

Why our banking systems must evolve for the Ugandan woman

On a rainy Tuesday afternoon in Mbarara, Justine meticulously balanced a ledger on her lap while her other hand directed a team of three mechanics repairing a specialised grain milling machine. Justine built it from a single manual grinder she bought with personal savings. Today, she supplies fortified flour to four primary schools in her district. When asked about her plans for the next year, her eyes lit up with a vision of a solar-powered processing plant. Yet, when she spoke of the local credit institutions she had approached, that light dimmed. Despite her consistent contracts and proven cash flow, she was told that without a titled piece of land in her own name, her ambition was too risky for a formal gold-standard loan.

Justine is the face of Uganda's untapped economic engine. Her story shows the broader national reality of a country of entrepreneurs that is operating with one hand tied behind our backs.

According to the Mastercard Index of Women Entrepreneurs, roughly 38.4 percent of business owners in our nation are women. They are the backbone of the SME economy, the primary employers in our communities, and the quiet drivers of our GDP.

However, a gap exists between this entre-

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Banking



preneurial spirit and the financial architecture required to sustain it. While women, according to the 2024 population census, make up 53 percent of our population and nearly 40 percent of our business owners, only about one in four women-led businesses has access to formal credit. This is a failure on both the local and global front.

In Uganda, this gender finance gap represents a missed opportunity for individual women and a massive drag on our collective economic velocity. The barriers preventing women like Justine from scaling are structural because the most persistent hurdle remains the traditional requirement for hard collateral. In a society where land ownership and titling still lean heavily toward men, requiring a land title for a business

loan effectively disenfranchises half of the potential borrowing pool. Beyond collateral, there is the network deficit. Men often have access to informal old boy networks that provide the social capital, mentorship, and market introductions necessary for growth. Women, who often shoulder the double burden of managing both a household and a business, find themselves excluded from these corridors of influence.

We must shift our perspective and recognise that closing this gap is not an act of charity or a social corporate responsibility check box but a savvy, high-growth economic strategy. Furthermore, the multiplier effect of investing in women is well-documented. Women reinvest the vast majority of their earnings back into their families, prioritising education, nutrition, and healthcare. When a woman-led business thrives, the entire village moves forward.

The future of Uganda's economy will be defined by how we treat our Justines. If we continue to demand 20th Century collateral for 21st Century dreams, we will remain stagnant. But if we embrace innovation, digital integration, and inclusive policy, we can unlock a wave of prosperity that benefits every Ugandan. This is a call to action for my peers in the banking sector, policymakers, and private-sector partners. Let us dismantle the barriers to entry and build a financial landscape that is as ambitious and resilient as the women it serves.

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