

CANADIAN ASSISTANCE TO KENYA

Situated astride the equator on the east coast of Africa, Kenya is bounded to the east by the Indian Ocean and the Somali Republic, to the north by Ethiopia and Sudan, to the west by Uganda and to the south by Tanzania. Swahili is the official language. English and Kikuyu are also widely spoken. Nairobi is the capital with a population of 700,000.

Kenya's prosperity rests largely on the production and processing of agricultural and pastoral products, and about 90 per cent of Kenya's population is dependent on agriculture. In 1976 this sector accounted for 29 per cent of the gross domestic product and 70 per cent of export earnings. The principal cash crops are coffee, tea (of which Kenya is Africa's leading producer), sisal, pyrethrum, pineapple and wattle.

Kenya has been an independent republic since 1964. It has steadily diversified its economy with the result that the manufacturing and service sectors are relatively well developed. Food and beverage processing are the most important industries, followed by the manufacture of building materials, chemicals, textiles, rubber and leather products.

Recently, Kenya has had one of the most impressive economic records of any developing country due to unusually high international coffee prices over the last two years. However, with the inherent drawbacks of a poor natural resource base, limited hydroelectric potential and a scarcity of good farm land, Kenya is also facing economic problems caused mainly by the inflationary prices it must pay for its imports.

Area -- 582,646 km².

Population -- 13.4 million.

Per capita GNP -- \$220.

Canadian Assistance

Until recently, Canadian assistance to Kenya concentrated on technical assistance, government administration and education, but now increasing emphasis is being placed on rural development projects.

Transportation

Rural infrastructure projects include the secondary and minor roads gravelling project which provides \$14 million in loans and grants for the upgrading of existing rural secondary and minor roads to an all-weather standard. The project, to be completed in 1982, will decrease vehicle operating costs, and facilitate transportation of agricultural products to markets.