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# Vote:129 Financial Intelligence Authority (FIA)

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## V1: Vote Overview

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### I. Vote Mission Statement

To foster the integrity of the financial system through effective detection and prevention of financial crimes.

### II. Strategic Objective

1. Enhance the identification of the proceeds of crime and the combating of money laundering and financing of terrorism.
2. Ensure compliance with the Anti-money Laundering Act.
3. Enhance public awareness and understanding of matters related to money laundering.
4. Make information collected by it available to competent authorities and to facilitate the administration and enforcement of the laws of Uganda.
5. Exchange, spontaneously or upon request, any information with similar bodies of other countries that may be relevant for the processing and analyzing of information relating to money laundering or terrorism financing.
6. Strengthen the capacity of the Authority to effectively and efficiently deliver its mandate.

### III. Major Achievements in 2017/18

Under objective to enhance identification of the proceeds of crime and the combating of money laundering the following was achieved

The Authority received 367 Suspicious Transactions Reports (STRs) which were analyzed and 39 were found to have criminal elements and were disseminated to Law enforcement Agencies for further investigations and 41 were closed. The Authority hosted a goAML technical team from UNODC on a pre-production mission who supported the installation of test platform using virtual servers and trained FIA IT Staff and money laundering control officers

The Authority Completed the National Risk Assessment (NRA) exercise on AML/CFT Framework and submitted the final draft report and implementation plan to the Hon. MFPED approval. The report was approved by the ministry and submitted it to cabinet for final approval since it covers many other stakeholders.

Under objective to ensure compliance with the Act the following was achieved

FIA conducted joint AML/CFT Inspections with Financial sector Regulators to assess the level of Compliance with AMLA 2013. The regulators included Bank of Uganda and Capital Markets Authority and the financial institution inspected include Kenya commercial bank (U) Ltd; Stanbic bank (U) Ltd; and UAP Financial Services Ltd.

The AMLA 2013 was amended and addressed gaps which were identified by both ESAAMLG and ICRG-FATF to ensure compliance with international standards.

Registered 20 accountable persons as required by AMLA 2013

Under objective to enhance public awareness and understanding of matters related to money laundering

FIA conducted public awareness sessions through talk-shows in selected radio and television stations, under the program coordinated by Office of the Prime Minister. The media houses that were engaged include, in the radios; Super FM, UBC, CBS, Radio Maria, Sapientia, Namirembe FM and Akaboozi as well as in the following television stations; Star TV, Record TV and Channel 44 TV.

FIA intensified outreach to stakeholders, especially accountable persons, through training sessions provided upon request. Among the institutions that benefitted from training include; Commercial Bank of Africa, Top Finance Bank, Real Estate Agents, Forex and Money Remitters Association; Diamond Trust Bank, Uganda Bankers' Association, Money laundering Control Officers and IT staff of commercial banks (specifically on the goAML software applications). Staff of the Authority also presented papers at various stakeholders' workshops, which included among others Inspectorate of Government, Civil Society Budget Advocacy Group, Institute of Certified Public Accountants of Uganda, Uganda Bankers' Association, and Uganda Revenue Authority.

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Under objective make information collected by it available to competent authorities and to facilitate the administration and enforcement of the laws of Uganda

FIA has developed data base of statistics on the money laundering and terrorist financing

Developed a coordination forum for both accountability and justice law and order sector to share AML/CFT information.

Under objective to exchange information with similar bodies whose countries have treaties, agreements or arrangements with the government of Uganda regarding money laundering and similar offences

FIA officials attended all the Regional Reporting Group (RRG) meetings of the ICRG as well as the FATF plenary meetings to present Uganda's progress in implementing AML/CFT. All the outstanding issues relating to Criminalising the financing of terrorism (SR11), Seizing and freezing of terrorist assets (SR11), Record-keeping (R10), Financial Intelligence Unit (R26), Supervision (R23), and International Cooperation (R40) were addressed.

The Authority have participated in the annual Task Force and Council of Ministers's meetings and reported progress of ML/TF implementation on the technical compliance under the second round of mutual evaluation.

A delegation from the Financial Intelligence Center (FIC) - South Africa (one of Uganda's sponsors for the Egmont application process assessed our readiness to join EGMONT. A report was produced highlighting areas of reform which have been addressed and Uganda is ready to apply for admission.

FIA signed MoUs with other regional FIUs to enhance international cooperation in sharing information. TO that effect, FIA received request from other FIUS and also sent out requests to other FIUs in relation to case of Money laundering and terrorism financing under investigation. The countries include South Africa, Tanzania, Zambia and United Kingdom Uganda was removed from the Financial Action Taskforce watch list of countries not meeting AML/CFT international Standards after addressing all the deficiencies that were identified by the reviewers.

Under objective efficiency and effectiveness of FIA to deliver its Mandate the Authority trained its staff and other law enforcement agencies in the following areas, financial analysis, investigations and prosecutions and Asset recovery, crime typologies, Improving financial supervisory measures on AML/CFT,

The Authority has approved policies and manuals to guide its operations. This include the Audit manual, and information and telecommunication manual

Under cross cutting issues the Authority has provided medical insurance cover to its staff for all illness including maternity for expecting mothers.

### IV. Medium Term Plans

Engage Ministry of Finance, Planning and Economic Development to increase funding to FIA to recruit staff to full capacity

Coordinate with other law enforcement agencies to initiate parallel Financial investigations alongside the predicate offences which generates proceeds which are laundered

Amend relevant legislations to address gaps and strengthen asset recovery law to deter involvement in money laundering activities

Increase public awareness and sensitization on AML/CFT framework

Increase international cooperation and information sharing by joining EGMONT Group of FIUs.

Undertake typology/trends analysis to fully understand the ML/TF threats and vulnerabilities

Enhance identification of the proceeds of crime and the combating of money laundering and terrorist financing Increase compliance with the AML Act

Increase public awareness and understanding of matters related to money laundering related to money laundering Improve collection, Analysis and dissemination of information to competent Authorities Strengthen international cooperation

Strengthen capacity of the Authority to effectively and efficiently deliver its mandate

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Modernize ICT Platforms and business systems Strengthen internal control recruit,train, equip and adequately compensated staff on cross cutting issues the authority plans to:

Mainstream gender issues to Provide for gender equity in all services of the authority. These includes, providing for baby care services for mothers while at work, provide parenting knowledge sharing and advise, articulate the different roles gender can be involved in. Balance female and male intake during recruitment Nondiscrimination on age basis to access services at FIA, provide resting place for expecting mothers.

Develop an in house policy on gender and equity, provide equal opportunity for competition for promotion across gender, and provide equity in procurement of goods and services especially ensuring local content and mainstream disability issues.

Integrate HIV/AIDS issues in Directorates by Support testing of HIV /AIDS, Provide counseling services, provide treatment services for those affected with HIV/AIDS, Provide food supplements to patients, provide condoms to staff.

Provide for conducive environment for all people including those with disability, provide paper less environment where IT is used to communicate to staff, provide for wheel chairs for disabled staff, Provide for medical insurance for all staff and finally have a proper disposal of office refuse

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## V. Summary of Past Performance and Medium Term Budget Allocations

Table 5.1: Overview of Vote Expenditures (US\$ Billion)

	2016/17 Outturn	2017/18		2018/19	MTEF Budget Projections				
		Approved Budget	Expenditure by End Dec		2019/20	2020/21	2021/22	2022/23	
<b>Recurrent</b>									
Wage	2.306	2.306	1.153	3.477	3.825	4.016	4.217	4.428	
Non Wage	3.969	5.404	2.616	6.347	7.743	8.905	10.686	12.823	
<b>Devt.</b>									
GoU	0.882	0.465	0.390	0.465	0.567	0.681	0.681	0.681	
Ext. Fin.	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
<b>GoU Total</b>	<b>7.156</b>	<b>8.175</b>	<b>4.159</b>	<b>10.290</b>	<b>12.136</b>	<b>13.602</b>	<b>15.584</b>	<b>17.932</b>	
<b>Total GoU+Ext Fin (MTEF)</b>	<b>7.156</b>	<b>8.175</b>	<b>4.159</b>	<b>10.290</b>	<b>12.136</b>	<b>13.602</b>	<b>15.584</b>	<b>17.932</b>	
Arrears	0.000	0.000	0.000	0.210	0.000	0.000	0.000	0.000	
<b>Total Budget</b>	<b>7.156</b>	<b>8.175</b>	<b>4.159</b>	<b>10.500</b>	<b>12.136</b>	<b>13.602</b>	<b>15.584</b>	<b>17.932</b>	
<b>A.I.A Total</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	
<b>Grand Total</b>	<b>7.156</b>	<b>8.175</b>	<b>4.159</b>	<b>10.500</b>	<b>12.136</b>	<b>13.602</b>	<b>15.584</b>	<b>17.932</b>	
<b>Total Vote Budget Excluding Arrears</b>	<b>7.156</b>	<b>8.175</b>	<b>4.159</b>	<b>10.290</b>	<b>12.136</b>	<b>13.602</b>	<b>15.584</b>	<b>17.932</b>	

## VI. Budget By Economic Classification

Table V6.1 2017/18 and 2018/19 Budget Allocations by Item

<i>Billion Uganda Shillings</i>	2017/18 Approved Budget				2018/19 Draft Estimates			
	GoU	Ext. Fin	AIA	Total	GoU	Ext. Fin	AIA	Total
<b>Output Class : Outputs Provided</b>	<b>7.710</b>	<b>0.000</b>	<b>0.000</b>	<b>7.710</b>	<b>9.825</b>	<b>0.000</b>	<b>0.000</b>	<b>9.825</b>
211 Wages and Salaries	2.613	0.000	0.000	2.613	3.764	0.000	0.000	3.764
212 Social Contributions	0.253	0.000	0.000	0.253	0.348	0.000	0.000	0.348
213 Other Employee Costs	0.618	0.000	0.000	0.618	0.695	0.000	0.000	0.695
221 General Expenses	1.481	0.000	0.000	1.481	2.179	0.000	0.000	2.179
222 Communications	0.350	0.000	0.000	0.350	0.040	0.000	0.000	0.040
223 Utility and Property Expenses	1.010	0.000	0.000	1.010	0.995	0.000	0.000	0.995
224 Supplies and Services	0.600	0.000	0.000	0.600	1.016	0.000	0.000	1.016
225 Professional Services	0.000	0.000	0.000	0.000	0.125	0.000	0.000	0.125
226 Insurances and Licenses	0.182	0.000	0.000	0.182	0.182	0.000	0.000	0.182
227 Travel and Transport	0.577	0.000	0.000	0.577	0.481	0.000	0.000	0.481
228 Maintenance	0.025	0.000	0.000	0.025	0.000	0.000	0.000	0.000
<b>Output Class : Capital Purchases</b>	<b>0.465</b>	<b>0.000</b>	<b>0.000</b>	<b>0.465</b>	<b>0.465</b>	<b>0.000</b>	<b>0.000</b>	<b>0.465</b>
312 FIXED ASSETS	0.465	0.000	0.000	0.465	0.465	0.000	0.000	0.465
<b>Output Class : Arrears</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.210</b>	<b>0.000</b>	<b>0.000</b>	<b>0.210</b>

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321 DOMESTIC	0.000	0.000	0.000	0.000	0.210	0.000	0.000	0.210
<b>Grand Total :</b>	<b>8.175</b>	<b>0.000</b>	<b>0.000</b>	<b>8.175</b>	<b>10.500</b>	<b>0.000</b>	<b>0.000</b>	<b>10.500</b>
<b>Total excluding Arrears</b>	<b>8.175</b>	<b>0.000</b>	<b>0.000</b>	<b>8.175</b>	<b>10.290</b>	<b>0.000</b>	<b>0.000</b>	<b>10.290</b>

## VII. Budget By Programme And Subprogramme

Table V7.1: Past Expenditure Outturns and Medium Term Projections by Programme and SubProgramme

Billion Uganda shillings	FY 2016/17 Outturn	FY 2017/18		2018-19 Proposed Budget	Medium Term Projections			
		Approved Budget	Spent By End Dec		2019-20	2020-21	2021-22	2022-23
<b>58 Prevention of ML/CFT, Prosecution and confiscation of proceeds of crime</b>	<b>0.489</b>	<b>1.629</b>	<b>0.828</b>	<b>1.680</b>	<b>2.510</b>	<b>2.700</b>	<b>3.500</b>	<b>4.100</b>
02 Legal, Inspection and Compliance	0.110	0.238	0.118	0.230	0.300	0.400	0.500	0.600
03 Operational Analysis	0.330	0.796	0.502	1.250	1.810	1.800	2.400	2.800
04 Information Systems Administration and Security	0.048	0.595	0.208	0.200	0.400	0.500	0.600	0.700
<b>59 Policy, International Cooperation and Mutual Legal Assistance</b>	<b>6.668</b>	<b>6.546</b>	<b>3.331</b>	<b>8.820</b>	<b>9.626</b>	<b>10.902</b>	<b>12.084</b>	<b>13.832</b>
01 Headquarters	5.047	5.490	2.705	7.885	8.363	9.221	10.126	11.405
05 International Relations and Strategic Analysis	0.604	0.427	0.176	0.370	0.596	0.800	0.977	1.346
06 Internal Audit	0.135	0.164	0.060	0.100	0.100	0.200	0.300	0.400
1423 Support to Financial Intelligence Authority	0.882	0.465	0.390	0.465	0.567	0.681	0.681	0.681
<b>Total for the Vote</b>	<b>7.156</b>	<b>8.175</b>	<b>4.159</b>	<b>10.500</b>	<b>12.136</b>	<b>13.602</b>	<b>15.584</b>	<b>17.932</b>
<b>Total Excluding Arrears</b>	<b>7.156</b>	<b>8.175</b>	<b>4.159</b>	<b>10.290</b>	<b>12.136</b>	<b>13.602</b>	<b>15.584</b>	<b>17.932</b>

## VIII. Programme Performance and Medium Term Plans

Table V8.1: Programme Outcome and Outcome Indicators ( Only applicable for FY 2018/19)

<b>Programme :</b>	58 Prevention of ML/CFT, Prosecution and confiscation of proceeds of crime		
<b>Programme Objective :</b>	Ensure that Accountable/Reporting entities comply with AMLA and ATA and their respective Regulations and Guidelines, provide legal representation, enforce administrative sanctions, and ensure that proceeds of crime are confiscated. Undertake analysis of financial transactions and disseminate financial intelligence reports to Law Enforcement Agencies and ensure that IT infrastructure supports FIA operations and provides safety and integrity of FIA information		
<b>Responsible Officer:</b>	David Ngobi		
<b>Programme Outcome:</b>	Uganda rated technically compliant with 40 FATF key and core recommendations on AML/CFT framework		
<i>Sector Outcomes contributed to by the Programme Outcome</i>			
<b>1. Sustainable Macroeconomic Stability</b>			
Outcome Indicators	Performance Targets		
	2018/19	2019/20	2020/21
	Target	Projection	Projection

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• Level of compliance with FATF recommendations	Largely compliant	Largely compliant	largely compliant
<b>Programme Outcome:</b> Increased levels of Accountable/Reporting entities compliant with AMLA 2013 as amended			
<i>Sector Outcomes contributed to by the Programme Outcome</i>			
<b>1. Value for money in the management of public resources</b>			
Outcome Indicators	Performance Targets		
	2018/19	2019/20	2020/21
	Target	Projection	Projection
• Level of compliance	30%	50%	80%
<b>Programme Outcome:</b> Increased level of public awareness on ML/TF matters on targeted entities			
<i>Sector Outcomes contributed to by the Programme Outcome</i>			
<b>1. Value for money in the management of public resources</b>			
Outcome Indicators	Performance Targets		
	2018/19	2019/20	2020/21
	Target	Projection	Projection
• Level of awareness of targeted entities	50%	75%	90%
N/A			

## IX. Major Capital Investments And Changes In Resource Allocation

**Table 9.1: Major Capital Investment (Capital Purchases outputs over 0.5Billion)**

N/A

## X. Vote Challenges and Plans To Improve Performance

Vote Challenges

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Inadequate resources to recruit key staff to carry out fully our mandate. The current technical number is 18 as opposed to 40 as per the approved structure.

Inadequate AML/CFT related statistics due to inefficiency in data management practices occasioned by manual processes in many government departments.

Implementation of cross border declaration of currency and bearer negotiable instruments as a required by AMLA has remained a major challenge.

Some key sectors where ML is taking place is not well regulated like Real Estate and yet AMLA provides FIA to undertake a regulatory role.

Uganda is a cash based economy where it is very difficult to trace financial transactions which do not go through the financial sector

Large informal sector coupled with porous borders where criminals can enter and exit Uganda without being noticed by law enforcement agencies.

The AML/CFT legal framework still has gaps which make it uncompliant with international standards.

Inability to conduct our own investigations and rely on law enforcement agencies who sometimes do not provide priority to FIA reports disseminated to them.

## Plans to improve Vote Performance

Engage ministry of finance to increase funding to FIA to recruit staff to full capacity

Coordinate with other law enforcement agencies to establish parallel investigation in criminal cases alongside money aundering

Amend relevant legislations to address gaps and strengthen asset recovery law to deter involvement in money laundering activities

Increase public awareness and sensitization on AML/CFT framework

Increase international cooperation and information sharing

Undertake typology/trends analysis to fully understand the ML/TF threats and vulnerabilities

## XI. Vote Cross Cutting Policy And Other Budgetary Issues

**Table 11.1: Cross- Cutting Policy Issues**

Issue Type:	HIV/AIDS
<b>Objective :</b>	Integrate HIV/AIDS issues in Directorates by Support testing of HIV /AIDS, Provide counseling services provide treatment services for those affected with HIV/AIDS,Provide food supplements to patients, provide condoms to staff.
<b>Issue of Concern :</b>	Mitigate the impact of HIV/AIDS on staff performance,  Curb the spread of HIV/AIDS in the workplace
<b>Planned Interventions :</b>	Provide counseling services provide Partner with relevant institutions to provide treatment services for those affected with HIV/AIDS,  Provide food supplements to patients,

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**Budget Allocation (Billion) :** 0.150

**Performance Indicators:** Number of HIV affected staff supported for treatment and food supplements  
Reduction in new infections in among staff  
Number of HIV/AIDS Sensitization drives held  
  
Availability of Condoms

**Issue Type:** Gender

**Objective :** mainstream gender issues to Provide for gender equity in all services of the authority. These includes, providing for baby care services for mothers while at work, provide parenting knowledge sharing and advise, articulate the different roles gender can be involved in.  
Balance female and male intake during recruitment  
Non discrimination on age basis to access services at FIA,provide resting place for expecting mothers  
Develop an in house policy on gender and equity, provide equal opportunity for competition for promotion across gender, provide equity in procurement of goods and services especially ensuring local content. and mainstream disability issues.

**Issue of Concern :** Gender Equity

**Planned Interventions :** Non discrimination in recruitment of staff, providing child care facilities for breastfeeding mothers and support to staff with disability.

**Budget Allocation (Billion) :** 0.025

**Performance Indicators:** Number of children and mothers supported

## XII. Personnel Information

**Table 12.1 Staff Recruitment Plan**

Post Title	Salalry Scale	No. Of Approved Posts	No Of Filled Posts	Vacant Posts	No. of Posts Cleared for Filling FY2018/19	Gross Salary Per Month (UGX)	Total Annual Salary (UGX)
Operational Analysis Officer	FIA6	5	0	5	5	22,500,000	270,000,000
Accountant.	FIA6	1	0	1	1	4,000,000	48,000,000
Data Base administrative officer	FIA6	1	0	1	1	4,500,000	54,000,000
Information Security Officer	FIA6	1	0	1	1	4,500,000	54,000,000
Information Technology Support Officer	FIA6	1	0	1	1	4,500,000	54,000,000
Inspection and Compliance Officer	FIA6	3	0	3	3	13,500,000	162,000,000
International Relations and Strategic Analysis Officer	FIA6	2	0	2	2	9,000,000	108,000,000
Legal Officer	FIA6	1	0	1	1	4,500,000	54,000,000
<b>Total</b>		15	0	15	15	67,000,000	804,000,000