



UNDP

UN-DESA

Overview of progress, objectives and programme

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Second intensive training workshop on "Strengthening Macro-Micro Modelling Capacities to Assess Development Support Measures and Strategies in Uganda", Kampala, 11-14 September, 2012.

This project aims at:

- Enhancing capacities to use macro- and micro-modelling tools, tailored to Uganda needs, in order to:
 - evaluate <u>coherent</u> macroeconomic and social policies and human development strategies;
 - assess vulnerabilities and policy responses to volatility in the global economy.
- Primary objective is to institutionalise the use of the tools
 - training and technical support are provided
 - Ugandans experts
 - become owners of the tools
 - update them to the extent needed
 - apply them to generate analyses that inform policy making

What modeling tools?

- MAMS: <u>Maquette</u> for <u>MDG Simulations</u>.
 - Economy-wide (dynamic-recursive CGE) model to analyze MDG financing strategies in different countries.
 - Dynamic MDG module, with MDG determinants
 - ISIM-MAMS
- Microsimulation approach
 - Translate labour market outcomes of CGE simulations into impact on poverty and income distribution at household level using micro datasets
 - Stata codes

Some key questions

- Will reform policies recommended in previous MDG analysis be feasible if:
 - there is a global economic crisis?
 - Uganda faces external adversities (high food and energy prices, drops in export demand or declines in worker remittances)?
 - oil revenues do not start to flow as expected?
 - other policies are implemented
- Will it help if potential development impacts of existing international support measures to LDCs are maximized to accelerate progress towards development goals?
 - enhanced official development assistance (ODA)
 - preferential access to foreign markets
 - special treatment regarding WTO obligations
- Many more will be defined.

Project implementation in twelve steps ("What" and "Who")

- 1. Scoping mission and first workshop
 - UN-DESA, UNDP, "technical unit" (and "data team")
- 2. Consolidation of "technical team" (final arrangements)
 - UNDP and MFPED
- 3. Disaggregation of Social Accounting Matrix, updating and improvement of existing dataset
 - UN-DESA's international consultant and "data team"
 - Re-estimation of key elasticities national consultants?
- 4. Calibration of MAMS for Uganda with new dataset
 - UN-DESA (led by international consultant)



MVSC10

I would add more detail on how country teams are ideally expected to be formed, work and organize themselves.

Important is to highlight that there should be a team leader and that country-team members must have some specific qualifications.

Make explicit the point that we expect the "right" people to be participating in the workshops.

All of this can be brought up in light of the experience for LAC and the Arab countries.

Marco Sanchez, 14/08/2008

Project implementation in twelve steps ("What" and "Who")

- 5. First intensive training: MAMS (and ISIM-MAMS), updating of data set, initial runs of scenarios
 - UN-DESA, UNDP and technical team
- 6. Final fine-tuning of MAMS for Uganda
 - UN-DESA, assisted by technical team
 - It could still be improved though use of newly estimated MDG elasticities
- 7. Second intensive training workshop: policy assessments through scenario simulations in MAMS and microsimulations (in STATA)
 - UN-DESA, UNDP and technical team
 - We are here!

Project implementation in twelve steps ("What" and "Who")

- 8. Elaboration of proposals for policy simulations and notes, and initial implementation of simulations for policy notes
 - technical team, with support from UN-DESA
- 9. Third intensive training workshop: fine-tuning of policy simulations and notes
 - UN-DESA, UNDP, technical team
- 10. Elaboration, review and final submission of policy notes
 - UN-DESA, UNDP, technical team
- 11. Final seminar: presentation and discussion of policy notes, and definition of follow-up steps for maintaining modelling tools, supporting policymaking, and engaging in a policy dialogue.
 - UN-DESA, UNDP, technical team and policymakers
- 12. Policy dialogues; presentations that provide inputs for decision making, and identification of new demands for policy simulations that are deemed useful by the Government.
 - Technical team (with support from UNDP and UN-DESA?)

During the first intensive workshop we:

- described MAMS in detail
- took stock of data availability, presented a recently updated dataset for MAMS for Uganda (including a newly updated Social Accounting Matrix), and agreed on future data collection
- described the Excel-based interface known as ISIM-MAMS and conducted practical sessions to explain how it is used
- undertook practical sessions to conduct policy simulations in three (interrelated) blocks:
 - exogenous policy and external shocks
 - support measures
 - achievement of human development goals.
- And there have been other training sessions (Stata, CGE modelling concepts, MAMS and ISIM-MAMS)

During this second intensive workshop we will:

- continue with practical demonstrations that help explain the use of ISIM-MAMS (i.e., adding a dataset and generating alternative scenarios)
- complete more practical exercises by means of which policy simulations are generated covering again the three (interrelated) blocks
- discuss policy issues that will be assessed through simulations with the objective of elaborating a policy note, and how these simulations can be performed
- describe the format that the policy note should follow
- revisit the timeline and agree on the next steps.

Interesting resources:

http://www.un.org/en/development/desa/policy/capacity/uganda.shtml

http://www.un.org/en/development/desa/policy/capacity/macromicro_model/uganda_mm.sh_tml

See also recommended readings!