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*Sessional Paper No. 3 of 1999*

ON

**National Poverty Eradication**

**1999 - 2015**

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**June 1999**

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## I. INTRODUCTION

1. This *Sessional Paper on National Poverty Eradication* highlights the policies and strategies to tackle poverty in Kenya over the period 1999 - 2015 as outlined in the National Poverty Eradication Plan (NPEP). The Plan presents a vision for the 21st century, when Kenya hopes to halt the current increase in the incidence of poverty and then eradicate it step by step. It also sets a framework for institutionalizing poverty eradication in Kenya and reducing the incidence of poverty to less than 30% of the total population by the year 2015.
2. The Plan has been formulated in line with the goals and commitments of the World Summit for Social Development held in Copenhagen, Denmark in 1995. The goals that were adopted focus on: the eradication of poverty; the achievement of Universal Primary Education (UPE); various aspects of Health for All; and the social integration of disadvantaged people.
3. Poverty remains a pervasive national problem presenting formidable challenges, which call for urgent action. According to Welfare Monitoring Surveys carried out by the Ministry of Planning

and National Development, 47 % of Kenya's rural population and 29 % of the urban population are living below the poverty line (Kshs 980 for rural and Kshs 1490 for urban, per adult equivalent, per month) as of 1994. This translates to nearly 13.2 million Kenyans out of an estimated population of 30 million, who cannot afford a decent meal, provide adequate shelter for themselves or educate their children.

4. The problem of poverty goes beyond income measures. Poverty is multi-dimensional; it includes deprivation in knowledge, in life expectancy and in the quality of life. It usually manifests itself in the forms of hunger, malnutrition, illiteracy, lack of shelter, and failure to access essential social services such as basic education, health, water and sanitation. While poverty relates to lack of basic material needs, it also signifies lack of or deficiency of social, economic, and cultural rights, which an individual, household or community hold as important or vital for their existence, survival or well being.
5. The main causes of poverty include high population growth rate, slow growth of the economy, social exclusion, insecurity, and lack of control over productive assets such as land, credit,

and capital. The interaction of the poor and the environment has also resulted in undesirable consequences that have contributed to the worsening poverty situation in the country. The social and economic consequences of environmental degradation are becoming increasingly manifest in Kenya. As a result of poverty the poor engage in activities such as poor farming practices, burning of trees to make charcoal, poor sewage disposal, to mention but a few.

## II. LESSONS LEARNT FROM PREVIOUS POVERTY REDUCTION INITIATIVES

6. Over the past 36 years the government has implemented a number of policies and programmes aimed at reducing poverty. The Land Resettlement Schemes, Harambee movement, special rural development projects, special targeted funds, and the rural urban balance strategy are some of the examples. An analysis of these past efforts to address social disadvantage and poverty reveals that they yielded limited significant positive impact. The key lessons, which have emerged from this review of previous attempts to address poverty, are summarized as follows:

- basically a similar diagnosis of the problem and its causes has been repeated in the national development plans, coupled with a recurring inability to implement the remedies prescribed and a weak understanding of the real nature of poverty;
- there is a policy gap between very broad national plans and frameworks and routine sector actions and projects which further contributes to low levels of policy implementation;
- decentralized and cross-cutting poverty oriented programmes have faced many difficulties because of limited resources and the weak commitment of sector staff and systems;
- cooperative fund raising for special, urgent purposes has been preferred to alternative, more sustainable frameworks of popular participatory action against poverty;
- there have been instances of misappropriation of funds and the diversion of benefits away from the poor.

7. In view of these lessons, the Government recognizes that the challenges for sustainable development and poverty eradication in Kenya require a combination of well-coordinated actions to meet basic needs of the poor and the creation of

employment. The NPEP bridges the gap between the National Development Plans and the imperative to address the needs of the poor. It focuses on policies, sets operational priorities on disadvantaged groups and seeks to mobilize resources for helping achieve pro-poor growth and service delivery. At the same time, it will promote consensus for participatory development.

### **III. STRATEGIC AREAS OF INTERVENTION**

8. There are three major strategic areas of intervention necessary for poverty eradication. These are: a Charter for Social Integration; improved access to essential services by low-income households; and a strategy for broad based economic growth.

#### **A. Charter for Social Integration**

9. The Charter for Social Integration sets out the basic entitlements, rights and responsibilities for all citizens, communities, businesses, civil society organisations and policy-makers. It outlines the essential framework for partnership and social mobilization within which the other two strategies of NPEP can be implemented. It includes commitment to protect those who are

vulnerable and with few material resources from being further excluded by any unsatisfactory behaviour of service providers; a timescale for Government to take action against disadvantage and unacceptable conditions; governance for social integration; and a national campaign to publicize people's rights and social standards.

10. All citizens and the staff of implementing agencies are encouraged to refer to the charter in order to establish their rights and responsibilities in the struggle against poverty. For example:

- All health centres and dispensaries will display the Plan's health targets and the health staff's contribution to achieving them;
- Administrative centres will display posters on social mobilisation stating that it is the right and duty of communities to organise themselves to participate fully in the national campaign against poverty;
- All primary schools will display their own Charter targets and the actions agreed to reduce drop out and 'repeat year' rates in the schools;
- Children will be asked to help raise awareness of poverty and measures for its eradication amongst the adult population;



- A Business Against Poverty code of practices in the Kenyan private sector will be developed.

11. Implementation of the Charter will provide the enabling political, economic, and legal environment for poverty eradication. The charter sets out how civil servants and law enforcement at all levels will play a full role in combating the high level of poverty and social exclusion in the country. Government will create the enabling environment through budgets for poverty eradication, legal standards and training, and through participatory poverty monitoring and action.

## **B. Improved Access to Essential Social Services**

12. The poor's most abundant resource is labour. That labour cannot be used effectively in the creation of national wealth if it is unskilled, suffering from illness, and vulnerable to hunger and exposed to external or natural economic and climatic shocks. There are also well known consequences of a well-educated and healthy population. Educated women tend to have fewer children; and these in turn show lower levels of

under-nutrition, disease and mortality. Basic social services specifically targeted to the poor are thus an essential aspect of a pro-poor growth strategy. They are needed for economic efficiency, equity and humanitarian grounds. Poverty makes people averse to risk taking. With their education, health and safe water needs met, the poor are more prepared to take the farming, business and employment risks necessary to secure improved livelihoods and economic growth. The NPEP makes the following recommendations with reference to following basic social services:

### **Education for All**

13. Provision of education is a critical social service in the development of the skills and human capital of low-income groups. Improving access to education for the poor will require a combination of policy and management initiatives and a rigorous focus on increasing the primary school enrolment and completion rates of disadvantaged groups, especially for girls from low income families. The policy and management initiatives will include a primary school curriculum focussed on key universal skills; more effective and decentralised primary school management, and a

teaching cadre committed to lead in the search for broad based social development.

14. The primary school participation rates, after making steady progress during the first twenty-five years after independence, have shown a declining trend in recent years. In 1996, there were 16,255 primary schools in Kenya (almost all government 'maintained') with about 5.6 million enrolled students (49.2% of whom were girls) and 184,393 primary school teachers. The pupil to teacher ratio (PTR) was nearly 30:1. Primary gross enrolment rates reached 95% in 1989 but dropped to 78% or lower in 1996 before recovering to 87% in 1997 and to 88.4% in 1998. In 1996, the bottom 10 per cent of households had a net enrollment rate of about 63% compared with more than 90% for the top 10%.
15. Grade repetition and failure to complete primary school are serious problems in general, but especially for the lower income groups and for girls. Completion rates have remained below 50% and have declined since 1986. For example, only 43.2% of the girls and 45.1% of the boys enrolled in Standard 1 in 1989 completed Standard VIII in 1996. Parents, and especially poor parents, increasingly withdraw their children from school

when faced with increased demands on household incomes.

16. The factors contributing to this include the introduction of cost sharing arrangements, increasing poverty and inadequate funding. There is considerable scope to improve the management of the available resources with community participation (e.g., parent-teacher associations) to expand the access and achieve greater impact.
17. The key poverty reduction targets in education include: 15% increase in enrolment rates over the first six years of the Plan; 19% increase in completion rates, especially for girls in the six year period; and Universal Primary Education by 2015.
18. To achieve these targets, the following actions will be undertaken:
  - The Ministry of Education and Human Resource Development (MOEHRD) will increase the share of resources allocated to primary education in the annual budget;
  - Bursaries for the poor will be availed and properly managed;
  - Improvement in school management (including financial management that is transparent and

accountable) will be promoted through increased community participation.

- A more balanced distribution of education expenditures between teacher salaries and other expenditures including learning materials and operation and maintenance costs will be achieved.
  - The cost burden on poor households will be reduced through the provision of textbooks and other materials and possibly a relaxation on school uniforms.
  - The quality and relevance of the curriculum will be reviewed and modified (possibly by the current Education Commission) to make it more responsive to livelihood, gender sensitivity and citizenship aspects.
  - The communities will monitor the performance of the Schools on the targets and indicators including enrolment and completion rates, student performance on standardized tests, livelihood skills, civic education and citizenship.
19. The above targets and activities will form an integral element of the annual work programmes and budgets for MOEHRD and relevant partners.

## Health for All

20. Since independence in 1963, Kenya has continued to promote access to modern health care. The Government subscribed early and readily to the aim of *Health for All by the Year 2000* which sought to enhance access to health care services while also catering for a rapidly growing population. An early aim was to provide health care free of charge and to locate a health facility within 10 kilometres of each citizen.
21. Currently, 42% of the population is within 4 kilometres of a rural health facility; and more than 75% are within 8 kilometres. These are considerable achievements within a regional context. The public sector provides about 70% of the total hospital beds; and a similar percentage of the health centres and dispensaries.
22. The Government has initiated a number of countrywide programmes including family planning, child immunisation, control of diarrhoeal diseases, and growth monitoring. The priority communicable diseases tackled have included Acquired Immune Deficiency Syndrome (AIDS) caused by the human immuno-deficiency virus (HIV), leprosy, malaria and tuberculosis.

Currently, cost sharing finances account for over 7 % of non-personnel expenditures and are projected to rise to over 30 %. Government still remains the main stakeholder in the nation's essential services and will aim for universal primary health care in collaboration with its partners in the private, community and voluntary sectors. Decentralisation of health care provision will play a major part in the health care strategy

23. The impact, since 1984, of AIDS remains high and negative on the Kenyan society. The number of people infected with HIV is expected to reach about 1.7 million by the year 2000. In 1996, AIDS patients occupied nearly 50% of public hospital beds, each costing Ksh 34,680 annually to treat. AIDS deaths result in reduced household resources and income earning potential and then further trigger household poverty by reducing access to basic needs such as health care, education and food for the remaining members of the family. The Government will continue to devise methods of curtailing the scourge especially among the poor.
  
24. The overall target in health sector in the NPEP is to achieve universal access to Primary Health Care to within 5 km of all rural households or within one hour of local transport by 2010. The sector

will aim at (i) reduction in morbidity of low income and disadvantaged groups from malaria, acute respiratory infection, diarrhea, and skin infection by 15% by 2010 and by 25% by 2015, (ii) reduction in maternal mortality in poor households by 20% by 2010 and 30% by 2015, (iii) reduction in infant mortality by 10 per 1,000 births by 2010, (iv) increase in immunization coverage for children in low income households by 5% per year during the Plan period, and (v) increase the acceptance of family planning methods by 50% of poor families by 2010. These targets will be disaggregated by district and health center and posted prominently in each health center.

25. The major actions to achieve these targets include:

- Increase in the supply of drugs in order to raise demand for service significantly and make a major contribution to the demands of low-income groups;
- Optimum utilisation of government, community, private sector and specialist NGO channels for delivery of services will be encouraged. The Health Sector Reform Programme (HEROS) recognises that delivery of services will be most effective when communities and NGOs join in partnerships for



planning and implementation at district and divisional levels;

- Doctors and nurses will help to create awareness at decentralised levels of the need for inter-sector co-operation and crosscutting action to counter poverty;
- Bamako Initiative (BI) pharmacies supplied with adequate drugs and mosquito nets will be established;
- Maternal and child health wards will be set up in dispensaries;
- Immunization kits will be provided;
- New health centers will be constructed;
- Food supplements will be supplied to malnourished children in feeding centers;
- Poor communities will be mobilized through participatory methods to identify the programmes to be implemented jointly with communities;
- Communities will participate in allocation of resources with a larger share going towards medicines and supplies;
- Assistance will be provided to those poor families and patients unable to pay the fees and costs of medicines;

- The MoH will be asked to provide appropriate sector policies, which will assist in the operationalization of the NPEP.

## **Safe Water and Sanitation for All**

26. The Ministry of Water Resources (MWR) will remain the lead agency in the management of water resources and the supply of clean water in the rural areas, with a number of Civil Society Organizations complementing its efforts. The supply of clean portable water and safe sanitation (including waste disposal) in urban areas will continue to be the responsibility of Local Authorities.
27. Access to adequate and reliable supply of clean water and sanitation is key to public health, especially for low-income groups. Current estimates of water supply indicate that 75% of the country's urban population has access to safe drinking water, while 50% of the rural population has access to potable water from various schemes. Women and girls are the ones primarily involved in locating and fetching water for the family and often a significant portion of their time is absorbed in this activity.

28. Urban slum dwellers depend to a large extent on water vendors and communal water points. Only 12% of the plots in Nairobi slums have water connections and the residents depend on a few communal water points and vendors. More than 85% of the households in the slums buy water from kiosks at prices that exceed five-times the rate charged by the water utility. In spite of the high cost, the water quality may be compromised.
29. Adequate sanitation is a prerequisite for the prevention of environmental pollution as well as water-borne and other infectious diseases and contributes significantly to better living standards. The Ministry of Health (MoH) estimated the coverage of adequate sanitation at 45% in 1990 and 46% in 1997. The NPEP visualizes an increase in coverage in the most deficient districts and communities with a target of achieving at least 70% in these areas.
30. The main victims of poor sanitation in urban areas are the residents of slums and squatter settlements. In these areas, incidence of illness is estimated to reach as high as 76%. Almost three-quarters of these illnesses are related to overcrowding and poor sanitation. Collection of solid waste in urban areas is inadequate. For example, while 800 to

1,000 tons of refuse is generated in Nairobi, only a quarter of it is collected. The situation is much worse in the slums and squatter areas where the refuse is disposed of in the open. This becomes a fertile breeding ground for insects, rodents and other disease causing vectors, which adversely affect the health and quality of life of the residents.

31. The poverty reduction targets include: provision of clean potable water systems within a reasonable distance to all rural households by 2010; and increase in access to clean water by 8% per annum until 2004, in priority rural districts. The proposed targets will be achieved by:
- The completion of 400 ongoing schemes, construction of 800 community-based water supply projects and 916 dams, desilting of dams and pans and rehabilitation of 700 existing water supply schemes;
  - Involvement of the communities in the design, construction and management of rural water supply schemes. At the same time, attention will be paid to the management and technical capacity of poor communities and families selecting the technologies and their ability to pay water charges in the choice of schemes;

- Formation of partnerships between communities, facilitating intermediary organizations (including NGOS) and MWR to enable the choice of appropriate technologies, management arrangements and water charges;
- Legalizing and metering of illegal connections, increasing community standpipes in the urban slums and privatization of public water systems that are generating or will generate adequate revenues in the local authorities;
- Increased education of the urban slum residents on better sanitary practices. The current use of schools for hygiene education will be strengthened and expanded

### **C Improved Productive Employment Opportunities for the Poor**

32. High and sustained levels of economic growth are a pre-requisite to poverty reduction. To achieve meaningful reduction in unemployment and poverty, the Kenyan economy should grow at a much faster rate than population growth rate. The Government has in the recent past been implementing far-reaching and bold economic reforms aimed at creating the necessary enabling environment for rapid economic growth. However, since the majority of Kenyans are poor,

they can only benefit from such economic growth if it is achieved through the use of their productivity. When low-income groups are so numerous it is no longer desirable, or even feasible, to exclude their productive potential, create surpluses in highly productive sectors and then use those surpluses to alleviate their poverty by means of welfare and relief payments. Thus failure to tap the poor's potential contribution to employment creation and growth will severely handicap the national economic effort.

33. What is required is broad-based economic growth, which starts from the need to protect and enhance the assets and income streams of those who are permanently and temporarily poor. The assets they work with include their human capital and labour skills and the social capital found within social networks and community institutions. It is these personal skills and social networks which provide employment, safety nets in times of distress, and routes to savings and remittances used for investment purposes when the formal employment sectors cannot help. There is good evidence to show that the poor cannot afford to be idle and do invest in their future. The NPEP therefore seeks ways of assisting poor men and women to increase the range and quality of their

productive opportunities and livelihood choices in order to escape poverty permanently.

34. The creation of productive employment opportunities is one of the most serious challenges facing Kenya today. So far, agriculture remains the largest source of gainful employment (contributing up to 80% of rural employment) in Kenya and will continue to be so until well into the next century. A dynamic agricultural sector is crucial to the economic development of the country and requires a long-term strategy for employment creation. Interventions in this sector will seek to increase farm productivity through intensification of land utilization, enhanced household subsistence and income generating opportunities, and to provide security. Diversification of crops is one element to a development strategy for poor farmers. This diversification could include the incorporation of trees on farm, small-scale dairy, and export horticulture and seed production.

35. Targeted support will include efforts to:

- Increase dairy production by improving animal health services;

- Ensure that 40% of all extension messages are relevant to very poor;
- Help poor people to organise the marketing of their products and crops through improved marketing infrastructure;
- Significantly reduce the time spent by women on fuelwood and water collection;
- Target research and extension at resource-poor farmers to raise their on-farm productivity;
- Ensure availability of affordable micro-credit to poor farmers;
- Ensure availability of certified quality seeds and other farm inputs;
- Enhance access to and control over agricultural land by the poor;
- Access to simple but effective small-scale irrigation infrastructure;
- Integration of poor women into productive opportunities;
- Improve rural access roads to enhance production and marketing of agricultural produce.

36. To create livelihoods for the land-poor and landless, more sustainable off-farm food processing and *jua kali* micro and small enterprises are needed. Off-farm food processing activities like



honey refining, pressing of cooking and other oils from oil seeds, making of sesame bars, groundnut pastes and butter, and jams are all potentially important. Trade and retail activity is also an important source of income for some rural families. The Government will provide incentives and policy encouragement to the private sector to create jobs in off-farm food processing.

37. The focus of plan implementation will be to protect and enhance the assets and income streams making up rural and urban livelihoods. Searching for poverty-reducing technical change, building and enhancing social capital through group cooperation, support for new marketing initiatives for lower income groups, and the removal of local and national government regulations which obstruct petty trade will all help improve existing livelihoods and contribute to broad-based economic growth.
38. The informal sector is becoming an increasingly important feature of the Kenyan economy. Its significance is often thought to be predominantly urban. The *1997 Economic Survey* records that almost 1.7 million people were 'engaged' in the urban informal sector in 1996. The sector will continue to play a significant role in creating

employment opportunities. In this regard, the main contributions to the eradication of income poverty in the urban areas will come from:

- *Jua kali*, and other informal sector activities;
- Government protection of lawful informal sector activity;
- An improvement in the quantity and quality of employment created by the corporate private sector.

39. The Government will continue to review, and radically revise where necessary, the many sets of municipal and central government regulations. Some of the regulations and their enforcement appear to hinder, unnecessarily, street and market trading operations. Each license or permission needed creates the opportunity for petty corruption and harassment and is, in effect, an uncontrolled tax on the informal sector that does not benefit Government revenues. The licenses and regulations will be removed within the early years of the Plan period unless there is a strong justification for their continuation.

40. Some informal sector businesses need very low-cost secure sites close to the major areas of

economic activity. Land and premises close to markets are particularly scarce and expensive for new entrants into the sector. The Government will therefore help organize secure premises and/or sites to assist the urban Medium and Small Enterprises (MSE).

#### IV. PLAN IMPLEMENTATION

41. Plan implementation will be in three phases over the period 1999 - 2015: the first phase (1999 - 2004); second phase (2005 - 2010); and final phase (2011 - 2015).
42. There will be a preparatory phase of 18 months, aimed at setting local poverty reduction priorities and establishing management structures and appropriate financing mechanisms. The immediate goal of the NPEP is to reduce the numbers of people living in absolute poverty by 20 % by 2004. This target will be accomplished through a combination of pilot demonstrations and implementation of community action plans.
43. On the national scale, line ministries will be required to review and introduce a clear poverty focus in their project portfolios. They will also have to demonstrate how they will deliver

improved services to the low-income households in disadvantaged areas. The main challenge for the sector ministries is to restructure priorities and corresponding budgets, to further decentralize and to reorganize service provision to cater for a majority of the low-income households.

44. **National advocacy and social mobilization** campaigns will be mounted aggressively through the electronic and print media. These will aim at soliciting support of all stakeholders who will eventually carry forward poverty eradication activities.
  
45. A further important aim in the early stages of plan implementation will be the enhancement of **Government's capacity in participatory planning**. The government will collaborate with civil society organizations, including NGOs, to develop skills in **participatory poverty appraisal** and to publish a set of national guidelines on best practice in working with the most disadvantaged and vulnerable groups. Capacity building through training of trainers will be carried out for intermediary organizations who will undertake further training for grassroots level extension staff. The training of trainers will focus on participatory

planning and community mobilization methodologies.

46. Communities will then be supported to prepare Community Action Plans (CAPs) which will comprise interventions and activities to meet both their practical and strategic needs. Appropriate participatory tools and techniques will be introduced during the preparation of CAPs to help in identification of solutions, which are not only affordable and cost-effective, but also have the potential to be operated and maintained by the communities themselves.
47. Building on the achievements of the initial six years of intensive activity, the NPEP principles and modalities will be extended, during the second phase (2005 - 2010), to a further 30 per cent of poor urban and rural households. By the end of this second phase, the combination of exercising the basic rights, broad based economic growth and an increase in low income groups' effective access to necessary services will be consolidated, lessons learned will be incorporated in the delivery systems and the growth in ranks of poor people will be reversed in the priority rural districts and urban centres.

48. The final phase (2011 - 2015) will be devoted to increased monitoring and evaluation of poverty eradication initiatives, impact assessment and policy refinement. The NPEP principles and operational targets will be mainstreamed throughout Kenya by means of more extensive promotion and replication.

## **V. INSTITUTIONAL FRAMEWORK**

49. The major actors to be involved in the implementation of the Plan include the recently appointed Poverty Eradication Commission (PEC), Government Ministries and Departments, communities and community-based organizations (CBOs), private sector, NGOs and other civil society organizations (CSOs), bilateral and multilateral donor partners. The various activities to be undertaken by these actors to implement the NPEP are described below:

### **A. Poverty Eradication Commission**

50. The Commission comprises members drawn from a cross section of Kenyan society. The Commission will (i) advocate and lobby for poverty eradication, (ii) monitor, co-ordinate and oversee the poverty reduction efforts by various

stakeholders in Kenya, (iii) inform and advise the Government of Kenya and other stakeholders on poverty reduction.

51. A small and lean Poverty Eradication Unit (PEU) will service the Commission. This Unit will handle much of the day-to-day legwork in support of the activities of the Commission. It will be headed by the Secretary to the Commission and will be staffed by competent professionals drawn from Government Ministries and Departments and experts seconded for a limited period from other stakeholders.

52. The functions of the Commission will be to:

- Co-ordinate, monitor and oversee poverty eradication efforts by various organizations, operating in Kenya;
- Define the enabling policy options required to implement the National Poverty Eradication Plan;
- Develop strategic sectoral policies and assist the key sector ministries responsible for basic economic and social services to define and implement their own poverty reduction targets;

- Advise the Government on:
  - The implementation of the National Poverty Eradication Plan;
  - The conducting of strategic discussions with plan partners and implementing national agencies;
  - The conducting and financing of a national public relations campaign against poverty;
  - the financing of direct poverty reduction action in the rural districts and urban areas;
  - the selection of priority geographical and sector targets for poverty reduction;
  - the need to encourage citizens, communities, voluntary organizations and the business community to mobilize resources against poverty;
  - the incorporation of a poverty reduction focus into civil service reform, staff training and personnel management.
- Co-ordinate a national media campaign against poverty;
- Mobilize financial resources and manage the financing of direct poverty reduction actions in



the rural districts and urban areas in consultation with the Permanent Secretary, (Development Coordination), Office of the President and the Treasury;

- In consultation with the Permanent Secretary, (Development Coordination), Office of the President and the Treasury, be responsible for the authorization of the initiation of relevant poverty focused trust funds at local level;
- Allocate funds to existing sector ministries and operational units on a sub-contracting basis and in conformity with agreed terms of reference, in order to meet poverty reduction aims. These shall be based on proposals related to individual financing agreements periodically submitted to the Commission by the Poverty Eradication Unit (PEU);
- Call for implementation tenders from private firms and NGOs to undertake poverty eradication activities in consultation with the Minister of State in the Office of the President and the sector ministries concerned;
- Endorse quarterly and annual progress and financial reports presented by the PEU and

endorse the periodical accounts presented by the PEU on behalf of various implementing agencies,

- Scrutinize and endorse annual audits of accounts of NGOs and private organizations, participating in relevant poverty eradication programmes;
- Oversee the establishment of explicit poverty reduction priorities at the district level;
- Undertake demonstration poverty reduction operations in various districts, and set standards on poverty reduction for dissemination within Government ministries and other national agencies;
- Initiate poverty forums at national, provincial, district, divisional and location/ward levels to monitor plan implementation and promote co-ordination.

## **B. Government Ministries and Departments**

53. Since poverty eradication requires the mobilisation of the efforts of the entire Government, virtually all the Ministries and

Departments of the government will be involved to a larger or smaller degree in implementing the NPEP.

### C. Communities and Civil Society Organizations (CSO)

54. Poor women and men and their communities are the most important actors in eradicating poverty. Mobilization of the people and communities to take stock of their assets, skills and strengths, identify needs and priorities, and formulate community action plans to eradicate poverty and improve their welfare is at the core of the NPEP. The emphasis of the plan is to empower poor people and communities to better manage the economic and social facilities and resources (e.g., primary schools, health centers, water supply, forests and pastures, market places, etc.) for both individual and collective advancement. Self-reliance and self-respect are important ingredients in this approach breaking away from the traditional dependency perpetuating client-patron relationships. A number of intermediary organizations including community-based, religious, voluntary, governmental and non-governmental organizations are expected to

facilitate the progress of community mobilization and empowerment of people.

55. Civil Society Organizations such as religious bodies, charitable foundations, NGOs, interest groups, professional associations and the media are important actors in poverty eradication. They support the poor and disadvantaged, monitor, facilitate the flow of information and mould public opinion on issues of common interest. They have the ability to reach poor and disadvantaged. Many of them are involved in community mobilization, preparation of community action plans, building self-reliance, and empowering the poor. Implementation of the NPEP calls for appropriate partnerships between poor communities, civil society organizations, the Government and external development partners.

#### D. Private Sector

56. The private sector is expected to participate in at least two ways: it would provide social and economic goods and services as part of the profit from business activities to meet the demands of the poor; and the private sector organizations

would develop social responsibility guidelines that mobilize Businesses Against Poverty.

57. The private sector sponsored philanthropic programmes and projects for the poor and disadvantaged will be encouraged. In addition, private sector contributions to the Anti-Poverty Trust Fund will be sought.

## **VI. FINANCING OF POVERTY ERADICATION ACTIVITIES**

### **Local Financing**

58. Financing of poverty eradication initiatives is primarily the responsibility of the Kenyan people and their Government. Communities will be expected to develop Community Action Plans and specify how they will mobilize resources to finance them. Finances sourced from outside communities will only act as a catalyst to their own initiatives.
59. Government financing for poverty eradication programmes will be raised partly through the ring-fencing of relevant poverty focused items in the line ministries' budgets and also through contribution to the Anti Poverty Trust Fund.

60. The Anti-Poverty Trust Fund, (APTF) will be established and managed outside government machinery. A Board of Trustees will manage the APTF at national level with funds being channeled through major commercial banks. In line with its major objectives, the APTF shall be granted the right to mobilize resources on its own. Contributions will be sought from government, private sector institutions, external donors, voluntary organizations and individuals in cash or in kind. The government contributions to the APTF will come in the form of a single line item in the budget. This will be used to kick-start mobilization of resources to the Fund.

### **Bilateral and Multilateral Donors**

61. Bilateral and multilateral aid are important sources of foreign assistance to Kenya. Some of the bilateral and multi-lateral partners have been on the forefront assisting the Government, poor communities, private sector and civil society organizations in fighting poverty in Kenya. The plan adopts the rights-based approach to development that is being emphasized by a number of bilateral donor partners. It provides a comprehensive framework within which the different poverty-focused initiatives of the bilateral

partners will be coordinated to ensure complementarity and avoid overlap or duplication. Their technical expertise and substantial resources will be mobilized to promote poverty eradication in Kenya. Accordingly, the Government will seek their partnership and full involvement in the implementation of the NPEP.