REPUBLIC OF KENYA

KENYA VISION 2030 FLAGSHIP PROGRAMMES AND PROJECTS PROGRESS REPORT (FY 2020/2021)

Towards A Globally Competitive and Prosperous Nation

AUGUST 2022

FOREWORD

The Kenya Vision 2030 is the country's long-term development blueprint whose goal is to transform Kenya into a newly industrialising, globally competitive, and prosperous upper middle-income country with a high quality of life for all citizens by 2030. The Vision is delivered through five-year Medium-Term Plans (MTPs) and is now in its third implementation phase (MTP III), covering the period 2018-2022.

The performance and achievements in the implementation of MTPs is presented through two key reports: Annual Progress Report, which provides the overall performance across sectors based on outcomes; and Annual Flagship Programmes and Projects Progress Report which presents the performance of flagship programmes and projects. These reports are meant to inform policy and decision-makers on the status of implementation for accelerated development and also to inform evidence-based decision making.

To date, the Vision 2030 Delivery Secretariat has prepared a consolidated MTPs' I and II Flagship Projects Progress Report. Under MTP III, the First and Second Annual Flagship Projects Progress Reports were prepared in FY 2018/19 and FY 2019/20 respectively. This report is the Third Annual Flagship Projects Progress Report on the progress and achievements of flagship programmes and projects during the FY 2020/21. An analysis of these reports indicates that Kenya has made considerable progress since 2008 in implementing the flagship projects and programmes across all sectors of the economy and continued to do so during the FY 2020/21. Notably, significant progress has been made in the foundations of macro-economic stability. This progress will be sustained in the medium term to raise the living standards of every Kenyan.

It is worth noting that the 74th General Assembly of the United Nations declared the period 2020-2030 as a Decade of Action for the delivery of the Sustainable Development Goals (SDGs). As a Board, we are delighted that the Vision's framework is in line with the SDGs.Indeed, the framework has integrated the three dimensions of sustainable development: economic, social and environmental. The implementation of the Vision's framework is, therefore, in line with the foregoing Call for Action by the United Nations for the attainment of Agenda 2030. Drawing from the challenges encountered and lessons learnt so far, we will develop an implementation acceleration framework and provide strategic leadership and direction in the realisation of the Vision. To this end, all Ministries, Counties, Departments and Agencies will be required to prioritise key programmes and projects in line with the Government Development Agenda.

This report underscores the need for a vibrant public service to facilitate the delivery of Vision 2030 through the flagship programmes and projects. As such, for sustained service delivery, we will continue to advocate for increased momentum in reforming the public sector through, among others, digitisation of key government services and strengthening policy, legal and institutional frameworks to support service delivery.

The Government takes cognisance of the fact that the outbreak of the COVID-19 pandemic has caused the most severe global health and economic setback. According to the Kenya National Bureau of Statistics Economic Survey, 2022, the global economy recovered significantly in 2021 with an estimated growth of 5.9 percent which was attributed to easing of COVID-19 restrictions which led to increased global trade and activities in the industrial and service sectors. The global economy real Gross Domestic Product (GDP) is estimated to grow by 4.4 percent in 2022. Given that flagship programmes and projects are capital intensive, we will continue to strengthen collaboration networks and partnerships with the county governments, private sector, development partners and other non-state actors as a way of creating synergy for optimum output. Specifically, we will explore alternative financing models for programmes and projects, owing to the fact that continued borrowing exerts more pressure on our debt portfolio. We call upon all stakeholders to play their roles effectively and together we will realise the envisaged goals and objectives of the Kenya Vision 2030.

I would like to extend my appreciation to the Director General, Vision 2030 Delivery Secretariat Mr. Kenneth Mwige, for not only providing technical and administrative support in the preparation of this report but also for his leadership in tracking and reporting on progress of implementation of flagship programmes and projects.

CAROLE KARIUKI, HSC, MBS
CHAIRPERSON
VISION 2030 DELIVERY BOARD

ACKNOWLEDGEMENT

This is the third progress report on implementation of flagship programmes and projects in the Third Medium Term Plan of the Kenya Vision 2030. The report covers FY 2020/21 and was prepared in a consultative manner, incorporating inputs from various stakeholders.

I, therefore, wish to express my personal and institutional sincere gratitude to all those who supported the preparation of this report. I take this opportunity to express our gratitude to all ministries, counties, departments, agencies and other stakeholders for their effective participation and commitment towards the delivery of this report.

I humbly recognise the guidance and support provided by the Cabinet Secretary, the National Treasury and Planning, Hon. (Amb.) Ukur Yatani, and Principal Secretary, State Department for Planning, Mr. Saitoti Torome, during the development of this report.

This report was prepared by the Vision 2030 Delivery Secretariat in collaboration with technical officers from the State Department for Planning. I acknowledge their efforts in ensuring that we fulfil this mandate of informing Kenyans on the progress made towards achieving the Kenya Vision 2030.

I would also like to extend my appreciation to all our partners for their invaluable support and look forward to their continued collaboration. To all those individuals and organisations that, in various ways, contributed to this report but are not mentioned, I say thank you.

KENNETH MWIGE
DIRECTOR GENERAL
VISION 2030 DELIVERY SECRETARIAT

TABLE OF CONTENTS

List of Tables

List of Figures

LIST OF ACRONYMS

ADC	Agricultural Development Corporation
ADR	Alternative Dispute Resolution
AGPO	Access to Government Procurement Opportunities
AIDS	Acquired Immunodeficiency Syndrome
AIV	African Indigenous Vegetables
AMR	Antimicrobial Resistance
ASALs	Arid and Semi-Arid Lands
BBI	Building Bridges Initiative
BOUT	Build, Operate, Upgrade, and Transfer
BPO	Business Process Outsourcing
CA	Communications Authority of Kenya
CARPS	Capacity Assessment and Rationalisation of the Public Service
CBA	Competency Based Assessment
CBC	Competency Based Curriculum
CBET	Competency Based Education and Training
CBK	Central Bank of Kenya
CBR	Central Bank Rate
CEMASTEA	Centre for Mathematics, Science and Technology Education in Africa
CHV	Community Health Volunteer
CMA	Capital Markets Authority
COG	Council of Governors
COVID-19	Corona Virus Disease 2019
CTS	Case Tracking System
DLP	Digital Literacy Programme
DRST	Directorate of Research, Science and Technology
DTT	Digital Terrestrial Television
DWT	Deadweight Tonnage
EAC	East African Community
EACC	Ethics and Anti-Corruption Commission
EIA	Environmental Impact Assessment
ELC	Environment and Land Court
ELRC	Employment and Labour Relations Court
ENSDA	Ewaso Ngiro South Development Authority
EPC-F	Engineering, Procurement, Construction and Financing
EPRA	Energy and Petroleum Regulatory Authority
EPS	Expanded Polystyrene
EPZ	Export Processing Zone
EPZA	Export Processing Zones Authority
ERP	Enterprise Resource Planning

ESIA	Environmental and Social Impact Assessment
ESP	Economic Stimulus Programme
EWER	Early Warning Early Response
FGM	Female Genital Mutilation
FY	Financial Year
GBV	Gender Based Violence
GBVRC	Gender Based Violence Recovery Centre
GCCN	Government Common Core Network
GDC	Geothermal Development Company
GDP	Gross Domestic Product
GHRIS	Government Human Resource Information System
GoK	Government of Kenya
HELB	Higher Education Loans Board
HCV	Heavy Commercial Vehicle
HINI	High Impact Nutrition Interventions
HIV	Human Immunodeficiency Virus
HSNP	Hunger Safety Net Programme
ICD	Inland Containment Depot
ICT	Information and Communication Technology
ICU	Intensive Care Unit
IFAD	International Fund for Agricultural Development
IGRTC	Intergovernmental Relations Technical Committee
IPRS	Integrated Population Registration System
ISO	International Organization for Standardization
IT	Information Technology
ITES	Information Technology Enabled Services
IWUA	Irrigation Water Users Association
JKIA	Jomo Kenyatta International Airport
JKUAT	Jomo Kenyatta University College of Agriculture and Technology
KAA	Kenya Airports Authority
KAGRC	Kenya Animal Genetic Resources Centre
KAIST	Kenya Advanced Institute of Science and Technology
KALRO	Kenya Agricultural and Livestock Research Organization
KAS	Kenya Academy of Sports
KCAA	Kenya Civil Aviation Authority
KEC	Kenya Education Cloud
KEFRI	Kenya Forestry Research Institute
KEMRI	Kenya Medical Research Institute
KEMSA	Kenya Medical Supplies Authority
KENAS	Kenya Accreditation Service

KenGen	Kenya Electricity Generating Company
KeNHA	Kenya National Highways Authority
KENIA	Kenya National Innovation Agency
KEPTAP	Kenya Petroleum Technical Assistance Project
KETRACO	Kenya Electricity Transmission Company
KICC	Kenyatta International Convention Centre
KICD	Kenya Institute of Curriculum Development
KIPI	Kenya Industrial Property Institute
KISE	Kenya Institute of Special Education
KITI	Kenya Industrial Training Institute
KLDC	Kenya Leather Development Council
KLMIS	Kenya Labour Market Information System
KMD	Kenya Meteorological Department
KMTC	Kenya Medical Training College
KNAP	Kenya National Action Plan
KNBS	Kenya National Bureau of Statistics
KNEC	Kenya National Examinations Council
KNH	Kenyatta National Hospital
KNLS	Kenya National Library Service
KNQA	Kenya National Qualification Authority
KNQF	Kenya National Qualification Framework
KNSL	Kenya National Shipping Line
KOMEX	Kenya National Multi Commodity Exchange
KoTDA	Konza Technopolis Development Authority
KPA	Kenya Ports Authority
KPLC	Kenya Power and Lighting Company
KQMH	Kenya Quality Model for Health
KRC	Kenya Railways Corporation
KSG	Kenya School of Government
KSHS	Kenya Shilling
KURA	Kenya Urban Roads Authority
KVDA	Kerio Valley Development Authority
KWS	Kenya Wildlife Service
KYEOP	Kenya Youth Employment and Opportunities Project
LAN	Local Area Networks
LAPSSET	Lamu Port South Sudan Ethiopia Transport
LBDA	Lake Basin Development Authority
LDD	Learners Digital Device
LINAC	Linear Particle Accelerator
LMI	Labour Market Information

LPG	Liquified Petroleum Gas
LPO	Local Purchase Orders
MDAs	Ministries, Departments and Agencies
MDCAs	Ministries, Departments, Counties and Agencies
MES	Managed Equipment Services
MGR	Meter Gauge Railway
MLND	Maize Lethal Necrosis Diseases
MoE	Ministry of Energy
MoH	Ministry of Health
MoLPP	Ministry of Lands and Physical Planning
MoU	Memorandum of Understanding
MSC	Mediterranean Shipping Company
MSEA	Micro and Small Enterprise Authority
MSME	Micro, Small and Medium Enterprise
MT	Metric Tonnes
MTP	Medium Term Plan
MTRH	Moi Teaching and Referral Hospital
NACOSTI	National Commission for Science, Technology, and Innovation
NCBF	National Capacity Building Framework
NCD	Non-Communicable Diseases
NCPWD	National Council for Persons with Disabilities
NDEF	National Drought Emergency Fund
NDMA	National Development Management Authority
NEMA	National Environment Management Authority
NEMIS	National Education Management Information System
NFNF	Non-Food Non-Fuel
NGAAF	National Government Affirmative Action Fund
NHC	National Housing Corporation
NHIF	National Health Insurance Fund
NIA	National Irrigation Authority
NIFC	Nairobi International Financial Centre
NLC	National Land Commission
NLIMS	National Lands Information Management System
NMK	National Museums of Kenya
NMS	Nairobi Metropolitan Service
NPP	Nuclear Power Plant
NPS	National Police Service
NTSA	National Transport and Safety Authority
NYS	National Youth Service
ODPP	Office of Director of Public Prosecutions

OSC	One Stop Centre
OVCs	Orphans and Vulnerable Children
PAPs	Project Affected Persons
PGAs	Partner Government Agencies
PICD	Participatory Integrated Community Development
PPP	Public Private Partnership
PSV	Public Service Vehicle
PWDs	Persons With Disabilities
PWSDs	Persons With Severe Disabilities
RAP	Resettlement Action Plans
R&D	Research and Development
REITs	Real Estate Investment Trusts
REREC	Rural Electrification and Renewable Energy Corporation
RR	Research Reactor
SACCOs	Savings and Credit Cooperatives
SCMPs	Sub Catchment Management Plans
SDGs	Sustainable Development Goals
SET	Science, Engineering and Technology
SEZ	Special Economic Zones
SEZA	Special Economic Zones Authority
SGR	Standard Gauge RailwaysSHP
SMEs	Small and Medium Enterprises
SNE	Special Needs Education
STEM	Science, Technology, Engineering and Mathematics
STEMI	Science, Technology, Engineering, Mathematics, and Innovation
ST&I	Science, Technology & Innovation
TARDA	Tana and Athi Rivers Development Authority
TLU	Tropical Livestock Unit
ToT	Training of Trainers
TPCSI	Training and Production Centre for Shoe Industry
TSC	Teachers Service Commission
TVET	Technical Vocational Education and Training
UHC	Universal Health Coverage
WASH	Water Sanitation and Hygiene
WEF	Women Enterprise Fund
WRUA	Water Resource User Association
YEC	Youth Empowerment Centre
YEDF	Youth Enterprise Development Fund

EXECUTIVE SUMMARY

The Kenyan economy experienced mixed performance in various sectors due to the adverse effects of the COVID-19 pandemic. The economy rebounded strongly in the second quarter of 2021, recording a Gross Domestic Product (GDP) growth rate of 10.1 percent supported by strong recovery in the non-agriculture sectors which grew by 9.4 percent compared to a contraction of 1.4 percent in 2020, and the easing of COVID-19 pandemic containment measures. In 2021, the economy grew by 7.5 percent compared to a contraction of 0.3 percent in 2020. The contraction was largely attributed to poor performance of services sector which contracted by 4.7 percent. However, the strong performance of agriculture, forestry, and fisheries (4.8 percent growth), and construction (11.8 percent growth) moderated the impact of the pandemic on the economy.

Inflation remained well anchored within the medium-term target band in 2021. Specifically, annual inflation increased from 5.2 percent in FY 2019/20 to 5.4 percent in FY 2020/21 and was within the Central Bank of Kenya (CBK) target range of 5+/-2.5 percent. Further, interest rates remained relatively stable in 2021, reflecting continued accommodative monetary policy stance by CBK and ample liquidity conditions. The Kenya shilling (KSh) exchanged at an average rate of KSh 109.65 against the US$ in 2021, a 2.9 percent depreciation, compared to KSh 106.45 in 2020. On the other hand, the cumulative remittance inflows in 2021 increased by 20.2 percent from US$ 3,094 million in 2020 to US$ 3,718 million in 2021.

However, the overall balance of payments position worsened to a deficit of US$ 57.5 million in the year to June 2021 from a surplus of US$ 47.2 million in the previous year. This was mainly due to the widening of the current account deficit. During the review period, public debt as a percentage of GDP increased from 63 percent in FY 2019/20 to 68.2 percent in FY 2020/21. Overall, the debt sustainability indicators revealed that there was significant improvement in 2021. The public and publicly guaranteed debt service to export ratio improved from 26.5 in 2020 to 19.1 in 2021 though still higher than the threshold of 15.

Foundations for National Transformation

Under the Foundations, 1,597.65 Km of roads were constructed to bitumen standards of which 553.31 Km were done under conventional approach and 1,044.34 Km were constructed under Low Volume Seal roads. In addition, 37,680 kilometres of roads were rehabilitated and maintained. Under the Road Safety Programme, 395,597 smart driving licenses, 128,644 E-stickers for new registrations and transfers and 7,344 e-stickers were issued during inspection. Boda Boda management system was developed and operationalised, including sensitisation, training, and licensing; developed road safety mainstreaming policy guidelines, trained 365 road safety committees/units, negotiated road safety mainstreaming targets and vetted for 429 Ministries, Departments and Agencies (MDAs).

In addition, 23.5 Km of railway link between Standard Gauge Railway (SGR), Metre Gauge Railway (MGR) and truck parking yard at Naivasha Inland Container Depot (ICD) were under construction at various stages. A total of 5,904,751 tonnes of freight was hauled, being 5,145,677 tonnes by SGR and 711,647 by MGR. This was against the achievement of 4,549,948 tonnes in FY 2019/20 representing a 30 percent growth in freight haulage volume. In the same period, the number of rail passengers grew from 2,830,000 in FY 2019/20 to 4,490,000 in FY 2020/21.

On expansion and modernisation of aviation facilities, 48 percent of the replacement of asphalt concrete with rigid concrete at Terminal 1A at the Jomo Kenyatta International Airport (JKIA) for aircraft taxi lanes/ways was completed, bringing the cumulative completion to 70 percent at the end of FY 2020/21. Similarly, the rehabilitation of pavements at the Moi International Airport reached 37.8 percent which cumulatively brought the project to 91.7 percent completion rate. Other facilities expanded and modernised during the review period included Katulo Airstrip in Mandera, Suneka Airstrip in Kisii, Migori Airstrip, Kitale Airstrip and Kakamega Airstrip among others. In order to enhance safety in the aviation industry, the construction of the regional centre for aviation medicine was initiated with the works achieving 70 percent completion rate by 30th June 2021.

In relation to the ports sub-sector, the main achievements in the reporting period included the completion, commissioning, and operationalisation of the First Berth of the Port of Lamu; rehabilitation of the Port of Kisumu and increased volume of cargo throughput from 33.62 million Deadweight Tonnage (DWT) to 36.05 million DWT at the end of FY 2020/21. In addition, efforts were made towards improving the shipping and maritime facilities spread across Mombasa, Kisumu, Kwale and Lamu counties. Further, the construction of Kipevu Oil terminal project progressed from 75.3 percent to 89.6 percent completion level, which was a positive variance of 2.6 percent against the target of 87 percent.

Regarding power, generation capacity increased from 2,840MW to 2,984MW, of which 2,232MW, or 75 percent thereof emanated from renewable energy sources. In addition, 702,058 new customers were connected to the grid against an annual target of 500,000, bringing the cumulative number to 8,278,203 from 7,576,145 in FY 2019/20. In order to improve universal access to Information and Communication Technology (ICT) services, a total of 2,501.5 Km of fibre optic was constructed to connect sub-counties and hospitals. The improved accessibility to ICT services was demonstrated through increased internet connectivity from 83.38 percent to 91.2 percent in the review period.

Under science, technology and innovation, in spite of the challenges, the national science, technology and innovation parks were established at the Konza Metropolis and Dedan Kimathi University of Technology. Further, 781 industrial designs, utility models and patents were registered against a target of 701, and 4,265 Trademarks were also registered against a target of

5,700. To support innovation by Small and Medium Enterprises) (SMEs), 30 patents were registered, and 940 SMEs sensitised on the Integrated Population Registration System (IPRS).

On land reforms, the National Land Use Policy was developed; and 410,000 title deeds issued against a target of 400,000. This was mainly occasioned by enhanced collaboration with the Nairobi Metropolitan Services (NMS) and county governments. Digitisation for the Murang'a registry was completed in readiness for roll-out in June 2022. In adition, the National Land Management Information System (NLIMS) was developed and online services for the Nairobi registry rolled out; land offices constructed in Naivasha, Samburu, Nandi and Laikipia, 21 physical development plans prepared to guide socio-economic development and sustainable use of land in the country; and training of counties conducted.

As part of public sector reforms, 52 Huduma Centres providing more than 128 services from 37 Ministries, Departments, Agencies and Counties (MDACs) were established. The Huduma Contact Centre was also operationalised, and Huduma Kenya Customer Service Excellence Standard developed. Further, four Customer Service Excellence Curricula were developed in collaboration with the Kenya School of Government (KSG). To create awareness, 36 Huduma Mashinani outreaches were conducted where over 250,000 citizens were served.

Economic Pillar

The Pillar aims to achieve a sustained average economic growth rate of 10 percent per annum until 2030. Although the Pillar was more affected by the COVID-19 pandemic, there was remarkable progress in some sectors. The agriculture sector recorded an improved growth of 4.9 percent against a target of 6.7 percent while the manufacturing sector contribution to the GDP stood at 7.6 percent in 2020 against the MTP III target of 15 percent due to the COVID-19 containment measures. The sector’s real value added declined by 0.1 percent compared to a growth of 2.5 percent in 2019. In 2020, the value of output increased by 2.8 percent from KSh 2.3 trillion to KSh 2.4 trillion while the number of persons in the formal manufacturing employment decreased by 10.3 percent from 353,300 in 2019 to 316,900 in 2020.

The tourism sector registered marginal improvements in 2021 with tourism earnings increasing by 59.8 percent to stand at KSh 146.5 billion up from 91.7 billion in 2020. Similarly, international visitor arrivals grew by 50.2 percent from 0.5796 million to stand at 0.8705 million in 2021 while domestic bed nights increased by 20.9 percent to 3.1 million up from 2.57 million. On the other hand, the trade sector contribution to GDP reduced from 8.2 percent to 8.1 percent against a target of 8.9 percent while the value of exports increased from KSh 596.7 billion in 2019 to KSh 643.7 billion in 2020. In addition, the Kenya Trade Net System Single Window System (now referred to as the Trade Facilitation Platform) was upgraded to increase efficiency.

In the Business Process Outsourcing (BPO) sector, implementation of Konza Complex Office Block and Data Centre was completed and occupied. Further, 300 schools received the Learners Digital Devices under Phase 1 of the Digital Literacy Programme **(**DLP). The construction works for Phase I Horizontal Infrastructure that is financed through Engineering, Procurement, Construction, and Financing (EPC-F) was 60 percent complete.

In the financial sector, the loans to deposits interest rate spread increased to 5.73 percent in 2019 up from 5.14 percent in December 2019. Inter-bank lending rate dropped from 6.03 percent in December 2019 to 5.29 percent in December 2020. The savings rate and 91-day Treasury bill declined from 4.15 percent and 7.17 percent in December 2019 to 2.70 percent and 6.90 percent respectively in December 2020.

The contribution of the blue economy sector to Kenya's GDP increased from 0.5 percent in 2017 to 0.6 percent 2021. The total value of fish landed increased from KSh 23.6 billion in 2019 to KSh 26.2 billion in 2020. Further, the value of fish and fish products exported in 2020 was KSh 2.8 billion against a target of KSh 2.1 billion. In the oil gas and mineral resources sector, 40 blocks of petroleum exploration blocks were marketed nationally and internationally.

Social Pillar

The main objective of the Social Pillar is to invest in the people of Kenya. The Pillar seeks to build a just and cohesive society enjoying equitable social development in a clean and secure environment. This is to be achieved through the transformation and implementation of policies and flagship programmes and projects in six priority sectors.

Under the education and training sector, the total number of schools increased marginally from 89,337 in 2020 to 90,145 in 2021. Similarly, the Teachers Service Commission (TSC) recruited 5,000 teachers for the 100 percent transition from primary to secondary and a further 12,000 intern teachers as part of the Post COVID-19 Economic Recovery Programme. Infrastructure development was supported which included disbursement of KSh. 59.42 billion to 9,024 public secondary schools to support 3,289,885 students; disbursement of KSh. 2.315 billion for construction of 905 classrooms, 95 laboratories and 347 Water, Sanitation and Hygiene (WASH) facilities and procurement of 262,757 desks and chairs for secondary schools as well as infrastructure upgrade for six technical training institutions. In addition, capacity building was undertaken which included training of 129,000 teachers on the Competency Based Curriculum (CBC).

In order to ensure learners are funded to undertake their training, the Higher Education Loans Board (HELB) awarded loans to 262,663 university students amounting to KSh. 10.5 billion and disbursed bursaries amounting to KSh. 137.3 million to 19,015 vulnerable university students. A further 104 postgraduate scholarships worth KSh. 31.05 million were awarded to promote research and other critical skills required by the economy. During the same period, HELB funded 105,930 students in Technical, Vocational, Education and Training (TVET) institutions at a total cost of KSh. 4.005 billion in the form of loans; and other 20,085 vulnerable TVET students were awarded bursaries amounting to KSh. 100.2 million.

To promote science, technology and innovation, HELB funded 154,111 students taking various Science, Technology, Engineering and Mathematics (STEM) courses at KSh. 6.232 billion. This aimed at enhancing the country's human capital with requisite skills to support the Government's Big Four Agenda, and also enhancing the employability of the youth. At the same time, the Kenya National Qualifications Authority (KNQA) registered a total of 1,528 qualifications and 16 Qualification Awarding Institutions into the Kenya National Qualifications Framework (KNQF). Further, a total of 14 national policies, standards and guidelines were developed to inform harmonisation of qualifications, strengthen the national quality assurance systems for national qualifications; and facilitate mobility and progression within education, training, and career paths.

In relation to health sector, Kenya has made substantial progress in indicators that are used to track the achievement of Universal Health Coverage (UHC). In particular, there was a significant reduction in child mortality while neonatal mortality rate achieved 7.2 against a target of 7 per 1,000. This achievement was attributed to programmes such as Linda Mama and Beyond Zero Campaign. Under the Linda Mama Programme, 1,163,712 expectant mothers were registered, and 784,220 deliveries were recorded in the National Health Insurance Fund (NHIF) programme. In addition, Kenyatta National Hospital (KNH) and Moi Teaching and Referral Hospital (MTRH) significantly improved their infrastructure to support medical tourism project. Among the key accomplishments were the construction and equipping of Cancer Centre at KNH, upgrading of the KNH Renal Centre and expansion of day Care Surgical Centre at KNH as well as equipping of MTRH Radiotherapy Unit.

In the environment sector, national forest cover increased from 7.24 percent of the country's land area to 8.83 percent while 12.13 percent of the national tree cover was established against the constitutional requirement of a minimum of 10 percent. This increment was mainly attributed to the invigorated national tree planting campaigns in the last five years. Meanwhile, on forest research, 42 technologies were developed to guide management and utilisation of forests goods and services. Additionally, 45,462 kgs of quality tree seeds were produced and distributed for planting. On waste management and pollution control, all the 47 counties were mapped, particularly on the management of dumpsites.

The water sub-sector realised increase in water coverage to 65.5 percent, and sewerage coverage in urban areas increased to 26 percent in the reporting period, while the national sanitation coverage increased to 82.5 percent. Meanwhile, different multipurpose projects were at varying levels of implementation. These included Karemenu dam (45 percent), Muruny-Siyoi dam (61 percent), Thwake dam (55 percent) and Thiba dam (60 percent). Under food security, the Sector increased the area under irrigation by 48,000 acres. In the wildlife conservation and management, additional 2,000 acres adjacent to Nairobi National Park was acquired for conservation while 56 kilometres of fence was constructed, and 53 kilometres rehabilitated to secure parks. At the same time, intensive ground, aerial, technological and security information management led to reduction of poaching of key species of rhinos and elephants by 25 percent and 19 percent respectively.

To ensure access to decent housing, the Government through the Affordable Housing Programme constructed 882 affordable housing units in Parkroad, Nairobi; 462 housing units for Social Housing Development; and 300 housing units for the National Police Service and Kenya Prisons Services. To promote empowerment of youth, women, and persons living with disabilities, the Government implemented various affirmative action programmes, key among them were; Women Enterprise Fund (WEF), Uwezo Fund, National Government Affirmative Action Fund (NGAAF) and Youth Enterprise Development Fund (YEDF). Whereas there was progress towards the realisation of gender equality, women and girls continued to experience challenges which included gender-based violence (GBV), female genital mutilation (FGM), and early marriages and pregnancies. In order to address the foregoing, besides providing access to affirmative action funds, the Government initiated measures aimed at eradicating gender-based violence. Similarly, in order to cushion the poor and vulnerable groups, the Government provided cash transfers to 763,670 Older Persons, 294,345 Orphans and Vulnerable Children (OVC) and 34,536 People Living with Severe Disabilities.

Further, an ultra-modern national library also known as “Maktaba Kuu” located at Upper Hill in Nairobi was completed under the Sports, Culture, and the Arts Sector. Other achievements in the sector included the Phase I of the Kenya Academy of Sports which attained 98 percent completion rate. Sports stadia, including Kisumu International Stadium (Phase I) and Posta Jamhuri Grounds were completed.

Overall, the Social Pillar registered mixed performance during the review period. Although some of the sectors within the Pillar registered remarkable improvements, other targets were not met due to inadequate funding, effects of COVID-19 pandemic and weak legislation, among other challenges.

Political Pillar

The Political Pillar aims at transforming the country’s political governance system. During the review period, significant achievements were made in implementing the flagship projects under the two sectors: Devolution and Governance, and the Rule of Law. To entrench and support implementation of devolution, review of the County Governments Act, 2012 and the

Intergovernmental Relations Act, 2012 was finalised and the antecedent Regulations drafted. The National Civic Education Framework was rolled out and civic education campaigns on devolution conducted in 20 counties. In addition, the Second National Capacity Building Framework (NCBF II), which focuses on county capacity building around actual service delivery, was developed.

In order to strengthen intergovernmental relations, the Intergovernmental Relations Act, (Amendment) Bill and Intergovernmental Relations Regulations, 2020 were finalised. The identification and verification of assets and liabilities relating to devolved functions in 24 counties was finalised and a register for the 47 counties prepared. In addition, three (3) sector forums were convened, four intergovernmental disputes were resolved and three functions namely, disaster management, co-operatives and water - were unbundled.

In the fight against corruption, economic crimes and unethical conduct, a total of 4,894 reports were received out of which 104 case files were finalised. A total of 67 corruption cases were registered in court and 40 cases concluded, translating to a conviction rate of 69.44 percent. Further, six investigations on leadership and integrity were completed and eight proactive investigations carried which averted possible loss of public funds.

To promote national cohesion and integration, sensitisation forums were conducted in 15 counties; and community dialogue, mediation and reconciliation forums conducted in 12 counties. Further, Mediation Support Units were established in 6 counties; and rapid conflict assessments conducted in 13 counties while a baseline mapping was conducted in six counties to assess the existence and functionality of Early Warning Early Response (EWER) mechanisms.

To strengthen access to justice, legal aid services were rolled out in five counties; while two High Court stations, four High Court sub-registries and 20 Magistrates’ courts were established. Seven Court of Appeal Judges were appointed bringing the total to 22; nine Employment and Labour Relations Court Judges were also appointed bringing the total to 21; and eight Environment and Land Court judges appointed bringing the total to 41. In addition, a case tracking module under the case management system was operationalised in all court stations.

CHAPTER ONE

OVERVIEW OF KENYA VISION 2030 AND ITS FLAGSHIP PROGRAMMES AND PROJECTS

1.1 OVERVIEW OF KENYA VISION 2030

The Kenya Vision 2030 aims to create "a globally competitive and prosperous country with a high quality of life by 2030" through three pillars - economic (moving up the economic value chain), social (investing in people) and political (growing as one nation) - underpinned by socio-economic enablers/foundations ranging from deeper economic infrastructure and human capital to better use of science and technology for innovation and a commitment to human security.

The Economic Pillar aims to achieve and sustain an average economic growth rate of 10 percent per annum until the year 2030. Eight (8) priority sectors were identified based on their potential to drive this growth through various economic development programmes. These sectors are Tourism; Agriculture and Livestock; Trade; Manufacturing; Financial Services; BPO/Information Technology (IT) Enabled Services; Oil, Gas and Mineral Resources; and the Blue Economy. The Social Pillar seeks to achieve a just, cohesive and equitable society living in a clean and secure environment. This is to be realised through transformation in six (6) key sectors namely: Education and Training; Health; Environment, Water, Sanitation and Regional Development; Population, Urbanisation and Housing; Gender, Youth and Vulnerable Groups; and Sports, Culture and the Arts.

The Political Pillar envisages a democratic political system that is issue-based, people centred, results oriented and accountable in a democratic society that respects individual liberties, freedom of speech, association and worship, and the rule of law. The Pillar also envisages a people centred approach to governance. It also aims to move all Kenyans to the future as one nation. This will be achieved through: Implementation of Devolution; Adherence to the Rule of Law; Electoral and Political Reforms; Democracy and Public Service Delivery; Transparency and Accountability; and Security, Peace Building and Conflict Management.

The three (3) pillars are anchored on the enablers/foundations of Macroeconomic Stability; Governance Reforms; Enhanced Equity and Wealth Creation Opportunities for the Poor; Infrastructural Development; Science, Technology and Innovation (ST&I); Information and Communication Technology; Land Reforms; Labour and Employment; Security, Peace Building and Conflict Resolution; Public Sector Reforms; National Values and Ethics and Ending Drought Emergencies.

In summary, the Vision promises "globally competitive quality education, training and research for sustainable development", "equitable, quality and affordable health care of the highest standard”, “water and sanitation availability and access for all in a clean, secure and sustainable environment with adequate and decent housing”. Further, Kenya shall be “free of HIV infection, stigma and AIDS-related deaths”, while “acting towards a low carbon and climate resilient environment” supported by “an integrated and co-ordinated disaster risk management system”. The Vision is also aligned to the East African Community (EAC) Vision 2030, African Union Agenda 2063 and the United Nations Agenda 2030 - Sustainable Development Goals.

The Kenya Vision 2030 is implemented in five-year successive MTPs. The first MTP covered the period 2008- 2012, while the second covered the period 2013- 2017. The third MTP that covers the period 2018-2022 is linked to the “Big Four” Agenda and is currently under implementation. Reporting on implementation of the MTPs is through Annual Progress Reports, Mid-Term Reviews and End-Term Reviews, and the Kenya Vision 2030 flagship programmes and projects implementation progress reports that focuses mainly on flagship programmes and projects. A total of 216 flagship programmes and projects were identified for implementation during the MTP III period.

The Kenya Vision 2030 flagship programmes and projects progress report covers the FY 2020/21 and aims to present the status of implementation of the flagship programmes and projects during the review period. The report thus presents a performance review and seeks to inform the public and other stakeholders on the progress made towards implementation of the Vision goals and objectives. The reports contain information on the progress in the implementation of policies, programmes, and projects; implementation challenges encountered and innovative ways to address them; lessons learnt during implementation and recommendations for future implementation. Review of performance is based on targets set during development of the third MTP.

The report is based on submissions on the status of implementation of various flagship programmes and projects by MDAs. The Vision 2030 Delivery Secretariat co-ordinates the compilation and analysis of submissions from MDAs in consultation with various state and non-state actors and is further subjected to a stakeholder validation process to enhance ownership.

1.2 ORGANISATION OF THE REPORT

This report is organised into seven chapters. Chapter one presents an overview of the Kenya Vision 2030 and its flagship programmes and projects, and the methodology used to prepare the report. Chapter two focuses on the macroeconomic framework while chapter three covers discussion on the progress of implementation of flagship programmes and projects under the foundations for national transformation. Chapters four, five and six provide implementation status of flagship programmes and projects under the Economic, Social, and Political Pillars respectively.

CHAPTER TWO

MACROECONOMIC PERFORMANCE

2.1 OVERVIEW

The Kenyan economy is larger by nearly 5 percent following the rebasing of the national accounts in 2021. Accordingly, the structure of the economy has changed with agriculture sector share declining while that of services increased, reflecting the significant economic transformations. Despite the significant contraction in 2020 due to the adverse effects of COVID-19 pandemic, the economy recovered strongly in 2021 following the easing of COVID-19 containment measures and Government support. The economy is projected to grow at 5.9 percent in 2022 supported by non-agriculture sectors.

2.2 THE SIZE OF THE ECONOMY

Following the rebasing of the national accounts, the size of the economy is now larger than the previous estimates. This outcome is in line with the aspirations of the Kenya Vision 2030 blueprint. The new estimates show that the size of the economy is larger at an average of 5.6 percent in 2016-2019 compared to the previous estimates. The non-agriculture sector was larger by an average of 33.9 percent mainly driven by the services sector. The services sector had the most significant upward revision, which averaged 41.8 percent in 2016-2019. However, agriculture sector was smaller than the previous estimate by an average of 35.1 percent in 2016-2019 (See Table 2.1). In this context, therefore, the size of the economy was estimated at KSh 10.7 trillion in 2020 and has increased to KSh 12.1 trillion in 2021.

Table 2.1: Changes in Nominal GDP Estimates after Rebasing

	Percentage change in the estimates (%)			
	2016	2017	2018	2019
1. Agriculture	-30.3	-37.7	-37.4	-34.7
2. Non-Agriculture	32.7	33.9	34.7	34.1
2.1 Industry	14.4	12.9	15.7	13.9
Mining & Quarrying	37.4	17.1	1.9	8.0
Manufacturing	8.2	12.5	13.7	10.0
Electricity & water supply	52.6	52.9	40.7	35.5
Construction	7.9	0.6	12.4	13.5
2.2 Services	40.4	42.6	42.3	41.9
Wholesale & Retail Trade	24.0	18.6	14.0	13.6
Accommodation & restaurant	36.0	50.9	49.7	66.4
Transport & Storage	36.8	43.5	46.1	44.8
Information & Communication	97.4	104.8	108.6	122.4
Financial & Insurance	18.7	14.8	10.6	12.2
Public administration	48.4	58.1	64.8	55.6
Professional, Admin & Support	270.3	266.8	267.7	266.0
Real estate	32.5	37.8	40.9	40.2
Education	9.2	11.9	3.7	4.1
Health	31.0	40.1	40.9	33.4
Other services	324.0	327.5	314.5	287.9
FISIM	30.7	28.3	18.9	14.8
2.3 Taxes on products	10.0	6.9	8.3	4.4
Overall Nominal GDP	**8.1**	**3.9**	**5.0**	**5.3**

Source: Kenya National Bureau of Statistics

The larger estimate reflects significant sectoral transformations in Information and Communication (97.4 percent), Transport and Storage (36.8 percent), Electricity and Water Supply (52.6 percent), Health (31.0 percent), and Manufacturing (8.2 percent) (Table 2.1). However, the current size of agriculture sector is smaller compared with the previous estimate following significant revisions and new ways of capturing data on activity for the sector. The sector is estimated to be smaller by an average of 30.3 percent in 2016-19.

2.3 THE STRUCTURE OF THE ECONOMY

Rebasing revealed that the economy had experienced significant transformations. For example, the share of services in GDP increased to 53.3 percent from 39.7 percent prior to rebasing, reflecting changes in Real Estate, Wholesale and Retail Trade, Transport and Storage, and Financial and Insurance sectors. Although the share of agriculture in GDP declined, it remained a dominant sector in the economy, accounting for 20.6 percent (Table 2.2).

Table 2.2: Comparison of Current and Previous Structure of the Economy

	Previous Estimates (2009 Base Year)				Current Estimates (2016 Base Year)			
Year	2016	2017	2018	2019	2016	2017	2018	2019
1. Agriculture	**31.1**	**34.8**	**34.1**	**34.1**	**20.0**	**20.9**	**20.3**	**21.2**
2. Non-Agriculture	**58.0**	**54.7**	**55.4**	**55.3**	**71.2**	**70.5**	**71.0**	**70.4**
2.1 Industry	**17.2**	**16.1**	**15.7**	**15.5**	**18.2**	**17.5**	**17.3**	**16.7**
Mining & Quarrying	0.8	0.7	0.8	0.7	1.1	0.8	0.7	0.7
Manufacturing	9.3	8.1	7.8	7.5	9.3	8.7	8.4	7.9
Electricity & water supply	1.9	1.7	1.7	1.7	2.6	2.5	2.3	2.2
Construction	5.1	5.6	5.5	5.6	5.1	5.4	5.8	6.0
2.2 Services	**40.8**	**38.6**	**39.7**	**39.8**	**53.0**	**53.0**	**53.7**	**53.6**
Wholesale & Retail Trade	7.2	7.4	7.5	7.6	8.3	8.4	8.2	8.2
Accommodation & restaurant	0.7	0.7	0.8	0.7	0.9	1.0	1.1	1.2
Transport & Storage	8.1	7.4	8.1	8.5	10.2	10.2	11.3	11.7
Information & Communication	1.5	1.3	1.3	1.2	2.7	2.6	2.6	2.5
Financial & Insurance	7.1	6.8	6.3	6.0	7.8	7.5	6.7	6.4
Public administration	3.9	3.4	3.4	3.6	5.4	5.2	5.3	5.4
Professional, Administration & Support Services	0.9	0.8	0.8	0.8	3.0	2.8	2.8	2.8
Real estate	7.6	7.0	7.0	6.9	9.3	9.3	9.4	9.2
Education	4.4	4.0	4.3	4.2	4.5	4.3	4.3	4.2
Health	1.7	1.5	1.5	1.5	2.1	2.1	2.0	1.9
Other services	0.6	0.6	0.6	0.6	2.4	2.4	2.4	2.3
FISIM	-2.8	-2.3	-2.0	-2.0	-3.4	-2.8	-2.3	-2.2
2.3 Taxes on products	**8.6**	**8.4**	**8.4**	**8.5**	**8.8**	**8.6**	**8.7**	**8.4**
	100.0	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: Kenya National Bureau of Statistics

2.4 ECONOMIC GROWTH

The economy rebounded strongly in 2021 to grow at 7.5 percent compared to a contraction of 0.3 percent in 2020. The strong recovery was witnessed in the non-agriculture sectors which grew by 9.4 percent compared to a contraction of 1.4 percent in 2020, following the easing of COVID-19 restrictions which constrained growth in 2020. In this context, easing of restrictions in the services sector saw it grow by 9.8 percent compared to a contraction of 1.8 percent in the previous year. The education sector, whose activities were disrupted in 2020, grew by 21.4 percent while the accommodation and restaurants grew by 52.5 percent (Table 2.3).

Industrial activity also recovered strongly to grow at 7.2 percent compared to a modest growth of 3.3 percent in line with the Government's "Big Four" Agenda. The strong growth could be traced to robust growth of the manufacturing sector which grew by 6.9 percent compared to a contraction of 0.4 percent in 2020, reflecting increased manufacture of non-agricultural outputs. The construction sector continued to record strong performance and remained resilient in 2020 when most of the sectors of the economy were affected by the COVID-19 shocks, largely reflecting increased large-scale infrastructural projects being undertaken by Government.

Table 2.3: Real GDP Growth Rates by Sector

	2016	2017	2018	2019	2020	2021
1. Agriculture	**1.4**	**-1.3**	**5.7**	**2.7**	**4.6**	**-0.2**
2. Non-Agriculture	**4.9**	**5.1**	**5.6**	**5.7**	**-1.4**	**9.4**
2.1 Industry	**2.5**	**2.8**	**3.8**	**4.0**	**3.3**	**7.2**
Mining & Quarrying	-9.1	3.2	-4.7	4.3	5.5	18.0
Manufacturing	1.9	0.7	3.6	2.6	-0.4	6.9
Electricity & water supply	3.7	3.0	3.6	1.7	0.6	5.0
Construction	5.8	6.3	6.1	7.2	10.1	6.6
2.2 Services	**6.3**	**5.8**	**6.2**	**6.5**	**-1.8**	**9.8**
Wholesale & Retail Trade	2.3	4.3	5.9	5.3	-0.5	7.9
Accommodation & restaurant	6.9	9.4	15.6	14.3	-47.7	52.5
Transport & Storage	8.3	3.5	6.0	6.3	-7.8	7.2
Information & Communication	10.2	8.1	7.9	7.0	6.3	8.8
Financial & Insurance	3.6	4.1	2.7	8.1	5.9	12.5
Public administration	6.0	3.9	7.9	8.4	7.0	5.6
Professional, Administration & Support Services	3.2	3.0	6.9	6.8	-13.7	5.7
Real estate	9.8	6.7	6.5	6.7	4.1	6.7
Education	1.5	8.7	6.8	5.7	-9.3	21.4
Health	9.5	6.4	5.4	5.5	5.7	6.0
Other services	4.9	4.4	3.3	4.3	-14.6	12.6
FISIM	0.2	-6.0	3.7	9.5	-1.8	5.5
2.3 Taxes on products	**2.4**	**5.7**	**5.9**	**3.9**	**-8.1**	**11.9**
Real GDP Growth	**4.2**	**3.8**	**5.6**	**5.1**	**-0.3**	**7.5**

Source: Kenya National Bureau of Statistics

The performance of agriculture was subdued in 2021 following adverse weather conditions which affected crop and livestock production. The sector contracted by 0.2 percent in 2021 compared to a growth of 4.6 percent in 2020. However, the sector performed well despite the COVID-19 shock, partly reflecting the effect of favourable weather conditions which prevailed at the time.

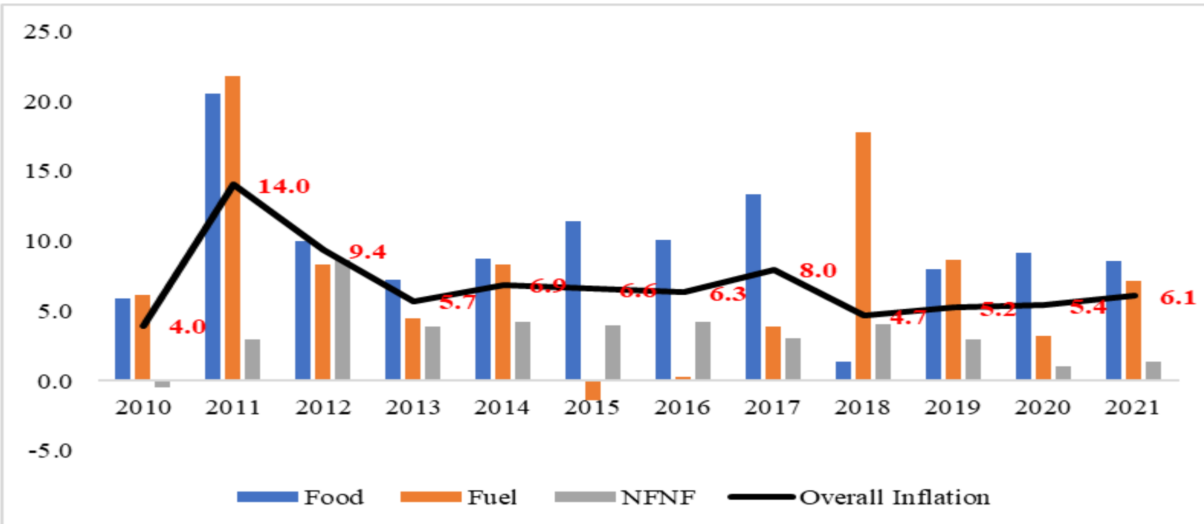
In 2022, the economy is expected to record strong performance of 5.9 percent mainly driven by the continued recovery of the non-agriculture sectors. The agriculture sector is not expected to be strong owing to lower than expected long rains being witnessed in the country.

2.5 INFLATION

Inflation remained well anchored within the medium-term target band in 2021. Specifically, annual inflation increased from 5.2 percent in FY 2019/20 to 5.4 percent in FY 2020/21 and was within the CBK's target range of 5+/-2.5 percent. The increase was occasioned by significant increase in transport and energy costs at the time. Fuel inflation increased to 7.2 percent from 3.2 percent in 2020 due to elevated transport costs associated with social distancing measures in public transport to prevent the spread of COVID-19. Food inflation declined nominally but remained elevated at

8.6 percent compared to 9.1 percent in 2020. The nominal decline in food inflation reflected supply of fast-growing food crops following favourable weather conditions. Non-Food-Non-Fuel (NFNF) inflation remained low and stable, at 1.4 percent in 2021 compared to 1.1 percent in 2020 (see Figure 2.1), reflecting minimal demand pressures in the economy arising from depressed economic activity during the period under review.

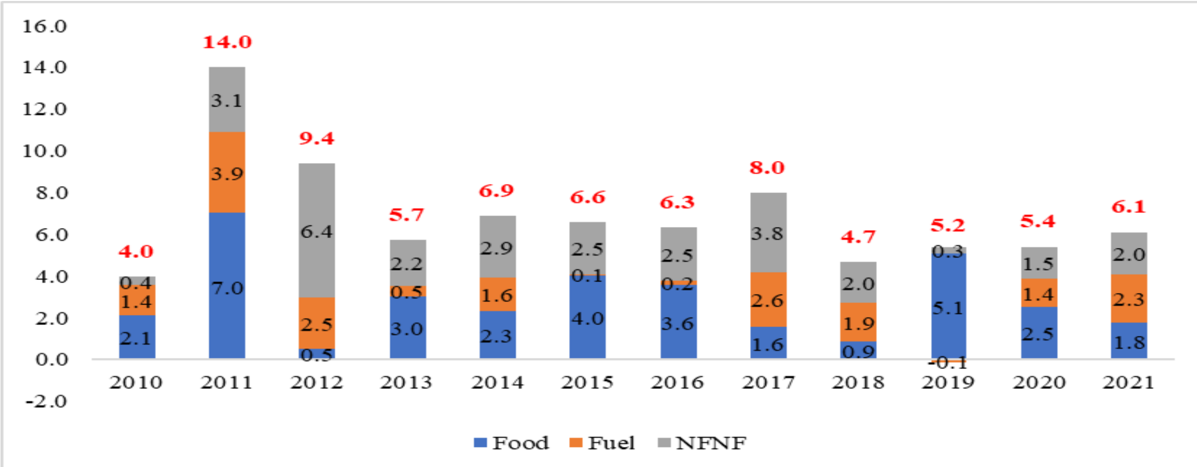
Figure 2.1: Evolution of Inflation



Source: Kenya National Bureau of Statistics

Inflation outcomes experienced in 2021 largely reflected the impact of supply side factors. The contribution of supply side factors (food and fuel) accounted for 4.1 percentage points in 2021 compared to 2.0 percentage points attributed to demand side factors (Non-Food-Non-Fuel) as shown in Figure 2.2. The contribution of demand side factors remained low and stable reflecting prudent monetary policy management by CBK.

Figure 2.2: Developments in Inflation by Broad Category



Source: Kenya National Bureau of Statistics

2.6 INTEREST RATES

Interest rates remained relatively stable in 2021, reflecting continued accommodative monetary policy stance by CBK and ample liquidity conditions. The Monetary Policy Committee maintained the Central Bank Rate (CBR) at 7.00 percent in 2021, noting that the accommodative monetary policy stance was appropriate as inflation expectations remained well anchored within the target range, and the economy was still operating below its potential level. Commercial banks' average lending rate also remained stable at 12.1 percent in 2021 compared to 12.0 percent in 2020. The deposit rate declined to an annual average of 6.4 percent in 2021 from 6.7 percent in 2020. Consequently, the interest rate spread increased marginally to 5.7 percent in 2021 from 5.3 percent in 2020. The trends in interest rates are presented in Table 2.4.

Table 2.4: Evolution of Interest Rates

	2014	2015	2016	2017	2018	2019	2020	2021
Deposit rate (%)	6.6	6.9	7.1	7.5	7.9	7.1	6.7	6.4
Savings rate (%)	1.5	1.6	2.9	6.3	6.4	4.7	3.9	2.7
Lending rate (%)	16.5	16.2	16.6	13.7	13.1	12.4	12.0	12.1
Central bank Rate (CBR)	8.5	10.1	10.7	10.0	9.3	8.9	7.2	7.0
Interest rate margin (percentage points)	**9.9**	**9.2**	**9.5**	**6.2**	**5.1**	**5.4**	**5.3**	**5.7**

Source: Central Bank of Kenya

2.7 DEVELOPMENTS IN EXCHANGE RATE AND FOREIGN RESERVES

The Kenya foreign exchange market remained resilient in 2021, despite the global and domestic impact of COVID-19 pandemic. The resilience was supported by a relatively stable current account deficit and balanced forex flows reflected in steady exports growth, continued increase in diaspora remittances and a gradual pick up in services. The resilience of the foreign exchange market also reflected Kenya's diversified economy and export markets which cushioned the economy against adverse effects of external shocks. The Kenya shilling exchanged at an average of KSh 109.65 against the US$ in 2021, a 2.9 percent depreciation, compared to KSh 106.45 in 2020 (see Table 2.5).

Table 2.5: Exchange Rate and Foreign Exchange Reserves

	2018	2019	2020	2021
Exchange rate (KSh/USD)	101.30	101.99	106.45	109.65
Gross Reserve (USD Million)	11523.3	12629.0	12938.0	13563.7
o/w Official	8652.9	9122.3	8880.1	8825.5
Commercial Banks	2870.4	3506.7	4057.9	4738.2
Import Cover (36 months import)	5.7	5.7	5.4	5.4
Remittance inflows (USD Million)	2697.5	2796.4	3094.3	3717.9
Current Account (per cent of GDP)	-5.8	-5.8	-4.6	-5.4

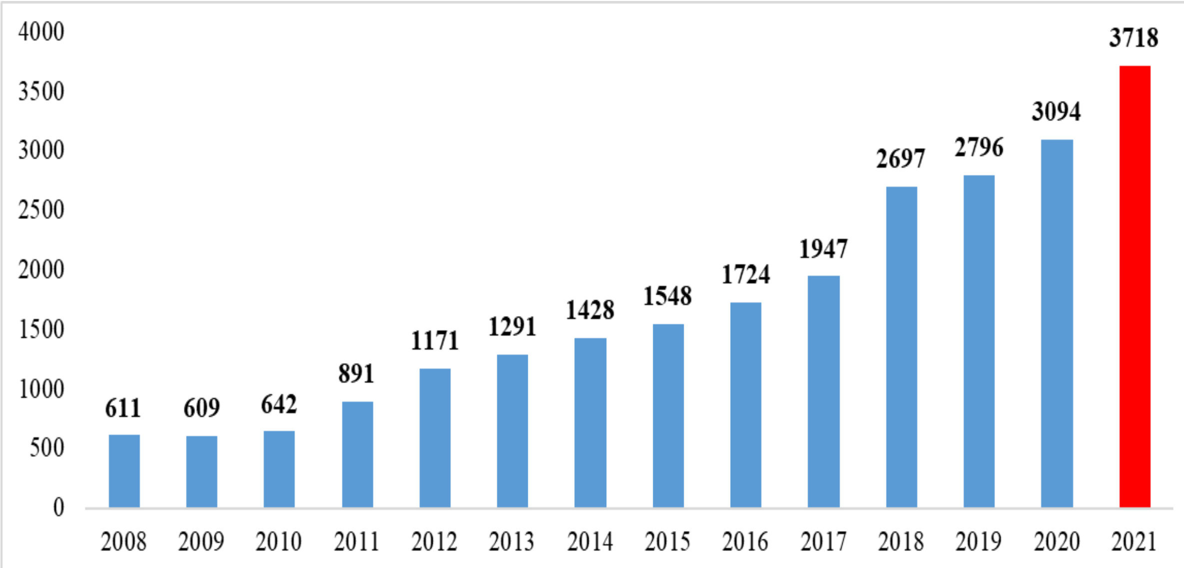
Source: Central Bank of Kenya

The usable foreign exchange reserves remained adequate at US$ 8.8 billion in 2021 compared to US$ 8.9 billion in 2020. This foreign exchange cover averaging 5.4 months of import cover thus met CBK's statutory requirement of maintaining at least 4 months of import cover, and the EAC region's convergence criteria of 4.5 months of import cover (see Table 2.5).

2.8 REMITTANCE INFLOWS

The cumulative remittance inflows in 2021 increased by 20.2 percent from US$ 3,094 million in 2020 to US$ 3,718 million in 2021 (see Figure 2.3). This was on account of continued support from Kenyans abroad as global economic conditions improved. The United States remained the largest source of remittances into Kenya, accounting for 63.2 percent in 2021. It is also important to note that remittances have been on a growth trajectory despite the effects of the COVID-19 pandemic as shown in Figure 2.3.

Figure 2.3: Developments in Remittance Inflows



Source: Central Bank of Kenya

2.9 BALANCE OF PAYMENTS DEVELOPMENTS

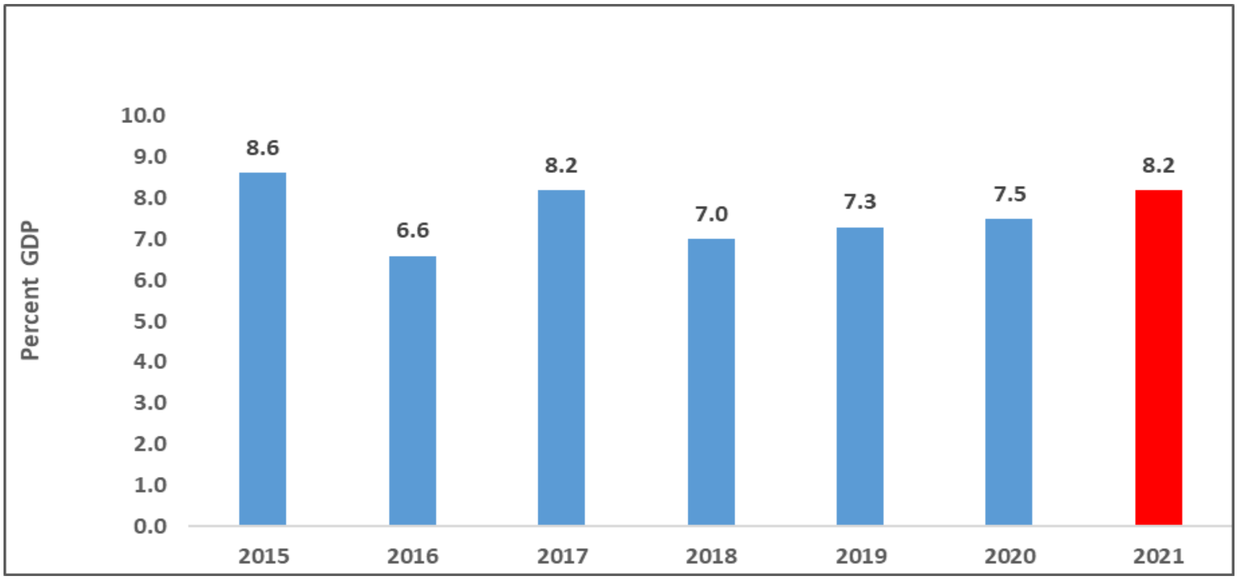
The overall balance of payments position worsened to a deficit of US$ 57.5 million in the year to June 2021 from a surplus of US$ 47.2 million in the year to June 2020. This was mainly due to the widening of the current account deficit. The current account deficit worsened by 6.2 percent to US$ 5,368.5 million (5.4 percent of GDP) in June 2021 compared to a deficit of US$ 5,055.1 million (5.1 percent of GDP) in the year to June 2020 mainly due to an increase in imports. The balance in the merchandise account declined by US$ 81.8 million to a deficit of US$ 9,598.4 million in the year to June 2021 on account of an increase in imports that more than offset the increase in exports.

The capital account balance registered a surplus of US$ 205.6 million in the year to June 2021, an increase of US$ 59.6 million compared to the balance witnessed in June 2020. Financial inflows increased to US$ 4,816.6 million in June 2021 up from US$ 4,641.6 million in June 2020. The financial inflows were mainly in the form of direct investments, portfolio investments and other investments which stood at a surplus of US$ 121.3 million, and a deficit of US$ 212.0 million and US$ 4,674.9 million, respectively, in June 2021.

2.10 DEVELOPMENTS IN PUBLIC FINANCE

The need to invest in high quality infrastructural projects resulted in high fiscal deficit to over 8 percent of GDP in the FY 2016/17. Consequently, Kenya embarked on a fiscal consolidation plan which was interrupted by the COVID-19 pandemic. The fiscal deficit is expected to decrease to 7.5 percent by the end of June 2022 supported by improved revenue performance witnessed during the FY 2021/22. Figure 2.4 shows the evolution of the fiscal deficit through the years.

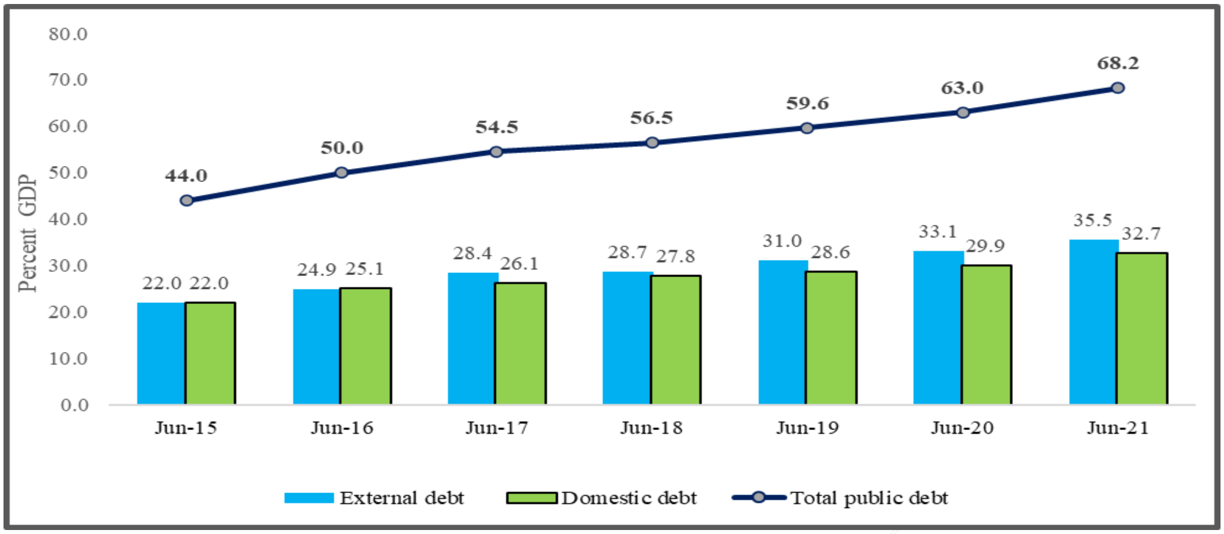
Figure 2.4: Evolution of Fiscal Deficit



Source: The National Treasury

During the review period, public debt as a percentage of GDP increased from 63 percent in FY 2019/20 to 68.2 percent in FY 2020/21. The gross public debt increased from KSh 6,694.2 billion as at the end of June 2020 to KSh 7,713.3 billion as at 30th June 2021. The gross public debt comprised 52.1 percent external debt and 47.9 percent domestic debt. The increase of public debt was attributed to increased spending on infrastructure, COVID-19 related expenditures, external loan disbursements, exchange rate fluctuations and increase in the uptake of domestic debt during the period. The net public debt was KSh 7,149.8 billion by the end of the period under review. Figure 2.5 shows the trends in public debt up to FY 2020/21.

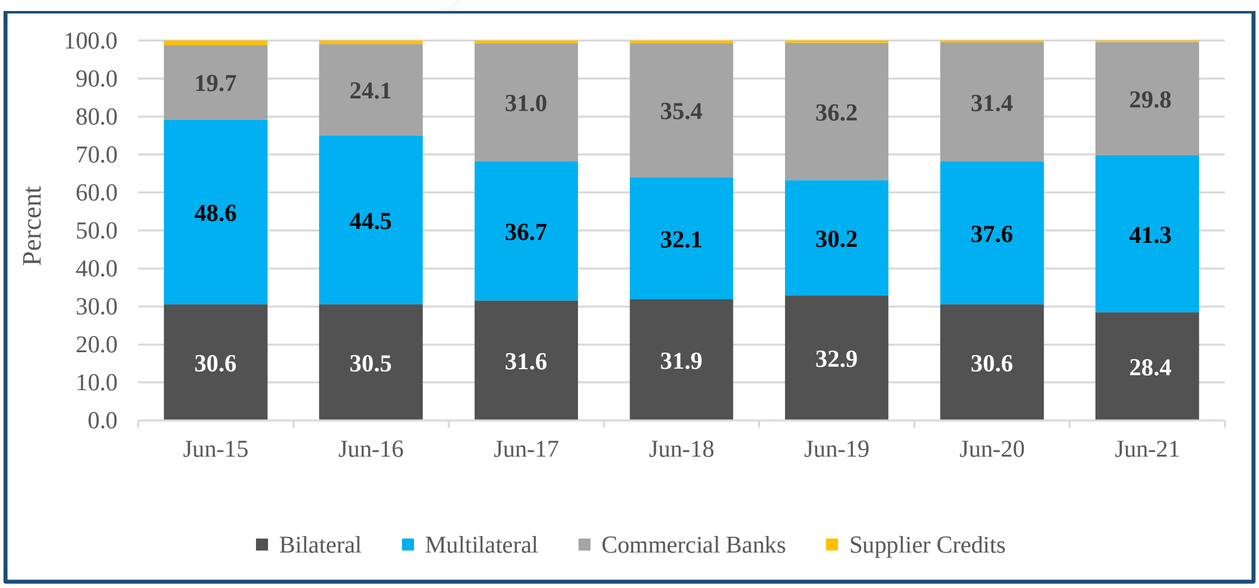
Figure 2.5: Evolution of Public Debt to GDP



Source: The National Treasury

Multilateral and bilateral debt characterised by low interest rates, grace period and long maturity remained the main source of financing for Kenya (69.7 percent by the end of June 2021). Recent efforts to improve the terms on new external debt through pursuit of concessional loans such as the World Bank's development policy operations led to a record 10.1 percentage points increase in the proportion of multilateral debt from 30.2 percent in June 2019 to 41.3 percent in June 2021 (see Figure 2.6).

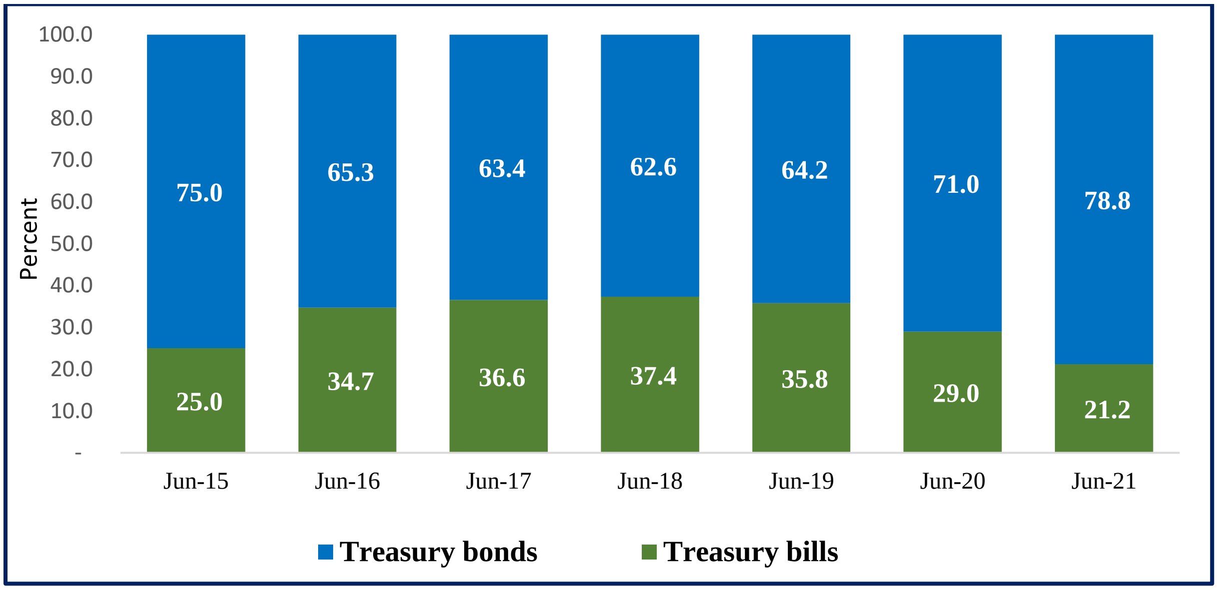
Figure 2.6: External Debt by Lender



Source: The National Treasury

In terms of domestic debt, about 98 percent of domestic debt is held in debt securities, that is, Treasury bills and bonds. The ratio of Treasury bonds decreased from 75 percent in June 2015 to 62.6 percent in June 2018. Subsequent efforts to reduce the refinancing risk on domestic debt by lengthening maturity led to an increase in the ratio of Treasury bonds to 78.8 percent in June 2021 (see Figure 2.7).

Figure 2.7: Domestic debt by Instrument



Source: The National Treasury

Overall, the debt sustainability indicators revealed that there was significant improvement in 2021. The public and publicly guaranteed debt service to export ratio improved from 26.5 in 2020 to 19.1 in 2021 although still higher than the threshold of 15.

CHAPTER THREE

FOUNDATIONS FOR NATIONAL TRANSFORMATION

3.1 INFRASTRUCTURE

"Deploying World Class Infrastructure Facilities and Services"

Infrastructure plays a critical role in facilitating and accelerating socio-economic development in the country. The Government has continued to develop efficient and effective infrastructure to facilitate the transformation of other sectors as envisaged in Kenya Vision 2030. During the MTP III period, investment in infrastructure programmes and projects focused on accessibility, quality, functionality, job creation, disaster preparedness and protection of the environment. Investing in infrastructural development supported the achievement of the "Big Four" Agenda by building on the on-going infrastructural development in our country.

The infrastructure sector is composed of five sub sectors namely: Roads, Rail, Air, Marine, and Energy. These are the drivers that create an enabling environment for national development. One of the major infrastructural programmes under the sector is the Lamu Port South Sudan Ethiopia Transport (LAPSSET) Corridor which is a regional multimodal infrastructure programme involving Kenya, Ethiopia and South Sudan. Its objective is to create a second strategic corridor opening the northern parts of Kenya and connecting to the partner states of Ethiopia and South Sudan. Given its significance in the region, some of the programme's components were selected and admitted under the Programme for Infrastructure Development in Africa Priority Action Plan. The implementation of LAPSSET Corridor Programme is multi-sectoral involving different MDAs. It encompasses seven key components, namely: the Port of Lamu; Highways; Railways; Crude and Product Oil Pipelines; International airports in Lamu, Turkana and Isiolo; Resort Cities in Lamu, Turkana and Isiolo; and a High Grand Falls Multipurpose Dam. In addition, the following supporting infrastructure is also planned alongside the key components: water supply lines; power supply lines; and fibre optic cable and communication systems.

3.1.1 Roads Sub-Sector

The sub-sector is key in contributing to Kenya's global competitiveness through the provision of road infrastructure. It aims at enhancing domestic and regional connectivity, boosting rural productivity, reducing urban congestion, and implementing key initiatives towards ensuring safety in roads. It is responsible for construction, maintenance and management of the national trunk roads as stipulated in the 4th Schedule of the Constitution of Kenya.

Expansion of Roads Programme

The programme involves the construction and rehabilitation of 10,000 Km of roads comprising 2,500 Km of conventional roads and 7,500 Km Low Volume Sealed Roads. During the review period, a total of 1,597.65 Km of roads were constructed to bitumen standards comprising 553.31 Km under conventional approach and 1,044.34 Km under Low Volume Seal Roads. Another 37,680 Km of roads were maintained and rehabilitated. The flagship programmes and projects implemented under the programme during the FY 2020/21 are highlighted in the following section.

a) Sector Support Programmes

A total of 133.8 Km of roads were constructed by June 2021. These comprised: 36.4 Km (82 percent) of Garsen – Lamu – Witu; 6.74 Km (100 percent) of Link Road to Lamu Port; 4.3 Km (50.3 percent) of Uplands - Githunguri – Ruiru; 27.9 Km (21.4 percent) of Nyaru – Iten; 12.6 Km (87 percent) of Mau Narok-Kisiriri (B18); and 4.8 Km (93 percent) of Busia – Malaba. Others were 33.8 Km (76 percent) of Posta (Naibor) - Kisima- Maralal; 7.14 Km (12.5 percent) of Mau Mau Road Lot 1A: Kiambu - (Gataka-Iria Ini - Kagaa-Matimbei-Kamahindu and Spur roads; and 0.12 Km (14.8 percent) of Mau Mau Road Lot3: Nyeri (Kairo-Kabebero-Munyange-Gituiga-Ihithe-Miagayuini-Ihururu-Nyarugumu-Njengu and other spur roads).

b) East Africa Road Network Project

Location: Nationwide

Objective: To enhance socio-economic growth and prosperity

Implementing Agencies: Kenya National Highways Authority (KeNHA), Kenya Urban Roads Authority (KURA), Kenya Wildlife Service (KWS), and National Transport and Safety Authority (NTSA)

Project Progress: A total of 98.7 Km of roads were constructed under the project, translating to a cumulative achievement of 69.11 percent completion rate. These comprised: 27.8 Km (76 percent) of Isebania-Kisii; 46 Km (86 percent) of Kisii-Ahero; 7 Km (53.50 percent) of Eldoret Bypass and 17.9 Km (60.95 percent) of Kitale–Endebess–Suam road sections.

c) Kenya Transport Sector Support Project

Location: Nationwide

Objective: To increase the efficiency of road transport

Implementing Agencies: KeNHA, KURA, KWS and NTSA

Project Progress: In the reporting period, 1.3 Km of roads were constructed against a target of 16 Km. This was achieved under the dualling of 1.3 Km (75 percent) of Athi River -Machakos Turn-off.

d) East Africa Regional Transport, Trade and Development Facilitation Project

Location: Eldoret-Kitale-Lodwar-Nadapal

Objective: To promote and facilitate regional economic integration between Kenya and South Sudan

Implementing Agency: KeNHA

Project Progress: During the review period, a total of 64.56 Km of road from Eldoret to Nadapal were constructed/upgraded. This included the upgrading of 18.5 Km (73 percent) of Kalobeyei River- Nadapal; 18 Km (75 percent) of Lokitaung Junction – Kalobeyei River; 18.76 Km (100 percent) of Lokitaung Junction – Lodwar; and 9.3 Km (98.7 percent) of Lodwar – Loichangamatak Road. In addition, a works contract was awarded for the Loichangamatak- Lokichar section. It is important to note that the road section from Lokichar – Nadapal (338 Km) is part of the LAPSSET highway to Lamu through Isiolo.

e) **Mombasa Port Area Road Development Project**

Location: Mombasa

Objective: To facilitate logistics around the Mombasa Port areafrom the new container terminal to the Northern Corridor and the Mombasa Southern Bypass along which the Dongo Kundu Special Economic Zone will be developed and beyond. The improved traffic route will help achieve overall economic and social development in Kenya and neighbouring East African countries.

Implementing Agency: KeNHA

Project Progress: The project includes the construction of the Mombasa Southern Bypass Road; Mwache – Mteza section whose progress was at 30 percent, and Mteza – Kibundani section whose progress was at 75 percent at the time of reporting. However, in the FY 2020/21, there was no construction that took place in the two road projects.

f) Horn of Africa Gateway Development Project

Location: Isiolo, Wajir and Mandera

Objective: To enhance connectivity among the Horn of Africa countries and access to seaports; and facilitate domestic and regional trade and economic integration and road safety. This would be achieved through a series of projects aimed at improving physical and institutional infrastructure and promoting trade and investing in development facilitation interventions.

Implementing Agency: KeNHA

Project Progress: During the review period, the project entailed works and supervision contracts for upgrading of road corridors to bitumen standards and civil works associated with installation of fiber optic cable in three packages namely: Package 1 (Lot 1: Isiolo – Kulamawe & Lot 2: Kulamawe – Modogashe); Package 2 (Lot 1: Wajir – Tarbaj & Lot 2: Tarbaj – Kotulo); Package 3 (Lot 1: Kotulo – Kobo & Lot 2: Kobo – Elwak); Construction of One Stop Border Posts, bridges and customs facilitation centres at Rhamu and Mandera; and construction of social amenities along the road corridor.

g) **Kibwezi – Kitui – Isiolo Road**

Location: Kibwezi, Mutomo, Kitui and Isiolo

Objective: To enhance regional integration by linking the Port of Mombasa via Kibwezi to Moyale, through Northern Kenya into Ethiopia. It involves upgrading to bitumen standard the Kibwezi - Isiolo Road.

Implementing Agency: KeNHA

Project Progress: In FY 2020/21, 33.4 Km of Kibwezi – Mutomo – Kitui Road was upgraded to bitumen standards contributing to a cumulative completion level of 98 percent.

h) **Regional Mombasa Port Road Access Project: Mombasa – Mariakani (A109) Highway Project**

Location: Mombasa and Kwale

Objective: To link the Northern Corridor in East Africa and provide crucial access between Mombasa and Nairobi, Uganda, Rwanda, Burundi, and Democratic Republic of Congo. It also serves South Sudan and may play an increasingly important role for the country's economic development.

Implementing Agency: KeNHA

Project Progress: During the review period, 4.7 Km of Lot 1 – Mombasa – Kwa Jomvu was constructed contributing to a cumulative completion level of 94.5 percent. Design works for Lot 2 – Kwa Jomvu – Mariakani were ongoing.

i) **LAPSSET Corridor**

Location: Lamu, Garissa, Isiolo, Marsabit, West Pokot and Turkana

Objective: To open up Northern Kenya and provide a reliable transport corridor for Ethiopia and Southern Sudan. These infrastructure projects will double Kenya's investable asset portfolio. Under this project, the construction of Lamu – Isiolo Road and Isiolo - Nginyang - Lokichar Road section will be implemented.

Implementing Agencies: KeNHA and LAPSSET

Project Progress: A total of 145 Km of LAPSSET Corridor roads were constructed comprising Lamu Port Link/Access Road (10 Km), and Lamu – Witu – Garsen (135 Km) alternative road. In addition, Lamu – Ijara – Garissa (250 Km) is undergoing stage upgrading, contract signed for construction of the Garissa – Isiolo (280 Km) section. The designs, and Environmental and Social Impact Assessment (ESIA) for Isiolo – Loreta – Lokichar (368 Km) were completed.

j) **Low Volume Sealed Roads Programme**

Location: Nationwide

Objective: To upgrade 10,000 Km of roads to bitumen standards to improve accessibility and mobility in rural areas to support the growth of primary sector of the economy.
Implementing Agencies: KURA and Kenya Rural Roads Authority

Project Progress: During the review period, 1,044.34 Km of roads were upgraded to bitumen standards. Cumulatively, a total of 4,384.12 Km of roads have been constructed in forty-five (45) counties since the inception of the programme in January 2016.

k) Decongestion of Cities and Urban Areas
Location: Major Cities and Urban Areas
Objective: To ensure efficient traffic flow in cities and major urban areas in the country
Implementing Agency: KURA

Project Progress:
Construction of Bypasess- A total of 30.77 Km of bypasses were constructed during the reporting period. These included Suneka – Kiogoro Bypass, Kiogoro – Kegati Bypass, Nyakoe – Kegati Bypass, Suneka – Nyakoe Bypass and Major Link Roads within Kisii Town and Nyamira counties (14.4 Km), Nyahururu Bypass (6.852 Km), Thika Bypass/Link Roads (5.516 Km), and Wajir Bypass (4 Km).

Improvement of Roads in Cities and Municipalities: A total of 34.877 Km of roads were constructed in cities and municipalities. This included; Eastlands Roads Phase II (2.46 Km) and dualling of Ngong Road Phase III (Dagoreti Corner Junction -Karen) (0.2 Km), construction of Kahawa Sukari Estate Access Roads (2.7 Km), Kangundo Road - Greater Eastern Bypass Link Road - Phase I (8.3 Km), Lucky Summer - Bakhita Gitwamba Bridge (2.8 Km), Hunters - Githurai Link Road (1.8 Km), Kamiti Corner - Kasarani - Mwiki - Ruai - Kangundo Roads (3.047 Km), Access to Rhino Park – NRB (3.3 Km) Thika Town Roads (3 Km). Others were the upgrading of Innercore Estate Roads (0.42 Km), improvement to bitumen standards of access roads to Kisii Mini State Lodge (1.2 Km), improvement to bitumen standards of access roads to and within Gusii Stadium (1.2 Km), Othaya Town Roads (2.5 Km), and upgrading of Tom-Mboya Road Kisumu (1.95 Km).

Upgrading of Roads in County Headquarters: 6.8 Km of Mandera Town Roads – Phase I upgraded to bitumen standards.

Construction of Roads in Informal Settlements in Nairobi County: Construction of 90 Km roads in Mukuru, Dandora, Utawala, Mihango, Ruai, Dagoretti, Kawangware, Kangemi, Kibera, Ngomongo, Korogocho, Mathare, Roysambu, Githurai, Kasarani and Mwiki.

l) Development of the 50-Year Transport Master Plan

Location: Nationwide
Objective: To guide development and management of transport infrastructure
Implementing Agencies: State Department for Transport, KeNHA, KURA, KWS and NTSA

Project Progress: Funding has since been secured for development of a master plan through a consultant**.**

m) Road Safety Programme

Location: Nationwide
Objective: To protect life and property on the road, targeting reduction of incidences of road crashes and their impact on the Kenyan economy
Implementing Agency: NTSA

Project Progress: Likoni Road and Miritini motor vehicle inspection centres were automated. Five test lanes were completed with brake testers, emission testers, headlight testers, noise meter and play detectors. Three regional offices in Mombasa, Kisumu and Eldoret were refurbished and occupied. A total of 432,001 commercial and Public Service Vehicles (PSVs) were inspected during the year.

In addition, a total of 395,597 smart driving licenses, 128,644 E-stickers for new registrations and transfers, and 7,344 e-stickers were issued during inspection. Similarly, road transport regulations were developed and submitted to the Ministry of Transport, Infrastructure, Housing, Urban Development and Public Works for onward engagement with Parliament.

Further, NTSA developed and operationalised the Boda Boda management system, including sensitisation, training, and licensing; developed road safety mainstreaming policy guidelines; trained 365 road safety committees/units; and negotiated road safety mainstreaming targets.

Sensitisation forums of Heavy Commercial Vehicle (HCV) operators in Mombasa, Nakuru and Kisumu on traffic laws were held to help reduce cargo-related accidents on the corridor. The Authority developed road safety policy guidelines for PSVs and HCVs and shared them with the stakeholders. NTSA also trained 210 PSV operators on the development and implementation of their internal road safety policies.

In addition, NTSA carried out sixteen road safety audits i.e., nine (9) audits on existing roads i.e., Pangani Flyover, Outer Ring Road, Kiambu Road, Karen Road, Marurui Junction, Sachangwan-Salgaa, Kipsitet-Kericho-Chepsir, Londiani-Muhoroni-Kipsitet, Marurui Junction, and Dundori area. It also conducted two (2) design stage audit reports for Eastern Bypass and Northern Bypass, and five (5) construction work zone road safety audits for Nairobi Expressway; Jomvu Kuu-Jitoni-Rabai; Kiogoro-Itibo-Mazongo road, Maseno-Kombewa, and Wangarot-Kalandini roads.

Additionally, NTSA sensitised 150 driving schools and inspected a total of 609 driving schools during the year to ensure adherence to set standards and driver training curriculum.

Implementation Challenges

- Inadequate budget allocation and delay in release of funds for planned and ongoing projects thereby affecting the completion period;
- Requirement for payment of cess to the county governments for construction materials;
- Slow relocation of utility services (water pipes, power posts and internet cables);
- Inadequate funds for land acquisition;
- Contracted works for key projects were affected by COVID-19 pandemic containment measures;
- Vandalism of road furniture and infrastructure and encroachment hence compromising road safety;
- High number of litigation cases on land acquisition and infrastructure development works; and
- Delays and lengthy process of land acquisition and compensation.

Recommendations

- Mobilise resources and enhance alternative financing mechanisms, including Public Private Partnerships (PPPs);
- Enhance joint ventures amongst contractors to leverage the existing local capacity;
- Collaborate with service providers through regional development co-ordination;
- Establish committees for speedy relocation of utility facilities;
- Provide alternative road development technologies;
- Adequate budget allocation and timely release of funds for implementation of projects;
- Design mechanisms to protect road reserves, wayleaves, and land banking; and
- Provide incentives to make it attractive for private sector participation.

3.1.2 Rail Transport Sub Sector

The sub-sector's main objective is to develop and manage efficient and reliable railway transport. It aims to increase the rail haulage capacity from the port of Mombasa and promote urban commuter rail services. It entails construction of Standard Gauge Rail (SGR) components and Meter Gauge Rail (MGR) links to various urban centres and improvement of commuter railway stations.

During the review period, the total freight hauled improved by 30 percent from 4,549,948 tonnes in FY 2019/20 to 5,904,751 tonnes (5,145,677 tonnes by SGR and 711,647 tonnes by MGR) in FY 2020/21. In the same period, the number of rail passengers grew from 2,830,000 in FY 2019/20 to 4,490,000 in FY 2020/21. This was attributed to the easing of the COVID-19 containment measures and the introduction of the 10.00 pm passenger train between Nairobi-Mombasa.

a) Expansion of Railway Transport

The programme seeks to increase the railway haulage capacity from five percent to 50 percent of the cargo throughput from the port of Mombasa and promote urban commuter rail services. During the review period, the following projects were implemented:

i. 120 Km Standard Gauge Railway Phase 2A (Nairobi - Naivasha)

Location: Nairobi – Naivasha
Objective: To provide efficient and safe rail services
Implementing Agency: Kenya Railways Corporation (KRC)

Project Progress: In the review period, 23.5 Km of railway link between SGR and MGR and truck parking yard at Naivasha Inland Container Deport (ICD) were at various stages of construction.

ii. Nairobi ICD Yard and Access Roads

Location: Nairobi
Objective: To provide efficient and safe rail services
Implementing Agency: KRC

Project Progress: Construction of Nairobi ICD yard and access roads was 95 percent complete.

iii. Nairobi Commuter Rail Improvement Project

Location: Nairobi Metropolitan
Objective: To construct 10 new commuter stations in Nairobi
Implementing Agency: KRC

Project Progress: Acquired and operationalised 11 Diesel Multiple Units, rehabilitated 165 Km of Nairobi Commuter Rail track, and introduced Nairobi – Athi River and JKIA via Embakasi Village Station express train services.

Implementation Challenges

- Inadequate funding for capital-intensive railways construction;
- Prolonged land acquisition & environmental and social safeguards processes; and
- Railway land issues caused by encroachment.

Recommendations

- Reduce expensive land acquisition processes through land banking;
- Enhance budgetary allocation for capital intensive projects;
- Explore private sector financing initiatives through PPP's; and
- Embrace innovative railway technologies to reduce operational costs and enhance efficiency.

3.1.3 Air Transport Sub-Sector

The sub-sector aims at developing world class aviation infrastructure for improved access to aviation services. The expansion, modernisation and management of the aviation sector has enhanced air transport safety, security, and connectivity across the country. Civil aviation is a critical catalyst for global and national development. Air transport in Kenya has continued to grow and has contributed to job creation and increased interaction and trade with other countries.

Expansion and Modernisation of Aviation Facilities Programme

The programme is aimed at improving passenger handling capacity to at least twenty (20) million with requisite security, safety and customer service quality standards. The following projects were implemented during the review period:

a) Rehabilitation of Pavements (Apron)

Location: JKIA, Nairobi
Objective: To improve the airside capacity of JKIA
Implementing Agency: Kenya Airports Authority (KAA)

Project Progress: Replacement of asphalt concrete with rigid concrete at Terminal 1A for aircraft taxi lanes/ways was at 48 percent, bringing the cumulative completion to 70 percent at the end of FY 2020/21. However, the contract was terminated due to delivery challenges by the contractor.

b) Pavements Rehabilitation, Moi International Airport

Location: Moi International Airport, Mombasa
Objective: To improve airside capacity at the airport.
Implementing Agency: KAA

Project Progress: During the review period, 37.8 percent of the work was done. Cumulatively, the project was at 91.7 percent completion when the contractor terminated it due to contractual disagreements and initiated litigation. A new contractor is being procured to complete the remaining works of ground stabilisation, rainwater harvesting tanks installation and apron repairs.

c) Runway Rehabilitation, Isiolo Airport

Location: Isiolo Airport, Isiolo/Meru
Objective: To evaluate the airport pavements characteristics for optimal intervention on frequent cracks on the runway
Implementing Agency: KAA

Project Progress: The State Department for Public Works completed and submitted a report for action. The report is expected to inform correctional and future development designs.

d) Maintenance of Airstrips

Location: Nationwide

Objective: To improve airside facilities and passenger terminal capacity

Implementing Agency: KAA

Project Progress: The following works were completed: pavements of Kutulo Airstrip in Mandera County; Suneka Phase I in Kisii County - construction of passenger lounge, fence and car park; pavement of Migori, Kitale and Kakamega airstrips. In addition, the following airfield construction projects were at different stages of completion: Nanyuki runway in Laikipia County (74 percent); Nyaribo VIP lounge in Nyeri County (82 percent); Suneka II runway in Kisii County (58 percent); and Lokichoggio runway in Turkana County (34.5 percent).

e) Improvements in Aviation Safety and Security

The project entails construction of buildings, equipping and improving the regulatory framework for aviation oversight.

Location: Nairobi

Objective: To enhance the level of aviation safety in the civil aviation industry in Kenya

Implementing Agency: Kenya Civil Aviation Authority (KCAA)

Project Progress: The construction of the Regional Centre for Aviation Medicine was 70 percent complete as of 30th June 2021. The Centre is expected to provide aviation medical services to aviation personnel requiring licensing in the East African Community region and provide a forum for sharing of information on aviation medical issues in the region for purposes of meeting safety requirements. The regulatory framework was improved through the development and approval of the regulations for the management of Unmanned Aircraft Systems and the review of the regulations on aviation security.

f) Improvement in Air Navigation Services

This project entails construction of buildings and installation of equipment for provision of air navigation services.

Location: Nationwide

Objective: To enhance the expeditious flow of air traffic in Kenya's airspace

Implementing Agency: KCAA

Project Progress: During the review period, the construction of the Area Control and Disaster Recovery Centre at Mlolongo in Machakos County was completed and occupied by the air navigation services staff. The process of procurement of equipment for the Area Control Centre, to be housed in the building, commenced. The procurement and installation of Voice Control and Communications System for JKIA, Mombasa, Malindi and Kisumu was completed. During the review period, the Authority procured a new Air Traffic Management System for JKIA whose installation was 50 percent complete.

g) Improvement in Aviation Training

Location: Nairobi

Objective: To enhance the quality of civil aviation personnel

Implementing Agency: KCAA

Project Progress: The procurement of various training equipment mainly the Power Plant, Materials Laboratory Testing, and the Applied Thermo-Dynamics Equipment for the East African School of Aviation is on-going. In addition, the installation and commissioning of the training equipment was completed during the year. The Authority also initiated the process of procuring more training equipment, including Flight Planning and Briefing, Instrument Landing System, Very High Frequency Omnidirectional Range, and Distance Measuring Equipment.

Implementation Challenges

- Inadequate financing for capital intensive projects;
- Encroachment of land earmarked for infrastructure development;
- Insecurity in some areas such as Northern Kenya which hampered timely development;
- Capacity challenges of certain contractors – Suneka, Lokichoggio, Nanyuki, Lamu etc; and
- COVID-19 pandemic affected the implementation of air navigation services equipment due to travel restrictions that affected foreign contractors.

Lessons Learnt

- Inadequate policy framework to guide selection and development of public airfields has led to mushrooming unsustainable airfields; and
- Incorporation of local suppliers in international contracts can lead to timely implementation of projects during times of pandemics when international travel restrictions are enforced.

Recommendations

- Budgetary allocations should be informed by design reports of respective facilities;
- Develop airstrip policy for sustainable facilities development;
- Subsidise strategic airfields which fall below commercial thresholds;
- Use capital markets/private entities to fund development of airports facilities;
- National and county governments, and individuals should avail land for facility development, including land banking of planned airstrips/airports land; and
- National government should secure project sites in insecurity prone areas.

3.1.4 Ports Sub-Sector

This sub-sector aims to develop and manage an efficient, safe and sustainable marine and inland waterways transport system in the country. During the FY 2020/21, the sub-sector achieved major milestones which included the completion, commission and operationalisation of the First Berth of the Port of Lamu; rehabilitation of the Port of Kisumu; and increased volume of cargo throughput from 33.62 million DWT to 36.05 million DWT at the end of the FY 2020/21. In its bid to expand capacity ahead of demand, the sub-sector implemented the improvement of the Shipping and Maritime Facilities programme with six (6) major projects spread across Mombasa, Kisumu, Kwale and Lamu counties.

Improvement of Shipping and Maritime and Inland Waterways Facilities

The following projects were implemented under this programme:

a) Expansion of the Second Container Terminal Phase II

Location: Mombasa
Objective: To provide efficient and competitive port services to facilitate global trade
Implementing Agency: Kenya Ports Authority (KPA)

Project Progress: Phase II which involves construction works on Berth 22 was 81.5 percent complete against a target of 78 percent resulting in a positive variance of 3.5 percent. Upon completion, the project is expected to add an additional annual capacity of 450,000 twenty-foot equivalent units to the Port of Mombasa.

Implementation Challenges

- Environmental and social safeguard concerns raised by stakeholders; and
- COVID-19 containment measures which hindered movement of materials and labour.

Recommendation
Provide budgetary allocation for conducting adequate stakeholders' sensitisation at all stages of projects cycle.

b) Lamu Port

Location: Lamu
Objective: To complement the Port of Mombasa and provide efficient and competitive port services to facilitate global trade.
Implementing Agency: KPA

Project Progress: The First Berth was completed, commissioned and operationalised while Phase I (first 3 berths) of the project were 91.6 percent complete against a target of 90 percent. On the other hand, marketing activities to commercial shipping lines and transporters and transactional advisory studies to seek PPP investment for development of the remaining berths were ongoing.

Implementation Challenges

- Delays in release of funds for the programme;
- Incidences of insecurity in Lamu which led to suspension of works cumulatively delaying progress;
- Environmental and social safeguard concerns raised by stakeholders; and
- COVID-19 containment measures hindered movement of materials and labour.

Recommendations

- Enhance budgetary allocation and timely release of funds for capital projects from the exchequer;
- Proper co-ordination mechanism for projects with multiple implementing partners to avoid slow implementation of projects; and
- Provide budgetary allocation for conducting adequate stakeholders' sensitisation at all stages of projects cycle.

c) Development of Shimoni Port

The project entails development of an industrial fishing port with a capacity of 50,000 MTs at Shimoni through PPP arrangement. Phase I involves construction of a jetty of 75m by 30m adjacent to the existing jetty with associated facilities such as an auction market, cold room and ice making machines.

Location: Shimoni, Kwale County

Objective: To contribute to the development of the rural communities through enhanced fishing and its associated industry within the Kwale region

Implementing Agency: KPA

Project Progress: Tender for development of the facility awarded.

d) Relocation of Kipevu Oil Terminal

Expansion of petroleum products infrastructure to meet the growing demand within the country and nearby countries is key to regional economic development. The project, therefore, involved relocating Kipevu Oil Terminal to a new site at Tsunza area to address the operational inefficiencies and capacity constraints at the bulk liquid berths. Upon completion, the modern facility will handle bigger tankers and serve Liquified Petroleum Gas (LPG) needs. It will improve the capacity and efficiency of energy products handling at the Port.

Location: Mombasa County

Objective: To address the capacity constraints in handling bulk petroleum products

Implementing Agency: KPA

Project Progress: During the review period, the project progressed from 75.3 percent to 89.6 percent completion level against a target of 87 percent resulting in a positive variance of 2.6 percent.

Implementation Challenge

COVID-19 pandemic impacted progress due to material and labour shortages.

e) Development of the Dongo Kundu Free Trade Port

The project entails the construction of the First Berth of 300m in quay length, depth of 15 metres and procurement of associated equipment to catalyse development of a Special Economic Zone (SEZ) at Dongo Kundu.

Location: Mombasa County

Objective: To facilitate industrialization and trade

Implementing Agency: KPA

Project Progress: Tendering for construction commenced. Feasibility study, bathymetric survey and environmental impact assessment study were concluded and submitted to respective agencies.

Implementation Challenges

- Delays in decision making due to involvement of several stakeholders. For example, the involvement of the National Land Commission (NLC) in the Resettlement Action Plan (RAP) for the Dongo Kundu project; and
- Procurement for detailed designs and other related works was delayed by COVID-19 which affected movement of labour and meetings.

Recommendation

Enhance co-ordination of all implementing agencies.

f) Revamping Kisumu Port

The project involved the rehabilitation and improvement of physical infrastructure at the Kisumu port.

Location: Kisumu County

Objective: To provide efficient and competitive port services to facilitate global trade

Implementing Agency: KPA

Project Progress: Phase I, Part I was completed on time. However, commencement of Phase I Part II and Phase II was held back by the impending launch of Phase I Part I to give way for progression of civil works.

Implementation Challenges

- Complex PPP processes inhibited uptake of projects (especially small ports) by the private sector, due to non-bankability of such small ports; and
- Inadequate synergy among implementation partners reduced the speed of decision making, hence affecting the process of implementation.

Recommendations

- Enhance proper co-ordination mechanisms for projects with multiple implementing partners to avoid slow implementation of projects; and
- Amend the PPP law to encourage participation of the private sector in implementation of capital-intensive projects.

3.1.5 Energy Sub-Sector

The energy sub-sector is a key enabler which ensures reliable and sustainable energy availability in the country. It plays a key role in extending and strengthening national power distribution and transmission networks as well as increasing the generation capacity of electricity through investment in cheaper renewable energy. During the review period, flagship programmes under this sub-sector focused on developing renewable energy sources and developing energy infrastructure.

Power generation capacity increased from 2,840MW to 2984MW. Out of this, 2,232MW, or 75 percent of the total energy generated was from renewable energy sources. The planned target of 3,876MW was not achieved due to the rationalisation of commercial operation dates of the planned power plants to ensure demand and supply balance and avoid excess power. A total of 702,058 new customers were connected to the grid against an annual target of 500,000 bringing the cumulative number to 8,278,203 from 7,576,145 in FY 2019/20. The following programmes were implemented in FY 2020/21:

Power Generation

The power generation programme is implemented through several sub-programmes which includes geothermal, wind, hydro, solar, thermal, co-generation, coal and nuclear. The sub-sector has been accelerating the development of energy from clean renewable sources in line with the international obligation of minimising the greenhouse gasses as well as conserving the environment.

During the review period, power generation capacity was increased from 2,840MW to 2,984MW. Out of this, 2,232MW, or 75 percent of the total energy generated was from renewable energy sources.

The key sub-programme/projects implemented under this programme were:

a) Geothermal Development 165.4MW Olkaria V

Location: Olkaria Ward, Naivasha Sub-County, Nakuru County

Objective: To enhance capacity and security of electric power supply in Kenya by building a new geothermal power plant of 172 MW using state of art technology, thereby creating a conducive investment climate, and enabling sustainable economic growth in Kenya.

Implementing Agencies: Ministry of Energy (MoE), Kenya Electricity Generating Company PLC (KenGen), and Energy & Petroleum Regulatory Authority (EPRA)

Project Progress: The project was completed, commissioned, and synchronised to the national grid in the FY 2019/20. During the period under review, management of the defect liability period for the steam field development (Lot I), power plant (Lot II) and switch yard & transmission line (Lot III) progressed through addressing punch list items, reported defects, and undertaking applicable remedial works. The defect liability period for Lots I and III ended in June 2021 and March 2021 respectively.

b) 83.3MW Olkaria I Unit 6

Location: Olkaria Ward, Naivasha Sub-County, Nakuru County

Objective: To enhance capacity and security of electric power supply in Kenya by building a new unit of geothermal power plant of 83.3 MW using state of art technology, thereby creating a conducive investment climate and enabling sustainable economic growth in Kenya.

Implementing Agencies: MoE, KenGen and EPRA

Project Progress: During the period under review, major equipment for Lots 1 (Steam Field Development) and Lot 2 (Power Plant) were procured; construction works for both Lots progressed; and installation of major equipment (Turbine, Condenser and Transformer) completed. In addition, installation and cladding of cross-country steam gathering system continued. Overall, the project progress moved from 60 percent to 87 percent.

c) 60MW Olkaria I Rehabilitation

Location: Olkaria Ward, Naivasha Sub-County, Nakuru County

Objective: To increase the power output from the current 45MW to 60MW

Implementing Agencies: MoE, KenGen and EPRA

Project Progress: During the period under review, procurement of the implementing consultant commenced in January 2021; and technical and financial evaluation completed. Similarly, the procurement of the EPC contractor progressed; technical and financial evaluation completed; and the report approved. Discussions were commenced with the financier to bridge the funding gap before award of the contract.

d) Menengai Geothermal Project

Location: Menengai
Objective: To develop 465MW of geothermal power by 2030
Implementing Agencies: MoE, EPRA and Geothermal Development Company (GDC)

Project Progress: Cumulative MWe (steam equivalent) at the Menengai Geothermal project was 169.9MWe. One additional well was drilled, namely MW35A bringing the total completed wells at the Menengai Geothermal project to 60 since inception. One drill pad (MS35A) was completed in Menengai. All leakages on the Menengai water lines and routine maintenance of other infrastructure were undertaken.

e) Bogoria-Silali Geothermal Project

Location: Bogoria-Silali
Objective: To develop 300MW of geothermal power by 2030
Implementing Agencies: MoE, EPRA and GDC

Project Progress: One well, PW 03 in Paka, was tested and discharged with an output of 17MWe. Cumulative MWe at the Bogoria-Silali Geothermal project increased to 24.86MWe. Further, two additional wells were drilled at Korosi (KW 01 at a depth of 2,876m and well KW 02 at a depth of 3,018m) respectively, bringing the total completed wells at the Bogoria-Silali Geothermal project to five. A total of three drill pads were completed, namely Korosi 02, Korosi 03, and Paka 06 respectively. In addition, all leakages on the Bogoria- Silali water lines and routine maintenance of other infrastructure were undertaken.

f) Nuclear Power Development Programme

The key activities for development of the national nuclear power programme encompass 19 infrastructure issues, including legislative and regulatory framework; site identification of the nuclear power plants; capacity building through national programmes and international partnerships; and public education and advocacy.

Location: Nationwide
Objective: To diversify energy resources for power generation through nuclear power development
Implementing Agencies: MoE, EPRA and Nuclear Power and Energy Agency

Project Progress: The following were achieved during the year under review:

Development of legal and regulatory frameworks for the Nuclear Power Programme: The National Nuclear Policy was developed. The national laws were reviewed vis-à-vis the Nuclear

Regulatory Act, 2019. Follow-up activities were conducted towards the ratification of Nuclear Safety Conventions.

Site and supporting facilities: Short-term land acquisition at the preferred nuclear power plant (NPP) candidate sites was initiated. Preparatory activities for preliminary site characterisation at the preferred and alternate sites were carried out. System integration studies were performed for the preferred and alternate NPP sites.

Reactor technology assessment for the Nuclear Power Programme: The user requirements for both small and large NPPs were reviewed and updated with stakeholders. Further, NPP safety simulation was conducted.

Industrial involvement for the Nuclear Power Programme: Local industry data was updated, and self-industry capability assessment undertaken to determine the localisation percentage for the local industries.

Environmental impact assessment for the Nuclear Power Programme: A position paper on the status of environmental authorisation and its implications to nuclear installation projects was developed. A schedule for conducting the environmental impact assessment (EIA) at the preferred NPP site, resource plan, and project description report were also developed.

Human resource development strategy for the Nuclear Power Programme: An analysis of current education resources (universities, colleges and artisan schools) was conducted. The Human Resource Development Strategy was updated using the Nuclear Power Human Resource model output.

Emergency planning for the Research Reactor Programme: A study on the emergency plan requirements for a research reactor (RR) site was conducted. Preparatory activities for feasibility of an emergency plan at the proposed RR site were initiated.

Nuclear management: The requirements for management systems for the NPP project and scenarios for bid invitation specifications were developed. A report on future management developments required in NPP regulation was compiled.

Energy research and development: An analysis of energy research and development (R&D) needs was undertaken, and R&D thematic areas identified. The development of an energy R&D co-ordination framework commenced.

Capacity building in the energy sector: Knowledge mapping (gap analysis) of the sector was conducted and capacity building areas were identified. The development of a capacity building co-ordination framework also commenced.

Nuclear research and development: The feasibility study report for the RR project was compiled, including stakeholder needs quantification for Eastern Africa region, preliminary technical and functional specifications, site survey, and risk assessment. Preparatory steps towards conducting financial and economic cost benefit analysis were undertaken.

Public communication, information, education, and stakeholder management: Public education on nuclear energy development in Kenya was conducted through various media.

g) Power Transmission

Transmission lines with a length of 353Km and their associated substations were completed. The following projects were implemented during the year under review:

a) 400/220/132 kV Olkaria-Lessos-Kisumu Transmission Line

Location: Nakuru, Uasin Gishu, Nandi and Kisumu
Objective: To increase power supply to West Kenya and improve electricity access through upgrading and expansion of the transmission network
Implementing Agencies: MoE, EPRA and Kenya Electricity Transmission Company (KETRACO)

Project Progress: 309 Km of transmission line was completed, commissioned and energised. Kibos substation was also completed.

b) 96 Km 400kV Kenya-Tanzania Transmission Line

Location: Kajiado
Objective: To facilitate regional power trade
Implementing Agencies: MoE, EPRA and KETRACO

Project Progress: 193 out of 246 tower foundations were constructed; 103 out of 246 tower erection was completed; and 1 Km of 96 Km of stringing was undertaken.

c) 431 Km 132kV Power Transmission Improvement Project

This project comprises six lines, two of which were completed in the previous years. The four ongoing included: Nanyuki-Rumuruti, Lessos-Kabarnet, Olkaria-Narok, and Mwingi-Kitui-Sultan Hamud-Wote transmission lines.

Location Laikipia, Baringo, Narok, Kitui and Makueni

Objective: To increase access and improve supply of quality and reliable electricity
Implementing Agencies: MoE, EPRA and KETRACO

Project Progress: 53 Km of stringing undertaken on Lessos - Kabarnet, 28 Km in Olkaria - Narok, 4 Km in Kitui - Wote and 14 Km in Nanyuki - Rumuruti.

d) 80 Km 132kV Isinya-Namanga Transmission Line
Location: Kajiado
Objective: To increase access and improve supply of quality and reliable electricity
Implementing Agencies: MoE, EPRA and KETRACO

Project Progress: 281 of 297 tower foundations, 135 of 297 tower erection and stringing 4 Km of 80 Km completed.

e) 247 Km 220kV Garsen - Hola - Garissa Transmission Line
Location: Tana River and Garissa
Objective: To increase access and improve supply of quality and reliable electricity
Implementing Agencies: MoE, EPRA and KETRACO
Project Progress: 5 out of 582 tower foundations were constructed.

f) 400/220 kV Mariakani Substation
Location: Kilifi
Objective: To strengthen the system and enable operation of the Mombasa-Nairobi transmission line at 400kV
Implementing Agencies: MoE, EPRA and KETRACO

Project Progress: Substation civil works was 20 percent complete and control building construction at 0.4 percent completion level.

g) Nairobi Ring 220/66kV Substations
Location; Kajiado and Machakos
Objective: To strengthen the system and increase transformation capacity through removing excess load from the existing overloaded substations in the Nairobi metropolitan region
Implementing Agencies: MoE, EPRA and KETRACO

Project Progress: Completion of Malaa substation progressed from 62 percent to 78 percent and Kimuka from 85 percent to 99 percent completion level.

h) Eastern Electricity Highway Project (Kenya–Ethiopia) 500kV HVDC Interconnector
Location: Marsabit, Samburu, Laikipia, Nyandarua, Nakuru, Narok

Objective: To facilitate regional power trade
Implementing Agencies: MoE, EPRA and KETRACO

Project Progress: The total completed length as at the end of the period was 612 Km. The converter substation was 99 percent complete.

i) **Power Distribution**

a) **Distribution Network Expansion and Improvement**

Location: Nationwide
Objective: To increase electricity access and reliability through upgrading and expansion of distribution network and associated infrastructure
Implementing Agencies: MoE, EPRA, Kenya Power and Lighting Company (KPLC), and Rural Electrification and Renewable Energy Corporation (REREC)

Project Progress: A total of 12,374 Km of high, medium and low voltage lines were constructed. In addition, investment, refurbishment and enhanced maintenance of the medium and low voltage networks and secondary substations was undertaken to ensure sustained high-quality power supply, buttressed by expeditious addressing network outages. The Customer Average Interruption Duration Index reduced from 4.52 to 4.03 hours while the System Average Interruption Frequency Index was 29.29 against a target of 22. Further to this transmission and distribution network growth was as shown in the Table 3.1:

Table 3.1: Summary of Transmission and Distribution Growth

VOLTAGE	2019/20	2020/21
400 kV	2116	2,116
220 kV	1,686	2,116
132 kV	3,372	3,444
66 kV	1,187	1,187
33 kV	35,703	36,570
11 kV	40,616	41,553
Total HV and MV	**84,681**	**86,986**
415/240V or 433/250V	158,527	168,595
TOTAL	**243,207**	**255,581**

j) **Electricity Connectivity**

The following projects were implemented under this programme during the FY 2020/21:

a) **Last Mile Connectivity Project**

Location: Nationwide

Objective: To improve socio-economic development through connecting electricity to both households and public facilities
Implementing Agencies: MoE, EPRA, REREC and KPLC

Project Progress: A total of 321,829 new customers were connected under this programme leading to a total of 830,277 connected customers since inception.

b) **Public Street Lighting Project**
Location: Nationwide
Objective: To stimulate a 24-hour economy and promote security
Implementing Agencies: MoE, EPRA, REREC and KPLC

Project Progress: A total of 20,150 lanterns were installed, bringing the total number of lanterns installed under this programme to 161,889 since its inception.

c) **Electricity Connection to Public Facilities**
The project aims at enhancing electricity connection to public facilities that included public primary schools, secondary schools and polytechnics, administration offices, churches and mosques, coffee and tea buying centres and processing plants, health centres and dispensaries, markets and trading centres, beaches, police posts, and water points and boreholes among others.

Location: Nationwide
Objective: To accelerate electricity connection both on-grid and off-grid to public facilities to enhance service delivery
Implementing Agencies: MoE, EPRA, REREC and KPLC

Project Progress: 535 transformers were installed, and 336 public facilities connected to electricity countrywide. The transformers installed not only connected the public facilities, but also the communities living near those facilities. In addition, maintenance of electricity connectivity to already connected facilities, especially those under solar, continued.

d) **Alternative Energy Sources and Technologies**
These programmes promote alternative clean renewable energy sources with the aim of reducing over-reliance on raw biomass and contribute to the conservation of the environment. The programmes include electricity access through solar and wind; construction of institutional and domestic biogas systems; construction of community small hydro power plants; installation of standalone home solar systems; clean cooking solutions; and reforestation of hydro dam's water catchment areas and water towers among others.

Location: Nationwide

Objective: To promote new and alternative sources of clean energy and technologies for socio-economic development
Implementing Agencies: MoE, EPRA, REREC and KPLC

Project Progress: 42 public institutions were connected with solar Photovoltaic in off-grid areas; 89 projects were commissioned under the maintenance programme of previously installed solar PV systems; 13 solar/wind water pumping systems were completed; and one water desalination system project was completed and commissioned. In addition, 131 hectares of hydro dams water catchment areas was planted with trees; 105,000 seedlings, including 32,500 in Endebess and 16,500 in South Imenti were planted to support the reforestation of water catchment areas and hydropower dams. The maintenance of afforested hydro dams water catchment areas continued as well as the use of standby turbine for maintenance of community small hydro projects.

Further, the rehabilitation and maintenance of 19 previously installed wind masts and data loggers was undertaken; 21 investment and 19 general audits to improve on energy efficiency done; two institutional biogas plants in Nyeri & Laikipia counties and 182 domestic biogas digesters in 13 counties were constructed; and demonstration of six renewable energy technology, including Solar PV, biogas, charcoal kilns, improved cookstoves and fireless cookers and tree nurseries continued in 16 energy centres across the country.

In addition, the Kenya Off-Grid Solar Access programme was rolled out. This programme aims at accelerating electricity connection and transition to cleaner sources of energy in 14 underserved counties. Under this programme, 52,346 stand-alone home systems were installed and 3,651 clean cooking units were distributed.

Implementation Challenges

- Complexity in land and wayleave acquisition leading to escalated cost of right of way and land acquisition causing project delays and increased costs of projects;
- Increased vandalism of infrastructure facilities creating additional costs for maintenance and restoration;
- Inadequate budgetary allocation and budget austerity measures which negatively affected the implementation of most projects;
- Demand-supply power imbalances;
- Prohibitive legal and contractual issues and gaps on projects, including nuclear law and nuclear electricity regulation (safety, security and safeguards); and
- Limited understanding, knowledge and awareness of nuclear and coal related areas at the policy and decision-making levels of the government.

Lesson Learnt

Integrated national energy planning minimises duplication of roles, mismatch between energy demand and supply, compromised power system security and lack of optimal utilisation of resources.

Recommendations

- Review laws for acquisition of land and right of ways/wayleaves;
- Establish an integrated security, intelligence and surveillance system as well as use of anti-vandalism technology;
- Provision of loans and flexible repayment plans for customers and review of the connection costs;
- Implementation of special demand initiatives and incentive measures; and
- Enhance public awareness and stakeholders' engagement in planning and implementation of energy projects as well as capacity-building key players in the energy sub-sector.

3.2 INFORMATION COMMUNICATION & TECHNOLOGY

"Leveraging ICTs for Increased Competitiveness"

The Kenya Vision 2030 identified ICT as a key enabler for the country's growth. The sector continues to play a key role in accelerating the achievement of the Vision, the "Big Four" Agenda and other development initiatives. The sector will position the country to take advantage of the Fourth Industrial Revolution that brings together digital, biological and physical technologies. This will largely depend on the quality of ICT in national infrastructure, regulatory and business environment, human capacity, ICT usage and investment among others. Based on this understanding, the government has prioritised investments in the ICT sector and its application in critical sectors such as financial intermediation, e-commerce and governance. These trends are being accelerated under MTP III.

In the review period, most projects under the ICT sector had been completed and handed over to the Ministry of ICT for maintenance. However, a small number of them had stalled due to lack of financing.

3.2.1 National ICT Infrastructure Programme

The programme seeks to improve universal access to ICT services. It involved connecting Kenya to the international broadband highway as well as connecting all major towns in the country. During the year under review, the following projects were implemented:

a) National Optic Fibre Backbone Infrastructure

Location: Nationwide

Objective: To extend by an additional 2,500 Km of fibre connecting at least 290 offices at the sub-county level, educational centres, Level 4 and above hospitals, police stations and other key county government offices

Implementing Agencies: Ministry of ICT, Innovation and Youth Affairs, and ICT Authority

Project Progress: As at 30th June 2021**,** a total of 2,501.5 Km of fibre had been constructed as targeted in the MTP III and 290 offices at the sub-county level had been connected with fibre and commissioned. The project is currently under periodic maintenance. This expansion resulted in an increase in the proportion of the population with Internet connectivity to 91.2 percent from 83.38 percent translating to an increase of 9.6 percent.

b) County Connectivity Project Phase III

Location: Nationwide

Objective: To interconnect all 47 counties through a last mile wired and wireless network into one homogenous governmental network

Implementing Agency: Ministry of ICT, Innovation and Youth Affairs

Project Progress: In the FY 2020/21, maintenance of the infrastructure was done, following the connection of all the 47 County Government and National Government Headquarters in the FY 2019/20, as set out in the MTP III. Cumulatively, 610 Government buildings were connected to the National Optic Fibre Backbone Infrastructure under the last mile county connectivity project.

c) Government Common Core Network Programme

Location: Nationwide

Objective: To enhance connectivity to provide MDAs with a robust, reliable, and secure government core connectivity network and a redundant link.

Implementing Agencies: Ministry of ICT, Innovation and Youth Affairs, and Ministry of Interior and Co-ordination of National Government

Project Progress: The Government Common Core Network (GCCN) system was redesigned and expanded to provide a robust, reliable, and secure government core connectivity network and redundant link to all MDAs.

d) Integrated Government Unified Communication System Project

Location: Nationwide

Objective: To provide a platform for government officials to share information more securely, efficiently and effectively.

Implementing Agencies: Ministry of ICT, Innovation and Youth Affairs, and ICT Authority

Project Progress: During the year under review, the Integrated Government Unified Communication System was expanded and upgraded in 25 out of the targeted 312 MDACs. The remaining 287 MDACs will be implemented under MTP IV.

e) **Eastern Africa Regional Transport, Trade and Development Facilitation Project**

Location: Nationwide

Objective: To extend the geographic reach of Fibre Optic Cable network to improve service delivery in the North-Western part of Kenya

Implementing Agencies: Ministry of ICT, Innovation and Youth Affairs, and ICT Authority

Project Progress: A total of 200 Km out of the targeted 600 Km of fibre network was rehabilitated from Eldoret to Nadapal at the common border with South Sudan. This project commenced in FY 2020/21.

f) **Northern Eastern Corridor Transport Improvement Project**

Location: Northern Eastern, Kenya

Objective: To connect institutions and communities along the Northern Eastern Road corridor between Isiolo and Mandera.

Implementing Agency: ICT Authority

Project Progress: The project was not implemented due to budgetary constraints. The project will be implemented in the MTP IV period.

g) **Digital Terrestrial Television Coverage**

Location: Nationwide

Objective: To cover 22 percent of the country

Implementing Agencies: Communications Authority of Kenya (CA) and Broadcasting Signal Distributors (Signet).

Project Progress: The Broadcast Signal Distributors (SIGNET, ADNL, Lancia, GOTV and PANG) rolled out Digital Terrestrial Television (DTT) coverage across the country as per the set roll-out targets. The DTT coverage progressed to 91.2 percent from 89.26 percent at the end of the review period, reducing the uncovered areas to 8.8 percent.

h) **Migration from Medium Wave (FM Radio Transmission)**

Location: Nationwide

Objective: To migrate from Medium Wave to FM radio transmission by installing 12 transmitters

Implementing Agency: State Department for Broadcasting and Communication

Project Progress: The migration from Medium Wave to FM transmission was 95 percent complete. Five transmitters were installed out of the 12 transmitters.

i) **e-Waste Management Centres**

Location: Nationwide

Objective: To establish e-Waste Management Centres in six (6) economic zones across the country.
Implementing Agency: Ministry of ICT, Innovation and Youth Affairs

Project Progress: In the review period, two (2) e-waste centres were established.

j) National Addressing System
Location: Nationwide
Objective: To identify streets and individual buildings to meet the diversified needs in the delivery of both public goods and services; and to boost the uptake of e-commerce and ensure proper and timely deployment of police and fire and ambulance services in emergency situations
Implementing Agency: Ministry of ICT, Innovation and Youth Affairs

Project Progress: Developed the Draft National Addressing System of Kenya Policy and the Draft National Addressing System of Kenya Bill. The two instruments will provide a policy for developing the National Addressing System and improve uptake of commerce.

k) Data Disaster Recovery Centre
Location: Nationwide
Objective: To safeguard Government data
Implementing Agency: Ministry of ICT, Innovation and Youth Affairs

Project progress: The project is still pending implementation.

3.2.2 National Information Security Programme
Location: Nationwide
Objective: To enhance GCCN security
Implementing Agencies: Ministry of ICT, Innovation and Youth Affairs, and Ministry of Interior and Co-ordination of National Government

Project Progress: The firewall at all gateways was deployed. The development and implementation of security policies and security framework for the entire Government of Kenya (GoK) Cloud as well as establishment of the Cyber Security Research Institute will be carried out in the MTP IV.

3.2.3 Universal Access to ICT Programme
Location: Nationwide
Objectives: To provide basic voice infrastructure in 78 sub-locations and services as well as broadband connectivity to 886 public schools under universal service obligation and Universal Service Fund.

Implementing Agency: CA

Project Progress: Under Phase I of the infrastructure and services project, 8 sub-locations were connected, bringing the total sub-locations connected in unserved and underserved areas to 75 out of the targeted 78. On the other hand, 884 out of the targeted 886 public secondary schools related to broadband during the year under review. The total number of mobile telephony subscriptions grew to 65.1 million in 2021 from 49.5 million in 2018. This increase can be attributed to the rise in the 3/4G coverage, which stood at 96.3 percent.

3.2.4 e-Government Services Programme

Location: Nationwide
Objective: To enhance accessibility of government records through digitisation of Government records; strengthening of the Kenya Open Data Initiative to make public data sets accessible in a usable format and rollout of Digital Government Economy Programmes.
Implementing Agencies: Ministry of ICT, Innovation and Youth Affairs, and Ministry of Interior and Co-ordination of National Government.

Project Progress: The digitisation of Government records was piloted in the lands department and is currently being expanded to all MDACs. This will be implemented under MTP IV.

Implementation Challenges

- Security issues in the Northern part of the country, which hindered roll-out of ICT infrastructure and services in these unserved and underserved areas;
- Delays in the review of the policy, legal and institutional reforms;
- Inadequate critical infrastructure such as roads, energy and water to support roll-out of ICT infrastructure in the unserved and underserved areas of the country;
- Community resistance on the roll-out of the ICT infrastructure as well as inadequate synergies by MDACs in infrastructural projects e.g. roads, water, energy, sewer, fibre cables among others;
- Inadequate ICT capacity for tutors;
- Limited digital content on Competency Based Curriculum;
- Vandalism of critical ICT infrastructure which affected provision of ICT services;
- Incomplete maps of cable location; and
- Limited funding for implementation of ICT interventions.

Lessons Learnt

- Collaboration among MDACs is required to ensure a co-ordinated approach towards roll-out of ICT infrastructure and services;
- Stakeholder and community participation is required in the roll-out of ICT infrastructure and services;

- Advancement in the country's ICT capacity was instrumental in mitigating the effects of the COVID-19 pandemic; and
- Policy, legal and institutional reforms are required to designate ICT as critical infrastructure.

Recommendations

- MDACs should engage and collaborate in the roll-out of infrastructure and services;
- Mobilisation of adequate funding to accelerate roll-out of ICT infrastructure and services; and
- Enhance public and community participation as well as create consumer awareness, education and sensitisation on the importance of ICT infrastructure and services in the country's socio-economic transformation.

3.3 SCIENCE, TECHNOLOGY & INNOVATIONS

"Accelerating the transition to an Innovation-Led and Knowledge-Based Economy"

The Science, Technology and Innovation sector is a key enabler of the three pillars of Kenya Vision 2030. The sector has continued to support transformation of the country by ensuring that all sectors have access to new technologies resulting in high productivity through quality University Education, Research, Science, Technology & Education.

In the review period, the research funding remained stagnant at 0.79 percent of the GDP as reported in 2019 against a target of 1.3 percent while the Global Competitiveness Index ranking dropped to position 93, from position 77, against a target of position 38. This drop was attributed to unavailability of technology transfer mechanisms for commercialisation resulting from lack of full operationalisation of ST&I Act (2013) institutions.

3.3. 1 Nano-Sciences, Material Science and New Production Technologies Programme

This programme aimed at building state-of-the-art infrastructure for high quality research and technology development.

The National Physical Science Research Laboratory for Engineering and New Production Technologies

The project involved incorporation of research centres for the following highly specialised emerging sciences: electronics, telecommunications, and computing; nuclear science for peaceful applications; and mining and mineralogy.

Location: Nationwide

Objective: To provide consulting, engineering, fabrication, and calibration services for both public institutions and private businesses

Implementing Agency: Directorate of Research, Science and Technology (DRST)

Project Progress: The National Physical Science Research Laboratory was established during the review period and is 15 percent complete.

3.3.2 Space Science Technology Development Programme

The programme aimed at enhancing the teaching, research and development of space science and subsequent use of space technology for peaceful purposes. The following projects were implemented under this programme:

i. Centre for Microsatellite Technology Development

Location: Nairobi

Objective: To undertake advanced research in the areas of satellite technology development, manufacturing, launch and operation.

Implementing Agencies: Kenya Space Agency, and National Commission for Science, Technology, and Innovation (NACOSTI).

Project Progress: No progress was made in the period under review.

ii. The Square Kilometer Array

The project involved the acquisition of Longonot Earth Station from Telkom Kenya for conversion into a radio telescope.

Location: Nationwide

Objective: To establish a large radio telescope with a node in Kenya to be used as a research facility for astrophysics, engineering, surveying, mathematics and information technology to generate "Big Data"

Implementing Agency: NACOSTI

Project Progress: No progress was made during the review period.

3.3.3 Energy Technologies Development Programme

The programme aimed at facilitating the diversification of the country's non-renewable and renewable energy mix to meet the energy demands for industrialisation and development, to ensure use of clean energy and increased energy efficiency. The projects implemented included:

i. Renewable Energies Research Laboratory

Location: Nationwide

Objective: To conduct advanced research and development in the areas of solar energy, wind energy and biofuels

Implementing Agencies: MoE and NACOSTI

Project Progress: This project was completed in FY 2019/20.

ii. **The Centre for Petroleum and Gas Exploration Research**

The Centre was expected to focus on the value chain in the exploitation of fossil fuel reserves, including socio-economic considerations.

Location: Nationwide
Objective: To undertake research and technology development in oil and gas exploitation
Implementing Agencies: MoE and NACOSTI

Project Progress: This project was completed in FY 2019/20.

3.3.4 Science, Technology, Engineering and Mathematics Programme

The programme aimed at enhancing the capacity of education institutions (secondary schools) to provide STEM education by facilitating the provision of modern and high-end STEM equipment and training for STEM teachers and school leaders. The following projects were implemented within the programme:

i. **Kenya Advanced Institute of Science and Technology**

Location: Nationwide
Objective: To facilitate human and infrastructure capacity building for the Institute
Implementing Agency: Directorate of University Education.

Project Progress: The design and development of the Kenya Advanced Institute of Science and Technology's (KAIST) curriculum and infrastructure was completed.

ii. **Establishment of Institute of Applied Sciences**

The project involved establishing an institute modelled along the German universities of applied sciences. This was expected to ensure that training in engineering and applied sciences are hands-on and industry oriented.

Location: Nationwide
Objective: To establish an Institute of Applied Sciences
Implementing Agency: DRST

Project Progress: The Institution of Applied Sciences was established and completed in FY 2019/20.

iii. **Enhancement of the Centres of Excellence in Universities and Research Institutions**

Location: Nationwide
Objective: To provide advanced laboratory equipment and access to e-learning resources
Implementing Agency: DRST

Project Progress: Improved centres of excellence in universities and research institutions (Egerton, Moi and Jaramogi Oginga Odinga) were 70 percent complete.

iv. The African Science, Technology and Innovation Observatory

Location: Nationwide
Objective: To facilitate the establishment of the Kenyan node of the African Science, Technology and Innovation Observatory for the collection, analysis and reporting on ST&I indicators
Implementing Agency: DRST

Project Progress: Equipping of the observatory node and population of database was 44 percent complete.

v. National Skills Inventory and Audit for Science, Technology and Innovation

The project will establish a database on the status of the national ST&I human resource capacity and skills in science, engineering, and technology in relation to the job market needs. This will inform the development of a national critical skills development strategy. The project will also undertake skills coding for ST&I and strengthen linkages between industry and institutions of higher learning in areas of curriculum review, industry labour requirements, including incentives for attracting and keeping Science, Engineering and Technology (SET) skills in industry.

Location: Nationwide
Objective: To establish a database on the status of the national ST&I human resource capacity and skills in science, engineering, and technology in relation to the job market needs to inform the development of a national critical skills development strategy.
Implementing Agencies: NACOSTI and DRST

Project Progress: No progress was made during the review period due to lack of budgetary allocation to the project.

Implementation Challenge

Inadequate funding to the projects

Recommendation

The chief executive officers of the lead agencies should work in tandem with the lead Ministries to deliver on the projects.

vi. Model STEM Schools Programme for Secondary Schools

The STEM Model Schools Project, implemented by the Centre for Mathematics Science and Technology Education in Africa (CEMASTEA), was initiated in FY 2016/17 by the Ministry of Education. The aim was to transform schools across the country to be centres of excellence in STEM education. This is a rolling forward project, and CEMASTEA has reported its progress

since its inception in the FY 2016/17. Components of the Project/Programme included supporting the 102 STEM Model Schools with STEM resources, training for teachers and school principals, research, and innovation.
Location: Nationwide
Implementing Agencies: Ministry of Education, NACOSTI and CEMASTEA

Objective I: To enhance the capacity of education institutions (secondary schools) to provide STEM education by facilitating the provision of support with modern and high-end STEM equipment and training for STEM teachers and school principals.

Objective II: To promote experiential learning, innovation, creativity, and attraction into STEM-related disciplines through well co-ordinated programmes in education, research and development and knowledge management and training in all aspects of ST&I from early childhood, primary and secondary education levels of education.

Project Progress: During the review period, 4,873 mathematics and science teachers were trained on ICT integration in teaching and learning; 788 secondary science and mathematics teachers were trained on STEM; 76 teachers were trained on the use of blended learning in curriculum delivery on STEM and Gender Education; and a further 84 STEM schools principals were also trained on transformative leadership.

In addition, the development of a Journal of Mathematics, Science and Technology Education was initiated; four teaching and learning innovations were developed; and the results of a research on the effects on COVID-19 on teaching finalised and disseminated. The Centre also supported six schools with model science laboratories containing resources for dry and wet lab science and mathematics activities.

Some of the programme outcomes included improved instructional practices and learner achievement in STEM subjects. It is worth to note that a number of schools have initiated and commercialised STEM-related projects such as mineral water in St. Albert Ulanda Girls Migori County; hydroponics in Moi Vokoli Girls, Vihiga County; vegetable farming in Naivasha Girls; Robotics, Jamhuri High, Nairobi; a school forest at Moi Kapsowar Girls, Elgeyo-Marakwet; water harvesting and tower gardens in Tumu Tumu Girls, Nyeri County.

Implementation Challenges
- High cost of maintenance of STEM equipment; and
- Inadequate financial resources for follow up activities at the schools.

Lessons Learnt

- The growing interest in STEM among learners is a result of teaching and learning strategies that integrate STEM projects and real-life application of knowledge and skills learned; and
- The blended learning approach adopted during COVID-19 has enabled reaching out to more clients than before.

Recommendations

- Promote research and STEM uptake and possible commercialisation of STEM projects;
- Strengthen collaboration with other Government agencies such as Kenya National Innovation Agency (KENIA) and NACOSTI;
- Establish STEM makerspaces and introduce artificial intelligence science such as robotics; and
- Seek more funding for the STEM Model School Project.

3.3.5 Co-ordination of Technology and Innovation Commercialisation Programme

Location: Nationwide
Objective: To harness the potential offered by modern science and technology for social and economic advancement.
Implementing Agency: DRST

Project Progress: The establishment of National, Science Technology and Innovation parks at the Konza Technopolis and Dedan Kimathi University of Technology was 22 percent complete. During the review period, the total achievement reported was 10 percent against a target of 60 percent due to redesigning of the Parks. The Kenya Industrial Property Institute registered 781 (industrial designs, utility models and patents) against a target of 701 and 4,265 trademarks were registered against a target of 5,700. To support innovation in Kenyan SMEs, a total of 30 patents were registered and 940 SMEs were sensitised on intellectual property rights against a target of 800.

Implementation Challenges

- Inadequate budgetary allocation;
- Mismatch between skills acquired by university graduates and industry requirements;
- Inadequate infrastructure and equipment for research, higher education and training institutions especially for physical science; and
- COVID-19 containment measures delayed project implementation.

3.3.6 Biotechnology, Bioscience Programme and Natural Products Programmes

The overall objective of this programme is to build Kenya's capacity to develop and safely apply Biotechnology and Biosciences in agriculture, health, mining, industry and environmental conservation. The programme also seeks to address the low levels of public awareness on Biotechnology, which has hindered the development and up-take of technology and build national capacities to tap on the great potential of synthetic biology and regenerative medicine.

Location: Kenya Medical Research Institute (KEMRI), Nairobi
Objectives: To establish a centre of excellence for stem cells research, synthetic and regenerative medicine and manufacture of pharmaceuticals through PPP and development of indigenous technologies for the manufacture of niche products
Implementing Agency: KEMRI

Project Progress: During the review period, the Laboratory was upgraded and equipped with the following equipment: BDFACs Cell Sorter; Next Generation Sequencer; CO2 Incubator; Class A2 Biosafety Cabinet; Medical Freezer; Centrifuge (refrigerated) and Cryogenic Storage Dewar. In addition, 13 scientists, 2 PhD and 1 masters student were trained on stem cell research; and four (4) research studies on stem cell research are ongoing.

Biomedical research on natural products solutions was conducted with focus on the use of pyrethrum grown in Kenya for its safety for insecticidal and antimicrobial applications. The main research activities under the Pyrethrum Project included studies on efficacy for prevention and treatment of jiggers, *Falciparum Malaria parasite,* sand flies causing Leishmaniasis and Herpes Simplex Virus.

Implementation Challenges

- Scale down of activities due to the surge in transmission of COVID-19;
- Delay in funds disbursement;
- Human resource capacity both in numbers and skills; and
- Getting waivers or raising funds for value added tax which initially were not available in KEMRI.

Lessons Learnt

- Upgrading of physical infrastructure in university education and research will improve the quality of education, training and research;
- Enhancing commercialisation of research and innovation will earn the country benefits for socio-economic development; and
- Multi-sectoral approach and co-ordination among stakeholders is key for implementation of programmes and projects.

Recommendations

- Review the National Policy on ST& I;
- Increase funding of ST&I flagship projects;
- Strengthen collaboration mechanisms between Government, industry and academia to bridge the skills gap, including use of PPPs; and
- Strengthen the equipment, human resource and uptake of STEM.

3.4 LAND REFORMS

"Globally Competitive Sustainable Land Management"

Land is a significant resource for planning and development of all the major sectors of the economy and society. The availability and quality of land affects major sectors of economy such as agriculture, industries and mining, housing and urban development, public health, and water and sanitation, which are essential components of the "The Big Four" Agenda. Overall, land is a key driver of rapid economic transformation.

The Government has upgraded policies and programmes to address security of tenure and a transparent and secure land registration regime. The reforms are geared towards ensuring secure and equitable access and sustainable land use planning. The Sector identified and prioritised key programmes and projects which were implemented during the planned period.

3.4.1 National Registration and Issuance of Title Deeds

The programme entails geo-referencing of land parcels; issuance of title deeds for sectional properties; demarcation and registration of communities and community land as well as registration of land held under the Community Land (Group Representatives) Act, Chapter 287 of the Laws of Kenya; fast-tracking the preparation of leases and approval of land development applications such as subdivisions, change of user, extension of leases, extension of user to realise issuance of ownership documents; fast-tracking the planning, surveying and issuance of title deeds for public schools; and titling programme for public institutions and counties, urban and markets centres. In addition, it also encompassed the regularisation of informal settlements and colonial villages; fast-tracking of the ascertainment of rights and interest on lands by finalising the declared adjudication sections and establishment of settlement schemes; settling squatters and the landless and regularisation of land ownership claims in urban centres through issuance of letters of allotment, renewal and extension of leases for leased public land, recovery of irregularly allocated public land, and documentation of public land.

Location: Nationwide
Objective: To guarantee security of land tenure and land rights
Implementing Agencies: Ministry of Lands and Physical Planning (MoLPP), and NLC

Project Progress: 410,000 title deeds were issued against a target of 400,000. The target was surpassed because of increased collaboration with NMS and county governments.

3.4.2 National Land Information Management Information System

This entails implementation of NLIMS, including digitisation of the remaining 39 land registries to ensure effective and efficient access to land data.

Location: Nationwide
Objective: To develop a transparent, decentralised, affordable, effective and efficient GIS-based system for land information management
Implementing Agencies: MoLPP and NLC

Project Progress: NLIMS was developed and online services for the Nairobi Registry rolled out. Digitisation for the Murang'a Registry was completed in readiness for roll-out in June 2022. To decentralise land services, four land offices were constructed in Naivasha, Samburu, Nandi and Laikipia.

3.4.3 Implementation of the National Spatial Plan

The National Spatial Plan provides a framework and vision that guides the long-term spatial development of Kenya (2015- 2045). The Plan addresses unco-ordinated human settlements, urban and rural development, disjointed and conflicting sectoral policies, economic development disparities, unsustainable use of natural resources, and inefficient transport and infrastructure framework.
Location: Nationwide
Objective: To enhance balanced growth and development of the country through optimal land use planning and management
Implementing Agencies: MoLPP and NLC

Project Progress: The National Land Use Policy was developed; 47 counties were sensitised on the provisions of the National Spatial Plan and Land Use Policy; Cabinet memorandum for dissemination of National Land Use Policy was developed; and 21 physical development plans were prepared to guide socio-economic development and sustainable land use in the country.

3.4.4 National Land Value Index

This entails the development of a price index for land to guide the assessment of land values in respect of compulsory acquisition of land.
Location: Nationwide
Objective: To provide a framework for a credible valuation database for use in investments and land compensation decisions
Implementing Agency: MoLPP and NLC

Project Progress: Land Value Index was completed in 10 counties against a target of 10.

3.4.5 Settlement of Landless

This entails regularisation of squatter schemes and purchase of farms through settlement fund trusts to settle squatters, displaced persons, and forest evictees. This will guarantee the security of tenure, land rights and improved livelihood of landless households/squatters.

Location: Nationwide
Objective: To guarantee security of tenure, land rights and improved livelihood of squatters
Implementing Agency: MoLPP

Project Progress: 4,469 landless households were settled in Makueni, Kitui, Mombasa, Lamu, Kilifi and Taita Taveta counties against a target of 8,500. The under-performance was due to delays in acquisition of identified land because of ownership disputes.

3.4.6 Development of Natural Resources Inventory and Database

The programme involves mapping and development of an inventory of natural resources culminating in an atlas of the country's natural capital. Further, it entails the development of an interactive theme-based geo-portal to aid in updating the database.
Location: Nationwide
Objective: To create a natural resources information hub to help the country sustainably manage its land-based resources.
Implementing Agencies: MoLPP, NLC and Ministry of Environment and Forestry

Project Progress: The Natural Resource ATLAS was finalised awaiting validation. The mapping of ecologically sensitive areas and fragile ecosystems was ongoing.

3.4.7 Addressing Historical Land Injustices

This involves investigation of current or historical land injustices and making recommendations for appropriate reparation as per Article 67(2)(e) of the Constitution.

Location: Nationwide
Objective: To resolve long standing land conflicts and unlock land for development and investment while improving people's livelihoods.
Implementing Agencies: MoLPP and NLC

Project Progress: Six (6) investigative hearings were conducted in Baringo, Kiambu, Makueni, Mombasa and Tharaka-Nithi counties.

3.4.8 Compulsory Land Acquisition

Compulsory land acquisition is based on Article 40(3) of the Constitution of Kenya, which permits the State to acquire property for public use or in the public interest in exchange for prompt and full payment of just compensation. Under section 107(1) of the Land Act, 2012, NLC is mandated to acquire such land on behalf of the National or County Government and to implement the acquisition in line with the Constitution and applicable Acts of Parliament. The applicable procedure for land acquisition is derived from the Land Act No. 6 of 2012, the Land Value Amendment Act, 2019, the Land (Assessment of Just Compensation) Rules, 2017 among other legal provisions. Further, the Community Land Act provides for compulsory acquisition of land from community land subject to Article 40(3) of the Constitution and the Land Act, 2012.

Location: Nationwide
Objective: To facilitate access of land for public projects
Implementing Agencies: MoLPP, NLC and acquiring bodies

Project Progress: 15 land acquisition projects were processed for key Government projects in various sectors like transport, water and sanitation, energy and security.

Implementation Challenges

- Inadequate and late disbursement of funds affected timely implementation of projects;
- Manual land records which hindered expeditious land transactions;
- High number of litigation cases resulting in pending bills;
- Insecurity from hostile communities;
- Inadequate capacity in land administration and management;
- Land disputes and proper documentation that affected acquisition and compensation of Projects Affected Persons (PAPs);
- Ungeoreferenced natural resources leading to encroachment;
- Lack of proper documentation of historical claims by landowners that hindered timely determination; and
- Lack of harmonised international law of reciprocity with the local legal framework.

Lessons Learnt

- Multi-sectoral approach is critical for implementation of projects and programmes;
- Strong political will is important in achieving land reforms;
- Digitisation of lands transactions and processes has enhanced public access to information and ease of doing business hence critical in improving access to services; and
- Decentralisation of services and modernisation of land offices has contributed to improved access of land services and ease of doing business.

Recommendations

- Enhance funding and timely release of funds by the National Treasury;
- Fast track digitisation of all land records and processes;
- Promote use of Alternative Dispute Resolution (ADR) and Traditional Dispute Resolution mechanisms in land disputes;
- Enhance public participation on land matters among communities.
- There is need for timely approval for employment of adequate human capacity to improve service delivery; and

- Fast track georeferencing of all natural resources.

3.5 PUBLIC SECTOR REFORMS

"A Citizen-Focused and Results-Oriented Public Service"

Kenya's nationhood and its development are dependent on a professional, innovative, and competent public service. The public sector provides policy direction and leadership towards public sector transformation and empowerment. In addition, it ensures accessible, affordable, reliable, efficient and effective provision of government services. This is critical for the successful implementation of the policies, programmes and projects outlined in the Kenya Vision 2030 and its MTPs.

The MTP III envisioned achieving these through building and strengthening institutional capabilities in the public service, sound financial management, efficient and fair collection of taxes and transparent processes. These reforms were expected to emphasise the delivery of quality public services and the implementation of the Government's "Big Four" Agenda. Programmes implemented under this sector included the implementation of the Huduma One-Stop-Shop platforms, National Capacity Building Framework and Public Service transformation among others.

3.5.1 Integrated Service Delivery Model (One-Stop-Shops)

The Programme focuses on improving the accessibility of public services by establishing and implementing one-stop-shop physical and online platforms namely: Huduma Centres; Huduma Portal; Huduma Mobile Application; E-Citizen; and Huduma Contact Centre.

Location: Nationwide

Objective: To transform public service delivery through provision of efficient, effective, accessible, and citizen-centric services through one-stop-shop platforms

Implementing Agency: Huduma Kenya Secretariat

Project Progress: The country has a total of 52 Huduma Centres that provide more than 128 services from 37 MDACs, serving an average of 50,000 citizens daily. During the review period, the following was achieved: deployed Service by Appointment and Track My Service systems for crowd management during the COVID-19 pandemic; operationalised an in-house Government-owned Huduma Contact Centre; drafted a one-stop-shop Government Service Policy; developed the Huduma Kenya Customer Service Excellence Standard; developed, validated and approved four (4) Customer Service Excellence Curricula in collaboration with KSG; and drafted a concept note on Business Process Outsourcing for Government services among others. In addition, 36 Huduma Mashinani outreaches were conducted which served over 250,000 citizens.

Implementation Challenges

- Obsolete ICT infrastructure thus vulnerable to service outages and potential cyber risks;
- Inadequate maintenance of the physical facilities and equipment for the Huduma Kenya Service Delivery Programme affecting service delivery and the Government image; and
- Lack of Huduma Centres in all 290 sub-counties thereby inhibiting accessibility of Government services in vast spread counties and densely populated areas.

Lesson Learnt

The service by appointment online platform increased convenience and accessibility of services.

Recommendations

- Continuous upgrading and maintenance of Huduma Kenya service delivery platforms, ICT infrastructure, systems and physical facilities;
- Roll-out of Huduma Centres and Huduma on Wheels in all sub-counties and densely populated areas; and
- Finalise the One-Stop-Shop Government Services Policy and Bill.

3.5.2 Capacity Assessment and Rationalisation of the Public Service

The programme focuses on the unification of public service human resource information management, payroll number generating system, government payroll management policy, and development of public service strategies, norms, and standards.

Location: Nationwide

Objective: To integrate public service human resource management across national and county governments

Implementing Agency: State Department for Public Service

Project Progress: Implemented 60 percent of Phase II of Capacity Assessment and Rationalisation of the Public Service (CARPs) report which entailed redistribution of common cadre staff in the public service; and expansion of Government Human Resource Information System (GHRIS) to include payroll, pension and leave management modules. In addition, the sub-sector undertook a mapping, identification and compilation of various skills and competencies required in the public service to guide the development of the skills master plan.

Implementation Challenges

- Obsolete GHRIS infrastructure and systems slowing down the implementation of the system;
- Inadequate skills and competencies at national and county governments; and
- Poor implementation of public service policies, strategies, standards and norms.

Recommendations

- Upgrade GHRIS infrastructure to cover additional services and enhance public service human resource information data security;

- Provision of adequate funds for the human resources development in the public service at both levels of government; and
- Implementation of human resources management policies, strategies, standards and norms.

3.5.3 National Capacity Building Framework

Location: Nationwide
Objective: To strengthen the competencies of county governments through capacity building, technical support and public participation
Implementing Agency: Ministry of Devolution and Arid and Semi-Arid Lands

Project Progress: During the review period, NCBF was implemented in the 47 counties. Policies, laws, and institutional reforms for effective implementation of the Constitution at national and county levels were also implemented.

3.5.4 Kenya School of Government

The school builds the capacity of the public service by developing core, managerial and leadership competencies for quality public service through training, research, and consultancies.
Location: Nairobi, Embu, Baringo, Matuga and Mombasa
Objective: To enhance public service delivery by building competences and inculcating values and ethics necessary for the transformation of the public service
Implementing Agency: KSG

Project Progress: During the review period, the School continued to pursue its mandate in training, research and advisory services; established the National Security and Margaret Kenyatta Institutes to address the unique needs in the security and gender sectors respectively; launched a Youth Innovation Centre in Isiolo County; developed and implemented curricula to address Public Service Boards, Commissions and Authorities in collaboration with State Corporations Advisory Committee; developed a resource mobilisation strategy; enhanced KSG partnerships and collaborations for financial and technical support; and implemented induction programmes for National and County government staff.

Implementation Challenges

- Interruption of capacity building programmes because of the COVID-19 pandemic, which constrained revenue generation for the School;
- Austerity measures by MDAs led to low uptake of KSG services; and
- Inadequate capacity to address the rapidly changing environment occasioned by the COVID-19 pandemic.

Lessons Learnt

- KSG can leverage online platforms to execute its mandate;

- Proper co-ordination and collaboration among intergovernmental and inter-agency in service delivery is critical to the successful implementation of reforms in the public sector; and
- The human resource capacity constraints can be addressed through effective and efficient management and rationalisation of staff.

Recommendations

- KSG should explore alternative sources of revenue to support its operations; and
- Build the capacity of KSG staff to leverage on ICT to execute its mandate.

3.6. LABOUR AND EMPLOYMENT

"*Provide Every Kenyan with Decent and Gainful Employment"*

According to the 2019 Kenya Population and Housing Census, 76.7 percent of the country's population is under 35 years of age with the youth aged 18-35 years comprising 30.6 percent of the population. An essentially young population with relevant job skills could be a great asset to the country and it puts Kenya in a competitive position to attract capital by taking advantage of the labour pool. The result would be "the demographic dividend" contributing to high economic growth, through rising savings because of lower dependency ratio. However, unemployment remains a major social and economic problem for Kenya. According to the 3rd Quarter (July-September), 2020 Labour Force Report, the unemployment rate in the country, using the strict definition, was 7.2 percent, a decline from 10.4 percent during the 2nd Quarter while long term unemployment was 2.3 percent compared to 3.1 percent during the 2nd Quarter. However, unemployment rate considering the potential labour force was 15.6 percent, a decline from 22.6 percent in the 2nd Quarter. The rise in the unemployment rate was because of job losses due to the COVID-19 pandemic.

The Sector will continue to play a key role in the achievement of the aspirations of the Kenya Vision 2030 through the creation of jobs, improvement of productivity and promotion of conducive working conditions for Kenyans. The Sector's goals are well aligned to the Constitution of Kenya, which entrenches labour, employment, and social security rights as well as the protection of vulnerable groups. The Sector plays a critical role as an enabler in the achievement of the country's "Big Four" initiatives on manufacturing, housing, food and nutrition security and universal health coverage. Further, the Sector is implementing various programmes and projects that will also lead to achievement of SDG number 8 on decent work and economic growth.

3.6.1 Labour Market Information System

The project involves development of data management policy and modules for facilitating information exchange between the EAC Partner States, migrant workers, and Kenyans in the Diaspora.

Location: Nationwide

Objective: To improve collection, analysis, storage, retrieval and dissemination of labour market information.

Implementing Agency: Ministry of Labour and Social Protection

Project Progress: The Kenya Labour Market Information System (KLMIS) (http://www.labourmarket.go.ke) was developed and launched in 2017. Since then, the system has undergone continuous upgrading to make it more relevant to the needs of the labour market.

In the FY 2020/21, 322,986 log-ins to the System, a visualisation tool was procured and installed in the KLMIS to facilitate automatic generation of Labour Market Information (LMI) in pictorial/graphical form from the data stored in the System, quarterly reports of job opportunities analysis in the labour market were prepared to provide information on LMI and post the indicators in KLMIS. In addition, the Sector developed and disseminated quarterly LMI indicators using data from various surveys (The Kenya Population and Housing Census, Labour Force Survey, Informal Sector Skills and Occupations Survey and the Survey of Training in Local Institutions. The Sector also developed conversion and concordance tables for the 21 sectors of the economy that were domesticated in the Kenya Standards of Industrial Classification document.

Towards revision of the Kenya National Occupational Classification Standards 2000, the sector finalised revising the Standards where new occupations in the country were captured and obsolete ones expunged and aligned the revision to the International Standards Classification of Occupations 2008.

3.6.2 Strengthening Linkages between the Industry and Training Institutions

Location: Nationwide

Objective: To strengthen the industrial attachment framework and bridge the skills gap in the country

Implementing Agency: Ministry of Labour and Social Protection

Project Progress: Accredited and registered 173 training institutions to facilitate the provision of industrial training and renewed registration of 513 training providers; placed 17,109 students and 9 lecturers on industrial attachment to enable them gain hands-on experience in their areas of training; trained 59,005 persons working in the industry in various industrial skills to bring them at par with the changes in the industry; engaged 7 persons in apprenticeship training and 32 indentured learners; and assessed the competences of 45,123 candidates in various trades through the Government Trade Test system thus contributing to decent employment. In addition, 4,845 Master Craftsmen were recruited to train informal sector workers; developed 30 Assessment Guidelines for Master Craftsmen; and registered 2,331 new employers to enhance training levy collection.

Implementation Challenges

- Outdated training equipment and infrastructure at industrial training centres;
- Skills mismatch between industry requirements and academia output;
- Weak collaboration between training institutions on labour market information;
- Lack of robust digital training platform to complement physical or in person training; and
- Inadequate budgetary allocation.

Recommendations

- Enhance digital environment and capacity to support the delivery of an inclusive industrial training curriculum; and
- Develop digital industrial training manuals.

3.6.3 National Internship Programme

Entails development and Implementation of the National Internship Policy and National Internship Programme

Location: Nationwide

Objective: To facilitate placement of graduates in internships

Implementing Agency: Ministry of Labour and Social Protection

Project Progress: The draft National Internship Policy and Guidelines were finalised and forwarded to the National Treasury where their input was received and incorporated. The draft is awaiting discussion with National Development Implementation Technical Committee for approval before forwarding it to Cabinet. In addition, an on-line portal (www.neaims@go.ke) for registration and placement of graduates in internship programmes was developed. The portal will facilitate registration of persons seeking for internship positions, registration of internship positions by employers and matching of interns with vacancies.

3.6.4 Research and Training in Occupational Safety and Health

Location: Nationwide

Objective: To construct and equip the National Occupational Safety and Health Institute

Implementing Agency: Ministry of Labour and Social Protection

Project Progress: Phase I of the project which involved construction of a five-storey building comprising of a basement and 5 floors that will house training rooms, research and testing laboratories, exhibition areas and offices was 70.8 percent complete.

3.6.5 Establishment of Alternative Dispute Resolution Mechanisms

Location: Nationwide

Objective: To provide conciliation and mediation services for labour and employment disputes through an institutional mechanism as provided for under Article 159(2)(c) of the Constitution of Kenya

Implementing Agency: Ministry of Labour and Social Protection

Project Progress: Towards establishment of ADR, the sector arbitrated four matters from court; provided conciliation services to seven disputes involving workers from the Health and Aviation sectors; established a multi-agency committee on 7th December, 2020 to address health workers' issues; settled five reported strikes and lock-outs involving workers from universities, protective security, Nairobi Water and Sewerage Company, and a construction company; established a secretariat for ADR mechanisms and trained the members; and developed draft Rules for ADR.

3.6.6 Policy, Legal and Institutional Reforms

Policy Reforms

- National Wages and Remuneration Policy drafted; and
- National Internship Policy drafted.

Legal Reforms

- Occupational Safety and Health Act, 2007 reviewed
- Work Injury Benefits Act, 2007 reviewed;
- Labour Migration Management Bill drafted; and
- Seven bilateral labour agreements between Kenya and States of Jordan, Saudi Arabia, Bahrain, Oman, United Kingdom, Poland and Kuwait drafted.

Institutional Reforms

- Established ADR mechanism;
- Reviewed, established, and operationalised Wages Councils in 11 sectors; and
- Operationalised the National Employment Authority.

Implementation Challenges

- High unemployment level among the youth;
- Obsolete training equipment and dilapidated industrial training centres except for the National Industrial Training Authority's Athi River Centre;
- Skills gap between industry requirements and academia output;
- Weak collaboration between institutions on labour market information;
- Unregulated labour migration with many Kenyans engaged in low-skilled occupations abroad;
- Upsurges in industrial actions in the public sector;
- Inadequate funding for the sector activities; and
- Low turn-out of trainees for virtual trainings on the Sector's programmes and projects.

Lessons Learnt

- Engagement of multiple contractors for different phases in the implementation of single projects exceeding one-year precipitates delays in completion of projects and increases cost;
- Multi-agency approach in regulation and monitoring the operations of private employment agency is key in routing out unscrupulous recruitment agencies;
- The importance of a multi-agency approach in development, negotiation and implementation of bilateral labour migration agreements for streamlined labour migration management in the country;
- Capacity building of officers involved in implementation of various programmes and projects has led to efficient and effective implementation;
- Technology has simplified business process operations in creating awareness on labour laws and social protection services and in the collection, analysis and dissemination of information on the labour market and social protection interventions; and
- The upsurge in employment and labour related disputes, especially in the public sector, has called for more accessible, cost effective and expeditious ADR mechanisms which also preserve harmonious industrial relations.

Recommendations

- Mobilise adequate resources for sector programmes and projects;
- Fast track approval of the Labour Migration Policy and Enactment of Labour Migration Management Bill to provide a framework for labour migration in the country;
- Negotiate agreements with key labour migration countries to enhance the protection of the Kenyan migrant workers;
- Establish an apex inter-governmental committee to co-ordinate negotiations of collective bargaining agreements in the public sector, provide clear guidance to the implementing institutions and advise the government on the same;
- Create awareness on productivity improvement initiatives in all sectors of the economy and develop productivity culture among Kenyans from an early age through introduction of a curriculum on productivity in schools and fully implement the National Productivity Policy; and
- Rationalise staff across the public sector.

3.7 NATIONAL VALUES AND ETHICS

"A Value-Driven, Ethical, Peaceful, United and Prosperous Nation"

National values and ethics are central to the realisation of cohesive, value driven and prosperous nation. The Government has prioritised implementation of relevant policies to inculcate national values which is a key component of good governance and a harmonious society. A stable and cohesive nation is the foundation for achieving the "Big Four" Agenda to ultimately enhance the attainment of the Kenya Vision 2030. Advancement of national values and ethics has involved ordinary Kenyans, the public sector, faith-based organisations, the private sector, non-governmental organisations, community-based organisations and development partners. All these have contributed significantly to the inculcation of national values, ethics, and morality as well as promotion of cohesion and integration by facilitating dialogue, capacity development, public education and awareness, cohesion monitoring, advocacy, research, and media engagement. Faith-based institutions have particularly demonstrated remarkable commitment to peace and social harmony in Kenya in the past, working in partnership with governments at national and county levels.

In the MTP III period, greater emphasis was placed on enforcement of policies, laws and institutional reforms to instill national values and ethics. The Government continued to play a leading role in widespread public mobilisation and education, and enforcement of relevant policies and legislation.

3.7.1 Enforcement of Policy, Legal and Institutional Reforms

This programme entails reviewing and putting into effect policy, legal and institutional frameworks.

Location: Nationwide

Objective: To empower institutions to effectively discharge their mandates

Implementing Agencies: Directorate of National Cohesion and Values, Public Service Commission, Ethics and Anti-Corruption Commission (EACC), Kenya National Commission on Human Rights, National Gender and Equality Commission, and Parliament.

Project Progress: A total of 397 public institutions mainstreamed, monitored and reported on the national values and principles of governance against a target of 240. This was attributed to continued loading of the national values indicator in the performance contract of MDAs and the constitutional requirement for the President to report annually on measures taken and progress achieved in the realisation of national values and principles of governance.

Trained an additional 98 focal point persons from MDAs on national values and principles of governance, bringing the total number of trained focal point persons to 612. These officers are responsible for co-ordinating the mainstreaming and promotion of national values and principles of governance within their institutions. In addition, 881 public officers and 400 civil society members were sensitised on national values and principles of governance.

National Values and Ethics Policy, Legal and Institutional Reforms

During the review period, the following Bills related to national values and ethics were developed: Conflict of Interests Bill, 2020; Ethics and Integrity Laws (Amendment) Bill 2020; Public Finance Management (Amendment) Bill, 2020; Public Service (Values and Principles) (Amendment) Bill, 2019; County Governments (Amendment) Bill, 2020; Business Laws (Amendment) Bill, 2020; Public Procurement and Assets Disposal (Amendment) Bill, 2020; Pandemic Response and Management Bill, 2020; National Drought Management (Amendment) Bill, 2019; and Social Assistance Bill, 2019 among others.

The national values and ethics related policies developed during the review period included the Kenya Land Sector Gender Policy to guide the process of gender mainstreaming and fundamental human rights in the land sector, and the Debt and Borrowing Policy to ensure sound public debt, fiscal, monetary, and financial environment.

Enforcement of National Values and Ethics

In the enforcement of the national values and ethics, EACC recovered unexplained wealth and other corruptly acquired assets worth KSh.7 billion which included land and other immovable properties, as well as KSh 210 million in cash. EACC also traced unexplained wealth held by public officers and other corruptly acquired public property valued at KSh.4 billion. Further, EACC instituted new recovery suits for assets worth KSh.1.1 billion, unexplained wealth totaling to KSh.329 million and embezzled public funds totaling to KSh. 647 million in various courts across the country. EACC also secured court orders freezing assets worth KSh.1.6 billion pending determination of the cases.

In the enforcement of ethics and integrity in public service, the Sector through EACC received 4,767 reports on corruption and unethical conduct. From these reports, 120 files were completed and forwarded to the Office of Director of Public Prosecutions (ODPP) with recommendations for prosecution. In addition, EACC conducted 25 sting and trap operations during the period involving KSh. 6,772,300. A total of 28 cases were finalised in court resulting in 21 convictions, 5 acquittals and 2 withdrawals. Further, to facilitate compliance with ethics and integrity in the public service, the EACC issued 227 cautions to public officers found to have violated integrity requirements while 198 technical advisories were issued to public institutions and officers to enhance compliance with Chapter Six of the Constitution.

To promote integrity and strengthen compliance with Chapter Six of the Constitutionof Kenya, the EACC received and processed 8,438 integrity verification requests from recruiting agencies in the national and county governments, as well as 28,312 self-declaration forms from individuals seeking appointment to the public service in line with section 12A of the Leadership and Integrity Act, 2012. EACC also facilitated 15 newly appointed state officers to comply with the mandatory commitment to the legal integrity standards. This included the newly appointed Auditor General, a member of TSC, 10 members of Kiambu County Government, two members of NLC, Governor of Nyamira County and Deputy Governor of Nairobi City County. To avert corruption through regulation of bank accounts outside Kenya, the Sector approved new applications from 185 public officers to open and operate bank accounts outside Kenya.

In the enforcement of legal frameworks on human rights, the Kenya National Commission on Human Rights received and processed 1,303 complaints of alleged human rights violations. Out of this, 789 (60.6 percent) were by men, 400 (30.7 percent) by women, 47 (3.6 percent) by intersex and 67 (5.1 percent) by other categories. The highest category reported during this period was the economic, social and cultural rights with 633 (48.6 percent) followed by civil and political rights with 591 (45.4 percent) and group rights recorded 79 (6 percent).

In addition, out of the total received, 689 (53.6 percent) cases were admitted, legal advice was oferred to 598 (45.9 percent) and cases pending further action were 7 (0.5 percent). Most of the petitions lodged at the Commission were against non-state actors 524 (40.2 percent) compared to state actors 473 (36.3 percent). Separately, the Independent Policing Oversight Authority received 2,970 complaints against members of the National Police Service (NPS); conducted 364 inspections of police premises and detention facilities; concluded investigation of 713 cases of police misconduct and forwarded 45 cases to ODPP for prosecution while another 85 are ongoing in courts.

The Office of the Judiciary Ombudsmperson, through enforcement of relevant legal provisions on national values and ethics, determined 914 (56 percent) complaints out of 1,567 received from the public on integrity. The Judicial Service Commission also concluded 70 out of 121 complaints and petitions received against judges on incompetence, illegality, gross misconduct, gross misbehaviour, fraud, and violation of the law. The Judiciary determined 44 out of 58 corruption matters filed in Milimani Anti-Corruption Magistrate’s Court, translating to 76 percent efficiency level. Similarly, the Milimani Anti-Corruption Division of the High Court finalised 82 cases. Separately, the Commission on Administrative Justice continued to enhance the right to fair administrative action by resolving 3,000 complaints out of the over 4,000 received during the review period. In addition, the National Gender and Equality Commission, in partnership with other stakeholders, handled 40 sexual offences cases against women, youth, and children during the annual service week for sexual offence cases against the special interest groups in Garissa County.

Implementation Challenges

- Inadequate budgetary allocation and budget cuts; and
- Emergence of COVID-19 pandemic undermined implementation of planned programmes.

Recommendations

- Enhance funding to facilitate mainstreaming of national values and ethics in the wider public service and the Kenyan citizenry; and
- Embrace public private partnership strategy in mobilisation of additional resources for implementation of programmes to realise national values and ethics.

3.8 ENDING DROUGHT EMERGENCIES

"Planning for Drought: An End to Drought Emergencies and Food Insecurity in Kenya"

Global warming and climate change negatively affect the pattern, quantity, and frequency of rainfall. Decreased amounts of rain result in long spells of drought in Arid and Semi-Arid Lands (ASALs) of the country which adversely affect crop and livestock production. On the other hand, heavy floods tend to follow drought episodes. These harsh conditions can be substantially mitigated if adequate and appropriate measures are taken in advance. Ending drought emergencies was recognised as one of the key foundations for national development. To enhance food and nutrition security under the "Big Four" Agenda, the Sector implemented programmes and projects to address the twin challenges.

The MTP III made strides in areas like the Hunger Safety Net Programme (HSNP) which surpassed its target on cash transfer programme, resilience building and co-ordination of drought risk management and ending drought emergencies. There was general reduction of drought impact on vulnerable communities resulting from increased investment in resilience building through water harvesting, dam construction, water pans, irrigation, livestock marketing infrastructure, education, health, peace building and conflict management. In addition, strengthening of co-ordination structures for ending drought emergencies ensured increased investments and effective and timely response.

3.8.1 National Integrated Drought Early Warning Systems

This project supported collection, analysis, synchronisation and dissemination of drought early warning information for ASAL counties.

Location: ASAL counties
Objective: To provide reliable and timely drought and food security information to communities, government, and non-governmental actors for appropriate and timely response
Implementing Agencies: National Drought Management Authority (NDMA), the National Treasury and Planning, World Food Programme, Food and Agriculture Organization of the United

Nations, International Livestock Research Institute, Tana and Athi Rivers Development Authority (TARDA).

Project Progress: Modernised the drought early warning system through adoption of mobile phones technology for data collection and transmission; produced 12 drought early warning bulletins in 23 counties that were posted on the NDMA website, this totals to 276 bulletins as planned; produced the Vegetation Condition Index for each county every two weeks as part of drought early warning; and co-ordinated the two multi-stakeholder food security assessments in all the 23 ASAL counties.

3.8.2 Hunger Safety Net Programme

Through this project, it is expected that beneficiaries will not be adversely affected during drought as they will have some money to purchase foodstuffs and cater for other necessities, including access to health services.

Location: Turkana, Marsabit, Mandera, Wajir, Samburu, Isiolo, Garissa and Tana River
Objective: To provide social protection and cushion poor households from hunger in the 8 ASAL counties considered very vulnerable to drought and are underdeveloped.
Implementing Agency: NDMA

Project Progress: A total of 100,064 vulnerable households received regular cash transfers in the 4 original counties of Turkana, Wajir, Marsabit and Mandera, compared to 100,538 households recorded in FY 2019/20, surpassing the target for the period which was 100,000. In addition, project officers were recruited to implement the project in the new counties of (Samburu, Isiolo, Garissa and Tana River). Training of officers to carry out registration and targeting of beneficiaries is ongoing in preparation for registration which is earmarked to start in FY 2021/22.

The target for re-registration of beneficiaries in the existing four HSNP counties of Turkana, Wajir, Marsabit and Mandera was surpassed. Cumulatively, a total of 565,918 persons were re-registered against the target of 500,000.

3.8.3 National Drought Emergency Fund

This project seeks to support establishment and operationalisation of a multi-donor fund to cater for drought preparedness, resilience, response and recovery
Location: Nationwide
Objective: To improve the welfare and resilience of the beneficiaries through protection of livelihoods and multi-sectoral drought emergency interventions. The National Drought Emergency Fund (NDEF) aims at linking drought early warning to early action that will ensure adequate preparedness and mitigation for drought before the emergency stage is reached. It will support

strategic resilience building innovations, drought preparedness projects, response, and recovery to mitigate any effects of drought.

During emergencies, it will support cash transfers to the vulnerable to meet their basic needs and ensure critical socio-economic facilities like schools, hospitals and boreholes continue to function.
Implementing Agency: NDMA

Project Progress: To facilitate the establishment of NDEF, the National Assembly and the Senate passed the amendment of the NDMA Act, 2016 during FY 2019/20. The President then assented to the Bill during the reporting period (FY 2020/21). This paved way for the operationalisation of the Fund through the Public Finance Management Act, 2012. The NDEF Regulations were drafted, tabled in Parliament, and approved during the reporting period. The Fund has thus been established through the Public Finance Management (National Drought Emergency Fund) 2021 through Kenya Gazette Supplement No. 21 of 5th March 2021.

3.8.4 Integrated Knowledge Management System for Drought

The project entails establishment and implementation of an integrated knowledge management system for drought.
Location: Nationwide
Objective: To establish and operate a centralised drought risk management information system
Implementing Agency: NDMA

Project Progress: The knowledge management sharing platform for drought risk management and ending drought emergencies system modules were completed awaiting testing and rolling out. The modules include an investment tracker for drought risk management, resource centre and forums module among others.

Implementation Challenges

- Payment of cash transfer to poor households was affected during the second half of the reporting period following a 50 percent cut in HSNP budget from KSh. 4.383 billion to KSh. 2.191 billion. This affected implementation of this flagship project; and
- Delayed operationalisation of NDEF.

Lesson Learnt

Ending drought emergencies being multi-sectoral and multi-stakeholder requires effective co-ordination both at national and sub-national levels. Any weakness in the co-ordination has far reaching consequences.

Recommendation

Fast track the full operationalisation of the National Drought Emergency Fund.

3.9 SECURITY, PEACE BUILDING AND CONFLICT RESOLUTION

"A Nation of Peace and Stability: A Society Free from Danger and Fear"

National security is the protection against internal and external threats to Kenya's territorial integrity and sovereignty, its people, their rights, freedoms, property, peace, stability and prosperity and other national interests.

The Sector, as an enabler, aims at guaranteeing every person in Kenya freedom from danger (protection from physical or direct violence), and freedom from fear (a sense of safety, peace and overall well-being). The economic growth and development anticipated in the Kenya Vision 2030 can only be achieved and sustained in a peaceful, stable, and secure environment. National security and protection of persons and property, peace building, cohesion and conflict resolution are cross-cutting themes of Kenya Vision 2030 and will continue to be of paramount importance to the Government.

The Sector is thus a key incentive for attracting investment as it provides an enabling environment for economic growth and development. It is crucial for sustainable development and achievement of the Kenya Vision 2030 goals. It supports the "Big Four" initiatives by facilitating a secure 24-hour economy and providing credible vital population statistics. During the review period, various projects and programmes were implemented towards creating an enabling environment for economic development in the country.

3.9.1 Installation of Surveillance Cameras in Urban Areas

Location: Nairobi, Mombasa, Eldoret, Nakuru and Kisumu

Objective: To establish a national closed-circuit television project in Nairobi, Mombasa, Kisumu, Eldoret and Nakuru (including establishment of a command control centre with an integrated security intelligence and surveillance system).

Implementing Agency: State Department for Interior and Citizen Services

Project Progress: The first phase of the installation of surveillance cameras in Nairobi, Mombasa, Kisumu, Eldoret and Nakuru was completed and operationalised. This included the establishment of the Integrated Command and Control Centre.

Implementation Challenges

- Sustainability of completed and operational projects required significant funding; and
- Sophisticated and changing forms of cybercrime.

Lessons Learnt

- Use of technology is key in combating crime;

- Collaboration between government agencies enhances effectiveness especially in programme implementation; and
- Sustainable funding is critical to realisation of planned outputs.

3.9.2 Completion and Equipping of Model Prison Facilities

Location: Mwingi, Nyamira, Kwale, Kaloleni, Rachuonyo and Vihiga
Objective: To provide modern facilities and services to the offenders
Implementing Agency: Kenya Prisons Service

Project Progress: No progress was made during the review period due to budget rationalisation during the COVID-19 period.

3.9.3 Construction of Staff Houses and Prison Wards

Location: Nationwide
Objective: To provide decent housing to prison staff officers and security of prisons
Implementing Agency: Kenya Prisons Service

Project Progress: No progress was made during the review period due to budget rationalisation during the COVID-19 period.

3.9.4 Equipping the National Forensic Laboratory

Location: Nairobi
Objective: To establish a modern forensic laboratory
Implementing Agency: NPS

Project Progress: Equipping of the Forensic Laboratory is 35 percent complete while the construction of a Data Centre commenced.

Implementation Challenge

Inadequate funding delayed the operationalisation of the laboratory.

Lessons Learnt

Collaboration between government agencies enhances effectiveness especially in programme implementation.

Recommendations

- Conduct periodic stakeholders' engagement forums; and
- Mobilise alternative funding sources including PPPs and donor support.

3.9.5 Modernisation of National Police Service

Location: Nationwide

Objective: To modernise the capacity of the National Police Service
Implementing Agency: NPS

Project Progress: Digitisation of Occurrence Books was implemented and other police records in the Nairobi region and assorted security equipment were acquired.

Implementation Challenge
Inadequate funding leading to minimal project's milestones and prolonged implementation timelines.

Lessons Learnt
- Collaboration between government agencies enhances effectiveness especially in programme implementation; and
- Sustainable allocation of funds is critical to realisation of planned outputs.

3.9.6 Acquisition of an Integrated Case Management System
Location: Nationwide
Objective: To integrate all case information into a single national management system covering the whole of Kenya.
Implementing Agency: NPS

Project Progress: This project did not take off.

3.9.7 Completion of Integrated Population Registration System
Location: Nairobi
Objective: To ensure continuity in elimination of double registration, eliminate fraud and manipulation of records and embrace efficiency and effectiveness in the issuance of national identity cards
Implementing Agency: IPRS Directorate

Project Progress: IPRS was completed and operationalised with more than 300 agencies connected. During the review period, 22 agencies were connected to the population registration database.

Implementation Challenge
Slow implementation due to budget rationalisation during the COVID-19 period.

Lesson Learnt
Collaboration between government agencies enhances effectiveness especially in programme implementation.

Recommendations

- Conduct periodic stakeholders' engagement forums; and
- Mobilise alternative funding sources including PPPs and donor support.

3.9.8 Mordenisation of Kenya Defence Forces

a. Kenya Defence Forces' Food Processing Factory

Location: Gilgil

Objective: To enhance national and regional security by building capacity and sustaining operations.

Implementing Agency: Ministry of Defence

Project Progress: The Kenya Defence Forces' Food Processing Factory, Phase I (dried vegetables) was completed while Phases II & III are at the design and development stage, funded through the export credit agency at a cost of US$ 18 million.

b. Construction of Slipway for Kenya Navy

Location: Kenya Navy Fleet Mkunguni **-** Mombasa

Objective: As an industrial capacity project, the facility will be used for design and construction of ships, repair and refit

Implementing Agency: Ministry of Defence

Project Progress: The implementation of the project was undertaken through PPP and was 88 percent complete.

c. **Modernisation of Ammunition Production at Kenya Ordinance Factory**

Location: Eldoret, Uasin Gishu County

Objective: To enhance national and regional security by building capacity and sustaining operations

Implementing Agency: Ministry of Defence

Project Progress: The project is at market survey stage and will be funded through export credit agency facility.

Implementation Challenge

COVID–19 pandemic slowed down the implementation of the shipyard since most of the materials and equipment were imported.

Lesson Learnt

Collaboration between government agencies enhances effectiveness and delivers better services to Kenyans.

Recommendation

Adopt a whole of government approach to improve implementation of development projects that cut across different MDAs.

3.9.9 Construction and equipping of NPS Hospital

Location: Nairobi
Objective: To provide quality, accessible and affordable healthcare to police officers and their families
Implementing Agency: NPS

Project Progress: The project design and tendering stage were completed and a contract for the construction works was awarded.

Implementation Challenge
Lack of funding leading to delayed realisation of milestones.

Lessons Learnt
- Collaboration between government agencies enhances effectiveness especially in programme implementation;
- Sustainable allocation of funds is critical to realisation of planned outputs; and
- Project prioritisation is key in fund mobilisation and implementation.

Recommendations
- Conduct periodic stakeholders' engagement forums; and
- Mobilise alternative funding sources including PPPs and donor support.

3.9.10 Promoting Peaceful Co-existence between and among Ethnic Communities

Location: Nationwide
Objective: To promote peace, cohesion, mitigate and resolve violent conflicts
Implementing Agencies: National Cohesion and Integration Commission, and National Steering Committee on Peace-building on Conflict Management.

Project Progress: During the review period, regular conflict hotspot scans and mapping were undertaken; capacity building and training of peace structures and actors undertaken; conflict EWER mechanisms were strengthened; dialogue, mediation, and reconciliation for communities in conflicts undertaken; and hate speech and ethnic contempt cases investigated and prosecuted.

Implementation Challenges
- Multiplicity of emerging drivers of conflicts and violence;
- Slow judicial process in determination of hate speech, ethnic contempt, and incitement to violence cases; and

- Limited resources to ensure sustainability of community social contracts and peace agreements.

Lessons Learnt

- Community engagement in conflict management leads to sustainable peace and stability;
- Peace and reconciliation processes are not isolated events but rather continuous processes requiring consistent engagement; and
- Citizens' expectations on public service delivery influence their attitudes, behaviour, and trust levels in government agencies.

Recommendations

- Strengthen collaboration and partnerships through the multi-agency approach;
- Conduct regular stakeholders' consultation and engagement; and
- Enhance the funding base through PPPs and donor support.

CHAPTER FOUR

4.0 ECONOMIC PILLAR

"Moving the Economy up the Value Chain"

The Economic Pillar aims to achieve and sustain an average economic growth rate of 10 percent per annum until 2030. The key sectors under the Economic Pillar are Tourism; Agriculture and Livestock; Manufacturing; Trade; BPO/Information Technology Enabled Services (ITES); Financial Services; Oil, Gas and Mineral Resources; and the Blue Economy.

The section below provides the Sector progress and performance achievements of flagship programmes and projects under the Economic Pillar for the FY 2020/21. It also provides the implementation challenges, lessons learnt and recommendations/way forward.

4.1 AGRICULTURE AND LIVESTOCK

The Agriculture and Livestock Sector seeks to be an '*Innovative, Commercially Oriented and Modern Agriculture and Livestock Sector'*. The Sector is commonly referred to as the backbone of the Kenyan economy and it is one of the "Big Four " priority Agenda targeting to achieve 100 percent food and nutrition security for all Kenyans by 2022.

The Economic Pillar of the Kenya Vision 2030 identifies agriculture as one of the key sectors to drive the Kenyan economy to the projected 10 percent annual economic growth. It is also a key driver towards the attainment of 100 percent food and nutrition security for the Kenyan population in addition to being a major source of employment, foreign exchange earnings and raw materials for the agro-based industries. In order to sustain the contribution of agriculture towards attainment of Kenya Vision 2030, the Sector developed the Agriculture Sector Transformation and Growth Strategy (2019-2029) that aims at transforming agriculture into an innovative, commercially oriented and modern sector.

In 2021, the Agriculture Sector recorded a contraction of 0.1 percent compared to a growth of 5.2 percent in 2020. The observed performance was attributed to erratic and poorly distributed long rains as well as inadequate short rains. It, however, remained the dominant sector, accounting for about 22.4 percent of the overall GDP in 2021. Crop production contributed 14.5 percent in 2018 compared to 15.1 percent in 2019. This improved to 16.6 percent in 2020 and 16.3 percent in 2021. Animal production, on the other hand, contributed 3.7 percent to GDP in 2018 and 3.5 percent in 2019. This contribution was maintained at 3.6 percent in both 2020 and 2021.

Aggregate maize production decreased from 42.1 million bags in 2020 to 36.7 million bags in 2021. Coffee production declined by 6.0 percent from 36.9 thousand tonnes in FY 2019/20 to 34.5 thousand tonnes in FY 2020/21. Tea production declined by 5.6 percent from 569.5 thousand tonnes in 2020 to 537.8 thousand tonnes in 2021, due to unfavourable weather conditions while the volume of horticultural exports increased by 4.5 percent from 313.7 thousand tonnes in 2020 to 405.5 thousand tonnes in 2021. The volume of marketed milk increased by 26.6 percent from 682.3 million litres in 2020 to 801.9 million litres in 2021. Overall, the value of marketed agricultural production increased by 4.3 percent from KSh 505.3 billion in 2020 to KSh 527.0 billion in 2021.

Progress made in the specific flagship programmes and projects within the agriculture sector is as follows.

4.1.1 Implementation of the Consolidated Agricultural Reform Legislation

Location: Nationwide

Objective: To review and harmonise the legal framework to rationalise the developmental, regulatory, licensing, processing and marketing roles of agricultural parastatals
Implementing Agencies: Ministry of Agriculture, Livestock, Fisheries and Co-operatives, and Agriculture and Food Authority.

Project Progress: During the period under review, the Sector undertook national validation for Draft Agricultural Soil Management Policy, Agriculture Mechanization Policy and Draft National Agricultural Research System Policy. In addition, the Agricultural Policy was forwarded to the National Assembly as Sessional Paper No. 2 of 2021.

The Plant Protection Bill and Mechanization Bill were validated nationally, and the National Food Reserve and Trading Corporation Bill (NCPB Bill) was cleared for national validation. The Coffee Bill, 2021 went through the first reading in the National Assembly while a parallel bill, Coffee Bill, 2020 was submitted to the Senate.

Various crop regulations including; Irish Potato, Coffee, Oil and Nuts, Sugar, Food Crops, Nairobi Coffee Exchange, and Horticultural Crops were developed. The Fibre Crops Regulations were, however, annulled by Parliament for failing to meet the threshold for public participation.
The Warehouse Receipt System Regulations, 2021 were gazetted and approved. Draft Crops (Blending and Compositing Flour) Regulations, Draft Fertilizers & Animal Foodstuffs (Fertilizers) Regulations, Draft National Cereals and Produce Board (National Food Reserve) Regulations and Draft Crops (Crops Compensation Rates) Regulations were approved for national validation.

Implementation Challenges

- COVID-19 pandemic affected implementation schedule of planned activities; and
- Financial constraints due to budget cuts and late release of funds.

Recommendations

- Mobilise more resources outside Government to cushion against budget cuts and delays in release of funds;
- Fast track the development and review of the legal and policy frameworks to provide for an enabling environment for agricultural projects implementation;
- Continuously implement the agricultural sector reforms to hasten attainment of food and nutrition security; and
- Align the organisational cultures and structures of the merged institutions.

4.1.2 Fertilizer Cost Reduction

Location: Nationwide
Objective: To make fertilizer more affordable and easily accessible to farmers and to increase agricultural production by improving the purchasing and supply chain and supporting local manufacture of fertilizer.
Implementing Agency: Ministry of Agriculture, Livestock, Fisheries and Co-operatives.

Project Progress: During the period under review, the State Department for Crop Development and Agricultural Research had targeted to distribute 12,000 MT of assorted fertilizers to twelve counties under the Fertilizer Subsidy Programme. 80 percent of planned agricultural inputs were distributed to farmers to increase productivity for priority Big Four value chains namely maize, irish potatoes, rice and coffee. The distribution was achieved through the e-voucher system and a cumulative total of 16,985 farmers were issued with 52,502 e-vouchers worth KSh 902,785,662. Farmers contribution amounted to KSh 644,846,807 while GoK contribution amounted to KSh 257,938,855. An additional 230,862 farmers sourced from twenty-five counties selected for validation of their value chains were registered under the expansion phase.

Implementation Challenges

- COVID-19 necessitated re-allocation of funds from planned programmes and projects to fight the pandemic;
- Limited funding for implementation of agricultural programmes; and
- Climate change phenomenon had a direct effect on agricultural production.

Lesson Learnt

Enhanced collaboration and partnerships amongst all levels to establish sharing of resources and information is critical.

Recommendations

- Enhance linkages and build strong collaborations with all the stakeholders, particularly between the national and county governments to ensure sustainable food security and efficient service delivery;
- Embrace climate smart technologies to mitigate emerging issues such as COVID-19 pandemic; and
- Enhance collaborations and partnerships with development partners to support funding of agricultural activities.

4.1.3 Arid and Semi-Arid Lands Irrigation Projects

a) Galana Kulalu Irrigation Development Project

Location: Kilifi and Tana River

Objective: To develop 10,000 acres under irrigation and contribute directly to maize and horticultural production in the country

Implementing Agencies: Ministry of Water, Sanitation and Irrigation, and the National Irrigation Authority (NIA).

Project Progress: During the period under review, 30.6 percent of the targeted 4,900 acres for development of area under irrigation was done. Cumulatively, development of the 10,000 acre model farm was 89 percent complete. This consisted of water intakes, centre pivots and pipe distribution for the entire farm. In addition, 5,170 acres were put under production. Further, a multi-agency technical committee undertook a study of the project and submitted a report with findings and recommendations through the Ministry of Water and Sanitation to the National Development Implementation Co-ordination and Communication Committee.

Implementation Challenges

- COVID-19 pandemic caused disruption of activities, re-allocation of funds and slow projects' implementation; and
- Inaccessibility due to poor road network to the project site when water level in River Galana is high.

Lesson Learnt

Successful venture if co-ordination between donors, state and implementing agency is enhanced.

Recommendations

- Formulate a PPP project for the larger Galana Kulalu project; and
- Improve the road network to the project area.

b) Bura Irrigation Scheme

Location: Tana River
Objective: To convert the scheme from a pump-fed system to a gravity-fed system, to reduce the cost of production and achieve a sustainable supply of irrigation water
Implementing Agencies: Ministry of Water, Sanitation and Irrigation, and NIA

Project Progress: During the period under review, construction works for this project was 45 percent complete.

Implementation Challenge
Delays in project implementation due to bad weather, and contractor ineptness that culminated in being declared insolvent.

Lesson Learnt
Contractor capabilities directly affect workmanship and timely delivery of projects.

Recommendation
Ensure enhanced due diligence when recruiting contractors to ensure quality and timely delivery of the project.

c) Turkana Irrigation Development Project
Location: Turkana
Objective: To put 2,300 acres under irrigation to increase food security in the area
Implementing Agencies: Ministry of Water, Sanitation and Irrigation, and NIA

Project Progress: The project is 80 percent complete with 1,860 acres already put under irrigation.

Implementation Challenges
- Farmers taking long to optimise utilisation of irrigation water; and
- Limited support from the county governments.

Recommendations
- Use of ground water combined with solar power should be enhanced to increase access to irrigation across the country; and
- Build capacity of farmers on absorption of water for irrigation.

d) Wei Wei Irrigation Project
Location: Sigor Constituency, West Pokot County
Objective: To put 600 ha of land under irrigation to increase food security in the area
Implementing Agencies: Ministry of EAC and Regional Development, and Kerio Valley Development Authority (KVDA).

Project Progress: During the review period, in the first two phases irrigation infrastructure on 275 ha of land was done and was continuously used for seed maize production. In Phase III, development of irrigation infrastructure on 325 ha for food production was in progress of which the irrigation system and fencing was done.

Implementation Challenges

- Delay in awarding of contract and approval of the prerequisite requirements;
- Delay in release of funds;
- Inadequate funding to support the project;
- Limited support from the county government; and
- Farmers' limited technical skills to enhance production.

Recommendations

- Provide adequate project funds;
- Enhance approval processes for the contractor to take over the site and progress the project; and
- Build capacity of the farmers.

e) Napuu Centre Pivot Irrigation Project

Location: Turkana Central, Turkana County

Objectives: To develop a centre pivot irrigation infrastructure on 150 acres for crop production to enhance food security and reduce dependency on relief food; improve access to water for farming, human and livestock consumption; and build the capacity of the youth and women to be engaged in gainful employment through agro based incomes and dry land agricultural activities.

Implementing Agencies: Ministry of EAC and Regional Development, and KVDA

Project Progress: Under this project, centre pivot irrigation infrastructure was developed on 150 acres; three boreholes were constructed and equipped; and 35 acres of land planted with watermelon, green grams and sorghum.

Implementation Challenges

- Inadequate funding and delay in release of funds;
- Limited support from the community; and
- Farmers limited technical skills to enhance production.

Recommendations

- Provide adequate project funds; and
- Build capacity of the farmers.

4.1.4 Disease-Free Zones

a. **Bachuma Livestock Export Zone**

Location: Taita Taveta

Objective: To facilitate market access for livestock and livestock products to local, regional, and international markets

Implementing Agency: State Department for Livestock

Project Progress: Overall, the project is 80 percent complete. Phase I is 100 percent complete while Phase II is 65 percent complete. There was no progress made in FY 2020/21 since there was no budget allocation and the contract was also terminated on 25th March 2021 due to breach of contract by the contractor.

Implementation Challenges

- Breach of contract by the contractor hence failure to deliver the project in time;
- Disturbance by wildlife; and
- Lack of budget allocation and budget cuts.

Recommendations

- There is need to undertake due diligence of contractors before on boarding;
- Lease the facility as it is under section 36 of the Lands Act, to a private investor to complete and manage through a long-term lease agreement; and
- Assess and develop bills of quantities for pending works for Phase II contract and mobilise funds for completion through the medium-term expenditure framework for the budget process.

4.1.5 Youth and Women Empowerment

Objective: To create sustainable and gainful self-employment for the youth and women through participatory engagement in agriculture.

Implementing Agency: State Department for Crop Production and Agricultural Research

Project Progress: Construction and equipping of Ruiru, Mabanga & Siakago Agricultural Technology Development Centre agro processing units for incubation of SMEs was 30 percent complete. Pilot operationalisation of machinery hubs for maize, rice and potatoes was done by procuring transplanter and harvester for use by rice farmers in Bunyala Irrigation Scheme and potato planter and lifter for use by farmers in Murungaru Potato Aggregation Centre. The project was 60 percent complete.

4.1.6 Agricultural Development Corporation Agricultural Mechanization Project

Location: Trans Nzoia, Nakuru, Kilifi and Laikipia counties

Objective: To meet the demand for certified hybrid seeds, grass seed and breeding of dairy and beef heifers for sale to farmers at affordable prices.

Implementing Agency: Agricultural Development Corporation (ADC)

Project Progress: The project completion rate stood at 22 percent. Following procurement of some machinery, ADC had increased land under crop production by 5,000 acres as at the end of FY 2020/21 against the MTP III target of 28,000 acres and produced 944.3 MT of seed potato against a target of 5,500 MT. Further, 7.7 million kilograms of certified hybrid seed maize were produced during the year against the MTP III target of 23 million kilograms. On production of commercial maize, 21,049 bags (90 kg bags) were produced against a target of 325,000 bags also due to low completion rate of the project.

Implementation Challenge

Implementation of mechanization of Agricultural Development Corporation was affected by budget cuts.

Recommendation

There is need for adequate and timely disbursement of funds.

4.1.7 Livestock Production Programme

a. ADC Livestock Genetic Centre

Location: ADC Sabwani Farm, Kitale

Objective: To complement local genetic supply and provide genetic diversity

Implementing Agency: ADC

Project Progress: The project was 91.6 percent complete at the end of the period with three components pending due to funding challenges. Overall, the project has been a success story with the facility having produced and processed over 1 million straws of semen since its inception in April 2018.

Implementation Challenges

- Inadequate supply of liquid nitrogen for production, processing and preservation of semen. This was occasioned by frequent breakdown of the liquid nitrogen plant and power interruptions;
- Lack of a truck for distribution of liquid nitrogen greatly impeded sale of semen to agents since the product could not be sold to inseminators in the field without liquid nitrogen;
- Insufficient number of bulls in production. The Centre had capacity to hold 100 bulls but it had only 38 studs at the end of the year under review;
- High cost of production of liquid nitrogen. This is because the liquid nitrogen plant uses a lot of electricity to produce liquid nitrogen. This is compounded by the fact that the cost of power from national grid is very high; and
- Lack of spares and local expertise for repair and maintenance of liquid nitrogen plant.

Recommendations

- Build synergy between the national and county governments to enhance capacity for liquid nitrogen production;
- Increase budgetary allocation for the programme to facilitate purchase of breeding bulls and a distribution truck for liquid nitrogen;
- Reduce cost of electricity by adopting cheaper sources of energy such as solar to run the liquid nitrogen plant; and
- Build local capacity for repair and maintenance of liquid nitrogen plant.

b. Breeding Material

Location: Baringo, Wajir, Samburu, West Pokot and Narok
Objective: To improve/upgrade existing genetic material at the farms and neighbouring counties
Implementing Agency: State Department for Livestock

Project Progress: Cumulatively, four bull schemes were established for breeding purposes in Kimose (Baringo County), Griftu Livestock Training Centre (Wajir County), Nomotio Livestock Farm (Samburu County) and Nasukuta (West Pokot County).

Implementation Challenges

Inadequate budget allocation and budget cuts.

Recommendations

- Promote feedlots in government land; and
- Support private feedlot operators through credible private public partnerships.

a. Enhancement of Capacity for Semen Production

Location: Kenya Animal Genetic Resources Centre, Lower Kabete -Nairobi County
Objective: To produce, distribute and conserve high-quality disease-free semen/germplasm to improve livestock breeds.
Implementing Agency: Kenya Animal Genetic Resources Centre (KAGRC)

Project Progress: 785,786 straws of semen were produced against a target of 1,100,000.

Implementation Challenges

- High costs of semen production inputs mostly imported from France & Germany;
- Inadequate liquid nitrogen for semen processing due to breakdown of KAGRC's liquid plants and repairs could not be undertaken due to restrictions in international travel during COVID-19 period; and
- Adverse effects of COVID-19 on our operations slowed down semen production and distribution and access to spare parts from manufacturers in India and Germany.

Recommendations

- Timely release of development grants;
- The need to invest backup semen production equipment; and
- Enter into service level agreements with the manufacturers of semen production equipment to undertake servicing and maintenance.

c. Establishment of Goat Artificial Insemination Centre

Location: KAGRC AHITI Ndomba, Kirinyaga County
Objective: To produce and distribute affordable goat semen of high genetic quality and avail the same to farmers in Kenya for breeds improvement.
Implementing Agency: KAGRC

Project Progress: The laboratory and goat structures are 95 percent complete. Laboratory equipment has been acquired awaiting installation, training and commissioning.

Implementation Challenges

- Delay in release of funds affected the completion rate; and
- Inadequate skilled personnel to undertake goat artificial insemination services.

Recommendations

- Timely release of adequate project funds;
- Enhance the institutional capacity challenges through recruitment of technical staff; and
- Capacity building/staffing at KAGRC.

d. Establishment of Liquid Nitrogen Plants

Location: KAGRC Lower Kabete -Nairobi County, Sotik-Bomet County and AHITI Ndomba Kirinyaga County
Objective: To produce and avail liquid nitrogen for preservation and conservation throughout the cold chain for improved artificial insemination services
Implementing Agency: KAGRC

Project Progress: Three plants are currently operational (Kabete, Sotik and Kirinyaga). 227,579 litres of liquid nitrogen were produced and distributed for semen preservation against a target of 300,000 litres. The Eldoret, Nyahururu and Meru plants which were donated to KAGRC by the East African Agricultural Productivity Programme are not operational, but KAGRC utilises the facilities as product distribution shops in support of devolution by taking services closer to farmers.

Implementation Challenges

- Inadequate funding;

- High maintenance cost;
- High electricity tariffs making liquid nitrogen production very expensive; and
- Power blackouts especially in Sotik and Kirinyaga effecting optimal productivity of the plants.

Recommendations
- Provide adequate resources backup generators and other equipment;
- Lobby for reduction in electricity tariffs;
- There is need to invest in backup generators and heavy-duty uninteruptible power supply to sustain production during power outage; and
- Enter into service level agreements with the manufacturers for liquid nitrogen plant maintenance.

4.1.8 Value Chain Support Programme

Location: Nationwide (except for Nairobi County)
Objective: To minimise post-production milk spoilage and losses and contribute to food and nutrition security.
Implementation Agency: The State Department for Livestock

Project Progress: 380 bulk milk coolers were installed in 36 counties creating employment opportunities for women and youth in the dairy value chain and resulted in increased milk cooling capacity in the country by over 1.2 million litres per day and reduced post-harvest losses in milk production. The coolers contributed to the increase in processed milk from 784,581,070 litres in the FY 2019/20 to 850,358,742 litres in the FY 2020/21.

Implementation Challenge
Inadequate budget allocation

Recommendation
Provision of adequate funding

4.1.9 Agricultural Insurance Programme

a. Livestock Insurance
Location: Eight (8) counties: Garissa, Isiolo, Mandera, Marsabit, Samburu, Tana River, Turkana and Wajir
Objective: Enhance pastoralist responses to drought effects through livestock insurance
Implementing Agency: Ministry of Agriculture, Livestock, Fisheries and Co-operatives.

Project Progress: In FY 2020/21, contract was awarded for 90,060 Tropical Livestock Units (TLUs) valued at KSh 4.5 billion to benefit 18,102 households in the eight ASAL counties. Expansion to the targeted 14 counties was not achieved due to budget limitations. Cumulatively, the Government has paid premium worth KSh 1.2 billion while pay outs by the insurance companies to pastoralists amounts to KSh 1.1 billion. The cumulative value of TLUs which have been placed under the livestock insurance programme is estimated at KSh 23 billion.

Implementation Challenges

- Budget cuts affected timely payment of premiums; and
- Inadequate funding limited expansion of the programme to the targeted 14 counties.

Recommendations

- There is need to promote partial subsidy initiative to ensure sustainability of the programme and release funds for programme expansion to other counties; and
- There is need for a livestock insurance electronic system for data management.

b. Crop Insurance

Location: 33 Counties

Objective: To manage risks and losses amongst smallholder farmers, increase productivity in agriculture through improved access to credit and higher yielding technology such as use of certified seed and fertilizers

Implementing Agency: State Department for Crop Development and Agricultural Research

Project Progress: Crop insurance rolled out in all the 33 targeted counties benefitting 452,000 farmers.

Implementation challenges

- Low adoption rate;
- Low funding levels and unreliable flow of funds with unexpected and frequent supplementary budgets;
- Lack of counties funding support;
- Low awareness creation and capacity building;
- High premiums; and
- Inadequate extension capacity.

Recommendations

- Establish digital crop insurance system for data management;
- Streamline payouts responsibilities;
- Develop local capacities in calculating agent services;
- Continuous research for insurance product suitability in all ASAL counties; and
- Awareness creation to target beneficiaries.

4.1.10 Food Security and Nutrition

Location: Nationwide

Implementing Agency: State Department for Crop Development and Agricultural Research
Objective: To improve food production by enhancing farmers' access to certified seeds and control of fall armyworm.

Project Progress: Various crop regulations including Irish Potato, Fiber Crops, Oil and Nuts, Sugar, Food Crops, and Horticultural Crops were developed through a consultative process with counties and other stakeholders, and they are under implementation.

Implementation Challenges

- Inadequate extension capacity;
- Low agricultural productivity due to low application of modern technology and innovation, inadequate capital and demand-driven research;
- High cost of farm inputs;
- Inadequate data for policy planning and development;
- Weak monitoring and evaluation system; and
- Pre and post-harvest losses due to inadequate storage facilities and poor handling of farm produce.

Recommendations

- There is need to continue with the efforts to enhance linkages and build stronger collaboration with all the stakeholders; particularly between the national and county governments in order to ensure sustainable food security and efficient service delivery;
- Explore ways to manage the high cost of farm inputs;
- Strengthen data management systems including the monitoring and evaluation system; and
- There is need to embrace irrigation technologies to boost food sufficiency.

4.1.11 Strengthening Strategic Food Reserves

Location: Nationwide
Objective: To avail sufficient safe food stocks for consumption by promoting technologies in management of aflatoxin.

Project Progress: During the review period, the National Food Reserve and Trading Corporation Bill (NCPB Bill) was approved for national validation; timely control of desert locust in the 37 affected counties was undertaken; modular Aflasafe plant in Machakos was completed; 496.65 MT of Aflasafe KEO1 were distributed to farmers as an aflatoxin management strategy to improve food security and reduce post-harvest losses.

Implementation Challenges

- Limited funding for agricultural programmes;
- Climate change and variation had a direct effect on agricultural production;

- Delays/non-disbursement of funds for agricultural activities;
- Inadequate and poorly organised market access and marketing infrastructure; and
- Poor physical infrastructure network in the rural areas.

Recommendations

- There is need for partnerships with development partners and private sector to enhance sustainable management of strategic food reserves;
- There is need for enhanced budget for running of the food reserves and procurement of chemicals to fight aflatoxin; and
- There is need for more research to explore viable solutions for food preservation.

4.1.12 Crop Diversification Programme

Location: Nationwide
Implementing Agency: State Department for Crop Development and Agricultural Research
Objective: To improve productivity of traditional high value and industrial crops and livestock

Project Progress: During the period under review, maize yield losses were reduced by 9 percent and 1.3 million assorted seedlings were distributed to the farmers.

Rice Production: 72 metric tonnes of certified rice seed against the planned 20 metric tonnes were procured and distribution is ongoing in 14 counties. The counties were Kisumu, Kirinyaga, Migori, Busia, Bungoma, Kakamega, Homa Bay, Taita-Taveta, Meru, Kwale, Isiolo, Kilifi, Siaya and Tana River.

Assorted seedlings: During the period under review, a total of 1.3 million seedlings were distributed to farmers, representing 60 percent. Maize yield losses was reduced by 9 percent.

Cotton Industry Revitalisation Project: The last disbursement of KSh 75 million was not received and farmers had to buy their own seed hence the shortfall. Salawa Ginneries supplied 81 million KSA seed to farmers on credit while Co-operative Bank offered credit to co-operative societies to buy the hybrid seed. Lamu County Government bought 4.5 MT of hybrid seed for their farmers. 13,200 acres of Bt and non Bt cotton hybrids are expected to produce 7,920 MT of seed cotton whereas 4,400 acres of KSA 81M variety are expected to produce 1,100 MT of seed cotton.

4.1.13 Research and Capacity Building Programme

Location: Nationwide
Implementing Agencies: State Department for Crop Development and Agricultural Research, Kenya Agricultural and Livestock Research Organization (KALRO), Kenya Tsetse and Trypanosomiasis Eradication Council, and KAGRC.

Objective: To build new and innovative capacity for optimal production; to increase production through innovative research technologies; and to revitalise and modernise agriculture resource information centre.

Project Progress: Research institutions were supported to focus on new innovative technologies that are pest and herbicide resistant, tolerant and can withstand drought/water stress for enhanced food security and productivity. The Sector continued to strengthen research infrastructure and linkages with international research institutions, universities, and private sector research laboratories.

In addition, research and promotion of technologies for management of fall armyworms and Maize Lethal Necrotic Diseases (MLND) were undertaken. For fall armyworm research endeavour, two biological agents were identified, 300 promising germplasms tolerant to fall armyworm, two integrated pest managements and three biological extracts against FAW were evaluated. Evaluation of five advanced clones tolerant to MLND was put under national performance trial. Promotion of information was done in all the affected counties in the country through distribution of over 46,000 brochures and on-line platform through the Ministry and KALRO websites.

Implementation Challenges

- Limited local funding for agricultural research leading to a donor-driven/dependent research system;
- There were no mechanisms in place for participation of industry in agricultural research which would focus on relevant applied research;
- Inadequate incentives for researchers because of low personal emoluments;
- Inadequate exchange/joint programmes;
- Low investment in agricultural research and innovation;
- Poor access to usable and shared research data;
- Inadequate legal and policy frameworks resulting in weak linkages, co-ordination, monitoring and evaluation within the agricultural research ecosystem;
- Land grabbing of prime agricultural research land; and
- Diminishing human resources (technical and support staff) due to poor succession management policies thereby affecting research programmes.

Recommendations

- Rigorous litigation interventions to repossess all grabbed agricultural research land and issuance of allotment letters and title deeds for all allocated land parcels to agricultural research institutions;
- Engagement of interns to alleviate staff shortage on short term contracts and fast tracking and completion of the succession management programme to ensure continuity of research programmes;

- All research projects must make provision for engagement of graduate fellows;
- Cross utilisation of staff across institutes/centres;
- Enhance collaboration and partnerships amongst research institutions in order to establish sharing of resources mechanisms;
- Internal resource mobilisation to engage additional support staff;
- Lobby the Government to fund strategic research for posterity;
- Fast track the development and review of the legal and policy frameworks to provide for an enabling environment for agricultural research; and
- Seek tax waivers and electricity tariff reduction to enhance semen production.

4.2 MANUFACTURING

The Kenya Vision 2030 blueprint seeks to achieve a robust, diversified and competitive manufacturing sector in the country. The Sector has a high potential of investment attraction, employment creation, export expansion, stimulus for agricultural growth and provision of forward and backward linkages with all other sectors. It has a strategic role in technology and innovation as a major platform for diffusion of new technologies to other sectors of the economy. It has been identified as the key driver for economic growth and development under the country's 'Big Four' Agenda. Its overall goal under the MTP III is to increase its contribution to GDP by at least 15 percent by 2022; increase the level of foreign direct investments to US$2 billion; and improve ease of doing business ranking from 56 in 2019 to at least 45 out of 189 countries by 2022.

During the review period, the Sector was impacted adversely by COVID-19 pandemic. The onset of Covid-19 pandemic in March 2020 triggered a health crisis that escalated to an economic crisis with severe impact on both demand and supply. This resulted in a slowdown of production as the Government introduced COVID-19 containment measures that ranged from restriction of movement to shut down of business operations in some cases.

The contribution of the Manufacturing Sector to GDP stood at 7.2 percent in 2021 against the MTP III target of 15 percent. The Sector's real value added grew by 6.9 percent compared to a growth of negative 0.4 percent in 2020. In 2021, the value of output increased by 13.2 percent from KSh 2.3 trillion to KSh 2.6 trillion. The number of persons in the formal manufacturing employment increased by 6.7 percent from 316.9 thousand in 2020 to 338.0 thousand in 2021. The achievements under the various flagship projects are as follows:

4.2.1 Establishment of Special Economic Zones

Location: Mombasa, Naivasha, Kisumu and Lamu counties
Objective: To provide and facilitate an enabling environment for global and local investors
Implementing Agencies: Ministry of Industrialization, Trade and Enterprise Development, and Special Economic Zone Authority

Project Progress: In the Dongo Kundu SEZ, construction contracts were awarded awaiting finalisation of resettlement exercise by NLC and KPA that have since approved the RAP. In addition, a detailed land use plan was developed for Phase I of the industrial park, and the draft Land Lease Policy was developedand submitted for approval.

In the Naivasha Industrial Park, works including surveying/beaconing and erection of onsite storage tanks and construction of inland container depot was completed. The construction works for the SEZA administration block, access roads and river protection works are ongoing. However, delays in re-designing of the foundation and approval process impacted progress.

The Kisumu and Lamu SEZs, identification of suitable land for two zones in Miwani and Lamu areas respectively were ongoing with the support of LAPSSET Corridor Development Authority and NLC.

Implementation Challenges
- Delays in finalisation of resettlement action plans for PAPs;
- Inadequate staffing at SEZA;
- Inadequate budgetary allocation for the basic infrastructure projects within the SEZs and compensation of people affected by the project; and
- Imposition of payments of full duties and taxes for SEZ goods accessing the domestic markets restricted uptake of the programme and restricted local value addition.

Recommendations
- Expedite resettlement action plan for Dongo Kundu, Kisumu and Lamu;
- Allocate adequate financial resources for both recurrent and development of basic infrastructure and utilities;
- Review the legal and regulatory frameworks for SEZ; and
- Ringfence funding to the flagship projects.

4.2.2 Transformation of Kenya Industrial Research and Development Institute into a World Class Research Institution

Location: Nairobi and Kisumu counties
Objective: To enhance capacity for research & development and technology transfer
Implementing Agencies: Ministry of Industrialization, Trade and Enterprise Development, and Kenya Industrial Research and Development Institute

Project Progress: During the review period, 27 industrial technologies were developed and transferred to SMEs; 840 Micro, Small and Medium Enterprises (MSMEs) were supported through provision of incubation and common manufacturing facilities, capacity building and consultancy services, laboratory testing and analysis; leather laboratories in Kisumu were operationalised, while equipping of food processing, natural products, and energy laboratories completed and operationalisation ongoing. In addition, construction of industrial research laboratories in Nairobi, South B were 76.5 percent complete.

Implementation Challenges

- Inadequate budgetary allocation;
- Weak co-ordination of projects implemented by multiple agencies; and
- Technology obsolescence of some tendered bills of quantities occasioned by delays during the construction phase.

Recommendations

- Enhance budgetary allocation for research, innovation and incubation activities;
- Enhance budgetary strategic intervention for completion of South B project; and
- Review specifications of tendered bills of quantities before procurement once construction phase is complete.

4.2.3 Integrated Iron and Steel Mills

Location: Lamu County

Objective: To establish an integrated iron and steel mill for production of high-grade steel

Implementing Agencies: Ministry of Industrialization, Trade and Enterprise Development, and Numerical Machining Complex Limited.

Project Progress: Engagement with potential technology partners, joint venture investors and financiers for the development of the project were initiated. The PPP proposal was submitted to the National Treasury for approval and onward engagement with investors.

Implementation Challenges

- Weak institutional and legal frameworks to support the project implementation;
- Limited geological knowledge and information on iron ore and coal;
- Inadequate budgetary allocation to implement the project; and
- Weak collaboration among implementing agencies.

Recommendations

- Strengthen the legal and institutional framework of Numerical Machining Complex
- Undertake geological surveys on iron ore and coal deposits in the country; and
- Model the project as a Public-Private Partnership arrangement.

4.2.4 Establishment of a One Stop Shop Centre

Location: Nairobi

Objective: To ensure efficient and effective facilitation of the implementation of new investment proposals and cost-effective operations of existing investments and businesses.
Implementing Agencies: Ministry of Industrialization, Trade and Enterprise Development, and Kenya Investment Authority.

Project Progress: The One Stop Shop Centre (OSC) continued hosting the following institutions: Kenya Revenue Authority, Department of Immigration Services, National Environment Management Authority (NEMA), Kenya Power and Lighting Company, Federation of Kenya Employers, Business Registration Services and Export Processing Zones Authority (EPZA).

Implementation Challenges

- Inadequate funding affected the implementation of the project; and
- Capacity constraint due to low staffing levels at the Centre to address customer needs.

Recommendations

- Adequate funding for full operationalisation of OSC;
- Continuous improvement of ease of doing business environment;
- Implementation of the Kenya Investment Policy; and
- Set up County Investment Units.

4.2.5 Development of the Industrial Clusters - Kenya Leather Industrial Park

Location: Kinanie, Machakos County
Objective: To propel Kenya towards becoming a regional leather and leather products manufacturing hub.
Implementing Agencies: Ministry of Industrialization Trade and Enterprise Development; Kenya Leather Development Council (KLDC) and EPZA

Project Progress: Construction of common effluent treatment plant was 54 percent complete. Similarly, the construction of industrial warehouses to facilitate faster occupation of the park were 15 percent complete.

Implementation Challenges

- Low funding and delay in release of allocated funds;
- Weak institutional and legal framework;
- Low response from enabler institutions (KPLC, Tanathi Water Works Development Agency, roads, etc.;
- Institutional challenges (technical staff capacity) impacted smooth implementation of the project; and
- COVID-19 global pandemic resulted in lockdowns, both nationally and internationally, thus impacting on progress of works.

Recommendations

- Timely release of adequate project funds;
- Develop legal and institutional frameworks;
- Create synergies with the project enabling sectors roads, water, power, ICT, security etc.
- The 60 percent of park land requires sound flood mitigation measures which include the need to acquire land on higher grounds; and
- Enhance the institutional capacity challenges through recruitment of technical staff.

4.2.6 Industrial Clusters Programme - Upgrading of Training and Production Centre for Shoe Industry, Thika and Kariokor Common Manufacturing Facility

Location: Kiambu and Nairobi counties
Objective: To propel Kenya towards becoming a regional leather and leather products hub
Implementing Agencies: Ministry of Industrialization, Trade and Enterprise Development; and KLDC.

Project Progress: Construction of an industrial warehouse at Kariokor remained at 80 percent pending water installation and power. Under the Training and Production Centre for Shoe Industry (TPCSI), a total of 33 machines were procured and installed.

Implementation Challenge

Delayed upgrade of the workshop and electrical installation necessitating delays in installation of new machinery.

Recommendation

Provide adequate resources to complete workshop upgrade at Thika TPCSI and workshops at Kariokor.

4.2.7 Development of the Industrial Clusters - Athi River Textile Hub

Location: Athi River, Machakos County
Objective: To promote and facilitate export-oriented investments through provision of basic infrastructure facilities for export processing zones
Implementing Agencies: Ministry of Industrialization, Trade and Enterprise Development; and EPZA

Project Progress: The construction works for the industrial shed, Phase I was 95 percent complete. Exports from export processing zones increased by 21 percent from KSh 70.6 billion to KSh 85.4 billion and capital investments increased by 7.3 percent from KSh 110 billion to KSh 117.2 billion.

Implementation Challenges

- Limited access to financial services for industrial development;

- Limited market access for industrial products; and
- Inadequate marketing and promotion to attract more investments.

Recommendations

- Unlock funding opportunities and financial support for industrial development; and
- Widen market access and secure new markets for industrial products.

4.2.8 Development of the Industrial Clusters - Rivatex East Africa Ltd

Location: Eldoret, Uasin Gishu County

Objective: The project aims to modernise the Rivatex East Africa Limited factory machinery

Implementing Agencies: Ministry of Industrialization, Trade and Enterprise Development; and Rivatex East Africa Limited.

Project Progress: The modernisation of the factory was 93 percent complete with the installation of spinning, dyeing and weaving machines operating at 95 percent efficiency rate while construction of effluent treatment plant and perimeter wall were completed.

In addition, 1,058 direct jobs and 12,000 indirect jobs were created, processed 12,000 kg of yarn daily, made 16,800 spindles up from 500 daily, and increased output from 4,000 meters of cloth to 40,000 metres per day.

Implementation Challenges

- A shortage of raw materials occasioned by increased processing capacity;
- Influx of imported fabrics and second-hand clothes; and
- Competition with cheaper fabrics imported from the Asian markets and second-hand clothes into the Kenyan market.

Recommendation

Regulate importation of textile products and second-hand clothes.

4.2.9 Accreditation and Intellectual Property Rights Standards Infrastructure Programme

Location: Nationwide

Objective: To strengthen the accreditation and standards infrastructure to meet the rapidly changing consumer needs, preferences and quality requirements

Implementing Agencies: Ministry of Industrialization, Trade and Enterprise Development, Kenya Bureau of Standards, Kenya Industrial Property Institute (KIPI), and Kenya Accreditation Service (KENAS).

Project Progress: 769 new standards, including 90 for 'Big Four' initiatives were developed under the Kenya Bureau of Standards; 4,995 permits were issued for products certified under

SMEs; and 13,108 permits were issued for products certified under large firms to support the manufacturing sector and employment creation.

Further, KENAS assessed 243 conformity assessment bodies and accredited 33 new conformity assessment bodies to support the manufacturing sector in ease of doing business. Additionally, KIPI processed 779 patents, utility models and industrial designs and registered 5,312 national trademarks to support the growth of the industrial sector through the protection of innovations/intellectual property rights.

Implementation Challenges

- Inadequate budgetary allocation for development and completion of standards and accreditation services;
- Weak legal framework for accreditation and standardisation services affected the delivery of service to the SMEs and large enterprises; and
- Weak protection of indigenous knowledge.

Recommendations

- Allocate adequate funds for implementation of the accreditation, intellectual property rights and standards infrastructure;
- Enhance the product certification and accreditation services for the SMEs and large firms; and
- Improve the legal framework for accreditation, standardisation services and intellectual property rights.

4.2.10 Micro, Small and Medium Enterprises Development Programme

Location: Nationwide
Objective: To create an enabling environment for Micro and Small Enterprises development
Implementing Agencies: Ministry of Industrialization, Trade and Enterprise Development, Micro and Small Enterprises Authority (MSEA), and Kenya Industrial Estates

Project Progress: KSh 982 million worth of credit was disbursed to MSMEs to stimulate economic recovery from the effects of COVID-19 pandemic which, in turn, created a total of 96,615 jobs. MSEA partnered with Equity Bank and trained 9,260 MSEs while 20 underwent digital literacy training in partnership with Stanbic Bank/Foundation.

A total of 30 Constituency Industrial Development Centres were operationalised creating 8,400 jobs. Under the Kenya Youth Employment Opportunities Project (KYEOP), 23,887 youth received grants resulting in the creation of 47,774 jobs while 22,081 others were equipped with business development skills. In addition, 672 awardees received grants under the ‘Mbele na Biz’ Business Plan Competition creating 1,344 jobs while a total of 1,109 MSEs were beneficiaries of market linkage opportunities creating 4,205 jobs.

Implementation Challenges

- Lack of relevant data on MSEs for planning, decision making and provision of evidence-based policies;
- Limited access to market information to help support MSEs and producers to access market for their products and services; and
- Delay in disbursement of funds slowed down implementation of programmes and projects.

Lessons Learnt

- Stakeholder involvement is key in project identification and implementation; and
- Partnerships and collaborations are key in supporting programmes and projects in the MSE sector.

Recommendations

- Enhance research activities on the MSE sector to cover existing data gaps; and
- Increase budgetary allocation and timely disbursement of funds to finance key programmes and projects to support the MSE sector.

4.2.11 Skills Development and Transformation of the Kenya Industrial Training Institute into a Centre of Excellence

Location: Nakuru County
Objective: To train workforce on industrial skills and improve labour productivity
Implementing Agencies: Ministry of Industrialization, Trade and Enterprise Development; KLDC, and Kenya Industrial Training Institute (KITI)

Project Progress: The construction of infrastructure facilities (hostel, central stores, walkways, workshops) at KITI were 21.8 percent complete. KITI also trained 3,354 students on industrial and entrepreneurship skills. In addition, 690 MSME's were trained on footwear and leather goods production at TPSCI.

Implementation Challenge

Inadequate budgetary allocation for training youth and industrial workers and for completion of training infrastructure facilities.

Recommendation

Provide adequate resources for training and completion of the infrastructure facilities.

4.2.12 Natural Products Industry Initiative

Location: Nationwide
Objective: To harness a vibrant natural products industry premised on the concept of adoption of indigenous knowledge systems to drive market-oriented innovations in Kenya

Implementing Agencies: Ministry of Sports, Culture and Heritage, and National Museums of Kenya (NMK)

Project Progress: During the review period, a feasibility study was undertaken for commercialisation of African Indigenous Vegetables (AIVs) and Aloe in Kenya. AIV commercialisation ventures were initiated in two counties in Western region and two counties in Central region.

Implementation Challenges

- Lack of policy and legal frameworks;
- Inadequate budgetary allocation;
- Lack of documented and digitised data on indigenous knowledge systems;
- Weak protection of associated intellectual property rights;
- Limited ability to access international markets for local products; and
- Limited value addition activities associated with indigenous knowledge assets.

Recommendations

- Develop legal and institutional frameworks to drive natural products industry sub-sector;
- Increase budgetary allocation;
- Document and digitise indigenous knowledge; and
- Enhance natural products development initiatives (standards, marketing value addition, trademarks and intellectual property rights).

4.2.13 Agro-Food Processing Programme

A. Mango Value Chain

Location: Elgeyo Marakwet, West Pokot and Baringo counties
Objective: To promote mango production, build capacity of farmers and establish a mango processing plant for value addition
Implementing Agencies: Ministry of East African Community and Regional Development, and KVDA

Project Progress: During the review period the sector raised and planted five million mango seedlings in the region; established and installed a mango processing plant which was 80 percent complete; processed 20,000 litres of mango juice; and trained 2,000 mango farmers on modern farming methods.

Implementation Challenges

- Inadequate budgetary allocation to support mango production and automation of the mango processing plant;
- Incidences of insecurity between neighbouring communities;

- Seasonality of mango production; and
- Inadequate storage facility at Tot Factory in Elgeyo Marakwet County.

Recommendations

- Provide adequate resources to support mango production, automation of the mango factory and capacity building of mango farmers;
- Establish a storage facility at Tot factory in Elgeyo Marakwet; and
- Promote peaceful co-existence of neighbouring communities by promoting alternative livelihood activities.

B. Oloitokitok Agro-processing Factory Project

Location: Rombo Town, Kajiado County

Objective: To improve livelihoods and enhance socio-economic development through establishment of a tomato processing factory for value addition

Implementing Agencies: Ministry of East African Community and Regional Development, and Ewaso Ngiro South Development Authority (ENSDA).

Project Progress: Phase I of the construction of the tomato processing plant was 90 percent complete.

Implementation Challenges

Inadequate budgetary allocation.

Recommendations

Provide adequate resources to support construction, equipping and capacity building of communities.

C. Ewaso Ng'iro Tannery & Leather Factory (Cottage Industry)

Location: Ewaso Ng'iro Centre, Narok County

Objective: To promote value addition of available raw hides and skins

Implementing Agencies: Ministry of East African Community and Regional Development, and ENSDA

Project Progress: Establishment of the Ewaso Ng'iro leather tannery was completed with a processing capacity of 1.2 million square feet of finished leather per year. The construction of the leather goods unit was 70 percent complete.

Implementation Challenges

- Inadequate budgetary allocation;

- Limited ability to access international markets for local products; and
- High cost of chemicals which are critical in production.

Recommendations

- Provide adequate resources to support construction, equipping and capacity building of communities;
- Marketing and facilitation of local products to access both local and international markets; and
- Provide tax reliefs for leather production chemicals.

4.3 TOURISM

Tourism is a key economic sector and among the eight top priority sectors identified in the Kenya Vision 2030 for attainment and sustenance of the envisioned 10 percent economic growth. The Sector's goal is to make Kenya "among the top ten long haul and leading regional tourist`s destinations offering a high end, diverse and distinctive visitor experience." Tourism contributes 9.3 percent to Kenya's GDP (4.4[1] percent in direct contribution), is a leading foreign exchange earner in Kenya and accounts for 9 percent of the total employment.

The Tourism Sector registered marginal improvements in 2021 with tourism earnings increasing by 59.8 percent to stand at KSh 146.5 billion from 91.7 billion in 2020. Similarly, international visitor arrivals grew by 50.3 percent from 0.5796 million to stand at 0.8713 million in 2021 while domestic bed nights increased by 49.2 percent to 3.8 million from 3.1 million. The number of international and local conferences held in 2021 increased to 292 and 8,117 from 28 and 1,176 in 2020 respectively. In 2021, visitors to KWS parks and game reserves grew by 50.0 percent from 1.0 million to 1.5 million persons while parks revenue collected in 2021 increased by 40 percent to KSh 1.49 billion.

The improvement in performance was attributed to aggressive marketing interventions initiated in FY 2020/21 under the Economic Stimulus Programme and the re-opening of international borders. The Sector was also awarded Safe Travels' Stamp Endorsements and Safer Tourism Seal following the development and implementation of protocols for management of restaurants, eateries and the Magical Kenya Tourism and Travel Health and Safety Protocols.

4.3.1 Resort Cities

Location: Lamu, Isiolo and Lake Turkana

Objective: To harness and tap into the rich tourism potential and bolster the viability and sustainability of the LAPSSET Corridor

Implementing Agency: Ministry of Tourism and Wildlife

[1] KTSA 2019 Report

Project Progress: The sites for Lamu, Turkana and Isiolo resort cities were identified and a notice for intention to acquire land was gazetted in 2019 through NLC and LAPSSET. Isiolo Resort City will cover an approximate area of 5,012 ha and will be located around the area of Kipsing Gap. The Lamu Resort City will be located around Mukowe and will cover an approximate area of 470 ha while Turkana Resort City will be located at Eliye Springs on the shores of Lake Turkana and will cover an approximate area of 5,000 ha.

Pre-feasibility studies for the three sites were done in 2011 and there is need to update the pre-feasibility study reports and conduct feasibility studies.

Implementation Challenges

- Inadequate funding allocation;
- Weak inter-governmental co-ordination;
- Communities fear of losing their ancestral/grazing land; and
- Insecurity/terrorism threats.

Recommendation

- Increased funding allocation to the State Department for Tourism and Wildlife to facilitate implementation;
- Fast track the implementation of the national spatial plan and adopt the whole government approach for better co-ordination;
- Sensitise communities about the potential value of the resort cities; and
- Enhance security.

4.3.2 Premium Parks Initiative

Location: Lake Nakuru and Amboseli National Parks
Objective: To improve visitors' experience through enhancement of products, access and upgrading of tourism facilities in the high potential parks to ensure visitors get value for their money and contribute more to the economy while ensuring sustainability of these parks
Implementing Agencies: Ministry of Tourism and Wildlife, and KWS

Project Progress: The Amboseli National Park Management Plan was finalised and gazetted on 8th January 2021. Several development activities were undertaken at the Amboseli National Park, including; maintenance of 154 Km road network, rehabilitation of 28 Km access road (Kimana-Meshanani- Namanga), maintenance of 2 Km airstrip, refurbishment of the bandas, finalisation of the concept on elephant naming, and development of promotional collateral to push and showcase Amboseli National Park to a must-see status for tourists.

In FY 2020/21, Amboseli National Park received 49,132 visitors which represented a 69 percent decrease from the 157,453 visitors in FY 2019/20. Similarly, Lake Nakuru National Park received 41,835 visitors which was a 77 percent drop from 183,468 visitors registered in FY 2019/20. The flooding in Lake Nakuru National Park affected the development of infrastructure and visitation. As a result, Lake Nakuru National Park is no longer regarded as a premium park, it is now being considered as a Kenya Signature Wildlife Park.

Implementation Challenges

- Inadequate funding for project implementation;
- Lack of budgetary allocation;
- COVID-19 pandemic slowed implementation/completion of set targets;
- Inadequate involvement of the stakeholders; and
- Flooding in Lake Nakuru National Park affected the development of infrastructure.

Recommendations

- There is need for adequate financing of the projects;
- Explore different financing models such as public private partnerships;
- Enhance digital marketing and sustained promotion of local tourism to supplement foreign visitations;
- Deepen stakeholder participation/community involvement after project conceptualisation and before implementation to promote buy in and successful implementation of the projects; and
- Diversify Park activities e.g., introduction of new products such as boat safaris.

4.3.3 Under-Utilised Parks Initiative (Now Kenya Signature Wildlife Park)

Location: All National Parks except Lake Nakuru and Amboseli
Objective: To improve experiences, facilities, increase bed nights and revenue collection
Implementing Agencies: Ministry of Tourism and Wildlife and KWS

Project Progress: A total of 56.5 Km of fence was rehabilitated, and 43.7 Km of road constructed while 1,714 Km Road was maintained. This included maintenance of 558 Km in Tsavo East National Park, 250 Km in Tsavo West National Park, 100 Km in Aberdare National Park, 67 Km in Ruma National Park, 30 Km in Mt. Elgon, 70 Km in Meru National Park, 40 Km in Shimba Hills, 26 Km in Marsabit, 48 Km in Nairobi National Park and rehabilitation of 55 Km at the Nairobi National Park.

The Taskforce on Wildlife Corridor Connectivity was gazetted to establish permanent wildlife migration corridors between Nairobi National Park and Athi Kapiti plains. The transformation process for Nairobi National Park and the Ecosystem Management Plan for Shimba Hills commenced with the review of the Management Plan that included development, finalisation and gazettement of the Transformation Master Plan on 8th January 2021. To diversify tourism product offerings, trout fishing, boat safaris and mountain bike circuits were introduced at the Aberdare and Lake Nakuru National Parks.

In addition, a total of 29 Km airstrips were maintained as follows: 10 Km Tsavo East National Park, 10 Km Tsavo West National Park; 2.5 Km Chyulu Hills National Park; 1.5 Km Ruma National Park; and 5 Km Meru National Park. Safety and security features were installed, including repair of gorge walking area and hiking trails at the Hells Gate.

Towards branding and digital marketing activities, content creation for 10 priority parks was undertaken and the Zuru campaign launched and sustained targeting the domestic market and making seasonal campaign changes as per specific calendar days such as World Wildlife Day, Valentine's Day, Father's Day, Madaraka Day among others. KWS also partnered with various entities such as Kenya Tourism Board to develop content for North Rift circuit; Canon and Influencers to collect content for Meru National Park and Tsavo West/East National Parks; and Africa 118 in listing all the lesser known KWS parks and reserves in the Google My Business and under. Other partners included Jambojet to showcase destinations with unique KWS parks and reserves; and stakeholders among them the Kenya Tour Driver Guide Association, Kenya Association of Tour Operators and Kenya Professional Safari Guide Association in training and familiarisation trips.

Overall, in FY 2020/21 under-Utilised Parks (Now Kenya Signature Wildlife Park) i.e., Tsavo East National Park, Nairobi National Park, Mt Kenya National Park, Meru National Park, Kisite Mpunguti National Park received 313,525 visitors, a 29 percent decline from 438,945 visitors recorded in FY 2019/20.

Implementation Challenges

- Partial exchequer releases and austerity measures affected full contract execution;
- COVID-19 pandemic adversely affected the tourism sector, leading to subsequent tourism revenue decline; and
- Changes in land use around the parks hindered development of industry e.g., conversion of lands around parks from grazing to farming affected movement of animals.

Lessons Learnt

- Adequate funding is critical for successful implementation of capital development projects; and
- Stakeholders' involvement and public participation is necessary for successful implementation of projects.

Recommendations

- Enhance digital marketing and sustained promotion of local tourism to supplement foreign visitations;
- Sustain domestic market campaign targeting signature parks;
- Partnership with stakeholders on development of new products e.g., air balloon, bunjee jumping, zip lining among others. This will attract a new specific niche of customers to the parks which KWS alone is not able to reach; and
- National/county government collaboration to develop suitable land use policies favourable to conservation & tourism especially relating to lands around parks.

4.3.4 Development of Coastal Beach Tourism

Location: Mombasa, Kilifi, Kwale and Lamu counties
Objective: To improve beach products and enhancement of priority beach nodes (popular beach areas)
Implementing Agency: Ministry of Tourism and Wildlife

Project Progress: The renovation of the Mama Ngina Waterfront was completed and handed over to the Ministry on 25th March 2021 while the development of Bamburi Beach Operators Market in Mombasa County was initiated.

Implementation Challenges

- Environmental concerns such as pollution and land use conflict affected the overall attractiveness of the destination besides the costly mitigation and adaptation strategies;
- Unplanned development and degradation of natural and wildlife resources;
- Inadequate synergies between county governments and the implementing agencies; and
- Resistance from local and conservationist groups.

Recommendations

- Improve the beach environment for marine life and tourists;
- Promote inclusivity and sensitise communities on sustainable use of beach resources to eradicate social vices;
- Enhance partnership between hotels and communities and heighten surveillance in the coastal areas;
- Enhance the image of the North Coast Beach and Mombasa Marine Park and Reserve through branding and marketing;
- Provide adequate budgetary allocation; and
- Enhance collaborations with County Governments.

4.3.5 Destination Marketing Programme

Location: Nationwide
Objective: To grow tourist arrivals and tourism sector earnings

Implementing Agency: Kenya Tourism Board

Project Progress: The progress on marketing interventions is detailed hereunder:

Development and promotion of a portfolio of top, signature, and quality assurance experiences: On the development and promotion of top signature portfolio, the sector came up with the Magicalkenya Signature Experience Programme which has so far enlisted 44 experiences in the collection. On quality assurance experiences, the sector assisted five counties namely, Lamu, Marsabit, Kilifi, Kisumu and Bomet to develop content for marketing.

Develop and deploy a 360-degree communication and Digital Marketing Programme: Developed a Recovery Communication Campaign to guide the implementation of the communication strategy for the international tourist for the Kenya destination. 'The real deal campaign' rolled out digital marketing in all markets.

Industry engagement programme and Customer Relationship Management: The sector set up a customer relation management system (Sherpa) with over 16,000 users from the tourism sector, media and consumers. The customer relationship management integrated other aspects like Canto which holds a collection of images and videos as user-generated content used for marketing. The database consists of the following 13,926 consumers, 2,631 tourism players and 428 media. Further, the sector established a global e-Learning programme which has so far signed in over 4,500 agents into the programme.

Implementation Challenges

- Narrow product range, namely beach and safari holidays hampered growth;
- Impact of COVID-19 pandemic restrictions;
- Inconsistent funding; and
- Weak industry associations and low brand conversion.

Recommendations

- Position and communicate the diversity of the Kenyan destination experience through signature experience mapping;
- Build Magical Kenya affinity with prospective visitors. This includes themed materials focusing on priority products; and
- Provide adequate funding.

4.3.6 Niche Products Development and Diversification

Location: Nationwide

Objective: To diversify tourism products offering to scale up tourist arrivals in all regions of the country with a view to boost rural income and living standards.

Projects under the Niche Product Development and Diversification include:

a) **Business and Conference Tourism Initiative**

Location: Kenyatta International Convention Centre (KICC), Bomas of Kenya, Kisumu and Mombasa.

Objective: To market Kenya as a conference tourism destination in the region and continent and attract more business visitors by attracting high-end international hotel chains and investing in new conference facilities

Implementing Agencies: Ministry of Tourism and Wildlife, KICC, Tourism Finance Corporation and Bomas of Kenya.

Project Progress: Modernisation and expansion of KICC commenced and was 34.4 percent complete as at December 2021. The implementation of the project was planned in phases. Phase I was completed and included a solar project towards clean and sustainable energy. The refurbishment of Courtyard and Driveway and rehabilitation of KICC Amphitheatre roof commenced.

The proposed Nairobi International Convention Centre being undertaken by the Bomas of Kenya was 10 percent complete. A transaction advisor was engaged, feasibility study undertaken and submitted to the Public Private Partnership Directorate of the National Treasury for approval. The Ministry of Tourism and Wildlife together with Bomas of Kenya and the PPP Directorate initiated re-evaluation of the project and updating of the feasibility study to address the challenges faced and appraise its current market viability, with a view of fast-tracking the project in readiness for project procurement.

Further, the Tourism Finance Corporation, Industrial Development Bank Capital Limited, and Industrial and Commercial Development Corporation have since been merged to form Kenya Development Corporation Limited.

Implementation Challenges

- Inadequate funding allocation for development projects; and
- COVID-19 pandemic restriction on air travel led to emergence of virtual conferences and meetings.

Recommendations

- Explore alternative financing models/arrangements; and
- Implement Remodeling Tourism in Kenya Strategy's business tourism initiatives to enhance its recovery.

b) Events Strategy

Location: Nationwide

Objective: To consolidate all events across the country and establish a single calendar of events

Implementing Agencies: Ministry of Tourism and Wildlife, and Kenya Tourism Board.

Project Progress: The events strategy was developed and approved in December 2020. In addition, the events strategy calendar budget of KSh 10 million was made available for commencement of digital advertising.

c) Cultural and Heritage Tourism

Location: Nationwide

i) Cultural Tourism

Objective: To enhance cultural tourism experience

Implementing Agencies: Ministry of Tourism and Wildlife, and Bomas of Kenya

Project Progress: A memorandum of understanding (MoU) was signed with a Swedish innovation company, Libido Music AB to develop the Sample Bar Kenya Project to document and exhibit traditional Kenyan musical instruments that were facing extinction. The project relies on a Swedish innovation, a digital technology product, to uniquely archive and safeguard sounds and melodies of the diversity of Kenyan traditional music.

In mitigating COVID-19 pandemic challenges, storytelling was integrated and promoted through an online platform called 'chapa story'. Chapa Story was aimed at preserving and promoting the different aspects of Kenya's cultural heritage with the emphasis on traditional tales, myths and legends. In addition, an online educational programme called 'Dance Nasi' was initiated to preserve and promote the diverse traditional dances of Kenya.

Further, a Memorandum of understanding between the Bomas of Kenya and Africa Digital Heritage was developed. The MoU sought to digitise all cultural products with a view of safeguarding Kenya's cultural heritage to ensure broader consumption of cultural heritage products.

Implementation Challenge

Reduced national government funding since culture is a devolved function.

Recommendation

Explore alternative financing models.

ii) Heritage Tourism

Programme Progress

Uploading virtual tours of digitised sites: NMK partnered with Google to launch a digitised site "Google arts and culture – Utamaduni Wetu" which is a digital exhibition that celebrates Kenya's history and culture by honouring heroes and heroines from all the 44 Kenyan communities. 11 out of the 34 museums and sites in Kenya have been digitised.

Revamping key museums and historical sites: This was implemented under 'Adopt a Museum' Strategy whereby NMK partnered with 'Museum Patrons' in the refurbishment of museum sites. Key museums and historical sites rehabilitated under the strategy included: Karen Blixen, Ollorgasaillie, Nairobi National Museum, Fort Jesus, and Kariandusi Pre-Historic Site.

Enhancing awareness on heritage sites and products: Key stakeholders such as hotels, colleges, tour companies and tour guides associations were sensitised on mapped out cultural and historical circuits in the Coast, Nairobi, and Western regions. In addition, an avitourism guide was developed.

101 Best Monuments Programme: The selection of two monuments per county based on public perception ratings commenced and the selected monuments would be marketed and promoted as tourism niche products alongside the seven United Nations Educational, Scientific and Cultural Organization's World Heritage Sites.

Fort Jesus Sea Wall Project: The construction of the Fort Jesus Sea Wall Project under heritage tourism was 97 percent complete. The pending works entails construction of a public ablution block, spreading of a football artificial playing turf and minor landscaping.

4.3.7 Maasai Mara National Reserve

Location: Maasai Mara Game Reserve, Narok County

Objective: To develop and market the Maasai Mara as a national iconic brand

Implementing Agencies: Ministry of Tourism and Wildlife, KWS, and Narok County Government

Project Progress: Developed and launched Greater Maasai Mara Ecosystem Management Plan which aims at providing a roadmap for integration of wildlife conservation, as a land use method across the Greater Maasai Mara ecosystem. The Plan comprises seven thematic areas that focus on wildlife protection, natural resource preservation, land use, opening of wildlife corridors and other sustainable conservation measures. It identifies the key conservation and development goals to be achieved over the next 20 years to sustain the ecosystem's ecological integrity and development needs of the communities.

4.3.8 Tourism Training and Capacity Building

a) Construction of Ronald Ngala Utalii College

Objective: To expand opportunity and access for training and improve skilled manpower development for the tourism sector and hospitality industry.
Implementing Agencies: Ministry of Tourism and Wildlife, and Tourism Fund

Project Progress: The construction of Ronald Ngala Utalii College project was 73.89 percent complete. To hasten completion and operationalisation of the College, sectional completion (Phase I) was prioritised. This Phase covers the main building (administration block, tuition blocks 1&2, kitchen, and dining wall), ancillary building (transformer & standby generator), hostels block 4 and external works and is 80.1 percent complete.

Implementation Challenges

- Delayed and often untimely remittance of funds from the GoK funding portfolio for the project; and
- Penalties and interests arising from project delays, idle plant and chargeable interests on contract terms.

Recommendations

- Timely disbursement of allocated funds to avoid penalties and interests;
- Tourism Fund should renegotiate and reschedule payments to contractors;
- Tourism Fund should negotiate with contractors to stay surcharges and interests accruing due to project delays and idle plant charges; and
- Tourism Fund should indulge and involve contractors on only the project components of secured funds.

b) Construction of the Practical Training Kitchen

Location: Kenya Utalii College, Nairobi
Objective: To expand opportunity and access for training and improve skilled manpower development for the tourism and hospitality industry
Implementing Agencies: Ministry of Tourism and Wildlife, Kenya Utalii College, and Tourism Fund.

Project Progress: The number of graduates on hospitality and tourism courses at the Kenya Utalii College stood at 708 in 2021. The construction of a practical training kitchen with a capacity of 40 individual stoves and one demonstration restaurant with a capacity of 42 persons was 85 percent complete.

Implementation Challenges

- Lack of adequate training laboratories (kitchens, housekeeping laboratories, front office training laboratories and international language laboratories);
- A generally outdated infrastructure that required heavy investment in repair and maintenance;
- Financial challenges owing to poor performance on internally generated revenue from satellite campuses, Utalii Hotel (which remained closed for one year during the COVID-19 pandemic period) and other commercial activities;
- Due to the pandemic and subsequent College closure, the refresher courses and management development programmes were also put on hold until further notice; and
- Inadequate accommodation facilities which limited the number of students to be admitted.

Recommendations

- Strive to achieve financial sustainability and operational efficiency by channelling most of its financial resources towards development and the core mandate of the institution;
- Review of curricula and upgrading of the College's programmes to attract more numbers to address, among others, certificate courses that take 1.5 years to complete hence discouraging applicants; and
- Review of the fee structure in consultation with the Government to bring it up to realistic figures in comparison with other hospitality schools.

4.3.9 Tourism Research and the Enabling Services

Location: Nationwide

Objective: To strengthen tourism research

Implementing Agencies: Ministry of Tourism and Wildlife, and Tourism Research Institute

Project Progress: Several studies were undertaken namely; an assessment of the impact of COVID-19 on Kenya's tourism and its multiplier effects to the country's economy; Tourism Research Gap Analysis; and Domestic Tourism Survey Draft Reports. The Remodeling of Tourism in Kenya Strategy was developed, and its implementation commenced to accelerate the Sector's recovery and set its long-term growth trajectory. Further, three annual tourism performance reports were produced and tourism satellite account report for the year 2019 was finalised in the review period.

Implementation Challenges

- Inadequate financial allocation for training and research; and
- Inadequate human resource in Tourism Research Institute.

Recommendations

- Enhance financial allocation; and
- Categorisation of Tourism Research Institute to pave the way for staff recruitment.

4.4 TRADE

The Kenya Vision 2030 aims to transform the Trade Sector into a formal, efficient, multi-tiered, diversified in product range and innovative. The Sector is poised to be one of the key sectors in the economic development of the country through its backward and forward linkages across all sectors of the economy. This is mainly because the Sector acts as the main link between production and consumption which are the two main drivers in stimulating economic growth, development, employment and wealth creation of a country.

The Sector is also key in the realisation of the "Big Four" priorities by ensuring that linkages between the 'Big Four' priority sectors and trade are sustained. Trade facilitation ensures markets are identified and accessed for manufactured goods. The following were the achievements under each flagship project in the sector:

4.4.1 Building Tier-one Markets

Location: Athi-River, Machakos County
Objective: To improve supply chain efficiency in the retail sector
Implementing Agencies: Ministry of Industrialization, Trade and Enterprise Development, and Machakos County Government.

Project Progress: 50 hectares of land was secured in Athi River; the scheme and detailed designs for the proposed Tier-One Retail market were developed and disseminated in six counties namely, Mombasa, Nairobi, Taita-Taveta, Murang'a, Uasin Gishu and Kisumu which had been identified for development of similar markets. However, the implementation of the project has since stalled.

Implementation Challenges

- Lack of clarity on institution to spearhead construction of the market after the devolvement of domestic trade function and construction of markets; and
- Project has not attracted budgetary allocation since FY 2014/15.

Recommendations

- Enhance intergovernmental relations between the Ministry responsible for trade and the County Government of Machakos;
- Model the project as a public private partnership arrangement; and
- The County Government of Machakos to consider prioritising and allocating funds for the project.

4.4.2 Development of Wholesale Hubs

Location: Maragua, Murang'a County
Objective: To improve supply chain efficiency in the wholesale sector

Implementing Agencies: Ministry of Industrialization, Trade and Enterprise Development, and Murang'a County Government.

Project Progress: Twenty acres of land was identified and secured for construction of the wholesale hub. Scheme and detailed designs for the proposed wholesale hub were developed and disseminated, and geotechnical and topological surveys undertaken. However, the implementation of the project has since stalled.

Implementation Challenges

- Markets is a devolved function hence a challenge on funding the projects; and
- Lack of budgetary allocation.

Recommendations

- Enhance intergovernmental relations between the Ministry responsible for Trade and the County Government of Murang'a; and
- Funding from GoK or negotiation for a PPP funding for the project is required.

4.4.3 Export Credit Guarantee Scheme

Location: Nationwide
Objective: To unlock the credit potential in the export sector by creating a facility to provide guarantees to exporters of Kenyan goods and services
Implementing Agencies: Ministry of Industrialization, Trade and Enterprise Development; and Kenya Export Promotion and Branding.

Project Progress: Export credit guarantee scheme was 5 percent complete against a target of 10 percent in the FY 2020/21. Concept notes were developed and approved and were awaiting funding to establish the scheme.

Implementation Challenges

- Inadequate funding to operationalise the credit guarantee scheme; and
- Inadequate funding for the institutions under the trade sector to execute their mandates.

Lesson Learnt

Timely disbursement of funds is critical in delivery of planned programmes/projects.

Recommendations

- Enhance budgetary allocation to operationalise credit guarantee scheme; and
- Enhance budgetary allocation to finance programmes/projects to support MSMEs sector.

4.4.4 Establishment of Kenya National Multi-Commodities Exchange

Location: Nationwide

Objective: To provide structured trading for agricultural and non-agricultural commodities
Implementing Agency: Ministry of Industrialization, Trade and Enterprise Development

Project Progress: Kenya National Multi-Commodities Exchange (KOMEX) was 90 percent complete. KOMEX website was developed, procurement of Management Information System completed, and settlement guarantee systems integrated with the System.

In addition, company capitalisation commenced and office space for Exchange was created at the Kenya Institute for Business Training building in Parklands. The Commodities Regulations were gazetted. However, capitalisation and acquisition of trading platform technology was not completed due to austerity measures.

Implementation challenges

- Low awareness on opportunities available to farmers through KOMEX; and
- Limited seed capital for operationalisation of KOMEX.

Recommendations

- Sensitise farmers on KOMEX and its available opportunities; and
- Government should engage private sector investors, farmers, and co-operatives to provide seed capital for operationalisation of KOMEX.

4.4.5 Second Generation Single Window System Implementation

Location: Nationwide
Objective: To facilitate trade through electronic management of trade documentation
Implementing Agency: Kenya Trade Network Agency

Project Progress: The Kenya Trade Net system - Single Window System (now referred to as the Trade Facilitation Platform) was upgraded to increase efficiency. This entailed system design and development for the remaining 75 percent of the functionalities. The National Electronic Single Window System (Kenya Trade Net System) has so far integrated a complex heterogeneous government agencies ecosystem into a single common platform. Forty-one stakeholder institutions have since been onboarded of which thirty-eight are Government Agencies with over 15,000 users. With the Single Window System, 92 percent automation of Partner Government Agencies' (PGA) processes have been done from a 14 percent before the Single Window System was established.

The Single Window was enhanced further with the launch of the information for trade portal which provides a step-by-step procedure for exporting and importing in Kenya. A further enhancement has seen the launch of e-Maritime module to automate all the ship to shore processes in line with the International Maritime Organization FAL Convention.

Implementation Challenges

- Resistance to change by the industry stakeholders;
- Inadequate financial resources to support implementation and operationalisation of the system which is exacerbated by scope creep;
- Conflicting mandates by PGA in cross border trade; and
- Lack of harmonised data repositories between all the stakeholders such as Harmonised Standard codes; integrated tariffs; United Nations Lo-codes, vessel information and data, importers, exporters; and banks branches.

Lessons Learnt

- Change management should always be an integral part of every project from initiation to commissioning;
- Knowledge transfer should be included as a key component of every project implemented with technical support from third parties;
- Sustainability of projects should be discussed and planned for at the planning stage and resources dedicated for the same; and
- Stakeholder involvement at every stage of project implementation is a critical ingredient for the success of the project.

Recommendations

- Continuous implementation of change management framework;
- Enhance funding for the implementation and operationalisation of the system;
- Standing committee of all PGAs that ensure continuous review and harmonisation of data and Harmonised Standard codes should be sustained and expanded to include more PGAs;
- Enact supportive policies and legislations such as the Trade Facilitation Bill to ensure all international trade related documents are processed through the system; and
- Consider reasonable user fees for sustainability of the system.

4.4.6 Establishment of World Trade Centre and International Exhibition and Convention Centre

Location: Nationwide

Objective: To access a global database of businesses and to attract international businesses to Kenya

Project Progress: There was no progress of the project during the review period.

Implementation Challenges

- The conceptual designs changed to accommodate participation of the private sector

- Project approval delays occasioned by differences in conceptual framework – "Brick and Mortar Institution" – Construction of the Centre and the systems for the Centre vis-a-vis "Processes based Facilitation Institution".

Recommendations
- The Kenya Export Promotion and Brand Agency should build consensus on the conceptual designs and fast-track the project approvals; and
- Pursue and provide various funding arrangements to establish the Centre.

4.5 BUSINESS PROCESSES OUTSOURCING / IT-ENABLED SERVICES

Business Process Outsourcing/Information Technology Enabled Services involves the transfer of value contributing activities and processes to another firm to reduce the operating costs for better quality and focus on core competence. The term encompasses a range of activities that include customer service work, data entry, transcription, digitisation, financial accounting, auditing, and other higher value-knowledge processing such as content development, animation, legal services, engineering design, and data analytics. With the global telecommunications infrastructure now well established and consistently reliable, the BPO industry is expected to help Kenya realise its development goals.

The Kenya Vision 2030 identifies BPO as a key sector under the Economic Pillar since it plays a big role in the growth and development of a knowledge-based economy, opening a window for thousands of jobs to unemployed youth in the country. BPO continues to be a key enabler of growth across most sectors of the economy as economic agents leverage the availability of technologies to grow their businesses and maximise returns. The growth in the global business outsourcing industry offers a clear opportunity for Kenya to exploit ITES. The BPO Sector expects to create over 200,000 direct jobs and contribute towards the achievement of the ICT sector target of 10 percent of GDP. So far, the Government and other stakeholders in the Sector have implemented various initiatives that have enabled the BPO/ITES to contribute significantly towards the ICT overall contribution to GDP from 1.4 percent in 2017 to 2.4 percent in 2021.

The following were the achievements under the flagship projects and programmes in this Sector.

4.5.1 Konza Technopolis

Location: Machakos, Makueni and Kajiado Counties

Objective: To develop a smart sustainable city and an innovation ecosystem contributing to Kenya's knowledge-based economy

Implementing Agencies: Ministry of ICT, Innovation and Youth Affairs; and Konza Technopolis Development Authority (KoTDA).

Project Progress: The implementation of Konza Complex comprises three components namely, Office Block which was completed and occupied, the conference facility whose construction was initiated, and the Hotel Block whose pre-feasibility study was completed. During the review period, the construction works for Phase I Horizontal Infrastructure through EPC-F was 60 percent complete. The sub-components of the Horizontal Infrastructure are water treatment plant, automatic waste collection system, wastewater reclamation facility, streetscape, landscaping & parks, electrical system and ICT conduits, utility tunnels, and public facilities/ municipal buildings.

The Authority is implementing the Konza National Data Centre that is meant to serve both Government and enterprises with high-quality, world-class cloud computing services. Phase I of the Data Centre was constructed and fully equipped, operationalised and clients onboarded. Phase II of the project, namely the Konza Primary Data Centre, was 85 percent complete.

In a bid to build a vibrant innovation ecosystem to support local innovators, start-ups and entrepreneurs, the Authority successfully ran two innovation challenges in partnership with other Government agencies and development partners. Thirty innovators and start-ups that emerged the best in the challenges were incubated and accelerated to build their products to market standards with over half of them having commercialised products by the end of the review period.

Konza Technopolis was gazetted as a Special Economic Zone with developer and operator licenses. Development of the project has attracted investors whereby, of the 147 parcels delineated in Phase I, 60 percent were taken up by investors. The Technopolis also landed its first anchor tenant, the KAIST that acquired up 16 acres within the university band. The construction of works commenced during the review period.

Implementation Challenges

- Changing political scenarios brought about periods of disruptions that affected funding of the project;
- Mandate implementation vis-a-vis versatile and dynamic changes in the ICT, Science, Technology and Innovation sector;
- Inadequate budgetary allocations and budget cuts;
- Pending enactment of the proposed KoTDA Bill;
- Inadequate technical staff;
- Vandalism of ICT infrastructure; and
- Unstable global macro-economic environment occasioned by global pandemics and other global economic uncertainties.

Lessons Learnt

- A collaborative approach between Ministries, Counties, Departments and Agencies in the implementation of flagship projects is important for successful implementation;
- Exclusive exchequer funding for flagship projects is not tenable, hence the need for the implementing agencies to leverage on other innovative resource mobilisation strategies;
- The COVID-19 pandemic period ignited an urgency and appreciation in the country for ITES, this worked positively for Konza and challenged the Authority to market its services; and
- Understanding the dynamism of the ICT world is critical for relevance as the Authority implements its mandate.

Recommendations

- Enhancement of budgetary allocation;
- Fast-track the enactment of the KoTDA Bill;
- KoTDA should recruit adequate technical staff to implement the project;
- Amendment of laws on destruction and vandalism of infrastructure;
- Implement new ways of working and coping with emerging issues i.e., embracing technology, continuous training and development, continuous monitoring, and evaluation;
- Due to changing dynamics in ICT and ST&I there is need to diversify use of resources (land) to accommodate related industry and sectors; and
- Research and innovate ways to maximise the use of services provided and continue to generate employment through systems installed for ITES in Konza.

4.5.2 Digital Literacy Programme

Location: Nationwide
Objective: To enhance the quality of teaching and learning in public primary schools
Implementing Agencies: Ministry of ICT, Innovation and Youth Affairs, and ICT Authority

Project Progress: During the period under review, 300 schools received the Learners Digital Devices (LDD) under Phase I and DLP Phase II. The post COVID-19 strategy to enhance devices utilisation was developed within the same period. The call centre was established and operationalised to provide support to schools on the DLP, and other nationwide programmes.

Since inception, a total of 21,638 (99.6 percent) public primary schools out of the contracted 21,729 under DLP Phase I were installed with a total of 1,169,000 digital devices for both regular and special needs education. Two local device assembly plants were established at Jomo Kenyatta University of Agriculture and Technology (JKUAT) and Moi University. The production capacity for the Moi University device assembly plant is 1,200 LDDs per day operating in two shifts of eight hours each. The production capacity for JKUAT has two assembly lines with a daily production capacity of 600 LDDs each per shift. Further, a total of 218,253 teachers were trained on CBC of which 93,009 teachers were trained on the use of ICT and device utilisation.

Implementation Challenges

- Inadequate funding to implement the project;
- Limitation due to last mile infrastructure such as electricity and broadband; and
- Inadequate capacity of ICT trained teaching staff.

Recommendations

- Prioritise and accelerate completion of last mile infrastructure to all regions; and
- ICT training should be fully incorporated in all teacher training colleges for CBC curriculum.

4.5.3 Presidential Digital Talent Programme

Location: Nationwide

Objective: To develop a critical pool of local high-end skills personnel to meet the needs of the industry and the entire economy.

Implementing Agencies: Ministry of ICT, Innovation and Youth Affairs/, and ICT Authority

Project Progress: The programme entails capacity building within Government and private sector in ICT technical and management skills and enable the Government to meet service delivery objectives to the public. The programme offers participants an environment in which they can understand Government services and provide them with an opportunity to contribute towards improving service delivery to citizens. During the review period, 400 interns were recruited and deployed to MDACs. The programme has cumulatively recruited 2,100 interns and deployed to various MDACs.

4.6 FINANCIAL SERVICES

The main objective of the financial services sector is to establish a vibrant and globally competitive financial sector driving high levels of savings to finance the country's investment needs. This is in line with the Economic Pillar whose goal is to achieve and sustain an average GDP growth rate of 10 per cent per annum. The financial sector includes banking, insurance, capital markets, pension funds, and Savings and Credit Co-operatives (SACCOs).

The country's GDP is estimated to have grown by 7.5 percent compared to a contraction of 0.3 in 2020. This was supported by improvement in key economic sectors, including manufacturing, wholesale and retail trade, real estate, transportation and storage, and financial and insurance activities. In response, CBK maintained the CBR at 7.0 percent in 2021. The loans to deposits interest rate spread broadened to 5.73 percent as at the end of December 2020 from 5.14 percent as at the end of December 2019. Inter-bank lending rate dropped to 5.29 percent as at the end of December 2020 from 6.03 percent as at the end of December 2019. The savings rate reduced during the period to a 2.70 percent as at the end of December 2020 from 4.15 percent as at the end of June 2020 and 4.02 percent as at the end of December 2019. The 91-Day Treasury bill rate rose to 6.90

percent in December 2020 to 7.26 percent at end of December 2021. The annual average inflation rate rose from 5.4 percent in 2020 to 6.1 percent in 2021. Table 4.1 presents the financial services sector performance for the FY 2020/21.

Table 4.1: Financial Sector Performance, FY 2020/2021

S/No.	Financial services	Performance (KSh billions)
1.	Market capitalization	2702.22
2.	Equity Turnover	135.16
3.	Bond Turnover	867.74
4.	Domestic credit to the private sector	2,891.34
5.	Banking assets (net)	5,676.9
6.	Domestic credit to Government	1,358.4

Source: CMA/CBK

The achievements in the financial services flagship programmes andprojects are as presented below:

4.6.1 Nairobi International Financial Centre

Location: Nairobi
Objective: To improve the overall efficiency of the regulation structure making Kenya a leading regional centre for financial services in Sub-Saharan Africa
Implementing Agencies: The National Treasury and Nairobi International Financial Centre Authority.

Project Progress: The Nairobi International Financial Centre Authority (NIFC) Authority Board was appointed in August 2020; an interim management team including an Acting Chief Executive Officer was appointed in February 2021; and a three-year strategy & business plan and operational documents developed and launched. In addition, NIFC General Regulations were drafted and engagement with key stakeholders/institutions including Business Registration Service, tax consultants, immigration department commenced to facilitate undertaking of the Authority's functions.

Implementation Challenges

- COVID-19 pandemic led to delay of policy-making process especially in public participation and change of priorities;
- Inadequate funding;
- Lack of service provider to assist with on boarding of services;
- Delays in enactment of relevant regulations and related legal instruments to facilitate financial sector deepening; and

- Interest rate capping policy of the CBK.

Recommendations
- Explore digital platforms through which public participation could be undertaken;
- Provision of adequate budgetary allocations;
- Hasten enactment of necessary regulations; and
- Identify contact persons at various service points.

4.6.2 Deepening of Capital Markets

Location: Nationwide
Objective: To strengthen capital markets as a major source of funding for infrastructural projects and private sector investment
Implementing Agencies: The National Treasury and Capital Markets Authority (CMA)

Project Progress: The implementation of the Capital Market Master Plan was at 54 percent implementation level. During the review period, the Capital Markets (Commodity Markets) Regulations, 2020 and the Capital Markets (Coffee Exchange) Regulations, 2020 were gazetted vide Legal Notices 41 and 42 and approved by Parliament in November 2020. Consequently, five coffee brokers were licensed in June 2021 in line with the Capital Markets (Coffee Exchange) Regulations.

Similarly, a new Collective Investment Scheme framework was developed through partnership with Financial Sector Deepening Africa. In addition, a gap analysis report on the Real Estate Investment Trusts (REITs) regulatory framework was adopted by the CMA Board and submitted to the National Treasury leading to the amendment of the Value Added Tax Act, through the Finance Act, 2021, to reinstate the exemptions for REITs and Asset Based Securities which had been removed vide the Tax Laws (Amendment) Act, 2020. Further, the draft Crowdfunding Regulations were approved for public participation and the review of the Public Offers, Listings, and Disclosure Regulations commenced in June 2021. Other key developments included the operationalisation of the Securities Lending and Borrowing framework, and the admittance of nine capital markets innovators into the regulatory sandbox, two of which exited to test their innovations in the mass market successfully.

Implementation Challenges
- Lengthy process of developing policy and regulatory frameworks;
- Inconsistency with fiscal policy and resolution of market disruptions affecting investors;
- Delays in implementation of actions by some key stakeholders due to evolving priorities resulting from market dynamics; and
- COVID-19 pandemic negatively affected implementation progress.

Lesson Learnt

Consistent stakeholder engagement is crucial for the implementation of long-term industry development plans.

Recommendations

- Explore mechanisms to hasten the process for enactment of regulations and approval of policy frameworks;
- Amendment of the Insolvency Act to provide special carveouts for securities transactions from the general insolvency law in respect of securities held within central securities depositories and those undergoing the process of settlement;
- Maintain certainty on fiscal incentive structure in the securities market; and
- It is important for implementors to design mitigation mechanisms into their action planning in relation to unforeseen similar events.

4.6.3 Digital Finance

Location: Nationwide

Objective: To provide a framework to harness the potential of digital finance to contribute to Kenya's aspirations towards a sustainable digital economy.

Implementing Agencies: The National Treasury and CBK

Project Progress: Achievements were as follows: study of Digital Finance Initiatives was completed; Digital Finance Programme Management Unit was established; and a single national biometric identity standard with the issuance of Huduma number and the National Education Management Information System (NEMIS) were done while digital finance policy was developed in readiness for Cabinet approval.

Implementation Challenges

- Disparities in access to financial services in terms of gender, literacy levels, occupation, and regions in the country;
- High cost of access to financial services: despite the increased access to financial services, the cost of financial products remained high;
- Low penetration/uptake of other forms of financial services such as insurance, capital markets and pensions; and
- Limited access to international finance, low savings rate, high cost of finance, limited capital market, insurance and pension penetration.

Lessons Learnt

- Players in the future digital finance system need to be both enabled and motivated to create new solutions to the problems of finance; and

- The creation of an open financial system depends on two key factors: (i) an enabling open infrastructure, and (ii) a supportive policy, legal and regulatory environment.

Recommendations

- Expand financial services options to reach excluded groups;
- Formal financial services institutions need to innovate products that target the 30.1 percent of the adult population who rely on informal services and products while also managing the cost of access to these products;
- Advocate for uptake of other forms of financial services such as insurance, investments, pension and micro-finance institutions' services;
- Integration of digital interface in the legal processes and regulating the unregulated digital apps; and
- Allocation of more funding to digitise targeted services.

4.7 OIL, GAS AND MINERAL RESOURCES

Oil, Gas and Mineral resources is an important sector in facilitating economic growth and development. The Sector has the potential of boosting the country's economic growth and development through increased export earnings, development of infrastructure, employment creation and improvement of social welfare.

Petroleum has been identified as a priority sub-sector in the realisation of the United Nations' SDG No. 7 - of reliable, clean, and affordable energy for all by the year 2030. It is envisaged that the ongoing oil exploration and discoveries within the country will transform Kenya from being a net importer of petroleum products to self-sufficiency and exporter. The Sector endeavours to make Kenya the regional Oil, Gas and Mineral resources hub.

The following section presents the achievements, challenges and key recommendations under the various flagship programmes and projects.

4.7.1 Exploration and Commercialisation of the Oil and Gas Discoveries

Location: Sedimentary Basins in Kenya
Project objective: To ensure maximum exploitation of the existing oil and gas deposits in Kenya
Implementing Agency: Ministry of Petroleum and Mining

Project Progress: A total of 40/31 blocks of Petroleum Exploration Blocks were marketed nationally and internationally through international oil and gas conferences.

Implementation Challenges

- High capital investment required to implement oil, gas and mining projects;

- Land access issues and escalating cost of land for developing oil and gas fields;
- High stakeholder expectations; and
- Inadequate financial resources.

Recommendations
- Establish a special purpose vehicle to mitigate high up-front risks in oil and gas explorations;
- Undertake assessment of commercial viability and capital investments to de-risk investments in the Sector to improve project transition rates from exploration to production;
- Develop a framework on land acquisition for the petroleum sub-sector;
- Develop stakeholder management strategy; and
- Allocate more financial resources.

4.7.2 Early Oil Pilot Scheme Project
Location: Tertiary Rift Basin (South Lokichar)
Objective: To evacuate early crude oil from early oil discoveries in the Lokichar South Oil fields to Mombasa for export.
Implementing Agency: Ministry of Petroleum and Mining

Project Progress: The Early Oil Pilot Scheme Agreement lapsed in June 2020. However, the Ministry has been monitoring the decommissioning of the facilities and exploring mechanisms of conducting a pilot test on flow assurance of the crude using chemical technology.

Implementation Challenges
- Lapse of the agreement resulted in failure to truck crude oil;
- Global crude oil and mineral price volatility making it difficult to make solid plans and accurate projections regarding the future of the country's petroleum and mineral discoveries;
- Low earnings from sale of raw products;
- Lack of a clear framework for sharing of mineral royalties between the national government, county government and the community; and
- High local community expectations on shared revenue from production.

Recommendations
- Fast track the finalisation of the integrated oil and gas master plan and the development of a long-term mining strategy for the country;
- Operationalise the proposed revenue sharing legal framework between the national government, county governments and communities for attainment of social license to operationalise mining projects; and
- Sensitise local communities on project expectations.

4.7.3 Capacity Development for Oil and Gas through the Kenya Petroleum Technical Assistance Project

Location: Government institutions

Objective: To enhance capacity in the Oil and Gas Sub-Sector by training personnel on oil and gas

Implementing Agencies: Ministry of Petroleum and Mining, and Kenya Petroleum Technical Assistance Project (KEPTAP).

Project Progress: 245 staff against a target of 320 were trained under KEPTAP. Other programmes undertaken as part of the capacity building included: stakeholder engagement and dialogue with special considerations to vulnerable groups, indigenous, pastoral populations, water management in oil and gas projects and operations; environmental auditing upstream oil and gas; advanced health management in oil and gas developments; health impact assessment; and development of a framework for onshore and off shore hydrocarbon escape prevention and preparedness and response capacity development.

In addition, associates of petroleum sub-sector management institutions from various government agencies were trained under the KEPTAP programme. The target was, however, not achieved due to COVID-19 pandemic containment measures.

Implementation Challenges

- COVID-19 containment measures impacted on the attainment of the target for capacity building; and
- Inadequate local technical professionals for the petroleum and mining industry.

Recommendations

- Enhance the human resource capacity in the sub-sector through recruitment of both entry and experienced professionals in the oil, gas, and mining sub-sectors; and
- Explore technological applications for capacity building.

4.7.4 Construction of Lokichar-Lamu Crude Oil Pipeline

Location: Turkana, Samburu, Isiolo, Meru, Garissa and Lamu Counties

Objective: To transport oil by pipeline from production fields in Lokichar to Lamu

Implementing Agency: Ministry of Petroleum and Mining

Project Progress: Implementation of preliminary activities commened to inform final investment decision before the commencement of construction. The activities included ESIA for the pipeline route which was completed, and report submitted to NEMA. The report of ESIA is undergoing public engagement. Similarly, Front End Engineering Design for the Crude Pipeline route was completed. Other activities were land surveying and inquiries along the crude oil pipeline route, and development of land acquisition and resettlement framework.

Implementation Challenges

- Lengthy land acquisition process;
- Inadequate information on mineral reserves, oil and gas blocks to inform investment decisions; and
- Disharmony in the National Government's and County Governments' mining and mineral policies and strategies.

Recommendations

- Land access and acquisition framework need to be fast-tracked;
- Increase budget allocation to fast-track geological exploration; and
- Full enforcement and operationalisation of the Mining Act, 2016, Petroleum Act, 2019 and other extractive related policies for a well co-ordinated oil, gas and mining sector.

4.7.5 Enhancement of Petroleum Products Storage Capacity

Location: Mombasa
Objective: To rehabilitate and increase storage capacity for petroleum products
Implementing Agency: Ministry of Petroleum and Mining

Project Progress: The planned conversion of five tanks at the Kenya Petroleum Refineries Limited (Port Reitz) from crude oil to white oil storage was not undertaken due to budgetary constraints.

Implementation Challenge

Budgetary constraints affected the execution of the project

Recommendation

Timely disbursement of the exchequer funds.

4.7.6 Establishment of Centre of Excellence in Oil and Gas

Location: Morendat Institute of Oil and Gas, Naivasha
Objective: To establish and train world class personnel in the Oil and Gas Sector
Implementing Agency: Kenya Pipeline Company

Project Progress: 164 officers against a target of 865 were trained in various areas of oil and gas.

Implementation Challenge

The training plan was adversely affected by the COVID-19 pandemic containment measures.

Recommendations

- There is need for continuous engagement and collaboration with other oil and gas institutes of excellence for provision of world class training; and
- Explore technological applications in delivering training programmes.

4.7.7 Mwananchi Liquified Petroleum Gas Project (National LPG Enhancement Project)

Location: Nationwide
Objective: To promote use of LPG as a clean fuel alternative to biomass among low-income households.
Implementing Agency: Ministry of Petroleum and Mining

Project Progress: A total of 20,000 6kg new cylinders, 60,000 metres hosepipes and 20,000 two burner cook stoves were procured. A three-year framework contract was signed to fast-track project implementation to realise purchase of targeted number (3,300,000) of LPG cylinders for distribution.

Implementation Challenges

- Inadequate budgetary allocation; and
- Technical and specific requirements in the procurement of special category goods such as LPG cylinders and accessories delayed project implementation and locked out local suppliers and manufacturers.

Recommendations

- Enhance budgetary allocation; and
- Enhance human resource capacity in the sub-sector.

4.7.8 Liquified Petroleum Gas Import and Storage

Location: Mombasa and Nairobi
Objective: To provide capacity for importation and storage of bulk LPG through import handling and construction of storage facilities.
Implementing Agency: Kenya Pipeline Company

Project progress: The project was approved by the National Treasury in line with the Public Investment Management Guidelines for implementation in FY 2021/22 – 2023/24. The activity will be implemented in FY 2021/22.

4.7.9 Quality Assurance of Petroleum Products

Location: Nationwide
Objective: To ensure quality and secure petroleum products consumed in the market
Implementing Agency: Ministry of Petroleum and Mining

Project Progress: 20,575 samples against a target of 9,500 samples of fuel were tested for adulteration from different sample distribution points. This was a continuous exercise to ensure quality and secure petroleum products marketed nationally and regionally. The over performance was attributed to the increase of retail stations in the country that necessitated frequent sampling and testing to check for adulteration and dumping.

Recommendations

- Recruit more inspectors to carry out the quality assurance;
- Address the human and financial ability to cope with the increasing number of retail stations in the country; and
- Allocate more financial resources to increase the coverage for quality assessments.

4.7.10 Development of Regulations for the Petroleum Sector

Location: Nationwide

Objective: To strengthen the existing regulatory framework for midstream and downstream petroleum

Implementing Agency: EPRA

Project Progress: A set of 11 draft regulations were developed to accommodate the substantive changes introduced by the Petroleum Act, 2019. The existing regulations were reviewed and aligned with the Act, while new regulations were drafted to address new provisions in the Act and strengthen the existing regulatory framework. The draft regulations were published in the Kenya Gazette Vol. CXXII–No. 242 of 31st December 2020.

The draft regulations were: the Petroleum (Business Licensing and Facility Construction Permit) Regulations, 2020; Petroleum (Operation of Common User Petroleum Facilities) Regulations, 2020; Petroleum (Importation of Petroleum Products) Regulations, 2020; Petroleum (Information and Statistics) Regulations, 2020; Petroleum (Licensing of Petroleum Road Transportation Business, Road Tankers, and Drivers) Regulations, 2020; Petroleum (Lubricants Facility Construction and Business Licensing) Regulations, 2020; Petroleum (Minimum Operational Stock) Regulations, 2020; Petroleum (Pricing) Regulations, 2020; Petroleum (Products Quality Management) Regulations, 2020; Petroleum (Retail Station Construction and Licensing) Regulations, 2020; and Petroleum (Strategic Stocks) Regulations, 2020.

Implementation Challenges

Delays in the approval process.

Recommendations

- Engage with relevant parliamentary committees; and
- Expedite the enactment of prioritised regulations.

4.7.11 Geological Surveys

Location: Nationwide

Objective: To undertake geological surveys nationally to evaluate the mineral potential of the country

Implementing Agency: Ministry of Petroleum and Mining

Project Progress: The implementation of the nationwide airborne geophysical survey project commenced through a multi-agency government team. The project is approximately at 50 percent complete.

Implementation Challenges

- Insufficient specialised equipment, machines, and facilities such as exploration survey equipment; and
- Increased cases of mine accidents, deaths and diseases associated with illegal use of explosives and dangerous chemicals like mercury in gold mining.

Recommendations

- Increase budget allocation to enable the Ministry fast track exploration for oil, gas and minerals to incentivise investments in the sector;
- Sensitise communities on occupational health and safety and enforce regulations; and
- Enhance data sharing with the multi-agency team conducting the project.

4.7.12 Internationally Accredited Mineral Certification Laboratory

Location: Nairobi

Objective: To establish a modern mineral certification laboratory to provide quality testing of minerals in the country and the region

Implementing Agency: Ministry of Petroleum and Mining

Project Progress: The installation of requisite information technology infrastructure commenced. Further, plans for installation of addition laboratory equipment is underway**.**

Recommendations

Fast track the implementation of International Organization for Standardization 17025:2017 by undertaking the basic steps and complete the installation of the laboratory equipment.

4.7.13 Establishment of Geological Data Bank

Location: Nairobi

Objective: To be a repository for all geological data and information in the country

Implementing Agency: Ministry of Petroleum and Mining

Project Progress: Vectorisation and digitisation of geological maps and reports was 90 percent complete. The national geo-data portal was also unveiled and provides geological data and information to members of the public.

Implementation Challenges

- Inadequate technical expertise in the country;
- Most geological data for Kenya is in the custody of British geological survey while the data in Kenya is not fully updated; and
- Inadequate budgetary allocation.

Recommendations

- Continuous capacity building and knowledge transfer in all the critical areas;
- Strengthen databases on oil, gas, and other minerals;
- Fast track data repatriation from British geological survey; and
- Mobilise more resources for the project.

4.7.14 Enhancing Mining for Development

Location: Nationwide
Objective: To enhance development of mineral resources through value addition to increase the competitiveness of these minerals
Implementing Agency: Ministry of Petroleum and Mining

Project Progress: The Voi Gemstone Value Addition Centre was completed and scheduled for commissioning. The Centre is being equipped in a phased manner while test running is ongoing.

Implementation Challenges

- High energy prices for mineral value addition initiatives;
- Little or lack of value addition resulting in low earnings; and
- Lengthy stakeholder engagements.

Recommendations

- Reduce cost of power;
- Fast track the construction and equipping of the value addition centres in the country;
- Develop human resource capacity on polishing and faceting of the gemstone products; and
- Develop sustainable stakeholder management strategies.

4.7.15 Capacity Building of Artisanal and Small-scale Miners

Location: Nationwide
Objective: To formalise artisanal mining in Kenya
Implementing Agency: Ministry of Petroleum and Mining

Project Progress: Artisanal and Small Mining operations were formalised in Migori, Kitui, Kwale, Kakamega, Taita Taveta and Siaya Counties.

Implementation Challenges
- Inadequate budget allocation; and
- High stakeholder expectations.

Recommendations
- Mobilise more resources for the project; and
- Develop sustainable stakeholder management strategies.

4.8 BLUE ECONOMY SECTOR

The Blue Economy Sector seeks to "s*ustainably manage and develop the Blue Economy resources for enhanced socio-economic benefits to Kenyans"*. It entails sustainable use of aquatic and marine spaces, including oceans, seas, coasts, lakes, rivers and underground water. It encompasses a range of productive sectors, including fisheries, aquaculture, tourism, transport, shipbuilding, energy, bio prospecting and underwater mining and related activities.

The Sector plays an important role in the economic and social development of the country where it supports about 500,000 people directly and about 2 million indirectly. The contribution of the Sector to Kenya's GDP increased from 0.5 percent in 2017 to 0.6 percent 2021. Due to optimal exploitation of fishery resources, the total fish output increased from 151.3 thousand tonnes in 2020 to 163.6 thousand tonnes in 2021. The total value of fish landed increased from KSh 26.2 billion in 2020 to KSh 30.4 billion in 2021. The value of fish and fish products exported in 2020 was Kshs. 2.8 billion against a target of Kshs. 2.1 billion. The target was surpassed due to increased demand for marine finfish and nile perch fish maws in Europe and China respectively. Additionally, the increase in marine finfish exports was attributed to Government's efforts to develop domestic capacity for industrial and semi-industrial deep-sea fisheries.

The achievements under the various flagship programmes and projects are as presented in the following section.

4.8.1 Development of the Blue Economy Programme

Location: Nationwide

Objective: To sustainably manage and develop the Blue Economy resources for enhanced socio-economic benefits to Kenyans

Implementing Agencies: Ministry of Agriculture, Livestock, Fisheries and Co-operatives; Ministry of Transport, Infrastructure, Housing, Urban Development and Public Works; and Ministry of Tourism and Wildlife

Project Progress: During the review period, a total of 2,118 seafarers working on-board foreign ships were trained out of which, 1,732 (1,460 males and 272 females) and 386 (283 males and 3 females) were trained by the maritime and fisheries sub- sectors respectively. This was against a target of training 2,936 males and 1,086 females by end of 2021; and Kenya National Shipping Line (KNSL) in partnership with Mediterranean Shipping Company (MSC) employed 444 seafarers.

In addition, a total of 100 fishing crew out of the targeted 440 were trained on safety at sea skills. 274 county staff were trained as Training of Trainers (ToT) on Participatory Integrated Community Development (PICD) against a target of 120. The over-achievement was as a result of support and collaboration with five coastal counties (Kwale, Mombasa, Kilifi, Lamu and Tana River). On capacity building for Blue Economy, a total 281 County Staff were trained on PICD. 40 people (8 from each of the 5 counties) were trained as ToTs and 241 County Technical Officers trained as Training of Facilitators: 55 from Kwale; 60, Mombasa; 64, Kilifi; 25, Tana River and Lamu 37.

Further, various regulations were developed to operationalise the implementation of the Fisheries Management and Development Act, 2016. These regulations included - Fisheries Management and Development (Marine) Regulations, 2020; Fisheries Management and Development (Inland) Regulations, 2020; Fisheries Management and Development (Recreational) Regulations, 2020; and Fisheries Management and Development (General Provisions) Regulations. In addition, the preparation of the National Marine Spatial Plan was five percent complete entailing a needs assessment and stakeholders' sensitisation.

Similarly, a total of 940 persons were trained in seafaring at the Bandari Maritime College while 99 port operators were trained under the *Vijana Baharia* Programme. Under the revival of KNSL, there has been a restructure of ownership and operations through signing of an MoU between Kenya National Shipping Line and MSC. Stakeholders' agreements and partnerships have also been developed.

Implementation Challenges

- Inadequate policy integration and unco-ordinated development in the Blue Economy Sector;
- Lack of supportive legislative framework and policies;
- Inadequate training facilities and equipment to offer requisite training for qualification and certification under the Standards of Training Certification and Watch-keeping (STWC '78) Convention;
- Weak monitoring, control and surveillance;

- Emergence of COVID-19 pandemic that disrupted training programmes; and
- Inadequate funding for the programme.

Recommendations

- Develop/enhance policies and supportive legislation and institutions to enable collaboration and co-operation amongst the different stakeholders in the Sector;
- Avail training facilities and equipment;
- Enhance monitoring, control and surveillance;
- Increase funds to unlock the potential of the Blue Economy Sector;
- Enhance the utilisation of technology and online platforms in conducting awareness to the youth on the available untapped opportunities within the maritime industry; and
- Undertake a survey on the impact of COVID-19 pandemic along the fish value chain to inform policy.

4.8.2 Fisheries and Maritime Infrastructure Development Programme

Location: Mombasa, Kilifi, Lamu; Kisumu and Nairobi

Objective: To provide enabling infrastructure for the sustainable exploitation of the Blue Economy

Implementing Agencies: Ministry of Agriculture, Livestock, Fisheries and Co-operatives; and Ministry of Transport, Infrastructure, Housing, Urban Development and Public Works.

Project Progress: Construction of a fish market at Likoni and Malindi were both 65 percent complete. Similarly, the construction of Shimoni Mariculture Centre was 60 percent complete; while the construction of fish landing site at Kichwa Cha Kati was 75 percent complete. The rehabilitation of fish landing site at Vanga, Gazi, Kibuyuni, Ngomeni were 95, 85, 45 and 85 percent complete respectively. In addition, the renovation and rehabilitation work at the Liwatoni Fisheries Complex, Mombasa was 90 percent complete; construction of Liwatoni Sea Wall was 75 percent complete while rehabilitation and remodeling of fish processing plant at Liwatoni Fisheries Complex in Mombasa was completed.

Implementation Challenges

- Late funds releases that made some contractors abandon the sites; and
- Inadequate monitoring and evaluation mechanism to facilitate fast-tracking of projects implementation and reporting.

Recommendations

- Enhance stakeholder co-operation; and
- Strengthen the monitoring and evaluation systems.

4.8.3 Exploitation of Living Resources under Blue Economy Programme

Location: Coastal Counties
Objective: To increase socio-economic benefits from Kenya's Exclusive Economic Zones and marine aquaculture; fish production from inland bodies; per capita fish consumption; and the diversity of export markets for Kenyan fish and fishery products
Implementing Agencies: Ministry of Agriculture, Livestock, Fisheries and Co-operatives; and Ministry of Transport, Infrastructure, Housing, Urban Development and Public Works

Project Progress: Two fishing vessels were licensed (Ocean Eagle call sign 5ZAAX and RA-HORAKHTY call sign 5ZAAT). This raised the fleet development to 21. The under-performance was because of not issuing licensing until new licensing management measures were put in place (Marine Fish Access Rights Regulations).

A total of 1,900,000 tilapia fingerlings were stocked in dams in 20 counties namely, Kakamega, Bungoma, Siaya, Kisii, Nyamira, Nakuru, Narok, Trans Nzoia, Uasin Gishu, Kirinyaga, Kiambu, Muranga, Nyeri, Nyandarua, Meru, Tharaka Nithi, Makueni, Kitui, Machakos and Embu. The total fish landed by the end of 2020 was 149.7 thousand metric tonnes.

Implementation Challenges
- Lack of an integrated policy framework for development of the Blue Economy;
- Delays in release of development budget;
- The emergence of COVID-19 pandemic leading to low pace of project implementation;
- Dwindling fish production from Lake Victoria and low production from aquaculture and marine; and
- Floods resulting from the long rains experienced in the Lake Victoria region.

Recommendations
- Provision of adequate funding and timely disbursement of the funds;
- Strengthen other identified strategies to increase fish production to avoid over-reliance on Lake Victoria; and
- Develop risk analysis and mitigation to deal with unexpected challenges such as COVID-19 pandemic.

4.8.4 Aquaculture Business Development Programme
Location: 15 Counties (Nyeri, Kirinyaga, Meru, Homa Bay, Migori, Kakamega, Embu, Tharaka Nithi, Machakos, Kajiado, Kiambu, Busia, Siaya, Kisii and Kisumu)
Objective: To increase the incomes, food security and nutritional status of the wider communities of poor rural households involved in aquaculture in the targeted counties
Implementing Agency: State Department for Fisheries, Aquaculture, and the Blue Economy

Project Progress: A total 990,000 fingerlings were stocked in dams in the fifteen (15) counties; 8,000,000 fingerlings of nile tilapia and catfish were stocked in Lakes Naivasha and Jipe; and 3,179 level 1 farmers were supported with predator control kits and 2,213 with UPVC pond liners.

Implementation Challenges

- Delay in recruitment of Project Co-ordination Unit staff at the onset of the programme;
- Inadequate time to meet the general conditions precedent for International Fund for Agricultural Development (IFAD) financing;
- Delay in issuance of "No Objection" for Consultancy Services, approval of terms of reference and tender documents by IFAD;
- Delay in obtaining tax exemption certificate from the National Treasury for procurement of motor vehicles;
- Delay in disbursement of funds to the Programme Operations Account; and
- Emergence of the COVID-19 pandemic.

Recommendations

- Fast-track the process of issuance of "No Objection" by IFAD; and
- Timely disbursement of funds to the Programme Operations Account.

4.8.5 Kenya Marine Fisheries and Socio-Economic Development Programme

Location: Coastal Counties (Mombasa, Lamu, Kwale, Kilifi and Tana River)
Objective: To improve management of priority fisheries and mariculture and increase access to complimentary livelihood activities in coastal communities
Implementing Agency: State Department for Fisheries, Aquaculture and the Blue Economy

Project Progress: The project was launched on 26th June 2021 by the President. The terms of reference for a consultant to concretise the design for the implementation of Phase I of the construction of a Mariculture Hatchery and Resource Centre in Shimoni, Kwale County were approved. In addition, the National Oceans Fisheries Policy was drafted and presented to Sector Working Agriculture Group/County for consultations in readiness for national stakeholder validation. A multi-agency Marine Spatial Plan and working groups were established.

Implementation Challenges

- Delayed approval of Annual Work Plan and Budget; and
- Lengthy consultative process among the agencies involved.

Recommendations

- Strengthen stakeholders' involvement at all stages of the project cycle; and
- Sensitise key stakeholders on project activities.

4.8.6 Aquaculture Technology and Development and Innovation Transfer Programme

Location: Nationwide

Objective: To increase uptake of aquaculture technologies, innovations and improve safety of farmed fish

Implementing Agency: Ministry of Agriculture, Livestock, Fisheries and Co-operatives

Project Progress: The construction of a training facility in Sagana was 60 percent complete. In addition, aquaponics systems to entrench fish farming and technology transfer among the youth was established in 10 learning institutions namely: Kerio Valley Secondary School in Elgeyo Marakwet County; Nyakach Girls High School in Kisumu County; Siwot Technical College in Bomet County; Ikuu High School in Tharaka Nithi County; Rarakwa Girls High School and Gatura Girls School in Murang'a County; Waita Secondary School in Kitui County; State House Girls High School in Nairobi County; Mukimwani Secondary School in Makueni County; and Kiseke Ndalani Secondary School in Machakos County.

Further, the following fish processing establishments were certified during the period under review: - East African Sea Food Ltd; Transafrica Fisheries Ltd; Fish Processor (2000); F.V. Manyara, Sea Harvest (K); Crustacean Processors; M.V. Vega; M.V Roberto; Diamond Seafood (K) Ltd; M.V. Alpha Challenger; Hui Yi Company Ltd; Ceer Processing Ltd; Kendag Ltd; M.V. Shangyi; Brinkley Ltd; Kylin Ltd; F.V Seamar II; VF. V Newfoundland Alert; Huawen Food (Kenya) EPZ Ltd; A&I (EPZ) Ltd; Blue Union Company Ltd; MFV Ra-Horakhty; and MFV Lu Qing Yuan Yu 160. The certified landing beaches included: Port Victoria, Uhanya, Sori/Karungu and Nyagewna.

Implementation Challenge

Delay in the disbursement of funds under the development budget.

Recommendation

Timely disbursement of funds.

4.8.7 Development of Fish Quality Laboratories Programme

Location: Nairobi, Mombasa and Kisumu

Objective: To enhance safety of fish and fish products consumed locally and exported

Implementing Agency: Ministry of Agriculture, Livestock, Fisheries and Co-operatives

Project Progress: Fish Quality Control Laboratories at South C was completed. In addition, 29 laboratory staff and sampling officers were trained for the three laboratories (Nairobi, Mombasa and Kisumu), and access parking and storm water at Nairobi was constructed.

Implementation Challenges

- Inadequate stakeholder engagement;
- Delay in the recruitment of laboratory staff; and
- Inadequate funding.

Recommendations

- Enhance stakeholders' engagement in the project conceptualisation, design and implementation;
- Fast-track the recruitment of relevant staff; and
- Mobilise for more finances.

4.8.8 Rehabilitation of Fish Landing Sites in Lake Victoria Programme

Location: Lake Victoria region
Objective: To improve fish handling facilities in order to reduce post-harvest losses
Implementing Agency: Ministry of Agriculture, Livestock, Fisheries and Co-operatives

Project Progress: The rehabilitation completion rate of the fish landing sites stood at 8 percent in Migori; 10 percent in Nyandiwa, Homa Bay; 80 percent in Mulukhoba, Busia; 80 percent in Wilchlum, Siaya; 85 percent in Lwanda K'Otieno, Siaya; and 40 percent in Ogal, Kisumu County.

Implementation Challenges

- Rising Lake Victoria water levels which disrupted the rehabilitation works;
- Delayed payments due to untimely release of funds; and
- Inadequate monitoring and supervision on the project's implementation.

Recommendations

- Timely disbursement of funds;
- Establish an efficient monitoring and evaluation mechanism to fast-track projects implementation and reporting; and
- Relocate landing sites to higher grounds.

CHAPTER FIVE

5.0 SOCIAL PILLAR

"Investing in the people of Kenya"

The goal of the Social Pillar of the Kenya Vision 2030 is to invest in the people of Kenya. It seeks to build a just and cohesive society enjoying equitable social development in a clean and secure environment. This is to be realised through transformation and implementation of policies, flagship programmes and projects in six priority sectors namely: Education and Training; Health; Environment, Water and Sanitation; Population, Urbanisation and Housing; Gender, Youth and Vulnerable Groups; and Sports, Culture and Arts. The Pillar is also key in providing an enabling environment in the implementation of the "Big Four" Agenda that will catalyse the transformation of the country.

Overall, the Pillar recorded mixed performance during the review period. Although some of the sectors within the Pillar registered remarkable improvement, some of the targets were not met due to inadequate funding, effects of the COVID-19 pandemic and weak legislation among other challenges.

The following sections highlight the achievements under each of the sectors within the Social Pillar.

5.1 EDUCATION AND TRAINING

The Education and Training Sector is a key pillar in the realisation of critical knowledge necessary for propelling the country into a newly industrialised upper middle-income knowledge-based economy. The Sector seeks to have a *"Globally Competitive Quality Education, Training and Research for Sustainable Development."* The Constitution of Kenya identifies education and training as a social and economic right. This is in recognition of the fact that education and training equip citizens with understanding and knowledge that enables them to develop their full capacity to live and work in dignity and to make informed choices about their lives.

It is composed of Early Learning and Basic Education; Vocational and Technical Training; Post Training and Skills Development; University Education; Implementation of Curriculum Reforms and their respective agencies as well as TSC. The Sector priorities include actualisation of the right to free and compulsory basic education; improvement of post basic education; enhancement of quality and relevance of education; integration of ICT into teaching and learning; enhancement of financing in education and training; and improvement of governance. The Sector is an enabler of the "Big Four" Agenda as it provides the requisite skilled human resource and promotes research and development.

During the review period, the calendar for basic and tertiary education was disrupted due to the COVID-19 pandemic. In March 2020, the Government closed all learning institutions in an effort to curb the spread of COVID-19. As a way of ensuring continuity of learning, the Government, through the Ministry of Education and other stakeholders, adopted and encouraged virtual (online) teaching and learning, and community-based learning among other learning platforms. Learning institutions were later re-opened in phases from October 2020.

5.1.1 Universal Secondary Education

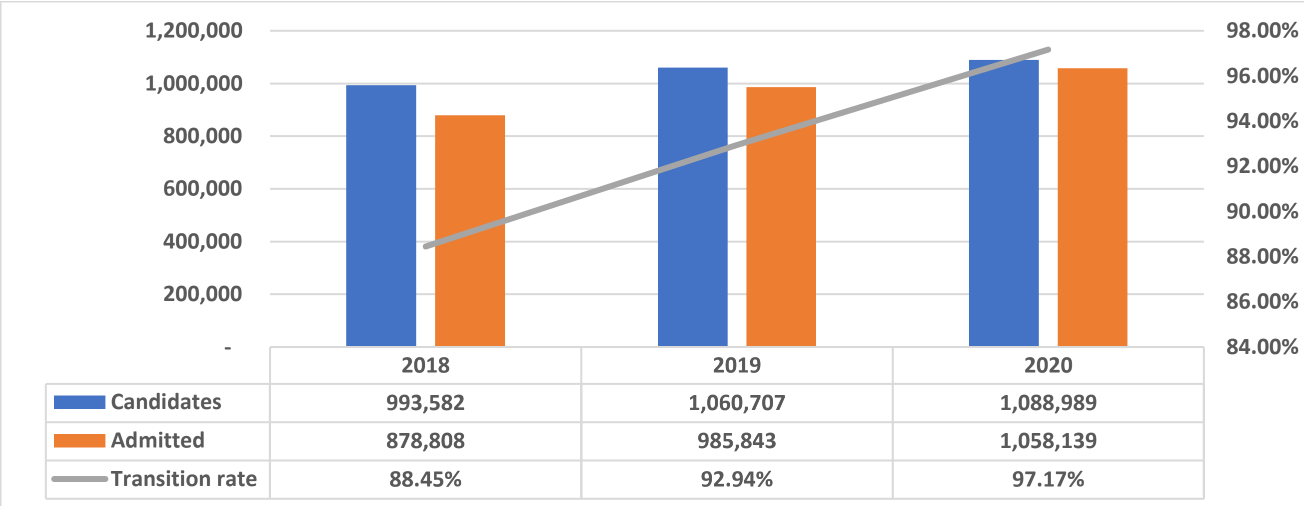
Location: Nationwide
Objective: To achieve 100 percent primary to secondary school transition
Implementing Agency: State Department for Early Learning and Basic Education

Project Progress: During the review period, KSh. 59.42 billion was disbursed to 9,024 public secondary schools to support 3,289,885 students. To support secondary schools in ASAL and pockets of poverty, KSh. 40.15 million was disbursed to 80 schools categorised under pockets of poverty.

As part of achieving universal secondary education, 3.29 million students in secondary schools were provided with medical insurance under the EduAfya Programme. A total of 14,118,184 set books for English literature and Fasihi ya Kiswahili were provided to the 8,935 public secondary schools. Overall, 97 percent of the schools had reported achieving a student book ratio of 1.1 in 20 subjects for Forms 1 to 4 by June 2021. To improve secondary school infrastructure, the Ministry of Education procured 262,757 desks and chairs for secondary schools, constructed 905 classrooms, 95 laboratories and 347 WASH facilities. In addition, 2,040 computers were procured and distributed to 200 secondary schools with 36 percent of targeted public secondary schools having received computers.

These initiatives resulted in the transition rate from primary to secondary education rising from 88.45 percent in 2018 to 92.90 percent in 2019 and finally to 97.17 percent in 2020. Figure 5.1 shows the transition rate.

Figure 5.1: Transition Rate to Secondary Education, 2018 – 2020



Source: MOE, 2021

The transition rate for the selectable candidates from primary to secondary education rose from 91.95 percent in 2018 to 94.96 percent in 2019 and finally to 98.40 percent in 2020. Figure 5.1 shows the transition for the last three years.

Implementation Challenges

- Inadequate and dilapidated school infrastructure facilities;
- Students drop out due to lack of school fees;
- Gender disparity in some regions of Kenya resulting in inequality in secondary education;
- Learners from vulnerable backgrounds continued to experience challenges in school attendance despite the introduction of free day secondary education; and
- Low access by learners with special needs due to various challenges, including inadequate facilities and stigma among others.

Recommendations

- Develop and implement a framework to guide education interventions in vulnerable areas;
- Establish a fund to support learners; and
- Strengthen collaboration between the two levels of government in provision of education resources in an effective and efficient manner.

5.1.2 Technical Vocational Education and Training Infrastructure and Equipment Project

Location: Nationwide

Objectives: To increase uptake of Technical Vocational Education and Training

Implementing Agency: State Department for Vocational and Technical Training

Project Progress: This project has three components namely; construction of new TVET institutions, rehabilitation of existing institutions, and equipping the institutions. Construction of 30 technical training institutions were 47 percent complete. Amongst the existing TVET institutions, six technical training institutes were supported under the Infrastructure Upgrade and were 100 percent complete. One technical training institute was equipped under GoK/African Development Bank Phase II projects. During the review period, 265 departments in the 192 operational institutions in the country were equipped with modern state of the art training equipment. This led to the increase in enrolment in SET disciplines bringing the enrolment in SET to above 71 percent of the total enrolment in TVET institutions.

Implementation Challenges

- Inadequate funds for construction and equipping of the institutions;
- Delays in release of funds; and
- Inadequate access and systems for learners with special needs.

Recommendations

- There is need for continued affirmative action for learners with special needs and mainstreaming of the same, and
- Enhance funding for TVET activities.

5.1.3 Basic Education – Competency Based Curriculum

Location: Nationwide

Objectives: To ensure that education nurtures the potential of every learner and provides different pathways.

Implementing Agencies: Kenya Institute of Curriculum Development (KICD), Kenya National Examinations Council (KNEC), and State Department for Early Learning and Basic Education

Project Progress: The CBC in Grade Five was rolled out in July 2021. This was targeted for a roll out in January 2021, but was delayed due to effects of COVID-19 on the school calendar. At the time of reporting, CBC roll out in Basic Education was at 50 percent.

During the review period, key targeted deliverables achieved towards implementation of curriculum reforms in early learning and basic education were as follows: mainstreamed the "Big Four" initiatives content in the development of the scope and sequence charts for Grades 10, 11 and 12 and Citizenship Teacher's Handbook; and the matrices for mainstreaming community services learning and health issues (menstrual disorder) in Grade 7 to Grade 12 were developed.

In addition, Grades 5 and 6 teachers' handbooks in 18 learning areas were finalised; 365 electronic support materials were produced and disseminated to support remote learning as a mitigation measure during the COVID-19 pandemic period; learner's books and teachers guides for Grade 5 were evaluated and approved in preparation for the roll out of CBC in Grade 5; and over 28,000 learning materials comprising curriculum designs and curriculum support materials both in print and electronic formats were disseminated to increase access.

Further, during the review period: curriculum designs for Diploma in Early Childhood Teacher Education and Diploma in Primary Teacher Education were developed; 11 curriculum designs for stage-based pre-vocational level for learners with special needs were developed; over 20,000 programmes were broadcasted through Radio and TV channels and also disseminated e-content through Kenya Education Cloud (KEC) to support remote learning during the COVID-19 global pandemic; developed three curriculum designs for Kenya sign language for Grades 7, 8 and 9; developed three sign language curriculum designs for regular learners for Grades 4, 5 and 6; and adapted digital content for Visually Impaired and Hearing Impaired for Grade 1 in 8 and 7 learning areas respectively.

KICD in collaboration with TSC and other agencies in the Ministry of Education, carried out capacity building for over 220,000 curriculum implementers. These included Master Trainers, Champion Teachers, Curriculum Support Officers, Education Officers and Teachers. Over 3,000 teachers were trained on remote learning through KEC to enhance their capacity to access curriculum delivery materials.

During the review period, KNEC conducted the 2020 Grade 3 Assessment. A total of 1,239,040 (Male - 647,767, Female - 591,273) learners were assessed, drawn from 23,092 public and 12,651 private schools. In total 3,796 learners with special needs were enrolled, out of which 1,855 were on the Age- Based (Regular) pathway and 1,941 were on the Stage-Based pathway. KNEC also conducted the first School Based Assessment at Grade 4. The assessment was administered to 1,404,738 learners from 37,367 primary schools. The female learners were 664,942 while the male learners were 739,796. The results for the Grade 4 assessment shall contribute to the final score at the end of primary school learning in Grade 6.

Implementation Challenges

- The COVID-19 global pandemic caused closure of schools which delayed the roll out of CBC as well as the delay in conducting Grades 3 and 4 assessments;
- Limited understanding of the new curriculum and assessment concepts by stakeholders and the public; and
- Inadequate stakeholder and public support.

Recommendations

- Enhance dissemination of remote learning lessons through radio and TV targeting all learners in basic education;
- Develop a strategy to carry out citizen awareness on the curriculum and assessment reforms;

- Carry out continuous capacity building for all curriculum implementers in areas such as IT literacy and portfolio assessment; and
- Create partnerships and synergies with stakeholders and the public on the curriculum and assessment reforms.

5.1.4 Competency Based Education and Training for TVET

Location: Nationwide

Objectives: To ensure that TVET courses are competency-based and aligned to the labour market demands

Implementing Agencies: State Department for Vocational and Technical Training, and Curriculum Development Assessment and Certification Council.

Project Progress: During the review period, the following were achieved: 50 percent of Competency Based Education and Training (CBET) for TVET was rolled out; 406 curricula were developed; 12,758 trainers and industry experts were trained on CBET and Competency Based Assessment (CBA); 46 learning guides were developed for some courses; digital content for 6 CBET courses were developed; and assessment tools for most of the courses developed.

In addition, 67 TVET competence assessment centres were established and registered. Cumulatively, 12,758 trainers and industry experts were trained on CBET and CBA. Similarly, 280 mentoring tools for assessment were developed and 244 candidates assessed during the review period. A total of 406 occupational standards were developed in conjunction with the stakeholders in the Sector. The Council continuously carried out monitoring and evaluation of CBET especially during the assessment.

The Council also embarked on the development of learning guides to assist in the implementation of CBET courses. However, the development of digital content for the CBET courses did not commence due to the COVID-19 pandemic.

Implementation Challenges

- The implementation of the targets was negatively affected by the outbreak of the COVID-19 pandemic, hence under-achievement of some targets;
- Enrolment in TVET grew tremendously outstripping the projects. For this reason, some trainees could not receive capitation as the budgeted amount was less compared to the enrolment. In addition, only a handful of trainees received HELB bursary since the enrolment growth outstripped the loans projection;
- Due to budgetary constraints, the capitation was targeted at the trainees under the Ministry of Education. On the other hand, HELB loans were confined to trainees in public institutions only; and

- Vocational training is a devolved function. However, there was inadequate funding for vocational training at the county level.

Recommendations

- As the economy recovers, there is need to restore the budgets for the targets which were rationalised to cover critical areas to address the pandemic;
- There is need to factor in trainees in all public and private institutions for capitation and HELB loans disbursement. This calls for increased funding towards the capitation and HELB loans for TVET trainees; and
- County governments should prioritise funding towards vocational training in terms of infrastructure.

5.1.5 Kenya National Qualifications Framework

Location: Nationwide

Objectives: To promote life-long learning through recognition of acquired skills and knowledge and implementation of the national qualification's framework

Implementing Agency: KNQA, and State Department for Vocational and Technical Training.

Project Progress: The KNQF Regulations were developed in 2018 and subsequently operationalised. During the period, a total of 1,258 out of the 6,250 qualifications translating to 20 percent, were registered in the National Qualifications Framework. Further 16 qualifications awarding institutions out of a target of 60 were also registered in the Framework translating to 26 percent. A total of 60 professional, quality assurance, assessment, and examination bodies had been mapped for capacity building on their role in the implementation of the Framework.

A critical function of KNQA is to develop national policies on implementation of the Framework. During the period, 14 policies, standards and guidelines were developed translating to 54 percent of all policies that had been mapped. These policies included the National Policy Framework and Guidelines on Implementation of Recognition of Prior Learning; Credit Accumulation and Transfers Policy; Credit Accumulation and Transfer System for Agricultural Qualifications; and National Policy, Standards and Guidelines for Assessing National Qualifications. The Kenya National Learners Record Database was also developed, and implementation commenced.

Implementation Challenges

- Inadequate funding and delayed disbursement of funds;
- Inadequate technical and human resource capacity to effectively carry out the mandate of the Authority;
- Conflict in legislation and mandate leading to duplicate roles with other State Agencies;
- Inadequate stakeholder support; and

- Effect of COVID-19 pandemic that led to rescheduling of some of the planned activities as a result of closure of some institutions during the period.

Lesson Learnt
Concerted effort by all players is paramount for effective implementation of KNQF.

Recommendations
- Lobby for increased budgetary allocation;
- Harmonise the existing legislative framework to address duplication and conflict in the mandates of the Agencies; and
- Engage relevant stakeholders to ensure effective implementation of the national policies on qualifications.

5.1.6 National Education Management Information System
Location: Nationwide
Objectives: To establish a data system for use in the education & training sector, and conduct data needs assessment from data providers and users
Implementing Agency: State Department for Early Learning and Basic Education

Project Progress: During the review period, NEMIS implementation reached about 80 percent, covering a total of 8.32 million learners. This included secondary education with 98 percent implementation rate covering 3.05 million learners while primary education had 65 percent implementation rate covering 5.27 million learners. However, training was not carried out during the reporting period due to lack of budgetary provisions.

In secondary education, data from the system was used to finance Free-Day Secondary Education, conduct Form 1 selection, and monitor transition of learners from primary to secondary schools. The successful implementation of NEMIS at secondary school level also resulted in the implementation of a cover towards achieving UHC for three million students through NHIF Cover - the 'EduAfya" where learners' unique identifiers are integrated with the NHIF system on real-time basis.

A school feeding module for the School Meals Programme was also added to the NEMIS system. The module aims at digitising processes in the programme, including commodity procurement, and commodity tracking both in the warehouse and in transit. It further aims at digitising school attendance reports, commodity stock reports at school level and at sub-county level, cash balances at school level and transporter details.

Implementation Challenges
- Increase of number of leaners and regions needing interventions; and
- Inadequate financing of the programmes, data credibility from the ground to head office.

Recommendations

- Resource mobilisation by the National Treasury;
- Economic empowerment of the communities;
- Proper budgeting and prioritisation; and
- Revamping of NEMIS to ensure data security and credibility

5.1.7 National Skills Development

Location: Nationwide
Objectives: To enhance co-ordination of education, training and skills development
Implementing Agency: State Department for Post Training and Skills Development

Project Progress: During the review period, the sector-initiated development of the National Skills Development Policy, Draft National Skills Development Bill and the National Career Guidance and Counseling policy and are at various stages of completion.

To expand access to work-based learning, the National Apprenticeship Programme and National Young Innovators Entrepreneurship Programme were established. In addition, the National Industry Traineeship Programme was operationalised. Under the pilot for this Programme, 300 youth were trained in sewing, and employed by Mega Couture EPZ at Kilifi County. The National Skills Management Information System was initiated and was 30 percent complete. In addition, skills mapping was undertaken where a National Skills Inventory Instrument was developed and administered to obtain data on the skills of out-of-school unemployed youth.

Further, the National Industry Mapping Database was developed to support the National Industry Traineeship Programme. Under this Programme, industry mapping was conducted in 36 counties to provide data on the industries that would offer industry traineeships to the youth.

Implementation Challenges

- Weak linkages between education, training and industry;
- Inadequate budgetary allocations for reskilling and up-skilling opportunities;
- Inadequate data on skills to inform policy planning and decision making; and
- Lack of a policy framework to guide work-based learning, education/industry linkages, entrepreneurship, talent development and knowledge management.

Recommendations

- There is need to strengthen linkages between the industry and training institutions;
- There is a need to raise awareness on entrepreneurship and labour market trends;
- Increase funding for the State Department;

- Adopt a multi-sectoral financing strategy and develop linkages with the private sector and development partners; and
- Develop and implement strategies for partnership with stakeholders and partners.

5.1.8 Construct and Equip National Psycho-Education Assessment and Placement Centre

Location: Nationwide
Objectives: To enhance assessment and placement of special needs learners
Implementing Agencies: Kenya Institute of Special Education (KISE), and State Department for Early Learning and Basic Education.

Project Progress: During FY 2020/21, KISE through the National Psycho-Education Resource Centre provided appropriate assessment technologies for effective assessment in the following areas; neurological, audiological, and sensory impairments, learning disabilities, gifted and talented learners, to facilitate therapy and assessment of children with disabilities for school placement. In addition, the Institute served 3,115 clients against a target of 5,000 due to COVID-19 containment measures.

Implementation Challenges

- Due to the austerity measures in the FY 2020/21, funds allocated were not disbursed in full to facilitate purchase of required equipment;
- Inadequate expertise in various areas of assessment;
- Unavailability of equipment in the Kenyan market due to high importation costs;
- The Kenyan society associates disability with witchcraft and, therefore, cultural prejudice, ignorance, and negative attitude towards children with special needs as well as lack of adequate tools and skills for assessing, identifying and interviewing such learners was noted during outreach activities. This hampered access to education for children with special needs and disabilities across the country; and
- Congestion in special schools and units where assessed children are recommended for.

Lessons Learnt

- Early identification and intervention for children is particularly critical in alleviating the severity of the disabilities and in many occasions has helped reverse the condition for some children;
- All persons with disability should be supported and not only sympathised with; and
- Inclusiveness and good stewardship improve the livelihood of persons living with disability once they are placed in the right school as a way of realising SDG 4 on Basic Education to All.

Recommendations

- Allocate adequate funds for equipping the Centre;
- Waiver of importation costs for the equipment to make them less expensive;

- More Psycho Education Assessment Centres to be built, for easy access by Kenyans who have to travel from far flung counties to access services at KISE;
- Outreach activities to be carried out to inform communities living with children with special needs that they can access KISE and be supported accordingly;
- Early identification and intervention for children with special needs with the aim of alleviating the severity of the disabilities;
- Equip persons with special needs with skills that will help them achieve full human potential; and
- Equip workshops for production of more learning assistive devices for special schools to ensure Education for All as per the SDGs.

5.1.9 Enterprise Development Incubators

Location: Nationwide

Objectives: To support creativity and innovation, research and development in education and training

Implementing Agencies: State Department for University Education and Research, and State Department for Vocational and Technical Training.

Project Progress: A total of 16 cottage industries were established in the following vocational training centres: Ebusiralo, Isinya, Dandora Green Light, Chumvini, Voi, Wekelekha, Syongila, Kinoo, Witu, Ahero, Nyaore, Nairutia, Karatina, Ukunda, Kaitheri, and St Stephen Ekerubo Gietai. The incubation centres mainly focused on mask production, motor vehicles, fashion & design, carpentry & joinery, hospitality, and beauty and therapy.

Implementation Challenges

- Delayed development of a formal, comprehensive and integrated national policy (Sessional Paper) on ST&I for the country;
- Lack of policy on enterprise development incubation for TVET;
- Inadequate funding;
- Inadequate infrastructure and equipment for research in higher education and training institutions especially for physical sciences; and
- Inadequate skills at university levels for emerging sectors such as oil, gas, earth minerals and blue economy.

Lesson Learnt

There is innovation potential of the Kenyan youth that ought to be exploited.

Recommendations

- Provide adequate funding for the project to be implemented as scheduled; and
- Develop relevant policy documents to support implementation of programmes and projects.

5.1.10 Teacher Provision, Competence and Professional Development

Location: Nationwide
Objectives: To improve the provision and competence of teachers at the basic education level
Implementing Agency: TSC

Project Progress: TSC was allocated KSh 5.9 billion for this flagship project and managed to train 129,000 teachers on CBC. It further recruited an additional 5,000 teachers on permanent and pensionable terms and another 12,000 as interns.

All heads of public basic educational institutions were put under performance contract, with teachers in these institutions being put under Teacher Performance Appraisal and Development. A policy framework on Teacher Professional Development was developed and rolled out. Two modules were developed and are currently being implemented. A Teacher Induction Mentorship and Coaching Policy was also developed, and 14,568 teachers were trained on the Programme.

Through the Electronic Document Management System project, all Secretariat staff files were digitised. As a result, a total of 273,876 teachers' files had been digitised by 30th June 2021.

Implementation Challenges

- Litigation affecting implementation of some of the programmes such as Teacher Professional Development;
- The impact of the COVID-19 pandemic led to closure of schools and, therefore, non-implementation of some programmes;
- Limitations of funding; and
- Insecurity in some parts of the country.

Lessons Learnt

- Multi-sectoral approach in resource mobilisation and project implementation is important;
- Stakeholder participation and management in projects and programmes is critical;
- The future of class instruction is in integrating ICT into learning; and
- Performance management is key in improving learning outcomes.

Recommendations

- Proactive engagement with all the stakeholders for buy-in of the programmes;
- Engage funding partners to support specific projects;
- Use of ICT in teaching and learning and live streaming of lessons; and
- Adopt a multi-agency approach to address insecurity.

5.1.11 Laptops and Assistive Technology for Learners with Special Needs

Location: Nationwide

Objective: To improve the quality of learning for the visually impaired, hearing impaired and physically disabled learners

Implementing Agencies: State Department for Early Learning and Basic Education, and National Council for Persons with Disabilities (NCPWD)

Project Progress: During the period under review, the Sector carried out a needs assessment to inform provision of laptops and assistive devices to institutions with learners with special needs. The assessment was part of the implementation of the Secondary Education Quality Improvement Programme whose objective was to improve student learning in secondary education and transition from primary to secondary education in 30-targeted counties.

Implementation Challenges

- Teacher capacity gaps in Special Needs Education (SNE);
- Disconnection of power due to unpaid bills; and
- Inappropriate devices for some categories of learners such as those with physical disabilities and intellectual disabilities.

Recommendations

- Revise cost of capitation hampering SNE inclusion in distribution and training on ICT and assistance technologies;
- Acquisition of devices for schools left out in DLP Phase I;
- Effective monitoring and evaluation of SNE;
- More training and follow-up to be done for SNE schools and other relevant educators; and
- Needs assessment should inform the provision of laptops and assistive devices to the institutions.

5.1.12 Student Financing

Location: Nationwide

Objectives: To ensure learners are adequately funded to complete their training

Implementing Agencies: HELB, and State Department for Vocational and Technical Training.

Project Progress: During the review period, a total 368,593 students were funded at KSh 14.527 billion. This comprised 214,910 males and 153,683 females. Out of this, 262,663 university students (93.9 percent of the target) were awarded loans amounting to KSh 10.5 billion; 19,015 needy university students were awarded bursaries amounting to KSh 137.3 million; 104 postgraduates (61 Masters and 43 PhDs) were awarded scholarships amounting to KSh. 31.05 million; 105,930 TVET students were awarded loans amounting to KSh 4.005 billion; and 20,085 TVET students were awarded bursaries amounting to KSh 100.2 million;

In order to promote Science, Technology, Engineering, Mathematics & Innovation (STEMI) a total of 154,111 students pursuing STEMI related courses in both universities and TVETs were awarded loans amounting to KSh 6.232 billion out of the total student funding.

These interventions have increased the numbers of human capital equipped with the required technical skills in the economy to support the Government's "Big Four" Agenda and Vision 2030 programmes. It also increased the youth with self-employability skills making them economically engaged.

Implementation Challenges

- Inadequate funding;
- Reduction in loan recoveries as a result of COVID-19 pandemic;
- Default on loan repayments due to high rates of unemployment and under-employment of loan beneficiaries; and
- External resource mobilisation was adversely affected by the impact of COVID-19 which led to slow economic growth, withdrawal of donor funding and reduced funding from constituencies and counties which were major sources of external funding.

Recommendations

- Timely release of funds;
- Review of existing legal framework to create a conducive environment for the operations of HELB;
- Establish a framework to harmonise financing of higher education; and
- Develop a policy framework for adequate and sustainable higher education financing.

5.2 HEALTH SECTOR

The Health Sector seeks to ensure *"Equitable, Affordable and Quality Health Care of the Highest Standard"* for all citizens by the year 2030. The Government is committed to implementing health system reforms to accelerate the achievement of UHC as a means of realising the right to health which is enshrined in the Constitution and the Kenya Vision 2030. The investment in health is geared towards ensuring sustainability of the nation's human capital base required for sustainable economic growth. As such, the Government recognises provision of equitable, accessible and affordable health care at the highest affordable standard to Kenyans based on need and not ability to pay. Accordingly, the health system is re-aligned to deliver on the UHC agenda as defined in the Vision, SDGs, African Union's Agenda 2063, MTP III as well as the "Big Four" Agenda.

The Government's commitment to protecting its citizens against financial hardships due to sickness is notable with the enactment of a more comprehensive NHIF (Amendment) Act, 2022, finalisation of the healthcare financing strategy and the UHC Strategy. These frameworks aim at transforming Kenya from emergency and targeted social health protection responses into universal, comprehensive, adequate, and sustainable social health protection systems to uphold the human rights to health and social security as underscored in the SDGs framework.

The following were the achievements under each flagship project in the health sector.

5.2.1 Social Health Protection Programme

Location: Nationwide
Objectives: To enhance social health protection to targeted populations
Implementing Agencies: NHIF and Ministry of Health (MoH)

Project Progress:
The Linda Mama Programme/free maternity cover: A total of 1,163,712 expectant mothers were registered in the programmes and 784,220 deliveries were reported countrywide. The total amount of claims paid out was KSh 4,950,996,787. Cumulatively, KSh 13,827,530,370 has been paid out for antenatal, skilled delivery and postnatal services since inception of the Programme.

Health Insurance Subsidy Programme for the poor: During the review period, a total of 181,968 members were registered which was way below the MTP III target of 1.5 million persons. During the same period, NHIF received premium amounting to KSh 1,520,400,000 and a cumulative premium amounting to KSh 4.796 billion. A total of KSh. 250,641,181 million was paid out for both inpatient, outpatient and specialised services for the Programme for the poor households.

Health insurance for the elderly & Persons with Severe Disabilities (PWSD): A total of 42,000 beneficiaries (39,349 older persons and 2,651 PWSD) were registered. The annual premium received for the period was KSh 252,000,000, the cumulative premium received amounted to KSh 1.098 billion and a total of KSh 81,847,746 was paid out as claims for this scheme.

Implementation Challenges
- Delays in disbursement of funds from Government disrupted access and provision of health services;
- Lack of proper documentation especially with minors, refugees, marginalised communities which delayed the process of claiming by the healthcare providers;
- Increase in persons affected by Non-Communicable Diseases (NCDs) and health security issues;
- Retrogressive traditional and cultural practices e.g., FGM, early marriages, pastoralism, home deliveries;
- Skewed distribution of health facilities and health professionals in urban and peri-urban areas which creates both financial and physical barriers to access;
- COVID-19 mitigation measures disrupted access to health services;

- Low access to healthcare in low resource settings particularly in rural and remote areas e.g., North Eastern counties have very low skilled deliveries; and
- Direct and indirect costs associated with access to health services such as transport costs and co-payment for certain services thereby creating barriers to accessing healthcare among the vulnerable.

Lesson Learnt

Robust social health protection systems have enabled people to receive the lifesaving care they need when sick without financial hardship, and to protect their income through sickness benefits.

Recommendations

- Ring-fence funds for all Social Health Protection (SHP) programmes to ensure continued access to health services;
- Adequate financing mix for SHP needs to be balanced and considered within the overall fiscal framework of Kenya to ensure it fosters solidarity in financing. This will require high-level political commitment;
- Prioritise investment in prevention and primary care to manage NCDs and health security issues;
- Adopt a primary healthcare approach and address the social determinants of health and well-being as a cross-sectoral goal;
- Enhance the Linda Mama benefit package to include other medical services such as ultrasounds, comprehensive package for pregnancy complications and cash benefits to prevent maternal poverty;
- Establish linkages and integration of systems linkages with broader contributory and non-contributory social protection schemes such as linkages to improve the capacities to operate SHP systems in a cost-effective manner; and
- Adapt benefit design features and institutional arrangements that comply with the principles laid out in the International Labour Organization's standards including the Medical Care Recommendation, 1944 (No. 69), the Social Security (Minimum Standards) Convention, 1952 (No. 102), and Social Protection Floors Recommendation, 2012 (No. 202).

5.2.2 Medical Tourism Programme

Location: Nationwide

Objectives: To market Kenya as a hub for specialised healthcare

Implementing Agencies: MoH, Ministry of Tourism, KNH, MTRH and Mathari Teaching & Referral Hospital

Project Progress:

Construction and Equipping of Cancer Centre at KNH: The project is being implemented in two phases. During the review period, Phase I of the project was 95 percent complete. The Hospital was in the process of undertaking cost appraisal to determine any cost variations.

Construction of a 300-bed private Hospital at KNH: The tender process for development, operation and maintenance of the 300-bed private hospital was non-responsive, hence the initiation of discussions to restart the process. The Hospital also initiated the review of the financing model and the procurement process for recruitment of a technical advisor for the second phase.

"Hope Hostel"- Palliative Care Centre at KNH: The designs and bills of quantity were developed and approved by Nairobi City County. The project partners initiated the process of reviewing the financing agreement required for approval by National Treasury.

Upgrade of KNH Renal Centre: The project was completed and handed over to the Hospital and equipping of the facility initiated.

Day Care Surgical Centre at KNH: The project was successfully completed in 2019 and was utilised as COVID-19 health workers treatment centre within Nairobi in FY 2020/21. The equipment required was identified and the procurement process initiated through Sports Arts and Social Development Fund equipping grant of KSh 127 million.

Mother and Child Hospital at KNH: The equipment for Phase I was received and installed in the Pediatrics Emergency Unit, Pediatrics Intensive Care Unit, pediatrics surgical theaters, labour wards, maternity Coronary Care Unit, maternity theatre, and various children wards. The staff were trained on use of the equipment. The Hospital signed the purchase agreement for Phase II of the project and is awaiting signing of the financing agreement to be facilitated by Ministry of Health to facilitate implementation.

Construction of a Burns Management Centre and Pediatric Emergency Centre: By June 2021, the project was 53 percent complete due to delayed payments arising from expiry of the loan agreement between GoK and the development partners. The Hospital is in the process of engaging all the parties for purposes of extension of the loan agreement and completion of the remaining works.

Accommodation units, training and shopping complex: The project is intended to be implemented through PPP model to construct and operationalise modern training facilities and 2,000 accommodation units for medical students and key health personnel. The concept note for the project was under review and will be submitted to the PPP Unit in the FY 2021/22 for prioritisation in national PPP projects.

Equipping of Moi Teaching and Referral Hospital Radiotherapy Unit: The tendering process was completed in February 2021. Delayed disbursement of capital funds necessitated the extension of implementation period. Tenders for the Second Linear Accelerator (LINAC) machine were re-advertised, and evaluation of tenders done in December 2020. The tender for the bunker and LINAC machine was awarded in February 2021 and construction of the Bunker commenced in March 2021 and was 35 percent complete as at 30th June 2021.

Equipping and Expansion of Intensive Care Unit (ICU) and High-dependency Unit at MTRH: The tendering process for the acquisition of equipment was completed in December 2020 and delivery of medical equipment was initiated.

Installation of laundry and kitchen equipment (steam boiler and cold rooms): Installation of kitchen cold-rooms was completed and commissioned in January 2021. The tender for kitchen boilers and laundry equipment was awarded in February 2021.

Construction and equipping of Bio-Safety Laboratory and Isolation Centre/Wards at MTRH: The project was completed and officially handed over to MTRH in November 2020 by the Ministry of Health.

Water and Sewerage Upgrade: The project was completed and handed over to MTRH on 21st June 2021. Through the project, MTRH has a 1.2 million cubic meters of water reservoir.

Completion and equipping of Shoe4Africa Children's Hospital at MTRH: The tendering process was completed, and delivery of medical equipment initiated. Oxygen piping was completed and handed over in June 2021.

Modernisation of Hospital Fleet: Funding of the project was provided under the COVID-19 Emergency Fund. The tender was awarded in January 2021 with the fleet expected to be deliveted betweem March and August 2021.

Implementation Challenges

- COVID-19 pandemic affected implementation of projects involving delivery of medical equipment hence contractors had to seek for extension due to delays of shipment and clearance;
- Inadequate financing coupled with delayed disbursement of capital funds affected implementation timelines of the projects;
- Non-responsive tenders resulting in re-tendering of tenders;
- Interdependence on other agencies for approval for the PPP projects; and
- Long waiting time to approve requests for donor funded projects.

Recommendations

- Complete recovery of the country's economy and resumption of normal activities will address the challenges occasioned by COVID-19 pandemic;
- Timely release of funds for projected bills to be paid as per the contract;
- Mobilise resources through proper identification of partners and provision of adequate funding to facilitate timely completion of projects;
- Hold stakeholder meetings to review and address site progress challenges; and
- Comprehensive design should be done and properly reviewed and signed off by all users before commencing technical projects.

5.2.3 Health Infrastructure Programme

Location: Nationwide

Objectives: To improve access to quality health care services

Implementing Agencies: MoH, County Governments, Kenya Medical Supplies Authority (KEMSA), Kenya Medical Training College (KMTC)

Project Progress*:*

KMTC Campus: Construction and operationalisation of one Mumias KMTC Campus was completed. One programme started and 119 students were admitted. In addition, rebranding works and purchase of furniture and library books was done for Imenti Campus.

National Commodities Storage Centre (KEMSA Supply Chain Centre): The project was 84 percent complete and awaiting equipping and operationalisation. Key achievements included completion of the construction of the warehouse comprising of storage warehouse, operation warehouse, mezzanine offices, cold rooms and power centre; completion of structural works and finishes awaiting smoke vents and operationalisation items; completion of flammable goods storage awaiting connection to firefighting pipe works to underground water tank and smoke vents installation; and initiation of installation of civil/external works of joint sealant to concrete road works.

Medical Equipment Services (MES) Project: Medical equipment was delivered to all the 120 MES supported health facilities. This was aimed at supporting the establishment of specialised health services at the county level and reducing referrals to national hospitals.

Implementation Challenges

- Cost variation and price fluctuations occasioned by gobal price fluctuations of raw materials e.g. steel, change of currency exchange rate, design changes by client, and variation in construction programme;

- Delay in gaining access to buildings where equipment was to be installed. In some cases, counties offered incomplete buildings for the project;
- Inadequate trained personnel to operate the equipment in some counties, particularly for ICU, renal and radiology services;
- Inadequate and in some cases, lack of electricity in some hospitals, non-availability of clean, reliable water in some hospitals for theatre and renal services;
- Insufficient funds to complete the projects on time;
- Reduced funding both from GoK and internally generated income; and
- Delayed disbursement of funds by National Treasury thus late payments to contractors and accrued interests.

Recommendations

- Expedite/prioritise full disbursement of remaining funding from GoK;
- Counties should provide the required infrastructure and utilities required to support utilisation of the equipment; and
- Counties should employ specialised staff for optimal functioning of the equipment.

5.2.4 Community High Impact Interventions Programme

Location: Nationwide

Objectives: To implement high impact health interventions in line with the existing community health strategy in the National Integrated Community Case Management; strengthen community health units to promote healthcare interventions; scale-up nutrition intervention at community level; and use community health workers to scale up health insurance coverage

Implementing Agencies: MoHand National Aids Control Council

Project Progress:

National Integrated Community Case Management: Trained 3,250 Community Health Assistants and Community Health Assistants/Officers and 88,403 Community Health Volunteers (CHVs) by August 2020. The trained CHVs provide services for children under five years of age.

Strengthen community health units: A total of 8,442 functional Community Health Units were set up translating to 89 percent coverage. 7,500 CHV kits were procured and distributed during the UHC pilot phase in four counties - Nyeri, Machakos, Isiolo and Kisumu.

Scale-up Nutrition Intervention at community level**:** Vitamin A supplementation coverage among children and Iron-Folic Acid supplementation coverage among pregnant women 6-59 months was at 81.2 percent and 75 percent respectively. During the review period, the proposed Breast Milk Substitutes Regulations were developed; Baby Friendly Community Initiatives training package was developed, and 76 CHVs and 151 Health Care Workers were trained. In addition, 50 ToTs were trained on healthy diets, Teacher's Reference Manual on Food and Nutrition was developed,

and monitoring of household level salt iodisation in the 47 counties were conducted where 88.2 percent of households were reported to be consuming adequately iodised salt.
High Impact Nutrition Interventions (HINI) implementation in the ASAL counties: During the review period, the Ministry conducted two nutrition situation assessments, developed nutrition response and contingency plan, and developed the draft country action plan on child wasting aligned to the Global Action Plan. Additionally, 5,939 children were treated for Severe Acute Malnutrition and 9,903 for Moderate Acute Malnutrition. Further, 473 health facilities in 10 high burden malnutrition counties adopted the Integrated Management of Acute Malnutrition surge approach. At the same time, 81,786 mothers/caregivers in 16 ASAL counties were trained on nutrition and were issued with Family Mid Upper Arm Circumference, 8,407 children (3,915 males and 4,492 females) under five were reached through integrated outreaches, while1,731 health workers were trained on logistic Management Information Systems.

Ending HIV and AIDS Epidemic: HIV prevention was intensified resulting in reduction of HIV prevalence from 4.5 percent in 2020 to 4.3 percent 2021. New adult infections decreased from 34,610 in 2020 to 26,826 in 2021. The number of adolescents and young people reached with information on HIV prevention and sexual reproductive health was 782,236.

The mother to child transmission rate of HIV reduced from 10.8 percent to 9.7 percent. This achievement was because of high-level interventions and advocacy at the national and county levels. The number of HIV related deaths (adults and children) reduced from 20,997 in 2020 to 19,486 in 2021 because of increased access to HIV treatment, care and support services.

Implementation Challenges

- MTP III's focus on HINI in the community is a limitation in terms of resource mobilisation and coverage across the scope of nutrition service delivery (preventive, promotive, curative, and rehabilitative; and
- Stock-out of the registers and reporting tools.

Recommendations

Triple burden of malnutrition and reduced donor funding requires increased GoK investment in nutrition (as part of a transition plan) with a lifecycle approach, at all levels of healthcare.

5.2.5 Digital Health Programme

Location: National
Objectives: To facilitate timely reporting to inform healthcare planning, resource mobilisation and allocation, and prevention of communicable and non-communicable diseases.
Implementing Agency: Ministry of Health

Project Progress: The following achievements were realised during the review period: roll-out of Enterprise Resource Planning (ERP) in the 37 KMTC campuses including Lugari, Imenti, Mandera, Msambweni, Voi and Bondo; staff sensitisation on ERP at campus level; and additional user support was offered virtually on need basis. In addition, terms of reference were developed, tender floated and contract awarded to Kenya Education Network Trust All 71 campuses already migrated to the new Internet Service Providers. In addition, Institutional Digital Repository (DSpace) framework and e-library was designed.

Implementation Challenges

- High ICT infrastructure and training related cost;
- Poor Local Area Networks (LAN) at campus level;
- Shortage of ICT support personnel and resistance to change and change management issues; and
- Inadequate space (classrooms) for training after spacing in conformity with the COVID-19 protocols and arising from the fact that all students are in session. The colleges addressed this by procuring and erecting tents.

Recommendations

- Develop proposals to donor partners to secure ICT infrastructure and training grants;
- Prioritise LAN at campus level;
- Recruit additional personnel and regional scheduling of ICT support staff;
- Constant training of staff and inclusion of all end-users (from all departments) in the decision-making process;
- Attention should be paid to the system requirements before choosing a software in order to ensure right software choices;
- Construction of more classrooms to address challenges of limited space that existed even before COVID-19 pandemic; and
- Provision of affordable and accessible internet to students to enable them continue with online learning as blended learning has been adopted by KMTC.

5.2.6 Human Resource for Health Programme

Location: Nationwide
Objectives: To address capacity gaps within specialised and sub-specialised areas in the Health Sector
Implementing Agencies: MoH, KMTC and County Governments

Project Progress: A total of 7,510 health professionals from various disciplines graduated in April 2021. Among them were 332 from specialised and sub-specialised health professions.

Implementation Challenge

Effects of the COVID-19 pandemic disrupted the admission process and physical learning of the students, especially the clinical/practical placement.

Recommendations

- Blended (virtual & physical/classroom) learning should be adopted so as to complement each other, even post COVID-19; and
- A budgetary provision should be made for internet provision/subsidised bundles to students.

5.2.7 Quality of Care/Patients and Health Workers Safety Programme

Location: Nationwide

Objectives: To improve the care and safety of patients.

Implementing Agencies: Ministry of Health and County Governments

Project Progress: During the period under review, 12 sites had the capacity to prevent, detect and report Antimicobial Resistance (AMR) at facility level. Six out of the targeted 22 (27 percent) sites had the capacity to report AMR data to the central data warehouse at the National Public Health Laboratories. Capacity was also built with respect to infrastructural development, procurement and placement of equipment and reagents, training of healthcare workers on AMR and infection prevention and control, development of strategies and guidelines.

In addition, 13 out of 15 counties were capacity built on Kenya Quality Model for Health (KQMH). The counties were Kajiado, West Pokot, Garissa, Kilifi, Narok, Nairobi, Marsabit, Taita Taveta, Kakamega, Kericho, Embu, Vihiga and Meru. KQMH quality of care assessments were conducted in Garissa Referral Hospital, Embu Level 5 Hospital, Meru Level 5 Hospital and Kakamega Level 5 Hospital.

Implementation Challenges

- Lack of elaborate structures for implementation;
- Pull out by funding partners; and
- Inadequate funding and human resource at the county level.

Recommendations

- Establish joint County Antimicrobial Stewardship Interagency Committees;
- Develop and resource the implementation of county antimicrobial resistance work plans; and
- Set up a secretariat for KQMH and administrative structures all the way to the counties.

5.3 ENVIRONMENT, WATER, SANITATION AND REGIONAL DEVELOPMENT

The Environment, Water, Sanitation and Regional Development Sector has an important role in ensuring the sustainability of natural resources in the country. The Sector seeks to *"enhance a* *clean, safe and sustainable environment to access to water and sanitation services."* It is also aligned to the relevant SDGs, Africa Agenda 2063 and other regional development initiatives. During the review period, the sector focused on: conservation and management of forests, wildlife resources, water catchments, management of wetlands, restoration of degraded land, green economy, waste management, pollution control, integrated regional development, water resources management, increasing access to water and sanitation, and mitigation and adaptation to the effects of climate change among other programmes.

The following were the achievements under the various flagship programmes and projects in the sector.

5.3.1 Waste Management and Pollution Control

Location: Nationwide

Implementing Agencies: NEMA, and State Department for Environment and Forestry

Project Progress: During the period under review, monitoring of waste management facilities was undertaken in Mombasa, Eldoret and Kisumu. In Mombasa, Kibarani dumpsite was rehabilitated and developed into a recreational facility, and in Nakuru, Gioto dumpsite was partially rehabilitated. Similarly, Kachok dumpsite in Kisumu, was planned for relocation and some two acres were rehabilitated, while Huruma dumpsite in Eldoret was partially rehabilitated along Sosian River.

In the counties, dumpsites were assessed against a criterion of 10 minimum points of which the rating ranges from 1 for non-compliance to 10 that indicates the facility is compliant to good waste management practices. Dumpsites at the counties were at different levels towards meeting the minimum points. Nairobi, Nakuru and Eldoret were at levels 9, 6 and 5.5 respectively recording favourable levels towards compliance while Kiambu, Murang'a, Isiolo and Machakos were at 3.5, 2.5, 2 and 1 respectively recording lower compliance levels.

In addition, 25-point sources of pollution were identified and quarterly air quality monitoring in Nairobi and Mombasa was done. Further, the maps of pollution sources in Nairobi River Basin, Eldoret and Kisumu were updated. The Ministry also implemented a pollution control strategy for four major areas and 102 pollution sources in 14 counties polluting Lake Victoria.

On management of E-waste which is hazardous and at times finds its way into the dumpsites, a new project proposal was developed for pollution control and funded by the World Bank at KSh 807.3 million. The project is to be implemented in FY 2021/22.

Implementation Challenges

- Waste management is a devolved function and counties have taken long to embrace proper solid waste management citing challenges of resources and suitable waste disposal sites as the public also view dumpsites as a nuisance when located in their areas;
- Slow uptake and implementation of devolved functions;
- Inadequate budgetary provision; and
- Budget cuts affected planned activities.

Lesson Learnt

The private sector is willing to support and collaborate with Government in environmental activities.

Recommendations

- Enhanced and continuous engagement and planning with county governments;
- Continuous public engagement;
- Source for better technology and methods for solid waste management at disposal sites; and
- Continuous engagement of the National Treasury on allocation of financial resources.

5.3.2 Modernisation of Meteorological Services Programme

Location: Laikipia, Mombasa, Tana River, and Nairobi Counties

Objective: To integrate emerging technologies into the improvement of provision of meteorological services and information in order to meet user needs

Implementing Agencies: Kenya Meteorological Department (KMD), and State Department for Environment and Forestry.

Project Progress: The process of expansion and automation of data collection networks and weather monitoring systems was implemented through award of tenders for: Airport Weather Observing Systems for three airports (Moi International Airport, Laikipia and Moi Airbases) where the contract was signed, project implementation team appointed, site surveys conducted, Factory Acceptance Tests and Factory training conducted; automatic water level equipment and 10 automatic hydro-meteorological stations on Tana Basin which were subsequently installed/upgraded and commissioned; and a Modern IP PABX system was installed, tested and commissioned on 19th April 2021.

In addition, a mobile bulk filing system for archival of historical/climatological data was installed and commissioned on 19th April 2021. Further, the new website for KMD was designed, commissioned and launched on 19th April 2021. At the same time, the installation, testing and commissioning of heavy-duty air conditioners for the Integrated Meteorological Information System (Data Centre and Regional Telecommunication Hub server room at KMD was partially completed.

Implementation Challenges

- Budget cuts;
- Delayed release of funds and repeat tender processes; and
- Delay of installation was because of COVID-19 pandemic restrictions and disruptions.

Lesson Learnt
Early commencement of the tender processes is vital.

Recommendation
Adequate and timely release of funds.

5.3.3 Rehabilitation and Protection of the Water Towers

Location: Nationwide
Objective: To rehabilitate and restore five water towers and other selected areas
Implementing Agencies: Kenya Water Towers Agency, Kenya Forest Service, KWS, Kenya Forestry Research Institute (KEFRI), and State Department for Environment and Forestry.

Project Progress: The programme protected 142,601 ha of Mau Forest Complex to contain destruction, encroachment, and illegal extraction of water towers resources. Moreover, 23 Km out of 50 Km of Maasai Mau Water Towers was fenced while 225 ha of degraded water towers were rehabilitated through planting of indigenous tree seedlings. Further, 25 water towers status reports were developed while 1,650 beehives were issued to community groups living around various water towers. Demonstration trials of 15 hectares in Maasai Mau and Ondiri Swamp were carried out.

Implementation Challenges
- COVID-19 pandemic affected implementation of some activities;
- During the period of short rains, several parts of the country experienced depressed rainfall as per the October – November - December weather forecast by KMD. This led to exacerbation of scarcity of water thus interfering with implementation of some projects;
- Hostility by some communities in areas where projects were being implemented; and
- Political interference.

Lessons Learnt
- There is need to come up with innovative ways of providing water to various projects so as not to fully rely on rainfall; and
- Political goodwill is important in the rehabilitation of water towers.

Recommendations
- Clear land demarcation on water towers and selected areas by fencing off to deter encroachment;

- Active involvement of local communities in the management of forests, rehabilitation, conservation, and protection of projects/programmes for their success; and
- Capacity building of community forest associations to adopt nature - based enterprises and hence support afforestation efforts and protection of water towers.

5.3.4 Strengthening Environmental Governance

Location: Nationwide
Objective: To provide enabling policies, legislation and institutional arrangement.
Implementing Agencies: NEMA, and State Department for Environment and Forestry.

Project Progress: During the review period, Controlled Substance Regulations, 2007 were reviewed and the National Sustainable Waste Management Policy and Bill were developed and approved by the Cabinet.

The Ministry finalised the review of the National Chemicals Policy and initiated review of the Environmental Management and Co-ordination Act; Forestry Policy and amendment of the Forest Conservation and Management Act. The three documents await finalisation after inputting the comments from stakeholders. In addition, a total of 4,529 licenses were issued; and 3,127 EIA licenses and 1,402 effluent discharge licences processed for regulated facilities.

Implementation Challenges

- Inadequate resources (both financial and human) to plan and carry out more activities especially after the abolition of EIA licensing fee and registration fee for experts; and
- Interruption caused by the COVID-19 pandemic interfered with implementation of various projects due to movement restrictions.

Recommendations

- Continuous enforcement; and
- Environmental monitoring for strengthening compliance with standards and quality of the environment.

5.3.5 Advertent Weather Modification Programme

Location: Nationwide
Objectives: To aid in the mitigation of adverse impacts of severe weather and extreme climate events.
Implementing Agencies: KMD, and State Department for Environment and Forestry

Project Progress: The programme installed a brewer spectrophotometer 24-hour ozone total column observations system and tracker.

Implementation Challenges

- Budget cuts; and
- Delayed release of funds.

Lessons Learnt

- The population is more enlightened on weather and climate hence demand more user driven services and products;
- The decentralisation of services to county level has created awareness and increased demand for services; and
- Collaborative projects have greatly contributed to the expansion of data collection networks and diversification of services.

Recommendations

- Early commencement of tender process; and
- Adequate and timely release of funds.

5.3.6 The Plastic Bags Initiative

Location: Nationwide

Objective: To continuously monitor compliance enforcement and stakeholders' engagements on the total ban of plastic bags

Implementing Agencies: NEMA, and State Department for Environment and Forestry

Project Progress: During the review period, 146 enforcement actions were undertaken on the ban on plastic carrier bags in the 47 counties. During a survey undertaken in the financial year, the public indicated that though enforcement on the use of banned single use plastic carrier bag was visible with less littering of the environment, plastic bags were still in use in some markets and at border points where they are smuggled into the country. The findings showed an achievement rate of 56.7 percent reduction against the annual target of 87 percent. The Sector also processed primary industrial plastic packaging materials (352 were cleared, 70 were extended and five were rejected) to ensure compliance with the law.

Implementation Challenges

- Interruption of the normal execution of work plan caused by the COVID-19 pandemic; and
- Existing gap of achievement rate due to illegal use of plastic bags smuggled into the country.

Lessons Learnt

Public engagement and support are key to the attainment of desired results on environmental issues

Recommendation

Lobby for employment of more staff at NEMA and more funding to enable NEMA carry out its wide mandate effectively and efficiently.

5.3.7 Rehabilitation of Urban Rivers

Location: Nationwide
Objective: To rehabilitate and protect riparian areas in urban areas
Implementing Agencies: NEMA, and State Department for Environment and Forestry

Project Progress: During the review period, encroaching structural developments were identified and marked for demolition; 67 sources of pollution were identified and stopped while 29 restoration and improvement orders issued. Further, Michuki Park in Nairobi was maintained and the beautification of Arboretum and Museum areas was undertaken.

In River Kisat in Kisumu City, two areas with encroaching structural developments were identified and marked for demolition while seven point - sources of pollution were identified and two restoration and improvement orders issued.

Implementation Challenge

Relocation or demolition of structures is normally marred by politics

Lessons Learnt

- Public participation and multi-stakeholder engagement is important; and
- Political goodwill is also important.

Recommendations

- Continuous multi-agency co-ordination and co-operation;
- Continuous engagement of county governments; and
- Continuous monitoring and enforcement.

5.3.8 Promotion and Piloting of Green Energy

Location: Nationwide
Objective: To promote adoption of renewable energy and renewable energy technologies in Kenya at household levels
Implementing Agencies: State Department for Environment and Forestry, and National Environment Trust Fund

Project Progress: The programme developed the Fourth Phase of the Green Innovations Award with the aim of identifying, recognising and awarding best practices during the MTP III period. Accordingly, the Fund awarded 21 outstanding projects, incubated nine green innovations and partnered with KENIA to commercialise seven innovations through financial support and technical assistance.

Implementation Challenges

- Inadequate funds and delay in release of funds coupled with budgte cuts; and
- COVID-19 pandemic delayed the implementation of the project.

Lessons Learnt

- Collaboration with State Agencies is essential for smooth running of the programme; and
- Fundraising from external sources is important to augment GoK funding.

Recommendations

- Lobby for additional Government budgetary support; and
- Concerted fund raising for the project.

5.3.9 Forest Conservation and Management

Location: Nationwide
Objectives: To increase forest cover from 7.24 per cent in 2016 to 10 percent by 2022
Implementing Agencies: KEFRI, and State Department for Environment and Forestry

Project Progress: During the period under review, forest cover increased from 4.2 million hectares or 7.24 percent of the country's land area to 5 million hectares or 8.83 percent. This area includes the currently existing 2.59 million hectares of gazetted public forests which continue to be protected, conserved, and sustainably managed for ecological, socio-cultural, educational, research and economic functions.

In addition, the national tree cover increased to 12.13 percent surpassing the constitutional requirement of a minimum of 10 percent. This data is based on the National Forest Resources Assessment Report 2021 conducted by the Kenya Forest Service with the support of other agencies of the Government. The increase in both the forest cover and the tree cover is attributed to the invigorated national tree planting campaigns witnessed in the last five years.

During the same period, a total of 196.8 million tree seedlings were planted. Further, total of 50,887 ha of illegally occupied public forest land was reclaimed as follows: 13,368 ha in Maasai Mau Forest Complex; 256 ha in Makunga Forest Block in Saboti Forest Station of Trans Nzoia County; 30,000 ha in Leroghi/Kirisia Forest in Samburu County; 7,000 ha at Cheptais in Mt. Elgon Forest in Bungoma County, and 263 ha in Cherengany Hills Ecosystem (225 ha in Elgeyo Marakwet and 38 ha in Uasin Gishu Counties). 433.53Ha of Bamboo forests were also planted.

Implementation Challenges

- Inadequate manpower for forest operations, protection and security;
- Inadequate financing for tree growing to support forest conservation and management;

- Slow uptake by county governments of the devolved forestry functions to contribute to forest conservation;
- Unreliable weather patterns affecting regeneration efforts;
- Shortage of quality seeds affecting the desired mass production of seedlings for the different ecological zones;
- Forest fires, pests and diseases affecting the young trees; and
- Prolonged delays in funds disbursements for project implementation.

Lessons Learnt

- There is synergy in the use of a multi-agency approach towards protection of forests in areas with heightened incidents of insecurity;
- Species diversification with appropriate site matching in tree growing increases chances of tree survival contributing to forest cover at faster rate;
- Promoting the growing of bamboo across the different landscapes offers dual opportunity for accelerating the national drive towards increasing the forest cover to a minimum of 10 percent of the landscape and the development of cottage industries for bamboo products-based enterprises; and
- Commitment by the political leadership is crucial for successful conservation and in the attainment of the desired level of forest cover.

Recommendation

There is a need to create and strengthen partnership with county governments, development partners and other stakeholders in forest development and conservation.

5.3.10 Forest Research and Development

Location: Nationwide

Objective: To develop forest research technologies for sustainable management of forest and allied natural resources.

Implementing Agency: KEFRI

Project Progress: During the period under review, the management strategies for each of the three invasive species were developed at 100 percent and shared to guide their management. In addition, 45,462 Kg of tree seed species for increased tree cover, food security, health and creation of green jobs were collected. Training of artisans and communities on bamboo conservation and development for industrial use, housing and food security was done in Lake Victoria Basin, Central Highlands Region and Rift Valley Region. 105 hectares of seed sources were assessed and maintained to increase quality tree seed sources acreage to achieve at least 10 percent tree cover by 2022. A total of 62,053 planting materials from difficult to propagate indigenous tree species for afforestation were raised.

Further, 42 forestry technologies and information for adoption and upscaling forestry development were disseminated; the first international conference in commercial forestry and investment in Kenya was held; and 16 capacity building events for KEFRI partners and communities for adoption and upscaling of forestry technologies for environmental conservation and livelihood improvement were undertaken.

Moreover, technologies for livelihood improvement using non-wood products were undertaken namely; two new commercial forest products, four developed forest products for quality assurance refined, and two protocols for producing refined forest products for domestic and commercial use prepared.

Implementation Challenges

- Inadequate resources;
- Ban on use of polythene tubes for seedling production in our nurseries;
- Low uptake of forestry technologies due to their long-term nature of investment;
- Threats from pests and diseases on commercial forestry;
- Emerging challenge of invasive species in various ecosystems requiring quick solutions; and
- Most of the targets were not achieved due to the COVID-19 pandemic restrictions.

Lessons Learnt

- High demand for quality tree seeds requires increased acreage of seed sources to meet demand for provision of quality and quantity seeds; and
- Domestication of indigenous species requires their propagation protocols for use by nursery owners in order to raise enough planting materials for indigenous trees planting campaigns towards 10 percent tree cover.

Recommendations

- Adequate allocation and diversification of resources base;
- Establish adequate infrastructure for tree seed collection, testing, and disbursement; and
- Invest in new technologies and research.

5.3.11 Wildlife Conservation and Management

Location: Nationwide

Objective: To protect and conserve wildlife resources

Implementing Agencies State Department for Wildlife, and KWS

Project Progress:

Wildlife corridors secured: During the review period, 2,000 acres (formerly Sheep and Goats Research facility) on the Southeast Corridor of Nairobi National Park was secured for wildlife conservation. This acquisition increased the area under wildlife conservation from 29,000 acres to

31,000 acres and will provide a corridor to interconnect the Nairobi National Park, Swara Plains and International Livestock Institute Conservancies.

Modern anti-poaching technologies adopted and secured parks: Intensive ground and aerial surveillance were undertaken, with acquisition of additional nine security vehicles and adoption of the Earth Ranger System in Mountain Conservations Area, Central Rift Conservation Area, Eastern Conservation Area and Tsavo East National Park. In addition, 30 wildlife collaring and tagging activities were undertaken and 17 rhinos were ear notched. The newly equipped forensic laboratory undertook analysis of 192 exhibits to prosecute wildlife crimes.

In securing parks, 53 Km of fences were rehabilitated, 56 Km constructed and 1,016 Km maintained. Poaching of key species of elephants and rhinos was reduced by 19 percent and 25 percent respectively.

Implementation Challenges

- Recurring austerity measures and budget cuts greatly slowed progress of capital development projects as funding reductions led to reduced resources for achieving set targets due to inadequate projects financing;
- Partial release of funds and austerity measures made it difficult for full contract execution as this adversely slowed the progress of development projects' works;
- COVID-19 pandemic adversely affected tourist visitation leading to subsequent tourism revenue decline by 75 percent in FY 2020/21; and
- Land use changes and associated fragmentation, degradation and loss of wildlife corridors and dispersal areas escalating the requirement for construction of more fences.

Lessons Learnt

Public participation is necessary for successful implementation of projects;

Recommendations

- There is need to enhance digital marketing and sustained promotion of local tourism to supplement foreign visitation;
- There is need for formulation of friendly policies to support tourism's sector recovery post COVID-19 period;
- There is need to restore tourist traveller's confidence through rigorous tourism promotional campaigns;
- There is need for structured collaborations with development partners and other government agencies/the private sector to enable capacity building and adequate project financing for sustainability of the tourism sector in Kenya;
- Adequate funding for construction of fences is recommended in order to realise the full benefits besides mitigating human-wildlife conflicts;

- Release of funds by the National Treasury needs to be hastened to facilitate timely delivery of priority sector's development projects; and
- There is need to secure wildlife corridors and dispersal areas to address the loss of wildlife habitats and ecosystem functions.

5.3.12 Water Resources Management Programme

Location: Nationwide

Objective: To conserve and protect water resources

Implementing Agencies: Ministry of Water and Sanitation, Water Sector Trust Fund, and Water Resource Authority

Project Progress: During the review period, a total of eight Water Resources Users Associations (WRUAs) namely; Onkaru, KulaMawe, Mawira Ndati, Isiukhu, Mumias, Bukhungu, Kisama and Safu were supported in sub catchment management plans implementation. These included: installation of 10 rain water harvesting tanks with a capacity of 100,000m3 serving about 10,000 households; planting of 20,000 indigenous trees to conserve the catchment; riparian marking and pegging of 176 Km; three springs protected (Baniki, Shichende, Mwiyonde) to ensure the water quality is maintained; construction of KulaMawe Sand Dam; construction of waterpan for Sigenge and Kamigot; and 30 Km of terraces constructed and planted with napier grass to conserve over 270 ha.

In addition, 16 telemetric stations were constructed while 31 stations were maintained to ensure water resources data is transmitted real time. Further, 51 regular gauging stations were rehabilitated, this was occasioned by the long rains experienced during the year. For the hydrogeological mapping, 12 boreholes were drilled in Njumbi, Nuu, Kitui Village in Kamukunji, Milimani Primary school in Kilimani, Kayole Police Station, Muthurwa Police Station, Muthurwa Primary School, Embulbul Police Station, Arboretum Park, Shiranga Dispensary, Chief's Camp-Mukuru Kwa Reuben, Kahawa West Dispensary, Dandora Chief's Camp and Ngochi Githunguri.

Furthermore, groundwater mapping in Turkana, Marsabit and Wajir counties was undertaken. Under the water resources management, 32 WRUAs were financed to implement Sub Catchment Management Plans (SCMPs) activities and an additional three WRUAs were supported to develop SCMPs.

Implementation Challenges

- The Ministry's planned projects and programmes were greatly impacted by COVID-19 pandemic, through disruption of various activities and reallocation of funds;
- Low public awareness and vandalism of water monitoring stations;
- Unpredictable weather conditions (flooding of rivers resulting to water monitoring stations being washed away); and

- Limited support from development partners on implementation of sub-catchment management plans.

Lesson Learnt

Adoption of advanced techniques is essential to map and access large ground water resources.

Recommendations

- Intensify public awareness on importance of water resources monitoring stations;
- Collaborate with County Governments and National Governments through chiefs for enhanced security to monitoring stations; and
- Automate water resources monitoring devices and equipment to telemetric devices to minimise effects of destruction from floods.

5.3.13 Provision of Water to Poor Unserved Areas including Informal Settlements

Location: Nationwide

Objective: To increase access to safe water and sanitation in unserved areas

Implementing Agencies: Ministry of Water and Sanitation, and Water Sector Trust Fund

Project Progress: This entailed implementation of rural and urban water and sanitation projects in low-income areas and implementation of social/flat rate water tariff on area basis. During the period under review, the sector implemented six water projects in urban areas thereby benefiting an additional 150,549 people and 18 sanitation projects benefiting an additional 233,590 people. While in rural areas, thirty-seven water projects were implemented which benefited an additional 60,590 people and forty-two sanitation projects benefiting an additional 22,479 people.

Implementation Challenges

- Slow project implementation due to inadequate funds;
- Delayed disbursements; and
- Delayed approval of master lists for tax exemption by the National Treasury which negatively impacted the implementation of some projects.

Recommendation

Engagement with the National Treasury on implementation of RAP, master list/tax exemptions to reduce delay in project implementation

5.3.14 Trans-Boundary Waters

Location: Busia County, Turkana County

Objective: To enhance co-operation in sustainable management and development of shared water resources.

Implementing Agency: Ministry of Water and Sanitation

Project Progress: During the period under review, five detailed designs were prepared; five sub-catchment plans were prepared and two were implemented for Kocholia multipurpose project. For sustainable development of Turkana and its river basin, contract for installation of three hydromet stations in Wei Wei was signed and awarded and installation is ongoing while Isotope analysis of surface water and ground water was done. Similarly, a feasibility study for Angololo was also done.

Implementation Challenge
Inadequate counterpart funding for joint bilateral projects.

Lesson Learnt
Collaborative framework between the national and county governments is essential for sustainable water resource, sanitation, land reclamation and irrigation management.

Recommendation
Secure bilateral treaties rather than MoUs with bilateral countries.

5.3.15 Water Harvesting and Storage Programme
Location: Nationwide
Objective: To increase water storage capacity and availability
Implementing Agency: Ministry of Water and Sanitation

Project Progress: The programme involved increasing water storage capacity by 4.4 billion cubic meters through construction of medium sized and multipurpose dams. During the review period, the sector implemented six large dams which were at various stages namely - Thwake Dam (55 percent), Mwache Dam (five percent - at RAP and contractor mobilisation), Muruny-Siyoi Dam (69 percent); Karemenu Dam (45 percent); Ruiru II Dam (five percent - at RAP); Bunyunyu Dam (five percent - at RAP and preliminary works).

Implementation Challenges
- Lengthy process for masters list approval for tax exemption leading to delay in project implementation;
- Land acquisition/compensation; and
- Way leaves issues for large infrastructure projects – RAP – due to landowner expectation and family succession issues.

Recommendations
- There is need for continuous engagement of Parliament and National Treasury to enhance communication with project implementation agencies and grant exemption from remission of duty and taxes;

- Early securing/acquisition of project sites/wayleaves for large infrastructure to reduce compensation claims which arise during project commencement; and
- There is a need to improve collaboration with the National Treasury, National Land Commission and PAPs.

5.3.16 Urban Water Supply

Location: Nationwide
Objective: To increase access to safely managed water and sanitation supply in urban areas
Implementing Agencies: Ministry of Water and Sanitation, and Water Works Development Agencies

Project Progress: The programme focused on increasing water supply and sanitation in major urban areas. During the review period, the sector completed the following projects: Kisumu Water Supply, Nyahururu Water Supply, Gigiri-Kabete Water Supply, Keroka Water Supply, Siaya-Bondo Water Supply, Baricho Water Supply expansion, rehabilitation of Oloitokitok Water and Sewerage, Vihiga Cluster Water Supply, Dongo Kundu Water supply Phase I, and Isiolo Water Supply and Sewerage.

In addition, the sector constructed 193 boreholes within the Nairobi Metropolitan area.

Implementation Challenges

- Inadequate funding;
- Delay in approval of tax exemptions and master lists; and
- The impact of the projects was not fully realised due to failure to allocate funds for last mile connectivity to households.

Recommendations

- Water and sewerage projects completed and transferred in the last five years have had minimal impact due to low household connections. Accordingly, it is essential to incorporate household connectivity during planning stages;
- There is need to accelerate investments in water and sanitation sector to bridge both the existing service gap as well as the needs of the rising population; and
- Adopt PPP in Last Mile Connectivity Programme to realise the intended impact of the flagship projects.

5.3.17 Rural Water Supply

Location: Nationwide
Objective: To increase access to safely managed water and sanitation services
Implementing Agencies: Ministry of Water and Sanitation, Water Sector Trust Fund, and Water Works Development Agencies

Project Progress: The programme entailed rehabilitation/expansion of existing large rural water supply schemes, drilling of boreholes, and water for schools and health facilities. During the review period, the Sector completed Isabenia Water Supply, Gatanga Community Water Project, Iten-Tambach-Sabor Water Supply, Chwele Water and Sanitation, Chesikaki - Cheptais - Sirisia Water Supply, Malindi Water for Informal Settlement, Masinga - Kitui Water Supply Project, Masalani Water & Sanitation Project, Eldas Enole Water Supply, and Wote Water Supply & Sanitation Project.

In addition, the Sector connected 75 schools and three health facilities to reliable water and constructed 100 small dams/pans in ASAL areas.

Implementation Challenge

Delay by support institutions in proposal development especially in rural areas.

Recommendations

- Engage with support institutions through MoUs with clear terms of reference; and
- Engage with counties on possible areas of collaboration for synergy.

5.3.18 Water Research Programme

Location: Nationwide

Objective: Technical capacity built in the sub-sector

Implementing Agencies: Ministry of Water and Sanitation, Water Sector Trust Fund, and Kenya Water Institute

Project Progress: During the period under review, construction of the Water Resource Centre at the Kenya Water Institute was completed, geo-equipping of the Centre was 60 percent complete. The Sector also published and disseminated the Research and Innovation Financing and Policy Framework to stakeholders for implementation.

Implementation Challenge

Inadequate frameworks, management systems and enforcement of laws, policies, strategies and regulatory guidelines

Lesson Learnt

Incorporating capacity building in all projects and programmes targeting all stakeholders from decision makers to subsidiary implementers results in sustainability and resilience.

Recommendation

There is need to fast track implementation of the Research Financing Framework and Policy.

5.3.19 Irrigation and Drainage Infrastructure

Location: Nationwide

Objective: To expand the area under irrigation and increase irrigation water through construction of large and medium sized dams, water pans and water harvesting structures

Implementing Agencies: Ministry of Water, Sanitation and Irrigation, and NIA

Project Progress: The programme entailed increasing land under irrigation by 518,000 acres. During the review period, an additional 48,000 acres was put under irrigation. Construction of Thiba Dam in Mwea, Bura Irrigation Development Project in Tana River and Galana Kulalu were 60.18 percent, 45 percent and 89 percent complete respectively.

In addition, the Ministry constructed 25,091 household water pans across 47 counties with a capacity of 28.19 million cubic meters of storage to irrigate about 28,190 acres of land. Further, community water pans with a storage capacity of 8,930 million cubic metres with a potential of increasing the area under irrigation with 5,953 acres were constructed.

Implementation Challenges

- Slow project implementation due to inadequate funds, delayed disbursements; and
- Land acquisition/compensation, wayleaves, forest moratorium issues for large infrastructure projects.

Lessons Learnt

- Adoption of advanced techniques is essential to map and access large ground water resources; and
- Land acquisition/compensation issues should be dealt with and concluded prior to the start of project implementation.

Recommendations

- Engage with the National Treasury to reduce delay in project implementation; and
- Rework the approach to land compensation in the country.

5.3.20 Irrigation Water Management Programme

Location: Nationwide

Objective: To increase production and productivity efficiency and sustainability of irrigation schemes

Implementing Agencies: Ministry of Water, Sanitation and Irrigation, and NIA

Project Progress: During the review period, the Sector engaged with the Senate Sub-Committee on pre-publication consultations on the Irrigation (General) Regulations 2020. In addition, the National Irrigation Services Strategy 2021-2025 was finalised, awaiting signature and publication.

The Irrigation Guidelines 2020 was also finalised and published. Further, 150 County Irrigation Development Units and 300 Irrigation Water Users Associations (IWUAs) were trained on irrigation management. Seven IWUAs manuals were reviewed, and an irrigation projects database was established and maintained.

Implementation Challenge

Inadequate frameworks, management systems and enforcement of laws, policies, strategies and regulatory guidelines.

Lesson Learnt

Collaborative framework between the National and County governments is essential for sustainable water resource, sanitation, and land reclamation and irrigation management.

Recommendation

Operationalisation of Water Sector Intergovernmental Co-operation framework to govern management of inter-county water resources use to minimise conflicts as well exploring new investment opportunities in water, sanitation, irrigation, and land reclamation.

5.3.21 Promotion of Drip Irrigation, Green Houses and Renewable Energy

Location: Nationwide

Objective: To expand irrigated area

Implementing Agency: Ministry of Water and Sanitation

Project Progress: During the review period, micro-irrigation for the schools' programme was implemented whereby 10 schools were equipped with green houses and drip irrigation. In addition, tenders to install drip and green houses in 11 schools were awarded but works could not be initiated due to budgetary cuts. To date, 78 boreholes have been drilled and equipped and 120 greenhouses installed.

Implementation Challenge

Budgetary cuts and delayed approval of master lists for tax exemption by the National Treasury negatively impacted the implementation of some projects.

Lesson Learnt

Financing of irrigation development through cost sharing model with project beneficiaries improves the rate of irrigation development, ownership, and sustainability.

Recommendation

There is need to improve collaboration with the National Treasury, NLC and PAPs.

5.3.22 Land Reclamation

Location: Nationwide

Objective: To increase productivity and utilisation of marginal degraded lands, ASAL, waste lands and wastewater
Implementing Agency: Ministry of Water and Sanitation

Project Progress: The programme entailed identification and mapping of degraded lands and rehabilitation and reclaimation of 60,000 hectares in the counties prone to landslides, floods, and heavy soil loss. During the period under review, land degradation assessment for Upper Kerio Valley and Upper Ewaso Nyiro North watersheds was initiated. Consequently, 400 acres of degraded land and ecosystems was restored, rehabilitated and reclaimed.

Implementation Challenge
Land reclamation mandate is not clearly stipulated as a national government or county government function, rendering effective implementation of land reclamation projects and programmes difficult.

Lesson Learnt
Collaborative framework between the National and County governments is essential for sustainable water resource, land reclamation and irrigation management.

Recommendation
Conduct and link applied basic research to irrigation, land reclamation and water storage and harvesting, and intervention measures for causes of land degradation. This should include adoptive research for appropriate technologies, capacity building of technical staff and technology transfer to farmers and pastoralists as well as dissemination of research and innovative results through extension and media service centres to reach more stakeholders.

5.3.23 Sewerage Programme
Location: Nationwide
Objective: To increase access to safe water and sanitation services
Implementing Agencies: Ministry of Water, Sanitation & Irrigation, and Water Works Development Agencies

Project Progress: During the period under review, the following projects were completed: Kericho Sewerage Improvement Project, Narok Town Sewerage Project, Oloitoktok Water and Sewerage Project, Maua Water and Sewerage, Garissa Sewerage, Construction of Kangundo Road, Kibera, Upperhill and Kirichwa Ndogo Trunk Sewers.

Implementation Challenge
Low household connection to completed water and sewerage projects affected the target level of access to water and sanitation services.

Lesson Learnt

Water and sewerage projects completed and transferred in the last five years have had minimal impact due to low household connections. It is, therefore, essential to incorporate household connectivity during the planning stage.

Recommendation

There is a need for planning to meet increased demand for water and sanitation services arising from rapid growth of peri-urban and satellite towns.

5.3.24 Integrated Regional Development

Location: Nationwide

Objective: To improve and sustain livelihoods through implementation of integrated programmes

Implementing Agencies: Ministry of EAC and Regional Development; Regional Development Authorities

Project Progress: During the review period the following were undertaken:

Tana and Athi River Development Authority: Constructed two small holder irrigation schemes (100 percent complete and 90 per cent complete respectively) in Kieni (322 acres) for the benefit of 1,265 households; constructed two small holder schemes which are 85 percent and 70 percent complete in Lower Murang'a (500 acres); repaired breaches of the Western flood protection dyke (near Mitapani Bridge, Bandi and Hewani villages) destroyed during the April 2021 rains; and restored and de-silted 10 Km of the Kitere water channel and canal delivering irrigation water to the Tana Delta Main Canal (C112 -TDMC).

In addition, TARDA planted 432,856 tree seedlings across the Tana and Athi River basin catchments. Further, the High Grand Falls Multi-Purpose Dam, Tana Delta Integrated Sugar Project and Livestock Development Programme feasibility reports were completed and are ready for PPP financing.

Kerio Valley Development Authority: Developed Wei Wei Irrigation Scheme in Sigor, West Pokot County (1500 acres) for seed maize production; developed Napuu Centre Pivot Irrigation System (150 acres) in Turkana County; established a mango value chain project for mango production and value addition; honey production; and environmental conservation. The Authority also developed 84 water pans and small dams; established livestock improvement centres and pasture reseeding programme; and developed KVDA Southern Wing Office Complex.

Lake Basin Development Authority (LBDA): The Authority processed 2,500 tonnes of rice; produced 16,000,000 fingerlings; developed LBDA Mall; and drilled and equipped four boreholes. The Authority also installed solar panels and irrigated 30 acres of land at Lichota, Muhoroni and Alupe Solar Irrigation Project, and construction of Nyakoe Market in Kisii County under Phase I was 50 percent complete.

Ewaso Ng'iro South River Basin Development Authority: During the review period, the Authority developed a tannery and leather factory (entailed water supply and solar power back up system, construction of office block and access road, and community capacity building); implemented the Integrated Bamboo Commercialisation and Value Addition Project by raising 200,000 bamboo seedlings in Narok, Nakuru and Nyandarua; established one hundred acres bamboo plantation through community capacity building in Nakuru, Nyandarua and Narok; established two million fruit/tree seedlings across the region; and conserved and restored 10 Km^2 of wetland areas in Mau Forest.

Additionally, ENSDA constructed Kimuka Olosho-oibor Water Supply Pipeline to provide 500,000 cubic meters under the Oloyiangalani Dam Development Programme; raised 10M tea seedlings for tea expansion programme and leased 100 acres of land for tea expansion under the integrated tea development and value addition; rehabilitated, drilled and equipped 40 boreholes under the Drought Mitigation Programmes; conducted a full feasibility study and design for the agro processing plant and acquired land for factory under the agro processing (Tomato) and Value Addition Programme.

Coast Development Authority: The Authority constructed, furnished and equipped one modern conference facility and 20 accommodation rooms; established irrigation infrastructure in 254.5 acres of land in Boji, Chakama and Challa Smallholders Irrigation Schemes; built capacity for 300 farmers on good agricultural practices at Boji and integrated fruit processing plant; supported more than 300 households to carry out high value crop production through solar irrigation farming in Challa; developed and operationalised a 10-acre demonstration farm in Boji for training purposes; constructed three earth-fill dams namely Abaq qiiq, Yaqhrit and Galmagala with 200,000 cubic meters, 80,000 cubic meters and 300,000 cubic meters respectively.

Additionally, the Authority constructed and equipped a borehole at Challa together with 50,000 litre water tanks at borehole site and three 10,000 litre tanks installed in schools and villages. Overall, the Authority supplied more than 112,000 cubic meters to 300 households supporting domestic and irrigation farming.

Implementation Challenges

- Land acquisition/ compensation/ way-leave issues;
- Illegal encroachment of public land;
- Flagship projects not funded for implementation;
- Effects of climate change (flooding and drought);
- Review of enabling laws and functions for proper delivery of service;
- Lengthy negotiations and resource mobilisation process for PPP projects;
- Inadequate and delayed disbursement of budgeted funds;
- Inadequate stakeholder engagements during project development; and

- High cost of technology acquisition for adoption.

Lessons Learnt

- Prioritisation of projects for funding is important to ensure delivery;
- Public participation to be incorporated at all levels of the project cycle management;
- Implementation of integrated development programmes plays a key role in spurring socio-economic development;
- Development of climate adaptable or climate resilient programmes for sustainability of livelihoods; and
- Preparation of a risk management plan before project implementation is key.

Recommendations

- Prioritise programmes (financing);
- Government support is necessary to carry out preliminary feasibility studies;
- Capacity building in public private partnerships for project conceptualisation;
- Synergies between different MDAs to assist in land acquisition, investments, and registration; and
- Enact the Regional Development Policy, 2021 and Bill.

5.4 POPULATION, URBANISATION AND HOUSING SECTOR

The Sector seeks to ensure a quality population with *"adequate and decent housing in a sustainable environment"* through the implementation of the Population Policy for National Development and provision of adequate and decent housing for sustainable development. The targets for this sector are progressively achieved by: reducing the rapid population growth and total fertility rate; increasing life expectancy; increasing access to affordable and adequate housing; installing key housing infrastructure; and undertaking county capacity building in urban planning and development campaigns as well as incentivising the private sector to invest in the Sector. The Government identified housing as one of the "Big Four" Agenda and targeted to facilitate construction of at least 500,000 affordable and decent houses in the MTP III period. This was to be achieved through strategic partnerships between the Government, private sector, co-operatives, financial sector, development partners and foreign investors.

5.4.1 Kenya Population and Housing Census, 2019

Location: Nationwide

Objective: To provide data on various population indicators thereby supporting evidence-based planning and implementation of the population programme.

Implementing Agency: Kenya National Bureau of Statistics (KNBS)

Project Progress: During the review period, nine analytical reports were peer reviewed. The reports focused on fertility and nuptiality; mortality; household and family dynamics; education;

housing conditions; amenities and household assets; ICT; youth and adolescents; ageing and vulnerable population; and gender dimensions.

Implementation Challenges

- Inadequate funding;
- Inadequate staffing;
- High demand for statistics; and
- Delay in target achievement due to the effects of COVID-19.

Lessons Learnt

- Collaboration with other government institutions is critical in the achievement of the targeted programmes/projects;
- Addressing data gaps is critical; and
- It is critical to have recovery strategies in place from the effects of unfavourable emerging issues.

Recommendations

- Collaboration with other Government organisations in undertaking some of the activities;
- Assistance from development partners; and
- Resort to virtual meetings/workshops where possible.

5.4.2 Affordable Housing

Location: Nationwide

Objective: To facilitate production of affordable housing units and to improve the lives of people living in informal settlements

Implementing Agencies: State Department for Housing and Urban Development, and National Housing Corporation (NHC)

Project Progress:

400,000 housing units: Cumulatively, 1,370 housing units along Park Road in Nairobi were completed and sold to beneficiaries. Negotiations with the developer were ongoing for the re-development of Shauri Moyo and Starehe areas.

100,000 housing units for Social Housing Development: The design for 4,435 housing units in Kibera Zone B was completed and construction work planned to commence in financial year 2021/22. Similarly, the Mariguini South B - Project designs were done but construction was hampered by a court case which has since been concluded.

10,400 housing units for Civil Servants Housing Programme: 200 units were completed in Machakos, and 193 units in Kiambu and 220 units in Embu were 94 percent and 96 percent complete respectively. Bids evaluation was ongoing for construction of 1,350 units in Nyeri, Nakuru, Eldoret, Kisii and Meru.

7,394 housing units for National Police & Prisons Services Housing Programme: A total of 300 housing units for disciplined services were completed and handed over (60 units each in Narok Police Station, Kakamega Prisons, Kapenguria Prisons, Eldama Ravine APS and Kitui - AP Border Patrol School). The 2,032 units under construction were on average of 65 percent complete.

462 housing units for Mavoko Sustainable Neighbourhood Housing Project: The units were 100 percent complete, and landscaping was ongoing.

Development and implementation of Housing Finance Initiatives: The National Housing Development Fund was established and managed by NHC. A total of KSh 506 million received from the sale of Park Road Housing was transferred from the Fund and used to pay the contractor. Voluntary contributions and investment income from the public through the *Boma Yangu* Portal stood at KSh 677,483,534 as of 30th June 2021.

National Housing Corporation: During the review period, 244 housing units were under construction and were on average 76 percent complete. The projects were distributed as follows: Voi Infills 80 units, Nyeri Mixed Development 80 units and Changamwe Phase II Infill 84 units.

Implementation Challenges

- Suspension of implementation of the mandatory housing levy fund, that was intended to compliment annual Treasury allocation adversely affected implementation of affordable housing programme;
- High cost of land acquisition, encroachment, relocation of people and illegal acquisition by individuals take time to resolve, thus adversely affecting the implementation of projects;
- High cost of construction and mortgage financing make houses unaffordable to the intended beneficiaries;
- Minimal private sector participation in provision of affordable housing units owing to non-profit nature of affordable housing programme;
- Low demand and high mortgage rates;
- Delays in processing of land titles which hampers access to mortgages by house purchasers; and
- Delays in completion of housing units caused by COVID-19 pandemic containment measures.

Lessons Learnt

- Land availability depends on the goodwill of the local community;
- Early and adequate involvement of communities ensures that suitable land is available for establishment of centres; and

- The private sector is key to delivery of the housing agenda.

Recommendations

- Encourage voluntary contributions to the Housing Fund to mobilise resources to supplement Treasury allocations;
- Adopt a multi-sectorial approach, land management and timely and adequate engagement with stakeholders;
- Strengthen the Kenya Mortgage Refinancing Company to enhance affordability of mortgages by refinancing existing and future loan portfolios to the affordable housing segment and supporting the National Housing Development Fund through budgetary provisions;
- Adopt subsidy to encourage participation of private developers; and
- Fast-track the roll out of 'Ardhi Sasa' programme in all counties.

5.4.3 Research and Development on Appropriate Building Materials and Technologies

Location: Siaya, Uasin Gishu, Nakuru, Bomet, Kajiado, Mandera West Pokot, Nyeri and Machakos counties

Objectives: To promote use of sustainable low-cost housing building materials and technologies

Implementing Agencies: State Department for Housing and Urban Development, and NHC

Project Progress: Eight centres were completed in Pokot South, Konoin, Kajiado South, Ugenya, Bahati, Mandera West, Kieni and Kesses constituencies. During the review period, 2,550 new trainees were trained on the making and utilisation of interlocking stabilised soil blocks in support of rural housing. Additionally, 389 artisans were trained on the use of Expanded Polystyrene (EPS) technology where 58,340M^2 of EPS panels were produced. This was 56 percent below the target for the period. In addition, two locally manufactured hydraulic block making machines were purchased; one semi hydraulic (Tofali) and one improved manual machine.

Implementation Challenges

- The effects of COVID-19 slowed down completion of projects which then affected consumption/production of EPS panels; and delayed delivery of key raw materials (steel and beads) which were imported hence slowing down production; and
- There was a delay in fabricating the machines by Numerical Machining Complex.

Lessons Learnt

- Locally fabricated machines ensure that breakdowns are dealt with promptly; and
- Continuous engagement is key before and after establishment to ensure the goal is realised.

Recommendations

- Engage with the National Treasury to secure funding;
- Enhance marketing of completed projects in the local media, website and MyGov website; and

- Identify local suppliers of galvanised steel wire and manufacturers of EPS beads to address material costs and delays in supply.

5.4.4 Physical and Social Infrastructure in Slums and Informal Settlements in Selected Urban Areas

Location: Kakamega, Kiambu, Nairobi, Kwale, Taita Taveta, Bungoma, Kisumu, Meru, Isiolo, Kirinyaga, Mwingi, Tharaka Nithi and Nakuru
Objectives: To improve quality of life for people living and working in informal settlements
Implementing Agency: State Department for Housing and Urban Development

Project Progress: During the review period, 269,399 workers were engaged countrywide to undertake environmental clean ups, beautification, greening, and drainage improvement to implement the National Hygiene Programme (Kazi Mtaani). This presidential directive intervention was necessitated by the outbreak of COVID-19 pandemic. In addition, the construction of Uhuru Business Park in Kisumu Town was completed. In Nakuru, the *c*onstruction of Nakuru Multipurpose Market was 45 percent complete. Similarly, 6.5 Km of sewer line was constructed in Mavoko.

Installation of social and physical infrastructure in various slums and informal settlements were as follows: Buchifi Market in Kakamega and Social Hall in Majengo slums in Meru town were completed; five classrooms, administration and ablution blocks in Kiwanjani Primary School in Isiolo town were completed; Construction of Market Sheds in Ngaru in Kirinyaga County were 90 percent complete; construction of boarding facilities at Chiakariga Girls Secondary School in Tharaka Nithi County was 65 percent complete; and construction of boarding facilities at Milimani Primary School in Nakuru was 25 percent complete.

In addition, the construction and upgrading to bitumen standards of various roads was also done. These included 3.7 Km KCB - Slaughter House Road in Mavoko slum in Mwingi town, Kitui County was 85 percent complete; 3.1 Km in Mworoga was completed; 3.5 Km Road in Londiani, Kericho County was 95 percent complete; 3.9 Km in Gitogothi - Makaburini and Mariko in Limuru, Kiambu County was 70 percent complete; and Dagoretti access road was 42 percent complete. Similarly, 69 high mast flood lights were installed in various counties: six in Kiambu, Bungoma, Kajiado, Taita Taveta, Kwale and Tharaka Nithi; 15 in Meru; and nine in Kakamega and Nairobi.

Implementation Challenges

- Work progress slowed down by the COVID-19 pandemic;
- Compensation of PAPs increased project costs and delayed some projects;
- Inadequate co-ordination in the implementation of slum upgrading initiatives; and
- Political influence which delayed implementation of the projects in slums.

Lessons Learnt

Involvement of community leaders through public participation leads to projects buy-in and acceptability.

Recommendations

- A legal and institutional framework is required to facilitate co-ordination of slum upgrading for clarity of responsibilities to avoid unnecessary conflicts that cause delays and duplication of services;
- Early engagement of all the affected persons by the project for compensation; and
- Timely involvement and lobbying of political leaders.

5.4.5 Nairobi Metropolitan Services Improvement Project

Location: Nairobi County

Objectives: To strengthen urban services and infrastructure in 13 urban centres of the Nairobi Metropolitan Region

Implementing Agencies: State Department for Housing and Urban Development, and County Government of Nairobi City.

Project Progress: Mitubiri sanitary landfill was 95 percent complete. Kikuyu, Kihara, Mwariro, Ruiru, Juja, Karandini and Ngong markets were completed.

Implementation Challenges

- Slow pace of implementation due to delay in disbursement of funds; and
- Court case delayed completion of Mitubiri landfill project.

Recommendation

Expedite release of donor funds to avoid delays in projects implementation

5.4.6 Kenya Informal Settlement Improvement Project

Location: Nationwide

Objectives: To improve quality of the life for people living and working in informal settlements

Implementing Agency: State Department for Housing and Urban Development

Project Progress: Phase I of the Kenya Informal Settlment Improvement Projectwas completed in FY 2019/20. MoUs with participating counties were signed, financing agreements signed with donors and procurement commenced for implementation of Phase II.

Implementation Challenge

Rapid population growth compared to the available resources.

Lesson Learnt

Government intervention in partnership with other players is critical for the provision of affordable and decent housing for all.

5.4.7 Facilitation of 24-Hour Economy

Location: Nationwide

Objectives: To increase working hours and minimise crime levels

Implementing Agency: State Department for Housing and Urban Development

Project Progress: No planned activities were undertaken in the period under review.

5.4.8 Integrated Urban Development Planning

Location: Several Urban Centres

Objectives: To foster sustainable development

Implementing Agency: State Department for Housing and Urban Development

Project Progress: Improvement of Pipeline and Donholm stations was completed.

Implementation Challenge

Inadequate funding.

Lesson Learnt

Urban development plans provide a guide for co-ordinated urban growth.

Recommendation

More funding to enable completion of development plans for all urban areas in Kenya.

5.4.9 Urban Renewal Programme

Location: Nationwide

Objectives: To improve and enhance new business frontages, promote 24-hour economy, and facilitate food security initiative

Implementing Agency: State Department for Housing and Urban Development

Project Progress: During the review period, the following 14 markets were completed: Miruka Economic Stimulus Programme (ESP) market in Nyamira, Muthithi ESP market in Muranga, Banisa ESP Market in Mandera, Bute ESP market in Wajir, Sigor ESP market in West Pokot, Siakago and Ishiara ESP markets in Embu, ESP Market Kirenga market in Kiambu, Ngong, Gikomba, Kihara Corner, Karandini, Chaka Phase II, and Majengo markets. Githurai Market was 95 percent complete.

Implementation Challenge

Inadequate funding.

Lesson Learnt
The Economic Stimulus Programme markets can spur economic growth in urban areas.

Recommendation
Expedite decision by the courts.

5.4.10 Urban Storm Water Infrastructure

Location: Nationwide
Objectives: To improve level of sewerage and infrastructure
Implementing Agency: State Department for Housing and Urban Development

Project Progress: During the review period, 4 Km storm water drainage in Narok and 6 Km in Kerugoya were constructed. Two bridges were constructed i.e., footbridge connecting Gikomba market and Ladhies Road, and new Pumwani Road bridge connecting Gikomba and Machakos Country bus.

Implementation Challenge
Encroachment on the construction area

Lessons Learnt
Early and adequate involvement of stakeholders is key in success of implementation

5.4.11 National Population Centre

Location: Nairobi
Objectives: To enhance capacity to collate and analyse population data
Implementing Agency: National Council for Population and Development

Project Progress: The project did not commence due to land and funding issues.

Implementation Challenges
- Lengthy processes in identification and acquisition of suitable land for the project delayed its implementation;
- Shift of donor priorities resulting to less funding of population programme; and
- Inadequate funding of the National Council for Population and Development especially on development expenditures.

Recommendations
- Fast-track identification and acquisition processes for suitable land for the project; and
- Enhancement of budgetary allocations and sourcing for funding from development partners.

5.4.12 Buildings' Safety and Compliance

Location: Nationwide

Objective: To improve safety and quality of built buildings
Implementing Agency: State Department for Public Works

Project Progress: During the review period, 1,296 buildings were inspected and audited, and 60 buildings were tested for structural integrity.

Implementation Challenges

- Inadequate funding to procure equipment and enhance nationwide coverage;
- Land use conflicts and site identification problems;
- Mitigation processes by house owners which slowed down the progress;
- Legal and contract challenges arising from arbitration and contractual issues impacting on project implementation; and
- COVID-19 pandemic slowed down project implementation rate.

Recommendations

- Fast tracking of procurement of building testing contracts; and
- Fast tracking of Cabinet approval on demolition of substandard buildings.

5.5 GENDER, YOUTH AND VULNERABLE GROUPS SECTOR

The Sector seeks to ensure *"equity in access, control and participation in resource distribution for improved livelihoods of women, youth and vulnerable groups"* for all citizens by the year 2030. The Constitution is emphatic on gender equality and the uplifting of the lives of all vulnerable groups. Since Kenya's population is predominantly young, special programmes dedicated to youth have become increasingly urgent. Projects outlined in the Third MTP emphasise the promotion of gender equality and empowerment of women, youth, children and vulnerable members of society. This is essential in the realisation of human rights and sustainable development goals. The Sector is determined to strengthen equity and gender equality, including ratifying and domestication of several international and regional instruments by establishing a clear vision in the delivery of its services.

The following were the achievements under each of the flagship projects and programmes in the Sector:

5.5.1 Affirmative Action Funds

Location: Nationwide
Objective: To promote economic empowerment.
Implementing Agencies: State Department for Gender, WEF, YEDF, Uwezo Fund and NGAAF

Project Progress:

Women Enterprise Fund: During the review period, a total of KSh. 3,002,450,000 was disbursed to 124,962 beneficiaries. KSh. 11,306,000 was disbursed to 11 Local Purchase Order (LPO) beneficiaries; KSh. 55,000,000 was disbursed to six SACCOs for on-lending to women; 161,219 beneficiaries were trained on entrepreneurship; 246 products were uploaded to WEF SOKO; and two MoUs were signed with county governments to support various mandates. Further, discussions were initiated with two other counties and one MoU was signed with other organisations.

Uwezo Fund**:** The Fund, being a constituency based revolving fund, issued loans amounting to KSh. 664,478,500 to 101,842 individuals from 6,452 groups. The Fund utilised KSh. 26.09 million towards capacity building of 6,452 beneficiary groups.

Youth Enterprise Development Fund: During the FY 2020/21, KSh. 580.7 million was disbursed to youth for business startups and expansion against a target of KSh. 575 million. A total number of 44,764 youth benefited from the loans against a target of 44,324 youth. In the same period, a total number of 87,688 youth were supported in business development services against a target of 84,350.

National Government Affirmative Action Fund**:** A total of KSh. 2,116,406,488.97 was disbursed to 47 counties to support vulnerable groups. KSh. 336,603,197.88 of the total disbursement was disbursed towards bursaries and scholarships to support needy students to access education opportunities. KSh. 569,655,518.42 was disbursed towards Women Economic Empowerment Programmes through table banking and value addition initiatives. The balance of Kshs.1,210,147,772.67 was disbursed towards countrywide projects, civic education and administration. A total of 35,062 students disaggregated as 15,263 male, 18,399 female and 1,400 Persons with Disabilities (PWDs) benefited through scholarships and bursaries both in secondary and tertiary institutions. In addition, 3,571 Affirmative Action Groups for both value addition and Women Economic Empowerment benefited of which 62,467 were male, 183,565 female and 11,150 were persons with disability.

Implementation Challenges

- Inadequate budgetary allocation despite the fast-growing demand for business loans;
- Key business development services such as continuous entrepreneurship skills development, market support, commercial infrastructure for beneficiaries remained inadequately attended to;
- Implementation of approved organisation structures to facilitate recruitment of competent and sufficient staff had been hampered;
- Loan follow-ups and recovery programmes were not adequately funded thereby hindering loan repayment rate;

- Limited resources affected the Funds' capacity to carry out continuous awareness and sensitisation especially in the rural and marginalised areas affecting loan uptake/access to government programmes and loan repayment for the funded;
- The Funds are anchored in Legal Notices, which limits the institutions on certain aspects such as resource mobilisation, loan default management, litigation among others;
- For Uwezo Fund and NGAAF, the legal instrument hampered recruitment of staff to manage the day-to-day operations; and
  Delayed gazettement of Constituency Uwezo Fund Management Committees affected service delivery in the constituencies.

Lessons Learnt

- Integration of technology in management of the Funds enhances efficiency and effectiveness in service delivery;
- Multi-agency collaboration in the implementation of the Funds' mandate is key in propelling the Funds' success; and
- Training of the beneficiaries is critical in businesses success and loan repayment.

Recommendations

- Increase allocation to the Affirmative Action Funds and prioritisation of externally mobilised resources;
- Strengthen the legal status of the Funds into a state corporation; and
- Enhance national preparedness for management of disasters such as pandemics, drought, locust infestation etc.

5.5.2 Prevention and Response to Gender Based Violence and Eradication of Female Genital Mutilation

Location: Nationwide
Objective: To eradicate Gender Based Violence and Female Genital Mutilation in Kenya.
Implementing Agencies: State Department for Gender, and Anti-FGM Board

Project Progress: During the review period, the following were achieved: Regulations were developed, subjected to public participation, and submitted to Office of the Attorney General for gazettement; and the GBV Policy 2014 was reviewed and is awaiting launch. In addition, the GBV working groups were restructured in 21 counties namely, Samburu, Baringo, Kajiado, Marsabit, Bungoma, Isiolo, Mombasa, Kwale, Busia, Taita Taveta, Laikipia, Migori, Nyamira, Kisii, Homabay, Elgeyo-Marakwet, Meru, Embu, Tharaka Nithi, Tana River and Garissa.

Further, national celebrations on 16 days of activism on the prevention and response to GBVs were co-ordinated with the virtual national launch being done in November 2020 and launched in West Pokot, Busia, Kajiado, Kisumu, Samburu, Bomet, Tana River, Taita Taveta, Nairobi counties. At the same time, the regional end cross border FGM action plan was developed and launched; Kisima declaration to end FGM in Samburu was signed and presided over by His Excellency the President; landmark signing of an End Cross Border FGM Declaration by the Pokot elders and Government Representatives from Kenya and Uganda was realised in Alale; and co-ordination strengthened by both state and non-state actors which led to formation of county anti-FGM steering committee and National technical multi-agency technical committee.

In addition, six quarterly meetings with the National Steering Committee on Kenya National Action Plan (KNAP) were convened; popular version of the second KNAP was developed and 100 copies printed; dissemination of the second KNAP was undertaken in 21 counties reaching 500 people and to over 50 institutions through soft copy; disseminated Gender Based Violence Recovery Centre (GBVRC) Guidelines both in hard and soft copies; and developed a mobile app to strengthen the referral pathway for GBV service providers to enhance multi sectoral co-ordination. Similarly, 1,000 GBVRC guidelines were launched in 8 counties; 200 men and 200 boys were engaged on reducing GBV, FGM, and child marriage in five hot spot counties through forums; male engagements in eradication of FGM done in Samburu, Baringo, Kajiado, Marsabit, Bungoma, Isiolo, Taita Taveta, Laikipia, Migori, Nyamira, Kisii, Homabay, Elgeyo-Marakwet, Meru, Embu and Tharaka Nithi, Tana River and Garissa counties. Further, media campaigns on GBV, FGM, teenage pregnancies and child marriages on radio and TV stations and the National Helpline 1195 were undertaken through three Mainstream TV stations (KTN News, NTV & KBC), 16 radio stations and four social media platforms; and GBVRCs guidelines developed on establishment and operationalisation of GBVRCs. In addition, one GBVRC was established in Makueni County; a mobile App called KOMESHA DHULUMA was developed; and updated the GBV service provider's directory to reflect the current and active service providers.

Implementation Challenges

- Inadequate funding hindered scaling of campaigns against FGM;
- Emerging trends such as medicalisation of FGM, reduction in age at which girls are cut and cross border cutting made it difficult for law enforcement officers to detect when the practice was being done;
- Persistence of social norms that perpetuate FGM;
- Inadequate county specific data to inform policy formulation and county specific programmes;
- Inadequate enforcement of legislation to curb GBV;
- The counties with high GBV/FGM prevalence are vast and some have very high insecurity; and
- Inadequate response mechanisms during humanitarian crises such as COVID-19 pandemic.

Lessons Learnt

- Sustained community engagements and dialogues and establishment of community monitors and surveillance team helps to prevent, mitigate and respond to low reporting FGM cases and incidences;
- Overlooking of patriarchal dividends and privileges by some men and boys supports efforts to end violence against women and withstanding the reprisals and backlash that comes with it;
- Political and administrative support is key in ending FGM including the presidential commitment to end FGM and support from national government administrative officers; and
- Strengthening synergies and collaboration between state and non-state actors enhances prevention and response on FGM.

Recommendations

- Work with KNBS to include more indicators on FGM when carrying out Kenya Demographic Health Survey, 2022;
- Train stakeholders along the borders of FGM hotspot counties to enhance their capacity to monitor and report on FGM cases;
- Sensitise health care workers on their role in ending FGM;
- Mobilise resources from development partners and other stakeholders;
- Develop an acceleration plan from which all the implementing partners should derive their activities from;
- Fast-track review of GBV and FGM related policies;
- Strengthen multi-sectoral co-ordination, partnership and collaboration; and
- Continuous engagement of religious and cultural elders.

5.5.3 Gender Mainstreaming

Location: Nationwide
Objective: To mainstream gender related issues in public and private sectors.
Implementing Agency: State Department for Gender

Project Progress: During the review period, the following were achieved: gender mainstreaming guidelines were developed and are awaiting publication; the annual meeting of Gender Sector Working Group was held in September 2020; and the Intergovernmental Consultative Framework for Gender was rolled out in 40 counties, including Makueni, Kajiado, Narok, Kisumu, Busia, Kwale, Bungoma, Baringo, Mombasa, Samburu, Elgeyo Marakwet, Bomet, Kisii, Wajir, Migori, Embu, Isiolo, Marsabit, Tharaka Nithi, Meru, Laikipia, Taita Taveta, West Pokot, Tana River, Garissa, Nyamira, Nairobi and Mandera. In addition, two quarterly meetings for gender focal point officers were held, and 260 officers from MDAs were trained on gender mainstreaming and 90 women leaders trained on leadership skills.

Implementation Challenges

- Inadequate funding hindered scaling of campaigns against FGM;
- Emerging trends such as medicalisation of FGM, reduction in age at which girls are cut and cross border cutting made it difficult for law enforcement officers to detect when the practice was being done;
- Persistence of social norms that perpetuate FGM;
- Inadequate county specific data to inform policy formulation and county specific programmes;
- Inadequate enforcement of legislation to curb GBV;
- The counties with high GBV/FGM prevalence are vast and some have very high insecurity; and
- Inadequate response mechanisms during humanitarian crises such as COVID-19 pandemic.

Lessons Learnt

- Adherence to reporting protocols and timelines is key;
- A lot can be achieved through use of online platforms;
- Consultations with key stakeholders (internal and external) is critical;
- Early planning and strict adherence to work plans is key to timely execution of tasks;
- Partnerships and collaborations are critical to the successful implementation of core programmes;
- Teamwork and commitment to work are vital for success in implementation of tasks; and
- Media engagement, especially in vernacular stations, is key in the campaign against GBV.

Recommendations

- Continuous lobbying the National Treasury and Parliament for more funds;
- Continuous engagement with the National Treasury for timely release of funds;
- Formulate programmes that can attract donors' support;
- Declare and prioritise management of GBV and children services as essential and critical services;
- Strengthen partnerships with development partners and the private sector. A partnership advisory committee needs to be formed to spearhead resource mobilisation with development partners and non-state actors;
- There is need for internal training of officers on gender; and
- There is need to engage communities in their own environment (at community level) to reach more people and reduce expenses.

5.5.4 Sanitary Towels Programme

Location: All public primary schools in Kenya

Objectives: To provide sanitary towels to all menstruating girls in public primary schools to ensure access, retention, performance and transition of the vulnerable girls in all regions across the country

Implementing Agency: State Department for Early Learning and Basic Education (Directorate of Primary Education)

Project Progress: During the review period, 1,675,679 girls received seven packets of sanitary towels each. In addition, monitoring of the distribution of sanitary towels was carried out.

Implementation Challenges

- Limited funds provided by the Government to the programme and, therefore, not able to cover all primary school girls in the menstruation stage;
- Distribution of sanitary towels was done at the sub-county level where primary schools converge in every sub-county education office to collect the sanitary towels. As such, schools travel far distances and incur transport expenses;
- The targeted girls are given seven packets per year for the three terms in school, leaving five months of the year not provided for;
- Menstrual hygiene education is not effectively done at school level and, therefore, girls reach menses with minimal knowledge of menstruation;
- In most schools, sanitary towels are disposed of in the pit latrines. Sanitary towels are not biodegradable and, therefore, a big challenge to the environment. Only a few schools have improvised incinerators;
- Most schools have not provided changing rooms for girls; and
- Most schools do not have water accessible to girls for hygienic purposes especially during menstruation.

Recommendations

- The National Treasury should increase the allocation for sanitary towels programme to cover all the girls in primary schools; and
- The Ministry of Education in collaboration with partners should carry out an impact assessment of the programme.

5.5.5 Youth Empowerment Centers

Location: Nationwide

Objective: To co-ordinate provision of youth friendly services.

Implementing Agency: State Department for Youth Affairs

Project Progress: During the review period, 110 Youth Empowerment Centres (YECs) out of 156 were equipped to varying levels and are operational providing services like training, ICT and counselling. In addition, four new YECs were constructed in Narok West, Emurua Dikir, Kuria West and Nyatike. The rest were at various stages of completion.

Implementation Challenges

Inadequate funding for construction of remaining 134 YECs.

Recommendations

- Strengthen resource mobilisation from both National Treasury and the private sector;
- Strengthen collaborative relationship with National Government Constituency Development Fund to construct extra wing and also rope in other partners to ensure completion and equipping; and
- Ring fence approved budgets and ensure timely disbursement of budgets.

5.5.6 Kenya Association of Youth Centres

Location: Nationwide

Objective: To develop a framework for Kenya Association of National Youth Centres

Implementing Agency: State Department for Youth Affairs

Project Progress: The project has not been implemented due to non-provision of budget.

5.5.7 Kenya Youth Employment and Opportunities Programme

Location: Nationwide

Objective: To increase employment and earning opportunities for targeted youth

Implementing Agencies: State Department for Youth Affairs, National Employment Authority, MSEA, National Industrial Training Authority.

Project Progress: During the review period, total of 135,423 youths were trained on life skills and core business skills. Through the Business Plan Competition, 741 young people were awarded 1.3 billion to bring their business ideas to fruition, thereby creating jobs for their peers. In endeavour to access affirmation action on procurement, KYEOP trained 252,000 youth on Access to Government Procurement Opportunities (AGPO).

Implementation Challenge

Closure of the project threatens its sustainability.

Lessons Learnt

- KYEOP has created positive impact among the young people in the counties;
- The training programme especially apprenticeship through master craftsmen has transformed lives for the youth who have become self-employed or gained employment.

Recommendations

- There is need to re-emphasise the concept of flagship projects;
- There is need to support KYEOP through expansion of the current scope of counties to increase absorption; and
- As the programme ends, the Government to take up full ownership of the project and roll it out in all sub-counties.

5.5.8 National Youth Service Transformation Programme

Location: Nationwide

Objective: To re-engineer the structure, processes, and programmes of the National Youth Service (NYS)

Implementing Agency: NYS

Project Progress: During the review period, 15,546 youth were recruited and 7,811 trained in paramilitary skills. 7,500 out of the 15,546-youth recruited in June 2021 will be trained in the FY 2021/22. A total of 18,746 youth comprising of cohorts of 11,267 and 7,479 youth were deployed to national service to undertake tasks of national importance within the year. Further, 250 youth were employed in Textile and Garment Technology Institute. Additionally, 39,524 were enrolled and trained in technical and vocational skills.

Implementation Challenges

- Inadequate financial, human, and physical resources resulted in rationalising annual youth intake from 30,000 to 10,000;
- Overstretched infrastructural facilities including barracks, dining halls, classrooms and workshops, sewer systems, and ablution blocks in all Field Units;
- Inadequate employment opportunities for the youth;
- Lack of an effective servicemen/women data and knowledge management system; and
- The effects of Covid-19 pandemic resulted in closure of training institutions leading to a backlog of servicemen and women at the Technical and Vocational Training programme.

Lessons Learnt

- Effective collaborations and partnerships increase opportunities for skills development and employment for youth;
- Commercialising production and services not only increases training and job opportunities for youth but also reduces over-reliance on the exchequer; and
- Character formation and instilling discipline, national values and principles among youth enhances youth empowerment and participation in national development.

Recommendations

- Revision of NYS budget to correspond with the required intake of 30,000 youth annually;

- Provision of seed capital to enhance commercialisation for increased revenue generation for sustainability and increased training and job opportunities for youth;
- Strengthen strategic collaborations and partnerships;
- Mainstream research, innovation and technology transfer & commercialisation for improved productivity and service delivery;
- Provision of adequate resources and support to meet the demands of NYS Act, 2018 for effective transition to a State Corporation;
- Implement an Enterprise Resource Planning System to minimise risk and enhance accountability; and
- Promote first line recruitment of NYS trained youth, products and services.

5.5.9 Youth Cohesion, National Values and Social Development

Location: Nationwide
Objective: To promote peaceful co-existence
Implementing Agency: State Department for Youth Affairs

Project Progress: During the review period, KSh. 27,016,534 worth of tenders were awarded to youth, women and PWDs under AGPO. The National Youth Council capacity built 5,000 youth on national values and peaceful co-existence. The State Department in conjunction with the Vision 2030 Delivery Secretariat organised interactive dialogue platforms dubbed Kikao in Kilifi, Narok, Marsabit and Embu where 1,000 youth were reached. One of the thematic areas was the promotion of peace education and training, empowerment, and participation. Through this, the youth were able to establish networks and have their businesses injected with capital, tools and equipment hence empowering them economically and socially.

The sector also launched the ***Kenya ni Mimi*** initiative to champion issues of patriotism, peace, self-initiative, volunteerism, environmental management as a way of making Kenya better. The initiative was launched by the President in 2020 flanked by youth from all regions of Kenya. The effect has been felt through peace ambassadors who propagate the same in their counties.

Implementation Challenge
Limited entrepreneurial culture.

Lesson Learnt
The Kikao forums are friendly platforms where youths feel appreciated, their potentials can be fully tapped, and they are able to integrate through sharing information on the available opportunities.

Recommendations
- Enhance skills development for officers to improve efficiency in service delivery;
- Increase interaction opportunities between the youth and stakeholders;

- The youth need to be more proactive in seeking solutions from the Government and stakeholders for their social and economic development;
- The youth should embrace environmental management through planting of trees;
- The youth should take advantage of youth empowerment centres to enhance digital marketing, use ICT for research as part of solution on unemployment;
- The youth should use the available communication channels to voice their concerns instead of resulting to violence; and
- There is need for the youth to cultivate self believe to make Kenya better as per the tenets of Kenya ni Mimi campaign.

5.5.10 Youth Employment and Enterprise Development

Location: Nationwide
Objective: To create sustainable employment opportunities
Implementing Agencies: State Department for Youth Affairs, YEDF, WEF, NYS, NGAAF and KYEOP

Project Progress: Through the implementing agencies, the Sector facilitated 222,864 youth on employment advisory services, capacity building, market support and sensitisation on AGPO and entrepreneurial skills. Through NYS, 39,524 youth were enrolled and trained in technical and vocational skills.

Further, 78,534 youth were engaged in gainful employment through direct funding by the Affirmative Action Funds, and 250 youth employed in Textile and Garment Technology Institute. A total of 36 community youth SACCOs were operationalised and 9,588 youth were provided internship and attachment opportunities.

Implementation Challenges

- Inadequate resources to support all the mandates, specifically provision of financial and business development services;
- Weak legal framework for the Affirmative Action Funds that affected the operations of the youth employment and enterprise development initiatives; and
- Disjointed implementation of youth initiatives which affected the validity and completeness of the resultant data as well as measuring the impact of the initiatives.

Recommendations

- Increase budgetary allocation to the agencies and prioritise externally mobilised resources; and
- Strengthen the legal status of the Affirmative Action Funds for sustainability.

5.5.11 Biashara Bank

Location: Nationwide

Objective: To provide co-ordination in the delivery of affordable financing and support for business development
Implementing Agency: State Department for Gender

Project Progress: Awaiting approval for the Biashara Kenya Fund Regulations that were resubmitted to Parliament.

Implementation Challenge
Uncertainties revolving around the proposed merger affected the operation of the stakeholders and service delivery.

Recommendation
Provide guidance on the way forward for the merger

5.5.12 National Safety "Inua Jamii" Programme

Location: Nationwide
Objective: To empower the poor and vulnerable to enhance their capacities and opportunities
Implementing Agencies: State Department for Social Protection, Senior Citizens Affairs and Special Programmes, NDMA, and NCPWD

Project Progress:
Households with older persons supported with cash transfers: Provided cash transfer to 763,670 out of 833,129 older persons, representing 91.6 percent of households with older persons.

Households with OVCs supported with cash transfers: Provided cash transfers to 294,345 out 353,000 households taking care of orphans and vulnerable children under the consolidated Cash Transfer Programme, representing 83.33 percent of households with OVCs.

Households with PWSDs supported with cash transfers: Provided cash transfers to 34,536 out of 47,000 households with persons with severe disabilities under the consolidated Cash Transfer Programme, representing 73.4 percent of households with PWSDs.

Street families rehabilitated and reintegrated into the communities: 675 street families were rehabilitated and reintegrated into the communities, representing 96.4 percent of the street families.

Street children and youth supported for rehabilitation, education, and training: 2,164 street children and youth were supported for rehabilitation, education and training, representing 72.1 percent of street children and youth.

Implementation Challenges

- Inadequate legal, institutional and policy framework;

- Cash transfer inclusion and exclusion errors;
- Fragmented classification of vulnerable groups under cash transfer initiatives as opposed to a consolidated fund for all vulnerable persons; and
- Inconsistent individual information when subjected to the IPRS database, caregivers registered as beneficiaries, deceased beneficiaries, and untraceable beneficiaries.

Recommendations

- Establish a co-ordination mechanism for National Safety Net/Social Protection Programmes;
- Enhance resource allocation; and
- Fast track the approval of key policies and legislation already in Parliament to enable the State Department to deliver on its mandate.

5.5.13 Disability Mainstreaming

Location: Nationwide
Objective: To enhance inclusion and accessibility among persons with disabilities
Implementing Agency: NCPWD

Project Progress:
***PWDs provided with assistive devices, supportive devices and services including sign languages*:** Provided 2,490 assistive devices to PWDs against a target of 4,000. Cumulatively, supported seven learning institutions of PWDS out of a target of 12 institutions through provision of infrastructure and equipment. However, the Council did not support LPO financing, tools of trade to 257 Veterans Resource Centre graduates due to inadequate funding.

Self-help groups for PWDs supported with grants, scholarships, and training (Education assistance): During the review period, a total of 688 self help groups were provided with grants and a total of 99 national disabled persons organisations were supported with grants. A total of 9,009 learners with disabilities were provided with educational bursaries and 2,448 PWDs were trained on vocational skills.

The Council supported 3,162 learners with disabilities out of a target of 3,429 learners with disabilities. The variance of 267 learners was due to austerity measures. However, during the review period, the Council did not provide bursaries and scholarships to learners with disabilities due to austerity measures. Cumulatively, 291 self-help groups were supported for economic empowerment and entrepreneurship training against a target of 290 groups. The over-achievement was due to two groups in Homa Bay County applying for grants of KSh 50,000 instead of KSh 100,000, therefore it was split between them.

Further, the Council received 1,002 applications from employees in public service for training on Kenya Sign Language. However, training did not commence due to austerity measures.

***Persons with Albinism supported with sunscreen lotion*:** During the review period, 3,800 persons with albinism were provided sunscreen lotion.

Implementation Challenges

- Delay in registration of persons with disabilities due to the lengthy and bureaucratic disability assessment process by the Ministry of Health;
- Low uptake of tenders reserved for persons with disabilities in MDACs and delays in Government release of funds affected AGPO thus LPO financing;
- Budget cuts/low funding;
- Lack of and high cost of specialists reports in some counties due to lack of trained personnel and equipment;
- Austerity measures during the supplementary budget affected the realisation of the flagship programmes;
- Due to COVID-19, the Council was unable to conduct targeting of persons with disabilities to replace beneficiaries exited due to natural attrition and ineligibility; and
- High expectations from persons with disabilities. Persons with disabilities had been neglected for a long time. As a result, the Fund was faced with very high demand for financial assistance which it was unable to meet with the available resources.

Recommendations

- The National Treasury should increase the national development fund for persons with disabilities to upscale implementation of activities in line with its mandate;
- Increase public awareness on the rights of persons with disabilities to reduce discrimination and inclusion;
- There is a need to decentralise the Director of Medical Services signature to the County level to make the registration process easier and faster. Further, there is a need to lobby for the waiver or subsidised medical assessment charges for PWDS;
- MDAs should be encouraged to promote equality in giving tenders to all affirmative action groups; and
- There is a need for improved commitment by MDAs to support staff to undergo the Kenya Sign Language training towards improving delivery of services for persons with disabilities.

5.5.14 Child Community Support Services

Location: Nationwide

Objective: To strengthen child protection services

Implementing Agency: State Department for Social Protection, Senior Citizens Affairs and Special Programmes

Project Progress: Provided Presidential Bursary to 22,000 OVCs from poor households in public boarding secondary schools against a target of 25,000, representing 88 percent. A total of 351 children were placed under foster care which surpassed the target by 11 representing 103.2 percent.

Further, 3,913 children were rescued and reunited with families, and 6,812 children in conflict with the law were provided with safe custody. In addition, 7,508 children were rehabilitated and trained on various skills, 65 persons were rehabilitated from human trafficking against a target of 50, 50 duty bearers were trained on human trafficking and 230 stakeholders were sensitised on human trafficking in various counties. Target was not achieved due to MoH COVID-19 protocols which limited the number of stakeholders meeting.

Implementation Challenges

- Unco-ordinated community development programmes;
- Inadequate data on social development issues;
- Unclear guidelines on community mobilisation, registration and standards;
- Lack of professional body to regulate community development work;
- Volunteerism in Kenya is sometimes equated with internship and compulsory community schemes in various institutions; and
- Inadequate funding.

Recommendations

- Finalise legislation to strengthen the children protection system and align the existing legislation to the Constitution; and
- Build linkages and collaboration with stakeholders to minimise duplication of social protection initiatives.

5.6 SPORTS, CULTURE AND THE ARTS SECTOR

Sports, Culture and the Arts Sector plays a crucial role in overall national development. Kenya continues to excel in sports at the international level as well as in preserving its cultural identity and arts guided by the theme *"Celebrating the Best in Us"*. It seeks to intensify efforts to promote clean sports, national heritage and culture as well as talents in music and arts. Additionally, the Sector aims at upscaling its support to the development of Kenya's film industry while also promoting a reading culture and research through the management of libraries and the protection of all historical records.

The following were the achievements under each flagship project and programme in the Sector:

5.6.1 Kenya Academy of Sports

Location: Nationwide

Objective: To serve as a centre of excellence in sports talent development through identification and nurturing of talent, training of sports technical personnel as well as enhancing knowledge and skills through research in sports

Implementing Agencies: Kenya Academy of Sports (KAS), and State Department for Sports

Project Progress: The hostel building, and sports grounds are 98 percent complete (Phase I) and certificate of practical completion issued. Plans are underway for the official handing over of the project. Phase II of the Kenya Academy of Sports Complex has not yet started.

Implementation Challenges

- Inadequate funding for the project;
- Delayed disbursement of allocated funds;
- Frequent budget cuts during supplementary budgets;
- Slow pace of construction works by the contractor;
- Weather changes disrupting construction works; and
- Lengthy payment process affecting the completion rate of the projects.

Lessons Learnt

High-level co-ordination and synchronisation of communication channels amongst stakeholders is critical for the successful implementation of the project.

Recommendations

- Funding for capital projects should be increased to complete the Academy Complex and initiate works for Regional, County and Constituency Sports Academies;
- There is a need to consider exploring funding options such as PPP, and Build, Operate, Upgrade and Transfer (BOUT); and
- Additionally, strategic funding should be availed from the Sports, Arts and Social Development Fund for the implementation of KAS projects and programmes.

5.6.2 Build and rehabilitate Sports Stadia

Location: Nationwide

Objective: To provide sports facilities to enable the youth to develop, grow talent, compete in sports and regulate, protect and enforce facilities standards to ensure quality access.

Implementing Agencies: Sports Kenya, and State Department for Sports

Project Progress: Construction and upgrading of two national and eight regional stadia to international standards were at various completion stages whose works included: construction of spectator terraces & VIP pavilion, rehabilitation of football pitches, installation of athletics tracks, installation of pitch irrigation system, water reticulation systems (borehole drilling and equipping including low- and high-level tanks), VIP lounges, skyboxes and parking facilities, construction of swimming pool facilities, installation of stadium seats, and roofing of spectator terraces.

As of the end of the 2020/21 financial year, Nyayo National Stadium and Kinoru Stadium Phase 1 had been completed. Other stadia were at the following stages of completion; Moi International Sports Centre was 100 percent complete, Chuka (95 percent), Kipchoge Keino (65 percent), Marsabit (65 percent), Ruringu (60 percent), Wote (40 percent), Karatu (47 percent) and Kamariny (30 percent). The projects were initially targeted for completion by end of June 2021, but encountered some challenges.

Similarly, the following flagship projects were at various levels of completion: Jomo Kenyatta International Stadium in Kisumu County (Phase I, 98 percent), Jamhuri Sports Ground in Nairobi County (Phase I, 90 percent), Kirigiti Stadium in Kiambu County (67 percent) and Wanguru Stadium in Kirinyaga County (85 percent).

Implementation Challenges

- Lengthy payment process affected the completion rate of the projects;
- Inadequate resources and budgetary cuts slowed down implementation;
- Land acquisition challenges;
- Geotechnical and topographical challenges;
- Insecurity in certain areas hampered project implementation; and
- Lack of commitment from partners where there was collaboration agreement with counties on joint implementation of projects.

Lesson Learnt

Synergies and partnerships with stakeholders and other government agencies to promote cross-sector linkages and mobilisation of resources for project implementation are critical

Recommendations

- There should be adequate provision of resources to ensure stadia are completed on time; and
- Enhancement of security in project areas.

5.6.3 Anti-Doping Promotion

Location: Nationwide

Objective: To carry out the fight against doping in sports through anti-doping value-based education, sensitisation and awareness campaigns, and protecting the “clean athlete” through effective doping tests

Implementing Agencies: Anti-Doping Agency of Kenya, and State Department for Sports

Project Progress: During the review period, 5,604 people against a target of 7,300 people were sensitised through anti-doping education. In addition, 892 intelligence-based testing against a target of 1,450 was carried out. Further, results management on anti-doping rule violations was accomplished.

Implementation Challenges

- Late disbursement of funds hampering implementation of activities;
- COVID-19 restrictions on gatherings made it difficult to carry out education and testing activities;
- Increased cases of doping by some athletes in international competitions and allegations in the media watered down the great efforts that produced an exemplary performance by clean athletes on the global stage;
- Technological advancement in the use of prohibited substances by some athletes which seemed to be ahead of anti-doping measures; and
- Lack of an accredited laboratory in Kenya made it very expensive in analysing doping tests hence low coverage in testing.

Lesson Learnt

Partnerships and collaboration with relevant stakeholders in implementing anti-doping education and testing for deterrence of doping practices are inevitably important.

Recommendations

- Promote values-based anti-doping education by integrating it into the schools' curriculum to instill values among students/athletes for the prevention of doping at an early age;
- The Agency should capitalise on the e-learning platform to disseminate anti-doping information to all stakeholders involved in the fight against doping in sports;
- Establish a World Anti-Doping Agency accredited laboratory to reduce the cost of analysis of anti-doping tests;
- Increase funding to enable anti-doping education and intelligence testing; and
- Early disbursement of funds to enable timely implementation of activities.

5.6.4 The National Sports Lottery

Location: Nationwide

Objective: To mobilise resources for supporting the sports, culture, and arts industry in the country

Implementing Agencies: State Department for Sports, Sports, Arts, and Social Development Fund

Project Progress: The National Sports Fund became defunct thus the National Sports Lottery was discontinued.

Implementation Challenge

Effective implementation of the above targets requires a co-ordinated multi-agency approach

Recommendation

Establish an oversight multi-agency co-ordinating committee for UHC Programme.

5.6.5 National Library of Kenya

Location: Nairobi County
Objective: To increase access to information and knowledge for the empowerment of all Kenyans
Implementing Agency: Kenya National Library Services (KNLS)

Project Progress: The project was completed and handed over to Cabinet Secretary Ministry of Sports, Culture, and Heritage, and KNLS Board on the 19th of August 2020. The project was officially opened by the President on 13th November 2020.

Recommendation

Future projects should be structured in phases for easier and seamless implementation and provision of funding.

5.6.6 The International Arts and Culture Centre

Location: Nairobi County
Objective: To be an arts, creativity, and culture hub that will provide a platform for culture exhibition, art development, and international cultural exchange
Implementing Agencies: Kenya Culture Centre, and State Department for Culture and Heritage

Project Progress: Sketch designs were prepared and finalised; stakeholders identified on global, national, urban, and neighborhood levels; and budget for public participation created and approved.

Implementation Challenge

Inadequate budgetary provision. The Project was last funded in FY 2018/19. As such, no progress was made during the review period.

Recommendations

- Adequate budgetary provision for the project;
- Consider exploring funding options such as PPP and BOUT; and
- Seek strategic funding from the Sports, Arts, and Social Development Fund for the implementation of the project.

CHAPTER SIX

6.0 POLITICAL PILLAR

''Moving to the future as one nation''

6.1 DEVOLUTION

"Making Devolution Work: A Catalyst for Holistic, Transformative and Sustainable Development"

Devolution is by far one of the most significant governance initiatives undertaken since independence and is a key sector under the Political Pillar. The system of devolved government in Kenya is entrenched in the Constitution. The Constitution prescribes the national values and principles of governance which include sharing and devolution of power to provide a basis for Kenya's system of devolved government. The devolved system of government has been in place since 2013 with significant levels of success, including transfer of functions to county governments, preparation of a devolution policy and alignment of sectoral laws to the Constitution.

The Sector has six flagship programmes/projects in MTP III, which are undergoing implementation. The progress in implementation of various flagship programmes and projects is presented in the following section:

6.1.1 Devolution Policies and Legal Reviews

Objective: The programme is aimed at entrenching devolution by strengthening policies, legal and institutional frameworks for devolution. This includes the development and implementation of laws for devolved units, and urban planning and management.

Implementing Agencies: Ministry of Devolution and ASALs, and Kenya Law Reform Commission

Project Progress: During the review period, the County Governments Act, 2012 and the Intergovernmental Relations Act, 2012 were reviewed, finalised, and forwarded to Cabinet for consideration. The antecedent Regulations were drafted while the Policy on Disaster Risk Management was finalised and a bill on the same developed. Similarly, the county model bills on physical planning and land use were developed.

Implementation Challenges

- COVID-19 slowed implementation of projects especially those that required stakeholder engagement; and
- Delay in release of funds and budget cuts during the supplementary budget.

Recommendations

- The State Department for Devolution should adopt use of technology while conducting stakeholders' engagement; and
- The National Treasury should widely consult MDAs before effecting budget cuts.

6.1.2 Capacity Building and Technical Support for Implementation of Devolution

Objective: To strengthen competencies of county governments through capacity building, revision of civic education curriculum, technical support, public participation through gazettement and implementation of NCBF.

Implementing Agency: Ministry of Devolution and ASALs

Project Progress: During the review period, the national civic education framework was developed and rolled out. In addition, civic education campaigns on devolution were conducted in 20 counties.

The Sector continued with the implementation of the First NCBF which focused on financial management, budgeting, planning, monitoring and evaluation, and human resource management among other aspects, and the Second NCBF which focused on county capacity building around actual service delivery was also developed.

Implementation Challenge

Delay in release of funds/grants to counties especially on projects related to Kenya Devolution Support Programme.

Lesson Learnt

Fast tracking of fulfilment of grant conditions can hasten achievement of targets.

Recommendation

The National Treasury should facilitate timely release of funds.

6.1.3 Planning, Budgeting, Financial Management and Resource Mobilisation

Objective: To strengthen planning, budgeting, public financial management and resource mobilisation at county level

Implementing Agencies: The Ministry of Devolution and ASALs, Commission on Revenue Allocation, and National Treasury.

Project Progress: During the review period, the following achievements were realised;

Review of Integrated County Revenue Management System: In supporting the automation of county revenue management, a multi-agency taskforce was formed with representation from National Treasury, Council of Governors, Commission on Revenue Allocation, Ministry of

Devolution, Ministry of ICT, Kenya Revenue Authority, Central Bank of Kenya and Office of the Controller of Budget. The task force prepared a report on implementation of a single Integrated County Revenue Management System which was submitted to the Steering Committee for review.

Division and County Allocation of Revenue: A recommendation was made that out of a revenue forecast of KSh 1,813.7 billion, the national government should be allocated KSh 1,5443.7 billion and county governments be allocated KSh 370 billion. This was approved by Parliament and shared among county governments using the Third Revenue Sharing Basis. The allocation to county governments was equivalent to 27 percent of the most recent audited and approved accounts of revenue.

Implementation Challenges

- Inadequate funding for project implementation; and
- Delayed scheduling of stakeholder consultations on the sharing of revenues due to tight Parliamentary calendar.

Recommendations

- Increase budget allocation;
- Develop and implement a resource mobilisation strategy; and
- Synchronise stakeholders' consultation schedule with Parliamentary calendar.

6.1.4 Intergovernmental Relations and Structures

Objective: To strengthen intergovernmental relations and structures through review of the Intergovernmental Relations Act, 2012 and development of attendant regulations. It also seeks to provide an implemention framework that facilitates functional analysis, unbundling, costing and transfer of functions between the two levels of government and management of concurrent functions.
Implementing Agencies: State Department for Devolution and ASALs, Intergovernmental Relations Technical Committee (IGRTC), and Kenya Law Reform Commission.

Project Progress: During the review period, the following achievements were realised;

Strengthening the legal and institutional frameworks: The Intergovernmental Relations (Amendment) Bill and draft Intergovernmental Relations Regulations, 2020 were finalised. The amendment seeks to anchor IGRTC as a Commission and establish the Council of Governors (CoG) secretariat. This was accomplished through an Inter-Agency Committee consisting of IGRTC, COG, Attorney General and Kenya Law Reform Commission. The finalised regulations would be tabled at the Summit for consideration

Development of Assets and Liabilities Register for the Counties: Identification and verification of assets and liabilities relating to devolved functions in the remaining twenty-four counties was finalised. To this end, a register for the assets and liabilities for the 47 counties was developed.

Strengthening of Intergovernmental Relations Structures: The 6th Summit Resolution on Universal Healthcare was implemented through the development and operationalisation of an MoU between IGRTC, Ministry of Devolution and Arid & Semi-Arid Lands, CoG and MoH. Three sector forums were convened namely, Public Service, Water and Health. Four intergovernmental disputes were successfully resolved and the following MoUs signed: Kajiado County Government and State Department of East African Community; Mombasa County Government and National Treasury; State Department for Housing and Turkana County Government; and Garissa County Government and Ministry of Housing.

Unbundling of Functions: In order to address the challenges in the implementation of devolved functions, three functions were unbundled namely: disaster management, co-operatives, and water.

Implementation Challenges

- COVID-19 pandemic;
- Inadequate budgetary allocation; and
- Slow implementation of resolutions of the forums.

Recommendations

- Increase in budgetary allocation; and
- Establish an accountability mechanism on implementation of forums' resolutions.

6.1.5 Human Resource Management, Development and Service Delivery

Objective: To strengthen public service and rationalise human resource functions across national and county governments.

Implementing Agencies: Ministry of Devolution and ASALs, Public Service Commission, and County Public Service Boards.

Project Progress: During the review period, the following achievements were realised:

Improved Service Delivery: One Huduma kiosk was established and 53 "Huduma Mashinani" outreaches were undertaken to enhance access to public services in 32 sub-counties. In addition, six "Boma – Yangu" Services were uploaded at the M-Huduma Platform and online portal.

Performance Contracting and Evaluation: A total of 362 MDAs signed performance contracts while 366 MDAs performance was evaluated, and feedback provided.

Capacity Building and Assessment Programmes: A total of 158 public officers were trained through in-service and 347 others through development partners' support. Four counties were supported in competency framework development. A report on CARPS was submitted to the Summit for consideration and approval. A concept paper on automation of leave, pension, training, and payroll deduction management functions was developed and approval granted. In addition, mapping and compilation of various skills and competencies required in the public service to guide the development of the skills master plan was undertaken.

Comprehensive Medical Insurance Scheme: A total of 128,604 civil servants were covered under the comprehensive medical insurance scheme.

Policies and Guidelines: To enhance human resource management, the following policies and guidelines were developed: Public Service Emeritus Policy; Government Business Continuity during the COVID-19 pandemic Guidelines, Draft Policy on Post-Retirement Medical Scheme for the Service, and 18th Cycle Performance Contracting Guidelines.

Implementation Challenges
- Human resource capacity constraints;
- Inadequate budgetary allocation; and
- COVID-19 pandemic.

Lesson Learnt
Proper co-ordination and collaboration among intergovernmental and inter-agencies in service delivery is critical to the successful implementation of reforms in the State Department.

Recommendations
- Implement an integrated human resource information management system; and
- Staff training for effective and efficient service delivery.

6.1.6 Development of Industrial Clusters and Products
Objective: To promote development of industries in each county based on products and resources potential, and unique to each county through development of industrial clusters covering various counties.
Implementing Agency: Ministry of Devolution and ASALs

Project Progress: During the review period seventeen industries were established in 15 counties with support from the European Union. On average, implementation status reached approximately 95 percent during the review period.

Implementation Challenge
Limited financial resources.

Recommendation

Timely and adequate allocation of funds.

6.2 GOVERNANCE AND THE RULE OF LAW SECTOR

"A Secure, Just, Cohesive, Democratic, Accountable, Transparent and Conducive Environment for a Prosperous Kenya."

The Governance and the Rule of Law Sector aims to ensure effective, accountable, and ethical leadership, and promotion of a just, democratic society in line with the Constitution and laws of the country. It is also intended to provide a secure environment and strong governance institutions that will propel citizens to full attainment of stable and sustainable socio-economic and political development. Further, the Sector facilitates the necessary legal framework for the "Big Four" initiatives including the implementation of SDGs, the Paris Agreement on Climate Change and the Africa Union Agenda 2063.

The Sector has six flagship programmes/projects in MTP III, all being implemented nation-wide. The performance for the various programmes and projects during the review period is presented in the following section:

6.2.1 Implementation of Constitutional and Legal Reforms

Objective: To ensure that all laws conform to the Constitution through reviewing and developing laws, undertaking civic education and inculcating a culture of constitutionalism.

Implementing Agencies: Office of the Attorney General andKenya Law Reform Commission

Project Progress: During the review period, the following laws were drafted: Constitution of Kenya (Amendment) (BBI) Bill, 2020; Referendum Bill, 2020; Political Parties Primaries Bill, 2020; Huduma Bill, 2020; Constituencies Development Fund (Amendment) Bill, 2020; Public Private Partnerships Bill, 2020; Kenya Food and Drugs Bill, 2020; National Film Policy and Film Bill, 2020; Business Laws (Amendment) Bill, 2020; Anti-Corruption and Economic Crimes Commission Bill, 2020; Ethics and Integrity Commission Bill, 2020; and County Wards Development Bill, 2020.

In addition, the following laws were reviewed: the Elections Act; Political Parties Act; Survey Act; Penal Code; and State Corporations Act. Similarly, the following rules and regulations and County legislation were audited: Sectional Properties Act, 2020; Controller of Budget Regulations; Legal Education Appeals Tribunal (Procedure) Rules; Murang'a Municipality by-laws; Murang'a Public Participation Act, 2016; Nairobi City County Clean Renewable and Sustainable Energy, Bill 2020; and Turkana County Extractives Bill.

Implementation Challenges

- Inadequate financial resources;
- COVID-19 pandemic; and

- Inadequate commitment from key stakeholders.

Lesson Learnt

Policy formulation by MDAs and County Governments is important prior to enactment of legislation to support implementation of the laws.

Recommendations

- Use of innovative ways to overcome COVID-19 related challenges; and
- Advocate for increased budgetary allocation.

6.2.2 Leadership, Ethics, and Integrity

Objective: To strengthen legislative, policy and institutional frameworks for leadership, ethics, and integrity by developing and implementing the following: whistleblower protection mechanism, asset tracking and recovery, framework for wealth declaration, leadership and integrity framework, and strengthening of multi-agency collaborations. It will also implement bilateral and multilateral leadership, ethics and integrity agreements.

Implementing Agencies: EACC and ODPP

Project Progress: During the review period, the following was achieved:

Investigation of Corruption and Economic Crimes: A total of 4,894 reports on corruption, economic crimes and unethical conduct were received out of which 104 case files were finalised and submitted to ODPP. Similarly, 39 investigations on ethical breaches were completed.

Implementation of Chapter Six of the Constitution: To enforce Chapter Six of the Constitution and the Leadership and Integrity Act, six investigations were completed, and eight proactive investigations carried out resulting in prevention of possible loss of approximately KSh 779 million. In addition, 25 County Anti-Corruption Civilian Oversight Committees were operationalised, and the Kenya Integrity Plan (2019-2023) launched.

Asset Tracing and Recovery: Twenty-five asset tracing inquiries on illegally acquired and unexplained assets valued at KSh 4.67 billion were completed and public assets with an estimated value of KSh 6 billion recovered.

Wealth Declaration: EACC facilitated 18 Responsible Commissions and Boards in the development and implementation of administrative procedures that, among others, focused on declaration of income, assets and liabilities by public officers.

Prosecution of Corruption Cases: A total of 67 corruption cases were registered in court and 40 cases were concluded. A conviction rate of 69.44 percent was achieved, compared to 47.25 percent in FY 2019/20. This was attributed to prosecution guided investigations, use of experts and analysts, establishment of joint teams, adoption of research, enhanced witness facilitation and protection, utilisation of modern technology, capacity building and improved co-operation and collaboration between agencies.

Implementation Challenges

- Slow judicial process occasioned by a series of adjournments and other factors beyond the prosecution's control;
- Legislative and technological gaps especially in emerging crime and crime trends;
- Inadequate capacity (skills and staff numbers) to prosecute complex and emerging crimes; and
- Inadequate witness and victim facilitation.

Recommendations

- Enhance collaboration with development partners to provide specialised training on emerging crimes;
- Review of key substantive, evidential and procedural criminal laws; and
- Enhance budgetary allocation to fund a fully-fledged witness and victim facilitation unit.

6.2.3 National Cohesion and Integration

Objective: To promote national unity by facilitating processes and policies that encourage elimination of all forms of ethnic discrimination irrespective of background, social circle, race and ideological belief(s). It further aims at enhancing the capacity for Kenyans to accept each other in appreciating the significance of diversity through sensitisation and training on non-violent conflict resolution processes, as well as peace building initiatives that appreciate human dignity.
Implementing Agency: National Cohesion and Integration Commission

Project Progress: During the period under review, the Sector achieved the following:

Institutionalisation of National Values: During the review period, sensitisation forums to promote cohesion and national values were conducted in Nakuru, Kericho, Nandi, Kisumu, Kajiado, Nairobi, Nyeri, Murang'a, Mombasa, Nakuru, Nandi, Trans Nzoia, Uasin-Gishu, Baringo, Garissa and Kakamega counties.

In addition, targeted media campaigns using social media platforms reached 127,000 social media users. Capacity building was also undertaken in Kakamega, Mombasa, Kisumu, Uasin Gishu, Nandi, Kilifi and Nakuru directly reaching 414 people.

Security Peace Building and Conflict Resolution: Community dialogue, mediation and reconciliation forums were conducted in Uasin Gishu, Narok, Nairobi, Nakuru, Mandera, Baringo, Turkana, Marsabit, Samburu and West Pokot counties, that were experiencing intermittent conflicts.

Further, mediation support units were established in six counties namely, Narok, Mandera, Marsabit, Baringo, Turkana and West Pokot and peace pacts/agreements signed. At the same time, rapid conflict assessments were conducted in Narok, Nakuru, Kisumu, Kakamega, Nandi, Trans Nzoia, Uasin Gishu, Machakos, Mombasa, Kilifi, Kiambu, Nyeri and Nairobi to establish conflict dynamics and drivers. In addition, EWER baseline mapping was conducted in Narok, Nandi, Kakamega, Mombasa and Nairobi to assess the existence and functionality of EWER mechanisms. Following the exercise, EWER mechanisms in the target counties were strengthened.

To enhance monitoring of hate speech, 18 audio-visual monitoring gadgets were purchased, and cyber-monitoring licenses renewed. Further, 152 hate speech and ethnic contempt cases were investigated out of which 19 were prosecuted.

Implementation Challenges

- Multiplicity of emerging drivers of conflicts and violence;
- Slow judicial process in determination of cases of hate speech, ethnic contempt and incitement to violence;
- Propagation of hate speech and ethnic contempt in cyber space and anonymous social media pages; and
- Inadequate resources to ensure sustainability of community social contracts and peace agreements.

Lessons Learnt

- Community engagement in conflict management leads to sustainable peace and stability;
- Peace and reconciliation processes are not isolated events but rather continuous processes requiring consistent engagement; and
- Citizens' expectations on public service delivery influence their attitudes, behaviour and trust levels in government agencies.

Recommendations

- Develop and implement a resource mobilisation strategy; and
- Adopt a multi-stakeholder approach in identification and addressing of emerging drivers and channels of conflict.

6.2.4 Legal Aid and Awareness

Objective: To enhance legal aid services through development and implementation of a sustainable funding strategy, automation of legal aid services, rolling out legal aid to sixteen additional counties, and broadening of public-private engagement.

Implementing Agencies: Office of the Attorney General, National Legal Aid Service, ODPP and Kenya School of Law

Project Progress:
During the review period, legal aid services were rolled out to Uasin Gishu, Nakuru, Mombasa, Kisumu and Nairobi counties. In addition, approximately 2,750,000 indigent persons were provided with legal aid services. The services included legal advice, representation in selected cases, assistance in resolving disputes through mediation as an alternative dispute resolution mechanism, assistance in the drafting of court documents, and creation of awareness through legal aid clinics and radio talk shows in local FM stations. Pro-bono legal services were provided during the Law Society of Kenya awareness week where 80 people were assisted.

Implementation Challenges
- COVID-19 pandemic affected activities involving gatherings; and
- Inadequate funds to implement the Legal Aid Act.

Lessons Learnt
- Collaboration of various stakeholders with implementing line is critical;
- The preventive approach towards the fight against corruption is most effective; and
- Public participation and involvement of citizens provides a forum to communicate positive achievements and build confidence that the fight can be won.

Recommendations
- Mobilise additional funds to supplement the allocated budget;
- Adopt use of technology to enhance access to justice with wider coverage; and
- Fast-track the implementation of the E-learning platform as a post COVID-19 recovery strategy to enhance business continuity.

6.2.5 Judicial Transformation
Objective: To transform the Judiciary into an effective and independent custodian of justice through improving court procedures, processes, organisational culture and management to re-orient them towards a culture of responsive, proactive, friendly, effective and accessible service delivery.
Implementing Agencies: Judiciary and Kenya School of Law

Project Progress: During the review period the following were achieved:

Establishment of Courts: The following courts were established: Two High Court stations in Vihiga and Kwale; four High Court sub-registries in Isiolo, Kapsabet, Eldama Ravine and Kilgoris; and 20 Magistrates' courts at Ol-Kalou, Etago, Madiany, Zombe, Port Victoria, Borabu, Kendu Bay, Wamunyu, Malaba, Matiliku, Usigu, Kasarani, Masinga, Manga, Tinderet, Garbatulla, Kabiyet, Marigat, Kenol and Rumuruti.

Establishment of Court Annexed Mediation: The Mediation Bill was submitted to the National Assembly for consideration. In addition, the Judiciary rolled out Court Annexed Mediation in 14 stations at Milimani, Eldoret, Mombasa, Kisumu, Nakuru, Nyeri, Machakos, Garissa, Embu, Kakamega, Nyamira, Malindi, Kisii and Tononoka. Construction of Isiolo, Kakamega, Nakuru, Garissa and Siaya High Court buildings were also completed and handed over in the period under review.

Recruitment of Judges: The following judges were appointed: seven Court of Appeal Judges bringing the total to 22; nine Employment and Labour Relations Court (ELRC) Judges bringing the total to 21; and eight Environment and Land Court (ELC) bringing the total to 41. A judge to population ratio of 1:321,380 was achieved against a target of 1:295,792 and a magistrate to population ratio of 1:86,954 against a target of 1:68,840. In addition, a total of 107 Legal Researchers were recruited to support High Court Judges.

The average time for disposition of cases in various court levels was as follows, Supreme Court-270 days, Court of Appeal-883 days, High Court-943 days, ELRC- 889 days, ELC-1,156 days, Magistrates' courts- 290 days, and Kadhis' courts-76 days. Overall, the case clearance rate in the Judiciary was 81 percent while in specific court levels were as follows: Supreme Court at 153 percent, Court of Appeal at 51 percent, High Court at 72 percent, ELRC at 73 percent, ELC at 120 per cent, Magistrates' courts at 82 percent, and Kadhis' courts at 84 percent.

Automation of Judicial services: The Case Tracking System (CTS) was operationalised in all court stations. Integration of CTS and Judiciary Financial Management Information System was completed and an E-Payment module using Visa and Real Time Gross Settlement developed ready for implementation. The e-Filing modules for scanning and uploading of case files were operationalised in all courts in Nairobi, Mombasa and Kisumu counties. In addition, the short message service and email notification module was rolled out and the e-Process serving module developed awaiting quality assurance and testing.

Development of Policies and Administrative Guidelines: The Supreme Court General Practice Directions were published, Pro-bono Claims Guidelines developed, and Records Appraisal and Disposal Guidelines reviewed. In addition, the review of guidelines of handling appeals in the High Court was initiated.

Legal Education: A total of 1,718 students were admitted to the Advocates Training Programme; 114 students to Paralegal Training Programme. Futher, 28 Legal Continuing Development Courses and one short course on mediation as a tool for public sector dispute resolution were conducted.

Implementation Challenges

- Inadequate number of judges;

- Inadequate funding;
- Delay in finalisation of the Tribunals Bill; and
- COVID-19 pandemic.

Recommendations

- Increase funding for capacity building programmes and facilitation of courts;
- Fast track enactment of the Tribunals Bill to provide a legal framework for transitioning and management of tribunals;
- Finalise the operationalisation of the Judiciary Fund account to enhance judicial autonomy as envisaged in the Constitution; and
- Identify and implement post COVID-19 recovery strategies and plans for business continuity.

6.2.6 Strengthening the Criminal Justice System

Objective: To strengthen the criminal justice system by ensuring independent institutions have clear mandates and that formal collaboration mechanisms exist amongst the relevant institutions.
Implementing Agencies: State Department for Correctional Services; Office of the Attorney General, ODPP, NPS, Judiciary and Kenya Prisons Service

Project Progress: A total of 49,000 inmates were offered safe custody in correctional facilities while 75,779 non-custodial offenders and 38,346 offenders sentenced to perform community work were supervised. Appropriate treatment and rehabilitation services were offered to 27,180 offenders to facilitate effective resettlement and reintegration within the community.

6.2.7 Public Prosecution Services

During the review period, the following were achieved:

Enhanced Conviction rates: A conviction rate of 93.31 percent was achieved compared to 92.5 percent in FY 2019/20. This achievement was attributed to the various measures undertaken, including: the implementation of the Decision to Charge Guidelines which ensured that only cases that meet evidentiary requirements make it to court; increased emphasis on knowledge and skills enhancement for the Prosecution Counsel; increased use of researchers, analysts, and experts; increased digitisation and streamlining of processes; and enhanced stakeholder engagement.

Enhanced Capacity of ODPP: Establishment of the moot court at the Prosecution Training Institute was initiated. The court is intended to assist new Prosecution Counsel to understand how real courts work, the code of conduct expected, including dressing and language. It also provided them with the opportunity to understand legal concepts and develop confidence, speaking, writing skills, and research acumen.

In addition, ODPP in partnership with United Nations Office on Drugs and Crimes under the Programme for Legal Empowerment and Aid Delivery in Kenya, acquired a boat for the Lamu Office. The boat will be pivotal in facilitating access to justice for the people of Lamu.

Modernisation of ODPP Processes: During the review period, ODPP advanced its goal towards full digitisation of processes and achieved the following: installed servers in preparation for digitisation of all ODPP records and rollout of the Uadilifu Case Management System; set up of the ODPP data centres and installation of LAN in all the ODPP Regional offices; set up infrastructure and processes in readiness for the roll out of the E-Learning Platform, the Performance Management Framework System and the Uadilifu System; and enanced security features for heightened security of all the Office digital processes and the sensitive data.

Development of Policies & other Operational Arrangements: Policy documents developed by ODPP towards enhancing accountability, transparency and consistency in its operations included: Mail Screening Guidelines, Document Tracking Manual and Guidelines for the Prosecution of Children's Matters.

Improved Public Outreach: In order to grow and maintain public trust in its operations, ODPP launched a Café Show whose discussions were centered on thematic areas within the criminal justice sector and disseminated it to the public in a simplified manner.

Implementation Challenges

- Inadequate human resource capacity;
- Slow adaptation of technological change;
- Increased sophistication in criminal activities, including terrorism;
- Budgetary constraints and austerity measures;
- The Coronavirus (COVID-19) pandemic;
- Weak inter-agency co-ordination and collaboration in the criminal justice system; and
- Legislative gaps in the virtual court processes especially in plea taking leading to cases of mistrials and unnecessary failure in prosecutions.

Recommendations

- Enhance budgetary allocation and alternative resource mobilisation;
- Increase investment towards strengthening crime control and prevention;
- Adopt use of technology in offender management;
- Reduce congestion by development of alternative conflict resolution mechanisms; and
- Strengthen multi-stakeholder approach in the criminal justice system.