

Compliance with CPMI- IOSCO Principles for FMIs Workshop, Accra, Ghana. Uganda's Experience



January
2024

BANK OF UGANDA

MISSION To Promote Price Stability and a Sound Financial System in
Support of Socio-economic Transformation in Uganda.

Overview

The National Payment System Department in Bank of Uganda operates and oversees the national payment systems with the objective of ensuring overall safety and efficiency of the payment and settlement systems in the country. Such as the RTGS, ACH and CSD.

The significant developments below assisted in the regulation, supervision and oversight of our FMIs.

- a) The new NPSA was enacted in 2020 and several new regulations issued thereunder. These include the National Payment Systems Regulations (2021), National Payment Systems (Agents) Regulations (2021) , the Regulatory Sandbox Regulations (2021) and the National Payment System (Consumer Protection) Regulations, 2022. National Payment System (Competition) Regulations 2023 which is still in draft stages.
- b) The Bank has articulated a National Payments System mission statement in line with its expanded focus: ***“to maintain a safe and efficient payment ecosystem which supports financial and monetary stability and complies with international standards.”***
- c) In 2021, a licensing regime was implemented for payment service providers in accordance with the NPS law and regulations. Some twenty-nine new entities have been licensed since then, less than half the applications received.



Overview continued

- a) A regulatory sandbox was implemented; three entities have so far been admitted to the sandbox, one successfully graduated to a PSP license and two are being monitored in accordance with the regulations and rules.
- b) A new OPF was prepared and published.
- c) The Bank has upgraded its website, which now includes a page dedicated to NPS matters, appropriately labelled and maintained up-to-date.
- d) The Oversight Division conducted an independent assessment of the RTGS system, following a self-assessment conducted by the FMI operator.

We have so far carried out two self assessments (RTGS & CSD) and one independent assessment (RTGS).



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Independent assessment summary

RTGS

Assessment Findings	Assessed Principle
Observed	1, 4, 8, 9, 15, 16,18, 22
Broadly Observed	2,3, 5, 7,13,17,20,21,23
Partly Observed	
Not Observed	
Not Applicable	6, 10, 11, 12, 14, 19, 24



IMF Review & Recommendations

- Review, amend as necessary and finalize the draft OPF prepared by the mission.
- Revise the RTGS assessment report based on the comments that were detailed in the assessment report.
- Adopt the PFMI for all FMIs, determine modalities for cooperation with other regulators.
- Encourage NPSD staff to review publicly available information/literature to compliment their (our) formal training .
- Collaboration with AFE or other multilateral agencies for further TA and capacity building support including professional attachments to other central banks.



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Thank you



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