

Creating a balanced economy throughout Kenya

Regional bodies join forces with Chinese building firms

Spearheading the national drive against poverty and with responsibility for the balanced development of the country's regions, the Ministry of Regional Development Authorities (MORDA) is one of Kenya's most important organizations.

Headed by Minister Frederick O. Gumo, MORDA was created seven years ago and is at the forefront of change and a key figure in the race towards Kenya's Vision 2030 — the ambitious and comprehensive socioeconomic strategic development plan aimed at achieving middle-income status by 2030.

With a reach that stretches from the coastal port of Mombasa in the south east, to the bustling city of Kisumu on the shores of beautiful Lake Victoria in the west, MORDA stands at the core of projects and activities that contribute towards the many social and economic goals of Vision 2030.

By ensuring that Kenyans attain enhanced growth and sustained wealth creation through integrated basin-based development programs, the dynamic ministry is improving living conditions and building a bright future for current and future generations.

Regional development

Kenya has six regional development authorities (RDAs) that plan, coordinate and implement rural activities to ensure equal resource development and promote regional socioeconomic development through integrated planning and management.

It is MORDA's mission to facilitate and coordinate these authorities in the delivery of integrated development programs through policy guidance and capacity building for sustainable use and the conservation of natural resources.

One of those resources, water, is being given particular attention. As MORDA's Permanent Secretary Carey O. Orege explains, Kenya's waterways still serve the tradition-

al trading routes and are primarily used for hydropower.

"We would like our rivers to be used in their totality and do it just as it was done for the Hoover Dam in the US," he says. "We are now focused in the line of Vision 2030 on bringing Kenya into development, to provide food security, generate power, create employment in various areas, and provide water.

"When it rains, most of our water goes to the ocean, but we want to hold onto that water for agricultural purposes and are in the process of building large multipurpose dams to generate electricity and irrigation."

More than 200,000 acres of land in total has been primed for irrigation, which will ultimately provide food security for a nation that is committed to having a sustainable economy within two decades.

According to Orege, the planned land overhaul will also give enough capacity to generate about 650 mW of electricity that can be added to the national grid.

"We are going to create many opportunities for employment," he says. "If it all goes ahead, we will create well over 9,000 jobs."

A dynamic and forward-thinking government body, MORDA offers a comprehensive range of world-class services that are provided by experienced, qualified, dedicated, and well-equipped staff from six departments. Its internal and external operations include general management and administration services, finance services, planning, regional development, conservation, and internal audit.

Coveted quality award

Having developed at an impressive pace, MORDA's considerable contributions to the balanced socioeconomic development of Kenya's diverse regions have underpinned national economic growth and gained it national and international recognition.

This was clearly illustrated in



Frederick O. Gumo,
Minister
for Regional
Development
Authorities



Carey O. Orege,
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2008 when MORDA became the first ministry in Kenya to achieve the coveted ISO 9001:2008 certification in recognition of its outstanding work and dedication to the delivery of first-class services across its entire operations.

Orege stated: "Gaining ISO accreditation was a great feat for us as we were the first ministry in Kenya to be ISO certified. This is a major plus for us in the sense that when people talk to us, they know we are serious about our work and responsibilities. This is a serious ministry and we are serious in delivering its mandate. We have a strong focus on customer service delivery."

This deserved recognition for MORDA's efforts in the battle against poverty came as it unveiled detailed proposals that include the creation of more than 213,000 direct jobs, and over 956,000 indirect jobs.

Creating a balance

The six RDAs, which are supported and guided by MORDA across all of their projects and activities, cover the following regions: Tana and Athi Rivers, Kerio Valley, Lake Basin, Ewaso Ng'iro North, Ewaso Ng'iro South, and Coast.

Apart from being responsible for job creation, they act as a link between the local farmers and the



Tea break: Multibillion-dollar hydropower schemes will significantly boost Kenya's agricultural output.

market. As Orege explains: "If there is a product that has to be sold or developed, we source markets for the farmers on a commercial basis. Sometimes the farmers can be doing good work, but a lack of a market hinders their progress. The RDA connects the farmers to the global market."

Set up primarily to address the regional imbalances within the country, these regional bodies play a key role in the social cohesion of the country.

"One of our key objectives is to control rural urban migration, because if we develop the rural areas we will prevent massive immigration that will eventually choke the main urban areas," Orege says.

"We are therefore trying to establish production centers in small urban areas so that people have jobs and a reason to stay in the rural areas rather than move to cities.

"We are working with government agencies, development partners, the private sector, non-governmental organizations, community organizations, the local communities themselves and other stakeholders to optimally and efficiently use local resources for maximum productivity.

"If you set up a factory that is not using local products, that factory can relocate at any time, which creates problems within the community. However, if the factory is based on locally generated products, it will always be there. So if we don't develop the sugar industry, for example, the industry will go away."

Strong Chinese presence

As in many African countries, foreign investment is a key driver of economic growth and expansion, with Chinese companies and agencies boasting a strong presence throughout Kenya's economy and also playing a leading role in non-economic areas such as health and education.

By channeling such important investment into the towns and communities located outside of the main urban areas, MORDA is helping to reduce overcrowding in cities through the provision of new jobs and better services.

"We are working closely with other ministries — mostly agriculture, water and energy — so that we can exploit our natural resources properly. With regards to industrialization, we conduct resource mapping and inform investors about the areas on which they can invest."

With Kenya striving to achieve its many Vision 2030 goals — one of which is to establish itself as a globally

competitive country — MORDA and the regional development authorities are embracing the concept of Public Private Partnerships (PPPs).

"We have signed Memoranda of Understanding with several Chinese firms on development projects in many regions," Orege notes. "Lake Basin, for example, has signed an agreement with Sinohydro Corporation for a multipurpose dam at Magwagwa, as well as with Hydro China Guiyang Corp. Magwagwe will provide stability and, at the



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CAREY O. OREGO
PERMANENT SECRETARY FOR REGIONAL
DEVELOPMENT AUTHORITIES

same time, irrigate over 17,000 acres of land."

Hydro China has also signed an MOU with Tana and Athi Regional Development Authority (TARDA) for a multi-million dollar multipurpose reservoir at High Grand Falls.

This project, with an estimated cost of \$74 million will irrigate 20,000 acres of land along the Tana Delta and go a long way to enhance sustainable development, food security, flood control and electricity generation for the area.

"My dream is to make the regional authorities realize the goals they were set and to eliminate inequalities in resource distribution — that is the one we are trying to achieve through the multipurpose dams," Orege said.

"They will create such a big impact and will be an irreversible process in this country's development. They are massive projects that might take between 10 to 20 years to come to fruition."

Strategic objectives

In line with its own mandate, Vision 2030 and its first medium-term plan — covering the period 2008 to 2012 — MORDA's strategic objectives include enhanced integrated regional development and improvement of institutional capacity.

To achieve this, the ministry is implementing regional development planning programs, community support and empowerment

programs, and integrated basin-based development programs.

The Nairobi-based government department is also coordinating a series of river bank, water bodies and catchment area development projects, as well as feasibility studies.

"Together with the work of other ministries and government agencies, the results of this wide-ranging and detailed medium-term strategic plan are expected to result in the creation of more than a million jobs, improved food security, and a better protected natural environment through new conservation practices.

"Other forecast benefits include improved water storage and supplies for domestic, livestock, fisheries and industrial use, increased multipurpose water storage reservoirs, increased power generation, and better flood control systems to avoid the destruction of crops, livestock and property."

Expected outputs from the implementation of this strategic plan will go a long way in the realization of the goals of Vision 2030 through the following benefits, among others:

- Increased food security in the country through the development of 2.24 million hectares of land through irrigation

- Improved environment through conservation and management of 15,734 sq km

- Improved water storage and supplies for domestic, livestock, fisheries and industrial use by 15,746 million cu m of water

- Increased multipurpose water storage reservoirs with capacity of 8.1 billion cu m of water for various uses such as hydropower generation and flood control

- Enhanced flood control to avert human loss as well as property destruction amounting to over \$122 million annually

- Increased power generation by 650 mW to the national grid

The strategic plan covers the period 2008 to 2012 and is aimed at guiding MORDA in the delivery of its mandate that includes policy guidance, capacity building, and oversight in the management and support to RDAs.

The strategic plan anchors its strategic thrust on Kenya Vision 2030 and medium-term plan and directs the ministry to focus on integrated regional development initiatives and the scaling up of RDAs' ongoing programs.

The challenge, according to the Permanent Secretary, will be starting the projects but, through the strategic plan, the ministry will rally concerted efforts from all stakeholders to remain focused on its vision and mission.

Kibaki visit yields lucrative development aid

Chinese involvement in development projects in all of Kenya's regions is set to grow following Kenyan President Mwai Kibaki's visit to Shanghai in May, when he invited China's business community to invest in the country.

During the successful five-day visit, the President attended bilateral talks with his host President Hu Jintao, which culminated in a KSh 1.2 billion grant towards Kenya's development projects.

President Jintao stated that President Kibaki's leadership had set Kenya on the growth path to drive the economies of countries in the East and Central Africa region, while President Kibaki called China "a genuine development partner and a critical ally in Kenya's economic revival that has led to major infrastructural development in the country."

The Asian country has donated around KSh 42 billion (\$0.5 billion) in total development assistance to Kenya.

At talks with representatives of the China-Africa Development Fund, the organization's chief executive officer Chi Jianxin explained the CAD's desire to partner with private and public companies within the East African country, supporting projects funded through the official bilateral framework that already exists between the two countries.

Regions will benefit

Projects slated for consideration include High Grand Falls — which comes under the Tana and Athi Regional Development Authority — and various coal-powered electricity generation projects.

During the Shanghai visit, President Kibaki met with Pan Jilu, President of Hydro China Guiyang Corporation.

The hydropower and wind power generation, transmission and dis-



Farmers across Kenya will gain from slated development partnerships.



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MWAI KIBAKI
PRESIDENT OF KENYA

tribution company has already been involved in the \$80 million Nandi multipurpose Hydro Power dam project along the Yala River in the Lake Basin region of the country, the Bubisa wind power generation project in Marsabit — a mountainous area in the Ewaso Nyiro North region, and the Ewaso Nyiro South multipurpose irrigation and hydro-power project.

President Kibaki also met with Zhang Renjun, Senior Vice President of ZTE Corporation, a global telecommunications, equipment

and networks provider which has been working on the Western Kenya and North Rift Fibre Optical Cabling extending to the Southern Sudan border.

President Kibaki assured Chinese investors that the government is doing everything possible to guarantee a friendly environment. He directed the ministries of Finance, Regional Development and Energy to organize consultative meetings with companies interested in Kenya's development needs and work out modalities of implementing identified projects.

President Kibaki also attended the official opening of the Expo 2010 Shanghai, which saw a record of 192 countries participating and gave Kenyan entrepreneurs the opportunity to display and promote their products and services in the huge Chinese and Asian markets.

During bilateral talks held between the two presidents, agreements were reached on the funding of Vision 2030 flagship projects including the construction of Lamu Port and new areas of development cooperation such as health and education, including scholastic exchanges.



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