



National Remittance Stakeholders Network

Initial ideas on Roadmap for Action

Structure of Uganda's Preliminary Remittances Roadmap

PRIME Africa Objectives

Reducing Remittance Costs

Increase Digitization

Drive Financial Inclusion through Remittances

Reduce Use of Informal Remittances

A. COVID Response

B. Coordination

C. Data

D. Digitalization - National and Regional Payment System

E. Digitalization - Innovation and Technology

F. Financial Inclusion

G. Enabling Environment

H. Enabling Environment - AML-CFT

I. Informality

A.1 Review and Assess Impact

B.1 Develop Working Groups

C.1 Enhanced Data

D.1 Domestic Interoperability

E.1 Tier 4 Sector Digitization

F.1 Remittance-linked Financial Services

G.1 Create Awareness

H.1 Implement RBA

I.1 Curbs and Enforcements

C.2 Coordination with Surveys

D.2 Distribution and Access

E.2 Competitive Pricing and Open Infrastructure

F.2 Financial Literacy Activities

G.2 Licensing Requirements and Fees

H.2 Issuance of NINs and NICs

D.3 Regional Interoperability

E.3 Innovative Remittance Products

G.3 Harmonize EAC Regulations

H.3 Proof of Address Requirements

G.4 Transparent Pricing

H.4 Rolling Out eKYC Scheme

G.5 Review Tax

H.5 KYC Requirements for non-NINs

G.6 Consumer Protection

H.6 De-risking Challenges

G.7 Review Regulatory Restrictions

H.7 SupTech and RegTech

Priority Key:

Highest

High

Medium

Roadmap

	Thematic	Proposed Milestone		
A	COVID 19 Response	Learn from the Covid-19 Crisis and put in place measures to guard against future economic crises		
	Proposed Actions	Suggested Outputs	Stakeholders	Proposed Country Priorities
A.1	To continue to review and assess the impact of COVID-19 on cross-border remittances. To also continue to share the impact of the measures taken by the government to support the use of digital payments and produce lessons learned to underpin policy and service providers.	<ul style="list-style-type: none"> To continue to produce reports and analysis on the impact of COVID-19 on remittances (ideally broken down by corridors and channel), the use of digital payments and on the diaspora, combined with policy recommendations and recommendations for service providers To potentially use the analysis as a basis for advocacy with service providers and government 	Potentially led by analysts from the Bank of Uganda (BOU) with support from mobile money providers (MMPs), remittance service providers (RSPs), banks, etc.	

B	Coordination	Leverage the NRSN to create Working Groups for the coordination, implementation and monitoring of Uganda's remittance landscape improvements		
	Proposed Actions	Suggested Outputs	Stakeholders	Proposed Country Priorities
B.1	Develop the National Remittance Stakeholder Network into a Working Group that continues to address remittances and financial inclusion across various sectors and coordinates and harmonizes with actions and activities from the Bank of Uganda (BOU), including those stemming from the National Financial Inclusion Strategy.	<ul style="list-style-type: none"> • Create sub-groups of stakeholders among the key recommendations developed by the NRSN. Periodic meetings and regular updates between stakeholders. Coordinate between different stakeholders and projects • Set milestones, monitor and evaluate the progress of the Roadmap implementation against objectives and goals • The WGs may also wish to update/review the National Financial Inclusion Strategy to include and reflect cross-border remittances and their role in driving financial inclusion 	BOU to potentially coordinate, donors (incl. FSD Uganda, CGAP), Uganda Bureau of Statistics (UBOS), UMRA, UNDCF, World Bank, IMF, Alliance for Financial Inclusion (AFI), Remittance Association, Ugandan Banker's Association (UBA), banks, Post Bank Uganda and Posta Uganda, Fintech's, International and domestic aggregators, MMPs, RSPs, diaspora representatives, IFAD (PRIME Africa), Institute for Africa Remittances (AIR) etc.	

C	Data	For the BOU to consider whether there is potential to further improve the data on remittances and diaspora in Uganda to inform policy and private sector business decisions		
	Proposed Actions	Suggested Outputs	Stakeholders	Proposed Country Priorities
C.1	For the BOU to review its data collection framework to see whether it is possible to provide enhanced remittance data to the industry, notably to also include monthly transaction data on inbound and outbound flows broken down by corridor and channel (bank account, mobile wallet, cash/agent), receive-region, market share of operators and refugees etc.	<ul style="list-style-type: none"> For the BOU, with technical assistance if required, to consider reviewing their existing transaction data reporting systems to see whether there is potential to make changes or upgrade systems to be able to publish monthly disaggregated inbound and outbound remittance flows. 	BOU, African Institute of Remittances (AIR), IMTOs, Remittance Service Providers (RSP's) MMP's etc.	
C.2	For the BOU to continue to roll-out its Personal Transfer Survey and consider extending it to include inbound and outbound remittances and publishing further segmentation of the data.	<ul style="list-style-type: none"> For the BOU to continue to lead on its commendable Personal Transfer Survey For the BOU to consider also including outbound remittances within the survey as well as further segmentation including breakdowns by corridor, refugees and deeper insight into the use and reasons for informal channels (such as unauthorized forex dealers, MMP non-registered agents). This may include reviewing the urban bias in sampling and sampling sizes 	BOU and AIR, etc.	

D	Digitalization - National and Regional Payment System Infrastructure	Support domestic and regional interoperability to increase competition, improve affordability and improve the digital payments ecosystem across the country		
	Proposed Actions	Suggested Outputs	Stakeholders	Proposed Country Priorities
D.1	To improve the digital payment system through improving the efficiency and cost-effectiveness of domestic interoperability for person-to-person payments between different stores of value.	<ul style="list-style-type: none"> For the BOU to continue to work with FSD Uganda on a national switch. For the NRSN to be included in the private sector consultation to work out the business model, governance structure and use cases. Ensure that NBFIs have direct participation 	BOU and FSD Uganda, etc.	
D.2	To support the ABC and other financial service providers work on addressing distribution and access gaps, especially in rural areas.	<ul style="list-style-type: none"> Through grants and calls for proposals 	Development partners, Agent Banking Corporation (ABC), FSPs, etc.	
D.3	To assess the potential for achieving pan-regional interoperability across networks, platforms and type of institution to reduce costs and increase the convenience of remittances and retail payments across the region.	<ul style="list-style-type: none"> For the BOU to continue to explore different solutions for achieving interoperability between networks, platforms and types of institution across the EAC region through extensive collaboration between regional governments and industry stakeholders, including ongoing initiatives Pilot at a bilateral level among willing countries 	BOU, EAPS, MMPs, banks, RSPs, CBK, FSD Uganda, CGAP, AfDB, AU, MEFMI, EAC Central Banks, Gates, Mojaloop, WB, IMF (SARB, ResBank Africa TCIB)	

E	Digitalization - innovation and technology	Increase the digitalization of remittance service providers and encourage innovation to reduce costs and access to all people across Uganda		
	Proposed Actions	Suggested Outputs	Stakeholders	Proposed Country Priorities
E.1	To support, through UMRA, the digitalization of the Tier 4 sector SACCOs and MFIs	<ul style="list-style-type: none"> • Work through UMRA to identify key Tier 4 institutions where digitalization of systems and processes can impact remittance beneficiaries, either directly or through partnerships, considering the PRIME Africa goals • For funding through a call for proposals or grant funding to support Tier 4 financial institutions to digitize 	UMRA, Tier 4 financial institutions incl. SACCOs and MFIs, FSD Uganda, etc.	
E.2	Given the importance of MMPs in the remittances value chain, for regulators: BOU and the Competition Commission to continually encourage competitive pricing and open infrastructure where applicable	<ul style="list-style-type: none"> • Investigation and reporting • Support for BOU and Competition Authority to set up a mechanism for reporting anti-competitive behavior for example informal forex pricing or additional over the counter charges, that result in higher costs 	BOU, Competition Authority, UFRA, RSP's, etc.	
E.3	Support and promote the extension of innovative remittance products or Fintech models, especially under the new National Payment System Regulations and licensing categories, that offer low pricing to a broad audience (or targeted such refugees) and those that enable the passing of gains from digital operations to customers	<ul style="list-style-type: none"> • Call for proposals • Work collaboratively with the BOU's proposed regulatory sandbox to support innovation in cross-border payments 	Fintech, RSPs, MMPs, PostBank, Posta, banks, ABC, switches and aggregators, FSPs, BOU, etc.	

F	Financial Inclusion	Drive financial inclusion through remittance-linked services, awareness and literacy, especially in rural areas and to excluded groups		
	Proposed Actions	Suggested Outputs	Stakeholders	Proposed Country Priorities
F.1	<p>To support industry to offer more remittance-linked financial services, including savings, insurance, pensions, investments and credit, especially those that target the last mile remittance beneficiaries and address the rural divide and the gender gap. Also leverage existing utility payment and aggregators linked to remittance funds received. Current offerings- mostly Diaspora Accounts offer limited options and only target remittance senders.</p>	<ul style="list-style-type: none"> Funding through a Call for Proposals to both private and public sector to incentivize partnerships to deepen financial inclusion in Uganda and mobilize resources for homeland development. To use the CfP to determine the last mile rural networks and encourage the development of services to support an increase in financial inclusion through grants 	<p>IFAD, banks, MMPs, DMFIs, PostBank, Posta Uganda, RSPs, ABC, other financial service providers, etc.</p>	
F.2	<p>For the BOU and partners to undertake financial literacy activities targeted at popularizing the safe use of digital financial services and digital remittance services, especially with women, in rural areas and refugee camps.</p>	<ul style="list-style-type: none"> Call for proposals Support or leverage any ongoing or planned national campaigns with a specific focus on remittances. Includes scaling private sector and development actor initiatives at multiple levels for increased impact 	<p>BOU, FSD Uganda, UBA, UNCDF, Remittance Association, International Rescue Committee (IRC), etc.</p>	

G	Enabling Environment	Ensure that remittances in Uganda are competitively priced, transparent, and accessible in rural areas with enforcement of consumer protection principles in place		
	Proposed Actions	Suggested Outputs	Stakeholders	Proposed Country Priorities
G.1	Disseminate and create awareness around National Payments Act, regulations and guidelines	<ul style="list-style-type: none"> For the BOU to create awareness around new regulatory framework for payment service providers to operate independently from banks to drive down costs For the BOU to publish an 'Approach Document / Guidelines' for remittance businesses, translating regulations in a user-friendly way for cross-border remittances 	BOU, Uganda Forex & Remittances Association, NRSN, RSPs, Banks, FITSPA, MMPs, etc.	
G.2	Improve clarity and focus on remittance regulations regarding licensing requirements for different institutions and review licensing fees and wait times	<ul style="list-style-type: none"> For the BOU to improve clarity on remittance regulations regarding licensing requirements for different institutions (including SACCOs, MFIs etc.) and sub-agents, and considering the new National Payment System Regulations 2021 	BOU, MMPs, RSPs, Remittances Association, FITSPA, NRSN, etc.	
G.4	For the BOU to ensure that cross-border remittance pricing to be transparent upfront and available online and through USSD. For there to be full disclosure on pricing, especially for mobile and online service providers incl. cash-out fees for Mobile Money.	<ul style="list-style-type: none"> To consult with industry stakeholders on how to enforce transparency on remittance pricing and compliance with remittance regulations and consumer protection to develop an action plan (and if necessary, legislate) Technical assistance to government (if required) and RSPs to be able to meet with new requirement 	BOU, RSPs (incl. banks, MMPs, PSPs, RSPs, etc.), NRSN, etc.	

G.5	<p>Continue to review the impact of mobile money taxation on the use of digital payments and digital remittance services, especially by low-income segments, and lobby accordingly. An impact assessment can be conducted to determine correlations with informal channels</p>	<ul style="list-style-type: none"> • Participation in public/private sector forums and development partners focused on creating more understanding on Mobile Money taxation for low-value transactions 	<p>The International Centre for Tax and Development - Digitax, BOU, GSMA, etc.</p>	
G.6	<p>Improve consumer protection and cybersecurity for cross-border remittance customers and especially those using digital remittance services (including clear recourse mechanisms and protection of consumer data) and awareness</p>	<ul style="list-style-type: none"> • Support FSP's to improve their consumer protection and cybersecurity frameworks through audits and technical support 	<p>BOU, FSPs, UBA, Financial Intelligence Authority (FIA), etc.</p>	
G.7	<p>To review the regulatory restrictions for Tier 4 institutions (SACCOs and MFIs), agency banking outlets and appropriate retail operators to be able to pay-out international remittances and support them to meet the required criteria. This could be a Tiered licensing model</p>	<ul style="list-style-type: none"> • Assessment of the regulatory restrictions and requirements for Tier 4 NBFIs and retail to pay-out international remittances. • Funding and technical assistance to increase compliance capacity and meet requirements 	<p>BOU, UMRA, Remittances Association, FSD Uganda, etc.</p>	

H	Enabling Environment - AML-CFT	Review and improve the AML-CFT framework to be aligned with FAFT guidance and increase access to remittances users		
	Proposed Actions	Suggested Outputs	Stakeholders	Proposed Country Priorities
H.1	Application of risk-based approach (RBA) to AML-CFT by remittance service providers and financial service providers, in line with FATF recommendations	<ul style="list-style-type: none"> Assessment of institutions to work with, including technical assistance on implementing RBA for RSPs Recommendations and Technical assistance in areas relating to applying the RBA, remote onboarding etc. 	CENFRI, RSPs, BOU, etc.	
H.2	Continue to expedite the issuance of National Identification Number (NIN) and National Identification Cards (NICs) across the country	<ul style="list-style-type: none"> For NIRA to improve efficiencies in turn around times in issuing cards and to address the challenges in replacing NICs 	NIRA, etc.	
H.4	Support BOU, NITA, UBA and FSD Uganda in rolling out their eKYC scheme to ensure access to the national ID system for all supervised institutions and to facilitate remote onboarding of customers and remote biometric verification and authentication for triangulation	<ul style="list-style-type: none"> Advocacy for APIs to be extended to all supervised financial institutions, including RSPs Advocacy and systems for remote onboarding of new customers Technical assistance to non-bank RSPs to access and roll out remote onboarding as part of their KYC process 	BOU, NIRA, NITA, UBA, FSD Uganda, RSPs, Laboremus, etc.	

H.5	<p>For the BOU to consider issuing specific guidelines on KYC requirements for non-holders of NIN (including FDPs) whose identification cannot be authenticated, in alignment with the recent FATF guidelines on digital identity and identity proofing. Leverage learnings from UNHCR/UNCDF project and CENFRI</p>	<ul style="list-style-type: none"> • BOU should issue guidelines on KYC requirements for non-holders of NIN whose identification cannot be authenticated in alignment with FATF • Liaise with Office of the Prime Minister, Department Of Refugees to review turn-around times for FDPs Alien Cards and participation in Financial Services sector 	<p>UNHCR, FIA, Department of Immigration, UNHCR, UNCDF, CENFRI</p>	
H.6	<p>To address challenges with de-risking by banks (and correspondent banks) of money transfer businesses to ensure that they continue to be able to access accounts and reduce last resort pricing</p>	<ul style="list-style-type: none"> • To build the reputation of the Ugandan state's compliance aimed at a reduction of de-risking trends and last resort pricing through orchestrated efforts between industry stakeholders • Reduce over-reliance on correspondence banking • For the UBA to take a proactive role in ensuring that there is no crowding out of money transfer operators dependent on banking and correspondent banking relationships 	<p>Government representative offices, regulators, supervisors and RSPs, UBA, etc.</p>	
H.7	<p>Explore use of SupTech and RegTech solutions to modernize supervision and regulation of digital financial services and cross-border remittances and payments</p>	<ul style="list-style-type: none"> • BOU to identify key pain points addressable by use of SupTech or RegTech also to improve ratings with FATF 	<p>ESAAMLG, BOU, FIA, World Bank, etc.</p>	

I	Informality	Reduce the use of informal remittance channels, especially the use of unauthorized MMPs agents		
	Proposed Actions	Suggested Outputs	Stakeholders	Proposed Country Priorities
I.1	<p>Curb and enforce the increased number of unauthorized dealers, including unregistered MMPs accounts offering cross-border P2P services, unlicensed forex bureaus and traders, that pose and increase country risks associated to AML-CTF</p>	<ul style="list-style-type: none"> • Enforcement of banking supervision visits by the BOU and anonymous reporting line • For the BOU to continue to conduct awareness campaigns to promote the use of formal services among the general public • Use the data from existing and planned surveys to understand the drivers behind using informal services to inform next steps and actions to increase formality • For the BOU to consider tiered licensing and reviewing licensing fee structures and requirements to bring informal operators into the formal sector proactively 	<p>BOU, MMPs, forex bureaus, traders</p>	

Thank you

