

***Speech***

***By***

***Hon. Matia Kasaija  
Minister of Finance, Planning and Economic  
Development***

***At the***

***African Union for Housing Finance Conference 2017***

***17<sup>th</sup> October, 2017***

**Hon. Ministers**

**Hon. Members of Parliament**

**Distinguished guests,**

**Ladies and Gentlemen.**

I greet you and welcome you to the 33<sup>rd</sup> African Union for Housing Finance Conference. This conference marks the culmination of the annual dialogue on housing and housing finance that has been going on in the country over the last two years and I am glad to see that this year we have broadened the horizon of the dialogue in order to learn from the experiences of our counterparts across the African Continent.

In a special way, let me take this opportunity to welcome our counterparts from across the continent to Uganda the “Pearl of Africa.” I thank you for making the journey from your respective countries to grace this conference and it is an honor for us to host. Please take some time to enjoy the diversity and beauty of our country before you go back home.

I am also happy to note that this conference has been a joint effort between various institutions in the public and private sector in addition to agencies within the Ministry of Finance, Planning and Economic Development and the Ministry of Lands, Housing and Urban Development. I want to thank the Secretariat of the AUHF, Housing Finance Bank, Bank of Uganda, the National Housing and Construction Company, Capital Markets Authority, Centenary Bank, Umeme, Jubilee Insurance and Universal Properties for organising this conference; which is timely given the importance of housing to socio-economic growth and development of the nation.

Economic transformation includes improving access to formal financial services for all sectors of the economy including housing. I am glad to report that the results of a survey on the State of Financial Inclusion in Uganda carried out by Bank of Uganda indicates that there has been significant improvement in access to financial services by the adult population of Uganda. Overall, 85 percent of the adult population aged 16 years and above are financially included, an improvement from 70 percent in 2009 and 38 percent in 2006.

However, there continues to be insufficient financial services infrastructure across the country and a limited number of bank branches with low access to rural financial services. Also, due to a low saving culture, there is a shortage of development finance and the available funds are costly. On the demand side, the levels of creditworthiness and enterprise management capacity contribute to the high cost of credit and mortgage finance while on the supply side, there are still high intermediation costs, including the cost of monitoring and enforcement of loan and mortgage contracts. The high risks and uncertainties make development finance expensive and affect access to financial services especially long term housing finance and mortgages. As a result, data compiled by the Bank of Uganda shows that residential mortgages make up only 5.2 percent of total credit to the private sector as at June 2017.

I therefore call upon the participants of this conference to augment government efforts across the continent to improve access to affordable housing finance and decent shelter for the sustainable development of a thriving housing sector which is a cornerstone for socio-economic transformation as we move our countries to middle and upper middle income nations.

I thank you and hereby declare this conference open.

**17<sup>th</sup> October 2017**

- **Kampala Serena Hotel.**