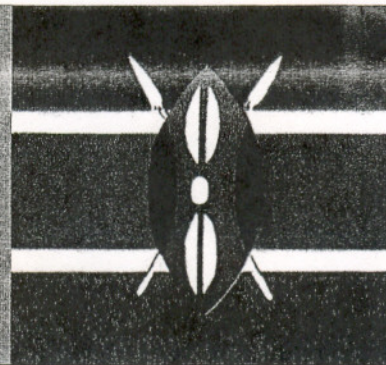




REPUBLIC OF KENYA



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**STATEMENT BY DR. TIMOTHY M'MELLA
LEADER OF THE KENYA DELEGATION DURING THE INTERGOVERNMENTAL
PREPARATORY MEETING OF THE FIFTEENTH SESSION OF THE
COMMISSION ON SUSTAINABLE DEVELOPMENT (CSD-15) ON THE THEME
“INDUSTRIAL DEVELOPMENT”
ON
TUESDAY, 27TH FEBRUARY 2007
AT THE UNITED NATIONS HEADQUARTERS, NEW YORK.**

Mr. Chairman,

On behalf of the Kenya delegation I take this opportunity to congratulate you on your election as the chair of this session and further express our gratitude to you and the bureau for the manner in which you are guiding the deliberations on the theme of industrial development.

The Kenya delegation aligns itself with the statement read by the representative of Pakistan on behalf of the Group of 77 and china.

Mr. Chairman,

Industry, in particular the manufacturing sector accounts for over 13.6 percent of Kenya's gross domestic growth. It employs about 300,000 people in the formal sector and about 3.7 million in the informal sector. Hence industry sector is not only strategic to the economic growth in Kenya but also central to the achievement of millennium development goals, particularly the goal number one on the poverty reduction.

The government along with other stakeholders has for a long time now, put emphasis on improving the investment climate and business environment. One of the initiatives in this direction has been the development of the Investment Climate Action Plan (ICAP) that covers short and medium-term activities. Its focus is on the improving the investment environment and creating a conducive environment for the private sector activity.

A lot has gone into the promotion of the public-private sector dialogue and partnerships for development. For instance, a number of private sector organization/associations have been established to spearhead and promote public-private sector dialogue and partnership. They include the Kenya private Sector Alliance (KEPSA), the Kenya Association of Manufactures (KAM) and other sector specific association, all geared towards the same objective.

Mr. Chairman,

Owing to the importance of the industrial sector in Kenya's development endeavours, efforts have been underway to develop and review industrial development strategies aimed at promoting industrial development. The sessional paper No.2 of 1997 on industrial transformation to a newly industrialized country by the year 2020 is currently under review to take into account emerging local and global trade, investment and industrialization issues and trends.

In 2003, the government launched the economic recovery strategy for wealth and employment creation for the period 2003-2007 and recently launched vision 2030. The two strategies aim at drastic boost in economic growth rates, employment creation and, subsequently transforming Kenya into a middle income country by 2030 respectively. It is important to point out that industrialization/industrial development is a central and common denominator in all these. Other strategies aimed at addressing industrial development include: development of an industrial master plan that is underway; drastic improvements in infrastructure including energy and water; promotion of research and development; standards development among others.

In its efforts to adhere to sustainable industrial development, the government in conjunction with UNDP, UNIDO and UNEP established the Kenya National Cleaner Production Centre in the year 2000. The center is working closely with Kenya's manufacturing sector and the concept of cleaner production is currently being applied in various industrial establishments.

Mr. Chairman,

The above mentioned efforts are however limited by a number of challenges that include:

- Limited resources(financial, technical and human) to facilitate faster and broad-based industrial development ,
- Limited institutional capacities to address all the important issues,
- Poorly developed infrastructure for industrial, including energy, water, transport means and networks etc development,
- Lack of appropriate technologies in the area of industrial development.

In view of the above, Mr. Chair, it is imperative that the international community, particularly the developed countries give priority to helping developing countries address problems hindering rapid sustainable industrial development. Such measures would include resource mobilization, capacity building, technology transfer and development of infrastructure.

We believe the forthcoming session of commission on sustainable development, will create awareness and sensitize the international community on the challenges facing developing countries in this endeavour and ultimately increase attention and focus on the need for industrial development in developing countries.

Mr. Chairman, Kenya will continue to cooperate and work with the commission and the international community in this regard.

I thank you.