



REPUBLIC OF KENYA

THE NATIONAL TREASURY AND PLANNING

STATE DEPARTMENT FOR PLANNING

IMPLEMENTATION STATUS OF THE BIG FOUR AGENDA

2018/2019

MONITORING AND EVALUATION DIRECTORATE

APRIL 2020

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Monitoring and Evaluation Directorate
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The National Treasury and Planning

FOREWORD

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It gives me great pleasure to present the first report on implementation status of the Big Four Agenda for 2018/19 Financial Year. The report examines implementation of the Big Four Agenda by providing an analysis of performance against priority initiatives. The Implementation of the Big Four Agenda requires a holistic approach which takes cognizance of the roles of various stakeholders. It requires inclusive and integrated approaches to its implementation, monitoring and reporting. Reporting therefore is a critical activity of the M&E process that documents findings in a simplified format for sharing with all stakeholders.

This report has been prepared through National Integrated Monitoring and Evaluation System (NIMES) framework. The NIMES will continue to play an important role in tracking the implementation of Big Four Agenda initiatives. Under NIMES, my ministry in consultation with stakeholders has prepared MTP III National Reporting Indicator handbook. The indicators in the Handbook have been used to track and report on the achievements of the Third MTP and the Big Four Agenda under the respective sectors.

To enhance M&E reporting in the public sector, the Ministry has adopted the use of technology through development of an electronic NIMES (e-NIMES) and e-CIMES. The e-NIMES/e-CIMES seeks to facilitate real time reporting and has a dashboard that presents at a glance an overall picture on implementation performance of various projects for each implementing agency. The MDAs are therefore expected to upload status of implementation of the MTP III and the Big Four targets.

The ministry will therefore undertake e-NIMES and e-CIMES capacity building of the various implementers of the Big Four Agenda at both national and county level. The ministry will also continue to offer technical support, especially in setting up of M&E systems to track the implementation of Big Four Agenda and other development initiatives.

It is my sincere hope that this report will be useful in updating Kenyans and other stakeholders on the status of Big Four Agenda. It is the governments' intention to work with like-minded stakeholders to embrace monitoring and reporting using the monitoring reports to support accountability. It is expected that effective feedback to government will increase learning and encourage remedial actions towards development initiatives.



HON. (AMB.) UKUR YATANI, EGH
CABINET SECRETARY

THE NATIONAL TREASURY AND PLANNING

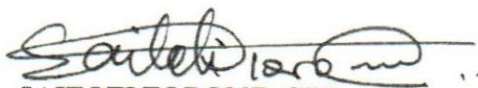
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This Big Four Agenda Implementation Status Report 2018/19 was developed by the Monitoring and Evaluation Directorate (MED) in the State Department for Planning in collaboration with other stakeholders. This report was derived from submissions received from line Ministries and their agencies. The MED team reviewed several documents and reports throughout the assignment.

Specifically, my gratitude goes to the various stakeholders who contributed immensely towards development of this report; Officers from government MDAs for their cooperation in conducting the analysis and for their comments and suggestions on earlier drafts of the work. I look forward to continued collaboration with you.

I would also like to specifically mention the contribution of the Acting Director of Monitoring and Evaluation Directorate, Mr. David Kiboi, who provided overall guidance and advice throughout the entire period. Special thanks go to all MED staff for their hard work and dedication throughout the period of preparing this report. You demonstrated commitment in the editing and timely finalization of this report. I also take this opportunity to thank all those who, in diverse ways, made production of report successful.

Finally, I wish to assure all users that this report will be widely disseminated to all stakeholders for their use in assessing the implementation of the Big Four Agenda by various sectors.



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THE NATIONAL TREASURY AND PLANNING

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Acronyms and Abbreviations

ADC	Agriculture Development Corporation
AHP	Affordable Housing Program
APR	Annual Progress Report
ASAL	Arid and Semi-Arid Lands
ATDCs	Agricultural Technology Development Centres
CETP	Common Effluent Treatment Plant
CGFC	Credit Guarantee Fund
CHEWs	Community Health Extension Workers
CHMT	County Health Management Team
CIDC	Constituency Industrial Development Centre
CPPMU	Central Project Planning and Monitoring Unit
EAC	East African Community
e-CIMES	Electronic County Integrated Monitoring and Evaluation System
e-NIMES	Electronic National Integrated Monitoring and Evaluation System
EPC	Export Promotion Council
EPZA	Export Processing Zone Authority
FAW	Fall Army Worm
FBO	Faith Based Organization
FDI	Foreign Direct Investment
FY	Financial Year
GDC	Geothermal Development Corporation
GDP	Gross Domestic Product
GoK	Government of Kenya
HCF	Health Care Financing
HISP	Health Insurance Subsidy Programme
ICD	Industrial Cluster Development
ICT	Information Communication Technology
IDB	Industrial Development Bank
IFMIS	Integrated Financial Management Information System

IPA	Intergovernmental Participatory Agreement
JOOTRH	Jaramogi Oginga Odinga Teaching and Referral Hospital
KALRO	Kenya Agricultural and Livestock Research Organization
KDF	Kenya Defence Force
KEMSA	Kenya Medical Supplies Agency
KIE	Kenya Industrial Estates
KIRDI	Kenya Industrial Research and Development Institute
KMTC	Kenya Medical Training College
KNH	Kenyatta National Hospital
Kshs	Kenya Shillings
KSUP	Korogocho and Kilifi Slum Upgrading Programme
KUSP	Kenya Urban Support Programme
LAPSSET	Lamu Port South Sudan-Ethiopia Transport corridor
LITS	Livestock Identification and Traceability System
LPG	Liquefied Petroleum Gas
M&E	Monitoring and Evaluation
MDAs	Ministries Departments and Agencies
MED	Monitoring and Evaluation Directorate
MLND	Maize Lethal Necrosis Disease
MOD	Ministry of Defence
MOH	Ministry of Health
MOUs	Memorandum of Understanding
MSE	Medium and Small Enterprise
MSMEs	Micro Small and Medium Enterprises
MT	Metric Tonnes
MTP	Medium Term Plan
MTRH	Moi Teaching and Referral Hospital
MW	Mega Watt
MWe	Mega Watt equivalent
NHIF	National Hospital Insurance Fund

NIMES	National Integrated Monitoring and Evaluation System
NTB	Non Tariff Barriers
OPIC	Overseas Private Investment Corporation
PPP	Public Private Partnership
REREC	Rural Electrification and renewable Energy Corporation
RRI	Rapid Results Initiative
SDGs	Sustainable Development Goals
SEZ	Special Economic Zones
SEZA	Special Economic Zone Authority
SMEs	Small and Medium Enterprises
TLU	Tropical Livestock Unit
TPCSI	Training and Production Centre for the Shoe Industry
UHC	Universal Health Coverage
UK	United Kingdom
UNOPS	United Nations Office for Project Services
USD	United States Dollars

Section 1: Background and Introduction

The National Treasury and Planning through the State Department for Planning is responsible for monitoring economic trends in the Country. This is done through the implementation of the National Integrated Monitoring and Evaluation System (NIMES), coordinated by the Monitoring and Evaluation Directorate (MED). NIMES provides a mechanism to track implementation progress of public sector policies, programmes and projects contained in the Kenya Vision 2030 Medium Term Plans (MTPs), the Big Four Agenda and other international obligations.

Reporting is a critical activity of the M&E process that documents findings in a simplified format for sharing with users. MED prepares Annual Progress Reports (APRs) on the achievements and challenges on implementation of the MTPs with the overall progress being reported using the MTP and the Big Four indicators. The APR includes implementation progress on policies, programmes and projects on the MTP and the Big Four Agenda. Going forward, the Directorate will be generating adhoc progress reports on the Big Four using e-NIMES when required.

The 'Big Four' is an economic blueprint developed by the government to foster economic development and provide a solution to the various socio-economic problems facing Kenyans. The Big Four transformative agenda identifies four priority initiatives to be implemented during the 2018-2022 plan period. These initiatives include; food security and nutrition; universal healthcare; affordable housing and manufacturing. At the global level, the Big Four Agenda is aligned to the United Nations Agenda 2030 Sustainable Development Goals (SDGs). In the national context, the Big Four are hinged on the Kenya Vision 2030 and mainstreamed in the third Medium Term Plan 2018-2022 (MTPIII) for the Vision. Hence the potential to push the country towards achieving the Vision 2030 goals.

The broad targets for each of the initiatives within the 5-year plan period are as follows:

Enhancing manufacturing: *Increasing Manufacturing share of GDP from 8.4% to 15%*

The local manufacturing industry will be enhanced to offer employment to Kenyans and reduce the trade deficit that the country is currently experiencing. The planned initiatives for boosting the local manufacturing sector from 8.4% to 15% by 2022 include:

- Establishing special economic zones, where manufacturing companies/plants will receive several benefits such as reduced taxation;
- Building modern industrial parks in various towns, set up clothes manufacturing sheds in Athi River, start a leather park for leather apparel in Machakos, remove

- hindrances for exporting agricultural-based processed products, curb the importation of some goods (for example, finished leather), among others; and
- Besides boosting the local manufacturing sector, these initiatives will help to promote Kenyan businesses, lead to the creation of several thousand jobs, and increase the income earned from Kenyans working in the manufacturing sector.
- Fivefold increase in Foreign Direct Investment Inflows
- Create 1,000,000 additional jobs
- Attain top 50 ranking in the ease of doing business ranking

Food security and nutrition: *Ensuring 100% food and nutrition security*

This were to be achieved through:

- 50% reduction in HH expenditure on food as a percentage of income
- 50% reduction in the number of food insecure Kenyans
- 27% reduction in under 5 malnutrition
- Create 1000 SMEs and 600,000 jobs
- 34% increase in the average daily income of farmers

Other planned initiative for ensuring 100% food and nutrition security are:

- Increasing large scale production of staple foods in 700,000 new acres of maize, potatoes and rice - put under cultivation in a private/public partnership mainly through irrigation;
- Boost the capacity of small scale food producers by providing more affordable locally blended fertilizer to farmers and waiving duty for the importation of cereal drying equipment and bags;
- Boost fishing activities among the fisher-folk, especially along the coast, and provide them with new fishing vessels; and curb illegal fishing in the 200 mile EE2 in Kenya territorial waters; and
- Set up measures that will drastically reduce the cost of food to achieve maximum food security through engaging contract farmers to supply strategic food reserve, create a subsidy model for farmers, deploy early warning systems, and eliminate various levies applied to food products along the value addition chain.

Affordable universal health coverage: *100% Universal Health Coverage*

Under Affordable Universal Health Care (UHC) the government planned to achieve through:

- 100% cost subsidy of the essential health package;
- 18% increase in the number of health facilities in 14 counties;
- 54% reduction in out of pocket expenses as a percentage of expenditure;
- 56% increase in the number of health workers;
- Increasing the national coverage of 36% to 100% by the year 2022;

- Augmenting the budget allocation and spending of the health sector by up to Kshs 12 billion by 2021;
- Overhauling NHIF to extend its services to more Kenyans, deployment of the free maternity programme across private and missionary hospitals; and
- Ensure there is at least one hospital with CT scan capability in every county.

Affordable housing: *Providing 500,000 Affordable Homes to the Low-Income Segment of the population*

To ensure that every Kenyan has access to comfortable houses, the government planned to:

- Build at least 500,000 low-cost houses in a partnership scheme with the private sector – the scheme is expected to additionally create over 300,000 jobs, while providing a good market for local manufacturers and suppliers;
- Make mortgage more easily accessible to Kenyans, thus making it easier for them to borrow or extend their mortgage loans;
- Start special housing schemes to provide police officers and prison wardens with access to better houses;
- Provide incentives to private developers in the form of reduced taxes for constructing more than 100,000 houses per year;
- 50% reduction in interest rates for homeowner financing solutions;
- 30% reduction in construction costs;
- 350,000 new jobs in the construction sector;
- 60% reduction in low income housing gap; and
- 100% increase in construction sector contribution to GDP

Section 2: Implementation Progress of the Big Four Agenda

This section presents the implementation status of the planned programmes and projects under the Big Four Agenda.

2.1 Manufacturing

The manufacturing sector is very important in promoting value addition and has the potential of moving the country to competitive status if the industrialisation trajectory of contribution of 15% of value added to GDP is achieved. In addition, promotion of the manufacturing sector affirms SDG 9, which seeks to build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation. The key priority sub-sectors under the pillar are subsectors of cotton, textiles and apparels, leather and leather products, agro processing, and construction among others.

Manufacturing sector targets to establish a total of 3,850 new manufacturing enterprises through industrial financing and other incentives. It further plans to increase export earnings from textiles and apparel production from Kshs. 80 billion in 2017 to Kshs. 200 billion at the end of the Plan period.

During the period under review, Special Economic Zones (SEZ) Regulations 2016 were gazetted and Special Economic Zones Authority (SEZA) was established. Five private Special Economic Zones were also gazetted. Seventy-two export processing zones were gazetted and 136 firms are operating in those zones, while 60,733 direct job opportunities were created by EPZA. Improvement in infrastructure in Athi-River textile hub reached completion level, construction of Common Effluent Treatment Plant (CETP) is ongoing at Kenya Leather Industrial Park at Kenanie, equipping of two (2) laboratories at KIRDI Kisumu was completed, modernization of research facilities at KIRDI South B is 64 per cent complete while Rivatex modernization Programme registered progress in terms of completion rates. Modernization of Rivatex Ltd has increased production of fabrics by 500% to 25,000 meters per day, consuming 22,000 bales of local cotton and supporting 29,500 farmers. It has also contributed to import substitution for textile garment for leather industries, school uniforms, Disciplined Forces, medical linen, university gowns, and fabrics for SMEs garments production.

Development of Athi River EPZ Textile Hub through construction of industrial sheds has eased entry of FDI which increased during 2017-2018 from KES. 95.3 billion to KES. 105 billion. This created an additional 6,675 jobs and increased exports earnings by an additional KES. 10 billion. In addition, 60 conformity assessment bodies were accredited, 2,425 were developed and 14,686 trademarks were processed. A total of Kshs. 1,025 Million was

advanced to Micro and Small Enterprises (MSEs) by KIE, Kshs. 1,460 million was advanced to large firms by IDB Capital while Kshs 1,758 million were funded by ICDC. Twenty (20) Constituency Industrial Development Centres (CIDCs) and 13 MSE worksites were also refurbished by MSEA. Table 2.1 summarizes achievements in the pillar during 2018/19 FY.

Table 2.1: Manufacturing Sector Achievements for the 2018/19 FY

Project/Programme (Priority Initiative)	2018/19 Targets (MTPIII)	Achievements
State Department for Industrialization		
Legal and regulatory framework for SEZ	3 SEZ gazetted	Process of gazettement of 2 SEZ initiated
	Start Dongo Kundu SEZ's infrastructure and Naivasha park	Dongo Kundu land gazetted as SEZ in July, 2019 and a Special Planning Area in August, 2019.
		1000 acres of land acquired for Naivasha park (150 acres have been allocated to ICD and 850 acres for the SEZ)
		Industrial park, negotiations for securing loan and grant for Mombasa SEZ initiated and one private SEZ licensed.
		Land for Kisumu SEZ has also been identified and feasibility studies commenced. Kenya Government has received a local grant from Japan Government to develop the SEZ.
Industrial Clusters development Programme	Completion of Machakos Leather Park in Kenanie.	Construction of the Park is on-going and at 40%
	Cotton and fibre production.	3 technologies in the areas of cotton seed cake, cotton seed oil and hand looming were developed, 30 acres of land were put under certified cotton seed at Mwea GK Prison and KALRO Kibos and Pekerra and is expected to produce 18 MT of certified cotton seed for distribution to farmers in cotton-growing zones.
	Construction of low cost industrial warehouses.	Initiated construction of common manufacturing facility at Kariokor
Business environment in Kenya ranking index	Global Competitiveness index 70/100	Kenya scored 54.14 points out of 100 on the 2018 Global Competitiveness Report published by the World Economic Forum. The pillars in which Kenya performed best included labour

Project/Programme (Priority Initiative)	2018/19 Targets (MTPIII)	Achievements
		market in which the country ranked 60th globally, business dynamism (63) and institutions (64)
	Ease of doing business index rank 60	Ease of doing business rank 60. Achievement has been due to simplification of process of electricity connection, online taxes payment and registration process for companies
Infrastructure facilities for Kenya Leather Park	40% complete	30% complete due to inadequate funds
Upgrading of Training and Production Centre for Shoe industry at Thika	100% completion of leather industrial warehouse at Kariokor	90% complete. NCCG delayed installation of the power and water
	15 machine operators trained	15 machine operators trained
	300 SMEs trained on leather goods	200 SMEs trained on leather goods. Target not achieved since UNOP funding ended
	200 cobblers trained	200 cobblers trained
	Hides and skin collection	Conducted two (2) leather fairs for Market access for shoe and leather products SMEs.
	Finished goods processing	On establishment of common manufacturing facilities at the Training and Production Centre for the Shoe Industry (TPCSI), 15 machines were installed, 300 SMEs and 200 cobblers trained.
Modernization of Rift Valley Textile (Rivatex) machinery to increase textile and cotton production	6 machines procured, installed and commissioned	6 machines procured, installed and commissioned
	12 MOUs signed with county governments to supply cotton	12 MOUs signed with County Government and ginneries and co-operatives societies 66 sensitization workshops conducted
	Textile and apparel manufacturing	Industrial sheds at EPZ Athi River are 70 percent complete; The process of modernization of the Rivatex machinery was 90 percent complete while increased textile and cotton production is ongoing.
Investments in EPZs, expansion in exports and employment opportunities	145 enterprises operating	136 enterprises operating due to delay in completion of sheds
	77 zones gazetted	72 zones gazette due to delay in facilitation of documentation on land acquisition by land registry

Project/Programme (Priority Initiative)	2018/19 Targets (MTPIII)	Achievements
	63,694 employed in the gazetted zones	60,733 employed in gazetted zones due to non-availability of ready industrial sheds
	Kshs. 73,020 Million exports	Kshs. 73,563 Million exports. Mainly due to access to new markets and uptake of new products
	Kshs. 100,030 million Direct investment	Kshs. 105,762 million direct investments. Due to increase in investor confidence
	Kshs 14,300 backward linkage	14,331 backward linkage due to increase in agricultural produce
Investment both domestic and foreign, investment promotion and one stop centre establishment	Kshs. 220 billion investment attracted	Kshs. 68.325 billion investment attracted. This was attributed to the non conducive political environment
	180 projects facilitated	182 projects facilitated
Promotion of Micro Small and Medium Enterprises	MSE policy reviewed	Not yet reviewed due to resource constraints
	500 MSMEs products accessing the market	500 MSMEs products accessing the market
	2000 students trained on industrial skills	2105 students trained on industrial skills. This was due to increase in enrollment as a result of improvement in facilities at the institution
New conformity assessment bodies (Testing Laboratories, Calibration Laboratories, Medical Laboratories, Inspection Bodies and Certification Bodies) accredited.	30 New Conformity Assessment Bodies accredited	28 New Conformity Assessment Bodies accredited due to budget cuts
	134 conformity assessment bodies assessed	176 conformity assessment bodies assessed
Increase in number of standards developed and reviewed, and products certified	871 standards developed	791 standards developed and harmonized with EAC standards therefore rendering some standards obsolete
	750 standards reviewed	1104 standards reviewed due to harmonization with EAC
	9,686 products certified under large firms	10,286 products certified under large firms
	2,850 products certified under SMEs	3076 products certified under SMEs. An increase due to increase in market surveillance
Registration of patents, utility models, industrial designs, and trade marks	430 application of patents, utility models, and industrial designs processed	416 application of patents, utility models, and industrial designs processed. This was due to reduced number of applications
	5600 trademarks processed	4800 trademarks processed. Due to inadequate human capital
Industrial incubation, provision of industrial sheds	Kshs 400 Million industrial credit offered to SMEs	401.7 Million industrial credit offered to SMEs

Project/Programme (Priority Initiative)	2018/19 Targets (MTPIII)	Achievements
and financial support to SMEs by KIE	12,000 jobs created	12,051 jobs created
	36,000 SMEs trained	43,924 SMEs trained due to increased demand for SME training
	1,500 SMEs linked to market	2,079 SMEs linked to market due to collaboration with MDAs and private sectors
	204 SMEs incubated	204 SMEs incubated
Promotion of SMEs	Establishment of credit guarantee fund (CGF)	Draft concept note for CGF developed. Task force established by National Treasury
Kenya Youth Employment and Opportunities Project (KYEOP) implemented	6,900 youths accessing grants	6,546 youths accessing grants. This was due to attrition while attending orientation 2.
	Kshs. 187.5 million grants disbursed	Kshs 176.34 million grants disbursed
	700 youths beneficiaries on BDS	449 youths beneficiaries on BDS
Construction and equipping of CIDCs completed	56 CIDCs completed	No CIDCs completed due to lack of funding
MSEs facilitated to access to local, regional and international markets	1500 MSEs accessing markets	1573 accessing markets
Business development services provided to entrepreneurs	1500 SMEs trained	545 SMES trained. Inadequate funds contributed to low number of SMEs who received training.
Employment created by MSEs	60,000 jobs created by MSEs	9,119 jobs created by MSEs. MSEs found it difficult to access credit from financial institutions during this period.
MSE regulations coordination framework developed	2 regulations developed	No regulations developed due to lack of funds as a result of budget cuts
Credit to SMEs	Kshs. 760 million credit disbursed	Kshs 638 million disbursed
	3,000 jobs created	1,804 jobs created
	24 projects financed	13 projects financed
Industrial credit issued	Kshs. 969 million credit issued	Kshs. 603 million credit issued
	1,997 jobs created in the industry	2,010 jobs created in the industry
Industrial technologies to facilitate MSMEs growth	7 industrial technologies developed and transferred	7 industrial technologies developed and transferred
	500 MSMEs supported through technology incubation and common manufacturing facilities	584 MSMEs supported through technology incubation and common manufacturing facilities. The increase was due to increased demand for the services

Project/Programme (Priority Initiative)	2018/19 Targets (MTPIII)	Achievements
Provision of Modern Research Laboratory Infrastructure	One industrial research laboratory equipped in KIRDI Kisumu	Procurement of food laboratory equipment ongoing
	Completion of industrial research laboratory in Nairobi South B at 74%	64 % complete due to inadequate funding
Enabler of the Manufacturing Pillar		
State Department for East African Community		
Exports to EAC	Kshs 122 Billion exports to EAC	Kshs 129 billion exported to EAC. This was due to import substitution by partner states and local presence of Kenyan manufacturers
EAC rules of origin applied	150,00 certificates of origin issued	152,000 certificate of origin issued
Non Tariff barriers (NTB)	120 NTBs eliminated	36 NTBs eliminated.
Harmonized standards	1,602 EAC harmonized regional standards	1,436 harmonized regional standards
	1,165 EAC harmonized standards adopted by Kenya	1,076 EAC harmonized standards adopted by Kenya
	2 regional policies developed	4 regional policies developed
Regional Integration Centres Operationalized	1 regional integration centre operationalized	1 regional integration center operationalized
Operationalization of one stop border posts	1 one stop border post operationalized	1 one stop border post operationalized
	1 OSBP commissioned at Heads of State Level (Busia and Namanga)	1 OSBP commissioned at Heads of State Level (Busia and Namanga)
State Department for Trade		
Consumer protection	2 policies on consumer protection developed	2 policies on consumer protection developed (consumer protection act amendment bill developed in 2018/19
Export Earnings	Kshs. 635.5 billion in export earnings	Kshs. 613 billions in export earnings
Decentralization of EPC services in the counties	2 county EPC offices opened	0 EPC county offices established due to inadequate budget.
SMEs trained under export trade training and export awareness	30 SMEs trained	No SMEs trained due to lack of funds
Entrepreneurship Training centre Establishment	Entrepreneurship training centre 80% complete	Entrepreneurship training center 50% complete
Agro-food processing programme	Map tea, dairy, meat and crops value chains	One (1) Agro-processing hub established in Nyandarua for potatoes;

Project/Programme (Priority Initiative)	2018/19 Targets (MTPIII)	Achievements
	Attract 2 global tea processors in Mombasa	tea acceleration plan developed and increased market access for Kenyan coffee.
	Regulate milk hawking business in Kenya	
	Develop warehousing and cold chain sites	
Ministry of Energy		
Coal exploration and mining	20 Exploration wells Drilled	0 drilled since drilling contract expired
Geothermal Development (GDC)	5 wells drilled	5 wells drilled
	194.4 Cumulative MW of steam equivalent (MWe)	171.1 Cumulative MW of steam equivalent (MWe)
Geothermal development (Kengen)	82.7 MW of power generated	82.7 MW of power generated
National Grid	1119 km of transmission lines constructed	697 km of transmission lines constructed
	2 sub stations constructed	2 sub stations constructed
	292.3 Km of distribution lines constructed	342.7 Km of distribution lines constructed
	20 distributions substation constructed	21 distributions substation constructed
Electrification on (KPLC/RE REC)	300 new transformers installed in constituencies	263 new transformers installed in constituencies
	5 solar/diesel hybrid stations in Off grid areas (REREC)	2 solar/diesel hybrid stations in Off grid areas (REREC)
	2 Diesel stations constructed	0 Diesel stations constructed due to challenges in procurement
	Garissa 50MW solar plant 100% complete	Garissa 50MW solar plant 100% complete
Alternative energy technologies	310 MW of power injected from Lake Turkana wind power plant	310 MW of power injected from Lake Turkana wind power plant
	20 solar/wind water pumping systems installed community boreholes in ASAL areas	20 solar/wind water pumping systems installed community boreholes in ASAL areas
	1 community small hydropower project supported	1 community small hydropower project supported
	304 domestic biogas plants constructed	255 domestic biogas plants constructed
	16 energy centers rehabilitated	16 energy centres rehabilitated

Project/Programme (Priority Initiative)	2018/19 Targets (MTPIII)	Achievements
	100 Ha of land planted with trees and maintained	101.3 Ha of land planted with trees and maintained
	50 woodlots established	67 woodlots established
	8 tree nurseries established	8 tree nurseries established
	1 biodiesel processing unit component designed and fabricated	1 biodiesel processing unit component designed and fabricated
State Department for Petroleum		
Oil and Gas exploration	63 Petroleum blocks reviewed	63 Petroleum blocks reviewed
	2 exploration and appraisal wells drilled	2 exploration and appraisal wells drilled
	22 petroleum exploration blocks marketed	36 petroleum exploration blocks marketed
	Produce 200,000 barrels of crude oil	200,000 barrel of crude oil produced and transported from Turkana to Mombasa Port for processing
Oil and gas distribution	5975 MT of gas and oil distributed	7344 MT of gas and oil distributed
	9000 samples tested from different sampled distribution points	14280 samples tested from different sampled distribution points
	1 LPG storage facility constructed in major towns	0 LPG storage facilities constructed due to delayed funds.



President Kenyatta when he launched the Dongo Kundu Special Economic Zone

2.2 Food Security and Nutrition Security

The development of agricultural sector plays an important role in ensuring food security for the country as it ensures availability of food through adequate production and supply of crops, livestock and fisheries. Overall, during the review period, the government enacted agriculture, livestock, veterinary and fisheries sector policies, laws and regulations which were aimed at laying foundation for implementation of the Big 4 Agenda and improving ease of doing business in the sector. In addition, the government also proposed reforms to the Strategic Food Reserve Trust Fund, the National Cereals and Produce Board (NCPB) and the fertilizer subsidy program policies. A summary of the achievements under the food and nutrition security pillar and its enablers in the 2018/19 FY is presented in Table 2.2.

Table 2.2: Food and Nutrition Security Achievements for the 2018/19 FY

Project/Programme (Priority Initiative)	2018/19 Targets (MTPIII)	Achievements
State department for crop development and Management		
Land and crop development	239 Ha of tea planted	24 ha of tea planted
	2 stores for post-harvest losses management constructed	Available budget facilitated stores construction to 90 % completion
	10 technological innovations developed	10 technological innovations developed

Agricultural technologies at Agricultural Technology Development Centre's (ATDCs)	10 agricultural technologies developed, tested and upscale	10 agricultural technologies developed, tested and upscale
Incubation Centre's for value addition at ATDCs established.	2 incubation centres for value addition established	2 incubation centres for value addition established in Ruiru and Siaya
Land under Crop production under ADC increased (ADC Mechanization Project)	5000 Ha of new land opened for cultivation (ADC Mechanization project)	0 Ha. Delayed procurement processes affected realization of the target since machinery were received after season had elapsed.
Certified seed production	2500 MT of certified seed potato produced	596 MT of certified seed potato produced
	11 million Kg of certified seed maize produced	9 million kg of certified seed maize produced
Commercial Maize	200,000 (90kg bags) in ADC farms	72,718 (90kg bags) in ADC farms
Cotton industry revitalization	30 acres under certified cotton multiplication	30 acres under certified cotton multiplication in Mwea GK prison KALRO Kibos and Pekerra
	83,600 acres under cotton	54,000 acres under cotton. Not achieved due to unfavourable weather
	75,000 bales of cotton produced	29,200 bales of cotton produced. Not achieved due to unfavourable weather
Small scale irrigation, domestic use and livestock Drought Resilient Sustainable Land Project (DRSLP)	620 Ha under irrigation infrastructure rehabilitated	360 Ha under irrigation infrastructure rehabilitated
	22 water structures completed	41 water structures. The achievement of 41 for 18/19 is broken down as 16 completed and 25 running contracts for water pans, earth dams, boreholes and shallow wells.
Pyrethrum Industry revival	350 MT of flower deliveries to PPCK Nakuru factory	52 MT of flower deliveries to PPCK Nakuru factory. Target not achieved due to delay in payment
	250,000 tissue culture plants propagated	250,000 tissue culture plants propagated
	1,000,000 clonal materials distributed to growers	500,000 clonal materials distributed to growers. Target not fully achieved due to insufficient funds
	1000 Kg certified pyrethrum seed produced	350 Kg certified pyrethrum seed produced
E-voucher Financing System for smallholder farmers and use of financial services (KCEP CRAL)	44,226 of smallholder farmers accessing e-voucher scheme	9,772 of smallholder farmers accessing e-voucher scheme.
	426 agro-dealers trained and accredited as agents by participating financial institutions	400 agro-dealers trained and accredited as agents by participating financial institutions.

Commodities for National food reserves	3.5 Millions of bags of maize procured (90kg bag)	0.4 Millions of bags of maize procured (90kg bag). Target missed due to unprecedented budget cuts
	1289 MT of powder milk procured	1289 MT of powder milk procured
Crop insurance	400,000 farmers covered	409,484 farmers covered
	26 counties where farmers are accessing crop insurance	27 counties where farmers are accessing crop insurance
Fertilizer subsidy	245,000 MT fertilizer subsidized	31,750 MT fertilizers subsidized. Target missed due to unprecedented budget cuts
	250,000 farmers benefitting from fertilizer subsidy	42,000 farmers benefitting from fertilizer subsidy. Target missed due to unprecedented budget cuts
	10 counties benefiting from fertilizer subsidy	10 counties benefiting from fertilizer subsidy
Integrated food crops value chains	14 million of clean crop planting materials produced and availed to farmers	23.05 million clean crop planting materials produced and availed to farmers. This was due to additional funding from donor project
	27,000 soil samples analysed and recommendations given	17,218 soil samples analysed and recommendations given. Target was not achieved because other organizations started offering soil testing services and KALRO stopped subsidizing after crop levies were stopped
	2,000 MT of basic seed produced	2,391 MT of basic seed produced
Crops Research and development	450 MT of fertilizer samples analyzed	567 MT of fertilizer samples analyzed
	15 High yielding and stress tolerant varieties to farmers	39 high yielding and stress tolerant varieties to farmers
	43,000 Hectares of seed field certified to Comply with seed certification	90,663.3 Hectares of seed field certified to Comply with seed certification
	120,000 clean Germplasm materials to farmers availed	125,424 clean Germplasm materials to farmers availed
Enhancing Large scale crop production: <i>Priority initiatives</i>	60,000 additional acres under crop production	The targets were not achieved due to inadequate funding. Requisition for certified seeds was made but no procurement was done.
	20,000 additional acres under irrigation	

	Produce 48.3 Million 90Kg bags of maize)	Quantity of Annual maize produced was 44.6 million 90 kg bags less than the targeted amount due to poor short rains season, coupled with outbreak of Fall Army Worms (FAW) and Maize Lethal Necrosis Disease (MLND) in the maize growing regions.
	Produce 136,976 MT of rice annually (MT)	Rice produced was 128,597 MT
Revitalization of industrial crops	Quantity of cotton, pyrethrum, Tea and coffee produced	3 technologies in the areas of cotton seed cake, cotton seed oil and hand looming were developed; 30 acres of land was put under certified cotton seed at Mwea GK Prison, KALRO Kibos and Pekerra and is expected to produce 18 MT of certified cotton seed
Agricultural Mechanization	¹ No. of tractors and equipment availed to farmers (Disaggregated by sex of household head	15 grain dryers operationalized in the counties; Introduced an e-platform tractor hire service in partnership with Hello tractor service and AgriTech; Developed a Private Sector led mechanization strategy with agricultural machinery dealers and service providers in order to increase access of machinery services to farmers through establishment of Huduma Machinery Centres
Drive small scale holder productivity and agro-processing	Establish Agriculture engineering technology development and testing centres at Bungoma, Mtwapa and Bukura Establish Incubation centres at Katumani, Ruiru, Bukura and Siaya	Agriculture engineering technology development and testing at Bungoma and Mtwapa Agricultural Technology Development Centre's (ATDCs) improved; The same is ongoing at Bukura and is currently at 50 percent complete; Incubation centres for value addition at ATDC were established at Katumani, Ruiru, Bukura and Siaya agro-processing.

¹ Clear target was not available

Post-harvest losses of maize reduction Avail incentives for post-harvest technologies to reduce post-harvest losses from 20% to 15% e.g. waive duty on cereal drying equipment, hematic bags, grain cocoons/silos, fishing and aquaculture equipment and feed.	20% change in post-harvest losses of maize	16 percentage change in post-harvest losses of maize was achieved
Disease Free Zones Development	% level of Completion of DFZ	Disease free Zones established (Bachuma, Miritini and Kurawa) which is 60% complete
Meat production	90,060 Tropical Livestock Units (TLU) under insurance and subsidy	90,060 TLUs insured
	5 tsetse belts suppressed for agricultural production	5 tsetse belts suppressed
	1,100 rabbits supplied to farmers	425 rabbits supplied
	Percentage of vaccination coverage	5,350,249 sheep and goats were vaccinated in eight counties namely: Garissa, Samburu, Isiolo, Wajir, Marsabit, Turkana, Mandera and Tana-River counties 257,190 doses of rabies vaccine were used in two counties 767,801 animals were vaccinated against RVF; and 535,123 heads of cattle were vaccinated against FMD.
	Completion and equipping of BSL3 Laboratory (60 %)	90 percent completion rate which refers to civil works and not inclusive of equipment
	Livestock identification and traceability in five (5) counties	One (1) county (Laikipia) covered
Honey production	5 new bulking sites established	Five (5) pilot bulking sites were established in Naivasha (KALRO), Marimanti, Kimose, Macalder and Matuga and eight sentinel bee colonies were established.
State Department for Livestock		
Livestock policy Development	3livestock policies reviewed and developed	3 policies reviewed and developed namely: Veterinary Policy, National Livestock Policy, Veterinary Laboratory Policy completed in 2018/19. Draft Livestock Insurance Policy

	6 bills and regulations reviewed and developed	Target met. Draft Dairy Industry Regulations, Livestock Bill, Veterinary Public Health Bill, Animal Health Bill, Kenya Food and Draft Authority Bill, and Livestock Identification and Traceability System (LITS) regulations, are due for county level stakeholder consultations
Market access for livestock (by KMC)	710 MT of meat and meat products produced	394 MT of meat and meat products produced. The decline in the MT produced was due to lack of targeted raw materials to process meat and meat products caused by the Commission financial constraints and accumulated livestock suppliers pending bills.
	190 MT of hides and skins produced	68 MT of hides and skins produced. The decline in the MT produced was due to lack of targeted raw materials to process meat and meat products caused by the Commission financial constraints and accumulated livestock suppliers pending bills.
	143MT of corned beef produced	18 MT of corned beef produced. The decline in the MT produced was due to lack of targeted raw materials to process meat and meat products caused by the Commission financial constraints and accumulated livestock suppliers pending bills.
Commercialization of dairy value chain	1096 dairy commercialization groups capacitated to commercialize	1096 dairy commercialization groups capacitated to commercialize
	29 milk bulking and marketing infrastructure procured and installed	42 milk bulking and marketing infrastructure procured and installed (cumulatively, 30 coolers, 20 milk dispensers installed, 20 pasteurizers delivered).
Livelihood resilience of pastoral and agro-pastoral communities in drought prone areas (RPLRP)	8 boreholes drilled	3 boreholes drilled (2 boreholes in Baringo and 1 in Isiolo) Five are on-going in each of the following counties: Samburu, West Pokot, Marsabit, Narok, Turkana
	17 water pumps scooped	9 water pumps scooped
	12 livestock markets rehabilitated	7 livestock markets rehabilitated

Livestock products value addition and marketing	6 hay sheds constructed	4 hay sheds constructed
	1000 Ha under pasture and fodder	200 Ha under pasture and fodder
	160 coolers procured	193 coolers procured
	350 coolers installed and operational	148 coolers installed and operational
Purchase of bull calves	100,000 tropical livestock units insured of either camel, cattle, sheep/goat	90,000 tropical livestock units insured of either camel, cattle, sheep/goat
	12 bull calves purchased	9 bull calves purchased
Tsetse and trypanosomiasis eradication	1,100,000 straws of semen produced and distributed	699,778 straws of semen produced and distributed. The under achievement was due to lack of storage capacity caused by delay of delivery of storage tanks
	5 tsetse belts under tsetse and trypanosomiasis control and sustained	5 tsetse belts under tsetse and trypanosomiasis control and sustained
Livestock management Health	60 Ha of improved pasture planted	200 Ha of improved pasture planted. This was due to more interest from farmers and support from Baringo and Samburu counties
	3 Hay stores constructed	3 hay stores constructed
State Department for Fisheries		
High quality fish feeds formulated	3 high quality fish feeds formulated.	3 high quality fish feeds formulated
	1 Fish feeds standards developed	1 Fish feeds standards developed
	2 new species introduced in fish farming	2 new species introduced in fish farming
	1 new community group engaged in sea weed farming	1 new community group engaged in sea weed farming.
Ecosystem Friendly Technology	2 ecosystem friendly technologies introduced	2 ecosystem friendly technologies introduced
Fish ports and infrastructure	Fishing ports infrastructure at Liwatoni and Shimoni -10% complete.	Target achieved
	Fish markets in Malindi and Mombasa - 10% complete	Target achieved
	Fish landing sites in Ngomeni, Kibuyuni, Gazi and Vanga, and Kichwa cha Kati -10% complete	Target achieved
Fisheries Research and development	1 High quality tilapia and catfish seeds produced to support aquaculture	1 High quality tilapia and catfish seeds produced to support aquaculture development

	development	
	3 High quality fish feeds formulated and transferred to the Industry	3 High quality fish feeds formulated and transferred to the Industry
	2 New species in fish farming introduced	2 New species in fish farming introduced
Enablers for food and nutrition security pillar		
State Department for Lands and physical Planning		
Land Policy and Planning	350,000 title deeds registered and issued	417,767 title deeds registered
	5 land legislations developed	3 land legislations developed and 2 legislations were suspended
Land Information Management	18 land registries digitized	Out of a target 18 land registries, 7 were digitized. The variance was due to a court case on e-conveyancing
	4 land registries constructed	3 land registries constructed
Land Settlement	6,000 landless households settled	8,361 landless households settled
Land administration and Management services	3,500 grants and leases executed	0 grants and leases executed due to delayed approval of guidelines on leasing
	650 leases renewed and extended	886 leases renewed and extended
	2000 titles and transfer of land documents processed	2,150 titles and transfer of land documents processed.
State Department for Water and Irrigation		
Access to water for small scale irrigation, domestic use and livestock (SIVAP)	48 Ha area of existing irrigation schemes rehabilitated	48 Ha area of existing irrigation schemes rehabilitated
	30% complete of additional area (992 ha) with improved/rehabilitated irrigation and drainage services	25% complete of additional area (992 ha) with improved/rehabilitated irrigation and drainage services
	90% complete of additional area (1599ha) with new irrigation and drainage services	83% complete of additional area (1599ha) with new irrigation and drainage services
State Department for Cooperatives		
Cooperative Coffee sector revitalization program in 31 counties	1 coffee cooperative revitalization strategy prepared	2 coffee cooperative revitalization strategy prepared
	31 coffee cooperative factories rehabilitated	Data gathering tools to identify rehabilitation needs on digitization and factory infrastructure improvement developed

	Audit and data collection on coffee cooperatives in 3 counties conducted	Audit and data collection on coffee cooperatives conducted in Kirinyaga, Nyeri and Meru as pilots
Cotton cooperatives ginneries and cotton value addition in handloom weaving modernized	2 cooperatives adopting cotton handloom weaving	2 cooperatives adopting cotton handloom
Ministry of Defence		
Agro processing (KDF food Processing company)		111,000 tonnes of dehydrated vegetables worth Kshs. 68 million were produced in the plant Over 30,000 farmers benefited through direct and indirect employment



Mwea rice farmers bank on new hybrid grain to boost yields

2.3 Universal Health Coverage

Universal health coverage is an integral part of the country's efforts to attain the desired status of health as elaborated in Kenya Health policy 2014-2030. UHC seeks to ensure that all Kenyans receive quality, promotive, preventive, curative and rehabilitative health services without suffering financial hardships. During the review period, the pillar recorded some slow progress during the first year of implementation. However, the Ministry of Health successfully signed 4 county cooperation MoUs with Kisumu, Isiolo Nyeri and Machakos Counties. This was part of a joint pilot implementation of the UHC. This was aimed at easing access to health services to any government facility. The progress towards attaining UHC was also expected to lead to achieving SDG 3.

The achievement of Universal Health Coverage (UHC) during the period focused on implementing programmes that increase health insurance coverage, increase access to quality healthcare services and offer financial protection to citizens when accessing healthcare



Kenyatta University Teaching, Referral and Research Hospital

To achieve the aspirations of the UHC programme, the ministry of Health focused on

- 100% cost subsidy of the Essential Health Package
- 18% increase in the number of health facilities in 14 counties
- 54% reduction in HH expenditure on health as a percentage of income
- 56% increase in the number of health workers



Roll out of Universal Health Coverage in Kisumu

A summary of the achievements in the pillar for FY 2018/19 is presented in Table 2.3

Table 2.3: Universal Health Coverage Achievements for the 2018/19 FY

Project/Programme (Priority Initiative)	2018/19 Targets (MTPIII)	Achievements
Pilot Implementation of the UHC in Isiolo, Kisumu, Nyeri and Machakos	3,456,419 registered under UHC	2,849,222 Kenyans registered for the UHC in the participating counties
Managed Equipment Services	120 public hospitals with specialized equipment	Cumulatively 120 facilities have been equipped across the country
	100% of the installed machines functional	100% of the installed machine functional
Forensic and Diagnostic services (NBTS)	200,000 blood units secured	155,000 blood units secured this was due to inadequate funding for the project.
	75% of whole blood units collected converted into components	60% collected and converted into components due to lack of equipment and funds

Healthcare financing	Increased health Sector Funding	Through increased sensitization and awareness creation of the funds products, membership increased from 7.6 million in 2017/18 to 8.45 million in 2018/19
		The Government expenditure on health as a share of the total government expenditure remains low at 7.2% against the Abuja target of 15%. Out of pocket expenditure is quite high at 27%.
Health Infrastructure	Commissioning Kenyatta University Referral, Research and Teaching Hospital and Othaya Level 5 hospital	Kenyatta University Referral, Research and Teaching Hospital and Othaya Level 5 hospital were completed and commissioned during the review period.
Health Sector equalization fund project	Increased Health Sector Funding	A total of 84 equalization fund projects in Mandera, Wajir, Marsabit, Turkana, West Pokot, Narok, Kwale, Garissa, Kilifi, Taita Taveta, Isiolo and Lamu counties are ongoing. The projects range from construction, upgrading and equipping of health facilities as well as putting up of medical training colleges.
		Out of the 84 projects, 82 have been awarded and handed over sites to contractors. Table 2.4 shows the project overall completion by county
Health Insurance Subsidy Programme (HISP)	42,000 elderly persons insured with NHIF	Health insurance coverage improved from 17% in 2013 to 19% in 2018(KHHUES 2013, 2018).
	300,000 indigents accessing healthcare through HISP	A total of Kshs. 112,940,990 was paid for the beneficiaries in the FY 2018/19 benefiting 42,000 people of which 39,349 were elderly persons
		181,315 accessed healthcare since only the premiums were renewed
Linda Mama (The Free Maternity Services) Programme	1,230,000 mothers of children under 1 benefiting from Linda Mama Programme	A total of 405,019,250 was utilised in the FY 2018/19 up from 333,078,319 in FY 2017/18
		The number of deliveries increased from 321,113 in 2017/18 to 681,028 deliveries in 2018/19
Health standards and regulations	100% of health facilities meeting defined minimum standards	NHIF received cumulative premiums for the program amounting to KES 2,000,000,000 in the financial year 2018/19. Down from 2,961,525,853 in 2017/18.
		100% of health facilities met defined minimum standards due to Rapid Results Initiative (RRI) by MOH

Health Training	10,428 health professionals graduating from KMTC	10,868 professionals graduated from KMTC due to increase in training institutions
	12,000 recruited in KMTC	12,964 admitted into KMTC due to expansion in campuses with support from county governments
Ministry of Defence		
Preventive and Curative Health	Establish programmes that provide curative and preventive health services to the military community and to the civilian populations	In collaboration with MoH and international partners, the sector established programmes that provide curative and preventive health services to the military community and to the civilian populations
Medical rehabilitation centre at Langata Barracks	Establish a medical rehabilitation centre at Langata Barracks for personnel with special medical needs	KDF set up a medical rehabilitation centre at Langata Barracks for personnel with special medical needs. The centre will be commissioned in mid-2020. It will also serve as a regional trauma centre for both regional security agents as well as Kenya populace once a draft MOU between MOH and MOD is signed.

Summary of the projects in the 12 counties is presented in Table 2.4. Projects that are ready for takeover/commissioning are about 31 while the rest of the projects are at various levels of completion.

Table 2.4: Project Overall completion by county

S/No	County	Number of Projects Initiated	On -going projects	Projects under Contracting
1	Lamu	16	14	2
2	Turkana	2	2	0
3	West Pokot	6	5	1
4	Isiolo	4	4	0
5	Kilifi	11	11	0
6	Marsabit	6	6	0
7	Narok	15	9	6
8	Taita Taveta	5	5	0
9	Garissa (KMTC)	1	1	0
10	Kwale	1	1	0
11	Wajir	16	16	0
12	Mandera (KMTC)	1	1	0
	Total	84	75	9

Source: Health SWG Report

Social Protection in Health

Under commitment to achieve the UHC by 2022, phase 1 implementation (UHC pilot) in four counties were launched in December 2018 for a one-year period. A total of Kshs 3.97 billion was invested in the four pilot counties of Machakos, Isiolo, Kisumu and Nyeri. In the following components

- **Public Health Services:** to support County Health Management Team (CHMT) supervision that includes sub-Counties, Public health inspection and disease surveillance. A total of Kshs.16,765,957 was equally allocated to the four pilot counties.
- **Community Health Services:** comprised of 30 percent for Community Health Volunteer kits through KEMSA and the remainder was for community formation, capacity building, community dialogue and action days. A total of Kshs.382,807,196 was allocated to the four pilot counties according to the County's population.
- **Health Systems Strengthening:** A total of Kshs.478,776,311 was allocated to the four pilot counties according to a weighted criterion. Of this total, 30 percent was set aside for provision of basic medical equipment in health facilities through KEMSA while 70 percent was set aside for other health system components such as employment of staff.
- **Basic and specialized Services:** in this component 70 percent of the allocation went to KEMSA for health commodities for level 2-3 facilities while 30 percent went to the Counties for operations and maintenance of level 4 and 5 facilities. A total of Kshs.2,291,816,694 was allocated to the four pilot counties based on a weighted criterion.
- **Specialized Services:** for the referrals from the lower level facilities to level 6 facilities namely Kenyatta National Hospital and Moi Teaching and Referral Hospital, a total of Kshs.500,000,000 was disbursed for this purpose.

Other achievements under the UHC programme included:

- **KNH and UHC:** The hospital was allocated kshs.350 million in June 2019 towards facilitation of implementation of the Universal Health Coverage. The hospital attended to 2,072 patients from the pilot counties of Machakos, Kisumu, Nyeri and Isiolo. A total of 312 patients had direct referrals while the rest were self-referred. These included the patients who were seen on 5 outreach clinics conducted in these counties. The patients were largely referred for specialized services including oncology, intensive care and surgeries. The distribution of the referrals were Machakos (215), Nyeri (70), Isiolo (17), Kisumu (10).
- **KMTC and UHC:** In support of UHC, KMTC trained 176 community Health Extension Workers (CHEWs) and 201 Community Health Assistants (CHA).

- **Moi Teaching and Referral Hospital (MTRH) and UHC:** As part of the Hospital's contribution towards increasing access to health services, the Hospital in partnership with National Hospital Insurance Fund (NHIF) sensitized a total of 32,500 Individuals and enrolled 6,161 Individuals in 2018/19FY;

TRH dispatched a team of seven (7) Multidisciplinary Healthcare Workers (Consultants and Specialist Nurses) to Jaramogi Oginga Odinga Teaching and Referral Hospital (JOOTRH) to undertake Mentorship and Coaching to the County Health Staff. This was done in January 2019 for a period of 2 weeks.

Through the MTRH's Telemedicine and Tele pathology Centre, Tumor Board Meetings and Diagnosis are done virtually every Mondays and Wednesdays with Specialists from JOOTRH.

Nine (9) Oncology Outreaches were carried out in Kisumu County where; Six (6) Outreaches for review of patients and chemotherapy administration. A total of 228 patients received care and Three (3) Medical Camps were conducted and 766 patients received specialized healthcare services. Those requiring critical care were referred to MTRH.

MTRH will annually conduct fifty (50) Multidisciplinary Outreaches in the 22 Counties in Western Region of Kenya (including Kisumu County) and One (1) Outreach in a hard-to reach County in Kenya

- **NHIF and UHC:** Under the UHC pilot program, all residents in the pilot counties were eligible for registration and NHIF was assigned the role of registration and issuance of cards. A total of 2,849,222 residents were registered out of the projected population of 3,456,419 representing 82% of the total population (see Table 2.5 for detailed breakdown).

Table 2.5: Total Population registered per Pilot County

County	Total Population per county	Population Registered per county	% of the population registered
Kisumu	1,145,747	930,307	81%
Nyeri	829,843	695,408	84%
Machakos	1,289,200	1,066,108	83%
Isiolo	191,627	157,399	82%

Total	3,456,419	2,849,222	82%
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2.4 Affordable Housing

The Government has identified provision of 500,000 affordable and decent housing units as one of the “Big Four” initiatives. The affordable and decent housing initiative seeks to fulfil Article 43(1) (b) of the Constitution. In addition, affordable housing initiative fulfils SDG 11 that seeks to make cities and human settlement inclusive, safe, resilient and sustainable.



Motoko Affordable Housing Project (453 houses, 87 market stalls, 13 shops and 12Jua Kali sheds with social amenities such as nursery and primary school and multi-purpose social centre)



Mavoko Affordable Housing Project (453 houses, 87 market stalls, 13 shops and 12 jua Kali sheds with social amenities such as nursery and primary school and multi-purpose social centre)

During the period under review the following housing units were completed: 228 affordable housing units, 462 social housing units, 1,230 National Police and Kenya Prison Services units, 250 units in Kisumu and 496 mortgages disbursed to civil servants. There were also some notable achievements such as:

- Registration of over 270,000 Kenyans on the Boma Yangu platform where nearly 15,000 members have contributed over Kshs. 100 million voluntarily as deposits for purchase of homes under AHP
- Identification of over 120 potential project sites across the country with about 12,300 acres for development of AHP projects
- Launch of flagship projects, of which the first at park road, Ngara, has provided an initial 228 completed housing units in a record six months from inception.

The Affordable Housing Program (AHP) will provide qualitative guidance on provision of adequate and decent homes as well as devising innovative ways of mobilizing funds for development of low cost housing and associated social and physical infrastructure.

Table 2.6 summarizes achievements in the pillar during 2018/19 FY.

Table 2.6: Affordable Housing Achievements for the 2018/19 FY

Project/Programme (Priority Initiative)	2018/19 Targets (MTPIII)	Achievements
State Department for Housing and Urban Development		
Housing Development	228 affordable housing units completed	228 affordable housing units completed
	7,587 social housing units constructed	462 social housing units constructed. The target was missed largely due to inadequacy of budget allocation and lack of private sector investment.
	732 National Police and Prisons Services housing units constructed	180 National Police and Prisons Services housing units constructed. Slow pace by the contractor led to under performance (1,230 of 2,582 units completed)
	250 civil servants housing completed	250 civil servants housing completed
	200 Civil Servants benefiting from Mortgage	124 Civil Servants benefiting from Mortgage
	5 ABMT centers constructed and equipped	5 ABMT centers constructed and equipped
	28.7 KMs. of access roads constructed	28.7 KMs. of access roads constructed
	20 KMs. of sewer line constructed	20 KMs. of sewer line constructed
	1488 Households connected sewer	1488 households connected sewer
	21 KMs. of water pipe line constructed	21 KMs. of water pipe line constructed
	2000 households connected to water	2000 households connected to water
	2400 Government housing units refurbished	70 Government housing units refurbished Due to inadequate funds
Provision of Affordable and Social Housing Programme <i>Priority 2018 Initiatives</i>	80,000 affordable housing units	1,332 affordable housing units completed. (Other 11,390 units on-going (estimated at 25% completion).)
	Upgrade 18 slum areas	10 slum areas were upgraded
	5 urban spatial plans	2 urban spatial plans were completed. (Kenya Urban Support Program

		(KUSP) assisting 59 municipalities to develop their spatial plans.)
Enablers of the housing pillar		
State Department for Infrastructure		
Roads and bridges	1,645 Km of new roads constructed	2,014 Km of new roads and bridges constructed
	20 bridges constructed	15 bridges constructed
Maintenance of Roads and Bridges	334 Km of roads maintained	337 Km of roads maintained
	40,693 km of roads routinely maintained	40,749 km of roads routinely maintained
Urban and Metropolitan development		
Metropolitan Development	4 Counties with established Physical address systems	Physical address systems established in Kiambu, Thika and Machakos towns. Physical address systems for Nairobi City is at 98% completion level
	30 km of bitumen road constructed	30 km of bitumen road constructed
	1 firefighting station rehabilitated	1 firefighting station rehabilitated
	42 km Juja Thika trunk sewer line and waste water treatment plant installed and completed	42 km Juja Thika trunk sewer line and waste water treatment plant installed and completed
	13.6 km storm water drainage in Nairobi, Kiambu, Machakos and Kajiado counties 100% complete	13.6 km storm water drainage in Nairobi, Kiambu, Machakos and Kajiado counties 100% complete
	Korogocho and Kilifi Slum Upgrading programme (KSUP) 100% complete	Korogocho and Kilifi Slum Upgrading programme (KSUP) 100% complete
State Department for Public Works		
Coastline infrastructure development	14% of jetty constructed/rehabilitated	The project is ongoing New Mokowe -15% out of target of 25% Mtangawanda- 17% out of 10% Manda-10% out of 10% Lamu Terminal -5% out of 10%
	200 Meters of sea wall constructed	54 Meters of sea wall constructed: Ndau seawall - remained at 87% completion level due to poor performance of the contractor. Default notices issued to the said contractor

	41 foot bridges constructed	28 foot bridges constructed: Other footbridges are ongoing at advanced levels of completion
Building standards	3000 Buildings inspected and audited	4683 Buildings inspected and audited
	70 buildings tested for safety and quality assurance	50 buildings tested for safety and quality assurance
	20 unsafe buildings demolished	5200 unsafe buildings demolished
Regulation and development of the construction industry	6000 Contractors registered	7502 Contractors registered
	70000 Skilled construction workers and site supervisors accredited	37614 Skilled construction workers and site supervisors accredited (Target not achieved due to challenges experienced during transition from the manual accreditation to online accreditation)
	5000 Project registered	3282 project registered Target not achieved due to challenges experienced during transition from the manual to online registration
	30000 project site inspections	38422 Project site inspections
	8000 Contractors trained/sensitized	9807 Contractors trained/sensitized
Ministry of Defence		
Construction of Institutional housing	Establish 10,000 housing units for married quarters	Established 10,000 housing units for married quarters
	Establish 35,000 units for single quarters	Established 35,000 units for single quarters
Mortgage scheme	Establish Mortgage scheme for MOD personnel	Mortgage scheme established
Alternative building technologies	Provision of alternative building technologies to save time, reduce cost, enhance quality and development of emergency housing solutions	Collaborative research was done to identify all locally produced building materials and technologies in the Coastal Region of Kenya. Six (6) reports have been developed outlining all building materials identified, their sources cost and usage
State Department for Transport		
Marine Transport	LAPSSET Corridor Master Plan 40% complete	LAPSSET Corridor Master Plan 20% complete
	Second Container Terminal Phase II 35% complete	Second Container Terminal Phase II 26% complete

	First three berths in Lamu Port 65% complete	First three berths in Lamu Port 68% complete
	conversion of Berths 11 -14 into container berths 24% complete	Feasibility studies and design works undertaken. Funding appraisal done awaiting funding agreement.
	Rehabilitation works of Kisumu port and other Lake Victoria ports 100% complete	Rehabilitation works of Kisumu port and other Lake Victoria ports 85% complete
Rail transport	33 Km of standard gauge railway constructed in phase 2 A(Nairobi to Naivasha)	46 Km of standard gauge railway constructed in phase 2 A(Nairobi to Naivasha)
	1.5 million tonnes of freight transported	4.6 million tonnes of freight transported
State Department for cooperatives		
Housing cooperatives strengthened to participate in provision of 500,000 low cost housing units	3,000 housing units constructed	2,388 housing units constructed



Ngara Affordable Housing Project

However, there are a number of **commitments** that have been made under the various Big Four. Some of the commitments of FDI that have been made in the Big 4 areas include:

- USD 232 million agreement between the US Overseas Private Investment Corporation (OPIC) and Kipeto Wind Energy Company to finance the construction and operation of a 1000MW grid-connected wind power plant south of Nairobi
- USD 5 million letter of commitment by the US Overseas Private Investment Corporation (OPIC) to finance the expansion of the distribution network of Twiga Foods, a company that connects farmers and food manufacturers to fair and trusted markets.
- Partnership between Government of Kenya and the United Nations Office for Project Services (UNOPS) to deliver 100,000 affordable housing units. In December 2019, the H.E the President launched the construction of the initial 8,888 units located in Lukenya, Machakos County.
- Kshs. 3.9 billion investment signed during the 2020 UK-Africa Summit to develop 10,000 affordable and energy efficient housing units.

Section 3: Lessons Learnt, Challenges and Recommendations

This section presents the major implementation challenges experienced during the period under review and lessons learnt.

3.1 Lessons Learnt

3.1.1 Manufacturing

- i. Most of the projects in the sector are mega in nature and certain conditions necessary for such projects are fulfilled before implementation starts. These include land acquisition, compensation, stakeholder management, and other private sector development partners' requirements, among others;
- ii. Most of the sector projects are capital intensive and with constrained resource allocation, exploration of the Public-Private Partnerships (PPPs) framework to implement such projects will afford them sustainability.

3.1.2 Universal Health Coverage

With the focus of full roll out of universal Health Coverage (UHC) to all 47 Counties, the sector has learnt the following from the 4 pilot counties:

- i. Development of Health Benefit package for universal health Coverage;
- ii. Development of an intergovernmental Participatory Agreement (IPA) frameworks to guide on the roles of the National and County governments;
- iii. Establishing of two advisory panels to provide expert advice on the needed reforms in key aspects of UHC; and
- iv. Need for Health financing/NHIF reform - to facilitate strategic purchasing for UHC.

3.1.3 Affordable housing

- i. Implementation of cross-cutting projects in counties such as storm water drainage, solid waste management, disaster management, sewerage facilities among others are very critical in urban development; and
- ii. Continued concentration of private sector housing delivery in the high end housing market has resulted in deficit in the supply of low cost housing.

3.1.4 Food security and nutrition

- i. Enhance collaboration and partnerships with all partners and across all levels of government in order to establish sharing of resources and information. 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;
- ii. Fast track the development and review of the legal and policy frameworks to provide for an enabling environment for agricultural projects implementation; and
- iii. Weak monitoring and evaluation hampers effective and efficient utilization of

resources for timely achievement of the desired results; data and information sharing.

3.2 Challenges

3.2.1 Manufacturing

Among the implementation challenges faced by the sector include:

- i. difficulties accessing adequate, affordable and accessible land for establishment of industrial parks, owing to improper land use patterns and illegal occupation of land earmarked for industrialization, leading to delayed launch of projects e.g. Numerical Machining Complex in Athi River;
- ii. freezing of employment by government has contributed to inadequate human resource in technical areas within the sector;
- iii. high cost of energy, hence high production costs, hampering growth of industries and high product prices;
- iv. limited access to affordable credit facilities constraining growth of businesses;
- v. influx of sub-Standard, counterfeits and contraband goods;
- vi. unfavorable climatic conditions, resulting into reduced water and electricity supply for industries;
- vii. Poor infrastructure facilities;
- viii. inadequate supply of locally available raw materials to industries; and
- ix. slow uptake of new industrial technology and low funding to the sector.

3.2.2 Universal Health Coverage

Health sector continued to encounter several challenges in delivering its mandate. Implementation of Universal Health Care (UHC) Programme still encounters myriad challenges. These issues have imminently delayed the roll out of the programme in all the 47 counties during the current financial year. These challenges include:

- i. inadequate funding insurance coverage for all persons above the age of seventy years (70+) was not started due to lack of funds in FY 2018/19. Financing from development partners continued to decline over the period, compounding the challenge of increased counterpart financing requirements, since the country become a low-middle income economy; and
- ii. dilapidated infrastructure and poor ICT connectivity.

3.2.3 Affordable housing

- i. There is lack of attractive incentives to spur private sector in development of low cost housing and there is also high land compensation and resettlement costs;
- ii. Unabated urban sprawl occurring ahead of planning has made development of critical infrastructure more expensive;
- iii. High cost of housing financing and land for infrastructure development is another major challenge.

3.2.4 Food security and nutrition

The main challenges that affected this sector included:

- i. Climate change phenomenon has a direct effect on agricultural production. There are increased and deliberate efforts by the state department to sensitize farmers and develop technologies that address climate change effects through projects such as climate-smart agriculture
- ii. There is also a weak linkage between the National Government and the Counties in terms of project implementation.
- iii. Limited funding for implementation of agricultural programmes that address the key priorities in the Big Four agenda and other projects outlined in the Agricultural Sector Transformation and Growth Strategy.
- iv. Delays/non-disbursement of exchequer for agricultural activities especially in counterpart funding delays for donor-funded projects has led to none implementation of some projects.
- v. Delays in uploading of budgeted development funds in the IFMIS and occasional access failure of IFMIS system hindering timely transactions.
- vi. Occasional litigations on tender awards.

3.3 Recommendations

- i. There is need to increase government funding and resource mobilization to accomplish planned activities;
- ii. The Public Private Partnership (PPP) Act 2013 needs to be fast-tracked and reviewed, including a strengthened resource mobilization strategy;
- iii. Strengthen collaboration among National and County Governments and with key stakeholders and development partners;
- iv. Identify adequate and affordable land for establishment of industrial parks and Constituency Industrial Development Centres (CIDCs);
- v. Strengthen the cross-sector linkages since outputs from some sectors are inputs in manufacturing e.g. Energy sector needs to enhance affordable and reliable sources of energy;
- vi. Roll out an Essential Benefits package and institute necessary reforms in NHIF to become Social Health Insurance provider;
- vii. Develop a Donor Transition plan to ensure service continuity as domestic Financing of these key essential services are transitioned;
- viii. Fast-track the adoption and implementation of the health care financing strategy (HCF) and UHC Roadmap; elaborate in more detail how some of the targets can be reached;