



Kenya's reforms trigger stronger private infrastructure market

In 2010, Kenya established a new Constitution, which secured the independence of the judiciary and formally separated the three powers of the executive, legislature and judiciary.

The new Constitution also supported efforts to reduce corruption, with the creation of an independent Ethics Commission to be overseen by the Attorney General. Constitutional reform has been part of an increasing positive trend in Kenya's governance and institutions. The Public Financial Management Act (2012) has also strengthened the role of the Office of the Auditor General, to provide stronger oversight of the executive by the legislature.

On the World Bank's Rule of Law governance indicator, Kenya has improved significantly, moving from 101 in 2010/11 to 77 in 2014/2015 (out of 212 countries).

The change in Kenya's governance has been a catalyst for improvement in the country's investment environment and global competitiveness (improving by 12 per cent over the same period), and has been reflected in private sector investor confidence.

While there have been annual variations in transaction value, overall the private sector market has been stronger since the 2010 reforms. Particularly noticeable is the significant increase in transaction value from \$64 million in 2010 to \$1.5 billion 2011.

YEAR	TRANSACTION VALUE (\$M)	NUMBER OF TRANSACTIONS
2010	64	1
2011	1,508	3
2012	424	3
2013	306	2
2014	891	3
2015	1,714	5



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