

## A) Microeconomic Developments

Issue	Market Updates
<b>Employment</b>	Formal employment returns, as captured under the PAYE Register, decreased by 32% from 873,057 employees in February 2025 to 592,924 employees in March 2025. The number of migrant workers captured by the Immigration Department increased by 21.3% from 3,075 migrant workers in February 2025 to 3,731 migrant workers in March 2025.
<b>Living Standards</b>	Monthly inflation for Food & Non-alcoholic Beverages registered a 0.2% decrease in March 2025, compared to a 0.9% increase in February 2025. On the other hand, EFU inflation decreased by 0.3% in March 2025, compared to the 0.4% decrease registered in February 2025. Household final consumption expenditure reduced by 4% from Shs 35,411 billion in Q1 FY2024/25 to Shs. 33,966 billion in FY2024/25.
<b>Equity and Economic Inclusion</b>	Out of the target 3.5 million households under the Parish Development Model (PDM), a total of 2.5 million households (69%) had received the Parish Revolving Fund (PRF) loans as of the end of March 2025.
<b>Environmental Sustainability</b>	Air quality in Kampala improved significantly, with particulate matter dropping by 29.9% from 52.03µg/m <sup>3</sup> in February 2025 to 36.48µg/m <sup>3</sup> in March 2025. However, this is still higher than the WHO recommended 25µg/m <sup>3</sup> threshold. Natural disaster incidences affected 6,886 individuals and 1,844 households in March 2025, leaving 2,368 people from 759 households internally displaced. The rainfall forecast for March 2025 revealed a near-normal rainfall outlook in most parts of the country compared to above-normal rainfall received in February 2025.
<b>Productivity</b>	According to the UWEZO National Learning Assessment Report 2024, 6 in 10 pupils from Primary Three to Primary Seven could perform tasks involving all four arithmetic operations, compared to 5 in 10 in 2021, indicating a slight improvement in learning outcomes for numeracy.
<b>Competitiveness</b>	Monthly inflation for Liquid Energy Fuels decreased by 0.1% in March 2025, compared to the 0.5% decrease recorded in February 2025. This was mainly attributed to the 0.2% drop in diesel prices during March 2025, compared to a 0.7% drop in February 2025.
<b>Markets &amp; Regulation</b>	The IMF Commodity Price Index decreased by 2.73% from 172.1 in February 2025 to 167.4 in March 2025. The decrease is partly attributed to a 6.9% price drop in beverages. The USE All-Share Price Index increased by 1.54% from 1,300.16 in February 2025 to 1,320.17 in March 2025. New business registrations increased by 0.23%, from 4,073 new businesses in February 2025 to 4,166 new businesses in March 2025.
<b>Local Content</b>	Uganda's monthly trade deficit significantly reduced by 81.6% from US\$241.2 million in January 2025 to US\$ 44.3 million in February 2025. The reduction in trade deficit is mainly driven by a 15.8% reduction in the import bill in January 2025, particularly from private sector imports. The reduction is also a manifestation of the importance of the import replacement strategy of Government.

**B) Policy Response Measures:** This edition of the MIND focuses on Competitiveness as a thematic area, with a specific focus on Commercial Case Backlog.

Objective	Interventions
Reduction in Commercial Case Backlogs	<p>The Governance and Security Programme of NDP III aims to streamline judicial operations to reduce case backlog, especially of commercial nature. The NDP III targeted to increase case disposal rate from 60% to 75% by FY2024/25. To achieve this, Government has put in place the following initiatives. These initiatives partly resulted in 17.8% reduction in case backlogs from 51,748 in FY2020/21 to 42,588 in FY2023/24.</p> <ol style="list-style-type: none"> <li>1) Strengthened the legal and regulatory framework, i.e. Government:             <ol style="list-style-type: none"> <li>a) Reviewed eleven laws in 2023 to enhance efficiency in the administration of justice. Furthermore, the Judicature (Amendment) Act, 2024 was amended to provide for an increment of Justices of Appeal from 15 to 35, including the Deputy Chief Justice. The amendment allows the Judiciary to distribute caseloads more efficiently to reduce the time cases are in the system and address the backlog challenge.</li> <li>b) Approved the Magistrates Courts (Magisterial Areas and Magistrates Courts) Instrument, 2024, which established Magisterial Areas and designate Magistrates Courts. This Instrument has enhanced the capacity of the Judiciary in handling cases at the grassroots level (district level).</li> </ol> </li> <li>2) Operationalized new High Court Circuits in Kiboga, Kasese, Bushenyi and Kitgum, bringing the total number of High Court Circuits to 24.</li> <li>3) <b>Automated and digitalized Court processes.</b> Government:             <ol style="list-style-type: none"> <li>a) Introduced Electronic Court Case Management Information System (ECCMIS) to automate and monitor each stage of a case's life cycle up to its disposition and appeal. The system is now rolled out in eight Courts. These include the Supreme Court, Court of Appeal, 4 High Court Divisions (Land, Civil, Commercial and Anti-Corruption), Luwero High Court; and Mengo Chief Magistrate Court.</li> <li>b) Rolled out the Video Conferencing System in order to reduce travel expenses for Prisons authorities and also allows remote participation of litigants and lawyers. The initiative aims to reduce case backlogs and improve efficiency and enhances security of inmates. The system is operational in 20 Court Stations, i.e.: the Supreme Court, Court of Appeal/Constitutional Court, High Court (Commercial Division, Criminal Division, Family Division, Civil Division, Land Division), High Court Circuits of Mubende, Gulu, Mbale, Masaka, Mbarara, Masindi, Arua, Soroti, Lira, Fort Portal, Kabale, Jinja and Buganda Road Chief Magistrate Court. Consequently, 534 hybrid Court proceedings have been conducted using video conferencing since 2023.</li> </ol> </li> <li>4) Completed the construction and Rehabilitation of Court Infrastructure, particularly the Supreme Court and Court of Appeal. Furthermore, Government renovated the Court premises of Mbale High Court and Chief Magistrate's Courts in Kapchorwa, and Entebbe, etc.</li> </ol>

**C) Microeconomic Outlook:** The favorable weather conditions, resulting from the rainfall forecasts of March to May 2025, will likely lead to good harvests, thereby affecting commodity prices in the short to medium term. The population should follow proper agronomic practices for better yields during the rainy season.

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# MICROECONOMIC ISSUES IN THE NEWS & REPORTS

**March 2025**
**CASE BACKLOG PERFORMANCE AND ELGON ZONAL SUMMARY**
**Uganda's  
Case  
Backlog  
Performance**

**The Judiciary Annual Report for FY2023/24 highlighted the following:**

- a) In FY2023/24, the number of pending cases in Courts stood at 161,838, of which 42,588 were backlogs. This is in contrast to 156,349 pending cases in FY2022/23, of which 42,960 cases were backlogs.
- b) The total case backlog reduced by 0.86% from 42,960 cases in FY2022/23 to 42,588 cases in FY2023/24.
- c) The criminal case backlog was the highest at 13,967 cases. This was followed by civil case backlogs at 13,788 cases and the lowest was international crimes and executions at 17 cases and zero backlog respectively.
- d) Pending commercial cases amounted to 5,836 in FY2023/24, of which the overall commercial case backlog was 1,645 cases – a 4.47% reduction from 1,722 cases in FY2022/23.
- e) High Court Circuits had the highest number of case backlogs of 14,693 cases (35% of total backlog), followed by High Court Divisions (8,681 cases) and the Supreme Court (390 cases).
- f) Commercial case backlog at the High Court Circuits was registered in only Mbale High Court Circuit, standing at 40 cases in FY2023/24, an increase of 42% from 28 cases in FY2022/23. On the other hand, commercial case backlogs at the High Court Divisions reduced by 8% from 1,750 in FY2022/23 to 1,605 cases in FY2023/24.

**Elgon Sub-  
Region:**

Economy,  
Public  
Services,  
Industry and  
Commercial  
Case  
backlog

**Elgon sub-region** is located in Eastern part of Uganda, with a population size of about 2.2 million people (4.8% of the national population in 2024). Households in the sub-region comprise of 4.1 persons on average, just slightly below the national average of 4.2 persons. 41.4% of these households are in the subsistence economy, below the national average of 33%.

**1. State of the Economy:** The poverty rate of the sub-region decreased by 62% from 34.9% in 2016/17 to 13.2% in 2019/20. Income Inequality in the sub-region, as measured by the Gini Coefficient increased by 14% from 0.327 in 2016/17 to 0.373 in 2019/20. Unemployment rate in the sub-region stands at 16.9%, higher than the national average of 12.3% in 2024.

**2. Public Spending and Service Delivery:** The subregion hosts the High Court and the Court of Appeal launched in Mbale. The sub-region also has a National Water and Sewerage Corporation branches which serves Mbale, Kapchorwa and Manafwa, and Ministerial Zonal Land Offices in Mbale.

**3. Trade, Industry and Local Economic Development:** The sub-region plays a pivotal role in transboundary trade linking Uganda to Kenya and South Sudan. It is accessible to South Sudan through Soroti-Lira and to Kenya through Suam border post, Lwakhakha border post and Malaba. The leading value chains are coffee, bananas and minerals (vermiculite and phosphates). Furthermore, the sub-region has Mt. Elgon National Park and Sipi Falls that are tourist attractions. It is also home to Mbale Industrial and Business Park.

**4. Commercial Case Backlogs in Elgon Sub-region:**

In comparison to other High Court Circuits, the Mbale High Court Circuit was the only court experiencing a backlog of commercial cases in FY2023/24, amounting to a total of 40 cases. In order to minimize case backlogs in the sub-region, Government has renovated and maintained court premises i.e. Mbale High Court and Kapchorwa Chief Magistrates Court.

Issues	Indicators		Frequency	Status		Issues	Indicators		Frequency	Status	
Employment	Jobs	Formal Sector <sup>1</sup>	Monthly	592,924 (-32%)	▼	Productivity	Literacy Rate (Grade 6) <sup>11</sup>		Yearly	42.7% (97.8%)	▲
		Informal Sector	Yearly (-1)	8,796,480	▲		Numeracy Rate (Grade 6)		Yearly	58% (40.8%)	▲
		Migrant Workers	Monthly	3,731 (21.3%)	▲		Morbidity Rate (Malaria Incidence) <sup>12</sup>		Monthly	1.9 (-15.2%)	▲
					PIP Budget Absorption (GoU, IFMS %) <sup>13</sup>		Yearly	91% (6.4%)	▲		
	Incomes	Per-capita GDP (US\$): 2023/24	Yearly	1,146 (4.8%)	▲	Competitiveness	Power Tariff (Ushs per Unit)	Medium	Quarterly	355.1(-15%)	▼
					Large			300.4(-14.5%)		▼	
					Extra Large			203.6(-31.9%)		▼	
	Income Poverty (%)	Yearly (-2)	20.3% (5.1%)	▼	Av. Freight Costs (US\$, Mom-Kla, 40ft)		Monthly	3,500	▲		
	Remittances (US\$, M)	Yearly	1,292.8 (14%)	▲	Commercial Case Backlog <sup>14</sup>		Yearly	1,645 (-4.5%)	▼		
Living Standards	Utilities (Retail Tariff Rates)	Water (M³)	Quarterly	4,224 (13.3%)	▲		Fuel Prices (Liquid Energy Fuel Inflation) <sup>15</sup>		Monthly	-0.1%	▼
		Power/Domestic	Quarterly	756.2(-2.5%)	▼		Customs Clearance (Hours)		Monthly	5.13 (0%)	▲
		Data (Ushs, 1GB)	Monthly	2,036 (-8.7%)	▼		Transit Times (Mom-Kla, Days)		Monthly	4.8 (4.2%)	▼
	Household Expenditure (HFCE), Ushs Bn		Quarterly	33,966 (-4%)	▼		Investment Registration (Days)		Yearly	2	▲
	Healthcare Expenditure (HH, Ushs)		Yearly (-2)	15,000 (-34.2)	▼		Export Growth		Quarterly	-2.1%	▼
	Food Inflation (%)		Monthly	0.2 (2.0)	▼		Electricity Connection (Days)		Monthly	28 (-6.7%)	▼
	EFU <sup>4</sup> Inflation (%)		Monthly	-0.3 (0.4)	▼		Water Connection (Days)		Monthly	3 (0%)	▲
	Residential Property Price Index (RPPI) for GKMA		Quarterly	108.83 (-1.6%)	▼	Investment Growth (GFCF)		Quarterly	6.3%	▲	
	Crime Rate (per 100,000):2024		Yearly	476 (-5%)	▼	Communication Rates	Voice (Ushs Per Sec)	Quarterly	0.47 (2.2%)	▲	
					Data <sup>16</sup> (Unlimited)		Monthly	550,000(0%)	▲		
Equity and Economic Inclusion	Private Pension: Active Members		Yearly	733,588 (12.5%)	▲	Markets and Regulations	IMF Primary Commodity Price Index		Monthly	167.4 (-2.73%)	▼
	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 <sup>17</sup>		Quarterly (-1)	63% (-25%)	▼
	SAGE (Beneficiaries)		Yearly	450,843 (39.44%)	▲		USE All Share Price Index		Monthly	1,320.17 (1.54%)	▲
	Agent Banking (Agents)		Yearly	30,092 (1.7%)	▲		New Business Registrations		Monthly	4,166 (0.23%)	▲
Environmental Sustainability	Water Quality (PM <sub>2.5</sub> ) <sup>5</sup>		Quarterly	Low, 20.54 (-24.5%)	▼	Local Content	Hotel Occupancy Rate (Kla)		Quarterly (-1)	46.9% (-62.2%)	▲
	Air Quality (PM <sub>2.5</sub> ) <sup>6</sup>		Monthly	36.48µg/m³ (29.9%)	▼		Plant Utilization Rates (SME-Large Firms)		Yearly	53.6%	▲
	Noise Pollution (Decibels, Kampala)		Monthly	High, 64.29 (2.11%)	▲		MUG Shelf-Presence <sup>18</sup>		Yearly	N/A	▲
	Seasonal Changes in Rainfall		Monthly	Near Normal	▲		Trade Balance <sup>1</sup> US\$, Millions)		Monthly (-1)	-44.3 (-81.6%)	▼
	Natural Disaster Incidences <sup>7</sup>		Monthly	6,886	▲		Contracts Awarded to Local Providers <sup>19</sup>		Yearly	77.12% (26.4%)	▲

\*Unless indicated all quarterly figures are for Q2, FY2024/25. <sup>1</sup> Active PAYE Register Jobs | <sup>2</sup> Labour Intensive Public Works | <sup>3</sup> Average household expenditure on Primary education | <sup>4</sup> Energy, Fuel and Utilities | <sup>5</sup> Particulate Matter (July 2022) | <sup>6</sup> 0-50 is good | <sup>7</sup> Total number of individuals affected by Natural Hazards | <sup>11</sup> Persons aged 10 years and above | <sup>12</sup> Cases per 1,000 population | <sup>13</sup> Cumulative Absorption in Q2 (31<sup>st</sup> Dec 2023) | <sup>14</sup> June 2024 | <sup>15</sup> Percentage Average change | <sup>16</sup> Average monthly price of data bundles for MTN (1705GB) and Smile (150GB) | <sup>17</sup> Electronic Fiscal Receipting and Invoicing System | <sup>18</sup> Made in Uganda (MUG) | <sup>19</sup> By Value.