Ugandans urged to save to spur economic growth

By Benon Ojiambo

Ugandans have been urged to save aggressively in order to spur economic growth.

The call was made by Uthman Mayanja, a partner at the PricewaterhouseCoopers Uganda (PwC) during 'Battle for Cash' TV challenge finale at Serena Hotel in Kampala last week.

According to Mayanja, Ugandans only save about 5% of their monthly income, lower that what is saved by other regional counterparts such as Kenyans, Rwandans and Tanzanians who save 23%, 18% and 13% respectively.

According to the World Bank, Uganda's saving to Gross Domestic Product (GDP) ratio stood at 13.55 % as of 2016.

"The 'Battle for Cash' challenge was a nationwide campaign through which different investment clubs competed for cash prizes worth sh100m. The 6-month long campaign was organised by dfcu bank in partnership with PriceWaterhouse Coopers (PwC).

The campaign was aimed at driving a savings and investment culture in the country through changing people's perceptions and attitudes about money, savings and investment.

Through the campaign, the bank carried out countrywide saving and financial literacy workshops sensitizing the population on the importance of saving, how to save and where to invest the saved money so it can grow.

It attracted close to 200 investment clubs that were tasked to develop a business plan for an innovative investment project and demonstrate their ability to put into practice what they had been taught.

"It is not enough to simply save money if it is not growing. The challenge was also about challenging the investments clubs and the public to think through how to grow and multiply their savings," William Sekabembe, the dfcu bank executive director and chief of business said.

The competition was won by Geneber Outspan Organic Farmers, a group that practices greenhouse farming with an aim of increasing the country's exports through increased and sustainable production and they scooped a cash prize of sh25m

Other winners included Peak Investment Club and Sikyomu Development Organisation, the first and second runners up who won sh15m and sh10m respectively.

The awards also had a special category to recognise the role played by women and youth in development and these were won by Soroti Women Co-operative Union and Plus Save Group respectively each walking away with sh7.5m cash prize.