



ZONAL ANALYTICS AND POLICY ADVISORY KARAMOJA SUB-REGION

Presented during the Local Government Budget
Consultative Workshop.

SEPT-OCT 2024



OUTLINE

Part I: Purpose of the Presentation

Part II: State of the Local Economy

Part II: Public Spending and Service Delivery

Part III: Trade, Industry and Local Economic Development

Part IV: Recommendations



INTRODUCTION

- ❖ The Ministry of Finance, Planning and Economic Development has commenced publication of semi-annual Zonal Analytics and Policy Advisory (ZAPA) Notes to support sub-regional planning for economic transformation.
- ❖ This initiative serializes sub-regional profiles, by identifying policy and service delivery matters pertinent to achieving inclusive growth. This will involve synthesis and localisation of existing knowledge products such as:
 - i. The Poverty Status Report (PSR) 2021. The PSR is produced after five years following the release of the Uganda National Household Survey (UNHS).
 - ii. The 2nd National Strategy for Private Sector Development (NSPSD II). The NSPSD is produced after 5 years to guide sustainable private sector investments.
 - iii. The Background to the Budget (BTTB) FY2023/24. The BTTB is produced annually to provide an account of public spending and service delivery – to extract local economic policies and their implementation modalities
 - iv. Other Official MDA Reports and Research Publications



OBJECTIVES OF THE ZAPA

- To inform the discussion and debate on development issues leading to Planning and Budgeting from an evidence-based perspective
- To Provide highlights on the State of the Sub-regional Economy
- To Share Insights on Public Spending and Service Delivery (PSSD)
- To Highlight Local Economic Development (LED) Performance and Prospects



State of the economy

Land Area: 27,407 sq. km (13.5% of Ug)

Population: 1,452,838 (▲ 4.2%) (NHPC 2024)

Household size: 4.8 persons

Fertility rate: 6.7 (national 5.2)

Teenage pregnancy: 23.4% (national-24)



Productivity and enablers

- **65.5% have no formal education**
- Literacy 10+ - 30.4%, National: 76%
- Literacy 18+ - 25.2%, National: 72.4%
- Teenage Pregnancy 20.2%, National: 24%
- Under 5 mortality: 55.7%, National 52%



Health outcomes

Sub region	Infant Mortality	Under-5	Child Stunting- below 3 years	Hand Washing
Teso	21	31	3	32
Karamoja	26	56	18	23
Bunyoro	43	60	7.7	42
Elgon	35	45	8.1	54.9
Busoga	41	65	8.5	61.7
Tooro	37	50	13.4	65.8
Bukedi	34	54	10.2	56.5
National	36	52	8.4	50.8

Source: UDHS 2022



Structural Transformation

Household Enterprises

- 56.8% have enterprises, national: 31.5%
- Employment: 58.9%
- Unemployment: 7.8%
- Waged Employment: 49.9%

Sector of Employment

Labour force in:

- Subsistence – 66%, National – 39%
- Industry- 23.9% (▲ 20.7%);
- Agriculture – 50% (▲ 8.7%);
- Services – 25.9% (▼ 24.7%)
- Poverty – ↑65.7%
- Inequality – ↑13.2%
- **Contribution to GDP: USD0.39 bn (1.9%)**



Wages accounts for 65% of the sub-region expenditure

Karamoja Sub Region	Draft Budget Estimates - FY2023/24				Share of Budget categories		
	District	Wage	Non wage	Development	Total	Wage	Non wage
Sub-region	81,794,403	18,841,596	24,352,968	124,988,967	65%	15%	19%
Kaabong	11,359,178	3,168,370	3,108,524	17,636,072	64%	18%	18%
Kotido	5,167,259	1,600,708	592,495	7,360,462	70%	22%	8%
Abim	13,444,675	3,075,828	3,123,543	19,644,046	68%	16%	16%
Karenga	8,191,762	1,529,410	3,193,351	12,914,523	63%	12%	25%
Nabilatuk	6,238,356	1,243,646	1,419,882	8,901,884	70%	14%	16%
Napak	10,881,566	2,568,655	3,552,323	17,002,544	64%	15%	21%
Moroto	10,194,013	1,921,626	3,237,041	15,352,680	66%	13%	21%
Nakapiripirit	8,280,822	1,753,965	3,739,810	13,774,597	60%	13%	27%
Amudat	8,036,772	1,979,388	2,385,999	12,402,159	65%	16%	19%



Service Delivery: Health Facilities

District	Govt	PFP	PNFP
Abim		18	2
Amudat		9	2
Kaabong		30	4
Karenga			
Kotido		19	3
Moroto		15	4
Nabilatuk		2	1
Nakapiririt		10	4
Napak		16	2



Service Delivery: Access to Health Facilities

	0-3km	3-5km	5-8km	8+
Teso	72.7	12.9	8.6	5.8
Kampala	83.1	10.7	2.2	4
Karamoja	57.8	19.8	10.7	11.7
Elgon	87.4	7.8	2.1	2.7
Acholi	67.7	20.7	7	4.6
Bunyoro	80.6	10.6	2.9	5.9
Ankole	75.9	13.2	5.1	5.8
National	76.7	14	4.3	5



Service Delivery: Education

Primary school enrolment

Subregion	Net Enrolment	Gross Enrolment
Teso	84.5	142.7
Karamoja	42.1	65.1
Lango	79	130.4
Acholi	73.9	123.5
National	80	118

Secondary School Enrolment

Subregion	Net Enrolment	Gross Enrolment
Teso	17.4	24.5
Acholi	7.2	13.5
Karamoja	12.1	19
Elgon	29.2	46.3
National	27.3	36.8

Source: UNHS FY2019/20



Insights

Strong correlation between subsistence and poverty
High susceptibility to poverty and other vulnerabilities, food insecurity
Slow pace of industrialisation and structural transformation given the predominance in subsistence farming and/or economy
Low entrepreneurial levels (Few enterprising households)

Low production and productivity due to limited water for production
Agro-industrialisation is key in transforming Karamoja
High costs of production due to insufficient infrastructure
Pressure on social services and welfare systems due to high dependency ratio, high fertility rates and refugee population.

Potential Trade hub and link to key markets
Poor land management due to Underutilization of land for farming
Large informal sector-loss in revenue and slow growth
Heavy reliance on central Government transfers
Prone to risks including drought, wars/conflicts, environmental degradation, pests and diseases, crime



Business Facilitation: Decentralisation of business facilitation services has improved

Entity	Service Provided	Station	Area Serviced
National Water and Sewarage Corporation	Piped Water and Sewer	Moroto	Moroto
		Kotido	Kotido, Kaabong
Uganda National Roads Authority	Road Construction	Kotido, Moroto	
Uganda Registrations Services Bureau	Registration Services	Mbale	Elgon, Karamoja, Teso
Ministerial Zonal Land Offices	Land Registration		
Uganda National Bureau of Standards	Product Certification		



PRIMARY GROWTH SECTORS

- **Livestock farming:** mainly in Moroto and Kotido
- **Mining:** Gold, Limestone, Uranium, Marble, Graphite, Gypsum etc
- **Tourism:** Kidepo NP, Karamoja Cultural Museum, Mt. Napak, Moroto
- **Agriculture:** Apiary, Sunflower etc

INVESTMENT OPPORTUNITIES

- **Mining;** Mining and value addition of minerals and precious stones including marble and limestone
- **Agriculture;** Value addition and agro-processing of Beef, Hides, skin, Milk processing, Grain and Bone
- **Tourism;** Tourism Product development
- **Livestock and Leather Tanning.**



Commodities of comparative advantage

- The sub region has the largest population of cattle goats and sheep nationally, accounting for **16%** ,**15.2%** and **40.2%** respectively.
 - However, only **0.7%** **livestock keeping** household **plant pasture** for their livestock
 - There is need to invest in pasture growing to sustain animal rearing



visitor volume is low – there is need for marketing of the park

National Parks and Wildlife Reserves	% Share of visits				
	2017	2018	2019	2020	2021
Bwindi Impenetrable National Park	14.0	19.7	19.1	5.2	8.3
Kidepo Valley National Park	5.8	6.3	6.7	2.6	4.1
Murchison Falls National Park	49.1	53.8	54.6	17.5	41.4
Queen Elizabeth National Park	43.0	45.7	41.1	12.8	21.3
Kibale National Park	8.3	9.9	10.3	2.9	4.1
Mount Elgon National Park	2.3	1.8	1.9	0.5	0.4
Rwenzori Mountains National Park	1.9	2.7	3.2	0.6	0.6
Semliki National Park	6.8	8.8	11.9	3.9	7.6
Lake Mburo National Park	16.0	18.5	17.5	5.6	9.9
Mgahinga Gorilla National Park	2.9	3.6	4.0	1.3	1.8
Toro Semliki Wildlife Reserve	0.3	0.3	0.4	0.3	0.2
Pian Upe Wildlife Reserve				0.2	0.3
Katonga-Wildlife Reserve				0.0	0.1



Recommendations

General Recommendation:

1. Increase adult literacy through non-formal schooling (Skilling). Take advantage of available technical schools.
2. Increase community sensitization on the benefits of education
3. Take advantage of PDM, EMYOOGA and GROW Project

Based on the tenfold Growth Strategy:

Agro-industrialization

3. Consider the development of a meat processing industrial to increase the value of the large livestock in the subregion.



Recommendations cont...

• ***Minerals***

4. Expedite the process of resolving land issues affecting the development of Karamoja Industrial and Business Park
5. Formalise artisanal activities -These have the potential to grow household incomes and local revenues

Tourism

6. Develop the tourism sector to take advantage of the tourism potential – Kidepo National Park (Tourism arrivals is low).

Science and Technology

7. Maintain up-to-date and interactive District Website Portals