



Remarks by
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Deputy Governor

**Launch of the Bank of Uganda
Strategic Plan 2022-2027**

Western Gardens

15 July 2022

Hon. Minister of Finance, Planning and Economic Development
Permanent Secretary/Secretary to the Treasury
Members of the Bank of Uganda Board of Directors
Colleagues
Distinguished ladies and gentlemen

Good afternoon to you all.

It gives me great pleasure to welcome you all to the official launch of the Bank of Uganda (BoU) Strategic Plan for 2022 to 2027 (SP 2022-2027).

The SP2022-2027 is being launched at a time of significant disruption, difficulty, and great uncertainty in the domestic and global economy. Inflation has shot up globally mainly due to supply chain disruptions caused by the Covid-19 pandemic containment measures that were exacerbated by the outbreak of the Russia-Ukraine conflict this year.

The volatility, uncertainty, and complexity in the Bank's rapidly changing operating environment pose a challenge to the crafting of elaborate plans, such as the SP 2022-2027. But we are reminded of the words of Benjamin Franklin who said **"by failing to prepare, you are preparing to fail"**. Fortunately, strategic plans are living documents that anticipate multiple future paths, design responses to the dominant anticipated paths, and flexibly adjust to the evolving environment while maintaining a sharp focus on the ultimate goals.

Strategic plans are akin to the parable of the wise and foolish builders in Matthew 7:24-26, which says **"Therefore, everyone who hears these words of mine and puts them into practice is like a wise man who built his house on the rock. The rain came down, the streams rose, and the winds blew and beat against that house; yet it did not fall, because it had its foundation on the rock."**

Our SP 2022-2027 stands on solid rock not least because it has resulted from the participation and input of the Bank's diverse stakeholders who see our future from multiple perspectives in a dynamic environment.

Moreover, the BoU's Organisational Change Management Policy (April 2021) provides for proactive strategic foresight, analysis, and where necessary, the timely revision of the strategic plan to incorporate relevant innovations and emerging issues. These change management strategies will enable the strategy document to remain nimble and relevant in the constantly changing business environment. Our approach to change management is inspired by Abraham Lincoln's words i.e. **“the best way to predict your future is to create it”**.

Our envisioned future is **“To be a centre of excellence in upholding macroeconomic stability”** through a positive approach to stakeholder engagement; price and financial sector stability; financial stewardship; operational excellence; and employee excellence. For each of these strategic focus areas, the intended results aim to continuously create and deliver value to our stakeholders.

The strategic focus areas were developed through a collaborative and participatory assessment of the business environment involving external and internal stakeholders. To optimize value creation for stakeholders, the strategic plan is aligned with our country's Vision 2040, National Development Plan III (NDP III), and the Financial Sector Development Strategy (FSDS), among others.

To this end, our refined mission is **“To promote price stability and a sound financial system in support of socio-economic transformation in Uganda”**. Accordingly, we will always secure the traditional public goods of price stability, financial system soundness and resilience, as well as financial system and payments systems development. And, we will also pursue new goals such as the promotion of a sustainable financial system in which the supervised financial institutions will be encouraged to observe the minimum environment, social and governance standards by extending their business models beyond the narrow creation of shareholder value to include the sustainability concerns and their impact on society.

To maintain fidelity to our mandate in an evolving world, our SP 2022 - 2027 includes a progressive approach to emerging issues such as central bank digital currencies; sustainability of the financial system; climatic risk;

integrated reporting; big data, artificial intelligence & machine learning; cybersecurity; as well as the adoption of technology in supervision & regulation (SupTech and RegTech), among others.

In the spirit of continuous improvement and the pursuit of excellence, the new strategic plan includes initiatives to enhance the BoU's strategy management maturity such as leadership, alignment, and performance management, among others, that were identified in the end-term evaluation of the previous strategic plan (SP2017-2022).

The constructive interventions include the amendment of the employee performance management system, staff and leadership engagement programmes, as well as organisational structure review for alignment with the SP 2022-2027, among others. To be sure, the set of initiatives and the ways of pursuing them may change along the way; but they will change in a strategic way to suit the changing environment.

Successful pursuit of excellence will be achieved by a committed and cohesive team of staff who exemplify the Bank's core values of transparency & accountability, integrity, teamwork, and excellence that underpin our organisational culture. Our values define the essential traits that will make our team successfully deliver the plan.

To succeed, we will need effective execution of the strategic initiatives to deliver the planned results and impact stakeholders. We must heed the wisdom of the Chinese proverb that says, **"To open a shop is easy; to keep it open is an art"**, not least because research has revealed that up to 67 per cent¹ of strategic plans fail on account of poor execution.

Some of these initiatives, e.g., the establishment of a national payments switch, automation of business processes, and the review & update of the legal framework governing BoU will inevitably require significant financial investment and multi-stakeholder collaboration.

¹ Carucci Ron (November 13, 2017). Executives Fail to Execute Strategy Because They're Too Internally Focused. <https://hbr.org/2017/11/executives-fail-to-execute-strategy-because-theyre-too-internally-focused>

The presence of the Hon. Minister and PS/ST from the Ministry of Finance, Planning and Economic Development is a great sign that our stakeholders wish us well.

We will strive to harness all strategic partnerships on this joint-rather-than-onesome journey ahead of us. The execution of the SP 2022-2027 will not be free of challenges (such as the escalation of costs amidst strained incomes) but we will face and surmount them together. Hon. Minister, PSST, and distinguished stakeholders, we wholeheartedly thank you for the support lavished on us up to today and beyond. We pledge to continue proving worthy of your committed support in the current strategic cycle.

I am eternally grateful to the members of the BoU Board of Directors for their unwavering strategic leadership, stewardship, and oversight. Not only did the Board members actively participate in the evaluation of SP 2017-2022, but they also committed two full days to consider, critique, and refine the strategic plan. The Board's insights on what the Bank did well, areas which needed improvement, and recommendations on the focus areas greatly shaped the new strategic imperatives.

I thank the management and staff, for their commitment and involvement in the formulation of SP2022-2027, through participation in the retreats, interviews, focus group discussions, and the provision of feedback which fed into the strategic elements.

In a special way, I wish to highlight and appreciate the executive directors who will provide strategic oversight of the cross-directorate initiatives. The role of the executive directors as team leaders of the respective strategic initiatives is a key ingredient in the accountability mechanism for the successful execution of the strategic plan.

I am also eternally grateful to the external stakeholders - including Government agencies, supervised financial institutions, industry bodies, media agencies, development partners, and consulting firms, among others - who participated in the evaluation of SP2017-2022 and environmental assessment for formulating SP2022-2027.

Special thanks to the Risk and Strategic Management Directorate, specifically the Strategy Management and Quality Assurance (SQA) Department for delivering a holistic and homemade strategic plan. Thanks to the organising committee for this official launch event.

Ladies and gentlemen, our staff participated in an internal contest for crafting a slogan for the SP 2022-2027. I am pleased to announce the top three slogans and invite their proposers to receive their awards, which include certificates of recognition and a monetary reward.

The second runner-up was **“We are in it together”** by Moses Mbabazi Murungi (Assistant Director/Branch Manager, Fortportal - Currency Department)

The first runner-up was **“Excellence, great value”** by Brian Kirunda (Principal Banking Officer/ Head, Technical Unit - Currency Department)

And the winner is **“Going further, together”** by Edgar Azairwe Rutaagi (Principal Banking Officer, Head, Business Analysis & Guarantees Section - Banking Department).

Thank you all for participating in channelling the spirit of SP 2022-2027 through the apt phrases. Congratulations to the winners and kudos to Mr Rutaagi for championing and celebrating our teamwork through the winning slogan.

I thank everyone for committing time at the end of your day to grace this occasion with your presence.

It is now my singular honour to invite the Hon. Minister of Finance, Planning and Economic Development to speak and formally launch the Bank of Uganda Strategic Plan for 2022-2027. Hon. Henry Musasizi, you are most welcome to address us.

I thank you all for listening to me.