



Matia Kasaija
URBRA

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**OFFICIAL LAUNCH OF
THE URBRA (ASSIGNMENT OF RETIREMENT BENEFITS FOR
MORTGAGES AND LOANS REGULATIONS (2022)**

**TUESDAY 10TH MAY, 2022
AT THE UGANDA MEDIA CENTRE**

OFFICIATED BY HON. MATIA KASAIJA,

**MINISTER OF FINANCE, PLANNING AND ECONOMIC
DEVELOPMENT**

**LAUNCH OF THE URBRA (MORTGAGES AND LOANS
REGULATIONS) UNDER THE URBRA ACT OF 2011**

Date: 10th May 2022

Venue: Uganda Media Centre

Good morning ladies and gentlemen in your respective capacities.

1. As a supervisor of the Uganda Retirement Benefits Regulatory Authority (URBRA) I am here to officially launch the regulations for assignment of retirement benefits for mortgages and loans.
2. Housing is one of the basic human needs that have a profound impact on health and welfare of all individuals.
3. The Universal Declaration of Human Rights of 1948 recognizes the right to housing as an important component of human rights. Sustainable Development Goal 11 (SDG11), further reaffirms the importance of the right to housing.
4. The Government of Uganda too recognizes the strategic social and economic importance of housing in the national economy and, particularly, to the socio-economic transformation of the country as highlighted in Uganda's Vision2040.
5. Housing and shelter are important indicators for assessing living conditions of a population. The types of dwelling; the building materials used for walls, floors and roofing; the tenancy of housing units; the sanitation and main source of drinking water supply for household are all indicators of the quality of housing that people enjoy or endure.
6. Uganda's housing situation is characterized by inadequate homes in terms of quality and quantity in both rural and urban areas. National statistics indicate that the housing deficit stands at 2.4 million housing units and an estimated 900,000 units are substandard, requiring replacement or upgrading.

7. Older persons are among those that are most adversely affected by the housing crisis in Uganda. Older persons constitute 4.3 per cent of Uganda's total population, and more than 98 per cent of them live in rural areas.
8. As people grow older, they spend between 60% to 90% of their time at home; they cannot work and they need a warm and secure environment. But as they grow older, and less productive, their places of abode also get more dilapidated and need constant maintenance. Older persons are often unable to maintain an adequate level of housing, which affects their physical and mental wellbeing.
9. Older people tend to consider having a house of their own as an important symbol of autonomy and dignity. However, they are often unable to improve their housing conditions, due to lack of financial resources and social support. This forces them to live in less than desirable housing conditions.
10. There's no gainsaying the fact that early planning and saving significantly alleviates old-age poverty and ensures dignity in retirement.
11. We always urge people to start saving for retirement as soon as they start earning. Why? Because old-age is reality for all. We shall all be old one day and retire from active engagement. But how do we like to spend our time in retirement? Many of us would like to enjoy a level of decency, comfort and dignity, hence the need for decent housing.
12. Living with the fear that they could retire without a decent place of abode, many Ugandans have always pressed government to allow them use their savings as collateral for housing loans and mortgages; some even suggested that NSSF construct low cost houses on the numerous

properties it owns, and permit members to purchase the units using their savings.

13. Research shows that when members receive their lumpsum payout of retirement benefits, they spend up to two-thirds of the package constructing retirement homes. They tend to use up their benefits sometimes without even completing the construction. This leaves them with neither cash nor shelter.
14. So, URBRA's initiative to issue regulations on mortgages and housing loans is timely. With the new regulations, an eligible member of a licensed scheme will be able to assign up to 50% of their accrued benefits as security for a mortgage or a loan for purchasing a residential house before they reach retirement which in essence reduces the pressure on their retirement benefits.
15. The key objective of the regulation is to ensure that retirees have decent shelter so that they don't suffer homelessness and indignity.
16. It is important to note these regulations will not be used by members to access retirement benefits prematurely. Rather, accrued retirement benefits shall only be used as collateral for securing a mortgage or housing loan. The regulations will enable the member to:
 - a) acquire land on which a residential house has been erected;
 - b) erect a residential house on land in respect of which, the member has a right ownership recognized by the Laws of Uganda;

c) renovate, add, alter or carry out repairs to a residential house owned or belonging to the member.

17. It is our sincere hope that with these new regulations more and more people will have decent shelter in retirement.

I now have the Honour to officially launch the Mortgages and Housing Loans Regulations under the URBRA Act of 2011.

FOR GOD AND MY COUNTRY