

KENYA'S ECONOMIC CHALLENGES TO REALIZE 2030_VISION

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ABSTACT

The purpose of this paper is to determine the challenges facing the Kenyan government in realizing the vision 2030.

The study relied on secondary data as a source of information mainly annual and five year development plans, session papers, economic surveys and IMF estimates. Since attaining independence Kenya had two long term policies and several 5 years development know that have guided planning and investment, the first was session paper No. 10 of 1965. African socialism and its application to planning in Kenya. The second session paper No. 1 1986. Economic management for renewed growth, immediately after taking office in 2002, the new NARC government commenced the process of preparing an Economic recovery programme. Focusing on the main strategy for reviving the economy and creativity jobs the strategy took into account existing government policy documents particularly, the poverty reduction strategy for employment and wealth conation (ERS). The strategy identified key policy measures and programmes to be pursued over the five year term and was an hood on four pillars namely:-

- i) Micro-economic stability*
- ii) Strengthening of institutions of governance*
- iii) Rehabilitation and expansion of physical infrastructure.*
- iv) Investment in the human capital of the poor on conclusion of the five year term of successful implementation of the ERS which saw the country's economy back on the path to rapid growth since 2002,when GDP grew at 0.6% to 6.1% in 2006 the government came up with a new strategy Kenya vision 20230 the country's blue print covering the period 2008 to 2030.*

Introduction

Kenya vision 2030 is the country's new development plan covering the period 2008 to 2030. It is a far-sighted national development plan to transform Kenya into a rapidly industrializing middle – income nation by the year 2030.

The economic pillar aims at providing prosperity of all Kenyans through an economic development proqramme aimed at achieving an average Gross domestic product (GOP) growt5h rate of 10% per annum in the next 25 years. To achieve this objective, the pillar targeted in priority sectors namely: Tourism, Agriculture and Livestock, wholesale and retail trade, manufacturing Business process outsourcing and financial services.

The social pillar seeks to build a just and cohesive society with social equity in a clean and secure environment” To achieve this objective the pillar targeted five sectors namely: education and training, health, water and sanitation. Environment and housing and urbanization.

The political pillar aimed at realizing a democratic political system founded on.

Issue basal politics and respects the out of law and protects the rights and freedoms of every individual in the Kenyan society under this pillar targeted rule of law and electoral and political process.

Challenges

1. Economic Pillar

i) Tourism:

The sector is faced by a number of challenges which ranges from: in adequate bed capacity, especially in the new tourism circuits in western Kenya and North Eastern regions due to poor and inefficient infrastructure, lack of financial resources particularly for tourism marketing and staff completion form other tourism destination in Africa such as South Africa, Egypt and Morocco.

ii) Agriculture:

The main challenges being experienced in the sector includes, low and declining soil fertility, high cost of inputs, low application of key inputs, low adoption of modern and appropriate technology and poor disaster preparedness and response.

Other challenges includes: limited capital, and inadequate access to affordable credit facilities, pre and post harvest losses, inadequate markets and poor marketing infrastructure, weak quality control systems, inappropriate legal and regulatory frame-work, poor governance and mismanagement of cooperative societies and improvement investment decisions

iii) Wholesale and Retail Trade

The challenges being experienced here includes how financing in the areas of focus, perennial shortage of technical staff to spearhead sector activities at the district, provincial and Kenya mission abroad.

iv) Manufacturing

The challenges here includes inadequate funding, shortage of skilled man power lack aster collaboration from other implementing agencies delay in procurement and logistics particularly at the district level, poor infrastructure and infiltration of the local market with counterfeit contraband and substandard goods.

v. Business Process Outsourcing

The short-comings here includes poor telecommunication infrastructure high cost and unreliable energy supply of business processing outsourcing software weak incentive structure and inadequate man-power.

v) Finance

The following challenges are reused: low penetration and limited supply of long term finance and low availability of ICT infrastructure especially in rural areas ATM machines overcapacity and price corruption and fraud, poor corporate governance negative public perception and limited skilled man-power.

2. Social Pillar

i) Education and Training

Some of the challenges here includes in crewed enrolment in primary and secondary schools overstretched existing facilities and negatively impacted on the ministry efforts to achieve high transition rates to

secondary education lack of adequate structure at all levels of education undermine efforts to enhance access and equity to education shortage of teaching and non-teaching staff across country and weak implementation structures and inadequate funding.

ii) **Health**

Inadequate funding to support planned and imitated activities, addressing preventable diseases like HIV, TB especially the multi drug resistance to malaria and non communicable diseases failure to meet target for instance low rate of material deliveries factor affecting affordability of health services and health behavior of the population inadequate and uneven distribution of health personnel which hampers service delivery.

iii **Water and Sanitation**

The main challenges here includes, poor and old water and sanitation infrastructure, weak water instatements persistence droughts lack of policy guidelines poor irrigation and drainage support services lack of early warning systems and mitigation measures.

IV Environment

Inadequate policy and legal frame-work to guide data and information sharing partnership intellectual property rights and inadequate specialized equipment for data connection, inadequate specialized equipment for data collections, inadequate institutional capacities low budgets inadequate staff and financial constrains.

v) **Housing and Urbanization**

The crucial and common short-comings here includes lack of comprehensive housing sector legislation inadequate public and private partnerships in housing high cost of building materials.

Inadequate construction of low cost housing, low levels of maintenance of government houses, low levels of government tending to housing department, lack of guidelines to harmonize leasing of government office and residential accommodation leading to payment for unusual and under-used space the post election violence in 2007 depressed investor confidence and hard adverse effects with houses destroyed leaving many Kenyans without shelter especially within slum and informal sectors.

3. Political Pillar

i) **Rule of Law**

The challenges here are:

- a) In calculating culture of compliance with laws.
- b) Streaming of the functional organization of loyal and judiciary institutions.
- c) Increasing service availability and access to justice.

ii) **Election and Political Process**

These constrains are:

- a) Inability to enforce the legal and regulatory framework covering the election process.
- b) Lack of civic education programmes.
- c) Inadequate environment of non-discrimination laws to promote inclusion of women and disadvantages groups in the electoral and political process.

iii) **Democracy and Public Participation**

- a) Lack of open engagement between government and civil society as well as flow of information through the media.

iv) Transparency and Accountability

- a) Inadequate muscle to strengthen the legal framework for ethics, integrity and parliament's oversight capacity.
- b) Promotion of result based management within the public service.

v) Public Administration and Service Delivery

- a) Absence of citizen and service charters as accountability tools.
- b) Short falls in strengthening of economic governance for better microeconomic management.

vi) Security, Peace, Building and Conflict Management

- a) Lack of cooperation and involvement between public and private sectors
- b) Inadequate national and inter- -community dialogue to build harmony among ethnic, racial and other interest groups.
- c) Lack of culture of respect for human life that restrains people from resorting to violence to resolve personal and community issues.

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