...e part- ...ation commentator
...e project as long
designed to handle

...ed to stabilise and expand its opera-
tions.

To analysts, only Bishoftu Airport in Ethiopia, which is set to be Africa's largest, makes economic sense, given the fi-

...that neither side
can build an aviation hub with-
out the cooperation of the other.
The airline drives the process, while
the airport facilitates it," he said.

Internat... constructing ... International Airport in Hoima at the cost of $1 billion, financed largely through external debt.

...tinues to hold a strong, con-
sistent market position.

However, lack of coordi-

...four drive through...
are operational.

Uganda to pick up bill for victims of collapsed saccos, up to $2,785 each

JAMES ANYANZWA
THE EASTAFRICAN

In a bid to restore confidence in a sector seen as vital to fighting poverty and strengthening economic security in Uganda, the government will compensate members of collapsed savings and credit cooperative societies (Saccos) with up to Ush10 million ($2,785) each.

These revelations follow the expansion of the Bank of Uganda's (BoU) mandate, which now includes the regulation of large Saccos with voluntary savings exceeding Ush1.5 billion ($417,872) and institutional capital of at least Ush500 million ($139,291). The new licensing framework for large Saccos, introduced under the Microfinance Deposit-Taking Institutions (MDI) Act, Cap 58, and MDI (Registered Societies) Regulations 2023, aims to improve financial stability and protect members' funds. The Uganda Deposit Protection Fund (DPF) says its remit now covers Saccos with voluntary savings exceeding Ush1.5 billion and institutional capital above Ush500 million.

"The Fund's mandate extends to a savings and credit cooperative (Sacco) registered society providing financial services which has voluntary savings in excess of one billion, five hundred million shillings and institutional capital above five hundred million shillings," the DPF stated in its latest annual report, published this week. Section 6(2) of the Microfinance Deposit-Taking Institutions Act, Cap. 58, requires such societies to apply for a licence from the Bank of Uganda.

Once licensed, they automatically join the deposit insurance scheme and assume the obligations of a contributing institution as defined under the Financial Institutions Act, Cap. 57 and the Financial Institutions (Deposit Protection Fund) Regulations 2019. The licensing targets SACCOs with deposits above Ush1.5 billion (approximately $417,872) and institutional capital of at least Ush500 million ($139,291), including retained earnings and reserves. These societies will now be subject to stricter regulation aimed at improving governance and protecting members' savings through the DPF.

Uganda's deposit insurance scheme compensates victims of failed banks up to Ush10 million ($2,785.81). Customers with deposits above this threshold receive the excess from liquidation proceeds. Licensed Saccos under the new framework will benefit from enhanced protection of members' deposits, access to additional funding from government and external sources, stronger governance and risk management, and inclusion in the Credit Reference Bureau system. In November last year, BoU officially licensed three large Saccos—EBO Cooperative Savings and Credit Society, Kyazanga-Kwegatta Microfinance Cooperative Savings and Credit Society, and MADFA Cooperative Savings and Credit Society—under the new framework. It is targeting over 90 potential large Saccos for future regulation.

"The licensing of three Saccos by the Bank of Uganda was yet another development. The Fund has initiated the process of onboarding these Saccos to ensure their depositors are adequately protected," the DPF said. The DPF is a statutory body established under the Financial Institutions Act, Cap 57, with a mandate to pay depositors their protected deposits if a contributing institution (CI) is closed for liquidation. Currently, the deposit insurance limit is Ush10 million ($2,785.81) per depositor per contributing institution. The Fund can also be appointed liquidator by the Bank of Uganda.

Total deposits within the banking sector grew by 14.1 per cent to Ush41.6 trillion ($11.58 billion) as at 30 June 2025, of which 17.3 per cent (Ush7.2 trillion, $2 billion) were protected.