

- Background information
- What is Gross County Product?
- Objectives of GCP
- Methodological approach
- Conceptual framework
- Source data
- Highlight of the results
- Conclusion
- Next Steps

- Constitution of Kenya, 2010 created a decentralized system of government
- Increased demand for county-level data for economic planning among others
- Disaggregated statistics by county now needed for
 - Gross Domestic Product (GDP), economic growth, per capita income, sectoral growth and employment
- Gross County Product (GCP) is in response to some these needs

Background Cont'd

- This is the inaugural publication and covers the period 2013 - 2017
- GCP will be published annually

What is GCP?

- Gross County Product (GCP)
 - Is the net value of goods and services produced within the boundaries of a specific county during a specific period
- GCP - is conceptually equivalent to the county GDP

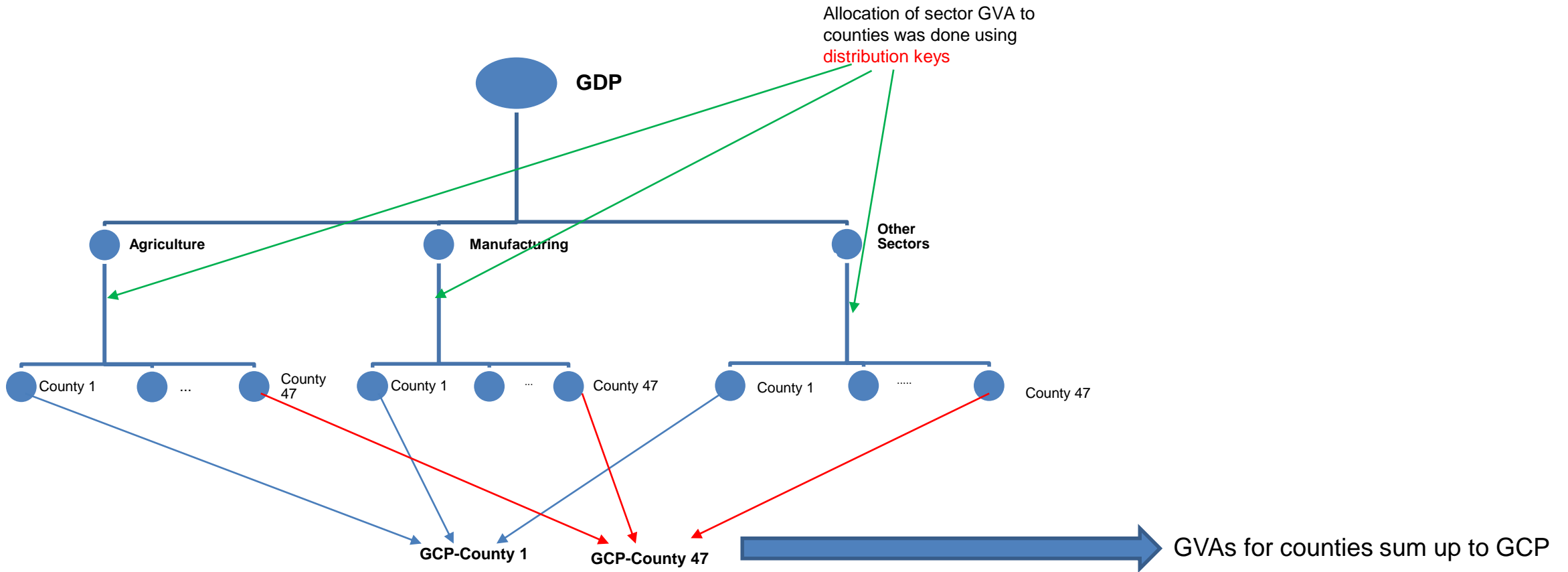
Objectives of the GCP

- Give a picture of the economic structure for counties
 - Sectoral contribution
 - Economic performance
- Relative size of the economy for each county
- Per capita GCP

Methodological Approach

- A top-down method was used to compile the GCP
- National Gross Domestic Product (GDP) was allocated to counties using distribution keys
- Distribution keys are suitable indicators
 - that accurately reflect levels of economic activities for each county
 - for the various sectors (agric, manufacturing etc)
- Distribution key used varied depending on the economic activity being regionalized
- A sensitivity analysis was conducted to ensure robustness of the GCP estimates

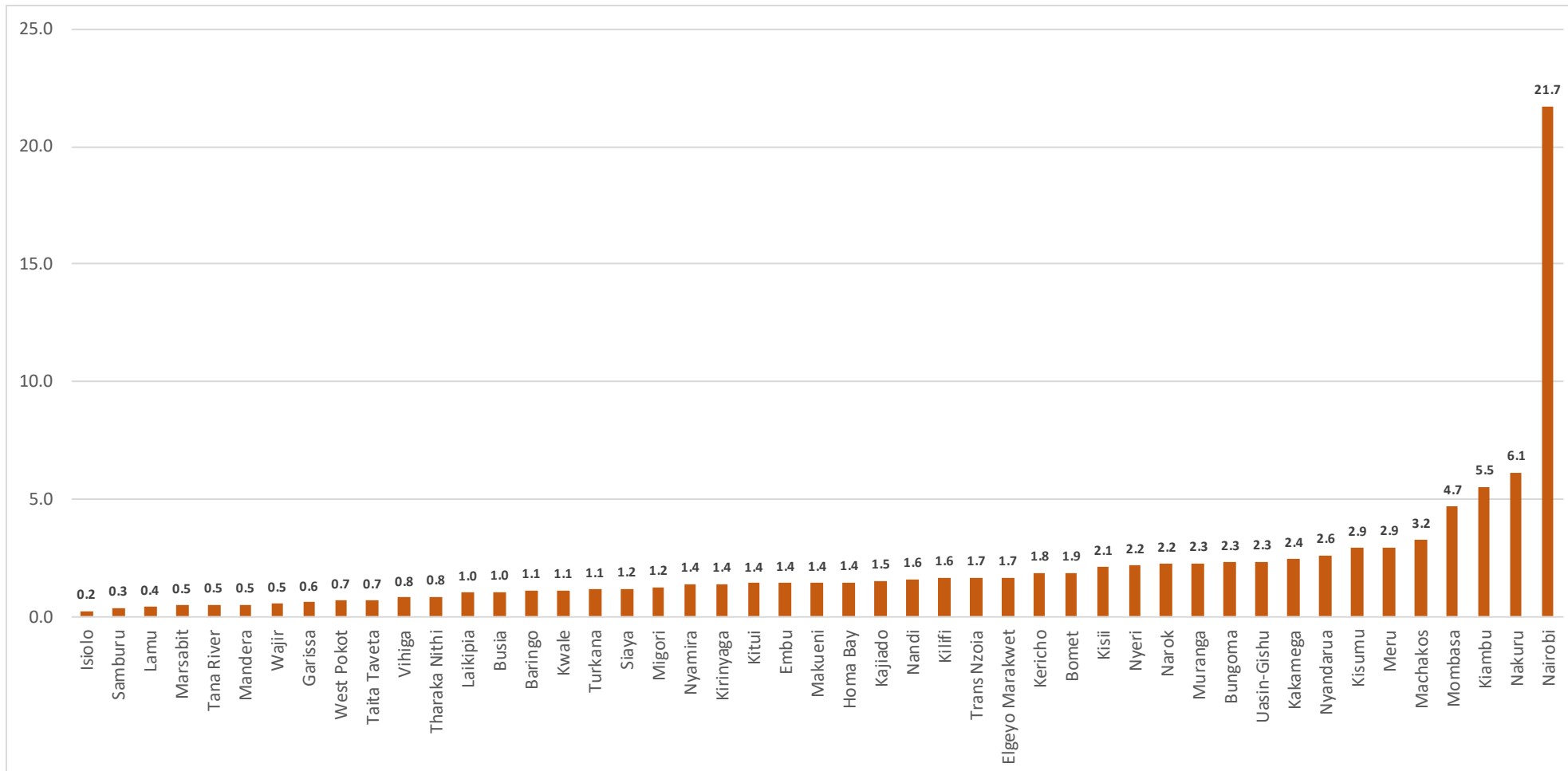
Conceptual Framework



- Regular data collected by KNBS
 - Surveys and censuses, and
 - Administrative records
- A survey conducted in all 47 counties in 2018 to supplement the existing datasets
- Going forward – an annual questionnaire will be administered to all counties

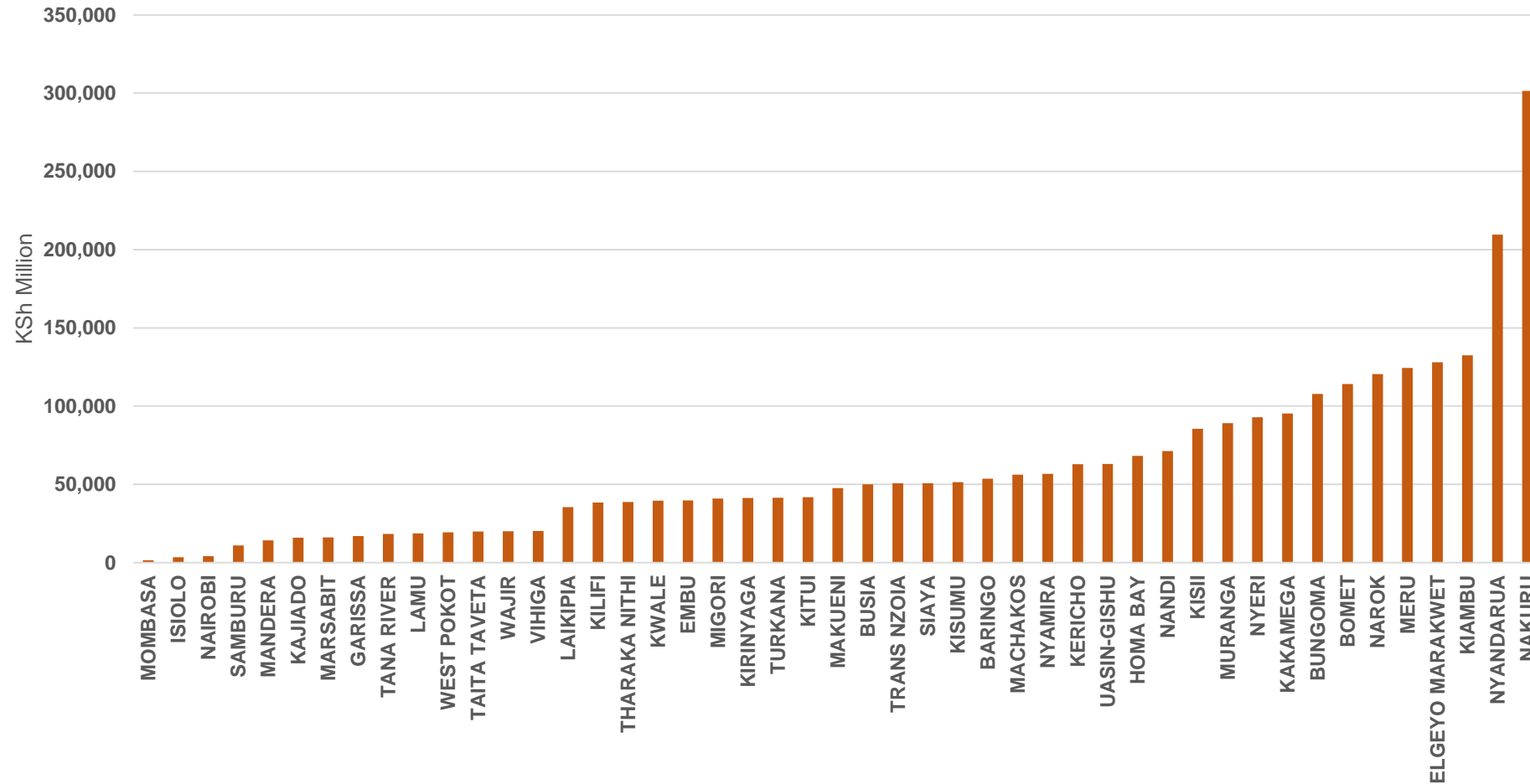
Highlights of the Results – Average GCP Share (2013 – 2017)

- There is a large disparity in the county shares of GDP (2013-2017)



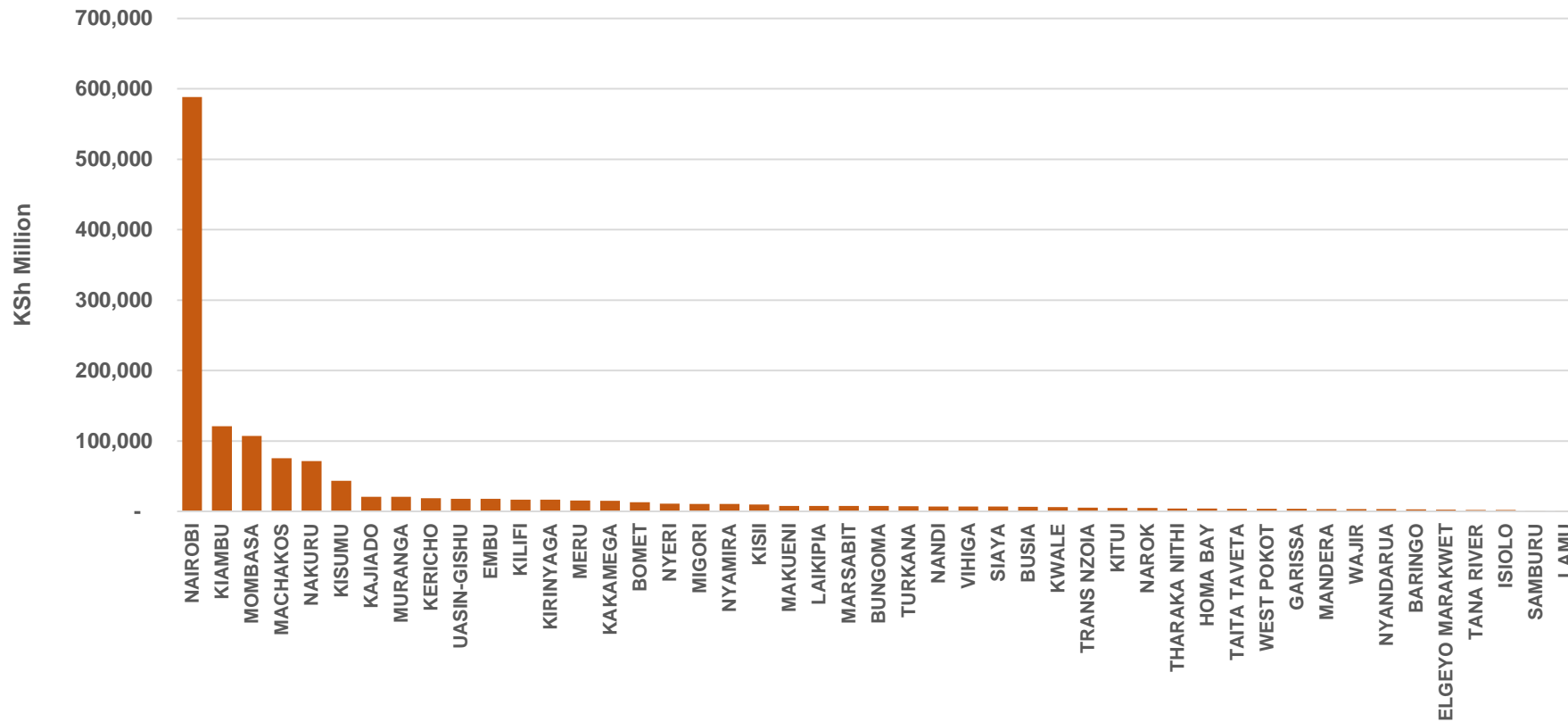
Highlights – Contribution to Agriculture, Forestry & Fishing GVA, 2017

- Mombasa and Nairobi have little agricultural activities



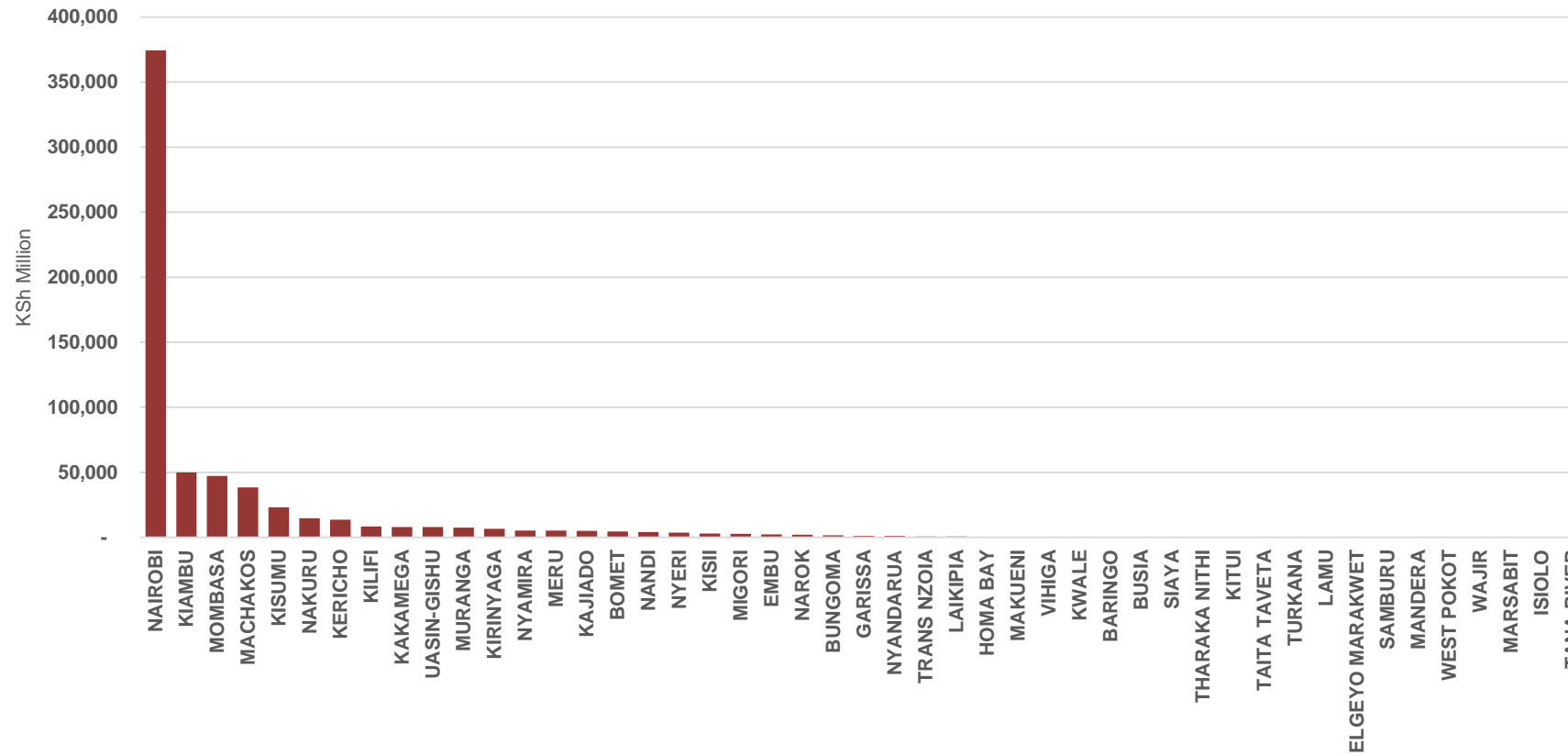
Highlights – Industry Gross Value Added (GVA), 2017

- Industrial activities are concentrated in counties that are home to large urban/commercial centres



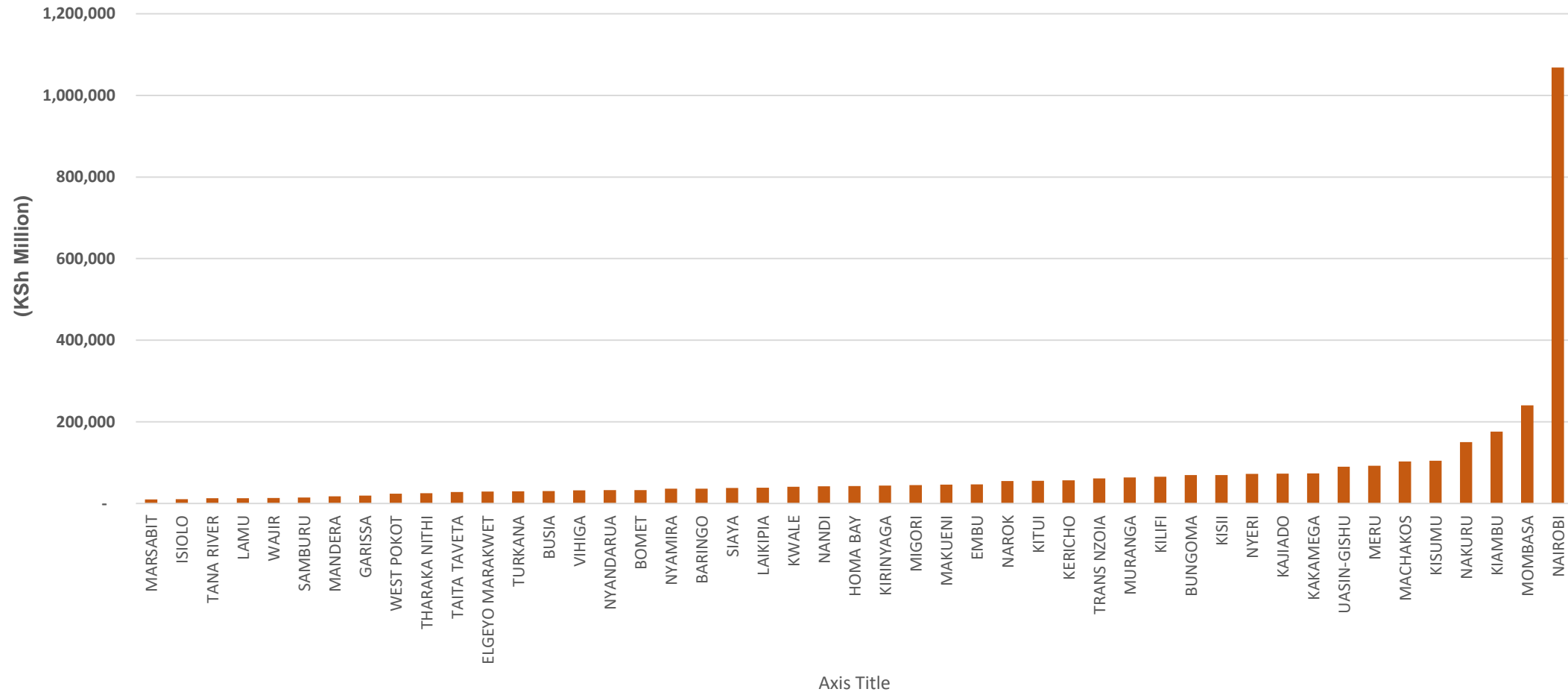
Highlights – Contribution to Manufacturing GVA, 2017

- Manufacturing activities were dominant in counties that are home to industrial centres



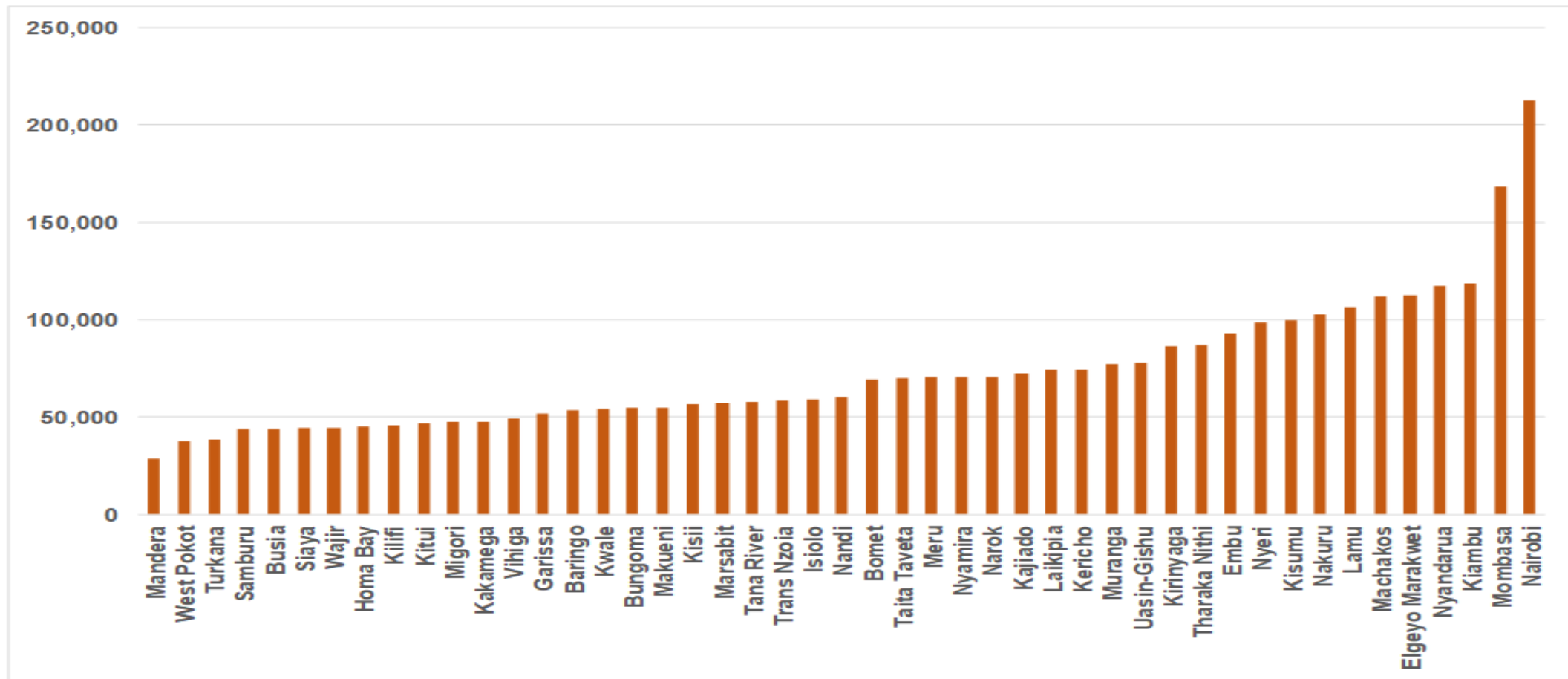
Highlights of the Results – Services GVA, 2017

- Service activities are better spread compared to industrial activities – more prominent even in counties with smaller GCP



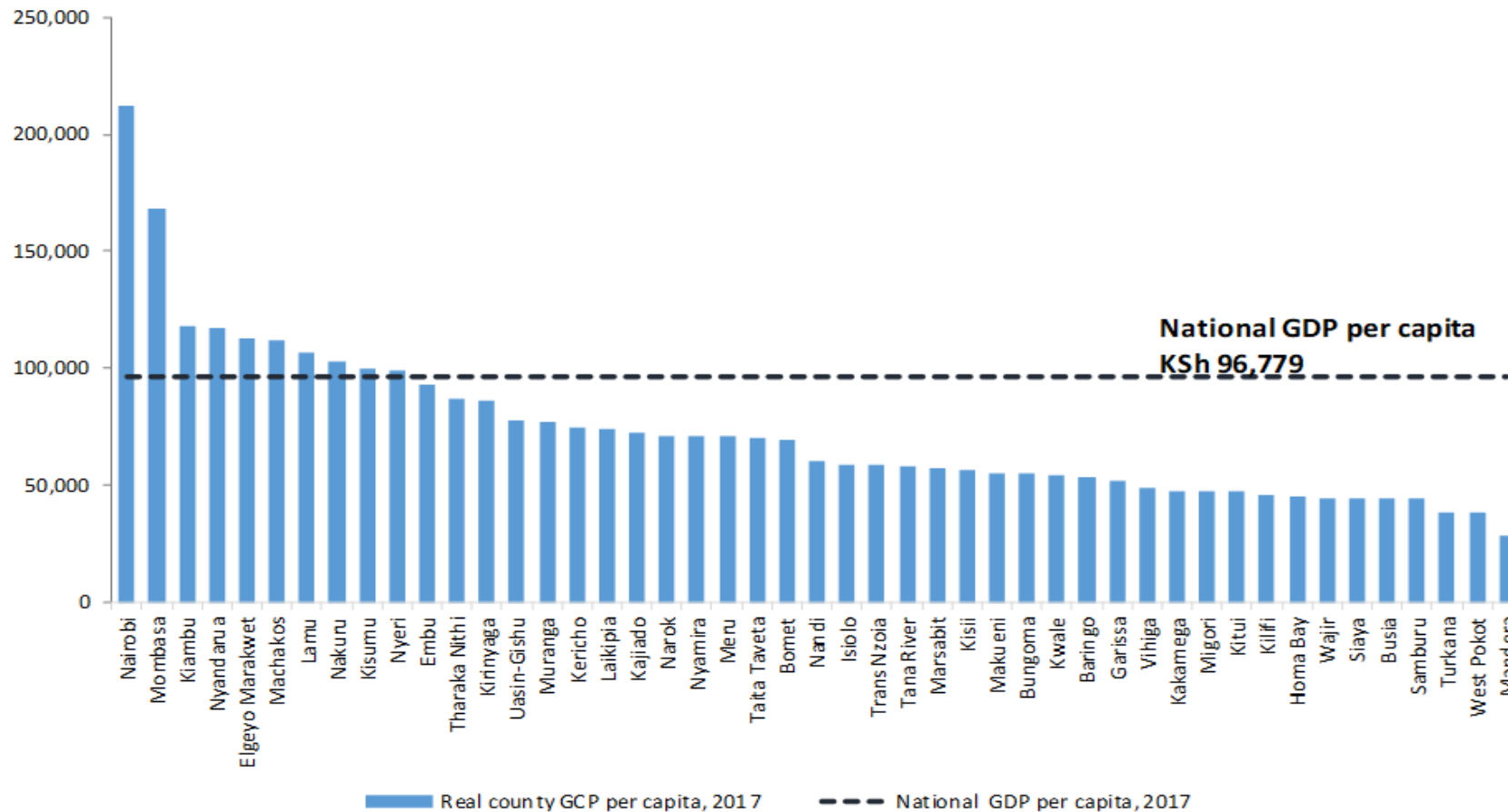
Highlights of the Results – Real Per capita GCP

- Per capita GCP is an indicative measure of a county's standard of living
- Some counties (e.g. Lamu & Tharaka Nithi) rank much better despite having small economies



Highlights of the Results

About quarter of counties have GCPs above the national GDP per capita (in real terms)



- With the exception of Nairobi and Mombasa, agriculture remains a key driver of growth in most counties
- Some counties with small contribution to the national cake have faster growths and therefore have potential for catching up
- There are many investment opportunities for private sector at the county level
- This report presents important details on the structure of county economies that can inform decision making for reducing poverty and promoting inclusive growth

Next Steps

- A report on GCP will be published on an annual basis
- KNBS will continue expanding the range of county specific statistics such as employment
- Need to strengthen the collaboration among the various stakeholders to enhance the quality of GCP and other county specific statistics

Thank you

Contacts:

www.knbs.or.ke

Twitter: @KNBStats

Facebook : Kenya Stats

#GrossCountyProduct2019
