



REPUBLIC OF KENYA STATE DEPARTMENT FOR PLANNING

THIRD PROGRESS REPORT ON IMPLEMENTATION OF THE BIG FOUR AGENDA 2020/2021 FY





FOREWORD



FOREWORD



I am pleased to present the Third Big “Four” Agenda Implementation Status Report covering the 2020/21 Financial Year (FY). The Big “Four” Agenda is intended to improve the standards of living of Kenyans, catalyse growth and spur socio-economic transformation. When the President conceptualized the Big “Four” Agenda, he did so in appreciation of the fact that for the Country to accelerate the achievement of our Kenya Vision 2030 aspiration, it would need to take a new approach to the medium-term planning, and focus on those issues that would have the greatest impact on the well-being of Kenyan people. This will enable Kenyans to meet their basic needs, improve health standards, improve living conditions, lower cost of living, and reduce poverty and inequality.

The Government is committed to achieving the Big “Four” Agenda notwithstanding several challenges that have continued to affect its implementation. The main challenge was financial limitations as a result of the effects of COVID-19 pandemic. In addition, to curb the spread of COVID-19, the Government set aside billions of shillings thereby temporarily diverting money from other priority projects. The Pandemic caused a downturn in various sectors such as Tourism, Manufacturing, Trade and Financial Services hence affecting cash flow and the overall economy. Subsequently, the Government is implementing the Post-COVID-19 Economic Recovery Strategy that seeks to cushion citizenry from the economic impact of the pandemic as well as to spur business and economic growth.

The Government recognizes the role of citizens and other stakeholders in accelerating implementation of the Big “Four” Agenda. In this regard, the electronic National/County Integrated Monitoring and Evaluation System (e-NIMES/e-CIMES) has been rolled out to provide real time implementation progress information to citizens and allow for feedback. In addition, provision of accurate progress information is expected to increase private sector investment in the “Big Four” Agenda projects.

In conclusion, I would like to extend my appreciation to the Principal Secretary, State Department for Planning, Mr. Saitoti Torome, CBS for his commitment to strengthening monitoring and evaluation in the Public Sector.

HON. (AMB.) UKUR YATANI, EGH

**Cabinet Secretary,
The National Treasury and Planning.**

ACKNOWLEDGEMENTS





ACKNOWLEDGEMENTS



The Big “Four” Agenda was formulated to accelerate implementation of the Kenya Vision 2030 priorities. It is therefore critical for the Government to provide regular feedback on the status of implementation of key projects outlined in the Big “Four” Agenda. In this regard, this is the 3rd Status Report on Implementation of the Agenda. Its preparation was based on the Third National Reporting Indicator Handbook to assess each priority area. Data for this assessment was provided by the Ministries, Departments and Agencies (MDAs) who are the implementers of the Big “Four” Agenda.

I appreciate the valuable inputs and comments from across the Ministries, Departments and Agencies that ensured that the report meets the required quality standards.

I would like to thank the Monitoring and Evaluation Directorate team and officers from other Directorates in the State Department for Planning for their dedication in the production of this Report under the leadership of Mr. Aloyce Ratemo. I would also like to extend my gratitude to the Economic Planning Secretary, Mrs. Katherine Muoki for her leadership and technical support throughout the entire period of preparation of this Report.

Finally, I wish to assure all users that this Report will be widely disseminated to all stakeholders for their use in assessing the implementation of the Big “Four” Agenda. The Report is available in the following websites: www.planning.go.ke and www.monitoring.planning.go.ke.

SAITOTI TOROME, CBS

**Principal Secretary
State Department for Planning
The National Treasury and Planning.**



ACRONYMS AND ABBREVIATIONS

ASTGS	Agriculture Sector Transformation and Growth Strategy
COVID-19	Corona Virus Disease 2019
DFZ	Disease Free Zone
EPZ	Export Processing Zone
FAO	Food and Agriculture Organization
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
ICT	Information Communication Technology
KALRO	Kenya Agriculture and Livestock Research Organization
KIE	Kenya Industrial Estate
MED	Monitoring and Evaluation Directorate
MSMEs	Micro Small and Medium Enterprises
MT	Metric Tonnes
MTP	Medium Term Plan
NIMES	National Integrated Monitoring and Evaluation System
NYS	National Youth Service
PWDs	Persons with Disabilities
R&D	Research and Development
SDGs	Sustainable Development Goals
SEZ	Special Economic Zone
SME	Small and Medium Enterprises
UHC	Universal Health Coverage
UN	United Nations



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SECTION 1





SECTION 1: INTRODUCTION

This Report presents the status of implementation of the Big “Four” Agenda for the Financial year 2020/21. The Big “Four” Agenda fosters on fast tracking the realization of the Kenya vision 2030 focusing on four key pillars namely, Manufacturing, Food and Nutrition Security, Universal Health, and Affordable Housing to be implemented between 2018 and 2022 plan period. The Agenda aims at providing solutions to various socio-economic problems facing Kenyans. The four pillars are hinged on the Kenya Vision 2030 and have been mainstreamed in the MTP III hence the potential to fast track the realization of the Vision 2030 aspirations. The target by 2022 is to: Enhance Manufacturing contribution to the GDP from 8.4percent to 15 percent; Ensuring 100 percent Food and Nutrition Security; Ensuring 100 percent Universal Health Coverage; and Providing 500,000 Affordable Housing to the Low-income Segment of the Population.

The achievement of the Big “Four” Agenda is strongly anchored on adherence to fiscal responsibility principles to ensure prudent and transparent management of public resources. The Government continued to strengthen expenditure controls and improve the efficiency and effectiveness of public spending through necessary public financial management reforms. In particular, the government continued to direct resources to support the Big “Four” Agenda and other public investments in critical sectors such as Education, Infrastructure, Energy and Social Protection.

This Report summarizes the achievements, under each pillar of the Big “Four” Agenda and its enablers. The Report also provides a summary of the challenges in implementation of the projects, lessons learnt and policy recommendations.



SECTION 2

IMPLEMENTATION PROGRESS OF THE BIG FOUR AGENDA





SECTION 2:

IMPLEMENTATION PROGRESS OF THE BIG “FOUR” AGENDA



2.1 Manufacturing Pillar

The Manufacturing Pillar aims at transforming life of Kenyans by creating jobs, reducing outward flow of foreign exchange, wealth creation, lower cost of living, improve livelihoods, and reduce poverty and inequality. The Pillar is critical in contributing to economic growth and generating employment as the Country moves towards realization of the aspirations of Kenya Vision 2030. Its overall goal is to propel Kenya towards becoming an industrial hub through: increasing the Sector’s contribution to Gross Domestic Product (GDP) by at least 15 percent by 2022 up from 8.4 percent; increasing level of foreign direct investments from \$350 Million to \$2 Billion; and improving ease of doing business ranking from 80 in 2017 to 50 by 2022. The Pillar also plays a strategic role in technology and innovation and has high potential for investment attraction, employment creation, export expansion, provision of forward and back ward linkages in all other sectors of the economy and is also a stimulant for agricultural sector growth.

2.1.1 Manufacturing Pillar Achievements for 2020/21 FY

A summary of the achievements in the Manufacturing Pillar is presented in Table 2.1.



Table 2. 1: Achievements under the Manufacturing Pillar in the 2020/21 FY

Programmes /Projects	Expected outcomes/Output	Performance Indicator	Target 2020/21 FY	Achievement 2020/21 FY	Remarks
Development of Textile Hub at Athi River – Export Processing Zones (EPZ)	Increased investments in EPZs from \$350 Million to \$2 Billion	Amount of investments attracted	112	117.2	New firms joined the EPZ program and some of the existing ones were expanded
	Increased level of exports from the EPZ firms	Exports level from the EPZs (KSh. Billion)	80	85.4	There was increase in demand for tea and dartboards
	Increase in Employment	No. of employees	10,000	4,000	EPZ operations affected by COVID-19
	Industrial sheds constructed	Level of completion (percent)	100	63	Inadequate funding for seed production
	Railway siding and infrastructure developed	Level of completion (percent)	10	3	
Cotton value addition and extension Subsidy - RIVATEX E.A Ltd	Farmers provided with inputs, extension services and ginneries revived	Quantity of cotton produced (Bales where 1 bale= 226.8kg)	83,190	17,700	Inadequate funding for seed production
Modernization of the Machinery and factory for RIVATEX E.A Ltd	Modernized machinery for: weaving, spinning, production and finishing sections.	level of Completion (percent)	87	92	Target was achieved
Development of Freeport & Industrial Park at Dongo Kundu Special Economic Zone (SEZ)	Basic infrastructure facilities provided	Level of completion (percent)	50	6	Relocation of people delayed the project
Development of Naivasha Industrial Park SEZ	Basic infrastructure facilities provided	Level of completion (percent)	100	7	Inadequate funding
Provision of Credit to Micro Small and Medium Enterprises (MSMEs)	Increased credit to MSMEs	Amount of credit disbursed to MSMEs (KSh. millions)	960	982	Due to improved loan repayment
Modernization of Foundry Plant at the Numerical Machining Complex (NMC)	Enhanced production of industrial spare parts & machinery; R&D and reverse engineering capability	Level of completion (percent)	35	31	Inadequate funds
	Foundry casting.	Quantity of foundry castings made in tonnes	150	98.4	Inadequate working capital and slowing market demand due to COVID-19 pandemic



Programmes /Projects	Expected outcomes/Output	Performance Indicator	Target 2020/21 FY	Achievement 2020/21 FY	Remarks
	Power transmission parts manufactured	Number of Transmission parts manufactured.	42,621	258,500	One major order from KPLC led to overachievement.
Infrastructure and civil works development at Kenya Industrial Training Institute (KITI)	KITI infrastructure upgraded and completed	Level of completion (percent)	65	46	Inadequate budget
Completion and equipping of Industrial Research Laboratories in Nairobi, under Kenya Industrial Research and Development Institute (KIRDI)	Increased use of industrial technologies and MSMEs growth facilitated through product development	Level of completion (percent)	80	76.5	The annual target was not achieved due to reduction of the budgetary allocation
		No. of industrial technologies transferred to MSMEs	14	14	Target was achieved due to multi-stakeholder approach employed
Attraction of Investments (domestic and foreign)	Increased level of Investments	Amount of investments attracted (KSh. Billion)	157	68.57	Due to COVID-19 pandemic containment measures
Accreditation of Conformity Assessment Bodies (CAB) – Kenya Accreditation Service (KENAS)	Increased accreditation and conformity assessment	No. of New CABs Accredited	50	33	Affected by restriction of movement
		No. of CABs assessed on accreditation	206	243	Increased applications for extension of scopes
Development and enforcement of standards by the Kenya Bureau of Standards (KEBS)	Increased standards development, products compliance and certification by SMEs and large firms	No. of Standards developed	564	769	There was increased demand
		No. of products certified under SMEs	3500	4,995	There was increased awareness to SMEs & firms
		No. of products certified under large firms	12,400	13,108	
Protection of innovations and intellectual property – Kenya Industrial Property Institute	Increased intellectual property rights for industrial development and innovation	No. of National Trademarks registered	5,000	5,312	Streamlined processes of intellectual property registration
		No. of patents, utility models and industrial designs processed	701	779	

Source: State Department for Industrialization and Enterprise Development Annual Progress Report 2020/21 FY

Cotton Revitalization Programme: During the review period, inputs (consisting of 30,500 kgs of



conventional seeds, 16,000 kgs of hybrid seeds & 1,725 litres of pesticides) were provided to 30,000 farmers; and 40,000 acres of land were put under cotton production.

Financial credit and incubation to Micro Small & Medium Enterprises (MSMEs) in the Manufacturing Sector by Kenya Industrial Estates (KIE): KSh. 982 million was disbursed to SMEs as industrial credit creating 29,470 jobs; and trained 42,173 SMEs/Business operators on business skills and entrepreneurship.

Modernization of Foundry Plant and Fabrication Workshops at the Numerical Machining Complex (NMC): A total of 98.4 tonnes of castings were produced; 258,500 transmission parts /industrial fittings were manufactured; and production of auto parts for local vehicle assembling commenced.

Infrastructure and Civil Works Development at Kenya Industrial Training Institute (KITI): This involved completion of stalled components of: Central Stores, Women Hostels and Walkways, workshops, Auditorium, and Drainage Systems. During the review period, the upgrading was done to 46 percent completion level and 3,354 students were trained.

Completion and Equipping of Industrial Research Laboratories: This entailed construction and equipping of industrial research facilities (infrastructure) for undertaking industrial research and development in all industrial and allied technologies for increased use of industrial technologies and MSMEs growth. Twelve industrial technologies were developed and transferred to SMEs; 400 SMEs were supported with incubation and common manufacturing facilities; Natural products & Food laboratories were equipped; and Construction of Industrial Research, laboratories in Nairobi, South B was done to 75 percent completion level (Civil works -formwork, steelwork and concrete work).

Enabling Policy framework(s) for the Manufacturing and SMEs Sectors: The following were achieved during the period under review: Micro and Small Enterprises Authority Policy was approved; Draft National Automotive Policy developed and submitted to Cabinet for Approval; Taskforce on the National Reforms on Standards and Quality infrastructure was constituted; and National Credit Guarantee Fund established.

2.1.2 Achievements Under the Drivers of the Manufacturing Pillar

Foreign Affairs: Coordinated Kenya's engagement in regional and multilateral economic and trade meetings of: African Continental Free Trade Area (AfCFTA), The Organisation of African, Caribbean and Pacific States and the European Union (OACPS-EU), Indian Ocean Rim Association (IORA), Common Market for Eastern and Southern Africa (COMESA), East African



Community (EAC), World Trade Organisation (WTO), United Nations Conference on Trade and Development (UNCTAD), and United Nations General Assembly (UNGA)/United Nations Economic and Social Council. Bilateral meetings coordinated include: Kenya – USA Free Trade Area (FTA) negotiations, Joint Economic Commission (JEC)/ Joint Trade Committees (JTC), Joint Commission of Cooperation (JCC) among others.

The sub-sector continued supporting KEBS under two national projects establishing a System for Education, Training, Qualification and Certification for Non-Destructive Testing (NDT) and Strengthening Existing Resources for Training, Research and Application of Radiation Technologies in Industry and Environmental Studies. Two high-level meetings were held through the Kenya Embassy in Brassilia to pursue Embraer with a view to setting up a Maintenance Facility in Nairobi and another two meetings with Maestro of Brazil to pursue set up of a trailer factory in Kenya.

Defence: The construction of 4000T slipway for the Kenya Navy-Mombasa and Lake Victoria Kisumu progressed to 88 percent completion level and is expected to manufacture ships, service and repair them. Further, modernization of Kenya Meat Commission was completed with a capacity to slaughter over 400 cows and produce 15,000 canned tins per day.

The Kenya Metre Gauge Railways reconstruction was initiated, and the following were completed: 180km Thika-Nanyuki rail; 217 Km Nakuru-Kisumu; 69km Kisumu-Butere rail; and 78 Km Gilgil-Nyahururu rail. This will enable easy movement of manufactured products.

Internal Security: Continued to facilitate manufacturing by creating conducive environment for investors through its 'Citizen-centric' police reforms program that supports a 24-hr economy, particularly police modernization and installation of CCTV cameras; issuance of Police Clearance Certificates; work permits, visas and other travel.

UWEZO Fund: A total of 1,310 groups were engaged in manufacturing activities which include making livestock feeds, tiles and bricks, ventilation blocks, hides and skins, soap and detergents, bead works, basket weaving, briquettes, mining, purification and bottling water, yoghurt manufacture and aquarium making for sale.

Trade Sector: Refurbished 38 Constituency Industrial Development Centres and the Kariobangi Centre of Excellence used by SMEs engaged in manufacturing.

Oil, Gas and Minerals Sector: Facilitated exploration and production of industrial, construction and agro-based minerals; promotion of clean energy; and securing supply of petroleum products for industrial, agricultural and transport sectors. Further, the Sector facilitated availability of



mineral-based materials for cement making, steel making, gypsum manufacture among others.

Water Irrigation and Sanitation: Ensured water supply and sewerage management to serve the proposed industrial parks in Naivasha, Dondo-Kundu Special Economic Zone in Mombasa and Konza Technopolis Complex.

2.1.3 Implementation Challenges

- i. The COVID-19 Pandemic caused disruptions in the major value chains in the Manufacturing Sector, leading to massive losses in revenue and jobs across all the subsectors, decline in production and constriction of the economy. Restriction of movement affected the supply of goods and products resulting to limited supply of raw materials to industries and finished processed products to consumers;
- ii. High cost of infrastructure: The implementation of the Special Economic Zones and Small and Medium Enterprises (SMEs) Industrial Parks Programs requires huge provision of basic infrastructural facilities (including roads, power, and water) which are costly. This in the midst of constrained resources delayed implementation of planned interventions;
- iii. High operational costs and unreliable energy supply: Unreliable energy supply to industrial enterprises and Micro Small and Medium Enterprises (MSMEs); non-compliance to international standards and high cost of labour and transport made the production of goods and services costly hence lowering the competitiveness of the products in the global market. Further, stringent and non-uniform application of rules of origin coupled with the non-observance of various protocols and treaties within the regional trading blocs have been a challenge;
- iv. Inadequate financial resources: Inadequate budgetary allocation and budget cuts hampered the implementation and completion of the various projects and programmes;
- v. Inadequate access to financial services for industrial development: The realization of sustainable and meaningful Industrial development in the Country requires access to affordable long-term finance and credit facilities. The bureaucracies and collateral requirements banks impose serve to lock out the majority of MSMEs. Further, the Government Financial Institutions including KIE, ICDC and IDB capital have not been able to adequately fund the Industrial Sector financial needs due to inadequate resources allocated amidst increased demand; and



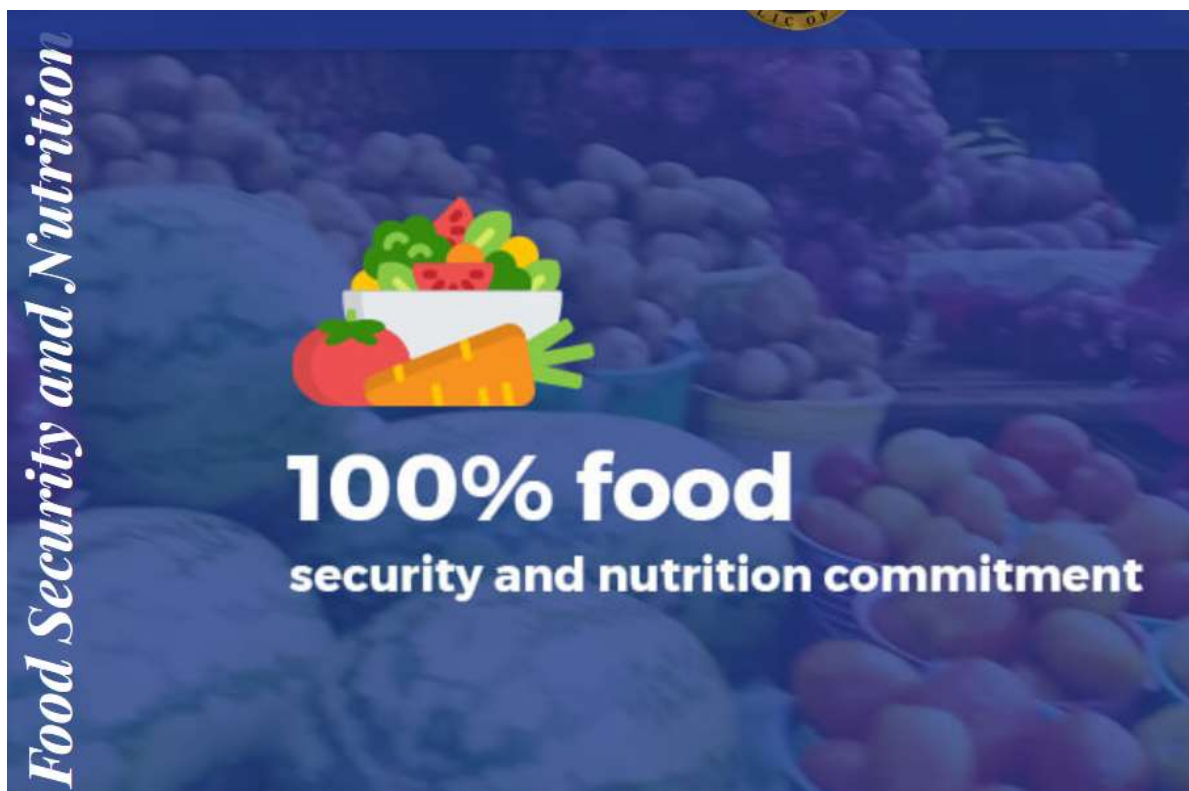
- vi. Weak Industrial subcontracting linkages: Majority of the micro and small enterprises are informal, have a high mortality rate and access to Business Development Services are limited, uncoordinated and unaffordable. Further, the Manufacturing Sector Policy and legal framework does not address issues of subcontracting linkages. This has hindered the promotion and facilitation of industrial subcontracting among the large, medium, small and micro enterprises.

2.1.4 Lessons Learnt

- i. Legal, Regulatory and Institutional frameworks are key to facilitating the implementation of key programmes and projects; and
- ii. Mobilization of adequate resources both internally and externally is essential for successful implementation of the key projects and programmes.

2.1.5 Recommendations

- i. Promote procurement of products and services by public sector institutions from local Micro, Small and Medium Enterprises (MSMEs) and local companies/manufacturers;
- ii. Adopt shock resilient programming to ensure continuity in production during times of crisis;
- iii. Explore use of Public Private Partnership (PPP) in provision of required infrastructural and affordable credit facilities; and
- iv. Strengthen the policy and legal framework towards establishing subcontracting linkages.



2.2 Food and Nutrition Security Pillar

Food and Nutrition Security is one of the Big “Four” Agenda with largest contribution being from Agriculture, Livestock, Fisheries and Irrigation Sub-sectors. The Big “Four” Agenda seeks to: increase large scale production of staple foods including maize, potatoes and rice with some areas put under cultivation through irrigation in a Public Private Partnership agreement; boost the capacity of small scale food producers by providing more affordable locally blended fertilizer to farmers and waiving duty for the importation of cereal drying equipment and bags; boost fishing activities among the fisher-folk, especially along the Coast, and provide them with new fishing vessels; curb illegal fishing in the 200 mile EEZ in Kenya territorial waters; and setting up measures that will drastically reduce the cost of food to achieve maximum food security through engaging contract farmers to supply strategic food reserve, create a subsidy model for farmers, deploy early warning systems, and eliminate various levies applied to food products along the value addition chain.

2.2.1 Food and Nutrition Security Achievements

A summary of the achievements during the review period is presented in Table 2.2



Table 2. 2: Achievements under Food and Nutrition Security 2020/21 FY

Programmes /Projects	Expected outcomes/Output	Performance Indicator	Target 2020/21 FY	Achievement 2020/21 FY	Remarks
Enhancing large scale crop production	Additional land under crop production (maize, potatoes, rice, cotton)	Additional area under crops (Acres)	140,000	0	The process of identifying 50 large scale public farms is ongoing
	Additional land under irrigated crop production (maize, I/potatoes, rice, cotton, horticultural crops and pasture)	Additional area under irrigation (Acres)	140,000	48,000	Implementation of 22 projects is yet to commence due to inadequate financial resources
Nutrition security project	Annual maize production increased to 67 million bags in 2022 (90 Kgs)	Quantity of Maize Produced (90 kgs bags in million)	55	40.2	Shortage of rainfall hindered optimum productivity per acreage.
	Rice production increased from the current production levels	Quantity of rice produced annually(MT)	193,565	171,500	There was an increase compared to 2019/20 FY which was 72,000MT due to opening of new schemes and provision of quality seed
	Enhanced Irish potato production for food sufficiency	Quantity of Irish Potato produced annually(MT)	1.9	1.6	Seed availability has increased Irish Potato production.
Revitalization of industrial crops	Increased Cotton production	Quantity of cotton produced (Bales where 1 bale= 226.8kg)	100,000	40,000	Inadequate rains in cotton producing counties affected productivity
	Increased Pyrethrum production	Quantity of dry pyrethrum flowers produced (MT)	1,000	284.9	Splitting of the crops to acquire planting materials affected production
	Increased Coffee production	Quantity of clean coffee produced (MT)	53,000	36.9	Conversion of agricultural land to residential and commercial plots affected production of coffee
	Increased Tea Production	Quantity of tea produced (MT)	479,000	569,500	Favourable weather conditions
Improved agricultural mechanization	Increased access to agricultural machinery and equipment	No. of tractors and equipment availed to farmers	700	0	Delay in procurement of machinery and equipment has affected implementation of the project
	5 dams constructed to support irrigation with total capacity of 202 million m3 to serve 59,500 ha.	Level of Completion (percent)	80	0	The dams are under preliminary stages, feasibility, and design stage.
Drive small scale holder	Targeted production level SMEs	No. of SMEs established	50	102	Target was achieved due to enhanced participation of various stakeholders



Programmes /Projects	Expected outcomes/Output	Performance Indicator	Target 2020/21 FY	Achievement 2020/21 FY	Remarks
productivity and agro-processing	established				
	East Africa's Premier Food Hub established	No. of premier food hubs	4	3	Delays in procurement process for Mabanga ATDC led to non-achievement
	Additional domestic fishing vessels acquired	No. of fishing vessels acquired	15	19	Kenyan flagged 19 industrial fishing vessels (6 purse seiners, 6 long liners, 5 trawlers, and 2 pot fishing vessels)
Fertilizer Cost Reduction Programme	Fertilizer Cost Reduction Programme	Quantity of subsidized fertilizers (MT)	300,000	7,060	Majority of the farmers did only partial redemption of vouchers for fertilizers and the rest for agro chemicals
Climate Smart Agriculture (CSA)	Database inventory and CSA developed and maintained	Climate smart database	1	1	Database was completed as a one off activity
Disease Free Zones	Disease Free Zones (DFZ) established	Level of completion (percent)	80	72	Contractual issues
Enhanced Meat production	Feedlots established	No. of feedlots	15	0	Budget cuts affected implementation
	Bull Schemes for breeding established	No. of Schemes	3	0	
	Tsetse infestation in 5 tsetse belts suppressed	No. of Tsetse belts	5	5	Target was achieved as planned
	Livestock Insurance and Subsidy Scheme in 14 counties	No. of Tropical Livestock Units under insurance subsidy	160,000	0	Inadequate funds
	Day Old Chicks (DOCs) produced and supplied to farmers	No. of DOCs supplied to farmers	720,000	3,350	
	Rabbits produced and availed to farmers	No. of rabbits supplied	10,000	1,006	
	Piglets supplied to farmers per year	No. of piglets supplied	12,000	2,378	
	Poultry agribusiness models for youth and women established	No. of poultry agribusiness business models	3	0	
Enhanced milk Production	Dairy stakeholders along the value chain capacity built	No. of dairy stakeholders trained (Disaggregated by sex of HH head)	80	0	Delayed implementation of Phase II of Livestock Value Chain Support Programme.
	Improved feed availability	No. of feed bales available	5	0	



Programmes /Projects	Expected outcomes/Output	Performance Indicator	Target 2020/21 FY	Achievement 2020/21 FY	Remarks
		(millions)			
	Improved animal genetics (AI services & research)	No. of improved breeds	2	0	
	Enhanced control of livestock diseases and pests	Vaccination coverage (percent)	70	13	Affected by outbreak of COVID-19
		Level of completion of BSL 3 Laboratory (percent)	80	82	
	Livestock identification and traceability done	No. of counties covered	25	1	Affected by COVID-19 pandemic as well as inadequate funds.
	Improved quality and quantity of hides and skins	Million square feet of hides and skins	70	25	Low market access, price and trade cessation due to COVID -19 pandemic.
		No. of model centres for hides and skins established	3	2	Inadequate funding
		No. of rural tanneries established	4	0	Affected by COVID-19 pandemic
		Level of completion of the Leather Institute at Ngong (percent)	65	5	Inadequate funding
	Reduced post-harvest losses in milk	No. of coolers installed	340	380	
		Amount of milk processed (million litres)	800	850.4	Consistent good weather and stable milk prices in the last two years.
Enhancing honey production	Bee bulking sites for colony multiplication and distribution established	No. of new bulking sites	4	0	Inadequate funding
	Bee colonies produced and distributed	No. of colonies	4,000	707	
	Sentinel bee colonies established	No. of sentinel bee colonies	10	4	
Fish production	Increased fish Production	Metric Tonnes of fish produced	304, 000	149,963	Dwindling fish production from L. Victoria and low production from aquaculture and marine fisheries
Fish post-harvest	Reduced fish postharvest Losses	Fish post-harvest losses (percent)	25	-	The figure is baseline information. A survey is yet to be done
Fish consumption	Increase per capita fish consumption	Per capita fish consumption (Kg/	7.2	3.4	



Programmes /Projects	Expected outcomes/Output	Performance Indicator	Target 2020/21 FY	Achievement 2020/21 FY	Remarks
		person/year)			

Source: State Department for Crop Development & Agricultural Research and State Department for Livestock Annual Progress Reports 2020/21 FY

Enhancing Large Scale Crop Production: Area under irrigation was increased by 48,000 acres through construction of household water pans, construction of community-based smallholder irrigation projects, and expansion of public schemes such as Mwea, Ahero and Bura Irrigation schemes. Detailed designs for 22 projects have been carried out but implementation is yet to start.

Nutrition Security Project: There was an increase in maize production from 39.8 Million bags in 2019 to 40.2 Million bags in 2020 and rice production from 102,905 MT in 2019 to 171,500 MT in 2020. The increase in maize production is attributed to favorable weather and subsidized agricultural inputs while for rice production, in addition to favorable weather, there were good agronomic practices and increased acreage in Lower Kuja, Bunyala, Hola, and Bura Irrigation Schemes. On Irish Potato, 2,582 metric tons of basic potato seed were produced at Kenya Agriculture and Livestock Research Organization (KALRO) Tigoni with 13,720 metric tons of certified potato seeds produced in Uasin Gishu, Elgeyo Marakwet, Bomet, Nyandarua, Nyeri & Taita Taveta Counties. An Aeroponics potato seed multiplication facility was set up at National Youth Service (NYS) Tumani farm, Nyandarua County where 200,000 mini tubers of locally preferred varieties (**Shangi & Dutch Robjyn**) have been produced.

Revitalization of Industrial Crops: Cotton production declined due to decrease in area under production by 45 per cent from 18,000 hectares in 2019 to 9,837 hectares in 2020. Additionally, there were inadequate rains in cotton producing counties which include: Homabay, Busia, Kisumu, Siaya, Migori, Baringo, Elgeyo/Marakwet, Murang'a, Embu, Tharaka/Nithi, Meru, Isiolo, Laikipia, Kitui, Makueni, Machakos, Taita/Taveta, Kwale, Kilifi, Tana River and Lamu.

Production of pyrethrum decreased from 314 Metric Tonnes (MT) in 2019 to 284 MT in 2020 representing a 10.6 per cent decrease. Decline in coffee production has been due to conversion of traditionally agricultural farms to residential and commercial land in areas such as Kiambu County and other urban areas of central Kenya. Tea production in 2020 was 569.53 thousand MT which was a 24 percent increase from 458.85 thousand MT in 2019/20 FY.

Improved Agricultural Mechanization: Bunyala Pilot Rice Agricultural Mechanization Hub was operationalized raising the yield from an average of 17 to 27 bags per acre. Preliminary works for construction of the five dams (Kithino, Kamumu, Ruringazi, Thambana and Mara dams) were done while 25,306 water pans were constructed. The water pans have a storage capacity of 28.09



Million m³ to irrigate about 14,980 acres of land.

Drive Small Scale Holder Productivity and Agro-processing: A total of 102 SMEs were established under priority value chains; Rice (2), Irish Potato (24), Maize (20), Fruits, Nuts & Oils (80) Tea (343), Coffee (40), Cotton (20) and input supply & services (20). Agro-processing incubation centres were completed and equipped with food laboratory machinery and equipment at Ruiru, Nakuru & Siaya ATDCs while infrastructure in four ATDCs (Bungoma, Nakuru, Siakago, and Mtwapa) were refurbished.

Fertilizer Cost Reduction Programme: The e-voucher program was implemented by the National Value Chain Support Program in 12 Counties targeting Maize, Coffee, Rice, Irish Potato and Sorghum Value Chains and by KCEP-CRAL in 13 Counties for cereals and pulses supported 30,041 farmers with assorted inputs.

Enhanced Meat Production: Tsetse and trypanosomiasis infestation has been suppressed in five (5) tsetse belts namely: Lake Victoria, Lake Bogoria, Western, Meru/Mwea and Coast. Cumulatively 21 Counties out of 28 targeted were covered. The contract was awarded for 90,060 Tropical Livestock Units (TLUs) to provide insurance cover to 18,102 households in 8 ASAL Counties. Construction of a hatchery and poultry house at Marimanti for multiplication of indigenous chicken was completed with a few structural proposed amendments. Production of rabbits was affected by incomplete rehabilitation of Marimba, Kimose and Matuga rabbit's multiplication sites.

Enhanced Milk Production: Livestock identification and traceability was done in Laikipia County. To ensure effective implementation in subsequent years, Livestock Identification and Traceability Regulations, 2020 were finalized. Establishment of milk bulking and cooling equipment was implemented through the Livestock Value Chain support programme which delivered and installed the milk cooling equipment countrywide.

Improved Quality and Quantity of Hides and Skins: The model centers for hides and skins were initiated in Isinya Kajiado County and Mogotio in Baringo County.

Fish Production: By the end of 2020, inland capture fisheries production was 104,076 Metric Tons (MT) which was 69.5 percent of Kenya's total fish production of 149,763 MT. The principal fishery was from Lake Victoria (86,659 MT) accounting for 83.3 percent of the total inland capture fisheries and 57.9 percent of the country's total annual fish production. The increase in fish production was achieved through: continued promotion of water-efficient fish production technologies such as Aquaponics Systems; establishment of Aquaponics Systems in ten learning institutions to entrench fish production technologies among the youth; and fish stock enhancement in Western Region Counties (Kakamega, Bungoma, Siaya, Kisii and Nyamira); Rift Valley Region Counties (Nakuru,



Narok, Trans Nzoia and Uasin Gishu); Central Region Counties (Kirinyaga, Kiambu, Murang'a and Nyeri); and Eastern Region Counties (Meru, Tharaka Nithi, Makeni, Kitui, Machakos and Embu).



Aquaponics Systems at State House Girls High School in Nairobi County

Fish Post-harvest Management: Towards promoting fish handling hygiene and reducing post-harvest losses, refurbishment and modernization of fish landing sites at Vanga, Kibuyuni and Gazi in Kwale County and Ngomeni and Kichwa cha Kati in Kilifi County continued. Further, construction of designated fish markets in Malindi and Likoni progressed.

Fish Consumption: Six “Eat More Fish Campaigns” were undertaken with an aim of promoting fish consumption in Kenya towards achieving the country’s target of 10 Kgs per Capita per year by 2022/23 FY.

2.2.2 Achievements Under the Drivers of Food and Nutrition Security Pillar

Foreign Affairs: The sub-sector lobbied the UN Food and Agriculture Organization (FAO) to support the Government efforts in the fight against Desert Locust Invasion in Kenya. FAO offered Kenya technological support through the elocust3m app which gathers real-time data from pictures of the desert locusts sighted as well as sharing GPS coordinates of the locusts. The Government also joined the Global Food coalition, an initiative that mobilizes resources for projects that end



poverty and hunger in promoting food security.

Defence: Constructed 100m-by-100m dams in Marsabit (Forole, Gadile, Bubisa, Idido and Dehmo) and sank 5 boreholes in Meru County.

National Youth Service (NYS): Increased land under potatoes, maize and rice production from 5,234 acres to 5,404 acres; put 385.7 acres of land under irrigated agriculture (potatoes, rice, horticulture crops); and produced 4,425 bags of maize, 34.75 tonnes of rice, 77.8 tonnes of Irish potatoes and 25.7 tonnes of cotton.

UWEZO Fund: A total 4,668 groups of Youth, Women and PWDs were supported in poultry keeping, livestock, fish farming, crops growing, value addition in honey processing, seed banking, and tree fruit nurseries.

Trade: Three cold storage facilities were constructed to 80 percent completion level. The facilities target banana and potato farmers in Kisii, Nyandarua and Meru Counties and neighbouring counties. Further, New KCC was modernized to increase its processing capacity.

2.2.3 Implementation Challenges

- i. Inadequate quality seeds & planting materials especially for Irish Potato, Cotton, Pyrethrum, Fruits & Nuts, Forages;
- ii. Climate change and related emerging issues: Adverse climate change effects impacted negatively on productivity and the sustainability of the Agriculture Sector. Locusts invasion, floods and rising water levels affected agriculture and fishing;
- iii. Increasing change in use and fragmentation of agricultural land in high and medium rainfall areas limiting food production;
- iv. Weak collaboration between the National, County governments and other stakeholders specifically on data/information for decision making and provision of agricultural extension services;
- v. The COVID-19 pandemic which affected the schedule of planned activities leading to some resources being diverted from planned programs and projects to fight the pandemic, thus disrupting agricultural and food systems; and
- vi. Inadequate funds due to delayed disbursement and budget cuts.



2.2.4 Lessons Learnt

- i. Implementation of value chain suitability maps for all regions is key to improving productivity and profitability of crop commodities;
- ii. Collaborative framework between the National, County governments and other stakeholders is essential for increasing productivity; and
- iii. Financing development through cost sharing model with project beneficiaries improves the rate of irrigation development, ownership and sustainability.

2.2.5 Recommendations

- i. Promote adoption of science and superior genetic and technologies in crop production and enhance pest surveillance and response program;
- ii. Provide adequate budgetary allocation for the target programmes to enable timely achievement of the Food and Nutrition Security pillar;
- iii. Implement the land commercialization initiative to expand area under crop production by the private sector;
- iv. Increase support to KALRO to acquire, multiply and distribute animal & plant germplasm;
- v. Establishment of demonstration plots at the Agricultural Training Centres and training of County agricultural staff on crop monitoring;
- vi. Increase adoption of climate smart agriculture;
- vii. Strengthen stakeholders' collaboration in provision of agricultural extension services;
- viii. Promote raised fish ponds production technology for its convenience to manage in the Country and climate smart; and
- ix. Incentivize production in medium and large-scale farms as identified in the ASTGS and facilitate investments in agro-processing hubs to create markets for agricultural produce.



2.3 Universal Health Coverage Pillar

Universal Health Coverage (UHC) seeks to ensure that all Kenyans receive quality, promotive, preventive, curative and rehabilitative health services without suffering financial hardships. Universal health coverage is therefore essential in addressing our national challenges and will go a long way in achieving the core principle of the Kenya Vision 2030. UHC seeks to ensure all individuals and communities in Kenya have access to quality essential health services and also ease them from financial hardships that are incurred due to medical related expenses. This Agenda conforms to the third goal of the SDGs; Good health and well-being - ensure health and well-being for all, at every stage of life.

The Government planned to achieve 100 percent Universal Health Coverage through: 100 percent cost subsidy of the essential health package; 18 percent increase in the number of health facilities in 14 counties; 54 percent reduction in out of pocket expenses as a percentage of expenditure; 56 percent increase in the number of health workers; and 100 percent National Health Insurance Fund (NHIF) coverage by the year 2022.

2.3.1 Achievements under Universal Health Coverage

The achievements under the Universal Health Coverage are presented in Table 2.3.

Table 2. 3: Achievements under Universal Health Coverage for 2020/21 FY



Programme/ Project	Output	Indicator	Target 2020/21 FY	Achievement 2020/21 FY	Remarks
Social Health Protection	Health Insurance accessed by elderly and People With Severe Disabilities (PWSDs)	No of elderly persons and PWSDs registered & accessing healthcare	238,598	42,000 (39,349 elderly persons and 2,651 PWSDs)	Implementation affected by inadequate funds.
	Health Insurance subsidy accessed by poor and vulnerable households increased	No. poor and vulnerable households accessing health insurance subsidy	700,000	181,968	Low registration of beneficiaries
	Mothers of children under 1 reached under Linda mama programme	No of mothers of children under 1 benefiting	1,300,000	1,163,712	Target was achieved as planned
	Increased insurance coverage	percent of population needing subsidies covered under mandatory insurance (Health Insurance Coverage)	60	23.6	Inadequate funding and low registration of beneficiaries

Source: Health Sector Annual Progress Report, 2020/21 FY

2.3.2 Achievements Under the Drivers of Universal Health Pillar

Foreign Affairs: Engaged Austria which partially funded the upgrade of the mother and Child Unit at the Kenyatta National Hospital. The sub-sector engaged the International Atomic Energy Agency (IAEA) who supported Moi Teaching & Referral Hospital (MTRH) in the procurement of radiotherapy equipment including a linear accelerator, a CT scanner and dosimetry equipment. The sub sector facilitated extended soft loan of Euro 80 million from the Government of Hungary for the refurbishment of Nyeri Level 5 Hospital.

ICT: Provided broadband connectivity to 18 level 4&5 Hospitals. In addition, the ICT sector developed and supported the enactment of Data Protection and Privacy Act, 2019 to regulate data processing.

Social Protection: Enrolled a total of 223,968 cash transfer beneficiaries to the NHIF cover. This comprises of 39,349 older persons, 181,968 orphans and vulnerable groups and 2,651 Persons with Severe Disabilities (PWSDs).



Interior and Citizen Services: Facilitated the realization of the universal health care through provision of birth certificates and ID cards which are the primary documents for admission and requisite work permits and immigration documents to medical experts. In addition, the Sub-sector facilitated Kenyans travelling abroad for medical training and treatment. Improved data management through the Integrated Population Registration System (IPRS) and National Integrated Identity Management System (NIIMS) as single source of truth.

Water and Sanitation: Connected three health care facilities with clean and safe water.

Correctional Services: Constructed two health facilities in prisons against a target of three health facilities.

2.3.3 Implementation Challenges

- i. Delay in payment of Premiums to NHIF affects disbursement to service providers;
- ii. Low awareness of the NHIF benefit package among the beneficiaries;
- iii. Low uptake of NHIF by the private and faith-based facilities because of the low reimbursement rates;
- iv. Lack of proper documentation especially on minors, refugees, marginalized communities which delays the process of NHIF claims by the healthcare providers;
- v. Inadequate emergency services & referral protocols;
- vi. Cultural practices leading to under-utilization of existing antenatal services;
- vii. The COVID-19 Pandemic and the effects of its mitigation measures affected implementation of projects and programmes and service delivery. The infection cases strained the Country's health care system and resources had to be reallocated to fight the Pandemic;
- viii. Lack of financial autonomy for the healthcare providers forcing the facilities to wait for counties to disburse the funds paid out by NHIF; and
- ix. Delays in finalization of the NHIF and MOH Memorandum of understanding.



2.3.4 Lessons Learnt

- i. A multi-sectoral approach is essential for successful implementation of the health sector programmes and projects;
- ii. Innovative mechanisms are necessary for sustainable financing of health services; and
- iii. Effective surveillance and Cross-border collaboration and partnership are critical in prevention and management of infectious and communicable diseases.

2.3.5 Recommendations

- i. Create awareness of the NHIF benefit package and the digital registration among the beneficiaries and health care providers;
- ii. Ensure proper documentation especially with minors, refugees, marginalized communities to avert delays in the claiming process;
- iii. Institute mechanisms to address access to benefits for other members of the household;
- iv. Strengthen the rapid response system to improve emergency services and referral protocols;
- v. Create awareness on the utilization of the existing antenatal services;
- vi. Increase resources to strengthen the health system capacities and infrastructure;
- vii. Increase investment to provide affordable health services to high risk populations and people in informal settlements; and
- viii. There is need for adoption of novel strategies from other countries in health system strengthening to combat diseases especially those arising.



2.4 Affordable Housing Pillar

The main goal of the Affordable Housing Pillar is to ensure that the Country’s population is provided with adequate and decent housing in well-planned urban areas while ensuring that smaller towns and rural areas have access to decent housing and related basic infrastructure. Article 43 of chapter four of the Constitution clearly states that every person has a right to accessible and adequate housing and to reasonable standards of sanitation. This Agenda conforms to the third goal of SDG; Sustainable Cities and Communities – Make Cities and Human Settlements Inclusive, Safe, Resilient and Sustainable.

Affordable housing implies the development of adequate, standardized and well-spaced houses with continuous supply of clean water and electricity. The houses are to be located in decent places and be readily available to the lower, middle and upper class in the society.

2.4.1 Affordable Housing Achievements

A summary of achievements under Affordable Housing for the review period is presented in Table 2.4.

Table 2. 4: Affordable Housing Achievements for the 2020/21 FY

Priority Project	Output	Indicator	Baseline	Target 2020/21	Achievement 2020/21	Remarks
Provision of Affordable and Social housing	400,000 affordable housing	No. of housing units constructed	0	80,000	1,602	Due to suspension of implementation of the Housing Fund Levy



Priority Project	Output	Indicator	Baseline	Target 2020/21	Achievement 2020/21	Remarks
Housing programme	units constructed					
	100,000 social housing units constructed	No. of housing units constructed	0	22,000	0	462 housing units are 98 percent complete

Source: State Department for Housing and Urban Development Annual Progress Reports, 2020/21 FY

The achievement realised under affordable housing was as follows: 882 units in Park Road, Nairobi; 200 units in Machakos under the Civil Servants Housing Scheme; 300 units for disciplined forces/services (60 units each in Narok Police Station, Eldama Ravine Police Station, Border patrol unit in Kitui, Kakamega Prisons and Kapenguria Prisons); and 220 units in Embu. Further, 193 units in Kiambu were 92 percent complete. Commencement of 4435 housing units in Kibera Zone B was awaiting AG’s advice.

2.4.2 Achievements Under the Enablers of Affordable Housing Pillar

Water and Sanitation: Provided reliable water and sewerage services for the planned affordable housing in Mavoko and Portland land (both in Athi-River), social housing in Kibera, Kiambu, Mariguini and affordable housing in Kisumu, Eldoret, Nakuru and Mombasa where 6 housing projects have been connected.

Foreign Affairs: Engaged a Brazilian construction company, CVA Engenharia which offers Affordable Housing solutions under its “More House My Life”. The concept note and project plan were finalized.

Defence: Completed 256 single quarter units for staff and initiated Public Private Partnership model for construction of 3,069 units to house defence staff.

UWEZO Fund: A total of 311 groups were engaged in production of construction materials i.e. bricks, tiles and ventilation blocks.

Oil, Gas and Minerals: Facilitated exploration and production of construction materials such as building stones and aggregates, limestone for clinker production.

2.4.3 Implementation Challenges

- i. Inadequate funding for completion of social housing units, and delivery of the Affordable Housing Program due to suspension of the Housing Levy Fund;



- ii. Low private sector participation in provision of affordable housing units;
- iii. Long tendering process delaying project commencement; and
- iv. Land issues leading to court cases hence causing delays in commencement of projects.

2.4.4 Lessons Learnt

- i. Encouraging voluntary contributions to the Housing Fund would mobilize resources to supplement Treasury allocations;
- ii. Private investors are key to delivery of the Agenda; and
- iii. Effective coordination among key government players (Drivers and Enablers) is crucial.

2.4.5 Recommendations

- i. Increase budgetary allocation to the Housing Sector;
- ii. Strengthen Kenya Mortgage Refinancing Company (KMRC) to enhance affordability of mortgages by refinancing existing and future loan portfolios to the affordable housing segment; and
- iii. Increase more incentives to promote private sector participation through PPPs.



SECTION 3





SECTION 3: CONCLUSION AND RECOMMENDATIONS

3.1 Conclusion

There is still a gap in terms of involvement, roles and responsibilities of the various stake holders key to the implementation of the Big “Four” Agenda. The success of the Big “Four” Agenda will largely depend on collaboration and partnerships at all levels of government. There is need for partnership between the National government and the County governments for a successful implementation of all the four pillars. Some of the projects have also faced inadequate financial resource constraints, slowing down their rate of implementation. The budget allocations have been inconsistent with the related projects. This is likely to impact on progress of its implementation by 2022. The COVID-19 pandemic slowed down the implementation of the different projects under the Big “Four” Agenda due to the huge negative impact the pandemic has had on the economy.

3.2 Recommendations

- i. The Government should increase resource mobilization to enable adequate funding for the Big “Four” Agenda;
- ii. Delivery of the targets for Affordable housing requires active participation of the private sector with support from government in provision of enabling environment such as subsidizing construction materials and provision of requisite approvals;
- iii. Strengthening Kenya Mortgage Refinancing Company (KMRC) to enhance affordability of mortgages by refinancing existing and future loan portfolios to the affordable housing segment;
- iv. Considering most Big “Four” Pillars are devolved functions, coordination between the County and National Governments is paramount. There is need to continually address clarity on the roles played by National and County governments and especially in the Manufacturing Pillar; and
- v. The Government needs to enhance adoption of Public Private Partnership to increase the realization of the “Big Four” Agenda programmes and projects.



Republic of Kenya
THE NATIONAL TREASURY AND PLANNING
STATE DEPARTMENT FOR PLANNING
MONITORING AND EVALUATION DIRECTORATE

THIRD PROGRESS REPORT ON IMPLEMENTATION OF THE BIG FOUR AGENDA

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