

Emmanuel Tumusiime-Mutebile: Brief overview of the Bank of Uganda's mission

Speech by Mr Emmanuel Tumusiime-Mutebile, Governor of Bank of the Uganda, at the 40th Anniversary Charity Walk, Kampala, 5 August 2006.

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Your Excellency, the Vice-President of the Republic of Uganda, Honourable Ministers, Honourable Ministers of State, Members of Parliament, Chief Executives of Financial Institutions, Fellow Walkers, Ladies and Gentlemen.

I would like to extend my sincere gratitude to His Excellency the Vice President of the Republic of Uganda, Prof. Gilbert Bukenya, for having accepted the Bank of Uganda's invitation to lead this Charity Walk as the **Chief Walker**. I also wish to thank all the distinguished guests and each and every walker who honoured the Bank's call to support this charitable event in support of Mulago hospital. Special thanks go to the Staff of the BoU, whose collective philanthropic spirit led to this charity walk.

The BoU was established by the Bank of Uganda Act, 1966, on July 1, 1966 and formally inaugurated as a corporate organisation on August 15, 1966. This year we celebrate 40 years of BoU's service to the country as "**a Pillar of the Economy**".

As part of the events to celebrate BoU's 40th anniversary, the **STAFF** of the Bank have organized this charity walk to raise funds for the purchase of **Critical Care Ventilators** for Mulago hospital. Let me stress, that this is an initiative of the staff of the BoU. The BoU has often supported diverse causes and charitable endeavours aimed at improving social welfare, from its corporate social responsibility provisions. This is in fulfilment of its duty as a good corporate citizen. On this occasion, it is the **staff**, who devoted themselves to a fundraising campaign in aid of this vital cause, out of the desire to do **more**. The staff are motivated by genuine concern for the intended beneficiaries and the conscientious belief that they must give something back to the society, which supports the BoU as a public institution.

The staff have devoted significant resources, in terms of time, energy, and funds. Central bankers are sometimes regarded with suspicion by some members of the public, as being detached from the mainstream of society. The staff are saying, '**judge us by our actions**'. And we are glad to say that the public embraced the noble cause that we championed. The public response to the fundraising campaign has been remarkable. We are deeply heartened and humbled by the large numbers that have joined us in today's charity walk to crown the charitable drive. Thank you for your generosity.

Let me point out that this effort is not unprecedented. During this year, the BoU secretaries and Christian Fellowship marshalled their own resources, complemented with donations from other members of staff and lent support to some of the internally displaced persons' camps in distressed northern Uganda. The staff undertake such initiatives because they are not insensitive to the environment in which they operate.

As an institution, the BoU's *raison d'être* is the provision of public goods, which are **price and financial sector stability**, as stated in the Bank's mission - **to foster price stability and a sound financial system**. In pursuance of its role, the Bank's operations are guided by a set of **values** including: **a commitment to serving public interest, customer service orientation, ethics and integrity, transparency, leadership by example, teamwork, equity and fairness, and confidentiality**. I am glad to say that through prudent monetary policy management, the BoU, in partnership with the government of Uganda, has contributed significantly to price stability in Uganda.

BoU has proved itself to be the slayer of the dragon of inflation, which has been contained to single digit levels since the 1990s from hyperinflationary levels in the 1980s. The current energy crisis and severe drought have made the recent price environment less benign. Nevertheless, the BoU is devoted to the unwavering pursuit of low and stable inflation. Price stability reduces uncertainty, thereby facilitating effective financial intermediation, which in turn enhances financial sector soundness, economic growth and development.

The vagaries of inflation are such that it hurts the poor more than the rich. Inflation not only erodes the limited resources of the poor, but the poor lack the skill and sophistication to hedge against the

negative effects of inflation. By focusing primarily on fostering price stability, the BoU ultimately is geared towards protecting the defenceless poor. Corporate social responsibility, seen as **doing good on a meaningful scale**, therefore lies at the core of the BoU's mission and values.

Focusing specifically on today's charitable endeavour, the proceeds from the staff fundraising campaign culminating in the charity walk, will be used to purchase two critical care ventilators costing **Shs. 112 million**. These machines provide respiratory support to patients in need of critical care. The national referral hospital at Mulago requires all the support they can get in the procurement of the necessary equipment to facilitate the delivery of health services. The Bank of Uganda staff are privileged to lend support to this vital cause. We are thankful for the overwhelming support we have received from the Vice President, our partners in the financial sector, other stakeholders and the general public.

Thank you again for joining the BoU in this noble cause, at the time of our 40th anniversary. Working together in all endeavours offers the best future for our country.