



Country Fact Sheet Kenya

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Foreword

The Country Sheet Kenya is a compilation of information from related documents with factual country information, economic, social and development priorities, as also information on higher education and university cooperation in Kenya. The information included is extracted from policy documents, websites and strategy papers from EU, UNDP, World Bank and other organisations.

This compiled document was realised by Herman Diels, VLIR-UOS programme officer for Kenya, and is by no means to be considered as a policy document. Its sole purpose is to propose a working document with background and context for Country Strategy Identification of VLIR-UOS cooperation in and with Kenya.

As this concerns a working document, frequent updates will occur. The date of compilation of the current version is mentioned in the footer of the document.

Statistics¹

INDICATOR		VALUE	YEAR	RANKING (world/vlir-uos)
1	Human Development Index	0,535	2013	147 (world)
2	Public Spending on Education (as % percentage of GDP)	17,21	2010	
VLIR-UOS INVESTMENTS				
	Total VLIR-UOS projects	10.598.984	2003-2013	8 in 2014
3	Total Scholarships	7.142.830	2003-2013	
	# Institutional University Cooperation		2009-2014	
	# Own Initiatives		2003-2014	
	# South initiatives		2003-2014	
	Crosscutting and other projects		2003-2014	
	# Scholars (ICP/ITP/KOI/ICP-PhD)		2003-2013	
	# Travel Grants + VLADOC		2003-2013	
EDUCATION AND DEVELOPMENT AID				
4	# Universities	22 (public) / 26 (private)	2012	
5	School enrollment, tertiary (% gross)	4	2009	
6	Aid per Capita (Current US\$ per person)	22,4	2005	
7	DGD expenditure: bilateral		2012	
8	DGD expenditure: non-governmental		2012	
HUMAN DEVELOPMENT				
9	Life expectancy at birth	61,7	2013	
10	Under-five mortality (per 1,000 live births)	73	2013	
11	Adult literacy rate (both sexes) (% aged 15 and above)	72,2	2013	
DEMOGRAPHIC AND ECONOMIC INDICATORS				
12	Population	44.350.000	2013	
13	Labor participation rate, total (% of total population ages 15+)	28,2	2013	
14	GDP per capita (2012 PPP US\$)	2.109	2013	
15	Improved water source (% of population with access)	62	2012	
16	Internet users (per100 people)	39	2013	
17	Income Gini coefficient	47,7	2013	

¹ Worldbank.

Country map



1 Country profile

1.1 Geographical presentation²

Kenya, officially the Republic of Kenya, is a country in the African Great Lakes region of East Africa. Its capital and largest city is Nairobi. Kenya lies on the equator with the Indian Ocean to the south-east, Tanzania to the south, Uganda to the west, South Sudan to the north-west, Ethiopia to the north and Somalia to the north-east. Kenya covers 581,309 km² and has a population of approximately 44 million.

Kenya has a warm, humid climate along its Indian Ocean coastline, with wildlife-rich savannah grasslands inland towards the capital. Nairobi has a cool climate which becomes colder closer to Mount Kenya, which has three permanently snow-capped peaks. Further inland, there is a warm and humid climate around Lake Victoria, and temperate forested and hilly areas in the western region. The north-eastern regions along the border with Somalia and Ethiopia are arid and semi-arid areas with near-desert landscapes. Kenya, along with Uganda and Tanzania is famous for its safaris and diverse wildlife reserves and national parks. There are several world heritage sites, such as Lamu; there are also many world renowned beaches, such as Kilifi, where international yachting competitions are held each year.

European exploration of the interior began in the 19th century. The British Empire established the East Africa Protectorate in 1895, which starting in 1920 gave way to the Kenya Colony. The Republic of Kenya obtained independence in December 1963. Following a referendum in August 2010 and adoption of a new constitution, Kenya is now divided into 47 semi-autonomous counties, governed by elected governors.

The capital, Nairobi, is a regional commercial hub. The economy of Kenya is the largest by GDP in Southeast and Central Africa. Agriculture is a major employer; the country traditionally exports tea and coffee and has more recently begun to export fresh flowers to Europe. The service industry is also a major economic driver.



<http://www.lib.utexas.edu/maps/kenya.html>

² Wikipedia Kenya, Worldbank and EU strategy paper.

1.2 Socio-economic analysis³

Although Kenya is the biggest and most advanced economy in east and central Africa and a minority of the wealthy urban population often leaves a misleading impression of affluence, Kenya is still a poor developing country with a Human Development Index (HDI) of 0.535, putting the country at position 147 out of 186 – one of the lowest in the world and about 38% of Kenyans live in absolute poverty. The important agricultural sector is one of the least developed and largely inefficient, employing 75% of the workforce compared to less than 3% in the food secure developed countries.

Despite western donors' early disillusionment with the government, the economy has seen much expansion, seen by strong performance in tourism, higher education and telecommunications, and acceptable post-drought results in agriculture. Kenya's economy grew by more than 7% in 2007, and its foreign debt was greatly reduced. But this changed immediately after the disputed presidential election of December 2007, following the chaos which engulfed the country.

East and Central Africa's biggest economy has posted tremendous growth in the service sector, boosted by rapid expansion in telecommunication and financial activity over the last decade, and now contributes 62% of GDP. Unfortunately, a massive 22% of GDP still comes from the unreliable agricultural sector which employs 75% of the labour force and a significant portion of the population regularly starves and is heavily dependent on food aid. Industry and manufacturing is the smallest sector that accounts for 16% of the GDP.

Privatisation of state corporations like the defunct Kenya Post and Telecommunications Company, which resulted in East Africa's most profitable company – Safaricom, has led to their revival because of massive private investment.

A year since a new government was elected in March 2013, Kenya has maintained a stable macroeconomic environment despite challenges of financing the new devolved system of governance. The economy is projected to have grown by 5% in 2013, and it is expected to grow by 5.1% in 2014. Medium term prospects are stronger, with the growth in Gross Domestic Product (GDP) projected to improve to around 6%.

Good performance of industry and agriculture, which expanded at 6.7% and 5.6% respectively, contributed to the growth. Inflation remained low due to strong monetary policy, the exchange rate was stable in line with Central Bank targets, and the external account balance improved due to increased remittances. Private sector credit expanded to a record 17.4% in 2013, from 7.7% in 2012, and the equity market also remained resilient last year through the first quarter of 2014.

The 2013 economic performance was remarkable as growth dips in election years due to political risk and uncertainty. A stable political environment enabled Kenyans to celebrate 50 years of independence in December 2013 with renewed expectations of better prospects.

However, Kenya remains vulnerable to external and domestic risks, and continues to underperform relative to its potential. Growth remains significantly below the Vision 2030 target rate of 10% and is also short of the 6% average of Kenya's peers in the East African Community.

So much has been achieved in the past half century. Kenyans are living two decades longer, fertility and infant mortality have been cut into half, and school enrolment at primary and secondary level has more than doubled. But so much reflection is needed on how to transform the lives of the majority of Kenyans. Nearly four in 10 Kenyans still live in poverty, maternal mortality is among the highest in Africa, secondary school enrolment is low and learning achievement levels are well below their potential. GDP growth, while solid, has yet to reach the take-off level necessary to transform Kenya into a modern market economy and change the lives of ordinary Kenyans.

³ Wikipedia Kenya, Worldbank, EU strategy paper.

1.3 Political structure⁴

Kenya is a presidential representative democratic republic. The President is both the head of state and head of government, and of a multi-party system. Executive power is exercised by the government. Legislative power is vested in both the government and the National Assembly or parliamentary lower house. The Judiciary is independent of the executive and the legislature. There was growing concern especially during former president Daniel arap Moi's tenure that the executive was increasingly meddling with the affairs of the judiciary.

Kenya ranks low on Transparency International's Corruption Perception Index (CPI), a metric which attempts to gauge the prevalence of public sector corruption in various countries. In 2012, the nation placed 139th out of 176 total countries in the CPI, with a score of 27/100. However, there are several rather significant developments with regards to curbing corruption from the Kenyan government, for instance, the establishment of a new and independent Ethics and Anti-Corruption Commission (EACC).

Since independence in 1963, Kenya has maintained remarkable stability despite changes in its political system and crises in neighboring countries. Particularly since the re-emergence of multiparty democracy, Kenyans have enjoyed an increased degree of freedom. A cross-party parliamentary reform initiative in the fall of 1997 revised some oppressive laws inherited from the colonial era that had been used to limit freedom of speech and assembly. This improved public freedoms and contributed to generally credible national elections in December 1997.

Kenya is divided into 47 semi-autonomous counties that are headed by governors who were elected in the first general election under the new constitution in March 2013, each comprising a whole number of Parliamentary constituencies. Each county has an elected Assembly, whose members are elected from single-member wards. These 47 counties now form the first-order divisions of the country. Under the old constitution, Kenya comprised eight provinces each headed by a Provincial Commissioner. The provinces were subdivided into districts.

Constituencies are an electoral subdivision, with each county comprising a whole number of constituencies. An Interim Boundaries commission was formed in year 2010 to review the constituencies and in its report, it recommended creation of an additional 80 constituencies. Previous to the 2013 elections, there were 210 constituencies in Kenya.

⁴ Wikipedia Kenya, Worldbank, EU strategy paper.

2 Education

2.1 General⁵

Presently, overall policy leadership is vested on the government through the twin Ministries of Education and that of Higher Education, Science and Technology. The basic school system for education in Kenya is the same as in many other western countries, including the United States. It's referred to as an 8-4-4 system of education. In Kenya, the first primary school level lasts for 8 years, and then there is 4 years of secondary school. After that, there may be 4 years of college or university for those who can afford it, and have high enough grades. Enrollment levels drop dramatically after the primary level. Though stricken with poverty and hardships, the people of Kenya are generally literate. It's estimated that approximately 90% of adult males, and 80% of adult females are able to read and write. While the basics are covered, more advanced education is not as widespread. On average, children go to school for only 9 or 10 years. Out of all children in Kenya about 85 percent attend primary school. 75 percent of those who complete primary education proceed to secondary schools and 60 percent of those who complete secondary school proceed to higher institutions of education which include business and vocational institutions, national polytechnics, public and private universities within the country. Over 950,000 Kenyans have furthered their education abroad with a majority of graduates from India, UK, Canada, the United States, Russia and Uganda. Generally, there are 3 different types of schools in Kenya. Government schools, private schools and community-based "harambee" schools. The harambee schools are the most common source of both primary and secondary level education. Approximately 75% of schools in Kenya are harambee schools. They are funded and operated by various charities and fund-raising groups. The harambee schools should not be confused with the specific non-profit organization Harambee Schools Kenya that works to provide assistance for education in Kenya through volunteers and donated supplies. They operate primarily in the area around the town of Gilgil, and do not represent the nation-wide presence of these schools.

Secondary schools are not as well attended as the primary ones, mainly due to both the high cost of tuition and the selective admissions process. After primary school, children take an exam for the Kenya Certificate of Primary Education. Only those with high scores may be admitted to government secondary schools. Harambee secondary schools are an option for students with lower KCPE scores.

Free primary education (FPE) has been a success story. At 82.1% the primary net enrolment rate (NER) in 2004 exceeded the ERS target of 81.5% and recorded an increase of 2.3 percentage points compared with 2003. The need for expansion of school infrastructure and the human resources implications of the FPE policy are immense. A number of constraints stand in the way of FPE: overcrowding in schools; late or non-disbursement of funds by some development partners; marked gender and regional enrolment disparities; and the devastating impact which HIV has had on the sector, with a high number of OVC. One major initiative to improve performance in the years ahead is

⁵ Wikipedia Kenya, Worldbank, EU strategy paper, Ministry of Education_Sessional Paper

the recent launch of the Kenya Education Sector Support Programme (KESSP) which will support the government in strengthening management and delivery of education services and improve access to and the quality and relevance of education and training. The overall goal is to achieve education for all (EFA) by 2015 in line with the national and international conventions. The sector faces the challenge of limited resources to achieve this goal. The Ministry of Education has several key strategic issues, which include access, equity, quality and relevance, completion and transition rates, affordability, management and teacher issues. Greater private-sector participation in education is critical for future expansion which will require a review of the regulatory framework with regard to private-school registration.

The Education SWAP – known as the Kenya Education Sector Support Programme (KESSP) – was successfully finalized and launched in July 2005. It aims at achieving EFA and MDGs. KESSP was developed to consolidate and sustain the gains made by the free primary education (FPE) policy and to address the challenges facing the sector. The document lists 23 investment programmes to be implemented in five years (from 2005 to 2010) at an estimated cost of €5.9bn. The Commission is involved in the education SWAP and also in dialogue with the Ministry of Education to monitor key education indicators identified as triggers for the PRBS II variable tranches. The EC has also committed about €3.8m to community projects in this sector to improve the basic infrastructure from 2001-2005 under CDP II. In 2005 the Commission funded the teacher staffing norms study.

2.2 Data and Policy focus in terms of higher education⁶

The growth of Kenya's education sector has exceeded expectations. After the first university was established in 1970, six other public universities and 23 private universities have been established. Although Kenya has its own universities, some parents prefer to send their children to universities outside the country. This is largely because Kenyan public universities are not as flexible with admission requirements as some foreign universities. Though only a very small percentage of students go on to post-secondary education in Kenya, there are still several schools available. The largest university in Kenya is the University of Nairobi, which is a multi-disciplinary university with a number of specialized colleges (for studies in agriculture, engineering and health sciences). Other large universities are Kenyatta University (also in Nairobi) and Moi University, in Eldoret. Other forms of post-secondary schools are vocational and trade colleges, in a wide-range of fields. There are schools for nursing, accounting, teaching, law, arts, and information technology. The establishment of new university colleges and campuses has contributed to this growth and made university education more accessible. In addition, the different pathways adopted to create opportunities to access higher education have also contributed to this growth.

The vision for the University sub-sector is to provide globally competitive quality education, training, and research for sustainable development and the mission of university education is to produce graduates who respond to the needs of the society, upgrading the skills of the existing workforce, developing the community and business leaders of tomorrow, as well as the ability to start new

⁶ Wikipedia Kenya, Worldbank, EU strategy paper, Ministry of Education_Sessional Paper

businesses to employ Kenyans and contribute to the Country's economic well-being, are central to the mission of the university education system. During the past decade university enrolment has seen a rapid expansion in both public and private universities. Patterns of access to both public and private universities tend to reflect increasing regional, gender and socio-economic differentiation in the Country. The existing inequalities in access to education at lower levels need critical attention as they tend to be reproduced or exacerbated as one goes up the education ladder. Owing to the challenges experienced by the poor, the marginalized, and the disadvantaged, the current environment makes it difficult for such students to participate in university education. Admissions for self-sponsored undergraduate, as well as all post-graduate students at both public and private universities are currently handled directly and solely by the individual institutions. For undergraduates who receive Government scholarships, however, the admission process is currently coordinated through the Joint Admission Board (JAB), collaboration between public universities and university colleges. As a result, Government Scholarships are restricted to public institutions only and are based primarily on performance, with no cognizance of financial need. Affirmative action measures are however enforced to ensure increased participation by women and students from Arid and Semi-Arid Lands (ASAL). Most secondary school students receive limited and uncoordinated career guidance in their schools. There is also inadequate information available to the students and at the schools on the degree programme and career choices. This has resulted in poor university programme choice and or a mismatch between choice and talents. However, challenges to access and equity remain.

Research is a core activity of universities. University education is expensive and requires huge investments by all partners. The average spending per student at the university level was 31 times, 6 times, and twice as expensive in relation to primary, secondary and TVET education, respectively. It indicates that university education through public universities is particularly expensive to Government and is not sustainable with current resources. There is need for public universities to adopt a Differentiated Unit Cost (DUC). This is defined as the annual cost of providing a particular degree program per student, taking into account the staff costs, facility costs and other institutional overhead costs. The introduction of DUC in public universities will eliminate the distinction between the Government-sponsored and self-sponsored students in public universities. Deliberate policies must be developed and implemented to ensure adequate quantity and quality of human resource is available in the universities in order to meet the access, equity, quality and relevance objectives. In 2012 there are approximately 3,000 faculty members in all universities. One of the main challenges in the attraction and retention of staff to the sub-sector, especially in the public universities, is the current approach to development and implementation of terms and conditions of service for academic members of staff. In developing institutional frameworks, there will be established clarity of roles between the National and County Governments, Councils, Commissions, providers and regulators, with an aim to reduce bureaucracy. Universities are currently governed by Chancellors, University Councils and University Management Boards headed by Vice-Chancellors. The Chancellor in public universities is currently

the President of the⁷ Republic, who through delegated authority has appointed Chancellors to act on his behalf.

2.3 Kenya University Cooperation and higher education initiatives⁸

Enrolment and growth in universities have been increasing since the establishment of the first Kenyan university, the University of Nairobi, in 1970. There are 7 public universities, 24 public university colleges and 26 recognized private universities. The total enrolment in public universities has increased from 3,443 students in 1970 to 159,752 students comprising of 59,665 females and 100,087 males in 2009/2010. In private universities the total enrolment for 2003/ 2004 was 9,541 students made up of 5,128 females and 4,413 males, growing to 37,179 composed of 14,462 females and 22,717 males in 2009/2010. In the 2009/10 academic year, the total number of those enrolled in public and private universities rose to 196, 931. However, despite the increase in enrolment, the transition rate from secondary level to university still remains low. Regarding gender parity, female students constituted 36.3 percent comprising of 45,193 of the total enrolled 124,563 in public universities, and 41.1 percent made up of 14,462 of the total enrolled 35,179 in private universities in 2009/10. Growth has also been witnessed in the university sub-sector. Enrolment has grown from 112,229 (68,345 male and 43,884 female) in 2006 to 180,978 (111,050 male and 69,928 female) in 2010. In 2012, there were a total of 33 universities (7 public and 26 private) and 24 university constituent colleges. These higher education institutions are unevenly distributed across the country, with Nairobi province having the highest number of public and private universities, while Northern Kenya has the least. The shortage of places to meet growing numbers of students exiting secondary education, and inadequate funding of higher education are key issues facing the sub-sector. In 2010, the transition from secondary to university education still remained low at 6.5%.

2.3.1 Other initiatives of Kenya in terms of higher education cooperation

The purpose of the Higher Education Loans Board of Kenya (HELB) is to help those looking to attend college or university, by providing financing in the form of affordable loans and scholarships. The Higher Education Loans Board of Kenya began in 1952, when the country was still under British colonial rule, and the government offered loans to anyone looking for schooling outside of East Africa (usually Britain, South Africa or the USA). It was called the Higher Education Loans Fund at this point. The majority of the financing was in the form of scholarships, but as more and more people sought education, the system was unable to keep up with the monetary needs. So the University Students Loans Scheme was put into place, to allow for loans rather than scholarships. It also expanded education opportunities to include schools in Nairobi. This plan wasn't very successful because many Kenyans didn't understand that the money was a loan needing to be repaid. And there was no legal power to pursue the defaulted loans. In 1995, the Higher Education Loans Board of Kenya was created by an act of Parliament. The Board now had the power to recover outstanding loans. At that time, a revolving fund was established to help improve the efficiency of financing. As more money is

⁷ Wikipedia Kenya, Worldbank, EU strategy paper, Ministry of Education_Sessional Paper

⁸ Wikipedia Kenya, Worldbank, EU strategy paper, Ministry of Education_Sessional Paper

recovered from old loans, the fund grows to provide for new loans. Any surplus money can be invested to provide further income to the education fund. Due to on-going financial constraints, the HELB can only assist those attending local Kenyan educational institutes rather than students hoping to study abroad. But scholarships are available for foreign schools, but they are offered through the Ministry of Education, not the HELB. Loans are available for undergraduate studies, as well as for postgraduate education as well. Loans for Masters and Doctorate studies are limited to 200 each year and they are awarded on academic merit, not monetary needs. Applications are accepted each year during the final calendar quarter, usually between October and December for the next academic year. Loans are to be repaid one year after studies are completed.

3 Development Aid Analysis

3.1 Development strategy with focus on poverty reduction⁹

Kenya is in a process of transition from the political crisis triggered by post-election violence in 2007–2008 towards a system of government based on democratic ownership and accountability.

Kenya's new constitution, adopted in 2010, is a crucial benchmark and step forward in this process. At the same time, the transition poses a challenge in that the implementation of the constitution requires sustained political will in an environment of competing political and economic interests and ethnic loyalties.

Kenya's budget amounts to about USD 17 billion (2012). Under the provisions of devolution, the new 47 county governments will be responsible for providing basic social services, for which they will receive a minimum of 15% of the national revenue.

Kenya's development expenditure is financed by government borrowing or by grants from development partners. In 2010, Kenya received USD 1631 million of official development aid (ODA), which corresponds to about 5% of Kenya's gross national income (GNI). Compared with Tanzania and Uganda (ODA/GNI respectively at about 12% and 10%), Kenya is clearly not as dependent on external aid. Only 3% of the aid – both grants and loans – received by Kenya is channelled through the Ministry of Finance.

Kenya's ten biggest bilateral and multilateral donors are the US, the World Bank (International Development Association), the UK, Japan, the International Monetary Fund (IMF), France, the EU, Germany, the African Development Bank (AfDB) and Denmark. Among Kenya's new partners, China has a strong presence in the infrastructure sector and its importance is growing rapidly.

Kenya's long-term development strategy Vision 2030 was launched in 2007 after a broadbased consultation process. Vision 2030 is implemented through five-year Medium Term Plans (MTPs).

⁹ Country strategy for Kenya, Finnish cooperation. P.9.

Box 3: Thrust and Targets of Kenya's Vision 2030

Strategic Objectives

(i) Maintain an average growth rate of 10 percent per annum over the next 25 years; (ii) Create a just and cohesive society enjoying equitable social development in a clean and secure environment; and (iii) Realize an issues-based, people-centered, results-oriented and accountable democratic system.

Foundations

(i) Macroeconomic stability; (ii) Continued governance reforms; (iii) Enhanced equity and wealth creation; (iv) Expansion of economic infrastructure; (v) Science, technology and innovation; (vi) Land reform; and (vii) Security and public sector reforms.

Pillars

(i) *Economic*: Tourism, Agriculture, Manufacturing, Wholesale and Retail Trade, Business Processing Outsourcing (BPOs), and Financial Services; (ii) *Social*: Education, Health, Water and Sanitation, Environment, Housing and urban services, and Gender, Youth and Vulnerable Groups; and (iii) *Political*: Rule of Law, Electoral and Political process, Democracy and Public Service delivery, Transparency and accountability, Public administration, Security, Peace building and Conflict management.

Source: Government of Kenya, 2008

The first MTP ran until the end of 2012.

The new MTP¹⁰ brings some changes to the Kenyan priorities, objectives and targets within the framework of Vision 2030. It also needs to take into account the governance reforms stipulated in the constitution, including devolution.

¹⁰ http://www.vision2030.go.ke/cms/vds/Second_Medium_Term_Plan_2013_-_20171.pdf



The MTP recognizes the importance of well-developed economic infrastructure in transforming Kenya into a globally competitive economy. Competitiveness includes being well linked to neighboring countries to boost trade. The MTP also underlines the importance of delivering modern infrastructure services to rural areas to boost incomes and social welfare.

The second Medium Term Plan (MTP) of Vision 2030 identifies key policy actions, reforms, programmes and projects that the Government will implement in the 2013-2017 period in line with its priorities, the Kenya 2010 constitution and the long-term objective of Vision 2030. Accordingly, the theme of this MTP is *Transforming Kenya: Pathway to Devolution, Socio-Economic Development, Equity and National Unity.* The MTP gives priority to devolution as spelt out in our constitution and to more rapid socio-economic development with equity as a tool for building national unity). The Second MTP also aims to build on the successes of the first MTP (2008-2012), particularly in increasing the scale and pace of economic transformation through infrastructure development, and strategic emphasis on priority sectors under the economic and social pillars of Vision 2030. Under this MTP, transformation of the economy is pegged on rapid economic growth on a stable macro-economic environment, modernisation of our infrastructure, diversification and commercialisation of agriculture, food security, a higher contribution of manufacturing to our GDP, wider access to African and global markets, wider access for Kenyans to better quality education and health care, job creation targeting unemployed youth, provision of better housing and provision of improved water sources and sanitation

to Kenyan households that presently lack these. In doing all this, Kenya will pay full attention to securing our environment and building our resilience to climate change. Much of this will be done in collaboration with county governments and new urban management boards as provided for under the constitution and our laws. The overall aim of the plan is that by 2018 Kenyan families will have experienced a positive transformation in their earnings and quality of their livelihoods, and Kenya will be a more united, more prosperous society commanding respect in Africa and the world.

The Macroeconomic Framework: Macroeconomic stability will continue to be a key objective in national economic management. The second MTP aims at sustained growth in agriculture, manufacturing, and service sectors in order to achieve an overall GDP growth rate of 10 per cent by 2017. To sustain and increase the growth momentum inherited from the first MTP, this plan aims to increase local savings, remittances from the Kenya diaspora and foreign direct investment in all the sectors. The Second MTP also aims at an enhanced regional and international trade strategy to grow and diversify our exports, in order to improve our balance of payments position and ensure exchange rate stability.

Foundations of the Economy and Society: The second MTP will sustain and **expand our physical infrastructure to ensure that it can support a rapidly-growing economy**, the demands imposed on it by higher rural and urban incomes, and by new economic activities. A national spatial plan and county specific **spatial plans** will be developed in order to rationalize utilisation of space for economic and social development. In addition, air transport facilities will be expanded within the country, and Kenya will strengthen its position as the air transport hub in our region. Priority will also be given to improving the efficiency of our ports, and the implementation of the single window clearance system. With the construction of the standard gauge railway line from Mombasa to Malaba, rail transport will be expected to handle 50 per cent of the freight cargo throughput, thus easing the pressure on our roads, lowering the cost of doing business, and enhancing trade and regional integration in Eastern Africa. The new Lamu port and the LAPSSET corridor will be implemented as part of upgrading our national transport framework in collaboration with other countries in Eastern Africa. To relieve congestion in our main urban areas, planned mass rapid transit systems will be constructed.

Expansion of roads will be continued, aiming at achieving a road network with 75-80 per cent of the classified roads in good condition and construction or rehabilitation of 5,500 km of roads.

With regard to energy, a strategy is in place for modernizing **energy infrastructure network**, increasing the share of energy generated from renewable energy sources, and providing energy that is affordable and reliable to businesses and homes. This will ensure that our energy supply is adequate and efficient in order to support increased use in manufacturing, agriculture, services, public facilities and households. The Plan aims at increasing installed capacity for electricity generation by 5,538 MW in 2017.

Development in the **ICT sector** will build on achievements realized under the first MTP. This will include a modern ICT policy aimed at more growth and regulation that is necessary to increase local and foreign investment in ICT. The policy will provide for more utilisation of digital technology in our all our goods and service sectors. The government, for its part, intends to promote the use of ICT in our learning institutions starting with schools, and improve cyber security in order to facilitate more use of ICT in business and commercial transactions. New policies will also aim at facilitating usage of ICT in research and development, and to drive learning and innovation in the Kenyan economy.

In addition, the Second MTP will ensure that on-going efforts in **land reform, security of land tenure, more efficient registration of titles and records**, and resolution of historic grievances are

completed. Public service reforms will be strengthened and cascaded to the counties. Most importantly, the government realizes the importance of security at personal, county, and national levels, and will continue to support security sector reforms and infrastructure, while paying full attention to the constitutional requirements and human rights.

The Second MTP has identified “**National Values and Ethics**” as one of the cornerstones of our overall development.

The Government aims to inculcate the positive values and ethics as spelt out in the constitution. This will build sustainable peace, reduce ethnic rivalry, and promote issue-based politics that places national interest above individual and sectional ones. The overall objective will be to build “unity with diversity” as envisioned in our constitution as a defining characteristic of our solidarity and nationhood.

Security and Rule of Law at both levels of government will remain a priority. Economic and social development is impossible without security. Insecurity in the country will therefore be addressed in order to provide individual safety to Kenyans, to address investors’ concerns about security-related increase in cost of doing business in Kenya, and to minimize crime whose occurrence affects the poor and the residents of arid and semi-arid lands disproportionately.

This will require a better trained and equipped Kenya Police Service backed by research and technology, capacity to secure our borders, better ways to pre-empt crime and to protect life and property. In line with the constitution, security force regulations and behavior will be made to conform to local and international human rights standards.

The Economic Pillar: The economic pillar in the Second MTP now consists of six priority sectors: tourism; agriculture, livestock and fisheries; trade; manufacturing; BPOs/ITES; oil and other minerals. The overall strategy for the tourism sector is to turn the country into a top 10 long haul tourist destination in the world. This will be achieved through growth and diversification of tourist sources from the traditional areas (i.e. Western Europe and North America), and from non-traditional sources in the Middle East and East Asia. The sector will also market new high- end tourist segments like business, cultural and ecological tourism. Tourist arrivals are expected to double from an average of 1.5 million in the recent years, to 3 million each year by the end the plan period. Construction of two coastal resort cities and three upcountry tourist resort cities in Isiolo, Lamu and Lake Turkana will be initiated, and measures taken to increase bed capacity, to open more five-star hotels, and improve the standards of tourist accommodation and facilities.

Under Agriculture and Livestock the second MTP will give top priority to increased acreage under in irrigation in order to reduce the country’s dependence on rain fed agriculture. A total of 404,800 hectares will be put under irrigation during the plan period. Measures will be taken to mechanize agricultural production, revive cooperatives and farmers unions, and subsidize farm inputs to raise productivity.

Trade within and outside the country remains a priority sector of the economic pillar. Over the plan period the government will strengthen economic partnerships with our neighbours in East Africa and the rest of Africa. Our foreign policy will aim at increasing international trade, and international economic partnerships. This policy will encourage Kenyan producers and the private sector to open new product lines to meet demand in new African and global markets that will be identified.

The government will also intensify reforms to improve the overall climate of doing business in Kenya.

The Second MTP will give additional attention to growth and diversification in our manufacturing sector with the aim of increasing the sector’s contribution to the GDP and foreign exchange earnings. To

achieve this, three **special economic zones** targeting manufacturing in Mombasa, Kisumu and Lamu will be established. Other initiatives in the sector will include building clusters for meat and leather products, a stronger dairy sector, and the development of industrial and SME parks that will provide linkages to other sectors like agricultural and services.

Kenya has established itself as a global leader in mobile money, and growth driven by new **information and communications technology**. This trend will be continued. Growth in global business outsourcing (BPO) industry has also opened a new window for Kenya to initiate greater expansion of IT Enabled Services (ITES) and BPO. The sector is especially critical to this plan because it has the potential to create job opportunities in large numbers while contributing strongly to the overall GDP growth as it has in the past. To achieve this, the Government will aim at universal access to ICT, development of digital content, promoting e-Government services and encourage the establishment of more ICT based industries.

Oils and Other Mineral Resources is a new priority sector under the economic pillar of this plan given the continued discovery of oil and other minerals in Kenya. In the plan period, the government will develop the policy, legal, and institutional framework for the exploitation and management of Kenya's natural resources (oil, gas and other minerals) for the maximum economic benefit of the country and local communities, done in a transparent and accountable manner. It will also ensure that legislation for transparency and fair sharing the revenue generated is enacted, and safeguards erected to protect the environment and to avoid risks usually associated with huge inflows of resourcebased external earnings.

The Social Pillar: Under **education**, ECDE will be mainsteamed and the government will continue strengthening access to universal primary education and to provide wider access to secondary education for all primary school leavers. It will also introduce universal access to computers starting with standard one in 2014, promote wider use of ICT as an instrument of instruction and training in schools, lower the student/teacher ratio by more recruitment of teachers, and provide more textbooks and teaching equipment to schools. Education in ASAL counties will be enhanced through special programmes.

In the health sector, the government in partnership with county governments, will continue to emphasize primary health care, access to clean water to households, and better management of communicable diseases. Additional resources will be devoted to the challenges posed by maternal and child mortalities and by rise in morbidity by noncommunicable diseases. The government will continue to support efforts to make Kenya a regional health services hub, and to encourage new local and foreign investment in medical research, pharmaceutical production, and modern hospital care.

Kenya has a young growing population and it is urbanizing rapidly. Urban housing and improvement of rural homes are priorities in the social pillar of this MTP. In association with the private sector and county government, the national government will aim at increasing the supply of modern housing units especially for the low-income segment of the market where supply lags behind demand. The government will address this problem by facilitating the construction of 200,000 units annually through PPP arrangements. In addition, the government will develop integrated investment

plans for six key metropolitan areas and reform the NSSF to increase available investment to the housing sector.

The government will increase support for policies and institutions devoted to promoting gender equity. It will also increase allocation of resources to enterprises led by youth and women. In addition to the Youth Enterprise Development Fund, and Women Enterprise Fund, the Uwezo Fund will provide more

funds for loans to the youth, women and vulnerable groups in order to support them start small business. More resources will be allocated to social protection, including cash transfers to the most vulnerable members of our society. The Government will fully implement policies for protection of rights for women, the handicapped and vulnerable groups. The government will also identify and nurture talent, especially among youth, and support commercialisation of talent in order to raise personal incomes and widen employment opportunities. It will also provide the necessary infrastructure at national and county levels to nurture youth talents in sports and entertainment. More secure centres for victims of domestic violence will be established and the government will strengthen education against female genital mutilation and spouse abuse.

Devolution and implementation of the Constitution “Making Devolution work” is a cross-cutting theme of this MTP. The Government is committed to ensuring a rapid and efficient transition to a two-tier government under which county governments assume full responsibility of the functions assigned to them under the constitution. Priority at the national level will be given to provision of adequate finance to match functions allocated to counties, and capacity for policymaking and project implementation in all county governments in order to bring the full benefits of devolution to the people. This will in turn ensure more accountability as government is brought closer to the people. The Public Financial Management Act (2012) will be implemented with the aim of exercising controls in public spending and improving the quality of public expenditure through full implementation of the Integrated Public Financial Management Systems (IFMIS) at national and county levels. Further training of public officials involved in MTEF and budgeting and expenditure at both levels of government will be undertaken.

The Government will ensure that all pending legislation required by the Constitution are completed and enacted. It will provide full support to the on-going transformation of an independent judiciary by providing it with adequate human and financial resources and with political support. Under the Second MTP, the government will also strengthen public service reforms, performance contracting, accountability and transparency. Under the plan, the Governance, Justice and Rule of Law Programme will be expanded to build capacity in the State Law Office, the Office of Public Prosecution and the relevant independent commissions.

Conclusion: The policies, legal and institutional reforms that are required for the successful implementation of the second MTP are elaborated in subsequent sections of this document. The Government would like to assure the Kenyan public, private investors and our international development partners that it will honour the pledges it has made to the people of Kenya through major policy statements and under this MTP. It is convinced that with the broad partnership between Kenyans and our partners, the objectives contained in this medium term plan will be achieved, and will create a better Kenya for all.

3.2 Donor Aid

3.2.1 Overview¹¹

ANNEX VI: Development Partners' Sector Presence (as defined in the KJAS 2007 – 2012)

Sector Group	AfDB	Canada	Denmark	EC	France	Finland	Germany	Italy	Japan	Netherlands	Norway	Spain	Sweden	UK	UN System	US	World Bank	Total lead/active in each sector
Agriculture, Livestock, and Forestry	•		•	•			•		•	•			☐		•	•	•	10
Democratic Governance		•	•	•		•	•			•	•		•	☐	•	•	•	12
Education	•	•		•			•	•	•			•		•	☐	•	•	11
Energy	•			•	•	•			☐			•			•		•	8
Environment	•		☐	•	•	•			•	•				•	•	•	•	10
Gender	•	☐		•							•	•	•		•			7
Health and HIV/AIDs			•	•	•		☐	•	•			•		•	•	•	•	11
Land									•				•	•	☐	•	•	6
Private Sector Development	•		•	•	•				•	•				•	•	•	☐	10
Roads and transportation	☐			•	•				•						•		•	6
Social Protection				•	•			•	•			•		•	•	•	☐	9
Urban, local government, and decentralization	•			•	•			•					•		•		☐	7
Water and Sanitation	•			•	•		•	•	•	•		•	☐		•	•	•	12
Total lead/agency	1	1	1	0	0	0	1	0	1	0	0	0	2	1	2	0	3	
Total active/agency	9	3	5	12	8	3	5	5	10	5	2	6	6	7	13	9	12	

☐ Current Lead Donor/Chair

• Active Donor

3.2.2 African Development Bank Strategy

See Strategy Paper for Kenya: <http://www.afdb.org/fileadmin/uploads/afdb/Documents/Project-and-Operations/2014-2018 - Kenya Country Strategy Paper.pdf>

¹¹ From African Development Bank strategy Paper for Kenya, p. 31.

3.2.3 EU Strategy 2008-2013¹²

The CSP provides a comprehensive and coherent framework for EC-Kenya cooperation in the medium term and, as far as possible, combines all relevant resources and aid instruments. The indicative allocation for programmable resources (A envelope) totals €383m and the B envelope for unforeseen needs is €16.40m.

The response strategy was developed in a highly participatory manner and takes into account the past performance of EC assistance, the views of non-State actors and the findings and recommendations of the evaluation of the CSP for 2003-2007. The proposed support focuses on sector, regional and global strategies developed by the GoK and includes capacity- and institution-building in the public and civic domains. Evaluation and monitoring are based, to the maximum extent, on existing GoK procedures and coordinated between the GoK and the HAC group, which includes Member States.

During preparation of the CSP two focal sectors were identified: Regional economic integration by means of transport infrastructure and agriculture and rural development. Non-focal sectors will support capacity-building for: (i) improving governance and strengthening non-State actors; (ii) economic growth through trade and private sector development. Macroeconomic support lies at the core of the CSP to deepen economic growth within a regional perspective and to support equitable social development. General and sector budget support are the main aid instruments, supplemented by project support where possible under joint financing arrangements with other development partners, in particular Member States.

3.2.4 Belgian NGOs in Kenya

The following Belgian NGO's were active in Kenya in 2013¹³:

	Structural aid (€)	Emergency aid (€)	Total aid (€)
 Artsen Zonder Grenzen	5.649.658	158.212	5.807.870
 Dierenartsen Zonder Grenzen	1.255.994	798.276	2.054.270
 Via Don Bosco	513.203	-	513.203
 Plan België	299.955	-	299.955
 Fracarita Belgium	100.000	-	100.000
 Tearfund	83.023	-	83.023
 Rode Kruis Vlaanderen	2.753	-	2.753
 MEMISA	1.100	-	1.100
	7.905.686	956.488	8.862.174

3.3 VLIR-UOS Activity in/with the Country

See **annex 2** for an overview of past and present VLIR-UOS investments and active programmes (REI, BTP & South) and scholarships. Also other scientific cooperation of Flemish universities has been integrated in the same overview.

¹² http://ec.europa.eu/development/icenter/repository/scanned_ke_csp10_en.pdf

¹³ <http://www.ngo-openboek.be>

See **annex 3** for an overview of thematic areas in which VLIR-UOS university development cooperation actors are active.

3.4 Focus on other university development cooperation donors

Other donors – next to VLIR-UOS - active in the field of university (development) cooperation with Kenya are:

<http://www.vliz.be/kenya/kenya-belgium-project>

<http://www.finland.or.ke/public/default.aspx?nodeid=46404&contentlan=2&culture=en-US>

http://www.appear.at/appear_infos/events/past_events/kenya_meeting/

http://eacea.ec.europa.eu/erasmus_mundus/programme/about_erasmus_mundus_en.php

<http://www.guninetwork.org/resources/he-articles/joint-action-to-improve-the-impact-of-university-development-cooperation-catalan-universities-promote-an-university-development-cooperation-plan>

Scholarship opportunities are next to VLIR-UOS project and individual scholarships also:

<http://kenyaeducationfund.org/scholarships/>

<http://www.advance-africa.com/Kenya-Scholarships.html>

<http://scholarship-positions.com/category/africa-scholarships/kenya-scholarships/>

<http://kenyaeducationfund.org/university-in-kenya/>

List of Resources and interesting Links

- VLIR-UOS: <https://www.vliruos.be/en/countries/africa/kenya/104>
- African Development Bank Group: [http://www.afdb.org/fileadmin/uploads/afdb/Documents/Project-and-Operations/2014-2018 - Kenya Country Strategy Paper.pdf](http://www.afdb.org/fileadmin/uploads/afdb/Documents/Project-and-Operations/2014-2018_-_Kenya_Country_Strategy_Paper.pdf)
- World Bank projects in Kenya: <http://www.worldbank.org/en/country/kenya/projects>
- Ministry of Education: <http://www.education.go.ke/Documents.aspx?docID=1650>
- List of universities: http://en.wikipedia.org/wiki/List_of_universities_and_colleges_in_Kenya

ANNEXES

Annex 1 – Overview of Belgian Funded Interventions in Kenya (2010 – 2012)

Annex 2 – Overview of VLIR-UOS Interventions in Kenya (2003 – 2014)

Annex 3 – Matrix of current VLIR-UOS projects versus national priorities and main donors (September 2014)