; there were others like URA and BOU, and as a matter of urgency they needed to be licenced. That was the first task – putting in place the licencing framework. Our next challenge was to set up an administrative structure. We did extensive benchmarking in countries like Kenya, Namibia, Mexico to see how their regulatory bodies were structured. We developed an organogram and bounced it off our colleagues in Ministry of Public Service – whose Permanent Secretary was an ex-official member of the URBRA Board. With their input we came up with an organogram. Up to that time, we had been working with a skeletal staff, comprising individuals mainly on secondment from other ministries. We had also brought in one or two other people on a needs-basis. After that, we had to find a way of formalizing the staff recruitment.

We managed to get a five-year grant from the World Bank to help us start up. We started off with an international recruitment process to source for a CEO. Under the grant we also had some technical assistance in form of expatriates. For example, we had an expatriate from Namibia to help set up the supervisory framework. The grant enabled us to recruit more staff, look around for premises, and embark on public engagement activities to mobilise sector stakeholders and encourage schemes to come forward and get licenced. We mainly used TV and radio programmes, as well as public dialogues. Schemes eventually started coming forward and to get licences. Coming into a sector with players that had been largely unregulated, some players thought we were interfering with their autonomy. We had to apply unique tactics to bring everyone around the table. The Board sought the legal opinion of the Attorney General to know who, among the existing schemes, fell within the ambit of the new law.

There was also a challenge of streamlining the Boards of the existing schemes, because some were composed of members who did not meet the requisites of the fit and proper test.

Naturally, this aroused tension, and some labeled the regulator an enemy of the people. Some even called upon the president to sack the CEO because they perceived him to be interfering with their operations. We also had the issue of trustees. What would we do we do with the trustees of the existing schemes?

Through stakeholder engagement we began to create more awareness. We invited public servants, private sector foundation and others. They were asking questions and trying to understand. They wanted to know why URBRA was coming at a time when most of them had already matured.

We realized the challenge of involving the informal sector and we started that discussion too. At that time the working population of Uganda was about 10 million but less than one million were covered under NSSF. So, we tried to conceive a plan on how to get into that market place. We needed service providers, trustees etc, but how would we speak that language to the informal sector? Then the Mazima scheme came along. The scheme had challenges along the way but URBRA remained supportive. The discussion on how to reach the informal sector has now become of interest to all sector players.

Over the years, the sector has become more stable; there is greater awareness and appreciation of the relevance and significance of the regulator. We have successfully institutionalized the retirement benefits sector and we are now implementing our second five-year strategic plan.

Despite the public awareness, we still have low coverage, with only 2.8million workers covered by retirement arrangements. There is still work to be done in order to get the 80% of the workforce enrolled.

URBRA has embarked on a process to develop a micro-pension scheme, which will provide a platform where every working person can save on a regular basis, according to their ability. We really need to come up with something that is all inclusive, easily accessible and flexible for the ordinary working Ugandan. We need to create confidence and trust.

When people know that URBRA is there to protect their savings and that the buck stops with us, they will be encouraged to save. But we must also make people understand that retirement saving is for the long term.; Going forward, I think we need a lot of legislative reform. We need to revive the liberalization bill. There is need for another entity because it is healthy for the financial sector and it will improve the efficiency of NSSF.

There is a general lack of understanding of regulation both at political and social level.

I would wish to see the advancement of the importance of regulation in this sector – and other sector PJ

The uganda retirement benefits sector: insights from a pensions lawyer

Q&A with Mr. Moses Segawa, Partner S&L Advocates:

Q You have been practicing as a lawyer in the pensions sector since 2006, how did you end up there?

A I should say it was the workings of destiny. Perhaps it was Pensions that found me. In reality, the opportunity presented itself about 2006 when the then new labor laws came into effect and changed the whole employment law landscape in Uganda. This gave me the opportunity to develop a highly specialized employment law practice in the market at a time when most lawyers were general practitioners. In the course of my specialized employment practice, I begun to get enquiries from employers about their pension arrangements.

The World Bank and the Government of Uganda were working on legal reforms in the pensions sector to address the escalating pension arrears from the public service pension scheme. Finally, the passing of the URBRA Act in 2011 kicked off a lot of pension work with established schemes seeking to comply with the new legislation and I dived in headlong.

Q What have been the defining moments in the sector; and what implications do they have for the growth and future of the sector?

A The first key moment was the Robert Maxwell scandal that happened in the UK. It triggered comprehensive reforms in the UK which were adopted across the globe. Kenya was an early adopter and had a new law by 1998. Regional Companies based out of Kenya started inquiring if the reforms they were seeing in Kenya were being mirrored in Uganda. Some came with questions like: where do we register our scheme? Who is the regulator? Also, some Companies that didn't have pension schemes, started establishing them to enhance their employee value preposition to remain competitive in the labor market.

The other factor was the increased participation of South African companies in our economy. Once MTN and Stanbic invested in Uganda, we began to see a huge inflow of South African corporates. At that time, SA was the biggest Foreign Direct Investor in Uganda. Some companies specifically came to provide services in the pensions space – administration, asset management, investment advisory.

These companies began to generate pension awareness among corporates. They moved around, persuading companies to start retirement benefits schemes. Also, the establishment of the stakeholders' technical group – STG in 2002/3 was a key moment. The STG group kept the reform conversation on going and there was a lot of mobilization in its ranks created partly by these new entrant service providers. This is how we soldiered on until the URBRA Act was passed on Sept 26th, 2011. Once in force, (possibly about a year later), there was a lot of work around the establishment of schemes, licensing of trustees and service providers. That was a big moment. It provided the opportunity for those who had long waited for a place to register their schemes. When the Authority was established and started work in earnest, they started mainly with sensitization of the public and secondly with a baseline survey to understand the sector.

Another factor that pushed the sector was the anticipation of liberalization. In fact, many foreign actors came in with the expectation that after regulation, the liberalization of the sector would follow. I.e., the break of NSSF monopoly over mandatory contributions with employers having the opportunity to choose where to place a portion of the mandatory contributions. Unfortunately, a good number of these foreign companies closed shop in Uganda when the liberalization bill finally found its fate about 2 years ago.

Q One of the key developments was the establishment of a sector regulator, following the enactment of the URBRA Act 2011. In your view, what have been the significant changes brought in by the regulator?

The significant contribution of the regulator is as the name goes – regulation! We have over 15 trillion in pension assets under management which represents about 12.5% of Uganda's GDP for the current year. That's tremendous growth that must be credited to the regulatory framework and the regulator. We have a robust legal framework that mandates utilization of of several highly skilled professionals under the principle of segregation of roles including fund managers, custodians, administrators, and trustees, all acting in the best interests of the members. Managing this whole ecosystem requires regulatory oversight to enforce compliance.

The sector is now more organized, and the records of growth are phenomenal. Employers can no longer dip their hands into employees' retirement savings to run their businesses. The regulator has also increased awareness. Pensions are no longer exclusive to big corporates and public sector employers. We are now seeing a local uptake from small and medium sized Ugandan employers and individual savers.

Q What other legal and regulatory interventions are required for the sector to develop further?

A The legal framework is robust, but there is room for much improvement. The pension coverage is still very low, about less than 20% of the labour force. Even the few covered suffer the problem of sufficiency of the pension provision. It's too small to last their retirement life cycle. Also, there is a lot of barriers for the inclusion of the informal sector and SME's The legal framework has to envisage the typical employer and his/her ability to establish a scheme. The regulator may have the answer in umbrella schemes, but the cost and tax burden is heavy since there are no tax exemptions for pensions. There are a lot of fiscal disincentives for people to put their money away. Right now, URBRA has licensed 67 schemes, but what is the pension penetration relative to the number of employers in Uganda. How many companies/employers are registered as taxpayers but do not have retirement arrangements? All that is room for sector growth.

The current legal framework envisages a state-owned enterprise or multi-national/large local company. We need further changes in the pension system that are more responsive to the Ugandan local setting. Also, the economy must be working for pensions to be viable. Right now, the singular concern for many is current livelihood and not old-age poverty which is 35 years away (for the youth). Many things must be stabilized e.g., inflation, governance, and security. The whole ecosystem must be vibrant before you can tell people to worry about retirement.

Q In 2006 when you started out, the sector was dominated by foreign companies. How has the scene changed over the years? What action is required to improve performance of indigenous players in the sector?

A Those foreign companies were dominating in two ways, as employers establishing schemes and as service providers across the pensions value chain. As employers, many Ugandan employers have since established schemes. In terms of service provision, a good number exited the market after the collapse of the liberalization bill, but local and regional companies have also extended into that space providing custodial and asset management and trustee services.

A key challenge is that the margins for service providers across the value chain are on the lower side. You find that many of the actors are subsidiaries of a financial services company. There is not much if one must remain in one segment exclusively. To be viable, you must structure your business model in such a way that you have a leg in more than one segment. There is a lot of undercutting too.

Q How does the Ugandan pensions sector compare with others in the world? What lessons can Uganda learn from those countries?

A South Africa has a highly developed and vibrant pensions system. Their Pensions Act was passed in 1958. They have schemes that date back close to 100 years and possibly more. They have a big economy – manufacturing, mining, unions. Unions negotiate for employee benefits. The number of schemes registered are in the thousands and they deal with numerous issues. They have specialists handling specific issues within the sector. You'll find a lawyer specializing in pension surplus issues. For South Africa, pension law is very specialized, and there is too much work across the board.

Similarly, in the UK pensions are a significant pillar in the economy and a key source of long-term financing. The UK treasury issues bonds for 50 years. Only pension funds have liabilities that span such a long time. When you think about this, its retirement benefits schemes that stabilize economies because they have a long-term view.

Q Will Uganda's pensions sector ever reach such horizons?

A Yes! We have a very young population, so we have a very good chance. The demographic dividend can be leveraged to our advantage. 75% of our population is under 30. If we can keep a good number of these in the work force by creating jobs to enable them save for retirement, this would be a game changer. But it all comes down to how well the economy is doing. The conversation therefore should be wider in scope; you need to understand the psychology of people. People who can't survive today, can't think of the future. In an insecure environment, anything fiscal is risky. You have to worry about many things – politics, hunger, climate change, etc.

Q Any parting thoughts you want to share with the public?

A The future is bright we are on a growth trajectory as a country. Our generation has witnessed the 4th industrial revolution even though we are facing some tough crises like Covid19. They often say, don't waste a crisis. So as a sector living in these times, this is a key moment since everything is changing; it is incumbent upon us to embrace change. One of the movers of change is technology so the sector must embrace technology and innovation.

We are a future's sector. We cannot begin to project our sector with a mindset of the past. We are the one sector that is worried about liability that crystalizes 35 years ahead, so we must have the vision of a giraffe (see far); we must outthink everyone else. If we don't have the capacity for that, we shall just break peoples' hearts. People save their hard-earned cash so you can't give them pennies! There are many things coming up e.g crypto currency, bitcoins, big data, robotics, cloud computing.... How do you leverage all of those? Shall we be the last to embrace them? And how costly will that be? The mindset of those who forge the future of the of the retirement benefits sector has to be futuristic. We should even think for politicians, and feed them on the kind of policies we need, persuade them to adopt our recommendations and give us policies that work.

A pensions regulator has a responsibility that spans 35 years and more. URBRA has the responsibility to assure those who join the workforce today that the assets they put away will grow and sufficiently replace their income in retirement PJ

Ten years on: looking back at the making of the retirement benefits regulator

Ten years ago, the URBRA Act was enacted. It was a culmination of a consultative process, in which all key sector players participated. The process also involved benchmarking and learning from countries where the pension sectors are well established, effectively regulated and thriving. Miriam Musaali was secretary to the subcommittee on regulation and liberalization, whose role was to set the agenda on the reform of the pensions sector. She reflects on how far the sector has come since then.

Since establishment, URBRA has made several gains, enabled by a robust legal framework, which was put in place with a lot of assistance from various stakeholders.

At the time of developing the URBRA Act, Capital Markets Authority was already in place as a player in the non-banking financial services sector, and was therefore in position to offer technical assistance. We did a lot of benchmarking with other regulators, like in Kenya where the Retirement Benefits Authority (RBA) was a good and effective regulator. We also benchmarked with Ghana and Sweden to learn from the reforms that were happening there. We mainly focused on regulation and supervision. We needed a broad law which would enable URBRA to supervise any of the schemes in the country, set up under different Acts of Parliament.

A lot of work has been put around the pensions sector from regulation to licensing; a lot of effort has been put in the law to make it enforceable. I think the industry appreciates the framework and several gains can be enumerated.

Firstly, the regulator has done a lot in terms capacity building and training of trustees to ensure they are fit and proper to oversee people's savings. URBRA has also become an arbitrator in the sector. As a regulator URBRA is the first point of contact when schemes need solutions to outstanding issues. URBRA has also done well in terms of cost control. Before URBRA, no one was questioning the expenditure of schemes. URBRA should carry on with more sensitization around the laws and sector reform.

The robust legal framework, has enabled URBRA to licence more sector players like administrators and fund managers, and this has contributed to greater sector awareness. Once they are licensed, these institutions help in raising awareness so that their services are better known and demanded. URBRA's initiatives have also led to the establishment of occupational schemes. On the HR side, retirement benefits are now becoming part of the competitive compensation package. Nowadays, when people go to negotiate salary, they want to know how much they will get for retirement benefits.

Co-dependency between the capital markets sector and the retirement benefits sector has also been a key factor of progress. As one sector grows, the other one grows too. With capital markets now, the retirement benefits sector is seeing a growth in assets under management. You find that the capital markets laws and the pensions laws dovetail, especially the laws on investment. URBRA has investment guidelines which allow a pension fund to invest in collective investment schemes, hence pension funds are a key consumer of capital markets products.

In many ways, the sector has benefited from the reforms in NSSF. Being the biggest Retirement Benefits fund in the country, they have become the face of the sector. The fund has improved significantly, they have given double digit returns in the last number of years, they have reduced the turnaround time and they remain an exemplary institution. They have changed the story and improved the image of retirement benefits sector in Uganda.

Despite all progress in the last ten years, only 2.8 million Ugandans covered under any pension arrangement. Over 80% of Uganda's potential workforce is not covered. This is mainly because of formalization of pensions which means that pensions are designed for the formal labor force and not designed for the informal sector, so the growth of pensions has been inhibited by that design. Historically, pensions were always for formal workers; even the NSSF law was applicable to institutions which had at least five employees.

However, URBRA is doing some work on micro-pensions to help people in the informal sector to save. Additionally, there are initiatives like voluntary saving and the process of transitioning from defined benefits to defined contributions so that people become responsible for their pensions and not just the employer. There is need for a policy around micro-pensions and this should have a different framework from other pension funds. There is need for a flexible strategy for micro-pensions which works for people especially in the informal sector.

Another way that coverage will be extended to the informal sector is through the amended NSSF Act, which provides for the removal of the cap on five employees. This will definitely increase the coverage of NSSF. However, there is need for a level playing field. Elsewhere in the world, pension reforms came with the liberalization of the sector. It is high time Uganda developed other NSSFs such that if one fails the others remain standing. Tanzania for example, has about five big pension funds that have invested in the country and are leading to economic growth and development.

Stakeholders need to sit around the table and rethink ways to create a level playing field. Look at capital markets for example. If NSSF doesn't buy a bond or if it doesn't participate in an Initial Public Offer (IPO), what happens? The IPO can be undersubscribed. When the only big player in the market invests they cause problems of illiquidity, because they are not going to sell. So, if we had many institutions the size of NSSF, capital markets would be more active. But right now, even the capital markets are being held at ransom by NSSF – if they play they play if they don't play we all suffer.

How can URBRA improve as a regulator?

We need to see more collaboration, between the regulator and the industry. We need more private equity funds. We need to seat at the table together as regulators to see how we can introduce products that work; e.g a capital markets product to be consumed by a pensions fund while insurance provides cover in case anything goes wrong. So, the sector has to work together from pensions to capital markets to insurance so that we have a strong non-banking financial sector.

We also have to work together to ensure that disputes in the non-bank financial sector are resolved, and that will call for a tribunal – because a lone regulator cannot have a tribunal. We need that cooperation to see what are our common problems and how can we resolve them quickly and have consumption PJ

URBRA is doing some work on micro-pensions to help people in the informal sector to save.

Have the stars aligned for URBRA?

By Comfort Aturinda

Legal Assistant

The story of the birth and evolution of the Uganda Retirement Benefits Regulatory Authority (URBRA) begins with the enactment of the URBRA law by the Parliament of Uganda and ultimately, the Presidential assent on 28th June 2011. Given the sector reforms and developments over the years, this birth was indeed joyful and timely.

Knowing how poor institutional management can quickly unsettle stakeholders, URBRA for its ten-year existence shied away from scandals that for long dogged this sector, hence the faith that her stars have aligned. As Lord Tennyson would say, "The old order changeth, yielding place to new..."

With URBRA as the regulator, that old order in the sector has since changed and is bound to continue changing for the better.

"It is no longer the scandal-riddled sector that you knew many years ago," assured the Authority's current CEO, Mr. Martin Anthony Nsubuga during an interface with journalists.

A decade ago, many Ugandans, especially the youth, were not enthusiastic about saving for retirement. For a country with the youngest population in the world, the general attitude was that saving for retirement was a resolve for the "old". Today, it is evident that the youth have engaged themselves in saving for retirement hence doing away with the old mentality – thanks to URBRA's relentless public education programmes about saving for retirement.

Other manifestations of URBRA's success are there for all to see. By January 2022, for example, a total of 64 schemes had been licensed. Of these, 3 are mandatory, 12 umbrella, and 49 occupational. The Authority also licensed, 6 fund managers, 5 custodians, 10 administrators, 243 active trustees, and 4 corporate trustees. Undoubtedly, these numbers will keep going up. This has been possible due to improved governance, scheme operations and efficiency.

Better still, the scheme members are now able to use up to 50% of their savings to secure housing loans and mortgages.

This would guarantee a quality of life and dignity commensurate to their labors. Meanwhile, one can start saving for their retirement with as low as UGX 2000, with a scheme licensed by URBRA. A confluence of factors, may explain the Authority's remarkable success. One of those factors is its able leadership and dedicated staff. The other is the public faith in the Authority that has steadily increased over time.

Information about the Authority is readily available to the public—both in soft and hard copy. Timely feedbacks at URBRA is the norm. There have been serious efforts geared toward engaging the public in various ways, including mainstream media, social media, the Authority's official website, and community meetings.

Equally important, is the duty and need to continuously engage in institutional/sector research and innovation to not only remain relevant, but also to keep up with the times. There is no bending backwards.

Finally, URBRA's aspirations as clearly laid down in its vision and professed in its Core Values, remain an area of focus. For now, the Authority's stars seem aligned, at least well enough to make a lasting mark beyond the next decade

I am proud to have been part of URBRA's journey

Mabel Namisango, Senior Administrative Officer shares her experience

Since its establishment in 2011, the Uganda Retirement Benefits Regulatory Authority (URBRA) has prioritized staff capacity development, to ensure effective delivery of services to the public.

As the CEO often says, the pioneer Board were given an Act and sent forth to set the regulator rolling. Thus, URBRA started off with a skeletal staff of just eight, operating in borrowed space and using borrowed furniture. Ten years on, the Authority boasts 52 staff, a full-fledged and fully-functional office, overseeing a sector worth UGx 18.9 trillion, with 65 licenced schemes.

Over its ten years of existence, URBRA has provided employees with opportunities for learning and development with a view to gain the required experience and capacity to supervise and manage the retirement benefits sector. I am proud to have been part of URBRA's journey.

I started my professional career with URBRA in December 2012, as an Administrative and Human Resource Assitant. I had no experience in the retirement benefits sector, but under the supervision of Mr Moses Bekabye (interim CEO), Mrs. Susan N. Muhumuza (interim Manager HR and Administration) and Mrs. Rita Nansasi Wasswa (interim Manager Legal) I learnt more specific skills which enabled me to execute my duties diligently.

A combination of learning on the job, consistent employee training, and handling different tasks with a diverse group of people, has given me great exposure and experience.

I have since served in many roles, from Front Desk Assistant in charge of registration of pension schemes and service providers, to Administrative Officer, and now senior Adminstrative officer. It's been a journey full of passion and excitement.

The growth of a competent human resource is arguably the most outstanding achievement we celebrate at URBRA. The Board and Management have encouraged and continue to encourage staff to grow and establish themselves as pillars on which the success of URBRA rests. In the past 10 years, staff have undergone professional training courses in different disciplines, which has contributed greatly to the way we serve our clients.

Looking back at URBRA's ten-year journey, I realise that for a workforce to be efficient and successful, they have to be grounded in intentional core values. URBRA values are proficiency, innovation, integrity, transparency, and accountability. Personally, these values not only give me a daily reference for work, but they also keep me motivated.

I have also learnt that every member of the team in the organization should know their role in achieving the mission of the organization. All employees have a stake in the success of the organization.

I recall a great story about a Toyota plant in Japan, where external consultants met a janitor and inquired about his role at the company. The janitor understood his role (cleaning the shop floor at the car factory), and how his efforts led to Toyota's mission of manufacturing the highest quality cars in the world. It might sound corny but understanding one's stake and role in the organization's mission transforms your job into something bigger, and that's what URBRA teaches its employees.

As the institution looks to the future, human resources will remain at the centre of the journey. I have faith that investing in continuous staff capacity development will ensure good results not only for URBRA, but for the entire retirement benefits sector and Uganda as a whole PJ

Training program to improve trustees' professionalism

On June 29th 2020, the Uganda Retirement Benefits Regulatory Authority signed a memorandum with the Insurance Training College (ITC), to rollout a certified training programme for trustees in Uganda's pensions sector. The programme seeks to improve and enhance professionalism of Trustees. In an Interview with Lydia Mirembe, The former ITC Deputy Principal, ***Mr. Jonan Kisakye****, shared his reflections and insights on the Programme.*

Q Please give an overview of your impressions of the trustee training initiative between ITC and URBRA, what were the objectives for starting it?

A First, I must thank URBRA for trusting the ITC with this important role of building the capacity of Trustees, given their importance in running the retirement benefits schemes and helping URBRA to implement its mandate.

URBRA tasked us to come up with a training programme that would highlight the function of trustees. We were to come up with a structured training programme; develop a curriculum that corresponds with the programme; and undertake the training; assess the trustees through an examination process and certify them upon completion of the programme. The other very important issue was that of evaluating the program on a regular basis.

Additionally, there was need to craft a programme that responds to sector needs. There are other similar programmes in the region but these were not localized. Much as they are standard programmes, there are areas in the Ugandan context that needed to come out – for example in the law. It was also expensive to send Trustees for training outside Uganda, within and beyond the region e.g to Johannesburg and Nairobi. Remember these finances come from members' savings. The other was a need to create a base for continuous capacity building and the programme would provide that foundation.

Those were some of the objectives and so far the programme has aligned. Thus, our role was end-to-end. I think we have achieved on all the objectives so far as guided by the MOU.

Q How many trustees have enrolled so far and what kind of profile do they bring along to the programme?

A The first training in April attracted about 18 participants; the second training in August attracted 17 participants. The programme primarily targets trustees but we have seen a number of other players coming on board especially from the service providers' side. We have also seen some chairpersons of Boards of trustees. The programme has been very well received. Many of the participants are accomplished professionals in different areas like Human Resource Management, Legal practice, finance and accounting; we have seen high profile managers and heads of departments all registering for the training.

We are definitely tapping into this wealth of experience and expertise. Because of the experience and profile of some of the participants we shall give them a chance to be guest facilitators for future cohorts. We are also using participants as our ambassadors and we request them to recommend the programme to others within their respective schemes. They help us to enhance the program in terms of value and quality and eventually bringing others to join.

Q The programme has largely coincided with Covid19 lockdown, has this had any impacts? How have you mitigated the negative impact of the lockdown?

A We actually call this programme a "Covid baby" because it was conceived at the height of the pandemic. It was a very challenging period for us but we had to adapt and do things differently. Covid19 has been a major disruption and it has been worse for training institutions, many of which are still closed owing to stringent guidelines and SOPs. When we started we wanted the training to be a physical interaction; we wanted participants to come here and enjoy the college facilities. Indeed, it would have been good for the programme to be delivered in a physical learning environment. But as you know, this is a programme upon which URBRA bases its licencing activity, so you can't suspend that because of Covid19; licences have to be issued. With some trainings scheduled during the lockdown, we quickly enhanced our method of delivery.

The second training was delivered online. We acquired an end-to-end learning management system

which made it very easy for the trainees and tutors. The only difference is that the in-person training is five days while the online version is ten days. We had to find means to provide the same quality, same depth, same information. We didn't want to compromise. So, we spread it over two weeks and shortened the period to half day. Participants quickly embraced the online method. In fact, the second cohort had a higher pass rate than the first one. Participants liked it because we reached them in the comfort of their home. The online platform has a section for materials it allows a student to register, but also, we sent physical training materials prior to the training. By the time we started, they had had an opportunity to read through the materials.

Q Does that mean that the future is online? Should we expect to ever go back to where we wanted to be?

A Much as the participants embraced the online option, we had participants who had attended and enjoyed the physical training and they shared feedback. So, some participants are willing to wait until we go physical again. We want to have options for all participants, there are those who want to be in a physical space, and others who prefer the flexibility brought by virtual learning. In the second cohort, we had participants based in Arua and in Mbarara. If they had attempted to come physically, you can imagine how costly and inconveniencing that would have been – given the lockdown restrictions. Going forward we will have a combination of the two and the participants will have a choice on what suits them.

Q How are the trainees warming up to the programme in terms of content and rigour and other aspects – judging by their feedback?

A First of all, the programme is quite intense. With the in-person physical programme, we cover five modules in five days. Participants are examined in each module and the pass mark is 60%. Grading is module-based and not an average, meaning one must pass each module. But this also makes the programme very interesting because the participants are focused from the onset.

Some participants have told us that some modules need more time; some have even requested for remedial tests. The programme was set in such a way that if one fails, they must redo the course with the next cohort. We are listening and we look forward to reviewing the programme after conducting about seven cohorts. We are collecting and considering all this feedback to try and be responsive to the needs of participants.

Q What lessons are emerging from this programme – for ITC, URBRA and for the pensions sector as a whole?

A Firstly, for us as a college, from what we have been able to achieve, in the conditions we were in, our feeling is that it is possible to run a local programme successfully no matter the challenges. We also realise that regulatory backing is very important. Because the programme is backed by the regulator, it has attracted the interest of participants, as they believe the programme meets regulatory standards. It has been very easy for sector players to accept and receive the programme.

The other lesson is the need to be flexible. If we had stuck to in-person physical trainings, where would we be? Flexibility has been key in terms of how we run this progamme. We must be flexible in terms of how we conduct business amidst any disruptions.

The other lesson is about the tutors we engaged. The programme was developed with practitioners for practitioners. The tutors on the programme went through the same programme under the Training of Trainers, besides that, they are also practitioners from the sector. So even as tutors deliver, some of the participants have already interacted with them as professionals in the sector. Some are service providers, some are regulators. This removes the distance, increases trust and makes learning very easy. Thus, engaging professionals as part of the tutor team has made the programme more acceptable to participants.

Q Are there any aspects of the Programme that need strengthening? Which ones are they and what actions can be taken to strengthen them?

A One area that we need to strengthen is marketing. We have partnered with URBRA in terms of marketing initiatives but there is more we need to do in terms of selling the programme to the different schemes. We are planning to partner with service providers especially administrators such that as they interface with members in AGMs ITC can be given a slot to present and avail information concerning the programme.

The other challenge is the way we have been running our calendars. We send out information on the next available training. This has been a challenge because there are people who want to get this information well in advance and plan accordingly. Starting 2022, we are going to develop an annual calendar specific to the TTCP so that we send out information for all trainings we are going to conduct within the year. This will enable schemes to plan.

There are other participants and schemes whose trustees may not have the time to fit within our calendar. Some have even asked us to organize for them offsite trainings. Some prefer to take their trustees on a training retreat out of town to allow them to concentrate. We want to be able to meet the needs of such schemes without compromising

> *We must be flexible in terms of how we conduct business amidst any disruptions.*

the quality and content of the programme. We can take the training to where our customers are. This may have additional cost implications because such a training will be off our calendar and may require specific logistical arrangements to implement. The difference may not be prohibitive though. We are very flexible and the cost will depend on the number of participants. The higher the number the lower the cost and vice versa.

Q Looking at the future of the pensions sector, does this programme match up to the prospects in terms of capacity enhancement?

A When we were developing this programme, we wanted it to form a basis for other capacity building initiatives. The programme is structured as a standard certified program, but of course the sector is very dynamic. The development of the programme was based on current needs and the future likely needs; it had a futuristic outlook but of course it is not possible to fully predict the future – as Covid19 has taught us. The programme was also benchmarked widely in the region and beyond. We agreed with URBRA that we should have regular reviews, to see that we are still aligned to the original objectives, current changes, feedback from students and tutors? We believe that in April 2022, a year after the programme was launched, we shall have a comprehensive review. Of course, there are things that require immediate change, those we implement as we go along. There are issues that cant wait PJ

URBRA

CELEBRATING 10 YEARS

Key Milestones

The Regulator came into force following the enactment of the **URBRA Act 2011**

2011

ESTABLISHED
2011

Strengthened supervision of the sector, enhanced compliance – based supervision, initiated and later enhanced risk-based supervision.

2016

2011

2014

2017

Recovered unremitted contributions amounting UGX 59.7 billion and UGX 6.12 billion of misappropriated funds

2016- 2021

UGX

Enhanced knowledge and awareness of the sector, introduced monthly sector bulletins and quarterly investment snapshots.

2017

- 2021 - **Attained 18% Retirement Benefits coverage Percentage**
- 2022 - **Assets under management reached UGX 19 Trillion.**
- 2022 - **Up to 65 Schemes Licensed including 12 Umbrella schemes 206 participating employers**

Key regulations Issued

2012 - All licensing regulations

2014 - Investments of Scheme Funds Regulations

2016 - Financial Reporting and Disclosure Regulations

2020 - Operations and Management of Schemes

2022 - Assignment of Retirement Benefits for Mortgages and Loans) Regulations

2020

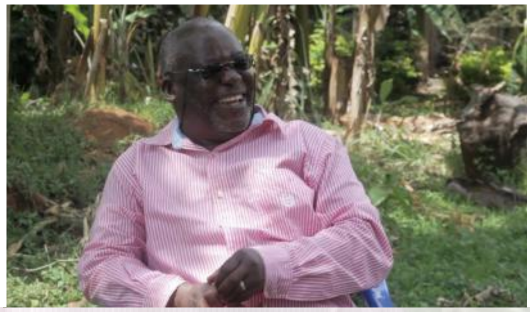
2022

Introduced the Trustee Certification Program, leading to improved governance, investment and administration of schemes

2021

Sector assets increased from less than UGX 4 trillion in 2014 to UGX 18.9 trillion by December 2021

2021



Achieving satisfaction in retirement

Professor Oweyegha-Afunaduula's retirement home in Nawaka, is tucked away in the green plains of Luuka DiWstrict. The long, bumpy road to his village is dotted with rice paddies and sugarcane plantations, which give way to thriving planted forests. Old people need to stay in a relaxed environment, breathing in clean air.

By Lydia Mirembe

In September 2021, social media was taken by storm when Professor Oweyegha-Afunaduula unleashed a rant on Facebook, complaining that he had not received his full benefits 12 years since he retired. The rant went viral, arousing an outpouring of public sympathy. The Uganda Retirement Benefits Regulatory Authority (URBRA) picked interest in the matter and followed up with his former employer. A few days later, the Professor got paid – a percentage of his benefits. A portion remains unpaid, but he is optimistic that with URBRA's intervention, it won't be long.

The delayed payment of his benefits notwithstanding, the zoology professor has managed to get by since he retired in 2009 – that is because he managed to put up his basic requirements when he was still energetic and employed. "I started planning for retirement as soon as I started working in 1972," he recalls. By the time I decided to return to my ancestral home in Nawaka, I had already planted trees, I had bought construction materials for my house and I wanted to be as far away from Kampala as I could possibly be."

Professor's retirement home in Nawaka, is tucked away in the green plains of Luuka District. The long, bumpy road to his village is dotted with rice paddies and sugarcane plantations, which give way to thriving planted forests. On the day we travelled there, it was scorching hot, but on arrival to his home, we were greeted by a cool breeze, breathed by the wide variety of trees in his compound. His home sits on a twelve-acre piece of land. There, he has planted a forest, fruit trees, coffee, and bananas. He also has an apiary project and rears goats and chickens. When he got part of his benefits, he added a cow (called Gabon), and intends to revive his piggery project. For security purposes, he keeps a dog called Giles.

The 72-year-old professor could have chosen a different life if he had wanted. While teaching at Makerere University where he spent 18 years, he lived in staff accommodation. It was high standard with all amenities available. But for him, Nawaka was always calling.

"Many people get carried away when they are given houses at work, they forget that they are temporary perks. It is very important for people to return to their traditional home. It helps to reconnect your children to their roots; it also helps to bring development to your home area," he reasons.

One wonders how a professor with international exposure could easily adjust to life in a rural district. "God prepared me for this," he says. When he graduated from university in 1972, Afunaduula joined the East African Community and worked as a zoologist in different national parks in Kenya and Tanzania. He recalls a time when he was working in Tsavo National Park, famous for its man-eating lions. The lions would come so close to their house, but never hurt them. In Tanzania, he worked in Serengeti national park where it would unbearably hot – but he lived through it all. "God was preparing me for this life in a rural setting. You cannot work in game parks and fail to live in the village," he says with satisfaction.

Throughout his working life, Afunaduula never lost sight of the reality of retirement. "When we are young, we tend to think that we will remain young forever. There's a tendency to be wasteful and fail to save," he says. Luckily for him, he realized early that he needed to save money. This was mainly dictated by his personal circumstances. He started a family quite early. When he was in Senior four vacation, he sired his first child who was later followed by a set of twins. As a young man with a young family, he took his responsibilities very seriously. He had to save money to educate all his children and also look after his ailing parents. He knew the value of saving right from the onset. "If I wasn't organized I would have been lost," he reminisces.

Never forget your friends because they are the ones who will support you. I have friends from 50 years ago and they always come through when I need them he advises.

Even amidst the pressing family responsibilities, Afunaduula didn't waiver on his retirement dreams. He dreamt of planting a forest where people would go for tourism and birdwatching; he dreamt of building a dispensary in his area – to ease access to health care; he dreamt of establishing a community water supply system – after seeing his polygamous father struggling to fetch water from a well when all his wives had left... "I thought I was going to live a good life. I wanted to be a good example to village mates and be useful to the community. I planned that I would not depend on my children for retirement. However, my retirement benefits came in small bits! Up to now I'm still waiting for payment to be completed. We need to get that money in bulk to be able to use it well."

But there's the argument that the employers' and employees' contributions are not enough to sustain retirees, so how was the professor hoping to fund all those dreams?

"I lowered my standards and expectations. If you are retiring to the village, you have to adjust to the new standards of living. If you keep your standards up there, you won't fit in. You have to lower your expectations without losing them because they help you set targets. You can lower your standards without necessarily losing respectability and integrity. If your expectations are too high you will be overcrowded and overwhelmed. You don't have to be an embarrassment to those who know you. That is why I planted food and fruits; I set up a rainwater harvesting system; I started a piggery project; I planted coffee.... I can enjoy a decent life without spending too much money," he explains.

The other tip he gives, is to stay connected with friends. They always come in to support you. For example, professor's friends helped him to clear the bill when he had an operation to remove cataracts in his eyes.

Afunaduula also advises retirees to remain connected to the world saying, "watch TV, read the newspapers, write and keep connected through social media platforms. Participate in community activities, and support other retirees who may not be blessed like you. Rediscover your spirituality and reconnect with God." While he doesn't go to church because of Covid19 and the general mistrust around churches, professor reads the bible. At some point he even forayed into preaching! "God is central to my retirement. Even though I am a scientist, I believe in God. Science without God is not good."

He urges people to tap into the wisdom of retirees. "People may be retired but they are not expired. Science shows that at age 60, the brain gets bigger and that is the right time to tap into it, but here in Uganda that is the age at which we discard people," he laments, recommending that there should be mechanisms and platforms to enable retirees to pursue their interests and continue contributing to the general social good. He further recommends that institutions should be involved in the pre-retirement and post-retirement agenda. "Give pre-retirement advice before people leave employment and support them to pursue their interest while in retirement," he advises.

One of the things that bothers Afunaduula, is the lack of respect for the elderly in society and the total failure to appreciate the challenges unique to the elderly. This particularly irks him when the people who handle pensioners and retirees treat them with disdain. "The people working for retirement benefits scheme should take it as an opportunity to serve and to develop new skills to serve a unique clientele," he says, recalling the experience of a friend who travelled from Arua to Kampala to follow up his pension payment. "The officials at the scheme told him to return the next day without even thinking where he would spend the night!" He also decries the myriad unrealistic demands which are placed on people seeking to access their benefits.

"Some old people have lost their sight, others have suffered stroke and lost the ability to write or even to speak, yet people at the scheme insist on seeing the original signature. They should know that when you grow old you are not as efficient as you used to be. Sometimes you can't even see the right place to put your signature. Make the process simpler for them," he says.

Reflecting on all these things, Afunaduula was forced to pen the Facebook rant. He was crying out for himself and many others like him. Indeed, when URBRA intervened, government set aside some money and Makerere paid many of them – including professor's wife. But he says money coming in bits is stopping many retirees from achieving their dreams. He recommends that URBRA should go out countrywide and help those who haven't been paid.

"It is good that URBRA came in and we were paid. URBRA should not be a sitting organization, it should be in the field, visiting different institutions and finding out why they pay their retirees on time. One should get his or her pension on the day of retirement. When they write a letter a year before to warn you of your impending retirement, that is the time they should start processing payment. Old people should not be made to beg for their money" PJ

Parish chief secures retirement benefits after 17 years

I had almost given up when the LCV councillor of my area connected me to URBRA for redress. I immediately lodged a complaint to the URBRA offices in Kampala complaining about my delayed retirement benefits

Mr Charles Buregyeya

Mr. Charles Buregyeya, 70, is a retired parish chief. He lives in Rwemihanga village, Buramba Parish Rubaya sub county Kabale district. Although he retired in 2003, he did not get his retirement benefits until 2018, when the Uganda Retirement Benefits Regulatory Authority (URBRA) intervened. He narrated his story to

The Pensioners' Journal

"I worked as a parish chief in different parishes of Kabale district for 25-years. After retiring in 2003, I started filling forms and submitting them to the office of the personnel officer demanding for my retirement benefits. I had almost given up when the LCV Councilor of my area connected me to Uganda Retirement Benefits Regulatory Authority (URBRA). I immediately lodged a complaint to the URBRA offices in Kampala.

About one year after lodging my complaint my retirement benefits were released. One bright day in 2017, a friend called and told me that he had seen information on the district notice board to the effect that my retirement package had been processed.

I thought it was a joke. I immediately travelled from my home located about 30km away from Kabale district headquarters and went to check on my bank account. I found that my retirement benefits of about Shs16 million was already on my bank account. If it was not for URBRA I think by this time I would not have received my benefits.

I am aware of about three retired government workers that have not received their benefits in his area and wonders why they have not petitioned URBRA despite his advice to them over the matter.

If I had not prepared for retirement while I was still working, I would have faced a hard time during the 17 years that I spent without receiving my benefits.

While I was still employed, I saved money and bought several pieces of land and engaged in commercial farming.

I mainly grew climbing beans and irish potatoes. I used to harvest about Shs2m per season. I had also bought a plot where I constructed a commercial building and I would earn about Shs1.8M= per year.

My advice to those still working is that they should prepare for their retirement.

I also advise government to ensure timely processing of retirees' benefits.

Government should also consider lowering the retirement age from 60 years to 50-years so that the retired officers can adequately plan and invest while they are still energetic.

If any retired government employee has challenges with unpaid retirement benefits, they should petition URBRA for urgent intervention because the authority helped me when I was completely stuck almost losing hope of ever receiving my benefits." PJ

Schemes embrace technology to enhance member trust and survive Covid19

By Billy B. Gang

For Uganda's Retirement Benefits Sector, the years 2020 and 2021 were a test of resilience, as the Covid-19 pandemic ravaged the global economy and brought many businesses to a standstill. Despite the tough economic circumstances, retirement benefits schemes did not wind up – except for a few that joined umbrellas and those that temporarily suspended member remittances.

By the end of 2021, the Sector comprised 65 schemes – with 12 umbrella schemes covering 206 participating employers. The sector held up remarkably well, considering projections at the start of the pandemic. In fact, far from being in dire straits, the sector is better capitalised than ever. In the face of the economic upheaval due to COVID-19, the sector assets grew to UGX18.9 trillion in 2022.

Martin A. Nsubuga, URBRA Chief Executive Officer, noted during the release of the Annual Sector Performance Report 2020, that despite the negative effects of COVID-19, the sector continues to grow because most Ugandans have become aware of the importance of saving for retirement. According to Mr. Nsubuga, the pandemic demonstrated the vulnerability created by living without savings.

On the other hand, Covid19 inspired the world to embrace Information Communication Technology, to keep businesses afloat in the face of extended lockdowns and travel restrictions. The retirement benefits sector quickly latched on. Take the example of Enwealth which had been in operation in the Ugandan market for more than ten years. Brian Bongomin, the Enwealth Business Development Manager notes that they embraced technology, holding financial literacy webinars for customers and encouraging them to continue saving. This helped manage members' expectations during the pandemic. "This financial literacy aspect really helped members adjust. We didn't see as much withdrawals as would have been," Bongomin says. He notes that their clientele shot up from 2000 to about 5000. He explains that despite Covid-19 situation, Enwealth registered new members because through financial literacy webinars, people began to see the importance of saving.

Prior to the pandemic, schemes had established trust with their members, thanks to the robust regulatory framework. During the pandemic period, the regulator introduced virtual onsite supervision of schemes which further strengthened members' confidence that their savings were safe.

According to Ms. Mwajumah Nakku Mubiru, a trustee of the URA Staff Retirement Benefits Scheme, the continued supervision alleviated fears and anxieties around safety of funds even as Covid19 ravaged the economy.

Bongomin, notes that building trust in the public goes a long way in times of crisis. He notes that the regulatory frameworks already in place in the sector are good enough for a scheme to thrive if they abide by them. "The regulator is doing a good job for service providers; more effort needs to be driven to awareness so that we can appreciate more of the saving culture" PJ

10 YEARS ANNIVERSARY

URBRA

UGANDA RETIREMENT BENEFITS REGULATORY AUTHORITY

Protecting your retirement benefits

OUR SERVICES

- We license Retirement Benefits Schemes, Trustees and Service Providers
- We supervise schemes and service providers in the Retirement Benefits Sector
- We conduct research and provide information about the sector
- We handle complaints relating to Retirement Benefits
- POLICY — We make sector Policies and Regulations
- We sensitize the public on saving for retirement

URBRA is an oversight body and NOT a Retirement Benefits Scheme.

How to file a Retirement Benefits Complaint

THE REPUBLIC OF UGANDA

URBRA
UGANDA RETIREMENT BENEFITS REGULATORY AUTHORITY
Protecting your retirement benefits

STEP 1

- Raise a complaint in writing, with the concerned retirement benefits scheme.
- If in Public Service, raise a complaint with your former vote or district.

STEP 2

If the complaint is not handled to your satisfaction, file a complaint with the URBRA complaint's unit.

- Collect the complaints form at the URBRA offices, or download a copy of the form from the URBRA website.
- Fill out and submit the complaints form online, or physically at the URBRA offices
- Alternatively, record your complaint orally at the URBRA complaints desk. This will be transcribed and given back to the complainant for signing.

STEP 3

- If the URBRA complaints unit does not resolve the matter to your satisfaction, raise it with the URBRA Chief Executive officer.

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

What to know before Filing a Retirement Benefits Complaint

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Protecting your retirement benefits

Types of complaints handled by the URBRA Complaints Unit

The URBRA Complaints Unit handles written complaints about the business practices of retirement benefits schemes and regulated entities offering services in the retirement benefits sector including-

(1) Un paid retirement benefits;
(2) Under paid or wrongly computed retirement benefits; and
(3) Unfair treatment of members or retirement benefits schemes.

Types of complaints not handled by the URBRA Complaints Unit

URBRA cannot deal with or investigate Complaints: -

a) Being dealt with by a court or an alternative dispute resolution process.
b) which fall under the mandate of another regulatory Authority such as the Capital Markets Authority, Insurance Regulatory Authority, Financial Intelligence Authority or Bank of Uganda)
c) which have already been dealt with by the URBRA Complaints Unit.
d) where the matter requires to determine which party is liable.
e) where the complainant fails to, or refuse to put their complaints in writing.
f) where the complainant fails to, or refuses to provide the required supporting documents.

Documents to be attached to support a complaint in case you are a former employee in the Public Service.

A former employee in the Public Service should attach to his or her complaint the following supporting documents-

(1) Retirement letter issued by the Responsible Officer at Vote (only for Mandatory retirement).
(2) Retirement letter issued by Ministry of Public Service (in case of Early retirement)
(3) Letter of first appointment.
(4) Letter of confirmation.
(5) Proof that you filed a claim for payment of your pension.
(6) Proof that you first raised the matter with the Responsible Officer at Vote where you retired from. (In case a response was given, attach a copy of the response).
(7) IPPS Number
(8) Any other relevant document to support your complaint.

Documents to be attached to support a complaint in case of a member of a licensed retirement benefits scheme.

A member of a licensed retirement benefits scheme should attach to his or her complaint the following supporting documents-

(1) Proof of membership to the retirement benefits scheme.
(2) Individual Scheme membership number.
(3) Proof that you first raised the matter with the trustees of the retirement benefits scheme. (In case a response was given, attach a copy of the response).
(4) Any other relevant document to support your complaint.

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Corporate Social Responsibility

URBRA's Culture of Charity

Road safety campaign, Zebra Crossing at Ssezibwa road in 2018

Health camp at Kawolo Hospital in Lugazi Buikwe District

Health camp in Lira District

Donation to the home of the elderly, Bakateyamba, Nalukolongo

URBRA donated scholastic materials to pupils in Kaliro district

URBRA facilitated the dialogue on education in Kaliro district

Health camp on optical treatment in Katwe

Road safety campaign, Zebra Crossing at Ssezibwa road in 2021

Health camp at Kawolo Hospital in Lugazi Buikwe District

Donation towards the refurbishment of Zibondo primary school in Kaliro district in 2019

Donation to older persons during the international Day of Older persons in Kumi District in 2019

Partnered with the Sickle cell rescue foundation for the Annual conference

Retirement should be part of a complete lifecycle which starts at birth and ends at death

Q&A with Ms. Flavia kabahenda, Woman Member of Parliament Kyegegwa, Chair, Parliamentary Committee on Gender, Labour and Social Development.

Reflect on the Retirement Benefits Sector, from a Social Protection perspective for the last 10 years of the URBRA Act.

We have come a long way, ideally retirement benefits were issues of traditional systems, where we were charged with looking after those that fell out of production because of their age. Many things came about like wars and famine and the caretakers were no more.

This was reason enough for us to come up with a system that is institutionalized to take care of these people during their retirement. Not only because they are retiring from formal work but also productive work. That's why we are now trying to bring the informal sector on board to prepare for retirement and not wait on the traditional system, which is already broken.

Given that background, a regulator was formed to regulate the pension sector and address the challenges, however a few reforms need to be made so that URBRA can serve the purpose that it's supposed to serve.

From a social protection perspective, we are looking for a system that will address a "life cycle perspective" from the birth to the death of a person. If the Retirement Benefits Sector can be part of that value chain, where at every stage of a person, there is social protection, then our Retirement Benefits Sector would be the best on the globe.

Q What are the different stages of the lifecycle approach and how can they can be addressed?

A At birth, we would want to see a very robust intervention on making sure that all these women equitably get antenatal care, we need to address the distant health facilities, community mobilization, mindset change, high transport and health uptake. This requires to pass the National Health Insurance Bill so that it ensures that the uptake of health facilities is growing.

For example, we want to see, institutionalized birth certificates, that will be used to track children till growth for the social protection interventions. We currently do not have a system that records children that are born which makes interventions difficult. Documentation of these stages in a child's life can help in tracking them till their retirement. This kind of life cycle tracking will also give us the best retirement system. We cannot have a workforce of 15 million people and only less than 3 million are in organized Retirement Benefits Schemes. We need to go back and find out where all these people are.

Q What are the key challenging factors that are stopping us from attaining full coverage of the entire work force in Uganda?

A The Government is not tracking its people so we do not have data, there's a National Protection System that was launched together with a single registry, which is supposed to be populated but up to now there's no data. We cannot plan without data of Ugandans. The current numbers we use can't be authenticated by any data.

Lack of systematic data has made some Ugandans of productive age to take advantage of this situation not to declare their income while working in informal settings. Even those in formal settings are not saving, especially those that are supposed to mandatorily save with NSSF.

Q Who is responsible for this data collection?

A The Ministry of Finance needs to fund the operationalization of the single registry. The Gender ministry will then compel every sector to upload their data on the single registry. Without financing, the registry will not get any data on it.

Q How best should the Ministry of Finance sdeal with the informal sector in terms of collecting that data?

A There is a reason why every structure wants to be represented on the decision-making table. We have representatives from the local government, every person representing then brings data from their jurisdictions. National Identification and Registration Authority (NIRA) is almost failing to capture data Ugandans. For example, if we have representatives of the older persons, they should bring us data in the event that NIRA cannot provide information. Up to now, the Ministry of Gender is implementing SAGE but they don't know the numbers of those eligible.

Q For Ugandans who may be too late to register, how should the regulator get on board at least for the remaining parts of their lives?

A I love the way NSSF is trying to bring out voluntary saving, which is a catch trap, for whoever, of any age to save because for us there would be a whole line of sage approach, on even children who can save on their pocket money. We have not inculcated a saving culture, we have taken it as food, we save the left overs for tomorrow and yet it's supposed to be the other way around.

We need to inculcate a saving culture to encourage voluntary saving. When you look at the institutionalized boda boda riders like Uber and Safe Boda, how can the government work with these institutions to ensure that there is a system to enable the cyclists to prepare for retirement and emergencies.

We need to inculcate a saving culture to encourage voluntary saving. When you look at the institutionalized boda bodas riders like Uber and Safe Boda, how can the government work with these institutions to ensure that there's a system to ensure that there is a system to enable the cyclists to prepare for retirement and emergencies. It's a whole cultural aspect that maybe advocated for and a lot of sensitization so that it turns into a system that will adopted and respected by everyone through declaring their income wherever its coming and saving voluntarily.

Q What's your take on mid-term access to retirement savings in NSSF?

A It is a trust problem. Many Ugandans do not trust the system because of what they go through, talk of corruption and bills. They think the money will not be readily available when they retire. We need to build trust so that when we have people's money, they are confident that their money is safe. Otherwise they will use all areas of coercion to get that money before its matures.

Q Does that mean that the presence of the regulator has not yet instilled that trust?

A We need to up our visibility as URBRA and the Retirement Benefits Schemes and community mobilization and sensitization. Members need a series of trainings in how to handle themselves during economic shocks and how to use money during retirement. Let all of us talk to the people, when you lose the talk, people start using the missing links leading to the mistrust.

Q Any other recommendations for the retirement benefits sector to improve and apply the life cycle approach.

A Today we have so many establishments. The Government is coming up with, for example the Emyooga, which has 18 enterprises per constituency. Those are people that URBRA can target.

Meet their leaders, take them through a training to encourage their members to join saving schemes.

Finally, we need to encourage those in formal employment to unionize because it's good to have one voice representing their needs. We need to see that laborers and workers are safe at their work places so that they can ably save for retirement PJ

Uganda should work towards attaining universal pension coverage

By Lydia Mirembe

The retirement benefits sector has in the last decade, experienced exponential development, with various actors appealing for measures to ensure happy retirement for all Ugandans. From the social security angle, the Uganda Parliamentary Forum on Social Protection (UPFSP) has been unequivocal in its demand for measures to improve conditions for older persons in retirement.

Established in 2013, the Forum mobilises technical and political actors to support social protection interventions, by availing the necessary financial resources through the national budget.

"The mandate of the Gender and Social Development Committee is too wide, it addresses many issues with wide concepts. We thought that the debate on social protection was getting lost in there. So, members of the Forum do research to ensure that the issues of Social Protection don't get lost in the other issues that the committee handles," Patrick Katabaazi Kiconco , a Public Policy Specialist and UPFSP Coordinator says.

Patrick Kiconco Katabaazi,

Co-ordinator for Uganda Parliamentary Forum on Social Protection

So far, the Forum's advocacy efforts have led to a holistic focus on social security issues. Particularly on old-age social security, the Forum advocated for the establishment of a state-financed, non-contributory social security scheme. These efforts have since birthed the Senior Citizens Grant under the Social Assistance Grants for Empowerment (SAGE) – a special intervention by govt to support persons aged 85 years and above, to address their consumption needs.

"As the Forum made gains, we started looking at retirement benefits holistically. In the grand scheme of things, we hold the position that retirement is critical for each and every human – formal or informal," Katabaazi says.

The Forum would like to see reforms to ensure that public sector employees become part of the contributory mechanism to make pension more effective. The Forum also wants to see NSSF grow into a pension scheme. "Beyond those who are covered by the public service, we want to see private sector comprehensively covered under pension. We are not going to guarantee social protection for all if we are still shy on the issue of promoting universal pension that takes into account the unique needs of society," he adds.

In promoting universal pension, the Forum also considers Ugandans who are not public servants, but are not covered by NSSF or any other scheme; people who are self-employed on their farms, or maids and shamba boys working in households. Commonly, domestic workers are paid by their employers but there is no system to track their payments. Some of them work in a household for twenty years, for all their productive youthful life. When the household doesn't need their services any more, they don't even have a house to go to; no form of protection! "If such categories of people don't have a mechanism to look

We have a duty to educate the people on the need for universal pension and on the need to have retirement plans. We want a law on social assistance like SAGE.

after them when they can no longer work then we would have disappointed from the policy perspective," Katabaazi says.

In that regard, the Forum is making policy proposals, with priority being the demand for an enabling legal regime for social assistance. "Our view is that leaders and citizens should have a long-range view and not focus on short-term withdrawals and gains from the savings. For example, focusing on mid-term access means you're not focusing on tomorrow, yet the design of social security looks at tomorrow, not today. If you are telling a 40-year-old to access their savings now, what message are you sending?" he says, arguing that today people are energetic employable, insurable, bankable but tomorrow they will not be any of that. Banks will think hard before extending credit to an elderly person; insurance companies charge a very high premium for older persons. Hence in old age, one needs a consistent income, which can only come from a pension scheme.

"We have a duty to educate the people on the need for universal pension and on the need to have retirement plans. We want a law on social assistance like SAGE."

Good enough, government has expressed commitment by agreeing to provide 100% funding for SAGE, starting financial year 2022/23. "As we speak now, donors will stop providing resources for SAGE. In the coming year government will fully fund the programme, providing UGX147bn to ensure that all older persons under targeted age receive their money."

On whether that funding will be sustained, Katabaazi says, "it will be sustainable for as long as we keep appreciating the fact that old age comes with vulnerability. Also, sustainability requires a legal and policy framework. It will be more sustainable if those commitments are sustained with an enabling legal and policy framework."

Indeed, the developments in social security have come a long way and ought to be strengthened. Reminiscing on the situation in years past, Katabaazi recalls that fifteen years ago, it was inconceivable that gov't would ever give money to people. In fact, when the forum demanded a government-funded social protection scheme, some people said they were creating dependence syndrome. But now there is greater appreciation of the fact that there are some who will never fit in the forces of demand and supply, and will always need support. There is acknowledgement that old age comes with encumbrances; that traditional social networks have

There's great optimism that the social security landscape is changing for the better. With more awareness, greater commitment from government, enabling laws and policies, effective sector regulation and monitoring there is hope. Stakeholders should now work towards achieving universal pension for all, no matter their employment status.

been eroded and that old age requires some oiling in form reliable and consistent source of money to make people live much longer, contributing to development.

If Uganda wants to further strengthen social security, there is need to ensure that the youth are gainfully employed and are saving for retirement. Currently, Uganda has the youngest population and government will have a bigger burden when they grow old. Today, the government can afford to look after its elderly population because they are still few. The government should therefore focus on targeting people when they are still young to ensure they are skilled, gainfully employed, and there are mechanisms to enable them contribute to their own future social security.

The other optimism comes from the fact that now there is a debate on health insurance. Katabaazi says there is hope that government and other sector players are waking up to three key realities: i) you need to have income today when you are working and when you are not working a social security scheme; ii) Health: even when you are working you need to have your health needs taken care of. Health needs often eat into people's income; iii) Housing; If you address income, health and housing then you have social security. That is what promotes resilience in old age.

The Forum now calls for a holistic social protection system that takes care of the needs of people across the life-cycle from when a child is born, through youthfulness, adulthood and then old age – but through all of these stages focus on old-age. When children are born and their parents give them support and nurturing, they are orienting those children to a good life in old age. If children are given good education, that good education will give them jobs, which jobs will enable them to save for old age. The reverse is true for poor kids. Hence, the life cycle approach should be applied.

Going forward, the Government should support avenues for contributions for both informal and formal workers. For formal workers, reform NSSF to make it a pension fund; for informal workers, provide a mechanism to support informal schemes and initiatives, and that will include providing resources for URBRA to have adequate capacity to monitor all these interventions.

Emphasising the role of URBRA, Katabaazi reminisces the days when the sector was running without regulation. There was a need to create URBRA. The sector was disorganized. People were coming up with all sorts of schemes. Some defrauded people.

That may not end but there is tremendous improvement since the establishment of URBRA. Different schemes have been created and they are well-supervised, even NSSF itself has benefited from URBRA's guidance. The regulator's major achievement over the past ten years is bringing sanity in the sector and elimination of cases where people start pension programs, mismanage them, leading to the disappearance of savers' money. The other achievement is education and awareness. With URBRA, people started getting aware of these retirement benefits products. There was an attempt to liberalise the sector. Although it failed, it was an achievement because it brought the discussion to the table.

There's great optimism that the social security landscape is changing for the better. With more awareness, greater commitment from government, enabling laws and policies, effective sector regulation and monitoring there is hope. Stakeholders should now work towards achieving universal pension for all, no matter their employment status PJ

Retirement saving should be a part of your regular budget

3 years into retirement, he looks back in regret and wishes he had considered alternative retirement saving schemes….

By Madrine Nabukeera

As a journalist, I have been practicing for 6 years now. Countless times my colleagues talk about several seniors in this profession who retired and are now vulnerable and helpless because they did not prepare for retirement. Painful and scary as it sounds, it is actually true. But how come?

I sit down with one Cosmos Banonya, a seasoned broadcast journalist who retired in 2018 at the age of 50. He felt that he had served to his best and now wanted out to take care of personal business and family. "I always dreamt of purchasing some equipment and constitute a team to produce documentary work and other communication publications. I knew this is what I was going to retire to if I had some 10 million of initial investment."

Upon retirement, Cosmos had worked for a broadcasting company for 8 years. Did he know he would to retire some day? Yes. Did he save up for this time? Absolutely.

Unfortunately, when the time came, he found himself with no fallback position because his retirement saving plan did not materialize. "It is so nagging when you have to ask relatives to help you treat your child just because you don't have money. I even can't afford my own regular check ups at the hospital," Cosmos laments

3 years into retirement, he looks back in regret and wishes he had considered alternative retirement saving schemes. Cosmos says his biggest fault then was putting his eggs in one basket. "We shouldn't trust just one particular pension scheme because anything could happen. Saving with an alternative scheme will save you."

As I had this conversation with Cosmos I couldn't help but think about the freelance journalists. These if lucky, are paid per story. On an average one may have a story count of about 20 – 25 stories a month. And on average one would expect a monthly pay of about 750,000shs. After expenses such as rent, meals, medication, transportation, …, saving some for retirement is a hard task. Although Cosmos's practice was on permanent contract not freelance, he comfortably says it is very possible for freelance journalist to save for retirement. He appeals to those still in practice to start as soon as possible buy finding suitable retirement benefits schemes and voluntarily save for their retirement by taking off a manageable amount from their earnings.

Fortunate enough, this is provided for under the NSSF voluntary membership plan. In this case one can choose or decide how much they can contribute based on income and life aspirations. It allows one to also choose when or how regular he or she can contribute, could be daily, weekly, monthly, quarterly, semiannually or annually.

Saving for retirement should be a part of one's regular budget. Regardless of how much you earn, how regular or irregular, you never fail to clear your bills of rent, meals, school fees, etcetera. This is primarily because it's is your responsibility to manage your expenses. Imagine if you treated saving for retirement the same way PJ

Tales of Retirement from national sports legends

Uganda Cranes team 1972

By Brian Mutebi

From rags to riches and back to rags again. The theatre of Ugandan sport abounds with tragic tales of icons who rose from obscurity to staggering success, before losing it all and plunging back into hardship.

Enter COVID-19 and the screeching halt to the local sports industry. In the resulting economic carnage, devastated clubs and active athletes had nowhere to turn but the media. Obadiah Ssemakula and Issa Sseketawa attracted widespread coverage and sympathy as the gaze inevitably fell on Uganda Cranes 'ex internationals'.

But, not unlike Francis Kulabigwo, who was once Uganda Cranes anchorman in 1972, 1974 and 1976. Kulabigwo is regarded as one of Uganda's greatest attacking midfielders, but the 70 year-old has nothing to show for leading Uganda to four AFCON tournaments and multiple CECAFA Cup titles. After such an illustrious sports career, life in retirement is nothing less than abject.

"I have gained nothing from my sweat," laments Kulabigwo, who has worked as a barber, swimming pool cleaner at Kiwatule Recreation Center and (now) a street sweeper.

Ray of hope

Kulabigwo's tragedy highlights the need for drastic measures to protect the Ugandan sportsman, measures like the government directive announced by FUFA President, Moses Magogo in a meeting with club captains and representatives from the Uganda Premier League (UPL) and Big League in August 2020.

"The Government has officially written to us regarding NSSF and taxation for the players' earnings," Magogo said. "It's a new thing and definitely tough considering the status of our leagues, but we must embrace it and see how both the clubs and players will be able to fulfill it.

As law-abiding citizens, definitely we must pay taxes, but it is also important for players to save with NSSF. As we seek to go professional, these are realities that we must face," Magogo said.

Fair to say the news was delivered, and especially received with the welcome of a downpour at a picnic. This new requirement could be the beginning of the end for the sad narrative of Ugandan-sports-great-in-retirement-blues. Or at least reduce its reproduction

The theatre of Ugandan sport abounds with tragic tales of greats doomed along this wretched trail, icons who rose from obscurity to staggering success, before losing it all and plunging back into hardship. National sport is haunted by lurid falls of its legends.

in an industry disposed to luxurious lifestyles despite the relative shortness of its success.

"When young Ugandan footballers sign big deals with foreign clubs, they often start living lavishly, many times running away from their clubs to come back home to party, yet great footballers enjoy their money after retirement as there's little time and room to do so during their active days," observed legendary Cranes goalie Sadiq Wassa, who knows all about the doldrums of a ravaged retirement.

Wassa's heir and Cranes superstar goalkeeper Denis Onyango advises Ugandan sportsmen, and especially his football peers, to pay their dues, notwithstanding the difficulties of professional sports.

"It's not easy playing professional football if you are not mentally strong and willing to dig deep and go an extra mile," says Onyango.

Proline founder and CAF coaches' instructor Mujib Kasule believes, "Ugandan players have a perception that playing professional football, as we call it, is the beginning of a good life, forgetting that playing at a higher level demands a lot of sacrifices."

One of those sacrifices is tucking away a portion of today's income for retirement. Ugandan athletes and their employers are largely indifferent to this need though, prizing present goals on and off the field above all else. Needless to add, if players are reluctant to save 5% of their income with the NSSF, their employers are even more indifferent to contributing the complementary 10% top-up.

'Give us more time'

As Proline boss Kasule argued, the average Ugandan football club operates a lean budget, which is likely to affect their compliance to the NSSF regulation.

"Much as it is a good idea for clubs to pay their players' NSSF, it's going to be a burden to private clubs who don't have those big budgets," Kasule said. "Football is not profitable in Uganda and several clubs can't even guarantee players' monthly salaries. Often players go several months without pay. Therefore, URA and the government need to do more research about the industry, and treat each club differently. Some institutions are able to pay the players' NSSF, and those should be encouraged to do it. But those that cannot should be given more times as they get into a bigger money bracket."

The average footballer in the Uganda top flight earns a monthly salary of around Shs300, 000. This is generally complemented with transport and lunch allowances, but this scarcely alters the grim picture. So dire is the situation that even URA FC's Media Officer, Patrick Ochieng called for "player welfare to be improved first because at the moment many

Edgar Watson, retired soccer star and current CEO FUFA

players earn very little".

Wakiso Giants CEO acknowledged that while paying NSSF "will eventually help players, it will add an extra load on the club".

For reigning Premier League champions Vipers spokesman Abdul Wasike, the priority should "be on empowering clubs to be able to fulfill all their contractual obligations to players."

Still, the chairman Uganda Football Players Association Lawrence Kizito warns, "we speak to players whose careers are still alive and make it known to them that life at 40 is different. We encourage them to save, to lead a responsible, reasonable life because there is a huge load that awaits them after retirement."

The ones who made it

It's a load that national sports icons like William Nkemba, Edgar Watson, Godfrey Nyakana, John Nagenda, Arthur Blick Sr., and many others were cushioned by transitioning into other careers after sport.

Nkemba secured legendary status for SC Villa during his eight-year spell with the Jogoos, and was on the verge of a professional contract when a medical uncovered a chronic knee problem.

He was forced into retirement but that did not reduce his usefulness. He soon went into the club's management and led it to 1994 league title. Nkemba is back as the club's chairman, albeit on an interim basis for the last two years. Oh yes, his day job is Manager Projects Implementation for Uganda Electricity Transmission Company Limited.

Current FUFA CEO Edgar Watson is also a shining example of a great Ugandan footballer who made good his transition to life after football. Watson was a mercurial midfielder who captained Villa and the Cranes at his peak, and generally carried himself with all the class and discipline of a wise head.

That he has ascended to the pinnacle of the administrative ladder of the game is anything but surprising.

Rising out of the dust

Arthur Blick Sr. has a story like none in its depth of pain and triumph over adversity. The legendary rider was at the top of Ugandan motorcycling when, on July 10 1982, he suffered career-ending spine damage in a racing accident at Kakindu Stadium, Jinja. Blick would not walk again.

Thirty-eight years later, Blick is a successful farmer, a local council leader, and a motocross icon with no rage towards the sport that has confined him to a wheelchair for four decades.

Blick Sr. perfectly illustrates the thrills and heartaches of sport, its uncertainties and cruelties, but critically, he pays homage to something bigger, a valuable life lesson to every Ugandan athlete. That it's possible to rise above the worst setbacks, even one as daunting as an injury-induced early retirement PJ

Jackson Mayanja; a soccer icon's advice on how to enjoy a poverty-free retirement

At the height of his career Mayanja was voted by Uganda Sports Press Association (USPA) the 1993 Footballer of the Year.

It's hard to put Jackson Mayanja's astonishing football career into context. Like Diego Maradona breaking the World Cup, the Ugandan achieved something that many people believed physically inconceivable.

Renowned for his ability to control the ball and create scoring opportunities for himself and others, Mayanja led club teams to the CECAFA Cup.

Mayanja displayed football talent early, and at 15 he joined Kampala City Council Football Club (KCC FC).

"I was the captain of the Police Junior School football club at Nsambya, we used to have sections like the band section, dog section and I used to be in the dog section," he says.

He adds; "The band section was for the Okello's but I used to score them goals and they could chase me up to under my mother's bed."

Jackson Mayanja was born on July 27, 1969 to Francis Sekimpi and Joyce Nakafu of Lweza, Namayuba in Buikwe although it used to be Mukono district but grew up with his maternal grandfather Mr Wilberforce Kwanya at Nsambya Police Barracks.

The first time I played was when Kampala Football Club came to play a friendly with Police Football Club, who unfortunately did not have enough players. The coach at that time John Semakula had come to train his team but because he had seen how I play, he developed interest in me.

Kampala FC was not a cheap team because they had star players but that did not scare him, what Police FC did was to get him some extra-large uniform and boots and he was ready to go.

"Because of the size of the boots, I told them I would play without shoes. After some haggling, they allowed me to play and I gave it my best. I scored a goal and that was my turning point," he says.

"This won me a brand-new boot from the coach of Kampala FC who was an agent of Puma at the time, I kept that boot for a long time; in fact, my grandfather caned me thinking that I had stolen the boots."

Turning point

From that game, one Fred Mugisha, a KCC player noticed him and informed Jaberi Bidandi Ssali who was the Minister of Energy at that time about a boy with an extra ordinary talent within days; they were knocking at Kololo Secondary School where I was studying.

After approval from his grandfather, Mr Mayanja transferred and started living with Bidandi Ssali, the challenge was that he was too small and he was mixedup with stars like Phillip Omondi but he had to get the courage and join the big boys regardless of his small frame.

In retirement Mayanja became a football coach and technical advisor for several clubs in and out of Uganda.

"I got my first break through when KCC was playing Express FC in the Centenary Cup, that's when I played to impress and that day in 1986-87 at an age of around 15 years I got my licence and the following year, I joined the Ugandan Premier League," he says.

In the year 1987, he was invited to the national team, he also joined Kampala City Council FC up to 1992 where he helped them win the Kakungulu cup, the premier cup and on top of that he also helped Kololo SS with three cups.

He went on to play a key role as the club won the 1987 Uganda Cup title. Mr Mayanja scored eight league goals

"I joined that national team and in 1992-93 I became the top scorer of the qualifiers behind Nigeria's Rashid Yekini where I scored six goals; at that time, we were only two professional players, me and Majid Musisi," he says.

His outstanding performance saw Uganda Sports Press Association (USPA) vote him the 1993 Footballer of the Year. He also played a big role in Uganda's 1994 Africa Cup of Nations qualifying campaign, scoring six times for the national team.
He later joined Tunisia's Esperance in Tunis for two years, then he came back to KCC FC which he found in bad shape, the club had gone for six years without any trophy but in 1997 he was able to help the team win a trophy.

Mia Mia

Mayanja joined Egyptian side El- Masry, it was at El-Masry that club fans nicknamed Mayanja Mia Mia. This was in reference to his gritty and spirited effort. Mia Mia literally means one hundred percent or perfect.

Tragedy would strike again a few months into his new assignment as a knee injury ruled him out of several matches and the two parties agreed to end the contract pre-maturely although he had been voted best player in the Egyptian League.He was also part of The Cranes side that won the 1996 CECAFA Cup in Sudan and for the second time

He also played for a club in Oman based Luwi FC and he finally hanged the boots in 2000. He retired from the national team after captaining The Cranes

Mr Mayanja coached and became the technical advisor to URA FC and guided them to the Super League in 2001. He later coached KCC FC in 2006 but quit after two years, he went to Kagera Sugar FC, Coastal Union FC, Kinondoni Municipal Council (KMC) club and coached. He also ventured into Rwanda where he became a coach.

"URA is the first team to remain the premier league since they joined in 2001," he says.

Back again

After a colourful career, Mr Mayanja came back home and picked up Kyetume FC which had had failed to join the premier league for over 45 years. His efforts paid off when he was able to join the premier where it is at this time. He is currently the technical director at Kyetume FC

Managing finances

Mr Mayanja says like any other business, managing finances calls for disciple and the unfortunate part is that those days, players were not earning as much as they earn today.

He says; "I was an assistant coach for about eight years but I was not being paid; I'm not a rich man but what I had was a financial discipline, I don't drink alcohol, I don't party, I tried to put the small monies together and invested." He also says that interpersonal skills also help a lot both in the field and off field, being humble and approachable is a very good asset for old age on top of financial discipline.

"My advice to the youngsters is they should guard their money jealously and plan for old age and me being the chairman of the Ex International Players, I want them plan and be where we are and even better; the money they are getting is really a lot," he says.

Mr Mayanja adds; "I don't blame my generation for what they are now because there was no money at that time and even we did not have financial advisors, but today's players will blame themselves if they squander."

He cautions athletes to desist from the perception that 'tomorrow I will get.'

Currently, he is a commercial farmer in Buikwe district he also started a school.

"The money I got from football I invested in schools; I own Jack Soccer Academy and some businesses like Jack Standard Day & Boarding Primary School in Buikwe district; I didn't want to see children walk miles to school the way we used to do. That inspired me to start that school," he says.

Advice

Mr Mayanja says, any sports personality should prepare for the rainy days because they are not going to be on the pitch forever.

"One should try to follow their passion in business or any investment because liquid cash is temporary; these that are easy to manage are transport services, taxi, real estate, wholesale shops, clothing lines but don't do bandwagon," he says.

He adds; "Your investments should also be determined with your earnings; don't go for things that will stretch you and be miserable."

On lifestyle, Mayanja explains that it's okay to entertain yourself and friends but it should not go overboard; he says that athletes have a habit of overspending in bars, on women, clothing and up to date gadgets which is detrimental in the long run.

"I want to caution that being an ex international or national player does not take a lot of time; you can be on form today and tomorrow you are not, you can get one injury and your game will be up, so my request is plan and use your earnings well," he says.

Mr. Mayanja is married to Fatuma Mayanja and the couple have six children PJ

Mayanja advises sports personalities to exercise financial discipline in their heydays and think about retirement.

Retiring early and enjoying it

My supervisor made a recommendation saying that I had worked so hard that it was justifiable for me to ask for early retirement

By Lydia Mirembe

When Bakazimbaga Muhindo Anne opted for early retirement in 1998, she didn't anticipate it would be a joyful experience. She was only getting practical about managing her family, raising her seven children, and supporting her ailing mother-in-law. She was a bit anxious, fearing that she would miss teaching – a job she had done diligently for 22 years. Indeed, she had to leave many good prospects behind.

"There was that ladder of getting promoted. I was going to miss it. I was going to leave my comrades. I was powerful in the district because I headed science. I was a mentor of science teachers. I was an examination setter and marker. Actually, my supervisor made a recommendation saying that I had worked so hard, it was justifiable for me to ask for early retirement," she recalls.

"I also feared that I would miss teaching students but it has not happened! Even today, there is no single week that I don't act as a teacher. They always call me to address children and parents. I have remained an active teacher," Muhindo adds.

Twenty-two years on, she looks back without regret and affirms that if she had to do it all over, she wouldn't change a thing. So, what has been so good about early retirement? How has she kept her spirits high? What have been the lows if any?

Much as she was anxious about the things she was leaving behind, Muhindo had thought it through. She had discussed this with her husband and they had agreed that it was the appropriate move to make. Thankfully, she had been active in politics and in church therefore she already had some meaningful activities to carry on while in retirement.

"My husband and I were equal partners. Whatever we did we planned together and that is what gave me courage to retire early. We realized that we didn't have a well-established home. Our children were growing up and they would soon bring marriage partners, where would we seat the guests? We agreed to set up our home, and I had to retire for that purpose. Additionally, my mother-in-law had got cancer, who was going to look after her at her age? So, I retired early to play my role as a child to my mother."

Given the pressing need for a permanent home, Muhindo embarked on the building project as soon as she got her retirement package. "I made sure we established a place where everyone who comes feels at home and there is enough to eat. You must have a ready plan so that when you get your retirement money it goes to the right project," she cautions.

Since retirement, Muhindo has remained very active in politics and in her Diocese. She also pursued higher education and completed her bachelors' degree at Uganda Martyrs University.

Even before retirement, Muhindo had long been active in politics. "When the NRM government came into power in 1986, I was the first LC1 chairperson in my village – Namhuga South. Later I was promoted to LCIII and I became Secretary for Mass Mobilization and Education, Kilembe Sub County. I even went to the level of councilor at LCV in Kasese District. It was purely voluntary, driven by patriotism and love for country – and that still drives me today to do what I do."

Muhindo is the typical multi-tasker who won't settle for just one activity. Though she was a teacher and a politician, she

was also a leader in her church where she served as leader of Catholic Women in Kasese Diocese. Indeed, the Diocese identified her as a potential evangelizer and in 1999 sponsored her to do a diploma in pastoral studies in Eldoret, Kenya.

"So, I've kept myself busy with politics and church. After the church trained me, I was appointed to the position of Diocesan Education Secretary. I was the first lay woman in the church to hold a Diocesan Department and run it for six years and my performance has not been overtaken," she says with satisfaction.

For a lady whose childhood dream was to be a nun, Muhindo says there hasn't been a better way to serve her church. "While I didn't become a nun, I have served my church and my community maybe more than I would have done if I were a nun. God speaks to us through different channels."

Her forays into politics came to a head when, in 2020, parliamentary positions were created for the elderly. Muhindo who had always been passionate about issues of the elderly offered her candidature to represent Western Region. While she didn't become an MP, she was later voted as the female representative for Western Uganda at the National Council for Older Persons. As the saying goes, she reached for the moon but fell among the stars. "I am ready to serve the elderly, I know that I can make a difference and bring the issues of the elderly to the fore," she pledges.

One wonders why she's so passionate about the elderly to the extent of offering to represent them in Parliament.

At a personal level, she reflects on her own mother who lived to a ripe old age of 100 years. Muhindo was the only one that could look after her mom and ensured that she gave her a good send off. The same experience played out when she had to retire early to look after her mother-in-law.

At a societal level, Muhindo is deeply moved by the suffering of older persons. She particularly recalls a tear-jerking incident while she was serving as LCIII Councilor. "An old woman was brought to the sub county, accused by her own daughter and son-in-law of bewitching their children – her own grandchildren. That case saddened me. The old woman had no voice!" Muhindo recalls.

But over the years she has seen more suffering among the elderly. 64% of the elderly are living below the poverty line. There are older persons who go without meals; when they get sick they have to sell their property; they are destitute. "I witnessed an elderly man who died after selling everything and we had to beg a neighbor for a 6*6 plot to bury him," she narrates.

Food, medical care and shelter should be basic provisions for the elderly, but that's not the case. "By the time older persons sell their land to clear medical bills, they have probably spent a week or two on the veranda of the health centre. I've seen the elderly suffering, especially the women. In my village, I have saved about four widows who were being chased from their property. These are all things that bother me," she laments.

Earlier in the constitution making process, Muhindo was one of those who gave views to be taken to the Constitutional Assembly. People who were in leadership positions at that time were asked to give views and she took the opportunity to tell her CA representative about the plight of older persons. Thankfully, the 1995 Constitution, acknowledges and provides for the elderly in Article 32. The enactment of the National Council for Older Persons Act, 2013 cemented government's commitment to meet the needs, problems, concerns, potential and abilities of older persons.

However, Muhindo notes that many older persons don't even know that the law recognises them, charging government with the responsibility to address their issues and needs.

"The law is clear but people need to be sensitized about it. Parliamentarians pass laws and they don't take them back to the people; they don't translate to local languages. It is important to empower people with knowledge and information."

Muhindo reckons that if the law is implemented, the plight of older persons will be resolved. She believes that with parliamentary representatives, there will be a change in the lives of older persons, restoring their integrity, security and dignity.

While the law commits the government to cater for older persons, Muhindo advises that everyone should prepare for their own retirement. "People should save; people should build homes and plant gardens; people should have a source of income for retirement. They should have enough to eat and maybe to sell. When you are well-fed, your dignity is restored and upheld. However, when as an older person you appear with a crooked face, gaunt with a loose belt and ribs sticking out, everyone despises you."

She believes that old age is neither a curse nor a barrier to usefulness in society saying, "We must love ourselves and know that old age is a blessing. You have to accept that age comes; then you won't be stressed." She advises retired citizens to be active, enjoy life and find something to occupy their minds.

"When I lost my husband, I read books. I went for my degree and that helped me to spend some of the time – three years, and I was performing well. So, don't underestimate yourself. Why do you think you are not useful when you are looking after grandchildren and whoever visits you has something to eat? You are blessed!"

As for those in informal employment who think it is impossible to save for retirement, Muhindo goes back to her old mother. "She was not formally employed but she had her own property. She had plenty of matooke and coffee. She never failed to get anyone to look after her because she had money. People want you when you have something." She advises them to plant gardens, rear animals and have something to sustain them when they are no longer productive. "Don't sell your land for something which is perishable. If you are a bodaboda rider make sure you save; don't sell your land for a bodaboda."

Lastly, Muhindo appeals to the youth, to get to terms with the reality of life and remember that what they do today has implications on who they will be tomorrow PJ

Stages in Retirement

By Tony Drake,

CFP®, Investment Advisor Representative

www.kiplinger.com

Retirement means leaving one's job and ceasing to work. These are the four stages of retirement, and you should be prepared for each one.

What comes to your mind when you hear the word "retirement"? Do you think of traveling the world or hosting a family game night with the grandkids? Are you picturing dinners at deluxe restaurants or around the kitchen table?

Retirement can span decades, and it changes as you age. Everyone's retirement will look different, but most people have four distinct phases of retirement. Understanding and properly planning for these stages is key to accomplishing a dream retirement.

Pre-retirement;

The first phase of retirement actually starts about a decade before you stop working. While you should start saving for retirement on the first day of your first job, you'll mostly be setting aside money and letting it grow. Once you are in your 50s, you enter the pre-retirement phase and should start actively planning for your retirement.

Start with your goals and determine what you want your golden years to look like. Talk it over with your spouse, if you're married. By having an end goal in mind, you'll have a better idea of how much you need to save in your nest egg. It sounds simple, but many people miss this step. In fact, a recent survey shows more than one-third of Americans say they have "no idea" how much they need to save for retirement.

Saving is important, but it isn't enough to get you out of the pre-retirement phase. You need a plan that includes income strategies for when you enter retirement. Since you'll no longer be receiving a pay check, you'll need to replace your income in other ways, such as investments, Social Security, pensions or annuities. It can be overwhelming to manage your finances on your own, especially when you are approaching retirement. Working with a financial adviser who understands the transition to retirement can put your mind at ease.

The Early Years;

Expenses are typically the highest in the early years of retirement, because your mind and body are feeling good. There's excitement about trying new things and plenty of free time without a full-time job. Travel, entertainment and hobbies can eat up a big portion of your savings, so you'll need to create a plan to make sure spending doesn't get out of control.

The early years of retirement are a great time to consider a part-time job. Many people find it jarring to transition overnight from working full-time to not at all, and they enjoy doing something meaningful to pass the time. Financially, a part-time job can provide enough income that you may be able to delay claiming Social Security benefits or tapping into your retirement savings.

This is also the time to consider your living arrangements. About 40% of retirees move after they stop working. Some empty nesters downsize to a smaller home. Many retirees choose to move for other reasons, including being closer to family or enjoying a warmer climate.

Middle retirement;

is often the least expensive phase. About 10 years into retirement, spending settles down as retirees travel less and stay home more. However, health care expenses start to rise during this time as you start needing more medical appointments. You may also face additional medical expenses, including equipment and updates to your home to make it more accessible.

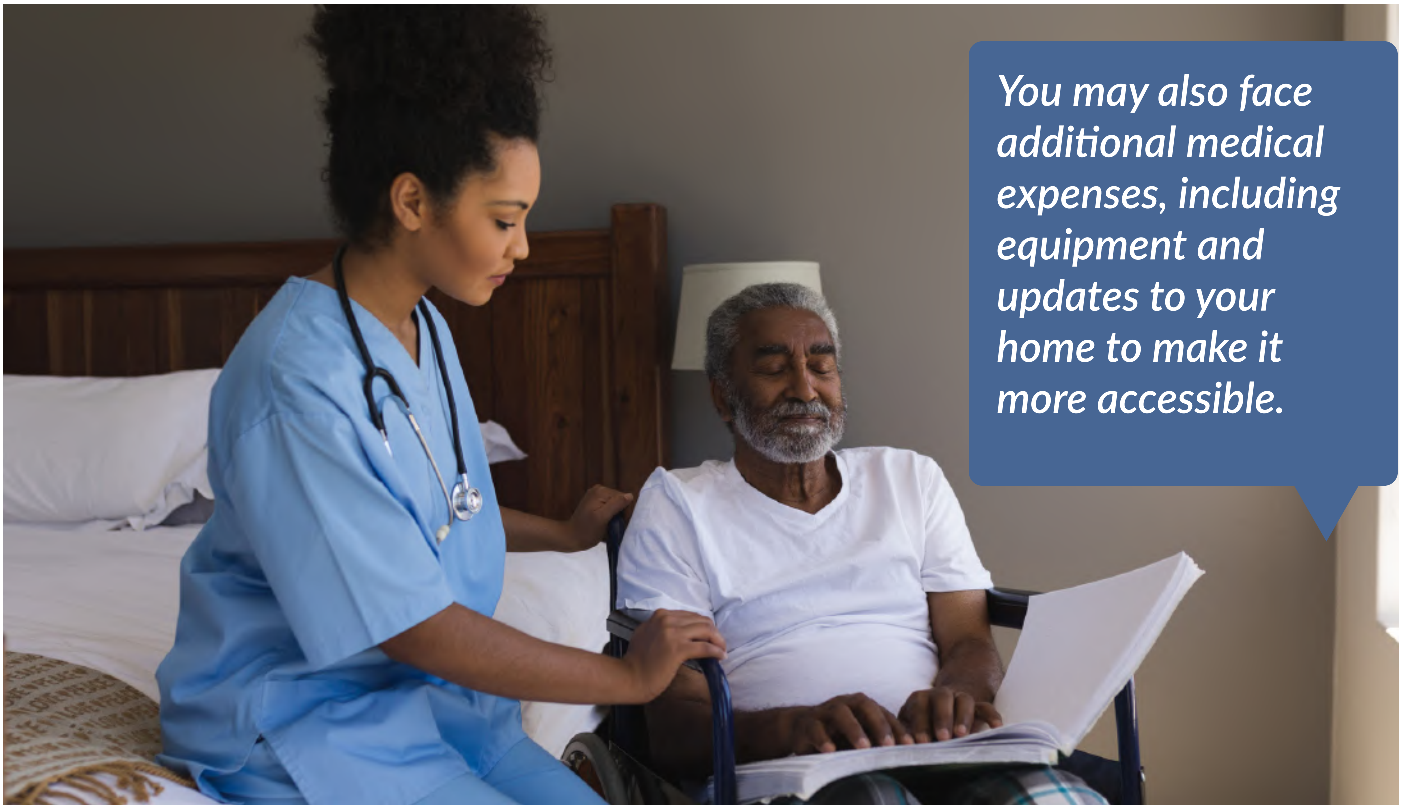
Estate planning is also an important step in the middle years of retirement. If you created a will when your children were younger, you'll want to revisit it to make sure it still reflects your wishes.

It's likely that your family dynamics have changed, with births, deaths, marriages or divorces. Once you hit middle retirement, keeping your estate plan up to date becomes more important than ever.

The Later Years;

Health care is a major expense in the later years of retirement. Consider long-term care insurance in your earlier years, which will cover expenses like nursing homes, and home care services.

Although each phase is different, at least one thing remains the same: the importance of monitoring and evaluating your finances. A financial plan cannot be created and forgotten. Retirees should assess their situation often, consult with their financial adviser and make adjustments from pre-retirement through their later years PJ



You may also face additional medical expenses, including equipment and updates to your home to make it more accessible.

Introducing risk-based supervision to enhance scheme performance

URBRA is responsible for regulating the establishment, management and operation of all retirement benefits schemes in Uganda, and protection of members' and beneficiaries' funds.

Under its Directorate of Supervision and Market Conduct, URBRA implements its supervision mandate, charged with the following functions:

- Supervising the establishment, management and operation of retirement benefits schemes in Uganda in both the private and public sectors, including licensing schemes, trustees, custodians, fund managers and administrators of schemes.
- Ensuring stability of the financial sector through proactive sector risk management and ensuring URBRA's ability to assess and response to sector risks
- Protection of members' and beneficiaries' funds.

URBRA's approach to sector supervision

Since its inception, URBRA has developed systems and capabilities to effectively supervise the sector. URBRA's supervisory approach focuses on the particular characteristics of licensed schemes and service providers with a detailed understanding of the strengths, weaknesses and major risks facing supervised entities, through rigorous off-site assessment and on-site inspections. The Authority ensures that supervised entities are effective in their operations, and constantly demonstrate that they are financially sound and prudently managed.

Introducing a risk-based supervision model

URBRA, since commencement, utilised the Compliance Based Supervisory model, which emphasised strict compliance to the legal provisions. To complement the compliance-based sector supervision, URBRA has adopted a risk-based approach to sector supervision, with a view to identifying potential risks and managing them before they manifest.

The risk-based supervision approach moves away from focusing on strict compliance to specific rules and focuses on the identification and management of risks, prudential supervision, quantitative micro and macro scheme assessment and analysing market practices with the aim of ensuring soundness of retirement benefits schemes and achieving proactiveness in the regulation and supervision of the Retirement Benefits Sector.

Objectives of the risk-based pension supervision model

i. To enable better assessment of Retirement Benefits Schemes' financial position

ii. To facilitate varying the scope and intensity of supervision in relation to the level of the risk schemes are exposed to

iii. Integrating supervisory regimes and strategies, and efficient use of supervisory resources and time.

Future plans

To continue with effective supervision, URBRA shall invest in modern management tools, and enhance the number and potential of the workforce. The Authority will upgrade the existing Risk-based Supervisory Framework (RBSF), and set-up a Risk-Based Supervision IT system for effective risk assessment, response and monitoring.

The Authority wants to be proactive in its supervisory interventions, and to use a wider range of tools supported by effective analysis of risks.

Corporates at a Crossroads

Review By David Kangye

As I read Joan Mugenzi's Corporates At A Crossroads, I could not help but remember the words of Surumani Manzi in the poem It's easy to forget. He writes;

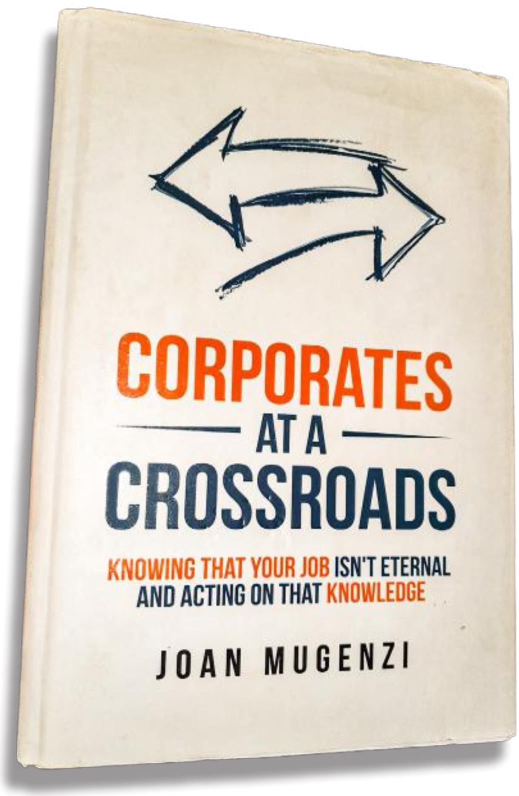
When you are young
It is easy to forget that you will grow old
That you will lose the smooth texture of skin
Or the milky white of eye
That your beautiful, black flocks of hair will grey one day
And your heart will grow weary with lack of ambition

It is always every parent's wish for their child to live a better life. Better than the one they had while growing up. Parents tend to 'rub it in' while raising their children of how hard their times were. From an early age, the child's mind is groomed to grow up towards something. A case in point is Pamela Bayenda's story in her career memoir, Running In Heels.

One has to part with so many explanations once they do not find work in the formal employment, the kind that requires one to leave home and go to the 'work place'. There should be that place where one disappears to for the duration of 8-5 every other working day.

We draw inspiration from the people who have grown up high in rank in this career path that we always want to emulate them. Some take to acquiring more qualifications while others sharpen their skills in any ways they think possible. The idea is to be a better person. What we never stop to think of is the process.

There are a number of things which come along during the chasing process that unfortunately leave many vulnerable. After a decade or so some corporates intend to opt out of the corporate life only to realize it is harder than they thought.



Corporates At A Crossroads is every corporate's bible that they will need along their career path. It comes as a reminder to those who have forgotten that at one point they will have to leave the office they are sitting in today. The book comes as a manual to those intending to join the corporate system. In the book are the little things you should know as you jump onto the bus, the kind often times considered minor. The same book comes as a windpipe of hope to those who think their situation is so bad to be redeemed. Surumani continues to say;

You forget that one day,
You will lose the spring of step
And the innocence of youth
You will lose the liberty to dream dreams
And the lifetime to chase them
You will forget that you will be bald, bent and bitter
When you are healthy,
Well, sane and strong
It is easy to forget the pain of illness
They physical pain...and the mental pain
The anguish of immobility
The dread of impending death
The insane lusting- after life itself

The writing of the book is what I find more interesting to know that the author too, found herself in need of the vary services she is providing today. The book is built on the near death experiences of a number of corporates as they trudged on the corporate road.

Unlike a number of books that are sensitive in terms of target market, Corporates At A Crossroads is different. It is one book that has a chapter addressing the concern of every woman and man in this bracket. Some of these concerns are deep seated cans of fear than many would rather leave untouched.

You do not want to be that person that wakes up one day only to realize that your prestigious job is no more. Or that with the restructuring that happens in organizations, your name didn't make it to the list.

These are topics that are often left unattended to yet they part of us. it is the story of someone you know if not your very self.

Joan Mugenzi identifies all these loopholes and takes off the time to offer tried and tested working solutions to remind you that your job is not eternal. It is such experiences that have influenced the choices of many and will continue to do the same.

As you think of your life, you cannot afford to leave your children out.

A number of people come to the realization that they have been living a false life when it's a bit too late. "Why didn't I know this before?" they ask. The only way to help your children not ask these questions later in life is by helping them learn about planning early in their lives.

Your job is not eternal, you've got to act on that promise. It is real. Regardless of how old one is, Surumani warns in conclusion:

When you are young

When all you think of is girls and boys and toys,

A good job, money to spend and life to live

It is easy to forget that your country needs you

That by sitting all day and wishing of good times

By refusing to involve yourself in efforts to right the wrongs of society

You are effectively betraying your country

PJ

Preparing for and enjoying retirement

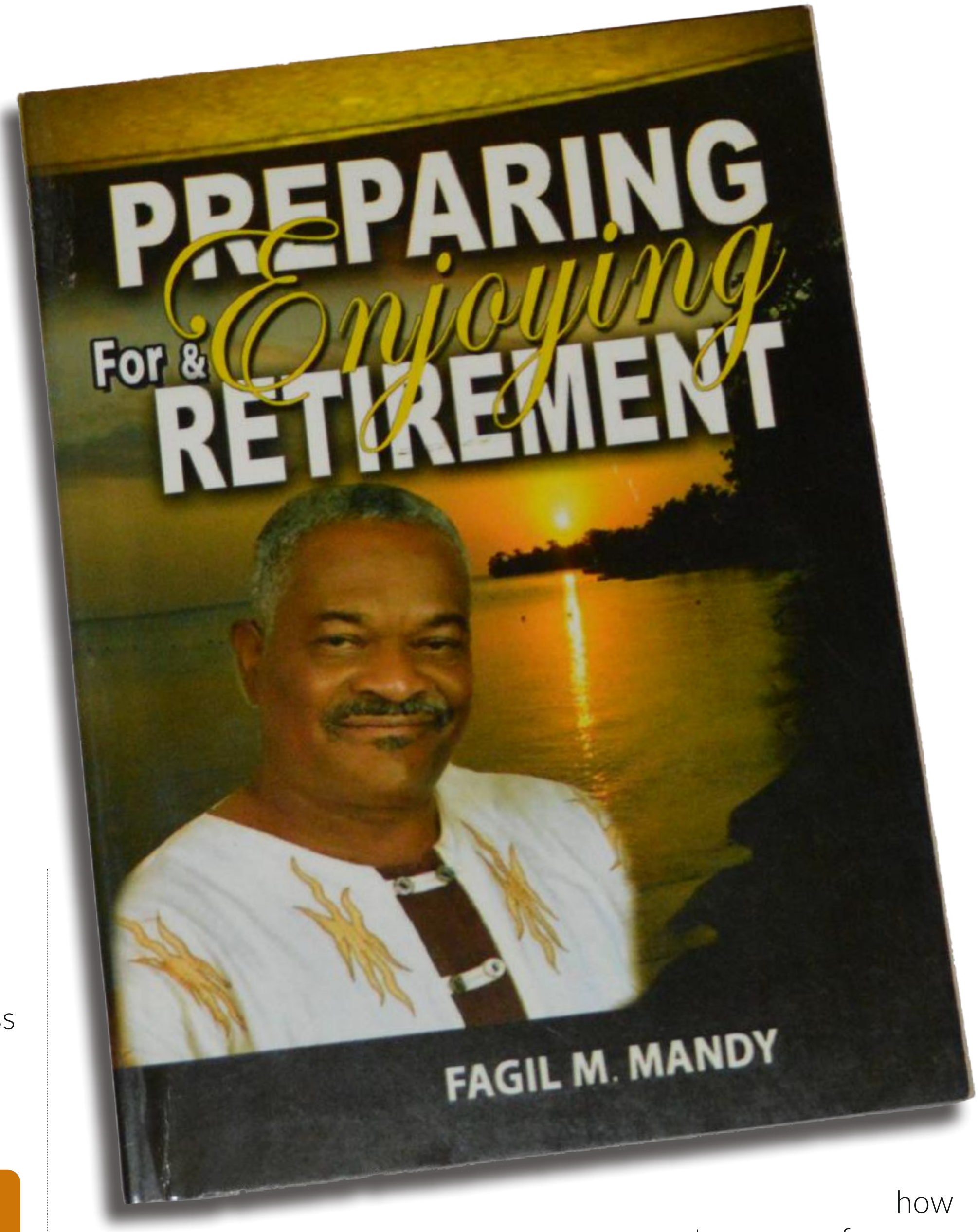
Preparing for and enjoying retirement, collects the abundant, knowledgeable observations and practices of retirees who embraced, planned and created a conducive environment for their retirement over the course of their conscious lives, these continue to thrive even though in retirement.

Reviewed by Billy Gang

Preparing For and Enjoying Retirement, collects the abundant, knowledgeable observations and practices of retirees who planned for and created a conducive environment for their retirement.

In his book Preparing for and Enjoying Retirement, Fagil M. Mandy a renowned educationist and retirement advocate examines the retirement period in a person's life, offering tips on how to plan for what can be described as the most intricate stage of life.

Mandy explores the endless possibilities' retirement holds. The book shows the reader that retirement is a process and not the end of the process of life. Mandy and the other voices in this read build the story of their retirement showing the reader how they got to achieve their current fulfilment and enjoyment.



Even in Retirement Fagil continues to teach young people about planning for retirement and healthy living.

Mandy brings together life stories of reputable retirees from different walks of life. These educate the reader on how to prepare for retirement from an early age and how to enjoy it while making the most of their new-found free time.

Throughout the book, he explores fifteen steps for preparation of retirement, delving into the utilization of time, money, passions, healthy

What you are in old age or retirement is very closely related to what you were in your younger days - Fagil M.Mandy.

living as a means to an "an enjoyable retirement". The book has many wonderful insights on life, covering topics like work, managing finances, faith, matters of the heart, family, human compassion among others.

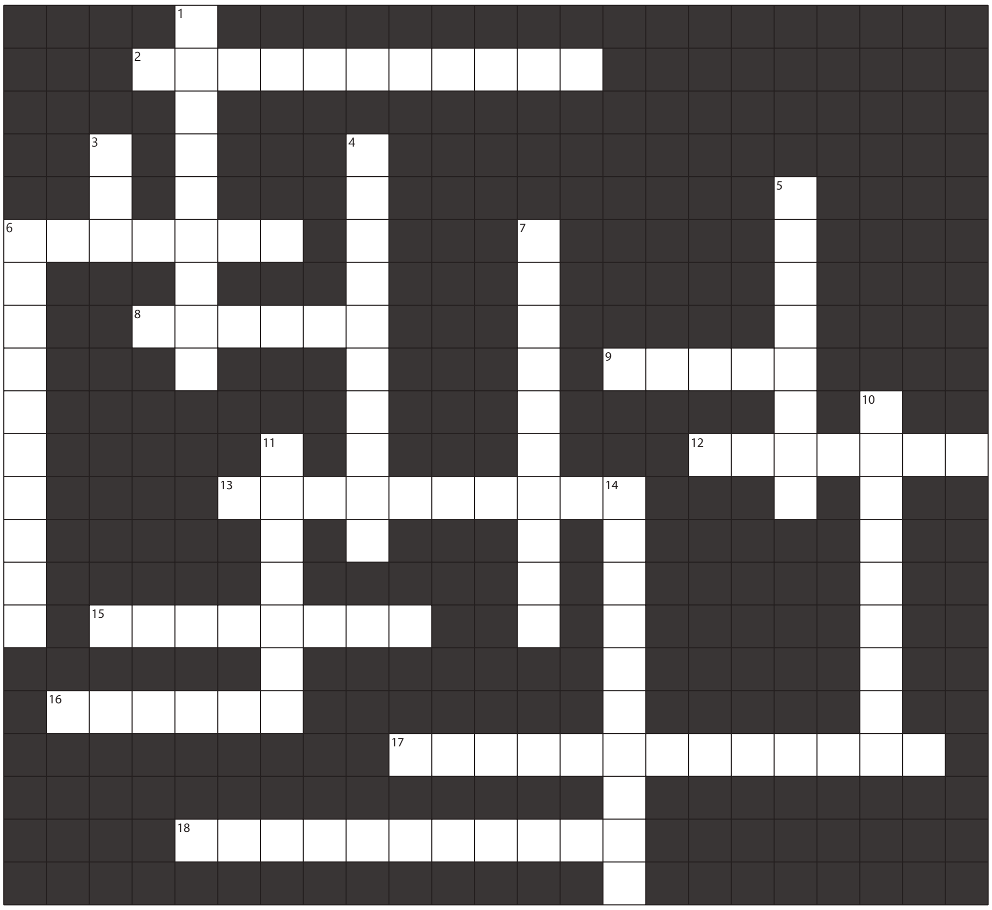
Although Fagil Mandy is the main character and narrator in this book and speaks of his life's lessons and process to retirement, what truly makes this read rich is all the evidence the author draws from multiple sources to enforce the necessity of preparation for Retirement.

The experiences from the likes of Maggie Kigozi, (renowned business consultant and former Executive Director of Uganda Investment Authority) and the deceased Major General Kasirye Gwanga, are real enough for readers to relate with and provide a memorable and absorbing read.

The dialogue in the book is genuine and spot-on coupled with an engaging narration which is guaranteed to keep the reader hooked. The book goes into amazing levels of detail. The language is equally simple and could easily be enjoyed by any generation of readers. It is a short read but gives an immense range and amount of information. The chapters are organized in a flowing way that makes it easy to understand.

So, if you have ever wondered how to transition from 40 years of an eight-to-five jobs to a happy retirement, preparing for and enjoying retirement should be a treasure box for you. Those who have just joined the job market will enjoy it in much the same way as those who intend to retire soon. The next time you find it on a shelf, don't hesitate to indulge PJ

Retirement Puzzle



Created by Jonathan Ssentamu

ACROSS

2. Consisting of interest-bearing assets with a shorter duration (less than a year) (11)
6. An event staged specifically for news cameras to help a politician appear in magazines and newspapers, on television, or online (7)
8. A system of disguising a message by replacing its letters with other letters or numbers (6)
9. When a reporter is attached to a military unit in order to conduct journalistic business during a conflict (5)
12. The act of accumulating assets in-order to finance a retirement benefits plan (7)
13. Indices used as a standard against which the Scheme's or Investment Manager's performance is assessed (10)
15. A member who is not actively making contributions to the scheme nor accusing benefits from the same but awaiting to receive benefits from the same (8)
16. A Public Officer for legal investigation and criminal emergencies (6)
17. Category of Assets Class with a maximum allowable limit of 15% of the aggregate market value of total assets of funds of the scheme under schedule 2 of the URBRA (Investment of Scheme Funds) Regulations, 2014 (13)
18. The act of taking workable parts of one item and using them in another (11)

DOWN

1. The group of assets in which savings are invested. (9)
3. The first issuance of common shares to the public by a formerly private corporation(Abbreviation) (3)
4. A legal proceeding involving a person or business that is unable to pay their outstanding debts. (10)
5. A sum of money regularly shared by a company to its shareholders out of a profit (or reserves) (8)
6. Document that discloses the investment policies, deposit and redemption procedures, fees and expenses, and past performance statistics associated with an investment vehicle (10)
7. The potential that a financial organization, borrower, or counterparty will fail to meet its obligations in accordance with agreed terms (10)
10. A vindictive, often irrational, investigation that preys on public fears (9)
11. Interest/profits that have been set aside to be used for a specific purpose further down the line (7)
14. Financial assets that can be traded, such as shares and bonds (10)

Solution to Issue 2

				1 B	2 E	N	E	F	I	3 C	I	A	R	Y					
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	19 C	U	S	T	O	D	I	A	N								S		

ACROSS

1. Government body responsible for regulating retirement benefits in uganda (5)

4. Legal document of a scheme (9)

6. A person disclosing information about wrong doing (13)

8. A person who gets affected by developments in the Retirement Benefits Sector (11)

14. Funds paid to public servants during retirement (7)

15. A Savings Plan/ arrangement designed to replace employment income upon retirement (6)

16. A person who analyses insurance risks (7)

17. Funds received upon retirement (8)

19. Money remitted to schemes by members (13)

20. Investing in different asset classes (15)

DOWN

2. Set of laws made by the authority governing retirement benefits schemes (11)

3. A person who receives retirement funds (11)

5. The financial institution that keeps scheme funds (9)

7. The employer of scheme members (7)

9. People appointed by trustees to run a scheme (14)

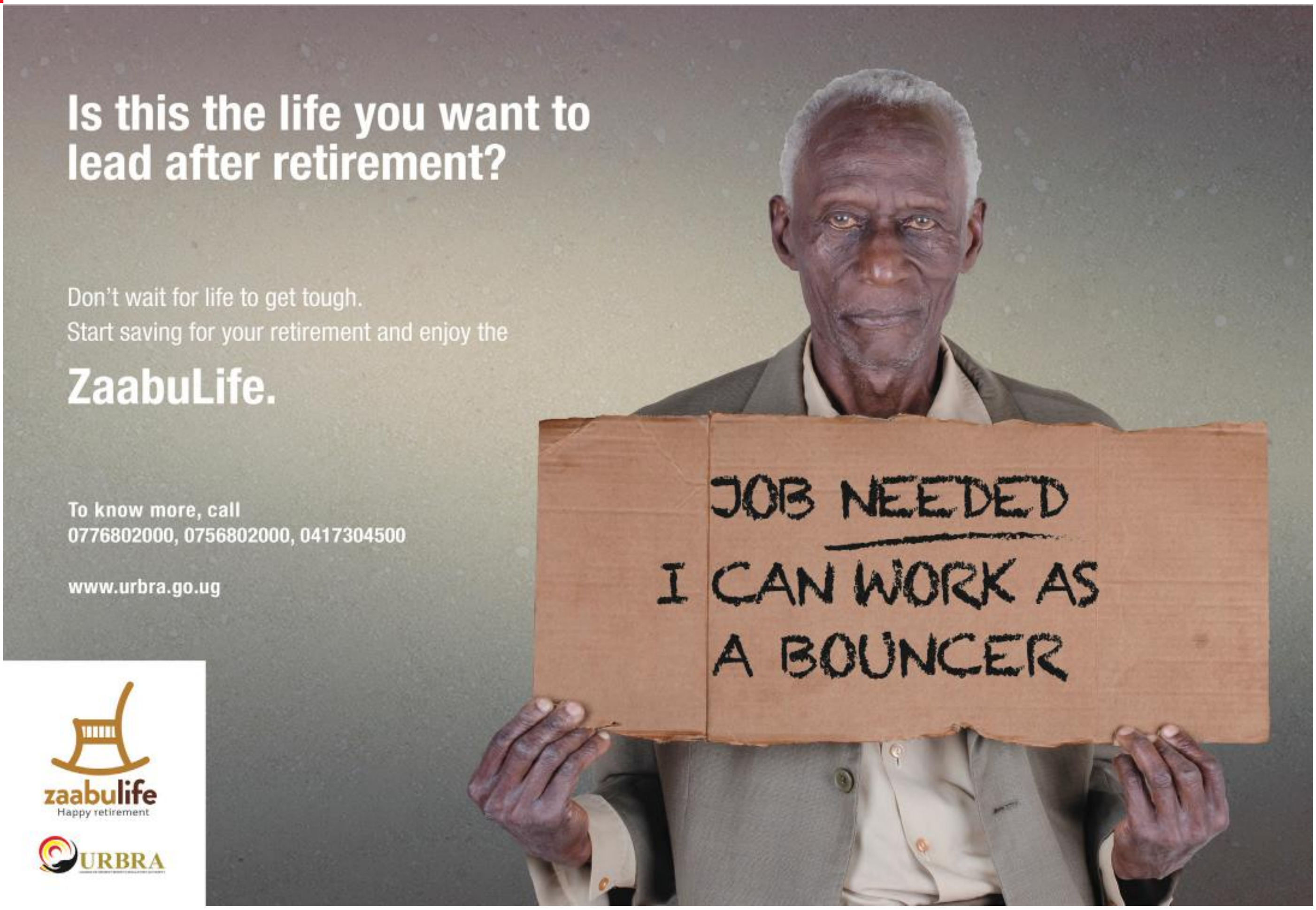
10. Shares and Stocks (8)

11. A person with a grievance for non-payment of benefits (11)

12. Ability of funds to last the whole duration of retirement (8)

13. Permission given to trustees to manage a scheme (7)

18. Mandatory age at which public servants retire in Uganda (5)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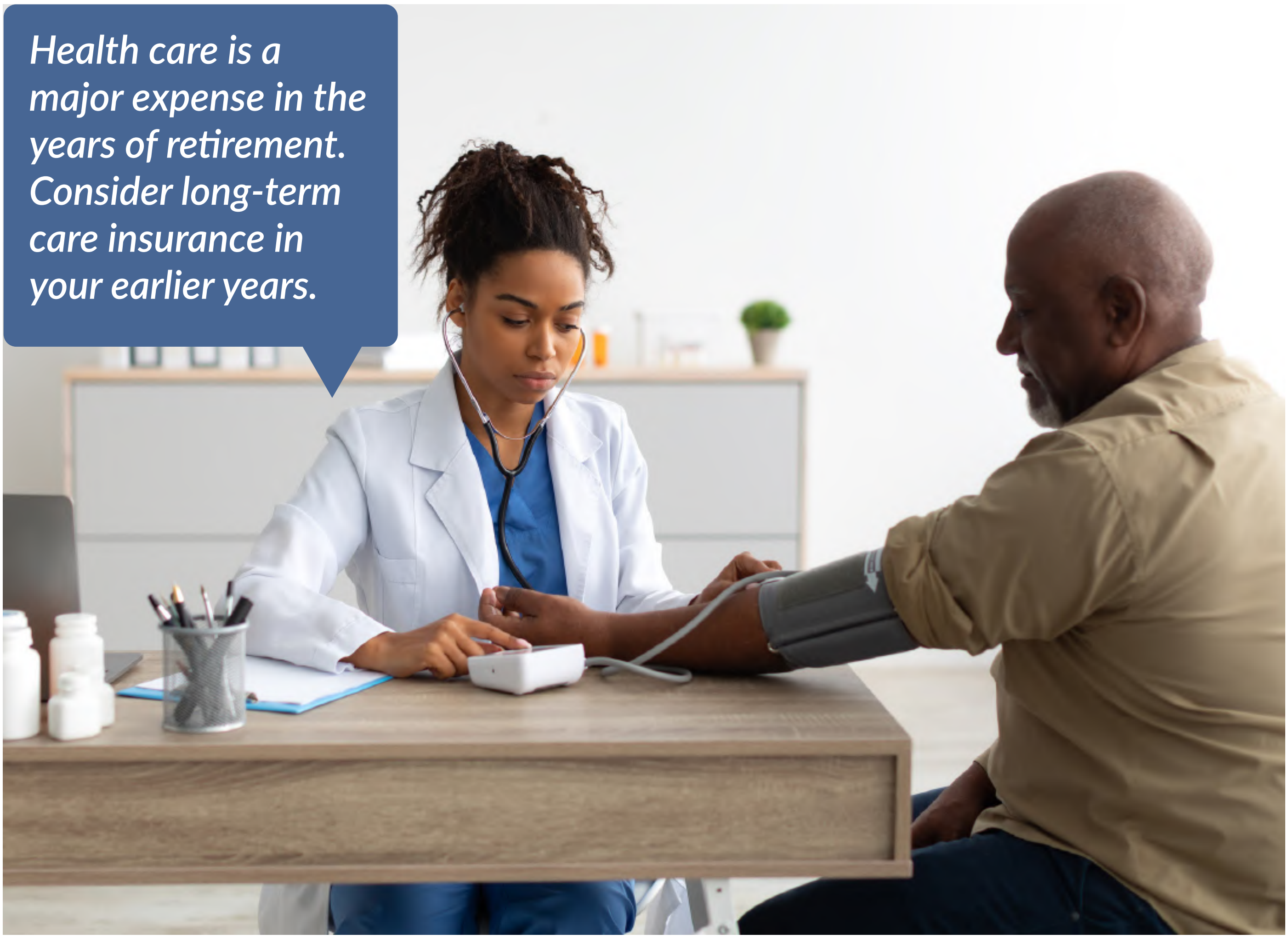
Health care is a major expense in the years of retirement. Consider long-term care insurance in your earlier years.

Start saving now, retire with peace of mind

Old age is inevitable, it's on you to make your retirement enjoyable.
Sign up with a Retirement Benefits Scheme licensed by URBRA today
and start saving from as little as USh.1000 daily to live an enjoyable retirement.

To find a licensed scheme for you, Contact us on 0417304500 or www.urbra.go.ug
This is a message from the Uganda Retirement Benefits Regulatory Authority.

URBRA
UGANDA RETIREMENT BENEFITS REGULATORY AUTHORITY

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