



KEY HIGHLIGHTS OF THIRD MEDIUM TERM PLAN (MTP III) 2018 – 2022

THEME: TRANSFORMING LIVES: ADVANCING SOCIO-ECONOMIC DEVELOPMENT THROUGH THE “BIG FOUR”

PRESENTATION BY

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Outline of the Presentation

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Kenya Vision 2030

- Kenya Vision 2030 is the country's long term development blueprint.
- Vision 2030 aims to transform Kenya into a newly industrializing, globally competitive, and prosperous **upper middle income country** with a high quality of life for all citizens by 2030.
- The Vision 2030 is anchored on three Pillars:
 - ✓ Economic Pillar
 - ✓ Social Pillar
 - ✓ Political Pillar
- The three Pillars are supported by the Foundations/enablers



Medium Term Plans of Vision 2030

The Vision is implemented in 5-year successive Medium Term Plans.

1. The First Medium Term Plan covered the period 2008-2012
2. The Second Medium Term Plan covered the period 2013-2017
3. The Third Medium Term Plan (MTP III) was launched on 23rd November 2018 and will guide the country's development agenda between 2018 and 2022.



MTP III Overview and the “Big Four” Initiatives

- ❑ The Third Medium Term Plan (MTP III) outlines the main policies, legal and institutional reforms as well as programmes and projects that the Government plans to implement during the period 2018-2022.
 - ❑ It builds on the achievements of the first and second MTPs.
 - ❑ It mainstreamed programmes and projects aimed at achieving the Sustainable Development Goals (SDGs) and Africa’s Agenda 2063
- ❑ It prioritizes implementation of the “Big Four” initiatives.
 - ✓ Increasing the **manufacturing** share of GDP from 9.2% to 15 % and agro-processing to at least 50 % of total agricultural output;
 - ✓ Providing **affordable housing** by building 500,000 affordable houses in five years across the country;
 - ✓ Enhancing **Food and Nutrition Security** (FNS) through construction of large-scale multi-purpose and smaller dams for irrigation projects, construction of food storage facilities and implementation of high impact nutritional interventions and other FNS initiatives; and
 - ✓ Achieving 100% **universal health coverage**.





Economic Growth and Macro Targets

- ❑ The MTP III targets to:
 - ✓ Increase real GDP annual growth from 5.9 % in FY 2018/19 to 7% over the plan period;
 - ✓ GDP grew from 4.9% in 2017 to 6.3% in 2018
 - ✓ Increase Savings as a percentage of GDP: from 18.8% to 23.2 %;
 - ✓ Increase Investments as a percentage of GDP: from 24.4 % to 27.2 %; and
 - ✓ Increase the ratio of formal sector employment from 13% to 40% in 2022.
- ❑ These together with implementation of “Big Four” Agenda are meant to support higher economic growth and development, and create over 6.5 million new jobs over the Plan Period





Foundations and Enablers of National Transformation.../1

☐ Infrastructure

- ✓ Expansion and rehabilitation of Terminal 1-B,C and D at Jomo Kenyatta International Airport (JKIA) to increase passenger handling capacity to 9 million passengers
- ✓ Construction of Second Runway and associated facilities at JKIA;
- ✓ Expansion of the Second Container Terminal Phase II & III at the port of Mombasa;
- ✓ Development of the Dongo Kundu free trade port;
- ✓ Operationalization of 3 berths and the development of additional 11-14 berths of the remaining 29 berths at Lamu port.
 - ✓ First Berth is complete and 2nd and 3rd berth will be complete by 2020
- ✓ Construction of the Standard Gauge Railway (SGR) Phase 2 (Nairobi-Malaba) to increase railway capacity from 5 % to 50 % of the cargo freight from the port of Mombasa and promote commuter rail services.
 - ✓ Laying of track line for Phase 2A from Nairobi to Naivasha is 90% complete
- ✓ Construction/rehabilitation of 10,000 kms of conventional roads & low volume seal roads.
- ✓ Increasing electricity generation capacity from 2,699 MW in FY 2017/18 to 5,221 MW in FY 2021/22
 - ✓ 310MW Lake Turkana Wind Power project was inaugurated in June 2019
- ✓ Connecting 5 million new households and 15,739 public institutions to electricity through the Last Mile Connectivity Programme





Foundations and Enablers of National Transformation.../2

❑ ICT

- ✓ Expansion of the national optic fibre infrastructure and **enhancement of e-Government services e.g. HUDUMA Number.**

❑ Science, Technology and Innovations

- ✓ Implementation of the Science, Technology, Engineering and Mathematics (STEM) Education Programme.
- ✓ Establishment of national science technology and innovation parks in Konza Technopolis & Dedan Kimathi University of Technology.

❑ Land Reforms

- ✓ Implementation of the **National Spatial Plan** and mainstreaming into County Spatial Plans and Sector Plans.
- ✓ Implementation of the **National Land Management Information System** to ensure effective and efficient access to land data.
- ✓ Digitization of the remaining 39 land registries.
- ✓ Finalize the **National Land Value Index**





Foundations and Enablers of National Transformation.../3

Public Sector Reforms

- ✓ Expansion of the **One-Stop Huduma Centers** across 290 Sub Counties.
- ✓ Implementation of the **National Capacity Building Framework** to entrench devolution in order to safeguard the delivery of quality services to citizens.

Labour and Employment

- ✓ Development of the Labour Market Information System (LMIS) to enable data sharing between stakeholders in the labour market.
- ✓ Upgrade and expand existing industrial training centres.
- ✓ Implement the National Internship Program aimed at facilitating placement of graduates in internships of up to 12 months.
- ✓ Implement Kenya Youth Entrepreneurship Opportunities Programme to support job creation with MSEs





Foundations and Enablers of National Transformation.../4

☐ Security and Peace Building

- ✓ Security Modernization.
- ✓ Security Staff Welfare Programme with emphasis on housing and medical care.
- ✓ Expansion of surveillance systems.
- ✓ Improve data management through Integrated Population Registration System (IPRS).
- ✓ Strengthening of the border security units, security infrastructure, and programs on peace building and conflict resolution.



Economic Pillar.../1



❑ Agriculture and Livestock

- ✓ Irrigate 1.2 million acres and expand the area under crop production.
- ✓ Subsidize 200,000 MT of assorted fertilizer annually under the fertilizer cost reduction programme.
- ✓ Expand the Strategic Food Reserve Trust Fund to include additional food stuffs.
- ✓ Establish livestock disease free zones and strategic feed reserves built to improve availability of fodder in ASAL areas during drought through stocking one (1) million bales of hay and 100 MT of pasture seeds.





Economic Pillar.../2



□ Manufacturing

- ✓ Improve Kenya's ranking in the Ease of Doing Business Indicator from position 80 to at least 45 out of the 189 countries
 - ✓ Kenya improved its ranking to 61 in 2018 from 80 in 2017
 - ✓ Based on 10 sub-indices (starting business, construction permits, getting electricity, registering property, paying taxes, getting credit, protecting investors among others)
- ✓ Improve Kenya's Global Competiveness index from position 91 to 85 out of 137 countries.
- ✓ 3,850 new manufacturing enterprises created through industrial financing and other incentives.
- ✓ Increase Export earnings from textiles and apparel production from Ksh.80 billion in 2017 to Ksh.200 billion by 2022.
- ✓ Establish Special Economic Zones at Dongo Kundu, Athi River & Naivasha





Economic Pillar.../3



❑ Tourism

- ✓ Tourism arrivals to increase from 1.3 million in 2016 to 2.5 million by 2022.
 - ✓ In 2018, the country registered 2.02 million arrivals
- ✓ Tourism earnings to increase from Kshs.99.7 billion to Ksh.175 billion
 - ✓ In 2018, earnings was Kshs.157 billion
- ✓ Bed-nights by domestic tourist to increase from 3.5 million to 6.5 million.
 - ✓ In 2018 bed-nights by resident was 4.5 million

❑ Trade

- ✓ Whole sale hubs and Tier 1 retail markets will be constructed to facilitate trade. In addition, a National Commodities Exchange and Export Credit Guarantee Scheme will be established and operationalized.

❑ BPO/ITES

- ✓ The Konza Technopolis City will be established as a smart sustainable city and innovation ecosystem.
- ✓ One (1) million on-line jobs will be created under the Ajira Programme.

❑ Financial Services

- ✓ The Nairobi International Financial Centre will be established and made fully operational as a major regional Hub.
- ✓ Establishment of a Financial Services Authority.



Economic Pillar.../4



❑ Oil, Gas and Other Minerals

- ✓ Implementation of the Early Oil Pilot Scheme
 - ✓ Exported 200,000 barrels of crude oil worth Kshs. 1.2 billion in August 2019
- ✓ Construction of 840km Lokichar-Lamu crude oil pipeline and commercialization of the oil and gas discoveries.
- ✓ Enhancing storage capacity of petroleum products from 989,000 m³ to 1,222,000 m³.
- ✓ Development of 20,000MT bulk LPG import handling facility at Mombasa
- ✓ Carrying out aerial geophysical surveys to establish areas of mineralization.
- ✓ Establishment of Internationally Accredited Mineral Certification Laboratory.

❑ Blue Economy

- ✓ Establishment of a national fishing fleet and fishing ports.
- ✓ Fish production to increase from 128,649 metric tonnes in 2016 to 304,000 metric tonnes annually.
- ✓ Jobs to be created under the Vijana Baharia Programme - ship building and repairs industry





Social Pillar.../1



Universal Health Coverage

- ✓ Expansion of social health protection schemes to cover harmonized benefit package to targeted populations and ensure that 51.6 million Kenyans have access to NHIF by 2022.
- ✓ Implementation of Linda Mama Project to cover 1.36 million mothers and babies
- ✓ Establishment of 10 new referral hospitals and 4 Cancer Centres.
- ✓ Expansion of Managed Equipment Services to 120 hospitals by 2022.

Housing and Urbanization

- ✓ Deliver 500,000 low cost affordable housing units.
- ✓ Establishment of a National Housing Development Fund to finance low cost housing and associated social and physical infrastructure.
- ✓ Development of urban mass transport infrastructure and solid waste management infrastructure in cities and urban centres.
- ✓ Development a National Housing Database





Social Pillar.../2

❑ Education and Training

- ✓ Achievement of 100 % Universal Secondary Education
- ✓ Improving the teacher-pupil ratio from 1:45 to 1:30 in both primary and post primary institutions;
- ✓ Implementation of Competence Based Curriculum (CBC)
- ✓ Development of TVET infrastructure and equipment;
- ✓ Increasing access to education and training for learners with Special Need and Disability
- ✓ Expanding the Digital Literacy Programme in order to Integrate ICT into teaching, learning and training.

❑ Sports, Culture and the Arts

- ✓ Construct six (6) national stadia and rehabilitate 30 county stadia to international standards.
- ✓ Expansion of Kenya Film School to promote indigenous creativity.
- ✓ Establishment of County Heritage Centres and Community Cultural Centres in all counties.
- ✓ Establishment of a Presidential Library & new 27 County Libraries





Social Pillar.../3

❑ Environment, Water, Sanitation and Regional Development

- ✓ Rehabilitation and protection of the five (5) water towers .
- ✓ Increase country's Tree Cover from 6.9 % to 10%
- ✓ Completion of on-going water projects in urban and rural areas to increase the number of people connected to safe piped water from 3.6 million to 9 million.
- ✓ Proportion of people with access to potable water to increase from 60 % to 80 % by 2022, focusing on slums and arid areas.
- ✓ Increasing the Land under irrigation by 518,000 acres
- ✓ Undertake Land reclamation and rehabilitation of 60,000Ha prone to land slides, floods & heavy soil loss





Social Pillar.../4



□ Gender, Youth and Vulnerable Groups

- ✓ Women Enterprise Fund loan disbursement to increase from a cumulative Ksh10.4 billion to Ksh.25.7 billion targeting 2,157,653 beneficiaries by 2022.
- ✓ *Inua Jamii* programme for the elderly to be scaled up from 810,000 to 1,800,000 beneficiaries
- ✓ Youth Enterprise Development Fund to disburse 20.7 billion and cover 454,000 youths by 2022
- ✓ Uwezo Fund scaled up by Ksh.2.5 billion to cover additional 500,000 beneficiaries by 2022
- ✓ Implementation of the National Development Fund for Persons With Disability and cash transfer to support orphan children
- ✓ Increase the coverage of Free Sanity Towels to all public schools
- ✓ Number of women trained on entrepreneurship skills to increase from 956,493 to 1,632,806.





Political Pillar

❑ Devolution

- ✓ Continue strengthening policy, legal and institutional frameworks.

❑ Governance and Rule of Law

- ✓ Implementing mechanisms for whistle blower protection, streamlining asset tracking and recovery of corruptly acquired assets.
- ✓ Providing legal aid to 200,000 vulnerable members of society.





3 Thematic Areas.....



❑ HIV and AIDS

- ✓ Response to HIV and AIDS will be sustained towards fast tracking the ending of AIDS.
- ✓ Manufacture of HIV related commodities locally to reduce their cost
- ✓ Inclusion of HIV services in the NHIF Supa Cover
- ✓ Increase of ART coverage to 90%

❑ Climate Change

- ✓ Promotion of a low carbon climate resilient and green growth development.
- ✓ Strengthening climate change governance and coordination.
- ✓ Climate change monitoring, reporting and verification, capacity building and public awareness
- ✓ Implementation of Green Economy Strategy and the National Climate Change Action Plan.

❑ Disaster Risk Management (DRM)

- ✓ Implementing an integrated Disaster Risk Management System focussing on preventing or reducing the risk of disasters, mitigating the severity of disasters, enhancing preparedness, rapid and effective response to disasters and post-disaster recovery.





Implementation Framework



- The Executive Order No. 1 of 2019 on the **Framework for Coordination and Implementation of National Government Development Programmes and Projects** sets out the framework for tracking implementation of priority programmes and projects especially the “Big Four” initiatives.
- **Public Investment Management (PIM) Unit** has been established at the National Treasury and Planning. It has developed a framework for public investment management that accounting units in national and county governments shall adhere to before projects are selected for budgeting and implementation.
- The National Treasury and Planning will strengthen the National Integrated Monitoring and Evaluation Systems (NIMES) and County Integrated Monitoring and Evaluation Systems (CIMES).
- Presidential Delivery Unit and Vision 2030 Secretariat will track implementation of Kenya vision 2030 Flagship projects and the “Big Four” programmes.
- Preparation of **regular progress reports on the implementation of “Big Four” initiatives and the MTP III and its 28 Sector Plans.**
- Ministries, Departments and Agencies (MDAs) ; and counties have aligned their Strategic Plans to development plans (MTP III and the National Spatial Plan).
- Development plans have been linked to Results-Based Management Framework through Performance Contracts and Staff Performance Appraisal System.
- Strengthen existing structures for coordination with development partners to achieve higher absorption of Official Development Assistance (ODA) for results.





...ASANTENI SANA...

