PROGRESS REPORT
As of 1st February 2013
The Kenya Vision 2030 is the national long-term development blueprint that aims to transform Kenya into a newly industrializing, middle-income country providing a high quality of life to all its citizens by 2030 in a clean and secure environment whilst making the country globally competitive.

The Vision comprises of three key pillars: Economic; Social; and Political. The Economic Pillar aims to achieve an average economic growth rate of 10 per cent per annum and sustaining the same until 2030. The Social Pillar seeks to engender just, cohesive and equitable social development in a clean and secure environment, while the Political Pillar aims to realize an issue-based, people-centred, result-oriented and accountable democratic system.

The three pillars are anchored on the foundations of macroeconomic stability; infrastructural development; Science, Technology and Innovation (STI); Land Reforms; Human Resources Development; Security and Public Sector Reforms.

Progress has been made in the achievement of projects outlined in the development blueprint through concerted efforts by the implementing Agencies, comprising of all Ministries and other Government Departments.

The following chapters detail the progress made and the outlined plans for the next 5 years, running to 2017.
ECONOMIC PILLAR
Tourism

**Areas of Progress**

- The Health Spa at Hells Gate is now complete. This tourism product is being undertaken by The KenGen Company to utilize the hot springs and geothermal resources within Hell’s Gate National park.
- A 5000 capacity Mombasa Convention Centre (MCC) is being constructed by the Kenya Tourism Development Corporation (KTDC) at the Mombasa Haller Park. The feasibility study has been done by the International Finance Corporation (IFC) on the MCC and is being evaluated.
- Kenya Wildlife service has encouraged tourists to tour underutilized parks. The underutilized parks have also been branded and themes developed for each.
- Kenya Wildlife Service reviewed conservation fees in January 2012 for the Premium parks (L. Nakuru and Amboseli) to USD 80 up from USD 60 in low season and USD 75 in high season for international visitors.
- The newly refurbished Naishi guest house at Nakuru Premium Park has been opened.
- Under the niche products development the Chyulu Hills Leviathan Cave development phase one is complete.
- Launch of UdoBandas completed and renovations done in Oribi House in Ruma National Park. The Via Ferrata climbing trail on Mt. Kenya. Technical rock climbing area improved with the help of donors. The Narumoru route can now be used by more people of differing abilities.
- The County Council of Isiolo has donated the land for the Isiolo Resort City and is in the process of finalizing the documentation.
- Land identified for the Turkana Resort City at Elliye Springs. Land has also been identified for the Lamu Resort City.
Areas of Progress

• The Kenya Vision 2030 identifies ‘Consolidated Agricultural Reform’ as one of the key flagship projects for the period 2008–2012.

• Agricultural efficiency is at the core of the three agriculture acts published in January 2013. These acts are: The Agriculture, Fish and Food Authority act, 2012; The Crops Development act 2012; and the Agricultural and livestock Research act, 2012.

• On the fertilizer cost reduction initiative, the Government has been procuring and distributing fertilizer at a subsidized rate to farmers across the country in order to stabilize fertilizer prices.

• The feasibility study on local fertilizer manufacturing has been analyzed and the process of engaging a strategic private investor is on-going though an international expression of interest. The technical evaluations are at an advanced stage.

• The establishment of disease free zones in Arid and Semi-Arid, the Designs for 13 offices and laboratories in the coastal region are ready and contracting is on-going. This programme will cover all the six counties in the region: Lamu, Taita Taveta, Tana River, Kilifi, Kwale and Mombasa.

• For the Arid and Semi- Arid Lands (ASALs), irrigation projects have been undertaken to support small scale farmers in Turkana and the Tana delta.

• Feasibility studies and detailed designs for the expansion of the 10,000 ha Turkana Irrigation Project have been completed and the ground breaking ceremony presided over by the Prime Minister in August, 2012.

• In the Tana Delta 4,654 ha expanded for irrigation i.e. Bura-3238 ha in 2012 from 809 ha in 2008; Hola-1416 ha in 2012 from 0 ha in 2008.

• On national development, expansion and rehabilitation of irrigation infrastructure, Area under irrigation increased from 119,200 ha in 2008 to 153,800 ha in 2012.
Areas of Progress

- The Mombasa SEZ is being implemented simultaneously with the Dongo Kundu Free Transshipment Port (Mombasa).
- The Dongo Kundu Free Transshipment Port (Mombasa) will cover 3000 acres.
- 2,000 square kms of land in the Greater Mombasa area and 700 square kms of land in Lamu have been identified for the SEZs.
- The SEZ Bill and Policy already approved by the cabinet and the bill has gone through the first reading in parliament. The 50 acre Tier One market land in Athi River and the 20 acre Wholesale Hub land in Maragua have been fenced and preliminary designs done by the Ministry of Public Works.
Areas of Progress

- The Vision Delivery Secretariat has endorsed, a new private sector driven flagship project; the Latex Manufacturing plant.
- The National Industrialization Policy and Bill 2012 have been approved by cabinet.
- The Jomo Kenyatta University of Agriculture and Technology have donated 32 acres of land for the development of the Nairobi Industrial and Technology Park in Juja.
- A 20 acre piece of land has also been identified and secured in TaitaTaveta for the SME Park.
- Project proposals for these parks have been developed and approved and the master plans for Eldoret, Juja and Taita Taveta is on course.
- On training of engineers and technicians,
  1 Plans for Approval and financing of the upgrading of twelve (3 Universities, 3 National Polytechnics, 3 National Training Institutes and 3 Youth Polytechnics) training institutions into centres of excellence in engineering training at Khs. 12.0 Billion is on course.
  2 Review of terms and conditions of service of the engineering profession and the introduction of non-practicing allowance for engineers teaching in public training institutions is on course.
- On Transformation of KIRDI, KIRDI has started building regional offices all over the country beginning with Kisumu and Eldoret and increasing the number of researchers from 115 to 170.
- A Memorandum of Understanding has been signed to develop a Mini & Integrated Iron and Steel Mills in Kenya as a collaborative effort between the Numerical Machining Complex and POSCO, a private South Korean Steel company and the third largest steel maker in the world.
Areas of Progress

- The Konza Technology City master plan has been developed and approved.
- The Technocity is planned on a 5,000 acre land and fencing is complete.
- The Ground breaking ceremony for the Konza Technology City was presided on by His Excellency the President Hon. Mwai Kibaki on the 23rd January 2013.
- Nine boreholes have been earmarked for drilling out of which four boreholes drilled and supplying water to the city.
- A multipurpose dam has been designed for supply of water to the city and the neighboring communities.
- A 10 km buffer zone has been created around the city.
- The legal notice on the establishment of the Konza Technopolis Development Authority (KOTDA) has already been gazetted and the board appointed.
Areas of Progress

- The NSE Growth Enterprise Market Segment (GEMS) was launched on the 22nd January 2013. This market segment will cater for the public listing of Small and Medium Enterprises.
- A Concept Note on the Nairobi International Financial Services Centre has been developed and reviewed.
- The NIFC steering committee has been appointed and gazetted.
- Real Estates Investment Trusts (REITS) have been gazetted.
- With reference to the deepening of the capital markets, bond trading has been automated and maturity lengthened to 30 years.
- The Capital Markets Master Plan Steering Committee has been inaugurated to develop the Kenya’s securities markets for the next ten years.
SOCIAL PILLAR
Education and Training

Areas of Progress

- The new education policy framework and related legislation is in place. This includes eight (8) Acts of Parliament and Sessional Papers on Education, TIVET and ST&I.
- 21,400 primary and 600 post primary teachers recruited against a target of 28,000 in the current MTP.
- 5 public secondary schools from each constituency targeted for comprehensive ICT infrastructure.
- Rehabilitated, expanded and equipped 37 boarding primary schools in 23 out of a total of 46 constituencies in ASALs.
- Rehabilitation of 560 schools during the current MTP has been achieved.
- Under the computer supply programme total of 1,021 secondary schools received computers against a target of 1,050 secondary schools in the current MTP.

Major Challenges

- Existence of regional inequalities in terms of access and quality.
- Increasing pupil teacher ratio.
**Environment, Water & Sanitation**

**Areas of Progress**

- A twenty (20) year National Forestry Plan aimed at increasing the current forest cover to 10% developed.
- 5,441 ha of industrial forest plantation and 415,393 ha of natural forest have been rehabilitated.
- The proportion of land under forest cover increased marginally from 3.47% to 3.82%.
- Digital map for all 22 forest blocks constituting the Mau Forest complex is complete.
- Catchment areas around the Lake Victoria Basin and the lakes catchment were rehabilitated.
- The establishment of a 9 kilometer wildlife corridor linking Mt. Kenya Forest Reserve and Lewa Wildlife Conservancy (LWC) to the North East of Mt. Kenya has been finalized and is now operational.
- Mapping of Kitengela Wildlife and pastoral zone is on-going.
- National action Plan on climate change is finalized.

**Major Challenges**

- Kenya’s vulnerability to climate change.
- Politicization of resettlements after evictions from catchment areas.
- Increasing incidences of wildlife poaching.
Areas of Progress

- The Sports Act 2013 is in place paving way the streamlining and management of sports. Key is establishment of the Kenya Academy of Sports, the Sports Tribunal and the Sports Fund.
- The National Youth Policy is developed. It spells out strategic areas that must be addressed in order for Kenya’s youth to play their role in nation building
- Piloting of a new curriculum is on-going in 47 youth polytechnics (YPs)
- 355 youth polytechnics have been equipped with basic and specialized tools
- Youth Enterprise Development Fund (YEDF) has increased from KShs 2.2 billion in 2009 to KShs 6.5 billion in 2012.
- YEDF Fund has expanded through leverage agreements between the Ministry of Youth and Sports and financial institutions

Major Challenges

- Acquisition of building sites for sports stadia
- Bureaucracies especially in acquisition of bills of quantities
- Low capacity in YPs
Areas of Progress

- Rehabilitation of health facilities: Cumulatively, 70 per cent are completed, 21 per cent are over half complete and all repairs are 93 per cent complete.
- De-linking the Ministry of Health from service delivery: A process of finalizing the Health Policy to get it enacted as envisaged in the Blue Print has began.
- Equitable health financing mechanism: the government rolled out a comprehensive medical scheme for Civil Servants and the Police through the National Hospital Insurance Fund. This scheme is expected to be extended to teachers and other groups.
- The health sector services Fund (HSSP) and Hospital Management Services Fund (HMSF) were established through legal notice to facilitate pooling of resources from GoK and Development partners through a sector wide approach (SWAP).

Major Challenges

- Increase in non communicable diseases
- Health sector financing is inadequate
- PPPs are yet to be realized
- Inequalities in access

Under the community health strategy 2530 community units are established. This is to empower households and communities to take charge of improving their own health.

Under the output based approach (OBA) phase I and II, a total of 154, 489 deliveries and increased numbers of anti-natal care visits were supported.

A comprehensive human resource strategy was developed and launched to address staff recruitment, deployment and training.

The Kenya Medical Supplies Authority Act is in place. This effectively establishes KEMSA as a state corporation.
Housing & Urbanization

Areas of Progress

- The draft Housing Bill, 2011 which seeks to facilitate the provision of decent and affordable housing to all Kenyans was completed.
- 991 civil servants housing units were completed in Nairobi while 222 units are under construction.
- National Housing Survey is ongoing. This will provide data for effective planning amongst stakeholders.
- 900 units in Kibera were completed under the Slum upgrading program.
- Eighty one (81) constituency Appropriate Building and Technologies (ABTs) centres have been established and operationalized.
- The Kenya Informal Settlements Improvement Project (KISIP) has commenced.
- Construction of markets in Nyeri and Kisumu and installation of high mast floodlighting structures has been completed.

Major Challenges

- High cost of building materials leading to low levels of investment in housing.
- Resistance by slum dwellers illegally occupying land meant for physical and social infrastructure development for relocation to new sites.
- High cost for land.
- Low levels of PPP engagement.
Areas of Progress

- National Gender and Equality Commission is established as an institution to ensure gender provisions in the Constitution are adhered to.
- Gender and disability mainstreaming are incorporated as targets in all MDAs annual Performance Contracts with standard intervention indicators.
- Over 200,000 poor vulnerable households are benefitting from cash transfer programmes and the Social Protection Policy is finalized.
- Disability fund has been set up to support persons with disabilities who have no source of income.
- The Social Assistance Act 2013 is in place to provide for establishment of an institutional framework to implement social assistance programmes.

Major challenges

- Vulnerable groups in the society continue to be faced by a vicious cycle of poverty due to stigmatization and limited education.
- Gender divisions in Line ministries and Parastatals are ineffective or non-functional due to lack of adequate capacity and resources.
**Labour & Employment**

**Areas of Progress**
- The national manpower survey is in progress. This will enable a skill inventory for Kenya.
- Draft productivity policy and National Productivity Bill 2012 have been developed.
- Strengthening of links between industry, education, training and research institution is steadily being realized through increasing recruitment of industry attachees. Industrial Training and Attachment Portal (ITAP) was developed and launched to provide a platform for placements.
- National Occupational Safety and Health Policy 2012 formulated and approved by cabinet.

**Major Challenges**
- Current provident fund (NSSF) is offering inadequate benefits which are unable to sustain post retirement life for Kenyans.
POLITICAL PILLAR
Areas of Progress

Constitution Implementation:
• Promulgation of the Constitution 2010 and its implementation.
• Good progress in achieving electoral and judiciary reforms.
• Constitutional offices have been set up. All Acts in relation to the Fifth Schedule of the Constitution are in place.
• Transition Authority in place and providing guidelines on devolution process.

Rule of law
• Provided specific amendments on police reform legislation (Police Service Commission Act, National Police Service Act, Independent Police Oversight Act and the Coroner’s bill).
• Facilitated effective investigation, prosecution and adjudication of corruption related cases.
• Integrated public complaint handling mechanism.
• Facilitated the formation and management of witness protection agency.

Electoral Processes
• Established a new National Voter Register (within a period of 40 days) which currently contains over 14.3 million registered voters;
• Successful infusion of technology in voter registration.

National Cohesion and Integration
• Facilitated operationalisation of laws, policies and practices that counter ethnic, race and religious tensions
• Coordinated peace and reconciliation activities through development and advocacy of relevant policies and reconciliation advocacy materials;
• Implemented the recommendations of the CIPEV (Waki Report).
• Established and operationalised the National Cohesion and Integration Commission;

TJRC Process
• TJRC process successfully completed.

Legal and Counseling
• Addressed legal issues affecting post election violence victims through providing legal counselling.
• Identified key issues for public interest litigation and developing IDP policy and bill.

Democracy and Public Participation
• Enhanced democracy and public participation through enactment of various Acts.
ENABLERS AND MACRO
AREAS OF PROGRESS

Infrastructure Sector

Roads
- Thika Highway completed and launched.
- Athi- Namanga road completed and launched.
- Email- Oloitokitok road completed.
- Isiolo- Merile road completed.
- Emali-Loitoktok and Mai Mahiu-Narok-Bomet roads complete.
- Eastern and Northern by passes in Nairobi completed.
- Construction of Turbi-Moyale Road commissioned.
- Construction of Kakamega-Webuye-Kitale road on going.
- Construction of Mau Summit-Kericho road ongoing.
- Rehabilitation of Njambini-Olkalou-Dundori-Nakuru road complete.

Airports/Airstrips
- New passenger terminal at Kisumu international airport completed and launched.
- Isiolo international airport runway completed and construction of terminal building commissioned.
- JKIA terminal 4 near completion.
- Rehabilitation of runway at Lodwar Airstrip complete.
- Phase I Embu Airstrip(widening and resurfacing of the existing runway and taxiway) complete.
- Phase I Nyeri Airstrip (reconstruction and extension of the runway to 1.3km and the construction of a taxiway, apron and fence) complete.

Rail
- Syokimau railway station completed and launched.
- The Makadara and Imara stations currently at 75% and 50% completion respectively.

Energy Sector
- Over 832,000 of the MTP target of 1 million new customers connected.
- 17,000 public institutions and shopping centres connected to the grid out of MTP target of 20,000.
- Olkaria II (35MW), Kiambere hydro (82MW) and Ngong wind (5MW) projects completed.
- Six (6) wells drilled in Menengai; 3 with a potential of 30Mw.
- Construction of Menengai 1000MW plant ongoing.
- Olkaria 4 280MW plant commissioned.
- Kipevu III 120MW thermal plant in Mombasa commissioned.

Public Sector Reforms
- Kenya School of Government established with 5 satellite campuses.

Land Reforms
- Rehabilitation of Kericho, Kwale, Nyeri, Kajiado, Garissa, Mandera, Koibatek, Kisumu, Kisii, Naivasha, Migori, Kiambu, Nakuru, Bomet and Ugenya land registries completed.
- Ministry’s processes and procedures reviewed and reengineered.
- National Spatial Plan ongoing.

Police Reforms
- National police service established.
- Inspector General appointed.

ICT Sector
- TEAMS, EASSY, SEACOM and LION have already landed.
- Most of the 47 counties are already connected with terrestrial fibre optic infrastructure under the National Optic Fibre Backbone Infrastructure (NOFBI) programme.

Challenges
- Funding.
- Lack of quality standards in roads.
- Bureaucratic procurement procedures.
- Land for various flagship projects.
Challenges that need to be overcome:

- Funding
- Human Capacity/Bureaucracy
- Judicial system.
- Land for various flagship
- Legislation, pace of legislative reforms e.g. procurement law
- Negative value system
SECOND MEDIUM TERM PLAN (MTP2)
MTP2: Moving Vision 2030 to the Second Phase of Implementation

The five year implementation plan gives the Country an opportunity to reflect on the gains, challenges and opportunities’ of the national development plan.

The first Medium Term Plan (2008-2012) progress is expressed though the previous score card. The process of developing the second medium term plan is underway by the lead agency, the Ministry of Planning and National Development and Vision 2030. This is being undertaken through the following sector working groups:

MEDIUM TERM PLAN SECTOR WORKING GROUPS
2. Agriculture Sector Working Group.
5. ICT and BPO Sector Working Group.
11. Labour Sector Working Group
   Cross Cutting Issues/Sectors.

The Second Medium Term Plans Flagship Project focuses on the following broad thematic areas:
• Creation of Employment.
• Food Security.
• Physical Security.
• Value Systems through the National Values for Kenya.
• Climate Change.

New Sectors will also be included within the pillars, specifically within the Economic Pillar a seventh sector on oil, gas and mineral resources will be included.

The discovery oil and gas in Kenya, holds tremendous opportunity for Kenya and will definitely become a driver of economic growth and social development. It will also spur job creation and infrastructure development. To this end, the Kenya Vision 2030 Delivery Secretariat (VDS) undertaking its mandate of providing strategic leadership for Vision 2030 and has resolved to start off the process of making Kenya an Oil, Gas and Minerals manufacturing and trading hub.

The new MTP2 economic pillar flagship projects are:
• The cradle of mankind.
• Fisheries industry.
• Natural products industry.
• The expansion of the sme parks to a total of 47 sme parks in order to cover the 47 counties.
• The single revenue collector.
• Capital markets master planning.

An overview of cross cutting issues under examination is as follows:
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<th>Energy</th>
<th>Infrastructure</th>
<th>Training of engineers, technologists and technicians</th>
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<td><strong>Challenge</strong>: Envisioned Rapid industrialization and adoption of manufacturing.</td>
<td><strong>Challenge</strong>: High cost of infrastructure leading to high cost of doing business and reducing level of competitiveness of the country.</td>
<td><strong>Challenge</strong>: Low capacity to utilize knowledge, information in design, production, manufacturing and marketing.</td>
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**Proposals**
- Conduct an energy mapping survey to generate information on energy requirements for the manufacturing sector to facilitate planning for energy requirements for the country.
- Increase to 30% peak energy surplus out of the mapping in (i) above within the 2nd MTP period.
- Enhance availability of energy to manufacturing enterprises to 100%.
- Reduce power connection period to manufacturing sector to 30 days.

**Proposals**
- Focus on National Electronic Single window system and Railway infrastructure.

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<th>The Science, Technology and Innovation (ST&amp;I)</th>
<th>Security Sector</th>
<th>Lands Sector</th>
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<td><strong>Challenge</strong>: Lack of knowledge transfer and commercialization of inventions.</td>
<td><strong>Challenge</strong>: Increasing level of insecurity.</td>
<td><strong>Challenge</strong>: Lack of national land mapping.</td>
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**Proposal**: Knowledge transfer program should institutionalize internships and industrial attachments, effective linkages with institutions of higher learning to pilot ST&I needs to be indicated.

**Proposal**: All sectors the identified security and risk areas. In particular the hot spots in terms of energy and roads installations. Physical security, ethnic clashes- volatile regions Institutionalization of the legal frameworks such as the Police reforms.

**Proposal**: Pursuing the completion of the land spatial plans so as to enable the estimation of service provision requirements. Key alignments are needed for road networks, tourist circuits, manufacturing plants and parks.
## Social Pillar

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<th>Education Sector</th>
<th>Health Sector</th>
<th>Environment</th>
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<td><strong>Challenge</strong>: Increased levels of enrollment and need for a more modernized approach to learning.</td>
<td><strong>Challenge</strong>: Low infrastructural development and inadequate equipment.</td>
<td><strong>Challenge</strong>: Low levels of environmental management.</td>
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**Proposals Education**  
**School Health and Nutrition**: Inter-sectoral partnerships established between health, education, the community and the children. Health and Water & Sanitation Sectors to provide school based health services.

**Provision of school infrastructure**: Energy Sector to ensure all schools infrastructure have energy networks sources installed. The Energy Sector will need to factor provision for the number of schools needed against the number of children projected to be in school.

**Curriculum review and reform**: All sectors that undertake training need to undertake indicate their demands to Kenya Institute of Curriculum Development (KICD) for any planned curriculum review. For example the youth sector (NYS) and TVET institutions.

**ICT Requirements**  
Collaboration with ICT Sector to ensure all learning institutions (e.g. primary, secondary schools, public tertiary institutions, Youth Polytechnics, etc) have access to electricity and are provided with ICT infrastructure connected to the world wide web.

**Proposals**  
*One of the flagships proposed is the construction, upgrade and equipping of about 100 hospitals countrywide to the standard of level 4 hospitals. There is need for the health sector to review the health facility infrastructure to address emerging considerations including distance of health facilities and population density.*

**Proposals**  
Creation of a national Foundation, and clear linkages with other global institutions, that will develop a road map for a Green Economy and build on emerging initiatives. improve water resources management (including increased water retention and storage), and mainstream climate change.
OTHER CROSS-CUTTING AREAS

1. Economic

*Enhancement Of Local Content In Government Projects*

Government projects world over are meant to catalyze economic activities through growth of local industries and creation of employment to their citizens. However, borne out of experience from the 1st MTP, Government sponsored flagship projects fell short of this expectations. The following measures are proposed to enhance local content in all Government sponsored projects so that the threshold for local content during this 2nd MTP period should be seventy per cent (70%):

i. Develop and provide guidelines on the thresholds for local content for projects and programmes undertaken by public entities. The local content in this context will include employment and inputs that are locally available.

ii. Develop guidelines for government sponsored projects undertaken by international companies to ensure sustainable technology transfer and skills enhancement for the local people.

iii. Propose amendments to the Public Procurement and Disposal Act and relevant regulations to support the implementation of (i) and (ii) above.

*One Stop Shop*

Registration of businesses (incorporation/business name) is still centralized in major urban towns. Efforts to develop a ‘One-stop-shop’ for business licensing, registration and taxation by the Kenya Investment Authority should be finalized urgently.

*Development/Economic Diplomacy*

There is need to have the country establish strong development and economic Independent Commissions to build Kenya’s brand globally.

2. Enablers and Macro

*Devolved system of government*

The sectors are expected to outline the devolved structure and functions. This will enable clarity of relationships between counties and between county and national government.

*Employment creation*

The youth and labour sectors need to engage in a cross-cutting role to measure employment creation against each proposed flagship project. A process to ensure this measure needs to be coordinated by the MTP Secretariat.

*Public Private Partnership (PPP) frame work*

The Bill has since been passed by parliament and therefore law. Owing to experience in MTP1, each sector has continuously face challenges of funding and engaging partnerships to complete their proposed projects. This is a critical aspect that each sector needs to articulate to ensure realistic goals within this MTP.

*EAC protocol*

The social and economic sectors are exposed to the regional integration issues and therefore need to consider the related processes to their sectors. These include flow of goods, people and services, harmonization of the rules of origin, labor laws, trade tariffs, shared resources e.g. Lake Victoria, where applicable.