Microeconomic Indicators and Developments

A) Microeconomic Developments

Issue	Market Updates
Employment	Formal employment returns, as captured under the PAYE Register, increased by 62.4% from 503,129 employees in April 2024 to 817,110 employees in May 2024. On the other hand, the number of migrant workers captured by the Immigration Department reduced by 3.68% from 1,548 migrant workers in April 2024 to 1,491 migrant workers in May 2024.
Living Standards	Monthly inflation for Food & Non-alcoholic Beverages reduced by 0.9% in May 2024 compared to the 0.7% increase registered in April 2024. On the other hand, EFU inflation increased by 1.1% in May 2024 compared to 0.2% increase recorded in April 2024. The increase was attributed to a 4% rise in charcoal prices in May 2024, compared to a 1.5% drop registered in April 2024. The tariff for domestic water consumers increased by 13.3% from Ushs 3,727 per m^3 in Q3 FY2023/24 to Ushs 4,224 per m^3 in Q4 FY 2023/24.
Equity and Economic Inclusion	Government has registered exponential growth in the use of the Parish Development Model (PDM) Wendi wallet platform. The number of transactions on the Wendi application have more than doubled from 262 transactions in April 2024 to 20,481 transactions as at 21st June 2024. The value of transactions has also increased from Ushs 228million in April 2024 to Ushs 20.481billion as at 21st June 2024.
Environmental Sustainability	Air quality in Kampala deteriorated significantly, with particulate matter rising by 14.5% from 15.48 µg/m³ in April 2024 to 17.73 µg/m³ in May 2024. The rainfall received in May 2024 was above-normal in most parts of the country. On the other hand, natural disasters affected a total of 46,457 individuals in May 2024, displacing 12,015 people from 2,854 households mainly in Buganda South, Teso, Lango and Tooro sub-regions. A total of 2,341 houses were completely destroyed and 519 houses partially damaged. Ninety-eight (98) water facilities and ten (10) schools were also affected.
Productivity	Malaria prevalence increased by 29% from 2.2 deaths per 1000 persons in April 2024 to 2.84 deaths in May 2024. The increase could be attributed to the heavy rains experienced in May 2024.
Competitiveness	Monthly inflation for Liquid Energy Fuels increased by 0.1% in May 2024, compared to the 0.5% rise recorded in April 2024. The increase was attributed to a 0.5% rise in petrol prices in May 2024 compared to a 0.4% rise registered in April 2024.
Markets & Regulation	The IMF commodity price index decreased by 0.65% from 170.5 in April 2024 to 169.4 in May 2024. Additionally, the All-Share Price Index slightly rose by 0.06% from 995.73 in April 2024 to 1058.04 in May 2024. New business registrations increased by 2.85% from 5,530 new businesses in April 2024 to 5,688 new businesses in May 2024.
Local Content	Uganda's trade deficit narrowed by 30.8% from US$ 403.4 million in March 2024 to US$ 309.0 million in April 2024. This was attributed to an increase in coffee export receipts from US$ 64.74 million in March 2024 to US$ 84.7 million in April 2024.

B) Policy Response Measures: This edition of the MIND focuses on Living Standards as a thematic area, with specific focus on Crime Rate.

Objective	Interventions

Crime Prevention and Reduction	The Governance and Security Programme of the NDP III prioritises the need to improve adherence to the rule of law and enhance capacity to address both exisiting and emerging security threats. This, among other things, involves the need to mitigate crime rate as a security threat in the country. Government is therefore committed to addressing the root causes of crime to enhance law enforcement and promote community safety. To mitigate crime rate, Governement has:
	
	1. **Strengthened the institutional functionality of Uganda Police Force (UPF)** by facilitating the review of its doctrine, posture, practices and procedures to ensure that the force meets public expectation. Key among these reforms is the planned reorganisation of resource deployment based on the sub-county policing model that will ensure existence of basic capacity to counter crime in each of the sub-counties.
	2. **Enhanced Community Policing;** UPF has improved Community Policing to empower the community to identify and report criminal activity as well as monitor the work of law enforcement agencies, leading to a reduction in crime rate.
	3. **Strenthened Judicial Systems** for enhanced efficiency and effectiveness of courts, swift justice and reduced case backlog. As at the end of December 2023, a total of 46,843 cases were still pending in Court compared to 57,508 cases in December 2022. The Judicature Amendment Bill, 2023 was passed on 2nd February 2024 with the aim of increasing the number of judges in both the Supreme Court and Court of Appeal.
	4. **Enhanced application of science in investigations**
	   a) **Installation of Closed-Circuit Television (CCTV) Cameras along major highways, towns, and cities.** Government installed a total of 3,233 cameras around Kampala Metropolitan Policing area in 2020. The installation of CCTV security cameras caused a reduction in cases of street theft and mugging, street snatching, robbery and pickpocketing. For instance, there was a significant reduction in general theft cases from 61,508 cases in 2022 to 31,262 cases in 2023.
	   b) **Application of forensic science.** The use of advanced scientific techniques acquired since 2019 has significantly enhanced the demand for forensic services by 28% from 165,001 requests in 2022 to 211,396 requests in 2023. A total of 39,041 crime scenes were processed in 2023, an increament from 25,552 crime scenes in 2022. The case clearance rate has also improved from 49% in 2022 to 60.8% in 2023. In addition, the UPF Canine Unit has continued to give support functions to the anti-nacotics Department by providing narcotics detection dogs to counter terrorism.
	   c) **Gun Fingerprinting**. Government has created a database for all legally owned fire arms in Uganda to ensure proper management and real time monitoring of fire arm transactions. This is aimed at dealing with the increasing deaths due to shootings. A total of 300 cases of Murder by Shooting were reported to the Police countrywide in 2023 compared to 279 cases reported in 2022.
	   d) **Revival of the 999 System by the Uganda Police Force.** The ICT Directorate of the Uganda Police Force completed a major upgrade of the 999-emergency service line in 2023. The line is for use by the public in case of any imminent threat to life and public safety and in situations that require urgent response.

C) Microeconomic Outlook: Uncertainties continue to cloud the inflation outlook, driven by factors such as the potential escalation of geopolitical tensions in the Middle East, possible increases in energy prices and production pressures. However, there are positive developments that could bolster economic activity such as improved weather conditions, leading to better crop harvests, alongside increased investments in the extractive industry by Government and the Private Sector.

MEDIA WATCH POST

MAY 2024

MICROECONOMIC ISSUES IN THE NEWS & REPORTS

CRIME RATE AND LANGO ZONAL SUMMARY

Crime Rate at a Glance	According to the Uganda Police Force Annual Crime Report 2023: a) The total number of crimes reported to police reduced by 1.5% from 231,653 cases reported in 2022 to 228,074 cases reported in 2023. The crime rate was estimated at 501 in 2023, a 9.6% increase from 457 in 2022. On a monthly basis, an average of 19,004 crimes were reported to police in 2023, a reduction from 19,304 crimes reported in 2022. b) The number of cases taken to Court increased by 24.1% from 68,405 cases in 2022 to 84,907 cases in 2013. On the other hand, the number of convicted cases increased by 82% from 14,908 cases in 2022 to 27,125 cases in 2023. c) Thefts of all kinds (General) registered the highest number of crimes in both 2022 and 2023. There was a significant reduction in theft cases from 61,508 cases in 2022 to 31,262 cases in 2023. Terrorism registered the lowest number of crimes in 2022 (15 cases) and 2023 (26 cases). d) Out of the 29 Policing Regions in Uganda, North Kyoga policing region (Lango sub-region) registered the highest number of crimes in both 2022 (17,605 cases) and 2023 (17,995). CID Headquarters and Kidepo (Karamoja sub-region) policing regions registered the lowest number of crimes in the same years. The number of crimes reported in CID Headquarters reduced by 52.3% from 1,482 cases in 2022 to 706 cases in 2023. Similarly, Kidepo policing region registered a 26.4% reduction in the number of crimes from 2,492 cases in 2022 to 1,832 cases in 2023.
Lango Sub-Region: Economy, Public Services, Industry and Crime Rate	Lango sub-region is located in the Northern part of Uganda. With a population increase of 36% between 2014 and 2021, the sub-region accounts for 5.9% (2,533,000 people) of the national population (2021). On average, households in the sub-region comprise of 4.9persons. About 59.4% of the population in Lango sub-region is in the subsistence economy, while 79.3% is engaged in the informal sector. **State of the Economy:** The Poverty Rate in the sub-region significantly increased between 2016/17 and 2019/20 from 15.6% to 23.4% respectively. The increase was attributed to drought, floods, pests and diseases. On the other hand, income inequality in the sub-region decreased by 17.1% from 0.403 in 2016/17 to 0.334 in 2019/20. Lango sub-region registered one of the lowest unemployment rates (8%), slightly below the national average of 11.8%. **Public Services, Trade, Industry and Local Economic Development:** Lango sub-region is the leading producer of soya beans in the country. About 70% (88,849MT) of soya beans are produced in Lango. The sub-region is also the second largest producer of simsim (34%) and cassava (13%) after Acholi and West Nile respectively. Lango sub-region has three prospective Industrial Business Parks located in Lira, Oyam and Dokolo districts. In regard to service delivery, the sub-region has one NSSF, URA and Lands office located in Lira town. In addition, the sub-region has three high court circuits located in Apac, Dokolo and Lira. **Crime Rate in Lango sub-region:** Lango sub-region accounted for the highest number of crime cases reported to police in both 2022 (17,995 crimes) and 2023 (17,605 crimes) under the North Kyoga policing region. The high crime rate has been attributed to the many street criminals popularly known as "Owukwuk". Government has strengthened the community and sub-county policing model in Lango sub-region to reduce crime rate.

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

MIND UPDATE

Microeconomic Indicator Dashboard (MIND)

FY2023/24

Issues	Indicators		Frequency	Status		Issues	Indicators		Frequency	Status	
Employment	Jobs	Formal Sector[1]	Monthly	**817,110 (62.4%)**	▲	**Productivity**	Literacy Rate (Grade 6)[11]		Yearly	21.7%(66.8%)	▼
		Informal Sector	Yearly (-1)	8,796,480	⬛		Numeracy Rate (Grade 6)		Yearly	41.2% (-19.1)	▼
		Migrant Workers	Monthly	**1,491 (3.68%)**	▼		Morbidity Rate (Malaria Incidence)[12]		Monthly	2.84 (29%)	▲
							PIP Budget Absorption (GoU, IFMS %)[b]		Yearly	91% (6.4%)	▲
	Incomes	Per-capita GDP (US$): 2022/23	Yearly	1,093 (0.46%)	▲	**Competitiveness**	Power Tariff (Ushs per Unit)	Medium	Quarterly	459.8(2.47%)	▲
		Income Poverty (%)	Yearly (-2)	20.3% (-1.1)	▼			Large		388.5(2.45%)	▲
		Remittances (US$,M)	Yearly	1,133.94 (-1.76%)	⬛			Extra Large		328.4(2.43%)	▲
							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)	6,178 (1.38%)	⬛
		Power/Domestic	Quarterly	819.4(2.77%)	▲		Fuel Prices (Liquid Energy Fuel Inflation)[15]		Monthly	0.1%	▲
		Data (Ushs, 1GB)	Monthly	5,000 (25%)	▲		Customs Clearance (Hours)		Monthly	5.13 (0%)	⬛
	Household Expenditure (HFCE), Ushs Bn		Quarterly	28,746 (-1.8%)	▼		Transit Times (Mom-Kla, Days)		Monthly	4.8 (4.2%)	▼
	Healthcare Expenditure (HH, Ushs)		Yearly (-2)	15,000 (-34.2)	▼		Investment Registration (Days)		Yearly	2	⬛
	Food Inflation (%)		Monthly	0.9 (-1.0)	▼		Export Growth		Quarterly	-6.4%	▼
	EFU[4] Inflation (%)		Monthly	1.1 (7.9)	▲		Electricity Connection (Days)		Monthly	28 (-6.7%)	▼
	Residential Property Price Index (RPPI) for GKMA		Quarterly	105.57 (0.1%)	▼		Water Connection (Days)		Monthly	3 (0%)	⬛
	Crime Rate (per 100,000):2023		Yearly	501 (9.6%)	▲		Investment Growth (GFCF)		Quarterly	-2.3%	▼
Equity and Economic Inclusion	Private Pension: Active Members		Yearly	733,588 (12.5%)	▲		Communication Rates	Voice (Ushs Per Sec)	Quarterly	3 (33.3%)	▼
	Private Pension: Registered Members		Yearly	2,344,737 (5.9%)	▲			Data[16] (Unlimited)	Monthly	550,000(0%)	⬛
	Public Pension (Beneficiaries)		Yearly	407,515 (-0.61%)	▼	**Markets and Regulations**	IMF Primary Commodity Price Index		Monthly	169.4(0.65%)	▼
	SAGE (Beneficiaries)		Yearly	323,315 (-2.8%)	▼		Average Monthly Net Salary (After Tax)		Yearly	628,611	
	Agent Banking (Volume of Transactions, Mn)		Yearly	8.8 (2.3%)	▲		Retail Sales/EFRIS[17]		Quarterly	84% (31.5%)	▲
Environmental Sustainability	Water Quality (PM2.5)[5]		Quarterly	Low ,27.21(29.8%)	⬛		USE All Share Price Index		Monthly	1058.04 (0.06%)	▲
	Air Quality (PM2.5)[6]		Monthly	Moderate,17.73μg /m³ (14.5%)	▲		New Business Registrations		Monthly	5,688 (2.85%)	▲
	Noise Pollution (Decibels, Kampala)		Monthly	High, 62.96 (9.78%)	▲	**Local Content**	Hotel Occupancy Rate (Kla)		Quarterly	29.1% (-33.9%)	▼
	Seasonal Changes in Rainfall		Monthly	Above Normal	⬛		Plant Utilisation Rates (SME-Large Firms)		Yearly	53.6%	⬛
	Natural Disaster Incidences[7]		Monthly	46,457 (22.6%)	▲		MUG Shelf-Presence[18]		Yearly	N/A	⬛
							Trade Balance (US$, Millions)		Monthly	-309.0 (30.8%)	▼
							Contracts Awarded to Local Providers[19]		Yearly	77.12%(26.4%)	▲

*Unless indicated all quarterly figures are for Q2, FY2023/24.[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 2022) |[14] December 2021|[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.