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Kenya's major opposition parties form the National Super Alliance (NASA) ahead of the 8 August general election. The NASA is likely to put forward Orange Democratic Movement (ODM) leader Raila Odinga or Amani National Congress (ANC) leader Wycliffe Musalia Mudavadi as its presidential candidate. The new Independent Electoral and Boundaries Commission (IEBC) is sworn into office. Kenya Power & Lighting Co Ltd appoints Ken Tarus as interim managing director and CEO. The Kenya Defence Forces (KDF) rejoins the United Nations Mission in South Sudan (UNMISS) following withdrawal in November.

Opposition launches National Super Alliance

Kenya's major opposition parties announced on 11 January the formation of the **National Super Alliance (NASA)**, which will field a single candidate to challenge president **Uhuru Kenyatta** (2013-present) in the 8 August general election.¹ The choice of presidential candidate may threaten the stability and unity of the opposition coalition. The NASA unites the **Coalition for Reforms and Democracy (CORD)**, **Amani National Congress (ANC)** and the **Kenya African National Union (KANU)**.² The NASA defied expectations that it would use its launch in **Nairobi** to name its candidate.

"At the launch, expectations were rife that NASA would name the single candidate but the respective party leaders only mentioned that they were working on who to field, much to the disappointment of many."³

The NASA presidential candidate will most likely be either **Orange Democratic Movement (ODM)** leader **Raila Odinga**, **Wiper Democratic Movement (WDM)** leader **Kalonzo Musyoka**, **FORD-Kenya** leader **Moses Wetangula** or ANC leader **Wycliffe Musalia Mudavadi**.⁴ Odinga previously pledged that if Musyoka agreed to be his running mate in 2013, Odinga would step aside to allow Musyoka to run for president in the next election. However, Odinga now seems to want to stand himself in August.⁵

The NASA aims to unite CORD, ANC and KANU's ethnic constituencies.

"All these parties are tribal outfits for Kenya's main ethnic groups."⁶

If Odinga, an ethnic **Luo**, is the NASA presidential candidate, which is the most likely scenario, the coalition will help him draw support from ethnic **Kalenjin**. Deputy president **William Ruto**'s Kalenjin are increasingly dissatisfied with Ruto's failure to secure government appointments and contracts and perceive that Ruto has made too many concessions to Kenyatta.⁷ However, whether Odinga is able to make inroads into other ethnic groups is dependent on the NASA remaining a coherent proposition.

¹ Capital FM, 11 Jan 2017.

² Capital FM, 11 Jan 2017.

³ Source, journalist, Nairobi

⁴ Capital FM, 11 Jan 2017.

⁵ East African, 11 Jan 2017.

⁶ Source, journalist, Nairobi

⁷ Source, journalist, Nairobi

“For Odinga it will arguably be his last chance, having unsuccessfully tried to vie for presidency for four times, this is his last realistic chance. The main selling point for an Odinga presidency is his experience in both government and his ability to mobilise both voters and political funding. Odinga also appeals to smaller tribes who often feel unrepresented in the current government.”⁸

Odinga, however, faces criticism over his failure to address alleged corruption by ODM governors. **Nairobi County** governor **Evans Kidero** and **Mombasa County** governor **Ali Hassan Joho**, who are ODM’s chief financiers, are linked to alleged corruption, money laundering and narcotics trafficking.⁹

“Odinga has also been accused of not promoting internal democracy in ODM by influencing party nominations to favour close relatives and friends.”¹⁰

If Odinga fails to secure sufficient support to stand as the NASA presidential candidate, the coalition is likely to nominate Mudavadi due to ethnic considerations. Mudavadi belongs to the **Luhya**, the second largest ethnic group in Kenya. The Luhya consists of a number of sub-tribes that tend to vote for different parties but over the last few months, supporters have championed Mudavadi as a leader who will unite the Luhya nation.¹¹

“For Mudavadi the first and most obvious selling point that he brings to NASA is votes. Given that Kenyans vote on tribal lines, the ability to rally ethnic-bloc voting gives the ‘community leader’ strong bargaining power during coalition negotiations. Mudavadi also has a reputation as calm and collected, unlike Odinga and Mr. Kenyatta who are seen as being abrasive and at times overbearing.”¹²

The NASA did not put forward any significant policy platforms at its launch, but repeated previous opposition criticism of ruling **Jubilee Party** failures to curb corruption, unemployment and government borrowing.¹³ The NASA confirmed that it has suspended previously threatened protests against the contentious **Election Law (Amendment) Act 2016**, which Kenyatta signed into law on 9 January (see *ARC Briefing Kenya January 2017*).¹⁴ Instead, the NASA said its immediate priority is to encourage all voters to register, with the **Independent Electoral and Boundaries Commission (IEBC)** beginning a major voter registration operation on 16 January prior to the registration deadline on 14 February.¹⁵ The opposition has long complained that the IEBC has failed to ensure adequate registration in opposition strongholds. Odinga warned that street protests could resume once the registration deadline passes.¹⁶

In a sign that the NASA will not overcome persistent opposition grievances, KANU chairman **Gideon Moi** and **Bomet County** governor **Isaac Ruto**, leader of the **Chama Cha Mashinani** party, did not, as expected, attend the launch ceremony in Nairobi.¹⁷ Moi and Ruto are significant as they could deliver the ethnic Kalenjin vote in the **Rift Valley** to the opposition.¹⁸ The Jubilee Party campaign has tasked deputy president Ruto with securing the Kalenjin vote for Jubilee. The Jubilee Party has reportedly offered senior positions within government to Moi and Ruto to shore up their Kalenjin support.¹⁹ KANU also appears divided, with members of the party’s executive council claiming that party

⁸ Source, journalist, Nairobi

⁹ Source, journalist, Nairobi

¹⁰ Source, journalist, Nairobi

¹¹ Source, journalist, Nairobi

¹² Source, journalist, Nairobi

¹³ Capital FM, 11 Aug 2017.

¹⁴ Capital FM, 11 Aug 2017.

¹⁵ Daily Nation, 17 Aug 2017.

¹⁶ Capital FM, 11 Aug 2017.

¹⁷ East African, 11 Jan 2017.

¹⁸ East African, 11 Jan 2017.

¹⁹ Africa Confidential, 6 Dec 2016.

secretary-general **Nick Salat**'s backing of the NASA was his own personal initiative and did not represent the party's official stance.²⁰

NASA, on 31 January, appointed a coordinating committee: senators **James Orengo, Johnson Muthama, Agnes Zani** and **Boni Khalwale**, and members of parliament (MPs) **Eseli Simiyu, Sakwa Bunyasi, Francis Nyenze, Chris Wamalwa, Timothy Bosire, Farah Maalim** and **Kipruto Kirwa**.²¹

There is a risk that ethnic-based alliances such as NASA will increase the likelihood of local and national violence similar in scale to the 2007-2008 election violence, though along different ethnic lines. The risk of violence either side of the general election largely depends on the IEBC's credibility, and it therefore has only six months to convince the opposition that it can be trusted to oversee the election on a non-partisan basis. The new IEBC was sworn into office on 20 January.²² The previous IEBC resigned in October after it lost credibility over allegations of mismanagement and corruption during the March 2013 general election, and claims it favoured the ruling Jubilee Party. On assuming office, new IEBC chairman **Wanyonyi Wafula Chebukati** said his immediate priority is to deliver a "*free, fair and credible election*".²³ Chebukati's longer-term priority is to reform the structures and processes of the IEBC to build public confidence in the institution.²⁴ The other new commissioners are **Consolata Nkatha Bucha Maina, Boya Molu, Paul Kibiwott Kurgat, Margaret Wanjala Mwachanya, Abdi Yakub Guliye**, and **Roselyn K. Akombe**.²⁵ The new IEBC commissioners' first task is to complete the final voter registration drive.²⁶ The IEBC estimates that between four to six million people are yet to register to vote.²⁷

Western diplomats on 22 January issued a joint statement welcoming the appointment of the new IEBC commissioners.²⁸ The diplomats called on all political parties to support the IEBC with its election preparations, including voter registration, audit of the voter register, and procurement of equipment.²⁹ The diplomats said the election will help secure the promise of the 2010 constitution, and called on the government, political parties and security forces to avoid inciting violence ahead of the election and to respect the final result.³⁰

The general election will dominate the political landscape for the remainder of the year, hindering effective policymaking and implementation. The close of the voter registration period in February will determine the NASA presidential candidacy. The NASA will probably select the candidate who can guarantee the most votes from their ethnic constituencies. The numbers registered in NASA strongholds will indicate whether the NASA presidential candidate can pose a meaningful challenge to the Kenyatta.

Tarus becomes new Kenya Power CEO

Nairobi Securities Exchange-listed electricity distributor **Kenya Power & Lighting Co Ltd** confirmed on 11 January that **Ken Tarus** had assumed office as interim managing director and CEO.³¹ Tarus's low-key internal promotion will bolster Kenya Power's reputation for effective corporate management with minimal political interference over appointments. Tarus' appointment was effective from 4 January.³² The Kenya Power board had previously sought legal recourse to extend the

²⁰ Daily Nation, 30 Jan 2017.

²¹ Daily Nation, 31 Jan 2017.

²² Standard, 20 Jan 2017.

²³ Standard, 20 Jan 2017.

²⁴ Capital FM, 22 Jan 2017.

²⁵ Daily Nation, 22 Jan 2017.

²⁶ www.kenya-today.com

²⁷ www.kenya-today.com

²⁸ www.gov.uk

²⁹ www.gov.uk

³⁰ www.gov.uk

³¹ Standard, 11 Jan 2017.

³² Standard, 11 Jan 2017.

contract of his predecessor **Ben Chumo** beyond the mandatory retirement age.³³ Under Tarus, Kenya Power will appoint a permanent successor to Chumo. Prior to his appointment, Tarus was Kenya Power general manager in charge of finance and a member of the utility's executive management team since 2014.³⁴ Before joining Kenya Power, Tarus was head of finance at the **Rural Electrification Authority** between 2012 and 2014, and deputy vice chancellor at **KCA University** (Nairobi).³⁵ Tarus has held various positions in the banking sector including head of finance at **Bank of Africa**, financial controller at **Standard Chartered Bank** and various positions at **Kenya Commercial Bank**.³⁶

Tarus' priority will be to secure political backing and investor financial support for a proposed KSh219 billion (\$2.2 billion) five-year plan for capital investments.³⁷ Kenya Power has a positive record of profitability and transparent financial reporting increasing the viability of the investment programme. Kenya Power will finance the plan through generation of specific internal funds, commercial banks and international financial institutions.³⁸ Kenya Power expects the **World Bank** to complete a review of its financing plans by June 2017.³⁹ The plan has five pillars: infrastructure development, network modernisation, electricity loss reduction, resource realignment and improved supply and customer service.⁴⁰ Under the plan, Kenya Power will procure 2,725 MW from new power stations, with the majority coal-fired.⁴¹ The plan includes connecting 1.2 million customers annually until 2021, the installation of 52 new primary substations, 1,000 distribution substations and approximately 16,000 kilometres of new power lines.⁴² If fully implemented, the plan will increase the number of Kenya Power customers receiving adequate power supply from 4.8 million to 10.8 million by 2021.⁴³ Kenya Power also plans to establish a new debt collection and management unit and install 2.8 million smart meters to improve revenue collection.⁴⁴ The government plans to increase national grid connectivity from 28% to 65% by 2022.⁴⁵

The Kenyan government is looking to the private sector to deliver a substantial portion of the required electricity infrastructure within the framework of the **2013 Public Private Partnership Act**. The Kenyan electricity market provides a sound enabling environment for investment.⁴⁶ The energy market offers independent regulation through the autonomous **Energy Regulatory Commission**, cost-reflective tariffs and a functional market design.⁴⁷ Kenya Power is partially privately owned and has a positive record of profitability and transparent financial reporting.⁴⁸ Kenya Power's financial stability and access to capital markets reduces the need for sovereign guarantees. The government offers a number of concessions to attract private sector participation in electricity generation including feed in tariffs (FiT) for renewable projects, zero-rated import duty and VAT exemptions on certain inputs, and dollar denominated tariffs.⁴⁹

The government will continue to prioritise securing additional investment and diversifying Kenya's power sector as key to obtaining its **Vision 2030** development goals. The government has achieved

³³ Standard, 11 Jan 2017.

³⁴ Standard, 11 Jan 2017.

³⁵ Standard, 11 Jan 2017.

³⁶ Standard, 11 Jan 2017.

³⁷ Daily Nation, 9 Dec 2016.

³⁸ Daily Nation, 9 Dec 2016.

³⁹ Daily Nation, 9 Dec 2016.

⁴⁰ Daily Nation, 9 Dec 2016.

⁴¹ Daily Nation, 9 Dec 2016.

⁴² Daily Nation, 9 Dec 2016.

⁴³ Daily Nation, 9 Dec 2016.

⁴⁴ Daily Nation, 9 Dec 2016.

⁴⁵ www2.deloitte.com

⁴⁶ www.usaid.gov

⁴⁷ www.usaid.gov

⁴⁸ www.usaid.gov

⁴⁹ www2.deloitte.com

notable success in the sector, with overall generation projected to increase over 50% between 2016 and 2024.⁵⁰ Investment in Kenya Power's transmission and distribution networks is required to support the expansion of a diversified energy mixture.

Kenyan military to re-join UNMISS

The government redeployed the **Kenya Defence Forces (KDF)** to **South Sudan** on 29 January.⁵¹ The return of Kenyan peacekeepers is part of a diplomatic rapprochement between Kenya and the **United Nations (UN)**. Following a meeting between Kenyatta and new UN secretary general **Antonio Guterres**, the KDF will rejoin the **United Nations Mission in South Sudan (UNMISS)**.⁵² The Kenyan government withdrew from UNMISS in November 2016 after the UN dismissed UNMISS commander lieutenant general **Johnson Mogoia Kimani Ondiek**, a Kenyan national and KDF officer.⁵³ A UN investigation had blamed Ondiek for failing to protect civilians during a July 2016 spike in violence in capital **Juba** between forces loyal to president **Salva Kiir** (2011- present) and the **Sudan People's Liberation Movement in Opposition** loyal to former vice president **Riek Machar**.⁵⁴ At the time, Kenyatta claimed that the UN was using Ondiek as a scapegoat for wider UNMISS failings. Kenyatta and Guterres met on the sidelines of the **African Union** summit in **Addis Ababa (Ethiopia)** between 30 and 31 January. To facilitate the return of KDF troops to South Sudan, Guterres offered Kenya command of the **United Nations–African Union Mission in Darfur (UNAMID)**.⁵⁵ In a blow to Kenyatta's foreign policy aspirations, **Chad** foreign minister **Moussa Faki Mahamat** defeated Kenya's foreign ministry cabinet secretary **Amina Mohamed** in a vote to become African Union commission chair on 30 January.⁵⁶

Kenya is central to the South Sudanese peace process. **Mombasa Port** is the main entry point for South Sudan including for UNMISS, while Nairobi frequently hosts negotiations and mediates between the South Sudan government and opposition groups. The return of the KDF to UNMISS increases the likelihood of political stability in South Sudan. For Kenya, contributions to regional peacekeeping forces mark its full return to the international community after finding itself increasingly isolated during the **International Criminal Court (ICC)** trials of Kenyatta and Ruto.

⁵⁰ BMI, 1 Jan 2016.

⁵¹ East African, 29 Jan 2017.

⁵² East African, 29 Jan 2017.

⁵³ East African, 29 Jan 2017.

⁵⁴ East African, 29 Jan 2017.

⁵⁵ East African, 29 Jan 2017.

⁵⁶ Daily Nation, 30 Jan 2017.

About Africa Risk Consulting:

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