

# Poverty & Equity Brief

Sub-Saharan Africa

## Kenya

April 2019

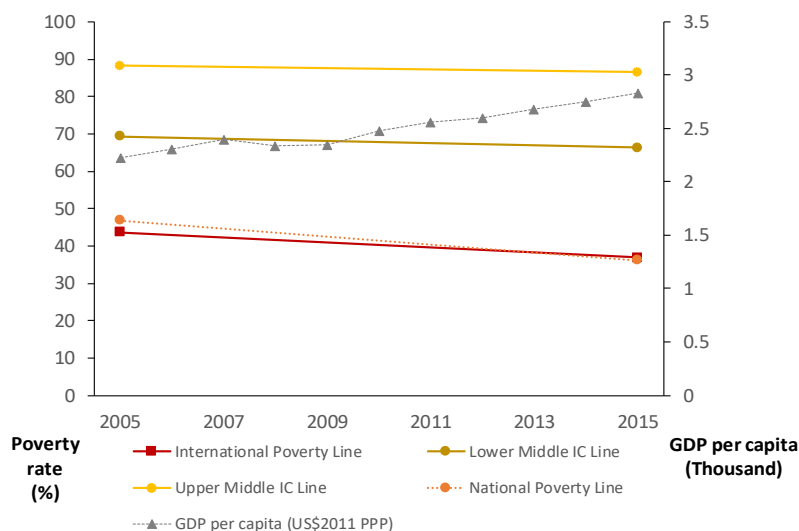
The proportion of the population living below the national poverty line fell from 46.8 percent in 2005/06 to 36.1 percent in 2015/16. Most of the poverty decline is attributable to the progress observed in rural areas, where poverty declined from around 50 percent in 2005/06 to 38.8 percent ten years later. This contrasts with stagnant poverty incidence in urban areas, particularly outside Nairobi. In fact, with growing population and urbanization, the absolute number of people living below the poverty line increased in urban and north-northeastern counties (NEDI), from 2.3 to 3.8 million and from 2.4 to 3.2 million respectively, whereas it decreased in rural and non-NEDI counties. Of concern is the fact that the wellbeing of the population in the NEDI counties lags considerably behind the rest of Kenya. Moreover, these areas have seen little progress between 2005/06 and 2015/16, remain prone to food insecurity, and present very low levels of educational attainment, access to improved sanitation, and to a lesser extent, access to improved water. Another important message is that, as Kenya urbanizes, cities are not providing enough economic opportunities for urban households to improve their income levels and obtain adequate standards of living.

The annualized consumption growth for the bottom 40 percent has been a satisfactory 2.86 percent per year between 2005/06 and 2015/16, a pattern that is more pronounced in rural areas. Consistent with this pro-poor pattern of economic growth, inequality declined in Kenya, as confirmed by several inequality measures. Nevertheless, most of the reduction poverty is attributable to economic growth and this suggest that, going forward there is ample scope for accelerating poverty reduction through more efforts to reduce inequality.

POVERTY	Number of Poor (million)	Rate (%)	Period
National Poverty Line	17.1	36.1	2015
International Poverty Line 92.4 in Kenya shilling (2015) or US\$1.90 (2011 PPP) per day per capita	17.4	36.8	2015
Lower Middle Income Class Poverty Line 155.7 in Kenya shilling (2015) or US\$3.20 (2011 PPP) per day per capita	31.3	66.2	2015
Upper Middle Income Class Poverty Line 267.5 in Kenya shilling (2015) or US\$5.50 (2011 PPP) per day per capita	40.9	86.5	2015
SHARED PROSPERITY			
Annualized Consumption Growth per capita of the bottom 40 percent		N/A	N/A
INEQUALITY			
Gini Index		40.8	2015
Shared Prosperity Premium = Growth of the bottom 40 - Average Growth		N/A	N/A
GROWTH			
Annualized GDP per capita growth		2.8	2010-2015
Annualized Consumption Growth per capita from Household Survey		N/A	N/A

Sources: WDI for GDP, National Statistical Offices for national poverty rates, POVCALNET as of March 2019, and Global Monitoring Database for the rest.

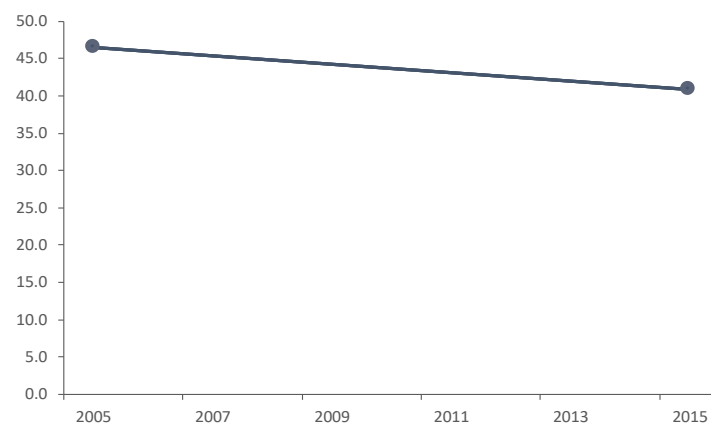
## POVERTY HEADCOUNT RATE, 2005-2015



Source: World Bank using IHBS/SSAPOV/GMD

## INEQUALITY TRENDS, 2005-2015

### Gini Index



Source: World Bank using IHBS/SSAPOV/GMD

## KEY INDICATORS (distribution among groups)

	International Poverty Line (%)		Relative Group (%)		Year
	Non-Poor	Poor	Bottom 40	Top 60	
Urban population	83	17	18	82	2015
Rural population	52	48	52	48	2015
Males	63	37	40	60	2015
Females	64	36	40	60	2015
0 to 14 years old	54	46	49	51	2015
15 to 64 years old	70	30	33	67	2015
65 and older	66	34	37	63	2015
Without education (age 16 and older)	46	54	57	43	2015
Primary education (age 16 and older)	62	38	42	58	2015
Secondary education (age 16 and older)	80	20	23	77	2015
Tertiary/post-secondary education (age 16 and older)	95	5	6	94	2015

Source: World Bank using Global Monitoring Database

## POVERTY DATA AND METHODOLOGY

Since 1990, data collection in Kenya has been infrequent and ad hoc. Only four surveys had been conducted since then, and the resulting poverty measures were often not strictly comparable. With the World Bank's support, a new survey was implemented in 2015/16 providing data for the most recent poverty estimates. The resulting poverty measures are comparable with the previous survey conducted in 2005/6. In addition to the new survey, a Computer Assisted Personal Interview (CAPI) instrument and methodology were being tested. They are aimed at collecting continuous data and producing annually updated poverty measures from 2019 onward.

The official poverty statistics for 2015/16, produced by the Kenyan National Bureau of Statistics (KNBS), use national poverty lines. The overall rural and urban poverty lines are, respectively, 3,252 and 5,995 Kenya shillings (Kshs) per month per person (in adult equivalent terms) and include minimum provisions for both food and non-food expenditures. The food poverty lines without provisions for non-food expenditures correspond to the average expenditure needed in 2015/16 to attain the minimum recommended daily intake of 2,250 kilocalories.

## HARMONIZATION

The numbers presented in this brief are based on the SSAPOV database. SSAPOV is a database of harmonized nationally representative household surveys managed by Sub-Saharan Team for Statistical Development. It contains more than 100 surveys covering 44 out of the 48 countries in the SSA region. The four countries not covered in the database are Eritrea, Equatorial Guinea, Somalia and Zimbabwe. Terms of use of the data adhere to agreements with the original data producers.