A fresh dawn: EPRC unveils new corporate brand identity. Rt Hon. Moses Ali, 2nd Deputy Premier prepares to autograph the new EPRC Logo in the presence of the EPRC Board Members, Hon Matia Kasaija, Minister of Finance and the Governor BoU, Emmanuel Mutebile.
Who We Are
The Economic Policy Research Centre (EPRC) is Uganda’s leading think tank in economic research and development policy. We provide policy analysis to support the formulation, implementation, monitoring and evaluation of government policies.

Our Mission
To foster sustainable growth and development of the Ugandan economy by advancing the role of research in policy processes through three broad goals:

- Build capacities of stakeholders to utilise research
- Foster effective policy making to support the improvement of welfare and socio-economic status of Ugandans.
- Strengthen policy linkages and networks with national and international stakeholders.

Institutional Structure
EPRC was established in 1993 as an autonomous not for profit organization. It is located on Plot 51 Pool Road, Makerere University campus. The centre is governed by a Board of Management (BoM) chaired by the Permanent Secretary to the Ministry of Finance, Planning and Economic Development/Secretary to the Treasury. The board comprises of representatives from Makerere University, Bank of Uganda, the Private Sector, the Research Community, National Planning Authority (NPA), and Makerere Institute of Social Research (MISR). The day-to-day running of the centre is coordinated by an Executive Director.
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A nother year has drawn to a close and it is my pleasure to share with you the Economic Policy Research Centre (EPRC)’s accomplishments during the period July 2014 to June 2015. In line with our core business, we were able to complete several research assignments during the period. This research comprised of core, home grown and commissioned studies based on the thematic areas stipulated in the Centre’s Strategic Plan. In total, 14 research studies were completed during the financial year.

One of the studies that attracted significant public interest nationally and internationally, is the study on the Uganda Youth Venture Capital Fund that evaluated the effectiveness of the fund against its objectives of promoting enterprise development, job creation and skills training as well as the level and determinants of youth participation in the fund. It showed that although there was some positive effect of the fund on business expansion, there was no significant effect on job creation. The findings of this study triggered extensive public-policy debate, and widely marketed the centre’s interest in youth issues. As a result the Centre was able to attract funding from the International Labour Organization (ILO) to undertake two other studies on youth employment in Uganda.

During this period, the Centre witnessed an increase in the number of requests from both within and outside the country for research, consultations and engagements on topical issues. For instance, EPRC researchers were invited to make presentations at the African Association of Agricultural Economists held in Tunisia (1 paper); at the IDRC/PEP on “Youth Employment in sub-Saharan Africa — YESSA” held in Dakar, Senegal (Jan 28-31, 2014 — 3 papers); at the 2014 Annual CSAE on Economic Development in Africa conference (March 23-25, 2014 — 3 papers); and at the Poverty Reduction, Equity and Growth Network in Lusaka, Zambia (September 18-19, 2014 — 1 paper), among others. Worth noting, was the active participation of researchers in international conferences — as paper presenters and/or discussants, session chairs, speakers and panelists at various international conferences (including high level panel discussions — African Union agenda 2063; high level panel post-2015 development agenda — African Perspectives; and Networking of Policy Think Tanks under the AfDB). In total more than 15 papers were presented at international conferences during the review period.

In August 2014, EPRC successfully engaged Government and agricultural stakeholders on the impact of proposed Value Added Tax (VAT) on Agricultural inputs. This led to the rescinding of this particular proposal. EPRC was also granted an extension by the World Bank Country Office to provide technical support in drafting of the 4th Annual report on Data Tracking Mechanism (DTM). The annual report was launched in August 2014 and received significant print media coverage though with less attribution to EPRC. In addition, in partnership with the Centre for the Study of African Economies (CSAE) at the University of Oxford, we undertook an end-line survey testing the impact of financial incentive payments on teacher attendance, cost of monitoring, and reporting. The study showed that teacher attendance, monitoring frequency, and the number of false reports all increased with the introduction of financial incentives, thus affirming government’s position that increase in teacher salaries would not necessarily improve quality of education.

We maintained the Centre’s representation in various government sector working committees and other organs. Researchers continued to respond to targeted invitations from individual government Ministries, Departments, Agencies (MDAs) and Development Partners. For instance, EPRC is a member of the Presidential Economic Forum that meets once every two months as well as a member of the expanded National Planning Authority Board. The Centre was also invited to participate in various meetings organised by the Ministry of East Africa Affairs and Ministry of Trade, Industry and Cooperatives; and Ministry of Agriculture, Animal Industry and Fisheries. The Centre also provided technical support to the Uganda Bureau of Statistics (UBOS) during preparations for the 2014 Uganda Population and Housing Census.

The implementation of EPRC’s annual work plan was made possible through the generous support of funders who share our commitment to research-based knowledge and applied policy analysis. The Centre’s core funders included: the Government of Uganda and the International Development Research Centre (IDRC)’s Think Tank Initiative. However, the Centre continued to receive short term and restricted funding from AGRA, UNDP, World Bank and ILO.

In terms of its future outlook, during 2015/16, the Centre will focus on diversifying its funding sources as well as re-positioning it’s self as a premiere go-to economic policy think tank in Uganda and the region. We will continue to undertake extensive analytical work on public finance management, managing oil resources, and trade potential within the East African Community, among others.

I would like to extend my sincere appreciation to the EPRC Board of Management for the oversight and guidance offered in the past year that enabled the Centre to meet its targets, objectives and mission. My thanks also go to all the EPRC staff that worked diligently towards the achievement of the Centre’s objectives. I look forward to building on the success achieved and to the support and collaboration of all key stakeholders in the execution of our mandate.

Sarah N. Ssewanyana, PhD
Executive Director
Board of Management as at June 2014

Mr. Keith Muhakanizi
Permanent Secretary/Secretary to Treasury, Ministry of Finance, Planning and Economic Development (Chairperson)

Arch. Dr. Barnabas Nawangwe
Deputy Vice Chancellor, Makerere University (Deputy Chairperson)

Dr. Adam Mugume
Executive Director, Research and Policy Function Bank of Uganda (Ex-officio member representing Governor, BOU)

Prof. Mahmoud Mamdani
Executive Director, Makerere Institute of Social Research (Ex-officio Member)

Prof. Grace Bantebya Kyomuhendo
Professor, School of Women and Gender Studies (Member Representing research community)

Ms. Edigold Monday
Managing Director, Bank of Africa (U) Ltd (Independent member)

Mr. Gideon Badagawa
Executive Director, Private Sector Foundation of Uganda (Private Sector representative)

Dr. John B. Ssekamatte-Ssebuliba
Head of Population and Social Services Planning National Planning Authority (Public Sector)
Our Staff
### Staff as at June 2014

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<td>1. Dr. Sarah Ssewanyana</td>
<td>Executive Director</td>
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<td>2. Dr. Ibrahim Kasirye</td>
<td>Principal Research Fellow</td>
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<td>3. Dr. Ezra Francis Munyambonera</td>
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<td>8. Mr. Tony Odokonyero</td>
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<td>9. Ms. Mildred Barungi</td>
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<tr>
<td>10. Mr. Francis M. Mwaura</td>
<td>Sectoral  <em>(Left January 2015)</em></td>
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<td>11. Ms. Annet Adong</td>
<td>Sectoral</td>
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<td>12. Ms. Madina Guloba</td>
<td>Sectoral <em>(Joined February 2014)</em></td>
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<td>13. Dr. Alex Thomas Ijjo</td>
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<td>16. Ms. Miriam Katunze</td>
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<tr>
<td>20. Mary Tusaba Kivunike</td>
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<td>22. Elizabeth Birabwa Aliro</td>
<td>Information Management and Dissemination <em>(Head)</em></td>
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<td>23. Stephen Kasirye</td>
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<td>27. Ms. Caroline Kasoke</td>
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<tr>
<td>28. Ms. Aminah Balunywa</td>
<td>Front Desk Officer</td>
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<tr>
<td>29. Mr. Fred Kanyike</td>
<td>Driver <em>(left September 2014)</em></td>
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<td>30. Mr. Godson Busengendo</td>
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<td>31. Mr. Stephen Mayanja</td>
<td>Driver</td>
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<tr>
<td>32. Mr. Robert Muzzaaya</td>
<td>Office Attendant</td>
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<tr>
<td>33. Mr. Lawrence Luzze</td>
<td>Office Attendant</td>
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Our Outputs
Production of Uganda Human Development Report (UHDR)

In November 2014, EPRC signed a Memorandum of Understanding (MoU) with the United Nations Development Programme (UNDP) to prepare the Uganda Human Development Report 2015. The report that focused on Northern Uganda explored how people in the region can achieve higher levels of human development and contribute to the realization of the full development potential of Northern Uganda. Doing this report on behalf of UNDP was a landmark for EPRC considering that the Uganda Country office had not produced such a flagship report for the past five years. In addition, evidence provided in the report presented the government with a benchmark against which progress in conflict affected areas can be measured in the future. It also helped both government and UNDP to track progress and evaluate the different policy choices during the recovery phase, as well as assist in designing better conflict sensitive policies and programmes for the region. The Centre together with UNDP believe the report will continue to inform sustained dialogue on how to move northern Uganda to a transformational development path to attain Vision 2040.

EPRC appointed new institutional home for Agricultural Finance Yearbook

In 2014, EPRC was bestowed with a new responsibility of spearheading the coordination and production of the Agriculture Finance Year Book (AFYB). The book is a valuable knowledge management product initiated by GIZ Financial System Development Programme, Bank of Uganda, and Ministry of Agriculture, Animal Industry & Fisheries (MAAIF)—to provide policy benchmarks for government and private sector to intervene in agricultural financing. A key objective of the publication is to bridge the gap between two vital sectors of the Ugandan economy, namely Agriculture and Finance. In its formative years GIZ shouldered the technical and financial aspects of its production with subsequent support from Agribusiness Initiative Trust and USAID.

During the transition period, EPRC together with its partners GIZ, BoU and MAAIF was able to organize on October 17, 2014 a successful launch of the 7th edition of the Agricultural Finance Yearbook on the theme “New technology in financial services: new gains for agriculture”. The launch event received wide media coverage that heightened debate on whether Uganda needs an Agricultural Bank. It also generated increased interest and requests for collaboration in the preparation and launch of the book and other initiatives focused on agricultural financing. Most notable of these is the request and subsequent nomination of EPRC to the steering committee of the Agriculture Finance Platform.

Rebranding and re-positioning EPRC in the region

EPRC launched a new brand and logo aimed at enhancing its relevance, effectiveness and visibility in providing evidence driven policy advice for sustainable development in Uganda. The Centre sought to consolidate the achievements gained in providing influential and relevant research outputs and services over its 20 years of existence. The rebranding was meant to position the Centre as a key partner in the country’s transition toward middle income status as envisioned in Vision 2040; deepen economic integration in the East African Community; and strengthen its involvement with the post 2015 sustainable development goals (SDGs).

Context Analysis on Youth Entrepreneurship in Uganda

EPRC with support from Youth Entrepreneurship Facility of the International Labour Organization (ILO) conducted a study to identify
the factors and the key change agents that may be associated with the ability to exert influence and advocate for evidence-based decision making and change facilitation in the area of youth entrepreneurship policies and interventions in Uganda. The results of these study were published into a report titled “Youth Entrepreneurship in Uganda: Policy, Evidence and Stakeholders-A Context Analysis” which was widely shared with various stakeholders groups at different platforms. These included: Uganda Evaluation week, National Advisory Committee of ILO-projects on WEDDE and YEF chaired by the MoGLSD, National Youth working Group and the media. The interactions made with policy makers and other actors during the consultations and dissemination of the study report led to other spill over activities which culminated into:

1) Establishment of a standing working relationship with ILO and ILO funded projects in Uganda and the EAC region. These partnerships have helped EPRC to strengthen linkages with other MDA’s namely; MTIC and UNCC-on Entrepreneurship, MoGSLD and Enterprise Uganda- on youth entrepreneurship and employment. Other networks associated with comprised of the private sector such as USSIA, UWEAL and FUE.

2) Recognition of the Centre’s ability by ILO, to generate evidence that can inform policy processes around youth issues, entrepreneurship and employment. Following successful implementation of the study on youth entrepreneurship, EPRC received another request from ILO-Geneva to conduct key informant interviews and compile a synthesis report on “Status of Youth Employment in Uganda”, to feed into an ILO-World Bank report. In addition, the Centre was given a permanent position on the National Advisory Committee of the ILO Youth Entrepreneurship Facility (ILO-YEF) and the Women’s Entrepreneurship and Development and Economic Empowerment (ILO-WEDDE) which reviews work plans and evaluates the performance of the ILO interventions and projects on youth and women entrepreneurship in Uganda. Clear testimonies of the Centre’s influence on this committee are the two awards (Institutional and Individual) received for its contribution and effective involvement in the WEDDE and YEF activities.

3) EPRC’s active engagement in drafting and shaping formulation of the National Micro Small and Medium Enterprise (MSME policy) that was approved by Cabinet in September 2015 and the subsequent drafting of the MSME Implementation Plan and Budget which is yet to be endorsed by the Ministry of Finance, Planning and Economic Development.

Recognition as leading economic research organization in the area of Oil and Gas

During the reporting period, the Centre witnessed a surge in the number of organizations interested in partnering and collaborating to undertake research and policy analysis in the area of oil and gas. This growing interest resulted from an earlier baseline survey on the socio-economic implications of oil discovery in the Albertine Graben. The survey was conducted in 19 districts of South Western Uganda. The study was undertaken as part of a two year project on natural resource management in East Africa, implemented by EPRC in collaboration with the Africa Growth Initiative at the Brookings Institutions.

On 19th August 2014, EPRC signed a memorandum of understanding with the King Abdullah Petroleum Studies and Research Centre (KAPSARC) to undertake research on oil and natural resources in Uganda.

Within this partnership, four EPRC researchers from the Macroeconomics department were able to benefit from a one month’s training in macroeconomic modelling of oil impacts, held in February to March 2015 in Riyadh, Saudi Arabia. This training enabled the researchers to develop a model for projecting the impact of oil revenues to Uganda’s economy both at household, firm and national level.
Research Studies & Projects
Research Snapshots

The current EPRC research agenda is being guided by its Medium Term Strategic Plan 2013-2017 that is well aligned with the Uganda’s five-year National Development Plan (NDPI and NDPII); and Uganda’s Vision 2040. The Strategic Plan focuses on the following thematic areas: (i) economy, employment and public finance management; (ii) microeconomic analysis, service delivery and social protection, (iii) private sector development and competitiveness, (iv) natural resources management, (v) trade and regional integration, and (vi) policy inconsistency and implementation gaps;

During the July 2014 – June 2015 period, the Centre undertook both core and commissioned research. Core research involved studies initiated either by the EPRC in-house researchers or in collaboration with other institutions (local or international) using core grant support to the Centre. In this category, we also undertook research initiated by internal staff but not funded under the core funding (home grown). The commissioned studies are researches funded by and done for particular clients. The commissioned studies were in line with the Centre’s thematic areas as identified in its Strategic Plan 2013-2017; and others related to emerging development challenges. In total, the Centre completed 14 studies. Below are the summaries of studies completed during the financial year 2014/2015 by thematic area.

Macroeconomic Effects of Budget Deficits in Uganda: A VAR-VECM Approach
Musa Mayanja Lwanga and Joseph Mawejje

This paper investigates the relationship between budget deficits and selected macroeconomic variables for the period 1999 to 2011 using Vector Error Correction Model (VECM), pairwise granger causality test and variance decomposition techniques. The results from the study show that budget deficits in Uganda are responsible for widening current account deficit and raising interest rates. Fiscal and monetary policy actions are therefore needed to contain and reduce the deficit in order to minimize its effect on the current account and lending interest rates. Such actions should aim at increasing Uganda’s tax revenue collection by adopting efficient and effective methods of tax collection.

Ezra Munyabonera & Musa Mayanja Lwanga

Despite the enactment of a number of public finance management reforms since the 1990s, misappropriation of public funds in Uganda remains a challenge. For example, scandals in the Office of the Prime Minister where UGX 60 billion was stolen and UGX 340 billion was lost to ghost pensioners in the Ministry of Public Services prompted several donor governments to suspend budget support to Uganda in 2012. In response to this and other challenges, the government took advantage of provisions in existing laws and regulations to initiate a number of new reforms and measures to further strengthen public financial management and improve public service delivery.

This report examines the progress and impact of these on-going public finance management reforms undertaken by the MFPED since 2012/13. These reforms include the implementation of the Treasury Single Account (TSA); upgrading the Integrated Financial Management System (IFMS) and the Integrated Personnel and Payroll System (IPPS); improving wage and payroll management, improving budget formulation, implementation, monitoring and reporting; and strengthening budget transparency.

Tax Revenue Effects of Sectoral Growth and Public Expenditure in Uganda
Joseph Mawejje & Ezra Munyabonera

This paper contributes to a growing strand of literature on the determinants of tax revenue performance in developing countries, particularly in Sub-Saharan Africa.
Africa. More specifically, it estimates the tax elasticities of sectoral output growth and public expenditure. First, it uses a simple analytical model for tax revenue performance taking into account some structural features pervasive in most developing countries with large informal sectors. Secondly, it tests the model predictions on Ugandan time series data using ARDL bounds testing techniques. Results indicate that dominance of the agricultural and informal sectors pose the largest impediments to tax revenue performance. In addition development expenditures, trade openness, and industrial sector growth are positively associated with tax revenue performance. The paper proposes policies to support the development of value added linkages between agricultural and industrial sectors, with emphasis on unlocking the potential of the informal sector in order to widen the tax base.

**Inflation Dynamics and Agricultural Supply Shocks in Uganda**
Joseph Mawejje and Musa Mayanja Lwanga

The study estimates the contribution of agricultural supply shocks to inflation in Uganda. Using monthly data for the time period January 2000 to December 2012, an empirical model for inflation processes in Uganda is developed. The model is estimated as a single equation that includes lagged vector error correction terms from the money, external, and domestic agricultural markets. It also includes a measure for shocks to the agricultural sector, the agricultural output gap, estimated as the monthly deviations realized from potential agricultural output. The analysis is augmented by a VAR model that allows to account for inflation persistence. Results indicate that disequilibria in the money, external and agricultural sectors feed into the Ugandan inflation process in the long run. The agricultural sector is considered one of the important sources of inflation in the short run. The study therefore shows that policies geared towards improving agricultural productivity on the one hand and limiting supply rigidities on the other will be crucial in controlling inflation in Uganda.

**Progressivity or Regressivity in Uganda’s Tax System: Implications for the FY 2014/15 Tax Proposals**
Sarah Ssewanyana & Ibrahim Kasirye

The paper provides insights on the tax-benefit implications of the FY2014/15 tax proposals as well as the 2012/13 income tax reform. While the income tax reform enhanced the progressivity of pay-as-you-earn (PAYE), it resulted in significant loss of government revenue by nearly 0.2 percent of GDP. Interesting findings do emerge with the non-income tax. The study findings reveal that, Uganda’s tax system comprises of a mixture of progressive (e.g. on fuel, pasteurised milk) and regressive taxes (e.g. on salt, piped water, kerosene). In terms of horizontal equity, the degree of progressivity varies across gender and geography.

Notwithstanding these findings, the entire tax system becomes less progressive with the 2014/15 tax proposals but the negative impact is offset by the progressivity in public spending on health and primary education. As such focusing on progressivity or lack of it at individual item level could be misleading, calling for examining the tax system in its entirety. The paper calls for more evidence-based tax policy processes to minimise government’s reversal of its proposed tax measures.

**Thematic Area:**
**Trade and Regional Integration**

**Leveraging Aid for Trade Capacity in Uganda**
Alex Thomas Ijjo and Isaac Shinyekwa

Domestic supply constraints constitute a significant barrier to international trade in least developed countries (LDCs). These constraints include infrastructure bottlenecks, fluctuating productive capacities, and inability to meet international quality standards. In recognition of this, the World Trade Organization launched the “Aid for Trade” (AFT) initiative in 2005 to coordinate international support for strengthening trade capacity in the LDCs. Looking at the case of Uganda, the authors examined the role of overall Official Development Assistance (ODA) in Uganda’s external trade and its AFT component in strengthening national trade capacity. The results show reasonably good alignment between ODA and Uganda’s national development priorities. Secondly, based on a time series Error Correction Model (ECM), the authors find a positive ODA impact on both exports and imports with 1 percentage increase in ODA associated with approximately 0.7 and 0.3 percentage increases in exports and imports respectively. In addition,
there is evidence of improvement in the country’s policy formulation capacity with aid support. Despite these positive impacts however, Uganda has run an external trade sector deficit for over three decades, indicative of persistent supply capacity constraints. In view of these findings, the authors recommend continued targeting of aid into strengthening of the productive capacity, developing regionally integrated economic infrastructure and enhancing quality and standards capacity.

Regional Economic Integration and Economic Growth in the COMESA Region 1980-2010
Henry Tumwebaze and Alex Thomas Ijjo

A key goal of the COMESA Treaty (1993) was to stimulate sustainable economic growth in the region through increased trade between member states. On the basis of a 1980-2010 annual panel data set, the paper examines the contribution of COMESA integration to economic growth in the region using instrumental variables GMM regression in a framework of a cross country gross model. Contrary to a priori expectation, there is no significant empirical support for a positive growth impact, as yet, on the region from the integration. Growth in capital stock, population, world GDP and the level of openness to international trade turned out to be the most robust drivers of growth in the COMESA region over the period.

Thematic Area: Microeconomic Analysis, Service Delivery and Social Protection

A Pathway to Financial Inclusion: Mobile Money and Individual Savings in Uganda.
Musa Mayanja Lwanga & Annet Adong

This study provides a micro perspective on the impact that mobile money services have on an individual’s saving behavior using 2013 Uganda FinScope data. The results show that although saving through mobile phones is not a common practice in Uganda, being a registered mobile money user increases the likelihood of saving with mobile money. Using mobile money to save is more prevalent in urban areas and in the central region than in other regions. This can be explained by several factors. First, rural dwellers on average tend to have lower incomes and thus have a lower propensity to save compared with their urban counterparts. Second, poor infrastructure in rural areas in terms of the lack of electricity and poor telecommunication network coverage may limit the use of mobile phones and consequently the use of mobile money as a saving mechanism. Overall, the use of mobile money as a saving mechanism is still very low, partly due to legal limitations and absence of interest payments on mobile money savings.

Pay for Locally Monitored Performance? A Welfare Analysis for teacher attendance in Uganda Primary Schools
Jacobus Cilliers, Ibrahim Kasirye, Clare Leaver, Pieter Serneels, and Andrew Zeitlin

The paper evaluates two different forms of local monitoring by head teachers of Ugandan primary schools, randomly varying whether reports of teacher attendance trigger financial incentive payments or not. A theoretical model is used to make social welfare comparisons, taking into account impacts on teacher attendance, cost of monitoring, and also policy mistakes due to false reporting. Consistent with the model, the authors find that teacher attendance, monitoring frequency, and the number of false reports all increased with the introduction of financial incentives. More surprisingly, but again consistent with the theory, the paper reveals that the number of policy mistakes actually decreased: there were more false reports but this effect was counter-balanced by more reports in general and (hence) fewer mistakes due to a lack of information. Taken together, the results suggest that social welfare was higher with financial incentives.

Given the emerging mobile banking services, there is need to create greater awareness and to enhance synergies between telecoms companies and commercial banks.
Smallholder food crop commercialization in Uganda: Panel survey evidence
Annet Adong, Tony Muhumuza and Swaibu Mbowa

A number of policy initiatives in Uganda’s agriculture sector have been tailored towards transforming the sector from subsistence to commercial production. Owing to this background, this study examines the drivers of food crop commercialization in Uganda. The unique feature of this study is threefold: one, it exploits the seasonal component of the surveys to examine the seasonality of participation; two, it provide results of two different measures to proxy commercialization, namely; the likelihood of participation, and intensity of participation, in the market for selected crops; and finally, it investigates these issues using a new panel dataset for Uganda. Findings reveal that different household and community level characteristics pose varying impacts on commercialization across seasons. Of particular interest is evidence that self-sufficiency needs override household decisions during the second season. This finding underscores the need to design interventions that target increased production in this season, characterised by short rains and less production activity.

Thematic Area:
Policy Inconsistency and Implementation Gaps

Socio-Economic Effects of Gambling: Evidence from Kampala City Uganda
Gemma Ahaibwe, Corti Paul Lakuma, Miriam Katunze & Joseph Mawejje

Since the year 2000, the gambling industry in Uganda has experienced a rapid increase in activity, with various new modes and facilities being introduced. The proliferation of gambling has seen the industry diversify from the early forms of gambling like casino gambling and national lotteries to new modes like sports betting and online betting among other forms. Regarding gambling related tax revenues, the industry has equally grown at an unprecedented rate, with tax collections growing from UGX 0.24 billion in 2002/3 to UGX 11.1 billion in 2013/14.

While this growth in tax revenue is a welcome development, there is still considerable concern about the potential for the gambling sector to cause harm in form of addictions, loss of savings, idleness and increased crime. Hence, as the gambling industry continues to grow in popularity and prevalence, a well-founded understanding of its operations and socio economic implications is imperative. This study sought to fill this void by investigating three questions:

1) What is the level of participation in the gambling industry in Kampala city?
2) How does gambling affect various aspects of welfare and the economy
3) What is the adequacy and effectiveness of the current regulatory framework in regulating the gambling sector?

Based on a household survey conducted in Kampala city in April 2015, it is established that approximately one in every four adults had engaged in some form of gambling in the twelve months preceding the survey. Age, income, employment status and gender are major determinants in gambling participation. Additionally, it is revealed that, on average, the poorest in society spend a higher proportion of their personal income on gambling compared to their richer counterparts. Gambling also has the greatest displacement effect on household necessities and savings and has to some extent led to problem gambling. In terms of revenue, the percentage contribution of the gambling industry to total revenue is still low (0.15% in 2013/14) but growing. Furthermore, qualitative evidence revealed that many facets of the law relating to lottery and gaming have become obsolete and are not sensitive to the new modes of gambling and the unprecedented growth of the industry. Similarly, the regulatory body (National Lotteries Board) has substantial capacity problems and limited statutory powers and is not always able to effectively exercise its mandate herein inhibiting its ability to comprehensively regulate the gambling industry.

The authors propose that the public should be protected from over stimulation of latent gambling through limitation of gambling opportunities: by imposing tighter restrictions on advertising; tighter
restrictions on entry into gambling establishments, based on age; and limitation of opening hours among others. In congruence, parliament should expedite the passage of the Lottery and Gaming Bill (2013) into law to empower the National Lotteries Board with more statutory powers and provide a basis for addressing capacity and financial challenges that they currently face. In line with this, there is a need to minimize the negative social and economic impacts of gambling by promoting responsible gambling and providing support and counselling to problem gamblers.

Creating Youth Employment through Entrepreneurship Financing: The Uganda Youth Venture Capital Fund
Gemma Ahaibwe and Ibrahim Kasirye

Youth unemployment continues to be a developmental challenge not only in Uganda but in several sub Saharan countries. At least 64 percent of the total unemployed persons are youth aged 18-30 years. As the government struggles to look for solutions to the unemployment challenge, one approach has been the promotion of self-employment through the establishment of National Youth Funds. Specifically, the Youth Venture Capital Fund (UYVCF) worth UGX 25bn (about US$ 10 million) was introduced in 2011 and more recently, in September 2013, government significantly boosted youth schemes by allocating UGX 265 billion (about US$ 100 million) to the Youth Livelihood Programme (YLP) over a five-year period. The major pillars of these initiatives are: enterprise development, job creation and business skills training and development. Using the UYVCF as a case study, this study examines the level and determinants of youth participation in the fund and evaluates the operations of the fund against the initial guidelines and design as stipulated in the Aide memoire between the Ministry of Finance Planning and Economic Development (MFPED) and the participating banks. The study majorly relied on secondary data provided by Centenary Bank, the largest commercial bank participating in the fund and was complemented by a survey of beneficiaries as well as potential beneficiaries. The data sourced from the commercial bank provides an overview of the fund beneficiaries by basic socio economic characteristics while the field survey data was used to compare the activities of beneficiaries vis a vis non-beneficiaries.

Results indicate that participation in the youth fund program is positively and significantly influenced by the age cohort of the youth entrepreneur (the older youth aged 26-35 years are more likely to access the fund compared to the younger youth (18-25 years), location of the business (urban based businesses have a higher chance of accessing the fund), type of business enterprise (those in services are more likely to access the fund loan) and business maturity.

Although there has been some positive effect of the fund on business expansion, we do not find significant evidence of the youth fund effect on jobs creation. It was also discovered that the major role players are not entirely fulfilling their mandates and some have side-tracked from the initial objectives. On the policy front, the authors propose that for the youth fund to have a lasting impact on its intended objectives, the promotion of youth entrepreneurship should be approached comprehensively (not only the credit component) and it should target productive sectors with high employment creation potential. A strong institutional framework and elimination of obstacles to self-employment are other recommendations arising out of the study.

Long-term research projects

The Centre has several long-term projects (3-5 years) that are supported from non-core funding. These projects include:

1. Development of fertiliser policy, regulation and strategy for Uganda (in collaboration with Ministry of Agriculture, Animal Industry and Fisheries). This is a three
year project that commenced in November 2010 and is being implemented with support from the Alliance for a Green Revolution in Africa (AGRA). At the end of the review period, most of the key activities had been finalised, that is, development of the fertiliser policy, control regulations and strategy as well as regional trainings for the agro-chemical inspectors and analysts. The remaining activities shall involve following up cabinet approval of the above documents, launch and popularisation of the documents at various levels.

2. Data Tracking Mechanism for corruption (in collaboration with the Inspectorate of Government) is a three year project that started in July 2010 and is being executed with support from the World Bank. So far four annual reports have been produced and some of the recommendations implemented. The most current and fourth edition of the report titled: Bridging the enforcement gap in the fight against corruption was launched in August 2014. A popular version of the report and four simplified factsheets were produced to increase uptake of the report.

3. Policy Action for Sustainable Intensification of Ugandan Cropping Systems (PASIC) project focuses on stimulating action in selected policies and programs, relevant for agricultural intensification of smallholder production systems, through evidence-based research and capacity strengthening of relevant institutions. The overall goal is to contribute to improved household incomes, livelihoods, and food and nutrition security in Uganda through the sustainable intensification of cropping systems.

During FY2014/15, the Centre was able to organize a five day training workshop on rice and Irish potato value chain analysis for the implementing project partners. In addition, the Centre conducted field surveys on Irish potato and rice value chains in western and eastern Uganda, respectively. The results shall be disseminated in the next financial year.

4. Development Research Uptake in Sub-Saharan Africa (DRUSSA) Programme is a three year intervention aimed at strengthening the capacity of policy makers in Uganda in the use of research evidence. As part of the programme, the Centre has organised a series of training workshops for senior and middle level civil servants to equip them with skills on how to use research evidence at all levels of the policy formulation process in Uganda. The Centre also supervised and coordinated the development of a policy training curriculum, training modules and materials.

5. Natural Resources Management is a two year project on natural resource management in East Africa, implemented by EPRC in collaboration with the Africa Growth Initiative at the Brookings Institutions. Under this project and within the reporting period, the Centre conducted and disseminated findings of the baseline assessment of natural resource management extraction impacts in the Albertine Graben. Other knowledge products generated under the project included a special paper titled: “Accelerating Growth and Maintaining Inter-Generation Equity Using Oil Resources”. As a result of this project the Centre managed to attract funding from the German Embassy in Uganda for organizing a national forum on climate change and oil exploitation. Furthermore, the Centre entered a new partnership with the King Abdullah Petroleum Studies and Research Centre (KAPSARC) to undertake research on oil and natural resources in Uganda.
1. Youth Entrepreneurship in Uganda, is a project implemented with support from the International Labour Organization (ILO) under the Youth Entrepreneurship Facility. The project critically analyses Uganda’s policy environment, key change agents that are associated in influencing policies and initiatives in the area of youth entrepreneurship. It also identifies the existing opportunities on how evidence based evaluation can influence policy making processes. The following outputs were produced during the referenced period:

- Youth Entrepreneurship in Uganda. A review of policies, regulatory frameworks and programmes;
- Youth Entrepreneurship in Uganda. A review of evidence; and
- A final report on “Youth Entrepreneurship in Uganda: Policy, Evidence and Stakeholders-A Context Analysis”.

The reports were disseminated at different levels and fora which included; the Uganda Evaluation week, National Advisory Committee of ILO-projects, National Youth working Group, and the Policy lab during the 11th Annual Entrepreneurship Conference, held on 12 November 2014 in Kampala. Updates on the projects are available at: http://www.eprcug.org
In line with the recommendations of the consultant’s report on Institutional and functional analysis of EPRC of November 2012, as well as the Centre’s Strategic Plan 2013-17, the Centre has embarked on various capacity building efforts to enable its employees acquire and further improve their skills in order to fulfil the Centre’s mandate. The Centre undertook various capacity strengthening activities to build up and reinforce both the in-house staff and national capacities in policy analysis; and other pertinent areas.

During the period under review, the Centre organized and facilitated short-term stakeholder capacity strengthening and training programmes, specifically targeting government officials. Most notable, was the five day training workshop for senior and middle level civil servants on research uptake and use of evidence in policy formulation in Uganda. The training that took place from 16–20 March, 2015 at the Civil Service College Uganda (CSCU) drew participants from three key ministries namely: Ministry of Agriculture, Animal Industry and Fisheries (MAAIF), Ministry of Energy and Mineral Development (MEMD) and Ministry of Education and Sports (MoES). The activity was held in collaboration with the Uganda National Council for Science and Technology (UNCST) and Ministry of Public Service under the Development Research Uptake in Sub-Saharan Africa (DRUSSA) Programme.

Another capacity strengthening workshop was organised for Agriculture scientists and extension workers on value chain analysis for rice and Irish potatoes. The training was held from February 9–13, 2015 in collaboration with MAAIF. The Centre also worked closely with the Ministry of Trade Industry and Cooperatives (MTIC) to create awareness on the COMESA Free Trade Agreements among district commercial officers and private business persons.

In a bid to strengthen its collaboration and linkages with the private sector, the Centre supported the Private Sector Foundation of Uganda (PSFU) to train enumerators for the Consumer Perception Survey conducted annually by PSFU.

Capacity building interventions for the Centre’s staff were facilitated especially in the areas of macroeconomic diagnostics modelling (identified as one of the lagging areas in the 2012 EPRC Institutional and Functional Analysis), the economics of the oil & gas sector, and multidimensional poverty measures. With support from IMF two researchers undertook a course in Macroeconomic Diagnostics, while the entire Macroeconomics department obtained training in macroeconomic impacts of Uganda’s oil discoveries courtesy of KAPSARC. Some researchers in the trade and regional integration unit took advantage of on-line courses offered by UNCTAD Virtual Institute, while two researchers under the same unit attended training in using the Trade Sift Software to conduct trade policy analysis. The training was facilitated by the University of Sussex and the Trade Advocacy Fund (TAF).

On the other hand, two young researchers benefited from training and fellowship programmes in multidimensional poverty analysis and impact evaluation, particularly in the use of qualitative research analysis. The poverty analysis training was facilitated by the Oxford Poverty and Human Development Initiative (OPHI), University of Oxford, while the fellowship was conducted by Maastricht University under the Netherlands Fellowship Programme. Two senior researchers furthered their skills in evaluation of employment programmes using Randomized Control Trials under a training programme organised by the Abdul Latiff Jameel Poverty Action Lab (J-PAL) and the International Labour Organization (ILO). Other specialised trainings attended by researchers included: training in use of “MESSAGE” (Model of Energy Supply Systems and their General Environmental); Aid Management and Fiscal Policy for Inclusive Growth; and Microfinance experiments.

The Centre has also continuously supported the non-research staff to update their skills and keep abreast with new developments in their respective disciplines. To this end, staff in the finance, information, human resource and administration units were nominated and/or sponsored to participate in various workshops and training programmes within and outside the country. Some of the trainings included: Grant Proposal Writing and Budgeting attended by the finance team, Best Practices in Human Resources Management attended by the HR team and Advanced Training in Communication with the Media for all staff. The later was organized in-house to help both researchers and information unit staff to effectively convey research results, particularly to the broadcast media. It was facilitated by Ms. Paula Fray under the Policy Engagement and Communication Programme of the Think Tank Initiative.

During the reporting period, the Centre also hosted 7 interns, of whom 6 were undergraduate students from various public universities. The Centre also received an intern from the University of St Andrews, UK. The aim of the internship program is to help continuing students to appreciate the role of evidence-based research in policy process as well as help them narrow their skill gap between theory and research.
Technical Support & Policy Advice
One of the strategic interventions of EPRC focuses on provision of technical support and capacity building for its stakeholders in policy analysis and other areas. Consequently EPRC has been able to participate in a series of technical and policy advisory groups that have directly contributed to and impacted on policy processes in the country and region. Most notably, the Executive Director and staff of EPRC continued to offer technical support to the review and development of the National Development Plan through participation on technical committees and the Core National Committee supporting the preparation of NDPII comprising of senior technical government officials from key MDAs, CSOs and the Private sector.

During the review period the Centre also continued to offer technical assistance and intellectual backstopping to the Ministry of Trade, Industry and Cooperatives (MTIC) especially as regards validation and finalization of the National Trade in Services Policy, which was approved by the Ministry’s Top Policy Management and is now before Cabinet for approval. EPRC also supported MTIC to validate, finalize and re-submit the National Micro Small and Medium Enterprise (MSME) policy for onward Cabinet consideration and approval. By the time of preparing this report, MTIC had obtained a certificate of financial implication from MoFPED in April 2015, and comments for consideration from the Cabinet Secretariat in June 2015. The Centre was also involved in the subsequent drafting of the MSME Implementation Plan and Budget which is yet to be endorsed by MoFPED.

The Centre sustained its membership on various East African Community (EAC) working groups and technical committees responsible for policy guidance and negotiating for Uganda’s position in the COMESA-EAC-SADC Tripartite Free Trade Agreement (FTA). The centre actively participated in consultative meetings on the protocol on movement of business persons in the COMESA-SADC-EAC Tripartite FTA in addition to, validation of the policy paper on Uganda’s options for making additional commitments for the EAC Common Market Protocol coordinated by MEACA.

The Centre was also part of the Macroeconomic Modelling Framework Committee of the NDP II that was responsible for undertaking simulations and drafting the background paper on the Macroeconomic Framework for Uganda. The Centre contributed to production of the Uganda Poverty Status Report 2014 prepared and launched by the Ministry of Finance, Planning and Economic Development to inform the drafting of the National Development Plan II. The membership in the NDPII M&E strategy committee, enabled participation of the Centre in the design of the Monitoring & Evaluation (M&E) strategy for NDPII, including reviewing of sector issues papers, and designing of the results framework.
Dr. Sarah Ssewanyana
- Member of the Presidential Economic Council
- Board member of the National Planning Authority expanded board
- Member of the Technical Committee of the Uganda Bureau of Statistics Board.

Dr. Isaac Shinyekywa
- Review of the National Statistical System under the strengthening for Evidence Based Decision Making Programme.
- Member of Committee for the Private Sector Investment Survey 2013/14
- Committee on Development of the East Africa Special Economic Zones (SEZ) Policy.

Dr. Alex Ijjo
- MTIC Committee on popularising the EAC–COMESA Free Trade Area in Uganda.
- Member of the MTIC Technical Working Group working on Inter-institutional Trade.

Dr. Ezra Munyambonera
- Member of the Economic Management sub-Committee developing the NDP II
- Agricultural Finance Year Book Technical Committee.

Dr. Ibrahim Kasirye
- Member of UBOS Technical committee preparing for the Uganda Population and Housing Census.
- Member of Social Protection Program Technical Committee of the Ministry of Gender Labour and Social Development.

Dr. Madina Guloba
- Member of the national Monitoring and Evaluation Technical Working Group And – Sub-committee on evaluation of the Office of the Prime Minister.
- Member of Environment Management Authority (NEMA) technical committee of the National Biodiversity Management Programme.

Dr. Swaibu Mbowa

Mr. Francis Mwaura
- Member of the research Oversight Committee (ROC) of the Global Water Initiative in East Africa

Mr. Tony Odokonyero
- Member of the sub-committee developing the monitoring and evaluation strategy for NDP II.

Mr. Paul Corti Lakuma
- Member of the European Budget Support working group.

Dr. Annette Kuteesa
- Member of EAC-Multi Sectoral Committee of Experts developing p the EAC Negotiating Position on the Draft COMESA-EAC-SADC Tripartite FTA Agreement.

Policy Advice to MDAs
Communication & Policy Engagement
Dissemination and Policy Engagement

In the FY 2014/2015 the Centre continued to provide a forum for policy information dissemination to a broad spectrum of stakeholders. The research and policy analysis outputs of the Centre were disseminated mainly through conferences, workshops and consultative and targeted meetings with top government officials, members of parliament and development partners. A detailed list of the conferences, workshops, seminars and meetings held can be obtained at [http://www.eprcug.org](http://www.eprcug.org). The following is a brief overview of the most notable research dissemination and policy engagement events for the period under consideration:

**Launch of the Fourth Annual Report on Tracking Corruption Trends in Uganda**

The 4th report on tracking Corruption trends in Uganda, with the theme “Bridging the Enforcement Gap in the Fight against Corruption”, was released on August 26, 2014, by the EPRC and the Inspectorate of Government. The report showed that more corruption complaints had been documented in the past five years. Complaints registered increased by more than 30% from 2010 where 1,566 complaints were recorded to 2,798 in 2014. The report ranked the police and politicians as the main sources of unscrupulous behaviour.

The report also highlighted challenges faced by the Ombudsman like the limited manpower and shortage of funds as key hindrances to eliminating corruption in the country. The event was attended by high ranking government officials among them, the then Minister of Finance Hon. Maria Kiwanuka, the Permanent Secretary/Secretary to the Treasury Keith Muhakanizi and the Deputy General Inspector of Government, George Bamugemereire who all committed to increasing technical and financial support to fight graft.

**National Meeting on Investments in Water for Smallholder Farming Systems**

Agricultural experts, policy makers and farmers from across Uganda congregated in Kampala on August 28, 2014 to deliberate on one of the country's pressing issues-water for agricultural production. The meeting was organised by EPRC and Care Uganda following concerns that the country could plunge into food shortage in the near future if investment in water for production was not urgently prioritised. Dr Sarah Ssewanyana, the Executive Director, EPRC observed that Uganda’s agriculture is largely dependent on rain and any changes in climatic conditions would adversely affect production. The participants were thus encouraged to bring forward suggestions on how Uganda can increase investments in water for agricultural production as well as budgetary allocation for irrigation and other water systems that support smallholder farming.

**Multi-Stakeholder Dialogue on Proposed Imposition of VAT on Agricultural Inputs in Uganda**

On August 11, 2014 major agricultural stakeholders and advocates for smallholder farmers convened in Kampala, Uganda to discuss the impact of Value Added Tax (VAT) proposed to be levied on Agricultural inputs by the Government of Uganda. The dialogue co-organized with the Alliance for a Green Revolution in Africa (AGRA) discussed; the implications of VAT on agricultural inputs; whether Uganda’s smallholder farmers would be able to withstand this shock and if the policy makers were not courting a food crisis, among others. The dialogue also helped to build understanding of how the proposed tax-18% VAT on agricultural inputs addressed key fiscal objectives of the Uganda Government; and offered alternative options. As a result of the dialogue a consensus statement with proposals for consideration by the government, was submitted to the Ministry of Finance, which later rescinded the decision, subject to further consultations.

**National Dissemination Workshop on Quality of fertilizers**

The dissemination workshop held on 30th April 2015, highlighted the quality concerns of inorganic fertilizers on the Ugandan market. The findings were based on an analytical study jointly conducted
by EPRC and MAAIF to assess whether Ugandan farmers were using the right quality of inorganic fertilizers. The study findings showed that eight in every ten 50-kilogramme inorganic fertilizer bags on the Ugandan market did not meet the minimum quality standards. In addition, inconsistencies in labelling, weight and nutrient content were realized across the fertilizer value chain, suggesting flaws even at importation level. Officiating at the workshop, the Agriculture State Minister, Vincent Sempijja acknowledged the need to establish a stronger policy and regulatory framework by speeding up the operationalisation of the Fertiliser Policy, Fertiliser Regulations and National Fertiliser Strategy, all of which are pending cabinet approval.

3rd Uganda Evaluation Week

To increase uptake of the Centre’s research by policy makers, four EPRC researchers participated and presented research papers at the 3rd Uganda Evaluation Week 2015 from 12th -13th March 2015. The Uganda Evaluation Week is an international platform where Policy makers, Government technocrats, Civil Society, Academia, Development Partners, Monitoring and Evaluation (M&E) practitioners and the private sector meet to share evaluation experiences. The theme for the third Evaluation week was “Quality Evaluations for Accountable Service Delivery”. The event was organised by the Office of the Prime Minister and the Uganda Parliamentary Forum on Evaluation in partnership with the Uganda Evaluation Association and attracted participants from Africa, Europe, and the Americas.

CSAE Conference 2015: Economic Development in Africa

EPRC researchers were among the several economists that participated and shared knowledge in the Centre for African Economies (CSAE) Annual International Conference held at St. Catherine’s College Oxford University, 22nd -24th March 2015. The conference on the theme “Economic Development in Africa” featured various presentations on different aspects focusing on improving economic and social conditions in Africa. EPRC researchers presented two research papers in a setting that provided them with the opportunity to receive useful comments to improve their work. Steps are already under way to publish one of the papers on “Pay for locally monitored performance: A welfare analysis for teacher attendance in Uganda Primary Schools”, jointly with CSEA.

10th African Symposia on Statistical Development (ASSD).

As one of the main users of statistical data in Africa, the Economic Policy Research Centre was honoured to participate and exhibit its research products at the 10th African Symposium on Statistical Development (ASSD) held in Kampala from 13-15 January, 2015. The Symposium is a forum that was created in 2005 to address concerns by African statisticians. The event theme was: A decade of statistical development, revolutionizing censuses and civil registration and vital statistics towards Africa agenda 2063. Many visitors to the EPRC booth said it was the first time they heard about the Centre and they were pleasantly astonished by its work. Many signed up to receive EPRC publications.

Visitors and Collaborators

As part of the Economic Policy Research Centres’ ongoing cooperation and collaboration with academic and research institutions, private sector, civil society and development partners both regionally and internationally, EPRC has hosted a number of delegations and researchers from various institutions throughout 2014-15, reporting period. The most distinguished visitor was the UNDP Resident Representative Ms. Ahunna Eziakonwa Onochie.
The research and policy analysis outputs of the Centre were disseminated in workshops and conferences. Most of these outputs were eventually published under the Centre’s in-house publication series for wider circulation; and others in refereed journals/book chapters. The in-house publication series included: EPRC Research Series for core research papers; Occasional papers for commissioned works, Research reports, policy briefs/fact sheets, and the Business Climate Index. The EPRC researchers were also involved in production of blogs that provide direct, personal, discursive opinions on hot topics. The Centre was able to produce a total of 8 blogs during the reporting period, one of which were published on the Brookings website. The centre also produced several corporate publications and promotional materials that were distributed to stakeholders during outreach and policy engagement events and also via the centre’s online platforms. Key EPRC publications for the period July 2014 – June 2015 are presented in the following tables and can also be accessed on our website: http://www.eprcug.org. Below are some of the research products completed during the review period:


Maweje, J. and M.M. Lwanga (2015), Inflation dynamics and agricultural supply shocks in Uganda, EPRC Research Series #120.


Swaibu Mbowa Kizza Charles Luwata and Komayombi Bulegeya (April 2015), Are Ugandan Farmers’ using the right quality fertilizers, EPRC Policy Brief #56.


Guloba, M. (March 2015), Skills Mix for Youth Entrepreneurs: The right way to go, EPRC Policy Brief #54.


Adong, A. (October 2014), Targeting Right: Which Crop for Which Region in the Commercialization Drive, EPRC Policy Brief #51.

Adong, A. (October 2014), Targeting Right: Why have majority of farmers in Uganda remained subsistence?, EPRC Policy Brief #50.

Mwaura, F. and M. Katunze (September 2014), Enhancing agricultural production and productivity in Uganda through irrigation, EPRC Policy Brief #49.


Ahaibwe, G., I. Kasirye and M. Barungi (July 2014), Promoting self-employment through entrepreneurship financing: Lessons from the Uganda Youth Venture Capital Fund, EPRC Policy Brief #47.
Some of the blogs posted during the period under review include:

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Title</th>
<th>Date of Posting</th>
<th>Location Posted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frank Kisakye &amp; Elizabeth Birabwa</td>
<td>Of Uganda’s bizarre deliberate fertilizers and weak policies</td>
<td>May 1, 2015</td>
<td>EPRC Blog</td>
</tr>
<tr>
<td>Maria Nagawa</td>
<td>The long wait to stable employment of young women and men in Uganda</td>
<td>April 30, 2015</td>
<td>EPRC blog</td>
</tr>
<tr>
<td>Gemma Ahaibwe</td>
<td>Gambling with our future? The benefits and costs of legalized gambling in Uganda</td>
<td>April 23, 2015</td>
<td>EPRC blog</td>
</tr>
<tr>
<td>Madina Guloba</td>
<td>Is engendering the climate change debate enough?</td>
<td>April 21, 2015</td>
<td>EPRC blog</td>
</tr>
<tr>
<td>Mildred Barungi</td>
<td>Complement distribution of seedlings with fertilizer and agricultural extension services</td>
<td>April 21, 2015</td>
<td>EPRC blog</td>
</tr>
<tr>
<td>Shifa Mwe- sigye</td>
<td>Uganda ranks low in UN Human Development Index</td>
<td>August 1, 2014</td>
<td>EPRC blog</td>
</tr>
<tr>
<td>Joseph Maweije</td>
<td>Multinational companies should be exemplary taxpayers</td>
<td>August 25, 2014</td>
<td>EPRC blog</td>
</tr>
<tr>
<td>Gemma Ahaibwe and Swaibu Mbowa</td>
<td>Youth Employment Challenge in Uganda and the Role of Employment Policies in Jobs Creation</td>
<td>August 26, 2014</td>
<td>Africa in focus BROOKINGS website</td>
</tr>
</tbody>
</table>
During the period under review EPRC maintained a strong media presence; a platform it used to improve its visibility and stimulate discussion on the economic situation in the country. EPRC held several engagements with both local and international journalists during the various dissemination events and launch of its flagship research reports. The journalists used the researchers as sources of background information and expert opinion on issues ranging from; regional economic integration, service delivery and social protection, youth employment, natural resources management, public finance management, agriculture and food security. The interactions also focused on policy issues, especially the fertilizer policy, the coffee policy and the youth employment policies which were being promulgated. The EPRC researchers were also able to heighten their media presence through writing of opinion pieces and commentaries on topical issues that were placed in the national and regional print media. By the end of the reporting period (16) sixteen commentaries/opinion articles by EPRC researchers had been published in the print media. EPRC researchers also featured in about (15) TV news bulletins appeared on (11) TV programmes; and approximately (10) radio news bulletins and (7) programmes. In addition, the Centre received extensive coverage in leading national and regional newspapers as well as online media. Below are selected commentaries:

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**Researchers Commentaries Published by the Press**

<table>
<thead>
<tr>
<th>Author</th>
<th>Article Title</th>
<th>Date of Publication</th>
<th>Media House</th>
</tr>
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<tbody>
<tr>
<td>Gemma Ahaibwe</td>
<td>Improve health Budget</td>
<td>July 3, 2014</td>
<td>New Vision</td>
</tr>
<tr>
<td>Swaibu Mbowa</td>
<td>Why growing Coffee in Northern Uganda may not be viable for now</td>
<td>July 10, 2014</td>
<td>Daily Monitor</td>
</tr>
<tr>
<td>Tony Odokonyero</td>
<td>Monitoring and Evaluation Vital</td>
<td>August 27, 2014</td>
<td>New Vision</td>
</tr>
<tr>
<td>Miriam Katunze</td>
<td>Harmonise investment in water for agriculture</td>
<td>September 10, 2014</td>
<td>The Observer</td>
</tr>
<tr>
<td>Joseph Mawejje</td>
<td>Renewable energy can solve Uganda’s growing energy needs</td>
<td>October 1, 2014</td>
<td>The New Vision</td>
</tr>
<tr>
<td>Alex Ijjo</td>
<td>Is foreign aid improving Uganda’s capacity to trade?</td>
<td>October 30, 2014</td>
<td>The Daily Monitor</td>
</tr>
<tr>
<td>Ezra Munyambonera</td>
<td>Go slow on health insurance scheme</td>
<td>December 10-11, 2014</td>
<td>The Observer</td>
</tr>
<tr>
<td>Mildred Barungi</td>
<td>Substandard inputs are hindering technology adoption</td>
<td>December 18, 2014</td>
<td>The Observer</td>
</tr>
<tr>
<td>Ezra Munyambonera and Corti Paul Lakuma</td>
<td>How the Shilling’s depreciation could affect Uganda’s Economy</td>
<td>December 29-30, 2014</td>
<td>The Observer</td>
</tr>
<tr>
<td>Joseph Mawejje</td>
<td>Weak Economic Fundamental Explain Shillings Troubles</td>
<td>March 17, 2015</td>
<td>Daily Monitor</td>
</tr>
<tr>
<td>Tony Odokonyero</td>
<td>Let’s focus on retaining health care professionals</td>
<td>April 6, 2015</td>
<td>Daily Monitor</td>
</tr>
<tr>
<td>Mildred Barungi</td>
<td>Government needs to increase capitation grant for USE</td>
<td>April 26, 2015</td>
<td>The Observer</td>
</tr>
<tr>
<td>Maria Nagawa</td>
<td>Uganda versus Malaysia</td>
<td>May 27, 2015</td>
<td>New Vision</td>
</tr>
<tr>
<td>Alex Ijjo</td>
<td>Here is how Uganda can benefit from AGOA and other trade opportunities</td>
<td>June 10, 2015</td>
<td>Daily Monitor</td>
</tr>
</tbody>
</table>
Institutional Strengthening & Resource Mobilisation
Strengthening and Diversifying the EPRC Resource Base

In the year 2014-15 EPRC management conducted several activities to enhance organizational effectiveness and efficiency as well as interventions geared towards mobilizing additional resources. Preeminent was the rebranding process through which the Centre sought to re-position itself as a key partner in the country’s transition toward middle income status as envisioned in Vision 2040; as a Go-To-Policy Think Tank within the wider East African region and other supra-regional arrangements; and in engaging with the post 2015 sustainable development agenda, enshrined in the Sustainable Development Goals (SDGs).

Other institutional strengthening activities included the review of the Centre’s performance management systems (PMS) as recommended by the 2012 EPRC Institutional and Functional Analysis report. The PMS tools were streamlined, PMS guidelines and procedures developed and staff sensitized on the new changes. The Centre’s audit function was also strengthened by institutionalising the newly created Audit & Risk Management sub-committee of the Board, which has been resourceful in ensuring that the Centre maintained the soundness of its financial systems as illustrated by unqualified audited accounts.

Staff Management and Transitions

The year 2014-15 had minor staff changes and transitions. There was no new recruit and only two staff left the Centre namely; Dr. Xavier Mugisha, Senior Research Fellow/Head of Microeconomics who retired on August 31, 2014 and Francis Mwaura, Research Fellow Sectoral Department who did not renew his contract upon its expiry in January 2015.

One researchers’ retreat was held during the reporting period, in December 2014 to review progress in implementation of the research work plan for FY 2014/15 (milestones, achievements, challenges) and submit to management proposals for the 2015/16 research work plan. The retreat was also used to discuss resource mobilization implications for research and ways of attracting long-term financing for research.

Resources Mobilization

Resource mobilization and diversification continued to be a key priority of the Centre in the reporting period. Efforts to increase resources for research and other programmes of the Centre continued throughout the period by reaching out to current, prospective, and previous donors. The efforts involved increasing of collaborations and partnerships for resource mobilization. The Centre was able to secure restricted funding from the World Bank for several one-off studies, UNDP for preparation and production of the 2015 National Human Development Report, University of Sussex for the Growth and economic Opportunities for Women (GrOW) in Sub-Saharan Africa project, International Institute for Sustainable Development (IISD) for the Private Sector Investment in a Changing Climate: Resilient Rice Value Chain Development in Uganda and GIZ and aBi Trust for preparation and coordination of the Agriculture Finance Year Book 2015.

To increase ownership and uptake of its work, the Centre has engaged in new formal partnerships with local institutions for example, the Uganda National Council of Science and Technology and the Civil Service College of Ministry of Public Service in implementing the DRUSSA programme; and the National Fisheries Resources Research Institute (NaFRRRI) in conducting research on aquaculture.

The Centre continued to initiate and maintain contact with other organizations and Think Tanks that share or support common goals. This tactic was used not only to share expertise but also to mobilise resources for conducting research and influencing policy processes at the national, regional and international level. The Centre was selected as one of the six institutions to implement the African Centre for Economic Transformation (ACET) Project on transformational studies. The project assesses how countries have been accessing external development finance in the past decade; examines how governments are adapting targets of external resource flows, as well as ensuring efficient mobilization and allocation of development finance.

EPRC was also invited to partner with the Makerere University School of Public Health (MakSPH), Human Sciences Research Council-South Africa, Institute of Tropical Medicine- Antwerp and other partners in a consortium bid to improve policy analysis and policy influence at MakSPH. Consequently a consortium bid, led by MakSPH was submitted to EuropeAid in August 2014, approved in October 2014 and the 5 year project — “Supporting Policy Engagement for Evidence Based Decision Making for Universal Health Coverage”-SPEED launched in April 2015. It is also worth mentioning, the three year collaborative relationship the Centre entered into with the Riyadh based King Abdullah Petroleum Studies and Research Centre (KAPSARC) to undertake research on oil and natural resources in Uganda.
We also note with appreciation the other partners who continued to offer technical and financial support to the Centre in implementation of its research plan and programmes. These include: IDRC for the Growth and Economic Opportunities for Women (GROW) project, the International Institute for Sustainable Development (IISD) for supporting research on private sector investment in climate resilient rice value chain development in Uganda, UNICEF for assistance in undertaking research on child issues; and the Centre for the Study of African Economies (CSAE) for supporting several studies in the Education sector.

ICT Transformation

In a bid to continuously transmute its ICT infrastructure and improve the working environment, the Centre with support from the International Development Research Centre (IDRC-TTI) Opportunity Fund was able to re-develop and redesign the website in conformity with its new brand. Re-designing of the EPRC website from a static to a dynamic & more interactive website was completed during this financial year, although the official launch is to be held at the beginning of the next financial year-2015/2016. The new website is more appealing and has been acclaimed for its dynamism, interactive features, ease of use and novel design. The website has integrated a couple of tools to boost in-house productivity for internal dissemination as well as social media tools such as Twitter, YouTube and Blog to allow EPRC staff and researchers to share and discuss issues publicly, engage and network with other experts and policy makers.

Hon. Vincent Sempija, Minister of State for Agriculture (seated 3rd left) in a photo moment with EPRC staff and participants during the National Dissemination Workshop on the Quality of Fertilizers on the Ugandan Market-April 30, 2015
Women farmers in Kabale district respond to questions during a focus group discussion for a study on Irish Potato intensification in western Uganda.
Panelists at the public dialogue—Kampala Talks Climate Change organized by EPRC and the Germany Embassy to discuss the potential effects of oil production on climate change in the Albertine Grabben.

Economists and other experts discuss to 2015/16 National Budget at a post budget forum jointly organized by EPRC and the Uganda Economics Association (UEA).
H.E. Kristian Schmidt, EU Ambassador in Uganda launching a New Project - Supporting Policy Engagement for Evidence Based Decisions for Universal Coverage (SPEED) intended to improve health policy and systems research. EPRC is one of the implementing partners.

Mr. Anastase Rubangura, proprietor Evergreen International displays organic fertilizer products produced by his firm to EPRC staff during a workshop on the quality of fertilizers on the Ugandan market-April 30, 2015.