

KENYA

More than 40% of Kenyans lived in extreme poverty (defined in notes) at the last count, over 10 years ago. The richest 20% of the population hold over half of the country's total income.

- ODA is the largest resource flow to Kenya, accounting for almost a third of international inflows
- Income tax is the primary revenue stream for the government, accounting for 46% of receipts
- ODA fell by 20% in 2014, though Kenya remains one of the 10 largest aid recipients worldwide

Overview

HOW MANY OF THE
POOREST 20% OF PEOPLE
GLOBALLY LIVE IN KENYA?

19.5
million

WHAT RESOURCES ARE
AVAILABLE?

Domestic public

US\$9.8bn

International

US\$9.2bn

HOW MUCH DOES THE
GOVERNMENT SPEND
PER PERSON?

PPP\$619

See Notes

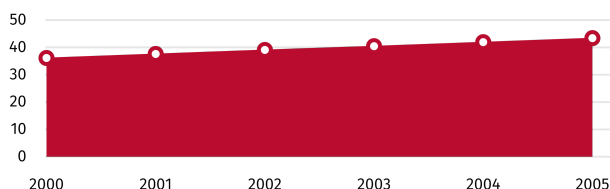
HOW DEEP IS POVERTY?

14%

Depth of poverty

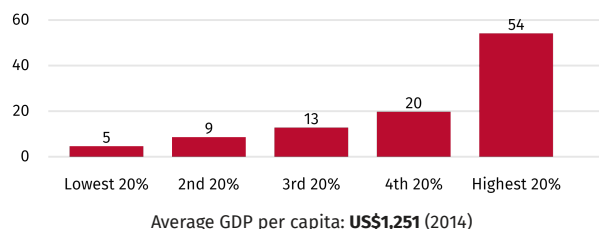
Over 40% of the population lived in extreme poverty at the last count, in 2005

2000-2014, % of population living on under \$1.25 per day



The richest 20% of Kenya's population has 10 times the income of the poorest 20%

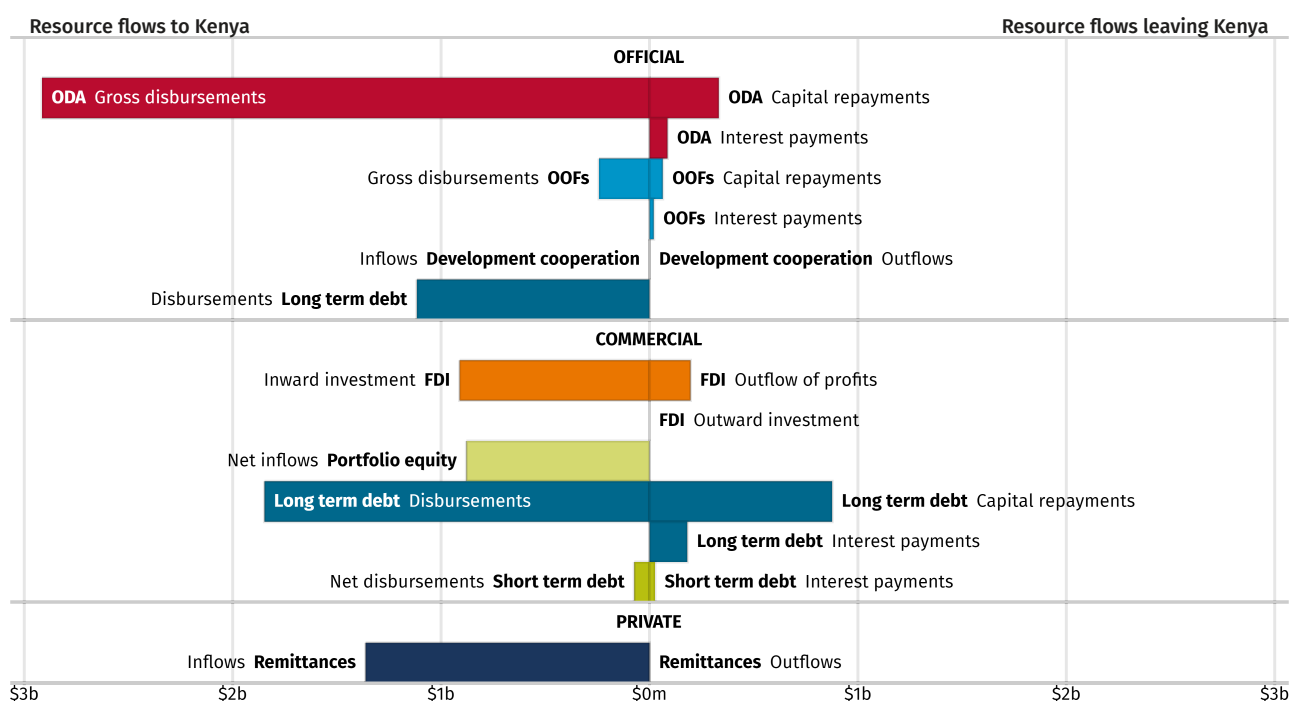
2014, share of income of bottom 20% of population



Resource flows to and from Kenya

ODA is the largest international resource flow; capital repayments on long-term debt are the largest outflow

2014, international resource inflows and outflows (US\$ billions, constant 2012 prices)



Notes: We define extreme poverty as measured using the \$1.25 (PPP 2005) extreme poverty line. Purchasing power parity (PPP) prices are the rate at which a country's currency would have to be converted into that of another country to buy the same amount of goods and services in each country. PPPs are constructed by comparing the cost of a common basket of goods in different countries. Depth of poverty is a measure of the average gap in incomes for people living below the poverty line spread across the population of the whole country, expressed as a percentage of the \$1.25 a day poverty line. 'Domestic public resources available' refers to the total non-grant revenue either collected or projected to be collected by the government in the financial year 2014. Across countries in sub-Saharan Africa the richest 20% of the population have 10 times the income of the poorest 20% on average.

Government finance

Income taxes dominate total revenue collection in Kenya (46% of total), with the grant element accounting for 3%. Domestic, concessional and non-concessional international finance are all used. Development expenditure accounts for 32% of total spending, with similar levels of funding from international and domestic sources.

Tax accounts for 89% of non-grant revenue, with income from investments, fees and levies accounting for 11%.

2013, latest year of actual revenue (US\$ billions, constant 2012 prices)

Total Revenue and grants 100% of total US\$10.1bn	Revenue 97% of total US\$9.9bn	Non-Tax Revenue 11% of total US\$1.1bn	Other Revenue 3% of total US\$0.5bn
		Tax Revenue 86% of total US\$8.8bn	Import Duty 7% of total US\$0.7bn
			Value-added Tax 23% of total US\$2.4bn
			Income Taxes 46% of total US\$4.6bn
			Excises 10% of total US\$1.1bn

Borrowing through commercial means and from China forms the major source of international finance

2013, latest year of actual financing (US\$ billions, constant 2012 prices)

Financing 100% of total US\$4.3bn	Net External Finance 46% of total US\$2bn	Repayments Due -18% of total US\$-0.7bn	Other loans incl Standard Gauge Railway loan from China 26% of total US\$1.1bn
		Disbursement 64% of total US\$2.7bn	Project Loans 20% of total US\$0.9bn
			Commercial Borrowing 16% of total US\$0.7bn
	Net Domestic Finance 54% of total US\$2.3bn		

Interest payments account for over 10% of government expenditure

2013, latest year of actual expenditure (US\$ billions, constant 2012 prices)

Total Expenditure 100% of total US\$14.5bn	Recurrent Expenditure 68% of total US\$9.8bn	Transfer Payments 14% of total US\$2.1bn	
		Wages And Salaries 19% of total US\$2.7bn	
		Interest Payments 10% of total US\$1.4bn	Domestic 8% of total US\$1.1bn
		Other Recurrent 17% of total US\$2.4bn	
		Defense and National Security Intelligence Service 6% of total US\$0.9bn	
	Development Expenditure 32% of total US\$4.7bn	Domestically financed 17% of total US\$2.5bn	
		Externally Financed 15% of total US\$2.2bn	

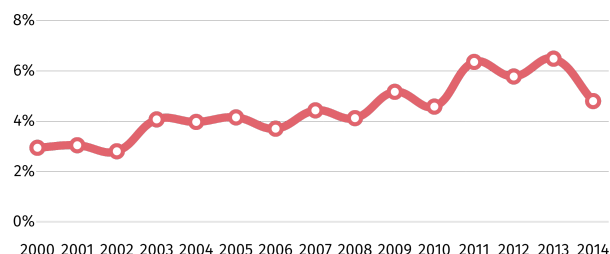
Notes: Year of data refers to the 2015 fiscal year running from July 2014 to June 2015. The pink boxes represent negative values, typically showing repayments of loans under financing. Some labels have been omitted from these visualisations; please refer to the online country profile page on the Development Data Hub for more details.

ODA

ODA to Kenya fell by 20% from 2013 levels to US\$2.9 billion in 2014. Loans and equity investments are the primary type, totalling US\$1.1 billion; IDA and the AfDB are the main providers of this funding. The US provides the most ODA overall, however, two-thirds is mixed project aid, in a combination of cash grants and aid in-kind. Three sectors – health, infrastructure and humanitarian assistance – received almost two-thirds of total ODA, though the bundle in each is quite different. Mixed project aid is the primary form of health ODA; loans and equity are the primary form of infrastructure ODA; and commodities and food aid account for half of humanitarian assistance ODA.

ODA relative to GDP doubled between 2010 and 2013 to 6.9%, but it fell to 5.4% in 2014

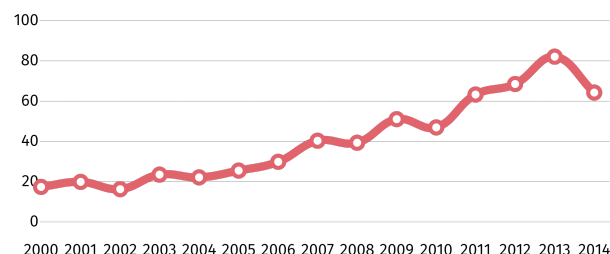
Gross ODA % of GDP



■ Total ODA as a % of GDP ■ Total ODA (excl-non-transfer) % of GDP

After increasing overall between 2002 and 2013, ODA per capita has decreased in 2014

ODA per person living under \$1.25 a day



■ Total ODA as a % of GDP ■ Total ODA (excl-non-transfer) % of GDP

Cash loans and equity represent 38% of the total aid bundle

2014, gross disbursements

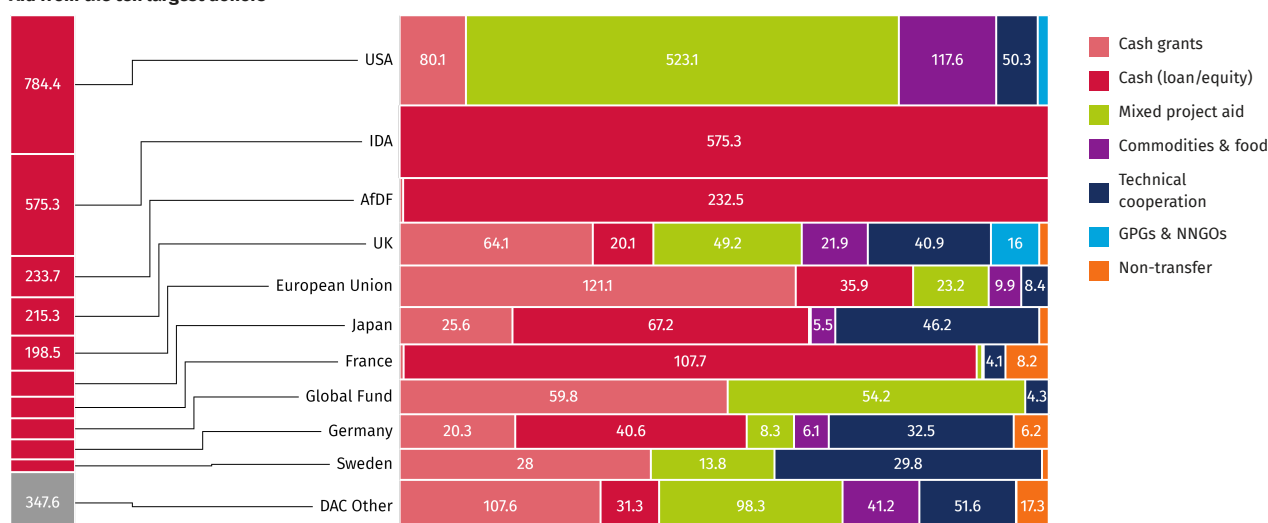


Note: GPGs, global public goods; NGOs, Northern non-governmental organisations.

The US provide the most aid to Kenya, but the main delivery form is difficult to identify

2014, US\$ millions, gross disbursements

Aid from the ten largest donors



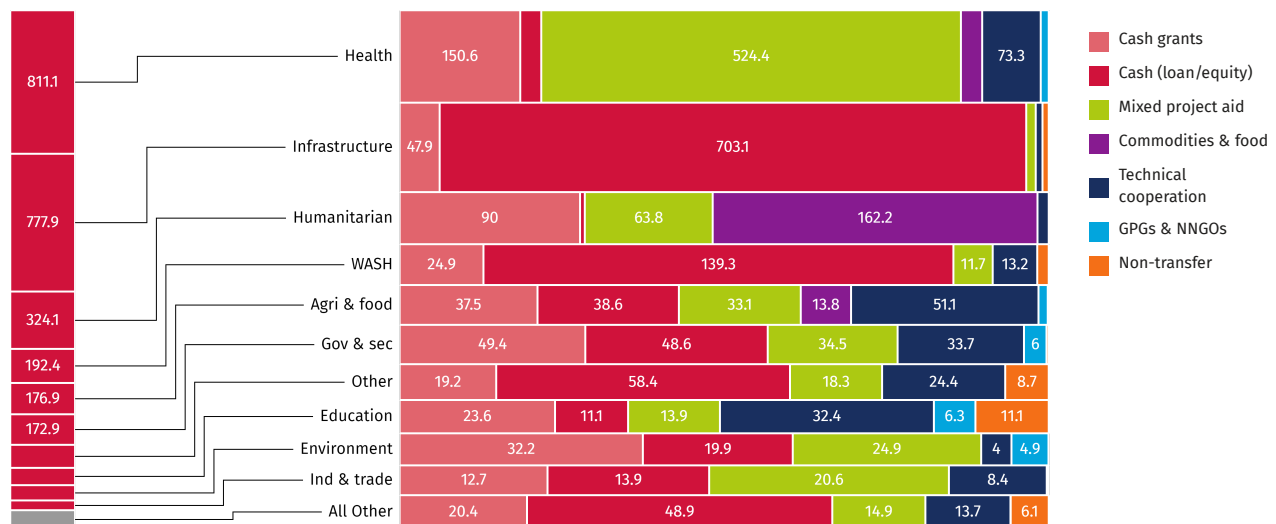
Note: ODA is equivalent to 0.64% of GDP in all developing countries and 2.6% in sub-Saharan Africa in 2014. ODA per capita is equivalent to US\$47 in sub-Saharan Africa. Acronyms: AfDB: African Development Bank; GDP: gross domestic product; IDA: International Development Association.

What is aid spent on?

Over half of aid goes to health and infrastructure; loans and equity dominate aid to infrastructure

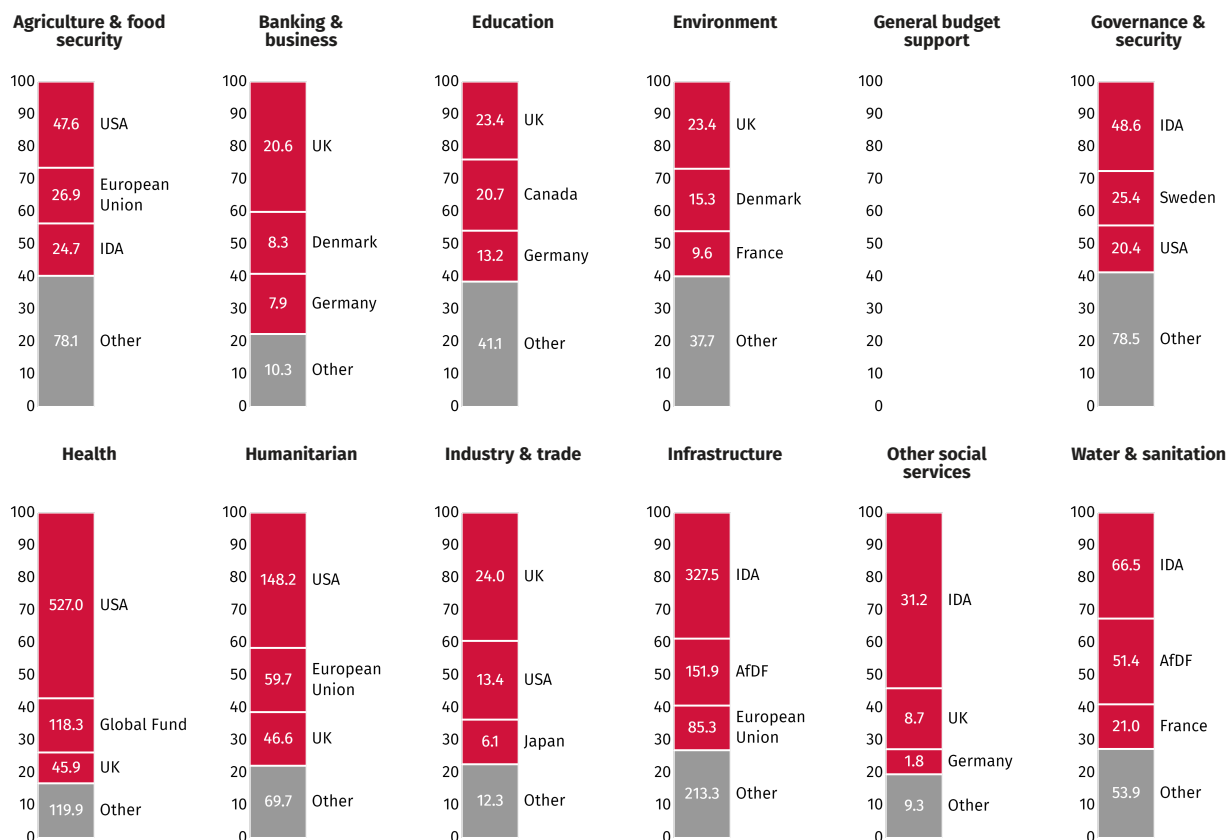
2014, US\$ millions, gross disbursements

Total aid by sector



The US provides over 60% of health ODA and the most ODA to the humanitarian assistance sector; IDA provides the most infrastructure ODA

2014, gross ODA, % of total (US\$ disbursements in columns)



Notes: Data is from the OECD Development Assistance Committee (ODA and other official flows data), the World Bank (long-term debt, remittances, gross national income (GNI) and poverty), the United Nations Conference on Trade and Development (FDI), IMF article IV publications (domestic revenue and expenditure), Global Financial Integrity (illicit financing and trade mispricing). Other official flows (OOFs) are typically loans that are either not sufficiently concessional to count as ODA, or are mainly in support of commercial objectives, such as donor exports. All data in US\$ is in 2012 prices. 'Other' sector aid includes multisector ODA, administrative costs, support for refugees in the donor country and unallocated or unspecified ODA. Acronyms: FDI: foreign direct investment; IMF: International Monetary Fund; OECD: Organisation for Economic Co-operation and Development; OOFs: other official flows.