

A) Microeconomic Developments

Issue	Market Updates
Employment	Formal employments returns, as captured under the PAYE register, increased by 1.6% from 875,708 employees in May 2025 to 890,111 employees in June 2025. The number of migrant workers captured by the Immigration Department increased by 14.5% from 2,805 migrant workers in May 2025 to 3,213 migrant workers in June 2025.
Living Standards	Monthly inflation for Food & Non-alcoholic Beverages decreased by 0.7% in May 2025, compared to the 1.3% increase registered in May 2025. On the other hand, monthly EFU inflation increased by 0.8% in June 2025, compared to the 0.1% increase registered in May 2025.
Equity and Economic Inclusion	Findings from the UNHS 2023/24 indicate that 54% percent (24.7 million people) of Uganda's population have access to mobile money services, a 5% increase from 51% of the population in 2019/20. In addition, the percentage of households that own a formal bank account increased by 3.37% from 8.9% in 2019/20 to 9.2% in 2023/24.
Environmental Sustainability	Air quality in Kampala deteriorated significantly, with particulate matter increasing by 9.5% from 26.25µg/m ³ in May 2025 to 28.75µg/m ³ in June 2025.
Productivity	Malaria prevalence increased by 7.2% from 2.36 deaths per 1,000 persons in May 2025 to 2.53 deaths in June 2025.
Competitiveness	Monthly inflation for Liquid Energy Fuels registered a 0.7% increase in June 2025, compared to the 1.0% increase recorded in June 2025. This was attributed to a 1.1% increase in petrol prices in June 2025 compared to the 1.5% increase registered in May 2025.
Markets & Regulation	The IMF Commodity Price Index increased by 3.0% from 160.9 in May 2025 to 165.8 in June 2025. The USE All-Share Price Index reduced by 0.2% from 1,277.22 in May 2025 to 1,274.69 in June 2025. New business registrations reduced by 26.9% from 5,229 new businesses in May 2025 to 3,825 new businesses in June 2025.
Local Content	The annual average hotel occupancy rate increased by 13.4% from 46.9% in 2022 to 53.2% in 2024. This increase was mainly attributed to higher hotel occupancy rates for Kampala which increased from 61.4% in 2022 to 68.3% in 2024. Monthly trade deficit reduced by 12.7% from US\$ 126.9 million in April 2025 to US\$ 110.8 million in May 2025. The decrease was mainly attributed to an increase in export receipts of Coffee (from US\$ 214.38 million in April 2025 to US\$ 243.95 million in May 2025) and Gold (from US\$ 462.86 million in April 2025 to US\$ 485.83 million in May 2025).

B) Policy Response Measures: This edition of the MIND focuses on Local Content as a thematic area, with specific emphasis on the indicator of Hotel Occupancy under the Tourism Sector.

Objective	Interventions
Increased Hotel Utilization	<p>Government has taken deliberate steps to support Uganda's tourism sector both regionally and internationally through the Tourism Development Programme of NDPIV. Tourism is one of the strategic anchor areas identified for attaining exponential economic growth under the Tenfold Growth Strategy. To promote growth of the tourism sector and boost hotel occupancy, Government has:</p> <ol style="list-style-type: none"> 1. Strengthened the policy, legal and regulatory frameworks in the Tourism Sector. H.E the President of Uganda assented to the Uganda Wildlife (Amendment) Bill, 2024 and the Uganda Wildlife Conservation Education Centre Act (Repeal) Bill, 2024 as a way of facilitating the merger of Uganda Wildlife Authority (UWA) and the Uganda Wildlife Conservation Education Centre (UWEC) to improve service delivery in the tourism sector. 2. Facilitated Licensing, Grading and Quality Assurance in hotel management to raise service standards and align with tourists' expectations. Government through Uganda Tourism Board (UTB) is enforcing compliance with hotel licensing through nationwide inspections, especially in Kampala. Concurrently, Government is investing heavily in capacity building of hospitality professionals through the Uganda Hotel and Tourism Training Institute (UHTTI). Hotel General Managers are often trained under the Quality Assurance Framework to elevate guest experience. As a result, the annual average hotel occupancy rate more than doubled from 20.1% in 2020 to 53.2% in 2024. In addition, tourists length of stay in Uganda increased from 7.6 nights in 2023 to 8.7 nights in 2024. 3. Facilitated tourism infrastructure development as follows: <ol style="list-style-type: none"> a) In FY2024/25, Government commenced the construction of the pier and related infrastructure at the Source of the Nile as well as the 3,521 metres of climbing ladders and boardwalks on the Rwenzori Mountains to make hiking safer and fun. In addition, Government facilitated the maintenance of 1,300 kilometres of trail tracks and roads in tourism protected areas. This was aimed at easing access to the tourism destinations as well as boosting hotel occupancy. Consequently, Uganda's tourism sector grew by 7.7%, registering an increase in tourist arrivals from 1,274,210 tourist arrivals in 2023 to 1,371,895 tourist arrivals in 2024. b) Government invested in a world-class convention facility in Munyonyo, Kampala. This facility has promoted Uganda as one of the regional destinations for Meetings, Incentives, Conferences and Exhibitions (MICE). Consequently, Uganda rose to 6th place, up from 7th, among the top 10 African countries hosting international association meetings in 2024. Uganda successfully hosted 19 association meetings in 2024 including the Non-Aligned Movement (NAM) Summit and the G77+ China Summit in January 2024. 4. Promoted branding and marketing of Uganda's Tourism sector. Government has promoted and marketed Uganda through international Explore Uganda promotional campaigns in high-value market segments. This has resulted into year-on-year growth of interest in Uganda by tourists. The number of tourists from USA increased by 21.6% from 23,643 tourists in 2023 to 28,317 tourists in 2024. Similarly, tourists from Canada increased by 148.4% from 3,900 tourists in 2023 to 9,688 tourists in 2024. Furthermore, through the theme 'Uniquely Ours', Government has promoted domestic tourism through campaigns such as 'Explore Uganda' and 'Tulambule Uganda', resulting into a 15.7% growth in domestic tourism in national parks from 211,689 visitors in 2023 to 244,843 visitors in 2024.

C) Microeconomic Outlook: With Uganda set to co-host the TotalEnergies CAF African Nations Championship (CHAN) this August 2025, hotel occupancy rates are projected to rise significantly due to increased demand for accommodation, leading to an increase in tourism revenues.

MICROECONOMIC ISSUES IN THE NEWS & REPORTS

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TOURISM, HOTEL OCCUPANCY AND KAMPALA ZONAL SUMMARY

Tourism and Hotel Occupancy at a National Glance

The Ministry of Tourism, Wildlife and Antiquities (MTWA) Statistical Abstract 2025 indicates the following:

- a) Contribution of Tourism to GDP increased by 6.6% from Ushs.10.6 trillion in 2023 to Ushs.12.06 trillion in 2024. Similarly, tourism earnings/receipts grew by 26% from Ushs. 3,818.6 billion in 2023 to Ushs. 4,805.8 in 2024.
- b) Tourism arrivals increased by 7.7% from 1,274,210 in 2023 to 1,371,895 in 2024. Similarly, domestic tourism trips increased significantly by 63.6%, from 1,007,280 trips in 2023 to 1,648,271 in 2024.
- c) As of December 2024, Uganda had a total of 83 star-rated hotels including four (4) five star hotels, sixteen (16) four star hotels, twenty-two (22) three star hotels, and forty-one (41) two star hotels.
- d) The annual average hotel occupancy rate increased by 13.4% from 46.9% in 2022 to 53.2% in 2024. The above increase calls for stabilization in demand and the need for renewed efforts to boost hotel utilization in order to maintain a growth momentum.
- e) Hotel occupancy in the sub regions increased by 27.4% from 53.6% in 2023 to 68.3% in 2024. Regionally, Kampala sub region recorded the highest average hotel room occupancy rate at 68.3%, followed by the Western region at 51.2% and the Central region at 49.6%.

Kampala Sub-Region:

Economy,
Public
Services,
Industry and
Hotel
Occupancy

Kampala sub-region is located in Central Uganda, with a population size of about 1.8 million people (3.7% of the national population in 2024). Households in the sub-region comprise of 2.9 persons on average, below the national average of 4.2 persons. Only 1.7% of the population in Kampala sub-region is in the subsistence economy, below the national average of 33.1%.

1. **State of the Economy:** The poverty rate of the sub-region significantly reduced from 1.6% in 2019/20 to 1.1% in 2023/24. Similarly, income inequality decreased by 3.2% from 0.342 in 2019/20 to 0.331 in 2023/24. On the other hand, Unemployment rate in the sub-region stands at 13.4%, higher than the national average of 12.3% in 2024.
2. **Public Spending and Service Delivery:** The sub-region hosts majority of Government Ministries, Departments and Agencies (MDAs). In addition, majority of service delivery facilities are located in Kampala such as the two (2) National Referral Hospitals, two (2) Public Universities, and twenty-eight (28) public institutions of higher learning. Furthermore, Kampala hosts the Supreme Court of Uganda and Parliament.
3. **Trade, Industry and Local Economic Development:** The sub-region serves as the commercial hub of the country and is home to numerous businesses and industrial developments such as the Luzira Industrial Park. Major products manufactured in these industrial parks include household plastic items, steel products such as iron sheets and steel bars as well as processed agricultural goods.
4. **Hotel Occupancy in Kampala sub-region:** The sub region dominates Uganda's hotel infrastructure compared to other sub regions, hosting all the five star hotels and the highest number across the other star categories. Kampala sub-region accounts for the highest average hotel room occupancy rate at 68.3%, signifying its central role in luxury and business tourism in Uganda.

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

EDPRD: We generate and manage knowledge for effective formulation, implementation and communication of Uganda's economic development policy

DASHBOARD: JUNE 2025

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Issues	Indicators		Frequency	Status		Issues	Indicators		Frequency	Status	
Employment	Jobs	Formal Sector ¹	Monthly	890,196 (1.6%)	▲	Productivity	Literacy Rate (Grade 6) ¹¹		Yearly	42.7% (97.8%)	▲
		Informal Sector	Yearly (-1)	8,796,480	■		Numeracy Rate (Grade 6)		Yearly	58% (40.8%)	▲
		Migrant Workers	Monthly	3,213 (14.5%)	▲		Morbidity Rate (Malaria Incidence) ¹²		Monthly	2.53(7.2%)	▲
	PIP Budget Absorption (GoU, IFMS %) ¹³		Yearly	83.3% (-8.5%)	▼						
	Incomes	Per-capita GDP (US\$): 2024/25	Yearly	1,263 (10.2%)	▲	Competitiveness	Power Tariff (Ushs per Unit)	Medium	Quarterly	355.1(-15%)	▼
		Income Poverty (%)	Yearly	16.1% (20.6%)	▼			Large		300.4(-14.5%)	▼
								Extra Large		203.6(-31.9%)	▼
Remittances (US\$, M)	Yearly	1,400 (8.36%)	▲	Av. Freight Costs (US\$, Mom-Kla, 40ft)			Monthly	3,500	■		
Living Standards	Utilities (Retail Tariff Rates)	Water (M³)	Quarterly	4,224 (13.3%)	▲		Commercial Case Backlog ¹⁴		Yearly	1,645 (-4.5%)	▼
		Power/Domestic	Quarterly	756.2(-2.5%)	▼		Fuel Prices (Liquid Energy Fuel Inflation) ¹⁵		Monthly	0.7%	▲
		Data (Ushs, 1GB)	Monthly	2,036 (-8.7%)	▼		Customs Clearance (Hours)		Monthly	5.13 (0%)	■
	Household Expenditure (HFCE), Ushs Bn		Quarterly	34,671 (2%)	▲		Transit Times (Mom-Kla, Days)		Monthly	4.8 (4.2%)	▼
	Healthcare Expenditure (HH, Ushs)		Yearly (-2)	32,000 (113.3%)	▲		Investment Registration (Days)		Yearly	2	■
	Food Inflation (%)		Monthly	-0.7 (4.8)	▼		Export Growth		Quarterly	4.9%	▲
	EFU ⁴ Inflation (%)		Monthly	0.8 (-0.2)	▲		Electricity Connection (Days)		Monthly	28 (-6.7%)	▼
	Residential Property Price Index (RPPI) for GKMA		Quarterly	109.54 (0.7%)	▲		Water Connection (Days)		Monthly	3 (0%)	■
	Crime Rate (per 100,000):2024		Yearly	476 (-5%)	▼	Investment Growth (GFCF)		Quarterly	-4.3%	▼	
	Equity and Economic Inclusion	Private Pension: Active Members		Yearly	733,588 (12.5%)	▲	Markets and Regulations	IMF Primary Commodity Price Index		Monthly	165.8 (3.0%)
Private Pension: Registered Members		Yearly	2,451,422 (4.5%)	▲	Average Monthly Net Salary (After Tax)			Yearly	628,611		
Public Pension (Beneficiaries)		Yearly	382,492 (-6.14%)	▼	Retail Sales/EFRIS ¹⁷			Quarterly (-1)	63% (-25%)	▼	
SAGE (Beneficiaries)		Yearly	450,843 (39.44%)	▲	USE All Share Price Index			Monthly	1,274.69 (-0.2%)	▼	
Agent Banking (Agents)		Yearly	30,092 (1.7%)	▲	New Business Registrations			Monthly	3,825 (-26.9%)	▼	
Environmental Sustainability	Water Quality (PM _{2.5}) ⁵		Quarterly	Low, 20.54 (-24.5%)	▼	Local Content	Hotel Occupancy Rate (Kla)		Yearly	53.2% (13.4%)	▲
	Air Quality (PM _{2.5}) ⁶		Monthly	28.75µg/m³ (9.5%)	▲		Plant Utilization Rates (SME-Large Firms)		Yearly	53.6%	■
	Noise Pollution (Decibels, Kampala)		Monthly	High, 64.29 (2.11%)	■		MUG Shelf-Presence ¹⁸		Yearly	N/A	■
	Seasonal Changes in Rainfall		Monthly	Near Normal	■		Trade Balance (US\$, Millions)		Monthly (-1)	-110.8 (-12.7%)	▼
	Natural Disaster Incidences ⁷		Monthly	13,421	▼		Contracts Awarded to Local Providers ¹⁹		Yearly	77.12% (26.4%)	▲

*Unless indicated all quarterly figures are for Q3, FY2024/25. ¹ Active PAYE Register Jobs | ² Labour Intensive Public Works | ³ Average household expenditure on Primary education | ⁴ Energy, Fuel and Utilities | ⁵ Particulate Matter (July 2022) | ⁶ 0-50 is good | ⁷ Total number of individuals affected by Natural Hazards | ¹¹ Persons aged 10 years and above | ¹² Cases per 1,000 population | ¹³ Cumulative Absorption in Q2 (31st Dec 2023) | ¹⁴ June 2024 | ¹⁵ Percentage Average change | ¹⁶ Average monthly price of data bundles for MTN (170SGB) and Smile (150GB) | ¹⁷ Electronic Fiscal Receipting and Invoicing System | ¹⁸ Made in Uganda (MUG) | ¹⁹ By Value.