# Reconciling Growth, Poverty and Inequality in Uganda

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*Paper presented as a background for the UNU-WIDER GAPP Project*

*Lead Authors’ meeting, 28-30 January 2013, Helsinki*

## 1. Introduction

1. Uganda has experienced high economic growth rates over the past decade, averaging 5.4 percent per year. As a result, the country has enjoyed a significant reduction in poverty from 38.8 percent of the population in 2001 to 24.5 percent, implying a 14 percent decline in poverty. However, conventional wisdom is that the benefits of poverty reduction have not been distributed equally (Daniels, 2011). Daniels (2011) reveals that poverty rates of both male and female headed households in Uganda has declined equally by approximately the same amount of about 5 percentage points between 1995 and 2010. Poverty level however increased more among households with less education, while the more educated households experienced a large decline in poverty. Furthermore, the study found a discrepancy between poverty rates based on non-monetary indicators and measures based on household expenditure.
2. The extent of decline in poverty measures based on non-monetary indicators was less compared to that of measures based on expenditure alone. Arguably, possible explanations for this difference were suggested to include: (i) outdated or insufficient adjustment of the poverty line with the cost of living; (ii) a reduction of income poverty that is not supported by a corresponding increase in ownership of assets; (iii) the nature of survey design that may contribute to the exaggeration of monetary poverty reduction, and; (iv) a natural lag between the rising income and improvement in household assets. It is therefore important to understand why economic growth is not trickling down to the less educated households, and why the reduction in poverty as measured by per capita expenditure is not sufficiently reflected in the improvement of non-monetary indicators such as: the quality of housing, access to water, sanitation facilities, and ownership of consumer assets.
3. The overall incidence of poverty has declined in Uganda over the past two decades, although the rate varies across different regions depending on the education level of the household head. Distinctively, when compared to monetary measures of wellbeing, poverty measures that are based on non-monetary indicators are shown to decline to a less extent (Daniels, 2011), thus the need for alternative explanations for this scenario and how to reconcile the two. The decline in poverty is shown to be slightly greater in rural areas characterized by a 5 percentage drop compared to a 4 percentage drop in urban areas. Recent statistics show the greatest decline in poverty rates in Eastern and Western regions of the country.

Measuring poverty and reconciling it with other measures of welfare and economic growth remains a complex and contentious issue despite advances in data and research methods. This is especially the case in Sub-Saharan Africa. Here, the question is whether the recent changes in monetary poverty measures point to the same direction (and whether they are robust enough) to other related welfare indicators. There is lack of publically available “standard” toolkit of measuring poverty levels in Africa. The use of various measures that cannot be readily tailored to accommodate different survey instruments (i.e. questionnaire design and implementation) may lead to estimated trends that cannot easily be compared across countries and time. More consistent poverty measurements are very much needed and can only be generated if a standard poverty toolkit is created and utilized.

Poverty analysts face a quandary (dilemma) particularly in developing countries that are often characterized by clear variations in relative prices and consumption patterns through time and space (Arndt and Simler, 2010). The use a single bundle rather than multiple bundles of the cost-of-basic needs (CBN) approach can also generate inconsistencies and failure to ensure consumption bundles that are relevant to poor consumers in all regions of the country. Introducing asset measures and the application of revealed preference into the traditional approach of measuring poverty can be a useful way of making sure that the region-specific CBN consumption bundles provide the same level of utility to avoid bias as revealed in the previous work of Ravallion and Lokshin (2006) and Gibson and Scott (1999).

This article makes a contribution to the main objective of the UNU-WIDER’s Growth and Poverty Project (GAPP) of addressing the challenge of reconciling Africa’s development trends and providing evidence to the on-going debate surrounding African growth, poverty levels, and effectiveness of foreign aid and domestic policies. Specifically, the paper aims at: (i) conducting a detailed case study (assessing the evolution of poverty and inequality) for Uganda that measures poverty trends using robust monetary indicators that are comparable[[1]](#footnote-1) across countries and time, and; (ii) triangulating the measured monetary poverty indicators with other relevant development indicators, such as non-monetary poverty, demographic changes, macro-economic trends, and external shocks.

Uganda is one of several developing countries that are on track to meet, ahead of time, the United Nations’ Millennium Development Goal of reducing by half the country’s extreme poverty rate by 2015. Over the past few decades, most Ugandans have benefited from a greater access to education and better-paying jobs – two of the most important tickets to a better life. However, there are challenges that must be over-came if the country is to enjoy a significant economic transformation. These include: a widening gap between the rich and the poor (and between those who can and cannot access opportunities), economic shocks, food shortages and environmental hazards that threaten to undermine the progress made in recent years. Understanding the extent to which economic growth and public policies affect different groups of society, including the poor may help to reconcile and control inequality and the impact of shocks at the household and national level.

## 2. Available data sources:

The Uganda National Household Survey (UNHS[[2]](#footnote-2)) is one of the series of integrated household surveys that collect high quality and timely annual data on socio, demographic and economic characteristics of households from which inference can be made about population for purposes of monitoring economic performance of the country. In Uganda, the Uganda Bureau of Statistics (UBOS) implements the UNHS that also provides a better descriptive picture of Uganda’s farm economy based on responses from recall questions in the questionnaire. It is this analytical information that gives deeper insight into factors affecting farm incomes and a better understanding of the influence of farmers’ resources and marketing opportunities on farm-household income, and some sense of how farmers’ situation changes in the past few years. Given the importance of agricultural sector in the national economy, an agricultural module alongside the socioeconomic module was proposed as a core module for the UNHS 1999/2000, UNHS 2005/06, and UNHS 2009/10.

**Table 1: Available data sets in Uganda**

|  |  |  |
| --- | --- | --- |
| **Data sources available** | **Number of clusters**  **(Enumeration areas)** | **Number of**  **observations** |
| The Uganda National Panel Study UNPS 2009/2010 | 322 | 3,123 |
| The Uganda National Household Survey 2009/2010 | 712 | 6,800 |
| The Uganda National Household Survey 2005/2006 | 783 | 7,400 |
| The Uganda National Household Survey 2002/2003 | 972 | 9711 |
| The Uganda National Household Survey 1999/2000 | 1081 | 10,700 |
| The Integrated Household Survey 1992 | 637 | 9,886 |
|  |  |  |
| Demographic and Health Survey 2009/2010 | 170 | 4,421 |
| Demographic and Health Survey 2006 | 321 | 8,531 |
| Demographic and Health Survey 2000/2001 | 298 | 7,885 |
| Demographic and Health Survey 1995 | 296 | 7,550 |
| **Other relevant datasets** |  |  |
| IFPRI 2001 | 107 | 450 |
| REPEAT 2003 | 94 | 940 |
| REPEAT 2005 | 94 | 894 |

Note: IFPRI denotes "International Food Policy Research Institute”, while REPEAT is the "Research on Poverty, Environment, and Agricultural Technologies", conducted by the Foundation of Advanced Studies on International Development (FASID) in conjunction with Makerere University

Household surveys are an important source of information for monitoring outcome and impact indicators of international and national development frameworks. The surveys mainly collect socio-economic data required for measurement of human development and monitoring social goals with particular focus on the measurement of poverty for the Millennium Development Goals (MDGs) and the National Development Plan (NDP) which replaced the Poverty Eradication Plan Action (PEAP).

The Demographic and Health Surveys (DHS) are implemented every three to four years in many countries whereas expenditure surveys are more costly and less frequent (Daniels, 2011). This section therefore, provides a discussion of different data sets (See Table 1) that are available in the country and also relevant for the analysis of poverty indicators and for evidence-based policy and decision making. They include cross-sectional and panel national data sets collected by Uganda Bureau of Statistics (UBOS[[3]](#footnote-3)) in the last two decades. Uganda Bureau of Statistics (UBOS), in the Ministry of Finance, Planning and Economic Development has a legal mandate to collect, analyze and publish aggregated data from nationally representative surveys and Census to support national planning and policy targeting.

***The Uganda National Household Survey (UNHS) 2009/10*** is the latest in a series of household surveys that started in 1989. The UNHS 2009/10 was undertaken from May 2009 to April 2010 and covered about 6800 households scientifically selected countrywide, in all the 80 districts of Uganda as at 2009. A total of 712 EAs representing the general household population were selected using the Uganda Population and Housing Census Frame for 2002. The survey was comprehensive and collected information on socioeconomic characteristics at both household and community levels as well as information on the informal sector. The UNHS 2009/10 is comprised of six modules namely: the Socio-economic[[4]](#footnote-4), Labor Force, Informal Sector, Community, Price and the Qualitative modules. This survey data can be utilized to highlight levels of different indicators and their respective trends over time. These include indicators on: population characteristics, education, health, household expenditure and poverty among others at national, regional and rural-urban levels. A qualitative study was conducted alongside the UNHS 2009/10 quantitative survey to complement the findings and to provide an in-depth understanding of the issues that were investigated in the quantitative module. This was also the case in UNHS 2005/06.

***The Uganda National Panel Study UNPS 2009/10*** collected data on among others: crop production and livestock ownership, household expenditure, and household income, including earnings from the sale of agricultural products (UBOS, 2012). The UNPS survey started in 2009/10 and keeps track of about 3,123 households that are distributed over 322 enumeration areas (EAs) out of the selected 783 EAs that were visited by the Uganda National Household Survey (UNHS) in 2005/06. The UNPS 2009/10 data set forms the second round of the Panel Study, while the Uganda National Household Survey 2005/06 is the first round. The two rounds of the survey collected data on Socio-economic characteristics at both household and community levels as well as information on agriculture.

Noteworthy is that the UNPS was carried out over a twelve-month period on a nationally representative sample of households. The data is therefore able to accommodate vital issues of seasonality associated with the composition and expenditures on consumption. The survey was conducted in two visits and captures agricultural outcomes associated with the two cropping seasons of the country. Each household was interviewed twice in two visits that are six months apart. The survey covered all the 34 EAs visited by the UNHS 2005/06 in Kampala District, and 72 EAs (58 rural and 14 urban) in each of the (i) Central Region with the exception of Kampala District, (ii) Eastern Region, (iii) Western Region, and (iv) Northern Region.

According to UBOS, (2012), equal probability, and with implicit stratification by urban/rural and district (in this order) was employed to select the UNPS EAs from each stratum of the UNHS 2005/06 EAs, except for the rural portions of the ten districts that were over-sampled by the UNHS 2005/06. In these districts, the probabilities were instead deflated, to bring them back to the levels originally intended. The UNPS strata therefore include: (i) Kampala city, (ii) Other urban areas, (iii) Central rural, (iv) Eastern rural, (v) Western rural, and (vi) Northern rural.

***The Uganda National Household Survey 2005/2006***

The UNHS 2005/06 collected information on socioeconomic characteristics at both household and community levels as well as information on agriculture. The UNHS 2005/06 was undertaken from May 2005 to April 2006 and covered about 7,400 households scientifically selected countrywide. It comprised of five modules namely the Socio-economic, Agriculture, Community, Price and the Qualitative modules.

***The Uganda National Household Survey 2002/2003***

The Uganda National Household Survey 2002/03 was the eighth in a series of household surveys that started in 1988. Like the previous household surveys, the UNHS 2002/03 collected information on the socio-economic characteristics at both the household and community levels. The UNHS 2002/03 comprised of four modules namely the Socio-economic, Labor Force, Informal Sector and Community modules. The survey covered 55 districts of Uganda, with some parts of Gulu and Kitgum districts not fully covered due to insecurity. Pader District was not covered at all.

***The Uganda National Household Survey 1999/*2000**

The UNHS 1999/2000 comprised of the agriculture (crop), socio-economic and community components. It was a nation-wide survey, which covered about 10,700 households from August 1999 to July 2000. The UNHS 1999/2000 covered all districts except Kitgum, Gulu, Kasese and Bundibugyo. Even though it contains less detail on other enterprises, it includes a highly disaggregated account of agricultural production. The survey was accompanied by an elaborate community module that allows to link households’ use of social services to changes in the supply of such services at the community level. The UNHS included a panel element of about 1,300 of the same households that were included in the 1992 survey.

**The Integrated Household Survey 1992** is the first large-scale Ugandan household survey after 1986. It is a comprehensive multi-purpose household survey based on a nationally representative sample of 9886 households. The dataset contains the standard socio-economic and expenditure information and other detailed information on economic activities for enterprises operated by the household in six sectors, namely crop and livestock farming, manufacturing, services, trade, and hotels.

***The Demographic and Health Surveys (DHS***). These DHS do not collect data on household income or expenditure. They however include a range of household characteristics that are related to a standard of living (Daniels, 2011). The DHS datasets allows for easy comparison of survey results overtime due to the similar sampling design and questionnaire format that mainly provides information on health indicators.

***Other relevant datasets***

There are other datasets that are good enough for poverty analysis. These include: (i) The IFPRI primary data-set collected in 2001 under the project of “Policies for Improved Land Management in Uganda”. This IFPRI survey covered two thirds of Uganda including Southwest, Central, and Eastern and some areas in Northern Uganda. A stratified sampling procedure was employed based on a classification of Uganda’s territory according to the agricultural potential, market access and population density, A total of 450 households in 107 communities were interviewed in this IFPRI survey; (ii) the three rounds of household surveys that were conducted in 2003, 2005, and 2008 as part of research on poverty, Environment, and Agricultural Technologies (REPEAT) project

**2. Growth according to the national accounts**

The Uganda Bureau of Statistics (UBOS) is responsible for the compilation and dissemination of Uganda’s macroeconomic statistics as empowered by the Statistics Act 1998. However, a memorandum of understanding was signed between UBOS and Bank of Uganda (BOU) on how these statistics should be generated. Economic growth in Uganda is often described to be remarkably inclusive (IMF, 2011). Uganda’s growth elasticity of poverty between 1992 and 2010 is -1.4, meaning that a 1 percent increase in aggregate income was associated with a 1.4 percent decrease in the poverty rate (GOU, 2012b). This implies that the two objectives of reducing poverty and stimulating growth can be achieved simultaneously if all Ugandans are included in the development process. However, there is a cycle of insecurity that traps some households in chronic vulnerability and which can only be addressed using effective policies.

The Macro-Economic Statistics include: statistics on national accounts; government finance; banking; trade, and; consumer prices information. The major source of this information are secondary sources and from surveys and censuses conducted within and outside (Bank of Uganda and Ministry of Finance Planning and Economic Development) UBOS on annual basis.

Table 3: Summary of Gross Domestic Product (GDP) at market prices, 2000 – 2012

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Gross Domestic Product | | | | |  | Per capita GDP | | | | |
| GDP, Bill. shs. | | |  | Growth rate |  | Per capita GDP, shs | | |  | Growth rate |
| Current  price |  | Constant  2002 price. | | Constant  2002 price | | Current price | | Constant  2002 price | | Constant  2002 price |
| **Calendar year** |  |  |  |  |  |  |  |  |  |  |  |
| 2002 | 11,990 |  | 11,990 |  | 7.1 |  | 488,381 |  | 488,381 |  | 3.3 |
| 2003 | 13,843 |  | 12,728 |  | 6.2 |  | 542,380 |  | 498,693 |  | 2.1 |
| 2004 | 15,271 |  | 13,467 |  | 5.8 |  | 580,269 |  | 511,721 |  | 2.6 |
| 2005 | 17,878 |  | 14,814 |  | 10 |  | 657,674 |  | 544,959 |  | 6.5 |
| 2006 | 20,166 |  | 15,859 |  | 7.1 |  | 717,621 |  | 564,343 |  | 3.6 |
| 2007 | 23,351 |  | 17,138 |  | 8.1 |  | 802,890 |  | 589,249 |  | 4.4 |
| 2008 | 28,176 |  | 18,925 |  | 10.4 |  | 935,331 |  | 628,223 |  | 6.6 |
| 2009 | 33,596 |  | 19,707 |  | 4.1 |  | 1,095,725 |  | 642,732 |  | 2.3 |
| 2010 | 38,584 |  | 20,933 |  | 6.2 |  | 1,213,936 |  | 658,579 |  | 2.5 |
| 2011 | 45,607 |  | 22,174 |  | 5.9 |  | 1,384,566 |  | 673,182 |  | 2.2 |
| **Fiscal year** |  |  |  |  |  |  |  |  |  |  |  |
| 2002/03 | 12,438 |  | 12,237 |  | 6.5 |  | 495,754 |  | 487,728 |  | 2.1 |
| 2003/04 | 13,972 |  | 13,070 |  | 6.8 |  | 540,314 |  | 505,411 |  | 3.6 |
| 2004/05 | 16,026 |  | 13,897 |  | 6.3 |  | 599,279 |  | 519,699 |  | 2.8 |
| 2005/06 | 18,172 |  | 15,396 |  | 10.8 |  | 657,708 |  | 557,235 |  | 7.2 |
| 2006/07 | 21,212 |  | 16,685 |  | 8.4 |  | 742,159 |  | 583,780 |  | 4.8 |
| 2007/08 | 24,497 |  | 18,145 |  | 8.7 |  | 827,823 |  | 613,162 |  | 5.0 |
| 2008/09 | 30,101 |  | 19,461 |  | 7.3 |  | 981,725 |  | 634,701 |  | 3.5 |
| 2009/10 | 34,908 |  | 20,601 |  | 5.9 |  | 1,118,218 |  | 659,924 |  | 4.0 |
| 2010/11 | 39,051 |  | 21,978 |  | 6.7 |  | 1,206,866 |  | 679,222 |  | 2.9 |
| 2011/12 | 49,087 |  | 22,681 |  | 3.2 |  | 1,463,961 |  | 676,422 |  | -0.4 |

Source: Uganda Bureau of Statistics, and: The Background to the Budget 2012/13 Fiscal Year

These statistics are disseminated using different publications produced annually at the Uganda Bureau of Statistics and through UBOS website. These include: the Consumer Price Statistics, National Accounts, Government Finance, and Trade.

The national Growth Domestic Product (GDP) per capita was also estimated to be at USD 1,311.32 in 2010. Table 1 represents a summary of GDP at market prices for a period between 2002 and 2011. It is evident that the Ugandan Economy has been fluctuating between 4.1 and 10.4 percent for calendar years, and between 3.2 to 10.8 percent for fiscal years. In 2011/12 financial year, the Ugandan Economy was estimated to expand by 3.2 percent in the 2011/12 financial year, a performance that is much lower compared to 6.7 percent in previous year. Generally, there has been a steady decrease in total GDP since the year 2000, a factor that is attributed to both internal and external shocks. An increase in global oil and commodity prices, droughts in parts of the country, power shortages, exchange rate volatility and weak external demand are some of the factors that may have created volatility and poor economic performance during this period. The current GDP growth falls short of the projections made in the National Development Plan (NDP), and is significantly below the long-term trend level.

Table 2 further shows percentage change in GDP by economic activity at constant 2002 prices. The slowdown in real GDP growth of 3.5 percentage points from 6.7 percent in 2010/11 to 3.2 in 2011/12 was driven by the industrial and service sector. The agricultural sector also rebounded from the disappointing performance of 2010/11 financial year. Nevertheless, growth in each of these sectors has been fluctuating between 2002 and 2011. And while it is the sectors of industry and services that have been fluctuating over the years, growth in the agricultural sector appears to be on the rebound. This is explained by an increase in the cash crop (coffee, cotton, tea, cocoa, tobacco, sugarcane, and exported horticulture) subsector that account for 9 percent of the agricultural value added (GOU, 2012a). Table 2 further reveals that: growth rate in agriculture, forestry and fishing has increased from 0.5 percent in 2005/06 financial year to 3.0 percent in 2011/12. During the same period, the industry sector contracted from 14.7 percent to 1.1 percent; the services sector also contracted from 12.2 percent to 3.1 percent. Noteworthy, is a very disappointing performance in areas of: health, education, financial services, and wholesale, retail trade and repairs.

In terms of methodology, the computation of national accounts uses secondary data, and utilizes concepts and definitions that are based on the SNA 93. Sub groupings have been introduced to accommodate Uganda’s structure of the economy. Good practices are employed in the development of benchmark and annual series. In the same line, Gross Domestic Product (GDP) refers to the total value of goods and services produced within the economic territory of the country. The concepts and definitions of the GDP follow international concepts and definitions. However, local concepts and definitions have been adopted in the activities level and working files, so that the GDP compilation and presentation meets the requirements of the structure of Uganda’s economy. Nevertheless, there are some areas that are not yet covered in GDP compilation, and these include tourism satellite accounts; environment accounts, and; non-profit institutions accounts. The section is also not producing the SNA 93 sets of accounts.

And while the type of tabular presentation follows ISIS rev 3 for the first digit, a second digit has been included for some activities in-line with country specific requirements. The GDP computation is in line with the requirements of SNA 93 whereby the GDP is valued at market prices. Grossing or netting procedures is consistent with the internationally accepted standards. Secondary data is sourced directly from the institutions generating the information by National Accounts staff. The section does not conduct surveys but contributes to the survey design process to ensure requirements of National Accounts are met by the surveys. National Accounts section then gives specific data analysis requests to the survey division. The surveys data include Uganda Business Inquiry (UBI) outputs, Uganda National Household Surveys, Manufacturing Producer Price Indices (PPI), Consumer Price Index (CPI), and Construction Materials Index (not yet applied).

**Table 3: Percentage change in GDP by economic activity at constant 2002 prices**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2005/06 | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 |
| **Total GDP at market prices** | **10.8** | **8.4** | **8.7** | **7.3** | **5.9** | **6.7** | **3.2** |
| **Agriculture, forestry and fishing** | **0.5** | **0.1** | **1.3** | **2.9** | **2.4** | **0.7** | **3.0** |
| Cash crops | -10.6 | 5.4 | 9.0 | 9.8 | -1.1 | -6.5 | 16.2 |
| Food crops | -0.1 | -0.9 | 2.4 | 2.6 | 2.7 | 0.7 | 1.0 |
| Livestock | 1.6 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Forestry | 4.1 | 2.0 | 2.8 | 6.3 | 2.9 | 2.8 | 3.6 |
| Fishing | 5.6 | -3.0 | -11.8 | -7.0 | 2.6 | 1.8 | 2.0 |
| **Industry** | **14.7** | **9.6** | **8.8** | **5.8** | **6.5** | **7.9** | **1.1** |
| Mining & quarrying | 6.1 | 19.4 | 3.0 | 4.3 | 15.8 | 18.6 | 8.2 |
| Manufacturing | 7.3 | 5.6 | 7.3 | 10.0 | 6.6 | 8.0 | -1.8 |
| Formal | 7.8 | 4.9 | 9.2 | 12.0 | 6.1 | 9.1 | -4.4 |
| Informal | 6.0 | 7.7 | 2.1 | 4.4 | 8.2 | 4.5 | 6.3 |
| Electricity supply | -6.5 | -4.0 | 5.4 | 10.6 | 14.5 | 10.7 | 3.7 |
| Water supply | 2.4 | 3.5 | 3.8 | 5.7 | 4.4 | 4.0 | 4.3 |
| Construction | 23.2 | 13.2 | 10.5 | 3.7 | 5.9 | 7.8 | 1.7 |
| **Services** | **12.2** | **8.0** | **9.7** | **8.8** | **8.2** | **8.4** | **3.1** |
| Wholesale & retail trade; repairs | 12.3 | 10.4 | 14.7 | 9.7 | 0.7 | 4.2 | -0.7 |
| Hotels & restaurants | 8.7 | 11.3 | 10.7 | 4.5 | 12.9 | -0.7 | 20.6 |
| Transport & communications | 17.1 | 17.7 | 21.3 | 14.3 | 17.5 | 14.1 | 8.9 |
| Road, rail & water transport | 12.8 | 9.5 | 20.8 | 12.9 | 14.1 | 7.9 | 2.1 |
| Air transport and support services | 6.9 | 13.8 | 17.8 | -3.6 | 0.9 | 3.3 | 4.0 |
| Posts and telecommunication | 26.2 | 29.1 | 22.6 | 19.8 | 23.7 | 21.2 | 15.0 |
| Financial services | 31.7 | -11.9 | 17.1 | 25.4 | 29.5 | 23.6 | -11.8 |
| Real estate activities | 5.6 | 5.6 | 5.6 | 5.7 | 5.7 | 5.7 | 5.8 |
| Other business services | 12.5 | 8.0 | 10.8 | 12.4 | 15.0 | 8.6 | 1.7 |
| Public administration & defense | 15.8 | -6.3 | 12.1 | 5.5 | 16.1 | 11.6 | 6.0 |
| Education | 9.4 | 10.6 | -6.5 | 4.3 | -1.3 | 9.9 | -5.8 |
| Health | 12.9 | 2.7 | -4.8 | -3.2 | 0.4 | 5.7 | -20 |
| Other personal & community services | 14.1 | 13.4 | 12.8 | 12.3 | 11.8 | 11.4 | 13.8 |
| **Adjustments** | **17.6** | **27.9** | **17.5** | **10.2** | **-2.7** | **3.0** | **10.2** |
| FISIM | 34.2 | -13.8 | 15.9 | 27.1 | 69.1 | 28.6 | -11.8 |
| Taxes on products | 19.5 | 22.3 | 17.3 | 11.8 | 5.0 | 7.4 | 5.6 |

Source: Uganda Bureau of Statistics, and: The Background to the Budget 2012/13 Fiscal Year

Data used in National Accounts obtained from secondary sources for further processing at UBOS includes Government Finance Statistics and External Trade Statistics. The data sources for specific GDP activity components include; Uganda Coffee Development Authority (UCDA), Uganda Tea Association (UTA), Cotton Development Organization (CDO), British American Tobacco Uganda Ltd (BATU), RVR railway company, UMEME electricity company, Communications Commission, Bank of Uganda, Ministry of Finance, Planning and Economic Development (MoFPED), Civil Aviation Authority (CAA), National Water and Sewage Corporation, Ministry of Agriculture, Animal Industry and Fisheries, Uganda Revenue Authority, National Forestry Authority (NFA) and Fisheries Department.

National Accounts data is compiled using Excel worksheets with formulae and macros used to ensure accuracy. Revisions are carried out on the preliminary estimates of GDP figures in the first quarter of the next fiscal year. Benchmarking is carried out very ten years while rebasing is done in every 5 to 10 years. The GDP estimates are produced on an annual basis for calendar and fiscal years. Quarterly GDP series are being developed to fulfill the SDDS requirements of quarterly economic statistics series. The calendar and fiscal year series are produced in time for the Background to the Budget speech in June.

The links within the files and the computation methodologies ensures internal consistencies in the data sets. The statistics are revised every year. This is because data sources revise their statistics hence National accounts statistics are revised. Inconsistencies in statistics occur when the National Accounts are rebased and this is due to changes that had been taking place in the economy since the previous rebasing. The changes that are continuously taking place in the economy include; production processes, consumption patterns, quality improvements, relative prices and introduction of new products or disappearance of old products. GDP revision follows a regular pattern in that the files and the June GDP release is revised in the first quarter (July – September) of the next fiscal year.

The statistics are presented in a clear standard tabular presentation that facilitates proper interpretation of the figures. However, due to the technical aspects of national accounts good theoretical background is necessary for internalizing the and proper interpretation of the figures. The National Accounts statistics are published in books. Other hard copy publications that include GDP tables are the Background to the Budget and the Statistical Abstract. The major output of the National Accounts section (GDP by production and expenditure series tables) are published and become available to the users simultaneously in the Statistical Abstract and other publications. The tables are also made accessible to the users in the UBOS website. Documentation is usually included in the working files on methodology. Dissemination of documentation on concepts, scope, classifications, basis of recording, data sources and statistical techniques of National Accounts is not done. The details of the tables’ format are based on international standards of ISIC revision 3, therefore fit for the intended audience and target group of users. The National Accounts outputs are included in other publications that are catalogued such as the Background to the Budget, Statistical Abstract and the Key Economic Indicators.

Noteworthy, is that the Uganda Bureau of Statistics (UBOS) has rebased the GDP series from the 1997/98 base year to 2002 base year. The rebasing exercise involved a complete revision of the worksheets and improvement of the methodologies. The exercise therefore resulted in the revision of the earlier GDP figures with some areas experiencing higher rates of growth while others had reduced rates of growth.

Uganda is a country that shares many of the structural factors that are generally quoted to characterize low growth in an African context. For example, it is ethnically diverse, subject to tropical diseases such as malaria, does not have direct access to the ocean, and had to cope with a large onslaught of AIDS since the late 1980s. These obstacles notwithstanding, Uganda has, over the past decade, managed to achieve some of the highest growth rates in Africa (Deininger and Okidi, 2003). The growth is explained by the robust domestic demand, steady remittance flows and increased export volumes resulting from an increase in investment flows to the natural resource sector and tourism sector.

The financial sector is also important for economic growth since it acts as an intermediary for channeling savings into investment (GOU, 2012a).Private-sector credit drives aggregate demand more than production, explaining its weak link with growth. Among the formal non-agricultural sector, unmet effective demand for credit is relatively low.Financial intermediation is not a major constraint to the rate of economic growth (GOU, 2012a).Given that rural poverty in developing countries, including Uganda can be attributed to the limited creation and facilitation of pro-poor investment options across households that continue to hamper agricultural growth (Headey et al., 2010). The higher path of economic growth in the country is expected to be achieved by improving the performance of the public sector and removing major constraints that prevent the private sector from investing in different productive areas. In particular, agricultural growth is considered to be an important instrument for poverty reduction and can be at least three times more effective in reducing poverty compared to growth from the rest of the economy (de Janvry and Sadoulet, 2010).

In Uganda, real growth in agricultural output (food crops, cash crops, livestock and fishing activities) declined from 7.9 percent in 2000/01 to 0.7 percent in 2007/08, but later showed signs of recovery to 2.6 percent in 2008/09 (Republic of Uganda, 2010), before declining again to 2.4 percent in 2009/10, and 0.9 percent in 2010/11 (MAAIF, 2011). These growth rates are below the average population growth rate of about 3.2 percent per annum and a target rate of 6 percent per annum that was set in 2003 by the African Union under the Comprehensive Africa Agriculture Development Program (CAADP). The low growth rates highlight the challenge of reversing the declining per capita agricultural production and eradicating poverty in Uganda, a country with 73 percent of all households (and the majority poor) depending directly on agriculture[[5]](#footnote-5) for their primary livelihood, and where agriculture contributes 22.5 percent to total GDP at current prices.

The agricultural sector (food and cash crops, livestock and fisheries) is estimated to contribute up to 23.8 percent of the GDP and is an important sector of the economy, generating about 48% of export earnings (MAAIF, 2011, Republic of Uganda, 2010). Livestock contributes about 15% of agricultural GDP (FAO, 2005). Recent statistics reveal that there has been a 3 percent increase in the number of livestock and poultry in Uganda during a one year period between 2009 and 2010 (MAAIF, 2011). The increase is attributed to the routine interventions in the livestock sub-sector that have not only helped to control animal diseases, but also to improve livestock production systems.

**3. Trends in Poverty and Inequality – money metric measures**

Poverty eradication is a major national goal for the Ugandan government. It was adopted in 1995 with a long-term goal of reducing the incidence of income poverty to less than 10% by 2017. Poverty and inequality is often estimated for at least two points in time, while using nationally representative household surveys. The poverty measure itself is a statistical function which translates the comparison of the indicator of well being and the poverty line that is made for each household into one aggregate number for the population as a whole or a population sub-group. Several alternative monetary poverty measures are widely used:

* 1. (i) **Incidence of poverty (headcount index),** the share of the population whose income or consumption is below the poverty line, that is, the share of the population that cannot afford to buy a basic basket of goods in terms of poverty and extreme poverty. This also true for non monetary indicators where the incidence of poverty measures the share of the population that does not reach the defined threshold. For example, the percentage of the population with less than 3 years of education;
  2. (ii) **Depth of poverty (poverty gap)** that provides information regarding on how far off households are from the poverty line in terms of the mean aggregate income or consumption shortfall relative to the poverty line across the whole population. In other words, the poverty deficit of the entire population or the sum of all the shortfalls divided by the population and expressed as a ratio of the poverty line (Deaton, 1997). It is obtained by adding up all the shortfalls of the poor (considering the non-poor have a shortfall of zero) and dividing the total by the population. In other words, the total resources needed to bring all the poor to the level of the poverty line. This measure can also be used for non-monetary indicators, provided that the measure of the distance is meaningful. For example, the non-monetary poverty gap in education could be the ‘number of years of education missing to reach the defined threshold. But, in the case of binary non-monetary indicators such as literacy, use of poverty gap[[6]](#footnote-6) measure may not make sense, in which case only the concept of the headcount can be used, and;
  4. (iii) **Poverty severity (Sen’s measure or** **squared poverty gap)** that takes into account not only the distance separating the poor from the poverty line (the poverty gap), but also the inequality among the poor. It is a weighted average of the headcount, the poverty gap and the gini coefficient for the poor (Deaton, 1997). That is, a higher weight is placed on those households who are further away from the poverty line. As for the poverty gap measure, limitations apply to some non-monetary indicators.

**Table 4: Consumption Expenditure per Capita, in nominal terms (shs)**

|  |  |  |  |
| --- | --- | --- | --- |
| Period | Rural | Urban | Uganda |
| 2002/03 | 23,475 | 70,173 | 29,900 |
| 2005/06 | 33,599 | 84,254 | 41,340 |
| 2009/10 | 59,014 | 147,135 | 72,252 |

**Source: UNHS various years**

**Table 5: Eradicate extreme poverty and hunger**

|  |  |  |  |
| --- | --- | --- | --- |
| **Indicator** | **2002/03** | **2005/06** | **2009/10** |
| **National** |  |  |  |
| **Poverty head count (P0)** | **38.8** | **31.1** | **24.5** |
| **Poverty gap - (P1)** | **11.9** | **8.8** | **6.8** |
| **Poverty gap - (P2)** | **5.1** | **3.5** | **2.8** |
| **Central region** |  |  |  |
| **Poverty head count (P0)** | 22.3 | 16.4 | 10.7 |
| **Poverty gap - (P1)** | 5.5 | 3.6 | 2.4 |
| **Poverty gap - (P2)** | 1.9 | 1.3 | 0.8 |
| **Eastern region** |  |  |  |
| **Poverty head count (P0)** | 46 | 35.9 | 24.3 |
| **Poverty gap - (P1)** | 14.1 | 9.1 | 5.8 |
| **Poverty gap - (P2)** | 6.0 | 3.4 | 2.1 |
| **Northern region** |  |  |  |
| **Poverty head count (P0)** | 63 | 60.7 | 46.2 |
| **Poverty gap - (P1)** | 23.4 | 20.7 | 15.5 |
| **Poverty gap - (P2)** | 11.5 | 9.2 | 7.3 |
| **Western region** |  |  |  |
| **Poverty head count (P0)** | 32.9 | 20.5 | 21.8 |
| **Poverty gap - (P1)** | 8.5 | 5.1 | 5.4 |
| **Poverty gap - (P2)** | 3.3 | 1.8 | 2.0 |
| **Other national poverty indicators** |  |  |  |
| **Prevalence of underweight children under-**  **five years of age** | 22.8 | 15.9 |  |
| **Employment to Population Ratio** | 77.5 | 70.3 | 75.4 |
| **Proportion of own-account and contributing family**  **workers in total employment** | 84.9 | 80.6 | 74.4 |

**Source: UNHS various years**

Poverty levels[[7]](#footnote-7) dropped from 38.8% in 2003 to 31.1% in 2006, while poverty in rural areas was reported to be 34.2% compared to 13.7% in urban areas (Ministry of Finance Planning and Economic Development, 2010, UBOS, 2006). Based on the 2009/10 survey data, poverty was estimated to be 24.5 percent implying that about 7.5 million Ugandans, living in 1.2 Million households were considered poor. The proportion of the poor population reduced from 31 percent in 2005/06 to 25 percent in 2009/10. This represents a 6.6 percentage points’ decline of the people living in absolute poverty. This decline is statistically significant. The other poverty indicators (P1 and P2 measures) follow a similar trend as the headcount index [UBOS, 2012](#_ENREF_18)). Thus, the main finding is that the incidence of income poverty declined significantly between UNHS 2005/06 and UNHS 2009/10 for Uganda as a whole, whichever poverty indicator (P0, P1 or P2) is used.

A significant decline in poverty levels was observed in both rural and urban areas between UNHS 2005/06 and UNHS 2009/10. However, the incidence of poverty remained higher in rural areas (27.2 percent) compared to urban areas (9.1 percent). The rural areas where about 85.0 percent of the population resides still contribute 94.0 percent to the national poverty. On average, income inequality increased from 0.408 in 2005/06 to 0.426 in 2009/10, nationally. Nearly 20 percent of those who were poor in 2005/06 moved out of poverty in 2009/10 while half of them (50 percent) remained poor (UBOS, 2012).

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There has been a large reduction in the share of Ugandans living in absolute poverty and significant changes in the structure of household livelihoods. But too many remain vulnerable and struggle to access the opportunities created by national development, which in turn undermines the transformation process (GOU, 2012b). Uganda has made significant progress not only in reducing the share of people in absolute poverty but also the absolute number (see Table 2.1). The number of Ugandans in poverty has reduced by one quarter from 9.9 million in 1992 to 7.5 million in 2009. The share has reduced from 56.4 percent to 24.5 percent over the same period. The reduction in the number of people is less than that in the share because of population growth.

**Table 6: Number and percent of Ugandans that are absolutely poor, insecure non-poor and middle class**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Particulars | 1992/93 | 1999/00 | 2002/03 | 2005/06 | 2009/10 |
| Absolutely Poor (millions) | 9.9 | 7.4 | 9.3 | 8.5 | 7.5 |
| Percent below the poverty line (%) | 56.4 | 33.8 | 38.8 | 31.1 | 24.5 |
| Non-poor but insecure (millions) | 5.8 | 9.6 | 9.6 | 11.0 | 13.2 |
| Percent non-poor but insecure (%) | 33.4 | 43.9 | 39.9 | 40.2 | 42.9 |
| Middle Class (millions) | 1.8 | 4.9 | 5.1 | 7.8 | 10.0 |
| Percent in the middle class (%) | 10.2 | 22.4 | 21.2 | 28.7 | 32.6 |

Source: UNHS various years: the Uganda 2012 Poverty status report

**Table 7: Inequality based on the Gini coefficient**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 1992/93 | 2002/03 | 2005/06 | 2009/10 |
| Uganda | 0.365 | 0.428 | 0.408 | 0.426 |
| Rural | 0.328 | 0.363 | 0.363 | 0.375 |
| Urban | 0.396 | 0.483 | 0.432 | 0.447 |
| **Region** | | | | |
| Central | 0.395 | 0.460 | 0.417 | 0.451 |
| Eastern | 0.327 | 0.365 | 0.354 | 0.319 |
| Northern | 0.345 | 0.350 | 0.331 | 0.367 |
| Western | 0.319 | 0.359 | 0.342 | 0.375 |

Source: UNHS various years and IHS 1992/3. Zero expresses perfect equality and one expresses maximal inequality.

A Gini coefficient is a measure of inequality in household consumption per adult equivalent. Table 7 shows an increase in income inequality. Between 1992/93 survey and 2009/10 survey, the Gini coefficient increased from 0.365 to 0.426. This reflects the fact that the lower deciles saw lower rises in living standards than the more affluent. In 2009/10, the level of inequality varied from a low of 0.319 in Eastern region to a high of 0.451 in Central region. Put simply, individuals in the Eastern region are least unequal, while the most unequal are in the Central region. There was a significant increase in inequality of income in rural areas of Central, Northern and Western regions, and significant improvements in Eastern sub-region. And while inequality of income improved during 2002/03-2005/06 period, the period 2005/06-2009/10 was marked with worsening inequality. Overall inequality appears to have worsened while the incidence of poverty was declining.

**Table 8: The poor, insecure non poor and the middle class, 1992-2009**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Year | Population (millions) | Absolutely Poor | | Insecure Non-Poor | | Middle Class | |
| Millions | % of population | Millions | % of population | Millions | % of population |
| 1992/3 | 17.5 | 9.9 | 56.4 | 5.8 | 33.4 | 1.8 | 10.2 |
| 1999/00 | 21.9 | 7.4 | 33.8 | 9.6 | 43.9 | 4.9 | 22.4 |
| 2002/3 | 24.1 | 9.3 | 38.8 | 9.6 | 39.9 | 5.1 | 21.2 |
| 2005/6 | 27.4 | 8.5 | 31.1 | 11.0 | 40.2 | 7.8 | 28.7 |
| 2009/10 | 30.7 | 7.5 | 24.5 | 13.2 | 42.9 | 10.0 | 32.6 |

Source: UNHS, 1999/2000-2009/10 and IHS, 1992/3

Over the same period, the number of Ugandans in the middle class increased from just 1.8 million to 10.0 million. As of 2009/10, there were more Ugandans in the middle class than in poverty. This is a sharp contrast to 17 years earlier when there were almost six poor Ugandans for every member of the middle class. Rather than constantly struggling to meet their most-basic needs, many more Ugandans are now striving for new opportunities to improve their lives. The economic, social and political implications of this transformation are profound.

On the other hand, many Ugandans have moved out of poverty but have not moved to the middle class; the size of this insecure group has more than doubled since the early 1990s. When surveyed these Ugandans were able to meet their basic needs, but – like the poor – their income remains highly volatile. They are therefore vulnerable to falling back into poverty, but also have a very realistic chance (as we shall show later) of moving up into the relative security of the middle class. These Ugandans, who we term here the ‘insecure non poor’, numbered 13.2 million in 2009/10 – 42.9 percent of the population.

In 2003, Yamano et al.(2004) identified a poverty line[[8]](#footnote-8) at $119 per person per year and also found that about 52 percent of rural households were living in poverty. The derivation of national poverty line is adopted from a calorie requirement approach that is based on the previous work of Ravallion & Bidani (1994) and Appleton (2001). The poverty line consists of the expenditure on food and non-food requirements.

1. In terms of household consumption, the period 2005/06-2009/10 was marked, on average, with positive growth in per adult equivalent consumption, but this growth was not as strong as that observed in 2002/03-2005/06 period. Though the proportion of people living in poverty significantly declined, the reduction in the number of poor persons in absolute terms was not significant and income inequality worsened. During the period 2002/03-2005/06, the distribution of income improved whereas the period 2005/06-2009/10 was marked with worsening income inequality (UBOS, 2010c). Furthermore, 42 percent of households mainly got their earnings from subsistence farming while it was only 25 percent that earned their living from wage employment.
2. Uganda has experienced high economic growth rates along with a significant drop in poverty rates. Real gross domestic product (GDP) has grown at an annual rate of 6.8 since 1986, which makes it one of fastest growing economies in Africa according to Kakande (2010) and Daniels (2011). As a result, poverty rates have dramatically reduced from 56% in early 90s to 24% in 2010. This notwithstanding, the improvement in the standard of living is not uniform across the country and income inequality as measured by the Gini coefficient increased from to 0.364 in 1992 (Appleton, 2001) to 0.426 in 2009/10 is 0.426 (UBOS, 2010a). The higher level of inequality in a more recent period between 2005 and 2010 can be attributed to the contrast between people working in manufacturing and service in urban areas with the large number of poor people also residing in urban areas (Mukwaya et al., 2011). This evidence of poverty reduction and economic growth in Uganda, some researchers including (Byekwaso, 2010, Kakande, 2010) have in recent years questioned the validity these impressive drop in poverty rates in the country (Daniels, 2011), a factor that is attributed to the method of consumption expenditure that uses ownership of assets and qualitative data to a limited extent. There was a 10 percent real increase in monthly household expenditure between 2005/06 and 2009/10 (UBOS, 2010b).

**4. Trends in non-monetary poverty indicators**

***Alternative non-monetary measures of poverty***

These alternative poverty measures are derived from data based on other sources such as: housing conditions, access to services, health and education outcomes as reported in the Demographic and Health Surveys.

**Table 9: Selected Millennium Development Goals**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2001** | **2004** | **2007** | **2010** |
| **Net enrolment ratio in primary education (%)** | 87 | 90 | 93 | 96 |
| **Completion rate to primary 7 (%)** | 63 | 62 | 47 | 54 |
|  | **1995** | **2000/01** | **2005/06** | **2011\*** |
| **Under-five mortality rate (per 1,000 live births)** | 156 | 152 | 137 | 90 |
| **Infant mortality rate (per 1,000 live births)** | 81 | 88 | 76 | 54 |
| **Maternal mortality ratio (per 100,000 births)** | 506 | 505 | 435 | 352$ |
| **Proportion of births attended to by skilled personnel (%)** | 38 | 39 | 42 | 59 |
| **Contraceptive prevalence rate (%)** | 15 | 23 | 24 | 30 |

**Sources: Education & Sports Sector Annual Performance Report 2007/08; UDHS various years; Uganda MDG Report 2010; \*UDHS2011 Draft Report; $indicative estimate – Institute of Health Metrics.**

**Table 10: other welfare indicators**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **2005/06** | **2009/10** |
| **Children under 18 years with possession of a blanket (%)** | 35.3 | 43.1 |
| **Households with iron-roofed house (%)** | 60.6 | 61.8 |
| **Households with at least one mobile phone (%)** | 16.7 | 46.3 |
| **Proportion of population using mosquito nets (%)** | 16.8 | 41.1 |

Source: UNHS various years

**Table 11: Poverty and Hunger Indicators**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Particulars | 1990-92 | 1995-97 | 2000-02 | 2004-06 |
| Dietary Energy Supply (DES) (kcal/person/day) | 2,260 | 2,170 | 2,340 | 2,670 |
| Annual Growth of Dietary Energy Supply (DES) (%) |  | -0.80% | 1.50% | 0.20% |

## The food and nutritional security situation in Uganda is still below the recommended level. For example, the national per capita consumption of meat is only 6kg, below the 50kg recommended by the Food and Agriculture Organization (FAO) and World Health Organization (WHO). Similarly, the average caloric intake per person per day in Uganda, though reported to have increased from 1,494 in 1992 to 1,971 in 2005, it is still less than the 2,300 calories per person that is recommended by WHO (Republic of Uganda, 2010). The number of people who are food insecure[[9]](#footnote-9) in Uganda increased from 12.0 million in 1992 to 17.7 million in 2007. Table 11 indicates that the dietary energy supply in Uganda increased from 2,260 kcal/person/day during the period of 1990-92 to 2,670 kcal/person/day between 2004 and 2006. This translated to a 2 percent annual growth of dietary energy supply of 2 percent during the period of 2004-06.

***Health Status indicators in Uganda***

There was a 3 percent increase in the proportion of households that fell sick in Uganda from 40 percent in 2005/06 to 43 percent in 2009/10. The proportion is shown to be higher in rural areas than is the case in urban areas. The distribution major diseases such as malaria, respiratory infection, diarrhea, skin infections, injury and others is more or less equal across the four regions of the country. Nevertheless, there was a slight change in prevalence of diseases since 2005/06; the malaria prevalence has decreased from 56% to 52% since 2005/09; most of the people who fell sick sought medical attention from private clinics, and; only 41 % of the population slept under the mosquito nets the day prior to the survey. In 2009/10, there was a marked increase in availability of health facilities within communities. However the average distance to health facilities not located within communities has generally remained the same.

Community access to safe drinking water has improved over the years and most communities are taking steps to further improve this access mainly through community participation and money contribution. Access to health facilities (21%) and improved sources of water for drinking (21%) were the major problems affecting communities in 2009/10. Overall, 72 percent of communities reported that they had ever held meetings to discuss community problems while 10 percent of communities reported having multi-purpose halls for holding meetings and other community functions. Additional statistics on health Status indicators in Uganda are summarized in Table A2.

***Education attainment indicators in Uganda***

The literacy rate, for persons aged 10 years and above was estimated at 73 percent which was an increase from 69 percent reported in 2005/06. Almost half of the communities reported having a Government primary school located within their communities. The average distance traveled to access a Government primary school was estimated at 2.2 Km and this has remained the same since 2005/06. Walking was reported as the most common mode of transport to access education facilities. It was estimated that the total primary school enrolment is 8.7 million pupils which is an increase compared to 7.5 million in the 2005/06. Secondary school enrolment was estimated at 1.5 million students (UBOS, 2010c).

In 2009/10, the annual labor force growth rate in Uganda was 4.7 percent and the majority of workers (82 percent) were in rural areas. Seventeen percent of the labor force did not have any formal education while 66 percent of working persons are employed in agriculture (UBOS, 2010c). The unemployment rate was 4.2 percent while time-related underemployment reduced from 12 percent in 2005/06 to 4 percent in 2009/10. Skills-related inadequate employment was more pronounced among urban workers than those in the rural areas. Twelve percent of wage/salary earners were categorized in wage-related inadequate employment (UBOS, 2010c).

In the case of education attainment status in Uganda, the 2009/10 UNHS report indicates that: the Literacy rate is 73% an increase from 69% in 2005/06; there are still gender disparities in literacy with the males having a higher rate than females; both primary and secondary school enrolment levels have increased over the last 5 years, and; the major reason for non-attendance of school for the household population aged 6-12 years and above was consideration of the children as too young by their parents (62%). The current literacy rate is higher for males (79%) than females (66%). Seventeen percent of persons aged 15 years and above did not have formal education, while three in every ten persons aged 6-24 years were not attending school.

Net primary enrolment ratio (NER) is the number of children of official primary school age who are enrolled in primary education as a percentage of the total children of the official school age population. The purpose of NER is to show the extent of participation in a given level of education of children and youths belonging to the official age group. This is a very important indicator in measuring rates of access to education, when considering gender inequality issues, as well as regional or rural/urban inequalities. The net primary school enrolment rate is 83 percent and is slightly higher for females (83%) than males (82%), which has been the trend in the past surveys. The net enrolment ratio computed from 2009/10 UNHS is slightly lower than the ratios from the previous two surveys though not significant.

In 2009/10, almost half of the communities report having a Government primary school located within their communities. This is an increase compared to the 2005/06 survey. The average distance traveled to access a Government primary school was estimated at 2 km and this has remained the same since 2005/06. Walking was reported as the most common mode of transport to access education facilities.

Total primary school enrolment was estimated at 8.7 million pupils in 2009/10 compared to 7.5 million in 2005/06. Secondary school enrolment was estimated at 1.5 million students, in 2009/10. The primary school Gross Enrolment Ratio was estimated at 120 percent and was lowest in urban areas (111%) and higher in rural areas (121%). The NER was 83 percent which is slightly lower than the rate from previous surveys. Almost 95 percent of primary day scholars attended school within a distance of 5 kilometers. Thirty percent of children attending day secondary schools in Northern Uganda have to travel a distance of more than 5 Kms to their school. Over three quarters of primary schools are managed by Government while the management of secondary schools was equally shared between Government and private schools. The population needs to be to be sensitized about reading newspapers in order to improve on their way of receiving information other than depending on word of mouth. Please see Table A3 for more statistics in education attainment indicators in Uganda.

***Housing and Household Conditions in Uganda***

Most of the housing and household conditions have improved especially the housing structure i.e. wall, roof and floor. Households are still dependent on tadoba for lighting and worse still; people are also over depending on the use of wood fuel for cooking. Recent statistics in 2009/10 suggest that: majority of dwelling units are detached houses and owner-occupied; iron-roofed houses are still the majority; earth floors are dominant; only 12% of households use electricity for lighting; 74% of households have access to water from improved sources compared to 68% in 2005/06, and; one in every ten households still lack a toilet facility. For more details in housing conditions in the country, please see Table A4.

**5. Trends in demographic characteristics**

Uganda’s population has been increasing over the last ten years. Uganda’s population increased from 21.4 million in 1999/00 to about 30.7 million in 2009/10, with about half of it was aged below 15 years with slightly more females than males. The number of households has been increasing over the survey periods and about 85 percent (the majority) live in the rural areas (UBOS, 2010c). The 2002/03 survey findings estimated the population of Uganda at around 25 million, while population estimates of the UNHS 2009/10 is about 30.7 million. Forty nine percent of the population was male while 51 percent was female. The sex ratio is defined as the number of males per 100 females in a given population. It is an index for comparing the numerical balance between the sexes. The sex ratio has remained more or less the same (95%) since 2002/03.

The proportion of persons aged less than 15 years constituted about 51 percent of the total population while that of persons aged 65 and above constituted only 3.1 percent. The proportions remained unchanged between the 2005/06 and 2009/10. The data further indicates a high age dependency ratio meaning that for every 100 persons in the working age group (15–64 years), there are 117 dependent persons and this figure is slightly higher than that reported in 2005/06 (116). In comparison to 2005/06, the age dependency ratio in the population resident in rural areas rose from 123 to 126 while that for urban areas declined from 85 to 75. The age dependency ratio represents the ratio of the combined child population (0 -14) and aged population (65+) to the population of intermediate age (15 – 64).

A household is defined as a group of persons who normally cook, eat and live together irrespective of whether they are related or unrelated. Table 12 reveals that total number of households in Uganda increased from 4.9 million in 2002/03 to 5.2 million in 2005/06 to 6.2 million in 2009/10. The data also shows a slight increase in the percentage of households residing in urban areas from 17 percent in 2002/03 to 19 percent in 2009/10.

**Table 12: Number of Households by Residence (millions)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Residence | 2002/03 | | 2005/06 | | 2009/10 | |
| Number | % | Number | % | Number | % |
| Rural | 4.1 | 83 | 4.3 | 82.6 | 5 | 81.2 |
| Urban | 0.8 | 17 | 0.9 | 17.4 | 1.2 | 18.8 |
| **Uganda** | **4.9** | **100** | **5.2** | **100** | **6.2** | **100** |

UBOS (2010) “ Uganda National Household Survey 2009/2010 report”

In 2009/10, the average household size in Uganda was estimated at 5.0 and it has remained more or less the same when compared with previous surveys as indicated in Table 13. The average household size is bigger in rural than in urban areas. Unlike in the Central region where the average household size decreased from 5 to 4, the rest of the regions remained the same when compared to estimates of 2005/06.

**Table 13: Average Household Size by Residence**

|  |  |  |  |
| --- | --- | --- | --- |
| Residence | 2002/03 | 2005/06 | 2009/10 |
| Rural | 5.3 | 5.3 | 5.2 |
| Urban | 4.1 | 4.6 | 3.9 |
| **Region** |  |  |  |
| Central | 4.8 | 4.8 | 4.1 |
| Eastern | 5.5 | 5.6 | 5.6 |
| Northern | 5.1 | 5.2 | 5.2 |
| Western | 5.2 | 5.3 | 5.1 |
| **Uganda** | 5.1 | 5.2 | 5 |

UBOS (2010) “ Uganda National Household Survey 2009/2010 report”

**6. External shocks**

Monetary poverty estimates are often based on household survey data. Notice that changes in say food prices, may affect poverty trends. Furthermore, variations in consumer price indices (price trends that are reported in household and market surveys) can explain deviations from the aggregate consumption estimates in national accounts. It is therefore important to verify the consistency of survey-based consumption measures with macroeconomic indicators such as economic growth as well as external shocks to the economy that may include: effects of weather fluctuations on food production and prices, and; changes in global commodity prices.

The recent disappointing economic performance is attributed to volatile year that was characterized by: high global oil and commodity prices; drought in some parts of the country; power shortages; exchange rate volatility, and; weak external demand. According to GOU (2012a)The high levels of inflation and exchange rate had severe implications for the real sector by undermining business confidence and investment in the industrial and services sectors.

***Trends in HIV prevalence***

The national HIV and AIDS prevalence rate has since 2002 remained 6.4% in adults and 0.7% in children (GOU, 2010, MOH, 2010b, UAC, 2007). This means that over one million people nationwide are infected with HIV. The ABC strategy was largely credited for reducing HIV prevalence from 18 per cent in the early 1990s to about six per cent in 2000. However, since then, prevalence has begun to rise again, going from 6.4 per cent in 2005 to 7.3 per cent in 2011, according to the most recent Aids Indicator Survey. The prevalence of the epidemic varies greatly by geographical location, socioeconomic status, and demographic status. The HIV and AIDS epidemic is reported to be highest among urban communities, the women, in the central region, and in the mid-northern regions of the country (UAC, 2007). Also, it is reported that the most severely affected population is shifting from the young and unmarried to older and married individuals. For instance, according to GOU (2010) the prevalence levels of the epidemic in the country have peaked among women aged 30-34 years and men aged between 40-44 years.

The national HIV prevention strategy continues to embrace ‘ABC’ - a prescription for Abstinence, Being faithful, and consistent and correct Condom use - as well as an array of biomedical interventions. And while awareness of HIV/AIDS is almost universal, it is not matched by the knowledge of specific ways to avoid HIV/AIDS. Despite years of HIV prevention messages, condom use remains erratic. There is growing vulnerability of couples in long-term relationships to HIV. Studies show that 43 per cent of new HIV infections occur in such unions. The HIV infections among married couples are high.

There has been a significant reversal of Uganda’s HIV prevention successes in last few years (GOU, 2010). Recent studies including the UDHS (2007) have reported rising rates of infections among the population and this is largely attributed to behavioral change. Recent survey results indicate that 6.7 percent of all Ugandans adults aged 15-49 are HIV positive (MOH- Uganda et al., 2011). This finding is slightly different from 6.4 percent found in 2004-05 UHSBS. HIV prevalence is found to be higher for women (7.7 percent) compared to 5.6 percent among men. A Higher level of HIV prevalence is also found among Ugandans in the age bracket of 30s and 40s, but is least among Ugandans between the age of 15 and 19. Sexual transmission continues to contribute the largest number (about 76 percent) of new infections in Uganda (GOU, 2010, MOH, 2010a). According to the 2005 National sero survey report, HIV is highest among marital sex (42 percent), commercial sex workers (21 percent), and casual sex (14 percent).

***Trends in droughts, foods and poverty***

In 2005/06, nearly two thirds of all households experienced at least one type of shock. The main shocks were: drought; floods; death of family members; pest attacks; robbery, and; civil strife. Rural households suffered mostly from shocks related to agriculture. The median duration of the most serious shock lasted 4 months and use of savings ranked highest as a mitigation measure. Shocks are events that are household or community specific and can occur suddenly. Usually they have a marked beginning and end. While they last for a short time, a few days or weeks, usually their effects are felt for a very long time.

In Uganda, drought, frequent prolonged dry seasons (erratic rains), HIV and AIDS, chronic illnesses, unfavorable market prices/events, and conflicts/family wrangles in that order of importance, have had serious negative effects on key livelihood activities in the country (Bashaasha et al., 2012). The impacts of HIV and AIDS and chronic illnesses are more significant among poor households than the better-off households. These hazards in totality have led to widespread food scarcity, low household income, and higher medical expenses. Flooding due to heavy rains is also the most chronic hazard affecting livelihoods of most households that reside in hilly areas of Kabale and Mount Elgon in Eastern Uganda. Heavy rains cause soil erosion and landslides on the mostly bare hills. Landslides are chronic and equally devastating to the local economies as they often cutoff some districts from major access routes and markets. The impact of these hazards has been widespread lack of adequate food across the district.

Malaria/fever remains the most prevalent illness as reported by 52 percent of persons that fell sick within 30 days prior to the date of interview. Forty three (43) percent of persons that suffered from illnesses sought treatment from private clinics. The share of the population using Government health centers remains higher in rural areas (27%); than in urban (10%) while the reverse is true for Government hospitals (UBOS, 2010c). A combination of shocks and coping strategies of households can affect the level of economic growth and poverty reduction. This justifies the importance of policy variables such as prices for agricultural exports, access to public goods such as health care, electricity, and infrastructure, as well as initial endowments of physical and human capital in enhancing growth and poverty reduction (Deininger and Okidi, 2003). Arguably, the high elasticity of growth and poverty with respect to output prices implies that producers can only be resilient to negative price shocks if there are policies to increase options for diversification, especially among the poor households.

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**Appendix**

**Table A1: Demographic Characteristics in Uganda**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **indicators** | **Particulars** | **UNHS 1999/2000** | **UNHS 2002/03** | **UNHS 2005/6** | **UNHS 2009/10** |
| Population (millions)-both Sexes | Uganda | 21.4 | 25.3 | 27.2 | 30.7 |
| Population Size by Sex (%) | Male | 49.2 | 48.4 | 48.7 | 48.8 |
|  | Female | 50.8 | 51.6 | 51.3 | 51.2 |
| Sex ratio |  | 96.2 | 94.6 | 95.1 | 95.3 |
| Number of Households (million) | Uganda | 4.2 | 4.9 | 5.2 | 6.2 |
|  | Rural | 3.5 | 4.1 | 4.3 | 5.0 |
|  | Urban | 0.7 | 0.8 | 0.9 | 1.2 |
| Average household size | Uganda | 5.2 | 5.1 | 5.2 | 5.0 |
|  | Rural | 5.4 | 5.3 | 5.3 | 5.2 |
|  | Urban | 4.4 | 4.1 | 4.6 | 3.9 |
|  | Central | 4.8 | 4.8 | 4.8 | 4.1 |
|  | Eastern | 5.3 | 5.5 | 5.6 | 5.6 |
|  | Northern | 5.3 | 5.1 | 5.2 | 5.2 |
|  | Western | 5.7 | 5.2 | 5.3 | 5.1 |
| Dependency ratio | Uganda |  |  | 116 | 117.0 |
|  | Rural |  |  | 123 | 126.0 |
|  | Urban |  |  | 85 | 75.0 |
| Population by age by residence (%) |  |  |  |  |  |
| Uganda | 0-14 years | 52.1 | 52.4 | 50.7 | 50.8 |
|  | 15-64 years | 44.6 | 45.5 | 46.2 | 46.1 |
|  | 65 + years | 3.4 | 2.2 | 3.1 | 3.1 |
| Urban | 0-14 years |  | 43.2 | 43.8 | 41.7 |
|  | 15-64 years |  | 55.5 | 54.2 | 57.0 |
|  | 65 + years |  | 1.3 | 2.0 | 1.3 |
| Rural | 0-14 years |  | 53.8 | 52.0 | 52.5 |
|  | 15-64 years |  | 43.9 | 44.8 | 44.2 |
|  | 65 + years |  | 2.3 | 3.2 | 3.3 |
| Population distribution by residence (%) |  |  |  |  |  |
| Urban |  |  | 14 | 15.4 | 15 |
| Rural |  |  | 86 | 84.6 | 85 |

Source: UNHS various years

**Table A2: Health Status indicators in Uganda**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **indicators** | **Particulars** | **UNHS 1999/2000** | **UNHS 2002/03** | **UNHS 2005/06** | **UNHS 2009/10** |
|  |  |  |  |  |
| Proportion who fell sick by residence (%) | Uganda |  | 29 | 40 | 43 |
|  | Rural |  |  | 42 | 44 |
|  | Urban |  |  | 33 | 38 |
| Major types of illness (%) |  |  |  |  |  |
| Malaria/fever |  |  |  | 56 | 52 |
| Respiratory infections |  |  |  | 14 | 15 |
| Diarrhea |  |  |  | 4 | 3 |
| Skin infections |  |  |  | 3 | 2 |
| Injury |  |  |  | 3 | 3 |
| Others |  |  |  | 19 | 26 |
| Use of mosquito nets (%) |  |  |  |  |  |
|  | Uganda |  | 11 | 17 | 41 |
|  | Rural |  |  | 13 | 38 |
|  | Urban |  |  | 38 | 57 |
|  | Kampala |  |  | 47 | 59 |
|  | Central |  |  | 16 | 38 |
|  | Eastern |  |  | 17 | 47 |
|  | Northern |  |  | 17 | 46 |
|  | Western |  |  | 11 | 29 |
| Medical attention sought (%) |  |  |  |  |  |
| Home treatment |  |  |  | 2 | 3 |
| Pharmacy/drug shops |  |  |  | 13 | 15 |
| Clinic |  |  |  | 45 | 43 |
| Health centre |  |  |  | 26 | 28 |
| Hospital |  |  |  | 9 | 9 |
| Others |  |  |  | 6 | 3 |
|  |  |  |  |  |  |
| Proportion of population accessing an improved drinking water source (Total) | | | |  |  |
|  | Rural |  | 57.6 | 63.6 | 69.5 |
|  | Urban |  | 86.9 | 86.8 | 92.3 |
|  | Uganda |  | 62.6 | 67.6 | 73.8 |

Source: UNHS various years

**Table A3: Education attainment indicators in Uganda**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **indicators** | **Particulars** | **UNHS 1999/2000** | **UNHS 2002/03** | **UNHS 2005/06** | **UNHS 2009/10** |
|  |  |  |  |  |  |
| No Formal Education 15+yrs (%) | Uganda |  | 17 | 20 | 17 |
|  | Rural |  | 10 | 23 | 20 |
|  | Urban |  | 24 | 9 | 6 |
|  | Male |  | 10 | 11 | 10 |
|  | Female |  | 24 | 28 | 24 |
| Educational attainment by Residence (%) – 15+yrs | |  |  |  |  |
| No formal schooling | Urban |  | 7 | 8.6 | 6.6 |
|  | Rural |  | 19 | 22.5 | 19.7 |
| Some or completed primary | Urban |  | 27 | 44.9 | 30.5 |
|  | Rural |  | 47 | 59.9 | 56.0 |
| Some or completed secondary | Urban |  | 37 | 36.9 | 44.8 |
|  | Rural |  | 18 | 15.5 | 21.1 |
| Post secondary education | Urban |  | 8 | 9.7 | 18.1 |
|  | Rural |  | 1 | 2.1 | 3.3 |
| Literacy status (%) |  |  |  |  |  |
|  | Uganda | 65 | 70 | 69 | 73 |
|  | Urban | 86 | 87 | 86 | 88 |
|  | Rural | 62 | 67 | 66 | 69 |
|  | Male | 74 | 77 | 76 | 79 |
|  | Female | 57 | 63 | 63 | 66 |
| Primary school enrolment (Millions) |  |  |  |  |  |
|  | Uganda | 6.7 | 7.5 | 7.6 | 8.7 |
|  | Male | 3.5 | 3.7 | 3.9 | 4.4 |
|  | Female | 3.2 | 3.8 | 3.7 | 4.3 |
| Secondary school enrolment (‘000) |  |  |  |  |  |
|  | Uganda |  |  | 904 | 1537 |
|  | Male |  |  | 483 | 837 |
|  | Female |  |  | 421 | 700 |
|  |  |  |  |  |  |
| Net Primary School Enrolment Ratio by Sex (%) | Uganda | 84 | 85.5 | 84.0 | 83.2 |
|  | Male | 85 | 85.0 | 84.0 | 82.4 |
|  | Female | 84 | 86.0 | 85.0 | 83.2 |
|  |  |  |  |  |  |
| Average Distance to Education Facilities not available within the Community (Km) | | | |  |  |
| Government primary school | Uganda |  |  | 2.2 | 2.0 |
|  | Urban |  |  | 1.2 | 1.3 |
|  | Rural |  |  | 2.3 | 2.1 |
| Private primary school | Uganda |  |  | 11.1 | 3.6 |
|  | Urban |  |  | 5.7 | 1.6 |
|  | Rural |  |  | 11.6 | 3.8 |
| Pre-primary/Early childhood centre | Uganda |  |  | 6.6 | 3.0 |
|  | Urban |  |  | 1.5 | 0.9 |
|  | Rural |  |  | 7.1 | 3.3 |
| Government secondary school | Uganda |  |  | 7.7 | 5.1 |
|  | Urban |  |  | 2.8 | 3.3 |
|  | Rural |  |  | 8.3 | 5.5 |
| Private secondary school | Uganda |  |  | 8.3 | 7.1 |
|  | Urban |  |  | 4.1 | 2.1 |
|  | Rural |  |  | 8.8 | 7.9 |

Source: UNHS various years

**Table A4: Housing and Household Conditions in Uganda**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **indicators** | **Particulars** | **UNHS 1999/2000** | **UNHS 2002/03** | **UNHS 2005/06** | **UNHS 2009/10** |
|  |  |  |  |  |  |
| Type of Dwelling Unit (%) | Detached | 58 | 56 | 61 | 58 |
|  | Huts | 27 | 26 | 22 | 22 |
|  | Tenement | 13 | 17 | 15 | 18 |
|  | Others | 2 | 1 | 2 | 2 |
| Occupancy tenure (%) |  |  |  |  |  |
|  | Owner occupied | 82 | 78 | 78 | 76 |
|  | Rented | 14 | 18 | 16 | 18 |
|  | Free | 4 | 4 | 6 | 6 |
| Number of rooms used for sleeping (%) | |  |  |  |  |
|  | One room |  | 44 |  | 45 |
|  | Two rooms |  | 30 |  | 31 |
|  | More than two rooms |  | 26 |  | 24 |
| Types of Roof material (%) |  |  |  |  |  |
|  | Iron sheets | 57 | 63 | 61 | 62 |
|  | Grass thatched | 42 | 35 | 38 | 37 |
|  | Others | 1 | 1 | 1 | 1 |
| Types of Wall material (%) |  |  |  |  |  |
|  | Bricks | 40 | 51 | 53 | 57 |
|  | Mud and pole | 56 | 46 | 42 | 39 |
|  | Other wall | 4 | 3 | 5 | 4 |
| Types of Floor material (%) |  |  |  |  |  |
|  | Earth | 78 | 73 | 74 | 71 |
|  | Cement | 22 | 24 | 25 | 27 |
|  | Other floor | 0 | 3 | 1 | 2 |
| Source of Energy for cooking (%) |  |  |  |  |  |
| Uganda | Firewood | 84 | 78 |  | 73 |
|  | Charcoal | 14 | 18 |  | 22 |
|  | Kerosene | 1 | 2 |  | 2 |
|  | Electricity | 1 | 1 |  | 1 |
|  |  |  |  |  |  |
| Rural | Firewood | 96 | 90 |  | 86 |
|  | Charcoal | 4 | 8 |  | 10 |
|  | Kerosene | 0 | 1 |  | 2 |
|  | Electricity | 0 | 0 |  | 3 |
|  |  |  |  |  |  |
| Urban | Firewood | 20 | 22 |  | 15 |
|  | Charcoal | 70 | 67 |  | 70 |
|  | Kerosene | 5 | 5 |  | 5 |
|  | Electricity | 3 | 3 |  | 2 |
| Fuel used for Lighting (%) |  |  |  |  |  |
| Tadooba (paraffin candle) |  | 72 | 70 |  | 66 |
| Lantern |  | 14 | 15 |  | 14 |
| Electricity |  | 7 | 9 |  | 12 |
| Other |  | 7 | 6 |  | 8 |
|  |  |  |  |  |  |
| Type of Toilet facility (%) |  |  |  |  |  |
| Bush/no toilet |  | 14 | 13 |  | 9 |
| Pit latrine |  | 83 | 86 |  | 85 |
| VIP |  | 1 | 0 |  | 4 |
| Flush |  | 2 | 1 |  | 2 |
|  |  |  |  |  |  |
| Access to Improved water (%) |  |  |  |  |  |
| Uganda |  | 57 | 68 | 68 | 74 |
| Rural |  | 51 | 57 | 64 | 70 |
| Urban |  | 87 | 84 | 87 | 92 |

1. The robust monetary poverty measure relies more on the use of a common nutrient-based poverty line and a common approach to measuring household consumption level. The official (national) poverty line is also employed. [↑](#footnote-ref-1)
2. UNHS, agricultural module sections covers various subject matter that include: (i) household Identification particulars; (ii) staff details and survey time; (iii) current land holdings; (iv) investments on land; (v) crop plot areas (in acres), by season; (vi) household member labor inputs by plot, by season; (vii) hired labor and non-labor inputs by plot, by season; (viii) disposition of crops: by season; (ix) land characteristics and rights; (x) land title, certificate and disputes;(xi) livestock ownership; (xii) livestock expenditure and income, and (xiii) agricultural technology and extension services. [↑](#footnote-ref-2)
3. The Uganda Bureau of Statistics (UBOS) has been carrying out an integrated household survey, popularly known as Uganda National Household Survey (UNHS) every other year since the late 1980s. Through the UNHS, Uganda has very rich household time series data covering over 13 years. [↑](#footnote-ref-3)
4. The Socio-economic module covered household characteristics which include housing conditions, household assets, incomes and outstanding loans, household expenditure, welfare indicators and cultural participation of household members. The module also covered individual characteristics of household members namely education, literacy, health status, disability, mosquito net usage and health seeking behavior of household members. [↑](#footnote-ref-4)
5. In 2009/10, Uganda’s agriculture employed 66 percent (8.8 million) of the working population, while by occupation, 60 percent (8.1 million) of the working population were workers in agriculture and fisheries (MAAIF 2011) [↑](#footnote-ref-5)
6. Note also that, the poverty gap can be used as a measure of the ‘minimum amount of resources necessary to eradicate poverty’, that is, the amount that one would have to transfer to the poor under perfect targeting (i.e. each poor getting exactly the amount he/she needs to be lifted out of poverty) to bring them all out of poverty. [↑](#footnote-ref-6)
7. In absolute numbers, a total of 8.4 million Ugandans live in poverty, and of these 7.9 (94%) live in rural areas (UBOS, 2006). Appleton, (2001b) indicates that the proportion of Ugandans estimated to be living below the poverty line was 34% in 1999/2000. [↑](#footnote-ref-7)
8. Yamano et al. (2004) computed the annual food poverty line to be Ug.shs 171,360 ($90.2) per male adult, which is equivalent to Ug.shs 14,280 (US$7.52) cost of the simplified food basket of about 39 items per month times 12 months. Food requirement was defined based on the costs of obtaining 3,000 kilo calories per day for a male adult in rural Ugandan. Using adult-equivalents that were employed in Appleton 2001, food requirements for different age-gender groups were computed. Households whose total expenditure per adult-equivalent was just at the food poverty line was found to spend about 31.5 percent of total expenditure on non-food items, which translated to about Ug.shs 53,960 (US$28.4). The national poverty line was therefore identified to be at Ug.shs 225320 (US$118.6) per person per year. [↑](#footnote-ref-8)
9. Food security exists when all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food which meets their dietary needs and food preferences for an active and healthy life (FAOSTAT website). [↑](#footnote-ref-9)