MINISTRY OF ICT AND
NATIONAL GUIDANCE

UGANDA BPO & IT SERVICES JOB CREATION STRATEGY - 2030

MINISTRY OF ICT AND NATIONAL GUIDANCE

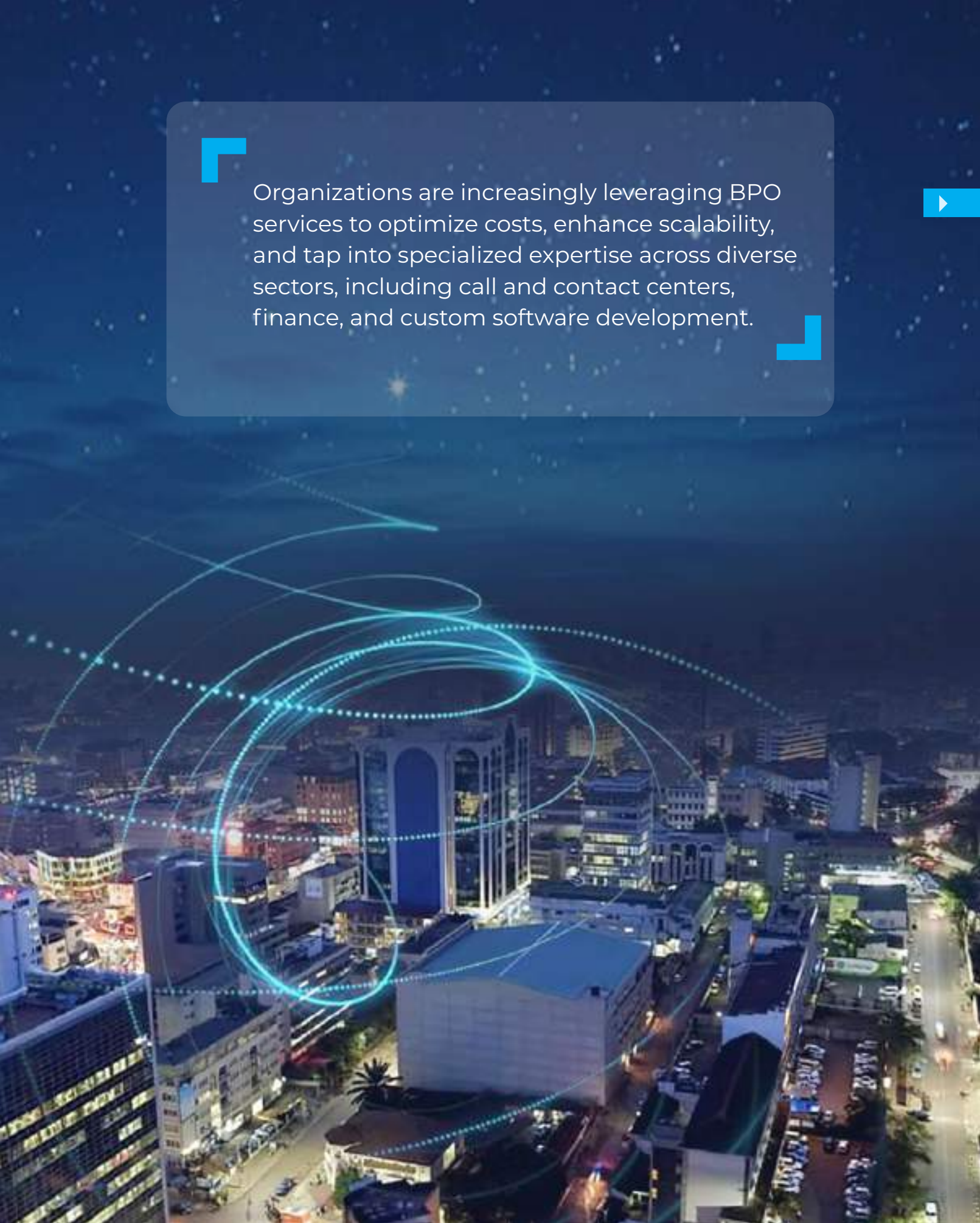# UGANDA BPO & IT SERVICES JOB CREATION STRATEGY

2030

CONTENTS

Organizations are increasingly leveraging BPO services to optimize costs, enhance scalability, and tap into specialized expertise across diverse sectors, including call and contact centers, finance, and custom software development.

Foreward

The Business Process Outsourcing (BPO) industry is on a trajectory of significant growth and evolution, propelled by technological innovations such as Artificial Intelligence, automation, and cloud computing. Organizations are increasingly leveraging BPO services to optimize costs, enhance scalability, and tap into specialized expertise across diverse sectors, including call and contact centers, finance, and custom software development. The convergence of global economic shifts and the imperative of digital transformation further solidifies the BPO industry's position as a catalyst for economic expansion.

The Government of Uganda acknowledges the BPO sector's pivotal role in driving economic growth, fostering job creation, and elevating the overall quality of life. In response, a comprehensive Go-to-Market Strategy has been formulated to provide strategic guidance to all stakeholders in the implementation of the broader BPO Strategy. The overarching goals of this strategy are to stimulate investment and generate employment opportunities, particularly among the youth.

To fully realize the potential of the BPO sector, Uganda must prioritize talent development and infrastructure. Investing in education and training programs that equip Ugandans with the necessary skills to excel in the BPO industry is paramount. Additionally, robust digital infrastructure, including high-speed internet connectivity and reliable power supply, is essential to attract and retain BPO companies. By creating a conducive business environment through supportive policies and incentives, Uganda can position itself as a leading BPO destination in Africa.

Hon. Dr. Chris Baryomunsi
**Minister for ICT and
National Guidance**

Acknowledgement

I express my sincere gratitude to the dedicated Technical Team at the Ministry of ICT and National Guidance for their tireless efforts in producing this comprehensive BPO Go-to-Market Strategy. Their expertise and commitment have been instrumental in shaping this vital document.

Dr. Aminah Zawedde
Permanent Secretary, Ministry of ICT & National Guidance

Special recognition goes to the Centre of Digital Excellence at Genesis Analytics, in partnership with the Mastercard Foundation and the BPO & Innovation Council of Uganda. Their collaborative work has been the driving force behind the strategy's design and development. Their in-depth research and strategic thinking have been invaluable to this process.

Furthermore, I wish to acknowledge the constructive input provided by government agencies, BPO and IT service providers, development partners, academia, and industry associations during the consultative phases. Their diverse perspectives have enriched the strategy and ensured its alignment with the needs of the sector.

I call upon all stakeholders to unite in their efforts to successfully implement this strategy. By working together, we can harness the full potential of the BPO sector and contribute significantly to Uganda's economic growth and development.

EXECUTIVE SUMMARY

Business process and information technology outsourcing (BPO and ITO) offer a generational opportunity to address the youth unemployment crisis in Uganda.

Around 10 million young people in Uganda, aged between 18 and 30, are outside of formal education, employment or training. Digitisation, outsourcing and remote work megatrends are reshaping the nature of work, allowing individuals to provide services to clients around the world from virtually anywhere. This transformation presents a significant opportunity to generate income for young Ugandans on a large scale. With the right strategic interventions, Uganda can create 100 000 direct jobs in BPO and ITO, meaning almost 700 000 Ugandans will live in a household with a decent, stable income by 2030. These roles provide competitive pay well above minimum wage, attractive benefits, secure working environments and are accessible to women, young people, refugees and people with disabilities. Moreover, embracing BPO and ITO within Uganda's domestic economy has the potential to bolster the efficiency of both government and businesses, leading to cost reductions and contributing to overall economic growth.

100 000 new BPO and ITO jobs will stem from serving clients in five distinct zones of opportunity. These opportunities cover global, regional and domestic markets, and are outlined below.

1. **Zone 1: Strengthening and growing the domestic core** can create an estimated 42 000 jobs as Uganda's major banking, retail and telecom industries, as well as its growing MSME sector and government, increasingly outsource key functions to domestic BPO and ITO operators.

2. **Zone 2: Attracting African homegrown operators** in markets like Rwanda, Kenya and Nigeria to establish delivery centres in Uganda can create an estimated 5 200 jobs. These homegrown operators are already serving global clients and have a strong presence in nearby African countries.

3. **Zone 3: Winning overflow work from maturing delivery hubs**, India in particular, can generate an estimated 4 800 jobs. While India is a leading BPO and ITO destination, its domestic market and talent pool is rapidly saturating, and buyer preference for accent neutrality is shifting demand elsewhere. Uganda is in a prime position to target overflow work from markets in Asia and Eastern Europe, benefiting from cultural connections and a skilled talent pool with strong English language abilities and neutral accents.

4. **Zone 4: Serving under-tapped source markets like the UAE and China can generate an estimated 24 000 jobs.** From the UAE and the rest of the Middle East, travel and tourism, banking and retail industries are outsourcing key services. In China, Uganda can tap into the opportunities that the online education sector opens, specifically in English language tutoring.

5. **Zone 5: Serving traditional source markets like the UK, Europe, Australia, USA and Canada can create an estimated 23 500 jobs.** All these source markers are experiencing a surge in demand for customer experience (CX) and IT services; areas where Uganda already has a proven track record.

Realising these opportunities requires accentuating Uganda's competitive advantages while addressing persistent barriers to growth.

Uganda is the fastest growing BPO and ITO market in Africa, with fully-loaded operating costs that are 60-70% lower than key source markets. It also boasts a talent pool of ~145 000 young people proficient in B2 English and neutral accents. Many of whom are women, young people and/or refugees. It also has close cultural affinity with established source markets, globally aligned data protection policies and a stable macroeconomic environment. However, **limited demand** for Uganda BPO and ITO services, **gaps in human and organisational capability** to deliver upon demand and **a challenging operating environment** mean that previous attempts to scale the sector have not succeeded. In addition, the ecosystem remains highly fragmented, with no central body to coordinate the action to address these persistent issues.

Uganda is the fastest growing BPO and ITO market in Africa, **with fully-loaded operating costs that are 60-70% lower than key source markets.** It also boasts a talent pool of **~145 000 young people proficient in B2 English and neutral accents.** Many of whom are women, young people and/or refugees.

Figure 1:
Uganda's BPO and IT services job creation strategy framework

Aspiration

100 000
BPO & ITO jobs by 2030

Zones of opportunity

Strength-ening and growing the domestic core

Connecting with African homegrown operators

Winning overflow work from maturing delivery hubs

Serving under tapped source markets

Serving traditional source markets

Strategic Actions

Unlock demand for work

Upgrade human and organisational capabilities

Create an enabling operating environment

Serving traditional source markets

To fully harness the potential of the BPO and ITO sector in Uganda, it is imperative to tackle simultaneously the three primary barriers to scale.

- **Unlocking demand** for BPO and ITO services in Uganda is a direct catalyst for expanding employment opportunities. It requires intentional **business development initiatives** to compel large Ugandan and international enterprises to outsource key business process and IT functions to Ugandan BPO & ITO operators. This would include Ugandan attendance at international conferences and events, Uganda-hosted international events, and a lead to acquisition process and investment promotion including identifying buyers, nurturing relationships, tailoring marketing campaigns, Finally, the sector must **institutionalise inclusion** as a competitive advantage, to tap into Environmental, Social, and Governance (ESG) and impact sourcing opportunities and accelerate inclusion of women, youth, refugees and people with disabilities.

- **Upgrading human and organisational capacity** must occur alongside demand generation activities, to ensure that Ugandan employees and operators are prepared to satisfy this demand. This requires scaling **demand-driven skilling** initiatives for young Ugandans, to ensure that training directly aligns with the current and future needs of employers in Uganda's BPO and ITO sector, smoothing the pathway to work. It also requires investment in **domestic operator capacity upgrading**, so that Ugandan operators have sufficient managerial capacity, infrastructure and networks to serve international clients.

- **Creating an enabling operating environment** will provide stakeholders with confidence that services can be delivered in a reliable, timely, and cost effective manner in a secure environment. An enabling **policy environment** - including conducive data, cybersecurity, tax and labour policy - must be created for global investment and domestic operations. This must be complemented by accelerating **physical and digital infrastructure** to improve reliable connectivity infrastructure and provide access to IT hardware where it is needed most.

Successful execution of the strategic interventions outlined above demands a strong central implementing agent with the power to rapidly convene and organise a fragmented ecosystem. The critical role of this implementing agent will be working closely with the Ministry of Information and Communication Technology and National Guidance to **establish three distinct working groups**, each mandated to implement the strategic actions that accelerate (i) demand generation, (ii) capacity upgrading and (iii) the creation of an enabling operating environment. Working groups will be capacitated by stakeholders with expertise in the respective thematic focus area, and will co-create clear goals, role allocations and timelines. The implementing agent must also **empower a homegrown coordinator**, such as an industry association, to transition the central coordination role from the catalytic but short-term implementing agent to a local domestic actor that will oversee implementation in the medium- and long-term. Finally, the implementing agent must **unlock sustainable funding**. This involves securing commitments from major donors to fund initial activities, and then helping the industry coordinator to transition to a commercially viable model in the long-run, by pursuing revenue generation mechanisms like organisational membership fees or the sale of knowledge products.

GLOSSARY

Abbreviation	Term
AfDB	African Development Bank
ATIS	Alliance for Trade in Information Technology and Services
BFIS	Banking, Financial and Insurance Services
BPO	Business Process Outsourcing
CX	Customer Experience
DEI	Diversity, Equity and Inclusion
ECCCSA	European Contact Centre & Customer Service Award
EPZ	Export Processing Zone
ESG	Environmental, Social and Governance
GBS	Global Business Services
GDPR	General Data Protection Regulation
GigCX	Gig Customer Experience
HRO	Human Resource Outsourcing
ICT	Information and Communication Technology
IFC	International Finance Corporation
ILO	International Labor Organization
ITC	International Trade Centre
ITO	Information Technology Outsourcing
MDAs	Ministries. Departments, and Agencies
MEL	Monitoring, Evaluation and Learning
MoICT&NG	Ministry of Information and Communication Technology and National Guidance
MSMEs	Micro-, Small- and Medium-Sized Enterprises
MTIC	Ministry of Trade, Industry and Cooperatives
NDP	National Development Plan
NITA-U	National Information Technology Authority of Uganda
TVET	Technical Vocational Education and Training
UBPOA	Uganda Business Process Outsourcing Association
UCUSAF	Uganda Communication Commissions' Universal Service Access Fund
YoY	Year-on-year

1. INTRODUCTION

INTRODUCTION

The global business process outsourcing (BPO) and information technology outsourcing (ITO) markets are projected to reach a staggering $1.01 trillion by the end of 2023.[1]

Increasing digitalisation is enabling people to work from anywhere, opening up new opportunities for organisations worldwide to access talent from offshore markets. These organisations seek cost-effective solutions to deliver key business process functions, including but not limited to customer experience, sales, back-office functions like HR, finance, accounting and procurement, and a growing range of IT and digital services.[2]

Capturing this demand can support job creation and economic growth in emerging markets, as evidenced by success stories like India and South Africa. India's global BPO and ITO market is estimated to be worth US$230 billion and employs 5 million workers. The market is projected to achieve year-on-year (YoY) growth of 9.91% over the next 5 years, which would create an additional 2.5 million jobs.[3] In Africa, South Africa is the largest BPO and ITO location, currently valued at US$5,5 billion and employing ~340,000 workers. Of these, ~125,000 jobs created were from serving international clients, with the job growth from international services reaching a YoY average of 24% over the last seven years. The South African sector aims to employ 500,000 workers by 2031. These nations have harnessed BPO and ITO sector growth not only for employment creation but also for generating significant export and tax revenue by capturing the growing demand for digitally traded services in global source markets.

However, tapping into these global business service opportunities is not automatic. Competition is stiff, with emerging players like Kenya and Rwanda vying to win global work, and traditional outsourcing hubs like India and the Philippines still being favoured locations. Success requires a pool of young talent with demand-driven skilling pipelines, robust foundational and digital infrastructure, supportive policy and regulatory frameworks and well-capacitated coordinating bodies. Work must be sustainable, dignified and resilient to rapidly advancing automation. Opportunities must be inclusive, extending to women, people with disabilities and refugees.

South Africa is the largest BPO and ITO location, currently valued at US$5,5 billion and employing ~340,000 workers.

---

1   Figures referred to in the Introduction are sourced from GBS.World, unless otherwise indicated.
2   BPO, as defined in the National BPO Policy of Uganda, can be considered as 'the acquisition of external services from third party service providers to facilitate internal operations.' A full taxonomy of BPO-related terminology can be found in Box 3.
3   TechNavio. 2023. Available online.

There is now a window of opportunity for Uganda's BPO and IT services sector to scale and contribute to the country's youth employment creation imperative.

The National Business Process Outsourcing (BPO) Policy of Uganda is soon to be tabled at Cabinet, which builds upon the foundation laid by the BPO Strategy of 2012, and aligns with Uganda Vision 2040 and the National Development Plan III (NDP III). In particular, expanding Uganda's BPO sector will support the growth of the priority sectors outlined in the NDP III namely, Agriculture, Tourism, Minerals, Oil and Gas, Infrastructure, and Human Capital Development. These sectors can benefit from services that streamline operations and reduce in-house costs such as HR outsourcing and finance & accounting services. Sensitising these priority sectors to the advantages offered by the BPO and IT services sector will support the growth of these priority sectors and integrate BPO & ITO more deeply in the Ugandan economy.

This strategy document provides an actionable complement to the National BPO Policy, guiding stakeholders toward a unified vision of inclusive growth with clear interventions that are required to support this growth. An overview of how the strategy aligns to the objectives of the National BPO policy are provided in Box 1.

Box 1: Aligning the strategy to the National BPO Policy of Uganda	
National BPO Policy Objectives	**Strategic interventions**
#1 **Facilitatitating public and private sector process re-engineering** to enhance, certify and standardise BPO operators and the services they provide	**Unlocking demand for work** through targeted business development and institutionalising inclusion as a competitive advantage
#2 **Ensuring minimum operating costs** to attract BPOs and reduce barriers, whilst encouraging investment in this sector	**Creating an enabling operating environment** through the development of an attractive policy environment and bolstered infrastructure
#3 **Enhancing access to markets** by stimulating demand and marketing and creating equal opportunities	**Unlocking demand for work** by implementing onshoring and reshoring initiatives
#4 **Enhancing and/or providing skilled labour** through a standardised skilling framework that is affordable and backed by appropriate infrastructure	**Upgrading human and organisational capabilities** through advanced demand-driven skilling and training and investing in operator capacity
#5 **Providing adequate private and public infrastructure support for the BPO ecosystem**; notably appropriate regulation, infrastructure and sensitisation	**Creating an enabling operating environment** through the development of an attractive policy environment and bolstered infrastructure

This strategy document:

1. Articulates a **clear vision** for establishing Uganda as a globally recognised BPO and IT services delivery hub, complete with a measurable job creation target of 100,000 jobs.

2. Sets out five key **zones of opportunity**, providing detail on which geographies, sectors and services the Ugandan ecosystem should target.

3. Details the **strategic interventions** that must be actioned to realise the opportunities. These actions directly address constraints to growth, complete with timelines and assignments to responsible parties. The interventions are also crucial to ensure that the sector's growth is inclusive and provides decent work opportunities.

4. Outlines **ecosystem coordination** requirements, priming stakeholders to implement the recommendations in a coordinated and sustainable fashion.

Figure 1: Uganda's BPO and IT services job creation strategy framework

Aspiration

**100 000
BPO & ITO jobs by 2030**

Zones of opportunity

- Strengthening and growing the domestic core
- Connecting with African homegrown operators
- Winning overflow work from maturing delivery hubs
- Serving under tapped source markets
- Serving traditional source markets

Strategic Actions

- Unlock demand for work
- Upgrade human and organisational capabilities
- Create an enabling operating environment
- Coordinate and catalyse

Figure 2: Uganda's BPO and IT services job creation strategy framework

Box 2: Formulating Uganda's BPO & IT services strategy

The Centre of Digital Excellence at Genesis Analytics, in collaboration with the Mastercard Foundation and the BPO & Innovation Council of Uganda, spearheaded the research for Uganda's BPO & ITO sector strategy. The research team employed an adapted strategy cascade model to guide the research, addressing three critical questions: the sector's aspirations, where Uganda should position itself in the market, and the necessary capabilities to develop for achieving the aspiration.

The strategy formation was informed by a rigorous diagnostic study[4] that presented an overview of the current sector status, its readiness to scale, and potential opportunities for job growth. The diagnostic study leverages insights gleaned from over 200 interviews with both global and Ugandan stakeholders in the sector.

This strategy also benefited from the inputs received during three thematic virtual workshops. These workshops were attended by approximately 50 participants from government agencies, BPO and IT service operators, development donors, skilling institutions and industry associations, among others. These workshops were organised around the themes of scaling supply, unlocking demand and ensuring inclusion. Workshop insights were complemented by over 25 follow-up bilateral consultations.

4   Genesis. 2023. Uganda BPO Diagnostic Report.

THE "100 & 1" ASPIRATION

*Establish Uganda as a globally recognised and competitive BPO and IT services delivery hub that generates **100 000** jobs and is valued at over **US$1 billion** by 2030.*

Sustainable BPO & ITO sector growth can be a game-changer for Ugandan employment, government revenue, private sector dynamism and socio-economic inclusion. The sector, comprising 44 BPO and ITO operators, is currently valued at US$131 million and employs ~12,000 people in full-time jobs with benefits and worker protections. However, projections indicate that over **100 000** people could work in the BPO and IT services sector by 2030, if the interventions outlined in this strategy are implemented effectively, preparing the sector for this significant scale.[5] It is anticipated, with specific programs and/or interventions, that 65% of these jobs could be provided for women, 17% for refugee workers, and 9% for people with disabilities, promoting diversity and gender balance in the workforce. In this scenario, the BPO and IT services sector in Uganda would be worth approximately **US$1.3 billion** by 2030. A detailed breakdown of the job creation and market size potential is presented in Appendix B.

100 000 jobs translates to impact far beyond direct employment created. Experience in comparative African sectors shows that for every direct job created in the BPO and ITO sector, 0.5 indirect jobs are generated. Indirect employment may include BPO and ITO support staff, as well as transport, office supply, retail, telecoms and cleaning staff. This means that around 150 000 total jobs can be created. With approximately 4.6 people per household in Uganda, achieving this strategy's targets means that almost **700 000** Ugandans will live in a household with a stable source of income. Importantly, these jobs are decent, full-time and paid well above minimum wage. BPO and ITO jobs provide safe working conditions at secure, modern office spaces and/or support to work safely from home, and a fair income that far exceeds Uganda's minimum monthly wage of USH 130 000.[6] For example, ITO workers earn USh 1 780 000 - 4 400 000 per month, allowing individuals to meet needs with a decent standard of living.[7] In addition, for every USh10 earned by a high-skill IT worker, USh4 is earned by lower-skill indirectly employed workers.[8]
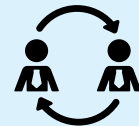
This means that around **150 000 total jobs** can be created. With approximately 4.6 people per household in Uganda, achieving this strategy's targets means that almost **700 000 Ugandans will live in a household with a stable source of income.**

---

5   Appendix C outlines this strategy's constitution of decent work

6   WageIndicator. 2023. Available online.
7   GBS.World
8   Assuming a 10:4 earnings spillover ratio vs. high-skill IT jobs, as per World Bank's Seizing Kenya's Services Momentum Report, 2023

While the sector mostly serves domestic clients currently, with a few notable examples of serving international demand, great potential lies in expanding Uganda's capabilities to serve regional and global markets - which would simultaneously strengthen the domestic core. Presently, the sector heavily relies on the domestic market, generating US$128 million in value and employing ~10,000 people to serve local clients. However, Ugandan demand for BPO and IT services accounts for less than 0.01% of global BPO & ITO service revenues, which are forecast to reach US$1.01 trillion by the end of 2023. The primary demand for BPO and ITO services is concentrated in traditional Global North markets, with North America and Europe & the UK contributing to 41% and 27% of the global demand, respectively. In addition, Asia and the Middle East are emerging as significant sources of demand, accounting for 27% of the global market. These source markets are looking to offshore customer support, sales, IT and HR services in industries like banking, healthcare and medical, retail, telecoms and media, and insurance, among many others

However, Ugandan demand for BPO and IT services accounts for **less than 0.01% of global BPO & ITO service revenues,** which are forecast to reach US$1.01 trillion by the end of 2023.

In addition, Asia and the Middle East are emerging as significant sources of demand, accounting for 27% of the global market.

Box 3: **Taxonomy of terms and outsourcing mechanisms for Uganda**

When exploring a comprehensive national BPO and ITO strategy for Uganda, it is critical to define key concepts that underpin this transformative approach. The following definitions provide a foundational taxonomy:

Business process outsourcing involves contracting out specific business tasks or processes to a third-party service provider. Broadly, there are two main areas that are outsourced; being back-office: accounting, payment processing, IT services, human resources, regulatory compliance, and/or quality assurance; and front-office: customer-related services such as tech support, sales and marketing. Identifying BPO opportunities outsources the process of business process management, which involves methods to optimise business processes, to a specialised provider of that process.

Information technology outsourcing refers to the practice of contracting out IT-related tasks or functions to external services providers. Whilst BPO considers outsourcing jobs that do not necessarily require technical capability, ITO services can be defined as outsourcing internet or computer-related work such as software development, programming, infrastructure management or technical support. This mechanism of outsourcing is aligned to the National BPO Policy of Uganda and its vision to promote information technology enabled services (ITES) to support BPO as a critical intervention for job creation. ITES encompasses a wide range of services that leverage information technology to deliver value to businesses. This includes services like data entry, transcription, and customer support delivered through digital channels.

BPO and ITO forms of managed services, where third-party providers crowdsource workers via an online platform and match them to registered clients to complete a range of tasks. For BPO and ITO, a company is managing the people providing the service and ensuring quality assurance. However, BPO and ITO are distinct from freelancing, where individuals deliver specialised tasks for projects based on talent, and have a direct relationship with the client and manage their own service and quality.. BPO and ITO typically offer employees improved benefits and decency of work relative to freelancing, including annual salaries and other financial benefits, training and career development, and paid leave.

Uganda can win work in BPO and ITO via different mechanisms, as visualised in the figure below.

Global outsourcing is when global buyers (such as large enterprises and mid-size corporates) directly purchase services from domestic Ugandan BPO and ITO operators or international operators with delivery hubs in Uganda. This work can be won through direct engagements with international buyers, or convincing international BPO and ITO operators to set up local delivery hubs in Uganda.

Domestic outsourcing is when domestic enterprise buyers directly purchase services from domestic Ugandan BPO and ITO operators. Reshoring is a specific subset of domestic outsourcing, which occurs when Ugandan buyers that were previously outsourcing to regional or international BPO and ITO operators procure services from domestic operators instead.
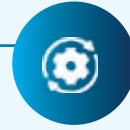
Overflow outsourcing is when global buyers procure services from international BPO & ITO operators in another delivery market, who then subcontract out to operators and delivery hubs in Uganda.
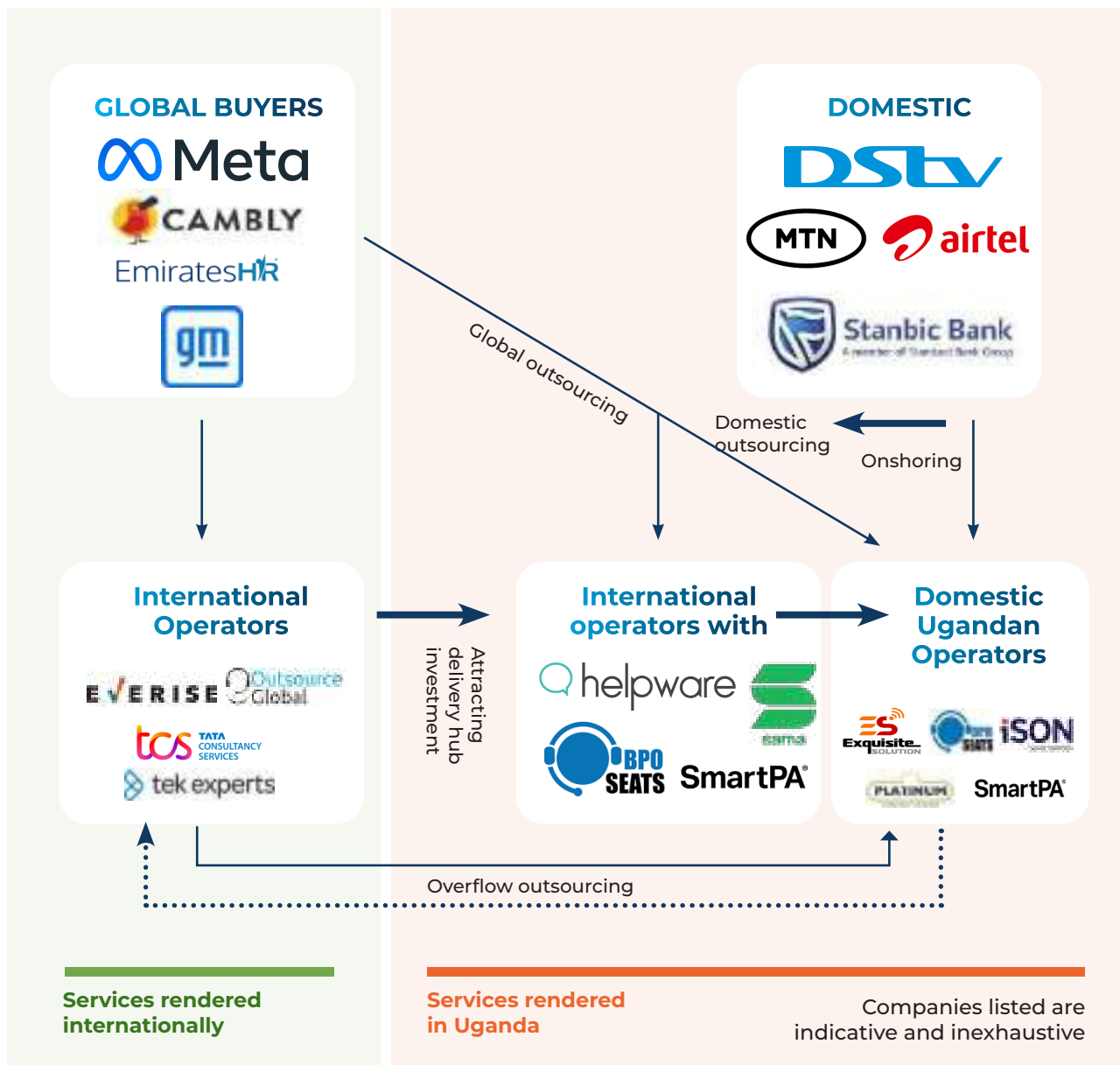
Uganda's BPO sector is well-positioned to seize the tremendous growth opportunity across domestic, regional and global markets. It is the fastest growing BPO and ITO market in Africa, registering 19.8% year-on-year growth, albeit off a small base. This is partly driven by fully-loaded operational costs that are 60-70% lower than key source markets. Uganda also has a scalable and addressable talent pool of ~145,000 young people proficient in B2 English, boasting neutral, easy-to-digest accents. In addition, cultural affinity with both established markets like the US, UK, and Europe, as well as emerging markets like Asia and the Middle East, creates a conducive environment for collaboration. Other strengths include globally aligned data protection policies, recent progress in reducing internet costs and a stable macroeconomic environment.

Actualising this potential will require strategic action to overcome persistent gaps in sector readiness. Uganda has made past attempts to significantly scale the sector by breaking into the international market. However, these efforts have not succeeded as cross-cutting scale constraints were not addressed, largely due to stakeholder fragmentation and the lack of a strong central body with the power to coordinate public, private and civil sector players. Another cross-cutting hurdle is the country's higher operating costs compared to its closest competitors. For example, contact centre and IT salaries in India, Rwanda, and Egypt are 27-40% cheaper, posing a significant challenge. These constraints are exacerbated by supply- and demand-side limitations, summarised in the table below.

Table 1: Strengths and challenges of the Ugandan BPO and ITO sector in 2023

Unblocking demand for work	Upgrading human & organisational capabilities	Creating an enabling operating environment
Fully loaded costs are 60 - 70% cheaper than key source markets		
Cultural affinity to key source markets	Large English speaking talent pool with neutral accents	Tabling of National BPO Policy
Demand-aligned service experience	Digital and vocational training initiatives	Globally aligned data protection policies
Success stories of servicing global demand	Diversity, equity and inclusion workforce alignment	Reduced data costs
		Stable macroeconomic environment
Patchwork of interested stakeholders with varying capacity and coordinating power		
Outdated perceptions of Uganda's ability to deliver	No visa fast tracking for managerial talent	Cumbersome business process and licensing procedures
Limited targeted campaigns to win work globally	Persistent work readiness and soft skill gaps	Expensive imports of IT hardware
Limited efforts to unlock domestic demand	Nascent ecosystem of financially sustainable demand-driven skilling providers	Inconsistent supply of electricity and broadband
Limited leveraging of ESG, DEI and Impact Sourcing	Limited export readiness of domestic BPOs and ITOs	No BPO & ITO incentive scheme

2. OPPORTUNITY ZONES

OPPORTUNITY ZONES

To achieve the ambitious but realisable target of 100 000 jobs by 2030, the ecosystem must strategically target areas with the most immediate potential for growth. Five opportunity zones across domestic, regional and global markets, complete with job creation estimates, are outlined below.[9]

Figure 3: Sources of job creation potential (% of the 100,000 job creation target to be created)

---
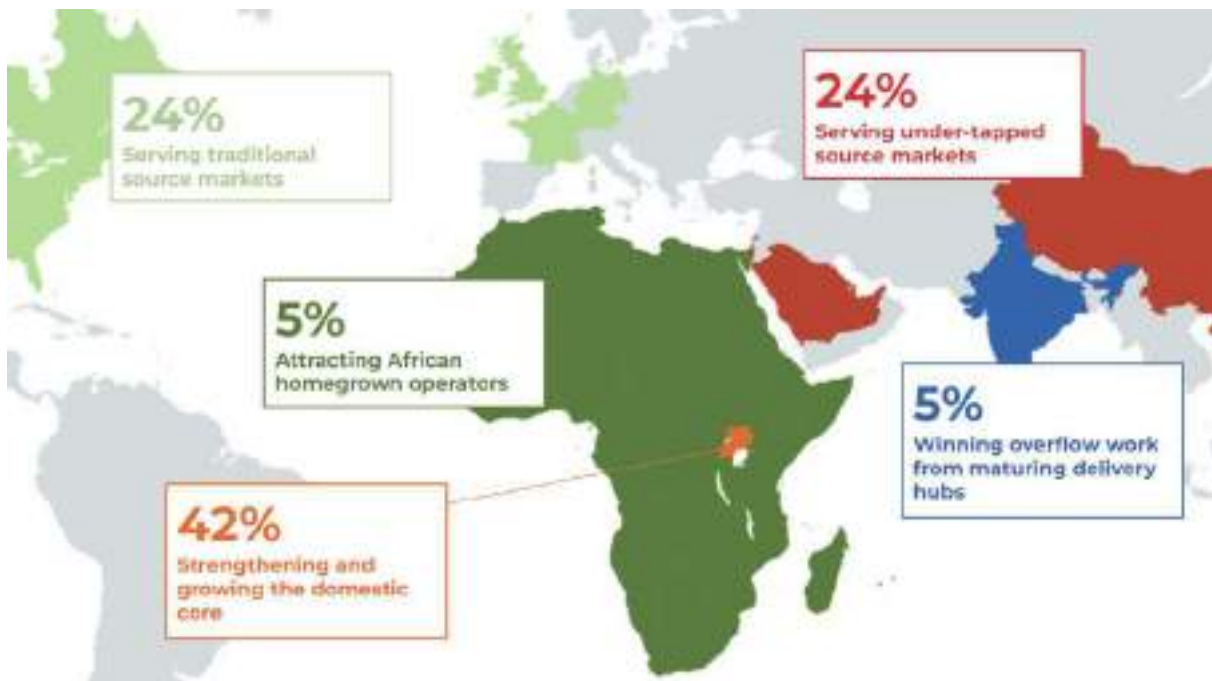
9   See Appendix A for job creation estimation methodology, and Appendix B for a full breakdown of opportunity zones by job numbers, market size, geography, sectors targeted and services rendered.

Strengthening and growing the domestic core

Domestic outsourcing can create 42 000 jobs through to 2030, with new ITO and BPO jobs coming from established but fast-growing domestic industries. Uganda's existing BPO and ITO sector can support substantial local growth, with projections of over 20% growth in the coming year alone. Presently, there are about 44 BPO and ITO operators active in the domestic market. These local operators have established vertical industry expertise, with over 4,500 workers serving clients in key expanding industries such as banking, healthcare, telecoms, government, retail & ecommerce, and insurance, providing services to major brands like Stanbic Bank, Bank of Africa, MTN, Airtel, and more.These operators have also established expertise in call and contact centre services as well as IT services like help desk support and software development. Currently, around 9,900 people are employed in Uganda's domestic BPO and ITO sector, serving mostly local clients. With effective implementation of this strategy, this number could rise to 42,000 by 2030.

over 4,500 workers serving clients in key expanding industries such as banking, healthcare, telecoms, government, retail & ecommerce, and insurance.

Expanding demand for BPO and ITO services within the local economy will come from two primary avenues. Firstly, demand will come from organic growth within key vertical industries which are already outsourcing services; and secondly from new micro-, small- and medium-sized enterprises (MSMEs) and government initiatives looking to digitise and professionalise their operations. These opportunities will arise from either organic growth within these industries or reshoring, which involves repatriating work that was previously outsourced to other regional or international BPO markets.

» **Uganda's domestic banking, retail and telecom industries are expected to grow by up to 27%, and with this growth will come an increased demand for BPO and ITO services.** Growth in industries like retail, banking, financial services and insurance (BFSI)[10], healthcare, and telecoms, is predicted to boost demand for customer services in Africa by US$156 million per year for the next five years, growing at an average rate of 24%.[11] Most of the jobs created through the growth of these sectors will be in entry-level roles like voice-based and digital customer service and sales services, followed by ITO and human resource outsourcing (HRO) services. There may also be some growth in demand for BPO & ITO services amongst Uganda's priority sectors as set out by NDP III, including agriculture and oil & gas.

---

10   In the National BPO Policy of Uganda, BFSI, is defined as 'banking, financial and insurance services'.
11   GBS.World | Genesis GBS

» **Uganda's private sector has over a 1 million MSMEs and as these companies expand, the need for outsourcing to streamline operations and support digital transformation is likely to increase significantly.[12]** In fact, it is projected that MSMEs in Uganda will grow by an estimated 13% over the next year[13]. This presents a clear opportunity for the BPO and ITO sector. The push to develop government eServices can also be utilised to unlock demand for domestic BPO and ITO services.

Domestic outsourcing is a credible driver of job creation. By outsourcing non-core functions, domestic companies can concentrate on their core activities and access specialised skills and expertise that may not be available in-house. In doing so, outsourcing often leads to higher quality output, improved efficiency and productivity. For instance, outsourcing achieves 82% of standardisation and efficiency of processes objectives across global enterprise buyers14. In addition, outsourcing within the domestic economy is often relatively cheaper than offshoring to neighbouring countries. For example, fully loaded monthly costs for a contact centre are 8% cheaper in Uganda than Kenya.[15] This is on account of lower transport and facilities costs, quicker set-up, lower barriers to entry and a greater familiarity with the operating environment. Actions to strengthen the domestic value proposition can reverse a trend of Ugandan buyers, such as Glovo and Jumia, offshoring services to nearby African countries like Rwanda and Kenya.

Growing the domestic BPO and ITO market helps unlock more regional and international opportunities and strengthens the local economy. Established sectors of demand within the domestic market, namely banking (CAGR of 27%), ecommerce (CAGR of 12.4%), and telecom (CAGR of 25%), mirror the major sources of BPO and ITO service demand regionally and internationally[16]. Serving the domestic markets presents an opportunity to gain experience in these industries and allows operators to identify and rectify shortcomings that may impede global service capabilities. Therefore, domestic opportunities serve as a foundation for securing international contracts, both from other emerging African and traditional source markets. Additionally, by expanding the domestic market, the BPO and ITO sector will foster connections with key sectors up and down the supply chain, stimulating broader local economic development.

Attracting African homegrown operators

Uganda's BPO and ITO sector has the potential to create 5 200 jobs through African homegrown operators who already serve international clients in the global market setting up delivery centres in Uganda. Demand can be unlocked by convincing BPO and ITO operators which are serving global clients *and* have a strong presence in nearby African countries to set up additional delivery centres in Uganda. This would include African regional shared services operations, and servicing vernacular work out of Uganda. Examples of such companies include TekExperts based in Rwanda, Raya and Xceed in Egypt, Outsource Global in Nigeria and other larger players.

12   UNCTAD. 2022. Uganda Entrepreneurship Policy Review. Available online.
13   Statista; Mordor Intelligence; GBS.World | Genesis GBS
14   Deloitte Global Shared Services and Outsourcing Survey. 2023. Available online.
15   GBS.World | Genesis GBS
16   Genesis. 2023. Uganda and Global BPO Diagnostic Survey.

These companies offer a range of services in customer experience, sales, human resource outsourcing, finance and accounting and IT helpdesk support and are already looking for their next African delivery location to expand to.

Uganda holds a compelling advantage in persuading multinational operators with strong African connections to establish operations in the country. Multinational operators with longstanding service centres across the continent are not going to have misconceptions surrounding quality of delivery across Africa that other international operators might. These companies will be focused, however, on the availability of talent and scalability of the skills, access to facilities and a stable and cost-effective IT infrastructure. As mentioned, fully loaded monthly costs for contact centres are 8% cheaper in Uganda than neighbouring Kenya, 38% lower property rental costs compared to Kenya, South Africa and Morocco, a 55% larger domestic BPO and ITO market than Rwanda and the country's 144 976 B2 English-speaking addressable talent pool meet the requirement for operating in key source markets.[17] Clearly, there is a strong value proposition for establishing delivery centres in Uganda which can be leveraged to attract African homegrown operators.

Winning overflow work from maturing delivery hubs

At the global level, Uganda stands to benefit from the overflow of work from India's BPO and ITO sector, offering the potential for nearly 4 800 jobs. Traditional hubs for Information and Communication Technology (ICT) like India have effectively met the growing demand for services linked to digital transformation boasting a market size of US$230 billion. However, about 30% of Indian operators are sending BPO and ITO work to other locations such as the Philippines, Jamaica and Bangladesh.[18] This shift is happening for two reasons, firstly, because the domestic market in India is oversaturated, and secondly, due to concerns regarding accent neutrality. The work is mainly subcontracted by BPO and ITO operators as well as technology and software companies with tasks primarily revolving around customer experience (CX), information technology outsourcing (ITO), and HRO services.

Uganda is in a prime position to target overflow work from India, benefiting from cultural connections and a skilled talent pool with strong English language abilities and neutral accents. By allocating this overflow work to Uganda, India can tap into an additional resource of English-speaking skills to manage excess workload, particularly in call-centre customer services. Uganda shares a cultural affinity with India, as around 30 000 people of Indian origin reside in the country. This network can be leveraged by companies to secure this overflow BPO and ITO work. Notably, Emvigo, a Ugandan BPO operator, has already successfully taken on subcontracted work from India, demonstrating the viability of this opportunity. Uganda's key selling point for winning this work is high English proficiency and neutral accent of its workforce.

17   GBS.World | Genesis GBS | 2023 Africa GBS Benchmarking and Market Report Data Bank | Genesis. 2023. Uganda and Global BPO Diagnostic Survey.
18   GBS.World | Genesis. 2023. Uganda BPO Diagnostic Report.

The benefit of this demand opportunity extends beyond job creation; it also includes knowledge transfer from experienced Indian BPO and ITO operators who understand the standards required to operate effectively in the international market.

Serving under-tapped source markets

The UAE, the rest of the Middle East and China are valuable but often overlooked source markets, with the potential to create ~24 000 jobs. These regions are quickly growing, with a rising need for outsourced services. To date, Ugandan operators have not fully explored these geographies when searching for global work.

89% of Middle Eastern businesses outsource BPO and IT services to a value of US$18 billion (est.) and by tapping into this opportunity there is the potential for nearly 20 000 jobs to be created. Services are typically being outsourced within the travel and tourism (CAGR of 5%), banking (CAGR of 7.6%) and retail (CAGR of 5.7%) industries with services including inbound and outbound sales, customer service & support and IT/tech help desk[19]. The UAE and the Middle Eastern markets are a particularly credible opportunity pathway for Ugandan job creation.

Firstly, the UAE and other Middle Eastern countries have English as one of their official languages, which complements Uganda's English-speaking capabilities. 5% of Ugandans also speak Arabic, which could be leveraged to win BPO and ITO work from the Middle East. Secondly, Middle Eastern countries are only 1 to 3 hours ahead of East Africa Time, this geographical proximity allows for easier real-time communication and collaboration. Finally, Uganda is 60% more cost competitive than sourcing work domestically within the Middle East and the UAE, with parts of its population sharing in similar cultural affinities to these regions - 14% of Ugandans are Islamic in faith.[20]

There are currently 400 million Chinese English language learners who are actively engaged in online learning which can be leveraged to create over 4 000 jobs in customer experience operations. With a market value of US$11 billion, Uganda can tap into the CX opportunities that the online education sector opens, specifically in English language tutoring given Uganda's linguistic proficiencies. Additionally, Uganda is home to a community of approximately 50,000 people of Chinese origin. This demographic represents a valuable bridge between the two countries, providing a potential base of support for job opportunities within the Chinese online language learning sector.

5% of Ugandans also speak Arabic, which could be leveraged to win BPO and ITO work from the Middle East.

---

19   Future Market Insights 2022 Middle East Tourism Market Outlook Report; MarketLine 2021 Banks in the Middle East Report; Alpen Capital 2022 GCC Retail Industry Report.

20   U.S. Department of State. 2022. Report on International Religious Freedom: Uganda. Available online.

Serving traditional source markets

Traditional source markets such as the UK, US, Europe and Australia can provide over 23 500 jobs to the Ugandan BPO and ITO sector. In the wake of rising inflation and the need to tap into new talent pools, global buyers and operators are increasingly looking to set up delivery sites in offshore locations that are typically cheaper to operate in and have untapped labour supplies[21]. In this regard, an estimated 68% of enterprises in the US, 48% in the UK, 9% in Australia and 77% in Europe outsource their business and IT services to third party providers. About 82% of global business buyers state that reducing expenses is their primary reason for outsourcing.[22] While these traditional markets have a high demand, they are also highly competitive. Uganda has an advantage in winning contracts due to its proficiency in English and French, extensive networks, convenient time zones (especially for the UK and Europe), and neutral accents. Compared to Australia, Europe, the UK, and the US, Uganda is 80% more cost-effective. With such a compelling case for Uganda, there's already early proof of operators establishing business in the Ugandan market, for example, SmartPA and Helpware. Additionally, Sama AI, a global IT services firm, has approximately 1000 employees across Gulu (70%) and Kampala (30%) conducting data annotation and labelling for clients in the Global North.

With strong language capabilities in English and French, the UK, Europe and Australia emerge as promising BPO and ITO source markets, with the UK alone boasting a demand value of US$29 billion. These traditional source markets are witnessing a surge in demand for CX and IT services, areas where Uganda already has a proven track record. The global demand for CX and IT services is projected to grow by 24% and 27% respectively, indicating significant potential for job creation in Uganda. The main industries in these source markets include banking (retail), retail & ecommerce, and technology & software. The growing presence of French-speaking students and refugees opens opportunities to provide BPO services in French for European markets.

There is a high density of BPO and ITO buyers and operators in certain US states and Canada, 68% of which already outsource to third parties amounting to a demand value of US$80 billion. Particularly in industries like Healthcare, Retail, and Utilities, companies are actively seeking to outsource their CX operations. This includes specific tasks like outbound and inbound sales, customer churn and win-back, as well as lead origination/generation. Example operators in this domain include Taskus, CCI, and Helpware.

---

21   IbisWorld; Deloitte; Reliable Plant.
22   GBS.World | Genesis. 2023. Uganda BPO Diagnostic Report.

Box 4:
Harnessing the growing potential of remote work

Remote work on digital platforms, such as those provided by companies like Appen and Remotasks, offers a promising avenue to tap into demand from the Global North. Global demand for remote work, especially within the customer experience (CX) service line, is projected to achieve an estimated CAGR of 41% over the next five years[23]. In Uganda, an estimated 784 workers are already benefiting from these opportunities. Companies like Smart PA, for example, have based large parts of their operations in Uganda around the remote working model. These positions are structured as independent contractor roles, offering variable hours, yet the potential for long-term engagements. Additionally, they typically pay above minimum wage and therefore contribute to income stability. Individuals which have access to an internet-connected laptop, hold an average level of digital literacy and a B2+ level of English are well placed to take advantage of these remote opportunities.

One of the key strengths of these remote roles lies in their potential for inclusivity. The flexibility in hours and location freedom offer a unique proposition for women who may need to work from home and to those living outside of major urban centres like Kamapala or individuals with disabilities, who may not have as easy access to in-person job opportunities. For example, 70% of SmartPA's remote workforce is female. Remote work eliminates the costs associated with commuting and can therefore result in significant savings overtime. To fully realise the potential of these opportunities, it is crucial to address certain infrastructural and accessibility needs. As this strategy will outline, ensuring affordable and good-quality IT hardware, establishing remote or working hubs and reliable high-speed internet connectivity are key factors for scaling remote work opportunities.

23   Genesis GBS. 2022. Global GigCX Market Analysis and Forecast Report

3. ECOSYSTEM COORDINATION

STRATEGIC INTERVENTIONS

Realising the opportunities of the BPO and ITO sector requires simultaneously addressing limited demand for Uganda BPO and ITO services, gaps in human and organisational capability to deliver upon this demand and certain laws, processes and infrastructures that create a challenging operating environment. Specific actions to address these gaps are outlined below.

Unlock demand for work

Demand generation for BPO and ITO services in Uganda is a direct, pivotal catalyst for expanding employment opportunities for young Ugandans. Securing the set-up of global operators in Uganda or winning international contracts for Ugandan BPO and ITOs directly translates to new jobs for young Ugandans, with specific provision for women, people with disabilities and refugees. This influx of opportunities is crucial, as it ensures that investment in skilling and training does not go underutilised. This proactive approach to socialise Uganda's competitive advantages with targeted audiences aims at positioning Uganda as a strategic delivery partner to key companies in large source markets, winning work and creating jobs on a highly sustainable basis.

UNLOCKING DEMAND FOR WORK - Strategic Action

Implement onshoring and reshoring initiatives with domestic investors	Conduct targeted business development with global buyers and operators	Institutionalise inclusion as a competitive advantage
Target specific domestic enterprises that could outsource or reshore work and implement targeted engagement plans.	Target specific global buyers and operators for engagement Prepare marketing materials and investor packs	Promote Uganda's existing diverse and inclusive BPO and ITO workforce
Provide support to capacitate and incubate other Ugandan MSMEs that could outsource services	Invest in outbound marketing event in source markets	Educate and inform domestic BPO and ITO operators about impact sourcing, DEI and ESG
Outsource eServices and citizen-centric engagement to domestic BPO and ITO operators where possible	Organise inward mission and investor conference in Uganda	Advocate certification of impact sourcing
	Prioritise the sector amongst export and investment agencies	Recognise and award best practice.
		Incentivise diversity and impact sourcing practices.
		Formulate an FAQ document

Implement onshoring and reshoring initiatives with domestic investors

Problems to be solved:

> Domestic public and private enterprises are not entirely aware of the business case and compelling benefits of outsourcing to local Ugandan BPO and ITO outsourcing operators. Just under a third of surveyed potential global buyers have preconceptions about the capability and quality of local operators to deliver high quality domestic BPO and ITO services at cost-performance rates.

> Furthermore, some of the domestic enterprises that do outsource these services are choosing operators in other locations in the region, such as Kenya and Rwanda.

> Concurrently, many Government departments have not yet outsourced services to private operators, and where they do - do not prioritise local operators.

Strategic actions:

- **Target specific domestic enterprises that could outsource or reshore work and implement targeted engagement plans.** This includes organisations such as ABC Capital Bank, Diamond Trust Bank Uganda, Ecobank, Equity Bank, Glovo, Guaranty Trust Bank, Jumia, MTN, Roke Telkom, Stanbic Bank, Turaco Insurance, Uganda Airlines, Uganda Development Bank, Uganda Telecom, and Umeme. Companies operating in Uganda's priority sectors, for example Vivo Energy Uganda and Total Energy in the Oil and Gas industry, could also be targeted. This will require implementing business opinion, perception-changing initiatives (targeting these local enterprises) that highlight the benefits of outsourcing and/or reshoring work back to Ugandan domestic BPO and ITO operators.

- **Provide support to capacitate and incubate other Ugandan MSMEs that could outsource services.** This capacitation process would enable them to outsource key business functions and digitisation activities to local Uganda BPO and ITO operators as their businesses and business needs scale and grow. This support should leverage existing organisations who are supporting MSMEs and start-ups, specifically the National ICT Innovation Hub and Startup Uganda.

- **Government should consider where to outsource eServices and citizen-centric engagement to domestic BPO and ITO operators.** This includes the digitisation of government services and eGovernment initiatives. It could also include outsourcing emergency contact centre services provided on behalf of government agencies such as police, fire and medical services. Notably, the National BPO Policy of Uganda identifies government institutions such as the Uganda Revenue Authority, National Identification Registration Authority, Uganda Registration Services Bureau, National Social Security Fund, National Medical Stores, Ministry of Internal Affairs, and Ministry of Agriculture, Animal Industry and Fisheries that have undertaken digitization projects with the potential to outsource to local operators.

Key stakeholders and roles

- The National ICT Innovation Hub, Startup Uganda and their networks of enterprise support organisations including start-up incubators and accelerators, to advise organisations building the capacity of MSMEs on what core functions can be outsourced and where MSMEs can play in this space.
- The BPO and Innovation Council and the Uganda BPO Association (UBPOA) for domestic BPO operator mobilisation and to target specific domestic enterprises.
- The ICT Association of Uganda for domestic ITO operator mobilisation and to target specific domestic enterprises.
- Uganda National Chamber of Commerce and Industry to create awareness with members that are domestic enterprises about the benefits of outsourcing.
- Ugandan vertical industry business chambers to create awareness with members that are domestic enterprises about the benefits of outsourcing.
- Enterprise incubators and business start-up associations that can sensitise and prepare Ugandan MSMEs to outsource key business functions to local Uganda BPO and ITO operators.
- The BPO and Innovation Council and Ministry of ICT and National Guidance (MoICT&NG) to lobby for cabinet approval and implementation of the National BPO Policy of Uganda that includes the potential to outsource Government eServices.

Timelines:

**3 Years:
2024 to 2026**

Conduct targeted business development with global buyers and industry operators

Problems to be solved:

- Lack of targeted campaigns and investment promotion to African and global BPO/ITO operators and midsize enterprises that generate significant interest in matchmaking with local Ugandan operators and remote working talent.
- Preconceptions of Uganda's capability to deliver high quality BPO and ITO services with global and regional buyers, operators, analysts and industry brokers/consultants. For example, some surveyed global buyers indicated their concern of Ugandan operators not being able to meet output, efficiency and quality standards, while others noted the lack of quality control measures and tools among local operators.
- Ugandan associations, export and investment promotion agencies are not adequately prepared or capacitated to effectively share and market Uganda's BPO and ITO Value Proposition.

Strategic actions:

1. Identify a hit list of specific global BPO/ITO operators, digital job platforms and midsize enterprises within each opportunity pathway and develop customised plans of engagement. This includes:

- African BPO/ITO operators that are not yet present in Uganda who could seek local partnerships or direct investment, including: Outsource Global, Raya Group, and Xceed.
- Indian BPO/ITO operators that may want to leverage Uganda's English talent to countenance work being shifted from India due to accent neutrality issues, including: EXL, Firstsource, HGS, Infosys, Suntec, Tata, WNS, and Vertex Cosmos.
- Enterprise Buyers and Operators in the UAE and the Middle East that can leverage Uganda's Arabic language capabilities (currently 5% of the population) as well as English talent to service Anglophone customers in the region. This includes: Century Financial, Centrepoint, EmiratesHR, Etisalat to name a few.
- US BPO/ITO operators from hub states such as Florida, Nevada and Texas to tap into Uganda's scalable English talent, digital/tech, accounting, HR management and Environmental, Social and Governance (ESG) related (impact sourcing) benefits and who would seek local partnerships or direct investment. This includes: Everise, Etech, Glowtouch, Global Services BPO, GroupBDO, Innovature BPO, Knoah, SupportNinja, Sutherland, Virtual Link, and VXi.
- English Language Tutor Operators in China to leverage Uganda's talented English workers to service China's 400 million English language learners with virtual learning services. This includes: Bright Scholar, Cambly, English First, ESL, First Leap, Happy Goal, iTutorGroup, LikeShou, SayABC, Skooli, VIPKid, and QKids.
- Canada, Europe and the UK can leverage Uganda's time zone proximity and scalable and remote working talent pool to provide CX, ITO and HR management services. This includes BPO and ITO operators such as BDO, ResQ, MCI, Ventrica and Verbatim.
- Digital Jobs and Remote Working Platforms that can enable Ugandan BPO/ITO workers to receive contract-based, remote work opportunities. This includes: FlexJobs, LiveXchange, Power-to-Fly, We-Work-Remotely, Yoummday, Appen and Remotasks

2. Prepare marketing materials and investor packs for targeted business development. This should include video footage of Ugandan BPO and ITO delivery centres, recordings of Ugandan agents (with neutral accents), case studies and thought leadership content to augment the Ugandan BPO Value Proposition. This material can be used for both inward and outward missions and engagements with global buyers and industry BPO and ITO operators.

3. Invest in outbound international marketing activities in key source markets. This should include exhibition booths at global events that potential buyers and operators attend and buyer/investor round tables in the UAE (e.g. Gitex) the US (e.g. CxOutsourcers, SSON Outsourcing Week and Customer Contact Week), the UK (e.g. UK Call & Contact Centre Expo) and Europe (e.g. European Contact Centre & Customer Service Awards (ECCCSAs)).

4. Organise an annual inward mission and investor conference to Uganda. The above-mentioned global and regional BPO/ITO operators should be included in this mission as well as global analysts and industry brokers/consultants. The mission should promote Uganda's BPO and ITO Value Proposition and enable them to witness, first-hand, the talent, capabilities and remote-working potential in the country. Industry analysts and brokers/consultants could include: Peter Ryan, Stephen Loynd, David Rumble, Sadiq Mohammed of Usmaart and Steve Weston of SK Weston & Associates.

5. Prioritise the sector amongst export and investment promotion agencies. Enable and equip them to appoint/prepare economic ambassadors either through capacity building or by collaborating with the BPO and ICT industry associations.

Key stakeholders and roles

- The BPO and Innovation Council and the UBPOA to target the hit list of specific global BPO/ITO operators, digital job platforms and midsize enterprises.
- Implementing partners such as GBS.World and On Consultancy for international investment promotion and demand generation including preparation of marketing deliverables, implementation of awareness campaigns, investor missions, buyer-supplier matchmaking, events and round tables.
- The BPO and Innovation Council and the MoICT&NG to promote sector prioritisation and enable and equip the Uganda Investment Authority, The Ministry of Trade, Industry and Cooperatives (MTIC) and the Uganda Export Promotion Board.

**Timelines:
5 Years:
2024 to 2028**

Upgrade human & organisational capabilities

To build a robust, scalable pipeline of skills in Uganda, a demand-driven approach to skilling is imperative, tailoring training to employer needs. This strategic focus ensures that candidates are primed for roles in a market where technological advances, like AI, continually shift employer expectations. In addition, a well-orchestrated skilling ecosystem is a crucial consideration for global operators and buyers contemplating investment. Skilling and training should also enhance the capacity of local operators to deliver. This ensures that increased demand benefits not only global operators with Ugandan hubs, but also nurtures homegrown entities, playing a crucial role in realising MSME development objectives and bolstering the local economic landscape.

UPGRADING HUMAN ORGANISATIONAL CAPABILITIES - Strategic Action

Advance demand-driven skilling and training

Develop a sustainable funding model to assist local green shoots that demonstrate successful demand-driven training in scaling their services.

Encourage the setup of training bootcamps across demand-driven skilling organisations to bolster candidates' work readiness.

Ensure that the curriculum programs of traditional skilling programs and TVETs is uptodate and competitive.

Leverage existing market intelligence on the ITO/BPO sector to inform existing digital skilling programmes in Uganda.

Invest in domestic operator capacity upgrading and learning

Setup and operate a Technical Assistance Facility to build the capacity of leading BPO and ITO operators in Uganda to serve the global market.

Provide support for and knowledge-transfer to emerging BPO and ITO MSMEs to optimise operations for domestic work.

Advance demand-driven skilling and training

Problems to be solved: Demand-driven skilling ensures that candidates acquire skills and knowledge that directly align with the current and future needs of employers in Uganda's BPO and ITO sector, and will allow operators to gain a competitive advantage by offering their clients a scalable pipeline of skilled and specialised services. However, for demand-driven skilling to be sustainable in the long-term, the following constraints need to be addressed:

- Demand-driven skilling organisations already operating in Uganda face scaling constraints, including costly training processes coupled with limited access to funding; perceptions of the value of their services (including awareness of skilling opportunities outside of mainstream universities); and capacity constraints, which include limited access to ICT infrastructure.
- There are significant work readiness and soft skill gaps even amongst trained talent, particularly as it relates to the technical training received at post-school educational institutions and how this translates into applying these skills in the sector.
- Holistic training solutions that provide both work readiness and technical skilling are prohibitively expensive for many. Candidates from low-income backgrounds often require stipends or financial assistance to cover the cost of food and transport whilst attending these training programmes. Simultaneously, remote/online skills training is difficult to scale owing to the high cost of data and limited access to affordable devices that support online learning such as laptops and computers by prospective trainees. This exacerbates constraints faced for the inclusion of marginalised communities.
- Inconsistent feedback loops between industry and skilling providers (i.e., demand-driven skilling) limit the extent to which skilling providers can tailor the curriculum taught to prospective candidates; perpetuating the skills mismatch.

Strategic actions:

Develop a sustainable funding model to assist local initiatives that demonstrate successful demand-driven training in scaling their services. Refactory, Women in Technology Uganda, and Na'amal are all examples of demand-driven skilling institutions working toward training and placing individuals, notably youth, women and refugees, in BPO- and ITO-related jobs. However, they all face financial constraints which prevent the scaling of their services to a broader audience; scaling a demand-driven sourcing and skilling approach is expensive. Currently, these organisations are largely reliant on donor funding to execute on their services.

A sustainable funding model requires public-private partnerships amongst donors and BPO and ITO operators. Donor funding can cover a portion of skilling costs incurred by these skilling organisations, particularly if stipends are required for candidates. BPO and ITO operators themselves should be motivated to financially contribute to this training, as hiring quality talent will help incentivise international operators and buyers to invest in Uganda ahead of competing markets.

These initiatives should also draw up and socialise success stories to generate positive perceptions around the impact of skilling programmes. This is particularly important for training candidates from marginalised backgrounds such as young women or people with disabilities,, who typically are unaware that these skilling opportunities are applicable to them. This should be overseen by respective skilling organisations, with support from BPOs where these individuals have been placed.

Box 5:
Example of a successful multi-party funding model in Rwanda

A three-way partnership between the Rwanda Development Board (RDB), Harambee and GIZ, with funding from the Mastercard Foundation and GIZ, was established to attract global BPO operators to set up delivery operations in Rwanda through a combination of bespoke incentives and skilling subsidies.[1] Each organisation played a strategic, yet distinct, role:

The RDB provided access to government incentives, such as tax breaks, skills visas or buildings.

Harambee provided English language training and helped to source the candidates.
GIZ provided partial subsidies for the technical skilling that the operators would provide candidates.

Practically, the three organisations hosted conversations with potential investors to convince them of the business case of investing in Rwanda, with the support they provided on identifying and training young talent being a key part of the value proposition of setting up a delivery centre in Rwand

Encourage the setup of training bootcamps across demand-driven skilling organisations to bolster candidates' work readiness. Developing and expanding opportunities for graduates to gain work experience can promote better labour market outcomes for youth, particularly those that do not have previous work experience. In particular, demand-driven skilling bootcamps can help bridge the gap between technical capabilities of labour market entrants and the practical skills that employers are looking for. However, these programmes require funding to cover learning materials, allowances for learning away from home, and food and transportation in the form of stipends, as well as additional support to vulnerable groups, women and disabled persons. An example of a successful demand-driven bootcamp is provided in Box 4.

---

1   Harambee Youth Employment Accelerator & Genesis GBS. 2022. Rwanda Global Business Services: Case Study & Special Country Report. Available online.

Box 6:
Example of a successful demand-driven skilling bootcamp to bolster IT graduates' work readiness in Rwanda

SOLVIT Africa provides tech training services that assist individuals and businesses to stay ahead of technological trends, and their associated impact on the types of skills demanded by employers across IT-related sectors. Part of the services SOLVIT offer are specialised training programmes to fulfil the particular demands of their clients. This includes bootcamps, where students are afforded the opportunity to build real-life software skills through intensive training across five technology stacks, including user interface/user experience design; React Js for frontend development; and Node Js, Laravel, and Django for backend development.[1] SOLVIT Africa also establishes remote offices and handles operations for tech companies to to scale, expand or set base in Rwanda.

Funding for these bootcamps could be spearheaded by industrial organisations within Uganda such as the Alliance for Trade in Information Technology and Services (ATIS), who focus on supporting export-ready companies through joint increased capacity initiatives. This can also be supported by operators paying a placement fee to demand-driven skilling organisations facilitating these bootcamps in lieu of the opportunity cost faced by operators for on-the-job training.

- **Ensure that the curriculum programmes of traditional skilling programmes and Technical Vocational Education and Training colleges (TVETs) are up-to-date and competitive.** This is congruent with the National BPO Policy Objective 4, Strategy (i) to develop a standardised skilling framework. Donor organisations with significant investment in the upskilling of individuals in Uganda, notably the International Labor Organization (ILO), can undertake a diagnostic of more traditional skilling institutions that have big scaling potential, including public universities and TVETs, and work with them to update their curricula to be more demand-driven. This is of mounting importance as the continual augmentation in AI and automation will likely impact the type of digital skills demanded, which needs to be accommodated in associated skilling programmes. There is also the opportunity for up-to-date and competitive curricula to better develop software talent and minimise the need to import similar talent.

---

1   SOLVIT Africa. 2023. Available online.

- **The ILO have successfully undertaken such assessments in the past, through their SKILL-UP programme,** which profiled 36 countries, including Uganda, on the state of TVET policies and systems, and provides a regional brief on the state of skills in Africa. These briefs provide a mapping of skills systems across all regions, where the mapping focuses on how a country's skilling system contributes to decent work opportunities.[2]

- **Leverage existing market intelligence on the BPO and ITO sector to inform existing digital skilling programmes in Uganda.** There are several (public and donor) organisations that are focused on enhancing the digital skills of Ugandans. Notably, Makerere University: which has several courses focused on enhancing youth skills and technical training; ILO and UNICEF's UPSHIFT skills programme in Uganda: which focuses on providing social innovation, entrepreneurship and digital skilling to refugees; the National Union of Women with Disabilities of Uganda: which recently signed a memorandum of understanding with Government to support 25,000 women living with disabilities in acquiring digital literacy skills; and the GIZ Employment and Skills for Development in Africa programme: which in part focuses on technical upskilling for individuals in Uganda.

- Market intelligence which identifies the areas of demand that Uganda is best suited to meeting the requirements of these job roles, and feeding this back to the skilling ecosystem to ensure they are aligned on what skilling is required is a critical activity in developing high quality talent. Leveraging sector intel, through partnerships with organisations such as BrighterMonday, can ensure that these skilling programmes can prepare people for careers in the BPO and ITO sector adequately by providing training on in-demand skills such as software development, coding, business administration and client management.

---

2   International Labor Organization. 2020. State of Skills - Country briefs. Available online.

Key stakeholders and roles:

- Industry associations, with the support of the MoICT&NG and the MTIC, to act as a convening body in establishing effective PPPs to financially back the sustainable funding model. This requires the industry associations to convince existing BPO and ITO operators in Uganda of the effective business case for them to financially contribute toward the sustainable funding model to scale demand-driven skilling organisations.
- Industry associations with a focus on building the export-readiness of local organisations can engage with demand-driven skilling organisations, such as Refactory, Women in Technology Uganda, and Na'amal, to identify mechanisms in which to incentivise the setting up training bootcamps. For free bootcamps, resources should be made available to pay for stipends to these trainees to address the opportunity cost of engaging in unpaid training.
- Accredited learning institutions geared toward professional training and skills development for the business process management sector, such as Ucademy or CareerBox, can support BPO/ITO operators with additional training.
- Development partners such as the ILO, who would fund and undertake the assessment of the traditional skilling programmes and TVETs' curriculum to ensure that these are uptodate and sufficient for the digital skills in demand.
- Companies such as BrighterMonday, which have access to industry intelligence and demand-side intel including the types of services that there is demand for and what associated skilling is required for these services could collaborate with digital skilling programmes to ensure their training courses are aligned with prospective services demanded. The UBPOA will need to coordinate this interaction, notably to convince BrighterMonday of the business case for sharing this intel. The UBPOA would also need to oversee the financial compensation to BrighterMonday for sharing this information.

Timelines:
3 Years: 2024 - 2026

Invest in domestic operator capa city upgrading and learning

Problems to be solved: there are several constraints that hinder local BPO and IT services companies being successful in serving international clients and bringing in export revenue:

- Domestic operators have insufficient managerial capacity, infrastructure and networks to engage with international clients. This is coupled with limited awareness and capabilities to market strategic selling points for international clients to use the services of domestic operators, including certifications.
- Domestic operators are currently primarily serving domestic clients, who do not necessarily have the same service or standards requirements as large global enterprise clients.

Strategic actions:

1. **Setup and operate a Technical Assistance Facility to build the capacity of leading BPO and ITO operators in Uganda to serve the global market.** Domestic BPO and ITO operators face unique and differing constraints as regards breaking into the export market. For example, some operators do not have access to the training and advisory services required to be accredited with international certifications, whilst others lack access to ICT infrastructure, or marketing and sales capabilities. Establishing a Technical Assistance Fund addresses the complexity faced by domestic operators by moving away from a 'one size fits all' approach to a more tailored response; matching specific domestic ITO/BPO operators to a technical assistance provider that is best equipped to meet their unique needs. The processes of setting up this Fund would include:

Domestic operators would receive Technical Assistance Facility funding. This funding would be awarded to five BPOs or ITOs that demonstrate the ability to scale. The funding would support the undertaking of a diagnostic assessment of the current state of these operators' capacity and gaps preventing their global competitiveness. This diagnostic would be undertaken by an independent consulting firm. Examples of the types of technical assistance domestic operators would require are provided in Box 5 below. These efforts build upon previous initiatives to upgrade operator capacity for the export market, such as the NTF III and IV facilitates, implemented by the International Trade Centre.

Box 7: Examples of activities offered at the Technical Assistance Facility

chieving compliance with global certification standards. Certification is becoming an increasing necessity to demonstrant quality services, particularly those related to telecommunications, where errors can result in significant issues. ISO certification standards are globally recognised and indicate a company's ability to provide quality management systems, adopt best practices in terms of information security and risk management, and ultimately provide high quality customer services. Working with certified trainers to assist domestic BPOs achieve ISO 9000, ISO 27000 or SOC2 related certifications will be effective in bolstering operators' competitiveness.

AEstablishing a go-to-market strategy. Marketing efforts that communicate operators' commitment to impact sourcing as regards DEI and ESG as a key selling point; as discussed in the Unlock demand for work section. Developing a go-to-market strategy allows operators to demonstrate themselves as strategic delivery partners to sources of global demand, rather than cost-reliant vendors.

2. **Provide support for and knowledge-transfer to emerging BPO and ITO MSMEs to improve performance and optimise operations for domestic work.** This includes business advice and operational best practice with regards to how they can scale and what they would need to do to get themselves up to globally recognised levels of standards. This would include certifications such as those listed in Box 5, in addition to social media marketing and exposure to exhibitions to promote their services. Training may take 1-2 months of ~3 sessions per week, depending on the provider.

Key stakeholders and roles:

- Grant funding from Mastercard; African Development Bank (AfDB); International Finance Corporation (IFC); ILO and International Trade Centre (ITC) as a network of funders to support the Technical Assistance Facility, which would back the request for independent consulting firm services to undertake an assessment of the capacity and capabilities of Ugandan operators to compete on a global level. The UBPOA would need to play an advocacy role in motivating this coalition of funding to support SMMEs.
- The service provider appointed to manage the Technical Assistance facility should identify a network of technical assistance providers, such as Rod Jones Consulting or the International Trade Centre, and match these to the identified domestic operators.
- Identified technical assistance providers, such as Rod Jones Consulting and GBS.World, would provide the necessary assistance to train, certify and enable leading BPO and ITO operators in Uganda to link in to, and implement, a go-to-market strategy.
- Incubators with existing relationships in Uganda, such as Stanbic Business Incubator, FasterCapital or Innovation Village, can play a role in addressing the certification and technical capacity gaps for emerging domestic operators, by providing BPO and ITO-specific training.
- The MoICT&NG will be responsible for securing funding from potential sources like the MasterCard Foundation and GIZ, or negotiating with the Netherlands Trust Fund to extend their previous funds. They are also responsible for overseeing the Technical Assistance facility and aligning effort with Objective 1, Strategy (ii) of the National BPO Policy, in conjunction with the UBPOA.

Timelines:
2 Years: 2024 - 2025

Create an enabling operating environment

Rapidly scaling Uganda's BPO and ITO sector requires stakeholders to have complete confidence that services can be delivered in a reliable, timely manner in a secure environment. For example, reliable ICT infrastructure is essential for seamless connectivity and efficient global service delivery. A consistent electricity supply prevents service interruptions, maintaining the reliability of outsourcing services as 24/7 coverage is often required to win global work. Implementing stringent data protection policies safeguards sensitive information of clients, instilling trust and compliance with international privacy standards. Fast-tracked visas for managerial staff ensure quick mobilisation of essential human resources, while access to vital IT hardware, like laptops, equips the workforce for efficient task execution.

Develop an attractive policy environment for global buyers and domestic operators

Problems to be solved:
- While Uganda has made recent updates to its cybersecurity and data protection policies and regulations, there is a lack of robust enforcement of these policies.
- There is currently no incentive scheme(s) in place for domestic and global BPO and ITO operators. In competitor countries such as South Africa, there is a global business services (GBS) grant scheme in place that incentivises BPO and ITO operators that inclusively hire South Africans for international work. In other locations such as India and Rwanda there are tax and facilities incentives.
- No visa fast-tracking for scarce BPO and ICT skills which limits the ability to swiftly hire middle and senior management for BPO and ITO operations.
- Preconceptions about unfair labour practices in areas such as compensation, mental health support and conducive workplaces for BPO and ITO workers.
- There are no standardised national ethical guidelines for operators to adhere to, which can dissuade global buyers from engaging with Ugandan firms if they view that there is the potential for unethical conduct.

Strategic actions:

1. Lobby the Personal Data Protection Office to ratify and enforce the Data Protection and Privacy Act, 2019. This Act provides clear rights for data subjects, in line with the EU's General Data Protection Regulation (GDPR), as demanded by global operators. Consider the possibility of providing one BPO/ITO full time resource or consultant to augment and support the 10 existing employees at the Personal Data Protection Office to enforce the Act in the sector specifically.

2. Get the National BPO Policy approved and implemented. The policy includes the development of an attractive incentives framework for BPO such as a favourable tax regime for both domestic and global BPO and ITO operators and investors. It is currently being finalised by the MoICT&NG, and will then have to be tabled with Cabinet for discussion and approval. This process needs to be fast tracked so that the Policy can be officially launched. The Policy then requires rapid implementation.

3. Advocate for the implementation of visa fast-tracking services. This would enable sector operators to swiftly hire middle and senior management for BPO and ITO operations from other countries with managerial knowledge transfer periods of three to five years.

4. Facilitate and adopt a sector labour charter. The charter would mandate BPO and ITO operators to protect the rights of workers, practice diversity and inclusion and provide fair compensation, mental health and wellness initiatives in BPO and ITO workplaces.

5. Develop and publicise ethical and guiding principles for BPO and ITO operations. This is in accordance with the National BPO Policy Objective 2, Strategy (vi), to address potential client and employee concerns regarding working conditions. This would include:
   - Adhering to ethical guidelines linked to ISO contact centre standards (see Box 8 for more detail);
   - Encouraging operators to be a part of Diversity, Equity and Inclusion Indexes and referencing their scoring methodologies to continuously improve on their ethical trajectory; and
   - Referring to the ethical practices of trusted operators listed in directories like GBS. World.

6. Abiding by a code and ethics and business conduct will make operators attractive compared to regional and global competitors and demonstrates the level of integrity and standard upheld by Ugandan BPOs and ITOs.

Box 8: ISO international standards linked to ethical conduct

Ethical guidelines following ISO contact centre standards that would applicable to Uganda's BPO/ITO industry include:

ISO 9001: This standard is based on a number of quality management principles, and whilst it does not explicitly address ethical practices, this standard emphasises customer satisfaction and continuous improvement; leading to ethical behaviour and responsible business conduct.

ISO 18295: This standard specifies service requirements for customer contact centres, encouraging a customer-centric approach, which aligns with ethical considerations.

ISO 10002: This standard provides guidelines on how customer feedback on products and services. An integral part to this standard is treating customers' concerns seriously and resolving them ethically.

ISO 27001: This standard concerns the secure management of information. Ensuring data privacy and security in call centres is vital for maintaining ethical business practices, especially when dealing with sensitive customer information.

Key stakeholders and roles

- The BPO and Innovation Council and UBPOA to lobby the Personal Data Protection Office to ratify and enforce the Data Protection and Privacy Act, 2019.
- The BPO and Innovation Council and the MoICT&NG to lobby for cabinet approval and implementation of the National BPO Policy.
- The BPO and Innovation Council to lobby The Ministry of Internal Affairs for fast-tracking of visas.
- The UBPOA together with the BPO and Innovation Council and in consultation with sector implementation partners to facilitate and adopt a sector labour charter in consultation with The Ministry of Gender, Labour and Social Development.
- The MoICT&NG to lead on consolidating, sensitising and adhering to various ethical and guiding principles for BPO operators. This would be supported by the MTIC and the private sector.

**Timelines:
5 Years:
2024 to 2028**

Bolster physical and digital infrastructure

Problems to be solved: there are several constraints in the availability and reliability of digital and physical infrastructure which contribute to high operating costs, including:

- High cost of laptops as a result of a three-tiered duty structure for imports outside of the East Africa Customs Union. Consequently, IT hardware and devices including laptops, tablets and computers are subject to a VAT of 18% and a withholding tax of 15% (cumulative 33% tax). Lower income individuals, particularly those that do not reside in Kampala do not have access to laptops to access remote working opportunities, with only 5.8% of the population owning a computer.
- Uganda ranks 7th in the top 20 access-deficit countries, with 26 million people (58% of the population) without access to electricity.
- Internet connectivity speed for fixed-network broadband internet lags behind developed countries with Uganda ranking 150th in an international comparison (11.13 Mbps download speed compared to 82.77 Mbps for the number one ranked country).
- The above constraints all contribute to higher costs of doing business for BPOs, with unreliable internet connectivity also resulting in service quality issues, hindering operator reputation. These costs and constraints are exacerbated in regions outside of Kampala where ICT infrastructure and service delivery is less established; for example in Gulu.
- The government of Uganda is in the process of developing an IT BPO Park, however, the implementation of this initiative has been slower than anticipated.
- Applying for export processing zone (EPZ) status is an extremely costly process for operators, requiring ~US$ 5,000 per zone certificate.

Strategic actions:

1. The MoICT&NG should align their current IT infrastructure development plans with the requirements of BPO and ITO service providers in Uganda. This should be done by conducting a diagnostic of the IT infrastructure and hardware requirements of operators currently invested in Uganda as a starting point. The UBPOA can play a coordinating role for domestic BPOs by determining the baseline IT hardware and infrastructure needs of domestic operators and how frequently these needs change.

2. The MoICT&NG, in collaboration with the Uganda Revenue Authority, can establish an exclusive, long-term, repeat orders contract with a hardware provider such as Lenovo or Dell to procure baseline IT infrastructure at reduced tax rates. This is aligned with the National BPO Policy Objective 2, Strategy (i) of ensuring minimum operational costs to BPOs by developing an attractive incentives framework including a favourable tax regime.

3. Accelerate the development of BPO parks, specifically the Entebbe Iconic IT BPO Park being led by the National Information Technology Authority of Uganda (NITA-U), and other Free Trade Zones. The Entebbe Iconic Park is expected to provide BPOs with a high-end software lab and data centre, resulting in 35,000 direct and 100,000 indirect employment creation opportunities. These Parks should ensure that internet download and upload speeds are in line with those of international BPO organisations and have back-up electricity supply options, such as generators or solar-powered electrical supply, to address current internet and electricity constraints disrupting the quality of services delivered by BPOs. These Free Trade Zones would also address the current high operating costs faced by operators, particularly those in regions outside of Kampala. Further, the costly process of obtaining EPZ certification would not be

a requirement for operators conducting their businesses within these parks/zones. A private data centre provider and a private internet service provider in Uganda should be contracted to provide these facilities at these Zones and Parks, to address operators' concerns that state-povider data centres and internet services are not fully secure.

4. Expand ICT infrastructure to allow for broadband access beyond the Kampala urban centre. To support the geographic scale envisaged in this strategy, expanding affordable and quality broadband, through the development of Uganda's national fibre network, to regions outside of Kampala, such as Gulu and other areas is critical. This is aligned to the National BPO Policy's Objective 5, Strategy (i) to establish and regulate equitably regionally distributed BPO supportive infrastructure. Broadband expansion will also enhance inclusion by allowing people residing outside of Kampala an opportunity to earn an income in the BPO/ITO sector.

5. Equip existing youth centres and co-working spaces with reliable internet connectivity, power back-ups, laptops and assistive devices for persons with disabilities using alternative financing models to provide unemployed individuals with access to ICT infrastructure to upskill themselves and/or apply for jobs without incurring undue cost. Existing centres that are offering educational services including computer training that could be scaled through this action include the Kawempe Youth Centre, the Ntege Youth Empowerment Centre, the Sharing Youth Centre, Nsambya, and Youth Ark. A potential funding mechanism for this action is to leverage financing from the Uganda Communication Commissions' Universal Service Access Fund (UCUSAF), together with upcoming funding activities under development by Mastercard Uganda, to provide devices including laptops to young Ugandans.

6. Market and sensitise existing BPO portals such as GBS.World where operators can register and become certified. This will enhance their visibility and credibility to global buyers, with these portals serving as a directory for global buyers where they can choose outsourcing providers. This is aligned with Objective 5, Strategy (iii) of the National BPO Policy to develop a National Portal for the BPO/ITO industry to provide adequate private and public infrastructure support for the BPO ecosystem.

Key stakeholders and roles:
- The MoICT&NG to play a convening and coordinating role in the procurement of affordable and high quality laptops.
- The UBPOA to negotiate favourable tax rates (lowered IT hardware import tariffs) with Uganda Revenue Authority for importing IT hardware and devices for BPOs as part of a favourable tax regime for the sector and national policy.
- NITA-U to expedite the finalisation of the Entebbe Iconic IT BPO Park.
- Uganda Communications Commission to provide alternative financing mechanisms for youth centres to scale access to ICT infrastructure by youth.

Timelines:
2 Years:
2024 to 2025

4. ECOSYSTEM COORDINATION

ECOSYSTEM COORDINATION

Unlocking demand and scaling supply are critical components of developing a thriving BPO and IT services sector in Uganda. However, these efforts alone, while necessary, are not sufficient to fully realise the sector's potential. Arguably, the most vital piece of the puzzle is robust ecosystem coordination.

Around the globe, nations often craft impressive strategies, yet only a few manage to execute them effectively. Successful execution demands a unique blend of convening power and the capacity to drive implementation across several stakeholders. This elusive combination is frequently the missing ingredient needed to transform well-conceived national strategies into impact.

Ecosystem coordinators step into this role, serving as the linchpin for convening and mobilising the diverse stakeholders essential for achieving scale. Their mission is to galvanise these stakeholders toward a common vision for scale and ensure their coordinated efforts yield and address the right constraints to scaling. The well-known success stories of BPO sectors achieving scale, as in India, the Philippines, South Africa and Egypt, all have these strong coordinators.

In Uganda, having an ecosystem coordinator is not just beneficial but absolutely imperative to propel the BPO and IT services sector toward scale.

However, previous initiatives have faced setbacks, which have eroded confidence in sector development. The BPO Policy highlights the discrepancy between aspirations and outcomes:

Amidst these challenges, there are promising signs and inherent strengths that lay the foundation for success:

*"The BPO Strategy of 2012 was developed to enable job creation among the youth and enhance economic growth in Uganda by implementing 19 recommendations in the critical areas of human capital, infrastructure, business environment and supporting structures. **However, only 16% of the recommendations in the BPO 2012 strategy were fully implemented by 2016**, and the Government still needs to achieve the projected jobs of 20,000 in the 5th year of BPO industry development."*

1. **New National BPO Policy:** The introduction of a comprehensive BPO policy with clear objectives along critical pillars.

2. **Government Engagement:** Strategic government agencies have shown a keen interest and commitment to the sector's advancement.

3. **Sector Expertise:** Key individuals within Uganda possess deep knowledge and extensive networks within the BPO and IT services sector. There are also existing industry associations with an interest in pushing the sector forward.

4. **Funding Opportunities:** Prominent donor organisations, including the MasterCard Foundation, have expressed interest in funding initiatives aimed at sector development.

Uganda has a highly fragmented ecosystem with numerous vested stakeholders, yet none driving sufficient scale. **The critical question therefore is who is well-placed to take on this essential coordinator role to sustainably drive scale over the long term?** This strategy proposes an initial public-private coordinating structure to rapidly position the sector for success. Over the medium term this structure should transition responsibility to a homegrown, demand-led coordinator, ensuring sustainability over the long term.
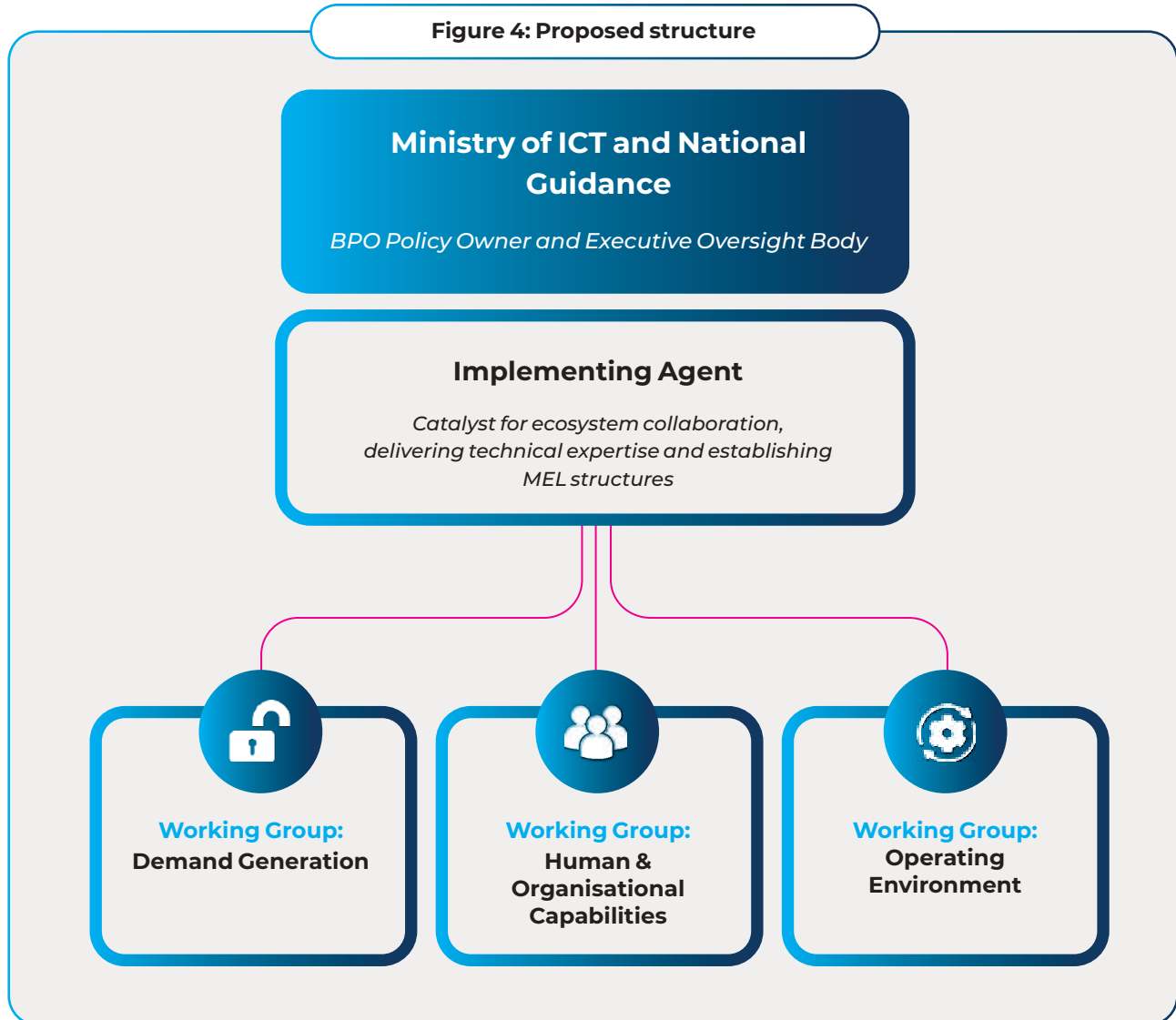

Convene the ecosystem to drive joint action

The MoICT&NG, as the designated custodian of the National BPO Policy, plays a pivotal role. However, it is essential to acknowledge the practical challenges government faces in day-to-day execution, given the myriad demands on its resources. Hence, the approach extends beyond ICTgovernment alone to embrace a broader coalition of stakeholders, both public and private, to ensure the sector's robust and sustained growth

The strategy outlined in this document and proposed execution structure of this section is intended to translate the National BPO Policy's intentions into practical actions and collaborative structures.

Figure 4: Proposed structure

Ministry of ICT and National Guidance

BPO Policy Owner and Executive Oversight Body

Implementing Agent

Catalyst for ecosystem collaboration, delivering technical expertise and establishing MEL structures

Working Group:
Demand Generation

Working Group:
Human & Organisational Capabilities

Working Group:
Operating Environment

The MoICT&NG will have executive oversight and has final approval and responsibility for the execution of the BPO Policy and supporting strategies.

This strategy sees five core roles for the MoICT&NG:

Driving enabling policy and legislation: The Ministry should champion the implementation of the BPO Policy and proactively sponsor enabling legislation, including those related to cybersecurity, data protection, critical skills visas, human rights and decent work, that provides a solid legal foundation for the BPO Industry.

Incentives framework and resource allocation: Incentives can be a powerful tool for attracting investments and spurring sector growth. The Ministry, in collaboration with the Implementing Agent and key working groups, should design a national incentive framework. In conjunction, the Ministry will need to actively advocate for the allocation of resources to the sector. Requests for resource allocations should be evidence-based and linked as far as possible to job creation and sector growth.

Sector promotion: The Ministry will play a pivotal role in engaging potential investors and promoting the sector's value proposition. The Ministry will need to closely align with the Implementing Agent and Demand Generation Working Group to ensure accurate and consistent messaging is put to the market. Domestic promotion, awareness building and sensitising the public to the sector's benefits should also fall within the Ministry's remit.

Encouraging collaboration: The Ministry will look to strengthen both intra-sectoral and inter-sectoral linkages with other Ministries, Departments, and Agencies (MDAs), local governments, the private sector, civil society, development partners, and community members.

Convening M&E reporting and response: Whilst the Implementing Agent will lead the development of an effective monitoring and evaluation framework, described in more detail below, the Ministry will be responsible for convening bi-annual meetings with the Implementing Agent to review baseline, target and actual figures, and approve adjusted expectations. This will ensure that the Strategy can be adjusted in terms of job creation across the timelines of its implementation. The Ministry will also authorise activities in response to these meetings based on the recalibrated goals. This could include overseeing new investments, reallocation of funds or activities to enhance capacity.

The Ministry will also be responsible for commissioning and approving the entity appointed as the Implementing Agent.

The Ministry will also be responsible for commissioning and approving the entity appointed as the Implementing Agent.

The Implementing Agent assumes the central coordinating role, responsible for ensuring that strategy is being implemented and the Working Groups deliver on their specific action plans.

There are four primary roles of the Implementing Agent:

Providing sector expertise and networks: The Implementing Agent will need notable sector expertise and extensive industry networks, serving as the linchpin for sector growth. Leveraging its knowledge and connections, the Agent is well-positioned to identify emerging trends, opportunities, and challenges within the BPO landscape.

Ecosystem convening: The Implementing Agent takes on the role of convening the various Working Groups, each dedicated to specific thematic areas within the sector. Beyond facilitation, the Agent provides crucial technical support to these Groups, ensuring that they possess the knowledge and resources needed to fulfil their mandates. Recognised as the central point of contact for all stakeholders, the Agent will develop and provide a unified platform for information sharing between stakeholders.

Recommending resource allocation: Drawing upon its sector insights and Working Group engagements, the Agent will recommend budget allocations for ultimate approval by the MoICT&NG. The Agent will consider sector priorities and growth opportunities to inform its recommendations.

Ongoing monitoring and evaluation: An essential function of the Implementing Agent is the establishment of a comprehensive Monitoring, Evaluation and Learning (MEL) framework for tracking the targets set out in the strategy, and whether they are being executed on. This is in accordance with the National BPO policy. This framework serves as the backbone for assessing progress and performance. It involves using the diagnostic report as a baseline for measurement, and the systematic collection and synthesis of data from the Working Groups and the broader sector ecosystem to deduce progress. This data is instrumental in generating accurate and timely reports that inform the Ministry of ICT and the entire ecosystem about the sector's trajectory.

The thematic Working Groups play a leading role in translating policy and strategy into action. Four key roles fall under the remit of the Working Groups:

Expertise in thematic focus: These working groups need to consist of experts, practitioners and stakeholders with intimate knowledge and experience in their respective thematic areas. This level of experience is essential for devising and executing on detailed action plans that drive sector growth. Critically, the working groups need "do-ers" - those who have the energy and determination to implement.

Advocacy and innovation: Working Groups act as advocates for their respective thematic areas, promoting sector growth and addressing challenges. They engage with the Ministry, Implementing Agent and other relevant stakeholders to advocate for resources, policies, regulations, and initiatives that support their specific focus areas. Encouraging innovation and the adoption of best practices is a fundamental role of the working groups.

They should continuously explore new approaches and share successful strategies that can benefit the entire sector.

Strategy implementation: The three Working Groups are responsible for translating the overarching sector strategy into concrete action plans. These action plans should be detailed with activities and specific KPIs, realistic timelines and allocated owners who are accountable for meeting these objectives.

Data collection and reporting: Working Groups actively collect relevant data and information related to their thematic areas. This data serves as input for the overall MEL framework established by the Implementing Agent.

See Appendix D for suggested actions, KPIs and timelines for each roleplayer.

Governance and reporting structures:

Ultimate oversight and approval within the BPO and IT services sector are vested in the MoICT&NG. **Reporting to the MoICT&NG occurs on a quarterly basis or as required for approval of major initiatives and dedication of resources while Working Groups should submit monthly progress reports to the Implementing Agent.**

To facilitate close collaboration and progress tracking, **monthly meetings are scheduled between the Implementing Agent and the Working Groups.** These meetings serve as forums for reviewing progress, addressing challenges, and strategizing updates to action plans as needed. A centralised platform, website, or portal serves as a hub for sharing information, resources, and data with ecosystem partners.

This platform is **developed and maintained by the Implementing Agent** with inputs from the Working Group and wider ecosystem.

Periodic audits or external evaluations should be considered to assess the functionality of the governance structure and the execution of the sector strategy, ensuring the structures are working effectively and transparently.

Transition to a sustainable ecosystem coordination model

As the BPO and IT services sector in Uganda continues to evolve and mature, it is essential to lay the foundation for a sustainable ecosystem coordination model that is deeply integrated into the Ugandan landscape. This transition marks a pivotal moment in the sector's growth journey, where external coordination gives way to a homegrown approach led by an industry association.

The timeline for this transition is structured over a period of approximately three years, allowing for a gradual shift in coordination dynamics. During this initial phase, the appropriate entity to adopt this role will be identified and then undergo significant capacity-building and empowerment efforts. Following this foundational period, a structured handover process will commence. To ensure a seamless transition, a carefully crafted roadmap should be developed, outlining the specific steps, timelines, and responsibilities for all stakeholders involved. This deliberate approach ensures that the association is well-prepared to assume its coordinating role and that the transition is marked by continuity and stability within the sector.

Empower a homegrown, demand-led coordinator

There are several considerations for empowering a Ugandan entity to effectively adopt and execute the role of a robust ecosystem coordinator. This strategy outlines some of the fundamental considerations in this regard:

Register as an Association: The foundational step is to officially register the coordinator as an industry association. This process involves adherence to national regulations governing associations and non-profit entities and compliance with reporting requirements.

Mandate & Policies:

a. Developing a Clear Mandate: Defining a compelling mandate is paramount. The mandate should encapsulate the coordinator's mission, objectives, activities, values, and membership engagement strategy.

b. Establishing Coordinator Policies: Alongside the mandate, comprehensive policies and robust governance structures are essential. Governance structures include an independent board and separate executive committee with clear lines of reporting. Policies should span areas such as membership communication, financial management, reporting, ethics, and codes of conduct.

Together, the mandate and policies provide a strong governance framework.

Building Capacity and Operations:

a. Identifying Required Skills: Assembling a team with the requisite skills is fundamental. These skills span deep sector knowledge, governance, strategy development, financial management and fundraising, data collection and analysis, stakeholder engagement, advocacy and coordination.

b. Knowledge Management: A robust knowledge management system ensures the collection, organisation, and dissemination of sector-specific knowledge, best practices, and market insights. It empowers the coordinator with informed decision-making capabilities.

To rapidly scale the capacity of a homegrown coordinator, the strategy suggests leveraging external expertise. Close working relations with the Implementing Agent is imperative. Beyond this relationship, drawing on the experiences of entities like BPESA, which has a track record of best practices and standards, offers invaluable insights.

Delivering Quick Wins: Early successes are crucial for building credibility and trust. The coordinator should prioritise "quick wins" that showcase its effectiveness, garnering support and enthusiasm from the sector. Some examples of these quick wins include: developing targeted value propositions for specific source markets or vertical industries.. Another could be developing a database of potential companies receptive to the sector's offerings.

Sustainability at the Core: The coordinator will focus not only on immediate needs but also on long-term sustainability. This includes financial viability, maintaining sound governance structures, and strategic planning for enduring success.

Unlock funding for sustainability

The journey toward sustainable funding for the homegrown ecosystem coordinator involves a phased approach, balancing short-term needs with medium and long-term strategies. Diversification and careful management of funding sources are essential to ensure the organisation's enduring capacity to drive sector growth and coordination.

Short-term (1-2 years): The initial phase necessitates a short-term injection of donor funding, primarily to cover substantial upfront costs. This includes investments in the establishment of the coordinator, development of marketing materials, sector research, and the design and launch of critical skills development programmes.

Medium-term (2-5 years): During the medium-term horizon, while still reliant on donor funding to a significant extent, the coordinator begins to diversify its income base. This diversification includes sourcing funding from membership fees, revenue generated from events and conferences, management fees associated with grants for skills development, and exploring potential government funding opportunities. This phase marks the transition toward financial self-reliance.

Long-term (5+ years): The long-term sustainability goal involves the establishment of stable funding sources. These potential sources encompass revenue generated from membership fees, proceeds from sector-specific events, income derived from the sale of knowledge products, fees associated with skills development programs and fees extracted by auditing and certifying operators. Government funding may continue to play a role, but the coordinator aims to reduce its dependence on external sources significantly.

While grant funding is a vital resource, it's crucial to approach it with strategic caution. Alignment with the organisation's values and strategic objectives is paramount to ensure that grant funding supports, rather than detracts from, the overarching mission. Pursuing grant funding can absorb significant resources which might otherwise be dedicated to furthering the implementation of the sector strategy.

5. APPENDIX

Appendix

Appendix A: Job creation forecasting methodology

The BPO and ITO market and job growth projections for the number of workers serving domestic demand ("the domestic segment") were based on the projected YoY growth rates of key domestic vertical industries, including telecoms and media, banking, insurance and retail, as well as the growth in demand from key BPO and ITO source markets. These projected growth rates ranged from 4% to 27%, with an average YoY projected growth rate of 20%.[1]

Projections for the number of workers serving domestic demand ("the international segment") was determined by factoring international BPO and ITO market YoY growth rates achieved in Rwanda (108%), as it is a comparative BPO and ITO market to Uganda.[2] The YoY growth rate was reduced slightly to account for a more conservative projection, and was tapered downward from 2027 onward to reflect an S-curve model, wherein growth accelerates rapidly from a low base, and then tapers as the market saturates.

Included in the international segment was the remote working BPO and ITO sub-segment. Uganda's current BPO and ITO remote workforce size derived from an analysis of Africa's current BPO and ITO remote workforce. This was calculated by taking the continent's 30 million remote workforce projection in 2030 and calculating backwards using the estimated Gig Customer Experience (GigCX) YoY growth rate over the next ten years.[3] This 2022 figure was then split across all 54 African countries according to their percentage contribution to Africa's BPO and ITO market; therefore, providing Uganda's estimated BPO and ITO remote workforce size. This was further refined by only accounting the vertical industries related to BPO and ITO work.

The international segments calculated in the job creation projection were then split across each globally-focused opportunity zone (i.e. Zones 2-5). To determine the splits, a US$-based market share for each source market listed within the opportunity zones was calculated.4 The international segment was then divided across the target countries according to their market share.

This was calculated by taking the continent's 30 million remote workforce projection in 2030 and calculating backwards using the estimated Gig Customer Experience (GigCX) YoY growth rate over the next ten years.

---

1   Multiple sources were used to triangulate vertical industry growth rates, including Statista; Fitch Solutions; Standard Bank; Mordor Intelligence; International Trade Administration
2   GBS.World | Genesis GBS
3   BFA Global; GBS.World | Genesis GBS
4   Multiple sources were used to triangulate market shares, including but not limited to The British Council; Mordor Intelligence; International Trade Administration; Statista; WorldData.org; GBS.World | Genesis GBS

Appendix B:

Job and market size breakdown by opportunity zone

Geographies targeted	Sectors targeted	Services targeted	Potential cumulative job target	Market size
Strengthening and growing the domestic core				
Uganda	Banking (Retail) Retail & eCommerce Telecoms & Media Travel & Tourism	CX & Sales, ITO, HRO: • Inbound and Outbound Sales • Customer Service & Support • IT Outsourcing • HR Management Services • Finance & Accounting • Shared Services Centres	42 066	US$764 Million
Connecting with African homegrown operators				
Kenya Rwanda South Africa Ghana Nigeria Egypt + others	Retail Banking (Retail) Healthcare Telecoms	CX & Sales, HRO, F&A: • Customer Service & Support • Back Office Processing • Payroll Services • Accounting (General) • Benefits Administration	5 243	US$70 Million
Winning overflow work from maturing delivery hubs				
India	BPO & ITO Technology & Software	CX, ITO & HRO: Customer Service & Support IT/Tech Help Desk HR Management	4 889	US$66 Million
Serving under tapped international markets				
UAE Saudi Arabia Qatar Bahrain Israel + others	Travel & Tourism Banking Retail	• CX & Sales, ITO, HRO: • Inbound and Outbound Sales • Customer Service & Support • IT/Tech Help Desk	19 946	US$268 Million
China	Education	• CX Support: • English Language Tutoring	4 273	US$57 Million
Serving traditional source markets				
UK	Banking (Retail) Retail & eCommerce Technology & Software	• CX & Sales • ITO • HRO • Compelling niche service lines where Uganda can differentiate	4 346	US$58 Million
Canada Rest of US Europe Australia	Banking (Retail) Retail & eCommerce Technology & Software	• CX & Sales • ITO • HRO • Compelling niche service lines where Uganda can differentiate	10 309	US$138 Million
Select US States	Healthcare Utilities Retail	CX & Sales: • Outbound and Inbound Sales • Customer Churn and Win-back • Lead Origination/Generation	9 010	US$121 Million

Appendix C:

Constitution of decent work

Decent work, as per the principles outlined by the Mastercard Foundation's Young Africa Works Strategy and the ILO, refers to employment that is not only characterised by job creation but also ensures the well-being and dignity of workers. In our strategy, 'jobs' represent opportunities that meet criteria outlined below, aiming to empower individuals, particularly youth, by providing employment that aligns with international and national labour standards and regulations.

In this strategy "jobs" refers to employment opportunities that uphold standards including:

> **Reasonable Working Hours:** Decent work ensures that employees are not subjected to excessive working hours and aligns with Uganda's labour regulations, which typically stipulate a maximum of 48 hours of work per week, with overtime compensation for additional hours.[5] Compensated annual, sick and maternity leave should also be made available.

> **Fair Wages:** Fair wages in Uganda mean providing compensation that covers basic needs and offers an opportunity for an improved standard of living. This includes adherence to minimum wage laws, however minimum wages in Uganda were last set in 1984 and national averages are often much higher than these legislated standards.[6] This would also take into consideration how an average salary and associated benefits compares to the cost of living.

> **Social Protection:** Decent work involves access to social protection measures, including healthcare, retirement benefits, and unemployment insurance, as outlined in Uganda's Social Security Act, 2010.

> **Job Security:** Job security is ensured by adherence to labour laws and regulations related to contracts and termination, protecting workers from unfair dismissal and providing mechanisms for dispute resolution and recourse.

> **Equal Opportunities:** Decent work promotes equal opportunities, respecting individuals' rights and protections and combating discrimination based on gender, age, disability, or other characteristics.

In our strategy, 'jobs' represent opportunities that meet criteria outlined below, aiming to empower individuals, particularly youth …

---

5   WageIndicator. 2023. Decent Work Check: Uganda. Available online.
6   Ibid.

Appendix D:
Suggested roles and responsibilities for ecosystem coordination

Ecosystem Coordination Commitment Goals					
Champion	**Deliverable**	**Indicative Actions**	**Months**	**Start Date**	**Due Date**
Ministry of ICT and National Guidance	Drive approval and implementation of BPO policy	• Achieve final government approval and official endorsement of National BPO Policy	6	April 2024	October 2024
	Advocate for re-source allocation to the sector	• Submit yearly budget requests which are evidence based and linked to job creation and sector growth • Approve resource allocation by Ministry of Finance, Planning and Economic Development	-	April 2024	Ongoing
	Advocate for sector-friend-ly policies and incentives	• Hold engagements with Key Working Groups and Implementing agent • Sponsor enabling legislation to provide a solid legal foundation for the BPO industry • Growth of the sector measured through Year-over-Year Sector Revenue Growth. • Growth of total value of secured international investment, Measured yearly. • Establish a national incentive framework in collaboration with the implementing agent and key working groups, to attract investment and spur sector growth.	- 6	Oc-tober 2024 April 2024	Ongoing October 2024
	Promote the sector among key domestic, region-al and interna-tional actors	• Key government officials to be trained and fluent in the sector diagnostic and Unique Value Proposition. • Conduct engagements with potential buyers and operators. • Create marketing and awareness building campaigns to sensitise the public to the sector's benefit.	-	Oc-tober 2024	Ongoing
	Identify and approve imple-menting agent	• Release a Tender for the Role of Implementing Agent • Allocate role of implementing agent • Establish transparent reporting on approval of implementing agent completing all due diligence	6	April 2024	October 2024

Implementing Agent	Develop a comprehensive mandate and governance framework	• Approve mandate and governance framework, signed by the MoICT&NG • Produce and document clear policies and procedures for all stakeholders and agents within governance framework	6	April 2024	October 2024
	Recruit key personnel with requisite skills	• Fill all roles within working groups with stakeholders of high-calibre skills and sector expertise. • Hire personnel with requisite skills to support implementation activities.	6	April 2024	October 2024
	Budget approval and fundraising	• Recommend budget allocation considering sector priorities and growth opportunities, approved by the MoICT&NG. • Secure Core Funding. • Secure Grant Funding.	-	April 2024	Ongoing
	Develop communication and engagement strategy for coordination structure	• Conduct quarterly engagements with Key Working Groups • Conduct quarterly engagements with MoICT&NG • All engagements should discuss current progress and challenges and produce at least 5 actionable outputs including key areas for technical support.	-	July 2024	Ongoing
	Action plans developed and approved for each Working Group	• Yearly action plans designed with quarterly targets and KPIs created for each Working group, approved by MoICT&NG. • Align action plan with technical support activities to be conducted by implementing agents.	12	April 2025	Ongoing
	Establish knowledge management system	• Design, develop and implement knowledge management systems to share emerging trends, opportunities, and challenges within the BPO landscape. • Provide technical support to working groups, aligned with action plans to support their key deliverables.	-	October 2024	Ongoing
	Identify homegrown ecosystem coordinator	• Conduct 10 stakeholder engagements to identify homegrown ecosystem coordinators. Including but not limited to; MoICT&NG, Key International Donors, Working Group coordinators. • Approval of homegrown ecosystem coordinator	6	October 2025	April 2025
	Sustainability planning for ecosystem coordinator	• Design and document transition roadmap, approved by MoICT&NG • Design and document funding strategy for homegrown ecosystem coordinator, approved by MoICT&NG	12	April 2025	April 2026

	Deliverable	Indicative Actions	Months	Start Date	Due Date
	Capacitating ecosystem coordinator	• Conduct needs and capacity building assessment for coordinator. Informed by 20 engagements with external experts. • Capacitate coordinator with a full staff team with the necessary skills and capacity to successfully implement the sector strategy.	24	April 2027	April 2029
	Design a robust MEL framework	• Approve sector strategy, working group action plans and KPIs. • Establish and conduct data collection and synthesis strategy from the Working Groups and broader sector ecosystem. • Establish feedback loops between M&E data and coordination structure ensuring the MoICT&NG and key working groups are informed. • Design MEL framework which is in accordance with the National BPO Policy Objective 2, Strategy (ii) and should build off of the diagnostic study undertaken by Genesis, where the figures in this report are taken as the baseline.[1] • Conduct bi-annual meetings to review the baseline, actual and target figures, and adjust expectations and goals accordingly. • Generate biannual M&E reports tracking sector's trajectory and strategy progress and impact.	- -	April 2024 October 2024	Ongoing Ongoing

Unlocking Demand for Work Commitment Goals					
Champion	**Deliverable**	**Indicative Actions**	**Months**	**Start Date**	**Due Date**
Demand Generation Working Group	Target domestic enterprises for outsourcing and reshoring	• Design and implement business opinion and perception changing initiatives. • Implement targeted engagement plans with local enterprises • Measure growth of domestic outsourcing demand against the job creation benchmarks indicated in the diagnostic report.	-	April 2024	Ongoing

---

1   Genesis. 2023. Uganda BPO Diagnostic Report.

Provide support to Ugandan MSMEs	• Engage with existing organisations who are supporting MSMEs and Start-ups, specifically the National ICT Innovation Hub. • Develop best practice and thought leadership material to capacitate MSMEs to outsource key functions. • Engage with MSME's in a capacitation process. • Conduct assessment of number of Ugandan MSMEs meeting international standards	-	October 2024	Ongoing
Lobby government to grow demand for domestic outsourcing services	• Prepare policy briefs outlining the economic and social advantages of promoting domestic outsourcing. • Arrange meetings with elected officials to discuss the potential benefit of policies that encourage domestic outsourcing and the benefits of outsourcing government initiatives to Ugandan enterprises. • Measure the percentage of e-Government initiatives with outsourced services to Ugandan enterprises. • Measure Proportion of government Ministries, Departments and Agencies outsourcing to Ugandan enterprises.	-	October 2024	Ongoing
Target global operators and buyers	• Establish a hit list of specific global BPO/ITO operators to engage with. At least 5 organisations should be identified for the following streams: • African BPO/ITO operators • Indian BPO/ITo operators • Enterprise buyers and Operators in the UAE and Middle east • US BPO/ITO operators • English language tutor operators in China • BPO/ITO operators in Canada, UK and Europe • Digital jobs and remote working platforms • Measure Year-over Year Growth rate of global outsourcing demand for Ugandan services and evaluate against the sector strategy targets.	-	April 2025	Ongoing

	Prepare marketing material	• Document 5 case studies of success stories of BPO and ITO operators in Uganda. • Video footage recorded and edited of Uganda BPO and ITO delivery centres. • Create thought leadership content • Compile and develop Marketing Investor Pack	-	April 2024	Ongoing
	Invest in outbound marketing activities	• Attend conferences and events; including exhibition booths at global events. » At a minimum these should include: UAE (e.g. Gitex) the US (e.g. CxOutsourcers, SSON Outsourcing Week and Customer Contact Week), the UK (e.g. UK Call & Contact Centre Expo) and Europe (e.g. ECCCSAs) • Engage with key contacts and arrange follow-up meetings	-	April 2024	Ongoing
	Organise inward investor missions	• Organise an annual inward mission and investor conference to Uganda. Stakeholders hosted in Uganda should include targeted global and regional BPO/ITO operators, global analysts and industry brokers/ consultants.	-	April 2024	Ongoing
	Prioritise sector amongst export and investment promotion agencies	• Equip export and promotion agencies through training key officials on the sector diagnostic and UVP. • Key officials to be trained to appoint/ prepare economic ambassadors • Measure number of engagements with potential buyers and operators.	-	April 2024	Ongoing
	Advertise Uganda's DEI workforce and best practice	• Compile key facts and figures as part of UVP. • Organise local awards events in which impact sourcing, DEI and ESG practices are recognised from the international and local market.	-	April 2024	Ongoing
	Incentivise impact sourcing practices	• Include impact sourcing practices in incentives framework.	-	April 2024	Ongoing
	Educate domestic operators on DEI, ESG and Impact Sourcing	• Train key officials and stakeholders on impact sourcing, DEI and ESG • Develop an FAQ document on DEI, ESG and Impact Sourcing.	-	April 2024	Ongoing
	Advocate for impact sourcing certification	• Submit case studies and inclusive hiring details of global and domestic BPO and ITO operators in Uganda to get certified for practising impact sourcing, DEI and ESG by global foundations and indexes.	6	April 2024	October 2024

Upgrading human & organisational capabilities Commitment Goals					
Champion	**Deliverable**	**Indicative Actions**	**Months**	**Start Date**	**Due Date**
Human & Organisational Capabilities Working Group	Develop a sustainable funding model to assist local initiatives	• Design a sustainable funding model based on private-public partnerships between skilling organisations, donors and BPO and ITO operators. • Draw up and socialise success stories to generate positive perceptions around the impact of skilling programmes	12 -	April 2024 April 2024	April 2025 Ongoing
	Encourage training bootcamps and apprenticeship programmes	• Support the organisation of demand-driven skilling bootcamps • Secure funding for bootcamps to cover learning materials and allowances for learning away from home as well as additional support to vulnerable groups, women and displaced persons. • Support the development of apprenticeship programmes to provide work experience for youth.	-	April 2024	Ongoing
	Ensure curriculum programmes are relevant and competitive	• Design and document a skilling framework to evaluate demand-driven skilling initiatives • Conduct an audit of traditional skilling institutions • Measure the number of newly designed courses based on industry consultation and needs	12	April 2024	April 2025
	Leverage market intelligence to inform existing digital skilling programs	• Establish feedback loop between industry and skilling providers established • Establish partnerships between skilling organisations and organisations such as BrighterMonday. • Measure graduate unemployment rates for sector-specific graduates	-	April 2024	Ongoing

Empower local operators to serve global markets	• Technical Assistance Fund established to build capacity of leading BPO and ITO operators • Design framework to assess high-growth potential operators. • Identify high-growth potential domestic BPO and ITO operators who stand a good chance of scaling into the export market, but face some capacity constraints. • Conduct a diagnostic and needs assessment to identify where these operators are best positioned to serve international clients, and identify the capacity gaps preventings these operators from doing this successfully. • Based on identified gaps and capacity building requirements, match operators to a technical assistance provider that is qualified to address the challenges they are facing.	24	April 2024	April 2026
Support knowledge transfer to improve local operator per-formance	• Establish training courses to provide business advice and operational best practice for emerging BPO and ITO MSMEs. • Courses should include: meeting globally recognised levels of standards, support building social media marketing and exposure to exhibitions to promote services.	-	April 2024	Ongoing

Creating an Enabling Operating Environment Group Commitment Goals

Champion	Deliverable	Indicative Actions	Months	Start Date	Due Date
Enabling operating Environment Working Group	Lobby the personal Data Office to ratify and enforce the Data Protection and Privacy Act, 2019	• Provide one BPO/ITO full time resource or consultant to support the existing employees at the Personal Data Protection Office to enforce the Act in the sector specifically.	12	April 2024	April 2025
	Lobby for approval of the National BPO Policy	• Support the fast track of the Policy so that it can be officially launched and kickstarted for rapid implementation	6	April 2024	October 2024
	Advocate for visa fast-tracking services	• Prepare policy briefs outlining the economic advantages of visa fast-tracking services for the BPO/IT services sector. • Arrange meetings with elected officials to discuss the advantages of visa fast-tracking services for the BPO/IT services sector.	12	October 2024	October 2025
	Develop ethical and guiding principles for BPO and ITO operations	• Develop, facilitate and adopt a sector labour charter detailing decent work standards. • Develop and publicise ethical and guiding principles for BPO and ITO operations in accordance with the National BPO Policy Objective 2.	12	October 2024	October 2025
	Adopt a demand-led approach to infrastructure development	• Conduct diagnostic and needs assessment of the IT infrastructure and hardware requirements of operators. • Determine the baseline IT hardware and infrastructure needs of domestic operators and how frequently these change.	12	April 2024	April 2025
	Improve the accessibility of key digital inputs	• Collaborate with the Uganda Revenue Authority to establish an exclusive long-term repeat orders contract with a hardware provider. • Include IT inputs into incentive framework	18	October 2024	April 2026
	Accelerate the development of BPO parks and Free Trade Zones	• Ensure parks have internet download and upload speeds which are in line with international BPO organisations and have back-up electricity supply options • Contract private data provider and private internet service provider to provide these facilities within Zones and Parks. • Advocate for expanding ICT developments to regions outside of Kampala. • Measure occupancy rates of BPO Parks and Free Trade Zones.	-	April 2024	Ongoing
	Explore alternative financing models to improve digital inclusion among Ugandan youth	• Equip existing youth centres and co-working spaces with reliable internet connectivity, power back-ups, laptops and assistive devices for persons with disabilities using alternative financing models	-	April 2024	Ongoing
	Develop a National Portal for the BPO/ITO industry	• Develop a National Portal for the BPO/ITO industry in line with the National BPO Policy Objective 5, Strategy (iii) to provide adequate private and public infrastructure support for the BPO ecosystem	12	April 2024	April 2025

Notes:

ICT House
Plot 10/12 Parliamentary Avenue
P. O. Box 7817 Kampala
256-414-236262
ictinfo@ict.go.ug