

# **The Impact of Fintech Technologies on Uganda's Socio-Ecological Well-Being**

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I am an expert in fintech technologies, having studied previously at the University of Hong Kong and currently a doctoral candidate in strategic management and innovation at Daystar University, Kenya. I have also worked in finance for over two decades.

Fintech technologies are transforming the way we access, manage, and use money. They offer new opportunities for financial inclusion, economic growth, and social development. However, they also pose potential risks and challenges that need to be addressed carefully and responsibly.

In Uganda, fintech technologies have been widely adopted and have had a significant impact on the financial sector and beyond. According to a recent report by the World Bank, Uganda has one of the highest rates of mobile money usage in the world, with over 23 million registered accounts and over 70% of adults using mobile money services. Mobile money has enabled millions of Ugandans to access formal financial services, such as savings, transfers, payments, and credit. Mobile money has also facilitated the delivery of social protection programs, such as cash transfers and humanitarian assistance, especially during the COVID-19 pandemic. Mobile money has also contributed to the growth of other sectors, such as e-commerce, agriculture, and energy, by enabling digital transactions and innovations.

However, mobile money is not the only fintech technology that is transforming Uganda. Other technologies, such as digital wallets, blockchain, and artificial intelligence, are also emerging and offering new possibilities and challenges. For example, digital wallets are providing a more convenient and secure way of storing and accessing money online, while blockchain is enabling decentralized and transparent transactions that can reduce fraud and corruption. Artificial intelligence is enhancing the efficiency and accuracy of financial services, such as credit scoring, fraud detection, and customer service.

These technologies have the potential to improve the lives of millions of Ugandans by increasing financial inclusion, reducing transaction costs, enhancing financial literacy, and creating new economic opportunities. However, they also pose potential risks and challenges that need to be addressed carefully and responsibly. Some of these risks and challenges include:

- **Cybersecurity:** As more transactions and data are moved online, there is a need to ensure that they are protected from cyberattacks, hacking, and identity theft. There is also a need to establish clear regulations and standards for data protection and privacy, as well as mechanisms for dispute resolution and redress.

- Financial stability: As fintech technologies disrupt the traditional financial system, there is a need to ensure that they do not pose systemic risks or create market distortions. There is also a need to monitor and regulate the activities of fintech providers and platforms, especially those that operate outside the formal banking sector.
- Financial literacy: As fintech technologies introduce new products and services, there is a need to ensure that consumers are aware of their benefits and risks, as well as their rights and responsibilities. There is also a need to educate consumers on how to use fintech technologies safely and responsibly, as well as how to avoid scams and frauds.
- Financial inclusion: As fintech technologies create new opportunities for financial inclusion, there is a need to ensure that they do not exclude or discriminate against certain segments of the population, such as women, youth, rural dwellers, or low-income earners. There is also a need to ensure that fintech technologies are accessible, affordable, and appropriate for the diverse needs and preferences of Ugandans.

These are some of the issues that I would like to discuss with you today. I believe that fintech technologies have a lot of potential to improve the socio-economic development of Uganda. However, I also believe that we need to be aware of their implications and adopt them in a responsible and sustainable manner. I look forward to hearing your views and opinions on this topic.