

KENYA: A FRONTIER OF GREAT OPPORTUNITY

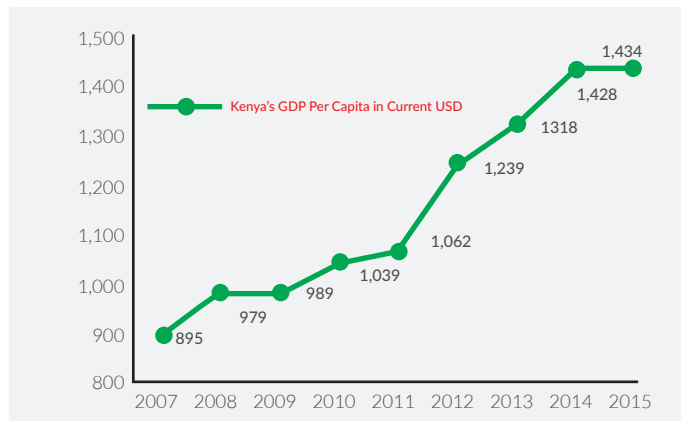
TRANSFORMING KENYA THROUGH VISION 2030



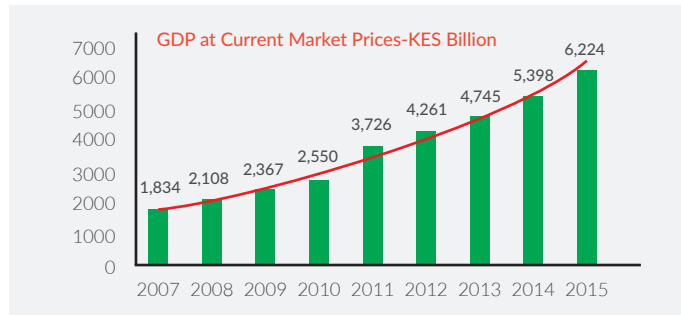
Vision 2030

A rapidly industrialising, globally-competitive, prosperous, upper middle income offering a high quality of life for its citizens by 2030.

The Kenyan economy: Gross Domestic Income per capita has increased to USD 1434 (KES 140, 961) in 2015 from USD 895 (KES 49, 128) in 2007; lifting Kenya from a low income country to lower middle income status.



Economic growth: The three fold increase in the wealth of the average Kenyan between 2007 and 2015 has been mainly due to higher and consistent performance of the economy. The average annual growth in the period 2007/8 to 2015/16 was 4.9% which outperformed sub-Saharan Africa (4.8%) and world average (3.0%).



Sectorial analysis: The sectors that have witnessed the highest expansion are Agriculture, Financial Services and Mining, where the compounded annual growth rate (CAGR) during the period has been 21%; 22% and 21%, respectively.

Macro economic climate: The robust economic performance is anchored by a stable macro-economic climate. The average inflation rate 2008-2015 was 8.9% while the Kenya Shilling remained relatively strong and stable against major world currencies.

Under the theme of ensuring a just and cohesive society that enjoys equitable social development in a clean and secure environment" the lives of Kenyans have been impacted positively.

Health: Infant mortality has been reduced: from 52 deaths per 1,000 live births in 2008 to **39** in 2015. Under five mortality has been reduced: from 74 deaths per 1,000 live births in 2008 to **52** in 2015. Maternal mortality has fallen from 488 deaths per 100,000 live births in 2008 to **362** in 2015.

Education: In 2007 the primary school enrolment rate was **8.3 million** and went up to **10 million** in 2015. The Primary to Secondary Transition rate increased from **60%** to **82.3%** in 2015 .

In 2007, gross enrolment rate in secondary schools was **38%**; it jumped to **48%** in 2015. Pupils in primary schools did not use computers in 2007; **in 2016, 2000 schools have devices.**

Students enrolled in Technical Industrial and Vocational Educational Training (TIVET) doubled from **76,516** in 2007 to **155,176** in 2015. Universities doubled from **28** in 2007 to **53** in 2015.

National Spatial Plan and a National Land use policy were completed in 2016. Orderly exploitation of land will be greatly enhanced when the ongoing digitization of land registry and records is completed. **This has already been done for Nairobi and other 16 land registries.**



Digitisation of Education: Many primary schools across the country have now received Digital Learning Devices



Improved Healthcare: Mama Lucy Kibaki Hospital, one of the newest developments, is providing improved access to healthcare for many people.



Taking services to the people and ensuring improved citizen participation through a bold decentralisation plan. *The promise of Devolution*

Source: http://www.d-maps.com/carte.php?num_car=35033&lang=en



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Kenya's socio-political transformation and economic growth are anchored on firm reforms and foundations of society to ensure sustainability.

Legal and institutional reforms: These include Constitution 2010, Companies Act, Special Economic Zones Act, 40 Huduma Centres in 36 counties; e-citizen, itax and one stop border posts.

Security: Improvements include strengthening of police force (forensic laboratory, helicopters, vehicles (leasing), numbers, police stations and adoption of Integrated Population Registration Systems.

Transport: Budgetary allocation to roads construction and maintenance increased 3 folds to USD 1.3 billion in 2015. The stock of bitumen level roads went up from 9,130 Kms in 2007 to 13,900 Kms in 2015. New roads include the LAPSSSET corridor: Isiolo to Moyale 485 Kms inking Kenya with Ethiopia. It takes 3 days to travel from Moyale to Nairobi; previously it took a very long time.

New vehicles: Annual registration of vehicles increased dramatically from 85,324 in 2007 to 247,181 in 2015.

Rail: The first 500 kms Mombasa – Nairobi Standard Gauge Railway line is 85% done targeting completion in June 2017. Train journey will be reduced to 4 hours from the current 12 hours.

ICT: Over 6,000 Kms of fibre Optic Backbone has been installed in 44 out of 47 counties; the digital literacy programme has been rolled out and Constituency Digital Innovation Hubs have been created.

Konza Technopolis ICT hub: The construction of the main administration block is ongoing and discussions are at advanced stages to sign in a leading technology institute to be the anchor investor.

Energy: Installed generating capacity doubled from 1,197 megawatts (mw) in 2007 to 2,334 mw in 2015. Geothermal capacity expanded about 5 folds from 128 mw in 2007 to 627 mw in 2015. Connection is now KES 15,000, down from over KES 100,000 in 2007; Price to consumer down to US cents 12.45/KWh from US Cents 19.72 in 2007. Customers connected under the rural electrification programme went up almost 4 times from 161,373 by June 2007 to reach 703,190 by June 2015. Electricity access is now 57% and targeted to reach 100% by 2020.

To move the economy up the value chain, Vision 2030 identified over 100 flagship projects within 7 key private sectors: Tourism; Agriculture; Wholesale, Retail and Trade; Business Process Outsourcing; Finance and ; Natural Products and Oil & Other Minerals.

Agriculture: Production has improved through increased use of fertiliser from the Eldoret fertiliser mixing plant; irrigation in Turkana and adoption of modern technology in the planned 1.4 million acre Galana Kulalu food security project. The 2,500 acres that are under maize crop in Galana Kulalu are yielding 31 (90 kg) bags per acre per 4 month's season compared to a national average of 18 bags per acre per year.

Capital markets: The market capitalization of Nairobi Securities Exchange (NSE) and annual value of equities traded in 2015 were 2.4 times the corresponding values in 2007. Bond trading in the NSE witnessed a 3.5 times increase to reach KShs 305 billion in 2015 .

Financial markets: An exponential growth in the number of customers, deposits and advances has enabled commercial banks to play their intermediation role in a growing economy. Bank loans and advances increased by about 4 times from KES 511 billion in December 2007 to KES 2.8 trillion in December 2015.

Kenya is ranked **first** among 21 emerging economies in enabling access to and usage of financial services among people excluded from formal finance.

Oil and Other minerals: Plans are under way to export crude oil in 2017 from the estimated 750 million barrels of oil reserves in Turkana. At a conservative price of @ \$50 per barrel the potential revenue will be in excess of \$40 billion.

Foreign Direct Investment (FDI): Kenya is leading the region in attracting Foreign Direct Investment. In 2015 Nairobi was rated the most attractive city for Foreign Direct Investment in Africa.

Business: The certainty created by Vision 2030, the macro-economic stability coupled with supportive legal and institutional reforms have enabled the private sector to play its rightful role as the engine of development of Kenya. Plenty of opportunities exist for commercial exploitation.

