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Circular to all Chief Executive Officers of Commercial Banks, Credit Institutions and Micro-Finance Deposit Taking Institutions

Clarification on the Position and Reporting Line of the Anti-Money Laundering Control Officer

Regulation (6) (3) of the Anti-Money Laundering Regulations, 2015 requires that the position of Anti-Money Laundering Control Officer (AMLCO) should be held by a person at Senior Management level. However, Bank of Uganda (BOU) has noted that some Supervised Financial Institutions (SFIs) are not in compliance with this requirement. There is also lack of clarity among SFIs as to whether the role of AMLCO can be performed by any of the existing Executive Management (EXCO) members.

In line with international best practices, the AMLCO should have a direct reporting line to Executive Management or the Board of the SFI. This enables him/her to directly articulate any issues exposing the SFI to money laundering risks. Additionally, the AMLCO should be the contact point for internal and external authorities, including supervisory authorities or the Financial Intelligence Authority, concerning Anti-Money Laundering issues.

In this regard, Bank of Uganda wishes to reiterate that the AMLCO should hold managerial authority in the SFI and clarify that SFIs may appoint independent Senior Managers to the position of AMLCO or assign the responsibility to either the Head of Risk or Head of Compliance.

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