

<b>0. Prerequisites</b>	
<u>0.1 Legal environment</u>	<p>0.1.1 Responsibility for collecting, processing, and disseminating statistics</p> <p><b><u>Bank of Uganda</u></b></p> <p>The Bank of Uganda (BOU) collects high frequency data on Real Sector Statistics (RSS) under authorization from the Uganda Bureau of Statistics. As empowered by the <i>Uganda Bureau of Statistics Act, 1998</i>, the Uganda Bureau of Statistics (UBOS) is responsible for collecting, compiling, analyzing, and disseminating national statistics. Section 21 of the UBOS Act 1998 states that UBOS can delegate authority to institutions to compile and disseminate specified statistical data.</p> <p>The Statistics Department of BOU collects data for Real Sector Statistics estimates from various data-producing agencies, including the URA, UBOS, the Ministry of Finance, Planning and Economic Development (MFPED), and Uganda Electricity Transmission Company Limited (UETCL). Besides, Statistics Department receives source data from other government agencies and Departments of the bank.</p>
<b>2. Methodology</b>	
<u>2.1 Concepts and Definitions</u>	<p>2.1.1 Concepts and Definitions</p> <p>The overall structure in terms of concepts and definitions follows internationally accepted standards, guidelines, and good practices. The Quarterly National Accounts Manual is used during the compilation process.</p>
<u>2.2 Scope</u>	<p>Scope of the data</p> <ul style="list-style-type: none"> <li>• <i>Geographic Coverage:</i> The economic territory is defined as consisting of the geographic territory administrated by the government of Uganda. It includes islands that belong to Uganda, airspace, and waters. The Real Sector Statistics data covers the whole territory of Uganda.</li> </ul> <p>Real Sector Statistics Data includes:</p> <ul style="list-style-type: none"> <li>• The <b><i>Composite Index of Economic Activity (CIEA)</i></b>: provides a timely picture of Uganda’s current economic developments. The index serves as a framework for assessing, analyzing, and monitoring current economic developments in the country. The index is compiled using the indicators below: <ul style="list-style-type: none"> <li>✓ Development Expenditure deflated by the Consumer Price Index (CPI)</li> <li>✓ Private Sector Credit (Gross Extensions) deflated by the Consumer Price Index (CPI)</li> </ul> </li> </ul>

- ✓ Total Imports in USD Less Gold deflated by the imports price index
  - ✓ Total Exports (in US \$ million) less Gold deflated by the export price index
  - ✓ Excise duty less levy Mobile Money and internet data deflated by the Consumer Price Index (CPI)
  - ✓ Value-Added Tax deflated by the CPI
  - ✓ Current Expenditures deflated by the CPI
  - ✓ Value of mobile money transactions deflated by the CPI
- Business Confidence Index

- The ***Industry Index of Economic Activity***: shows the direction of industrial production and is used for the observation and analysis of the current economic activity within the industrial sector. This index is made up of two indicators, namely.

- ✓ Excise duty less phone talk time deflated by CPI- Electricity Domestic Purchases (Units)

- The ***Services Index of Economic Activity***: shows the direction of activities in the services sector. Indicators that make up this index include:

- ✓ Petroleum duty deflated by the imports price index
- ✓ Excise duty on Phone Talk Time deflated by CPI
- ✓ Commercial banks non-interest income deflated by CPI-
- ✓ Government Wages and salaries deflated by CPI-
- ✓ Value-Added Tax deflated by CPI-
- ✓ Travel receipts deflated by the exports price index

- ***Index of Agricultural Production***: provides an indicator of the production trends of a country's agriculture sector relative to a given base period. The index is generated from a composite of food and non-food crop commodities below:

- ✓ Beans
- ✓ Cassava
- ✓ Groundnuts
- ✓ Irish Potatoes
- ✓ Maize
- ✓ Matooke (food bananas)
- ✓ Fish
- ✓ Sweet Potatoes
- ✓ Tea
- ✓ Coffee

	<ul style="list-style-type: none"> <li>✓ Flowers</li> <li>• <b>Flow of Funds:</b> a statement that records the financial transactions and the resulting claim/debt held by each economic entity such as private (households, enterprises) and the government. It covers 7 financial sectors of the economy namely: <ul style="list-style-type: none"> <li>✓ The Central Bank</li> <li>✓ General Government</li> <li>✓ Households</li> <li>✓ Other Deposit-taking Corporations</li> <li>✓ Other Financial Corporations</li> <li>✓ Non-Financial Corporations</li> <li>✓ Rest of the World</li> </ul> </li> </ul> <p>In addition, the statement includes eight (08) financial instruments that are used during transactions across the seven institutional sectors highlighted above. These instruments include:</p> <ul style="list-style-type: none"> <li>✓ Monetary gold and SDRs</li> <li>✓ Currency and deposits</li> <li>✓ Debt securities</li> <li>✓ Loans</li> <li>✓ Equity and investment fund shares</li> <li>✓ Insurance, pension, and standardized guarantee schemes</li> <li>✓ Financial derivatives and employee stock options</li> <li>✓ Other accounts receivable/payable</li> </ul> <ul style="list-style-type: none"> <li>• <b>Consumer Confidence Index (CCI):</b> an index that measures the overall consumer sentiments toward the current and short-term future economic situation.</li> <li>• <b>Business Tendency Index (BCI):</b> measures the business perceptions/expectations about the current state of the economy that business owners/managers are expressing and about their plans and expectations for the future.</li> </ul>
<p><u>2.4 Basis for recording</u></p>	<p>2.4.1 Valuation</p> <p>The valuation of RSS data depends on the indicators used in the compilation of a specific index. In this regard, for the CIEA, services, and industry indices, all the indicators are measured in Billions of Uganda shillings apart from travel numbers, total exports, and imports which are measured in Millions of US dollars. Food crop commodities are measured in volumes of production. Regarding the flow of funds, all financial instruments are</p>

measured in Billions of Ugandan shillings.

The data for constructing the Consumer Confidence Index are obtained from monthly surveys using telephone interviews targeting consumers. Structured interviews are conducted by telephone asking consumers their opinions on unemployment, general economic situation, prices, and financial situations during the past three months and expectations in the next three months.

Constructing the Business Confidence index starts with conducting a survey that collects information about a wide range of variables for monitoring the business cycle. Priority of selection of variables goes to indicators which:

- ✓ measure an early stage of production (e.g. order books);
- ✓ respond rapidly to changes in economic activity (e.g. stocks), and
- ✓ –measure expectations or are sensitive to expectations (e.g. future production plans, employment plans, and business climate).

The IAP Survey covers Umoja, Kalerwe, Kisenyi Parking, and St. Balikudembe (Owino) markets plus Kisenyi millers in Kampala District and Abayita Ababiri (near Entebbe) and Biira in Wakiso District.

### 3. Accuracy and reliability

#### 3.1 Source data

##### 3.1.1 Source data collection programs

The data collection program to compile the RSS statistics is dynamic. The BOU employs a collection program that is comprised of several surveys, such as:

a) Business Tendency Survey (BTS) targeting firms--300 entities from a list of taxpayers (ranked based on Gross Revenues) as sampling units. The top 1000 enterprises are subdivided into 4 strata classified by sector sub-groups, namely, manufacturing, construction, agriculture, wholesale and retail trade, and other sectors<sup>1</sup>. Firms are classified based on the kind of activity using International Standard Industrial Classification (ISIC).

b) Consumer Confidence surveys (CCS) using telephone interviews targeting consumers. Structured interviews are conducted by telephone asking 500 consumers their opinions on unemployment, general economic situation, prices, and financial situations during the past three months and expectations in the next three months.

Both BTS and CCS follow Organization for Economic Cooperation and

Development (OECD) Frameworks.

Besides survey data, there are other secondary sources including information from the Customs Department of the URA on revenue data, GDP figures from UBOS, administrative data from the ministries, and other government institutions responsible for National Accounts.

Data sources are not entirely adequate for all the required RSS data and for that reason, there is a continuous effort to search for new indicators to measure the various indices proxying economic activity in the country.

The data sources for the specific RSS components/indices are listed below.

***Composite Index of Economic Activity (CIEA)***

- Development Expenditure and Current Expenditure data is obtained from Ministry of Finance Planning and Economic Development (MoFPED). Data on Total Imports, Total Exports, Excise duty, and Value Added Tax is obtained from Uganda Revenue Authority (URA). Data on Private Sector Credit (Gross Extensions), and values of Mobile money transactions are obtained from the commercial banking department of Bank of Uganda (BOU).

***Industry Index of Economic Activity:***

- Data on excise duty is sourced from URA, while electricity domestic purchases units are from Uganda Electricity Transmission Company Limited (UETCL).

***Services Index of Economic Activity***

- Data on petroleum duty, value-added tax, and excise duty on phone talk time is obtained from URA, and Non-interest income data is from the commercial banking department of BOU. Government wages and Salaries data is from MoFPED.

***The flow of Funds:***

- Data on financial instruments transacted with is derived from records of the BOU departments, MoFPED, Insurance Regulatory Authority (IRA), and UBOS.

#### 4. Serviceability

4.1  
Periodicity  
and  
timeliness

4.1.1 Periodicity

The BOU disseminates selected indices, that is the Business Tendency Index (BTI) and the CIEA on a monthly basis but with a lag for the later.

4.1.2 Timeliness

CIEA data is released one month after the end of the month to which the data refers while BTI data is released one week after the end of the month to which the data refers.

#### 5. Accessibility

5.1 Data

5.1.4 Simultaneous release

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Data are always released simultaneously to all users through dissemination workshops, hardcopy publications, and on the BOU website.

5.1.5 Dissemination on Request

In addition to the RSS data included in the BOU's publications and disseminated on the website, a number of unpublished data including CCI, Flow of funds, Services index, and Industry index are made available upon demand. Requests from users for special tabulations based on unpublished (but non-confidential) data are usually accommodated, especially from data providers and students carrying out research.