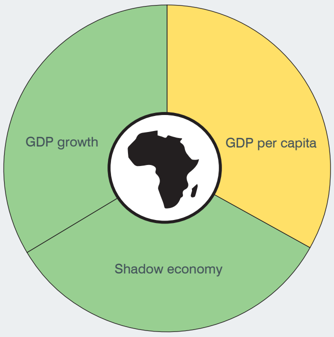
KENYA

Good
Average
Problematic

Fiscal Sustainability
Implementation of policy priorities
Efficiency in service delivery

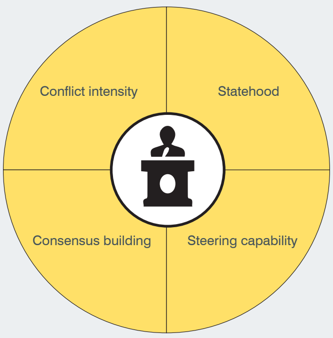
Enabling environment

Economic context

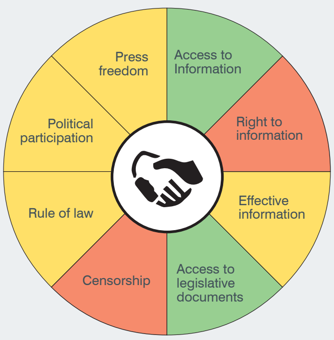


Anti-corruption

Political Economy



Governance



Processes

Revenue
- Collection of tax arrears
- Tax arrears to revenue
- Revenue accounts reconciliation
- Transfer of revenues
- Revenue outturn

Budget planning
- Link current budget/ investment
- Debt sustainability analysis
- ODA ratio
- Multi-year strategies

Budget execution
- Expenditure arrears
- Expenditure outturn
- Unreported operations
- Cash management

External scrutiny/control
- Parliament: time frame
- Parliament: amendments
- Parliament: audit recommendations
- External audit: scope
- External audit: timeliness
- External audit: follow-up
- External audit: independence
- Performance audits

Procurement
- Competitive bidding
- Exclusion after violation

Accounting
- Internal control: payroll
- Internal control: other
- Internal audit
- Accounts reconciliation
- Financial reporting

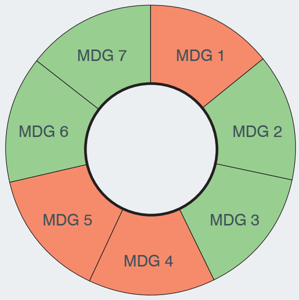
Outcomes

Fiscal sustainability
- Revenue/GDP
- Operating ratio
- Primary balance
- Debt/GDP
- External debt/GDP
- External debt/revenue
- Debt service/revenue

Implementation of policy priorities
- Expenditure share: health
- Expenditure share: education

Efficiency in service delivery
- Hospital beds
- Sanitation
- Prenatal health care
- Pupils per teacher

Developmental impact



HDI	0.54
Extreme Poverty	11.70%
School enrolment	84.90%
School completion	104.00%
Infant mortality	36.00
Maternal mortality	510.00
Gini Index	48.50
Environment: performance	123/180
Environment: policy	4.00

2 KENYA

EXECUTIVE SUMMARY

Kenya is the fifth largest economy in sub-Saharan Africa, and moved into the group of lower middle-income countries after the rebasing of GDP in 2014. Kenya's core public financial management (PFM) processes perform on average better than other countries in the region. Weak spots for governance include the fight against corruption, the law enforcement system, the credibility of the Medium-Term Expenditure Framework (MTEF) to inform the actual budget, the extent of government operations outside the budget process, and the lack of transparency of these outside operations. The reconciliation of accounts is done, but delayed, and financial statements are unreliable and incomplete. The introduction of checks and balances under the new Constitution might reduce the impact of these weaknesses.

The government has been unable to improve service delivery and achieve its development goals despite the size of the country's economy, its income status, and robust economic growth rate. Therefore, most of the millennium development goals (MDGs) were missed. Politics is largely organised along ethnic lines with an unequal allocation of public funds across the country. There has been marginal progress made on fighting poverty and in the areas education, health and sanitation. The government has increased public expenditure as a percentage of GDP on health and education, but the direct impact of these changes cannot yet be observed in most of the widely-used indicators.

PFM CORE PROCESSES AND OUTCOMES

Fiscal sustainability

Process Indicators	Source	Score	Year
Cost of tax administration to revenue	ATO	Between 1.50% and 2.00%	
Tax arrears to revenue	ATO	Between 1.50% and 2.00%	
Tax arrears recovery to total arrears	ATO	Between 40.00% and 45.00%	
Collection of tax arrears	PEFA	PI 15.10: D	2012

Process Indicators	Source	Score	Year
Revenue accounts reconciliation	PEFA	PI 15.30: A	2012
Transfer of revenues	PEFA	PI 15.20: B	2012
Link between investment and current budget	PEFA	PI 12.40: D	2012
Expenditure arrears	PEFA	PI 4: C+	2012
Debt sustainability analysis	PEFA	PI 12.20: A	2012
ODA to total expenditure (aid dependency)	World Development Indicators	26.90%	2012
Outcome indicators			
Revenue to GDP	CABRI	19.72% 19.76% 19.15% 19.46%	2014 2013 2012 2011
Operating ratio	CABRI	73.15% 77.58% 79.20% 82.56%	2014 2013 2012 2011
Primary balance	IMF	-4.10% (projection) -5.40% (estimate) -4.60% -3.00% -2.30%	2016 2015 2014 2013 2012
Debt to GDP	IMF	+32.10% 55.10% (projection) 52.70% (estimate) 49.20% 44.10% 41.70%	2012-2015 increase 2016 2015 2014 2013 2012
PV external debt to GDP	IMF	24.80% (projection) 21.70% (projection) 17.70%	2016 2015 2014
PV external debt to revenue	IMF	122.20% (projection) 109.50% (projection) 91.10%	2016 2015 2014
External debt service to revenue	IMF	6.90% (projection) 5.90% (projection) 15.60%	2016 2015 2014

Debt levels and debt service costs have risen considerably but appear sustainable

Regarding the sustainability of Kenya's public finances, debt levels have risen considerably over the last five years. Consequently, debt service costs have increased. Kenya's tax-to-GDP ratio is currently 20 per cent. Because revenue is insufficient to cover all expenditure, the government continues to run a primary deficit. Robust economic growth and Official Development Assistance (ODA) have so far prevented any indication of debt being unsustainable.

Tax and expenditure arrears are sizeable, with most of the expenditure arrears due to inadequate budgeting for investment costs

The government loses a lot of potential revenue through outstanding tax payments. According to the African Tax Administration Forum's (ATAF) African Tax Outlook 2016, tax arrears add up to 15 to 20 per cent of tax revenues and the government only recovers about 40 to 45 per cent of these. The government's expenditure performance is slightly better, but the stock of arrears still amounts to 4.6 per cent of total expenditure (2010/11). According to PEFA, over 80 per cent of these result from inadequate budgeting for the direct costs (e.g. construction) and related (e.g. maintenance and rehabilitation) costs of investments. The remainder is due to challenges in budget execution, such as gaps in controls to monitor spending commitments entered by line ministries and unavailability of funding caused by an inability to borrow and collection shortfalls, which delay the release of funds.

Implementation of policy priorities

Process Indicators	Source	Score	Year
Overall expenditure outturn	PEFA	PI 1: B	2012
Expenditure composition outturn	PEFA	PI 2: C+	2012
Revenue outturn	PEFA	PI 3: 5	2012
Multi-year perspective	PEFA	PI 12.10: C PI 12.30: C	2012 2012
Unreported government operations	PEFA	PI 7.10: D	2012
Parliamentary scrutiny: Time frame Budget amendments Audit recommendations	 PEFA PEFA PEFA	 PI 27.30: A PI 27.40: C PI 28.30: C	 2012 2012 2012
External audit: Scope Timeliness Follow-up	 PEFA PEFA PEFA	 C B D	 2012 2012 2012
External-audit: independence	GI AFROSAI-E SA	All 7: A Q 9 + Q10: 3 and 3	2016 2015
Outcome indicators			
Public health expenditure to GDP	World Development Indicators	3.5%	2014
Health expenditure to total government expenditure	World Development Indicators	12.80%	2014
Government education expenditure to GDP	World Development Indicators	5.510%	2010
Education expenditure to total government expenditure	World Development Indicators	20.60%	2010

Sizeable forecasting errors affect both revenue and expenditure

The credibility of expenditure and revenue in the budget for the years included in the PEFA 2012 was good compared to countries in the region. The variance between planned sector budgets and actual spending increased from the previous assessment, with an overall 15 per cent gap between the actual and approved budget per vote in 2010/11. Revenue forecasts were consistently overestimated, mostly due to inaccurate GDP forecasts that led to less than expected taxation of goods and services. These inflated revenue forecasts incentivised overspending.

Implementation of the MTEF and setting priorities around extra-budgetary operations is a challenge for the implementation of policy priorities

The government only received average PEFA scores for the implementation of the MTEF, which is a challenge for the implementation of policy priorities. The average scores are due to the weak link between multi-year forecasts and the determination of annual budget ceilings. Adjustments are normally unexplained, and estimated costs in sector strategies seem to exceed what is fiscally realistic. Given the fact that recurrent cost implications of capital are not adequately captured, inflation becomes an even greater problem. The government also faces obstacles in setting priorities around extra-budgetary operations. These refer to state corporations and semi-autonomous government agencies. Information on their budgets is available in the annexes of the budget, but does not include actual revenue and expenditure. Moreover, transfers from the central government to these entities are not reported and the contingent liabilities, which likely sum up to a significant obligation due to the large number of entities operating outside the budget, are not captured in financial reports.

Approval for parliamentary revisions to the budget are often acquired ex-post and scrutiny of the budget suffers from weak follow-up on recommendations

Financial and legislative oversight is another weak spot. Although legislative oversight during the preparation of the budget is thorough, parliament is not sufficiently involved in the execution process. This is especially concerning in terms of supplementary budgets. Revisions to the budget normally require ex-ante approval by parliament, however, this is often done ex-post. Regarding the ex-post scrutiny of the budget, the process suffers from weak follow-up on recommendations given by the legislative branch to the executive.

The supreme audit institution in the country is the Kenya National Audit Office (KENAO).

It is an independent office under the 2010 Constitution (Article 229) and the Public Audit Act (2015). The legislation gives the Auditor-General and staff the necessary formal independence required by the International Organisation of Supreme Audit Institutions (INTOSAI) standards. KENAO's independence is limited as new appointments must be approved by the Commission of Public Service and the institution's budget is approved by the Cabinet Secretary of Finance. In terms of the scope of audits, all recurrent and development votes are given an opinion as per financial audit standards. The PEFA 2012 raised concerns about the format of reporting, which was not aligned with international standards. This accounts for the low rating given in PEFA's assessment. With the passing of the new Public Audit Act (2015), accounting officers are obliged to send all financial accounts' information to KENAO by the end of September each year. Unfortunately, this is often sent too late and submissions often contain false information. This renders KENAO unable to complete their audit and deliver their reports by the beginning of January. KENAO also raises issues of concern regarding, among others: the existence of basic accounting errors in financial reporting, the failure to reconcile and clear advances and suspense accounts, procurement problems, and value for money. As indicated above, however, the implementation of parliament's recommendations by ministries, departments and agencies is currently below what should be expected.

KENAO's independence is compromised and the effectiveness of their work is limited by inefficient processes

Efficiency in service delivery

Process Indicators	Source	Score	Year
Cash management	PEFA	PI 16: B	2012
Procurement: competitive bidding	GI PEFA	All 25: 100.00% PI 19.20: D	2016 2012
Procurement: public access to contracts	GI PEFA	All 26: 50.00% PI: 19.30: B	2016 2012
Procurement: exclusion after violation of rules	GI	All 28: 75.00%	2016
Internal control: payroll	PEFA	PI 18: B+	2012
Internal control: other	PEFA	PI 20: C	2012
Internal audit	PEFA	PI 21: C+	2012
Accounts reconciliation	PEFA	PI 22: D	2012
Financial reporting	PEFA	PI 25: D+	2012
Performance audits	AFROSAI-SA	–	2015
Outcome indicators			
Hospital beds per 1 000 inhabitants	World Development Indicators	1.40 1.40 1.65	2010 2004 1990
Access to sanitation	World Development Indicators	30.10% 28.00% 24.60%	2015 2005 1990
Access to prenatal healthcare	World Development Indicators	95.50% 88.10% 94.90%	2014 2003 1993
Pupil-teacher ratio (primary education)	World Development Indicators	56.60 42.00 28.50	2012 2005 1998

In terms of efficiency in service delivery, the PFM system has theoretically been in a sound condition in many areas. Cash management is better in Kenya than in many other countries in the region. Procurement processes also seem to perform relatively well. Transparency has improved through the use of e-procurement and the revised

Procurement processes are generally transparent and fair, with instances of manipulation detected and referred to the courts

Public Procurement Act (2015). Global Integrity describes procurement processes in Kenya as ‘mostly transparent’. Large procurement contracts are publicly advertised in at least three newspapers to reach as wide an audience as possible. Further information is published on the procurement authority’s website and bidders are normally granted sufficient time to prepare offers. In the case of amendments during the tendering process, timelines are adequately extended. Detailed information for bidders is also provided on the website. In addition, evaluation criteria are normally transparent and all participants are provided with information about the outcome after the finalisation of a tender. There is no information, however, on the execution status of projects or the audits completed on them. PEFA 2012 expresses doubt about the use of restricted tendering processes without sufficient justification, and given the lack of a comprehensive analysis the assessment shows lowest rating on the sub-indicator related to competitive bidding. Transparency International emphasises that despite these strict processes there have been attempts to manipulate tender outcomes. Some of these attempts were detected by the procurement authority and referred to the courts.

Internal control mechanisms for non-payroll areas require improvement

The PEFA 2012 revealed that internal control mechanisms for the payroll of civil servants are reliable, but have room for improvement when it comes to non-payroll areas. The fact that commitments are not always linked to the availability of cash is especially challenging. Further, the application of rules and procedures depends more on the accumulated knowledge and experience of staff than on a well-documented system. Compliance with rules and procedures is thus weak in some areas, especially due to shortcomings in IFMIS. Manual transactions still occur internal audits generally focus more on errors in single transactions rather than on systemic auditing and the shortcomings of controls. The reports prepared after audits are on average good quality and distributed to key stakeholders. There are responses to most audit reports, although these are often limited to written responses rather than being followed up by action.

Account reconciliation is affected by delays, lack of monitoring, and severe backlogs

An area of severe concern can be identified in the field of account reconciliation. Account reconciliation by ministries is delayed by several months and there is a lack of monitoring by the Accountant General. Furthermore, another critical area is the reconciliation and clearance of suspense accounts as it covers entries into IFMIS as well as manual records. Lastly, there is a backlog of several years for the accounting for district transfers. Thus, financial statements contain several un-cleared suspense balances (PEFA 2012).

Accounts and financial statements suffer from inaccuracies due to a lack of public accounting expertise within government

Most accounts include a disclaimer of opinion due to errors, omissions, and missing support documentation. Financial statements are completed within three months (as required by the law). They are, however, not accurate, comprehensive, or timely. Part of this problem is attributed to the change in 2010, when the Auditor-General handed over his role as Comptroller General and became accountable to government for the consolidation of the financial statements. At least in the early years this change resulted in suboptimal quality of financial statements. This was potentially due to the lack of appropriate public accounting expertise within government.

ENABLING ENVIRONMENT

Economic context

Indicator	Source	Score	Year
GDP per capita (USD PPP)	World Development Indicators	3 080 US 2 970 US 2 840 US 2 720 US 2 620 US	2015 2014 2013 2012 2011
GDP growth	World Development Indicators	5.50% 5.60% 5.30% 5.70% 4.60% 6.10%	2011-2015 average 2015 2014 2013 2012 2011

Shadow economy to GDP	Estimate Prof. Schneider	17,50%	2000-2015
Land locked	No		
Driving sectors	Agriculture: 32.90% ; Industry: 19.50% ; Services: 47.50% (2015)		

Although Kenya's economy grew substantially in absolute terms since 2010, only a small part of the population has been able to enjoy the benefits. Average growth was 6.2 per cent between 2010 and 2013. A rebasing of the GDP in 2014, from a base year of 2001 to 2009, resulted in Kenya being ranked as the fifth largest economy in sub-Saharan Africa. Kenya now belongs to the group of lower middle-income countries. Growth was mainly driven by the agricultural and banking sectors. This reflects the fact that a greater portion of the population has access to credit these days. There was also substantial lending to the government from banks. Government and private consumption increased as a result and fuelled economic growth. Moreover, larger investment projects in the energy and transportation sectors supported an environment for economic growth. Over 45 per cent of the population was living below the national poverty line in 2009, but despite the robust economic growth this figure did not improve much in subsequent years. The crisis in the tourism sector brought about by terrorist attacks also continues to affect the marginalised population in the coastal areas.

Robust economic growth has done little to alleviate poverty and coastal populations remain vulnerable to slumps in the tourism sector

The political set up in Kenya remains complex. Political forces remain organised along ethnic lines. Political coalitions are unstable and are normally formed based on short-term developments. The peaceful election process in 2013 was a positive sign, and the forecast for the upcoming elections in 2017 is optimistic.

Election processes are peaceful despite political forces being organised along ethnic lines

Political economy

Indicator	Source	Score	Year
Statehood	BTI	6.75	2016
Steering capability	BTI	6.00	2016
Consensus building	BTI	5.20	2016
Conflict intensity	BTI	7.00	2016

Statehood

In principle, the state has the monopoly in providing protection and security in the country. Government control, however, is especially low in the arid and semi-arid areas of the north and north-east of the country where police do not have control and cannot provide a decent level of law and order. The government is also not in full control of its boarders with Somalia, Ethiopia and South Sudan. This situation leads to an influx of weapons and allows the Somali based Al-Shabaab militia to operate in Kenyan territory. The Mungiki sect is also challenging the state's power in Nairobi and central parts of the country. State forces are often unable to maintain security against armed bandits in rural areas and police have very little control in city slums. Political interference in police work, lack of police oversight, endemic corruption, and organisational and technical capacity gaps threaten security and question the state's ability to maintain peace.

The government struggles to maintain law and order in all parts of the country

Since independence in 1963 there hasn't been any major opposition to the Kenyan state, however, politics in Kenya is very much driven by ethnic rivalries. The new Constitution (2010) tries to tackle the marginalisation of some groups of the population, but implementation has been somewhat delayed. The Constitution transfers executive and fiscal power to local government and introduces a new layer of 47 county governments. The new Constitution also aims to establish legal safeguards against central government interference in lower government levels. A challenge remains with the discrimination of certain ethnic groups and restrictions potentially placed on their civic rights. According to the Bertelsmann Transformation Index (BTI), Nubians

The new Constitution addresses marginalisation as Kenyan politics is driven by ethnic rivalries and Somalis have difficulties in getting official documents and are partly denied full citizenship.

Public administration reforms are trying to bring service delivery and civil servants closer to the people

The public administration in Kenya has thus far been unable to allocate funds in a fair manner and provide goods and services equally across the country. 47 counties were established in 2013, with each county led by a governor and with its own assembly. This reform envisaged bringing public service delivery and the individuals responsible for it closer to the people. The reform also moved the mandate for most tasks to the county level, leaving central government responsible for education and security. The transition phase was not entirely smooth, especially in terms of health services.

Steering capability

Certain of the Vision 2030 goals are on track while others are hampered by issues with reforms

Since 2008 Kenya has had a long-term development strategy, Vision 2030. This strategy envisages developing Kenya to a middle-income country and eradicating poverty by 2030. After the rebasing of GDP, Kenya automatically acquired lower-middle income status and is already a step closer to its own target. Progress was made with infrastructure development by constructing roads, railways, ports, and the reform of the judiciary. The Vision 2030 also aims at achieving growth rates of 10 per cent per annum over 20 years. This is currently unachievable given the growth performance over the last eight years. Many reforms are blocked by the process of consensus building and inhibited by vested interests of different coalitions in Kenyan politics. Backlogs appear in the areas of land reform and anti-corruption reforms. Currently, only certain parts of civil society, a few members of parliament, the judiciary, and the Committee for the Implementation of the Constitution (CIC) can be identified as real reform drivers. Their impact is, however, limited due to non-cooperation.

Consensus building

Election results are driven by factors other than content and there are difficulties transforming consensus agreements into action

All key groups in Kenya (political, religious, civilian, business) are generally supportive of the democratic order. There are doubts, however, about the fairness of election processes and ethnic and regional polarisation seems to play a more important role than content. This serves to inhibit consensus building. Despite the overarching agreement that a market economy is necessary to achieve the envisaged development goals and that access to basic education is necessary to endow people with the capacity for individual development, there is a real difficulty in transforming general agreements into actions.

Tensions are often rooted in ethnic land conflicts

Tensions are often rooted in land conflicts, especially between Kikuyu and Kalenjin. Due to a coalition between Kenyatta (a Kikuyu) and Ruto (a Kalenjin) in the last elections in 2013, the conflict has calmed down for the time being. Nevertheless, land conflicts have not yet been resolved and bear the potential for new divisions and future unrest.

Instability in Somalia and marginalisation of Muslim dominated regions in Kenya pose a risk of religious conflict

In addition to ethnic conflicts, there are rising tensions between religious groups. First, the conflict in Somalia and military interventions by the Kenyan army have increased the risk of Islamist attacks in Kenya. Second, a marginalisation of Muslim dominated regions in Kenya has led to radicalisation in some parts of Muslim communities and might represent an additional future security threat.

Reconciliation processes have not been carried out properly

Moreover, the reconciliation processes were not carried out properly following the 2007/08 post-election violence and for state crimes committed between 1963 and 2008. Although a comprehensive report, including recommendations, that named those responsible for and those that benefitted from the crimes was prepared, it was not published or ever discussed in public. Furthermore, parliament mandated itself to revise the report.

Anti-corruption

Indicator	Source	Score	Year
Most/all government officials are corrupt	Afrobarometer	46.00%	2014/15
Most /all tax officers are corrupt	Afrobarometer	33.70%	2014/15
Investigation against senior level officials	Global Integrity	All 12: 75.00%	2016

Indicator	Source	Score	Year
Effectiveness of investigation	Global Integrity	All 13: 75%	2016
Staff appointment anti-corruption Agency	Global Integrity	All 14: 25%	2016
Corruption Perception Index	Transparency International	CPI: 25/100 (139/168)	2015

Public perception is that corruption is rife amongst public institutions and civil servants

Corruption is a part of daily life in Kenya. In line with an Afrobarometer finding for the whole of Africa, the Kenyan police are perceived as the most corrupt public institution. But other parts of the public administration and politicians are also perceived as highly corrupt. 46 per cent of people questioned by Afrobarometer consider most, or all, of their government officials as corrupt. The Kenya Revenue Authority scores slightly better, with 33.7 per cent of the population rating tax officers as corrupt. Kenya ranks 139 out of 168 countries in Transparency International's Corruption Perception Index, which makes them a poor performer in the region. Although the government verbally committed itself to fight corruption, anti-corruption work is impeded by delays in appointing commissioners due to interference from both political and non-political stakeholders, weak law enforcement, and insufficient cooperation among oversight actors. The Leadership and Integrity Act passed in 2012 has not provided for mechanisms to suspend or remove corrupt state officers as envisaged by the Constitution.

While comprehensive systems are in place to report corrupt activities, few cases are investigated and result in prosecution

On the positive side, the Ethics and Anti-Corruption Commission (EACC) recently celebrated successes in asset recovery. Reporting can be done in person, by phone, in writing, or through an anonymous whistle-blower system. The Commission has followed up on a high number of reports. Investigations covered all levels of public administration and government, including high profile cases involving cabinet members. In Global Integrity's most recent annual examination only 3.5 per cent of the cases under the EACC made it to the Office of the Director of Public Prosecutions for action. Of these cases, a substantial portion were dropped because of a lack of evidence. In addition to the capacity gaps within the EACC, some officers complained about being exposed to internal and external pressures when carrying out their work. There is a growing concern about political interference in the appointment and release of EACC staff. In 2015, two commissioners and a chairman resigned, allegedly as a result of political pressure.

Governance

Indicator	Source	Score	Year
Public access to information	PEFA	PI 10: B	2012
Right to request information	Global Integrity	All 41: No	2016
Effectiveness of information requests	Global Integrity	All 42: 50.00%	2016
Access to legislative processes and documents	Global Integrity	All: 43: 75.00%	2016
Government censoring of media	Global Integrity	All 55: 25.00%	2016
Rule of law	Bertelsmann	BTI: 5.50	2016
Political participation	Bertelsmann	BTI: 6.50	2016
Freedom of the press	Freedom House Reporters without Borders (RSF)	FH: Partly Free RSF: 31.16 (rank 95/180)	2016 2016
Gender equality	BTI	0.55	2016

The new Constitution has significantly strengthened the separation of powers

The separation of powers has been strengthened horizontally and vertically by the new Constitution. The previously strong role of the president and the executive has been curtailed. In contrast, the power of the parliament and judiciary was strengthened. Appointments to commissions and other key government entities are now based on nominations by special independent panels. To safeguard these panels against interference from the executive, parliament needs to approve appointments by the president. The introduction of a new layer of government also helps to distribute fiscal and executive powers across different government levels.

All judges undergo a thorough vetting process and corrupt officials are dismissed

The judiciary has also been reformed through the implementation of the new Constitution. All judges at the Supreme Court, the High Court, and the Court of Appeals undergo a thorough vetting process. Several former judges and magistrates were dismissed after the Judges and Magistrates Vetting Board was founded in 2011. This process has helped to improve the reputation of the judiciary among the public, which was formally perceived as highly corrupt and as an untrustworthy institution.

The Information Act should make it easier for citizens to request information from the government

The government has a mixed record in terms of transparency. Legally, citizens in Kenya do not enjoy the right to request information from the government. A recent positive development was the passing of the Access to Information Act in August 2016. This should assist in alleviating the current difficulties experienced when requesting information. It is often unclear how to officially file a request, with the process itself being quite complex and bureaucratic. With regards to public finance information, however, Kenya received a solid B rating in the PEFA 2012 for providing most of the required information proactively. Most of the relevant legislative documents from the National Assembly and the senate are also made available online. Physical access to information is possible but takes some days due to official procedures. The financial cost of getting physical records can be high.

The 2013 election was declared free and fair by international observers and the result was ultimately accepted by opposition parties

Political party participation in elections was amended after the post-election violence in 2007/08. A new institution – the Independent Electoral and Boundaries Commission (IEBC) – was established and replaced the old Kenya Electoral Commission. The 2013 election was declared free and fair by international observers. The Election Petition of 2013 was dismissed by the Supreme Court, who declared the elections as free, fair, transparent and credible. The opposition parties accepted the ruling.

The media landscape is diverse and journalists report critically despite a deterioration in the freedom of the press

There are reports of violent barriers to peaceful civil society demonstrations at parliament and allegations of terrorism against civil society groups working on human rights. With regard to freedom of expression, the situation for the media has deteriorated since 2013. Reporters without Boarders rank Kenya 95 out of 180 countries in terms of freedom of the press, which represents a sharp decline from their previous rank of 70 in 2010. Freedom House considers Kenya's press as only partly free. From a legal perspective, the situation had initially improved with the new Constitution, but new Bills introduced in 2013 undermined this progress by imposing harsh fines and jail times for journalists and media houses. Despite these developments the media landscape is still diverse and journalists report critically. Blogs especially criticise the government openly and reach many Kenyan readers.

DEVELOPMENTAL IMPACT

Indicator	Source	Score	Year
Human Development Index	BTI	No change 0.54 (147/187) 0.52 (145/187) 0.51 (143/187) 0.54 (147/182)	2010-2016 2016 2014 2012 2010
Millenium Development Goals (MDGs)	MDG Track	MDG 1: Missed with little progress MDG 2: Substantial progress MDG 3: Substantial progress MDG 4: Missed with little progress MDG 5: Missed with little progress MDG 6: Missed with little progress MDG 7: Missed with some progress	2020 perspective

Extreme poverty (below 1.90 USD PPP 2011)	World Development Indicators	11.70% 7.90%	2005 1992
Primary school enrolment	World Development Indicators	84.90% 75.40%	2014 2005
Primary school completion	World Development Indicators	104.00% 91.00%	2014 2005
Infant mortality (per 1 000)	World Development Indicators	36.00	2015
Maternal mortality (per 100 000)	World Development Indicators	510.00 525.00 540.00 562.00 584.00 728.00	2015 2014 2013 2012 2011 2005
Income inequality: GINI index	World Development Indicators	48.50	2005
Life expectancy	BTI	61.70 60.40 56.00 54.00	2016 2014 2012 2010
UN education index	BTI	0.52 0.58 0.58 0.69	2016 2014 2012 2010
Environmental performance	Yale EPI	123/180	2016
Environmental policy	BTI	4.00	2016

PFM weaknesses impact on the predictability of financial resources available for budget execution, to the detriment of service delivery (PEFA). Although Kenya now belongs to the group of lower middle-income countries, it is still in the lower ranks in terms of human development. Extreme poverty is very high, with more Kenyans below the 1.90 USD a day poverty line in 2005 than in 1991. Also considering the definition of poverty under MDG 1, it has not been reduced. As such MDG 1 was missed. It is expected that Kenya will achieve MDG 2, 3, 6 and 8 on aggregate in 2025. Substantial progress was achieved in primary school education, gender equality and the fight against HIV/AIDS. The score on the UN's education index, part of the Human Development Index, deteriorated since 2010 but life expectancy increased. Environmental policy is weak and the loss of forest coverage is unlikely to be reversed. The Yale environmental performance index scores Kenya 123 out of 180 countries, which is better than most countries in the region but still quite low.

While poverty rates remain high and environmental policy weak, progress was made in primary school education, gender equality, life expectancy, and the fight against HIV/AIDS