

BANK OF UGANDA



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BANK OF UGANDA UNDERTAKES ORGANIZATIONAL STRUCTURAL REVIEW

KAMPALA – Monday, August 07, 2023 – Following the story in The Daily Monitor published on August 07, 2023, Bank of Uganda (BoU) wishes to inform its stakeholders that the Organizational Structural Review process is aimed at reviewing and aligning its organizational structure to facilitate the delivery of its new strategic plan for 2022 to 2027.

BoU wishes to update its stakeholders on this vital process and its progress.

- 1) The structural review will enable the BoU to effectively deliver its mission to promote price stability and a sound financial system in support of socio-economic transformation in Uganda. Operating in a developing economy context compels the BoU to support national socio-economic transformation by encouraging investment and working with other stakeholders to develop and implement innovative solutions to development challenges.
- 2) The review is central to implementing the strategic initiatives covering several emerging issues that the BoU must address, such as climate change, cyber security, anti-money laundering, financial technology, supervisory and regulatory technology, big data analytics, as well as institutionalizing an environmental, social and governance sustainability framework in supervised financial institutions.
- 3) The review will also align the BoU with legislative developments, including the National Payment Systems Act 2020 and amendments to the laws governing the regulation and supervision of non-bank financial institutions, including large Savings and Credit Cooperative Organisations (SACCOs).
- 4) The structural review process involved a consultative approach that began in June 2022 when an external consultant was engaged through a public procurement process. The consultant conducted an organizational structural re-engineering exercise, resulting in proposals for a new structure.
- 5) In February 2023, the Board of Directors received and approved the consultant's report. They subsequently instructed management to implement the new structure. In so doing, management set up various committees to identify possible operational challenges, and placement of staff based on identified skills set, experience, and knowledge expertise. The recommendations of these committees were considered and approved by management, and the start date for operationalization of the new structure was set for 1 August 2023.
- 6) BoU acknowledges that implementing comprehensive

structural changes to achieve ambitious goals may present challenges in structural adjustments and their impact on individual staff. To address these concerns, management put in place mechanisms to formally receive and consider both structural and individual issues, reviewing them on their merits and making appropriate recommendations. This ongoing process is expected to be concluded by December 2023.

- 7) In the interim, implementing the new structure has been paused to allow the Board of Directors to review and address some key issues raised in relation to the implementation processes before proceeding further.
- 8) Throughout this transition period, BoU is fully committed to ensuring smooth operations in delivering its mandate. It aims to resolve implementation challenges amicably and expeditiously while supporting staff who may be impacted in various ways. The BoU is steadfast in its efforts to establish itself as a 21st-century central bank.
- 9) The BoU is confident that the efforts mentioned above will yield the desired results and build upon its track record of technical competence and resilience. Despite a challenging global environment, the Bank has successfully achieved inflation levels below the 5 percent target, maintained exchange rate stability, and ensured a sound and stable financial sector with sufficient buffers to withstand shocks.
- 10) The BoU views macroeconomic stability as most meaningful when the population in the subsistence sector are integrated into the money economy, a goal that our Strategic Plan 2022 - 2027 seeks to advance. The Bank will continue to play a crucial role in supporting the economy, which is on a steady path to recovery from recent external shocks.
- 11) This is to inform the BoU's stakeholders that the new organizational structure will strengthen our ability to deliver on our mission, navigate emerging challenges, achieve operational excellence, and support our contribution to the increased monetization of the economy.

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