

# **VOTE: 162 Uganda Microfinance Regulatory Authority**

---

## **I. VOTE MISSION STATEMENT**

To support the sustainable growth of Tier 4 Microfinance Institutions and Moneylenders through effective regulation, licensing and supervision.

## **II. STRATEGIC OBJECTIVE**

To license, regulate and supervise all Tier 4 microfinance institutions.

To protect the interests of Tier 4 microfinance institutions and moneylenders and their beneficiaries, including the promotion of transparency accountability and client protection principles.

To enforce full compliance of Tier 4 microfinance governing law and regulations.

To promote programs and interventions that are necessary for the development of the Tier 4 microfinance institutions.

## **III. MAJOR ACHIEVEMENTS IN 2021/22**

On boarded 290 new institutions and were inspected

Identified 225 Tier 4 institutions in Kampala, Mukono and Wakiso operating with no licenses and were advised to legalise their businesses  
Inspected 121 branches after verification of head office compliance

Conducted media campaign at media centre which was captured on national wide TVs and Radios like NTV NBS, UBC SPARK smart 24 and Namirembe radio Liberty radio

5 Virtual awareness campaign carried out on operations of the Authority

Draft SHGs guidelines validated in 5 sub regions Ankole Eastern Northern Midwestern and Central  
Draft SHG guidelines developed

Issuance of SACCO Licensing criteria.

Identified 46 SACCOs in Kampala Mukono and Wakiso operating with no licenses and advised to apply for license

In-house staff training To ensure a smooth internal SACCO licensing process UMRA conducted a number of In-house trainings of staff

Reviewed 615 Applications for license

Carried on-site premise inspections for 289 institutions

Complaints received 112 complaints at the Authority and resolved 71

Licensed 600 institutions

Registry updated regularly for all units

Risk management guidelines and Licensing manual were developed and approved by Board

401 reports submitted from money lender, NDT and SACCOs were reviewed and a report was generated on the performance of the licensed institutions

Data collected from 401 money lenders NDT and SACCOs analysed to assess the performance of the institutions

## **VOTE: 162 Uganda Microfinance Regulatory Authority**

---

Quarterly reports prepared on licensing status and on performance of the Authority

**VOTE: 162 Uganda Microfinance Regulatory Authority****IV. MEDIUM TERM BUDGET ALLOCATIONS****Table 4.1: Overview of Vote Expenditure (Ushs Billion)**

	2022/23 Proposed Budget	MTEF Budget Projections			
		2023/24	2024/25	2025/26	2026/27
<b>Recurrent</b>					
Wage	2.171	2.171	2.171	2.171	2.171
Non-Wage	9.119	4.119	4.119	4.119	4.119
<b>Devt.</b>					
GoU	0.000	0.000	0.000	0.000	0.000
Ext Fin.	0.000	0.000	0.000	0.000	0.000
<b>GoU Total</b>	<b>11.290</b>	<b>6.290</b>	<b>6.290</b>	<b>6.290</b>	<b>6.290</b>
<b>Total GoU+Ext Fin (MTEF)</b>	<b>11.290</b>	<b>6.290</b>	<b>6.290</b>	<b>6.290</b>	<b>6.290</b>
<b>Arrears</b>	0.000	0.000	0.000	0.000	0.000
<b>Total Budget</b>	<b>11.290</b>	<b>6.290</b>	<b>6.290</b>	<b>6.290</b>	<b>6.290</b>
<b>Total Vote Budget Excluding</b>	<b>11.290</b>	<b>6.290</b>	<b>6.290</b>	<b>6.290</b>	<b>6.290</b>

## VOTE: 162 Uganda Microfinance Regulatory Authority

**Table 4.2: Budget Allocation by Department for Recurrent and Development (Ushs Billion)**

<i>Billion Uganda Shillings</i>	Draft Budget Estimates FY 2022/23	
	Recurrent	Development
<b>Programme:07 PRIVATE SECTOR DEVELOPMENT</b>	<b>11.290</b>	<b>0.000</b>
<b>SubProgramme:01 Enabling Environment</b>	<b>11.290</b>	<b>0.000</b>
<b>Sub SubProgramme:01 General Administration and Support Services</b>	<b>7.543</b>	<b>0.000</b>
001 Finance and Administration	7.543	0.000
<b>Sub SubProgramme:02 Supervision and Regulation</b>	<b>3.747</b>	<b>0.000</b>
001 Supervision	3.747	0.000
<b>Total for the Vote</b>	<b>11.290</b>	<b>0.000</b>

## VOTE: 162 Uganda Microfinance Regulatory Authority

### V. PERFORMANCE INDICATORS AND PLANNED OUTPUTS

Table 5.1: Performance Indicators

<b>Programme: 07 PRIVATE SECTOR DEVELOPMENT</b>				
<b>SubProgramme: 01 Enabling Environment</b>				
<b>Sub SubProgramme: 02 Supervision and Regulation</b>				
<b>Department: 001 Supervision</b>				
<b>Budget Output: 000023 Inspection and Monitoring</b>				
<b>PIAP Output: A short term development credit window for MSMEs set up.</b>				
Indicator Name	Indicator Measure	Base Year	Base Level	Performance Targets
				2022/23
An MIS system for tier4 sector	Status	2017-2018	Identification	Develop MIS
No of registered institutions sensitized on compliance regulations.	Number	2017-2018	2000	3750
No. of tier 4 institutions licensed	Number	2017-2018	1000	2663
<b>Budget Output: 190003 Licensing and Complainece</b>				
<b>PIAP Output: A short term development credit window for MSMEs set up.</b>				
Indicator Name	Indicator Measure	Base Year	Base Level	Performance Targets
				2022/23
An MIS system for tier4 sector	Status	2017-2018	Identification	Develop MIS
No of registered institutions sensitized on compliance regulations.	Number	2017-2018	2000	3750
No. of tier 4 institutions licensed	Number	2017-2018	1000	2663

# VOTE: 162 Uganda Microfinance Regulatory Authority

## VI. VOTE NARRATIVE

### Vote Challenges

Inadequate Funding During FY 2021/22 Ug shs 7bn was allocated which is insufficient to adequately facilitate UMRA operations

Inadequate Transport equipment The persistent absence of transport facilities has still impeded field operations The Authority has only 2 vehicles In FY 2022/23 UMRA requires more transport equipment to facilitate onsite and offsite monitoring licensing and enforcement functions of the Authority

Lack of Management Information System MIS-There system is not in place and thus leading to a limited database of Tier IV institutions and their activities

Inadequate staffing UMRA has few staff totalling to 37 who are so few given the national coverage of the institutions that have to handled The structure still needs further filling

### Plans to improve Vote Performance

Effective stakeholder management and strategic partnerships ensuring the right level of advocacy and clear communication with key stakeholders for example Ministry of Finance Planning and Economic Development, Ministry of Trade Industries and Cooperatives the public development partners, private sector given the level of stakeholder support the technical and financial required to ensure success of the plan

An organizational structure and governance framework that drives effective teamwork segregation of duties and accountability across UMRA

Effective training and development program to ensure that UMRA has a productive workforce that is efficiently organized and appropriately skilled to drive optimal performance

Effective employee engagement to ensure that UMRA builds relationships with employees so as to foster a sense of connection and commitment to the organizations mission and vision create a harmonious workplace and increase employee engagement levels

An effective MIS with accurate organizational customer sector and stakeholder information to guide data driven decision making at all governance levels including management and Board

## VII. Off Budget Support

### Table 7.1: Off Budget Support by Project and Department

N / A

# VOTE: 162 Uganda Microfinance Regulatory Authority

## VIII. VOTE CROSS CUTTING POLICY AND OTHER BUDGETARY ISSUES

Table 8.1: Cross- Cutting Policy Issues

### i) Gender and Equity

<b>OBJECTIVE</b>	Gender response supervision and licensing of Tier microfinance institutions and money lenders
<b>Issue of Concern</b>	Tier 4 microfinance institutions and money lenders that are run by both men and women and supporting economic activities for all genders.
<b>Planned Interventions</b>	Data collection on client composition of licensed institutions
<b>Budget Allocation (Billion)</b>	3,000,000.000
<b>Performance Indicators</b>	Gender disaggregated report of Tier 4 microfinance institutions and money lenders that are run by both men and women

### ii) HIV/AIDS

<b>OBJECTIVE</b>	More awareness of HIV/AIDS, support and implementation of COVID-19 SOPs amongst the Tier IV microfinance institutions and money lenders
<b>Issue of Concern</b>	More awareness of HIV/AIDS, support and implementation of COVID-19 SOPs.
<b>Planned Interventions</b>	Awareness creation on handling and support activities of persons living with HIV/AIDS
<b>Budget Allocation (Billion)</b>	2,500,000.000
<b>Performance Indicators</b>	Report on Tier 4 microfinance institutions and money lenders trained in handling and supporting activities of persons living with HIV/AIDS.

### iii) Environment

<b>OBJECTIVE</b>	Awareness about environment management and climate change
<b>Issue of Concern</b>	Tier microfinance institutions and money lenders that may be involved in activities that degrade the environment such as illegal logging and felling of trees.
<b>Planned Interventions</b>	Sensitization of Tier 4 microfinance institutions and money lenders about sustainable environmental management, the effects of climate change and how to avert them.
<b>Budget Allocation (Billion)</b>	3,000,000.000
<b>Performance Indicators</b>	Awareness training Report

### iv) Covid

<b>OBJECTIVE</b>	Awareness on SOPs and vaccination drive among the Tier IV microfinance institutions and money lenders
<b>Issue of Concern</b>	Vaccination levels of staff against COVID-19.
<b>Planned Interventions</b>	encouraging all staff to fully vaccinate against Covid-19 and adhere to the SOPs put in place at all times.
<b>Budget Allocation (Billion)</b>	2,000,000.000
<b>Performance Indicators</b>	Number of staff fully vaccinated

## **VOTE: 162 Uganda Microfinance Regulatory Authority**

---

### **IX. PERSONNEL INFORMATION**

#### **Table 9.1: Staff Establishment Analysis**

N / A



## **VOTE: 162 Uganda Microfinance Regulatory Authority**

---

### **Table 9.2: Staff Recruitment Plan**

N/A

