

DASHBOARD: JANUARY 2021

Version 1.0

Issues	Indicators	Frequency	Status		Issues	Indicators	Frequency	Status		
Employment	Jobs	Formal Sector ¹	Monthly	649,635 (3.1%)	▲	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	2,334 (375%)	▲		Morbidity Rate (Malaria Incidence) ^a	Monthly	2.5 (21.9%)	▼
		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		Quarterly	361 (0%)	▲
Remittances (US\$,M)		Yearly	1,306 (5%)	▼	Extra Large	Quarterly		301 (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 ⁱ (%)	Monthly	-1.2 (0.8)	▼	Investment Registration (Days)	Yearly	2	▲		
	EFU ⁴ Inflation (%)	Monthly	-0.9 (1.9)	▼	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	79,762 (2.1%)	▲	Data ^d (Unlimited)	Monthly	320.000(3%)	▲		
SAGE (Beneficiaries)		Quarterly	304,555 (0%)	▲	Markets and Regulations	IMF Primary Commodity Price Index	Monthly	137 (9.6%)	▲	
Agent Banking (Transactions)		Quarterly	N/A	▲		Average Monthly Net Salary (After Tax) ^f	Yearly	628,611	▲	
Environmental Sustainability	Water Quality (PM ₁₀) ⁸	Monthly	Low, 18.52	▲		Retail Sales/EFRIS ⁵	Monthly	N/A	▲	
	Air Quality (PM ₁₀) ⁸	Monthly	High, 48.6(82%)	▲		USE All Share Price Index	Monthly	1,314(0.4%)	▲	
	Noise Pollution (Decibels, Kampala)	Monthly ^f	High, 63.6(4.1%)	▲		New Business Registrations	Monthly	1,934 (0%)	▲	
	Seasonal Changes in Rainfall	Monthly	Normal Plus	▲	Local Content	Hotel Occupancy Rate ^e	Quarterly	7% (43%)	▼	
	Natural Disaster Incidences	Monthly	N/A	▲		Plant Utilisation Rates	Quarterly	26-50%	▼	
Equity and Economic Inclusion	Private Pension: Active Members ^h	Quarterly	644,000 (0%)	▲		MUG Shelf-Presence ⁶	Annually	48% (8.0)	▲	
	Private Pension: Registered Members	Yearly	2,000,000+(Est)	▲		Trade Balance ^h (US\$, Millions)	Monthly	-325(10%)	▲	
	Public Pension (Beneficiaries)	Monthly	79,762 (2.1%)	▲		Contracts Awarded to Local Providers ⁷	Yearly	97.5%	▲	
	SAGE (Beneficiaries)	Quarterly	304,555 (0%)	▲						
	Agent Banking (Transactions)	Quarterly	N/A	▲						

*Unless indicated all quarterly figures are for Q4, FY2019/20 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 | ^d 2019 | ^b Cumulative Absorption in Q1 (31st Sep, 2020) | ^c 2019 | ^e Unlimited (Monthly) | ^f May 2020 | ^h July 2020 | ⁱ June 2020 | ^j National Average is Ushs 168,000 (2016/17) | ^k 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	PAYE monthly returns in January 2021 remained unchanged at about 650,000 compared to December 2020. Enrollment for Labour Intensive Public Works (LIPW) in the same period averaged 98,783 persons while the number of externalized workers rose from 491 in December 2020 to 2,334 in January 2021.
Living Standards	Monthly EFU Inflation registered an increase of 1.9 percent for the month of January 2021 from the 1.5 percent drop recorded for December 2020. This was attributed to an increase in the inflation of Electricity, Gas and Other Fuels that rose by 4.1 percent in the month of January 2021 in contrast to a 3.4 percent drop recorded for the month of December 2020. Monthly Food Inflation registered a 0.8 percent increase for the month of January 2021 from the 0.1 percent drop recorded for December 2020. The Residential Property Index for GKMA registered a decline of 3.3% during the second quarter 2020/21 from the 5.8% increase registered during the first quarter 2020/21. The quarterly decline was due to a decrease in prices of properties in areas of Nakawa, Kawempe, Rubaga, Makindye and Kampala.
Equity and Economic Inclusion	Parliament passed the National Social Security Fund (NSSF) Amendment Bill, 2019 which, if accented to by H.E. the President, will see contributors aged 45 and above have mid-term access to their savings, among others.
Environmental Sustainability	Air pollution worsened in January 2021, standing at 48.6 $\mu\text{g}/\text{m}^3$ (PM 2.5), up from 29.9 $\mu\text{g}/\text{m}^3$ (PM 2.5) in December 2020. This was way higher than the recommended WHO ceiling of 25 $\mu\text{g}/\text{m}^3$ (PM 2.5). On the other hand, water quality remained very low at 18.52 mg/L in January 2021 characterized by poor hygiene and sanitation that greatly impact the health and well-being of communities.
Productivity	Uganda has registered a decline in the average national monthly incidence of malaria for 6 consecutive months (from 4.82 per 1,000 persons in August 2020 to 2.5 in January 2021). This is attributed to effects of heightened anti-malaria Government efforts in FY 2020/21 including continued prioritization of distribution of mosquito nets under the 'Under the Net' campaign implemented in 124 districts.
Competitiveness	Electricity Regulatory Authority issued new tariffs for the period January to March 2021 with a notable 1.8 percent price reduction for medium industrial consumers (from Ushs. 570.9 to Ushs. 560.2). The other categories registered no change. This development is in line with Government's support to the industrialization agenda and emphasizes Government's efforts in reducing the cost of production.
Markets & Regulation	International commodity prices have continued to rise in the wake of easing the containment measures of the COVID-19 pandemic. In January 2021, the commodity price index (IMF) increased to 137 from 125 in December 2020 representing a 9.6% increase on account of rising fuel prices. Separately, the financial markets registered tremendous performance with the All-Share Index rising from 1,276 in December 2020 to 1,314 in January 2021, representing a 12 percent increase.
Local Content	Uganda's trade balance continued to widen between November and December, 2020 (from US\$ 294.5 to US\$ 324.7 million) albeit at a slower rate of increase (17%) on account of growth in exports of Gold (22%), simsim (100%), tobacco (55%), Beans (24%). This was coupled with a reduction in imports of Machinery Equipment, Vehicles & Accessories (17%). Hotel occupancy stagnated largely on account of the continued prevalence of COVID-19, the election season, among other factors.

B) Policy Response Measures: The NDP III identified limited access to financing as one of the impediments to private sector growth. The NDPIII specifically highlights the areas where Government's intervention is most needed namely; capitalization and strengthening of Uganda Development Bank, strengthening the use of e-movable chattels registry, de-risking private sector lending and mobilizing alternative sources to finance private investments. Below is a selection of initiatives to that end and their progress.

Objective	Intervention
<p>Sustainably Lower the Cost of Doing Business</p>	<p>A) In August 2020, Government provided UDB Ushs 445 billion. This was done in accordance with the policy announcement by Hon. Minister of Finance, Planning and Economic Development in his Budget Speech for FY 2020/21 to offer lower interest financing to the private sector by further capitalizing UDB with Ushs 1,045 billion over the medium term. UDB has been able to expeditiously deploy these funds in accordance with its own strategy and GoU's COVID-19 Economic Response Plan.</p> <p>At the start of 2021, a total of Ushs 444 billion had been committed (approvals) to projects spread across the country. Majority of the committed funds (87%) are to projects in Primary Agriculture, Agro-processing and Manufacturing, which are the largest beneficiaries of the approved resources. Northern Uganda attracted the highest share of committed funds (24%) followed by Western (18%), Central (17%) and Eastern (17%). More than half of the committed funds (54.5%) has been disbursed with a significant portion of it (67%) to projects outside the Greater Kampala Metropolitan Areas (GKMA). This is in line with the Growth Triangle Approach under NDP III. The approved projects are expected to generate more than 98,000 jobs, export earnings worth Ushs 1.9 trillion and tax revenue of Ushs 619 billion.</p> <p>B) Government commenced implementation of Digital Tax Stamps (DTS) in FY 2020/21 to address issues pertaining to illicit trade and counterfeits, tax evasion and traceability of goods from the production lines and customs entry points to the final points of sale. The Stamp is embedded with security features that can be used in tracing product origins to prevent counterfeiting. This will further enable manufacturers, traders and retailers to monitor the movements of their goods, keep proper records and facilitate filing of tax returns. By curbing illicit trade and counterfeits, DTS will indirectly contribute to fair competition for affected manufacturers. As of January 2021, the DTS regimes was covering 8 products categories.</p>

c) Microeconomic Outlook: The onset of the dry season coupled with the slowdown of business activity associated with the post-Christmas season and the election period pointed to limited room for growth in household incomes in January 2021. However, economic recovery will gain momentum in Q3 largely riding on the back of renewed activity resulting from the resumption of manufacturing activity, reopening of schools and the prospects of accessing COVID-19 vaccine boosting confidence in the services sector.

**MEDIA
WATCH
POST****MICROECONOMIC ISSUES
IN THE NEWS & REPORTS****JAN 2021****Commodities, Competitiveness and COVID-19****Improving the
Quality of
Ugandan
Coffee**

Uganda Coffee Development Authority (UCDA) is in the process of transitioning its coffee laboratory from ISO 17025:2005 version to ISO/IEC 17025: 2017 by June 2021, a required target for all accredited laboratories worldwide. The transition is being implemented by ESQ Cert Uganda under the European Union funded Market Access Upgrade Project. Upgrade of Uganda Coffee Development Authority's laboratory to ISO/IEC 17025: 2017 standard will significantly increase the value of Uganda's coffee and expand market access to European Union and East Africa. The new standard which is used for the accreditation of competence for testing and capabilities is a step in boosting confidence in the results from coffee laboratories in Uganda. On account of this and other related initiatives by GoU, Uganda has registered notable progress in the quality of its coffee. In 2020, "Uganda coffee was ranked 3rd best in the world (behind Ethiopia and Kenya) by professional coffee tasters in a survey of the top 16 coffee-growing countries in the world. The coffee tasters graded 1,229 coffees from around the world that was harvested from 2010 to 2018 with the top three spots going to African countries." (UCDA)

Uganda has also begun penetrating new coffee markets and is capturing more market share in traditional markets. Until recently, Brazil, the largest coffee producer, had dominated the Italian market with half the market share, followed by India, which has a share of around 20 per cent, and other major producers such as Vietnam and Uganda. Uganda Coffee Development Authority however, announced that, during the COVID-19 lockdown period, Uganda "managed to displace some of the traditional countries like India which was the preferred supplier of coffee to the Italian market". This means Ugandan regained its lead position over Indian coffee in the Italian coffee market, a position it last enjoyed over 30 years ago.

**Product
Certification
and Market
Development**

Product certification continues to be a hurdle for small scale industries, given the limited capital available and high certification costs hovering over Ushs 600,000. Part of the ongoing reforms to change this situation is the establishment of accreditation system for providers of certification services. To this end, Parliament recently passed the Accreditation for Conformity Assessment Bill 2018. The Bill, among other things, aims to promote accreditation as a means of facilitating international trade and enhancement of economic performance and transformation. It also aims to regulate the activities of both private and public sector players such as UNBS in enforcement of standards. In line with the accreditation principle, Uganda National Bureau of Standards, issued a requirement for industries to certify all products manufactured in the country in 2019. However, the cost of certification is relatively high for MSMEs and, thus, compromises the ability to favourably compete with established firms. To counter the challenges, Uganda Small Scale Industries Association launched a Savings and Credit Co-operative society to help its members with credit to certify their products to be able to compete favourably on the market.