

DASHBOARD: MARCH 2021

Version 1.0

Issues	Indicators	Frequency	Status		Issues	Indicators	Frequency	Status			
Employment	Jobs	Formal Sector ¹	Monthly	655,482 (2.2%)	▼	Productivity	Literacy Rate (Grade 6)	Yearly (-1)	51.9%(1.2)	▼	
		Informal Sector	Yearly (-3)	8,824,252	▲		Numeracy Rate (Grade 6)	Yearly (-1)	52.6%(1.3)	▲	
		Migrant Workers	Monthly ⁸	8,666 (64.8%)	▲		Morbidity Rate (Malaria Incidence) ^a	Monthly	2.2 (20.0%)	▲	
		LIPW ²	Monthly	98,783 (-)	▲		PIP Budget Absorption ^b (GoU, IFMS %)	Quarterly	71.9% (0%)	▲	
	Incomes	Per-capita GDP (US\$)	Yearly	910 (2.9%)	▲		Power Tariff (Ushs per Unit)	Medium	Quarterly	556(0.73%)	▼
		Income Poverty (%)	Yearly (-3)	21.4%	▲	Large		Quarterly	361.0 (0%)	▲	
Remittances (US\$,M)		Yearly	1,306 (5%)	▼	Extra Large	Quarterly		301.7 (0%)	▲		
Living Standards	Utilities (Retail Tariff Rates)	Water (M ³)	Quarterly	3,516 (0%)	▲	Competitiveness	Av. Freight Costs (US\$, Mom-Kla, 40ft)	Monthly	3,800 (0%)	▲	
		Power/Domestic	Quarterly	750.9 (0%)	▲		Commercial Case Backlog ^c	Yearly (-2)	1,766 (88%)	▲	
		Data (Ushs, 1GB)	Monthly	35,000	▲		Fuel Prices (Liquid Energy Fuel Inflation)	Monthly	0.2(2.5%)	▲	
	Education Expenditure ³ (HH,Ushs)	Yearly (-3)	1,179,000(-)	▲	Customs Clearance (Hours)		Monthly	5.13 (0%)	▲		
	Healthcare Expenditure (HH, Ushs)	Yearly (-3)	273,000(-)	▲	Transit Times (Mom-Kla, Days)		Monthly	9 (0%)	▲		
	Food Inflation ¹ (%)	Monthly	1.1 (1.4)	▲	Investment Registration (Days)		Yearly	2	▲		
	EFU ⁴ Inflation (%)	Monthly	-0.3 (0.7)	▼	Business Registration (Days)		Yearly	3	▲		
	Residential Property Price Index (RPPI) for GKMA	Quarterly	3.3 (43.1%)	▼	Electricity Connection (Days)		Monthly	30 (0%)	▲		
	Crime Rate (per 100,000):2020	Yearly	502(8.9%)	▼	Water Connection (Days)		Monthly	3 (0%)	▲		
	Equity and Economic Inclusion	Private Pension: Active Members ^h	Quarterly	644,000 (0%)	▲		Markets and Regulations	Tax Refund (Months)	Monthly	N/A	▲
Private Pension: Registered Members		Yearly	2,000,000+(Est)	▲	Communication Rates			Voice (Ushs Per Sec)	Quarterly	3 (0%)	▲
Public Pension (Beneficiaries)		Monthly	80,930 (0.7%)	▲	Data ^d (Unlimited)			Monthly	320.000(3%)	▲	
SAGE (Beneficiaries)		Quarterly	304,555 (0%)	▲	IMF Primary Commodity Price Index			Monthly	141(0.3%)	▲	
Agent Banking (Transactions)		Quarterly	N/A	▲	Average Monthly Net Salary (After Tax) ^f			Yearly	628,611	▲	
Environmental Sustainability	Water Quality (PM _{2.5}) ⁸	Monthly	Low, 15.91	▼	Retail Sales/EFRIS ⁵			Monthly	N/A	▲	
	Air Quality (PM _{2.5}) ⁸	Monthly	High, 66.0(21%)	▼	USE All Share Price Index	Monthly	1,391(2.7%)	▲			
	Noise Pollution (Decibels, Kampala)	Monthly ^f	High, 63.6(0.0%)	▲	New Business Registrations	Monthly	5,073(*)	▲			
	Seasonal Changes in Rainfall	Monthly	Normal Plus	▲	Hotel Occupancy Rate ^e	Quarterly	7% (43%)	▼			
	Natural Disaster Incidences	Monthly	N/A	▲	Plant Utilisation Rates	Quarterly	26-50%	▼			
Local Content					MUG Shelf-Presence ⁶	Annually	48% (8.0)	▲			
					Trade Balance ^h (US\$, Millions)	Monthly	-178(4.8%)	▲			
					Contracts Awarded to Local Providers ⁷	Yearly	97.5%	▲			

*Unless indicated all quarterly figures are for Q2, FY2020/21 and annual figures for FY2019/20 | ¹ Active PAYE Register Jobs | ² Labour Intensive Public Works | ³ Primary Education | ⁴ Energy, Fuel and Utilities | ⁵ Electronic Fiscal Receipting and Invoicing System | ⁶ Made in Uganda (MUG) | ⁷ By Value (and 99.8 by number -2,595) | ⁸ Particulate Matter (April 2020) | ^a Cases per 1,000 population | ^b Cumulative Absorption in Q1 (31st Sep, 2020) | ^c 2019 | ^d Unlimited (Monthly) | ^e May 2020 | ^f July 2020 | ^g June 2020 | ^h National Average is Ushs 168,000 (2016/17) | ⁸ Migrant Labour in 2021 | ^h NSSF: As at December 2020 | Change: August 2020 Figure was for Annual Food Crops and Related Items

Policy Briefs: FEB 2021

COVID-19 Series

Emerging Microeconomic Trends and Patterns for Policy Attention in FY 2020/21 and the Medium Term

A) Microeconomic Developments: This Section is a commentary on the eight focus issues of the MIND.

Issue	Market Updates
Employment	PAYE jobs remained relatively stable at 655,482 employees in March 2021, compared to 670,434 in February 2021. Migrant employment has steadily increased from 5,256 migrant employees in February 2021 to 8,666 migrant employees in March 2021. This increase is on account of the workers who lost their jobs during COVID-19, looking for opportunities abroad.
Living Standards	The annual crime rate reduced from 551 crimes per 100,000 people in 2019 to 502 crimes in 2020, largely on account of COVID-19 restrictions and public investment in anti-crime infrastructure such as the CCTV. 52.9% of all crimes committed in 2020 were in rural areas, 43.9% in urban centers while 3.14% were committed along the highways. Monthly EFU inflation increased by 1% in March 2021 on account of a 0.5% increase in prices from 0.1% recorded in February 2021.
Equity and Economic Inclusion	The Pension sector suffered a reduction in investment income and increased withdrawals of benefits in the quarter ended 2020 (URBRA). There was a significant withdrawal of Ushs 365 billion; majorly attributed to benefits payments by NSSF. Additionally, there was a 0.6% decline in Assets held by Umbrella Schemes. Outflows significantly exceeded growth in both Investment income and Contributions. Over Ushs 20 billion was withdrawn during the quarter by Umbrella Schemes.
Environmental Sustainability	At 66 $\mu\text{g}/\text{m}^3$ (PM 2.5), air pollution in March 2021 was 2 times higher than the recommended WHO ceiling of 25 $\mu\text{g}/\text{m}^3$ (PM 2.5) but significantly lower than 83.9 $\mu\text{g}/\text{m}^3$ in March 2021. Water quality also remained very low measuring 15.91mg/L in February and March 2021. The effects of this level of air and water pollution include death of fish in water bodies such as Lake Victoria.
Productivity	The average national monthly incidence of malaria increased to 2.2 per 1,000 persons in March 2021 from 2.0 per 1,000 persons in February 2021. This had been preceded by a 7 month decline in the monthly incidence of malaria from 4.82 per 1,000 persons in August 2020 to 2.0 per 1,000 persons in February in 2021.
Competitiveness	The fuels, Liquid and Utilities inflation increased to 0.2 percent between January and March 2021. This is partly attributed to stable oil prices registered globally in that period. Electricity tariffs announced for the period April to June 2021 for commercial users and medium industrial users, reduced by 0.4% and 0.73% respectively on account of the need to sustain SMEs and the manufacturing sector.
Markets & Regulation	International commodity prices recorded a 0.3% marginal increase in the month ending March 2021, registering a slower than anticipated rise in prices given the recent increase in global oil prices. There was a sharp increase in new business registrations from 1,614 in January to 5,073 in March 2021, resulting from greater sensitization and the post lockdown lifting of restrictions. Investor confidence continues to improve with the USE All Share Index rising from 1,314 in January 2021 to 1,390.6 in March 2021.
Local Content	Trade balance deficit reduced by 10% from US\$ 196.8m in January 2020 to US\$ 178.1m in February, 2021. This improvement is on account of 9% increase in exports from \$410.4m in January 2021 to \$447.1m in February 2021.

B) Policy Response Measures: This edition of the MIND focuses on Competitiveness as a Thematic Area, with particular attention on the digital economy. COVID-19 has had far reaching impacts on the state and outlook of the digital economy, both nationally and globally.

Objective	Intervention
<p>Legal Reform and Infrastructure for the Digital Economy</p>	<p>1) In 2018, Cabinet approved the National Broadband Policy. The Policy objective is hinged on the need to regulate, plan and develop broadband infrastructure through applying appropriate technology mix for universal connectivity, and reforming the licensing framework to improve quality of services. Under this policy, Government:</p> <ul style="list-style-type: none"> a) Issued a new licensing framework for public service providers and public infrastructure providers in the telecommunication industry. The categories include: National Telecom Operator (NTO) license; National Public Service Provider (NPSP) License; Regional Public Service Provider (RPSP); National Public Infrastructure Provider (NPIP) License; Regional Public Infrastructure Provider (RPIP) License; and License to provide Communal Access. The issuance of the license framework is aimed at boosting investment in the sector, as well as improving quality of communication services. b) Is fast-tracking the provision of the National Backbone Infrastructure (NBI) to realise seamless broadband connectivity in all towns and public institutions and avoid duplication of these infrastructure that result in high rates both on the investor and the final consumer. Full roll out of the NBI is expected to further lower the cost of communication in the public and private sector realm. As such, phase IV of the NBI is currently under implementation and so far, 3,918 km of optical fibre cables have been laid across the country. This covers 49 districts, 423 MDAs and 597 sites that are connected on the NBI. Similarly, as a result of the NBI, the cost of internet significantly reduced from USD 300 to USD 70 in 2017 and is further expected to reduce to USD 50, once the infrastructure is completed <p>2) In 2018, Government approved the Electricity Connections Policy. The policy seeks to equitably increase access to electricity. Despite the restrictions imposed by COVID-19, UMEME managed to add 59,000 new connections to its network in 2020, increasing total connection under UMEME to 1.5 million. Of these, 94% are domestic customers (97% of whom are using prepared meters)</p>

c) Microeconomic Outlook: The on-going rollout of the COVID-19 vaccination programme, the easing of travel restrictions for migrant workers and the forthcoming inauguration of the newly elected NRM government in May 2021, improve the prospects of increased investment and remittance inflows. In addition, the progressive opening of schools will revive demand for in the transport and food sectors, injecting much needed liquidity into MSMEs.

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<p>Closing the Digital Divide</p>	<p>As of December 2020, 50% of the Ugandan population owned a mobile phone. Mobile phone subscriptions posted a year-on-year growth of 4%, occasioned by the recovery of the economy compared to the pre-COVID-19 period. Internet subscriptions also rose in the same period to 21.4 million subscribers, posting an internet penetration rate of 66.78% in December 2020.</p> <p>Relatedly, broadband traffic grew by 11% on a quarter-to-quarter (from 59 billion MBs recorded in September 2020 to 71.5 billion MBs recorded in December 2020). This was followed by the increase in domestic voice traffic recorded at 5.2 billion minutes in December 2020 (attributed to the stay-at-home protocol in a bid to control the spread of COVID-19).</p>
<p>Global Trends in E-Commerce</p>	<p>The COVID-19 pandemic will continue to have a significant bearing on economic outcomes. The UNCTAD report on “COVID-19 and E-commerce 2021” revealed the growing importance of E-commerce. This has been facilitated by acceleration of digital innovations, increased online participation, rapid data gathering and transmission, and the emergence of platforms that facilitate innovation and intermediate online markets.</p> <p>Changes in shopping, entertainment and workplace behavior and associated adaptations in business practice, have accelerated ongoing transitions from physical to online markets, thus reinforcing the need to address barriers to e-commerce by providing an enabling environment for businesses. The estimated uptake of e-commerce globally reached 14.1% in 2019, up from 10% in 2017.</p>
<p>Electronic Transactions and Financial Inclusion</p>	<p>Government is committed to promoting e-commerce and digital transaction solutions. This commitment is partly motivated by the surge in the value and number on mobile money transactions (telephone-based financial transfers) and the rapid growth of mobile phone usage. While there are only 5.5 million bank accounts in Uganda, there are about 25 million mobile money accounts.</p> <p>According to BoU statistics, the value of mobile money transactions grew by 3% between January and February 2021, from US\$8.8 trillion to US\$9.04 trillion. On the other hand, the number on transactions reduced by 3% in the same period as a result of the pandemic. The National Payments Bill provides for regulatory oversight of e-Commerce and Mobile Money transactions BoU.</p>