THE REPUBLIC OF UGANDA
Ministry of Education and Sports

ADVANCED SECONDARY CURRICULUM

ECONOMICS ASSESSMENT GUIDELINES

NCDC
NATIONAL CURRICULUM DEVELOPMENT CENTRE

2026

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A product of the National Curriculum Development Centre for the Ministry of Education and Sports with support from the Government of Uganda

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ISBN: 978-9970-494-63-7

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Acknowledgements

The National Curriculum Development Centre (NCDC) is indebted to the Government of Uganda for financing the development of these Assessment Guidelines to support the implementation of the Advanced Secondary Curriculum.

Our gratitude goes to the Ministry of Education and Sports for overseeing the development process, the Curriculum Task Force of the Ministry of Education and Sports for the guidance and timely decisions whenever necessary, and members of the public who made helpful contributions towards shaping these Guidelines.

NCDC is also grateful to UNEB, Members of Parliament, schools, universities, and other tertiary institutions, the writing panels, critical reviewers, and professional bodies for their contribution towards the design and development of these Assessment Guidelines. To all those who worked behind the scenes to finalise the production of these Guidelines, your efforts are invaluable.

NCDC takes responsibility for any shortcomings that might be identified in this publication and welcomes suggestions for effectively addressing the inadequacies. Such comments and suggestions may be communicated to NCDC through P. O Box 7002, Kampala, or Email: admin@ncdc.go.ug or on the Website: www.ncdc.go.ug

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Introduction

End-of-the-Cycle Assessment of Economics will be administered by the Uganda National Examinations Board (UNEB). The assessment is guided by four assessment objectives derived from four corresponding assessment constructs. Assessment items are set at the construct level, enabling learners to integrate knowledge, skills, and values drawn from related topics within each construct and apply them in meaningful contexts.

1.1 Assessment Objectives

The assessment objectives for Economics focuses on the learner's ability to:

AO1: Apply key economic concepts and analyse data on market behaviour, household consumption, and fundamental economic problems to make informed decisions and promote efficient resource allocation for personal and community development.

AO2: Analyse and apply sustainable economic strategies related to economic growth, including interpretation of development theories and strategies, and the promotion of international trade.

AO3: Analyse and interpret economic policies and trends that support economic, with particular reference to money and banking, inflation, public finance and fiscal policy, national income, and development planning.

A04: Examine population growth, age structure, and labour force trends in relation to production capacity and employment opportunities in Uganda.

1.2 Linkage Between Assessment Objectives, Constructs, and the Syllabus

The table below illustrates the linkage between the assessment objectives, the assessment constructs, and the syllabus topics that contribute to each construct.

Table 1:

Table showing relationship between assessment objectives, constructs and the topics in the syllabus

Assessment Objective	Construct	Construct Description	Topics in the Syllabus
AO1: Apply key economic concepts and analyse data on market behaviour, household consumption, and fundamental economic problems to make informed decisions and to promote efficient resource allocation for personal and community development.	Resource Allocation	Application of key economic concepts and analysis of data on market behaviour, household consumption, and fundamental economic problems to support informed decision-making and efficient resource allocation for personal and community development.	1. Introduction to Economics 2. Price Theory
AO2: Analyse and apply sustainable economic strategies related to patterns of economic growth, including the interpretation of development	Economic Strategy	Analysis and application of sustainable economic strategies related to economic growth, development theories,	5. Economic Growth, Economic Development and Development Theories

theories and strategies, and the promotion of international trade.		development strategies, and international trade.	6. Economic Development Strategies 10. International Trade
AO3: Analyse and interpret economic policies and trends that promote economic stability in money and banking, inflation, public finance and fiscal policy, national income, and development planning.	Economic Planning and Policy	Analysis and interpretation of economic policies and trends that support economic stability in national income, money and banking, inflation, public finance and fiscal policy, and economic development planning.	4. National Income 9. Public Finance and Fiscal Policy 8. Money, Banking and Inflation 11. Economic Development Planning
A04: Examine population growth, age structure, and labour force trends in relation to production capacity, and employment opportunities in Uganda.	Population and Labour Dynamics for Production	Examination of population growth, age structure, and labour force trends in relation to production capacity, and employment opportunities in Uganda.	3. Production and Market Structures 7. Population, Labour Unions and Employment

Table of Constructs

The table below illustrates the assessment constructs for Economics. It outlines the learning outcomes that constitute each construct, the expected learner abilities, and the evidence assessors should look for in the learner's work as indicators of mastery (achievement of the intended learning outcomes.

Construct	Learning Outcomes The learner should be able to:	Abilities The learner is able to:	Indicators of Mastery	Level of Complexity
Resource Allocation: Applying key economic concepts and analysing data on market behaviour, household consumption, and fundamental	i) describe the economic concepts, types of goods, economic questions and fundamental economic problems, in microeconomics. (*u, gs, v*) ii) illustrate and interpret the Production Possibility Frontier (PPF) for effective resource allocation. (*s, gs, v*) iii) analyse the economic systems that determine the allocation and utilisation of	a) relate the fundamental economic concepts and principles. b) explain basic economic problems and questions. c) analyse the concept and application of PPF. d) interpret numeric data and represent it	i) explains key economic concepts and principles accurately using appropriate economic terminology ii) applies key economic concepts and principles to real-life or contextual economic situations. iii) analyses the concept of the Production Possibility Frontier	Moderate

economic problems to make informed decisions and promote efficient resource allocation for personal and community development.	resources in different countries. (*u, s, gs*)	graphically using the PPF. e) analyse how economic systems influence resource allocation and decision-making.	(PPF) in making economic decisions. iv) interprets numeric data and constructs a graphical representation of the PPF. v) evaluates the merits and demerits of economic system. vi) formulates informed and rational microeconomic and macroeconomic decisions made. vii) evaluates the fundamental economic questions and their applicability in Uganda evaluated.	

	i) economic concepts including market and price, types of prices, functions of price in the market, types and characteristics of a market in a market economy. (*u, v, gs*) ii) demonstrate understanding of the theory of demand including, types of demand, demand function, the slope of the demand curve and law of demand, determinants of quantity demanded, change in quantity demanded and change in demand, exceptional demand curves, market demand and its determinants, the indifference curve approach	a) discuss market and prices, types of prices, functions of price in the market. b) describe the characteristics of a market in a market economy. c) explain the theory of demand including, types of demand, demand function, d) use the hypothetical demand schedule to derive the slope of the demand curve and describe the law of demand.	i) explains and evaluates the concept of market and price, including types of market prices. ii) discusses the functions of prices in the market. iii) derives and interpreted a demand curve from a hypothetical demand schedule. iv) distinguishes and analyses determinants of quantity demanded, changes in quantity demanded, and	Moderate

	and consumer's equilibrium, deriving the equilibrium of the consumer using the indifference curve approach, and the utility theory as used in a free market economy. (*u, s, gs*) iii) demonstrate understanding of the theory of supply, including the law of supply; derive the normal supply curve from the supply schedule and determine its slope; analyse factors influencing supply, aggregate supply, exceptional supply curves, interrelated supply, change in quantity supplied and	e) present determinants of quantity demanded, change in quantity demanded, and change in demand. f) illustrate the exceptional demand curves. g) understand the theory of supply, including the law of supply and derives the normal supply curve, from the supply schedule, the slope of the supply curve. h) explain the factors influencing supply,	quantity supplied of a commodity, using a diagram. v) analyses the influence of prices in production of goods and services and markets. vi) assesses the behaviour of demand and supply and their interaction to attain the market equilibrium. vii) analyses the working of the theory of elasticity in real-life experience.	

	change in supply in a free market economy. (*u, s, gs*) iv) analyse market equilibrium, including the meaning of equilibrium price and quantity, derivation of the market equilibrium, consumer and producer surplus. (*u, s, gs*) v) demonstrate understanding of elasticity of demand, types of elasticity of demand, types of price elasticity of demand, determinants of price elasticity of demand, incidence of a tax and subsidy, income elasticity of demand and its factors, uses of income elasticity of	aggregate supply, exceptional supply curves, interrelated supply. i) differentiate between change in quantity supplied and change in supply in a free market economy. j) determine the equilibrium price and quantity equilibrium. k) calculate the consumer and producer surplus. l) Describe the forms of elasticity of demand and calculate them.	viii) calculates and interprets the various forms of elasticity. ix) describes price fluctuations and assesses their impact on economic activities and decisions. x) differentiates between change in supply and change in demand, and change in quantity demanded and change in quantity supplied. xi) calculates and illustrated consumer	

	demand, cross elasticity of demand and their respective interpretation in a market. (*u, s, gs*) vi) illustrate elasticity of supply, including the meaning of elasticity of supply, types of elasticity of supply, its computation, and interpretation, determinants of elasticity of supply, elasticity and incidence of tax and subsidy, and importance of elasticity of supply in the market. (*u, s, gs*) vii) describe price fluctuations and price control, including causes of price fluctuations of agricultural products	m) Apply the uses of the concept of elasticity of demand in an economy. n) describe the forms of elasticity of supply and calculate them. o) apply the uses of the concept of elasticity of supply in an economy.	surplus and producer surplus. xii) analyses the significance of the producer and consumer surplus in relation to decision making.	

	compared to industrial products, price control, types and implications of price control in the market. (*u, gs, v*)			
Economic Strategy Analysing and applying sustainable economic strategies by evaluating patterns of economic growth, interpreting development	i) evaluate economic growth, emphasising factors determining it, costs, benefits and its implication on the development of Uganda's economy. (*u, s, gs*) ii) analyse economic development, its objectives and factors influencing it in a country with specific reference to Uganda. (*u, s, gs*) iii) recommend the most appropriate theory for economic growth and	a) examine the factors determining economic growth. b) explain the costs and benefits of economic growth. c) assess the implications of economic growth on the development of Uganda's economy. d) describe the objectives of economic	i) analyses factors that determine economic growth. ii) explains the costs and benefits of economic growth, deriving examples from Uganda. iii) distinguishes economic growth from economic development, with current information and cites current	High

theories, formulating development strategies, and promoting international trade for long-term, inclusive, and environmentally responsible national development.	development concerning Balanced Growth, Unbalanced Growth, and the Big Push Theory, assessing their advantages, disadvantages and limitations in the Ugandan context. (u, s, gs, v) iv) design measures to address poverty and underdevelopment in an economy, pointing out the forms, vicious cycle of poverty, and causes of poverty and underdevelopment, with reference to Uganda. (*u, s, gs, va*)	development of a country. e) analyse factors that influence economic development of a country with specific reference to Uganda. f) suggest the most appropriate theory for economic growth and development in relation to Balanced Growth, Unbalanced Growth and the Big Push Theory. g) examine the advantages and disadvantages of Balanced Growth theory.	examples of Uganda's growth trends. iv) examines implications of economic growth in depth. v) Demonstrates comprehensive understanding of Growth Theory. vi) accurately explains Growth Theory in terms of its assumptions, mechanisms, and limitations. vii) identifies the most appropriate theory for the given context with strong logical	

		h) assess the relevance of Unbalanced Growth Theory in development of a country. i) evaluate the Big Push Theory of economic growth. j) Explain the limitations of the Big Push Theory in economic development. k) Explain the limitations of Balanced Growth Theory with reference to Uganda. l) analyses the vicious cycle of poverty	reasoning and alignment. viii) evaluates a chosen theory, acknowledging strengths, weaknesses, alternatives, and empirical support. ix) analyses the Big Push Theory, highlighting its assumptions, strengths, disadvantages, criticisms, and risks associated with it, citing real-world examples. x) explains limitations of the Big Push	

		m) discuss the causes of poverty and underdevelopment, with reference to Uganda. n) design measures to address poverty and underdevelopment in an economy.	Theory, including theoretical, practical, and contextual challenges, using relevant examples from Uganda. xi) examines limitations of balanced growth theory, linking each to Uganda's economic realities with specific examples. xii) illustrates and interprets the vicious cycle of poverty with reference to Uganda. xiii) analyses causes of poverty and underdevelopment,	

			with specific examples from Uganda. xiv) suggests measures of addressing poverty and underdevelopment in Uganda.	
	i) appraise labour-intensive and capital-intensive techniques of production, explain why labour-intensive techniques of production are predominant in Uganda and suggest the most appropriate technique of production for Uganda. (*k, gs, v*) ii) compare intermediate and appropriate technology,	a) compare labour-intensive and Capital-intensive techniques of production. b) justify the predominance labour intensive techniques of production in Uganda.	i) compares labour-intensive and capital-intensive techniques of production. ii) explains the advantages, disadvantages of labour-intensive and capital-intensive techniques and their suitability in Uganda.	Moderate

	features of intermediate technology and appropriate technology, their advantages and disadvantages in the production process relating to their applicability to Uganda. (u, gs, v) iii) describe the role of foreign aid in the economic development of the country and the advantages and disadvantages of foreign aid to the government of Uganda. (u, gs, va) iv) analyse the roles of agriculture and industry in the development process and import substitution and export promotion strategies,	c) suggest the most appropriate technique of production for Uganda. d) examine the implications of labour-intensive techniques of production. e) assess the advantages and disadvantages of capital-intensive techniques of production in development of an economy. f) compare intermediate and	iii) identifies the most appropriate technique of production in Uganda's. iv) distinguishes intermediate and appropriate technologies. v) analyses their features, advantages, and disadvantages with reference to Uganda's economy. vi) describes key features of intermediate technology. vii) examines the role of foreign aid in	

	specifically relating to Uganda's economy. (u, s, gs, va) v) assess the role of education in the economic development process of the country, its challenges and solutions, with reference to Uganda. (u, s, gs, va)	appropriate technology as strategies for economic development. g) describe the features of intermediate technology. h) describe the features of appropriate technology. i) assess the implications of intermediate technology in Uganda's economic development. j) examine the role of foreign aid in	Uganda's economic development. viii) explains advantages and disadvantages of foreign in Uganda. ix) analyses roles of agriculture in Uganda's economic development process. x) examines the roles of industry in Uganda's development. xi) evaluates the implications of import substitution strategy in Uganda. xii) identifies and explains the conditions under	

		Uganda's economic development. k) discuss the advantages and disadvantages of foreign aid to the Government of Uganda. l) analyse the role of agriculture in Uganda's economic development. m) examine the role of industry in Uganda's economic development process. n) evaluate import substitution	which export promotion can succeed in Uganda. xiii) assesses both direct and indirect roles of education in Uganda's economic development. xiv) explains challenges facing Uganda's education sector. xv) Suggests a wide range of practical and realistic measures to address the challenges facing the education sector in the economic development of Uganda.	

		industrial strategy in Uganda's economic. o) examine the applicability of export promotion strategies in Uganda's economic development. p) assess the role of education in the economic development process of the country. q) Discuss the challenges facing the education sector in the economic development of Uganda.		

		r) suggest measures to overcome the challenges facing the education sector in the economic development of Uganda.		
	i) analyse the fundamental concepts of International Trade, including its forms and basis, benefits, the principle of comparative advantage and its implications, arguments for free trade, merits and demerits of protectionism, terms of trade, the balance of trade and balance of payment, balance of payments problems,	a) analyse the basis of international trade. b) discuss the benefits of international trade to a country. c) examine the relevance of comparative advantage to developing countries.	i) evaluates the basis of international trade in Uganda. ii) explores the benefits of international trade in Uganda. iii) applies the theory of comparative advantage in sectors like agriculture, service, and manufacturing with reference to Uganda.	Moderate

	balance of payments (causes of unfavourable balance of payments effects and solutions to overcome balance of payments problems) in an economy with specific reference to Uganda. (u, gs) ii) examine the role of foreign currency, meaning of foreign exchange, types of exchange rates in an economy, advantages, and disadvantages of each exchange rate to the economic development of a country with specific reference to Uganda. (s, gs, v)	d) discuss the arguments for and against free trade. e) explain the implications of protectionism in economic development of a country. f) analyse the causes of balance of payment problems in developing countries. g) examine the causes and effects of balance of payment problems in Uganda, and suggests possible solutions.	iv) assesses how free trade influences Uganda's economic development in industrial and agricultural sector. v) examines the impact of protectionism on Uganda's economy. vi) analyses causes and effects of balance of payment problems in Uganda, and suggests possible solutions. vii) evaluates the types, role, and implications of exchange rate	

	iii) describe the forms, benefits and challenges of economic integration including the necessary conditions for success and gains from economic integration in developing countries with reference to the East African Community (EAC). (s, gs, v)	h) describe the types of exchange rate systems in Uganda's economy. i) explain the role of exchange rate systems in Uganda's economy. j) analyse the implications of exchange rate systems in Uganda's economy. k) describe the forms of economic integration. l) explain the benefits of economic integration in economic	systems in Uganda's economy. viii) analyses how the impact of different forms of economic integration on the economies of East African regional countries. ix) examines the conditions for success, the benefits, and the challenges of economic integration in East African countries.	

		development, with reference to the East African Community (EAC). m) analyse the challenges of economic integration. n) describe the conditions necessary for success of economic integration.		
Economic Planning and Policy Analysing and implementing	i) analyse and apply key concepts related to National Income, such as Gross Domestic Product, Gross (GDP), National Product, Net National Product (NNP), per	a) analyse the concepts of national income such as GDP, GNP, per capita. b) calculate national income variables.	i) clarifies and applies national income concepts in economic contexts. ii) evaluates the factors that determine the	Moderate

policies that promote economic stability by evaluating the roles of money, banking, and inflation; applying principles of public finance and fiscal policy; interpreting national income trends; formulating development plans; and addressing demographic,	capita income, disposable income, real income, transfer payments. (u, gs, v) ii) analyse National Income concepts including the circular flow of income in a closed and open economy, uses of National Income statistics and the equilibrium position of National Income in Closed and Open Economies. (u, gs, v) iii) estimate the National Income figures of a country using different approaches of measuring National Income, considering the problems of measuring national income,	c) explain the national income flows both in closed/open economy. d) describe the equilibrium of national income and impact of disequilibrium. e) describe national income using different approaches (product, income and expenditure). f) explain the operation of different multipliers in an economy. g) describe how national income	national income of Uganda. iii) interprets national income statistics and computes related measures. iv) critiques the causes of income inequalities in Uganda and proposes solutions to mitigate them. v) illustrates the circular flow of income, showing the movement of and payments for goods, services, and payments in Uganda. vi) compares per capita income and welfare	

labour, and employment challenges to support sustainable and inclusive economic outcomes in the community.	adjustment of national income, comparison of national income and per capita income over time and between countries, inflationary and deflationary gaps, the concepts of the multiplier and accelerator and factors that influence the investment multiplier in an economy, particularly of Uganda. (u, s, gs, v) iv) explain national income determination including factors determining the national income of a country. (u, gs, v)	figures can be used to compare standard of living (SOL) between countries and over time. h) analyse the relation between standard of living and cost of living. i) describe the impact of income inequalities in communities.	levels in relation to income distribution. vii) computes price indices and interpret their economic significance.	
	i) examine public finance, branches, public revenue and its need, sources of	a) examine public finance dynamics of	i) examines the dynamics of public finance, including	High

	public revenue (tax and non-tax), types of public expenditure, and reasons for the persistent increase in public expenditure in Uganda. (u, gs) ii) recommend measures to increase the country's tax revenue including the meaning of taxation, the role of taxation in the development of an economy, canons of taxation, types of taxes, the advantages and disadvantages of each, categories of taxes, taxes and duties collected by the Central Government, taxes and duties collected by the	revenue and expenditure. b) analyse tax concepts of administration, compliance and computations. c) demonstrate the role of taxation in Uganda. d) assess the role of taxation in Uganda. e) compute various forms of taxes as given by law in Uganda. f) distinguish between national debt and public debt. g) analyse the reasons, types, and effects of	government revenue and expenditures. ii) analyses tax concepts, including administration, compliance, and computations. iii) identifies problems of and solutions to persistent increase in government expenditure. iv) analyses advantages and disadvantages of various types of taxes. v) identifies problems associated with low tax revenue and the way forward.	

	local government, reasons for low tax revenue in Uganda, measures to increase tax revenue in Uganda, the role of taxation in the development of an economy with specific reference to Uganda. (u, gs, v) iii) describe tax administration and tax compliance including the role of URA in tax administration, key stakeholders in Uganda's tax administration, elements of tax compliance, factors influencing tax compliance, benefits of tax compliance, forms of non-tax	public debts in Uganda. h) analyse the nature of budgets and their contributions towards Uganda's economy. i) describe the ways of financing the budgets in Uganda.	vi) computes and interprets different taxes. vii) explores taxation challenges in Uganda. viii) examines the need for debt contraction in Uganda. ix) analyses strategies for effective public debt management. x) examines the adverse effects of a public debt. xi) analyses the need for national budgeting. xii) examines ways of minimising a deficit budget.	

	compliance, measures for enhancing tax compliance and rights and obligations of a taxpayer in a country with specific reference to Uganda. (u, gs) iv) compute taxes payable using prevailing rates, including domestic taxes, individual tax incomes, employment income tax, presumptive tax, rental income tax, value added tax, local service tax, excise duty, import duty, corporate tax, VAT, withholding tax, infrastructural levy, and environmental levy in a country with specific			

	reference to Uganda. (u, s, v, gs) v) show understanding of a public debt, pointing out its meaning, classification, reasons for incurring it, strategies for effective public debt management, and its role in the economic development of a country with specific reference to Uganda. (u, gs, v) vi) analyse the meaning of fiscal policy and its objectives in achieving economic stability and growth in an economy with specific reference to Uganda. (u, gs) vii) examine the national budget including the types,			

	persistent budget deficit in Uganda, ways to minimise a deficit budget, and ways of financing a deficit budget to foster economic development in the economy of Uganda. (u, gs, v)			
	i) analyse the concept of money, including its functions, types, and supply, and explain the determinants of money supply in an open economy, the quantity theory of money, and the interrelationships between money supply, price level, and output, as well as the factors influencing	a) explain the key concepts of money, functions and money supply. b) analyse the relationships between price, money supply, and transactions. c) analyse the contributions of foreign financial	i) explains the functions and quality of money. ii) analyses the quantity theory of money. iii) searches and presents information on supply and demand for money. iv) assesses the role of the central bank.	High

	demand for money and its value in an economy. (u, gs, v) ii) evaluate the role of the Central Bank in the economic development of a country; covering monetary policy (objectives, tools, effectiveness and performance of the monetary sector in Uganda. (u, gs) iii) assess the role of commercial banks (local and foreign) in the economic development of a country, how commercial banks reconcile profitability, liquidity and security, challenges faced by commercial banks in	institutions in the economic development of a country d) evaluate the role of the central bank, commercial banks, and development banks in Uganda's economy. e) explain the impact of financial institutions in Uganda's economy. f) assess the contribution of non-banking financial institutions in Uganda.	v) analyses the applicability of the monetary policy in Ugandan economy. vi) examines the role of commercial banks. vii) explores the role of the central bank, commercial banks and development banks in Uganda's economy. viii) evaluates the performance of non-banking financial institutions in Uganda. ix) analyses how banks reconcile	

	Uganda and credit creation (assumptions, process, factors influencing, and limitations) in Uganda. (u, gs, v) iv) describe the role of the non-banking institutions (development banks, insurance companies, credit associations) in the economic development of a country including challenges faced in Uganda. (u, gs, v) v) design measures of controlling inflation in an economy, including meaning, degree, types, causes, effects and relationship between	g) Analyze the concept of inflation in Uganda using appropriate economic terminologies. h) Differentiate the degrees and types of inflation in the Ugandan economy with relevant examples. i) Justify the relationship between inflation and unemployment j) analyse the causes and possible mitigations of controlling inflation.	profitability, liquidity, and security. x) Analyses and explain the concept of inflation in reference to Uganda xi) Differentiates and classifies the types and degrees of inflation in Uganda with relevant examples. xii) Justifies the inflation–unemployment relationship in Uganda using economic theories.	

	inflation and unemployment, giving specific reference to Uganda. (u, gs, v).		xiii) explains the causes and effects of inflation in Uganda. xiv) suggests measures of controlling inflation in Uganda.	
	i) analyse an economic development plan for a country, taking note of, the meaning, need for, forms, principles, features, and challenges in formulation and implementation of economic development plans in Uganda. (u, gs, s) ii) evaluate the current development plan in	a) describe the requirements for planning and economic planning principles. b) analyse the role of planning in Uganda's economy. c) examine the planning methodologies and forms under	i) describes the forms of plans, used in Uganda. ii) explores the requirements for planning and the principles of planning. iii) examines the steps of plan implementations. iv) examines the current economic	High

	Uganda in achieving the intended goals. (s, gs)	different economic systems.	development plans of Uganda. v) Explains the causes of development plan failures in Uganda in relation to the achievement of intended goals.	
Population and Labour Dynamics for Production Examining how population growth, age structure, and labour force trends in Uganda influence	i) analyse the concepts of production, including types, forms, levels, factors, and mobility of factors, as well as division of labour and specialisation, to understand how they contribute to wealth creation in a community. (u, gs, v) ii) demonstrate an understanding of a firm, its	a) describe the types and forms of production with reference to Uganda. b) explain the relationship among the factors of production. c) determine the most efficient technique of production.	i) explains the various types and forms of production with reference to Uganda. ii) analyses the relationship among the factors of production, including their importance and limitations in the production process.	High

production capacity, employment opportunities, and economic development	objectives, size, input-output relationship, the law of diminishing returns, location and localisation, their merits and demerits, survival of firms, and co-existence of small-scale and large-scale firms in the production process. (s, gs, v) iii) analyse the theory of costs including types of costs in the short run, relationship between total cost, total variable cost, fixed cost and average costs, average variable costs, marginal cost, economies of scale and diseconomies of scale and performance of firms in terms of output, profits and	d) analyse the concept of labour mobility and its implication on Uganda's economy. e) evaluate the implication of division of labour and specialisation in a community. f) describe a firm and its objectives. g) explain the factors that determine the size and location of firms. h) analyse the factors that influence localisation of firms	iii) selects and justifies the most appropriate and efficient technique of production in given contexts. iv) examines the causes and implications of labour mobility in Uganda's economy. v) assesses the implication of division of labour and specialisation within a community. vi) explains the concept of a firm and evaluates its objectives.	

	efficiency in production. (s, gs, v) iv) analyse the theory of revenue including types of revenue, their relationship, determination of different types of revenue, profits and losses, and relationship between total revenue, average revenue, marginal revenue and demand in a firm. (s, gs, v) v) classify different market structures including, perfect competition monopoly, monopolistic competition and oligopoly, while considering the dynamics of price in the market. (u, gs)	and assess its implications. i) assess the applicability of the law of diminishing returns to producers. a. j) analyse the co-existence of small-scale and large-scale firms in the production process. k) illustrate and explain the concept of costs and how they influence economies of scale. l) demonstrate understanding of the	vii) evaluates the factors that determine the size and location of firms. viii) analyses and assesses the factors influencing localisation of firms and their implications for the community. ix) analyses the co-existence of small-scale and large-scale firms in the production process. x) illustrates and explains cost concepts and analyses how costs	

	vi) examine market structures including perfect competition, monopoly, monopolistic competition, and oligopoly, considering their characteristics, the relationship between average revenue, marginal revenue, price, and demand, short and long-run equilibrium, breakeven, and shutdown points of a firm under perfect competition, advantages, and disadvantages, price discrimination, price determination under oligopoly and forms of non-price competition in a market situation. (u, gs, s).	concept of revenue and how the different forms of revenue are computed. m) describe the features and operation dynamics of the different market structures in the short and long run situations. n) assess the implications of various market structures to the community. o) demonstrate understanding of price discrimination	influence economies of scale. xi) illustrated and explained cost, revenue and output relationships in both short and long run. xii) computes and interprets different forms of revenue and explains their relevance to production and marketing decisions. xiii) analyses short-run and long-run production decisions of a firm. xiv) describes and analyses the features	

		under a monopolistic situation. p) analyse the different forms of non-price competition under oligopoly firms. q) illustrate and interpret the break even and shut-down points of a firm under perfect competition market situation.	and price determination mechanisms of different market structures. xv) Assesses the operational principles, challenges, and community effects of various market structures. xvi) analyses the impact of price discrimination in a monopolistic market. xvii) analyses the forms and effects of non-	

			price competition under oligopoly. xviii) illustrates and interprets the break-even and shut-down points of a firm under perfect competition and explains their application to production decisions.	
	i) analyse population including size, structure, trend and distribution, implications, factors that impact on population, over, under and optimum population, consequences	a) analyse Uganda's population trend and its impact on Uganda's economy. b) describe the major type and	i) analyses Uganda's population trend and evaluates their impact on the economy. ii) describes and analyses the	High

	of increasing, declining, and an ageing population, rapid population growth rate and its influence on the development process of a country paying particular attention to Uganda. (u, gs, v) ii) assess the contribution of labour to community and national development including the structure of the labour force and factors that influence it, supply and demand for labour and factors determining them, theories of wage determination and methods of wage payment (piece and time rate) merits and	classification of labour. c) analyse the methods of rewarding labour. d) assess the nature of trade unions and their role in Uganda's economy. e) analyse the causes and effect of unemployment. f) examine the challenges of employment in Uganda and how they are handled.	structure and classification of labour in Uganda. iii) interprets graphical representations of population and labour data. iv) explains and evaluates the role of trade unions in protecting labour rights and influencing Uganda's economy. v) applies appropriate technological tools to research and explain theories of wage determination.	

	demerits of each. (u, s, gs, va) iii) evaluate the performance of labour unions in negotiating for better conditions of work and higher wages for their members including types of labour unions, objectives of labour unions, tools used by labour unions to negotiate for wages, achievements and failures of labour unions in Uganda. (u, gs, v) iv) design interventions to address the unemployment problem in a country including the meaning of employment, full employment,		vi) explains and analyses wage differentials and labour discrimination. vii) evaluates the achievements and limitations of trade unions in Uganda. viii) analyses the causes and effects of unemployment and proposes feasible solutions to address it.	

	underemployment and unemployment, types of employment, nature of unemployment, types of unemployment, causes of unemployment and how they can be solved in developing countries particularly in Uganda. (u, s)			

Structure of the Assessment Papers

There shall be **two assessment papers** for Economics under the Advanced Secondary Curriculum.

Paper 1

Paper 1 shall be divided into two sections**: Section A and Section B.**

i) Section A shall consist of **two (2) compulsory items**.
ii) All items in Section A shall be drawn from **construct 1: Resource Allocation**
iii) Section B shall consist of **three (3) items**, from which a candidate shall choose **two (2)**.
iv) All items in Section B shall be drawn from **Construct 4: Population and Labour Dynamics for Production**.

Paper 2

Paper 2 shall be divided into **two sections: Section A** and **Section B**.

i) Section A shall consist of **two (2) compulsory items**.
ii) All items in Section A shall be drawn from **Construct 2: Economic Strategy**.
iii) Section B shall consist of **three (3) items**, from which a candidate shall choose **two (2)**.
iv) All items in Section B shall be drawn from **Construct 3: Economic Planning and Policy**.

General Requirements

i) Each paper shall consist of five (5) items.
ii) A candidate shall answer four (4) items in each paper (two compulsory and two selected).
iii) All items shall be scenario-based
iv) The duration of each paper shall be **three (3) hours**

Economics

Paper I

November 2025

Time: 3 hours

UGANDA ADVANCED CERTIFICATE OF EDUCATION
SAMPLE EXAMINATION PAPER

ECONOMICS

Paper 1

3 Hours

INSTRUCTIONS TO CANDIDATES

i) Attempt FOUR items in all.
ii) SECTION A has **two (2) compulsory** items.
iii) SECTION B has three (3) items
iv) Duration 3 hours

SECTION A

All items in section are compulsory

ITEM ONE

Uganda regularly hosts international soccer tournaments at Namboole National Stadium, each lasting approximately one month. During these tournaments, nearby towns such as Kireka and Bweyogerere experience a significant boom in business activity. Despite this surge, the resources required to cater for the welfare and interests of both visitors and local residents remain limited. This situation often creates uncertainty regarding decisions about what, when, where, how, and for whom to produce.

Restaurants and hotels typically earn substantial profits during these events. In a recent tournament, the price of a plate of food in most restaurants and hotels increased from approximately Shs 5,000 to Shs 12,000. At the same time, the quantity demanded also rose. For instance, a restaurant that previously sold about 20 plates of food per day was able to sell up to 50 plates daily during the tournament. Many people question the reasons for this strong consumer response to rising prices.

These demand trends have encouraged many suppliers to reallocate resources towards more profitable activities. However, several consumers have expressed concern about the prevailing economic conditions and believe that government intervention may be necessary to address their challenges. The government, seeking an informed basis for possible intervention, has approached you as an expert in resource allocation.

Task

As a student of Economics, write an essay that:

i) Analyses the factors influencing customers' responsiveness to changes in food prices in restaurants and hotels; and

ii) Examines the justification for government intervention in addressing the concerns raised by residents.

Task

As a student of Economics, write an essay that:

i) Analyses the factors influencing customers' responsiveness to changes in food prices in restaurants and hotels

ii) Examine the justification for government intervention in addressing the concerns raised by residents.

ITEM TWO

The "Glorius Sugar wholesalers Ltd" is a small business in a competitive market, specializing in selling sugar to retailers and consumers. Natukunda Glorius, and other sugar wholesalers would wish to maximize profits but are worried about the unstable profitability levels that cannot easily be determined with certainty. This is because of the unfavourable trends in the prices of sugar in the last five years whose cause is not yet established by sugar dealers. The trend is reflected in table 1.

Table 1.

Showing sugar prices in the last five years in Uganda.

Year	**2021**	**2022**	**2023**	**2024**	**2025**
Prices of-sugar per kilogram (UGX)	3,200	6,000	4,000	5,000	3,700

Despite the above trend, Natukunda Glorius and other sugar sellers would wish to continue with the sugar wholesale business as they find appropriate measures to control the trend. She has approached you as a student of Economics for assistance.

Task:

(a) Prepare a presentation to analyse the situation leading to the trend in the scenario and propose necessary interventions.

SECTION B

Attempt two items from this section

ITEM THREE

Uganda's population is growing at annual rate of approximately 3.2 per cent and is projected to double within 25 years. Nearly 48 per cent of the population is below the age of 15, indicating a predominantly youthful population. As this cohort transitions into the labour force, it presents both opportunities and potential economic pressures. Uganda is among the countries with youngest populations globally.

However, the current structure and quality of the labour force have constrained productivity, affecting both the quantity and quality of output. Many firms in the different sectors of the economy have failed to produce at their capacity due to the nature of the labour force.

Many firms across various sectors operate below capacity due to labour-related challenges. Furthermore, a significant number of people, including graduates, remain unemployable or underemployed due to skills mismatches and other structural limitations.

The government tends to develop strategies to enhance employability and improve labour productivity.

Task

Using evidence from the scenario, write an essay that:

i) Analyses the implications of Uganda's demographic structure for production and economic performance.

ii) Proposes appropriate government strategies to address the labour force challenges identified above.

ITEM FOUR

Urbanisation in Uganda is increasing, largely driven by the expansion of the industrial and service sectors. Many firms operating in these sectors are characterised by relatively free entry and exit, extensive advertising, product differentiation, and a degree of control over pricing.

Firms compete by making their products appear unique in order to build brand loyalty and sustain market share.

As these sectors expand, some members of the community have raised concerns about the growing influence and practices of such firms. Despite these profits earned, many workers report low wages, job insecurity, unfavourable working conditions. In several cases, employers exercise considerable discretion in hiring and dismissal decisions. Although workers have not attempted to seek redress through existing labour laws and institutions, progress has been limited. Labour unions have expressed concern and are seeking sustainable solutions to improve working conditions and protect workers' rights.

You have been approached, as a student of Economics, to provide professional advice on the situation.

Task

Write an assay that:

i) Analyses the community's concerns in the market structure described in the scenario;
ii) Justifies whether the prevailing market conditions should be accepted or regulated; and
iii) Proposes appropriate strategies to address the concerns of labour unions while maintaining economic efficiency.

ITEM FIVE

Uganda's population has been growing steadily, increasing the number of young people entering the labour market each year. Many school leavers and graduates are seeking jobs, but there are not enough employment opportunities for everyone. Some people find work in small shops or manufacturing firms where there are many sellers offering slightly different products, some control over prices, and free entry and exit, while others are employed in larger companies where a few firms dominate the market, prices are often stable due to interdependence, and there are high barriers to new competitors.

Workers are forming labour unions to improve wages, working conditions, and job security. Firms must decide how much to produce and how many workers to hire based on the availability of labour, wages, and the market conditions. These challenges have made it difficult for both employers and employees to plan for the future and have affected productivity in some sectors.

Task:

You have been approached as a student of Economics to make a presentation on how;

a) Population growth affects labour supply and employment opportunities in Uganda.

b) Labour union activities and market structures highlighted in the scenario influence firms' production decisions.

Scoring Rubrics for Economics Paper One

SECTION A

This item is compulsory

ITEM ONE

Out put	Basis of assessment	Score 4	Score 3	Score 2	Score 1
An essay on the factors influencing customers' response to changes in food prices, and basis for government interventio n	**Interpretation of Task/Context** a) Comprehensio n of the task in respect to the scenario/cont ext b) Brief overview of the subject/problem	a) Demonstrates a comprehensive understanding of the task in respect to the scenario/context. Clearly identifies the main problem of high demand and rising food prices during the tournament, the challenges faced	a) Demonstrates a strong understanding of the task in respect to the scenario/context. Identifies the main problem of high demand and rising food prices, and mentions challenges and customers' responsiveness through PED, but	a) Demonstrates a basic or partial understanding of the task in relation to the scenario/context . Attempts to identify the problem of high demand and rising food prices and mentions PED, but	a) Demonstrates little or no understanding of the task in respect to the scenario/context . Fails to identify the main problem clearly, with minimal or incorrect reference to PED, challenges, or

		by businesses, and customers' responsiveness through Price Elasticity of Demand (PED). Recognises the role of government intervention in protecting residents' welfare. b) Provides a clear and thorough overview of the subject/problem, outlining all key concepts, including PED, its formula, government	some aspects may lack full clarity or detail. Government intervention is noted but not fully developed. b) Provides a general overview of the subject/problem, covering most key concepts (PED, formula, government intervention) with reasonable accuracy, though some explanations may be incomplete or less detailed.	connections to challenges or government intervention are limited, vague, or incomplete. b) Provides a limited overview of the subject/problem, mentioning some key concepts, but explanations are superficial, incomplete, or only partially relevant to the scenario	government intervention. b) Provides little or no overview of the subject/problem, with few or no key concepts identified. Explanations are unclear, inaccurate, or not related to the scenario.

		intervention, and the basis for such intervention, showing deep understanding and strong relevance to the scenario			
	Generating and presenting ideas a) Generates ideas that address the task b) Makes connections within and between ideas and context c) Presents ideas coherently	a) Demonstrates comprehensive understanding by correctly writing the PED formula, performing accurate substitutions, calculating the correct answer, and clearly interpreting	a) Demonstrates good understanding with minor errors in the PED formula, calculation, or interpretation. Identifies relevant government interventions but provides partial explanation or limited application to the scenario.	a) Demonstrates limited understanding. Significant errors in PED calculation or interpretation. Mentions government interventions superficially with minimal	a) Fails to demonstrate understanding of PED. Calculation is incorrect, and no relevant government interventions are identified or explained. b) Fails to make meaningful

		customer responsiveness. b) Identifies and fully explains relevant government interventions addressing affordability and resource allocation, with clear insight into application in the scenario. c) Clearly links PED results to observed customer responsiveness and scenario context. Shows	b) Makes connections between PED, customer responsiveness, and the scenario, though some links are incomplete or partially unclear. Shows moderate linkage between pricing strategies, consumer behaviour, and government interventions. Presents ideas mostly clearly and logically, but some explanations or sequencing are underdeveloped.	connection to the scenario. b) Makes few or unclear connections between PED, customer responsiveness, and the scenario. Links to suppliers' actions or government interventions are minimal or inaccurate. c)Presents ideas in a disorganized or unclear manner. PED	connections between PED, customer responsiveness, and the scenario. No reference to suppliers' strategies or government interventions. c)Ideas are incoherent or missing. Explanations of PED, customer responsiveness, and government interventions are absent,

		how price changes influence demand, connects suppliers' pricing strategies to consumer behaviour, and explains the role of government interventions in controlling prices and protecting consumers and traders in Kireka and Bweyogerere. Presents all ideas logically and coherently. PED calculations are explained step by step, results are	Integration of government interventions is partial.	calculation, interpretations, or interventions are difficult to follow.	illogical, or impossible to follow.

		meaningfully interpreted, and government interventions are integrated effectively to provide a comprehensive solution.			
	Making Informed Judgement Use the acquired knowledge to form an informed opinion/ conclusion or judgement	Develops a clear, balanced, and well-justified judgement on high demand and rising food prices. Accurately applies PED to explain customer responsiveness and critically	Forms a well-supported judgement on high demand and rising food prices. Correctly applies PED to interpret customer responsiveness, and evaluates government	Offers a weak or partially developed opinion. Shows inaccurate or superficial application of PED. Makes minimal or unclear reference to	Fails to form a coherent judgement. Misapplies or omit PED. Does not meaningfully evaluate government interventions. Shows little or no

		evaluates the effectiveness of relevant government interventions. Demonstrates strong understanding of market behaviour and policy responses, with explicit and sustained reference to the scenario.	interventions with reasonable depth. Shows sound understanding of market behaviour, though analysis or contextual linkage may lack depth.	government interventions. Demonstrates limited understanding of market behaviour and policy responses.	understanding of market behaviour.

ITEM TWO

Out put	Basis of assessment	Score 4	Score 3	Score 2	Score 1
A presentation analysing the trend in sugar prices in Uganda from 2021–2025, explaining the causes of price fluctuations, their effects on Glorius Sugar Wholesalers Ltd, and	**Interpretation of task/context** a) Comprehension of the task in respect to the scenario/context b) Brief overview of the subject/problem	(a)Demonstrates comprehensive understanding of the task by identifying all key aspects of the scenario, including sugar price fluctuations, unstable profit levels, and unfavourable price trends, and clearly outlines appropriate interventions to	(a)Shows a strong understanding of the task by identifying most major aspects of the scenario and proposing relevant interventions, though with minor omissions or less detail (b) Positions the task within the scenario, gives a good overview of the problem, defines most key	(a)Shows partial understanding of the task by identifying some aspects of the scenario, but provides limited or incomplete interventions (b) Partially positions the task, provides a limited overview, defines some key concepts, mentions sugar price trends, and	(a)Shows very limited or no understanding of the task, with little or no identification of key aspects and absence of meaningful interventions (b) Shows little or no understanding of the task, fails to define key concepts, lacks an overview of sugar price trends, and does not propose

proposing interventions to stabilise the sugar market		address the challenges (b) Clearly positions the task within the scenario, provides a concise overview of the problem, accurately defines all key concepts (price fluctuations, unstable profitability, supply and demand factors, government policies, interventions), summarizes the observed sugar	concepts, summarizes sugar price trends, and suggests relevant measures to address price instability, with minor omissions or less detail	proposes basic measures to address price instability	meaningful measures to mitigate price instability.

		price increases, and outlines comprehensive measures to mitigate price instability.			
	Generating and presenting ideas a) Generates ideas that address the task b) Makes connections within and between ideas and context c) Presents ideas coherently	(a) Demonstrates a comprehensive understanding of the task, with relevant ideas fully developed; clearly describes all major causes of sugar price increases, proposes effective interventions to reduce fluctuations, and suggests practical	(a)Demonstrates a good understanding of the task, with mostly relevant ideas; describes several key causes of price increases, proposes interventions, and suggests measures to improve profits, though some	(a)Demonstrates partial understanding of the task; ideas are somewhat relevant, but the description of causes, interventions, or profit measures is incomplete or partially developed.	(a)Demonstrates very limited or no understanding; ideas are irrelevant or undeveloped, with little or no description of causes, interventions, or profit measures. (b) Shows very limited or no connections between ideas and

		measures to increase profits. (b) Shows strong and logical connections between ideas and context; demonstrates synthesis and depth of understanding by linking sugar price changes to profit levels, explaining interactions of market factors and policies, and showing how interventions can stabilize prices and	details may be incomplete. (b) Shows logical connections between ideas and context; links sugar price changes to profit levels and market factors, and demonstrates how interventions may help, though some links may be less detailed. (c) Ideas are mostly clear and logical; transitions are present but may be minorly inconsistent, and	(b) Shows partial connections between ideas and context; links between price changes, profit levels, or interventions are incomplete or inconsistent. (c) Ideas are somewhat organized; transitions are inconsistent, and links between causes, effects, and interventions	context; relationships are missing or incoherent. (c) Ideas are incoherent, disorganized, or fragmented; transitions are absent, and connections between causes, effects, and interventions are missing.

		improve profitability. (c) Ideas are presented in a clear, logical, and fluent manner; transitions are smooth and enhance meaning, with causes, effects, and interventions clearly linked.	links between causes, effects, and interventions are generally clear.	are sometimes unclear.	
	Making Informed Judgment Use the acquired knowledge to form an	Forms an Opinion/conclusion that is highly informed, thoroughly insightful, and well-reasoned;	Forms an Opinion/conclusion which is clear, logical, and supported by relevant evidence; shows sound	Forms an opinion/conclusion that shows limited use of knowledge; reasoning is weak with minimal	Forms an opinion/conclusion that is unclear, unsupported, or irrelevant; no evident use of acquired

	informed opinion/ conclusion or judgement.	based on comprehensive understanding and application of knowledge in relation price fluctuations and the most ideal interventions.	understanding and some evaluation of price fluctuation causes and possible interventions though less deep.	evidence or clarity on causes of fluctuations and possible solutions.	knowledge or reasoning in line with price fluctuations and

SECTION B

Attempt two items from this section

ITEM THREE

Out put	Basis of assessment	Score 4	Score 3	Score 2	Score 1
An essay on the implications of Uganda's demographic structure on production and strategies government can use to solve the challenge of underemployment and unemployability.	**Interpretation of Task/Context** a) Comprehension of the task in respect to the scenario/context b) Brief overview of the subject/problem	a) Demonstrates comprehensive and accurate understanding of the task. Provides a clear and detailed overview of Uganda's demographic structure and its implications for production. b) Presents a thorough analysis of unemployment, underemployment,	a) Demonstrates strong understanding of the task. Provides a clear overview of Uganda's demographic structure and a detailed explanation of unemployment and related challenges.	a) Demonstrates weak or partial understanding of the task. Provides an incomplete or partially inaccurate overview of demographic structure. b) Analysis of unemployment and unemployability	a) Demonstrates minimal or no understanding of the task. Provides inaccurate or irrelevant information on demographic structure and unemployment. Fails to discuss causes, implications, or

		and unemployability, including trends, causes, and economic implications. Ideas are coherent, well-organised, and supported by relevant examples or data.	Discusses key causes and implications with reasonable depth. b) Ideas are generally well organised and supported by relevant examples.	is superficial, unclear, or poorly organised, with little reference to causes or implications.	strategies meaningfully. b) Ideas are disorganised and unsupported.
	Generating and Presenting Ideas a) Generates ideas that address the task b) Makes connections within and	a) Provides a comprehensive and accurate description of Uganda's demographic structure. Clearly explains the economic implications of a youthful population,	a) Provides a clear description of Uganda's demographic structure. Explains key implications of a youth-dominated	a) Provides a basic description of demographic structure. Mentions implications of a youthful population and suggests some	a) Fails to meaningfully describe demographic structure, implications, or employment strategies. Ideas are largely irrelevant,

	between ideas and context c) Presents ideas coherently	particularly for production and employment. Proposes extensive, practical, and well-reasoned strategies to expand employment. Ideas are coherent, logically organised, and supported by relevant examples or evidence. b) Demonstrates strong analytical ability. Clearly explains how a youth-dominated population affects labour supply,	population and proposes relevant strategies to increase employment with reasonable depth. b) Ideas are mostly coherent and logically structured. Explains the relationship between demographic structure and labour market	employment strategies, though explanations are general or partially developed. Organisation is adequate but uneven. b) Shows basic understanding of the relationship between population structure and labour market issues.	inaccurate, or disorganised. b) Fails to establish meaningful connections between demographic structure and labour market outcomes. Government strategies are not logically linked to identified challenges. c)Ideas lack logical organisation.

		productivity, unemployment, and underemployment. Establishes strong and logical connections between demographic trends and labour market challenges. Government strategies are clearly linked to these structural issues. c)Presents ideas in a clear, logical, and well-structured manner. Arguments flow smoothly with strong transitions.	outcomes with good clarity. c)Most connections between youth population trends, unemployment, and government strategies are logical and well-articulated. Ideas are logically organised and clearly presented.	c)Some connections are made, but analysis is limited or partially developed. Ideas are generally organised but may lack consistent logical flow. Explanation of implications and strategies is present but uneven or partially developed.	Presentation is incoherent, with little or no meaningful explanation of implications or strategies.

		The implications of a youthful population and proposed employment strategies are fully developed and coherently integrated.	Most relationships between demographic trends and employment strategies are clearly explained, with minor lapses in depth or flow.		
	Making Informed Judgement Use the acquired knowledge to form an informed opinion/	Provides a clear, accurate, and comprehensive synthesis of the major labour market implications of Uganda's youth-dominated population.	Summarises most key labour market implications of a youthful population. Provides a reasonable and relevant	Provides an incomplete or unclear summary of labour market implications. Government strategies are vaguely	Fails to meaningfully summarise labour market implications or government strategies. Standpoint is missing,

	conclusion or judgement	Summarises practical and well-articulated government strategies for expanding employment. Presents a clear, logically justified, and insightful standpoint that is fully aligned with the scenario. Ideas are coherent and well-integrated.	summary of government employment strategies. Presents a justified standpoint linked to the scenario, though some aspects may lack full depth or refinement. Ideas are mostly coherent and logically presented.	described or weakly explained. Standpoint is poorly developed, minimally justified, or weakly connected to the scenario.	irrelevant, or unsupported. Ideas are disorganised or absent.

ITEM FOUR

Out put	Basis of assessment	Score 4	Score 3	Score 2	Score 1
An essay on the demerits of industrial and service sector expansion, benefits of monopolistic competition, and measures to improve labour conditions	**Interpretation of Task/Context** a) Comprehension of the task in respect to the scenario/context b) Brief overview of the subject/problem	a) Demonstrates comprehensive understanding of the task and scenario. Clearly identifies the main problem (e.g., worker exploitation, low wages, poor labour conditions). b) Accurately defines labour unions and monopolistic competition, and clearly summarises the key benefits of monopolistic competition.	a) Demonstrates strong understanding of the task. Correctly identifies the main problem and defines key concepts, including labour unions and monopolistic competition. b) Summarises the benefits of monopolistic competition with	a) Demonstrates limited or partial understanding of the task. Struggles to clearly identify the main problem. b) Definitions of labour unions and monopolistic competition are incomplete, unclear, or partially inaccurate.	a) Demonstrates no understanding of the task. Fails to identify the main problem. b) Definitions of key concepts are missing or incorrect, and benefits of monopolistic competition are not

		Concepts are precise and well explained	minor omissions or limited depth.	Benefits are poorly explained or wrongly summarised.	meaningfully addressed.
	Generating and Presenting Ideas a) Generates ideas that address the task b) Makes connections within and between ideas and context c) Presents ideas coherently	a) Provides a comprehensive and accurate explanation of monopolistic competition. Clearly justifies its merits in relation to the scenario. Offers an insightful analysis of the fears raised and proposes well-reasoned, practical strategies that directly address the labour union's concerns. Ideas are fully	a) Clearly explains monopolistic competition and justifies its merits with good relevance to the scenario. Analyses the main fears and proposes appropriate strategies to address labour union concerns. Ideas are well	a) Provides a basic explanation of monopolistic competition and some justification of its merits. Offers a general analysis of fears and suggests strategies, though explanations may be uneven	a) Fails to meaningfully explain monopolistic competition or justify its merits. Does not analyse fears or propose relevant strategies for addressing labour union concerns.

		developed and economically sound. Demonstrates strong analytical ability. b) Clearly links the features and merits of monopolistic competition to the issues in the scenario. Establishes logical and well-supported connections between the identified fears and the proposed strategies. Shows synthesis and depth of economic understanding. c)Presents ideas in a clear, logical, and well-	developed, with minor gaps in depth. b) Establishes clear and logical connections between monopolistic competition and the scenario. Links most merits to the fears raised and explains how proposed strategies address labour union concerns c)Ideas are logically organised and	or partially developed. b) Shows basic connections between monopolistic competition and the scenario. Some links between merits, fears, and strategies are made, though analysis is limited or partially developed. c) Ideas are generally organised but	b) Fails to establish meaningful connections between monopolistic competition, the scenario, and labour union concerns. Strategies are irrelevant or not logically linked. c)Ideas are disorganised, unclear, or largely irrelevant.

		structured manner. Arguments flow smoothly with effective transitions.	clearly presented. Most arguments are well connected, with minor lapses in flow or depth.	may lack consistent flow or clarity. Some arguments are underdeveloped or weakly linked.	Arguments lack logical progression and do not align with the scenario.
	Making Informed Judgement Use the acquired knowledge to form an informed opinion/ conclusion or judgement.	Accurately and concisely summarises the key characteristics of monopolistic competition and clearly explains its merits. Proposes practical and well-reasoned strategies to address labour concerns. Presents a highly informed, logically	Clearly summarises the main characteristics and merits of monopolistic competition. Suggests relevant strategies to address labour concerns. Provides a reasoned	Provides an incomplete or partially inaccurate summary of characteristics and merits. Strategies for labour concerns are vague, weak, or minimally explained.	Provides a superficial or inaccurate summary of monopolistic competition. Fails to propose meaningful strategies for labour concerns.

		justified personal opinion that is clearly and directly aligned with the scenario	personal opinion that is clearly linked to the scenario, though justification may not be fully developed.	Personal opinion is weakly justified or loosely connected to the scenario.	Personal opinion is missing, unsupported, or unrelated to the scenario.

ITEM FIVE

Out put	Basis of assessment	Score 4	Score 3	Score 2	Score 1
A presentation explaining how population growth affects labour supply and employment opportunities in Uganda, and how labour union activities and market structures highlighted	**Interpretation of Task/Context** a) Comprehension of the task in respect to the scenario/context b) Brief overview of the subject/problem	a) Demonstrates comprehensive understanding of the task in relation to Uganda's scenario. Clearly explains how population growth increases labour supply, affects employment opportunities, and how labour unions and different market structures (competitive and oligopolistic)	a) Demonstrates strong understanding of the task and scenario context. Explains most effects of population growth on labour supply and employment, and the influence of labour unions and market structures on production, with minor omissions or slight lack of depth.	a) Demonstrates partial understanding of the task and scenario. Mentions population growth, labour supply, employment issues, unions, or market structures superficially, with weak connections to the scenario. b) References only a few	a) Fails to demonstrate understanding of the task. Provides minimal or inaccurate explanation of population growth, labour supply, employment, unions, or market structures. b) Provides little or no overview

in the scenario influence firms' production decisions.		influence production decisions. b) Provides a detailed overview of the economic problem, identifying all key issues: rising labour force, limited job creation, firm decision-making, and effects of market structure and unions.	b) Provides a mostly detailed overview of the economic problem, identifying the majority of key issues (rising labour force, limited employment, firm decision-making, and market/union influences), though a few details may be less fully developed	economic problems, with minimal explanation or unclear relevance to the scenario/context.	of the economic problem; connections to the scenario are missing, irrelevant, or incorrect
	Generating and Presenting Ideas	a) Demonstrates a thorough and comprehensive generation of ideas,	a) Generates mostly complete and relevant ideas, addressing	a) Generates limited ideas, with vague or superficial	a) Fails to generate meaningful or relevant ideas;

	b) Generates ideas that address the task b) Makes connections within and between ideas and context c) Presents ideas coherently	fully addressing how population growth increases labour supply, creates employment challenges, and how labour unions and market structures influence firms' production decisions. b) Makes strong, logical, and well-integrated connections within and between ideas and the scenario context. Labour supply trends,	population growth, labour supply, employment, union roles, and market structures, though some points may be less fully developed or detailed. b) Makes mostly clear and logical connections between ideas and scenario context, though minor inconsistencies or gaps may exist in linking labour supply, union activities, market	coverage of population growth, labour supply, employment, union activities, or market structures. Some points may be incorrect or irrelevant. b) Connections between ideas and the scenario context are weak, inconsistent, or unclear; links to production decisions are	population growth, labour supply, employment, unions, or market structures are ignored, incorrectly addressed, or missing. b) Makes no logical connections between ideas or scenario context; cannot link concepts to production outcomes.

		employment gaps, union activities, and differences in market structures are explicitly linked to their effects on production outcomes. c) Presents ideas in a highly coherent, structured, and logically sequenced manner. Transitions between points are smooth, examples or evidence are used effectively, and the audience can easily follow the reasoning	structures, and production outcomes. c) Presents ideas in a coherent and largely logical structure. Transitions are present but may not be as smooth; reasoning is understandable and mostly easy to follow, with minor lapses in clarity or sequencing	minimal or poorly explained. c) Presentation of ideas is poorly organized, lacks coherent structure, and is difficult to follow. Sequencing of points is unclear and reasoning is limited	c) Ideas are disorganized, incoherent, or absent; presentation lacks any clear structure or reasoning, making it impossible to follow or understand

	Making Informed Judgement Use the acquired knowledge to form an informed opinion/ conclusion or judgement.	Demonstrates comprehensive understanding by forming a clear, critical, and well-justified judgement. Explains in depth how population growth affects labour supply and employment opportunities, and how labour union activities and market structures influence firms' production decisions. Integrates scenario analysis, economic reasoning, and practical	Demonstrates strong understanding and provides a well-reasoned judgement. Explains most effects of population growth on labour supply and employment, and evaluates the role of unions and market structures. Minor gaps in depth or scenario linkage may exist, but reasoning is mostly logical and	Demonstrates limited understanding. Provides a vague or incomplete judgement. Mentions population growth, employment, unions, or market structures but reasoning is weak, superficial, or inconsistently connected to the scenario	Demonstrates minimal understanding. Fails to present a coherent judgement. Effects of population growth, labour supply, employment, unions, and market structures are ignored, incorrect, or irrelevant. No reasoning or linkage to the

		implications coherently, showing strong linkage between theory and context	contextually relevant		scenario is provided

Economics

Paper 2

November 2025

Time: 3 hours

UGANDA ADVANCED CERTIFICATE OF EDUCATION

SAMPLE EXAMINATION PAPER

ECONOMICS

Paper 2

3 Hours

INSTRUCTIONS TO CANDIDATES

i) Attempt FOUR items in all.
ii) SECTION A has **two (2) compulsory** items.
iii) SECTION B has three (3) items
iv) Duration 3 hours

SECTION A

All items in this section are compulsory

ITEM ONE

According to the Uganda Coffee Development Authority (UCDA), Uganda's coffee exports have experienced significant growth. Between March 2024 and February 2025, the country exported 6.57 million bags of coffee, earning USD 1.72 billion, representing a 70 per cent increase in value compared to the previous year. In February alone, Uganda exported 555,756 bags valued at USD 167.78 million. Prices rose largely due to global supply disruptions in Brazil and Vietnam.

Although Robusta remains the dominant variety, Arabica production is increasing steadily. As one of Africa's leading coffee exporters, Uganda earns substantial foreign exchange from coffee trade and benefits from favourable global demand and market conditions.

Despite these gains, the sector faces emerging challenges. The European union—one of Uganda's major destinations—has indicated possible restrictions on coffee imports from Uganda, citing concerns that may negatively affect future exports. Government of Uganda is determined to address these challenges in order to safeguard existing and potential markets. A stakeholders' workshop has been organised to deliberate on the matter, and you have been invited, as a student of Economics to provide expert input.

Task

Prepare a presentation that:

Analyses the possible challenges that may have prompted the European Union to threaten restrictions on Uganda's coffee exports; and

Propose appropriate government interventions to sustain and strengthen Uganda's export strategy.

ITEM TWO

The 2023/24 Uganda National Household Survey, released in May 2025, indicates that 20.3 per cent of Ugandans live below the poverty line. In addition, 10.4 per cent of the population struggles to meet basic needs such as food, shelter, and healthcare.

To address this challenge, the Government of Uganda has committed substantial funding to various programmes, including:

i) Shs 1.45 trillion to the Uganda Development Bank (UDB)

ii) Shs 3.3 trillion to the Parish Development Model (PDM)

iii) Shs 553 billion to the *Emyooga* programme

iv) Shs 207.9 billion to the Youth Livelihood Program (YLP)

v) Shs 100 billion to the Small Business Recovery Fund (SBRF)

vi) Shs 495 billion to the Agricultural Credit Facility (ACF)

vii) Shs 168 billion to the Uganda Women Entrepreneurship Program

viii) Shs 800 billion for investment in Industrial Transformation and employment

ix) Shs 824 billion to Generating Growth Opportunities and Productivity for Women Enterprises (GROW)

x) Shs 1.2 trillion to the Uganda Development Corporation (UDC)

Despite these investments, there has been no substantial improvement in household incomes across the country. You have been invited to make a presentation addressing this concern.

Task

Prepare a presentation that:

- Examine why the government interventions cited in the scenario have not significantly improved household incomes; and
- Propose alternative or complementary strategies to effectively address poverty and low earnings in Uganda.

SECTION B

Attempt two items from this section

ITEM THREE

Uganda's Gross Domestic Product (GDP) has been growing steadily at approximately 6.4 per cent. Although national per capita income has also increased, it remains relatively low compared to some other African developing countries, such as Niger 7.0 per cent and Côte d'Ivoire 7.2 per cent. Despite this economic growth, access to basic services remains limited for many citizens, with higher-income earners benefiting disproportionately.

To promote equitable income distribution and improve long-term welfare, the Government of Uganda is consulting various economic actors. It has also identified priority areas within the private sector through which it intends to implement its targets without directly intervening in national resource allocation. As one of the economic actors, you have been invited to provide professional advice.

Task

Prepare a presentation advising government on the appropriate strategies to promote fair income distribution and long-term welfare without undermining GDP growth.

ITEM FOUR

In 2024, Uganda's average inflation rate was 3.3 per cent, down from 5.4 per cent in 2023. However, by June 2025, headline inflation had risen slightly to 3.9 per cent. The Bank of Uganda (BoU) aims to maintain inflation at or below 5 per cent to ensure price stability and sustain economic growth. Despite this objective, existing policy measures have not been fully effective.

On the fiscal side, domestic tax revenue performance between July 2023 and June 2024 amounted to Shs 22 trillion, falling short of the projected Shs 24 trillion by Shs 2 trillion. Uganda Revenue Authority (URA) is considering additional strategies to address this shortfall.

Task

With reference to the scenario, write an essay that:

- Proposes monetary policy measures the government can adopt to achieve its inflation target; and
- Recommends interventions that the Uganda Revenue Authority (URA) can implement to eliminate the revenue shortfall.

ITEM FIVE

Uganda's banking sector is rising significantly with many SACCOs and micro finance institutions developing into Banks. However, a financial review carried out revealed that many loan applications are rejected with commercial banks giving many excuses. Money in circulation is still high due to liquidity preference. This high liquidity preference has forced prices of mainly food stuffs to continuously take a significant upward trend which has called for government intervention. The Bank of Uganda has intervened and set the cash ratio at a low rate of 10 percent. This is aimed at ensuring growth of loans without increasing the prices. In the meantime, Mwebaze Bank Ltd with its five branches had an initial deposit of UGX. 60,000,000 and anticipates to expand the loan portfolio throughout its five branches.

Meanwhile, the government rolled out targeted development programs under National Development Programme four (NDP IV), focusing on agro-processing firms, export promotion, and renewable energy. Funding for these initiatives partly relied on concessional loans and public–private partnerships advocated by government.

Task:

Prepare an essay describing how Mwebaze Bank ltd can expand its loan portfolio, and recommend to the central bank other interventions it can undertake to increase the loan portfolio in the entire economy.

Scoring Rubrics for Economics Paper two

SECTION A

All items in this section are compulsory

ITEM ONE

Out Put	Basis of assessment	Score 4	Score 3	Score 2	Score 1
A presentation on the challenges forcing the EU to threaten reducing Uganda's coffee imports, and proposals to	**Interpretation of Task/Context** a) Comprehension of the task in respect to the scenario/context b) Brief overview of the subject/problem	a) Demonstrates comprehensive understanding of the scenario by clearly identifying Uganda's strong coffee exports performance and analysing in depth the challenges raised by the European Union's import concerns (e.g., regulatory,	a) Shows strong understanding of Uganda's coffee exports situation and the EU's concerns. b) Explains key challenges clearly and proposes relevant	a) Shows partial understanding of the task. Identifies either Uganda's coffee exports or EU concerns superficially. b) Government proposals are vague, impractical, or	a) Demonstrates minimal understanding of the task. b) Fails to clearly identify the export issue, EU concerns, or appropriate government interventions. Response is largely

the government to sustain the export		environmental, or trade concerns). b) Provides well-reasoned and practical government proposals to sustain exports, protect foreign exchange earnings and strengthen the coffee sector. Analysis is coherent, contextualised, and policy-oriented.	government measures to sustain exports and safeguard foreign exchange. Analysis is sound, though depth or policy detail may be slightly limited.	weakly linked to the scenario.	irrelevant or inaccurate.
	Generating and Presenting Ideas a) Generates ideas that address the task	a) Demonstrates comprehensive understanding by clearly describing all major challenges facing Uganda's coffee exports and presenting well-	a) Clearly describes the main challenges and presents relevant government interventions,	a) Mentions a few challenges and interventions, but ideas are underdeveloped or unclear.	a) Provides minimal or vague description of challenges and interventions, with little or no relevance to

	b) Makes connections within and between ideas and context c) Presents ideas coherently	developed, relevant government interventions to sustain and promote the sector. b) Shows strong and logical connections between challenges and interventions, clearly demonstrating how each measure addresses specific issues and contributes to sustaining and promoting the coffee trade. c)Presents ideas in a coherent, well-organised manner with smooth, fluent flow; each intervention is	though with slightly less depth or detail than top-level performance. b) Makes logical connections between challenges and most interventions, showing how the measures relate to sustaining the coffee trade. c)Ideas are presented clearly and mostly logically,	b) Attempts to link challenges to interventions, but connections are weak, unclear, or not consistently related to sustaining or promoting coffee exports. c)Ideas are loosely organised; challenges are incompletely described, and links between interventions	sustaining or promoting Uganda's coffee exports. b) Shows minimal or unclear connections between challenges and interventions, with no evidence of understanding their relationship. c)Ideas are poorly organised and unclear; challenges and interventions are barely described or linked, resulting

		explicitly linked to the challenge it addresses	with generally smooth transitions; most interventions are linked to the relevant challenges.	and issues are weak or unclear.	in minimal coherence and understanding.
	Making Informed Judgement Use the acquired knowledge to form an informed opinion/ conclusion or judgement.	Provides a summarised and comprehensive synthesis of key challenges facing coffee exportation. Proposes well-developed, feasible, and contextually grounded solutions. Presents a clear, critical, and well-justified standpoint that is directly related to the	Summarises most major challenges accurately. Proposes relevant and reasonably develop solutions. Presents a clear and justified standpoint	Identifies few challenges, suggests minimal or weak solutions. Standpoint is unclear, loosely connected to the scenario, or insufficiently justified. Limited	Provides superficial or inaccurate reference to challenges. Solutions are vague, irrelevant, or missing. Fails to present a coherent or supported standpoint.

		scenario and supported by coherent reasoning	linked to the scenario though evaluation may lack full depth or critical distinction.	evaluative reasoning is evident.	

ITEM TWO

Out put	Basis of assessment	Score 4	Score 3	Score 2	Score 1
A presentation on the causes of poverty in Uganda and possible solutions for poverty eradication in Uganda.	**Interpretation of Task/Context** a) Comprehension of the task in respect to the scenario/context b) Brief overview of the subject/problem	Demonstrates a comprehensive understanding of the task. Provides a clear and insightful introduction that defines key concepts related to poverty and explains why poverty persists despite government interventions. Analyses major structural and contextual causes	a) Demonstrates strong understanding of the task. Clearly introduces the issue persistent poverty and explains key causes. Proposes relevant and practical solutions.	a) Demonstrates basic, weak or partial understanding of poverty in Uganda. Mentions few causes and suggests general solutions. b) Explanations are partially	a) Demonstrates minimal or no understanding of the task. Fails to identify meaningful causes or solutions. Provides vague or incomplete explanation of why poverty persists. b) Ideas lack clarity and logical

		and proposes realistic, well-developed solutions. b) Ideas are logically organised, coherent, and supported with relevant examples or evidence.	b) Analysis is sound but may lack depth, balance, or detailed illustration. Organisation is generally coherent.	developed and may lack clarity or depth. Organisation is evident but not consistently logical.	flow. Ideas are disorganised, irrelevant, or missing.
	Generating and Presenting Ideas a) Generates ideas that address the task b) Makes connections within and between ideas and context	a) Provides a comprehensive and analytical explanation of why poverty persists despite government interventions, clearly identifying structural, economic, and social factors.	a) Explains major reasons for the persistence of poverty and proposes relevant solutions that are generally well linked to	a) Mentions a few causes and solutions but explanations are superficial, unclear, or weakly connected.	a) Fails to meaningfully identify the causes of poverty or propose relevant solutions. b) Ideas are vague, disorganised,

	c) Presents ideas coherently	b) Proposes well-developed and realistic solutions that directly address the identified causes. c)Clearly distinguishes between government expenditure and broader structural policy interventions, applying them analytically to poverty reduction within the Ugandan context.	identified causes. b) Demonstrates clear understanding of government interventions beyond mere spending, though analysis may lack depth or precision. c)Ideas are logically organised with clear connections between poverty and	b) Shows weak understanding of government interventions, often focusing mainly on spending without clear policy reasoning. c)Organisation is inconsistent, and relationships between poverty and proposed strategies are unclear.	irrelevant, or missing, with no clear linkage between poverty and eradication strategies. c)Demonstrates little or no understanding of government interventions.

			proposed strategies, with minor lapses in clarity or integration.		
	Making Informed Judgement Use the acquired knowledge to form an informed opinion/ conclusion or judgement.	Forms a clear, accurate, and insightful summary of the continued existence of poverty despite increased government expenditure. Clearly outlines well-developed strategies for poverty eradication and presents a logical, well-reasoned standpoint that is fully aligned with the scenario.	Forms a clear and relevant summary of why poverty persists despite increased government spending. Suggests reasonable strategies for poverty eradication and provides a coherent, logical standpoint.	Forms a basic summary of the continued existence of poverty and mentions some strategies for eradication. The standpoint is present but general and only partially justified.	Forms a vague or incomplete summary of poverty persistence. Fails to summarise the issue or propose strategies. The standpoint is missing, irrelevant, or illogical. Ideas are disorganized, unclear, or absent.

SECTION B

Attempt two items from this section

ITEM THREE

Out put	Basis of assessment	Score 4	Score 3	Score 2	Score 1
A presentation on indicative planning, ways through which indicative planning can be applied by the government to eradicate income inequalities	**Interpretation of Task/Context** a) Comprehension of the task in respect to the scenario/context b) Brief overview of the subject/problem	a) Demonstrates comprehensive and accurate understanding of the task. Clearly explains the persistence of income inequalities despite government interventions. b) Provides a well-developed and precise explanation of s indicative planning and convincingly links it to practical government strategies for reducing	a) Demonstrates a clear and strong understanding of the task. Explains the continued existence of income inequalities, with reasonable depth. b) Provides a clear explanation of indicative planning and shows how it can be applied to address poverty	a) Demonstrates weak or partial understanding of the task. Provides minimal or unclear explanation of income inequalities. b) References indicative planning	a) Fails to demonstrate understanding of the task. Does not clearly identify the issue provides of income inequalities. b) Does not meaningfully explain indicative planning indicative

and poverty in Uganda		poverty and inequality in Uganda.	and inequality, though some connections may lack full development.	superficially, inaccurately, or without meaningful connection to poverty reduction.	planning or its relevance to poverty and inequality reduction.
	Generating and Presenting Ideas	a) Generates comprehensive, relevant, and well-developed ideas. Provides a clear and analytical explanation of the causes and persistence of income inequalities in Uganda. Clearly explains how indicative planning operates and presents concrete, well-articulated strategies through which	a) Generates mostly relevant and well-developed ideas. Explains the persistence of income inequalities with reasonable clarity and depth. Clearly describes how indicative planning can address	a) Generates few relevant ideas. Explanation of income inequalities is superficial or unclear. Description of indicative planning is vague, inaccurate, or	a) Generates irrelevant or undeveloped ideas. Fails to explain income inequalities meaningfully and does not demonstrate understanding of how indicative planning

		government can reduce poverty and inequality. Uses appropriate examples or evidence. b) Provides well-reasoned and analytically sound justifications for the persistence of income inequalities. Demonstrates strong synthesis by clearly linking causes to policy gaps. Applies indicative planning logically and convincingly, showing how it can address structural causes of poverty and inequality. c)Presents ideas in a clear, logical, and well-	poverty and inequality, though some ideas may lack full elaboration or supporting evidence. b) Provides clear and logical justifications for income inequalities. Shows good linkage between causes and government interventions. Explains how indicative planning can address	weakly linked to poverty reduction. b) Provides weak or unclear justification for income inequalities. Application of indicative planning is vague, superficial, or poorly linked to the problem. c) Organisation is weak. Ideas	addresses poverty or inequality. Provides no meaningful justification for income inequalities. b) Fails to apply indicative planning to the issue of poverty or inequality. c)Ideas lack logical organisation. Presentation is incoherent and does not align with the task.

		structured manner. Arguments flow coherently, with strong links between the persistence of inequalities and the proposed role of indicative planning. Demonstrates clear progression of ideas and effective transitions.	poverty and inequality, though analysis may not be fully developed Presents ideas in a generally logical and organised manner. c)Most arguments are clearly linked to the task, though minor lapses in flow or transitions may occur.	appear disconnected or loosely structured. Links to the task are unclear or inconsistent.	
	Making Informed Judgement	Provides a concise and insightful synthesis of the persistence of wealth inequalities despite	Provides a clear summary of wealth inequalities and government interventions.	Provides a basic summary of wealth inequalities.	Fails to summarise wealth inequalities meaningfully.

	Use the acquired knowledge to form an informed opinion/ conclusion or judgement	government interventions. Clearly and accurately explains how indicative planning can reduce poverty and income inequality, demonstrating strong analytical linkage to the scenario. Presents a clear, well-argued, and fully justified standpoint supported by logical reasoning and relevant evidence	Explains how indicative planning can reduce poverty and inequality with good clarity. Presents a well-reasoned standpoint that is clearly linked to the scenario, though justification may not be fully developed.	Offers a general explanation of how indicative planning could reduce poverty and inequality. Presents a standpoint that is partially justified, though reasoning may be limited or somewhat general.	Does not explain indicative planning clearly or accurately. Provides no clear or justified standpoint related to the scenario.

ITEM FOUR

Out put	Basis of assessment	Score 4	Score 3	Score 2	Score 1
An essay on measures that government can adopt to achieve its monetary objectives and the interventions URA can adopt to cover the shortfall in domestic tax revenue	**Interpretation of Task/Context** a) Comprehension of the task in respect to the scenario/context b) Brief overview of the subject/problem	a) Demonstrates a comprehensive and accurate understanding of the task. b) Clearly identifies all major issues: rising inflation, limitations of existing monetary measures, and the domestic tax revenue shortfall. Response is fully aligned with the scenario and shows clear awareness of	a) Demonstrates clear and strong understanding of the task. b) Identifies most major issues, including inflation and revenue shortfall, with reasonable explanation of weaknesses in existing monetary measures. Minor omissions or	a) Demonstrates basic or partial understanding of the task. b) Identifies some key issues (e.g., inflation or tax shortfall) but explanation is general, partially developed, or not fully aligned with the scenario.	a) Demonstrates weak understanding of the task or fails to understand the task. b) Does not identify any main economic issues or provides a response that is largely irrelevant to the scenario. explanations are vague, incomplete, or loosely

		the economic context.	limited depth may be evident.		connected to the scenario.
	Generating and Presenting Ideas a) Generates ideas that address the task b) Makes connections within and between ideas and context c) Presents ideas coherently	a) Proposes comprehensive, practical, and economically sound government measures to control inflation and maintain price stability. Clearly explains well-targeted URA interventions that directly address the revenue shortfall. Ideas are specific, feasible, and clearly	a) Proposes relevant and practical government measures and URA interventions. Explanations are clear and generally well-developed, though some measures may lack full elaboration or precision.	a) Suggests few relevant measures. Government and URA interventions are vague, weakly explained, or loosely connected to inflation control and revenue mobilisation. Demonstrates weak or superficial	a) Fails to propose relevant or accurate government measures or URA interventions. Ideas are largely incorrect, undeveloped, or irrelevant to the task. Fails to establish meaningful connections between inflation, monetary policy, and fiscal shortfall.

		aligned with the scenario. b) Demonstrates strong analytical ability. Clearly explains how rising inflation, weak monetary policy effectiveness, and revenue shortfalls interact to affect economic stability. Shows clear and logical linkage between proposed government measures and URA interventions, demonstrating	b) Explains the connections between inflation, monetary measures, and fiscal shortfall with good clarity. c)Most linkages are logical and well-articulated. Government and URA interventions are generally aligned with the identified economic challenges.	understanding of how the issues are connected. b) Linkages between economic problems and proposed interventions are unclear, inconsistent, or weakly explained. c)Organisation is weak. Ideas appear loosely connected or insufficiently structured.	b) Proposed interventions are not logically linked to the identified problems. c)Ideas lack logical organisation. Response is incoherent, and relationships between key economic issues are absent or incorrectly explained.

		synthesis and depth of understanding. c)Presents ideas in a clear, logical, and well-structured manner. Arguments flow smoothly with effective transitions. Clearly explains the interrelationship between inflation, monetary policy effectiveness, and revenue shortfalls, with fully developed and coherent reasoning.	c)Ideas are logically organised and clearly presented. Most relationships between economic variables are explained with clarity, though minor lapses in flow or depth may occur.	Explanation of relationships is unclear or superficial.	
	Making Informed Judgement	Presents a clear, insightful, and well-justified conclusion	Presents a clear and well-reasoned	Presents a weak or partially reasoned	Presents an unclear or unsupported

	Use the acquired knowledge to form an informed opinion/ conclusion or judgement	grounded in economic reasoning. Accurately synthesises all key concepts and clearly identifies the major challenges. Proposes practical and coherent government and URA strategies. The conclusion is fully aligned with and clearly derived from the scenario.	conclusion. Summarises most key concepts accurately and identifies most major challenges. Proposes relevant and generally practical interventions. The conclusion is clearly linked to the scenario, though some elements may lack full development.	conclusion. Summarises few key concepts and identifies limited challenges. Proposed interventions are vague, impractical, or insufficiently explained. Linkage to the scenario is minimal or unclear.	conclusion. Key concepts are inaccurately summarised or omitted. Fails to identify relevant challenges or propose meaningful interventions. No clear linkage to the scenario.

ITEM FIVE

Out put	Basis of assessment	Score 4	Score 3	Score 2	Score 1
An essay describing how Mwebaze Bank Ltd can expand its loan portfolio, and recommend to the central bank other interventions it can undertake to increase the loan portfolio in	**Interpretation of Task/Context** a) Comprehension of the task in respect to the scenario/context b) Brief overview of the subject/problem	a) Demonstrates a comprehensive and well-structured understanding of the task by identifying all the important aspects of credit creation and Uganda's monetary policy. Effectively connects government actions and monetary tools	a) Demonstrates a strong understanding of the task, clearly explains credit creation and monetary policy in Uganda. Mentions how government uses monetary policy to influence credit creation, though with limited detail or examples. Minor	a) Demonstrates limited, weak or partial understanding of the task. Shows minimal explanation of credit creation or monetary policy. Weak or missing connection to Uganda's context or government's role. b) Weakly positions the	a) Demonstrates little or no understanding of the relevant content on credit creation or monetary policy. Shows misunderstanding or lack of effort. b) Fails to position the task within the scenario/context. Provides little or no definition of credit creation and does not

the entire economy.		to increased credit creation. b) Clearly positions the task within the scenario/context with a clear line of argument. Defines key concepts under credit creation and provides a precise, highly relevant explanation of monetary policies influencing credit creation in Uganda. Ideas	gaps in depth or precision. b) Positions the task within the scenario/context with a mostly clear line of argument. Defines key concepts under credit creation and explains monetary policies influencing credit creation, with minor gaps in detail or relevance. Ideas are generally	task within the scenario/context with an unclear line of argument. Provides minimal or inaccurate definitions of credit creation and poorly explains monetary policies. Ideas are poorly organized and show limited understanding.	explain monetary policies. Ideas are disorganized, incoherent, or missing.

		are well-organized, coherent, and demonstrate deep understanding.	well-organized and show good understanding.		
	Generating and Presenting Ideas a) Generates ideas that address the task b) Makes connections within and between ideas and context c) Presents ideas coherently	a) Demonstrates a comprehensive understanding of the task by giving a detailed description of the credit creation process. Clearly explains how the Bank of Uganda uses monetary policy tools and applies	a) Demonstrates good and strong understanding of the task by describing the credit creation process. Explains monetary policy tools with minor gaps and applies the process to Mwebaze Bank Ltd with mostly	a) Demonstrates minimal or partial understanding, providing incomplete or unclear descriptions of credit creation. Gives weak or inaccurate explanation of monetary policy tools and poor	a) Fails to demonstrate understanding of the task. Provides little or no description of credit creation, does not explain monetary policy tools, and does not apply the process. Ideas are disorganized,

		the process accurately to Mwebaze Bank Ltd. Ideas are coherent, logical, and show strong analysis. b) Shows strong, logical connections between ideas. Accurately applies the credit creation process to Mwebaze Bank Ltd with realistic details. Demonstrates	realistic examples. Ideas are generally organized and logical. b) Shows mostly strong connections. Applies credit creation to Mwebaze Bank Ltd with mostly accurate details. Demonstrates good understanding and some synthesis. Explains the role of central bank	application to Mwebaze Bank Ltd. Ideas are unclear and poorly organized. b) Weak connections between ideas. Attempts application to Mwebaze Bank Ltd are vague or inaccurate. Limited understanding of credit creation. Mentions central bank policies	incoherent, or missing. b) Little or no logical connection. Fails to apply credit creation to Mwebaze Bank Ltd. Minimal or no understanding of credit creation. Central bank policies are absent, incorrect, or irrelevant. Disorganized and incoherent. c) Ideas are disorganized, irrelevant, or

		deep understanding and synthesis, clearly explaining how central bank policies in Uganda promote credit creation. Well-organized, coherent, and highly analytical. c) Ideas are logically organized and coherent throughout. Clearly links the credit creation process with	policies in promoting credit creation, with minor gaps. Well-structured and coherent. c) Presents ideas that are mostly coherent and relevant. Makes a clear connection between credit creation and monetary policy, though transitions or explanations may not be fully developed.	without clear explanation of their impact. Poorly organized and somewhat disjointed. c) Presents unclear or poorly connected ideas. Shows limited understanding of how the Bank of Uganda's policy relates to credit creation. Organization and coherence are weak.	missing. Fails to show any logical relationship between credit creation and the Bank of Uganda's monetary policy.

		how the Bank of Uganda's monetary policy can improve it. Demonstrates strong understanding, logical sequencing, and excellent presentation.			
	Making Informed Judgement Use the acquired knowledge to form an informed opinion/ conclusion or judgement.	Provides a clear, concise, and insightful conclusion on the credit creation process in Uganda. Accurately summarizes how	Gives a clear and relevant summary of the credit creation process and how monetary policy can enhance it. The standpoint is logical and	Provides a general summary of the credit creation process in Uganda and mentions how monetary policy can influence it.	Gives a vague or incomplete summary of the credit creation process. Fails to present a coherent conclusion on the credit creation

		monetary policy can improve credit creation, demonstrating deep understanding of economic relationships and implications. Presents a well-reasoned and evidence-based standpoint showing critical thinking and strong connection to the scenario	supported by some reasoning or examples, though may lack depth or full elaboration. Demonstrates good understanding overall.	The standpoint is present but basic, showing some understanding but limited analysis or justification.	process. No clear link to monetary policy or its role. The standpoint is missing, irrelevant, or shows no informed judgement.

Final Economics Subject Grading

The competencies and learning outcomes in Economics have been consolidated into four key constructs:

1) Resource Allocation
2) Economic Strategy
3) Economic Planning and Policy
4) Population and Labour Dynamics or Production

Candidates' overall performance in each construct will be assessed and reported using five-letter grades (A–E), ranked in descending order of achievement. These grades differentiate learners' levels of competence as described below.

SUBJECT: Economics

Construct	Performance Level	Descriptor
Resource Allocation To apply key economic concepts and analyse data on market behaviour, household consumption, and fundamental economic problems to make informed	Exceptional	Demonstrates comprehensive economic understanding and strong data analysis. Makes well-informed sustainable resource allocation decisions that effectively address personal and community needs.
	Outstanding	Demonstrates strong economic understanding and accurate analysis. Makes sound and effective resource allocation decisions.
	Satisfactory	Demonstrates basic economic understanding and simple data analysis. Applies concepts inconsistently.

decisions and enhance efficient resource allocation for personal and community development.	Basic	Demonstrates limited economic understanding and weak analysis. Decision-making is unclear or poorly justified.
	Elementary	Demonstrates minimal economic understanding and struggles with analysis and decision-making.

Construct	Performance Level	Descriptor
Economic Strategy To analyse and apply sustainable economic strategies in patterns of economic growth, interpret development theories, and promote international trade.	Exceptional	Demonstrates comprehensive understanding of economic growth and development. Applies development theories effectively to achieve sustainable, global impact.
	Outstanding	Demonstrates strong understanding of economic growth and development. Applies development theories effectively.
	Satisfactory	Demonstrates basic understanding of economic growth and development. Applies development theories with limited effectiveness.
	Basic	Demonstrates limited understanding of economic growth and development. Weak application of development theories.
	Elementary	Demonstrates minimal understanding of economic growth and development. Struggles to apply related theories.

Construct	Performance Level	Descriptor
Economic Planning and Policy To analyse and interpret economic policies and trends that promote economic stability, including money and banking, inflation, public finance and fiscal policy, national income, and development planning.	Exceptional	Demonstrates comprehensive understanding of economic planning. Effectively applies analysis and fiscal strategies to drive growth and stability.
	Outstanding	Demonstrates strong understanding of economic planning. Applies fiscal strategies effectively.
	Satisfactory	Demonstrates basic understanding of economic planning. Applies fiscal strategies with limited effectiveness.
	Basic	Demonstrates limited understanding of economic planning. Applies fiscal strategies weakly.
	Elementary	Demonstrates minimal understanding of economic planning. Struggles to apply fiscal strategies.

Construct	Performance Level	Descriptor
Population and Labour Dynamics or Production To examine population growth, age structure, and labour force trends in relation to production capacity and employment opportunities in Uganda.	Exceptional	Demonstrates comprehensive understanding of population and labour trends. Applies insights to promote sustainable production and employment.
	Outstanding	Demonstrates strong understanding of population and labour trends. Applies insights to effectively support production and employment.
	Satisfactory	Demonstrates basic understanding of population and labour trends. Applies insights moderately.
	Basic	Demonstrates limited understanding of population and labour trends. Applies insights weakly.
	Elementary	Demonstrates minimal understanding of population and labour trends. Struggles to apply insights.

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ISBN 978-9970-494-63-7