

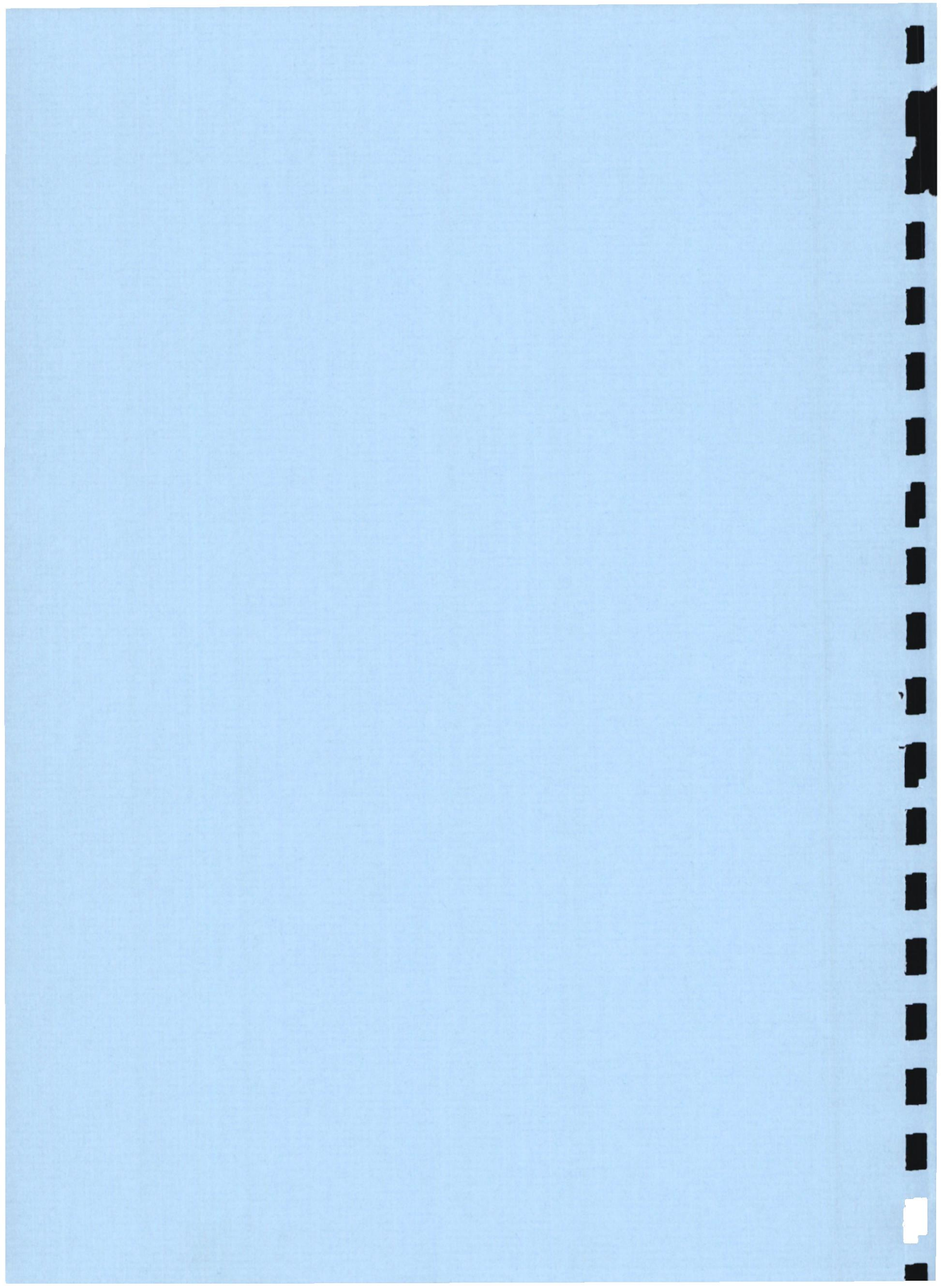
REPUBLIC OF KENYA



**THE PRESIDENCY
MINISTRY OF DEVOLUTION AND PLANNING**

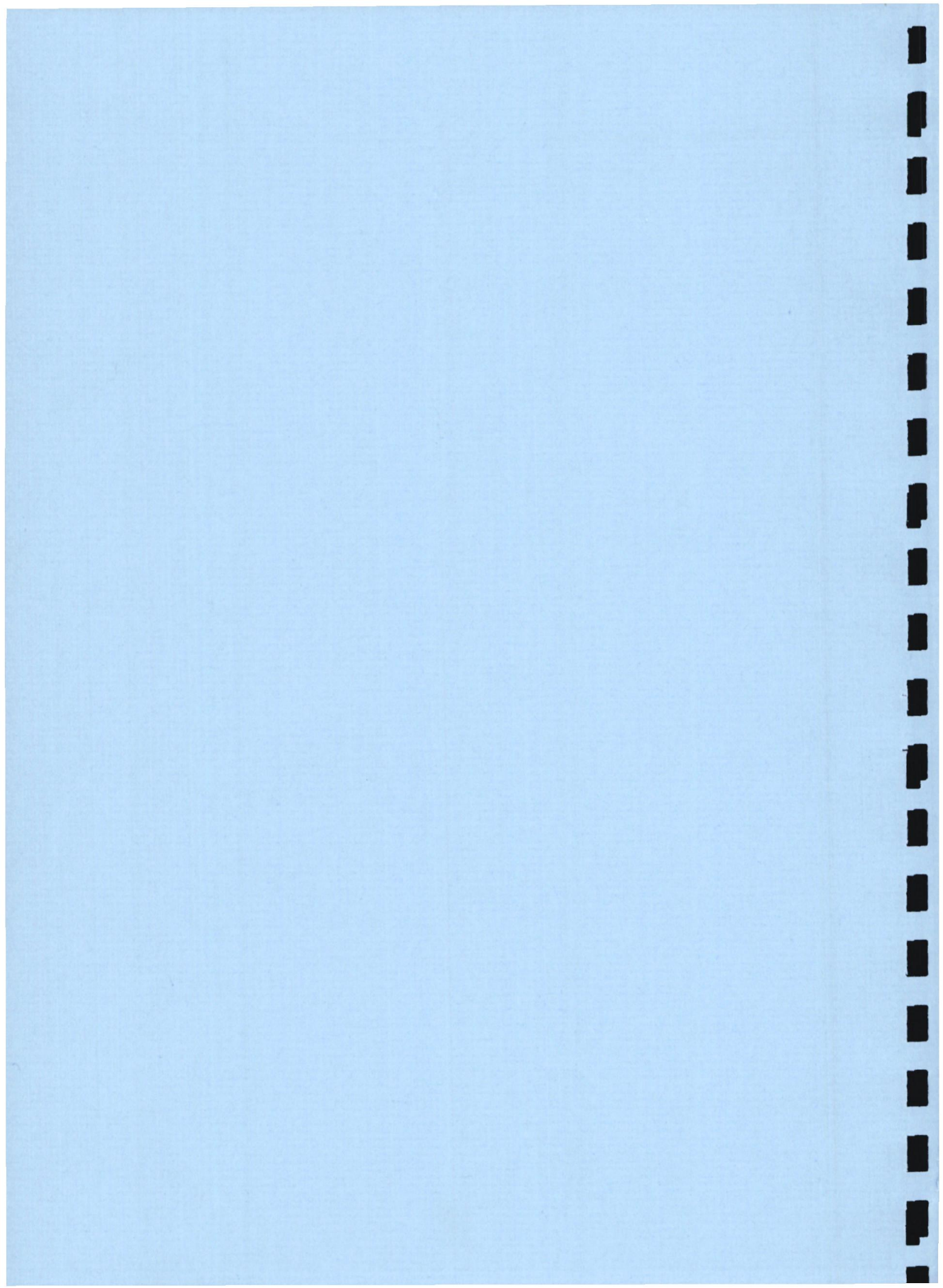
**THE MINISTRY OF DEVOLUTION AND PLANNING
ACTIVITIES AND ACHIEVEMENTS 2013- 2015**

6th November 2015



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1. BACKGROUND AND INTRODUCTION

In 2010, Kenya ushered in a new constitution that envisaged far reaching reforms with a view to achieving more accountable, effective and inclusive governance. Key to these reforms is devolution which is a core dimension of the constitution and has profound effect on the day to day lives of Kenyans.

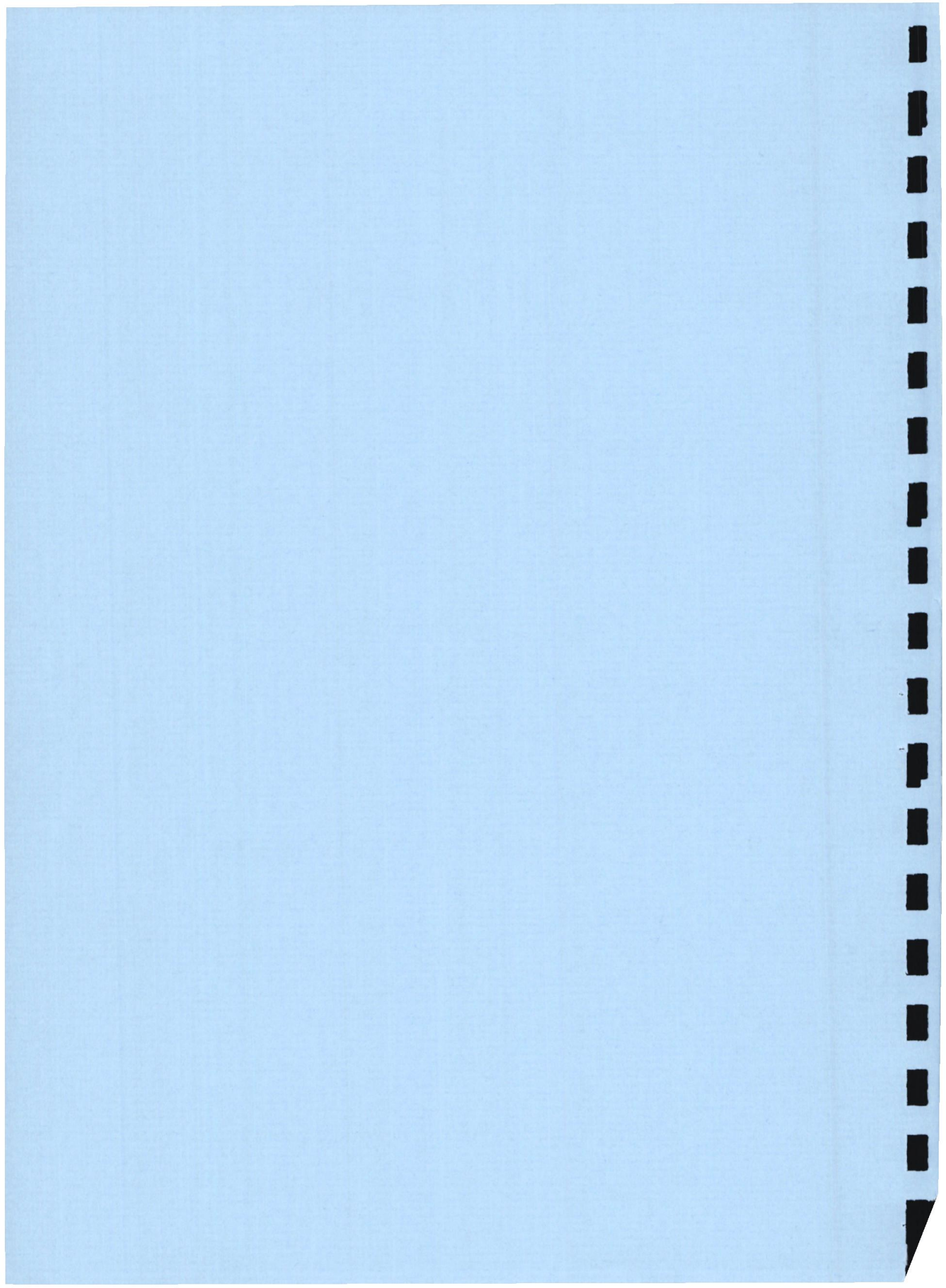
The Jubilee Government, the first elected administration under the new dispensation was elected on a platform of transformation and midwifing the transition from the old to the current system of governance and promise of new face in public service delivery.

The Ministry of Devolution and Planning draws its mandate from Executive Order No. 2 of May 2013, where the Ministry is divided into two state departments, these include: the State Department for Planning that includes the Directorates of Economic Planning, Youth and Gender; and the State Department for Devolution that includes the Directorates of Devolution, Arid and Semi-Arid Lands Development, and Special Programmes and the Directorate of Public Service Management.

The Ministry of Devolution and Planning aspires "To be a centre of excellence in planning, service delivery transformation and devolution for a high quality of life for all Kenyans." This vision will be realized through the mission that is ***"To provide leadership, coordination, and an enabling environment for planning, transformed public service delivery and management of the devolved system of government."***

The Ministry's mandate can be summarized in the following seven areas:

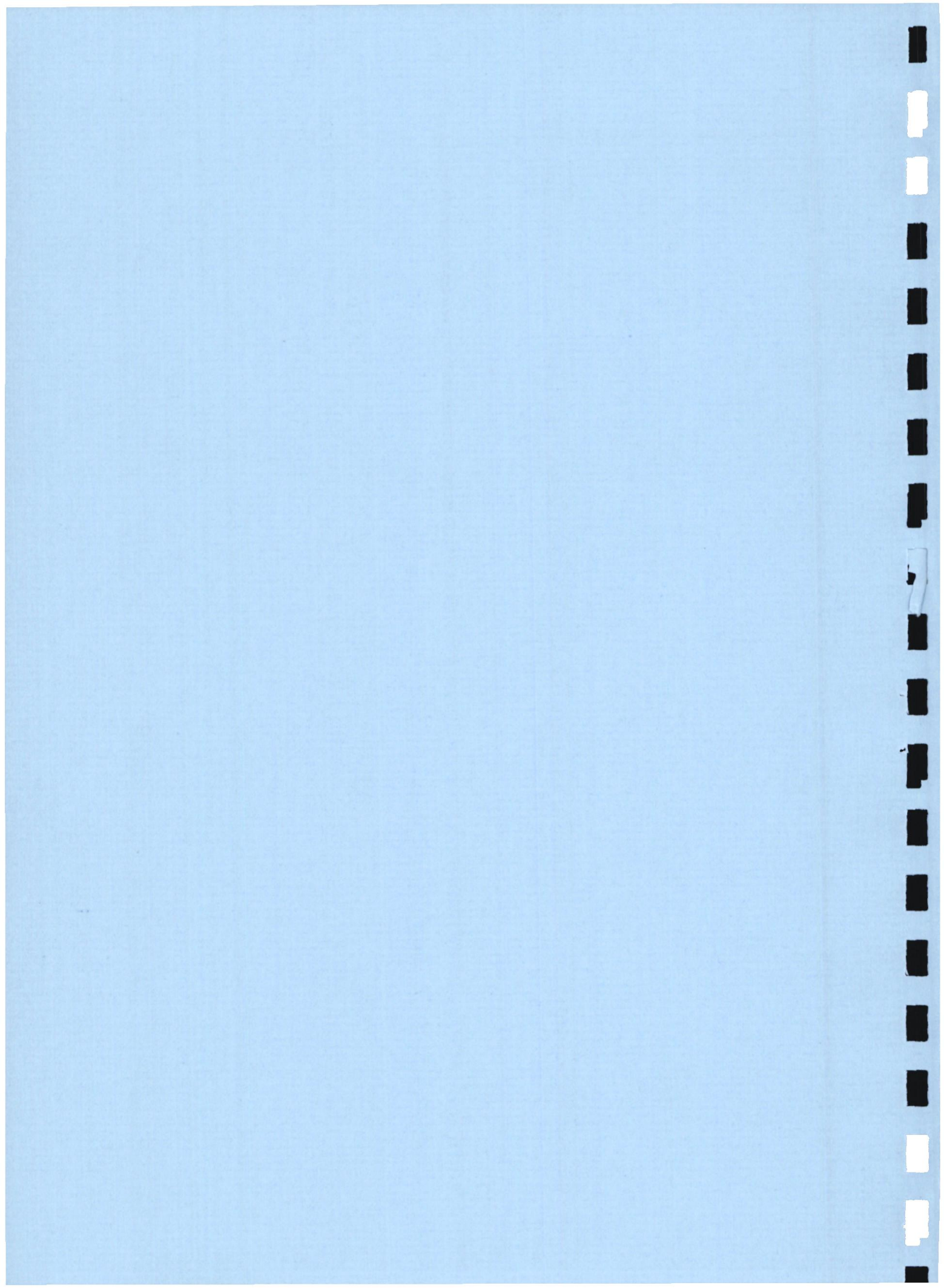
- 1) Planning and Policy formulation;
- 2) Tracking of results;
- 3) Making devolution work;
- 4) ASAL development, humanitarian response and resilience;
- 5) Gender equity and the empowerment of Youth, Women and other Vulnerable Groups;
- 6) Transforming the Public Service; and



7) Institutional strengthening and financing.

The Ministry has made tremendous progress in meeting its wide mandate; however significant achievement has been achieved in the following four areas:

1. Youth Empowerment
2. National Youth Service
3. Devolution
4. Huduma Kenya Programme



2. YOUTH EMPOWERMENT

a) Introduction

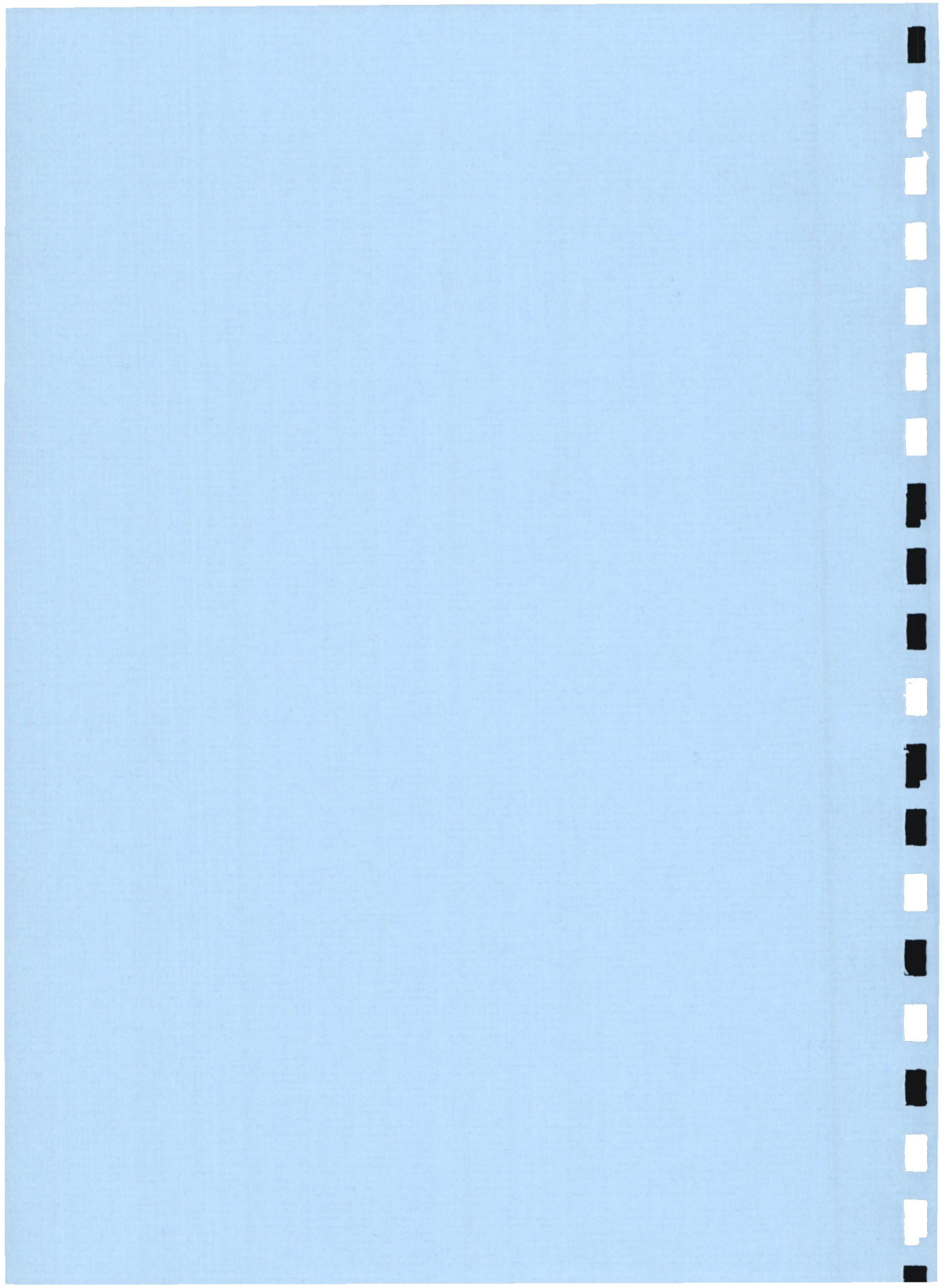
The youth make up the single largest proportion of the population and form a critical mass which the Government takes in to account in order to realize its mandate as well as offer quality service to Kenyans.

In tackling the challenges facing her youth, Kenya is guided by the Constitution of Kenya which specifies in Article 55 that the State shall take measures, including affirmative action programmes, to ensure that the youth; *Have access to relevant education and training; Have opportunities to associate/be represented; Have opportunities to participate in political, social, economic and other spheres of life; Access employment; Are protected from harmful cultural practices and exploitation.*

The Kenya National Youth Policy 2007 also aims at ensuring that youth empowerment programs are well-coordinated to address the interests of youth that all development programmes are youth friendly and responsive. The Jubilee Manifesto asserts the need for youth participation in national development processes and highlights empowerment of the youth as a core component of affirmative action.

Kenya's strong policy position on youth empowerment has been on recognizing young people as an asset to their societies with an enormous potential to help tackle the major challenges facing humanity. As a nation, our focus is to build on young people's capacities to overcome poverty, engage them in decision making, and work with them as partners in democracy and development. We build on the strengths of our youth, rather than focus on the social ills associated with their presence among us.

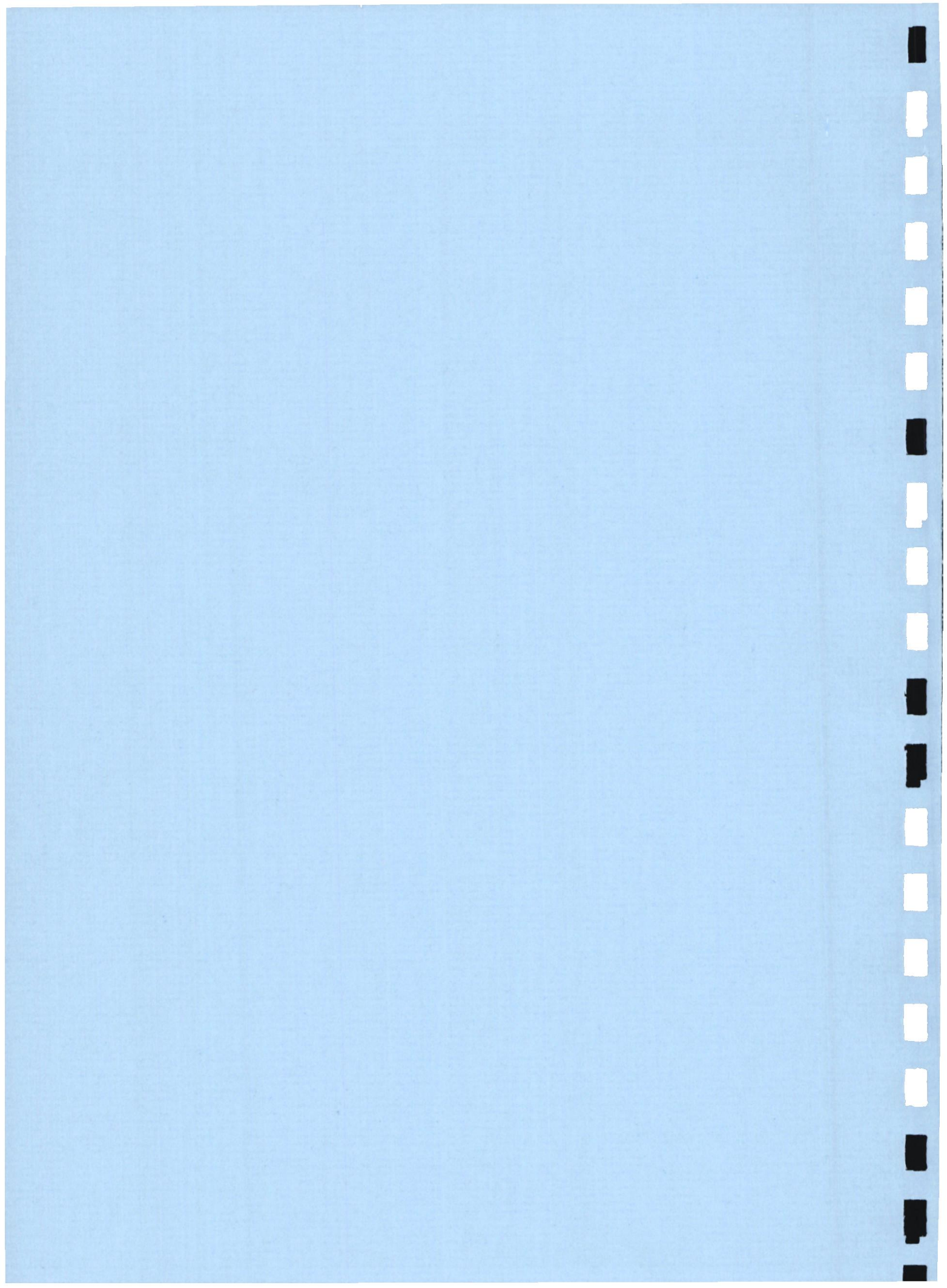
Currently, the government of Kenya has mainstreamed youth affairs in the overall national development agenda to ensure that all government programmes are youth sensitive, and are responsive to the needs of young people at all levels. The creation of productive, decent and sustainable livelihoods for young people continues to be A key goal both in the public and private sector.



b) Interventions on Youth Empowerment

Mainstreaming of youth concerns in all projects by weaving strategic objectives of youth empowerment into the Performance Contracts of all Government ministries, Departments and Agencies;

- i) Provision of soft skills training and internship opportunities to young people at the local community levels;
- ii) Providing affirmative access to public procurement contracts and tenders by reserving 30% of public procurement opportunities for the youth;
- iii) Promotion of dialogue and engagement with the youth (in line with the Africa Youth Charter) through the National Youth Council structures in order to integrate their opinions in the decision making process;
- iv) Development and championing of employment policies that encourage investors to promote youth employment, technology transfer and skills development;
- v) The establishment of capital revolving funds for the youth and increased financial allocation in our national budget to fund youth development and entrepreneurship programmes in the country;
- vi) The expansion of the capacity of Kenya's National Youth Service recruit, train and economically empower over 240,000 young men and women every year;
- vii) The creation of one stop service delivery centers - Huduma Centers - to cut down the service delivery distance between citizens (majority of whom are youth), and the government.



c) **Key Results and Impact of Youth Empowerment Programmes**

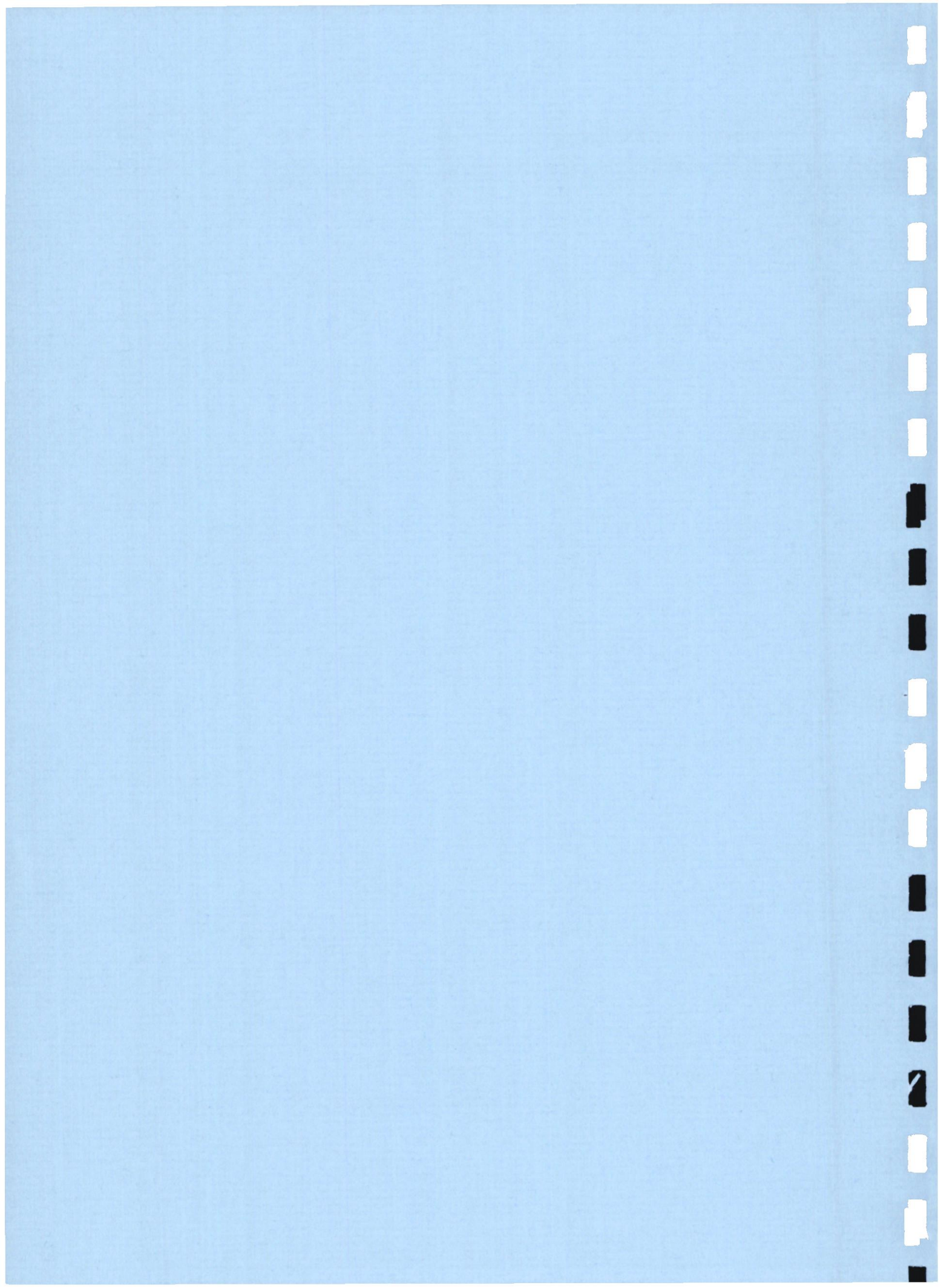
- i) **Enhanced income generating opportunities;** The Ministry has worked to ensure young people Access part of the 30% Government Procurement Opportunities (AGPO) reserved for vulnerable groups as part of the broader affirmative action policy. This is a huge boost to the youth considering Government is the single largest consumer of goods and services.

So far, Kshs. 15.5 Billion have been awarded to youth, women and PWDs since the inception of the programme in July 2013. In the 2014/2015 financial year, 1,896 young entrepreneurs have have accessed Kshs. **4.5 Billion** of the Kshs. **9.2 Billion** worth of Government tenders issued to vulnerable categories.

The Ministry has also worked with Parliament to include appropriate amendments to the Public Procurement and Disposal Act currently before parliament to ensure entrenchment of this programme. The participation of the youth in public procurement has created employment, wealth and enhance economic growth, towards achievement of the country's Vision 2030.

The youth are also encouraged to compete with other stakeholders for the rest of the remaining 70 per cent procurement opportunities. To date, over, **55,000** companies have been certified to benefit from the 30% AGPO scheme.

- ii) **Enhanced Employability;** 21,393 youth were given life skills training and 8,565 of them underwent actual 3-month on job training/internship in various sectors of the economy under the Kenya Youth Empowerment Programme executed in partnership with private sector players coordinated by the Kenya Private Sector Alliance (KEPSA).



The program has and continues to address the skills gap and limited work experience among vulnerable youth, by providing opportunities for skills training and on-job experience. 21,393 given life skills training. 80% of the beneficiaries of this project have gone on to secure wage and self-employment.

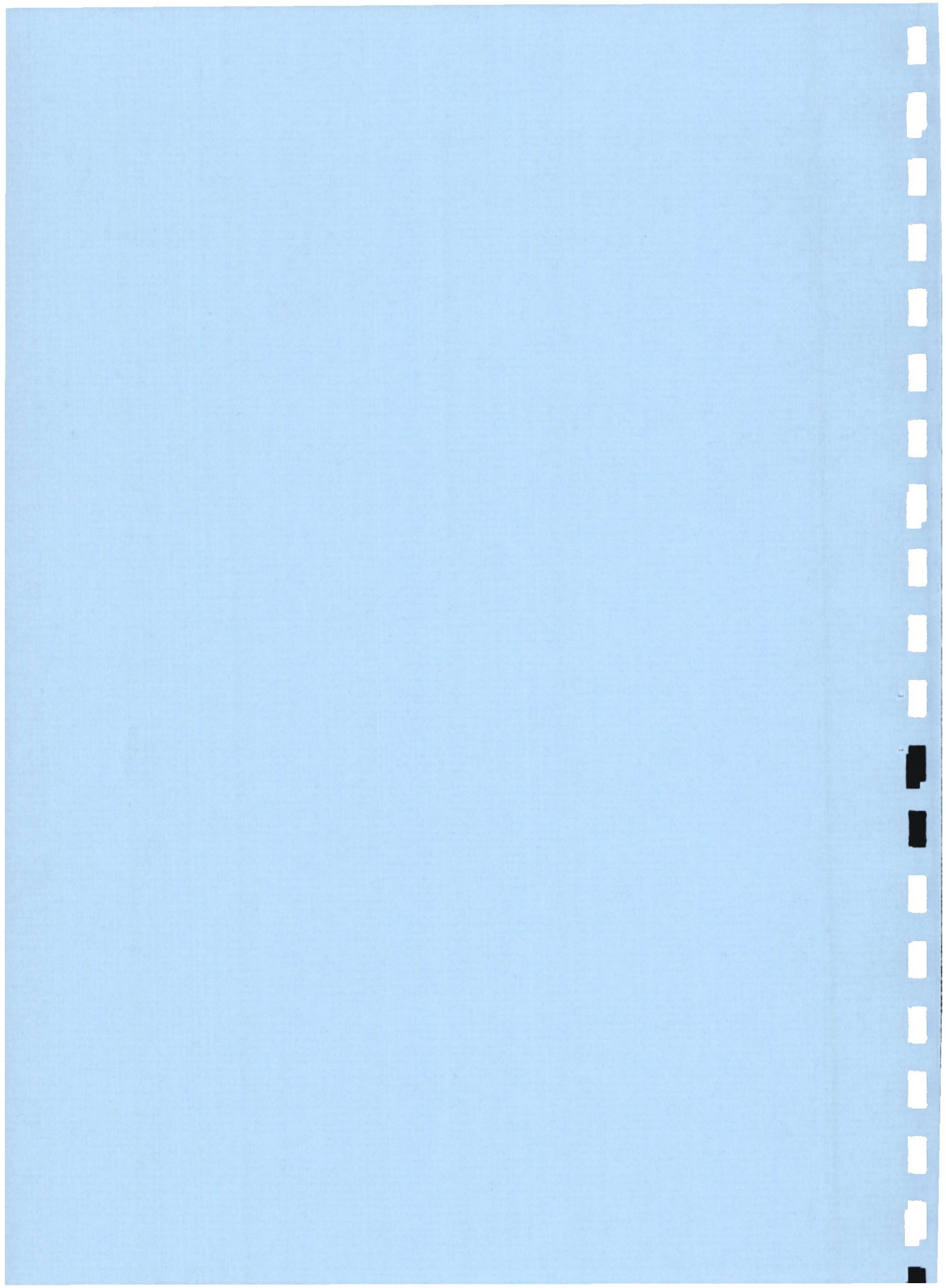
In addition, 1,318 youth were supported through the Directorate of youth Affairs to get into industrial apprenticeships.

- iii) **Enhanced Access to business financing;** Enterprise Financing programmes such as the UWEZO Fund, Women Enterprise Fund and Youth Enterprise Development Funds targeting young men and women keen on establishing businesses have had significant impact on job creation and economic growth. These funds have expended young people's capacity to access to finance through grants and credit.

The funds have generated gainful self-employment for Kenyan youth as captured in the 2014 Economic Survey Report. Specifically Uwezo Fund which was set up specifically for youth, women, and PWD groups at the constituency level has disbursed **5.35** Billion shillings to all the 290 constituencies and so far **32,405** groups of **19,690** women, **11,802** youth and **735** PWDs have accessed **Kshs. 3.3 Billion** of these funds.

The Youth Enterprise Development Fund disbursed **Kshs. 1, 548,640,578** to youth enterprises across the country which created employment to **175,982** youth both in groups and as individuals.

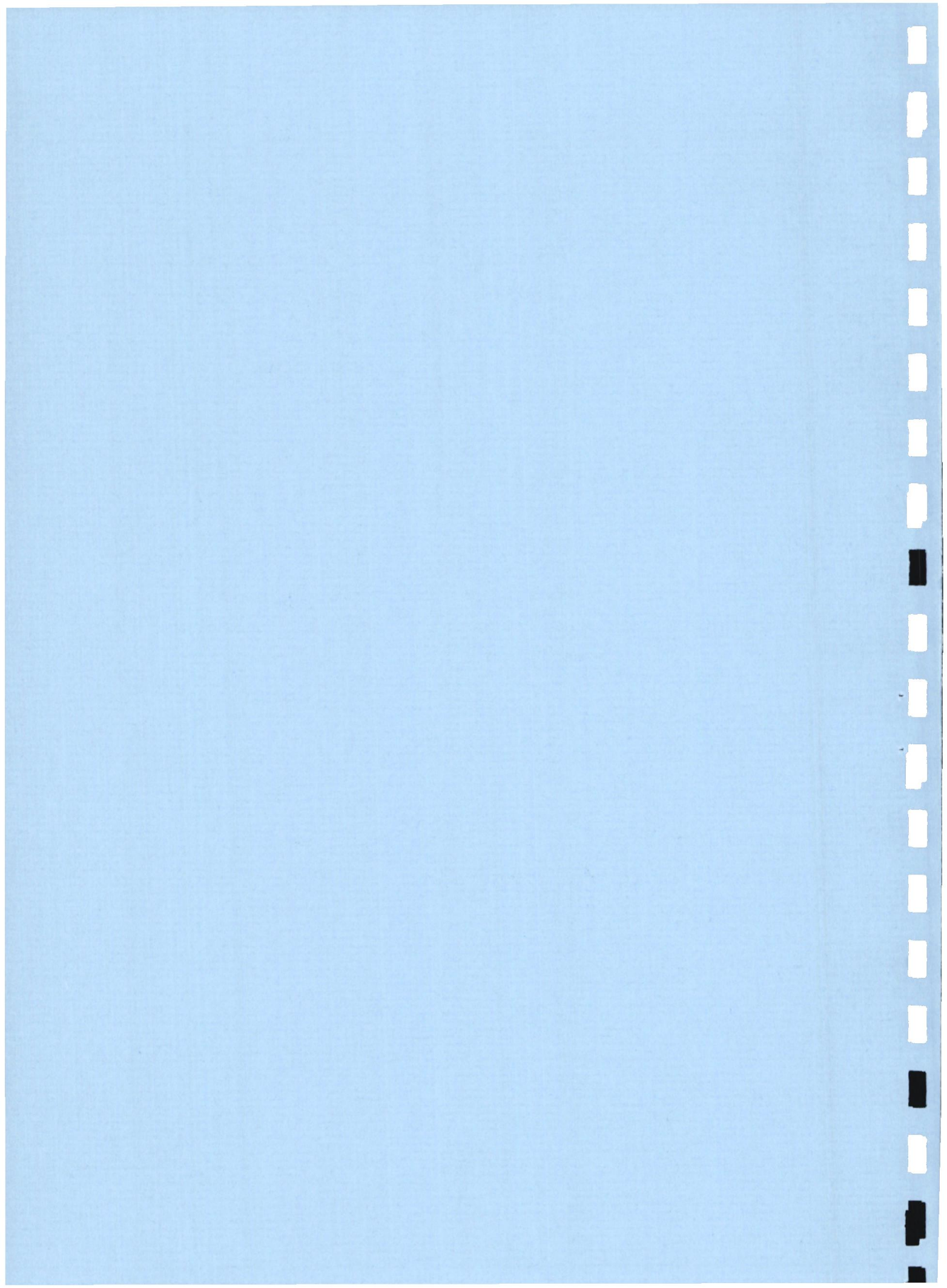
Enterprise Development. Through the Youth Fund and UWEZO young people's capacity to start and manage micro and small enterprises has been enhanced through business literacy training. All **11,802** youth beneficiaries of Uwezo Fund across the country have undergone a mandatory entrepreneurial training before they receive their cash. This is expected to have a direct positive impact on repayment rates.



Entrepreneurship training has also been delivered to **77,494 youth** through the Youth Enterprise Development Fund to prepare them for business loan uptake. These youth have gone on to do business and repay loans advanced to them at a rate of 64.21%, a figure that keeps improving year after year.

Previously, recovery rates have been recorded at between 13% and 17% for the period 2007 – 2011. About 550 youth enterprises have also been linked to markets and 200 youth entrepreneurs availed trading spaces/worksites through the Fund's investment in Youth oriented Commercial Infrastructure.

- iv) **A well-coordinated youth sector;** Further, to effectively coordinate and implement youth programs in the country, the government in collaboration with stakeholders has developed the National Youth Leadership and Entrepreneurship strategy, to guide all engagements on youth matters relating to leadership as well as entrepreneurship. The Strategy identifies existing gaps and proposes interventions and coordinating structures for the effective implementation of prioritised interventions.
- v) **Easy Access to Government Services;** Through Huduma Centers which combine critical services from a cross-section of government departments and bring them all under one roof the youth are enjoying the convenience afforded to acquire critical documents such as ID's, HELB forms, Driving Licenses among other essential documents that allow them to move forward productively.
- vi) **Access to Employment Opportunities Abroad;** Through the Youth Fund, the Ministry has facilitated **3,519 youth** to secure jobs abroad through the Youth Employment Scheme Secretariat. This program is run in partnership with the; Ministry of Labour Social Security and Services, Ministry of Foreign Affairs and International Trade, International Organization for Migration (IOM) and Private Employment Agencies (must



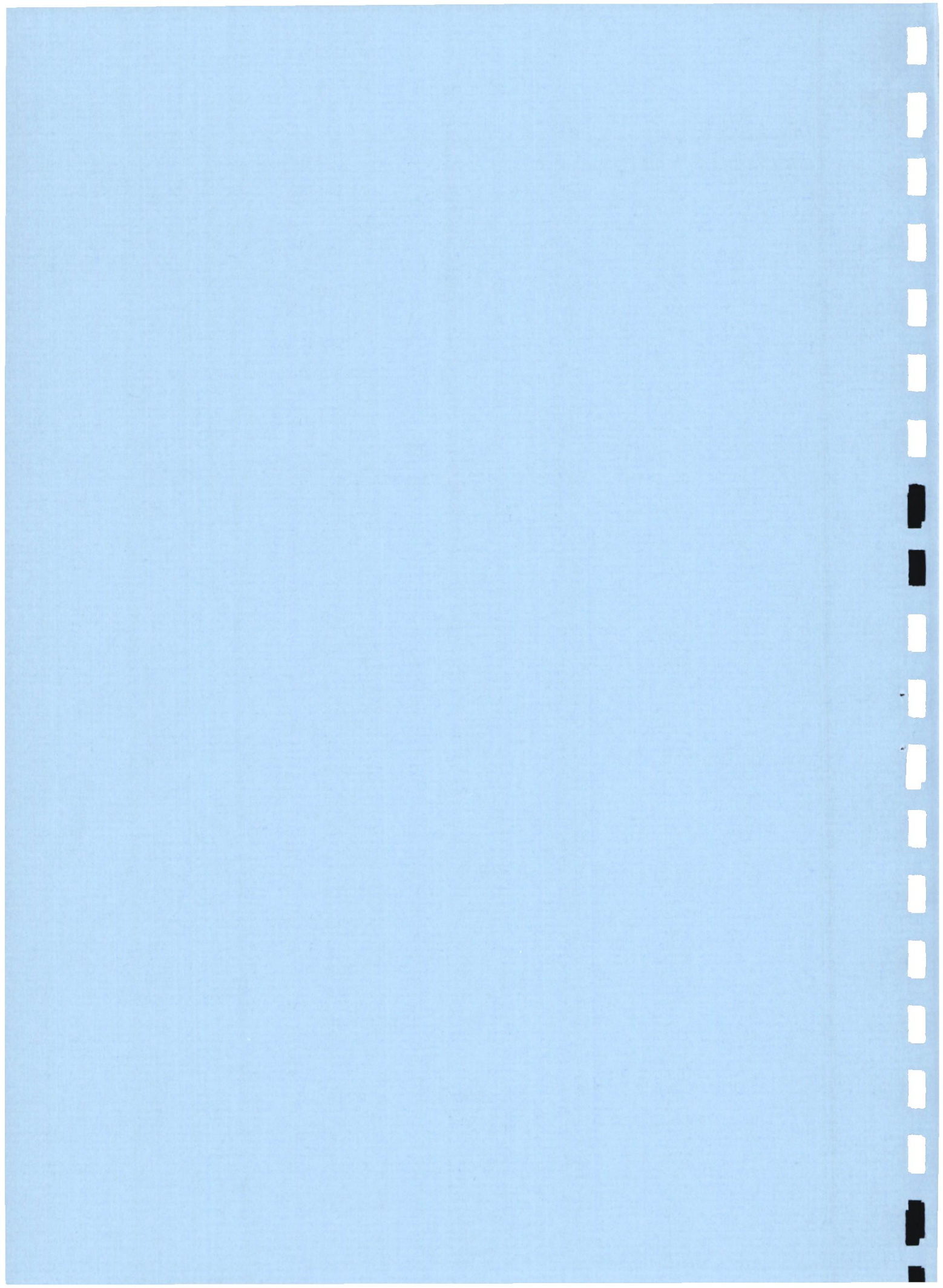
be recognized by the Ministry of Labour Social Security and Services). Pre-departure training has been conducted for all successful candidates who have acquired employment through agencies. The purpose of the training is to prepare the would be employees for the new work environment and what is expected of them in the foreign country as well as immigration requirements and procedure of processing the required travel documents.

Within the first quarter of the current financial year, 1004 youth were facilitated to secure jobs abroad through pre departure training. The Ministry is also currently processing 10,000 skilled ex-NYS graduates for export to the U.A.E under the agreement reached by His Excellency the President with the U.A.E government.

- vii) **Participation in Decision Making;** The youth have a formal, centralized agency through which to channel their views on various issues and policies - National Youth Council. In 2014, the Ministry, in conjunction with the National Youth Council, organized the first ever National Youth Convention for 6,000 youth leaders. The youth leaders interacted with Government, Youth Serving Organizations and diverse stakeholders working in the youth sector and took stock of achievements and challenges facing young people while exploring further areas of growth and development.

The Ministry's work on youth issues benefited greatly from feedback collated from that convention. The Ministry has ensured budgetary, administrative and technical support for the operationalization of the Council in line with the National Youth Council Act.

The Ministry has also supported youth participation in key international and domestic conventions and summits including the ICGLR Special Summit on Youth Employment, the International Youth Week, the National Youth Forum on Devolution, the East African Youth Conference on Employment among other.

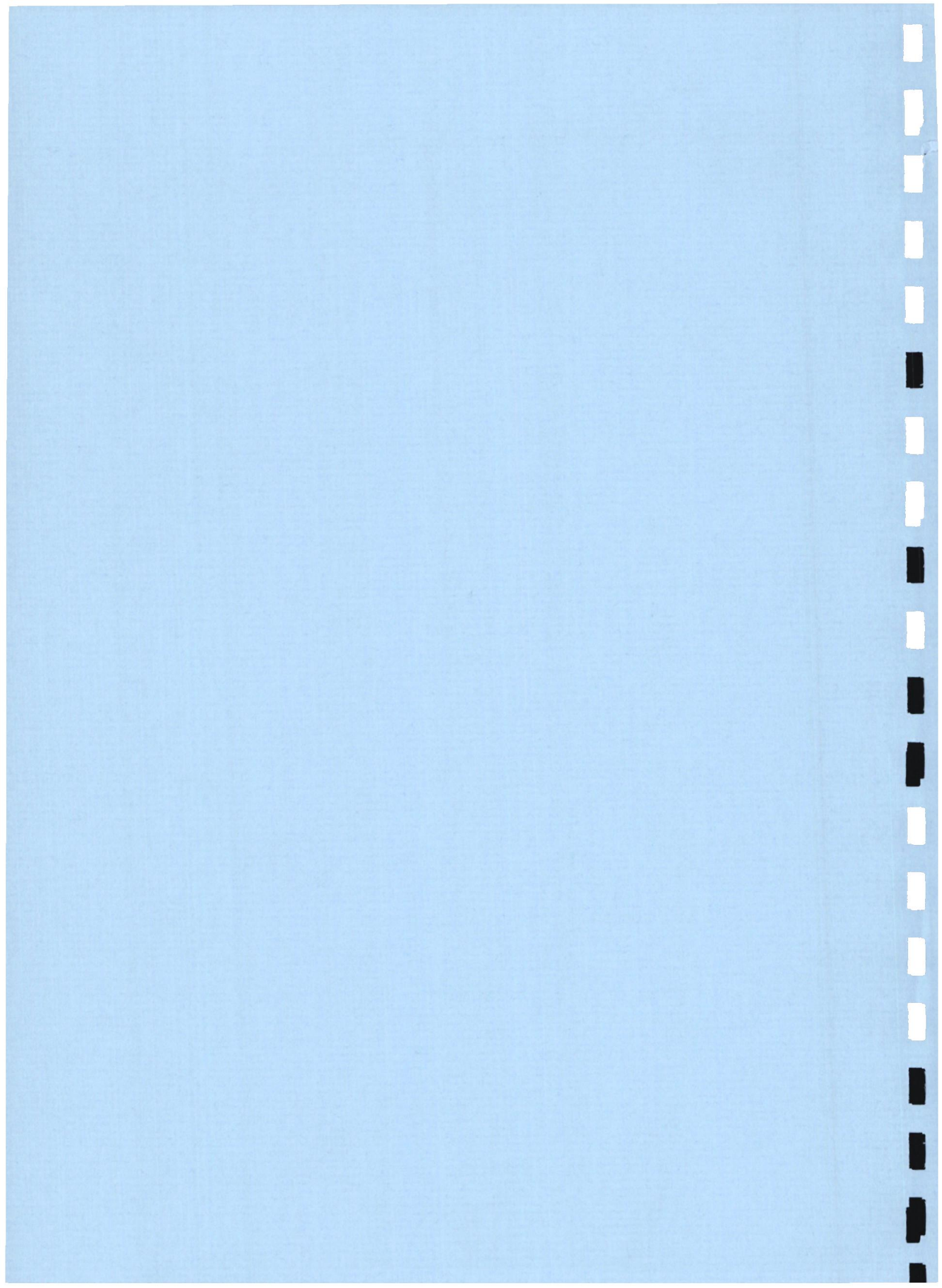


The Ministry has ensured follow up for the implementation of various declarations and protocols on youth empowerment as signed by the Kenya government including the ongoing process to set up the ICGLR Youth Secretariat.

- viii) **Increased Awareness;** The ministry reaches out to the youth through organized outreach forums in an effort to disseminate information on opportunities available as well as receive feedback on service delivery. A total of 27,473 youths accessed general information of entrepreneurship through YEDF during various public events which included: 100 youth from Kiambu County were trained in enterprise development, 58,424 from all counties were trained on entrepreneurship skills through the directorate of Youth Affairs.

Further, 9436 youth were trained in ICT skills in all counties and 20,514 youth sensitized on FGM, Early marriages and teenage pregnancies, HIV/AIDS and STIs, Dangers of crime, drugs and substance abuse, employability skills as well as talents and creativity.

- ix) **Youth Mainstreaming:** Youth Development Officers deployed to 17 Ministries, Departments & Agencies and sensitized on tracking of implementation of Access to Government Procurement Opportunities (AGPO) and other youth empowerment policies and programmes.
- x) **Youth Internship & Industrial placement:** 5,793 youth Placed in all Ministries and SAGAS. 494 placed in the Ministry of Devolution and Planning and 74 placed in the Directorate of Youth Affairs. Industrial placement Guidelines developed for all MDAs and the guidelines disseminated to all MDAs.
- xi) **Youth Empowerment Centres:** Guidelines on the operations of Youth Empowerment Centers developed. 130 YEC management committees established and a framework for establishment of Kenya Association of Youth Centres developed.



3. NATIONAL YOUTH SERVICE

a) Introduction

National Youth Service (NYS) was restructured in 2014 into a premier agency through which Government would execute an elaborate and comprehensive youth empowerment master plan dubbed the 5 Point Vision.

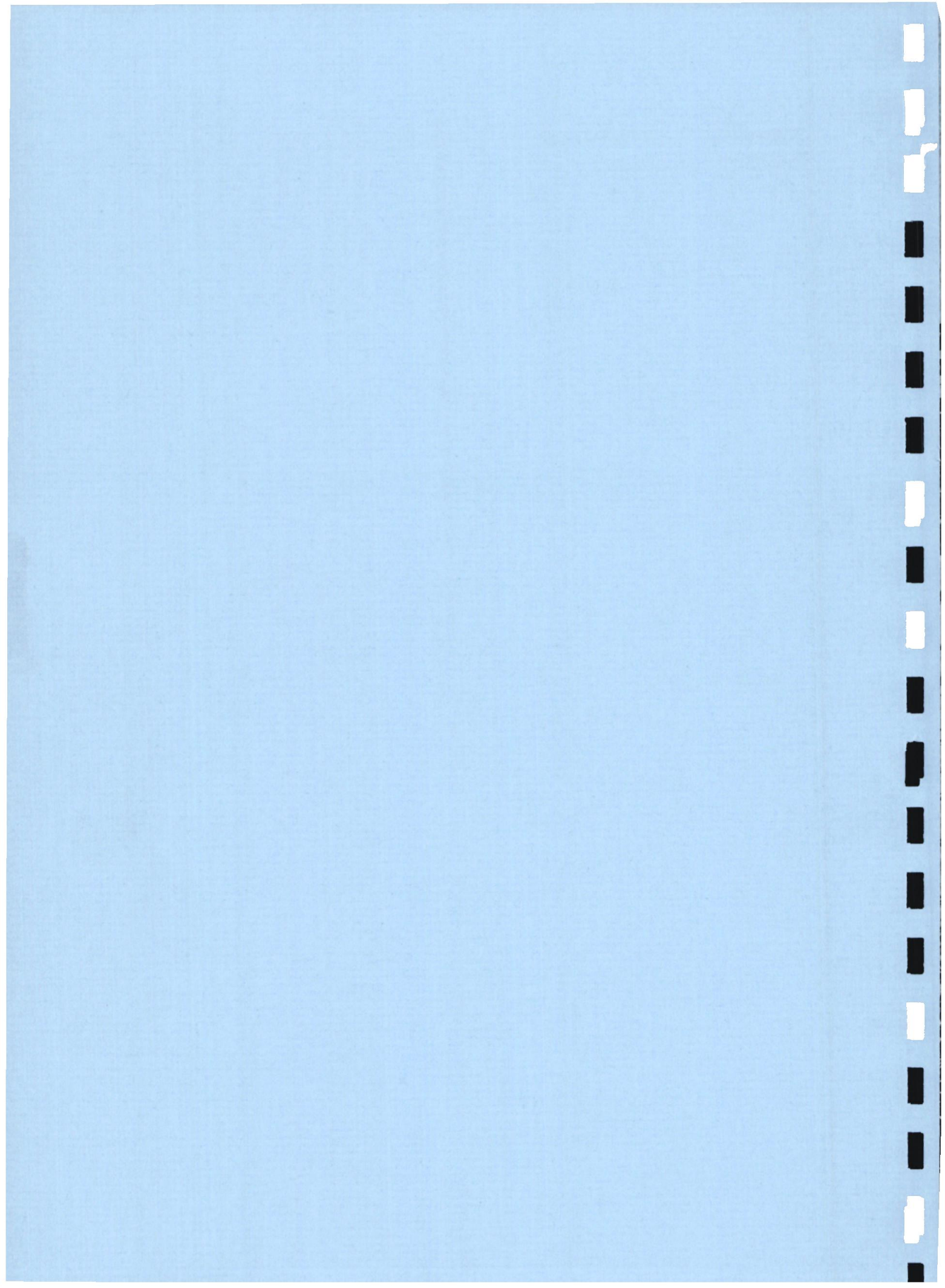
This vision has as its main tenets; Paramilitary Training & Service Regimentation; National Service & Youth Re-Socialization; Vocational Training & Social Transformation, Enterprise & Youth Economy and Bankable Institutional Architecture. The vision is founded on and inspired by four critical principles of social movements; these are; Regimentation, Rituals of Bonding, Livelihoods, and Identity & Significance.

The service has increased its annual intake by five times, from 4,000 youth to 20,000 youth per year. The 20,000 NYS youth are set to disciple over 200,000 community youth through the course of nation building activities.

b) Interventions of National Youth Service (NYS)

The Youth Empowerment Programmes in Informal Settlements includes, engaging youth in ; -

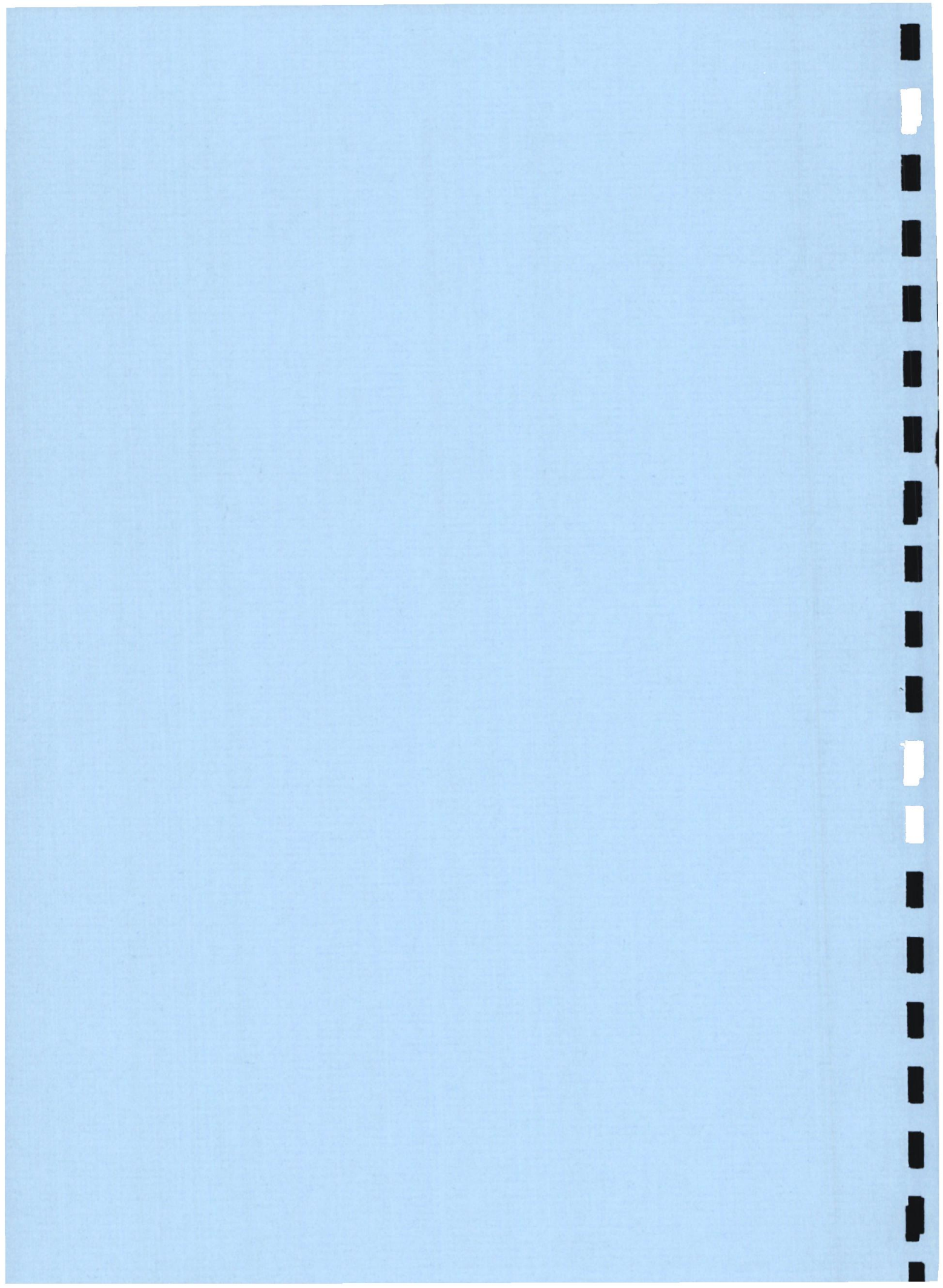
- The construction of ablution blocks;
- The construction of showcase model houses;
- The construction and upgrading of access roads;
- The placing of health clinics in conjunction with the Beyond Zero campaign;
- The setting up of posho mills;
- The setting up of varied agribusiness facilities such as urban agricultural kits; fish tanks;
- The Lighting of major routes and footpaths;
- The clearing and construction of storm water drains;



- The construction and connection of Sewer lines;
 - The construction of Huduma Centers ;
 - Provision of free Wi-Fi; and
 - Registration of SACCOs.
- ii. **Vector Control;** eradication of tse tse flies is ongoing in Lambwe Valley and Siaya in the Nyanza region as a contribution to the Disease Free Zones initiative.
- iii. **Dam Construction;** NYS has constructed over 300 small dams and water pans with community youth employed under each of the 45 dam construction units deployed across the country.
- iv. **Agribusiness;** we have taken 463 youth through Artificial Insemination training and they will be receiving their kits for deployment by Ministry of Agriculture, Livestock and Fisheries in the coming months.
- v. **Police Housing:** NYS will be contributing to ongoing efforts by other agencies in meeting the target in this sector by construction Police Housing units in various parts of the Country in partnership with local community youth.
- vi. **ASAL:** NYS has moved into this region to work with local community youth in drilling for water and distributing the same to a number of counties in the Arid and Semi-Arid lands and facilitate commencement of other NYS Youth Empowerment Programmes in these areas.

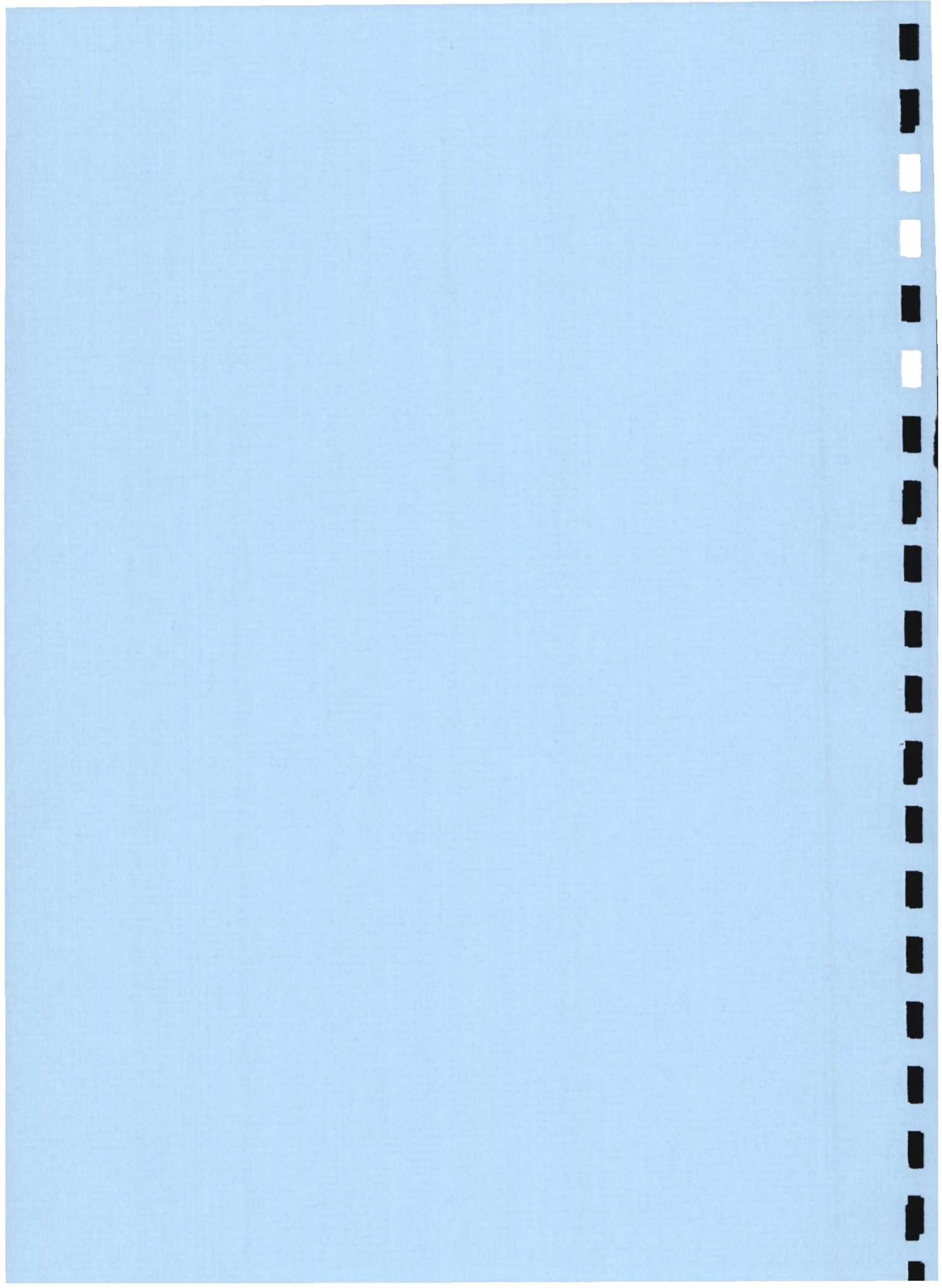
c) **Key Results and Impact of National Youth Service**

- (1) **Creation of direct employment opportunities:** The Youth Empowerment Projects Commenced mid-September 2014. To this date we have created 3,555 jobs in Kibera, and at least 4,000 in each of the other 5 slums launched by His Excellency, i.e. Mukuru kwa Njenga, Korogocho and Mathare in Nairobi, Kiandutu in kiambu and Nyalenda in Kisumu. We



have also engaged 405 community youth in vector control in Homa Bay County and 45 in the same area in Nairobi. Further, 244 community youth were employed under 24 dam construction Units as well as empowering about 463 youth with skills on and kits for Artificial Insemination. An additional 5,000 servicemen and women have just been deployed to various parts of the country and are expected to each work with 10 community youth from the areas they are assigned.

- (i) These figures only account for direct jobs on the projects. There were many jobs created indirectly through sub contracts for works such as huduma kitchens, electrical wiring, fabrication of steel doors and grills, fabrication of tools e.g. wheelbarrows, rakes, muttons etc. as well as the entire value chain of the procurements done under this initiative.
- ii) Increased incomes; Informal settlements are often habited by low income Kenyans. Dependency on a family member that earns an income is higher in these areas compared to other areas. The young people currently engaged in these families have financial responsibilities given to them from as early as in their teenage years. In an economy where residents are living on less than a dollar a day, any income generating activity is more than welcome.
- iii) 70% of the youth engaged either have dependents or financial responsibilities that they cannot ignore. With a young man or woman earning Kshs. 471 per day, the financial benefits trickle down to their families. The other 30% are engaging in self-improvement projects such as going back to school or opening up their own business.
 - -Every community youth is paid KES 471 per day less 30% to go to the SACCOs;
 - -Every woman involved in the feeding of cohorts earns KES. 50 for every meal served;



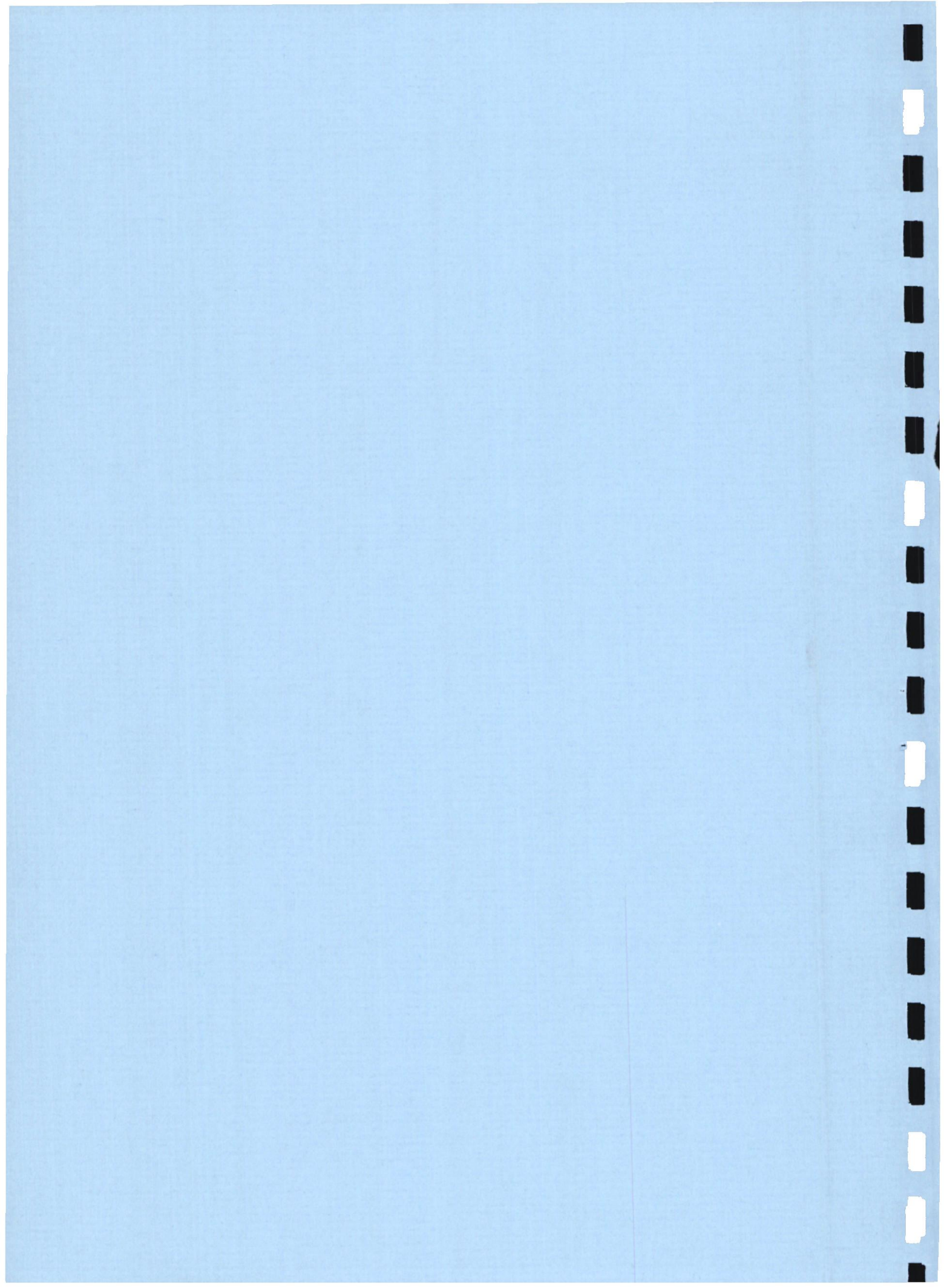
- -Every skilled labourer e.g plumber, mason, electrician e.t.c is paid KES 1,000 per day;
- -Every driver is paid KES. 1,100 per day; and
- -Every plant operator was paid KES. 2,000 per day

iv) Enhanced security: It is confirmed that there has been drastic and sustained reduction in crime in project areas of Nairobi and Kisumu Counties. Mostly robberies and assault as well as rape cases have reduced. The lighting and opening up of the roads has also helped to reduce rape cases. In some Arid and Semi Arid areas targeted for NYS interventions, conflicts and intermittent flare ups are fuelled by competition for limited resources such as water.

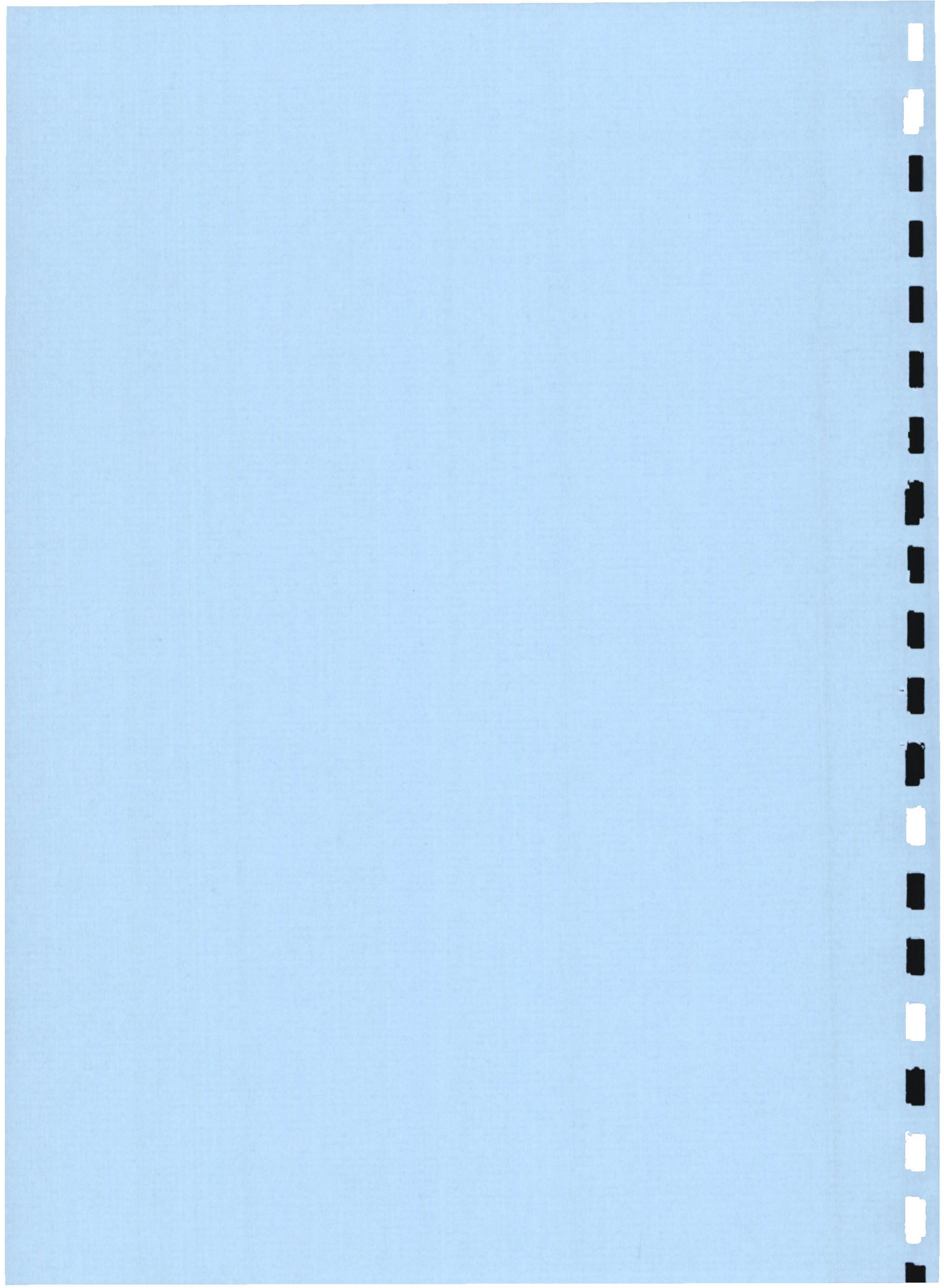
The lack of alternative livelihoods for youth in these areas also facilitates their engagement in cattle rustling further aggravating already volatile circumstances among locals. The drilling and distribution of water as well as engagement of these youth as paid labour to work on with NYS servicemen to deliver critical projects for their communities is expected to have a direct impact on the security situation of these areas.

v) Enhanced access to affordable food; The Informal settlement programme has a component of urban agriculture and food programme which provides easy access to healthy and affordable food, this include; Growing food in gunny bag, fish farming with fish ponds, subsidized maize to the 9 posho mills installed to bring the cost of Unga down to an average of Kshs.60 per 2 kg packet.

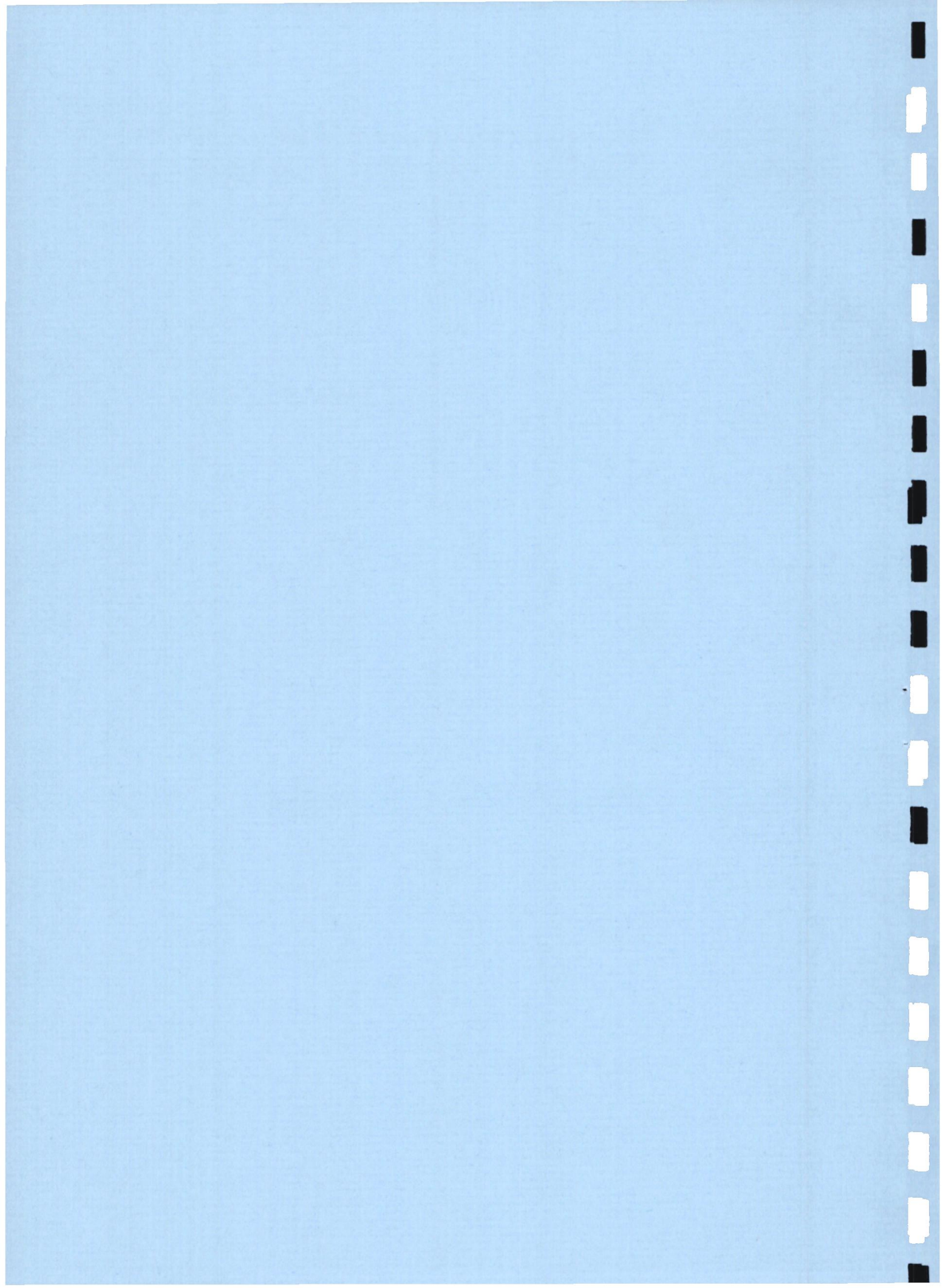
vi) Eased movement of people, goods and services; The opening up of the roads and access ways means now that public transportation can access areas where residents have previously paid more to move around using a motor-cycles (boda boda). This has had a significant impact on the retail prices of goods and services since small traders pay less to deliver goods to the kiosks in the villages.



- vii) Improved Sanitation; Tones of garbage collected and drainages and sewers cleared, more ablution blocks per area means that targeted Kenyans can live in clean environments and fits with Governments goal to ensure that Kenyans live in sanitary conditions. Proper sanitation is expected to have a direct impact on the health and wellbeing of residents. Creating humane conditions for the low-income residents has also served to boost residents' sense of citizenship and self-worth.
- viii) Stimulation of enterprise; The youth have been organized into SACCO's which were registered through the Ministry of Industrialization and to date the youth in Kibera for example have saved in excess of 100 million. It is anticipated that the youth groups will have saved a significant amount of money to build on by the time NYS exits from their areas. UWEZO, Youth Fund and Women Fund have been sensitized to be at hand to double or triple their savings which the youth can then use to venture into businesses of their choice.
- ix) Improved access to services: The placement of fully equipped Beyond Zero Huduma Clinics in various villages, the placement of police posts in villages across project areas and construction of Huduma centers in selected location, the construction of dams in Arid and Semi- Arid areas helps communities to conveniently access health services, water security and other Government services with ease.
- x) Public service delivery; Through the re-visioned and rebranded National Youth Service, Government has established an efficient way of tap the capabilities and energy of the youth; empower them economically and deliver critical development projects to the people better, faster and cheaper. The programme has also made it possible for government to deal with the social economic challenge of a youth bulge, engaging with an expanded talent pool and at the same time limit growth of the wage bill.



- xi) Recruitment of over 21,000 youth from across the country into the service and enlistment of community youth as paid labour;
 - a) Informal settlements upgrading in Kibera, Mukuru, Kwa Njenga, Mathare and Korogocho in Nairobi County, and Kiandutu in Kiambu County through the provision of among others, ablution blocks, clinics, model houses, security lighting, police posts and a 3.7 km road network;
 - b) Construction of over 1,000 Dams and water pans have been built in Counties across the country;
 - c) Drilling of 2 boreholes in Turkana County.
 - d) Eradication of tsetse flies in Lambwe valley, Homa Bay County and Ruma National Park.
 - e) The excavation, leveling and compacting of Lanet Barracks Airstrip has been completed.



4. DEVOLUTION

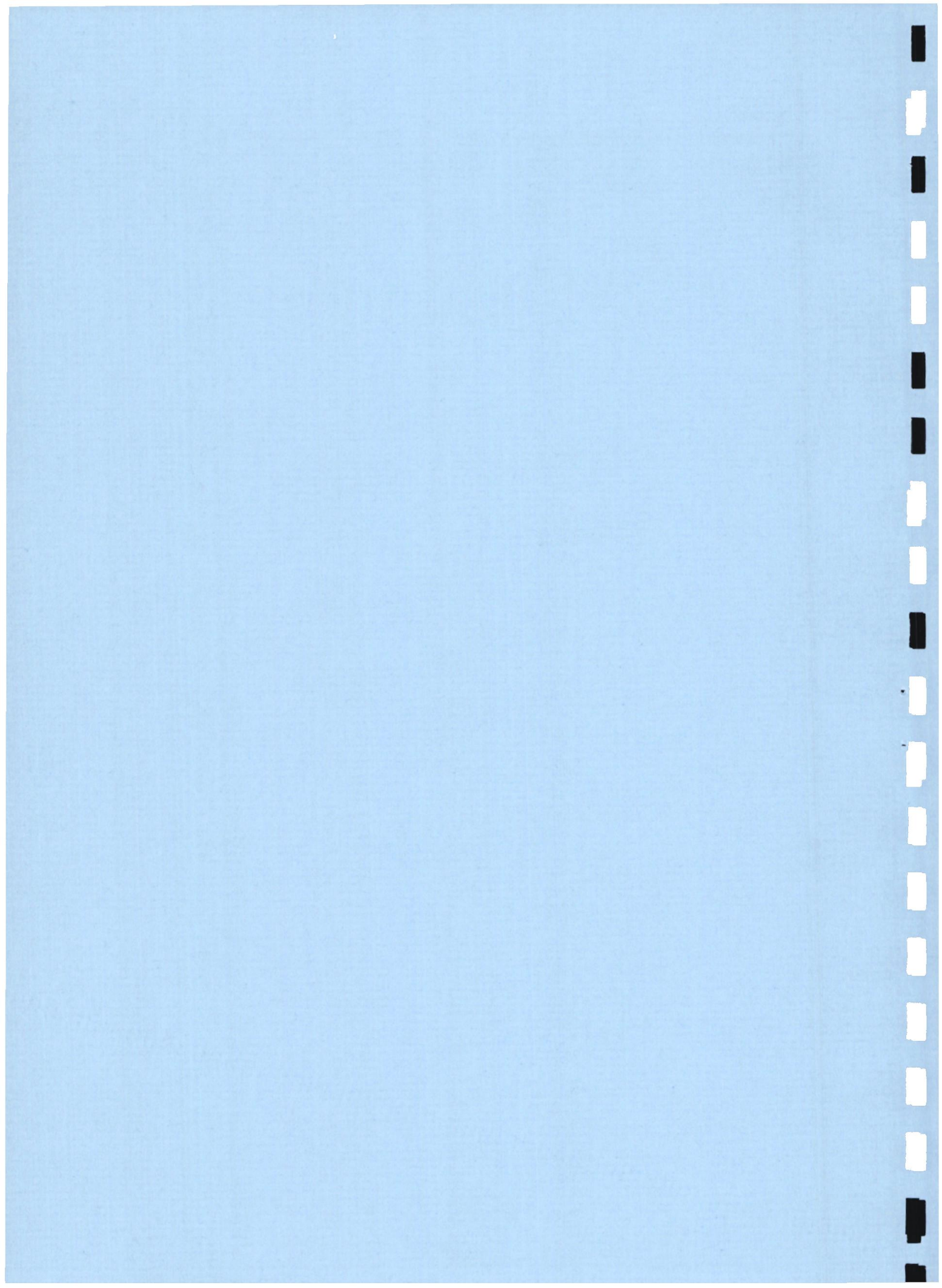
a) Introduction

Devolution is undoubtedly the most innovative and transformative reform in present day Kenya. In August 2010, Kenyans overwhelmingly voted in favor of a new constitution, which created a new order with diverse institutional and governance implications. The most significant was the shift from a central to a devolved system of governance in which there are now 47 newly created governments. These are managed through a structure that includes a county assembly and a county executive committee.

Devolution was ushered in against the backdrop of the citizen's expectations of better representation at the local level, additional resources for development and greater accountability for these resources to the citizens residing away from the center of government. Devolution therefore involves the transfer of power and resources from the central government to lower levels of government. Devolution has empowered communities to be in charge of their resources and development agenda. By being more locally attuned to the needs of local citizens, devolved government is better placed to serve the needs of the people.

Indeed, Kenyans across the country are overwhelmingly supportive of this new form of governance. This is evidenced by a recent opinion poll conducted by Ipsos Synovate showing that more than two-thirds of Kenyans support devolution; an objective indicator of the support that devolution and its implementation continue to enjoy.

In this new dispensation of governance, the national government retains monopoly on core functions including *inter alia* such as security, education and foreign affairs while county governments now have responsibility over functions such as health, agriculture and county transport amongst others. County governments are semi-autonomous from national government, and the relationship between both levels of government is based on interdependence and cooperation.



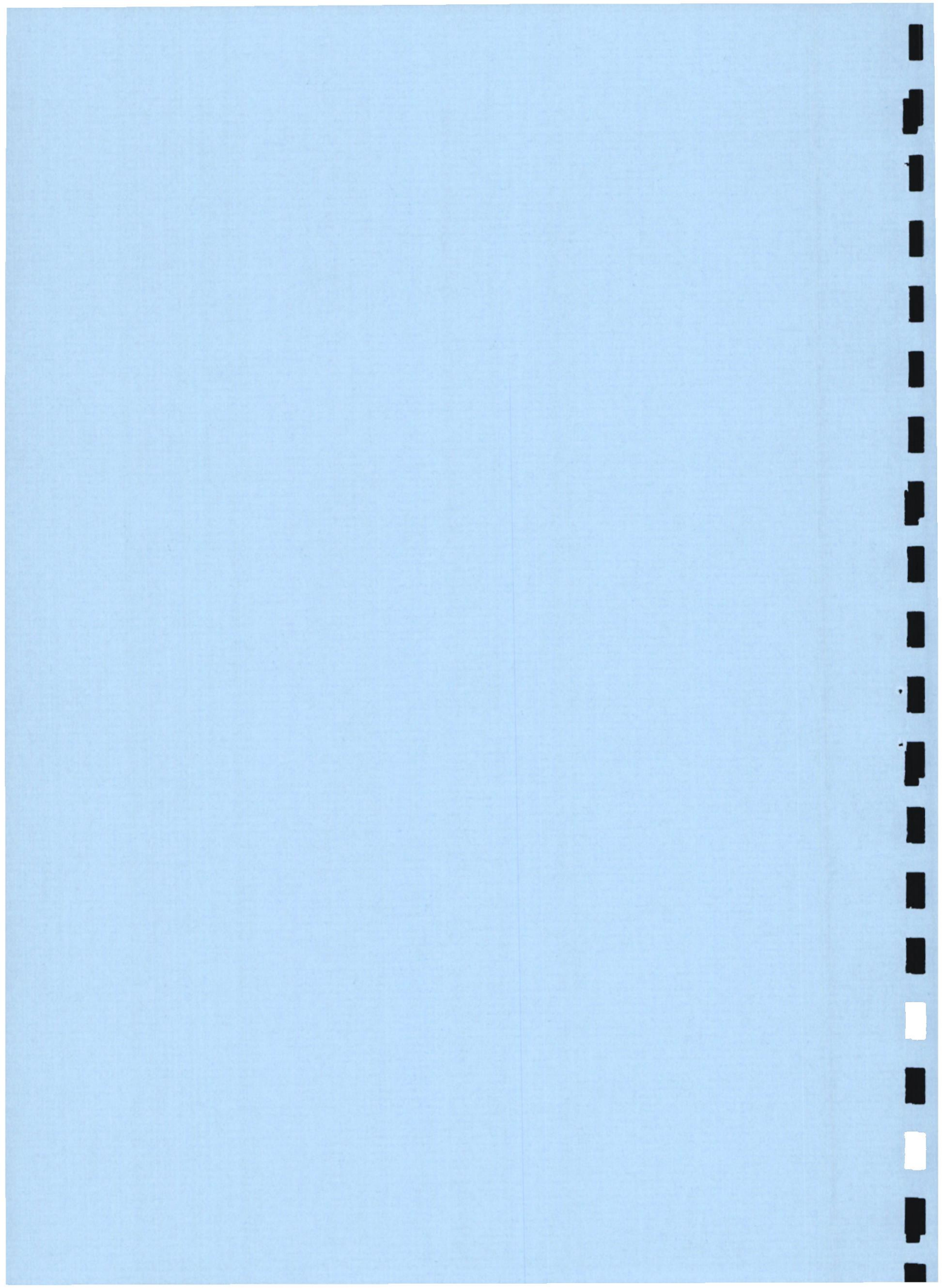
Kenya therefore remains a unitary state and the two levels of government are supposed to relate in a cooperative system of devolved government.

The Jubilee Government remains committed to making devolution work. It is for this reason that the Ministry of Devolution and Planning was established to amongst other functions coordinate policy decisions aimed at supporting the devolution process as well as coordinate capacity building and technical assistance to county governments. Towards this end, several notable accomplishments have been achieved.

b) Intervention by the Ministry on Devolution

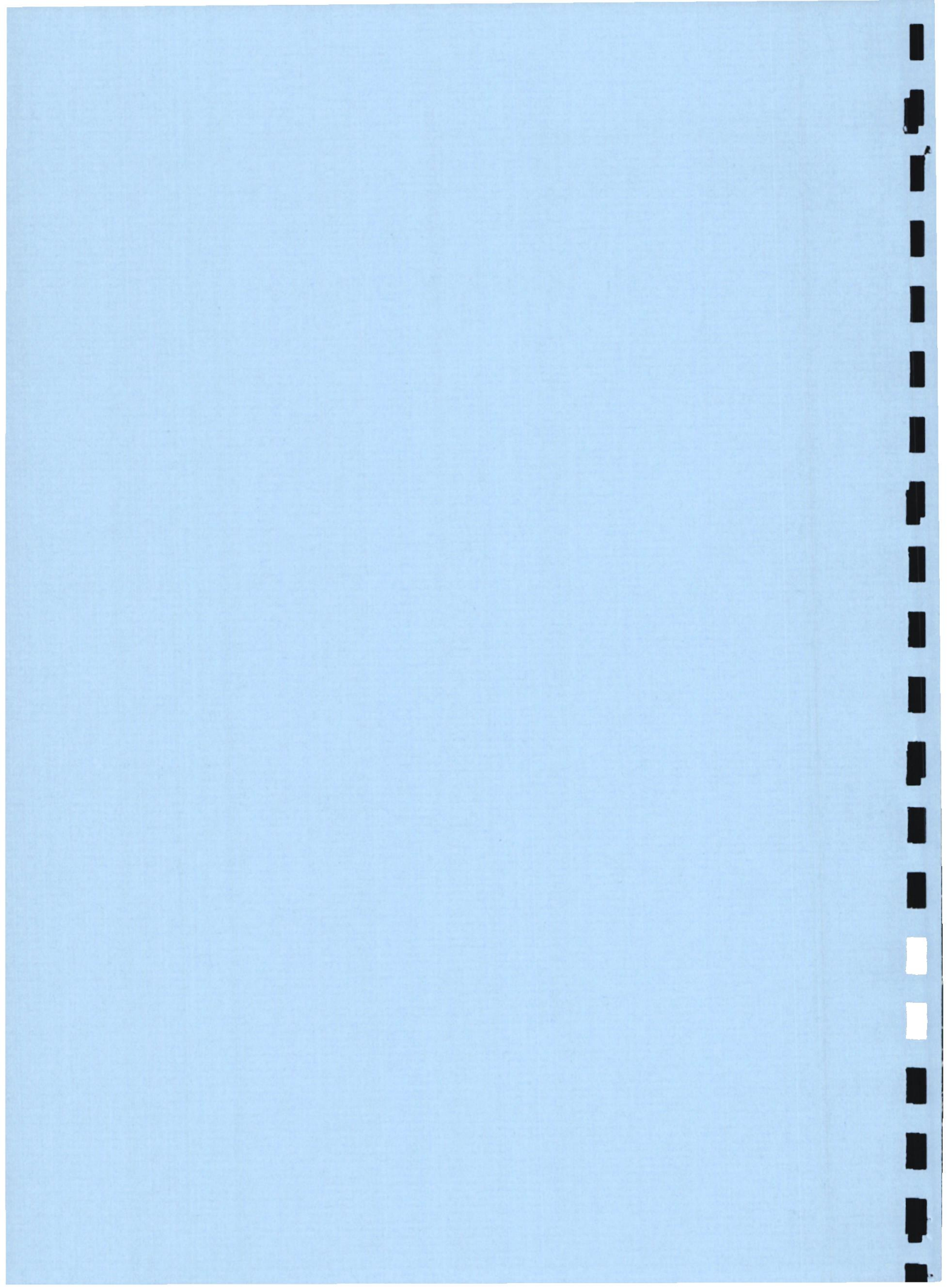
The full operationalization of county governments has taken place through the successful transfer of functions and resources from National to County governments through Legal Notice No. 137 which ensured that county governments could effectively assume their responsibilities and had the requisite authority to meet their mandates.

- i. There is the establishment of IPPD payroll systems to all the 47 counties within the stipulated timeline of six months following Legal Notice No. 137 that transferred functions to counties.
- ii. The Ministry also facilitated the establishment and operations of county units including the County Executives and Assemblies through the provision of adequate financial resources (32% of last audited accounts in 2013/14 (Ksh210Billion), 43% in 2014/15 (Ksh226 Billion)) and a projected 283 billion in the year 2015/2016.
- iii. The Ministry deployed human resource teams and seconded staff from the national government to the counties to smoothen the transition process and fully establish county governments.
- iv. The Ministry also provided the necessary infrastructure, such as physical facilities for administrative and logistical purposes.
- v. The Ministry has facilitated the roll out a National Capacity Building Framework for County Governments that provides training and induction, technical



assistance and institutional support for counties. So far, a number of inductions and trainings have taken place under the framework with a view to boosting the competence of county governments.

- vi. These include induction for county executive committees in more than 30 counties, payroll management, trainings on human resource management, legislative drafting, dissemination of county model laws and public finance management.
- vii. County officials at various levels are currently engaged in the various Kenya School of Government centres, undergoing continuous training and induction delivered by experts from national government agencies.
- viii. Through the Intergovernmental Relations Act, 2012 the Ministry has provided technical support to the Intergovernmental coordinating summit. It has facilitated the establishment of the Intergovernmental Relations Technical Committee, which is mandated in law to manage intergovernmental coordination matters and take over the residual functions of the Transition authority amongst other functions.
- ix. The Ministry has also facilitated the establishment of the Intergovernmental Sectoral Forums, which provide a forum for discussing sectoral policy matters relevant to both national and county governments.
- x. Moreover, the Ministry has facilitated the establishment of the Devolution Sector Working Group, which was developed and launched to streamline and coordinate development partner support for county governments and the devolution process more generally.
- xi. All these bodies are fully operational, have held numerous meetings and deliberated on critical issues regarding devolution.
- xii. The Ministry has developed a framework for civic education which will enable Kenyans better understand the Devolution process, and the processes of planning and public financial management amongst others, to ensure that they can effectively participate in these governance processes and make meaningful contributions.

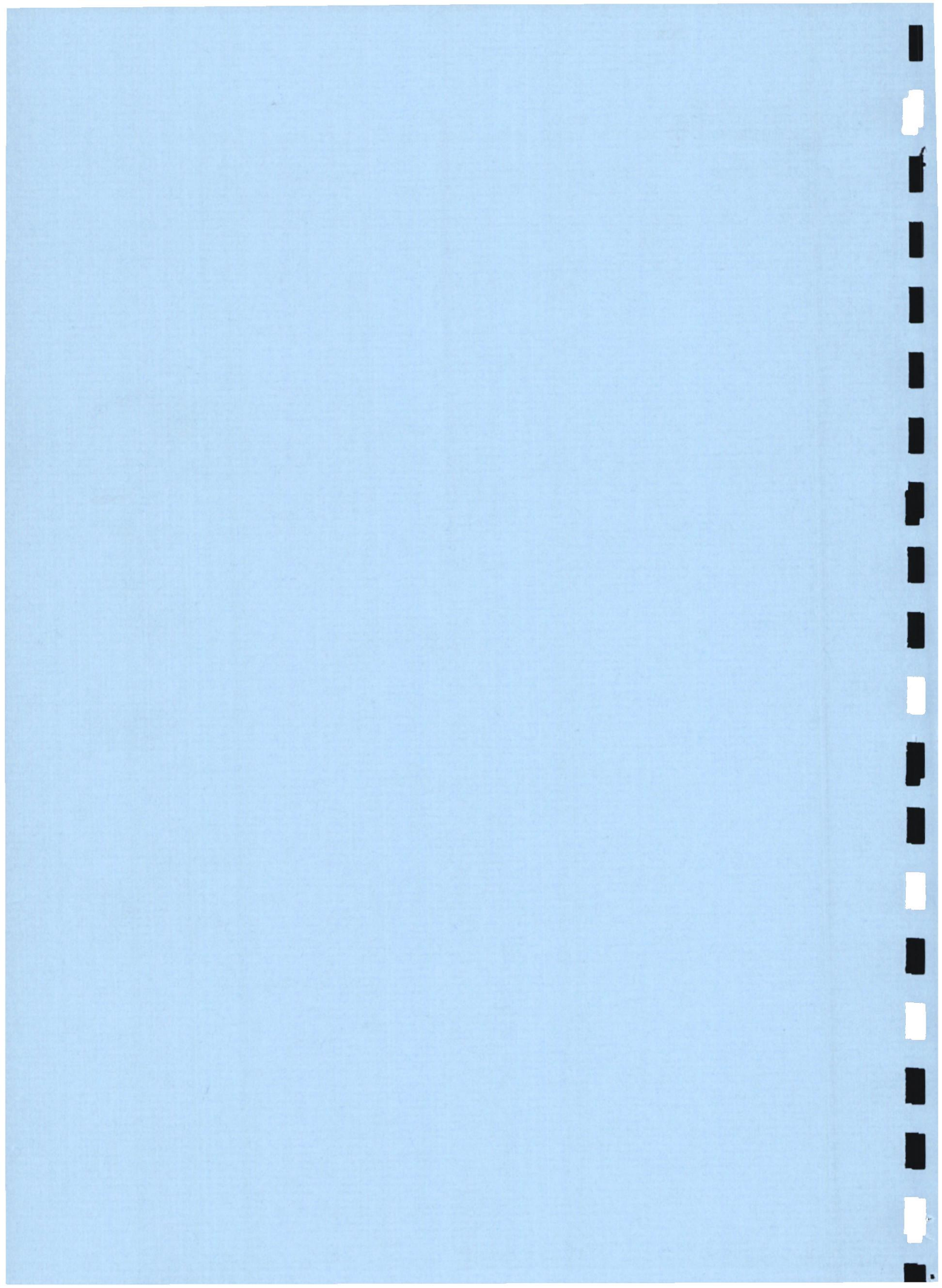


- xiii. The Ministry is in the final stages of completing the devolution policy to reflect the comments from the stakeholder engagement process. Once complete, this policy will boost the implementation process by serving as a guide to all stakeholders in the course of implementing devolution.
- xiv. The Ministry has implemented the Capacity Assessment and Rationalization Programme together with the County Governments. This includes a comprehensive skills and competencies assessment and institutional review that will ensure that skills are matched to mandates. A key achievement of this programme was the biometric data capture exercise, which registered over 190,000 existing and newly recruited civil servants at both levels of government. This biometric data will assist both levels of government in optimizing and re-allocating civil servants accordingly.

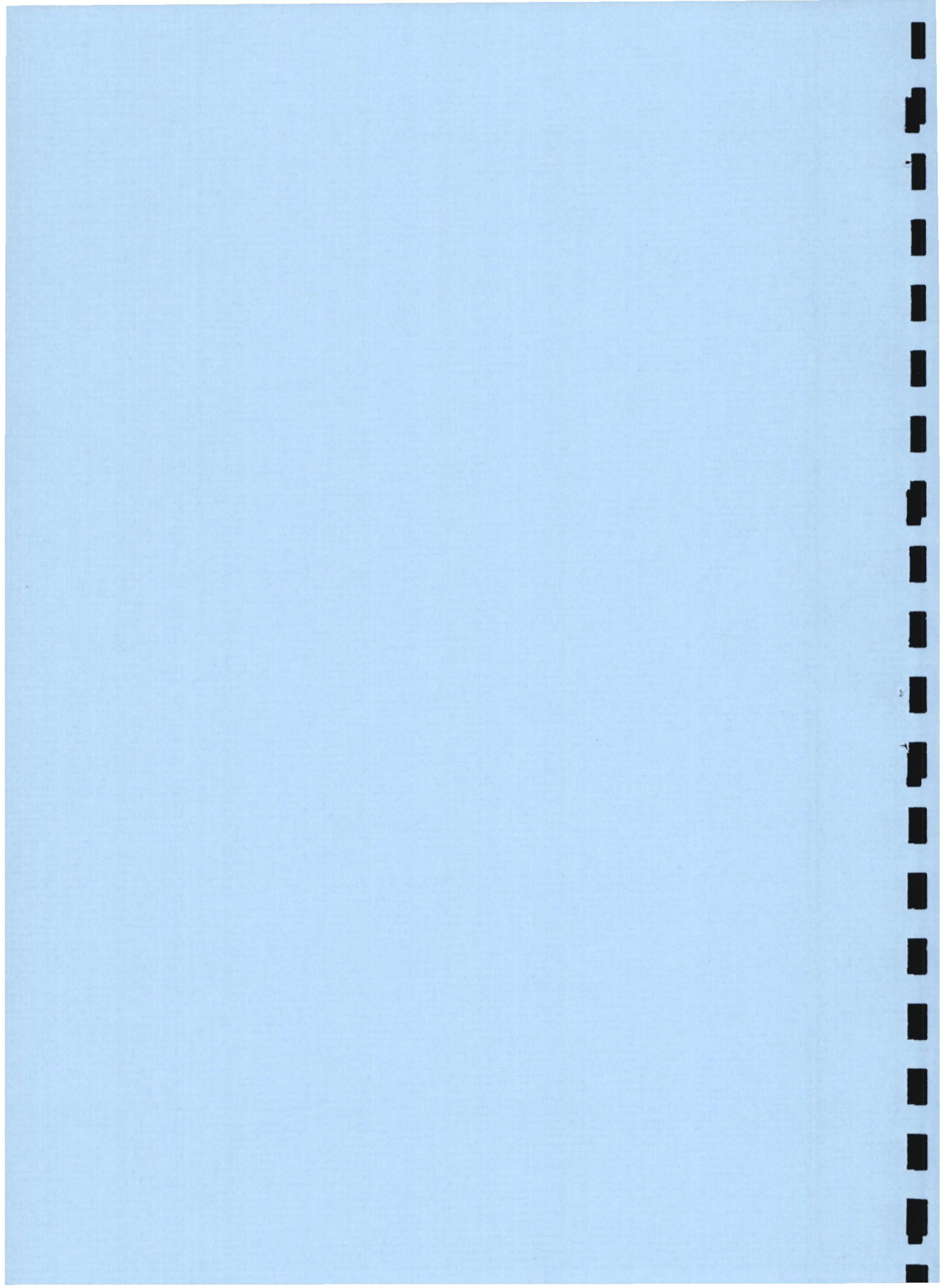
c) Key Results and Impact of the Ministry on Devolution

The impact of devolution has been tremendous; the following accomplishments are worth of note:

- i. Devolution has fulfilled a policy of inclusiveness of all Kenyans across this country. More than ever before, parts of this country in which the government was non-existent have felt the presence of a responsive government in their local communities.
- ii. Take for instance Mandera County, which celebrated its first caesarean section birth after 50 years of independence in 2014. To put it simply, devolution has taken power and resources to the lower administrative units if Kenya thereby making every citizen feels relevant and included.
- iii. Rural areas and other parts of Kenya are now receiving funds directly to be absorbed in those micro-economies.
- iv. Under the devolved framework, counties now have the power to determine their own commercial policies as articulated in the County Integrated Development Plans, in which they can exploit their comparative advantages.



- v. It is expected that the first-rate economic performance at a macroeconomic level shall be replicated at the county level, primarily because devolution has significantly transformed the way that public finances are administered at the county level.
- vi. Certain business opportunities have now become more viable. Take for example the hospitality industry. Creating devolved units of government has created a demand for local hospitality to host conferences, meetings and delegates both national and international. An example to attest to this is the Second Annual Conference on Devolved Government, which took place in Kisumu County and the next conference which is scheduled to take place in Meru County.
- vii. Improved service delivery to Kenyans as a result of government being closer to the people. Service delivery has improved immeasurably in the last two years. This is especially so in regard to devolved functions such as trade, agriculture and healthcare.
- viii. In the area of healthcare for instance, many more medical facilities have been equipped rehabilitated and/ or constructed and additional staff have been recruited to take provide healthcare.
- ix. In the area of trade, counties have benefited from expanded trade through the creation of additional markets and creation of linkages that connect local producers of goods and products to domestic and international markets.



5. HUDUMA KENYA PROGRAMME

a) Introduction

The Jubilee Administration has embarked on a journey to radically transform the face of public service delivery. To this end, it has committed to **transforming the public service** into an efficient and effective service. In achievement of this objective, the Ministry has focused on Improving the public service experience of citizens by providing high quality services comparable to international standards.

The **Huduma Kenya Service Delivery Program**, which was launched by the President, and the Commander in Chief of the Kenya Defence Forces of the Republic of Kenya, H.E. Uhuru Muigai Kenyatta on 7th November 2013; is a Flagship Project in the Second Medium Term Plan of the Kenya Vision 2030

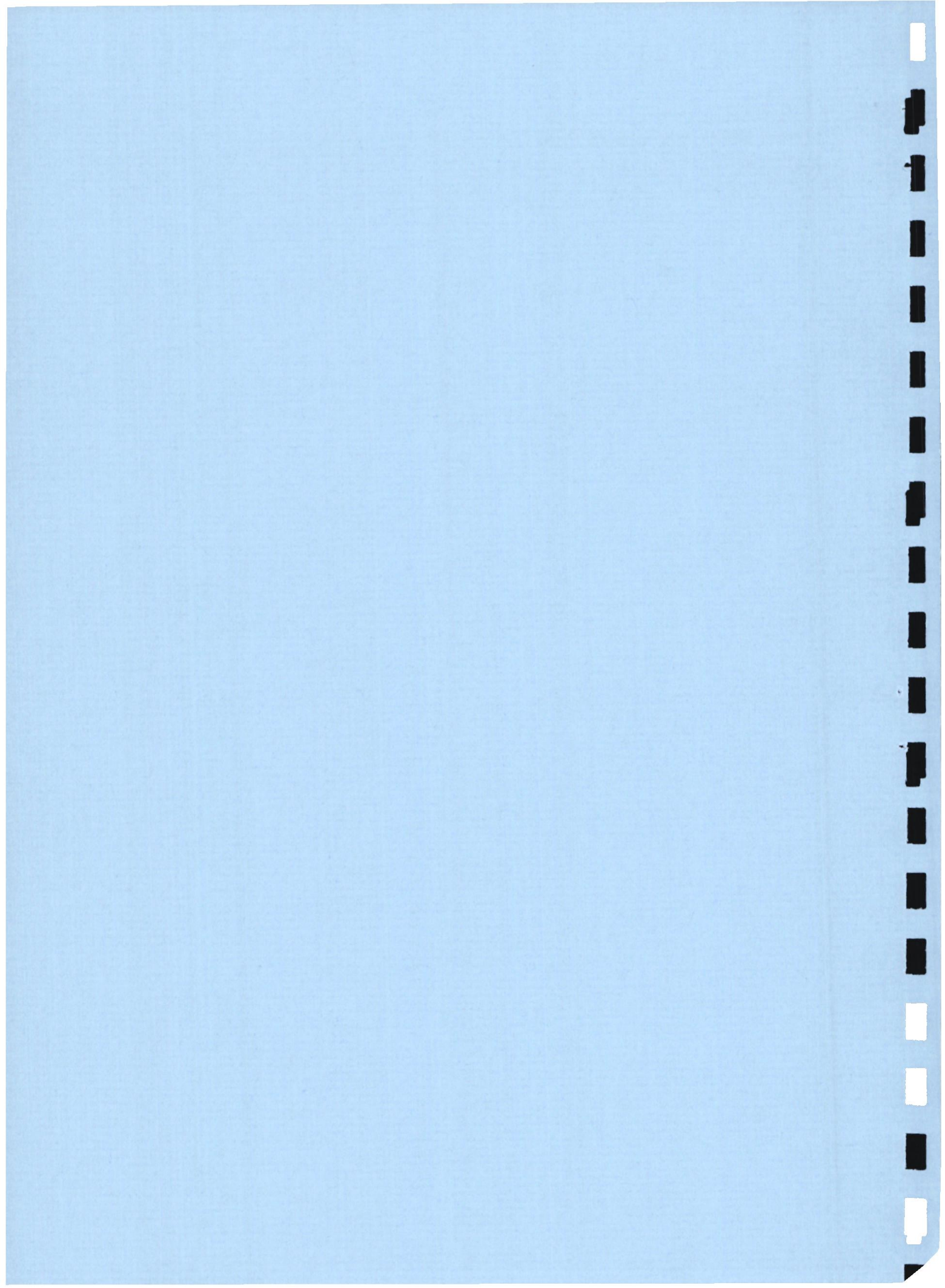
The Huduma Centers are living up to the promise the Jubilee Government gave Kenyans on transforming public service delivery which had been riddled with long queues; poor customer service; inaccessibility to services across the country; unavailable, inaccurate and delayed information on public services and multiple entry points for any single service.

b) Intervention on Huduma Kenya Programme

The Huduma Kenya Program has adopted an Integrated Service Delivery (ISD) approach to radically transform delivery of services to the public. This is a concept where various government services and information are provided to citizens in a one-stop-shop environment. Secondly, the program focuses on providing multiple channels of service delivery to meet the different needs of customers.

The five channels the program is focusing on are;

- i. Physical One-stop shop **Huduma (Service) Centres** which provide a variety of services to customers from a single location
- ii. **Online 'e-Huduma' portal** which will provide integrated government services



- iii. **Mobile phone 'm-Huduma' platform** which will offer M-government services to citizens from the convenience of their mobile phones
- iv. **Huduma Call centre** which will respond to customer inquiries on government services
- v. A unified and integrated multi-channel **Huduma Payment Gateway** which will facilitate ease of payment for government services

The Huduma Centres- The pilot Huduma Centre was launched by His Excellency, the President of the Republic of Kenya on 7th November 2013 in Nairobi. It provided twenty one (21) services from different Ministries, Departments and Agencies (MDA). Each MDA deployed staff to provide their own services. To date we have established a total of thirteen (13) Huduma Centres in different parts of the country.

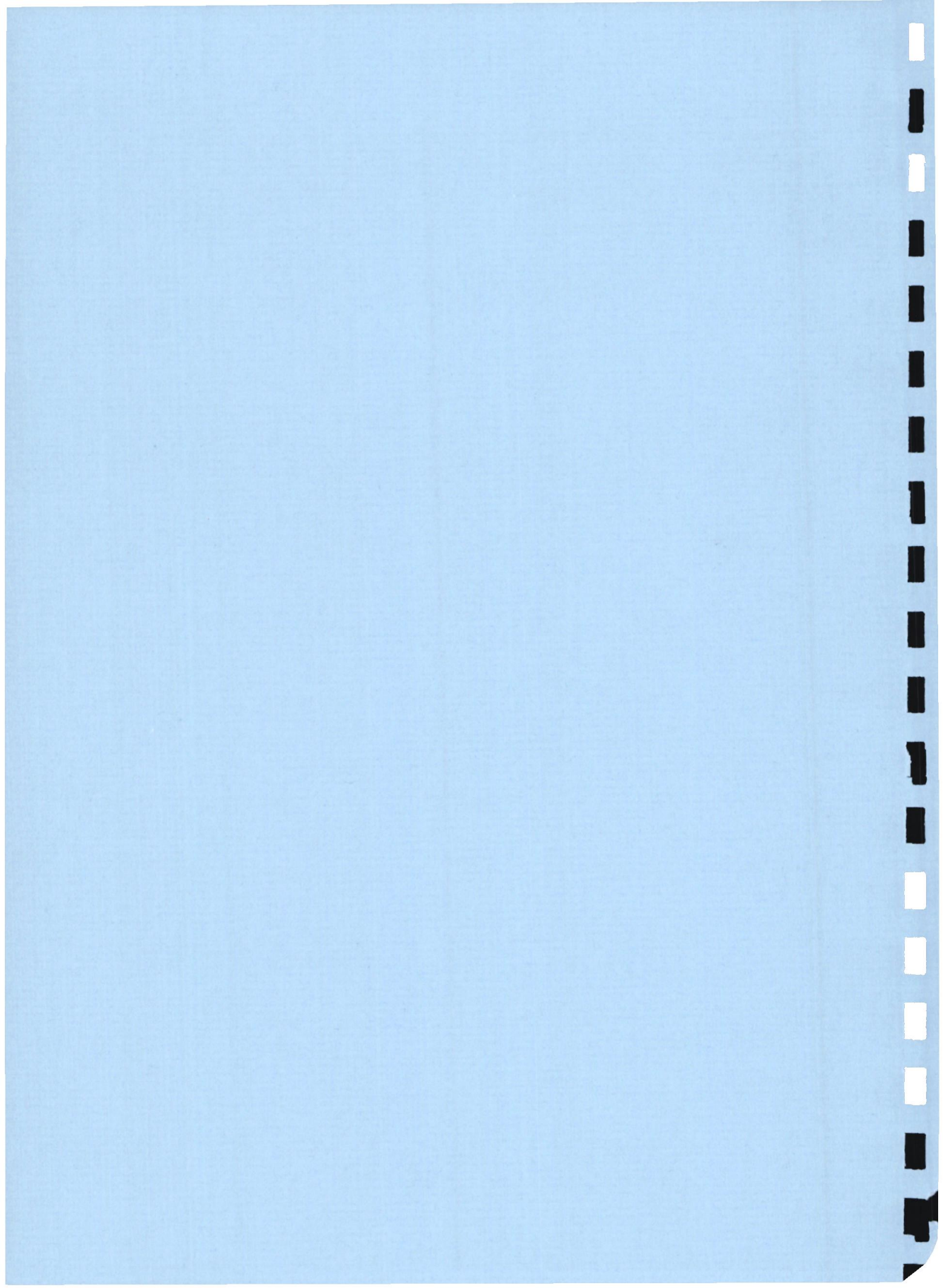
Services provided - Each Huduma Centre provides a range of 20 o 30 services from different agencies. In total there are 45 different services provided in the Huduma Centres.

These initial services have been carefully identified based on specific criteria; relevant services; services commonly sought after; high impact services; services for common citizens and not specialized clientele; transactional services; and services whose processes have some level of automation.

Some of the services being provided currently include; issuance of national identification card; Issuance of birth certificates; renewal of drivers' license; issuance of single business permit; registration and claims for National Social Security Fund; registration for National Hospital Insurance Fund; student loan application, electricity services, an electronic payment Gateway, etc.

Staff of Huduma Centres - Once services have been identified to be deployed to Huduma Centres, staff who will provide these services are also identified and taken through a training on Customer Service Excellence and Huduma Service Delivery Standards before they are deployed in the centres.

This is to ensure that they adopt the right values, ethics, attitude and dedication to service; consistently exhibit customer friendliness and accord clients unparalleled



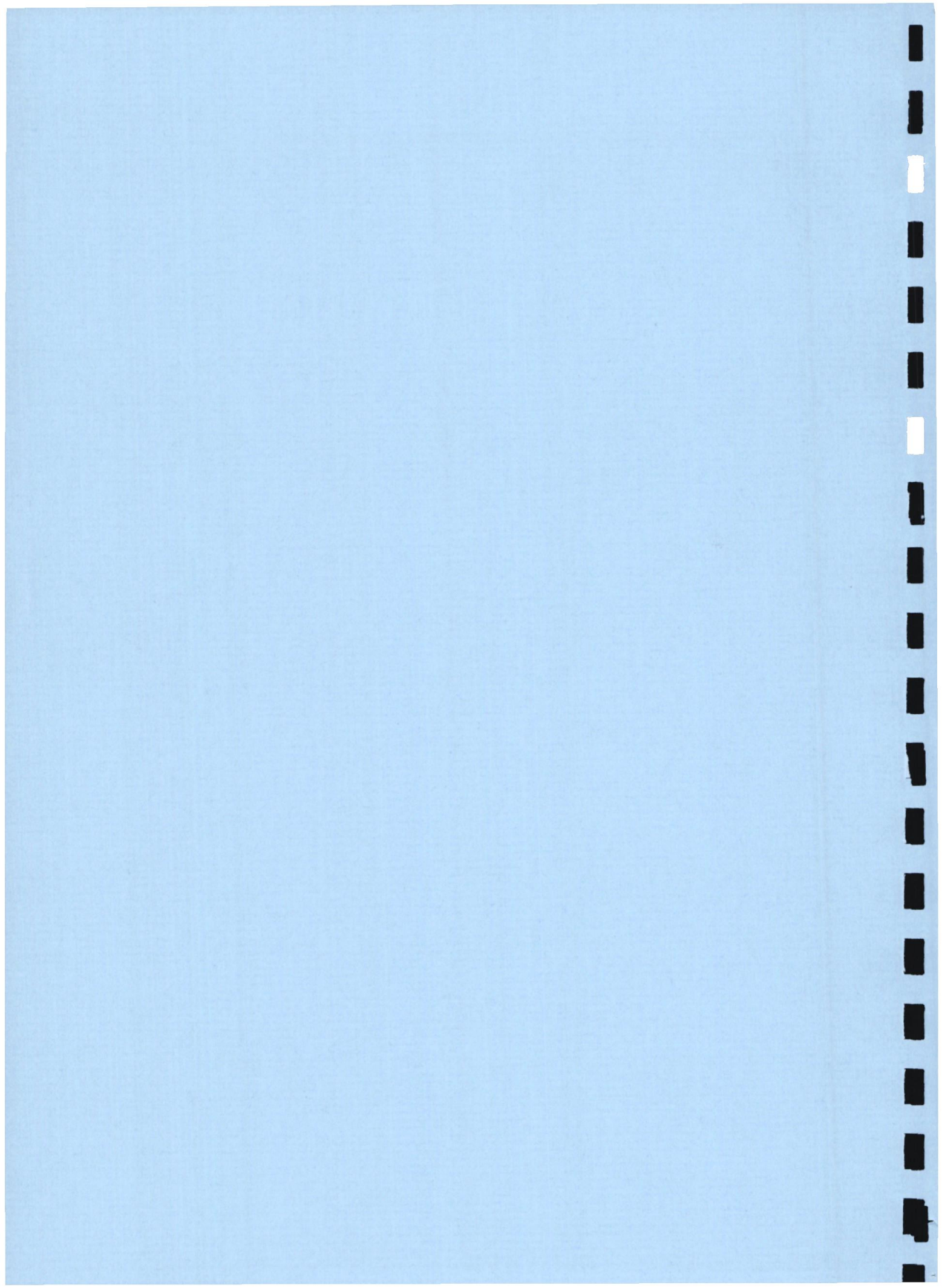
customer experience. Each centre is managed by a Centre Manager who reports to the Huduma Kenya Secretariat.

ICT Systems in the Huduma Centres -The Huduma Centres are highly enabled with ICT solutions. Currently, the following ICT systems have been deployed to Huduma Centers to facilitate service delivery:

- i. **Knowledge Management Portal (KMP):** This is an integrated web portal that has been set up for use by staff at the front desk in Huduma Centers to provide information services and respond to enquiries on all services provided within the Huduma Centre.
- ii. **Virtual Desktop Infrastructure (VDI):** Desktop virtualization technology provides all agencies at the Huduma Centers with access to their back office systems through a secure and reliable cost effective ICT solution to enable delivery of services at Huduma Centers.
- iii. **Ticketing & Queue Management System (QMS):** The system is used to intelligently manage queues in the Huduma Centers to create order and accord the customer dignity.
- iv. **Electronic and Instant Feedback Devices (EIFD):** These devices enable customers served at the Huduma Centers to immediately and electronically give feedback on the quality of service received.
- v. **Connectivity and Server Solutions:** The program utilizes the Government Common Core Network (GCCN) and the normal Internet for front and back end connectivity at the Huduma Centers.

Other Huduma Kenya Projects- currently the Huduma Kenya Program is working on the following projects.

- Huduma Call Centre – to go live this FY 2014/2015 and will provide Government customer service/ information using a toll free single dialing prefix.
- The E (Online) and M (Mobile) platforms will provide integrated Government services 24hrs a day. This will ensure that citizens conveniently access Public Services anywhere. The portals will also provide informational services on all



Government Services including requirements for each Service, downloadable electronic forms, FAQs and physical locations for Service Providers

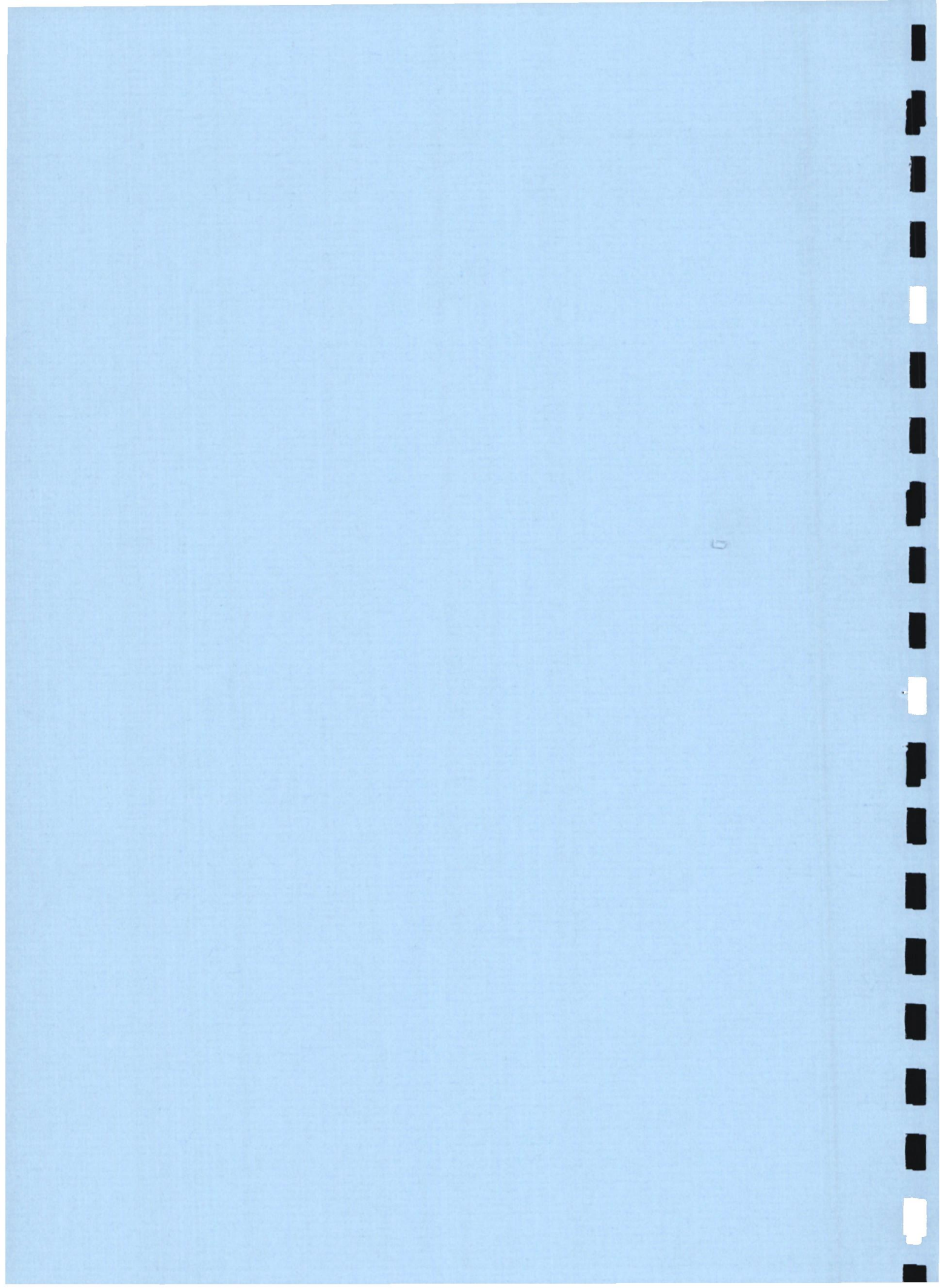
- Huduma Smart Service Card is developed and will be fully operational, to allow Citizens who register for the card to automatically be registered for NHIF, NSSF and get a KRA PIN at one registration point

The card will enable Kenyans to make electronic payments for public and private services 24 Hours a day 7 days a week. The Card will enable Government to meet its targets for enrollment of Kenyans in Social Security and Health Insurance programmes

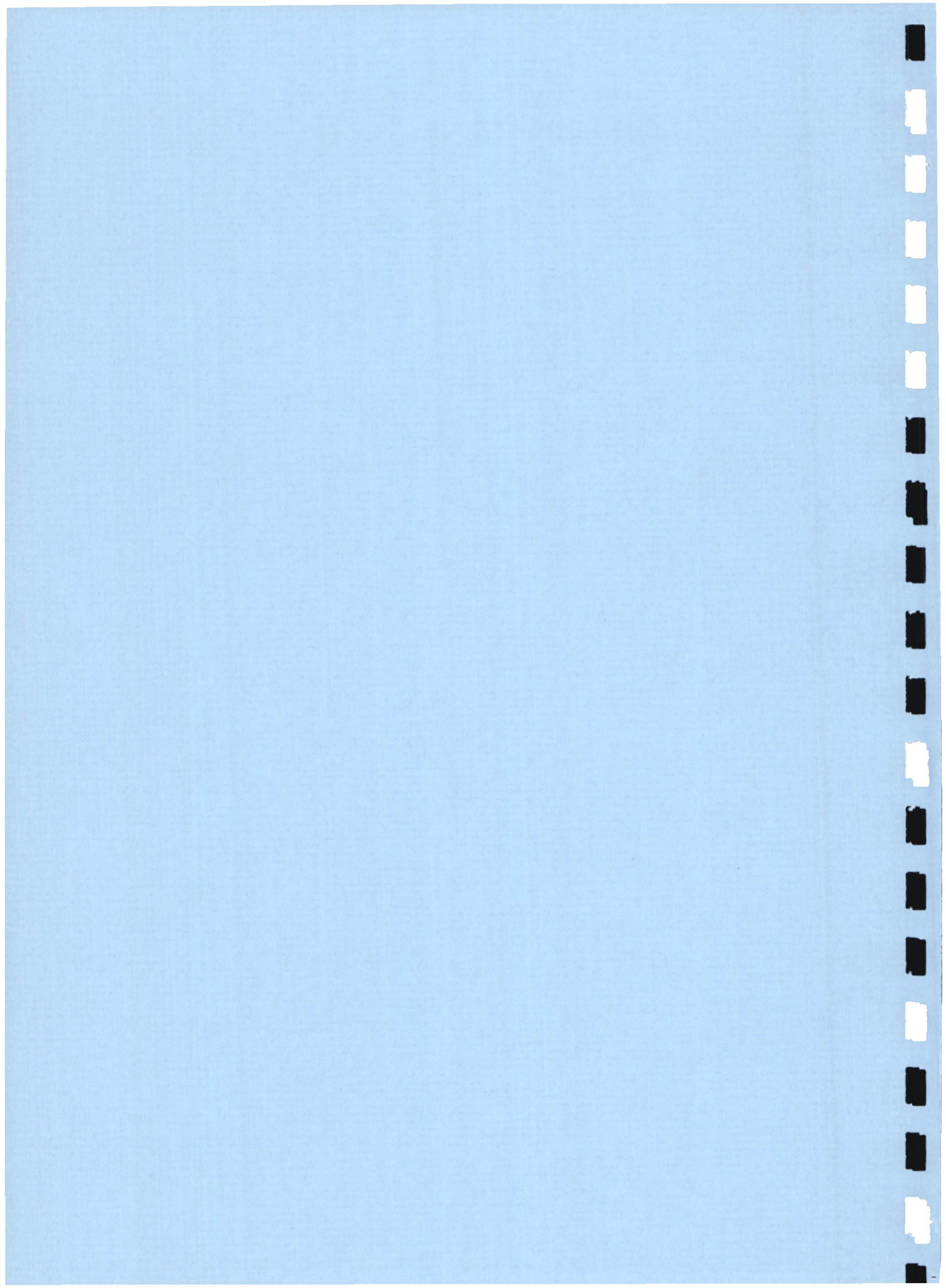
c) Key Results and Impact of Huduma Kenya Programme

Through its focus on the adoption of an Integrated Service Delivery and citizen centric approach, Huduma Kenya provides the following:

- i. Convenience to Citizens by ensuring Citizens are able to access a myriad of Government services end to end at one point and in real time without being referred to other service points.
- ii. Transformation of the public service culture in the delivery of public service where public servants offer services with professionalism, courtesy and a positive attitude of willingness to serve
- iii. Predictable service turnaround Times in accessing Government Services – A customer is sure and certain about accessing public services on a pre-determined timeline
- iv. Customer satisfaction in Huduma Centers averages 90%. This is collected through the Electronic Feedback System in all Huduma Centers. In addition, surveys and information from Social Media indicate that Citizens have lauded the courtesy, guidance and information points



- v. Decentralization of Government Services that has now changed- with services like search and reservation of Business Names, Certificate of Good Conduct being offered in all Huduma Centers across the Country
- vi. Development of a fresh and modern Government brand that Citizens associate with high standards of quality in delivery of Public services
- vii. An avenue for collaboration between the National and County Governments in service delivery as both National and County services are being provided in the Huduma Centers. Citizens are more focused on accessing services than the distinction between the National and County Governments.
- viii. Roll out of Huduma Centres- To date, eighteen (18) Huduma Centers have been established in different parts of the Country.
- ix. Each of these Centers provide 20-30 services from various Government agencies. The Huduma Centers currently serving more than 12,000 people per day and more than 1,500,000 people had been served to date.
- x. At the end this Financial Year 2014/2015, the Ministry will complete the establishment of 43 Huduma Centers across the Country.
- xi. Revenue Collection- Provision of a convenient payment gateway – This facilitates ease of payment for Government services in all Huduma Centers through the Posta Pay platform. Over Ksh 5.3 Billion has been collected from the operational Huduma Services that attract a charge/ fee
- xii. The Huduma Kenya Programme is contributing to the improvement of the Doing Business Index through the devolution of services like search and reservation of business names and certificate of good conduct.



6. RECOGNITION AND AWARDS

Youth Empowerment -In recognition of Kenya's strong policy position on youth empowerment, the country was unanimously elected by member states to host the ICGLR youth secretariat in July 2014.

National Youth Service -The President of Ghana, H.E. John Dramani Mahama accompanied by a delegation consisting of Ministers and Senior Officials from the Republic of Ghana made a state visit to the Republic of Kenya from 11th -14th December, 2014.

Upon witnessing the showcase of the successful implementation of the NYS Youth Empowerment Programme in Kibera, he sent an delegation to Kenya to learn and benchmark.

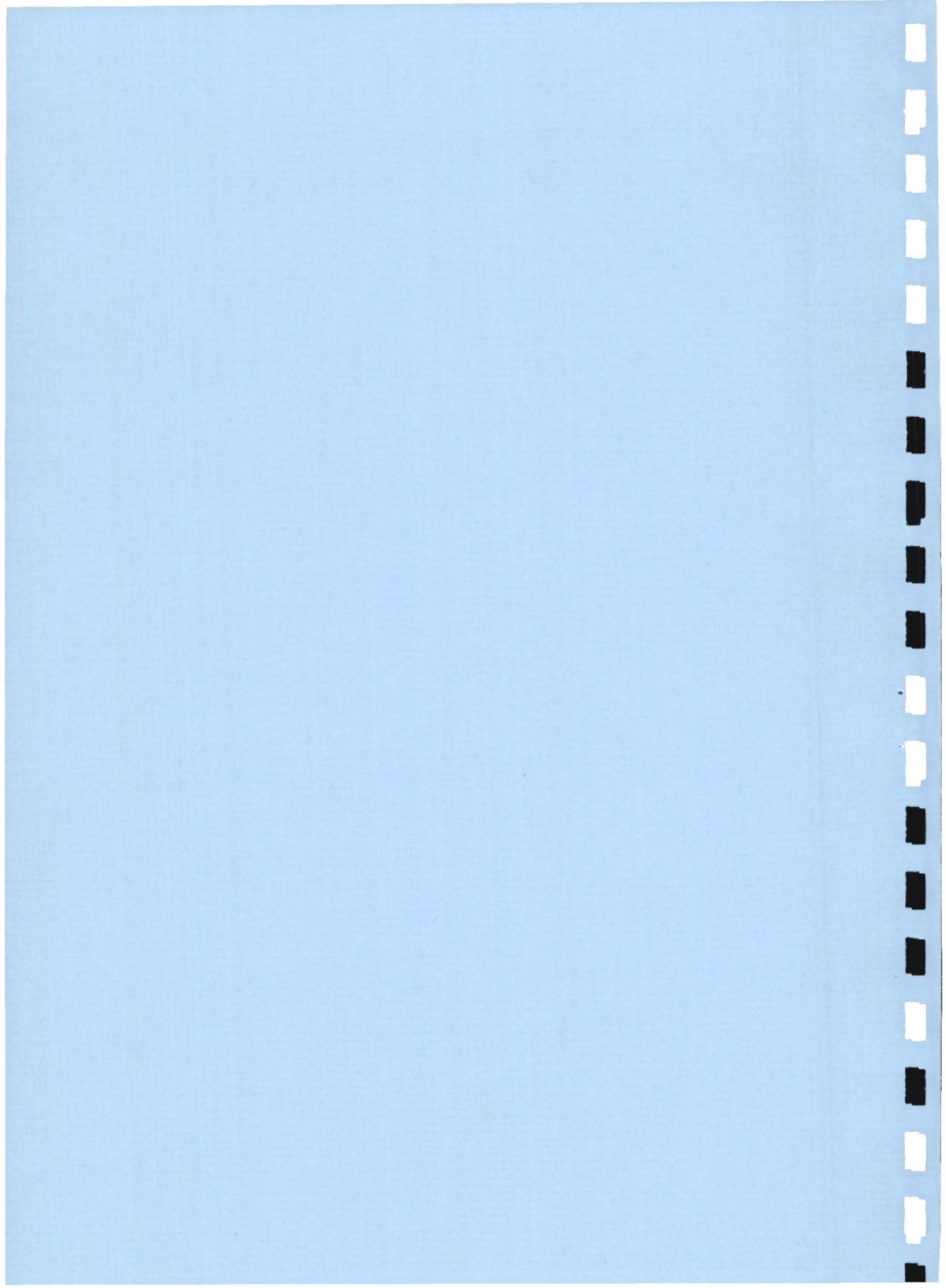
Devolution-Devolution Cabinet Secretary Ms. Anne Waiguru received an award from the Middle East Africa Business Council (MEAFRIC) noting the exemplary manner in which the Ministry of Devolution and Planning has midwived and coordinated the devolution process in the last two years. Additionally MEAFRIC also noted that the Ministry promotes and fosters trade and investment opportunities under this unique governance model

Huduma Kenya Programme- In 2014 Huduma Kenya Programme won the Best (Number 1) use of ICT in the Public Service, Awards by the Information Communication Technology Association of Kenya

Huduma Kenya was selected as First Place Winner for the 2015 United Nations public Service Award in the category of "improving the Delivery of Public Service".

Huduma Kenya programme in March 2015 won the **2015 Gold Award In Public Service Innovation** from the African Association for Public Administration and Management

Excellence in Customer Service – Public Sector Category awarded by the Institute of Customer Service.



7. INVESTMENT OPPORTUNITIES

The Ministry of Devolution and Planning plays a critical role in creating an enabling environment that can support the Government's efforts to spur economic growth, reduce income inequality and implement a devolved system of governance. The Ministry undertakes this through the macro-economic planning, social transformation programs and facilitating the successful implementation of devolution. Specifically the Ministry offers the following opportunities and assurance for investors:

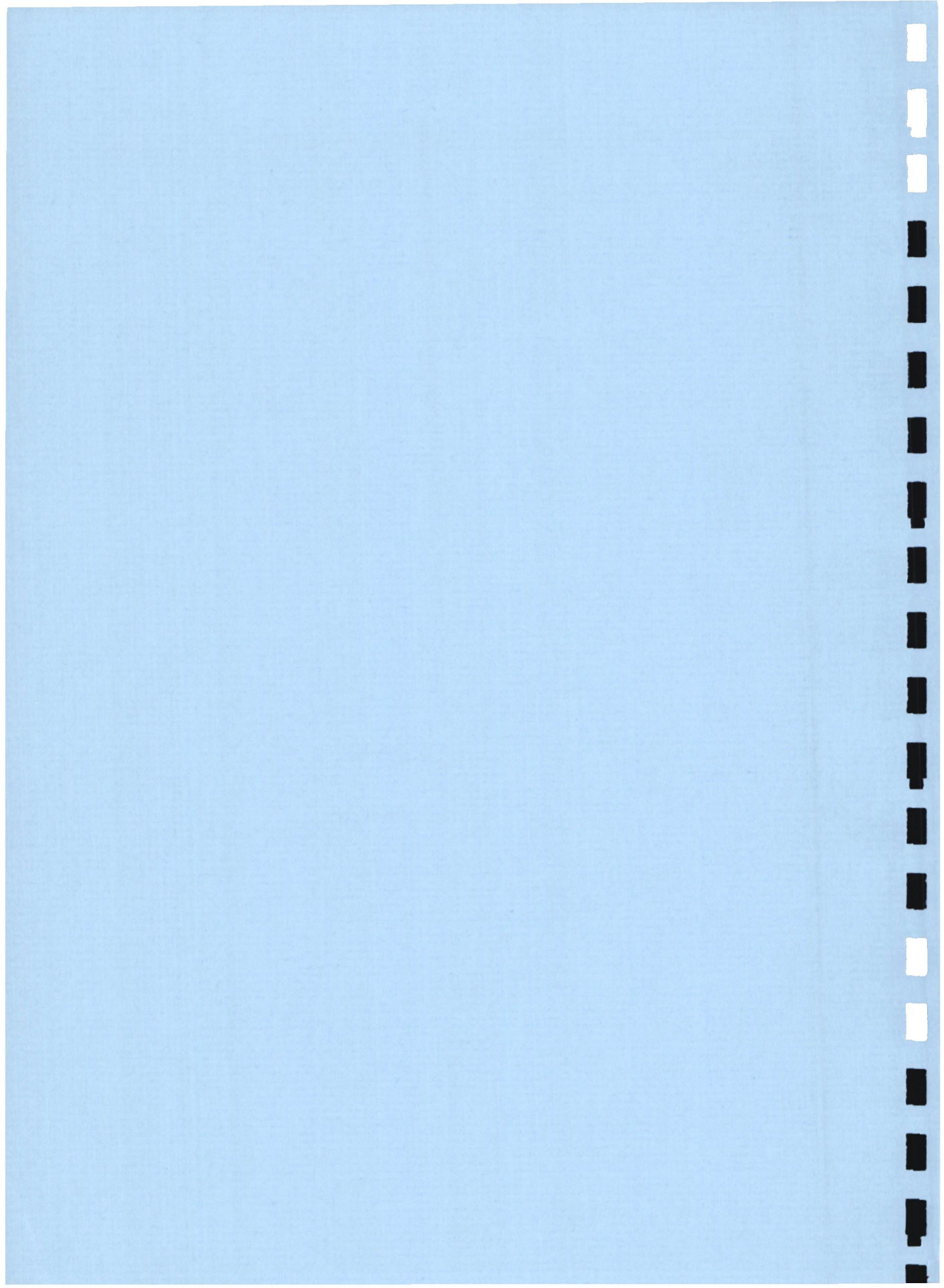
Macro-Economic Planning-The Kenya Vision 2030 is the nation's blue print development plan that aims to make Kenya a middle-income rapidly industrializing country by 2030. To implement the Vision 2030, the Ministry of Devolution and Planning developed the first Medium Term Plan which was implemented between 2008 and 2012.

The Second Medium Plan which is currently being implemented outlines policies, programmes and projects which are being implemented by the Jubilee Government.

Through Kenya National Bureau Statistics (KNBS), the Ministry also develops and disseminates Economic Surveys that highlights the economic performance of different sectors of the economy and also the overall economic growth of the nation. The improved performance in the different sectors of the economy provides for investment opportunities in sectors such as energy, transport and infrastructure, information technology and value addition in the agricultural sectors.

The rebasement of the Kenyan economy in the year 2014 elevated the nation to a middle income status with a GDP of USD 53.3 billion and a GDP per capita of USD 1,246. This elevation is indicative of better living standards for Kenyans, better education and health care in addition to increased job creation for the youth.

Investment opportunities from Youth Empowerment and NYS Programmes - The bulging youth population in Kenya is a big investment opportunity that can be tapped in to provide the much needed semi-skilled and



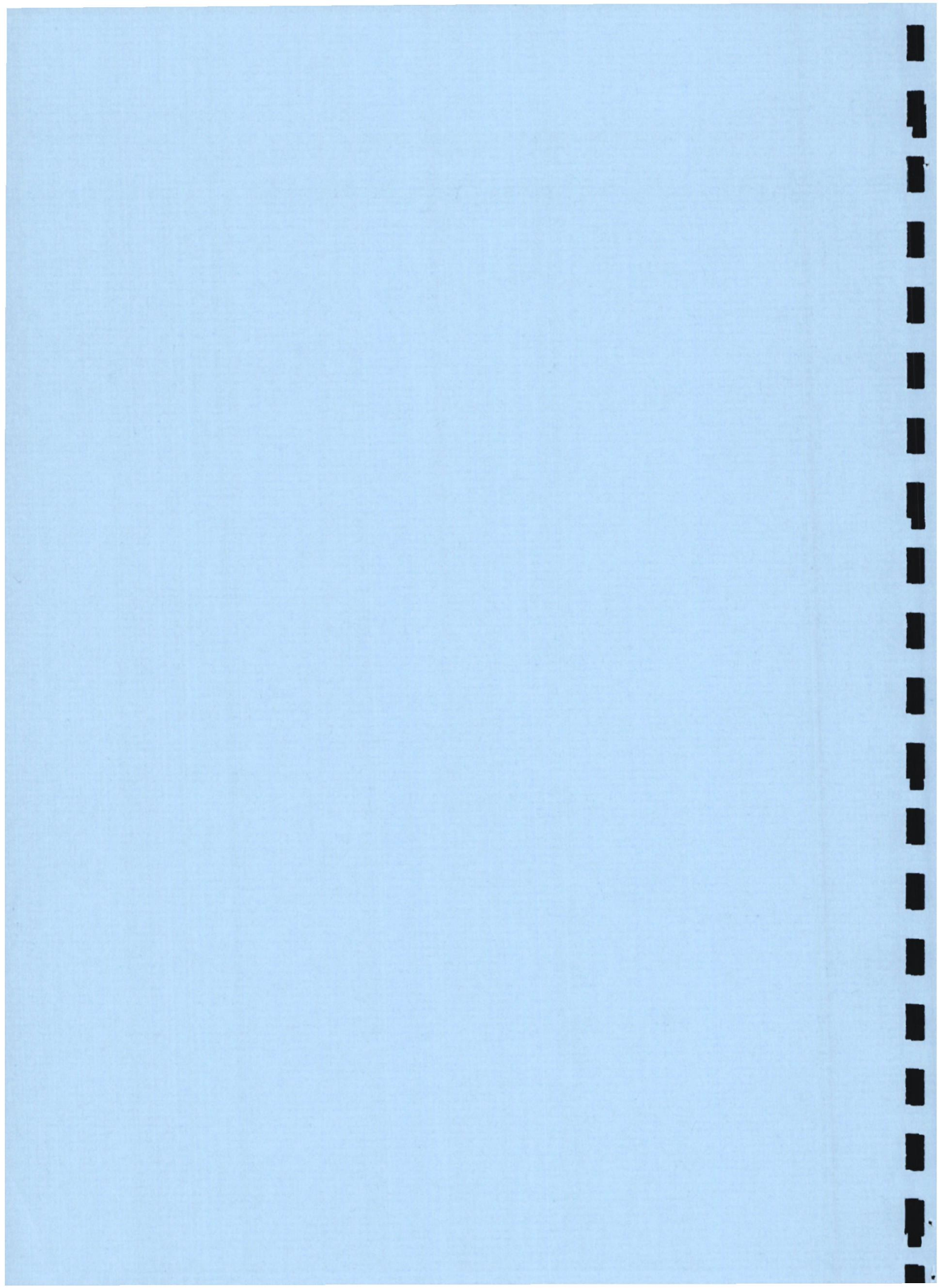
skilled labour that can drive the economy towards the achievement of the Vision 2030.

Investors are assured of the existence of not just a skilled, competent and youthful workforce but also one that is discipline and exercises the highest standards of work ethic, commitment to duty and service. Investors will also take pleasant note that Kenya's youth population is slowly being re-socialized to adhere to higher ideals of patriotism, humanism and humanitarianism creating a stable environment for business.

Investment Opportunities under a devolved structure- The newly formed county governments have created new frontiers of investment in which all Kenyans can claim a stake. County governments are required by law to develop and implement county integrated development plans. For any entrepreneur or investor, this ought to be the first and most important guide to investment at the county level.

The Ministry has developed guidelines for county integrated development plans that help counties through this process. With these plans in place, counties are now well placed to determine specific investments according to their respective comparative advantages. In recent months, several counties have held forums to look at different areas in which they could attract investment. The number of investment opportunities is endless, including *inter alia* sectors such as mining, tourism, agriculture, energy and manufacturing.

When combined with the rapid rise of the Kenyan economy, and the country's favorable demographic structure, a great number of opportunities stand to be harnessed across the country. Consider Kenya's robust growth of 5.3% in 2014 that is projected to rise to over 7% by 2017 and the gradual pace with which it is diversifying economically. For instance, in the year ending 2014, manufacturing contributed 9.21% to GDP, wholesale/retail trade 10.18%, transport and communication 9.33% while agriculture our largest sector, 25.94%.



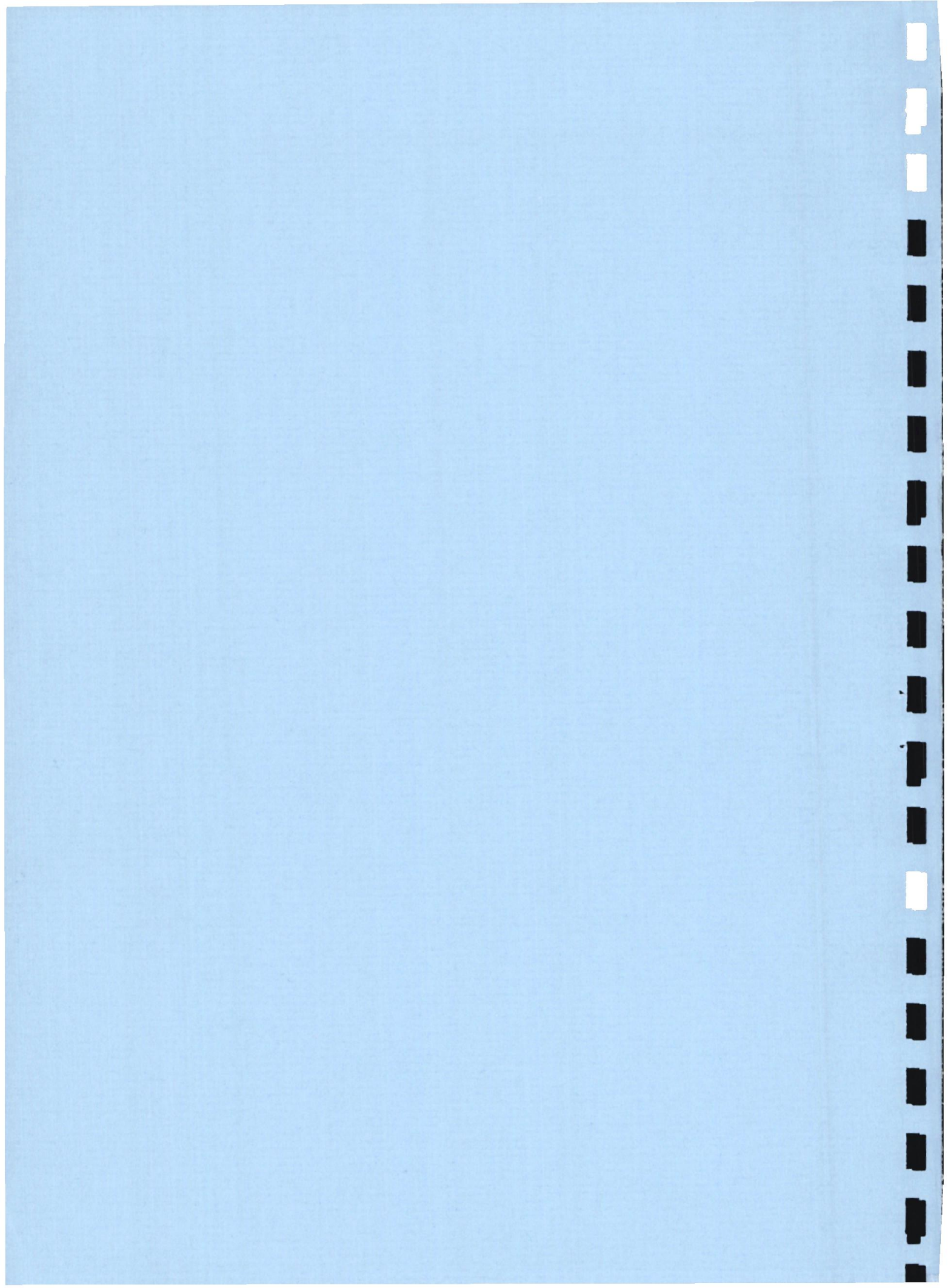
Not to mention that the country rebased its economy and is currently the 9th largest economy on the African continent having been elevated to middle income status with a GDP of USD 53.3 billion and GDP per capita of USD 1,246.

Demographically, Kenya stands to gain from a dividend given that close to 80% of the population is under the age of 35. Lastly, this exemplary macroeconomic trajectory is being boosted by the major infrastructure projects that will unlock Kenya's economic potential including the standard gauge railway and the Lamu Port South Sudan Ethiopia Transport (LAPSSET). Kenyan's should therefore read the signs and stake their claim in this economic rise, especially at the county level.

Investment Opportunities from Improved Public Service Delivery -Huduma Kenya programme is at the heart of the delivery of the Governments digitalisation agenda. The Jubilee Manifesto has made a commitment to embark on a Digital Government programme by leveraging on technology to provide adequate access to information and transform the quality, efficiency and effectiveness of public services.

The main objective for digitizing government services is to ensure Kenyans enjoy convenient access to public services when and where they need them, and giving the customer a variety of channels through which they can choose to access and pay for public services. To achieve this the government has embarked on a wide scale initiative to digitize public records and automate business processes.

Implementation of a modern Government service delivery model that meets citizens' expectations around timely access to services and anchored on 21st century technology



8. OTHER ACHIEVEMENTS

The Ministry of Devolution and Planning has had some significant accomplishments, in a period filled with challenges on some of the longer more ambitious programmes but we are excited at the progress we have made. In this section we detail the major achievements over the two years.

1. As the Ministry responsible for Gender a key policy area for the Ministry is the fulfilment of the Jubilee promise. The Ministry has worked on mainstreaming gender issues within Ministries to ensure the needs of these important groups are incorporated into the planning and programmes of the various sectors. Towards this end, the Ministry has been spearheading the following initiatives:

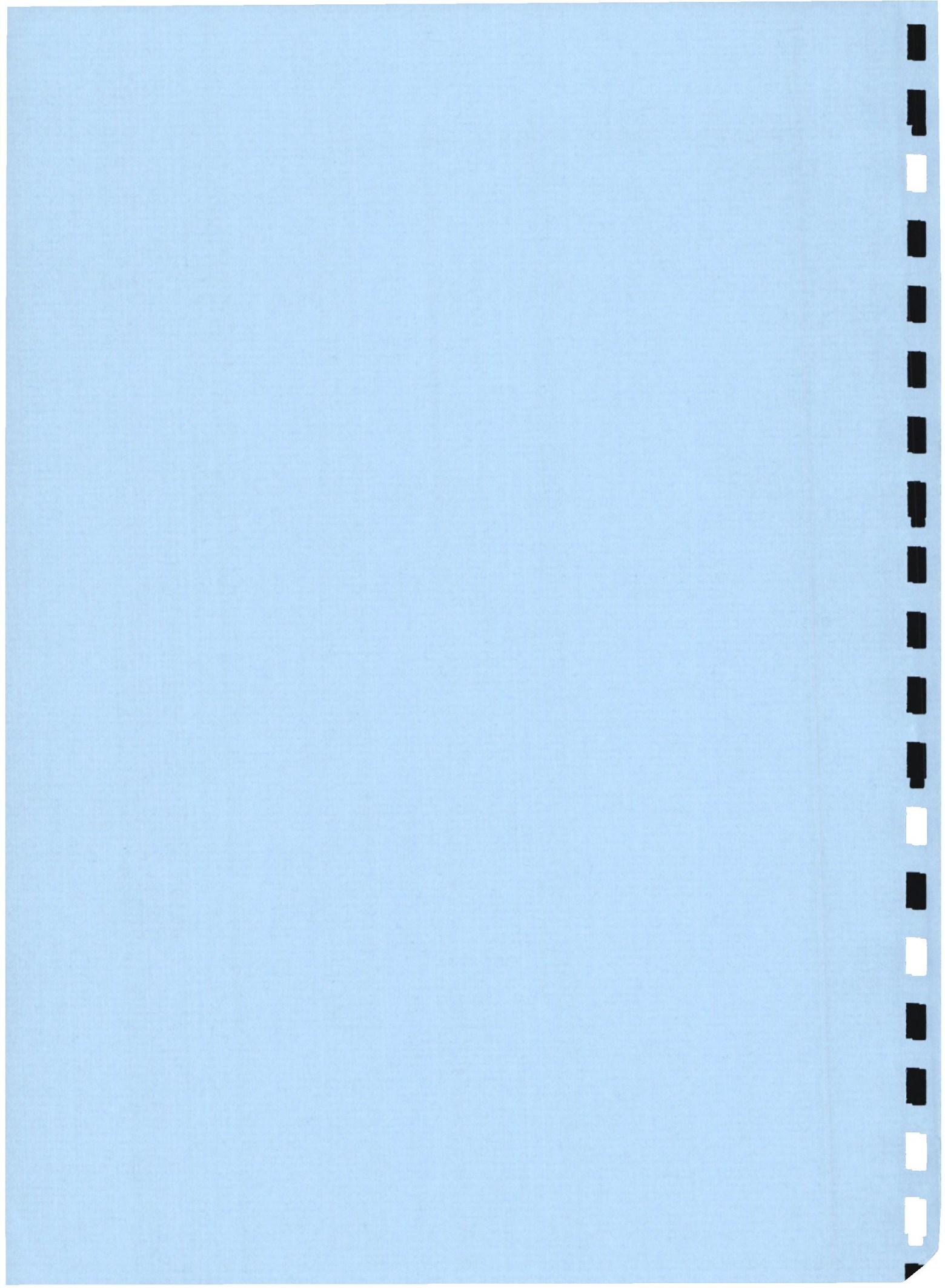
a. **Supporting and monitoring the implementation of the 30% public procurement provisions** to youth, women and persons with disabilities (PWDs), with over 4,000 registered companies benefiting in the past eighteen months from public procurement of over KShs 6.4 Billion.

As of December 2014 Treasury has over 6,000 companies registered and we will continue to work with Ministries and SAGAs to realize greater allocation of government tenders and contracts to these registered companies.

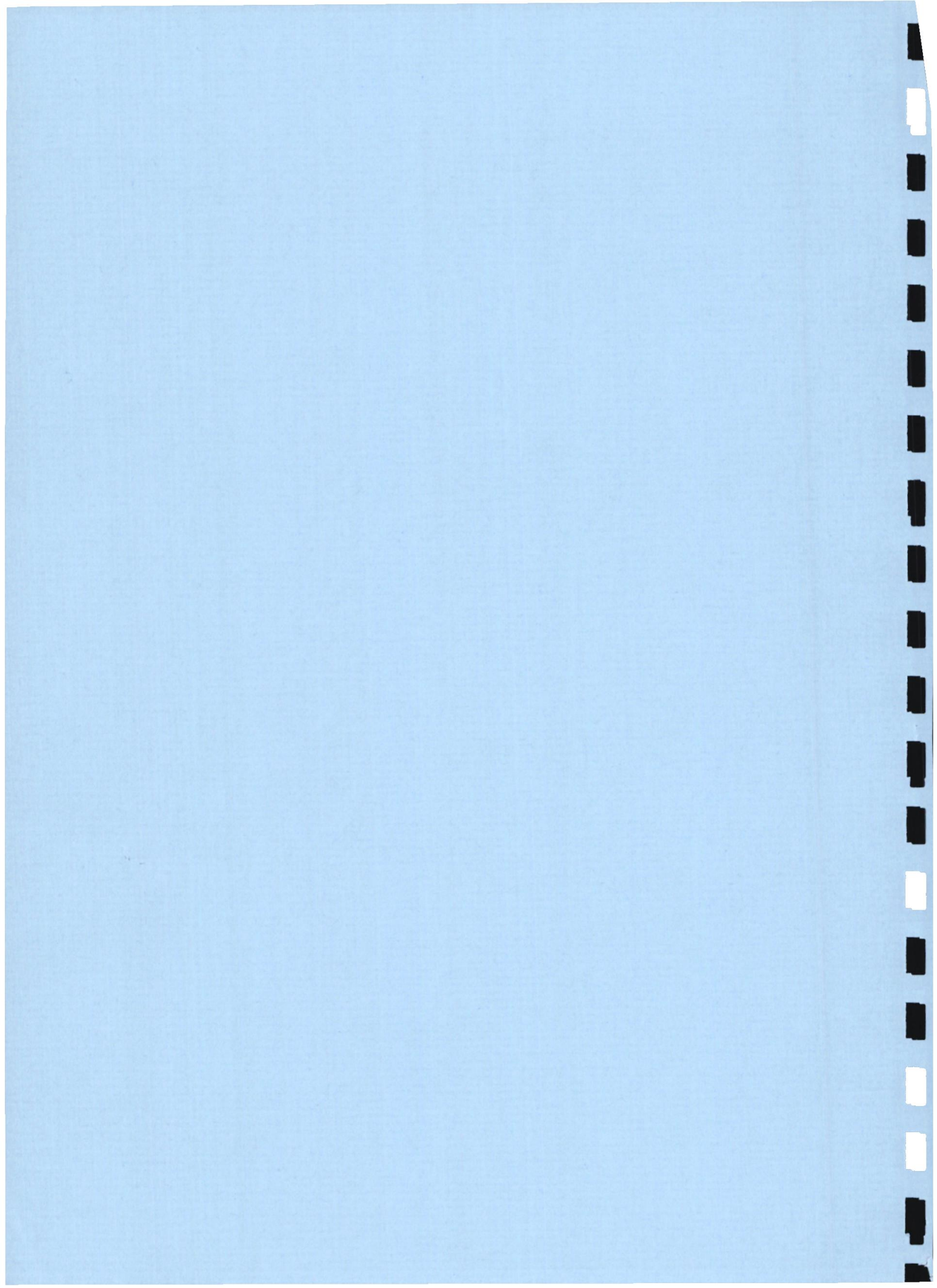
The Ministry has established partnership with private sector to support capacity building of both procurement officials (officials in all 18 line Ministries trained) and youth, women and PWD owned businesses and we expect to report even greater progress in the coming year.

b. The Ministry rolled out a **gender mainstreaming strategy**, by seconding gender officers to every Ministry, located within the Central Policy, Planning and Monitoring Units. This was tantamount to putting gender at the centre of ministerial planning and policy making throughout government.

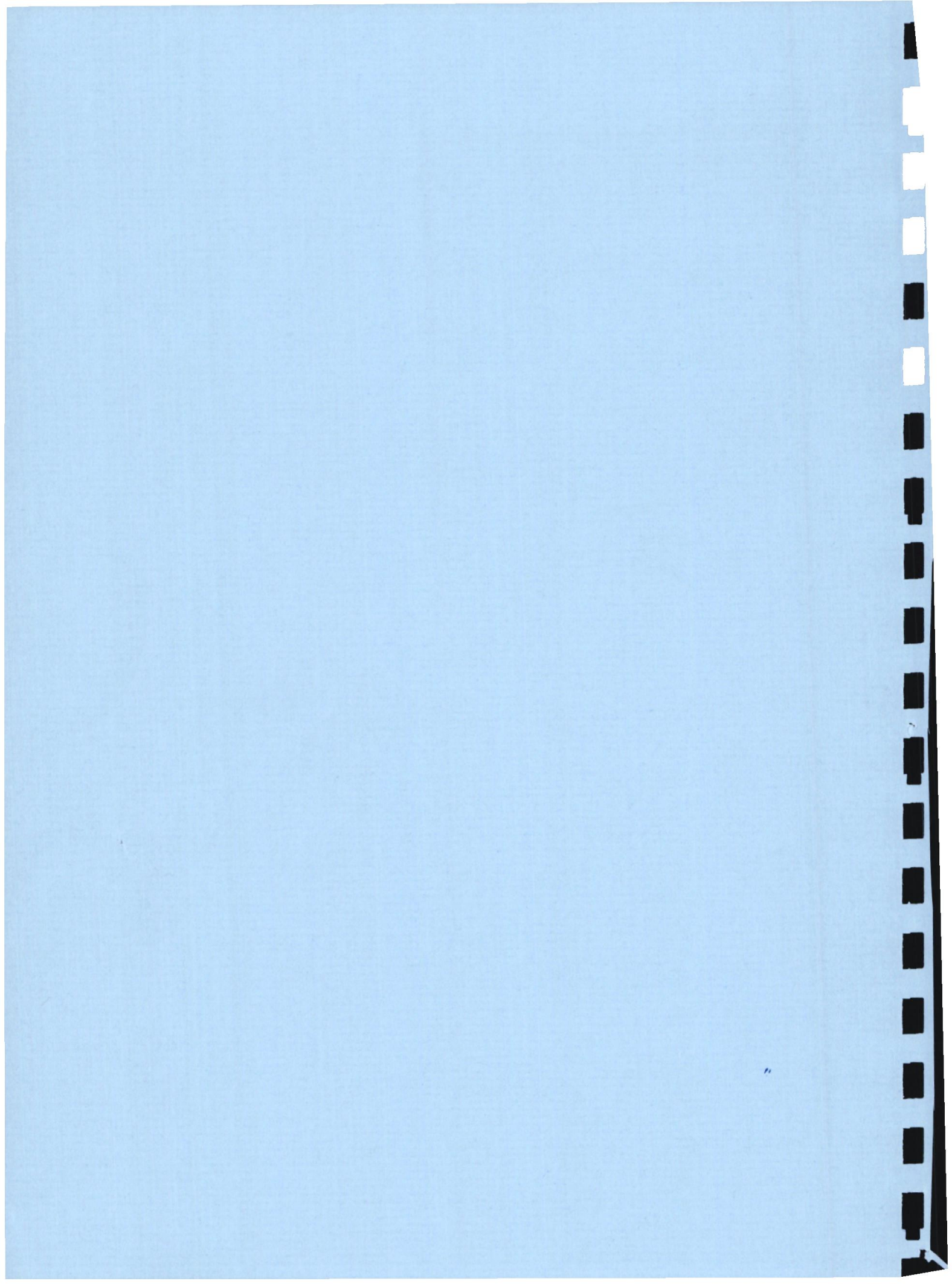
Through this strategy the Ministries that traditionally had no gender agenda are taking up gender issues within their sectors very seriously. This has also been facilitated in the Counties and already there is some notable successes e.g. Kisumu County Government.



- c. **The Gender Research and Documentation Centre** at the Jomo Kenyatta Library at the University of Nairobi was operationalized and is expected to contribute in terms of research on gender challenges as well as in documenting Kenya's innovative gender programs.
2. The Jubilee Government committed to **transforming the public service** into an efficient and effective service. In achievement of this objective, the Ministry has focussed on the following :
- a. **Capacity Assessment and Rationalisation for the Public Service (CARPS) programme:** The Ministry through the Directorate of Public Service Management has embarked on an ambitious program to align and upgrade our public service to meet the demands of the 21st Century and the expectations of Kenyans. This includes a comprehensive skills and competencies assessment and institutional review that will ensure that skills are matched to mandates. Running concurrently is the biometric data capture exercise which registered over 190,000 existing and newly recruited civil servants at both level of government.
- b. As part of the efforts of strengthening human resource management, the Ministry in collaboration with the Public Service Commission developed the **Human Resource Decentralization Policy**. This policy will ensure that Ministries are better able to manage their human resource capacities and outputs.
- c. On **performance management**, H.E the president has signed performance contracts with all Cabinet Secretaries for the FY 2014/15. As a Ministry we have further cascaded these downwards, by signing with all the respective departments in the Ministry and the 18 state corporations and semi-autonomous government agencies.



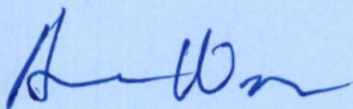
3. In the area of **Planning and Economic Cooperation**, the Ministry has focussed on generating up-to-date statistics that would help in development planning as well as providing technical assistance and capacity building for both national and county government in development planning. In so doing the Ministry has undertaken the following:
 - a. The Ministry launched the Second mid Term Plan (MTP II) and finalized and launched its own **Strategic Plan (2013-2017)** which is aligned to MTP II. We have continued to offer technical support to Ministries in developing their strategic plans.
 - b. The Ministry **developed and disseminated guidelines for County Integrated Development Planning** and disseminated MTP II to all Counties such that they could align their County Integrated Development Plans (CIDPs) to ensure coordinated national and county development.
 - c. As part of its mandate of generating accurate statistics, the Ministry **rebased the country's GDP from 2001 to 2009** to enable the Country to evaluate its economic progress with greater accuracy.
 - d. In addition the Ministry produced the first **socio-economic atlas**, which presents the current socio-economic data in cartographic format, for ease of reference.
4. Ending Drought Emergencies and Development of Arid and Semi-Arid Lands, is critical to promoting sustainable development and is highlighted as a key enabler in the Medium Term Plan 2. This policy objective is being implemented through the following programmes:
 - a. **The Hunger Safety Net Program**, implemented by the National Drought Management Authority, and funded by the Government of Kenya and the United Kingdom/DFID, provides an unconditional funds transfer designed to alleviate extreme hunger and poverty.



This program provided support to 64,794 households, with beneficiaries receiving cash transfers of Kshs. 2,300 per household per month, enabling these households to feed their families and reducing the complications associated with extreme hunger.

- b. Towards promoting human development, the Ministry has continued to implement **the Northern Kenya Education Trust (NoKET)**, which educates needy, bright girls through a scholarship programme. The Ministry, through this trust provided scholarships for 57 bright and needy students which enabled them to attend national and county schools.
5. During this period, a number of Ministry programs have been supported by our **development partners** in support of its development agenda. In addition, as part of its commitment to promoting aid effectiveness through coordination, the Ministry facilitated the joint signing of the **United Nations Development Assistance Framework (UNDAF)** for the year 2014-2018, within a 'Delivering as one' framework. This will ensure a coordinated approach amongst the UN agencies.

The Ministry was also key to the successful Development Partnership Forum (DPF) on devolution, held in February 2015. Under the chairmanship of the Deputy President, H.E. Hon Ruto, representatives from the National Government, County Governments, COB and CRA and Development Partners reviewed the progress of devolution and agreed on follow-up actions.



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CABINET SECRETARY
MINISTRY OF DEVOLUTION AND PLANNING

