



VISION 2030 FLAGSHIP PROJECTS

PROGRESS REPORT

NOVEMBER 2014

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INTRODUCTION

The Kenya Vision 2030 is the national development blueprint that aims to transform Kenya into a newly industrializing, globally competitive and middle-income country providing a high quality of life to all its citizens by 2030 in a clean and secure environment. The Vision was officially launched in July 2008.

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 Resource Development; Security, Public Sector Reforms and a National Value System.

The implementation of Vision 2030 is a progressive process with goals and milestones that will be achieved over time. It is implemented in successive 5-year cycles called Medium Term Plans (MTPs). The first MTP was implemented between 2008 and 2012 and the second MTP for the period 2013-2017 themed “*Transforming Kenya: Pathway to Devolution, Social-Economic Development, Equity and National Unity*”, was launched by H.E. Uhuru Kenyatta.

1.0 IMPLEMENTATION STATUS

Vision 2030 Delivery Secretariat (VDS) receives quarterly reports from implementing Ministries, Departments and Agencies (MDAs). The following is a detailed report of some of the projects under each pillar.

ENABLERS & MACRO

1.1 INFRASTRUCTURE

Deploying World Class Infrastructure Facilities and Services

The realization of the objectives and targets of the Second MTP and Vision 2030 hinges on successful implementation of the enablers and foundations. These include: infrastructure (roads, rail network, sea ports, airports and pipeline); Information Communication Technology (ICT); Science, Technology and Innovation (ST&I); Land Reforms; Security; Public Sector Reforms; National Values and Ethics; and Ending Drought Emergencies (EDE). The progress status in each of these areas is as follows;

1.1.1 ROAD

Major achievements in the Roads Sector (MTP I 2008-2012)

- The Nairobi-Thika Highway was completed and commissioned by H.E. the president on 9th November 2012.

Completed Projects under Northern Corridor Transport Improvement Project (NCTIP)

- Miritini to Maji ya Chumvi (35 km)
- Sultan Hamud to Machakos Turnoff (55km)
- Machakos Turnoff-Athi River-JKIA (59.5km)
- Maai Mahiu-Naivasha-Lanet (94km)
- Lanet-Nakuru-Njoro Turnoff (15km)
- Njoro Turnoff-Mau Summit-Timboroa (83km)

Ongoing Projects under NCTIP

- Timboroa-Eldoret (73km)
- Eldoret-Webuye (60km)
- Webuye-Malaba (62km)

Completed Road Projects under East African Road Network Project (EARNP)

- Upgrading of Athi River-Namanga Road (136km)
- Emali-Oloitokitok (100km)

Ongoing

- Construction of Voi-Mwatate (26km)

Roads 2000 Programme

This programme had very high success levels of up to 215% as 4,216km of roads were improved against a target of 1,960km. The programme coverage increased from 37 districts in 2007/2008 to 150 districts against a target of 109 districts.

Construction of Nairobi Missing Links

The construction of links No. 4 (Mpaka Road 0.7km, No. 9 (Milimani-Ralph Bunche-State House Road 0.7km), Waiyaki Way-Red Hill Road 5km and Nairobi Western Link roads 9kms was completed within the first medium term plan. This has greatly reduced traffic congestion on major roads such as Waiyaki Way and Ngong roads.

Other roads completed within the term include the expansion of JKIA-Uhuru Highway (22km), Limuru Road from Museum Hill Junction up to Gigiri (10km), Nairobi Northern by-pass (31km), Nairobi Eastern Bypass (40km), addition of extra lanes between JKIA and Nyayo Stadium (12km) and capacity improvements on Enterprise road.

Construction of new roads

- Construction of City Cabanas interchange (5 km) ongoing 95% complete.
- Construction of Nairobi Western Ring Roads (8.36 km) completed 100%.
- Construction of Eastern Missing Link roads (17.2 km) ongoing at 6.2%.
- Dualling of Upper Hill roads (5.5 km) ongoing at 48%.
- Dualling of Eastleigh Estate roads (3.5 km) ongoing at 79% completion.
- Dualling of Langata-KWS gate-Bomas of Kenya road (2.9 km) at 95% completion.

Construction of By-passes

- 24 lane km of Nairobi Southern By-pass (30km) have been constructed in 2013/2014 against a target of 30 lane km. Full scale production of A.C layer begun
- Mombasa Southern Bypass (Dongo Kundu bypass) road and Kipevu new container terminal link road - Package 2 (Mwache junction to Mteza) and package 3 (Mteza to Kibundani junction) have been completed. Package 1 (Muritini junction to Mwache junction and Kipevu link road and Mombasa Airport access road bids were received on 12th August 2014 and technical evaluation report is under review.
- Detailed designs are complete for the construction of the Meru (20.52 km) By-pass
- Detailed designs are complete for the construction of the Greater Eastern (79km) By-pass

Construction of other Roads

- JKIA- Likoni Road (210km) – preliminary design stage. A basic service plan for the BRT system has been received and improvements to the plan are currently ongoing upon acceptance final design stage will commence.
- Uhuru Highway overpass (Likoni road Junction – James Gichuru 170km) – preliminary design stage. The project will be co-funded by the Government of Kenya and the World Bank to the tune of Kshs.25.5 billion. Funding for the Meru and Kisumu By-passes has been secured from World Bank and the project is to commence in July 2014, to run simultaneously with the construction of A104.
- James Gichuru – Rironi (350km) – Preliminary design stage.
- Dualling of Ngong Road- All Saints Cathedral-Adams Arcade: Draft detail design has been submitted and presented by the Consultants and comments raised by KURA are being addressed. A grant amounting to Kshs2billion has been secured from JICA.
- Outer ring road has secured funds from AfDB to a tune of Ksh. 11 billion and start date had been scheduled for January 2014 to be completed in 2016.
- Lesseru-Kitale-Marich Pass: Final detailed engineering designs have been received.
- Marich Pass-Lodwar: Final engineering designs received.
- Lodwar-Nandapal: Final engineering designs submitted by the engineer.
- Eldoret-Juba Highway 980Kms: detailed designs on going
- Garissa-Mandera road: feasibility studies on going

- Merille-Marsabit–Turbi–Moyale road: works ongoing and target of 17km for 2013/2014 surpassed
- Kisumu – Kakamega – Webuye road: contractor on site
- Mau Summit- Kericho–Kisumu road: contractor on site 65%
- Voi – Mwatate- Taveta road: contractor on site.
- Mokowe –Garzen road: contractor on site.
- Timboroa–Eldoret –Malaba road: contractor on site.

10,000 KM Private Finance Initiative

Private contractors will build the roads using their own funds and then be paid in installments later. In the first phase covering 3,000 kilometers, Kenya Rural Roads Authority will manage 1,941 kilometers, while Kenya Highways Authority will handle 10 lots of construction and rehabilitation works totaling 703 kilometers. Kenya Urban Roads Authority will tackle a network of 364.48 kilometers.

1.1.2 Lamu Port South-Sudan-Ethiopia Transport (LAPSSET) Corridor

The project involves the development of a new transport corridor from the new port of Lamu through Garissa, Isiolo, Mararal, Lodwar and Lokichoggio to branch at Isiolo to Ethiopia and Southern Sudan. The project will comprise of a new road network, a railway line, oil refinery at Lamu, oil pipeline, Isiolo and Lamu Airports and a free port at Lamu (Manda Bay) in addition to resort cities at the coast and in Isiolo. It will be the backbone for opening up Northern Kenya and integrating it into the national economy.

The Lamu Port Southern-Sudan Ethiopia Transport Corridor Development Authority has been established and staff recruited to manage the implementation of the project on behalf of the government of Kenya. Southern Sudan has committed itself to support the implementation of the project beginning with the construction of a highway linking the two countries.

A Committee has been formed to facilitate the compensation and resettlement of Project Affected Persons and to sensitize communities along the LAPSSET corridor on the impact of the project on their livelihoods.

Construction of first 3 Berths

- Detailed designs for the first three berths and associated infrastructure are complete
- Contract was awarded to M/s China Communication Construction Company with a tender amount of Kshs.41billion. GoK has allocated Kshs.3.7billion in 2013/2014 financial year
- Construction of the 3 berths is expected to commence in June/July 2014 and take 3 years up to June 2018.
- The Public Private Partnership Secretariat is undertaking the process of awarding consultancy services for a report on PPP participation in airports development

LAPSSET Roads Progress Status

- Isiolo-Merile River (136km) – 100% complete
- Merile River-Marsabit (121km) – Construction ongoing at 12.51% progress
- Marsabit-Turbi (121.5km) – Construction ongoing at 53% progress
- Turbi-Moyale (127km) – Construction ongoing at 16.8% progress
- Lamu-Garissa road (526km) – Detailed engineering designs consultant has completed the inception report and is now undertaking the preliminary engineering designs.
- Garissa-Isiolo road (610km) – Detailed engineering designs consultant has completed the inception report and is now undertaking the preliminary engineering designs.
- Isiolo-Nginyang-Lokichar road (424 km) – The design financiers ADB gave a ‘No Objection’ to negotiate with bidder and negotiations have been completed and draft contract agreement agreed upon.

Standard Gauge Rail (SGR) Progress Status

An MoU was signed between Kenya and Ethiopia for the construction of 1500km standard gauge railway line

Pipeline Progress Status

- Inter-Governmental Agreement being negotiated between the 3 governments of South Sudan, Uganda and Kenya
- Expression of interest for the tender for the development of the pipeline was due to be announced in March 2014 but was pushed to April 2014
- Project is expected to take 2 years from the date of commencement of construction

Manda Lamu Airport Progress Status

- Construction of lengthening of Runway to 2.3km completed in March 2014
- Construction of parallel taxiway and apron planned to commence immediately
- Construction of control tower to commence in 2015
- Flight operations with larger aircraft (Embrear) to commence by July 2014

Isiolo Airport Progress Status

- Construction of runway completed
- Construction of terminal building on going and completion expected by December 2014
- Construction of control tower to commence in 2015

1.1.3 AIRPORTS

Expansion and modernization of Jomo Kenyatta International Airport (JKIA)

Terminal 1A building and multi story car park

Most of the work is now complete and a test run on the terminal was conducted on 4th July 2014. The new terminal covers an area spanning 178,000 square meters and will have 50 international and 10 domestic check-in points, 32 contact and 8 remote gates and an associated apron with 45 stands and linking taxiways. It will also have a railway terminal, a bus park and street lighting as well as other amenities.

Rehabilitation of Aircraft Pavement, Upgrading of Instrument Landing System and Runway Capacity

The ‘no objection’ to launch tenders was received on 19th April 2012. A stakeholders meeting was held on 4th May to agree on works program and the tendering process was commenced on 31st May 2012. Submission was done on 8th August 2012 after one week extension. Evaluation report submitted to AFD for No Objection to award. However, the commitment by AFD has been re-allocated to Terminal 4 Works and the Authority will now finance the project from own sources. Award was made on 4th December 2013 to Sinohydro Corporation Ltd to undertake the works, expected to last 30 months.

Owing to cash flow issues, the Tender Committee approved modification to the contract to allow for phasing of the project and negotiations have been held with the contractor to agree on phasing as follows:

- Phase 1: Runway rehabilitation and taxiway extension works including the installation of Cat 2 ILS
- Phase 2: Rehabilitation of aprons.
- Phase 3: Rehabilitation of taxiways and construction of rapid exit taxiways.

Remote Stands and Fuel Hydrant System

The tender for construction of passenger apron remote stands was awarded to M/s China National Aero Technology International Engineering Corporation (CATIC) on 28th September 2011 and the Contract signed on 14th November 2011. Orders to commence works were issued on 27th February 2012 and the works commenced in March 2012 and is expected to last 17 months. An extension was granted to enable completion of the works, resulting from the need to relocate existing services, additional earthworks and the rainy season.

The works were substantially completed on 26th March 2014 and the stands are in use for parking. The flushing of the fuel hydrant system took place in October 2014.

Green Field Terminal, Taxiway and Airfield Lighting

The tender for design/build of the Greenfield Passenger Terminal was awarded on 16th December 2011 to Anhui Construction Engineering Group Company Limited (ACEG) in joint venture with China Aero Technology International Engineering Corporation (CATIC). Acceptance for the works was received by the Authority on 19th December 2011.

Concerns were raised by stakeholders on the need to separate funding arrangements and the works at the tender stage. After consultations with various arms of Government the Cabinet in its meeting of 13th September 2012 instructed that the project should go ahead, the contract was signed on 14th September 2012. Finalizing of project financing is in progress between Ministry of Transport and Treasury. Presentations to stakeholders were carried out on 26th to 28th November 2012 to KAA management, Kenya Airways and other stakeholders, respectively, with

a view to agreeing on the appropriate designs for implementation. The contract for the construction of the 20 million passengers' project was finalized and the ground breaking was done on 3rd December 2013, by H.E the president Uhuru Kenyatta.

An application for financing has since been made to EXIM bank of China, awaiting finalization of negotiations and signing of the financing agreement. Construction is expected to take 36 months.

Negotiations with China Exim Bank and China Development Bank on funding for the Greenfield terminal is complete, though the Government advised that financing that will not require Government guarantee be sought. Detailed designs of the terminal are 30% complete while construction is 5% complete (mainly earthworks).

2nd Runway

The tender for design and tender documentation for the 2nd runway was awarded to M/s Yooshin Engineering Corporation. The designs are underway and the consultant presented the inception, preliminary and draft final design reports on 26th September 2012, 5th December 2012 and 28th February 2013 respectively.

On 3rd December 2013, the ground breaking for both the 2nd runway and the 20 million passenger terminal was done by H.E the President Uhuru Kenyatta. AFD has committed funds for detailed designs and the Authority has written to the Ministry of Transport and Infrastructure and the National Treasury for construction works financing.

Request for expression of interest for detailed design was advertised on 28th March, 2014. Six firms were shortlisted and given RFPs, whose evaluation is complete.

JKIA Restoration Projects

Open Gates 4, 5, 6-14 – Works involving ceiling replacement, floor tiling, electrical, data and associated mechanical works were completed and the gates are now operational.

Interim Terminal (Terminal 5)

Bids were received on 25th October 2013 and evaluations completed on 29th October 2013. The works are divided into two i.e. civil works and mounting the temporary terminal building. Civil works which relate to the Terminal building area are 100% complete. Building works were awarded to M/s Roder HTS Hocker GmbH on 29th November 2013 and the contract signed on 22nd January, 2014. The site was handed over to the contractor for the building works on 3rd April, 2014 and site mobilization and excavations of ground beams commenced immediately. The ground slab and below slab services are now complete. The project is approximately 57% complete comprising of the ground floor, foundation and underground services.

Kisumu Airport

- The upgrading of Kisumu Airport is underway - reconstruction and extension of runway from 30m to 45m and extension from 2km to 3.3km and the construction of a new passenger terminal of 5400sm was completed in September 2011. Official state opening was done in February 2012.
- The contract for expansion of Kisumu airport was awarded in quarter one 2011/2012. Commencement of work was however suspended pursuant to MOT's letter of 23rd June 2011 directing that advance money allocated not to be expended pending confirmation from Treasury on the exact funds availed for the project.
- The Authority issued orders for commencement of works on 16th January 2012, but this was revised to 8th March 2012 due to delays in settlement of down payment. The works were originally expected to be complete in June 2013, but an initial 4 month extension was granted, pushing completion to 25th October 2013. Another extension was granted pushing completion to 17th January 2014.
- Inspection of works revealed that the apron works were at 99% complete and taxiway works at 95% complete as reported by KAA in May 2014. Road markings of the aprons and parallel taxiway were expected to be completed by end of April 2014.
- Stage 1 of the project covers construction of a parallel taxiway, cargo apron, and extension of the car park, whereas stage 2 involves construction of runway shoulders and strengthening of the runway. All works for stage 1 was handed over on 30th June 2014

- MOTI has allowed for Ksh.650 million in the printed estimates for stage 2 of the works though the same has not been disbursed to KAA for the works to commence.

Rehabilitation of Airstrips

Nyeri: An award for installation of an elevated tank was made to M/s Africa Renaissance Ltd on 11th April, 2014 and the contract was signed on 5th June 2014. The works commenced on 23rd July, 2014 and were completed on 30th September, 2014.

Embu: An award for extension of the runway from 950m to 1,500m was made to Donwoods Limited and contract signed on 23rd October, 2013. Works are ongoing and overall progress is 85% complete.

Lodwar: An award for the construction of a terminal building at Lodwar airstrip was given to Doch Company Limited on 2nd October 2013 and contract signed by December 2013. The site was handed over on 19th December 2013. Construction of the terminal building commenced on 15th January 2014.

Works were temporarily stopped due to instability of soil on the proposed site hence changing structural design layouts from strip foundation to raft foundation causing some delays. Variations of works have already been approved and the works are 80% complete.

Isiolo: The terminal building and car park works are 50% complete. The tender for the roads and new aircraft pavements was advertised on 27th June 2014 following finalization of funding by the Ministry of Transport and Infrastructure. They have been awarded and the site handed over to the contractor.

Homa Bay: Works for new aircraft pavement is being undertaken by Glanack Investments Ltd and are 75% complete. The process of land acquisition is ongoing and is at 45% complete. Land valuation was conducted by the Government valuer and negotiations with land owners are complete and surveying and pegging on the parcels showing the extents of the land acquisition is complete. Fencing will be undertaken once the process of land acquisition is completed.

Suneka: Works involving construction of a mini VIP terminal, fencing road pavements and external works are to be undertaken at the airstrip. Evaluation of bids is ongoing.

Nanyuki: The contract for pavement works has been awarded and works are expected to commence in the first week of November 2014 once the program is agreed upon with the stakeholders.

1.1.4 Seaports

- The dredging of Mombasa Port to deepen and widen the harbour channel was completed in April 2012. This included the dredging of berths 16-18 to -12.2m up to the navigation channel.
- Vessels of draughts of up to 13.4m (at high water) have already called at the terminals.
- The construction of the second container terminal commenced in March 2012 and expected completion date is March 2016. Construction of Berth 19 was completed in March 2013 and commissioned on 28th August 2013, by President of the Republic of Uganda, Yoweri Museveni.
- The designs for Berths 20 and 21 are complete and the construction is ongoing.

1.1.5 RAIL

Nairobi Commuter Rail Services

- The Syokimau Railway Station was officially launched by H.E. the President on 13th November 2012 ahead of the 2013 scheduled date. The station is initially expected to serve over 2,000 passengers on its morning and evening trips to and from Nairobi using 10 coaches each with a sitting capacity of 60 and 114 standing. The station also has a car park for 500 vehicles. Construction of Makadara and Imara Daima stations are complete and were commissioned on 9th and 11th December 2013, by Hon. Raila and former President Moi respectively.
- KRC and Infracore are discussing options for implementation of stage two of the Nairobi Commuter Rail project. This will include technical definition and detailed market study.
- In so far as the development of decongestion of Nairobi, a feasibility study on the Nairobi Metropolitan Rapid Transit System (NMRTS) has been completed and the preparation of

the Terms of Reference for detailed designs is on-going. The study recommended a transit plan aimed at reducing traffic by integrating a number of transport systems to include a heavy rail transit, light rail transit bus and a bus rapid transit. The proposal is to develop nine key railway transport corridors linking the Nairobi Railway Station (NRS)-Ruiru-Thika, NRS-Juja Road-Kangundo, NRS-Jomo Kenyatta Airport-Athi River, NRS-Langata Road-Karen and NRS-Upper Hill-Ngong.

Detailed designs for some of the corridors are being funded by African Development Bank (ADB) and World Bank (WB). WB is funding JKIA through Mombasa Road to Railway station Corridor, Railway Station through Waiyaki Way to Kikuyu corridor and Juja Road corridor while ADB is funding detailed designs for Jogoo Road up to Kayole.

Standard Gauge Railway Line (SGR) between Mombasa and Malaba with a branch line to Kisumu: with a concurrent construction to Kampala.

This project aims to replace the meter gauge line which is dilapidated and over 100 years old. It involves the development of a modern high speed, high capacity standard gauge railway for passengers and freight within the Northern Corridor. This project is expected to transfer freight from roads to rail reducing road damage, provide safe and rapid intercity passenger transport.

Construction of the SGR will be done in phases. Construction of Phase I (Mombasa-Nairobi) section will begin in August 2014 and will be completed in 2016. Feasibility and preliminary designs are in progress for Phase 2 (Nairobi-Malaba). The Malaba-Kampala section is to be developed by the government of Uganda and is at feasibility and preliminary design stage. The ground breaking for SGR was done on 28th November 2013, in Changamwe Mombasa, by H.E the president Uhuru Kenyatta.

Kisumu and Mombasa Commuter Rail Services

Feasibility studies and preliminary designs are in progress for Mombasa and Kisumu Commuter rail services and were due for completion in March 2014.

1.1.6 ENERGY

The interconnected system in Kenya has a total effective capacity of 1,718MW as at December 2013 with suppressed peak power demand of 1,463MW recorded in October 2013. This comprises of 790MW hydro, 257MW geothermal, 613MW thermal, 5MW wind and 22MW Co-generation. The existing transmission network consists of 1331km of 220kV line and 2343km of 132kV line. National electrification is approximately 33%.

As we move towards realization of Vision 2030, it is expected that electricity demand will increase sharply due to numerous economic activities from the Counties, mining and processing of iron and steel from locally available iron ore, irrigation of large tracts of land for food security, electrification of designated rail lines, installation of escalators at shopping malls, airports and new economic zones.

The ministry of Energy and Petroleum, has committed to generate and distribute 5000 plus MW in the next 40 months. The Ministry has a target of generating 540MW in the 2013/2014 financial year. 61% of the 5,538MW is expected to be from renewable sources. This energy plan is expected to bring down the cost of power to below Kshs.10 from the current average cost of Kshs.18 per kilowatt hour for domestic households.

The generation projections for the 40 months plan incorporate the following geothermal projects:

- Olkaria wellhead (70MW) and Menengai 90MW to be completed by December 2014.
- Olkaria V (140MW) and Menengai (100MW) by December 2015.
- Menengai (50MW) and Suswa (50MW) by June 2015.
- Menengai (100MW), Baringo (200MW), Olkaria VI (140MW), and Suswa (100MW) by December 2016.

Olkaria IV geothermal power plant was launched in Naivasha on October 17th 2014 by the President H. E. Uhuru Kenyatta. Construction of 438 km high voltage line commenced in November, 2014 – part of the 300 MW Wind Power Station at Lake Turkana. Whereas the launch of 90MW at Menengai site will take place in December, 2014. Development of clusters towards scaling up energy access with 1,000,000 new connections commenced in October 2014

and is expected to end in January 2015. Geothermal Development company has drilled a well with a capacity to produce 30 MW of steam at the Menengai Geothermal Project in Nakuru.

Liquefied Natural Gas (LNG)

The following LNG projects are expected to be completed by June 2015

- 170,000m³ Floating Storage and Regasification Unit to be completed
- Dredging: approximately 300m at Dongo Kundu to be completed in June 2015
- 4 x200MW Power Plant at Dongo Kundu
- Conversion of 90MW Rabai power plant to LNG
- Re-engineering of 190 MW Kipevu I & III to LNG
- Re-engineering of 70MW Kipevu II to LNG

Coal Projects

The construction of coal dry cargo handling jetty is expected to be complete by December 2015 as well as the construction of the 3x320MW power plant at Kilifi/Lamu.

Generation status for 5000+MW Power Plan

- 121MW commissioned as follows
- 24MW Kindaruma upgrade (hydro)
- 12MW well head generation at Olkaria and 87MW Thika Power HFO fired power plant
- 90MW expensive emergency power at Embakasi retired
- Awarded contracts for 90MW (3 x 30MW) new geothermal power plant at Menengai whose expected completion date is December 2014 at a tariff of US 7 cents.
- Requests for Proposals have been issued to shortlisted investors; 12 for 700MW LNG fired power plant at Dongo Kundu, Mombasa and 10 for the 960MW coal fired power plant at Lamu
- Proposals for the 700MW LNG project at Dongo Kundu and Lamu 960MW opened in April 2014

Transmission Projects for the 5000+MW Power Plan

- 50km, 400kV double circuit line for power evacuation from 700MW LNG plant will be constructed between Dongo Kundu-Mariakani and is expected to be complete by July 2015.
- 620km, 400kV double circuit line for power evacuation from 960MW Kitui Coal Plant will be constructed between Mariakani-Kitui-Nairobi East and is expected to be complete by December 2016
- 20km, 132kV for power evacuation from 90MW Menengai geothermal plant will be constructed between Menengai T-off Jinja and will be complete by December 2014
- 80km, 400kV double circuit line for power evacuation from 960MW Kilifi coal plant will be constructed between Kilifi/Lamu and Mariakani and is expected to be complete by December 2015.
- 70km, 400kV double circuit line for power evacuation from Silali Geothermal field will be constructed between Silai-Menengai-Rongai and is expected to be complete by June 2016
- 75km, 400kV double circuit line for power evacuation from 960MW Kitui Coal plant will be constructed between Isinya-Nairobi East and will be complete by October 2016.

1.1.7 Information, Communication Technologies (ICTs)

Information Communication Technology is identified as an enabler under Kenya Vision 2030. Indeed, a report by the World Bank of December 2010, pointed that ICT has been the main driver of Kenya's economic growth over the last decade. It further indicated that the ICT Sector in Kenya grew at an average of nearly 20% per year from 1999-2009. The number of phone subscriptions has grown from the equivalent of one per 1,000 adults in 1999 to the equivalent of nearly one per adult in 2010; internet usage rates for 2010 were around four per ten adults. Person to person mobile money transactions at the end of 2010 were equivalent to around 20% of GDP with two of every three Kenyan adults being users. 2013 statistics show that the ICTs forward and backward linkages have continued to improve with employment opportunities hitting over 150,000. For example, there were 103,165 mobile money agents by June 2013

The goal of the ICT sector is to improve the quality of life of Kenyans by ensuring the availability of accessible, universal, affordable, modern and high quality ICT facilities and services within the country.

National Optic Fibre Backbone Infrastructure (NOFBI)

The project aims at increasing access to ICTs, enabling universal access to technology and information in order to build knowledge based economy. Equipment and facilities have been imported and are now in the country for the project. The addition of 1,600Km of National Optic Fibre Backbone Infrastructure (NOFBI) Phase 2 to the already existing 4,300km laid in phase 1 is ongoing.

Analogue to digital TV broadcast migration

The project aims at achieving 100% migration by June 2015. Ongoing two frequency distributors have been licensed and initially the deadline had been set for June 2014. However, the courts ruled that the switch off date remains 30th September 2014. The Supreme Court also issued orders barring the Pan African Group from broadcasting content from the three leading TV stations without their consent pending determination of appeal case.

Restructuring of KBC

The aim is to increase efficiency and quality of radio frequency to public broadcaster. It involves broadcast infrastructure improvement, workforce right-sizing, balance sheet restructuring, settlement of pending bills, rebranding, and reorganization into 3 entities. A Cabinet Memo has been developed ready for discussion by Cabinet.

National Electronic Payment System

The aim is to provide a platform for non-cash government payments. The system was officially launched in May 2014 by H.E the President Uhuru Kenyatta.

Cyber Security Enhancement

Project aims at enhancing the confidence in the usage of ICTs in a safer cyberspace and boost E-commerce. Implementation is ongoing.

Government Website Enhancement

This aims at increasing the efficiency and effectiveness of government operations through shared, optimized business processes which are adopted across all departments. Implementation is ongoing.

1.1.8 PUBLIC SECTOR REFORMS

The Kenya School of Government was established on 9th May 2012 when President Mwai Kibaki signed the Kenya School of Government Act and now the Government has carried out a pilot programme on Masters Degree. (23 students) in Public Administration (MPA) commenced their studies in September 2011 at KIA, as a pilot interim arrangement between KIA and the University of Nairobi, while a curriculum for programmes targeting public servants and County leaders in the new governance structure is almost being finalized. President Mwai Kibaki also opened the Kenya School of Government, Matuga Conference Centre, and Kwale County on 11th January 2013.

The Kenya School of Government has now been placed under the Ministry of Devolution and Planning in President Uhuru Kenyatta's Jubilee government.

1.1.9 LAND

The Kenya Constitution 2010 made fundamental changes to the management of the land resources. Consequently, the government identified land reforms as one of the priority areas to be addressed under the second Medium Term Plan (2013-2017). A review of all policy, legal and institutional instruments is required to ensure compliance and conformity of land management interventions with the Constitution in a manner that supports achievement of Kenya Vision 2030 objectives.

National Land Information Management System (NLIMS)

- Development of the system is at 35% completion level. However inadequate funding has slowed down the process.
- National Land Title Register:

- 213,300 title deeds have been registered and issued while 270,221 are ready for collection countrywide
- 28,405 plots have been geo-referenced

Modernization of Land Registries

- Mapping of areas for establishment of land registries have been carried out in liaison with county governments. 5 land registries i.e. headquarters in Nairobi, Central, Kilifi, Kwale and Mombasa have been re-organized.
- The Ministry has established a national bulk titling centre to fast track the issuance of title deeds.

National Spatial Plan

- Scenario planning has been undertaken
- Key sector players have been identified
- Terms of reference for specialized studies have been developed
- Detailed strategies and proposals have been formulated
- Preparation of National Spatial plan is at 75% completion level

County Spatial Plans

- Capacity building in County Governments on integrated development plan has been done
- Manuals, guidelines and standards have been finalized and submitted to Transitional Authority

Kenya National Spatial Data Infrastructure (KNSDI)

- Power connection at the Centre has been completed
- Geodetic reference points (pillars) have been constructed in Kwale, Wundanyi, Bondo and Koibatek
- Tenders for acquisition of satellite imagery have been opened
- Creation of the Nairobi database is complete.
- Creation of Kiambu and Mombasa databases is on-going.
- Construction of the KNSDI Centre is at 85% completion level

Land Adjudication and Titling Programme

- 168,606 parcels have been finalized.
- Establishment of special community land tribunals is being done.
- Titling Centre is 30% complete.

Legal and Institutional Reforms

- Community Land Bill, Spatial Planning Bill, the Eviction and Resettlement Procedures Bill have been finalized and submitted to the AG
- County Land Management Boards have been established

1.1.10 Science, Technology & Innovation (ST&I)

The draft Science, Technology and Innovation (STI) and Information Bill has been finalized and is ready to be presented to the Cabinet while a Research Fund has been established under the National Council for Science and Technology, 1% of the annual budget shall be factored towards research and innovation. As part of promoting capacity building in science, technology and innovation at the University of Nairobi, a group of students has been sent to Korea to study Nuclear Science on an exchange programme.

The Ministry of Higher Education, Science and Technology has developed a technology development, transfer and diffusion programme whose main objective is to undertake technology acquisition and diffusion through inter alia; provision of a framework for technological governance in Kenya, lobbying for political will and support for realization of adequate funding for technology transfer initiatives, building a dynamic forward looking domestic technopreneur base necessary for effective commercialization of R&D, and institutionalizing mechanisms for technology planning for technology transfer activities.

1.1.11 Security

Work on a Forensic Laboratory is about 60% complete, while the National Security Data Centre is already operational. Three (3) monitoring CCTV cameras have been installed at the Police Headquarters, Traffic Headquarters and the offices of the Provincial Police Officer in Nairobi. The government allocated Kshs.800 million in 2012/2013 to enhance CCTV coverage in

Nairobi, Kisumu and Mombasa. Following the recent terror attacks, the government has partnered with the private sector to enhance security in public areas such as shopping malls and places of worship.

Police vehicles have been availed to police stations across the country. The establishment of reliable and pervasive security across the country is critical to Vision 2030 and should be accorded the highest priority.

Both the Independent Police Oversight Authority and the National Police Service Commission have been formed. The Inspector General of Police and his two deputies were recruited discharging their duties. In the spirit of East African Community, there are proposals to have the Ministry of Immigration set up a boarder office at Taveta Boarder Point to provide one-stop clearance to members.

The Nyumba Kumi Initiative was launched and a Committee under the chairmanship of Mr. Joseph Kaguthi established. The initiative aims to encourage Kenyans to know their at least 10 neighbours in their locality to boost security.

1.1.12 National Values and Ethics

Constitution 2010 enshrined the national values of patriotism, national unity, sharing and devolution of power; the rule of law, democracy and participation of the people; human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination and protection of the marginalized; good governance, integrity, transparency and accountability; and sustainable development.

The Constitution of Kenya included a commitment towards nurturing and protecting the well-being of the individual, the family, communities and the nation. The Constitution seeks to ensure this is achieved by codifying a set of values and principles that are spread throughout the Constitution but are synthesized and crystallized in the national values and principles of governance set out in Article 10. Article 10 of the Kenya Constitution is binding upon all state organs, state officers and public officers. But most importantly, it is binding upon all persons and

therefore all Kenyan citizens are enjoined; whenever they participate in the application of the Constitution, any law or public policy decisions, to respect, promote and apply the national values and principles of governance. The values and principles under the Article are classified in four bands: loyalty to the republic; promotion and protection of the rights of individual; integrity and development. The Constitution ensures that each Chapter elaborates and builds upon the framework under Article 10 and mandates the National President under Article 132 to report to the nation, the measures taken and progress achieved in realization of national values set out in Article 10.

The national values and principles of governance are intended to inculcate a sense of rootedness and belonging and they shall operate as a platform to address challenges relating to (i) strong national identity (ii) effective representation and leadership (iii) equitable allocation of resources and opportunities (iv) good governance and (v) sustainable development

H.E. the President gave a status report of the national values and ethics during the Presidential state of the Nation Address, on 27th March 2014. VDS has been engaging at the Board level to see how best to inculcate national values among the Kenyan populace.

1.1.13 Drought Risk and Ending Drought

In the African region and Kenya in particular, the disaster management sector reflects a key concern in socio-economic development and welfare of the people. Unless a disaster is in progress, disaster management has been given a low priority in terms of provision of legal, policy and institutional frameworks and planning. Resources are availed during emergencies but long-term development of disaster management capabilities, including improved prevention, mitigation and preparedness measures, is less attractive.

Drought is one of the biggest threats to Kenya Vision 2030. Without urgent action, its impacts will worsen as climate change deepens. Better management of drought is therefore critical to national development. Since droughts evolve slowly, their impacts can be monitored and reduced. Kenya will eliminate the worst of these impacts by pursuing two simultaneous strategies. First, it will take measures to strengthen people's resilience to drought, implemented

by a wide range of sectors. Second, it will improve the monitoring of, and response to, emerging drought conditions, which will be the responsibility of the new National Drought Management Authority (NDMA). This document addresses Drought related disasters separately from other disasters which are addressed through the DRR coordination unit (Ministry for Special programmes).

Drought is the single most important natural hazard in Kenya. It shatters livelihoods and causes hunger, disease, and even death. Of the US\$12.1 billion in drought-related damages and losses between 2008 and 2011, US\$11.3 billion was attributed to lost income flows across all sectors of the economy.¹The livestock sector was particularly badly hit, accounting for 72% of total damages and losses.²While climate variability is a normal characteristic of dry land ecosystems, it will become more pronounced and unpredictable with climate change.

Droughts are a national concern, but their direct impacts are most severe in the ASALs. Drought emergencies are a product of deeper vulnerabilities affecting people's livelihoods and well-being, the nature of which differs across the ASALs. In semi-arid counties, the viability of marginal agriculture is being progressively weakened by population growth, land pressure, and an over-dependence on rain-fed production and on crop and pasture varieties which are poorly adapted to drought conditions. Crop production is largely at subsistence levels. Little of the value of agricultural production is captured locally. In arid counties, on the other hand, and some semi-arid counties, drought resilience is undermined by lack of adequate investment in the basic enablers or foundations of development which weakens adaptive capacity.

Most production systems in Kenya enjoy some level of state support in research, market access and services. However, despite contributing 12 per cent to national GDP,³Pastoralism, the dominant production system in the arid lands, receives little public subsidy; instead, it is currently inappropriately subsidized by repeated injections of emergency aid. The three most critical foundations for drought resilience are security, infrastructure and human capital.

- Conflict and drought
-

- Poor infrastructure
- Educated and healthy people
- Urbanisation
- Pastoral transformation: New investment
- Population growth
- Poverty
- Reinforcement of Pastoralism
- New architecture for peace
- National Drought Management Authority and ASAL-focused institutions. Financing for drought management. Information for drought response
- Social protection
- Regional and global linkages

1.1.14 Macro Economic Stability

According to the National Bureau of Statistics the annual inflation rate edged up slightly to 7.39 percent in June of 2014 from 7.3 percent in the previous month. The inflation rate accelerated for the third straight month to the highest rate since October 2013. On a monthly basis, consumer prices increased 0.14 percent in June, following a 1.25 percent rise in May. Food prices slowed to 0.26 percent while cost of housing, water, electricity, gas and other fuels went up 0.70 percent. The government targets inflation in the medium-run at 5 percent, plus or minus 2.5 percent.

ECONOMIC PILLAR

1.1 AGRICULTURE

1.1.1 Consolidated Agricultural Reform Legislations

The Agriculture, Fisheries and Food Authority Act 2012; the Kenya Agricultural and Livestock Research Organization Act 2012 and the Crops Act 2012.

These Acts have now been implemented with the setting up of the following institutions The Agriculture, Fisheries and Food Authority (AFFA) and the Kenya Agricultural and Livestock Research Organization (KALRO).

1.1.2 Fertilizer Cost Reduction Project

In order to stabilize the fertilizer prices, the government has been procuring fertilizer and distributing at subsidized prices to the farmers through the National Cereals and Produce Board (NCPB)..Further an international investor the Toyota Tsusho Corporation has been identified and engaged by the government to set up the fertilizer plant in the North Rift Valle as a private sector driven project. The project will cost approximately thirty one (31) billion shillings.

1.1.3 Development of The Asals – Irrigation Projects

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 and construction commenced. An additional 4,400 ha in Lower Tana have been reclaimed for irrigation. The area under irrigation expanded from 119,000ha to 159,000ha in areas such as Bura, Mwea, Katilu, Hola, Kano and Bunyala.

H.E. the President Uhuru Kenyatta, presided over the ground breaking ceremony for the 1 (one) million acres under irrigation in the Galana Kulalu Food security Project (Tana River and Kilifi counties) during the 2013/2014 financial year. A 10,000 acre model farm will be prioritized during the 2014/2015 financial year. Both the engineering and water works are ongoing.

1.2 TOURISM

1.2.1 Meeting Incentives Conferences and Exhibitions (Mice)

The Kenyatta International Convention Centre (KICC) and the Bomas of Kenya have also been engaged in the development of the MICE. Bomas of Kenya has contracted the Pricewaterhouse Coopers as the transactional advisors in the development of the Bomas International Convention Centre.

1.2.2 Premium Parks Initiative

Regular maintenance of roads leading to the parks and roads within the Premium National Parks has been up to date. Branding and classification of seven major national parks by product, price and tourist interest is in progress

To attain 10% increase in local and foreign tourist visits to under-utilized parks, facilities improvement, branding and marketing of each is underway. Two of these parks - Kisumu Impala and Ndere Island - have been fully branded and the process is ongoing for the other parks. Marketing initiatives for two parks – Kakamega Forest and Hells Gate – have resulted in a 50% increase in local tourists.

Rehabilitated roads include Buffalo Circuit in Hells' Gate National Park, Makema-Masinga Dam Road in Mwea National Park, Kanderi and Mkwaju Circuits in Tsavo East National Park, Lake Jipe-Kasigau Road in Tsavo West National Park, Kitirua Gate-Junction 25 Road in Amboseli National Park, and various internal circuits in Nairobi National Park and Chyulu National Park. The newly refurbished Naishi guest house at Nakuru Premium Park has been opened.

1.2.3 Niche Products Development

Under the niche products development, the government is continuing to engage private investors to develop western Kenya Eco-tourism hub, provide additional beds in Kakamega forest, Mt. Elgon, Lake Victoria and launch high value cultural products and cultural festivals and license home-stays.

A cultural and heritage tourism strategy and an Agro-tourism strategy have been developed and a criterion for home stays has also been developed. A Cradle of Mankind Tourist Circuit that incorporates Sibilio National Park, Central Island National Park and Southern Island Park around Lake Turkana region has been developed in the Sibilio National park.

Chyulu Hills Leviathan Cave development phase one is complete, Longonot hiking trail rehabilitation is complete. Launch of UdoBandas completed and renovations done in Oribi House in Ruma N.Park. The Via Ferrata climbing trail on Mt. Kenya is complete. The Narumoru route can now be used by more people of differing abilities.

The Health Spa at Hells Gate is ready. This tourism product is being undertaken by KenGen Company to utilize the hot springs and geothermal resources within Hell's Gate National park. The building will be housing the sauna, steam bath, museum, and restaurant.

There are additional initiatives to build sports, cultural, agricultural and conference tourism facilities and institutions, including licensing of 400 high quality home stays, repairing Kasarani Sports Complex, Kogelo Development Centre concept, branding of the western circuit, development of an agro-tourism strategy.

The government surveyed, gazetted and rehabilitated several national monuments and historical sites for tourists attraction i.e. Kaya forests, rehabilitation of the Nairobi National Museum to provide high quality service to customers' facilities and exhibitions and developed new museums at various parts of the country such as the Wajir and Garissa Museums.

1.2.4 Under Utilised Parks Initiative

The underutilized parks initiative is aimed at rehabilitation and expansion of existing tourist's facilities as well as increasing bed capacity. These were at Mt. Longonot, Tsavo Conservancy Area, Chyulu, Kakamega Forest national reserve and Meru Conservancy Area where several initiatives were undertaken to attract additional visitors.

KWS is also carrying out various product development activities, with the aim of improving the competitiveness of the wildlife product within parks as follows:

- Therapeutic tourism
- Via Ferrata climbing trail on Mt. Kenya
- Improvement of campsites and visitor facilities
- Refurbishment of guest houses

Parks branding – beach management program.

1.3 BUSINESS PROCESS OFF-SHORING/INFORMATION TECHNOLOGY ENABLED SERVICES

1.3.1 Konza Technopolis City

Konza Techno City (KTC) project is a new city 60km outside of Nairobi with the objective of positioning Kenya as a leading ICT Nation in Africa. It is a Vision 2030 flagship project that seeks to leverage and expand technology and other knowledge-based sectors. The Master Delivery Partner – Phase 1 (MDP1) has completed its work. The Master Delivery Partner II has now been engaged. NEMA has already issued the environment impact assessment certificate to KOTDA. KOTDA hired the University of Nairobi to undertake the cadastral survey. The survey is now complete and plans to her The Deputy President will preside over the ground breaking ceremony for the construction of the roads within Konza is done.

1.4 FINANCIAL SERVICES

1.4.1 Financial Services Sector's Nairobi International Financial Centre Project

- The Steering Committee for Nairobi International Financial Centre was gazette on 30th Nov.2010, launched on 1st Mar.2011 and is now operational.
- The NIFC Authority has also been gazetted. A Concept note on Nairobi International Financial Services Centre (NIFC) has been developed by the Technical Committee and reviewed. This presented a preliminary review of the policy choices required and broad options for development of the NIFC.

The Cabinet has approved the establishment of the Eastern and Southern African Trade and Development Bank regional office in Nairobi as part of the strategy to position Kenya as the premier financial services location in East Africa, thereby also encouraging Foreign Direct Investments (FDIs).

1.4.2 Deepening Capital Markets Authority

With reference to the deepening of the capital markets, bond trading has been automated and maturity lengthened to 30 years.

International bond i.e. Euro Bond

In addition, Small Medium Enterprise (SME) Exchange counters have been established at the Nairobi Securities Exchange and branded the Growth Enterprise Markets Segment (GEMS) as well as the Real Estate Investment Trust Segment (REITS). The Capital Markets Master Plan has been developed and launched.

Demutualisation is now complete and NSE self-listed

In the capital market, the total number of shares traded increased by 38.7 per cent to KSh 7.6 billion, market capitalization grew by 51.0 per cent to KSh 1.9 trillion in December 2013 and (NSE) 20-Share index rose by 19.2 per cent to 4,927 points in 2013.

An automated bond-trading platform has been introduced linking the Nairobi Securities Exchange (NSE) and CBK, which undertakes settlement of Government bonds. Trading in Government bonds has since tripled. The demutualization of the NSE is complete.

1.5. OIL, GAS AND MINERALS

1.5.1 Development of institutional, regulatory and legal framework

Petroleum Bill 2014

Mining Bill 2014

Energy Bill 2014

SOCIAL PILLAR

1.1.1 Investing in the People of Kenya

The sectors which make up the Social Pillar are Education and Training; Health; Environment, Water and Sanitation; Population, Urbanization and Housing; and Gender, Youth and Vulnerable Groups. Under the second MTP, Sports, Culture and Arts have been included as an addition. The second MTP will focus on implementation of policies, programmes and projects in each of these sectors to ensure that they contribute towards prosperity and building a just and cohesive society that enjoys equitable social development in a clean and secure environment.

1.1.2 Health

Community wide scale up of community health high impact intervention

The project involves providing level 1 high impact interventions services for all socio-economic groups, building and strengthening capacity of the community health extension workers and community based resources. Under the first MTP, Model Health Centres were constructed in 201 constituencies countywide to increase access to basic health services with an aim to reduce maternal and infant mortality. Free maternity service in public health facilities is ongoing with 100% timely disbursement of fund. De-worming of school going children 75% achieved.

Fully functional referral systems

The project aims at improving referral systems through increasing the utilization of services at lower levels of the health services and reduces self-referral to the higher level of health care and provision of quality emergency health services at the point of need regardless of ability to pay. Finalization of referral strategy is 60% complete. Development of referral protocols and guidelines is 60% complete.

Level 4 Hospitals

The project aims at construction, upgrading and equipping 100 identified facilities to conform to the norms and standards for level four hospitals and reviewing of the health facility infrastructure

norms to address emerging considerations such as distance from facility. Equipping of public health facilities is 20% achieved.

Modernize Kenyatta National Hospital (KNH)

The project aims at implementing an ICT master plan and construction and equipping a fully-fledged 300 bed private wing, 2,000 accommodation units and conference facilities for health tourism. Expression of interest for the construction of the peripheral has been done and evaluated. The project is guided by the ICT authority on behalf of KNH. Price Waterhouse Coopers was identified as financial advisor. The feasibility study is awaiting Public-Private Partnership (PPP) Unit approval.

1.1.3 Education

Mainstreaming of Early Childhood Development into Basic Education

The project aims at reviewing the Early Childhood Development and Education (ECDE) policy framework, establishing of ECDE resource centres in each of the 47 counties including three feeder schools in each of the nine pastoral counties, provision of capitalization grants of Kshs. 1020 per child and recruitment of 48,000 teachers trained on ECDE.

Curriculum review and reform

The main objective is to align education system with the Constitution and Vision 2030, with a strong focus on development of skills and talent. A committee has been established to commence review. The tools have been developed and validated through a stakeholder consultative forum, and review is on-going.

Integrating ICT into teaching and learning

The project will entail review of policy and institutional framework for ICT integration in Education and Training, procurement of ICT infrastructure for schools, carrying out capacity development for ICT integration in Education and Training and facilitating integration of ICT in special needs education. 60% of the procurement has been done, advertisement of tender and evaluation. Schools to benefit have been identified. 30% of capacity building has been achieved. 40% of ICT infrastructure disbursement schedule has been prepared.

Human Resource in Support of University Education

The project aims at strengthening human capital development for science, technology and engineering courses by training faculty at PhD and masters level. This will go in hand with provision of engineering and science equipment to the institutions as an initiative of addressing quality education.⁸ Universities targeted for provision of engineering and science equipment. Technical Vocational Education Training (TVET) institutions have been revamped to improve technical skills amongst youth. The number of TVET institutions rose by 6.7% in 2013 while number of public universities has increased from 8 in 2008 to 22 in 2013.

Education in Arid and Semi-Arid Areas

The project involves construction and rehabilitation of 140 boarding schools in arid and pastoral communities to increase enrolment and completion rates. Fourteen new boarding primary schools have been funded and additional eight schools earlier refunded bringing the total to 22 schools.

1.1.4 Population, Urbanization and Housing

Installation of Physical and Social Infrastructure in Slums and Informal Settlements in Selected Urban Areas

The project facilitates production of housing units and to improve the lives of people living in slums and informal settlements. Seventeen out of 21 blocks comprising of 744 out of 812 housing units are under construction with roofing and other finishes ongoing. Construction of 10 classrooms, offices and sanitary facilities at Mukhaweli Primary School in Bungoma and Huruma Primary School in Eldoret is complete. Construction of market sheds, offices, store and ablution block at Langas market in Eldoret is 70% complete. Construction of multipurpose hall in Malindi is complete. Installation of high mast floodlighting structures in Bungoma (3), Nyahururu (3), Maua (3), Embu (3) and Malindi (3) is complete.

Facilitation of 200,000 housing units annually through various initiatives

The project aims at spearheading delivery of housing units in collaboration with private sector and initiate construction of housing units through partnerships and developing social housing units in old government estates. Areas of development for delivery of 120,000 housing units

have been identified (Starehe, Park Road and Shauri Moyo) and expression of interest for the construction under public-private partnership advertised. Preparation of terms of reference for transaction advisor and evaluation for the expression of interest for construction of 5000 social housing units under public-private partnership completed.

1.1.5 Sports, Culture and the Arts

International Academy of Sports

The project involves setting up of a sports academy at the Moi International Sports Centre Kasarani to serve as an international centre for excellence in sports. Completion of phase one is at 25%. A Public Private Partnership has been established with a leading company. County sports talent centres will also be established and act as feeds to the international centre to scout, nurture and develop sports talent at the sub-national levels.

Build and rehabilitate Sports Stadia

The project aims at modification of five national stadia in Mombasa, Kisumu, Nakuru, Eldoret and Garissa and upgrading of existing sport facilities. Land for expansion has been identified for the five stadia.

1.1.6 Environment Water and Sanitation

Rehabilitation and Protection of the Water Towers

The project involves rehabilitation and protection of Kenya's five water towers namely: the Aberdares, Cherengany, Mau, Mt. Kenya and Mt. Elgon. 26,579 hectares of forest land have been reclaimed and rehabilitated in south west Mau, Maasai, Mau and Laikipia. Relocation of Project Affected Persons (PAPs) has been hastened to enhance conservation efforts.

Waste Management and Pollution Control

The project entails research, legislation, viable technologies and enforcement of statutory mechanisms for the disposal of all waste and reduction of pollution. During year 2013/2014, the State department through NEMA implemented the solid waste management system initiative through the development and maintenance of sanitary landfills and promotion of safe disposal of solid and liquid waste; promotion of waste reduction, reuse and recycling; public-private-

partnerships in waste management; education and awareness on environmental management but most of these activities were devolved to counties. Three waste management and pollution control plans have been established and implemented.

1.1.7 Gender, Vulnerable Groups and Youth

Gender Mainstreaming

This project aims to mainstream gender issues in the National Development Process by ensuring that the needs and interests of each gender (i.e. women and men, girls and boys) are addressed in all government policies, plans and programmes. Affirmative Action Policy is done and monitoring compliance is done quarterly. National Sexual Gender Based Violence Policy has been developed in close collaboration between the National Gender and Equality Commission (NGEC) and the Sector. The Gender Research and Documentation Center is established at University of Nairobi in collaboration with UNESCO.

Women's Economic Empowerment

This project aims to provide Kenyan women with access to alternative financial services and business opportunities. Tenders worth a total of over Kshs. 2Billion have been accessed by youth, women and PWDs across all MDAs. Uwezo fund was launched by H.E. Uhuru Kenyatta on 8th September, 2013. The Secretariat is established and the Parliament approved public financial management (Uwezo fund) regulations, 2014 on 21st February 2014 through legal notice no 21. Board of Directors were nominated and appointed as per the regulations. Under UWEZO Fund, Kshs. 6b is earmarked to fund enterprises owned by youth, women and persons with disabilities. Roll out is underway. Women Enterprise Fund loans disbursed since 2008 is Kshs.3.7 Billion benefiting 707,435 women and 274,800 women have been trained.

Consolidate Social Protection Fund

This project involves the provision of Cash Transfers to Orphaned and Vulnerable Children (CT-OVCs), the elderly and other persons facing vulnerabilities. A total of 226,700 households have received cash transfers, distributed as 153,000 (CT-OVCs); 59,000 (CT-OP) and 14,700 (CT-PWSDs). In addition, social assistance committees were established in all the 290 constituencies composed of local leaders, members of parliament and faith based organizations representatives

geared towards enhancing accountability and transparency in targeting of beneficiaries at the grassroots.

Youth Empowerment Programmes

Various projects have been designed to provide Kenyan youths with access to alternative financial services and business opportunities. Tenders worth over Kshs. 2Billion have already been accessed by youth, women and persons with disabilities. Youth officers have been deployed to each Ministry to support mainstreaming of youth issues in Government programmes. 260,553 youth have benefited from disbursement of loans by the Youth Enterprise Development Fund (YEDF) worth Ksh. 9.3 billion. Additionally under the YEDF 300,000 youth have been trained and 11,000 youth employed under Youth Employment Scheme Abroad (YESA).

Under the National Youth Service (NYS), a 5 Point Vision has been developed and launched. NYS will recruit 21,870 youth per year (from the current 5,000). NYS Curriculum will be reviewed to focus on Social transformation training and Technical training.

Youth internship framework is in place. The Kenya Youth Empowerment Programme (in partnership with KEPSA) is ongoing. 5,619 youth have received employability skills through training and internships.

1.1.8 POLITICAL PILLAR

Moving to the Future as one Nation

Under the first MTP the new Constitution of Kenya was promulgated in August 2010. Significant progress has been made in political, governance and institutional reforms including enactment of new governance institution at national and county levels, civic education, judicial transformation, police reforms, prisons and correctional services reforms, changes in electoral processes, promotion of national cohesion and social integration, transparency and accountability and the rule of law. Devolution is the theme for MTP 2.