



## Creating Fiscal Space for Development in Sub-Saharan Africa

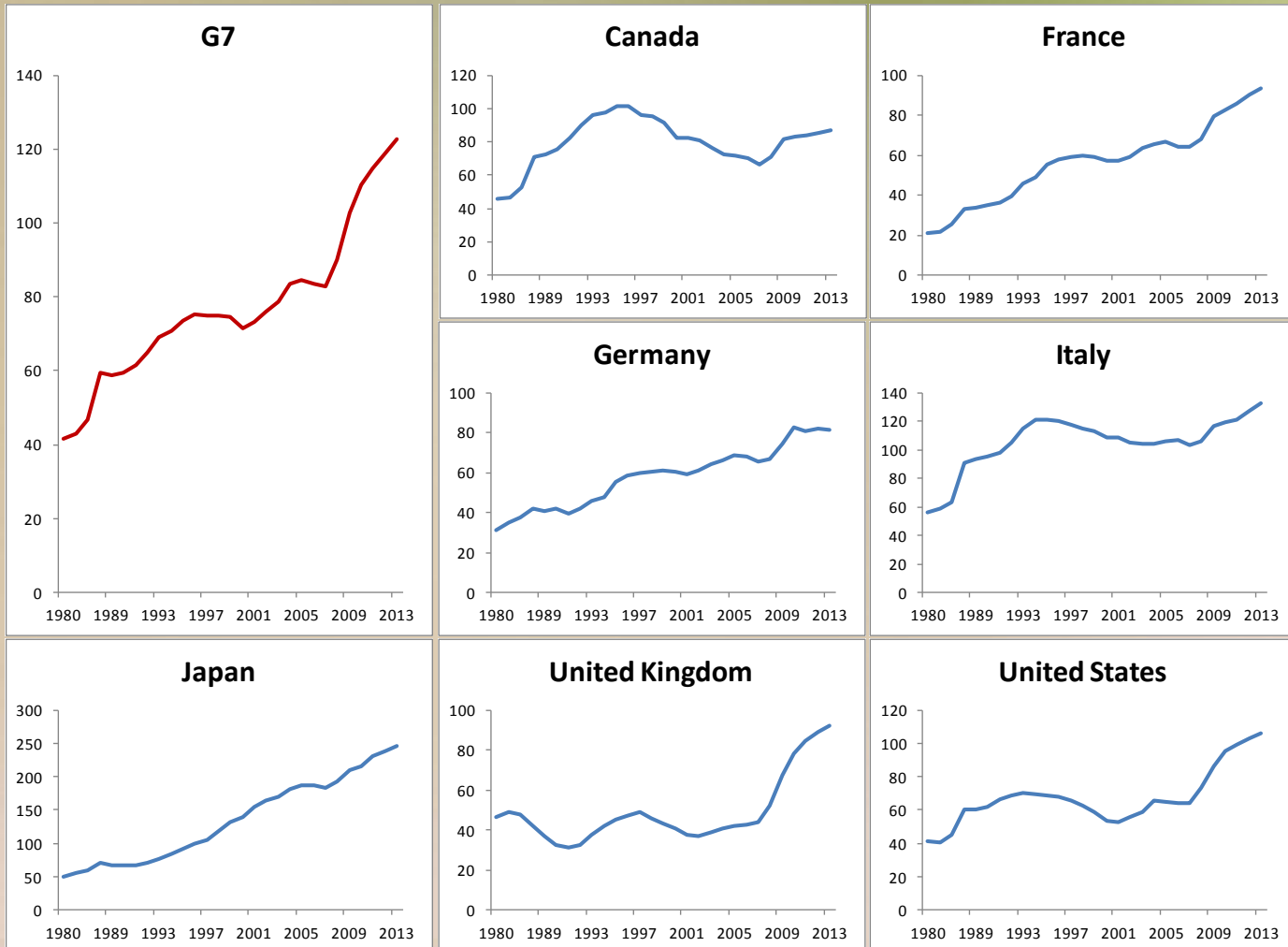
Roger Nord  
Nairobi, September 2013

# Outline

- Global context and developments in SSA since the financial crisis
- Creating fiscal space
- Using fiscal space effectively
- Fiscal challenges for Kenya

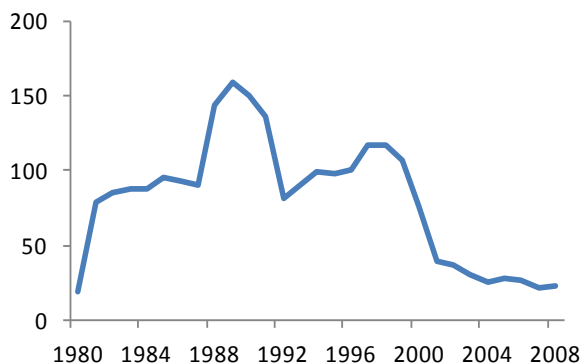


# Public debt to GDP ratio in advanced economies at historical peaks...

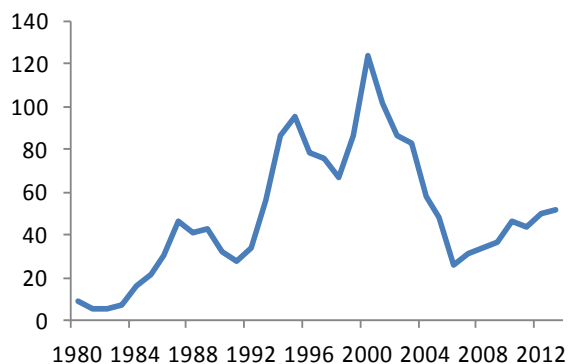


# ... while outlook is fiscal stance is different in SSA

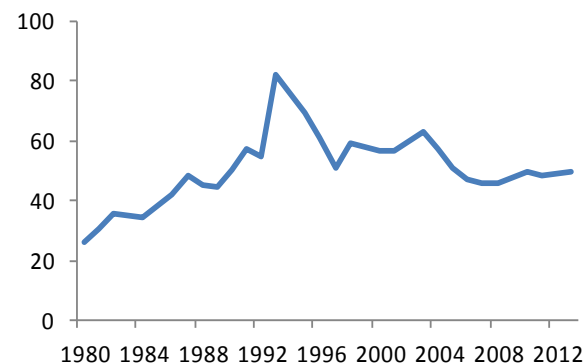
### Ethiopia



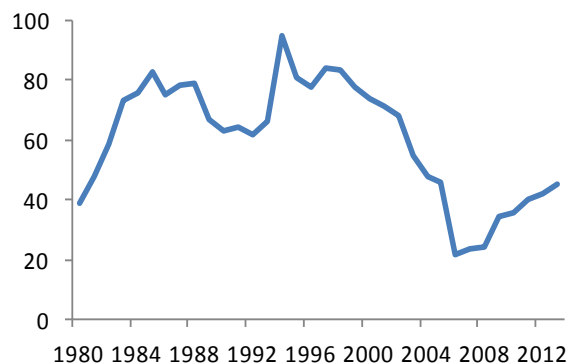
### Ghana



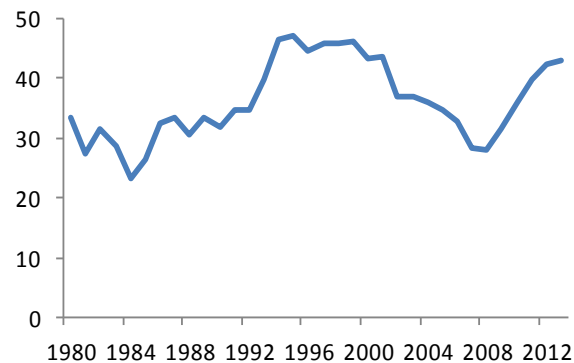
### Kenya



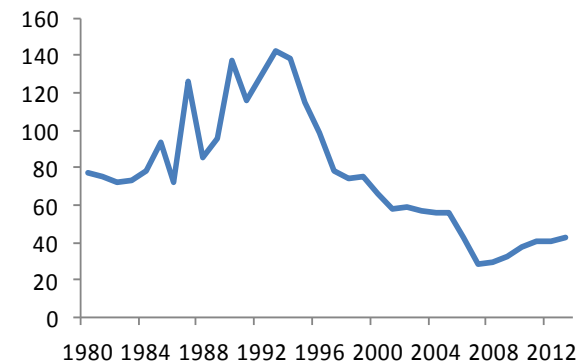
### Senegal



### South Africa



### Tanzania

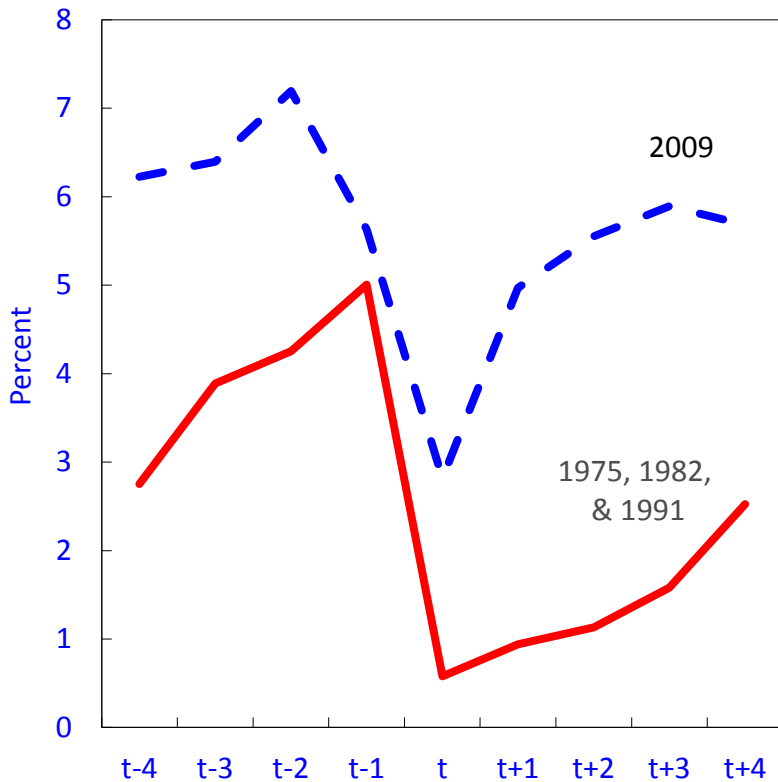


# Resilience in the face of the largest shock to hit the region since the 1970s

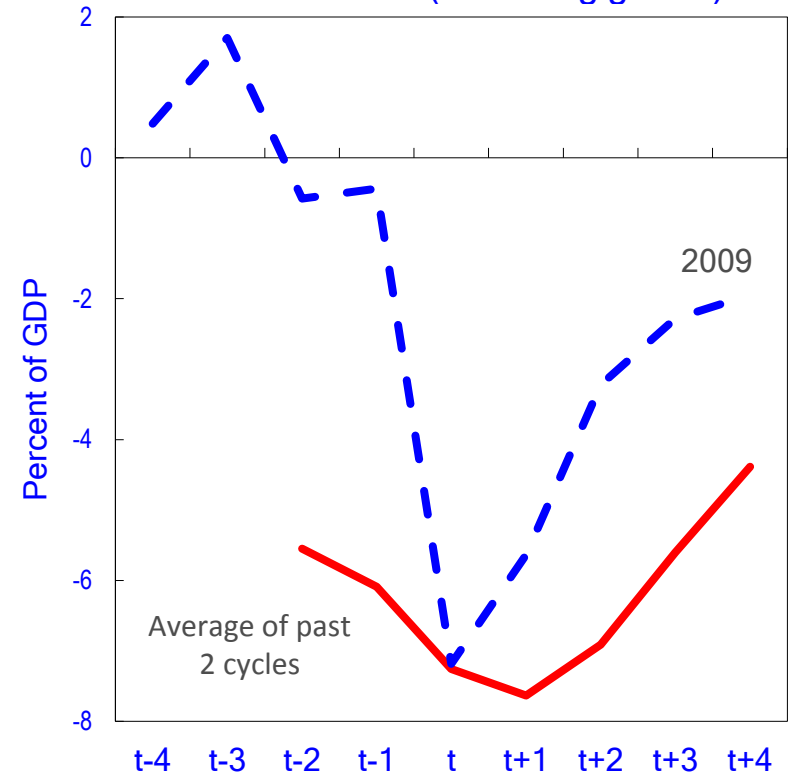
This time was **different** . . .

partly due to **better** initial conditions

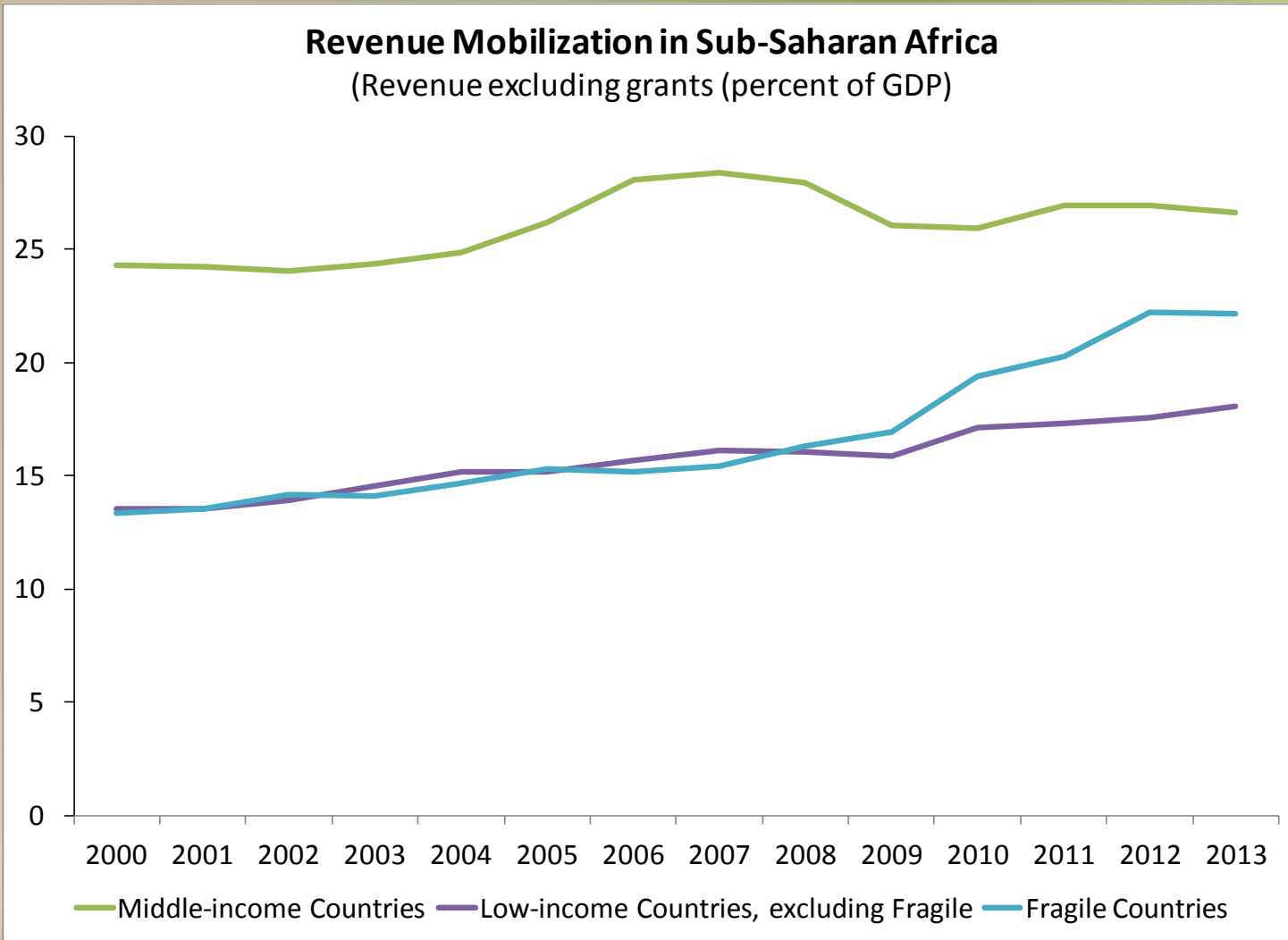
Real GDP Growth in SSA During Global Downturns



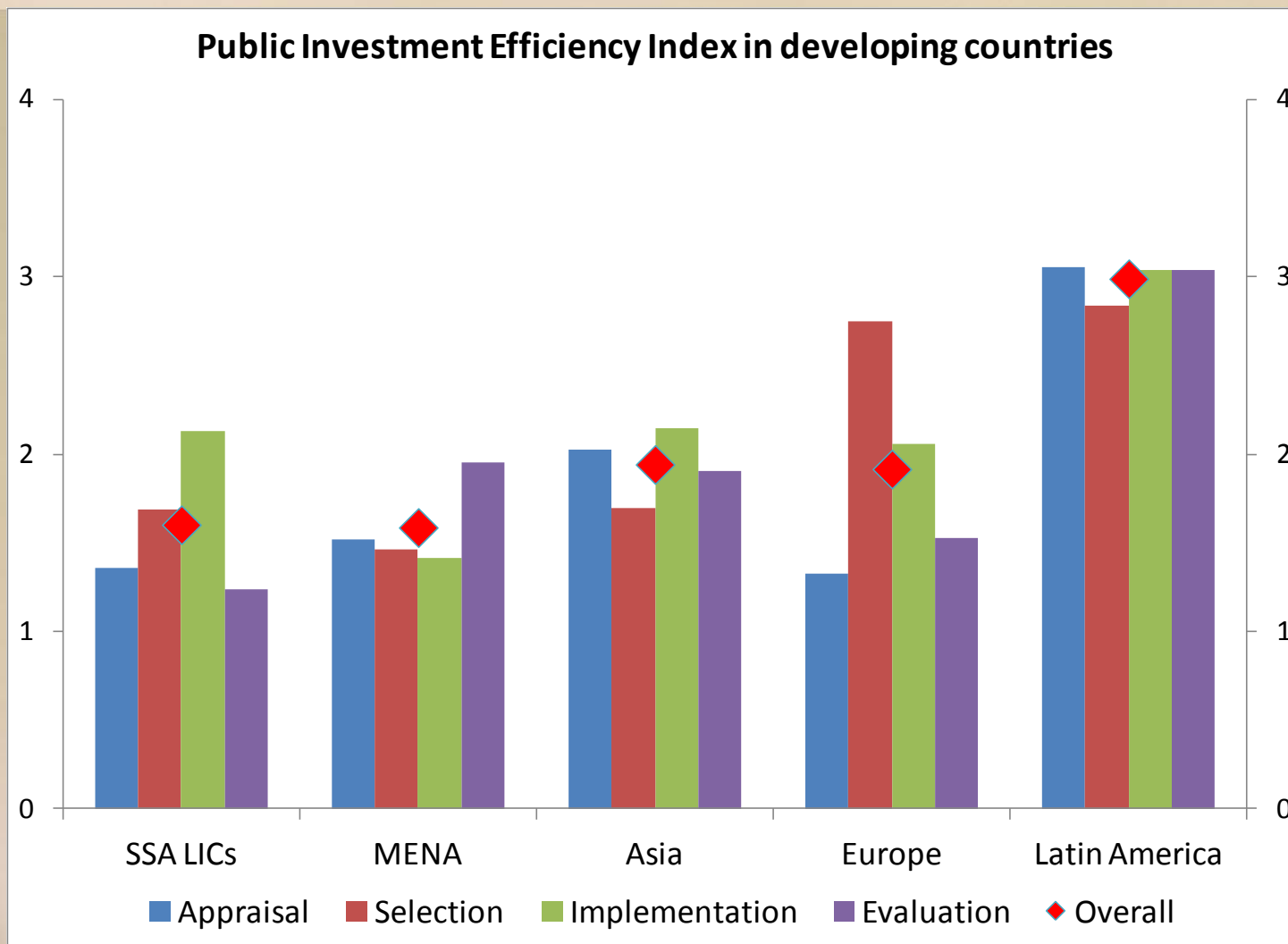
Fiscal Balance (excluding grants)



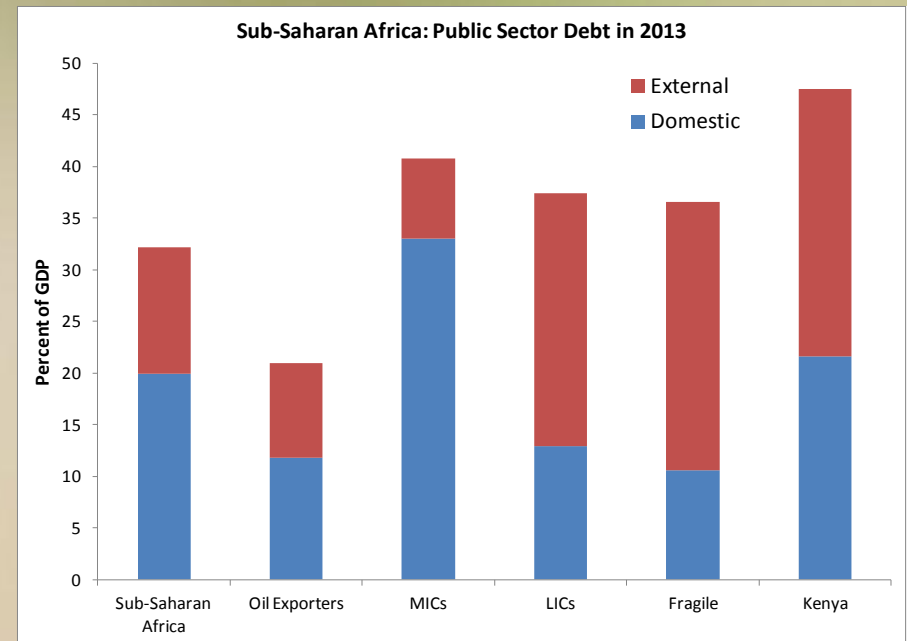
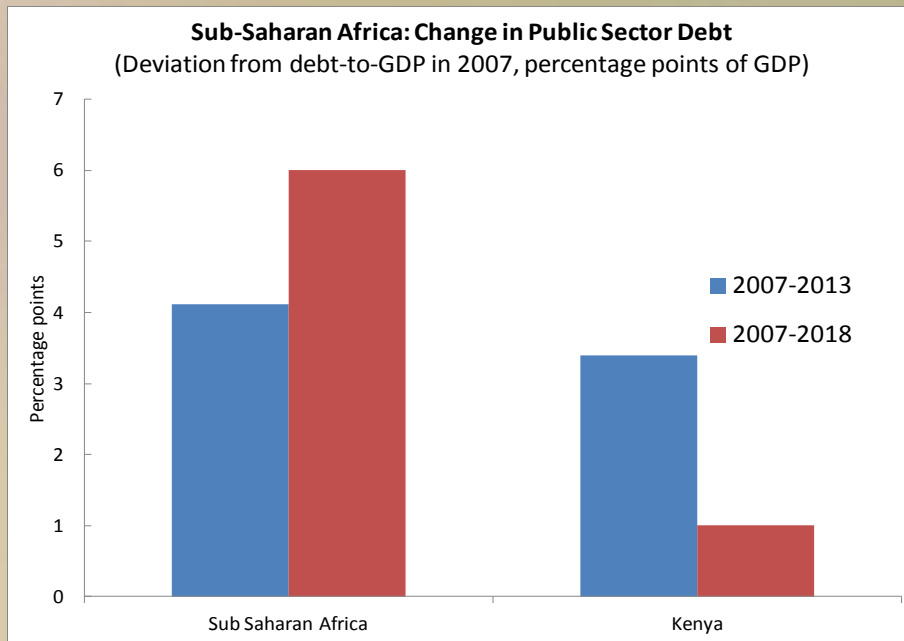
# Creating fiscal space...



# Effective use of fiscal space is crucial...

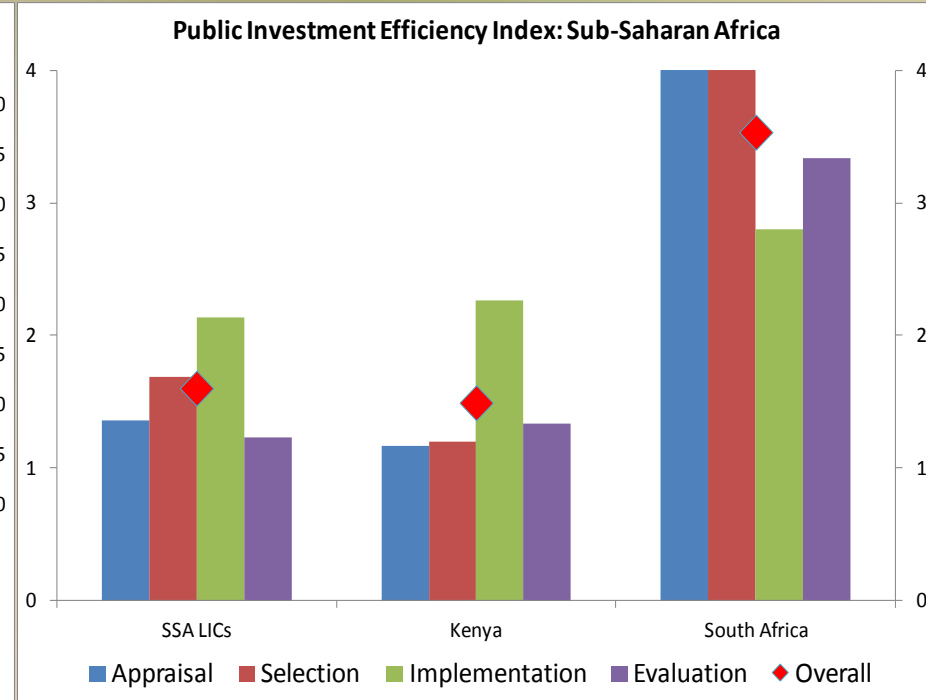
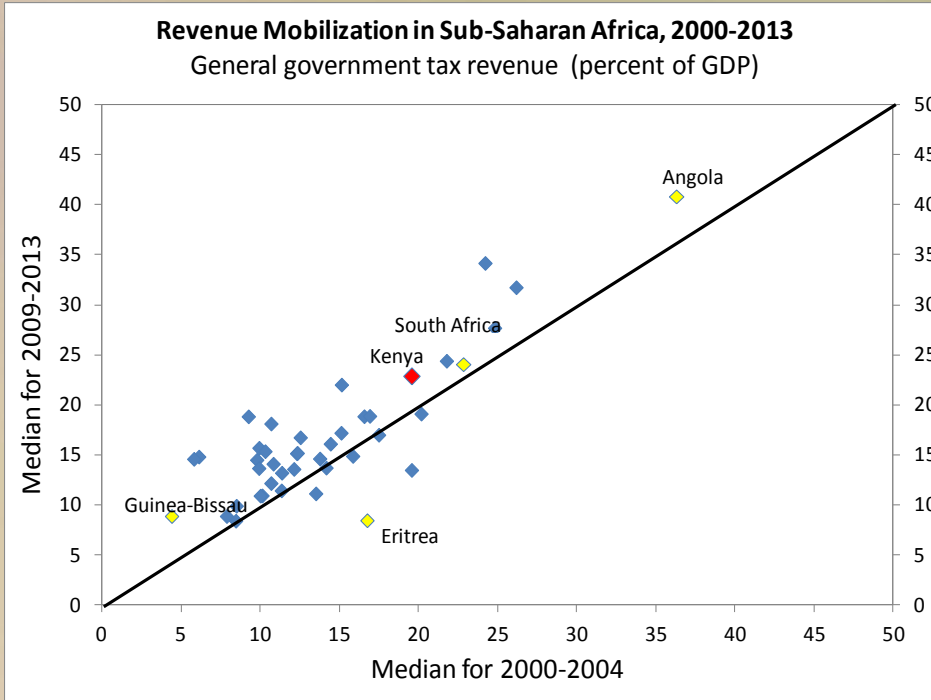


# Implications for Kenya? -1





# Implications for Kenya? -2



Thank You

