

# T&C

## Snapshots

### Data Note

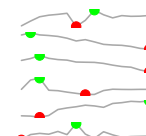


## Kenya

| GDP (US\$ billions) (2016) | Population (millions) (2016) | Income per capita (current US\$) (2016) | Poverty rate (2005) | Unemployment rate (2014) |
|----------------------------|------------------------------|---|---------------------|--------------------------|
| 69.5                       | 47.3                         | 1,470.8                                 | 33.6                | 9.2                      |

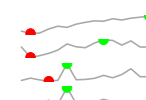
### Macro Indicators

|   | Avg 2002-2011 | 2012  | 2013  | 2014  | 2015  | 2016  |
|---|---------------|-------|-------|-------|-------|-------|
| GDP growth (annual %)                       | 4.6           | 4.6   | 5.7   | 5.3   | 5.4   | 5.7   |
| Current account balance                     | -2.9          | -8.4  | -8.7  | -9.5  | -11.0 | -11.6 |
| Fiscal balance (% of GDP)                   | -2.2          | -5.0  | -5.7  | -6.1  | -7.5  | -8.5  |
| Remittances, received (% of GDP) [1]        | 2.4           | 2.4   | 2.4   | 2.4   | —     | —     |
| Real Effective Exchange Rate (2010=100)     | 85.9          | 106.2 | 108.2 | 111.6 | 110.4 | 112.8 |
| Consumer Price Index, annual percent change | 10.8          | 9.4   | 5.7   | 6.9   | 7.2   | 7.5   |



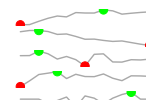
### Investment indicators

|   | Avg 2002-2011 | 2012  | 2013  | 2014  | 2015  | 2016  |
|---|---------------|-------|-------|-------|-------|-------|
| Gross domestic investment (% GDP)                               | 15.38         | 20.68 | 19.92 | 21.02 | 21.62 | 22.33 |
| Gross domestic investment, of w: Private investment (% GDP) [1] | 19.06         | 21.51 | 20.11 | 21.37 | —     | —     |
| Inward FDI (% of GDP) [2]                                       | 0.53          | 0.52  | 0.93  | 1.65  | —     | —     |
| Inward FDI, % of private investment [2]                         | 3.32          | 3.12  | NA    | —     | —     | —     |



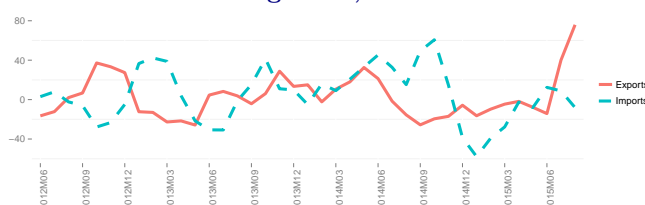
### Trade Indicators

|   | Avg 2002-2011 | 2012   | 2013   | 2014   | 2015   | 2016   |
|---|---------------|--------|--------|--------|--------|--------|
| Total Trade in Goods and Services (% of GDP, real terms)        | 46.31         | 52.73  | 49.88  | 50.67  | 51.35  | 51.85  |
| Trade balance (% GDP, real terms)                               | -5.50         | -13.30 | -12.78 | -14.63 | -16.48 | -17.88 |
| Exports, Goods and Services, annual percent change (real terms) | 5.85          | -0.39  | -0.55  | 2.31   | 2.00   | 3.00   |
| Imports, Goods and Services, annual percent change (real terms) | 9.11          | 5.07   | 0.29   | 9.75   | 9.50   | 8.70   |
| Total reserves in months of imports [1]                         | 3.43          | 3.75   | 4.18   | 4.43   | —      | —      |



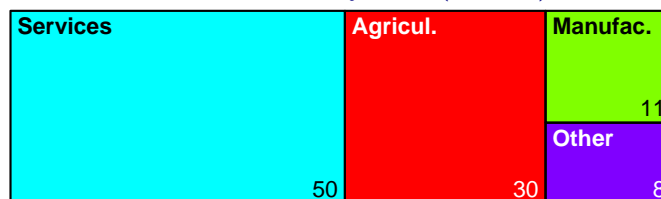
Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

### Goods Export and Import volume growth, 2012-2015



Source: Development Prospects Group (DECPG)

### Gross Value Added by Economic Activity 2013 (% GDP)



Source: World Development Indicators (WDI)

### Top 5 Exports by % of Total Value, 2013

|                               |                         |                                     |                                   |
|-------------------------------|-------------------------|-------------------------------------|-----------------------------------|
| Tea, whether or not flavoured | Cut flowers and foliage | Coffee, not roasted, whether or not | Other fresh or chilled vegetables |
| 23                            | 9                       | 3                                   | 2                                 |

### Imports Categories by % of Total Value, 2013

|                |                    |               |
|----------------|--------------------|---------------|
| Consumer goods | Intermediate goods | Capital goods |
| 39             | 28                 | 26            |

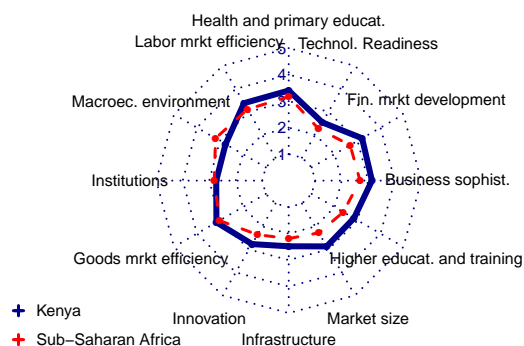
Source: World Integrated Trade Solution (WITS)

### Doing Business 2015 Ranks (among all countries)

|                                   | DB 2015 Rank | DB 2016 Rank | Change in Rank |
|-----------------------------------|--------------|--------------|----------------|
| Dealing with Construction Permits | 152          | 149          | 3              |
| Ease of Doing Business Rank       | 129          | 108          | 21             |
| Enforcing Contracts               | 102          | 102          | 0              |
| Getting Credit                    | 118          | 28           | 90             |
| Getting Electricity               | 141          | 127          | 14             |
| Paying Taxes                      | 99           | 101          | -2             |
| Protecting Minority Investors     | 114          | 115          | -1             |
| Registering Property              | 121          | 115          | 6              |
| Resolving Insolvency              | 145          | 144          | 1              |
| Starting a Business               | 148          | 151          | -3             |
| Trading Across Borders            | 131          | 131          | 0              |

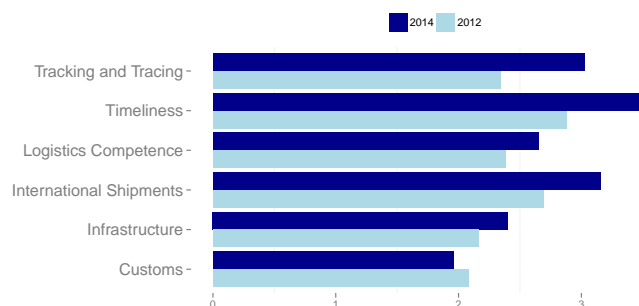
Source: Doing Business Report 2015

## WEF Competitiveness Indicators (Scale 1-5, 5=best)



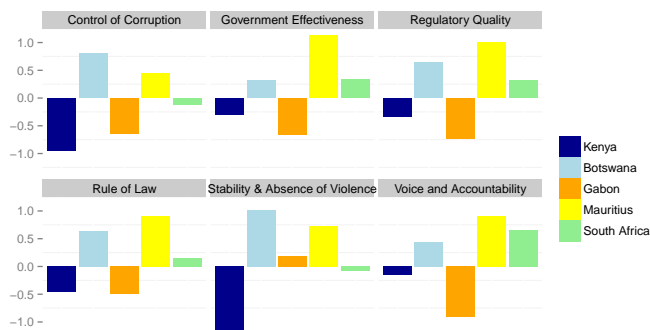
Source: WEF Global Competitiveness Report 2015

## Logistics Performance Index (Scale 1-5, 5=best)



Source: Logistics Performance Index (World Bank)

## World Governance indicators (Std. score, High=best)



Source: Worldwide Governance Indicators

## Trade Policy

|  | 2010 | 2014 |
|--|------|------|
| Applied Tariff (Incl. Prefers. and Trade-Weighted) | 12.6 | 11.8 |
| Binding (%)  | 14.8 | 13.8 |
| Dispersion (Standard Deviation)                    | 12   | 11.9 |
| Import duties collected (% , 2011-2013) [1]        | —    | 3.4  |
| MFN Tariff (Agriculture)                           | 19.9 | 20.0 |
| MFN Tariff (Non-Agriculture)                       | 11.1 | 11.0 |
| MFN Tariff (Simple Average)                        | 12.6 | 12.3 |
| Services sectors with GATS commitments [1]         | —    | 40.0 |

Sources: WITS, [1] WTO Trade Profiles

## Private Sector's Views

### Enterprise Survey 2013

|   | Sub-Saharan Africa | Kenya | All Countries |
|---|--------------------|-------|---------------|
| Number of electrical outages in a typical month   | 8.30               | 6.30  | 6.30          |
| Percent of firms with a bank loan/line of credit  | 23.10              | 35.60 | 34.30         |
| Proportion of investment financed by banks (%)  | 9.90               | 23.90 | 14.30         |
| Proportion of investment financed internally (%)  | 76.70              | 61.40 | 71.80         |
| Senior management time spent dealing with the requirements of government regulation (%) | 8.20               | 7.20  | 9.90          |

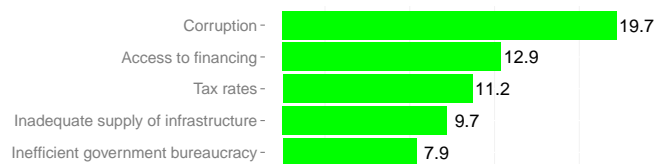
Source: Enterprise Survey 2013

### Top 5 constraints according to ES 2013 (% respondents)



Source: Enterprise Survey 2013

### Top 5 constraints according to WEF 2015 survey (% respondents among 88 executives)



Source: WEF Global Competitiveness Report 2015



# T&C Snapshots Operations Note



## Kenya

### SCD/CPF

#### Most Recent

| Product   | Document Date | Document ID |
|---|---------------|-------------|
| Kenya - Country partnership strategy for the period FY2014-2018 | 2014-05-08    | 87024       |

#### Planned

| Product | Concept Review Date | Board Date |
|---------|---------------------|------------|
| None    |                     |            |

### WB Lending Pipeline

| Project ID | Project Name                    | Team Leader         | Approval Date | Lending Inst. Type | Begin Appraisal | Commitment (US\$M) | Latest Sort Overall Risk Rating | FY Expenses (US\$K) | Cum Expenses (US\$K) | FY Prob |
|------------|---------------------------------|---------------------|---------------|--------------------|-----------------|--------------------|---------------------------------|---------------------|----------------------|---------|
| P156466    | Digital Entrepreneurship Kenya  | Toni Kristian Elias | 2015-12-15    | IPF                | —               | 0                  | —                               | 0                   | 0                    | —       |
| P128680    | Kenya Climate Innovation Center | Jana Malinska       | —             | IPF                | —               | 5                  | —                               | 85                  | 1,847                | —       |

### WB Portfolio

#### Active

| Project ID | Project Name                   | Team Leader    | Approval Date | Lending Inst. Type | Closing Date | Commitment (US\$M) | Undisbursed Balance (US\$M) | Project Rating DO | Project Rating IP | Overall Risk | Months in Problem Status |
|------------|--------------------------------|----------------|---------------|--------------------|--------------|--------------------|-----------------------------|-------------------|-------------------|--------------|--------------------------|
| P154586    | Kenya Climate Venture Facility | Aun Ali Rahman | 2015-06-08    | IPF                | 2018-06-30   | 5                  | 4                           | —                 | —                 | —            | 0                        |

#### Closed

| Project ID | Project Name                         | Team Leader             | Approval Date | Lending Inst. Type | Closing Date | Commitment (US\$M) | Project Rating DO | Project Rating IP | IEG Outcome Rating |
|------------|--------------------------------------|-------------------------|---------------|--------------------|--------------|--------------------|-------------------|-------------------|--------------------|
| P090606    | KE-IDF Cross Border Mkt Integ (FY96) | Anand Rajaram           | 1995-09-08    | —                  | —            | 0                  | —                 | —                 | —                  |
| P001365    | EXPORT DEVELOPMENT                   | PS Dummy for Conversion | 1991-11-26    | DPF                | —            | 49                 | —                 | —                 | —                  |

WB ASA  
Active

| Task ID | Task Name                               | Team Leader               | Management Approval Date | Product Line | RAS (Y/N) | Current Expenditure BB (US\$K) | Current Expenditure Total (US\$K) | Lifetime Expenditure BB (US\$K) | Lifetime Expenditure Total (US\$K) |
|---------|---|---------------------------|--------------------------|--------------|-----------|--------------------------------|-----------------------------------|---------------------------------|------------------------------------|
| P158356 | Boosting Private Sector Competitiveness | Maria Paulina Mogollon    | 2018-06-30               | PA           | N         | —                              | 0                                 | —                               | 0                                  |
| P156577 | Kenya Tourism Economic Contribution     | Apurva Sanghi             | 2016-06-30               | EW           | N         | 6                              | 6                                 | 6                               | 6                                  |
| P156578 | Kenya Innovation and Productivity       | Nikola Denchev Kojucharov | 2016-05-23               | TA           | N         | 0                              | 0                                 | 0                               | 0                                  |

Closed

| Task ID | Task Name                                | Team Leader                | Management Approval Date | Product Line | RAS (Y/N) | Current Expenditure BB (US\$K) | Current Expenditure Total (US\$K) | Lifetime Expenditure BB (US\$K) | Lifetime Expenditure Total (US\$K) |
|---------|--|----------------------------|--------------------------|--------------|-----------|--------------------------------|-----------------------------------|---------------------------------|------------------------------------|
| P147220 | Export Competitiveness and Innovation    | Maria Paulina Mogollon     | 2015-07-21               | TA           | N         | 2                              | 272                               | 137                             | 1,028                              |
| P133164 | Diversifying Manufacturing in Kenya      | Ganesh Rasagam             | 2014-01-01               | TA           | N         | —                              | 0                                 | 81                              | 81                                 |
| P133163 | Investment Climate Assessment            | Ganesh Rasagam             | 2013-12-30               | EW           | N         | —                              | 0                                 | 298                             | 1,214                              |
| P130880 | Kenya Climate Innovation Center          | Jonathan d'Entremont Coony | 2013-06-26               | TA           | N         | —                              | 0                                 | —                               | 50                                 |
| P126409 | Kenya Competitive Partnership Initiative | Yira J. Mascaro            | 2013-06-24               | TA           | N         | —                              | 0                                 | 37                              | 37                                 |
| P102213 | KE-Investment Climate Assessment (FY08)  | Giuseppe Iarossi           | 2008-06-16               | EW           | N         | —                              | 0                                 | 104                             | 419                                |
| P098595 | Kenya: WITS Training                     | Soamiely Andriamananjara   | 2006-06-20               | TE           | N         | —                              | 0                                 | 15                              | 15                                 |
| P096616 | Agricultural Trade Seminar in Africa     | Soamiely Andriamananjara   | 2006-04-07               | TE           | N         | —                              | 0                                 | 121                             | 138                                |
| P094938 | Kenya Export Strategy Validation Wkshp   | Edward Philip English      | 2005-04-28               | TE           | N         | —                              | 0                                 | —                               | 0                                  |
| P089348 | Kenya: Export Strategy Implementation    | Edward Philip English      | 2005-03-18               | TE           | N         | —                              | 0                                 | 33                              | 42                                 |

IFC ASA  
Active

| Project ID | Project Name                                  | Team Leader          | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|---|----------------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| 600530     | Kenya Investment Policy Project               | Adamali, Aref        | 2015-05-08       | 2017-06-30        | 624                       | 241                           | 159                               |
| 594987     | Kenya Agribusiness Investment Climate Program | Ochieng, Sarah Ruth  | 2014-05-08       | 2016-06-30        | 2,384                     | 841                           | 168                               |
| 593208     | Kenya Regulatory Reform                       | Twagira, Frank Abner | 2013-04-19       | 2016-06-30        | 2,671                     | 1,944                         | 450                               |
| 567068     | Kenya Investment Generation Program           | Ochieng, Sarah Ruth  | 2011-10-24       | 2016-03-31        | 1,493                     | 1,409                         | 133                               |
| 570008     | Trade Logistics Kenya                         | Sichilima, Mupelwa   | 2011-05-20       | 2016-06-30        | 2,833                     | 2,235                         | 127                               |

Pipeline

| Project ID | Project Name | Team Leader | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|--------------|-------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| None       |              |             |                  |                   |                           |                               |                                   |

Closed

| Project ID | Project Name  | Team Leader             | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|---|-------------------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| 576467     | Kenya National Hospital Insurance Fund - Strategic Review and Market Assessment | Akyianu, Samuel Gaddiel | 2010-05-16       | 2012-12-31        | 586                       | 718                           | 0                                 |
| 551987     | Kenya: Improving Regulatory Performance and Capacities                          | Twagira, Frank Abner    | 2007-02-13       | 2012-06-30        | 3,940                     | 4,276                         | 0                                 |
| 539144     | GEM Kenya Gender and Growth Assessment Program                                  | Cutura, Jozefina        | 2006-02-22       | 2006-10-31        | 86                        | 84                            | 0                                 |
| 540223     | Kenya Licensing Reform II   | Pepper, Roy             | 2005-10-13       | —                 | 0                         | 0                             | 0                                 |
| 538758     | Review of Administrative Barriers to Investment                                 | Shen, Xiaofang          | 2005-09-02       | —                 | 0                         | 0                             | 0                                 |
| 538423     | Implementation Institution and Action Planning                                  | Shen, Xiaofang          | 2005-08-17       | —                 | 0                         | 0                             | 0                                 |
| 538424     | Licensing System Reform   | Shen, Xiaofang          | 2005-08-17       | —                 | 0                         | 0                             | 0                                 |
| 538808     | Commercial Legal Frame Review   | Shen, Xiaofang          | 2005-08-17       | —                 | 0                         | 0                             | 0                                 |
| 538477     | Investment Bill Review  | Shen, Xiaofang          | 2005-08-11       | —                 | 0                         | 0                             | 0                                 |
| 576948     | Africa Renewable Energy Access Advisory Services (AREAS)                        | Njagi, Arthur Itotia    | —                | 2014-10-31        | 542                       | 536                           | 0                                 |