

DASHBOARD: FEBRAURY 2021

Version 1.0

Issues	Indicators	Frequency	Status		Issues	Indicators	Frequency	Status		
Employment	Jobs	Formal Sector ¹	Monthly	670,434 (3.2%)	▲	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 ^g	5,256 (125%)	▲		Morbidity Rate (Malaria Incidence) ^a	Monthly	2.0 (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	560(1.78%)
		Income Poverty (%)	Yearly (-3)	21.4%	▲	Large		361.0 (0%)	▲	
Remittances (US\$,M)		Yearly	1,306 (5%)	▼	Extra Large	301.7 (0%)		▲		
Living Standards	Utilities (Retail Tariff Rates)	Water (M ³)	Quarterly	3,516 (0%)	▲	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(3.3%)	▼	
	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	0.9 (0.9)	▲	Investment Registration (Days)	Yearly	2	▲		
	EFU ⁴ Inflation (%)	Monthly	-1.4 (0.1)	▼	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)	Yearly	517.7(-)	▲	Water Connection (Days)	Monthly	3 (0%)	▲		
	Equity and Economic Inclusion	Private Pension: Active Members ^h	Quarterly	644,000 (0%)	▲	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	80,349 (0.7%)	▲	Data ^d (Unlimited)	Monthly	320.000(3%)	▲		
SAGE (Beneficiaries)		Quarterly	304,555 (0%)	▲	Markets and Regulations	IMF Primary Commodity Price Index	Monthly	140.6(2.6%)	▲	
Agent Banking (Transactions)		Quarterly	5N/A	▲		Average Monthly Net Salary (After Tax) ^f	Yearly	628,611	▲	
Environmental Sustainability	Water Quality (PM _{2.5}) ^g	Monthly	Low, 15.91	▼		Retail Sales/EFRIS ⁵	Monthly	N/A	▲	
	Air Quality (PM _{2.5}) ^g	Monthly	High, 83.9(72%)	▲		USE All Share Price Index	Monthly	1,354(3%)	▲	
	Noise Pollution (Decibels, Kampala)	Monthly ^f	High, 63.6(0.0%)	▲		New Business Registrations	Monthly	1,934 (0%)	▲	
	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%	▼		
Environmental Sustainability	Local Content	MUG Shelf-Presence ⁶	Annually	48% (8.0)	▲	Trade Balance ^h (US\$, Millions)	Monthly	-187(36%)	▲	
		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) | ^g Migrant Labour in 2021 | ^h NSSF: As at December 2020 | Change: August 2020 Figure was for Annual Food Crops and Related Items

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	Though still below the pre-lockdown figures of 729,531 employees, the rise in active PAYE employees from 649,635 in January 2021 to 670,434 in February 2021 indicates continued recovery of the labour market from the effects of the COVID-19 pandemic. This trend is mirrored by the number of migrant workers which rose further from 2,334 in January 2021 to 5,256 in February 2021. This follows resumption of the labour externalization program for migrant workers supported by relaxation of COVID-19 lockdown measures across the Middle East.
Living Standards	Private remittances (personal transfers) declined by 20.6% in Q1, FY2020/21 compared to Q1, FY2019/2020 (from US\$ 350m to 278m) largely on account of the COVID-19 pandemic. At a micro level, private remittances contribute to poverty reduction in the recipient household, improve nutritional outcomes, reduce child labor in disadvantaged households and are associated with higher spending on education. A fall in remittances affects the ability of families to spend on these areas, as more resources will be directed to address food shortages and immediate livelihoods needs.
Equity and Economic Inclusion	The use of digital channels in the financial sector has continued to grow, increasing economic inclusion in the process. Mobile money transactions increased by 28.2% in 2020 reaching Ushs 93.7 trillion in December 2020 compared to 73 trillion in 2019. In continued support of the financial sector and borrowers amidst the COVID-19 pandemic, the Credit Relief Measures which were due to expire on 31 st March 2021 were extended for six months with effect from 1 st April 2021.
Environmental Sustainability	At 83.9 $\mu\text{g}/\text{m}^3$ (PM 2.5), air pollution in February 2021 was 3 times higher than the recommended WHO ceiling of 25 $\mu\text{g}/\text{m}^3$ (PM 2.5). This was a steady increase from 48.6 $\mu\text{g}/\text{m}^3$ (PM 2.5) in January 2021 and 29.9 $\mu\text{g}/\text{m}^3$ (PM 2.5) in December 2020. Water quality also deteriorated from 18.52 mg/L in January 2021 to 15.91 in February 2021.
Productivity	Government's 'Under the Net' campaign of mosquito net distribution has continued to drive down the average national monthly incidence of malaria from 2.5 per 1,000 persons in January 2021 to 2.0 per 1,000 persons in February 2021.
Competitiveness	The Energy, Fuel and Utilities inflation stagnated at 0.2 percent between January and February 2021. This is partly attributed to stable global oil prices since the turn of the year.
Markets & Regulation	International commodity prices recorded a 2.6 percent change in the month ending February 2021. This implies that the rate at which prices are rising has slowed, signaling a slowdown in demand. On the other hand, investor confidence continues to improve with the USE All Share Index rising from 1,314 in January 2021 to 1,354.2 in February 2021.
Local Content	In spite of the regional non-tariff barriers to trade, the Trade Deficit has been narrowed by 36%, from US\$ 290.8m in December 2020 to US\$ 187.1m in January 2021. This is on account of a significant reduction in imports from US\$ 746.3m in December 2020 to US\$ 597.5m in January 2021, compared to a reduction in exports from US\$ 455.5m to US\$ 410.4m during the same period. Though all the imports experienced a reduction, the main imports were Mineral Products; Petroleum products; Textile and Textile products; Machinery equipment, Vehicles and Accessories.

B) Policy Response Measures: Implementation of the National Export Development Strategy, which calls for increasing production and product diversification, has aided the growth in exports and narrowing of Uganda's trade deficit. Over the NDP II period, Uganda's total exports grew by 41.4% averaging US\$ 3,451 million per annum while imports grew by 28.7%. Informal Cross Border Trade (ICBT) is an integral part of Uganda's trade performance. Informal Cross Border Exports averaged US\$ 473.8 million per annum over the NDP II period, representing a 5.9% growth and averaging 10% of total exports of the same period. ICBT is vital for incomes of border communities and economic inclusion of deprived areas and households. This MIND edition, accordingly, highlights policy measures by Government to facilitate formalization of ICBT.

Objective	Intervention
<p>Informality, Trade and Economic Integration</p>	<p>To support formalization of cross border trade which is critical for improving incomes of border communities, Government has implemented a range of interventions aimed at mainstreaming local content within ICBT as summarized below.</p> <p>1. Export Promotion</p> <p>a) Constructed five border export zones to facilitate cross border trade (Katuna, Busia, Rwakaka, Oraba (on-going) and Mpondwe). These border export zones provide complementary trade infrastructure targeting strategic export destinations such as Kenya, DRC and South Sudan. They are complemented by One Stop Border Posts established by Government to improve efficiency in clearance of formal cargo consignments (DRC - Mpondwe, Paidha and Bunagana; TZ- Mutukula; Kenya – Busia and Malaba; S.Sudan – Vurra, Oraba and Elegu; Rwanda – Katuna and Mirama Hills).</p> <p>b) Developed standards for grains and is enhancing post-harvest handling of agricultural produce, in order to generate greater dividends from regional trade.</p> <p>c) Partnered with TradeMark East Africa (TMEA) in equipping borders with mini labs for standards testing and quality upgrading, as well as trade information desks for women and informal traders.</p> <p>2. Import Replacement</p> <p>a) Endorsed the public use and purchase of domestically manufactured products, under the BUBU Policy and preferential schemes in the procurement law.</p> <p>b) Identified ten goods and three services for which import replacement should be prioritized for increased domestic production, under the Import Substitution Action Plan of NDP III.</p>

c) Microeconomic Outlook: The commencement of COVID-19 vaccination in the country signifies a positive micro-economic outlook for more sectors of the economy, especially the entertainment and education sectors. This promises an upturn in fortunes for these sectors, subject to travel restrictions in other parts of the world.

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Legal Reform for Local Content	In May 2020, Parliament passed the Local Content Bill, 2020 which intends to promote domestic production and utilization of goods and services available in the country. It aims to address constraints to value addition and job creation and to shrink the import bill. It further provides for 40% allocation of sub-contracts to local companies in all public procurements.
EAC Cross Border Trade	The 2019/20 Trade Mark East Africa (TMEA) Annual Report indicates that there has been significant improvement in trade facilitation in the region, over the implementation period of TMEA projects. For instance, cargo transit times reduced from 18 days to 4 days. Secondly, the EAC Secretariat is developing a regional Customs Bond to support Single Customs Territory (SCT) operations. The aim is to reduce the costs associated with using multiple Bonds in each partner state of transit. The Report also outlines other milestones such as the installation of Electronic Single Customs Window, which has significantly reduced the turnaround time in clearing goods at border points.
Market Development	<p>Uganda's informal cross border exports to DRC have greatly increased over the years from US\$9.1 million in the 2003/04 to US\$242.9 million in 2019/20. Uganda's total exports to DRC reached approximately US\$492.4 million in FY2019/20. This growing trade has triggered progressive efforts to improve trade relations with DRC as a frontier market for Ugandan products. Government has undertaken to jointly construct with the government of DRC strategic roads which link markets in the two countries to eliminate infrastructure bottlenecks that raise the cost of doing business.</p> <p>With an export revenue of US\$ 1.18 billion in FY2019/20, the Middle East has emerged as a leading destination for Ugandan exports, next to only COMESA (US\$ 1.2 billion). This is especially the case for gold and base metals. In FY2019/20. Within the Middle East, Uganda earned US\$28.7 million from countries other than the United Arab Emirates. In term of export products, Gold made up an average of US\$199 million of Uganda's monthly exports to the Middle East in the first eight months of FY2020/21 (Bank of Uganda). The diversity of export products is likely to increase with the prospects of opening up of new international routes for Uganda Airlines (Dubai, Guangzhou, London and Mumbai).</p>

MIND is compiled by Economic Development Policy and Research Department (EDP&RD) in the Ministry of Finance, Planning and Economic Development

EDPRD: Simplified, seamless and speedy knowledge services for monitoring, assessment and communication of Uganda's economic development policy and its results