



Policy Brief

Thinking Policy Together

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Assessing Labour Productivity for Elgeyo Marakwet County

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Overview of the County

Elgeyo Marakwet County is a member of the North Rift Economic Bloc (NOREB). The county is a semi-arid county experiencing between 10 per cent and 29 per cent aridity. The county land size stands at 3,050 km² and has four Sub-Counties namely: Keiyo North, Keiyo South, Marakwet East, and Marakwet West.

Key Highlights

The productivity of Elgeyo Marakwet County is characterized by the following:

- (i) The agriculture sector dominates the Gross Value Added (GVA) with crop farming as the main agriculture activity while milk and eggs have the highest share in livestock products. The services sector is second with the transportation and storage sector dominating. In industry sector, the share of manufacturing is declining as construction expands.
- (ii) The quality of labour requires interventions to reduce stunting, child poverty, and teenage pregnancy, and to enhance enrolment of secondary school.
- (iii) The essential infrastructure requires interventions to increase access to electricity, internet connectivity, improved water, housing quality and financial inclusion.
- (iv) The agriculture sector is the highest employer with majority practising mixed farming and crop production. In manufacturing employment is concentrated in wood and food products. In wholesale and retail trade, majority are in the retail sale in non-specialized stores.
- (v) Labour productivity is highest in the services sector while agriculture sector has the least. In industry sector, manufacturing has the highest labour productivity while information and communication sub-sector has relatively higher labour productivity in the service sector.

To enhance productivity

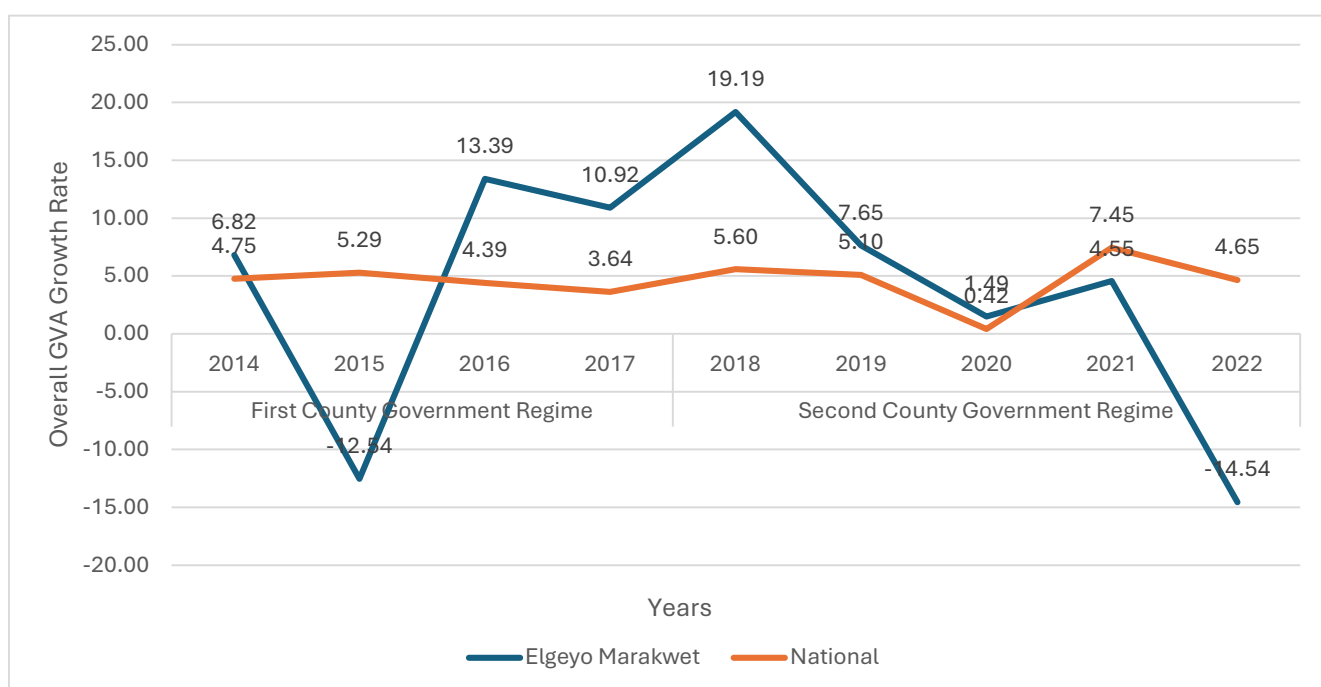
- (i) Increase agricultural productivity by integrating the small farmers into the livestock value chains and exploit the emerging poultry and apiculture farming.
- (ii) Encourage investments in manufacturing to increase agro-processing and textile industry and support implementation of the County Aggregation Industry Park to enhance the productivity of the MSMEs.
- (iii) Secure and improve the quality of labour by implementing targeted nutritional programmes.
- (iv) Create an enabling environment for private sector by investing to enhance access to electricity, improved water and sanitation, improved housing and internet connectivity.
- (v) Market tourism sites and encourage investments in hotel and accommodation facilities to enhance quality of tourism.

Elgeyo Marakwet County Economic Performance

Elgeyo Marakwet County contributes on average to 1.0 per cent of the national Gross Value added with an average GVA of Ksh. 68,9056 million. The GVA per capita for Elgeyo Marakwet County is Ksh. 151,618.2 with an average population growth of 2.3 per cent and overall poverty levels at 47.3 per cent.

Elgeyo Marakwet County has shown a steady growth in GVA with an average growth rate of 4.10 per cent in 2013-2022, which is slightly lower than the national average growth of 4.37 per cent. The highest growth rate was in 2017 and the lowest in 2022 as shown in Figure 1.

Figure 1: Elgeyo Marakwet County GVA growth rate

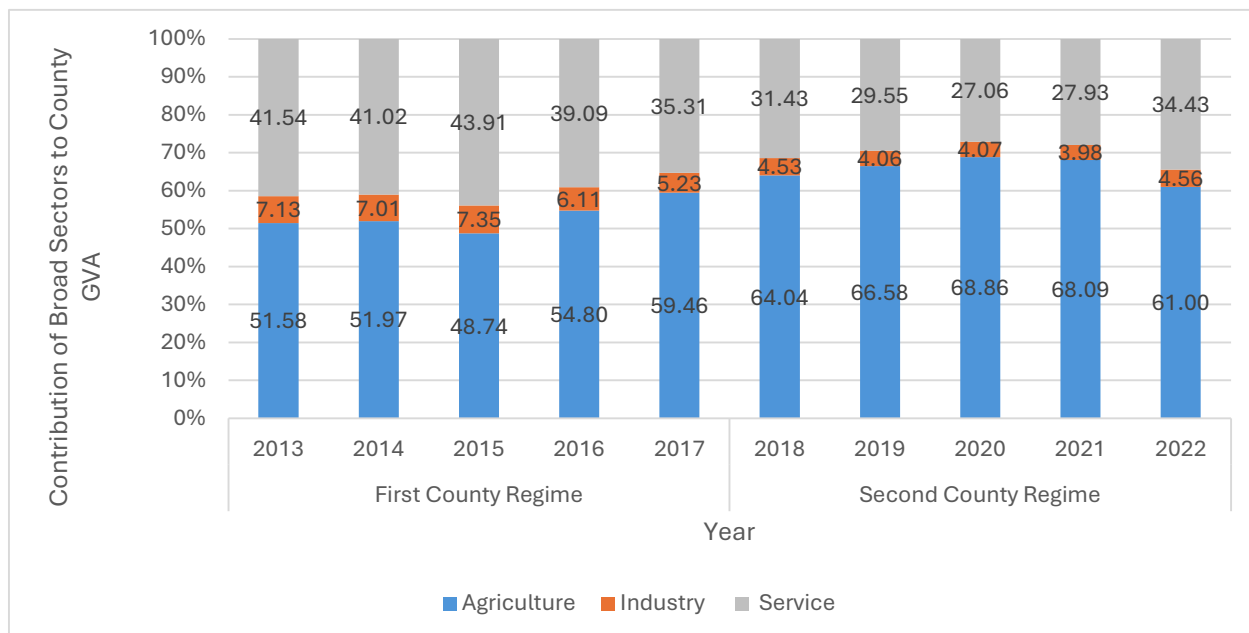


Data Source: KNBS 2023-Gross County Product

Sectoral Analysis of GVA

The agriculture sector is dominant in Elgeyo Marakwet County with an average contribution to GVA of 59.51 per cent. The share of agriculture has also been increasing over time. The service sector is second, contributing an average of 35.13 per cent to the GVA while industry contributes an average of 5.40 per cent to county GVA (Figure 2).

Figure 2: Contribution of Broad Sectors to Elgeyo Marakwet County GVA

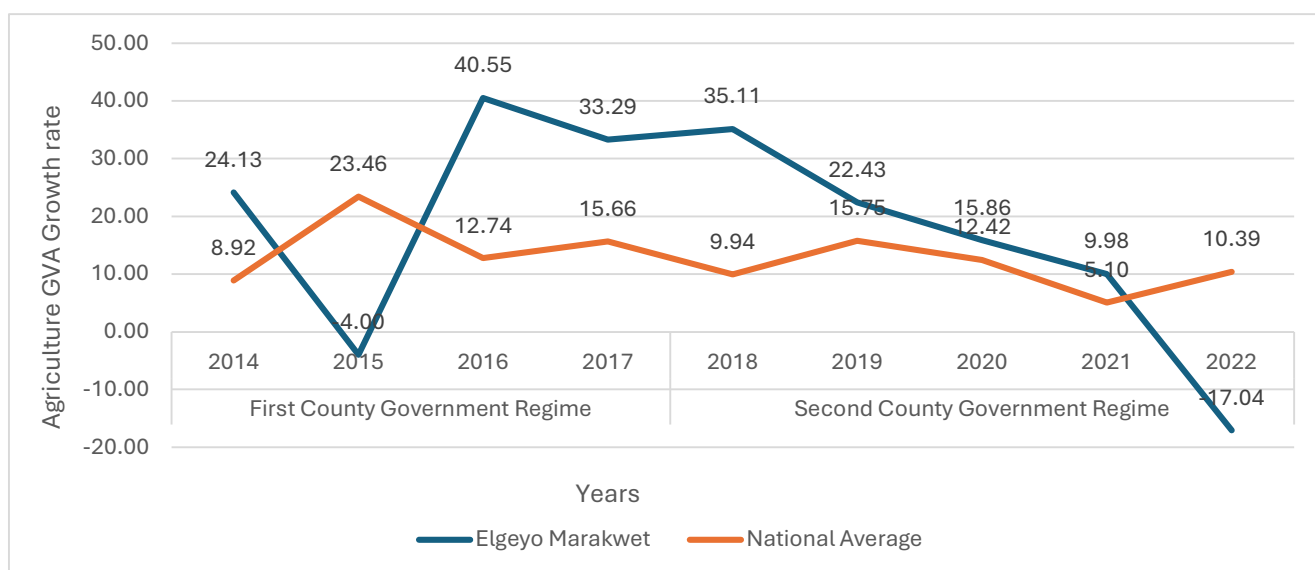


Data Source: KNBS 2023-Gross County Product

Agriculture Sector

The average growth rate for agriculture GVA in 2013-2022 is 17.81 per cent, which is above the national average of 12.71 per cent. The growth rate has generally been high and positive except for 2022 when the county experienced a negative growth rate of -17.04 per cent (Figure 3).

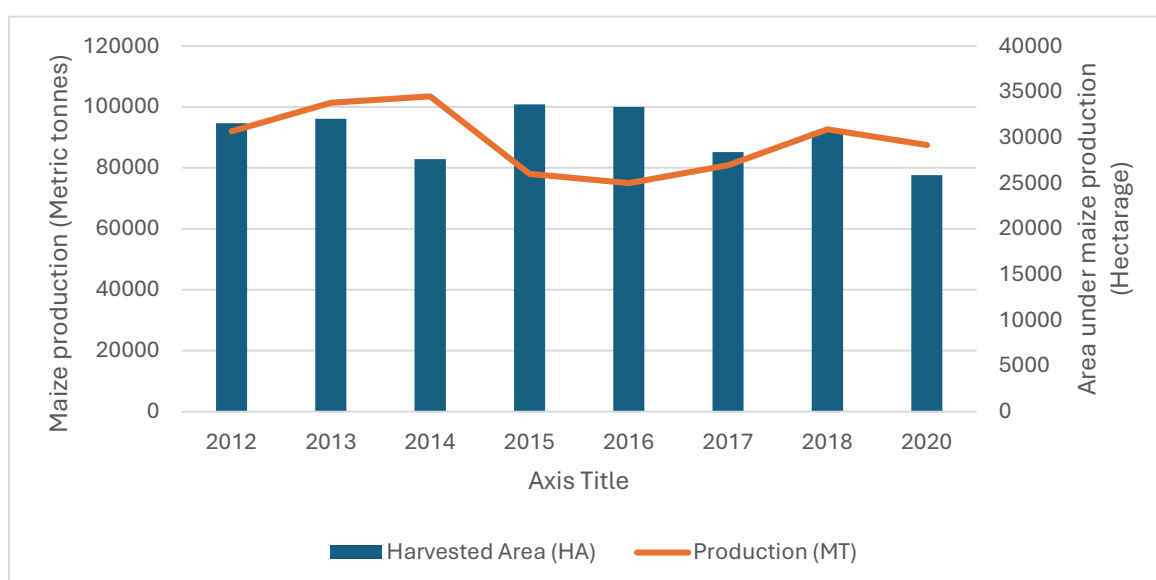
Figure 3 : Elgeyo Marakwet County agriculture GVA growth rate



Data Source: KNBS 2023-Gross County Product

Crop farming is the main agriculture sub-sector in Elgeyo Marakwet county. The main food crops grown are maize, beans, irish potatoes mostly in the highland areas of the county while drought tolerant crops such as sorghum, millet, groundnuts and cowpeas are grown in the lowlands. Cash crops namely coffee, tea and pyrethrum are also grown in the county. Maize, the main staple food crop in the country, is the dominant food crop in Elgeyo Marakwet. The area under maize production has remained relatively constant over the years except for 2014 and 2020 which had declines. Maize production (metric tons) shows a downward trend and yet to get to the highest attained in 2015 (Figure 4).

Figure 4 : Maize production and area under maize production

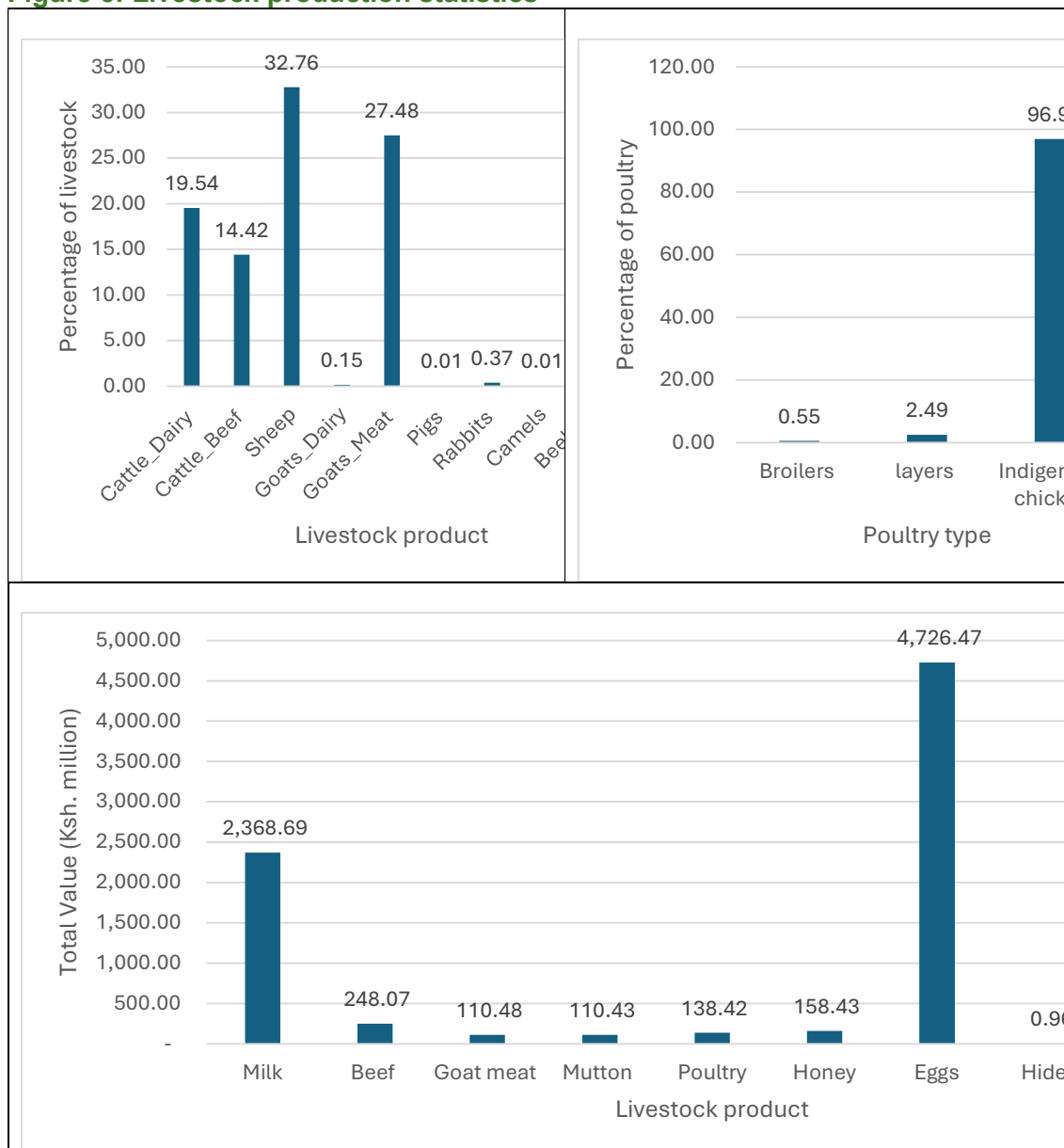


Data source: National Information Platform for Food and Nutrition (NIPFN)

Livestock production is equally important in Elgeyo Marakwet. The most common type of livestock kept in the county are sheep, meat goats, beef cattle and dairy cattle (Figure

5). Beekeeping is an emerging activity. Poultry farming is dominated by indigenous chicken. Eggs have the highest economic value among the livestock products signifying comparative advantages in poultry farming. Milk production is high as the highland areas of the county have comparative advantage in dairy farming. That said, the value of hides and skins are very low despite the high numbers of livestock indicating the low integration of livestock production into the leather value chain.

Figure 5: Livestock production statistics

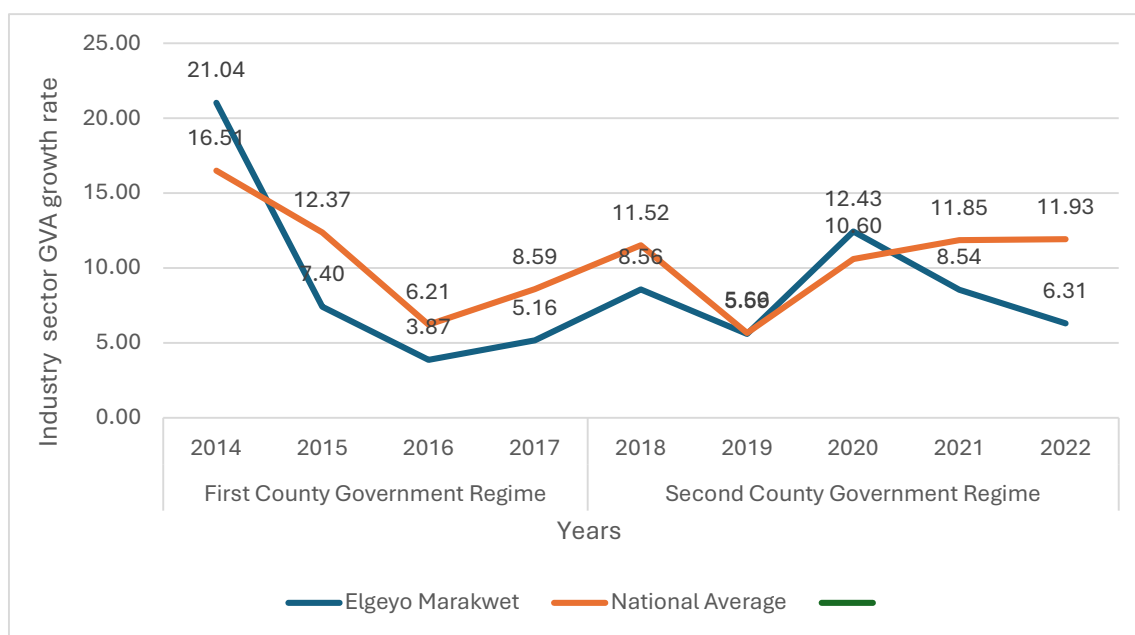


Data source: National Information Platform for Food and Nutrition (NIPFN)

Industry Sector

The average growth rate for industry sector is 8.77 per cent, which is below the national average of 10.58 per cent (Figure 6).

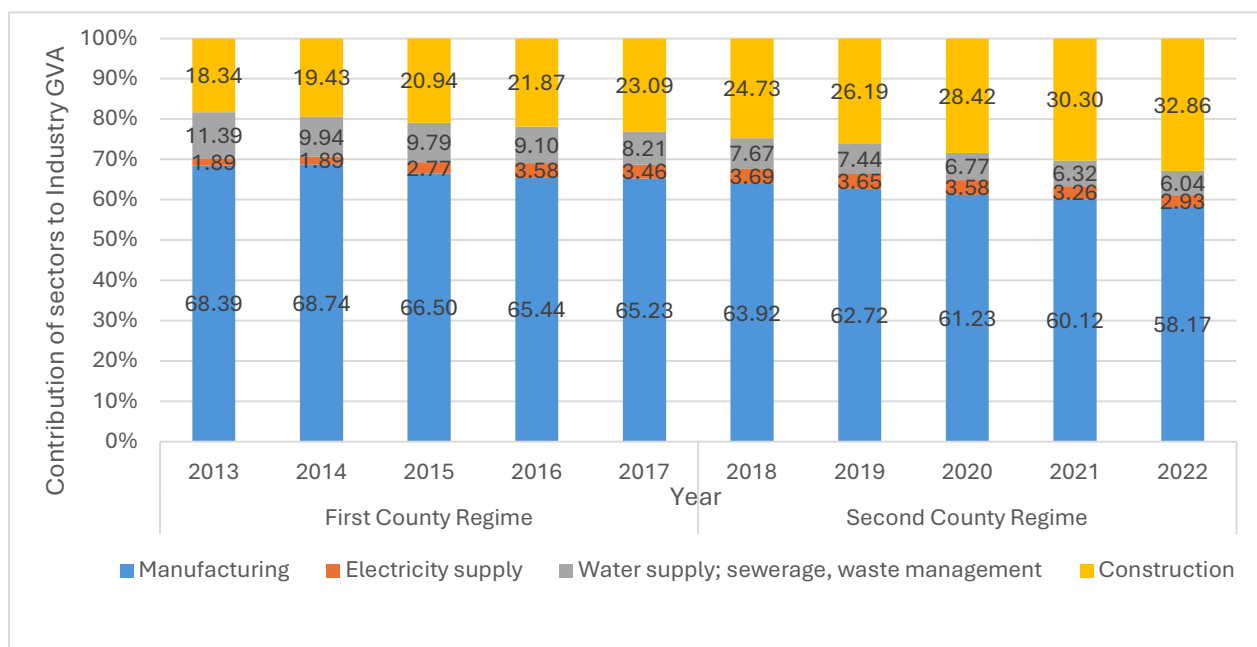
Figure 6 : Elgeyo Marakwet County industry GVA growth rate



Data Source: KNBS 2023-Gross County Product

The manufacturing sub-sector dominates the industry sector GVA, but its share has been declining as that of the construction sector expands (Figure 7).

Figure 7: Contribution of industry sub-sectors to the industry sector GVA

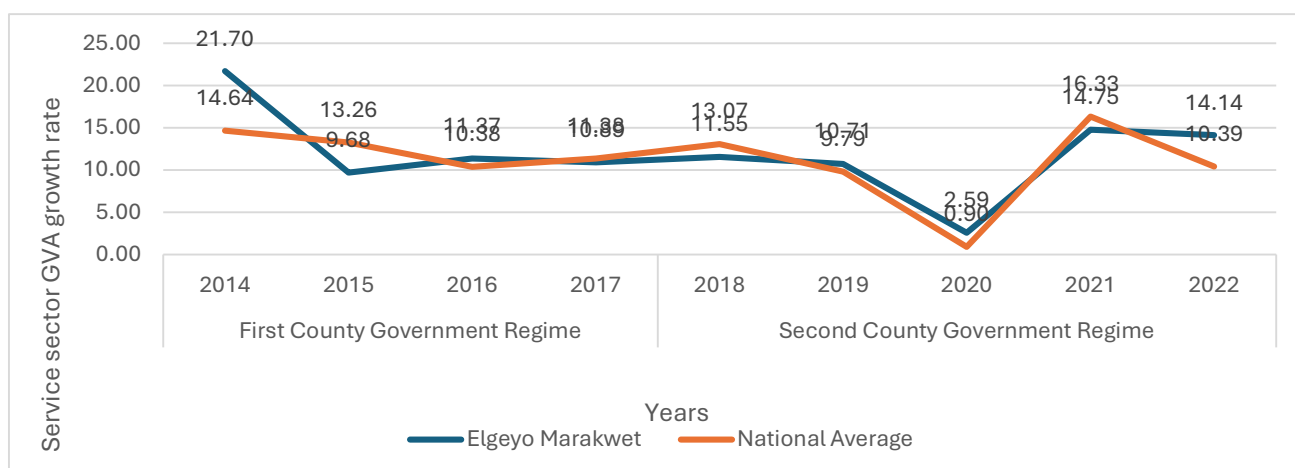


Data Source: KNBS 2023-Gross County Product

Services Sector

The average growth rate for services sector is 10.15 per cent, which is below the national average of 11.13 per cent (Figure 8).

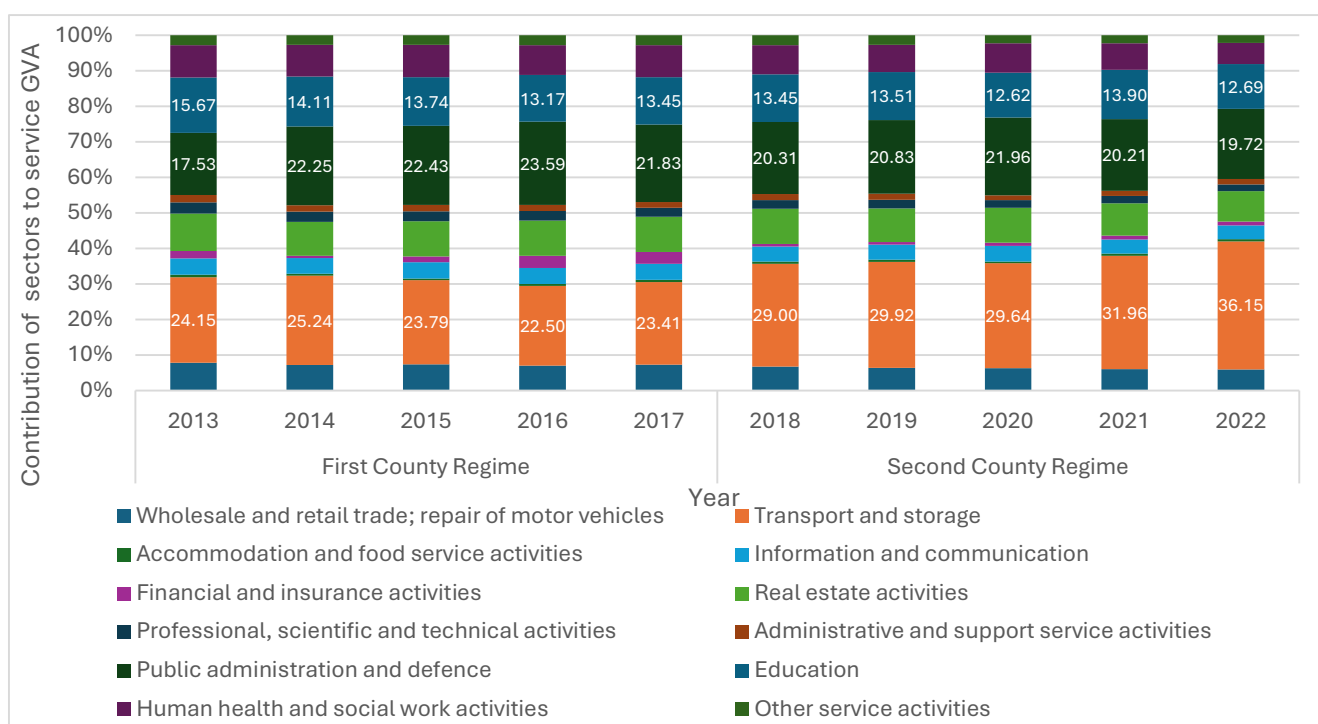
Figure 7: Elgeyo Marakwet County services sector GVA growth rate



Data Source: KNBS 2023-Gross County Product

The transportation and storage services dominate the services sector contributing 27.58 per cent to the GVA (Figure 9). Public administration and defence contribution to services sector GVA is at 21.07 per cent while education at 13.63 per cent.

Figure 9: Contribution of sub-sectors to the services sector GVA



Data Source: KNBS 2023-Gross County Product

Quantity and Quality of Labour Force in Elgeyo Marakwet County

Elgeyo Marakwet County has a total of 244,076 working-age population, which is about 54 per cent of the total county population. Most of the working-age population is youthful (18-34 years) at 50.7 per cent as shown in Table 1.

Table 1: Distribution of the working-age population by age categories

Working age population	Male	Female	Total	Percentage of total working age population (%)
15-17	18,110	17,551	35,661	14.61
18 –24	30,201	31,729	61,930	25.29
25-34	29,884	28,327	58,221	25.37
35-64	42,587	41,441	84,028	34.43
Total	122,335	121,741	244,076	

Data Source: KNBS (2019), Kenya Population and Health Census - KPHC 2019

Most of the population in Elgeyo Marakwet sub-counties are persons in the working age categories. Keiyo North has the highest percentage of persons of working age at 58 per cent as shown in Table 2. In all the sub-counties of Elgeyo Marakwet County, the youthful working ages 18-34 years are the majority with the sub-counties of Marakwet West and Keiyo North having the highest youthful working age population.

Table 2: Sub-County land area distribution of working age population by age category

Sub- County	Total population	Working age population				Working age population (15-64) as a percentage of the total sub-county population
		15-17	18 –24	25 –34	35-64	
Keiyo North	99,175	7,389 (12.94)	14,872 (26.05)	15,356 (26.90)	19,468 (34.10)	57,085 (57.56)
Keiyo South	120,746	9,897 (14.55)	17,454 (25.67)	15,972 (23.49)	24,681 (36.29)	68,004 (56.32)
Marakwet East	97,039	7,248 (15.75)	11,412 (24.79)	12,162 (26.42)	15,206 (33.04)	46,028 (47.43)
Marakwet West	137,508	11,127 (16.49)	18,719 (27.73)	18,440 (27.32)	19,211 (28.46)	67,497 (49.09)

Data Source: KNBS (2019), Kenya Population and Health Census - KPHC 2019

Elgeyo Marakwet County has a high performance in socioeconomic indicators that affect the quality of labour (Table 3). However, interventions are required to reduce stunting and child poverty rates.

Table 3: Human capital indicators

Human capital indicators	County	National average
Literacy rate	84.60	78.41
Pre-primary net enrolment rate (2019)	77.69	67.51
Primary school net enrolment rate (2020)	91.60	77.72
Secondary school net enrolment rate (2020)	61.70	54.18
Average years of schooling (2014)	7.70	7.78
Percentage of children 12-23 months fully vaccinated (%)	85.20	74.97
Percentage of stunted children	21.80	19.75

Percentage of teenage pregnancy	12.10	15.79
Primary to secondary transition rates (2020)	84.30	86.13
Pupil-teacher ratio (Primary school)	25.00	28.28
Food poverty head count (%)	32.00	33.63
Child poverty head count (%)	48.10	42.67

Source: KNBS (2022), Kenya Demographic and Health Survey - KDHS 2022; KNBS (2019), Kenya Population and Health Census - KPHC 2019; Ministry of Education (2020); 2021 Basic Education Statistical Booklet; KNBS 2021-Kenya Poverty Report

Most of the essential infrastructure and capital indicators in Elgeyo Marakwet County performed above the national average. However, interventions are required to increase access to electricity, internet connectivity at the household level and in schools, improved water, housing quality and financial inclusion (Table 4).

Table 4: Essential infrastructure and other resources indicators

Essential infrastructure indicators	County	National average
Percentage of households with access to electricity (2019 Census)	24.30	38.52
Distribution of population using the internet (2019 census)	14.20	18.69
Rural Access Index (2018)	68.35	63.72
Access to improved sanitation (2018)	62.00	59.04
Access to improved water (2018)	44.20	65.33
Financial inclusion level (2021)	73.80	81.01
The proportion of Primary Schools with internet	23.50	27.65
Proportion of secondary schools with functional internet	26.20	35.13
Percentage of households by housing material composite-finished materials(adequate) (2019)	29.98	51.71
Percentage of households using bank usage (overall)	27.50	38.18
Percentage of households using mobile money	71.40	78.58

Data Sources: KRB 2018, KPHC 2019, FinAccess 2021, KIHBS 2015/16

County employment statistics

Employment to population ratio is at 62.78 per cent. Most of those working is the youthful (18-34 years) at about 31.77 per cent, while those aged 35-64 years at 29.92 per cent (Table 5). The percentage of the employed by gender is 37.49 for both males and 38.60 for females. The unemployment rate is at 6.11 per cent with unemployment being slightly higher for the youth (18-34 years) at 4.09 per cent and those between 35-64 years at 1.90 per cent.

The percentage of persons 5–17 years old working is 3.96 per cent indicating that the county has low levels of child labour. The inactivity rates are higher for the youth category (15-24 years) at 25.56 per cent as they are pursuing schooling. Inactivity rate is low for the persons of prime age (25-64 years) at 5.13 per cent.

Table 2: Elgeyo Marakwet County employment statistics

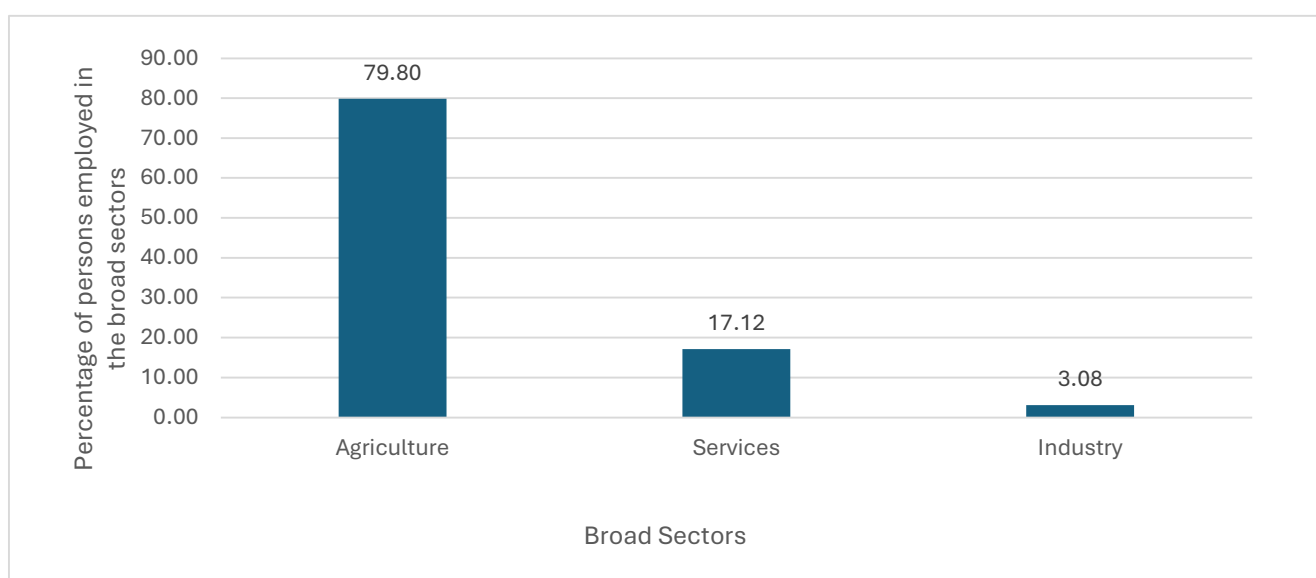
Employment statistics	Youth	Non youth
Employment to population ratio (%)	31.77	29.92
Unemployment rate	4.09	1.90
Percentage of persons 5–17 years old working	3.96	-
Inactivity rate	25.56	5.13

Data Source: Data Source: KNBS (2019), Kenya Population and Health Census - KPHC 2019

Sectoral Employment

The agriculture sector is the highest employer in Elgeyo Marakwet County at 79.80 per cent followed by the agriculture sector at 17.12 per cent (Figure 10).

Figure 10: Percentage of persons employed in the broad sectors

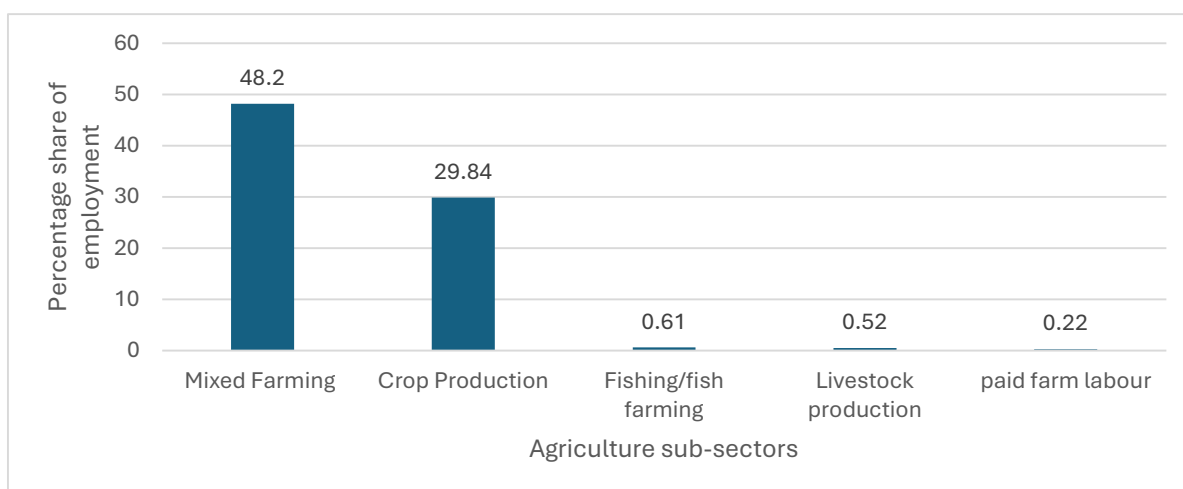


Data Source: KNBS 2021- Kenya Continuous Household Survey

Agriculture Sector Employment

Majority of those employed in agriculture are in mixed farming and crop production (Figure 11).

Figure 11: Percentage share of employment in agriculture sub-sectors

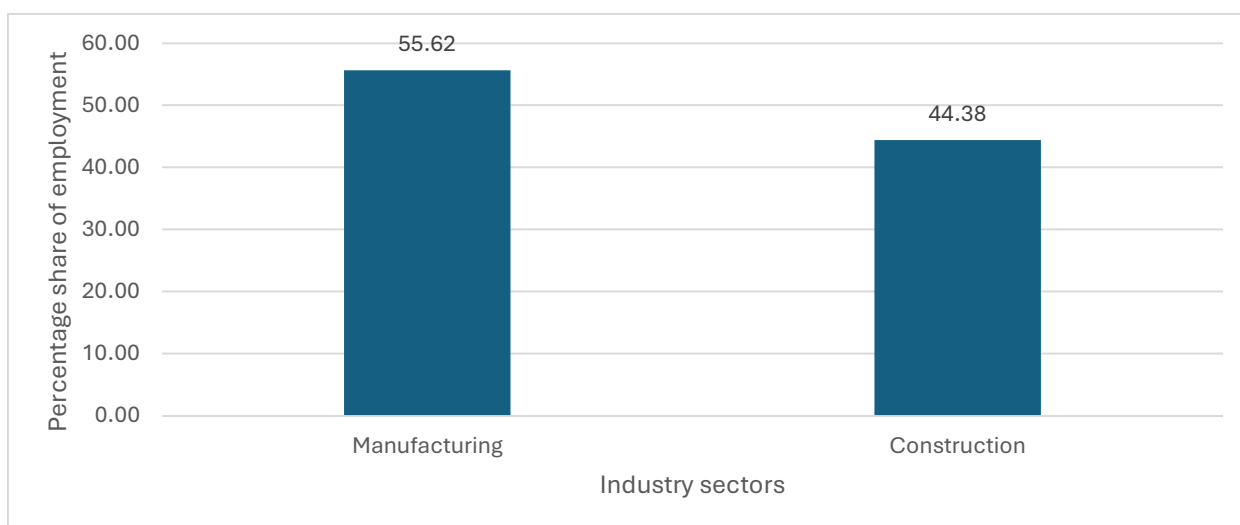


Data Source: KNBS 2021- Kenya Continuous Household Survey

Industry Sector Employment

The majority of those working in the industry sector are in manufacturing sub-sector (Figure 12).

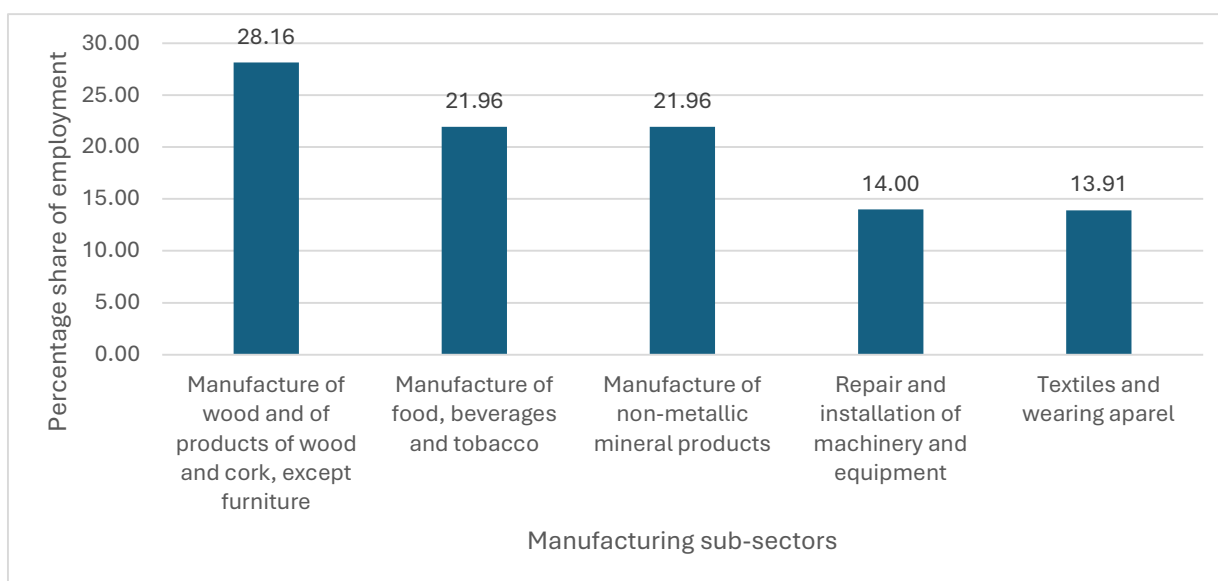
Figure 12: Percentage share of employment in the industry sectors



Data Source: KNBS 2021- Kenya Continuous Household Survey

A disaggregation of employment in manufacturing sub-sector shows that the majority of those employed are working in low-technology manufacturing sub-sectors of wood and food products (Figure 13).

Figure 13: Percentage share of employment in manufacturing sub-sectors

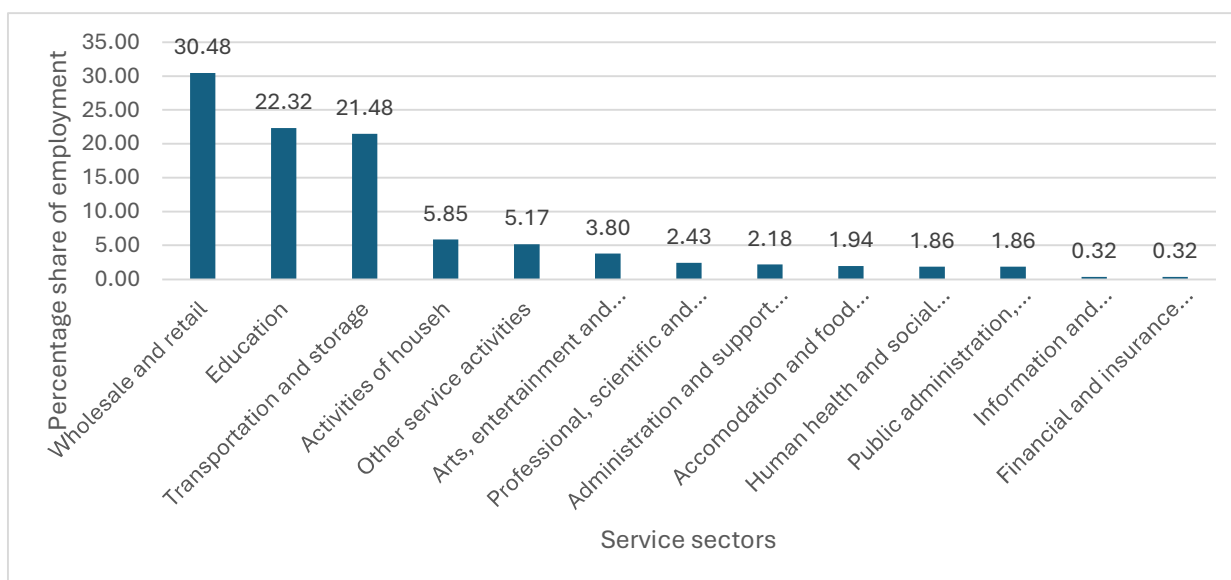


Data Source: KNBS 2021- Kenya Continuous Household Survey

Services Sector Employment

Majority of those working in the services sector are in wholesale and retail trade, the education sector is second in the share of employment as shown in Figure 14.

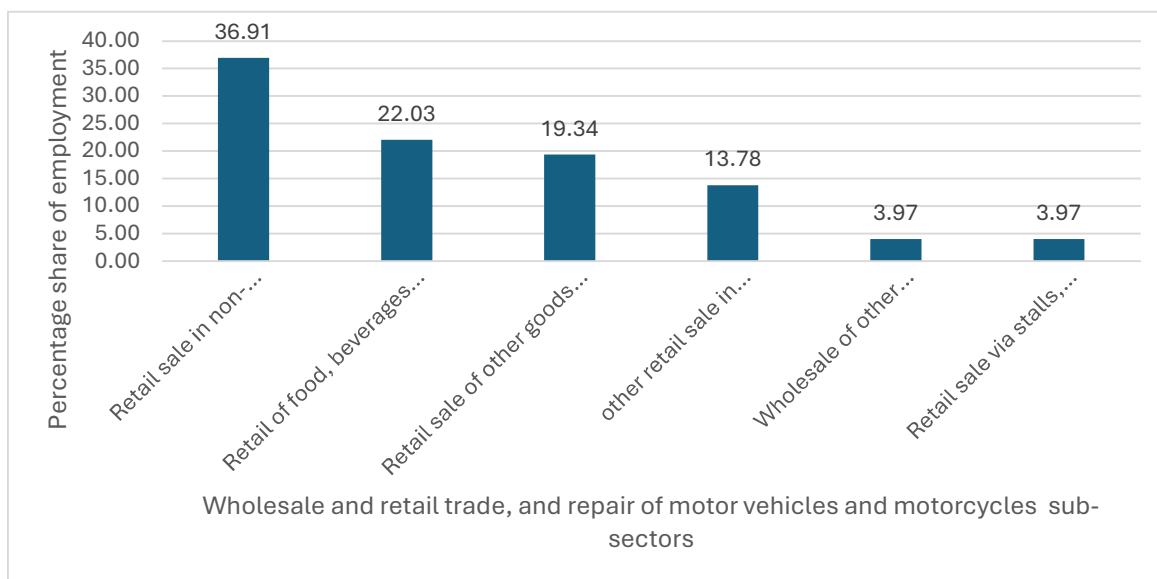
Figure 14: Percentage share of employment in the service sector



Data Source: KNBS 2021- Kenya Continuous Household Survey

In the wholesale and retail trade, and repair of motor vehicle sub-sector, the majority work in the retail sale in non-specialized stores (Figure 15).

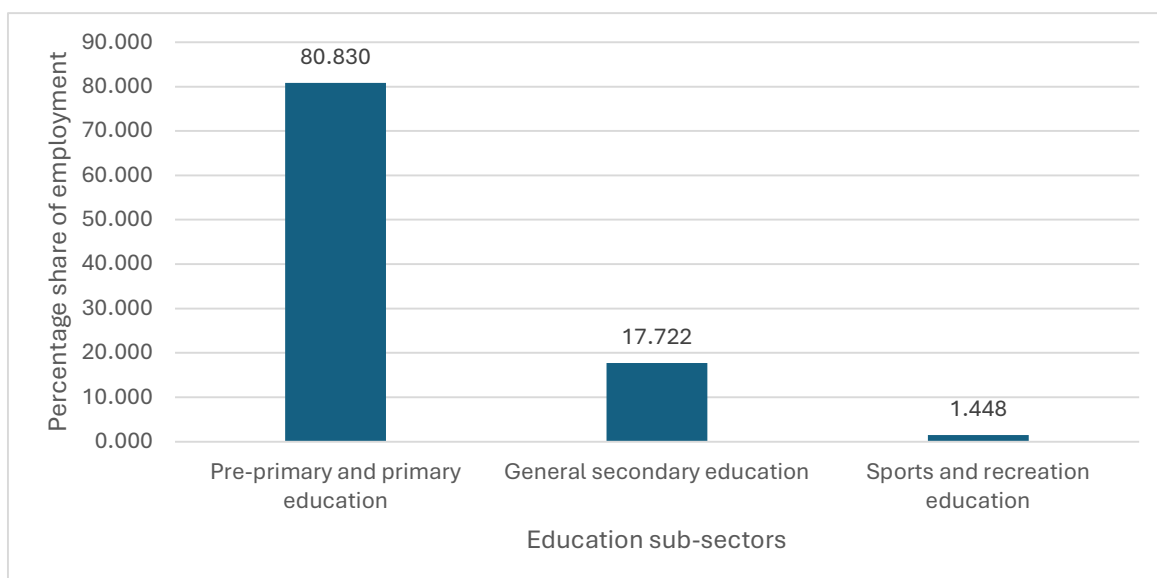
Figure 15: Percentage of persons employed in the wholesale and retail trade; repair of motor vehicle sub-sectors



Data Source: KNBS 2021- Kenya Continuous Household Survey

In the education sector, the majority of those employed are in pre-primary and primary education (Figure 16).

Figure 16: Percentage share of employment in the education sub-sectors



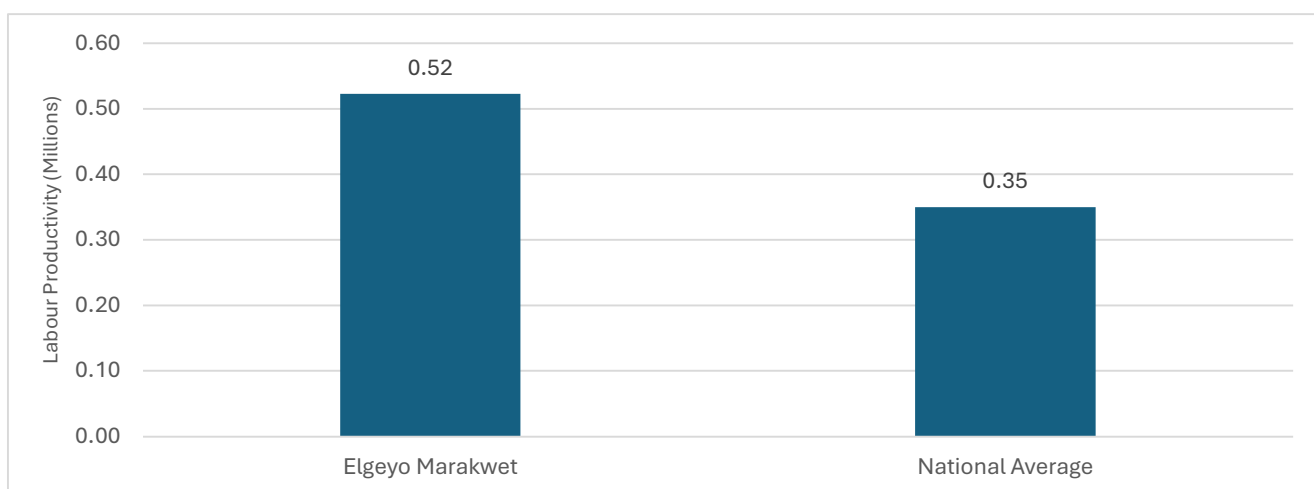
Data Source: KNBS 2021- Kenya Continuous Household Survey

Labour Productivity

Labour productivity¹ for Elgeyo Marakwet County is higher than the national average (Figure 17).

¹ The measure used is the apparent labour productivity measured as gross value added per person employed.

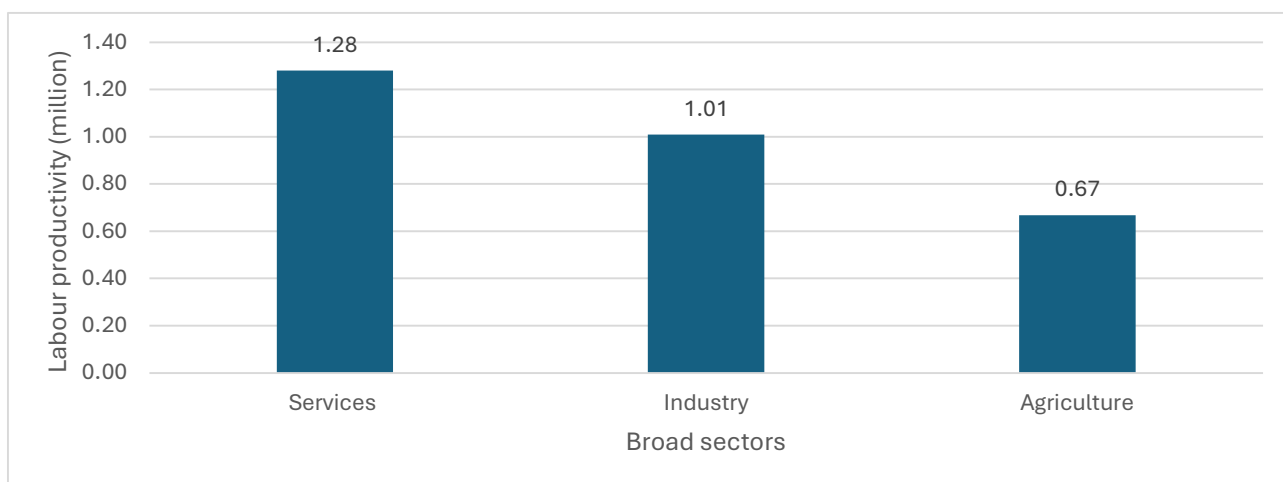
Figure 17: Labour productivity ratios (millions)



Data Source: Author's computation using KNBS 2023-Gross County Product and KNBS 2021- Kenya Continuous Household Survey

The services sector has the highest labour productivity, the industry sector is second while agriculture has the least labour productivity (Figure 18).

Figure 18: Labour productivity by sectors

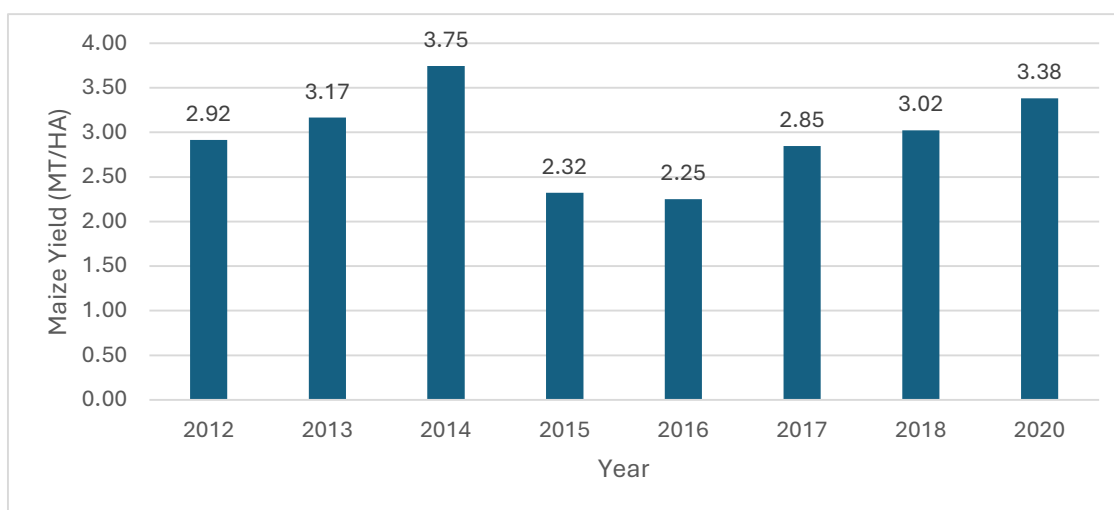


Data Source: Author's computation using KNBS 2023-Gross County Product and KNBS 2021- Kenya Continuous Household Survey

Agriculture Productivity

Maize yields in Elgeyo Marakwet are high but fluctuating over the years. The lowest yield was in 2015 and 2016 while the average for the years under review is at 2.95 MT/HA (Figure 19).

Figure 19: Maize yield (MT/HA)

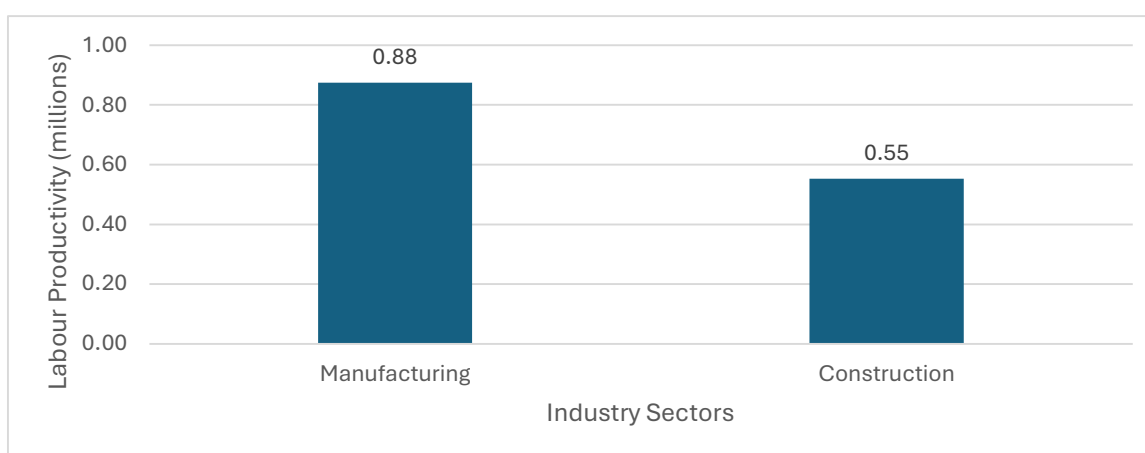


Data source: National Information Platform for Food and Nutrition (NIPFN)

Industry Sector Labour Productivity

The manufacturing sub-sector had the highest labour productivity in the industry sector (Figure 20).

Figure 20: Labour productivity by industry sectors

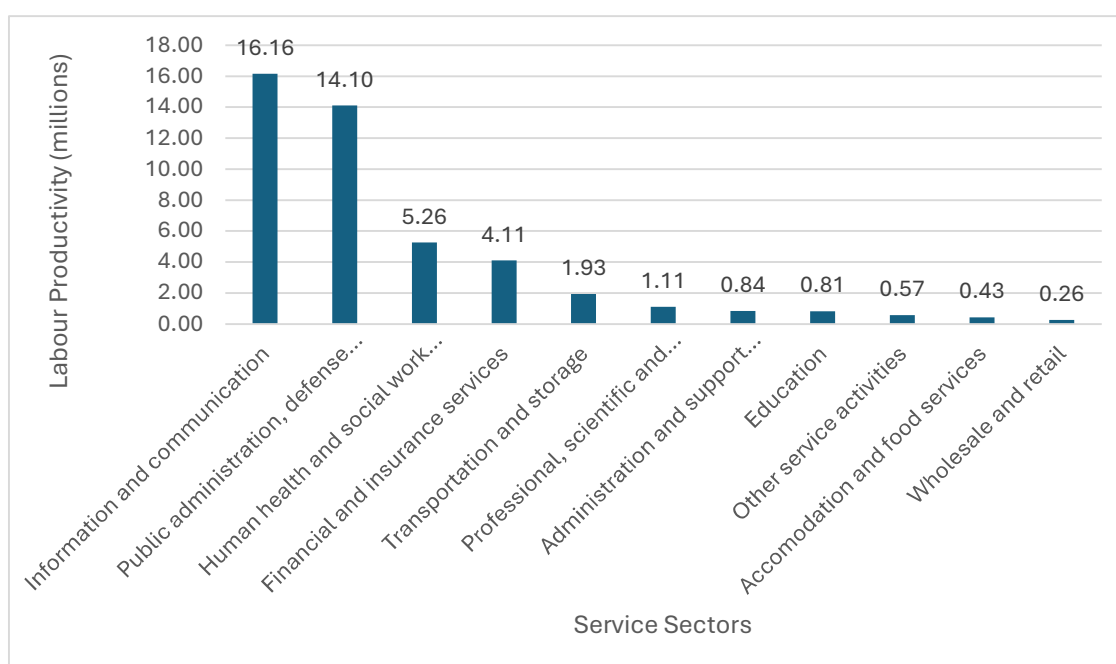


Data Source: Author's computation using KNBS 2023-Gross County Product and KNBS 2021- Kenya Continuous Household Survey

Services Sector Labour Productivity

The information and communication sub-sector has higher labour productivity compared with other sub-sectors within the services sector (Figure 21).

Figure 21: Labour productivity in services sectors



Data Source: Author's computation using KNBS 2023-Gross County Product and KNBS 2021- Kenya Continuous Household Survey

Key Messages

- (vi) The agriculture sector is dominating the county gross value added with its share increasing over time. Crop farming is the main agriculture activity. Milk and eggs have the highest share in livestock products. The county also has potential for apiculture. The service sector has the second highest share of county GVA, with the transportation and storage sector being dominant. The industry sector has the least share of county GVA with the manufacturing sub-sector dominating, despite this, the share of manufacturing has been declining as that of the construction sector expands.
- (vii) The indicators on quality of labour perform within the national average. However, interventions are required to reduce stunting and child poverty rate. In addition, is the need to enhance enrolment of secondary school and reduce teenage pregnancy.
- (viii) Most of the essential infrastructure and capital indicators in the county performed within the national average. However, interventions are required to increase access to electricity, internet connectivity, improved water, housing quality and financial inclusion.
- (ix) The agriculture sector is the highest employer with the majority practising mixed farming and crop production. The industry sector has the least share of employment, which is concentrated in wood and food products. Majority of those working in the services sector are in wholesale and retail trade, with the retail sale in non-specialized stores sub-sector employing the most.
- (x) Labour productivity for Elgeyo Marakwet County is higher than the national average labour productivity. The services sector has the highest labour productivity, the industry is second while agriculture has the least labour

productivity. Manufacturing sub-sector has the highest labour productivity in the industry sector. The information and communication sub-sector has relatively higher labour productivity in the services sector.

Policy Recommendations

- (vi) Increase agricultural productivity. This can be achieved through increased investments in the livestock value chain to fully integrate the small farmers into the dairy value chains; and building skills for farmers to uptake technologies that improve productivity. Investments to develop the poultry value chain and apiculture are also required.
- (vii) Encourage investments in manufacturing to support the transformation of the agriculture sector through agro-processing and textile industry. This including supporting the implementation of the County Aggregation Industry Park to enhance the productivity of the MSMEs.
- (viii) Secure and improve the quality of labour by implementing nutritional programmes that reduce stunting and child poverty.
- (ix) Create an enabling environment to attract investments and grow the private sector by investing to enhance access to electricity, improved sanitation, and housing, and increased internet connectivity. Significant investments are also required to increase access to improved water, housing quality and financial inclusion.
- (x) The county has potential for tourism that is not exploited. Market tourism sites and encourage investments in hotel and accommodation facilities to enhance quality of the activity.

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About KIPPRA Policy Briefs

KIPPRA Policy Briefs are aimed at a wide dissemination of the Institute's policy research findings. The findings are expected to stimulate discussion and also build capacity in the public policy making process in Kenya.

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