

A mobile money agent says by yesterday agency banking systems were down while withdrawals from the mobile money systems were on and off.

BY ANDREW BAGALA

Several businesses are counting losses and many members of the public are stranded after the government shutdown the internet ahead of the general elections.

The shutdown of the internet in the country after a directive by the Uganda Communication Commission on Tuesday has affected the digital financial transactions and some private security operations, among others.

Mr Tom Katamba, the former chairperson of Mobile Money Agents in Kampala City, said by yesterday agency banking systems were down while withdrawals from the mobile money systems were on and off.

"Agency banking and mobile money agents suffered the most by the internet shutdown. We couldn't make transactions through agency banking on Wednesday. Even mobile money systems were also on and off. Many agents

Internet shutdown hurts mobile money users, security companies

UCC executive director Nyombi Ntumbo addresses the media on Tuesday. PHOTO/GEOFFREY MUTUMBA



were unable to process withdrawals for their clients," Mr Katamba said.

With the influx of digital and mobile money systems, several Ugandans keep

their money on their mobile money accounts and only withdraw it when they are to make transactions.

Since the government assured Ugandan

dans that it wouldn't shutdown the internet, several people didn't withdraw money from their mobile accounts before the directive took effect.

Mr Katamba said dealers, who sell liquid money to mobile money agents, have also stopped the transactions.

"If you don't have float on the mobile account, you can't transact. Agents are in such a dilemma. They don't know when the government would switch the internet back," he said.

A June 2025 Bank of Uganda report shows that the number of active users on mobile banking increased by 6.5 percent from 1.94 million users in June 2024 to 2.1 million users in June 2025.

The transaction volume also increased by 20.9 percent from 27.9 million transactions in the year ending June 2024 to 33.7 million transactions in the year to June 2025 while the transaction values significantly increased by 39.4 percent from Shs11.1 trillion to Shs15.5 trillion.

Some city traders told *Daily Monitor* that they are worried of the security at their business premises, especially at night, since they are devices that alert them of intrusion depend on the internet. The business community erect CCTV cameras at their business premises and monitor intrusions at night using their mobile phones. After the shutdown of the internet, they are unable to monitor the safety of their business premises.

Mr Grace Matsiko, the chairman of the Uganda Private Security Association (Tupsa), said his members have also informed him about the challenges they are facing following the internet shutdown.

"I am in the process of writing to the Inspector General of Police about that particular challenge. The UCC directive has affected the services of private security firms who are deploying ICT-based systems, like alarm systems and CCTV cameras to supervise personnel and property. They need the internet to operate effectively," Mr Matsiko said.

Mr John Kabanda, the head of the Federation of Uganda Traders Associations, said their members have informed them of the difficulties they are going through while making financial transactions, but he insists that shutdown is in the interests of country's security.

"We have challenges, but we need peace. If the government is saying there would be a security problem by use of the internet, our members should welcome the shutdown of the internet."

**2.1m
MOBILE MONEY
USERS**