Below is a list of measures that BoU has put in place to curb the negative effects of the pandemic on the economy.

1. In its April 2020 Monetary Policy Statement, BoU reduced its Central Bank Rate (CBR) by 1 percentage point to 8 percent to ensure adequate access to credit and the normal functioning of financial markets during the pandemic.
2. BoU directed Supervised Financial Institutions (SFIs) to defer payments of all discretionary distributions such as dividends and bonus payments for at least 90 days effective March 2020, depending on the evolution of the pandemic as this was expected to ensure banks have adequate capital buffers, while supporting the real economy.
3. Provision of liquidity assistance to commercial banks in liquidity distress for longer periods of up to one year, through issuance of reverse REPOs of up to 60 days at the CBR, with the opportunity for roll over, as well as standing facilities.
4. Purchase of Treasury Bonds held by Microfinance Deposit taking Institutions (MDIs) and Credit Institutions (CIs) in order to ease liquidity distress whenever it arises. MDIs and CIs that do not hold Treasury bills or bonds in their asset holdings would be provided with liquidity secured by their holdings of unencumbered fixed deposits or placements with other SFIs.
5. Granting SFIs exceptional permission to restructure loans of corporate and individual customers to provide temporary debt relief including a moratorium on loan repayment for borrowers that were affected by the pandemic, on a case by case basis at the discretion of the SFIs for up to 12 months, effective April 1st, 2020.
6. BoU further eased the CBR in its June Monetary Policy Meeting by 1 percentage point to 7 percent in order to ease financial conditions since the inflation outlook remained benign, and as the measures previously taken were yet to take full effect in mitigating the adverse impact of the pandemic on the economy.
7. Bank of Uganda has also firmly urged commercial banks to lower lending interest rates to levels consistent with its current monetary policy stance. Failure to do so would prompt the central bank, in line with the law, to prescribe maximum and minimum rates of interest and other charges which in the transaction of their business, financial transactions may pay on any type of deposit or other liability, and impose on credit extended in any form.