KNBS
KENYA NATIONAL
BUREAU OF STATISTICS
Keeping you Informed

ECONOMIC SURVEY 2018

Popular Version

Foreword

The Popular Version is based on a master set of data on the 2018 Economic Survey publication that has been compiled by the Kenya National Bureau of Statistics (KNBS). It is an easy to read publication with highlights on economic performance and indicators in 2017.

The Economic Survey is an annual publication that presents the socio-economic highlights for the last five years. It presents the socio-economic highlights of the economy for the last five years. The report forms an important source of input into the budgeting, planning, monitoring and policy formulation processes with guidance to national development policy and investment decisions.

Finally, it gives an analysis of data collected through Administrative sources supplemented by surveys and censuses.

Zachary Mwangi
Director General, KNBS

About Kenya National Bureau of Statistics (KNBS)

The Kenya National Bureau of Statistics (KNBS) is the principal agency of the Government for collecting, analysing and disseminating statistical data, and the custodian of official statistical information. The Bureau is also responsible for the co-ordination of the National Statistical System (NSS) in the country.

The functions of KNBS as defined in the Statistics Act 2006 are:

- Planning, authorising, coordinating and supervising all official statistical programmes undertaken within the NSS;
- Establishing standards and promoting the use of best practices and methods in the production and dissemination of statistical information across the NSS;
- Collecting, compiling analysing, abstracting and disseminating statistical information on the matters specified in the First Schedule of the Statistics Act, 2006;
- Conducting the Population and Housing Census every ten years, and such other censuses and surveys as the Board may determine; and
- Maintaining a comprehensive and reliable national socio-economic database.

KNBS has an elaborate infrastructure for data collection across the country. This includes, a County Statistical Office in each of the 47 counties as data collection centre, two sampling frames for implementation of censuses and surveys and various databases for socio-economic statistical information.

The Bureau collects various statistical information on monthly, quarterly, semi-annually and annual basis. Ad hoc surveys and studies are also carried out to gather information on specific indicators. Some of the statistical products of the Bureau include, Consumer Price Index (CPI), Leading Economic Indicators report, Quarterly Gross Domestic Product (GDP) release, Quarterly Producer Price Index (PPI), Quarterly Balance of Payment release, Annual Economic Survey report, Annual Statistical Abstract and County Statistical Abstract. The Bureau also provides information to local and international organisations including the IMF, UN, COMESA, ILO and EAC; and other data users. The Bureau maintains various platforms through which its products and statistical information are disseminated.

The Bureau provides information for monitoring the country's development agenda as well as internationally agreed indicators such Sustainable Development Goals (SDGs).

In undertaking its mandate, the Bureau is guided by the following Vision, Mission and Core Values.

Vision
To be a centre of excellence in production and management of quality Statistics.

Mission
To develop, provide and promote quality statistical information for evidence-based decision making.
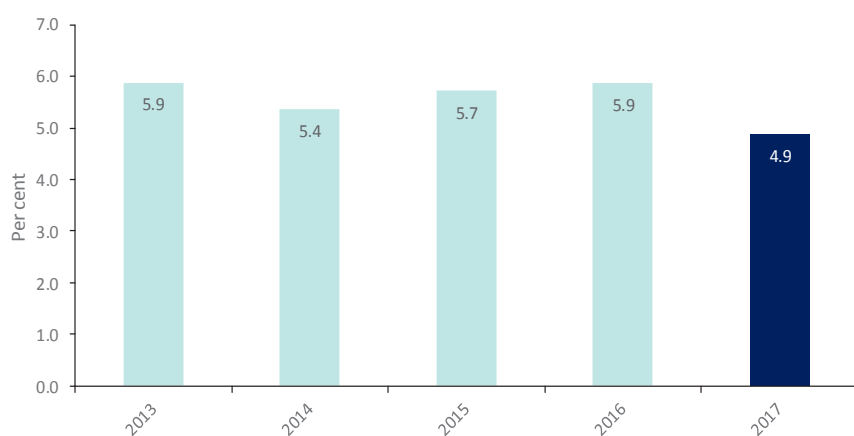
Mandate
KNBS is mandated by law (Statistics Act 2006) to collect, analysis disseminate social economic statistics needed for planning and policy formulation in the Country.

Core Values
- **Professionalism:** Strictly abide by professional considerations on the methods, standards and procedures for statistical production.
- **Confidentiality:** Guarantee confidentiality of data providers as provided in the Statistics Act 2006
- **Collaboration:** Collaborate with stakeholders to enhance the quality of statistical information
- **Teamwork:** Embrace teamwork as the hallmark of our success
- **Customer focus:** Commitment to meet the needs of our customers and to always focus on customer satisfaction.
- **Accountability and Transparency:** Conduct business and lend services to stakeholders in a transparent and accountable manner.
- **Efficiency and effectiveness:** Promote high productivity, competence and usefulness of resources at the National and County level.
- **Innovation and Creativity:** Committed to innovation, invention, creativity and resourcefulness in service delivery.

2017 ECONOMIC PERFORMANCE

GDP Growth Rate

Gross Domestic Product (GDP) is estimated to have expanded by **4.9** per cent in 2017 compared to a 5.9 per cent growth in 2016.
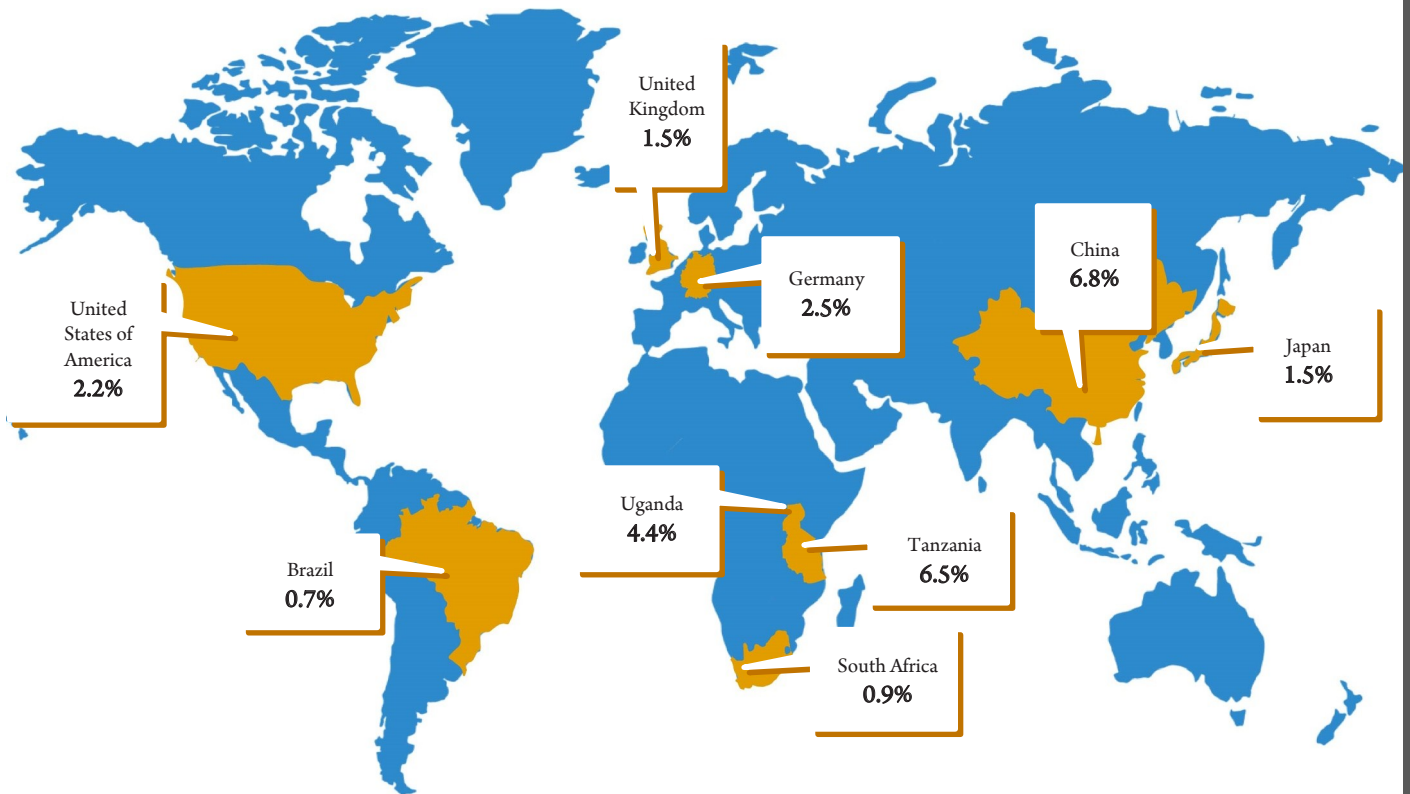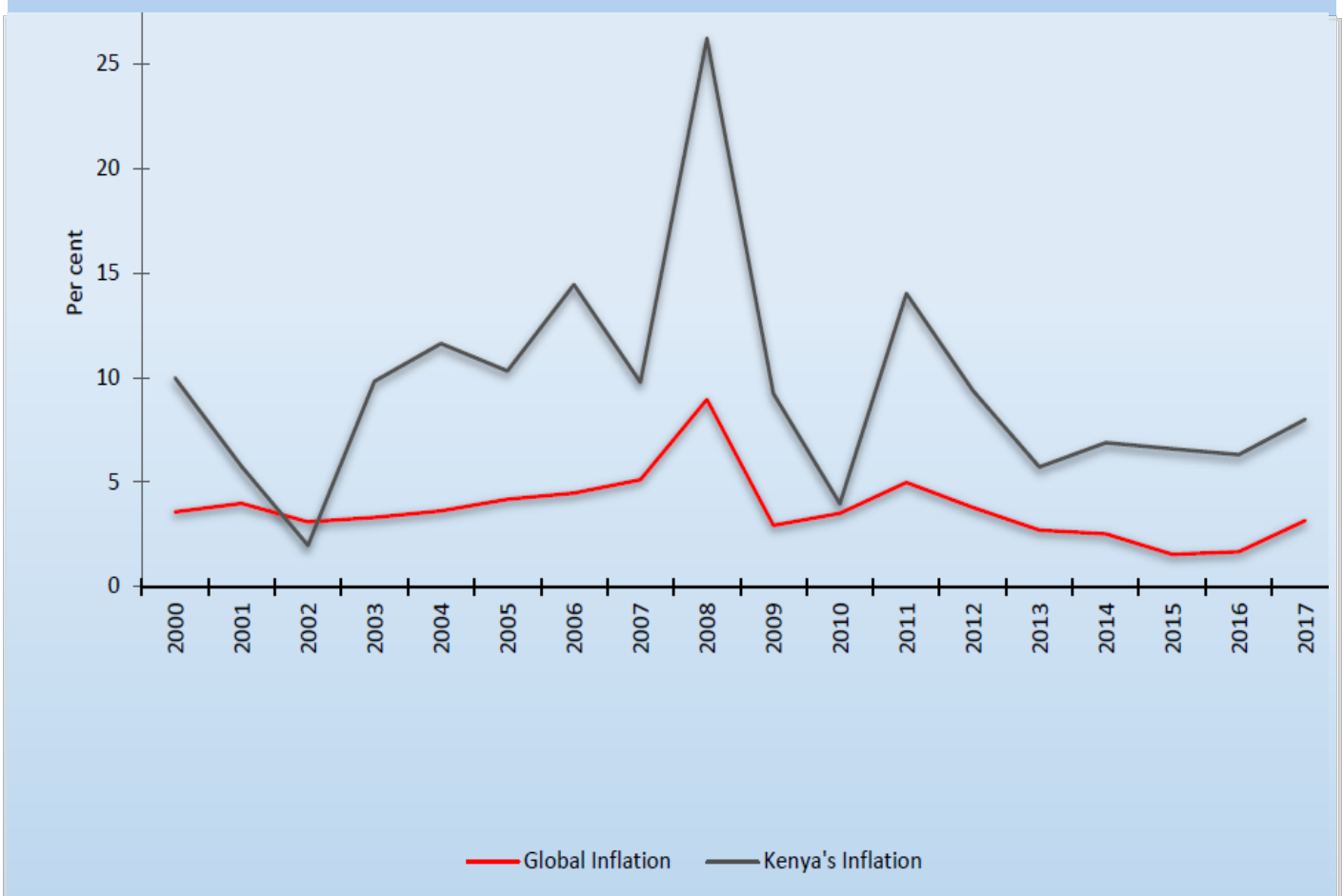
Year	Per cent
2013	5.9
2014	5.4
2015	5.7
2016	5.9
2017	4.9

Sectoral Performance in 2017

Overall GDP Growth **4.9%**

- Agriculture, Forestry and fishing **1.6%**
- Mining **6.1%**
- Manufacturing **0.2%**
- Electricity Supply **6.9%**
- Construction **8.6%**
- Wholesale & Retail trade; **5.7%**
- Transport & Storage **7.3%**

- Accommodation & Food service **14.7%**
- Information & Communication **11.0%**
- Financial & Insurances activities **3.1%**
- Real Estate **6.1%**
- Public administration & Defense **5.3%**
- Education **6.1%**
- Human health & social work **6.0%**

Performance of Key Macroeconomic Indicators, 2013- 2017

DESCRIPTION	Unit	2013	2014	2015	2016	2017*
Inflation	(%)	5.7	6.9	6.6	6.3	8.0
Current Account as a percentage of GDP	(%)	-8.8	-10.4	-6.7	-5.2	-6.7
CBK interest rates	(%)	8.5	8.5	11.5	10.0	10.0
KSh/USD exchange rate	(KSh)	86.1	87.9	98.2	101.5	103.4
GDP Growth	(%)	5.9	5.4	5.7	5.9	4.9

2017 WORLD ECONOMIC PERFORMANCE

World GDP, 2017

United Kingdom
1.5%

Germany
2.5%

China
6.8%

Japan
1.5%

United States of America
2.2%

Uganda
4.4%

Tanzania
6.5%

Brazil
0.7%

South Africa
0.9%

Annual Global Inflation Rates, 2000-2017

Per cent

Global Inflation — Kenya's Inflation

DOMESTIC ECONOMY

EMPLOYMENT

Employment Growth Rates, 2016-2017

Employment as at 30th June

	2016	2017
Public	736,300	790,200
Private	1,817,200	1,866,400

Share of Employment

	2016	2017
Informal Sector	83.2%	83.4%
Formal Sector	16.0%	15.7%
Self-employed	0.8%	0.8%

Wage Employment by Industry, 2016-2017

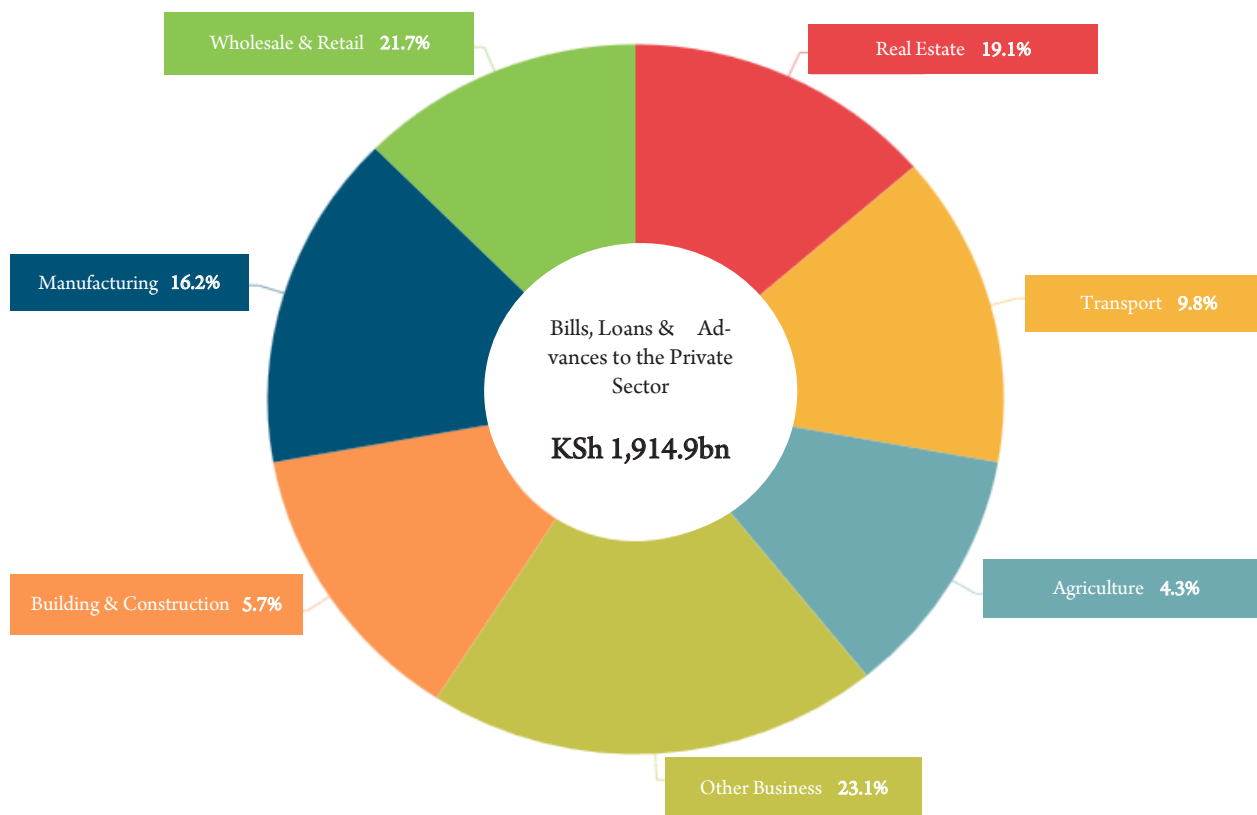|	2016	2017
Education	523,600	550,780
Agriculture	336,700	332,100
Manufacturing	300,800	303,300
Public administration	231,300	262,400
Wholesale & Retail	239,800	250,800

CONSUMER PRICES

*Inflation increased to **8.0** per cent in 2017 from **6.3** per cent in 2016. This was largely due to high food and oil prices and uncertainty during the electioneering period.*

Overall Inflation 8.0%

Fruits	Vegetables	Sugar	Bread	Milk	Fish	Oil	Meat
22.5% ↑	21.1% ↑	15.3% ↑	12.3% ↑	10.3% ↑	8.7% ↑	6.2% ↑	3.5% ↑

Average Annual Inflation Rate, 2013-2017

Year	%
2013	5.7
2014	6.9
2015	6.6
2016	6.3
2017	8.0

Food Commodities

MONEY, BANKING AND FINANCE

Share of Commercial Banks' Bills, Loans and Advances to the Private Sector, 2017

Wholesale & Retail **21.7%**

Real Estate **19.1%**

Manufacturing **16.2%**

Transport **9.8%**

Bills, Loans & Advances to the Private Sector

KSh 1,914.9bn

Agriculture **4.3%**

Building & Construction **5.7%**

Other Business **23.1%**

Performance of the Stock Market , 2017

- Value of Shares Traded
- Market Capitalization
- Bond Turnover
- No. of Shares Traded

PUBLIC FINANCE

Sources of Government Revenue[1] 2013/14 - 2017/18

Legend: Income Tax, Value Added Tax, Excise Tax, Custom Duties, Other Tax, Non-Tax

[1]Grants not included

National Government Expenditure by Main Functions of Government (COFOG), 2017

Education
15.0%

Economic Affairs
17.3%

Health
2.4%

Social Protection
3.8%

Defense
4.9%

Total Outlay
KSh 2,777.8bn

Others
42%

Environmental
Protection
0.7%

General Public
Services
12.1%

Public Order
& Safety
5.6%

Transfer to County
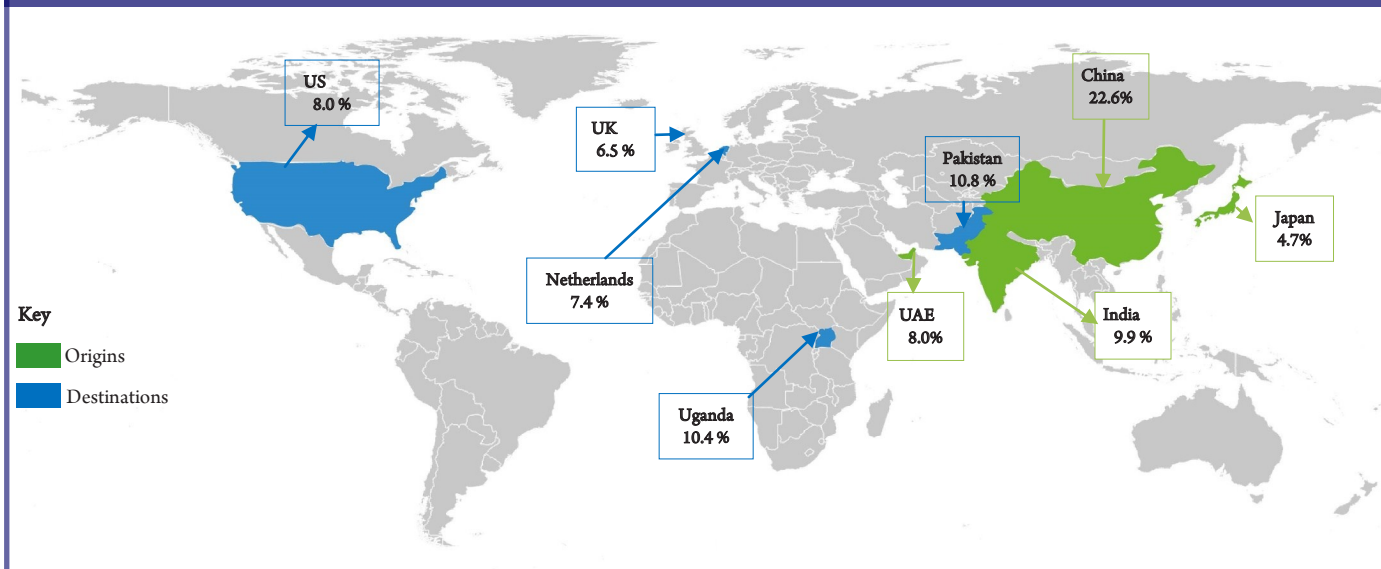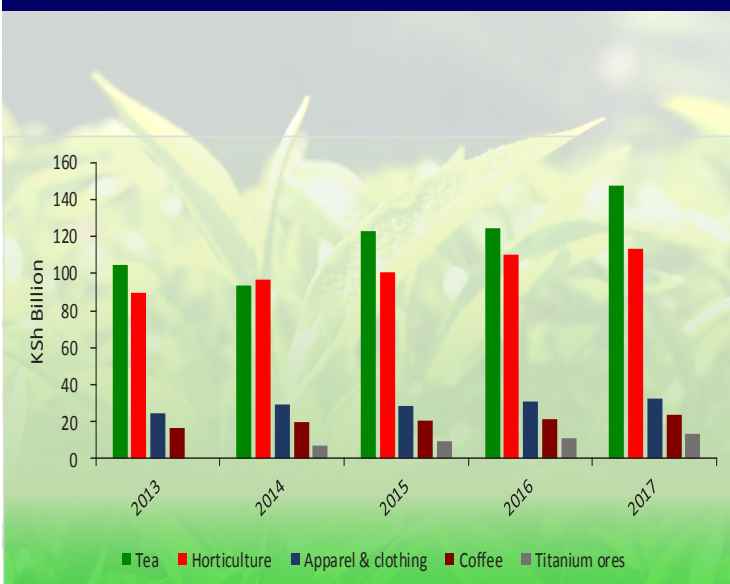Government
12.4%

INTERNATIONAL TRADE

Import bill grew by **20.5** per cent in 2017 mainly due to imports of machinery and petroleum products.

Total export increased slightly with Tea and horticulture being the major foreign exchange earners in 2017.
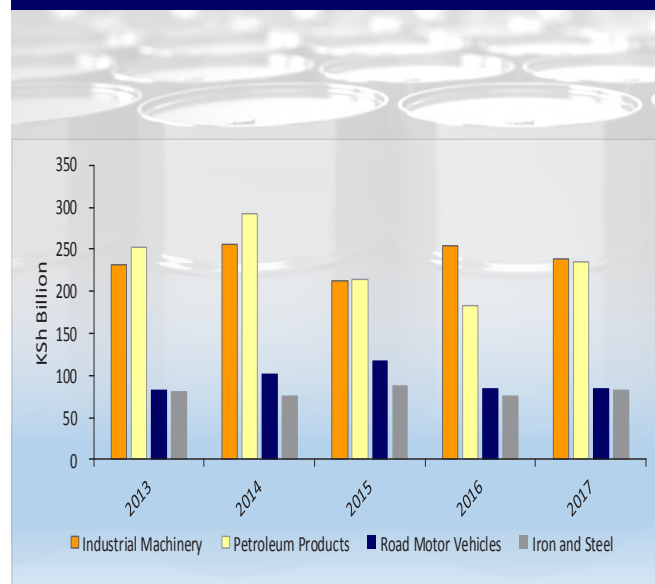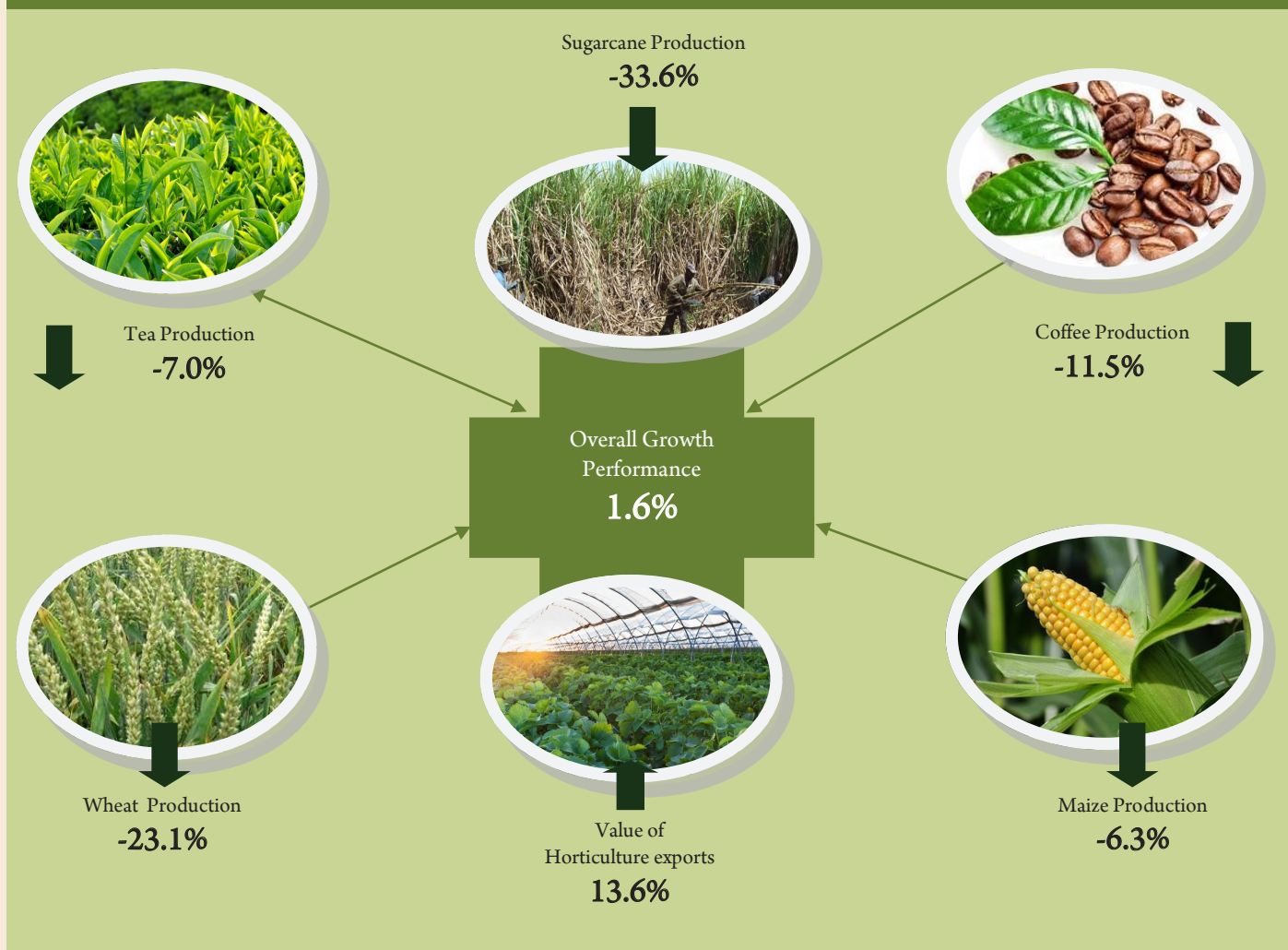
Key Origin/Destination of Kenya Products 2017

US
8.0 %

UK
6.5 %

China
22.6%

Pakistan
10.8 %

Japan
4.7%

Netherlands
7.4 %

UAE
8.0%

India
9.9 %

Uganda
10.4 %

Key

Origins

Destinations

Principal Exports, 2013-2017

KSh Billion

Tea   Horticulture   Apparel & clothing   Coffee   Titanium ores

Principal Imports, 2013-2017

KSh Billion

Industrial Machinery   Petroleum Products   Road Motor Vehicles   Iron and Steel

AGRICULTURAL SECTOR

Performance of Key Agricultural Products in 2017

Sugarcane Production
-33.6%

Tea Production
-7.0%

Coffee Production
-11.5%

Overall Growth
Performance
1.6%

Wheat Production
-23.1%

Value of
Horticulture exports
13.6%

Maize Production
-6.3%

Recorded Milk Production, 2013-2017 (in million litres)

Year	Million Litres
2013	523.0
2014	540.0
2015	615.9
2016	648.2
2017	535.7

Recorded Maize Production, 2013-2017 (in million bags)

Year	Million Bags
2013	40.7
2014	39.0
2015	42.5
2016	37.8
2017	35.4

ENVIRONMENT AND NATURAL RESOURCES

Minerals

Titanium Ore production went up by 1.5% to 596,987 tonnes in 2017.

303,580 tonnes of Soda Ash were produced in 2017, translating to a 0.6 per cent increase.

Key Species of Wildlife in Rangelands, 2017

17,800

147,000

20,000

228,000

17,000

107,100

Forest Cover

The country's forest cover in 2017 was at 7.3%

Weather and Climatic Conditions

[SERIES NAME]

[SERIES NAME]

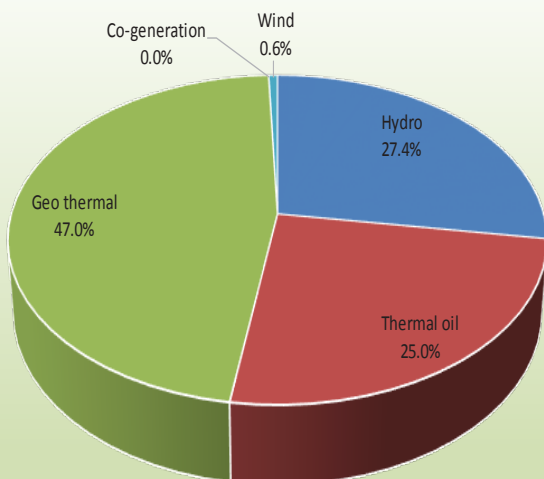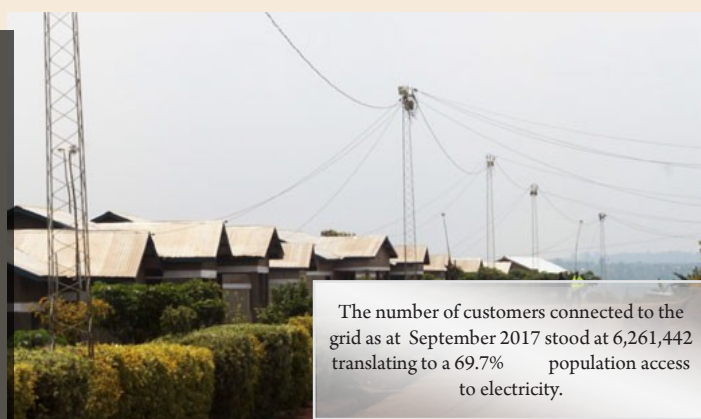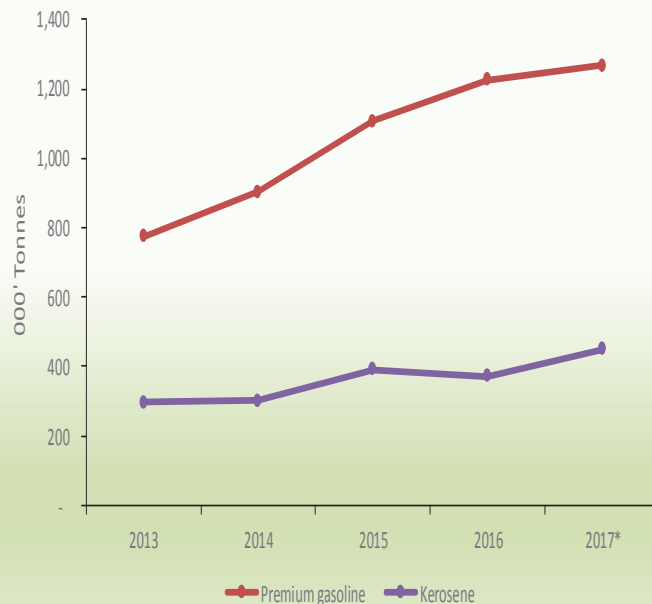[SERIES NAME]

ENERGY

In 2017 international oil prices went up by **24.2%** to $54.9 per barrel as a result of supply cuts by top producers of crude oil, as well as decline in crude oil inventories and increased demand of petroleum products.
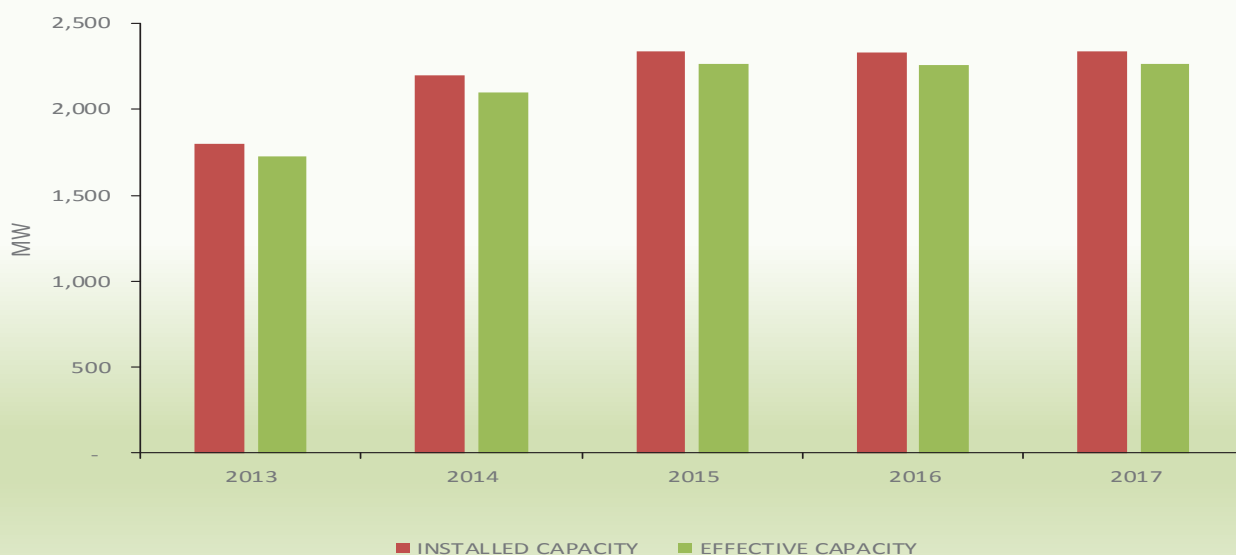
Electricity Generation in Gwh, 2017

- Co-generation 0.0%
- Wind 0.6%
- Hydro 27.4%
- Thermal oil 25.0%
- Geo thermal 47.0%

Demand in Petroleum Products, 2013-2017

000' Tonnes

Premium gasoline   Kerosene

Geo Thermal energy

The number of customers connected to the grid as at September 2017 stood at 6,261,442 translating to a 69.7% population access to electricity.

Installed and effective capacity in MW, 2017

MW

INSTALLED CAPACITY   EFFECTIVE CAPACITY

MANUFACTURING SECTOR

Growth in Manufacturing Sector, 2013-2017

The sector recorded a **0.2%** growth in 2017. The slower growth was attributed to high production costs, competition from imported goods and long electioneering period
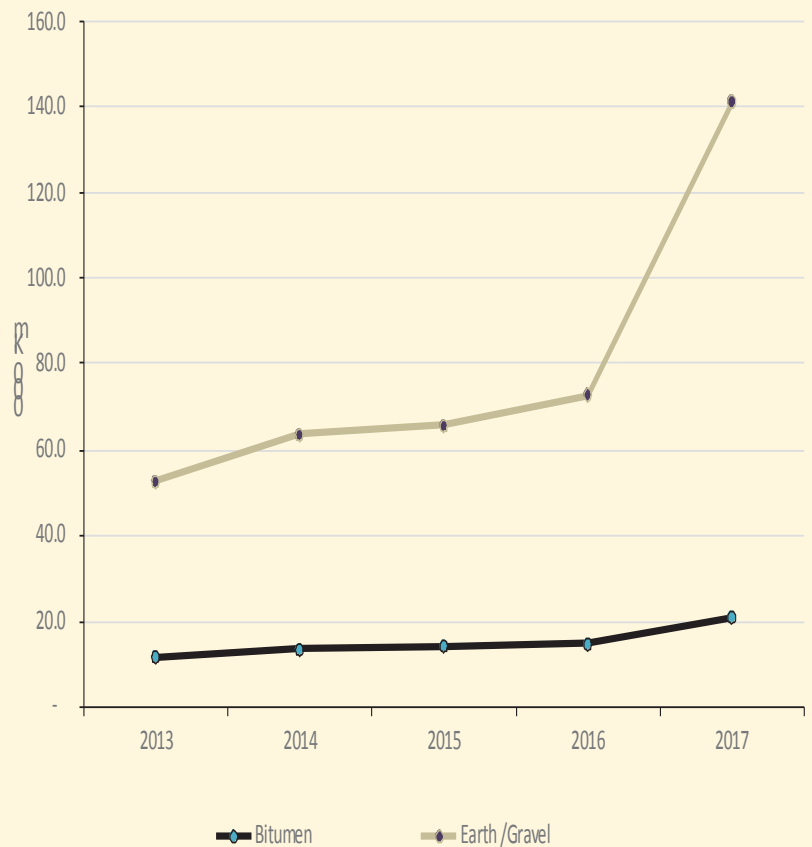
Growth in Manufacturing Sector, 2013-2017
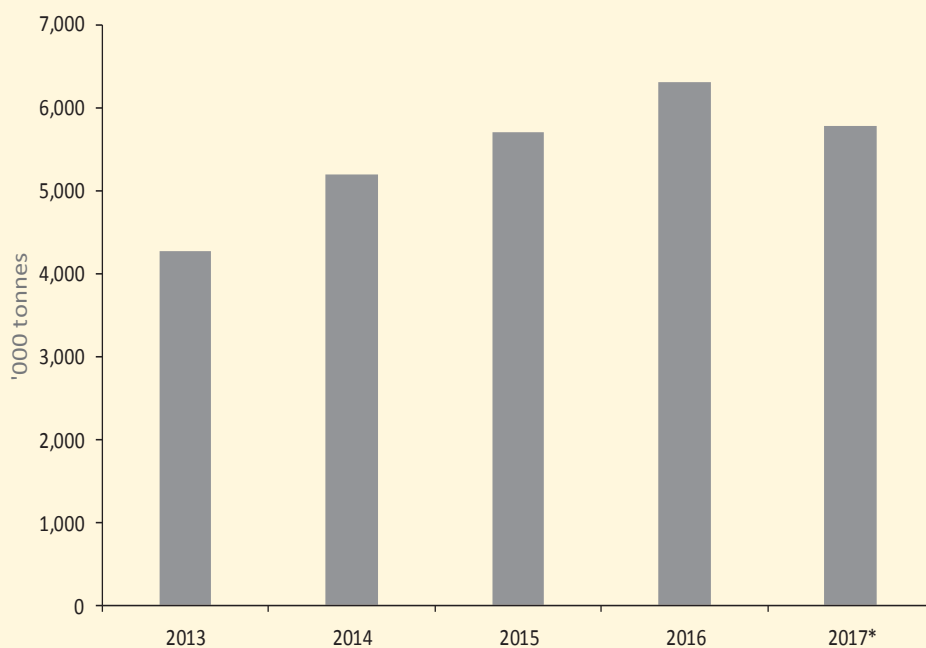
BUILDING AND CONSTRUCTION

Kilometres of Road as from 2013 to 2017 by Type

Road construction

Public investment in roads and railways as well as heightened construction of buildings, were key drivers of the sector's **8.6%** growth in 2017.
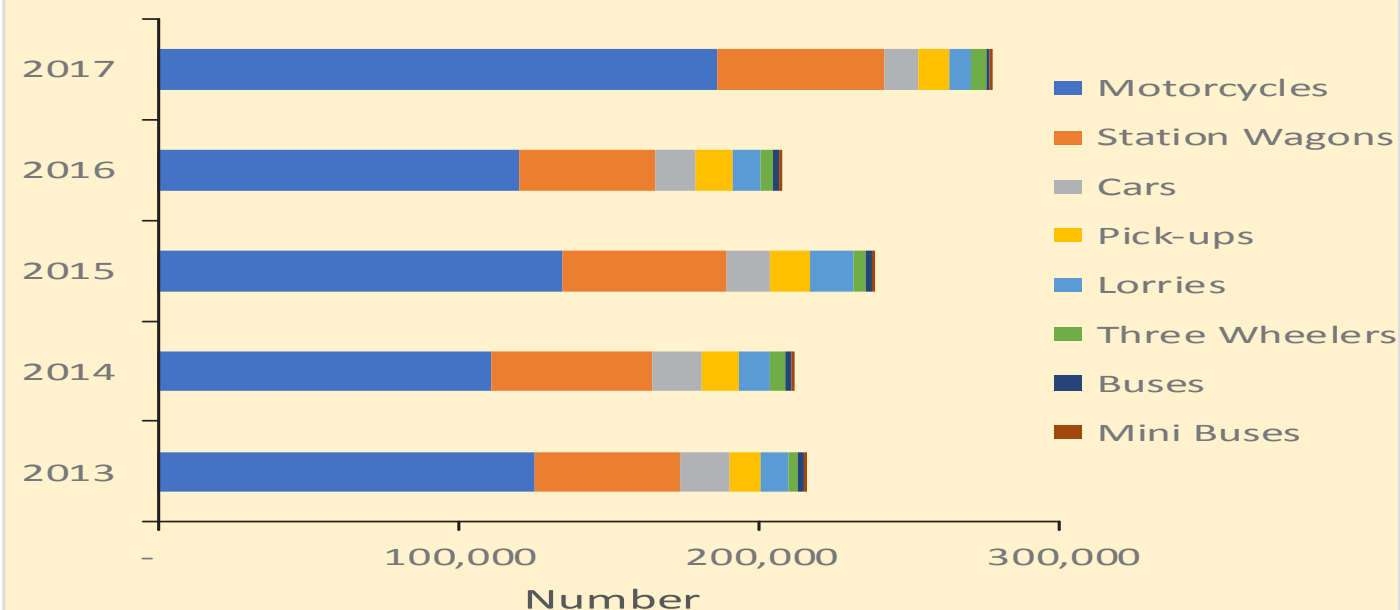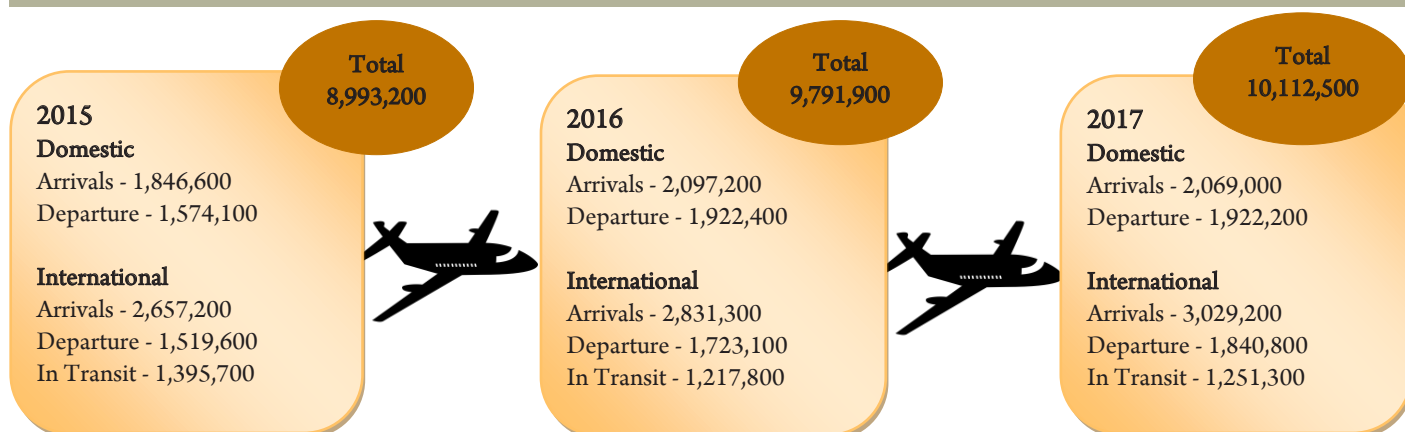
Cement Consumption, 2013 - 2017

Cement Consumption

TRANSPORT AND STORAGE

Newly Registered Motor Vehicles, 2013-17

Legend:
- Motorcycles
- Station Wagons
- Cars
- Pick-ups
- Lorries
- Three Wheelers
- Buses
- Mini Buses

X-axis: Number (-, 100,000, 200,000, 300,000)
Y-axis: 2013, 2014, 2015, 2016, 2017

Passenger Transport by Air, 2015-2017

2015
Domestic
Arrivals - 1,846,600
Departure - 1,574,100

International
Arrivals - 2,657,200
Departure - 1,519,600
In Transit - 1,395,700

Total 8,993,200

2016
Domestic
Arrivals - 2,097,200
Departure - 1,922,400

International
Arrivals - 2,831,300
Departure - 1,723,100
In Transit - 1,217,800

Total 9,791,900

2017
Domestic
Arrivals - 2,069,000
Departure - 1,922,200

International
Arrivals - 3,029,200
Departure - 1,840,800
In Transit - 1,251,300

Total 10,112,500

Passenger Transport by Rail, 2017

Earnings from Standard Gauge Railway (SGR) passenger service which began commercial operations in June 2017 was KSh 590.2 million, having handled 589,205 passengers as at December 2017.
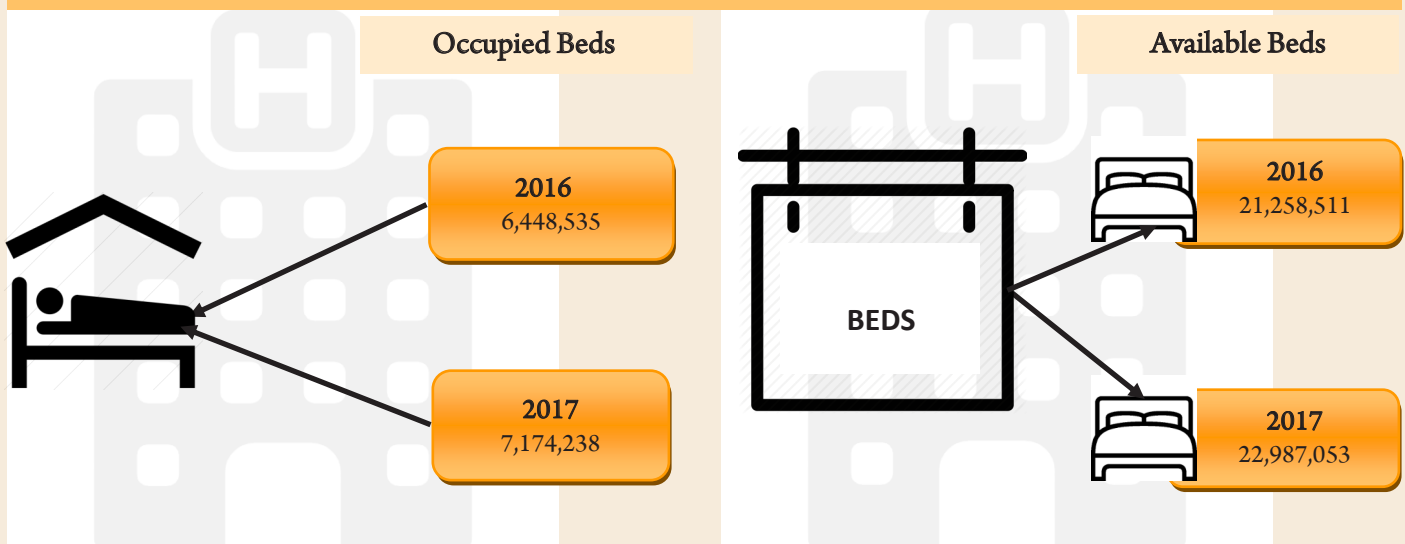
TOURISM SECTOR

Visitor Arrivals in 2017

The number of visitor arrivals increased by **8.1%** in 2017 of which 2,013 came on a cruise ship.

Tourism earnings increased by **20.3%** to KSh 119.9bn in 2017.

The number of tourists to National Parks and game reserves increased by **2.7%** in 2017.

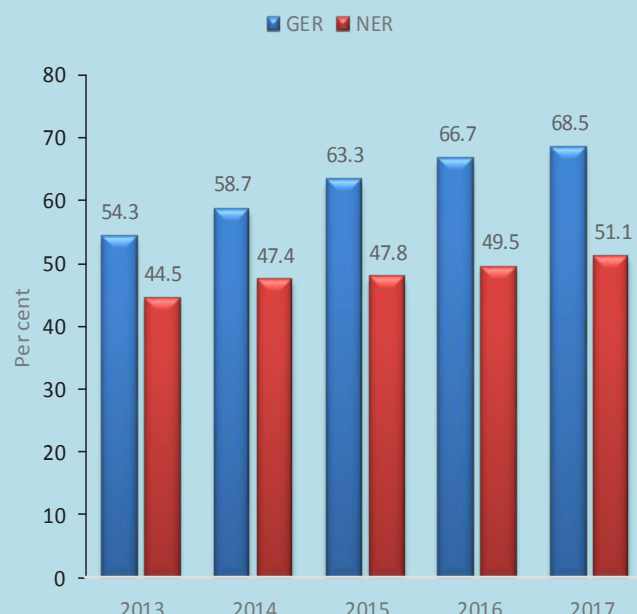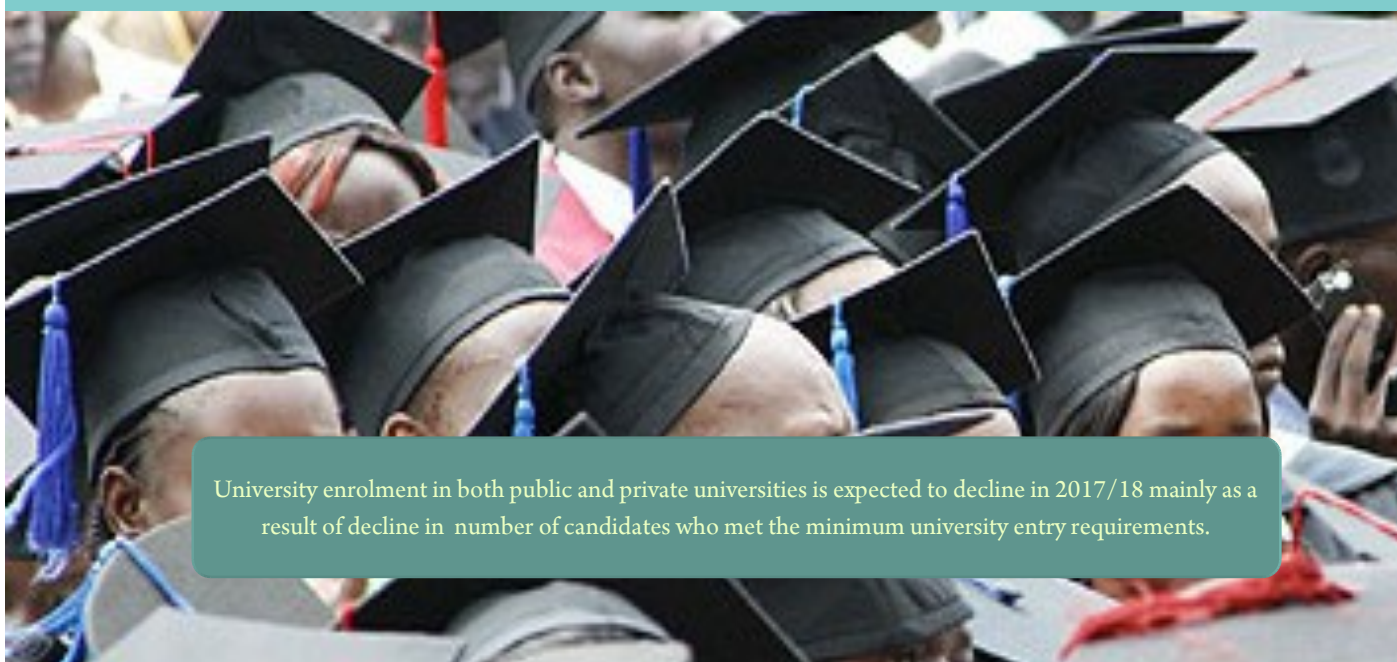## Hotel Bed-Nights, Availability and Occupancy, 2016-2017

Occupied Beds

2016
6,448,535

2017
7,174,238

Available Beds

BEDS

2016
21,258,511

2017
22,987,053

EDUCATION

Primary School Enrolments (gross and net), 2013-17

Legend: GER, NER

Year	GER	NER
2013	105	88.1
2014	103.5	88.2
2015	103.6	88.4
2016	104.1	89.2
2017	104.0	91.2

Per cent

Secondary School Enrolments (gross and net), 2013-17

Legend: GER, NER

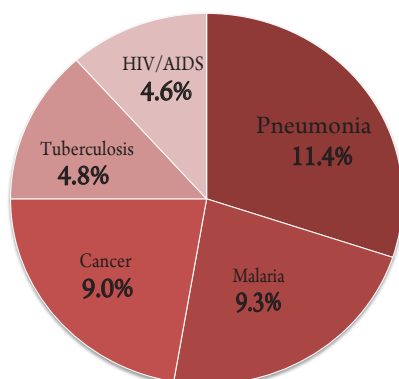| Year	GER	NER
2013	54.3	44.5
2014	58.7	47.4
2015	63.3	47.8
2016	66.7	49.5
2017	68.5	51.1

Per cent

University Enrolment, 2013/14 - 2016/17

University enrolment in both public and private universities is expected to decline in 2017/18 mainly as a result of decline in number of candidates who met the minimum university entry requirements.
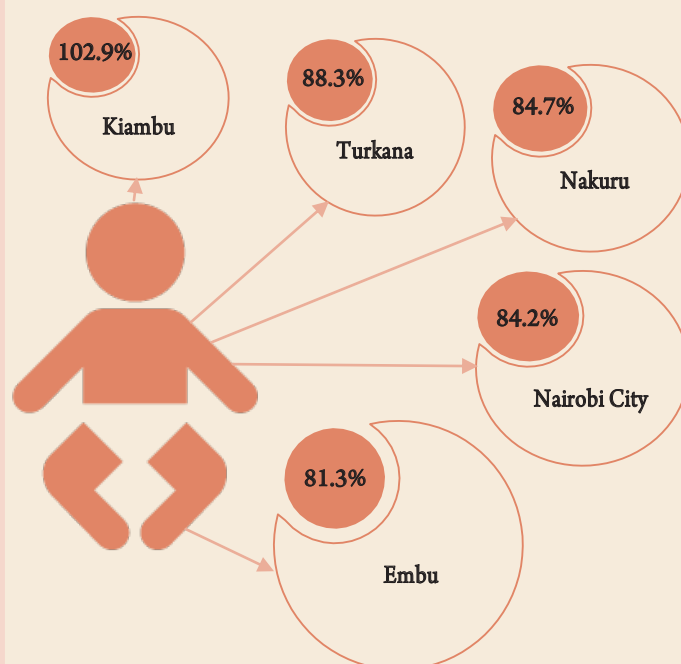
HEALTH AND VITAL STATISTICS

Top 5 Facility Based Incidence of Diseases in 2017

Pie chart:
- HIV/AIDS 4.6%
- Pneumonia 11.4%
- Tuberculosis 4.8%
- Cancer 9.0%
- Malaria 9.3%

Diseases of respiratory system and malaria remain the two leading diseases in 2017.

Immunization Coverage

Immunization coverage, under one year old by County, 2017

- Kiambu 102.9%
- Turkana 88.3%
- Nakuru 84.7%
- Nairobi City 84.2%
- Embu 81.3%

Registered Health Personnel, 2017

Registered health personnel

160,749

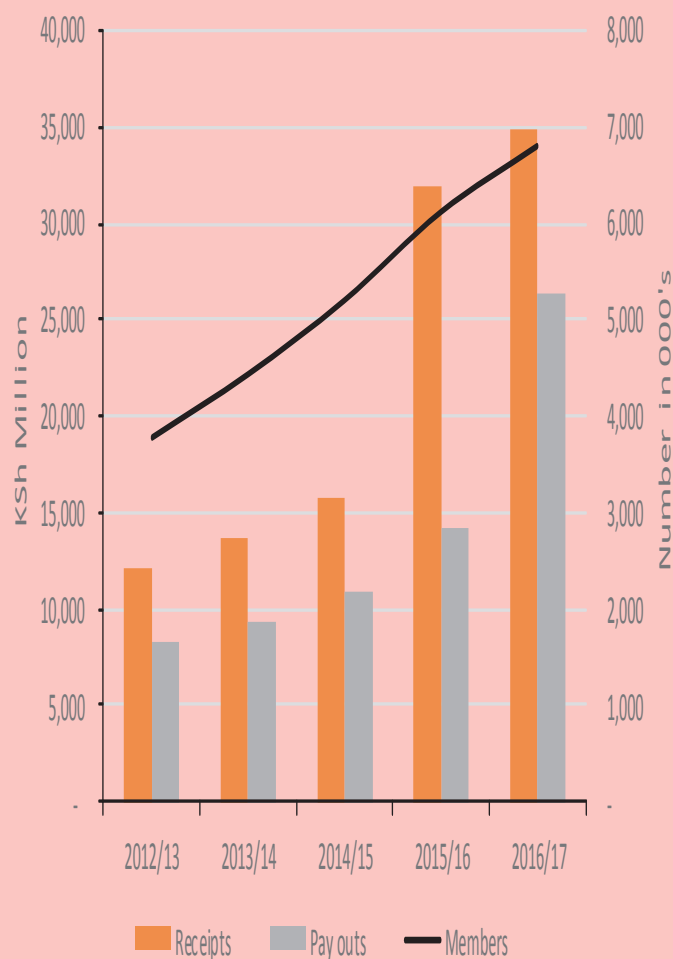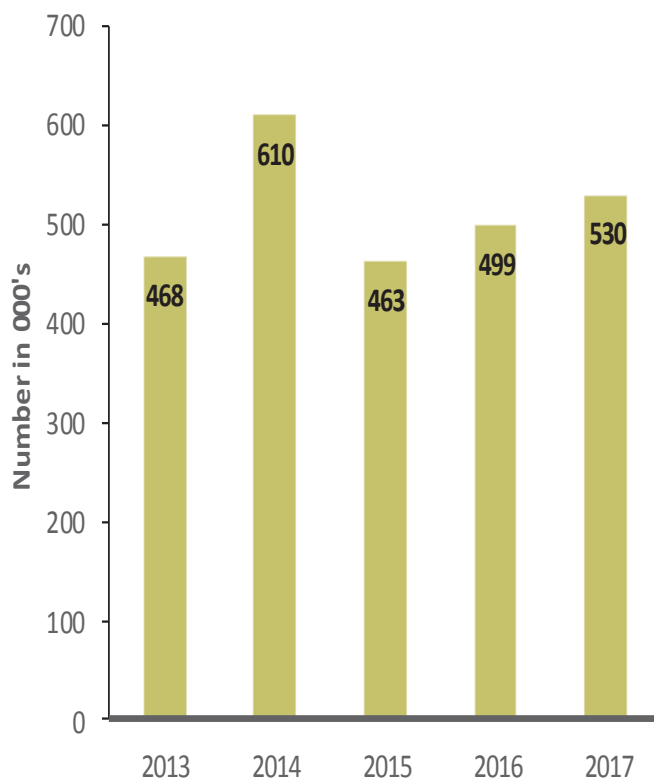| Types of personnel	
Medical officials	10,921
Dentists	1,206
Pharmacists	3,373
Pharmaceutical Technologist	9,358
Clinical officers	18,759
(BSc) Nurses	4,819
Registered Nurses	51,420
Enrolled Nurses	23,068
Public Health Officers	14,855
Laboratory Technologists	7,298
Nutrition & Dieticians	2,598
Nutrition& Dietetic Technologists	23,681
Nutrition& Dietetic Technicians	617

National Hospital Insurance Fund (NHIF)

Bar and line chart showing Receipts (KSh Million), Pay outs, and Members (Number in 000's) for 2012/13, 2013/14, 2014/15, 2015/16, 2016/17.

Legend: Receipts, Pay outs, Members

GOVERNANCE

Reported Crime and Type, 2017

Theft of Vehicles and other thefts	3.6%	↑
Breaking	9.1%	↑
Stealing	12.5%	↑
Dangerous drugs	9.7%	↓
Other penal code offences	3.9%	↓
Economic crimes	5.5%	↑

Theft by servant	7.9%	↑
Criminal damage	1.0%	↓
Robbery	0.6%	↑
Homicide	0.8%	↑
Theft of stock	11.4%	↑
Offences involving tourists	0.0%	↑

Pending cases at the end of 2017 stood at 530 thousand, a growth of **6.2** per cent from the previous year. Convicted prisoners have been on a declining trend from 108 thousand in 2014 to 80 thousand in 2017.
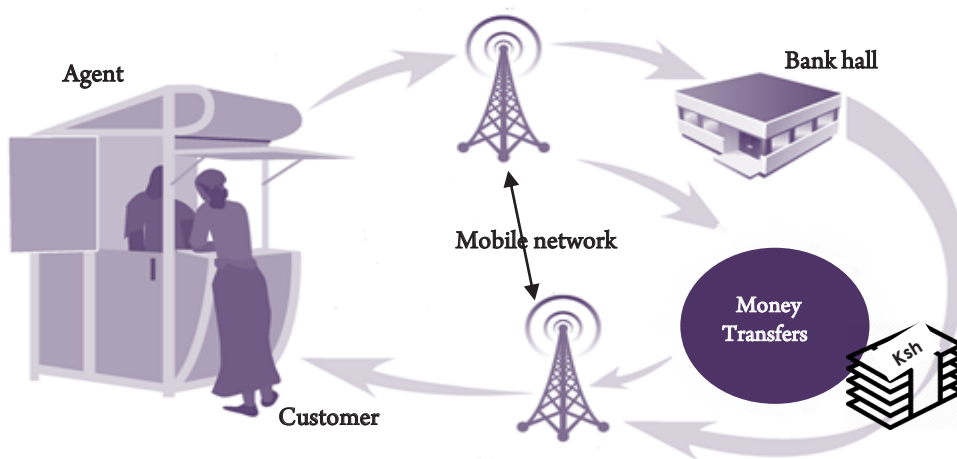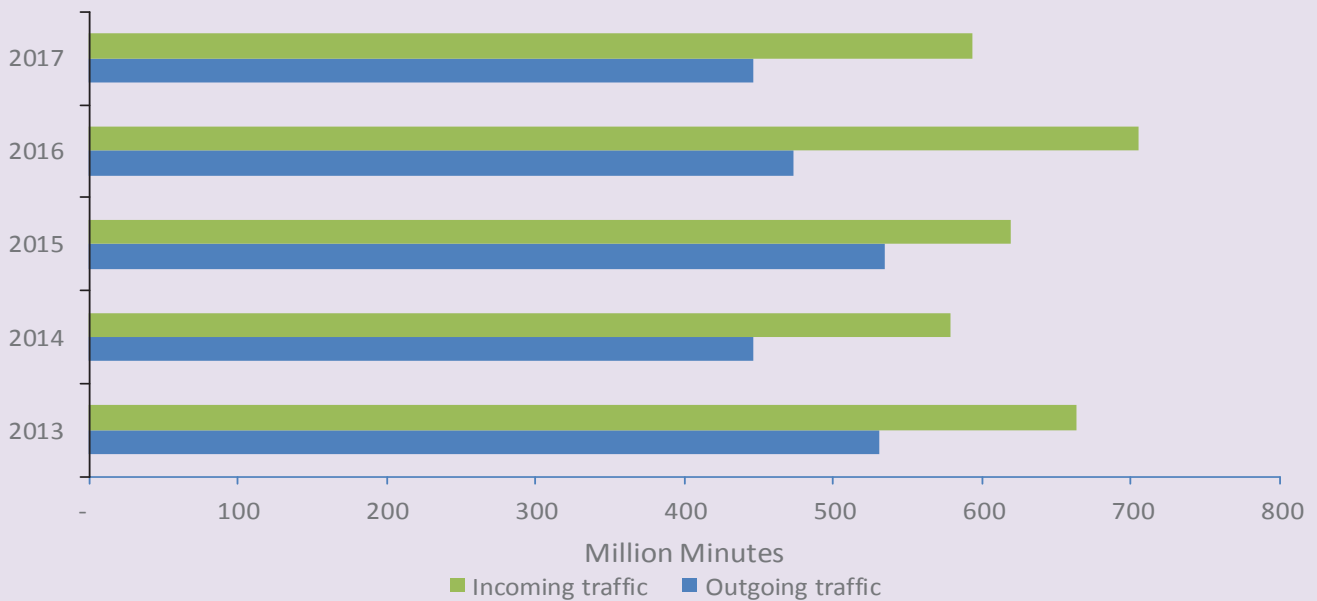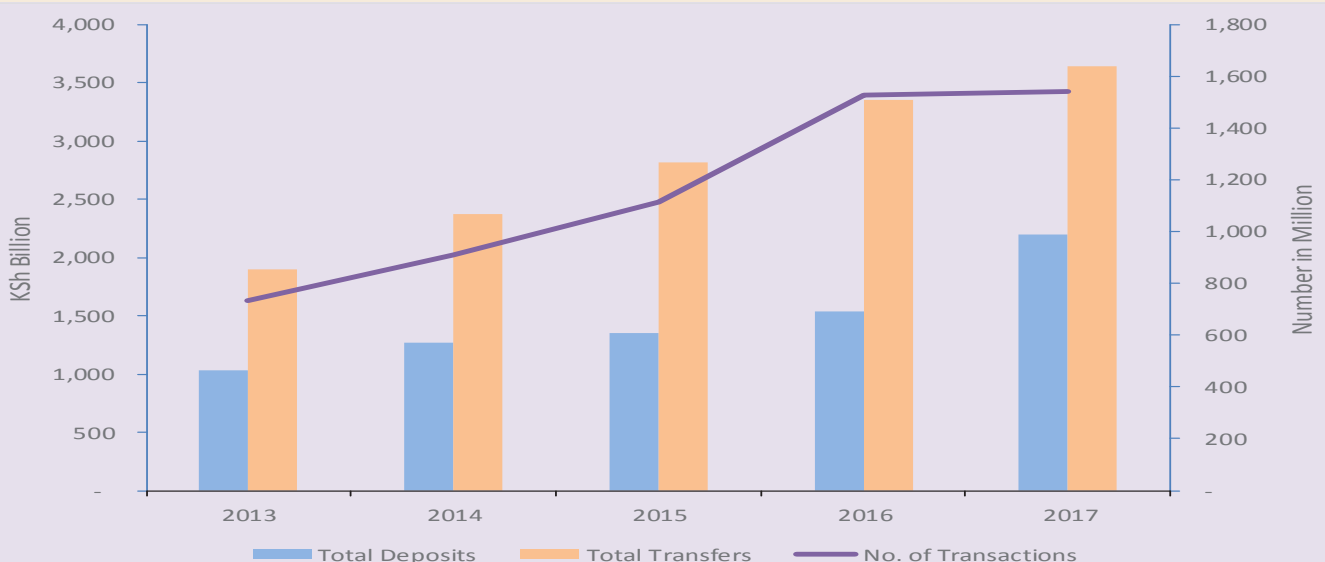
Court Cases Pending, 2013-2017

Number in 000's

Year	Value
2013	468
2014	610
2015	463
2016	499
2017	530

Convicted Prisoners by Sex, 2013-2017

Number in 000's

Year	Male	Female
2013	69	9
2014	98	11
2015	76	12
2016	72	11
2017	73	9

INFORMATION, COMMUNICATION AND TECHNOLOGY (ICT)

International Mobile Traffic, 2013-17

Million Minutes

■ Incoming traffic   ■ Outgoing traffic

Agent

Bank hall
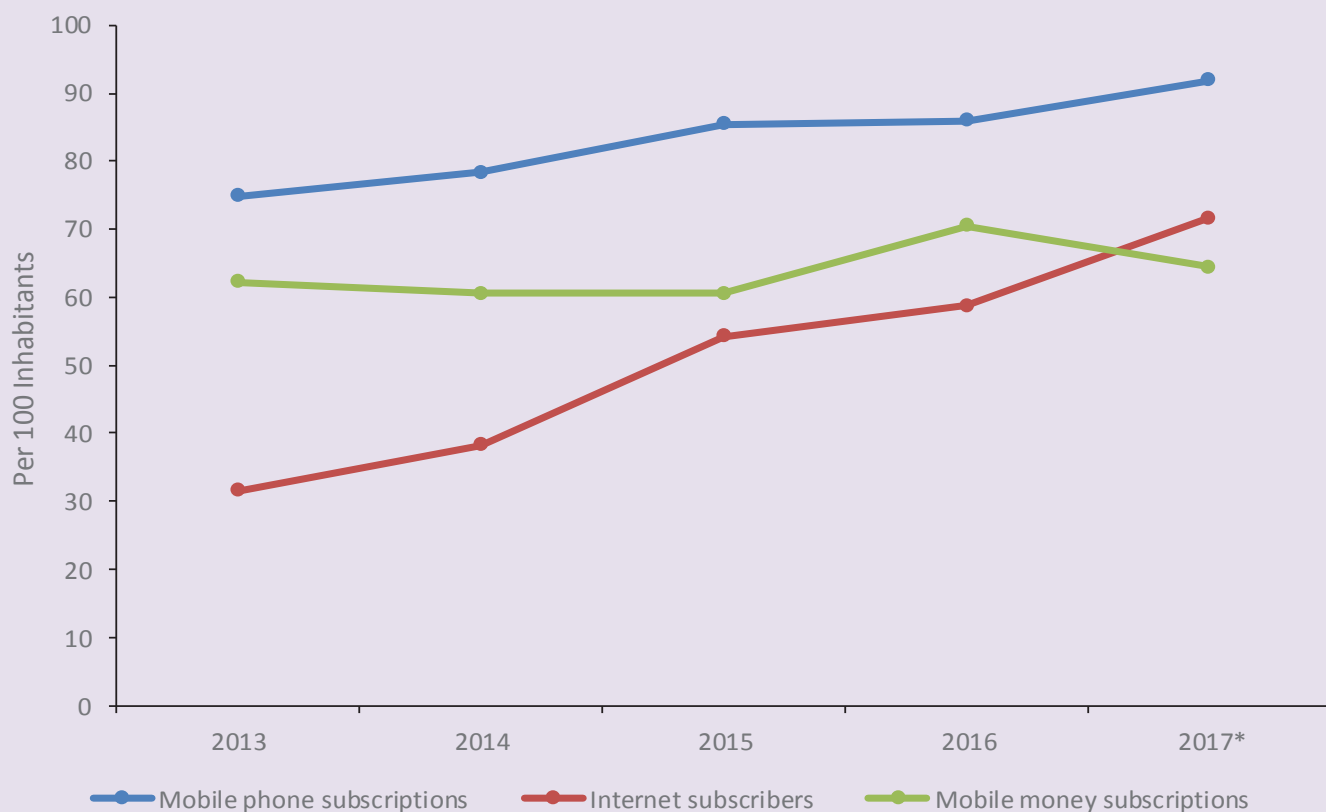
Mobile network

Money Transfers

Ksh

Customer

In 2017, mobile penetration improved to **91.9** per cent per 100 inhabitants, mobile commerce transactions grew by KSh 1.4 trillion while mobile money transfers increased by KSh 282 billion.
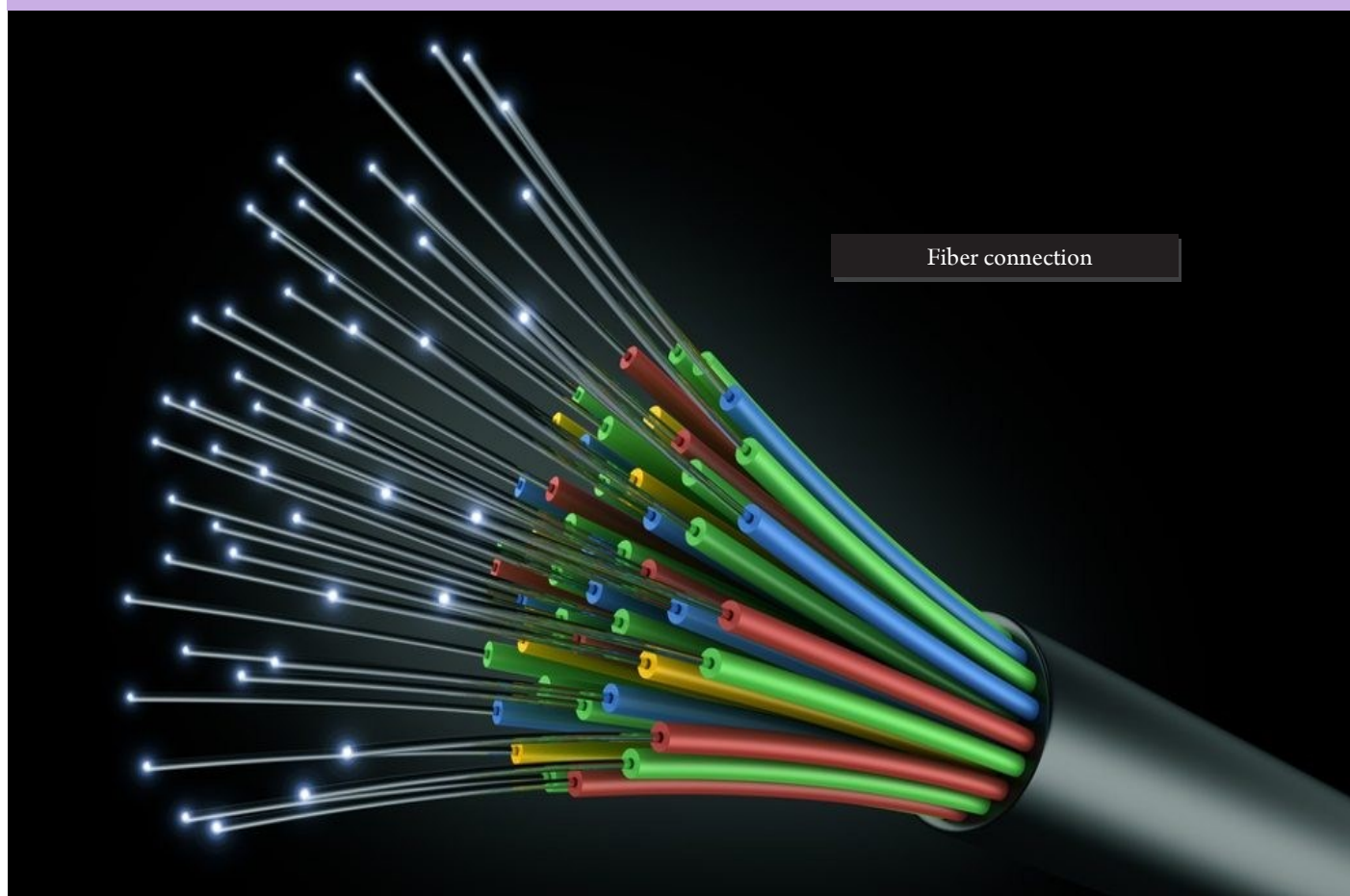
Total Mobile Money Transfer in Ksh Billion, 2013 – 2017

■ Total Deposits   ■ Total Transfers   — No. of Transactions

Key ICT Indicators for Total Population, 2017

Per 100 Inhabitants

- Mobile phone subscriptions
- Internet subscribers
- Mobile money subscriptions

ICT Penetration Rate, 2017

Fiber connection

Notes:

Notes:

KNBS
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BUREAU OF STATISTICS
Keeping you Informed

Kenya National Bureau of Statistics

Herufi House

Lt. Tumbo Avenue

P.O. Box 30266 – 00100

Nairobi, Kenya

Telephone: (+254) 3317583/6
Fax: (+254) 20 3315977

Email: directorgeneral@knbs.or.ke

Kenya National Bureau of Statistics (KNBStats)

@KNBStats