

European Union

Fact Sheet *Kenya*



Partners for Life

In 1976, when Kenya became the first country to sign a National Indicative Programme for co-operation with the European Community under the first Lomé Convention, a partnership was established that was destined to last.

Today, the European Union remains a steady and significant supporter of Kenya's economic and social development, and a major partner in the country's integration into the global marketplace. The entry into force of the Cotonou Agreement on April 1st 2003 provides a framework for the continuation of this partnership. The Cotonou Agreement emphasises the need for a comprehensive approach to sustainable development, including trade and political dialogue, also bringing non-state actors into the process.

The European Union aims to support the Government's efforts by focusing future assistance on two key sectors: rural development and transport. In addition, the Commission provides budgetary support to help finance the maintenance of key public services.

The EU encourages and supports Kenyan efforts to enhance democracy and pluralism, to ensure good governance, the rule of law and respect for human rights. These principles constitute the framework of the Cotonou Agreement, the document governing the partnership between ACP countries and the EU.

The EU promotes democratic development in Kenya. In this regard, it supports the reform agenda agreed by the Government of Kenya after the 2007-08 post-election crisis. To assist the transformation and credibility of the electoral system, the EU organizes and participates in the election observation missions. Support for human rights defenders is a long established element of the external relations policy of the EU.

Trade Relations

Kenya trade relations with the European Union are based on the Framework Economic Partnership Agreement which was initiated by the member states of the East African Community (EAC) and the European Commission in November 2007. This Agreement is a stepping stone towards a comprehensive Economic Partnership Agreement (EPAs), for which negotiations are ongoing.

In 2010, the EU remains Kenya's largest trading partner accounting for over 17% of Kenyans imports and 30% of its exports (total trade with EU approximately 20%).

2012 is a crucial year for EPAs: interim agreements are getting ratified and regional negotiations run at a brisk pace. The two movements are reinforcing each other and the renewed momentum in the negotiations is finally creating a real perspective for concluding the process. Time is of the essence. We must provide certainty and predictability to operators and to potential investors. Economically, ambiguity is the worst enemy of investment and growth. Politically, the EPA negotiations cannot be sustained indefinitely, ten years after they were launched.



The EPA on offer is clear. It is an international treaty with the EU providing free market access and cooperation support. Asymmetry is the word, as ACP countries have less far-reaching obligations. Only if ACP countries wish, EPAs will include commitments on services, investment and trade-related areas, identified in the Cotonou Agreement as important drivers of growth. So the EPA is a very flexible, development-oriented agreement. Its development potential lies in regional integration, enhanced investment and an improved business climate. It is time for ACP Governments - including Kenya - to take a sovereign decision as to whether they opt in or opt out of such a partnership. If Kenya decides to opt out, at least for now

(GSP is an "unilateral" system of preferences, which can be revoked any moment), the EU's reformed Generalised System of Preferences will offer an alternative, in terms of market access for goods rather than a partnership.

Development co-operation

The European Commission's cooperation with Kenya began in 1976. Kenya is one of 77 countries in Africa, the Caribbean and the Pacific that have jointly negotiated a comprehensive Partnership Agreement with the EU, the Cotonou Agreement.

The primary and overarching objective of EU development policy is the eradication of poverty in the context of sustainable development, in line with the international agenda, and with particular attention for the Millennium Development Goals (MDGs).

The EU is one of Kenya's largest development co-operation partners, providing grants from the European Development Fund and from the development instruments of the General Budget of the EU. Under the 10th EDF Country Strategy Paper the Kenyan people stand to benefit from a support of 383 million Euros for the period 2008 – 2013.

The EU currently supports a cumulative portfolio of on going programmes and projects amounting to 760 MEur in the following areas:

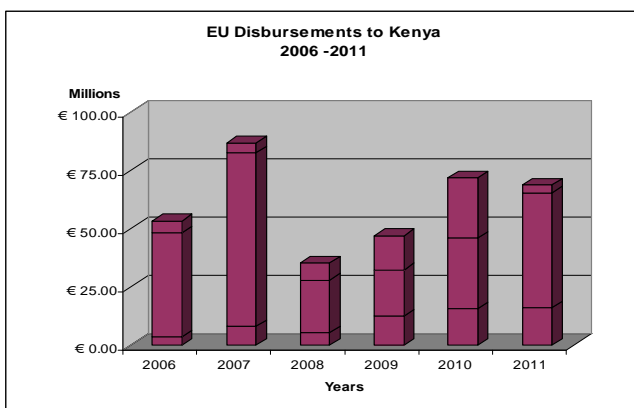
10th EDF Focal Sectors:

1. Transport infrastructure/road sector
2. Macro-economic budget support
3. Agriculture and rural development

Other Sectors:

1. Trade and private sector development
2. Governance
3. Social sector
4. Environment
5. Water
6. Energy

DISBURSEMENTS OF EU DEVELOPMENT ASSISTANCE TO KENYA OVER THE PERIOD 2006-2010



Highlights of EU development cooperation achievements of EU in 2011:

- The rehabilitation of a total of 120 km on the Eldoret-Webuye Road (A104) and Webuye-Malaba Road (A104) started. Upgrading of 84 km of rural roads (Meru-Nkubu-Mitungu and Imenti-Kionyu-Chogoria) was accomplished by the end of 2011. Eight coffee and tea producing districts of the Eastern Province also benefited from the complete rehabilitation of a total of 1,137 km of roads.

- Farm inputs were provided to more than 150 000 smallholders. In addition, 265,000 farmers received 860 tonnes of assorted planting materials for drought resistant traditional crops. Furthermore, 79,000 beneficiaries in Wajir and Turkana counties received food aid rations via voucher schemes.

- 100 water projects and 18 sanitation projects countrywide have been implemented in 2011 under the Water Services Trust Fund Project. 50% were completed in 2011 and an estimated one million beneficiaries will benefit from these facilities.

- Two hundred and seventy nine community based socio-economic projects spread across the country and directly benefiting over four hundred thousand Kenyans were successfully implemented by the Community Development programme 3 (CDP3) which ended in during the year.

- The Kenyan civil society also featured as one of the key beneficiaries of EU development cooperation. In 2011, 12 grants awarded to local NGOs allowed them to sensitise the communities and engage with the local authorities on governance-related issues, such as access to justice or sustainable management of the local environment. Finally, the EU Delegation published in September 2011 one of the first calls for proposals in Kenya to foster civil society mobilisation on the upcoming elections.



The Delegation of the EU is signatory to the Kenya Joint Assistance Strategy in support of the "Vision 2030" objectives. Projects and programmes and implemented by

the Government of Kenya, other bilateral and multilateral organisations, civil society organisations, local authorities and communities.

Humanitarian Aid



The European Union (EU) is the largest donor of humanitarian aid in the world. The EU, i.e. the European Commission together with the 27 EU Member States fund more than half of the world's humanitarian aid work.

The European Commission Humanitarian Aid & Civil Protection department (ECHO) is responsible for funding humanitarian work throughout the world. ECHO gave over €47 million for operations in Kenya in 2011, including €14 million for refugees and over €4 million for Disaster Risk Reduction initiatives.

Kenya is affected by recurrent droughts; hardest hit are the arid and semi arid lands in the northern part of the country. 5.5 million people living in Northern Kenya, mainly livestock keepers, are in a particularly vulnerable position due to chronic poverty and structural under-development. In 2011, Northern Kenya region experienced a severe drought, the worst in 60 years in some areas. Food security assessments showed that over 3.75 million people in Kenya needed emergency assistance to survive. While the situation has improved in 2012 due to good rainfall and substantial humanitarian aid, 2.2 million Kenyans are still in need of help.

Since the start of 2012, the European Commission is supporting drought mitigation, preparedness, and nutrition programmes in the arid regions affected by drought. Water

sources are being rehabilitated, and hygienic sanitation facilities installed. There are programmes to promote the health of livestock, to manage natural resources, and to treat malnutrition. The Commission is also supporting emergency programmes such as culling of livestock, and food aid. So far, ECHO has earmarked €32 million for Kenya this year including 16.6 for refugee operation.

The European Commission continues to support refugee operations. Kenya hosts about 610,000 refugees from neighbouring conflict-prone countries, especially Somalia. In 2011, heightened conflict and localized famine pushed hundreds of thousands of people out of Somalia and approximately 170,000 new refugees arrived in Dadaab, which is now home to over 460,000 people. ECHO is funding agencies which deliver basic services, including protection, to the refugees. The recent instability in South Sudan is also leading to an influx of refugees into Kakuma camp, Turkana, now hosting 96,000 people.

The European Commission operates a direct air service to northern Kenya (ECHO Flight) to enable partners and other humanitarian agencies gain access to remote areas. The air service offers crucial logistical support to humanitarian and transitional projects funded by the Commission and many other donors. In 2011, ECHO Flight transported over 6,300 passengers and almost 20 tonnes of cargo within Kenya. Funding for ECHO Flight is being maintained in 2012.

