



**PRESS RELEASE**

**QUARTERLY GROSS DOMESTIC PRODUCT, 1<sup>ST</sup> QUARTER 2021/2022**

**HIGHLIGHTS**

**ORIGINAL UNADJUSTED ESTIMATES  
CONSTANT PRICES (2016/17)**

Year on Year Quarterly Gross Domestic Product (QGDP) for the first quarter (Q1) of 2021/2022 grew by 3.8 percent compared to the decline of 0.8 percent (revised) registered in Q1 of the previous year.

**Sectoral Performance**

The agriculture sector grew by 3.0 percent in Q1 of 2021/2022 compared to a growth of 6.8 percent (revised) in Q1 of the previous year. Cash crops growing activities registered a 13.3 percent growth compared to an 11.0 percent (revised) growth in Q1 2020/2021.

Year on year value added in industry sector grew by 0.3 percent in Q1 of 2021/2022 compared to a decline of 2.7 percent (revised) in Q1 of the previous year. The construction activities registered a growth of 39.6 percent in Q1 2021/2022 compared to a decline of 3.1 percent (revised) in Q1 2020/2021.

The services sector overall value added grew by 7.9 percent in Q1 of 2021/2022 compared to a decline of 4.5 percent (revised) in Q1 of the previous year. This growth was mainly driven by increase in Education which grew by 68.1 percent as a result of opening up of universities and other institutions of higher learning in Q1 of 2021/2022. Professional, Scientific & Technical services also grew by 63.8 percent in Q1 2021/2022. The GDP growth for Q1 2021/2022 and previous quarters is shown in Graph 1 and in the Appendix Tables.

**ORIGINAL UNADJUSTED ESTIMATES**

**CURRENT PRICES**

QGDP in current prices for the first quarter (Q1) of 2021/2022 is estimated to have grown to 40,632 billion shillings from 39,008 billion shillings in Q1 of 2020/2021.

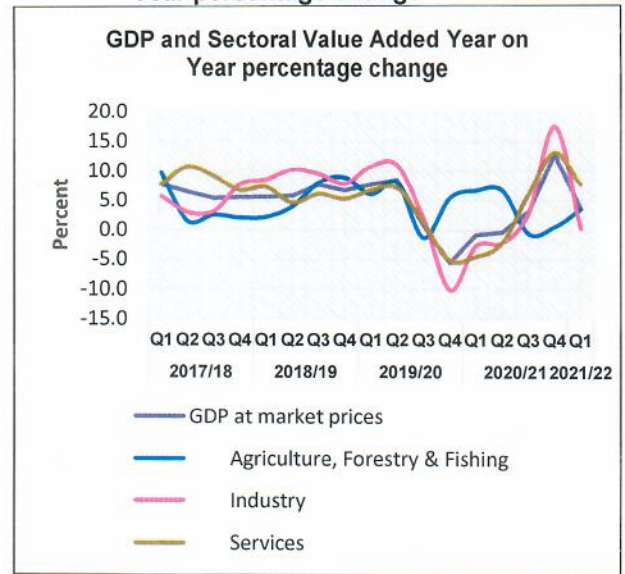
**Sectoral Contribution**

In terms of sector contribution to overall QGDP, the Agriculture sector contributed 28.4 percent of GDP in Q1 of 2021/2022 compared to 29.3 percent contribution registered in Q1 of 2020/2021, which is a 0.9 percentage point decline in the share to QGDP.

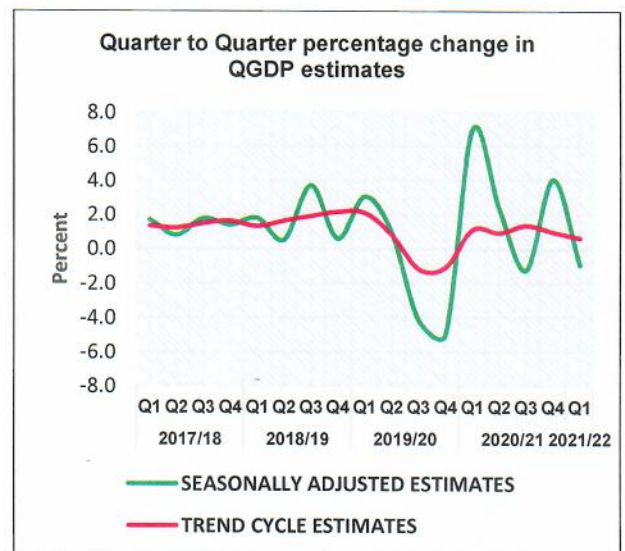
The contribution of the industry sector was 24.9 percent in Q1 of 2021/2022 compared to a 24.6 percent contribution in Q1 of 2020/2021.

The services sector continued to be the biggest contributor to QGDP, representing 40.5 percent in Q1 of 2021/2022 compared to 39.6 percent in Q1 of 2020/2021.

**Graph 1: GDP and Sectoral Value Added Year on Year percentage change**



**Graph 2: Quarter to Quarter percentage change in QGDP estimates**



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Ag. Executive Director  
December 27<sup>th</sup>, 2021

# QUARTERLY GROSS DOMESTIC PRODUCT (QGDP) Q1 2021/2022

## EXPLANATORY NOTES

### ORIGINAL UNADJUSTED ESTIMATES

Year on year real quarterly GDP grew by 3.8 percent in Q1 of 2021/2022. In value terms, the economy expanded from 34,744 billion shillings in Q1 2020/2021 to 36,054 billion shillings in Q1 2021/2022.

### Sectoral Performance

#### Agriculture

Year on year value added in the agriculture sector was recorded at 10,528 billion shillings in Q1 2021/2022 compared to 10,163 billion shillings recorded in Q1 of 2020/2021. This increase in value added was mainly due to an increase in cash crop growing activities which was registered at 868 billion shillings in Q1 2021/2022 up from 766 billion shillings in Q1 of 2020/2021. Also, forestry activities registered an increase of 14.2 percent from 1,039 billion shillings in Q1 of 2020/2021 to 1,186 billion shillings in Q1 2021/2022.

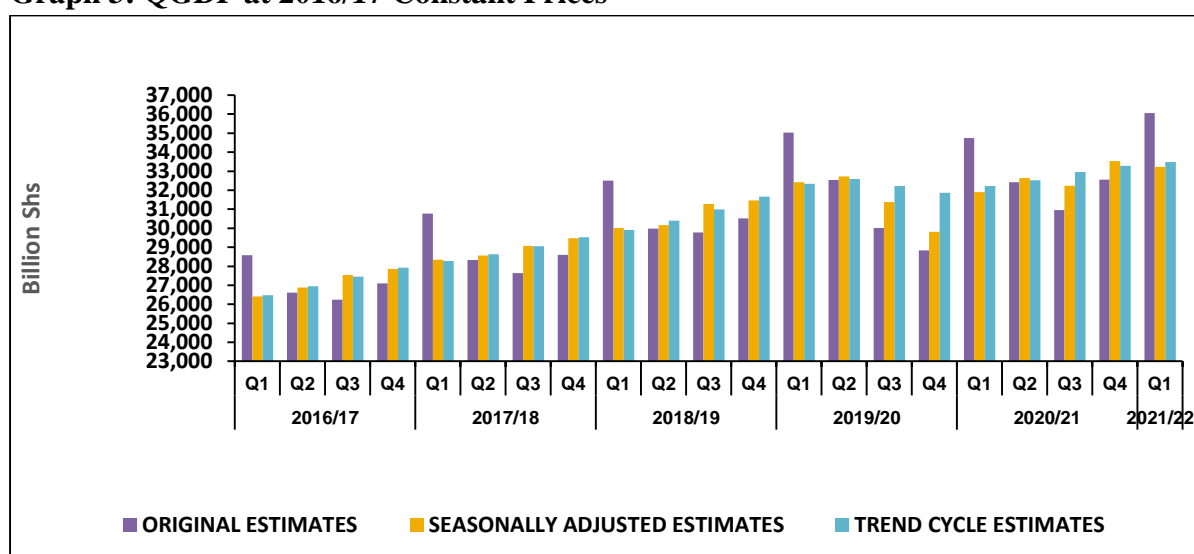
#### Industry

Year on year industry sector value added grew by 0.3 percent in Q1 2021/2022 compared to a decline of 2.7 percent recorded in Q1 of the previous year. The main drivers of this growth were construction activities which grew to 2,257 billion shillings from 1,617 billion shillings and electricity activities grew to 495 billion shillings in Q1 2021/2022 from 440 billion shillings in Q1 2020/2021.

#### Services

The value added for the services sector grew by 7.9 percent in Q1 2021/2022 compared to the decline of 4.5 percent in Q1 of the previous year. This was mainly due to growth in education which grew by 68.1 percent as a result of opening up of universities and other institutions of higher learning in Q1 of 2021/2022 and information and communication services. Professional, Scientific & Technical services also grew by 63.8 percent in Q1 2021/2022.

**Graph 3: QGDP at 2016/17 Constant Prices**



#### Taxes on Products and Subsidies

Taxes on products and subsidies declined by 8.8 percent from 2,155 billion shillings in Q1 2020/2021 to 1,966 billion shillings in Q1 2021/2022. This was due to a decrease in import duty.

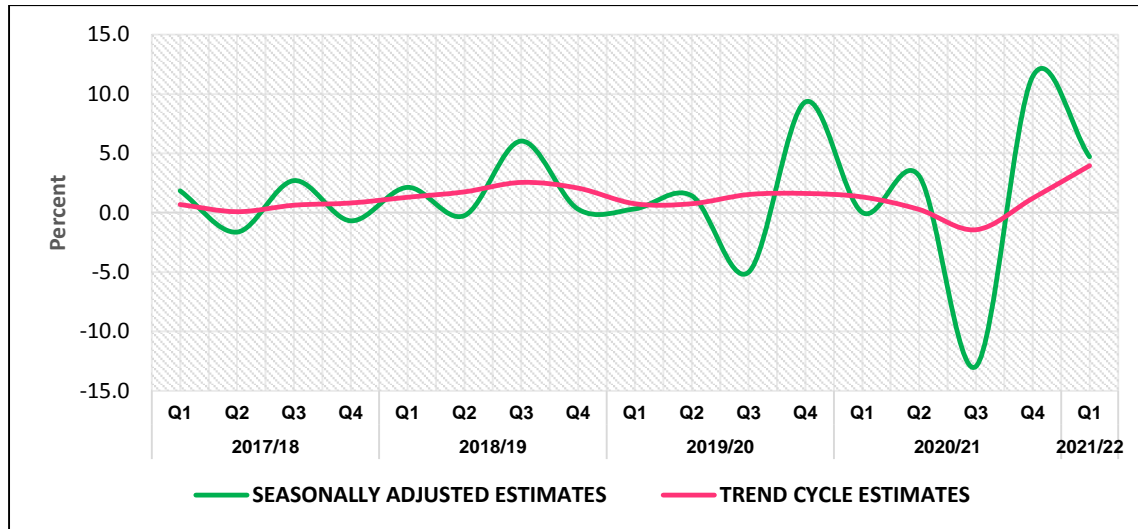
## SEASONALLY ADJUSTED ESTIMATES

Quarter on quarter real QGDP declined by 0.9 percent in Q1 of 2021/2022 compared to a 4.0 percent increase in Q4 2020/21. In value terms, the economy declined from 33,538 billion shillings in Q4 2020/21 to 33,222 billion shillings in Q1 2021/2022.

### Agriculture

The agriculture sector value added grew by 4.7 percent in Q1 2021/2022 compared to an 11.5 percent growth registered in Q4 2020/21. The valued added for the sector increased from 7,659 billion shillings in Q4 2020/21 to 8,020 billion shillings in Q1 2021/2022. This was mainly due to a growth in fishing and cash crop growing activities.

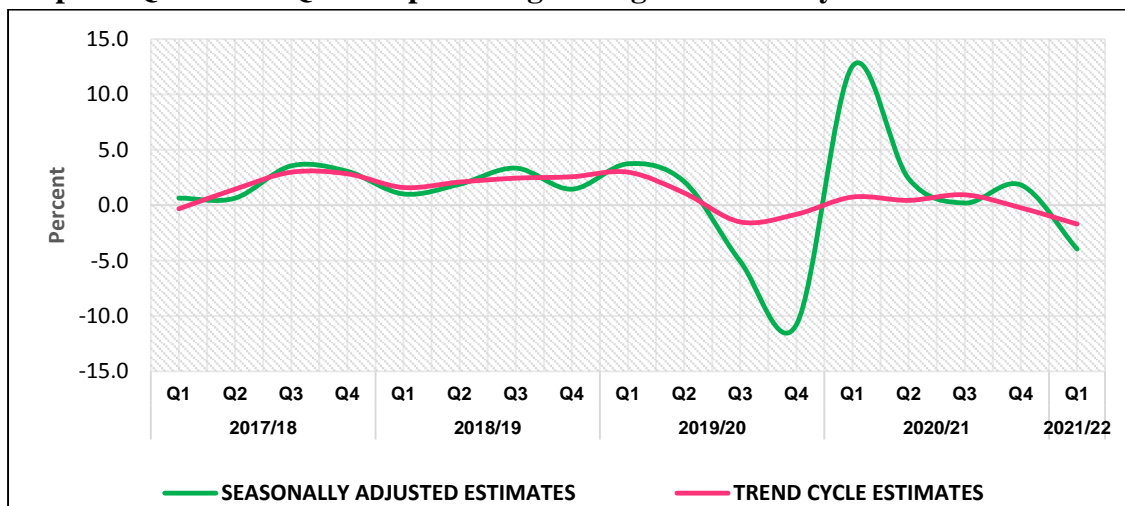
**Graph 4: Quarter to Quarter percentage changes in Agriculture sector Value Added**



### Industry

Valued added for the industry sector declined by 4.0 percent in Q1 2021/2022 compared to a growth of 1.8 percent registered in Q4 2020/21. Industry sector value added declined from 8,794 billion shillings in Q4 2020/21 to 8,446 billion shillings in Q1 2021/2022. This was due to a decline in mining and quarrying activities.

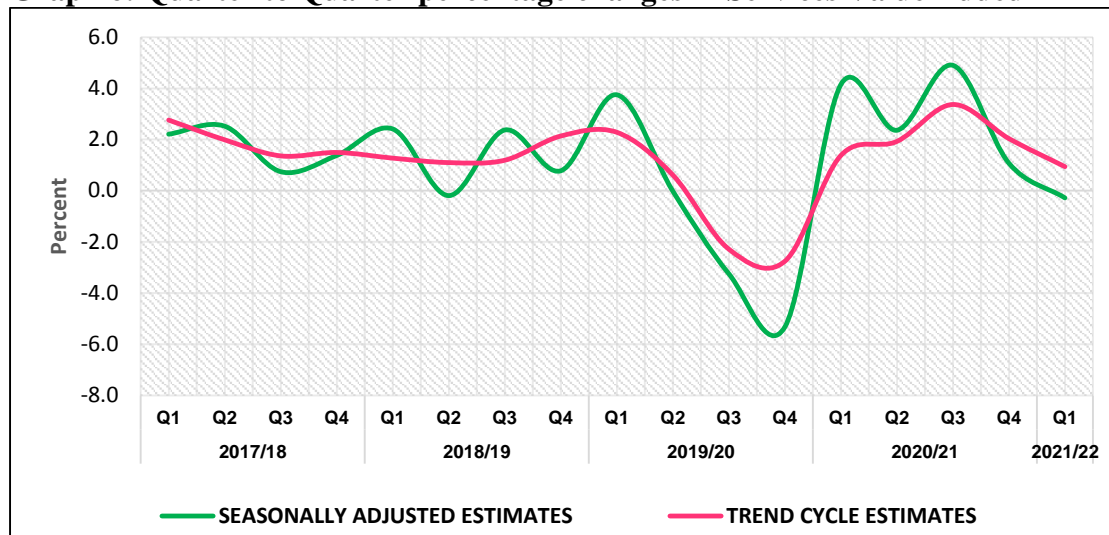
**Graph 5: Quarter to Quarter percentage changes in Industry sector Value Added**



### Services

Valued added for the service sector declined by 0.3 percent in Q1 2021/2022 compared to a growth of 1.1 percent registered in Q4 2020/21. The services sector value added increased from 14,808 billion shillings in Q4 2020/21 to 14,767 billion shillings in Q1 2021/2022. This was due to a decline in accommodation & food service and transport & storage service.

**Graph 6: Quarter to Quarter percentage changes in Services Value Added**



**Taxes on Products and Subsidies**

Valued added for taxes on products and subsidies declined by 12.6 percent in Q1 2021/2022 compared to an increase of 9.5 percent registered in Q4 2020/21. Taxes on products and subsidies declined from 2,277 billion shillings in Q4 2020/21 to 1,989 billion shillings in Q1 2021/2022. This was due to a decrease import duty.

**Notes:**

All these estimates have been benchmarked to the 2020/2021 AGDP Estimates October Release.

**Data Updates;** Government Finance Statistics, Annual Trade Statistics, Consumer Price Index

**Benchmarking:** They are methods in national accounts used to derive quarterly series that are consistent with their corresponding annual benchmarks and at the same time preserve the short-term movements of quarterly economic indicators.

**Next Release will be by March 2022**