



REPUBLIC OF KENYA

# THE NATIONAL TREASURY AND ECONOMIC PLANNING STATE DEPARTMENT FOR ECONOMIC PLANNING



## MTP IV

2023-2027

**E-BULLETIN**  
SPECIAL EDITION

**"Bottom-Up  
Economic  
Transformation  
Agenda for  
Inclusive  
Growth"**

**APRIL, 2024**



# Fourth Medium Term Plan



2023-2027

***“Bottom-Up Economic Transformation  
Agenda for Inclusive Growth”***



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## **Dedicated to all the readers of this Special Edition E-Bulletin for the Fourth Medium Term Plan (MTP IV) 2023-2027**

### ***Power of Long-Term Economic Planning***

**T**he recently launched Fourth Medium Term Plan (MTP IV) 2023-2027 of the Kenya Vision 2030 by His Excellency the President, Hon. William Samoei Ruto at State House, Nairobi on 21st March, 2024 ushers in a new dawn in the history of Economic Planning in the Republic of Kenya.

Welcome to read more articles in this detailed Special Edition E-Bulletin publication authored and devoted to the MTP IV, which was launched together with the National Indicator Handbook and the MTP IV summarized Popular Version.

As you read on, you will discover sections enlightening on the processes followed to develop the MTP IV and the key players who consequentially drove the process up to the end. You will also come across scribed pieces that elaborate on how MTP IV is aligned to the Government development agenda, the Bottom-Up Economic Transformation Agenda (BETA), its Objectives, Pillars and Sectors.

Additionally, segments on top leadership remarks during the official launch and how they embraced the MTP IV are also elaborated upon in this issue. The collaboration in national development planning and fostering of good relations between the two levels of government to attain the remaining period of the Kenya Vision 2030 is also well articulated.

Feel appreciated as you peruse through this Special Edition E-Bulletin for the MTP IV.  
Together, we can do much more to improve economic planning in Kenya.

The State Department for Economic Planning looks forward towards your feedback on areas of improvement and any other comments that you may wish to bring to our attention.

***Thank You***  
***for the continued support.***



# Kenya to Tap into Science and Innovation to Spur Inclusive Growth

By Joel Kapante Reyia



**President William Ruto (centre) officially launches the Fourth Medium Term Plan (MTP IV) 2023-2027 flanked by The National Treasury and Economic Planning Cabinet Secretary Prof. Njuguna Ndung'u (Left) at State House, Nairobi on 21st March, 2024. The Prime Cabinet Secretary Musalia Mudavadi (right) looks on**

**T**he Fourth Medium Term Plan (MTP IV) 2023-2027 of the Kenya Vision 2030 has detailed a number of interventions meant to revive the economy and cushion it against extreme climatic conditions and erratic weather patterns which disrupt production and livelihoods.

While speaking at State House, Nairobi when he launched the MTP IV and the National Indicator Handbook, President William Ruto said that MTP IV has translated the strategic objectives set out in the Bottom-Up Economic Transformation Agenda (BETA) into concrete programmes and projects which will be implemented in the Fourth Medium Term Plan period.

The Head of State said that moving forward, the country will leverage more on science, technology and innovation to improve Kenya's competitiveness in the Global arena.

This will be realized through injecting more resources for investments in Special Economic Zones (SEZs) and industrial parks, county aggregation, diversification of markets for exports and Micro, Small and Medium Enterprises (MSMEs) goods and services.

***"Emphasis will be given to the promotion of agro-processing and the strengthening of extension services, provision of quality and affordable farm inputs, cooperative development and management, market access and logistics support, expansion of irrigation infrastructure and adoption of climate smart agriculture, enhanced agricultural financing and mechanization, research and development," The President said.***

He expounded that the Government will boost production through a systematic value chain approach targeting leather and leather products, textile and apparel, dairy, tea, rice, edible oils, blue economy, minerals, forestry, construction and building materials among others.



He emphasized that prominence will be paid to revitalizing the tourism sector, resuscitating the creative economy and harnessing the potential of the blue economy.

In its unique nature, the Fourth Medium Term Plan prioritizes the promotion of Meetings, Incentives, Conferences, and Exhibitions (MICE), cultural festivals, food exhibitions, and the development and marketing of unique niche experiences. The Bomas of Kenya will be converted into a modern Conference, Hotel and Exhibitions facility. Further, the Kenyatta International Convention Centre (KICC) will be re-engineered and refurbished to be the Conferences Icon of Nairobi with a capacity to host national, regional and international High-Level Events.

On the Creative Economy, Kenya is being marketed as a film hub destination. This is being implemented through establishing an incentives framework for the production of films and commercials, supporting the production of local content, establishing a National Creative Economy Council, promoting artists' rights and providing technical capacity for the growth of the creative industry. Harnessing the potential of the blue economy is also recognized as one of the critical components of transformative growth agenda. As such, interventions will focus on establishing requisite infrastructure, enhancing skills development, and ensuring there is maritime safety and security.

For successful implementation of programmes and projects forecasted in the MTP IV, it is estimated that it will cost the Government KSh. 15.3 trillion. Other avenues of MTP IV financing will be sourced from the private sector and other non-state actors. "We are committed to revitalizing the Public-Private Partnerships Framework to attract more investors and support the implementation of government priorities in the MTP IV," the President added.

To build resilience against climate change, several initiatives have been lined up including the construction of water pans, small dams, and water harvesting structures across the country with emphasis in arid and semi-arid lands.

In addition, a nationwide drive has been launched to grow 15 billion trees by 2032 through the Jaza Miti Campaign. This initiative will complement other ongoing efforts to protect the country's water towers. Moreover, a robust initiative will be implemented to promote sustainable waste management practices and enhance pollution control measures.

"Sustainable climate action not only addresses challenges but also presents opportunities for transitioning to a green economy. We will leverage on technological and scientific advances to stimulate economic transformation in a sustainable manner," President Ruto added.

Other infrastructural projects to be implemented during the MTP IV period include; the construction of one million affordable housing units, and the laying of 4,600km of high voltage transmission lines and 37 sub-stations to connect an additional 2.3 million Kenyans and 30,000 public institutions to the national grid. Additionally, an extra 100,000km of Fibre-Optic Cable will be laid as part of the National Optic Fibre Backbone Infrastructure Programme.

Since its inception, significant progress has been achieved in realizing the goals set forth by the Kenya Vision 2030 through the implementation of preceding successive Medium Term Plans (MTPs). The Country is set to experience even more progress and move on an upward trajectory under the implementation of the current Medium Term Plan.





# Top Leadership Embrace the Fourth Medium Term Plan (MTP IV) 2023-2027

By Frank Jara



***President William Ruto (left) hands over copies of the Fourth Medium Term Plan 2023-2027 and the National Indicator Handbook to the Prime Cabinet Secretary Musalia Mudavadi (right) after the launch of MTP IV on 21st March, 2024 at State House, Nairobi***

**T**he Prime Cabinet Secretary, Musalia Mudavadi has emphasized that the recently launched Fourth Medium Term Plan (MTP IV) provides a broad framework for engagement with key stakeholders.

Speaking at State House, on the occasion of the official launch of the Fourth Medium Term Plan 2023-2027 on 21st March, 2024, the Prime Cabinet Secretary reminded the participants that the launch called for solid commitment by all the stakeholders ranging from Ministries, Departments, Agencies and Counties (MDACs), Development Partners, Private Sector to Civil Society toward the implementation of the MTP IV.

Hon. Mudavadi noted that the launch was unique and symbolic having been held at State House, which signalled political goodwill and ownership from the Country's top leadership.



“There will be no room to wriggle outside the framework of the Fourth Medium Term Plan,” the Prime Cabinet Secretary said.

He further reiterated that the leadership was keen on monitoring and evaluation of the MTP IV to ensure that there is effectiveness and efficiency in the implementation of policies, programmes and projects.

The Prime Cabinet Secretary hailed the National Treasury and Economic Planning Cabinet Secretary Prof. Njuguna Ndung’u, and the Chief of Staff and Head of Public Service, Mr Felix Koskei who is also the Chair of the National Steering Committee for the MTP IV for their determination to ensure comprehensive ideas were transformed into an actionable plan.

Hon. Musalia Mudavadi reiterated that Kenya will forever remain grateful to the Government fraternity for coming up with the Fourth Medium Term Plan which has seamlessly integrated the Bottom-Up Economic Transformation Agenda (BETA) geared towards changing the economic narrative of the Country and impact positively on the livelihoods of those at the bottom of the pyramid.



***Prime Cabinet Secretary Hon. Musalia Mudavadi during the launch of the Fourth Medium Term Plan 2023-2027 of the Kenya Vision 2030 on 21st March, 2024 at State House, Nairobi***



# Kenya is set to attain GDP growth rate of 7.2 per cent by 2027

By Fidelma Munyao

**D**evelopment planning in Kenya has mainly been undertaken in five-year cycles since independence beginning from the Sessional Paper No. 10 of 1965 on: “African Socialism and its Application to Planning in Kenya,” to the Kenya Vision 2030 adopted in 2008, said Prof. Njuguna Ndung’u Cabinet Secretary for The National Treasury and Economic Planning. Speaking during the launch of the Fourth Medium Term Plan (MTP IV) 2023-2027, Prof. Ndung’u said that the event marked a significant chapter in the history of Kenya as the Country embarked on implementing a new development strategy which is guided by the Kenya Vision 2030 and aligned to the Bottom-Up Economic Transformation Agenda (BETA).

“MTP IV was prepared through extensive consultations involving the Sector Working Groups, County Consultative Forums, and National Stakeholders Forum under the overall guidance of the National Steering Committee. The National Stakeholders Forum provided a platform for consultation between the Government and Non-State Actors,” Prof. Ndung’u said.

He said that the Fourth Medium Term Plan will implement the objectives of the BETA whose programmes and projects are classified under five sectors namely: Finance and Production; Infrastructure; Social; Environment and Natural Resources; and Governance and Public Administration.



***President William Ruto hands over a copy of the Fourth Medium Term Plan to the Cabinet Secretary, The National Treasury and Economic Planning, Prof. Njuguna Ndung’u during the launch of MTP IV on 21st March, 2024 at State House, Nairobi***

The Finance and Production Sector is projected to grow from 3.4 per cent in 2022 to 8.2 per cent in 2027, while the Infrastructure Sector will grow from 5.5 to 5.9 per cent during the same period. The Social Sector growth is projected at 7.0 per cent in 2027 from 5.0 per cent in 2022, while the Environment and Natural Resources sector will grow from 7.9 per cent in 2023 to 8.9 per cent in 2027. Governance and Public Administration Sector is projected to grow from 4.6 per cent in 2022 to 5.8 per cent in 2027.

Prof. Ndung'u attributed the expected growth of the economy to: raising agricultural productivity through improving crops and livestock value chains; transformation of the Micro, Small and Medium Enterprise (MSMEs) Economy through provision of accessible and affordable credit; increasing investment in housing and settlement; development of human capital; increasing domestic resource mobilization; digital evolution through investing in the digital superhighway and the creative economy; and improving market development.

While acknowledging the challenges confronting the economy, the Cabinet Secretary pointed out that MTP IV macroeconomic framework has taken the challenges into consideration and sought to strengthen economic resilience and drive inclusive, broad-based and sustainable economic growth. Over the Medium Term Plan period, the Government will focus on attaining the objectives of the Bottom-Up Economic Transformation Agenda.

Prof. Ndung'u said that during the MTP IV period, the Government will implement policies, programmes and projects which will result in raising the GDP growth rate from 4.8 per cent in 2022 to 7.2 per cent in 2027.

The National Treasury and Economic Planning aims to bring down the overall fiscal balance excluding grants to 3.2 per cent of GDP in 2027/28 by instilling a culture of fiscal balancing to bridge the gap between revenue and expenditure over the medium-term. This will entail improved resource mobilization and expenditure prioritization.

MTP IV is linked with the budgeting process through the Medium Term Expenditure Framework (MTEF) to integrate National Development Progress. The National Integrated Monitoring and Evaluation Systems and County Integrated Monitoring Systems will be strengthened to ensure effective monitoring and reporting of the implementation of MTP IV and County Integrated Development Plans respectively in line with the National Monitoring and Evaluation Policy.

"The Ministry will carry out a mid-term review and an end-term evaluation of the MTP IV to ascertain the extent of the realization of the set objectives," the Cabinet Secretary said.

The grand launch of the Fourth Medium Term Plan at State House, Nairobi was also attended by the Prime Cabinet Secretary, Hon. Musalia Mudavadi, The National Treasury and Economic Planning Cabinet Secretary, Prof. Njuguna Ndung'u, and other Cabinet Secretaries, the Chief of Staff and Head of Public Service, Felix Koskei, Principal Secretaries, Members of Parliament, Members of Diplomatic Corps and United Nations (UN) Agencies, Presidential Council of Advisors, and Senior Officers from The National Treasury and Economic Planning among others.





# Accounting officers urged to embrace timely implementation of MTP IV

By Lekakeny Karoi

**T**he launch of the Fourth Medium Term Plan (MTP IV) 2023-2027 marked a significant milestone in Kenya's development journey. MTP IV represents a comprehensive roadmap outlining the government's priorities across various sectors of the economy.

During the official launch at State House, Nairobi, the Chief of Staff and Head of Public Service Felix Koskei provided insight into the preparatory process undertaken in the past three years. He said that the preparation kicked off in July 2021 with the drafting of a concept note. This foundational document received approval from the National Steering Committee in December of the same year, setting the stage for the subsequent phases of the MTP IV formulation process.

While emphasizing the importance of prompt execution to drive Kenya's development agenda forward, Mr. Koskei underscored the pivotal role of all stakeholders in its successful implementation. ***"The National Steering Committee composed of Principal Secretaries and the Solicitor General played a crucial role in guiding the planning process. Their expertise and commitment ensured that MTP IV accurately reflected the nation's development priorities and aspirations,"*** Mr. Koskei said.



***Head of Public Service Felix Koskei gives his remarks during the launch of the Fourth Medium Term Plan on 21st March, 2024 at State House, Nairobi***

The National Steering Committee underwent a reconstitution in December 2022 to be chaired by the Head of Public Service, following the inauguration of a new Government. This reorganization signalled a renewed commitment to continuity and accountability in pursuit of Kenya's development goals.

In April 2023, MTP IV was presented to the reconstituted National Steering Committee, marking a culmination of extensive planning efforts. Mr. Koskei's address served as a rallying call to all Accounting Officers, urging them to prioritize the timely implementation of MTP IV priorities within their respective domains.

In his address, the Head of Public Service expressed the government's determination to overcome challenges and realize Kenya's potential for prosperity and growth. His message resonated with attendees underscoring the collective responsibility to translate MTP IV into action and aspirations into achievements.

As Kenya embarks on the implementation phase of MTP IV, Mr. Koskei's words serves as a guiding principle, inspiring unity, purpose, and commitment to national development. With concerted effort and strong leadership, Kenya can chart a course towards a

# Visionary Economic Planning to usher in a new era of Prosperity



*State Department for Economic Planning Principal Secretary, James Muhati making his welcoming remarks during the launch of MTP IV on 21st March, 2024 at State House, Nairobi*

By Martin Muthuri

**T**he Economic Planning Principal Secretary James Muhati asserted that the National Treasury and Economic Planning through the State Department for Economic Planning is committed to strengthening the National Economic Planning Function by reviewing and re-engineering its processes, procedures and policies.

Speaking during the launch of the Fourth Medium Term Plan (MTP IV), the Principal Secretary said that this will ensure the economic planning function is effective, efficient and impactful to achieve the desired and expected targets of the National Development Agenda.

In addition, the State Department is mandated to provide leadership in National and Sectoral development planning by coordinating the formulation, implementation, review, tracking and reporting of development plans, policies, and strategies to advance Kenya's socio-economic transformation agenda.

The State Department prepared the Fourth Medium Term Plan to provide a focus, road map and strategic direction that the Country will take during the implementation period of 2023-2027. ***"The preparatory process of MTP IV was rigorous and participatory involving different stakeholders and the public," PS Muhati said.*** He acknowledged all stakeholders for their invaluable support during the preparation process especially the Presidential Council of Economic Advisors who ensured MTP IV priorities were aligned and sharpened.

Other key stakeholders involved were; the Deputy President, Office of the Prime Cabinet Secretary, Cabinet Secretaries, the Chief of staff and Head of Public Service who is also the Chairman of the National Steering Committee, Principal Secretaries, Council of Governors (CoG), County Governments, Governor of the Central Bank of Kenya, Kenya National Bureau of Statistics (KNBS), The National Treasury Principal Secretary and staff, and Chair of Budget and Finance Committees.

The Principal Secretary stated that the President held County Consultative Forums that culminated into the signing of the County Charters which were included in both the County Integrated Development Plans (CIDPs) and the MTP IV. He appreciated the National Treasury and Economic Planning Cabinet Secretary, Prof. Njuguna Ndung'u for the leadership provided during the development of the MTP IV document and the National Indicator Handbook.

He also acknowledged the Economic Planning fraternity for their intensive effort in the preparation of the Fourth Medium Term Plan and the National Indicator Handbook.

**Planning for Sustainable National Development**



# *From past to present: An odyssey of the Medium Term Plans*

By Maureen Kenga

**S**ince its adoption in 2008, the Kenya Vision 2030 has been implemented through successive Five-Year Medium Term Plans (MTPs). The first three plans covered the periods 2008-2012, 2013-2017 and 2018-2022 respectively.

The Fourth Medium Term Plan (MTP IV) covering 2023-2027 is the last five-year plan which will transition the Country to the next long-term development blueprint. These plans are informed by national development priorities and global and regional development obligations such as the United Nations 2030 Agenda for Sustainable Development and the Africa Agenda 2063 among others.

The Kenya Vision 2030 Blueprint is anchored on three key pillars: economic; social; and political. The Economic pillar aims to achieve 10 per cent economic growth rate per annum beginning in 2012. The Social pillar targets to create a just, cohesive and equitable social development in a clean and secure environment. The Political pillar aims at realizing an issue-based, people-centred, result-oriented, and accountable democratic system.

The First Medium Term Plan 2008-2012 succeeded the Economic Recovery Strategy (ERS) for Employment and Wealth Creation, 2003-2007. It targeted to implement the flagship projects identified under the Kenya Vision 2030 as well as other key policies and programmes. A large part of financing and investment of the programmes and projects during this phase came from the private sector through the Public Private Partnerships (PPPs).

In addition, MTP I placed a premium on job creation, poverty reduction, improved income distribution, and gender equity while ensuring balanced development across all regions of the country. It contained policies and reforms aimed at achieving significant structural changes in Kenya's economy in terms of increasing the share of manufacturing and industry in GDP and that of manufactured exports in total exports.

The Second Medium Term Plan (MTP II) under the theme: 'Transforming Kenya: Pathway to Devolution, Socio-Economic Development, Equity and National Unity' was implemented under the new constitution which significantly transformed the governance framework by creating a two-tier government - a National Government and 47 County Governments. The Constitution entrenched Devolution, which plays a major role in service delivery and giving all Kenyans key social and economic rights.

MTP II was built on the achievements of its predecessor, focusing on attaining the targeted average annual growth rate of 10 per cent. It endeavoured to deliver accelerated and inclusive economic growth, higher living standards, better education and healthcare, increased job creation and commercialized agriculture among others. It is during this period that the Global Sustainable Development Goals (SDGs) were developed as a follow up to the Millennium Development Goals (MDGs).

The Third Medium Term Plan was informed by the gains made in implementing the two previous plans, including completion of projects initiated during the previous period. It was themed: "Transforming Lives: Advancing socio-economic development through the Big Four." The "Big Four" initiatives were to: Raise the share of manufacturing sector to 15 per cent of GDP; Ensure that all citizens enjoy food security and improved nutrition by 2022; Achieve Universal Health Coverage; and deliver at least Five Hundred Thousand (500,000) affordable housing units.

MTP III also endeavored to increase Real Annual GDP Growth from an average of 5.5 per cent achieved over the 2013-2017 period to 7 per cent by 2022. It purposed to not only increase the savings and investment level, but also to enhance the productivity of investment in all sectors of the economy.

In addition, it aimed at effecting structural changes in the economy to increase the shares of manufacturing, industrial and exporting sectors. Also prioritized was the development of the Oil and Mineral Resources Sector and the Blue Economy which were expected to play a key role in contributing to higher economic growth during the Plan period.

The Fourth Medium Term Plan 2023-2027 is themed: ***“Bottom-Up Economic Transformation Agenda for Inclusive Growth,”*** and is aligned to the Government Manifesto. It focuses on achieving the Bottom-Up Economic Transformation Agenda (BETA) priorities and commitments. MTP IV was built on the achievements and the lessons learnt from implementation of the preceding Medium Term Plans. BETA is the Government’s economic transformation agenda geared towards economic turn-around and inclusive growth through a value chain approach. It targets five sectors with the most impact to drive economic recovery.

The BETA objectives are; lowering the cost of living, eradicating hunger, creating jobs, expanding the tax base, improving foreign exchange balances and inclusive growth. This will be achieved through targeted investments in five core pillars namely: Agriculture; Micro, Small and Medium Enterprises (MSMEs) Economy; Housing and Settlement; Healthcare; Digital Superhighway and Creative Economy. These objectives will be achieved through interventions in five MTP IV sectors namely; Finance and Production, Infrastructure, Social, Environment and Natural Resources, and Governance and Public Administration.

As the end period for the Kenya Vision 2030 fast approaches, the Government aspires to achieve most of the planned programmes and projects with the aim of attaining the overarching goal of transforming the Country into a newly industrialized middle-income country with a high quality of life.



***Kenya Vision 2030 Blueprint, The Fourth Medium Term Plan, First Medium Term Plan, Second Medium Term Plan and Third Medium Term Plan***

***Planning for Sustainable National Development***



# Importance of Medium Term Plans in National Development

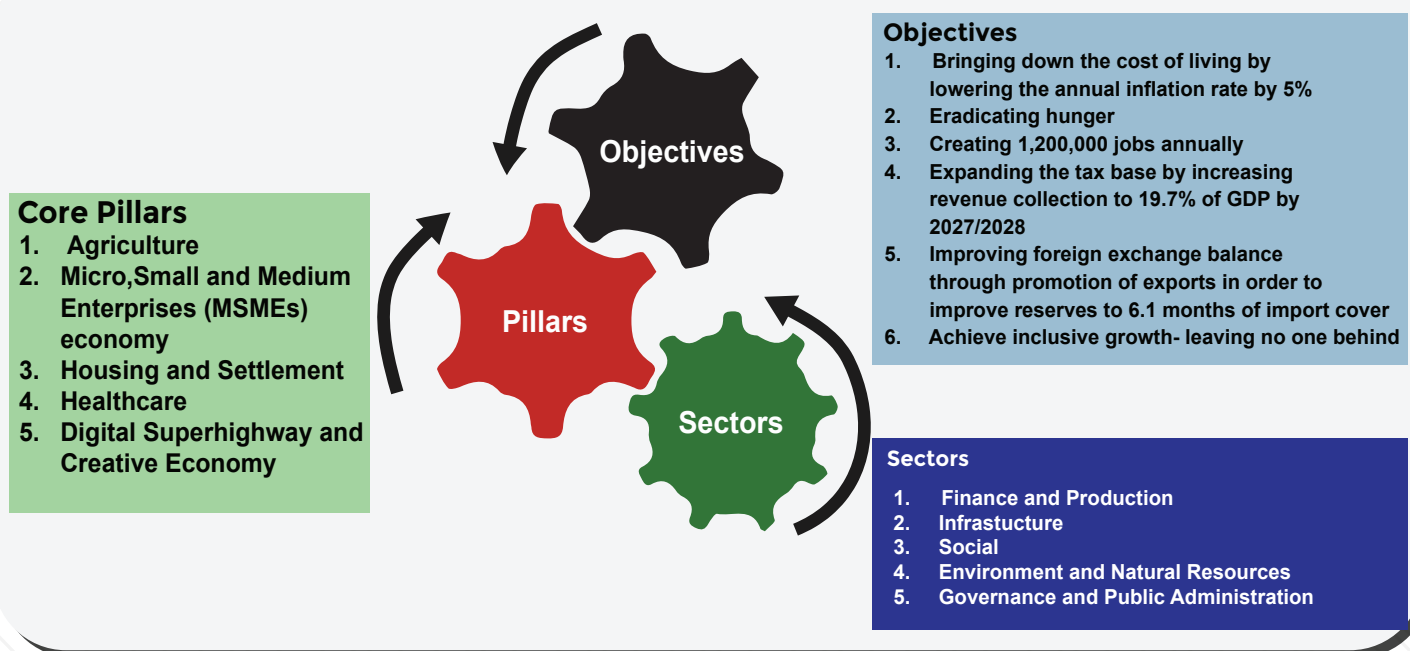
By Lekakeny Karoi

## What is a Medium Term Plan?

**A** Medium Term Plan (MTP) is a strategic five-year framework designed to guide Kenya's economic development and implementation of the Country's long-term economic blueprint, the Kenya Vision 2030.

The First, Second, and Third MTPs were implemented in 2008-2012, 2013-2017, and 2018-2022 respectively, succeeded by the development of the recently launched Fourth Medium Term Plan (MTP IV) 2023-2027. It is a roadmap for the country's resource allocation and development over each five-year cycle.

Medium Term Plans (MTPs) provide a step-wise way of attaining the country's long-term aspirations and actualization of programmes and projects. They outline the government's priorities, strategies, and policies for promoting sustainable economic growth, reducing poverty, creating employment opportunities, improving infrastructure, and enhancing access to essential services such as healthcare and education. Key sectors such as agriculture, manufacturing, tourism, infrastructure, housing and urban development, education, health, and technology are usually addressed in these plans. MTP IV, for instance, focuses on the Bottom-up Economic Transformation Agenda through targeted investments in five core pillars, namely: Agriculture; Micro, Small, and Medium Enterprises (MSMEs) Economy; Housing and Settlement; Healthcare; Digital Superhighway and Creative Economy.



Medium term plans usually highlight five major provisions: Vision and Goals; Sectoral Strategies; Resource Allocation; Policy Reforms; and Monitoring and Evaluation. A vision statement outlines the desired future economic state of the country and sets specific goals and targets to be achieved over the medium term.

MTP IV's focus will be on bringing down the cost of living, eradicating hunger, creating jobs, expanding the tax revenue base, and improving the foreign exchange balance. Sectoral Strategies outline the strategies and policies tailored to different sectors of the economy, identifying opportunities for growth, investment, and job creation. MTP IV priorities are organized in five (5) Sectors namely: Finance and Production, Infrastructure, Social, Environment and Natural Resources, and Governance and Public Administration.

The plan allocates resources, both financial and human, to priority sectors for development. It also lays down strategies for mobilizing additional resources through domestic revenue generation, foreign investment, and international aid. Medium Term Plans propose development policy reforms aimed at creating an enabling environment for business growth, improving governance, enhancing efficiency in public service delivery, and promoting private sector participation in economic activities.

## 1 Finance and Production Sector

The key priorities and interventions in the finance and production sector focus on the following value chains : livestock comprising leather and leather products and dairy: Crops comprising tea, edible oils, rice, textile and apparel and construction/building materials.

## 2 Infrastructure Sector

The infrastructure sector seeks to: enhance transport connectivity by constructing 6,000Km of new roads, maintain rural and urban roads, rail, air and seaport facilities and services, expand communication and broadcasting system, and promote development of energy generation and distribution by increasing investments in green energy (geothermal, wind, solar and hydro).

## 3 Social Sector

The social sector identifies seven key priority areas, namely, Universal Health Coverage (UHC), Social Protection, Human Capital Development, Science Technology and Innovation, Digitalization, Economic Empowerment, and Population and Development.

## 4 Environment and Natural Resources Sector

The sector focuses on natural resources conservation, restoration and management, sustainable waste management and population control, sustainable exploitation of natural resources and blue economy, and tourism promotion and marketing.

## 5 Governance and Public Administration Sector

The Governance and Public administration sector prioritizes strengthening of security capabilities through recruitment of additional police, prison and military officers and expansion of prison police and military infrastructure and equipment.

Mechanisms for monitoring progress and evaluating the effectiveness of the plans implementation are included to ensure accountability and inform future policy decisions. The State Department for Economic Planning provides a framework for monitoring and evaluation of the implementation of medium term plans.

The end of the MTP IV will usher in the last three years of Kenya Vision 2030 as well as an era of another long-term Vision for Kenya. Think of **“Kenya Vision 2050”** or **“Kenya at 100”**. The State Department for Economic Planning will be at the forefront of creating an environment for the country to dream again and plan for future generations.



# Charting a Path to Prosperity: The Fourth Medium Term Plan and the Essence of Long-Term Economic Planning

By Kenneth Kimani

**I**t is important to understand the pivotal role of long-term economic planning following the release of the Fourth Medium Term Plan of the Kenya Vision 2030. Long-term economic planning is the cornerstone of sustainable development, guiding nations towards attainment of envisioned socio-economic aspirations. In the Kenyan context, this strategic foresight finds expression through the Medium Term Plans (MTPs) underpinning Kenya Vision 2030.

While going beyond band-aid solutions, economic planning in the long-term encompasses comprehensive strategies across diverse sectors, aiming not only for short-term gains but also sustained growth and prosperity. The MTPs within Kenya Vision 2030 epitomize these strategies, charting the path for the nation's progress in distinct phases. They align with the vision's overarching goals, systematically breaking down milestones into policies, programmes and projects.

The recently launched MTP IV's focus on sectoral growth and specialization with emphasis on the value chain approach. This resonates well with the model of nations exploiting their comparative advantage. This way, it fosters long-term growth through specialization aiming to capitalize on Kenya's inherent strengths.

It symbolizes the culmination of meticulous planning while continuously assimilating lessons from previous plans, adapting strategies to dynamic global trends and fostering inclusivity, innovation, and resilience.

MTP IV builds upon the robust foundation laid by its predecessors. It envisions targeted interventions in crucial sectors of the Bottom-Up Economic Transformation Agenda (BETA): Finance and Production; Infrastructure; Social; Environment and Natural Resources; and Governance and Public Administration.

By emphasizing industrialization, innovation, and sustainable growth, MTP IV aims to propel Kenya closer to its development objectives. It echoes inclusivity by prioritizing programmes that uplift marginalized communities and ensure inclusive and equitable distribution of the benefits of economic progress.

In summary, long-term economic planning serves as a guiding principle steering the nation towards comprehensive and sustained development, ensuring prosperity becomes a reality for all Kenyans, not just a privilege for a few.

***At its core, long-term economic planning facilitates prudent resource allocation, driving infrastructure development, human capital investment, and economic diversification. It steers the nation towards economic stability, job creation, and improved standard of living for its citizens.***

***Economist Peter Drucker once remarked that: "Long-range planning does not deal with the future decisions, but with the future of present decisions."*** This underscores the essence of proactive decision-making, emphasizing that planning shapes the trajectory of future outcomes a fundamental aspect of effective long-term economic planning.



# Driving Kenya's Development, “The Preparatory Process For MTP IV”

By PCD

The preparation process for Kenya's Fourth Medium Term Plan (MTP IV) was an ultra-carefully orchestrated endeavour, rooted in the constitutional mandates and guided by principles of public participation and national development objectives. This inclusive approach ensured that the Medium Term Plan reflected the diverse needs and perspectives of the Kenyan populace.

Under the Fourth Schedule of the Constitution, the National Government is entrusted with the responsibility of national economic policy and planning. Executive Order No. 2 of 2023 further delineated this responsibility, assigning the State Department for Economic Planning the role of spearheading economic planning functions, particularly through the formulation of long-term and medium-term plans.

Aligned with the overarching national development framework, Kenya Vision 2030, the MTP IV was designed to set out strategic objectives and action plans for national development up to 2027. The cyclical process of refining Kenya's development plan is evident in the successive 5-year Medium Term Plans, which inform various planning documents, including Strategic Plans, County Integrated Development Plans (CIDPs), and Annual Work Plans.

The preparatory process for MTP IV commenced in July 2021 with the initiation of a concept note by the State Department for Economic Planning. This foundational document received approval from the National Steering Committee in December 2021, setting the stage for the subsequent phases of the Medium Term Plan formulation.

Key to the process was the establishment of various coordinating bodies, including the National Steering Committee, the National Stakeholders' Forum, Sector Working Groups (SWGs), and the Technical Committee. Chaired by the Chief of Staff and Head of the Public Service, the National Steering Committee comprised of all Principal Secretaries and the Solicitor General, ensuring high-level coordination and oversight.

The SWGs, comprised of representatives from Ministries, Departments, and Agencies (MDAs). This group played a pivotal role in facilitating expertized input and stakeholder engagement, delving into sector-specific issues and priorities. Public consultation forums held across all the 47 Counties provided additional avenues for input, ensuring a robust and inclusive planning process.

The culmination of these efforts was the development of a draft MTP IV, aligned with the Bottom-Up Economic Transformation Agenda (BETA). This draft underwent rigorous review and alignment processes, involving the President's Council of Economic Advisors, pre-existing clusters, committees, and ultimately, the Cabinet for approval.

On 21st March, 2024 the Fourth Medium Term Plan (MTP IV) was officially launched, marking a significant milestone in Kenya's development trajectory. With a foundation built on extensive consultation, expert input, and alignment with national priorities, MTP IV stands poised to guide Kenya towards its vision of sustainable and inclusive growth.

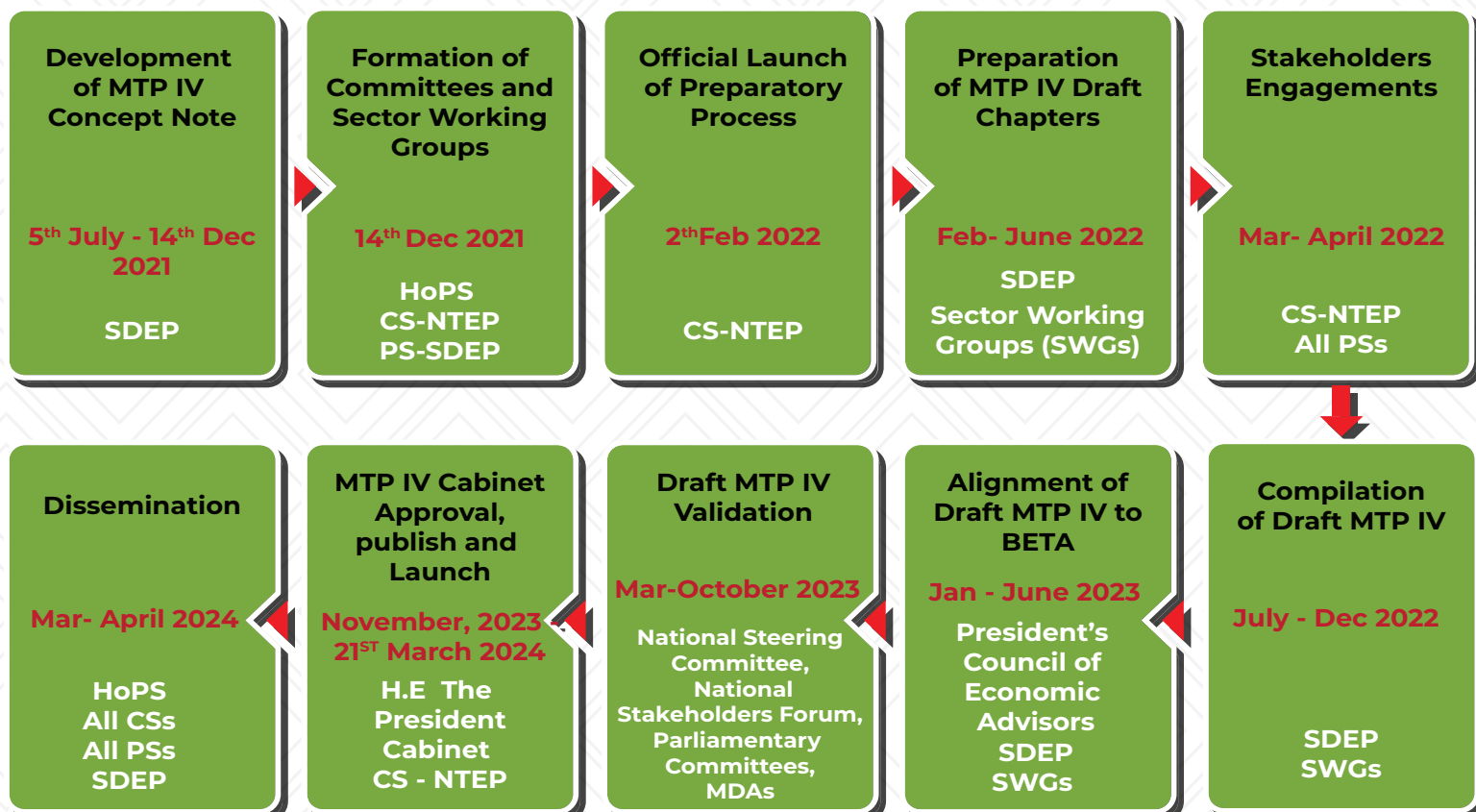
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The culmination of these efforts was the development of a draft MTP IV, aligned with the Bottom-Up Economic Transformation Agenda (BETA). This draft underwent rigorous review and alignment processes, involving the President's Council of Economic Advisors, pre-existing clusters, committees, and ultimately, the Cabinet for approval.

”



# MTP IV Preparatory Process



**UPCOMING  
EVENT**

## AFRICAN DEVELOPMENT BANK GROUP'S ANNUAL MEETINGS



### 2024 ANNUAL MEETINGS NAIROBI | KENYA

**27<sup>th</sup> - 31<sup>st</sup> MAY 2024**

Africa's Transformation, African Development Bank Group, and Reforms of the Global Financial Architecture



# Ministries to align their Strategic Plans to the Fourth Medium Term Plan

By PCD

**T**he Fourth Medium Term Plan (MTP IV) is a roadmap that will shape Kenya's future. To make this vision a reality, the National Treasury and Economic Planning has laid out clear guidelines for Ministries, Departments, and Agencies (MDAs) to align their plans with MTP IV priorities. This alignment is crucial for effective implementation and efficient resource management.

At the heart of MTP IV lies a robust implementation framework designed to foster collaboration and accountability among stakeholders. This framework ensures that the national and county governments work hand in hand through the National Development Implementation Committee (NDIC) and its five sub-committees: Finance and Production Economy; Infrastructure; Land and Natural Resources; Social; and Governance and Public Administration. NDIC is a committee of all Principal Secretaries chaired by the Prime Cabinet Secretary with the responsibility of coordinating the implementation, monitoring and evaluation of all Government policies, programmes and projects.

To strengthen the impact of MTP IV, the Government will implement the Public Finance Management (Public Investment Management) Regulations, 2022. These regulations will ensure that public resources are managed prudently and that funds are mobilized from various sources, including Government funds, development partners, Public Private Partnerships (PPPs), and Green Financing.

Oversight of the implementation process will be rigorous, with the National Treasury and Economic Planning taking the lead. Supported by the Central Project Planning Monitoring Departments (CPPMDs), the Ministry will ensure that there is adherence to regulations and that MTP IV initiatives achieve the maximum impact.

The implementation of MTP IV will be conducted through Ministries, Departments, Agencies and Counties' (MDACs) Strategic Plans, Annual Work Plans and Budgets, Performance Contracts, and County Integrated Development Plans (CIDPs). Progress on implementation will be monitored through various reporting mechanisms, including quarterly economic reports; annual reports such as the MTP IV Annual Progress Report, Economic Survey, and Kenya Economic Report; as well as periodic reports such as the MTP IV Mid-Term Review Report (third year) and MTP IV End-Term Review Report (sixth year).

In essence, the implementation framework for MTP IV in Kenya underscores the government's commitment to achieving its development goals. By working together, mobilizing resources effectively, and ensuring accountability, we can turn the Kenya Vision 2030 into a reality in the remaining period.



## Kenya Vision 2030 Successive Medium Term Plans from 2008-2027





# Monitoring and Evaluation at the core of MTP IV implementation

By Frank Jara

**T**he launch of the Fourth Medium Term Plan (MTP IV) of the Kenya Vision 2030 is a milestone towards the achievement of the National Development Agenda. Being the Fourth Plan since the inception of the Kenya Vision 2030 in 2008, it is aligned to the Bottom-Up Economic Transformation Agenda (BETA) and other international obligations such as the Sustainable Development Goals (SDGs), African Union (AU) Agenda 2063 and East Africa Community Vision 2050 among others.

The MTP IV was developed hand in hand with the National Indicator Handbook. As a performance tool, the Indicator Handbook enhances transparency and accountability through the provision of a clear set of targets for tracking the implementation of Medium Term Plans.

The National Indicator Handbook for MTP IV took cognizance of issues relating to gender, climate change, governance and accountability which were not adequately captured in previous handbooks. Additionally, it seeks to address the gaps and provide clear linkages with international obligations such as SDGs and AU Agenda 2063.

Development of the National Indicator handbook for MTP IV was a highly consultative process that required engagement of various stakeholders to facilitate ownership, reporting, and use of findings. The State Department for Economic Planning in consultation with Ministries, Departments, and Agencies identified the initial set of indicators for all the sector targets. Further, utilization of the Indicator Handbook for monitoring and evaluation will play a pivotal role in generating periodic progress reports on the implementation of MTP IV and the priority value chains outlined in the Bottom-Up Economic Transformation Agenda.

The MTP IV will be monitored and evaluated through the preparation of the Quarterly Progress Reports, Annual Progress Reports (APRs), Comprehensive Public Expenditure Reviews (CPERs) and Public Expenditure Reports (PERs), Mid Term Review (MTR) and End Term Review (ETR). Counties will track their respective County Integrated Development Plans (CIDPs) through the preparation of County Quarterly Progress Reports (CQPR) and County Annual Progress Reports (CAPRs). The Council of Governors in collaboration with the State Department for Economic Planning will prepare a County Annual Synthesis Report consolidated from annual reports of the implementation of the CIDPs from the 47 Counties.

The Kenya Evaluation Guidelines 2020 will provide procedures for commissioning, and undertaking evaluations for the policies, programmes, and projects of MTP IV prioritized in the Kenya National Evaluation Plan (2022/23-2026/27) and the use of evaluation findings in a standardized and systematic manner across the Kenyan Public Sector.

The Government aims to achieve greater transparency, good governance, access to information, and accountability in resource allocation and management through the use of the Monitoring and Evaluation mechanism as an integral part of developing and executing government policies, programmes, and projects.

BETA will be tracked through the National Integrated Monitoring and Evaluation System (NIMES). NIMES was conceptualized in 2004 as a mechanism for the Government to monitor the implementation of the Economic Recovery Strategy (ERS) and subsequent national development blueprints. The framework continues to track the implementation of the Kenya Vision 2030 through the Medium Term Plans (MTPs I, II, III, and IV). In addition, the County Integrated Monitoring and Evaluation System (CIMES) tracks the County Integrated Development Plans (CIDPs) with the Kenya National Monitoring and Evaluation Policy (2022).

The National Indicators will be uploaded into the Electronic National Integrated Monitoring and Evaluation System (e-NIMES) by Ministries, Departments and Agencies to help in assessing the efficiency and effectiveness in implementation of the programs and projects by the various sectors.

The Counties will be expected to upload their County Integrated Development Plans and respective County Indicator Handbooks on the Electronic County Integrated Monitoring and Evaluation Systems (e-CIMES) and generate reports. These reports will contain progress made by all Counties, implementation challenges, emerging issues, lessons learned and recommendations to ensure informed budgeting and planning for evidence-based decision making.

An End-Term Review will be conducted at the end of the Fourth Medium Term Plan to assess the progress made toward achieving the objectives and targets of the plan. The report will inform the preparation of the next long term development plan.



# National Reporting Indicator Handbooks From 2008-2027

## THE NATIONAL REPORTING INDICATOR HANDBOOK

For the Fourth Medium Term Plan  
2023 – 2027

Bottom-Up Economic  
Transformation Agenda for  
Inclusive Growth



REPUBLIC OF KENYA



THIRD NATIONAL REPORTING  
INDICATOR HANDBOOK  
FOR THE THIRD MEDIUM  
TERM PLAN, 2018-2022



## HANDBOOK OF NATIONAL REPORTING INDICATORS

FOR THE SECOND MEDIUM-TERM PLAN 2013-2017 OF KENYA VISION 2030



REPUBLIC OF KENYA



MINISTRY OF DEVOLUTION  
AND PLANNING

November 2014



KENYA  
VISION 2030



## Handbook of National Reporting INDICATORS



FOR THE VISION 2030 FIRST MEDIUM-TERM PLAN  
2008 - 2012

MINISTRY OF STATE FOR PLANNING,  
NATIONAL DEVELOPMENT & VISION 2030



# Healthcare Investments to help Realize Universal Health Coverage

By Joel Kapante Reyia

**T**he Government is committed to ensuring the attainment of the highest possible standards of health as stipulated in the Kenya Health Policy 2014-2030. Over the past decade, there has been general improvement in the Country's health profile. Life expectancy at birth increased from 61 years to 66.5 years for females and 58 years to 60.6 years for males in 2009 and 2019 respectively according to 2019 Kenya Population and Housing Census (KPHC) report.

During the implementation of the Third Medium Term Plan (MTP III) 2018-2022, a number of achievements were realized such as the improvement in doctor population ratio from 24 per 100,000 population in 2018/2019 to 37 per 100,000 population in 2021/2022.

However, since the burden of disease remains significant, the Government has laid out interventions to be undertaken. In the recent launch of the Fourth Medium Term Plan of the Kenya Vision 2030, President William Ruto emphasized that the Government aims to enrol 80 per cent of households to the Social Health Insurance Scheme. To this end, it will oversee a smooth transition to the Social Health Insurance Fund by the end of the 2023-2024 Financial Year.

***"The Social Health Insurance Act 2023 established the Primary Health Care Fund, Emergency and Chronic Illnesses Fund and the Social Health Insurance Fund to facilitate Universal Health Coverage, as well as the rollout of Primary Health Care Networks and deployment of 100,000 Community Health Promoters," The President said.***



***President William Ruto samples the Community Health Promoters' Kit before flagging off 100,000 of them on 25th September, 2023 in Nairobi County***



He noted that access to quality and affordable healthcare is critical and hence the Government will expand the Social Health Insurance Scheme focusing on the 'Afya Bora Mashinani' model targeting 10.8 million households, digitizing health services and improving health infrastructure.

The Head of State said that the emergence of pandemics, as evidenced by the Covid-19 outbreak, underscored the need to strengthen our healthcare systems. "Our strategies for primary health care will fortify Kenya's health system to effectively respond to potential emergencies," the President said, adding that 20,000 health workers would also be recruited to support the health commodities supply chain.

Particular attention will be paid to reversing the increase in non-communicable diseases which represent an increasingly significant burden of ill health and death in the country. These conditions include cardiovascular diseases, cancers, respiratory diseases, digestive diseases, psychiatric conditions, and congenital anomalies. They accounted for between 50-70 per cent of hospital admissions in 2014. To reverse this trend, primary health care infrastructure will be upgraded. For instance, comprehensive cancer management centres would be completed in Kisii and Nyeri counties while Kisumu regional cancer centre will be equipped in conjunction with the modernization of national referral hospitals.

Other key interventions in health include consolidation of the fragmented insurance pools and funds covering the needy in the informal sector, development of incentives to improve access and affordability of essential Health Products and Technologies, establishment of National Health Procurement Board to harness economies of scale and enable pooled bulk procurement as well as the development of an Integrated Health Management Information System.

Others are the operationalization of all 315 Primary Healthcare Networks (PCNs) and mapping of the Community Health Units (CHUs) to the PCNs, establishment of Health Benefit Package and Tariffs Authority to revise benefits packages, matching stipends for 90,000 existing community health volunteers with what is paid by counties, renewal of contracts for 8,550 Universal Health Care staff under existing terms and posting of 1,200 medical interns to the internship training centres.

Health care is expected to be the heartbeat that would not only ensure realisation of the right to health as enshrined in the Constitution but also contribute to economic development.



***President William Ruto converses with a section of Health Care Personnel during the official opening of the Naromoru Level 4 Hospital on 9th August, 2023 in Nyeri County***



***President William Ruto makes his remarks after flagging off the Community Health Promoters' Kits in Nairobi County***



***Nyeri Governor Mutahi Kahiga inspects the Community Health Promoters' Kits***



# Devolved units bet on integrated development plans to chart growth path

By Jacob Mumia / Judy Kemunto

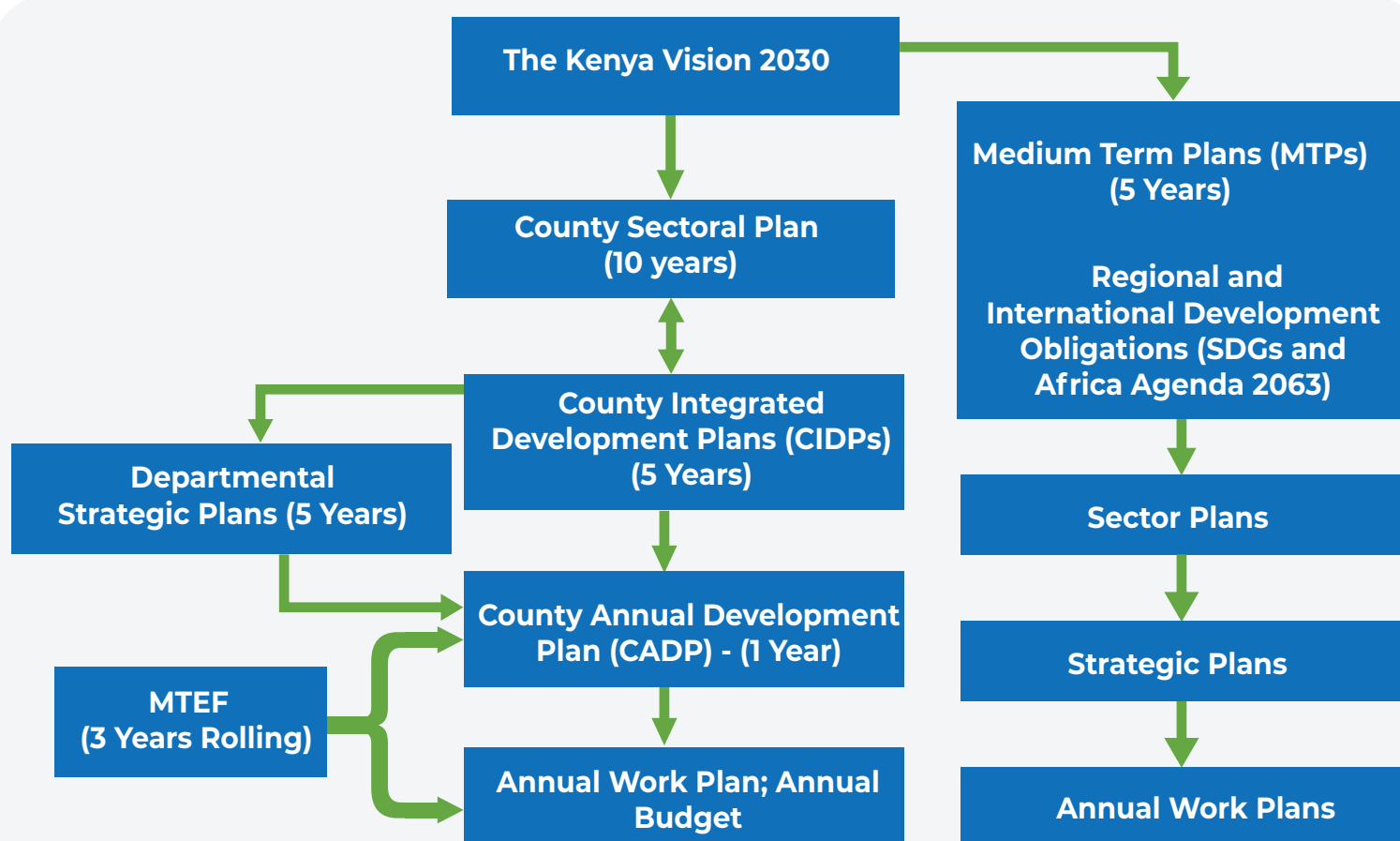
**T**he County Governments have been implementing Kenya Vision 2030 through the County Integrated Development Plans (CIDPs) aligned with the national development agenda and international obligations. County Integrated Development Plan is a plan prepared by all Counties to guide development for five years, whereas, Medium Term Plans (MTPs) are five-year plans that are used to implement Kenya's long-term blueprint which has been guiding development planning since its inception in 2008.

The Constitution of Kenya 2010 ushered in a devolved system of governance consisting of National and County Governments. Preparation of CIDPs began when County Governments came into effect. The First Generation of CIDPs (2013-2017) were aligned to MTP II (2013-2017) and the Second Generation of CIDPs (2018-2022) were aligned to MTP III. Similarly, the Third Generation of CIDPs (2023-2027) align with MTP IV.

The Fourth Schedule of the Constitution assigns the National Government the role of national economic policy and planning while County Governments are responsible for county planning and development. Article 10 (2) of the Constitution on national values and principles of governance further prescribes the need for good governance, integrity, transparency and accountability, and sustainable development.

Section 108 of the County Government Act, 2012 requires County Governments to prepare 5-year County Integrated Development Plans. Section 102 (h) of the Act stipulates that county planning is expected "to provide a platform for unifying planning, budgeting, financing programmes, implementation, and performance review."

In addition, Section 104 (1) of the Act states that: "A County Government shall plan for the county and no public funds shall be appropriated without a planning framework developed by the County Executive Committee and approved by the County Assembly." It also states that the county planning framework shall integrate economic, physical, social, environmental and spatial planning.



The County Government Act, 2012, and the Intergovernmental Relations Act, 2012 provide a legal framework for aligning National and Regional planning to the Kenya Vision 2030 and development objectives in the Country.

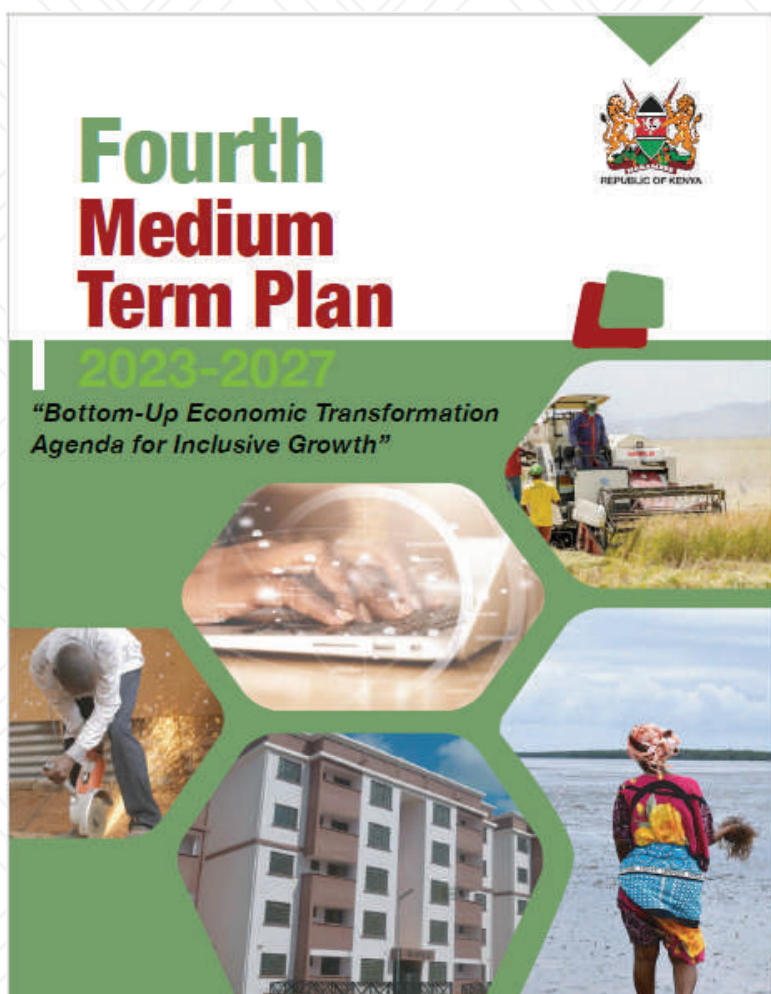
In this regard, the State Department for Economic Planning prepared and issued Guidelines for the preparation of 3rd Generation CIDPs (2023-2027). The Guidelines are geared towards achieving harmony, uniformity and standardization of CIDPs across the 47 Counties and ensuring alignment with the MTP IV and Bottom-Up Economic Transformation Agenda (BETA).

In the years 2022 and 2023, the State Department for Economic Planning sensitized all the Counties and conducted capacity building training of key officers in charge of planning on aligning County Development Plans to MTP IV and BETA.

The 3<sup>rd</sup> Generation CIDPs have outlined programmes, projects, and initiatives with clear goals and objectives, and an implementation plan with clear outcomes to ensure effective monitoring, evaluation and reporting as provided for in Section 126 of the Public Finance Management Act, 2012.

MTP IV will implement the BETA priorities through a value chain approach targeting leather and leather products, textile and apparel, dairy, tea, rice, edible oils, blue economy, minerals, forestry, construction and building materials among others. Considering the unique geographical locations of the Counties, each of them is endowed with different and unique resources, thus, the Counties aligned their CIDPs according to the available priority value chain.

To get maximum impact from investment in BETA priorities, alignment of the CIDPs with MTP IV has been vital. This is the clearest way to 'DELIVER AS ONE' in our nation's development aspirations. Both levels of Government aspire to improve the livelihoods of Kenyans by developing explicit development plans to guide resource allocation and investment to the most beneficial areas.



*The Fourth Medium Term Plan 2023-2027 (MTP IV)*



*The Kakamega County Integrated Development Plan (CIDP) 2023-2027*



# *MTP IV to secure the lives of those living on the sidelines of the economy; “INCLUSIVE GROWTH”*

By Jane Jerop

**T**he Fourth Medium Term Plan (MTP IV) espouses the collective approach of the Kenyan society to development that advocates for equity and fairness in the implementation of development programmes. The plan requires that all Kenyans benefit from the national development and are not discriminated upon based on their geographical, political, religion or ethnicity.

MTP IV is reflective of the Bottom-Up Economic Transformation Agenda (BETA) which calls for inclusive growth starting from the grassroots. The Kenya National Bureau of Statistics (KNBS) 2019 Kenya Population and Housing Census (KPHC) report classified 29 minority or marginalized groups that have been discriminated upon based on sex, age, ethnicity, geographical location, historical, and education among others. The marginalized groups include Counties in North Eastern, Coast, Eastern and parts of the Rift Valley.

Programmes in the MTP IV have been fairly distributed to all citizens and regions. Irrigation schemes will be established in marginalized areas which have borne the brunt of persistent climate disasters. The programmes also seek to address the perennial famine and food poverty experienced in these regions through promotion of value chains, development of markets and establishment of Special Economic Zones (SEZs).

The Arid and Semi-Arid Lands (ASALs) Counties in Northern Kenya form the Frontier Counties Development Council (FCDC) Regional Economic Bloc that focuses on improving people's access to critical services in agriculture and livestock, education, water, land, and peace and cohesion. The FCDC comprises of 10 Member counties namely: Tana River, Lamu, Garissa, Wajir, Mandera, Marsabit, Isiolo, Samburu, West Pokot and Turkana.

The FCDC promotes cooperation, coordination and information sharing between counties in view of enhancing socioeconomic development and promoting peaceful coexistence among its members. In partnership with the World Bank and resource mobilisation efforts by the Government, the economic bloc is currently implementing 17 key projects in the tune of \$2.3 billion.

The Livestock Sector Strengthening (LSS) project in FCDC Counties aims to enhance livestock production which is the economic mainstay of communities in the ASALs Counties. The interventions supporting the livestock value chain will majorly improve income levels, enabling the communities to contribute to national development. Some of the interventions in MTP IV include; completion of Kenya Leather Industrial Park - Kenanie; completion of livestock export zones; and the establishment of three (3) tanneries and leather processing clusters.

Universal Health Care (UHC) will be achieved by the year 2027 through reforms in the National Health Insurance, establishment of new hospitals in areas where they are sparsely located, and employment of Community Health Promoters to provide basic health services.

In the housing sector, equity and inclusivity will guide the construction and allocation of affordable housing units with each County getting at least one affordable housing program. This will enable citizens to access quality, spacious, safe, and secure dwelling places at an affordable cost.

Infrastructure is a key enabler for development. MTP IV has prioritized completion of pending roads and fair distribution of new ones across the Country with preference given to remote areas with untarmacked and inaccessible roads. One of the completed road projects in Northern Kenya is the Isiolo-Marsabit-Moyale highway forming the Great North road in the Lamu Port-South Sudan-Ethiopia Transport (LAPSSET) corridor. Other infrastructure projects are: Isiolo International Airport, Lamu Port City and others. The Last Mile Connectivity Programme will increase electricity coverage in slums



and rural areas. MTP IV promotes the transition from biomass dependency to clean cooking that includes Liquified Petroleum Gas and electricity.

Cross-cutting and emerging issues such as gender equality, inclusion of Persons With Disability (PWD), climate change, and youth and women empowerment have been mainstreamed in MTP IV. The 'Jaza Miti' Program will ensure the Country grows more than 15 billion trees by 2032 which will increase the forest cover to 17 per cent. The Program will help mitigate the adverse effects of climate change in the ASALs Counties to ensure economic sustainability for people who depend economically on agriculture.

To entrench and ensure sustainability of the programmes, the important role good governance and partnership play in development has been recognized while advocating for independent and pro-active justice systems as well as functioning institutions. MTP IV also promotes digitization to improve access to Government services.



*A section of the Lamu Port South Sudan Ethiopia Transport Corridor (LAPSSET) which cuts through Marsabit County*



# Boost for Agriculture, MSMEs in product development and industrial skills training

By Frank Jara

**T**he Finance and Production sector of the Fourth Medium Term Plan (MTP IV) aims to create synergies among five subsectors which include: The National Treasury and Economic Planning; Agriculture and Livestock; Cooperatives and Micro Small Medium Enterprises (MSMEs); Investment, Trade and Industry; and East African Community, the Arid and Semi-Arid Lands (ASALs) and Regional Development through the adoption of the value chain approach to production, value addition and market access while ensuring adherence of quality assurance and standards.

Over the years, agriculture has been the largest contributor to the Kenyan economy accounting for over 20 per cent of Gross Domestic Product (GDP). MTP IV focuses on increasing the production and productivity of maize, potatoes, livestock feeds, pulses, and nuts value chains in Uasin Gishu, Nakuru, Kajiado, Kitui, and Kilifi Counties respectively by establishing five pilot mechanization hubs.



*Basil Herb Farming in Uasin Gishu County*

The interventions identified in the livestock value chains to support the sector include: insurance of 625,000 Tropical Livestock Units (TLUs) in 21 ASAL Counties to protect pastoral economies against drought risks; establishment of animal feed production and processing plant at Nasewa industrial park to improve dairy productivity; and 65,631 dairy farmers mobilized into cooperatives and capacity built on unfair trade practices while an extra 40,000 livestock farmers will be mobilized to produce hide and skins.

The construction and building material value chain will be strengthened through the promotion of design, development and manufacturing of green construction materials and products for local and international markets in the construction industry. This will be coupled with capacity building of 1,000 Jua kali MSMEs through skill development and, mobilization and aggregation of 350 MSMEs into cooperatives.

MSMEs development is critical in productivity, sustainability, and product competitiveness. MTP IV targets to certify 126 MSMEs' products and train 400 small business owners on entrepreneurship and value addition. At least 3000 business startups and firms will be trained on industrial skills to address Government priority needs in manufacturing, agriculture, housing and settlement, digital and infrastructure sectors attributed to the Skills Enhancement for Industrialization Program (SEIP).

The Finance and Production sector in the Fourth Medium Term Plan prioritizes macroeconomic research, modelling and forecasting, monitoring and reporting on economic trends. The State Department for Economic Planning will prepare quarterly Status of Economy Reports, Key Investment Opportunities booklet, Mid-term and End-term Reviews of the MTP IV, and establish a one-stop shop for effective statistics management to support evidence-based economic planning and decision-making.

The Finance and Production sector aims to bring an integrated planning and programming approach thereby reducing duplication, overlaps and wastage of resources.



# Leveraging Crop and Livestock Value Chains to foster Export Oriented Industrialization

By PCD

**T**he Fourth Medium Term Plan 2023-2027 (MTP IV) themed: **"Bottom-Up Economic Transformation Agenda for Inclusive Growth,"** aims to achieve an economic turnaround and inclusive growth through a value chain approach.

MTP IV will be implemented through five sectors namely: Finance and Production; Infrastructure; Social; Environment and Natural Resources; and Governance and Public Administration. The Finance and Production Sector focuses on the value chain approach as a key priority and intervention to achieve an overall sector growth of 8.2 per cent by 2027.



Tea picking is an art in Kenya. *"Tea is a valuable value chain categorized to benefit various counties"*

A value chain describes production-to-market linkages, generating value for the consumer while increasing revenue generated by producers. The Government through the Bottom-Up Economic Transformation Agenda (BETA) aims to elevate products up the value chain to increase the worthiness and competitiveness in both local and global markets.

The Finance and Production Sector aims to enhance production, value addition and market access as well as attract both local and foreign investments. The priority value chains in the sector are: livestock comprising dairy and leather products; crops comprising tea; edible oils; textile and apparel; rice; and construction or building materials.

The main objectives under the livestock value chain are: increase income from leather to KSh. 120 billion; increase leather job opportunities from the current 17,000 to 100,000 jobs; increase milk exports to one (1) billion litres; increase farm gate price to at least KSh. 40 per litre; create 500,000 jobs, and increase dairy farmers' monthly income to an average of KSh. 6,000 per farmer.

To achieve livestock value chain objectives the following interventions will be implemented: establishment of feedlots and feed production zones; completion of livestock export zones; livestock disease management and insurance; completion of Kenya Leather Industrial Park - Kenanie; establishment of three (3) tanneries and leather processing clusters; and establishment or modernization of milk, meat and honey processing plants.

In regards to the crop value chains, the objectives are: increase acreage under cotton from 25,000 acres to 100,000 acres; produce 30,000kg of rice basic seed; enhance local production and processing of edible oils; and boost the tea value chain through blending and branding.

The strategies to be implemented to realize the crop value chains are: provision of subsidized farm inputs; construction of agro-processing plants; establishment of food processing hubs and five (5) pilot mechanization hubs; pest and disease management; agricultural insurance; and crop research and development.

The Finance and Production sector also prioritizes financial inclusion; investment promotion, industrial infrastructure development such as Special Economic Zones (SEZs); product market diversification; and promotion of fair-trade practices. By embracing the concept of value addition, the country will be able to achieve BETA priorities of inclusive growth, improved foreign exchange balances and job creation.

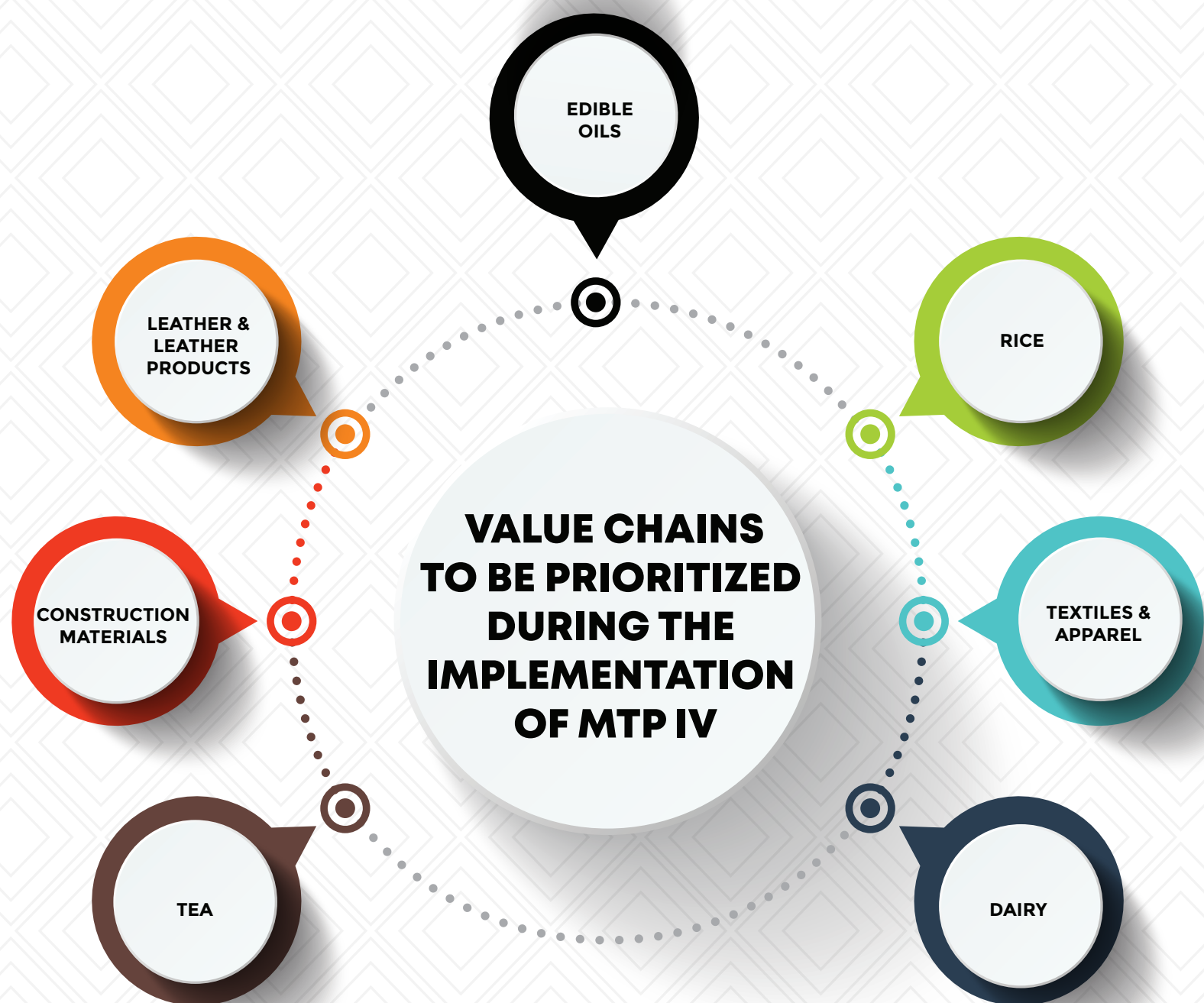


# Priority Value Chains

## What is a value chain?

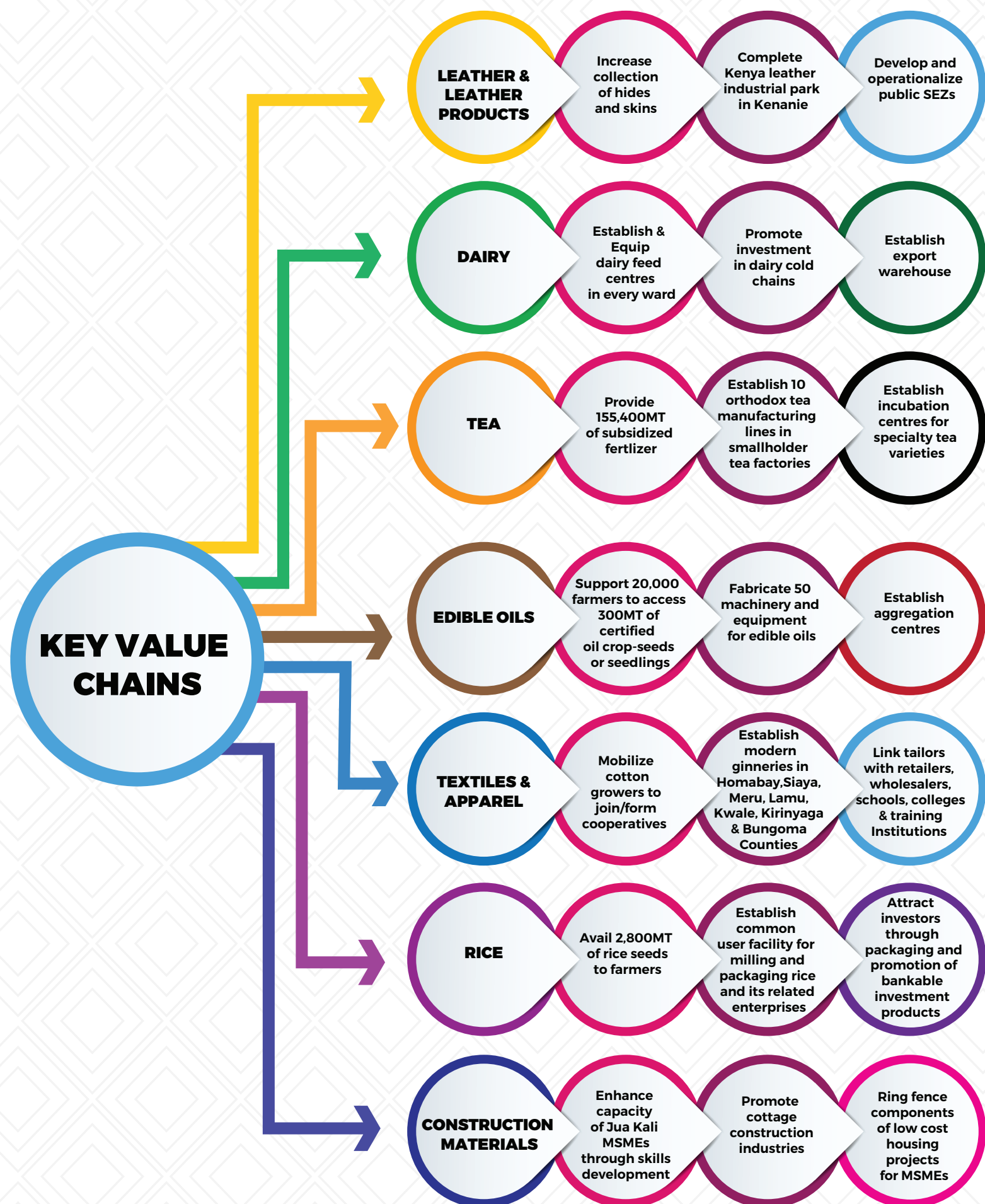
A value chain is a link between production, value and marketing that benefits customers through improved efficiency.

Value chains eliminate silo mentality and help build competitive advantage.



The Priority Value Chains under the Fourth Medium Term Plan

## Illustration of Key Value Chains





# Digital Economy to solidify Kenya's primacy as Africa's Silicon Savannah

By Anthony Gacanja / Martin Muthuri

**T**he Government has embarked on digitalization of over 5000 Government services and upgrading of the e-Citizen platform to enable citizens in remote and rural areas to easily access Government services. Some of the Government services offered through the e-Citizen platform are licensing, immigration, electronic tax and civil registration services. The digitalization focus is on improved public service delivery to citizens through the use of digital services and platforms.

To reap the benefits of the digital economy, the Government has prioritized key projects in the Fourth Medium Term Plan (MTP IV) sectors to drive social-economic transformation. Some of the key priorities are; construction of 100,000 kilometres of national fibre optic connectivity network; establishment of 25,000 free public Wi-Fi (JiKonnnect) hotspots across the Country; Open University of Kenya (OUK), and Open Distance and e-Learning (ODEL); Establishment of 1450 digital hubs evenly distributed across the Country at the ward level; and digitization of Government services for effective and efficient service delivery to the citizens.

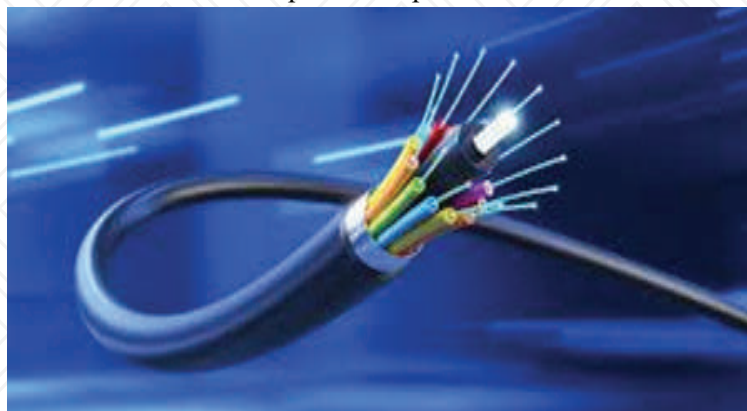


**The Government will establish 25,000 free public Wi-Fi (JiKonnnect) hotspots across the country to allow easier access to Government services**

The digital economy has emerged as a driving force reshaping industries, societies and economies. It plays a pivotal role in unlocking previously unimaginable possibilities for innovation, efficiency, and economic growth in sectors from e-commerce and fintech to artificial intelligence.

The national rollout of the fibre optic and digital hubs across the Country will play an important role in empowering the youth with in-demand skills in the competitive job market to tap into online opportunities. This will also provide digital inclusion in society by providing mentorship, training, and capacity building

on innovation and entrepreneurship.



**The Government will construct an additional 100,000 kilometres of national fibre optic across the country to improve broadband connectivity**

The five pillars of the digital economy supporting the digital superhighway and creative economy are: Digital Infrastructure; Digital Government; Digital Business; Innovation-Driven Entrepreneurship; and Digital Skills and Values.

The focus on these pillars in the Fourth Medium Term Plan through investment and policy efforts by the Government will enable efficient and effective delivery of services development of digital infrastructure and creation of opportunities for the youth.

The implementation of BETA priorities in MTP IV will establish Kenya as Africa's regional Hub in Information and Communication Technologies (ICT) by embracing technological advancements in new and emerging digital trends. This will ensure sustainable economic growth and innovation by offering opportunities to the youth, growth of MSMEs and driving value addition in agriculture and mining sectors.



**President William Ruto interacts with youth during the opening of Trans-Nzoia Community ICT Hub as part of Jitume initiative aimed at providing youth with access to Digital Skills, Digital Services and Opportunities**



# Structural Reforms to ensure Progressive Economy, “Creation of 1.2 Million Jobs”

By PCD

In the ongoing pursuit of economic prosperity Kenya faces various challenges stemming from both internal and external factors. Rising inflation, coupled with recurring droughts, alongside fiscal strains from large public investments, have tested the nation's economic resilience.

To address these challenges and propel the Country towards inclusive and sustainable growth, the Fourth Medium Term Plan (MTP IV) has been devised to elevate Kenya's GDP growth from 4.8 per cent to an ambitious 7.2 per cent by 2027 through targeted interventions.

Key objectives of the MTP IV include the creation of 1.2 million jobs annually, a concerted effort to lower the cost of living, and other initiatives aimed at eradicating hunger. Structural reforms focusing on expanding the tax revenue base, bolstering foreign exchange reserves, and enhancing economic resilience are also part of the MTP IV.



*The National Treasury and Economic Planning will address the external debt issue by enhancing revenue mobilisation and expenditure optimization over the medium term period to reduce fiscal deficit from 6% of GDP in 2022/23 to 3.2% of GDP in 2027/28*

Furthermore, MTP IV seeks to leverage global and regional economic opportunities, such as trade expansion and remittance growth. Through human capital development, market regulation, and digital innovation, the MTP IV aims to pave way for a progressive vibrant economy.

Fiscal policy will play a crucial role, prioritizing revenue mobilization and expenditure optimization to support the Bottom-Up Economic Transformation Agenda (BETA). Fiscal consolidation efforts aim to reduce the fiscal deficit and increase savings and investments to ensure long-term economic sustainability.

Structural reforms under the MTP IV encompass various initiatives, including budgetary and public expenditure reforms, pension reforms, and state-owned enterprise reforms. These measures aim to enhance efficiency, transparency, and accountability across the economic landscape.

The Fourth Medium Term Plan has set Kenya on the path toward a sustainable and inclusive economy. By seizing the opportunities presented by the MTP IV and overcoming challenges, Kenya can chart a course towards the provision of a high quality of life to all its citizens as envisioned by Kenya Vision 2030.



# PICTORIAL

## DISSEMINATION OF MTP IV COMMENCES



*President William Ruto disseminates MTP IV to Heads of Parastatals, Chairpersons of Boards of State Corporations after the MTP IV launch among others*



# TOP LEADERSHIP EMBRACE MTP IV



**“DELIVERING THE PROMISE”**





# MTP IV IMPLEMENTATION LEAD TEAM



***Prof. Njunguna Ndung'u***  
***CS. Treasury & Economic Planning***



***Mr. James Muhati***  
***PS. Economic Planning***



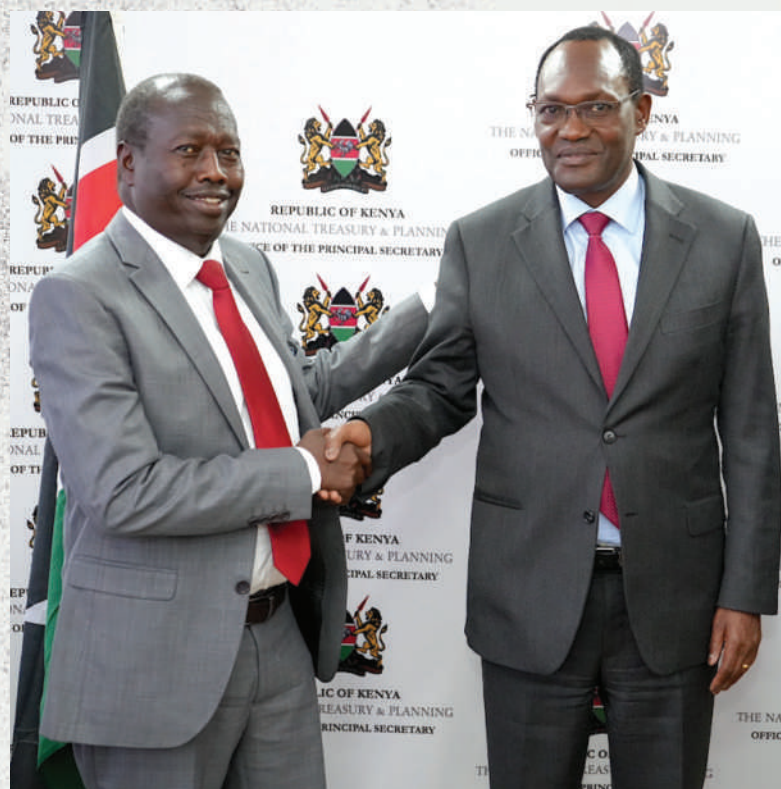
***Dr. Chris Kiptoo***  
***PS. National Treasury***



***Mr. Timothy Gakuu***  
***Ag. Economic Planning Sec.***



# COUNTY GOVERNMENTS



**COUNTIES ALIGN THEIR CIDPs  
TO MTP IV 2023-2027**



# Congrats!

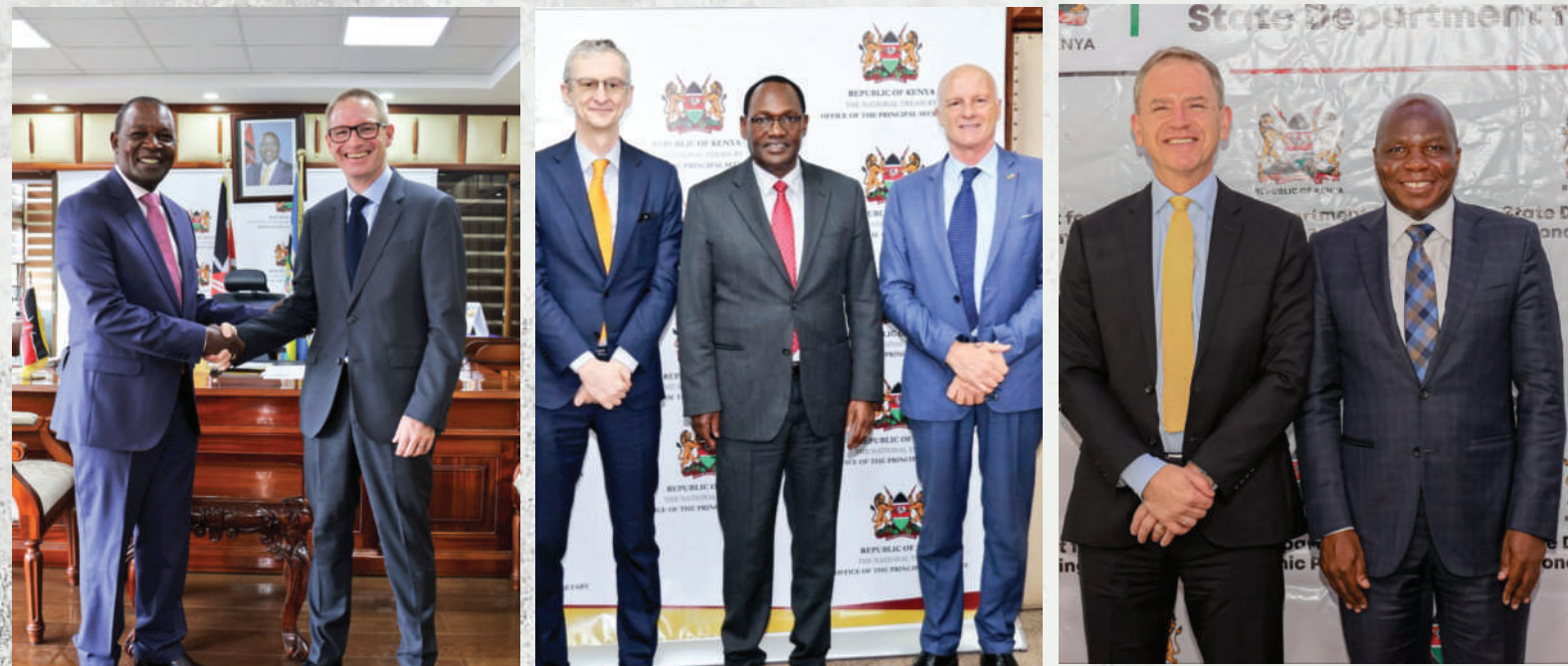


**PRESIDENT RUTO AWARDED GHANA'S HIGHEST HONOUR  
"THE COMPANION OF THE ORDER OF THE STAR OF THE VOLTA"**





# INTERNATIONAL AND REGIONAL PARTNERSHIPS



Planning for Sustainable National Development



# FROM TREE PLANTING TO TREE GROWING



**NATIONAL TREE PLANTING INITIATIVE, "PLANTING OF 15B TREES  
TO ACHIEVE 30% TREE COVER BY 2032"**

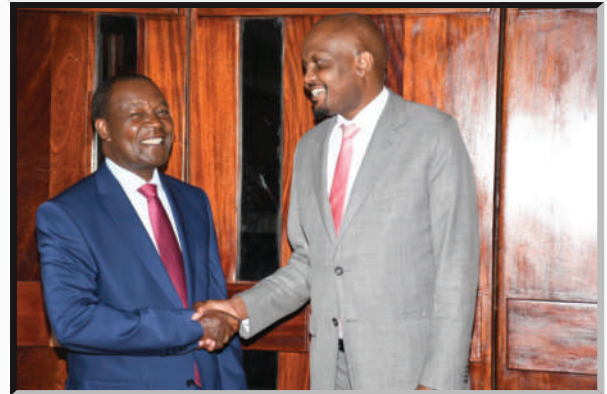




# THE 'FAMOUS' GoK LAB ROADSHOW 2024



**"WHAT GETS MEASURED"**

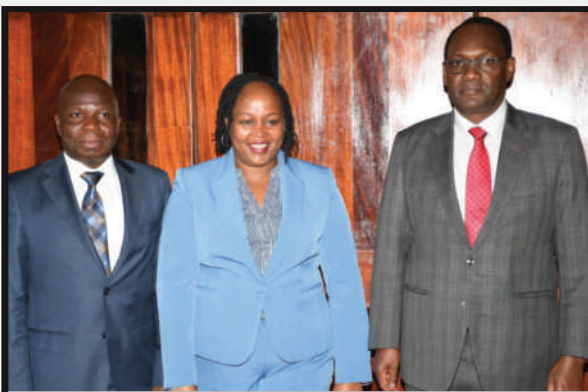




**"DELIVERING AS ONE" THE GoK PERFORMANCE AND DELIVERY ROADSHOW TO ACHIEVE 181 COMMITTEMENTS BY END OF 2024**



**GETS DONE"**





# ECONOMIC EMPOWERMENT AND CAPACITY BUILDING



*MTP IV is aligned to BETA. It will benefit those at the bottom of the pyramid through economic empowerment*





SOUTH  
SUDAN

REPUBLIC OF KENYA

## KENYA COUNTIES MAP

ETHIOPIA

MANDERA

MARSABIT

WAJIR

SOMALIA

TURKANA

TURKANA

UGANDA

WEST POKOT

TRANSNZOIA

BUNGOMA

KAKAMEGA

VIHIGA

SIAYA

HOMA BAY

MIGORI

KISUMU

KERICHO

BOMET

NAROK

NAKURU

NYANDARUA

LAIKIPIA

MERU

THARAKA-NITHI

EMBU

MURANGA

KIAMBU

MAKINDI

MACHAKOS

KITUI

TANA RIVER

KILIFI

MOMBASA

KWALE

TAITA/TAVETA

LAMU

INDIAN OCEAN

## LEGEND

- International Boundary
- Territorial Sea Boundary
- County Boundary
- County Headquarters
- Cities, Municipalities and Town Councils
- Other Towns
- Inland waters and Rivers



## Feedback:

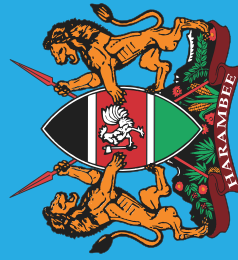
Users noting errors or omissions should mark them, photocopy and send them to the Director of Surveys P.O. Box 30049/0100, CPD, Nairobi. Such maps will be replaced.



# THE NATIONAL REPORTING INDICATOR HANDBOOK

For the Fourth Medium Term Plan  
2023 – 2027

Bottom-Up Economic  
Transformation Agenda for  
Inclusive Growth



REPUBLIC OF KENYA







## VISION

**To provide Leadership in National and sectoral Development Planning by coordinating the formulation, Implementation review, tracking and reporting of development plans, policies and strategies to advance Kenya's socio-economic transformative agenda**



## MISSION

**A centre of excellence in National Development Planning for high quality of life for all Kenyans**



## CORE VALUES

- Transparency
- Accountability
- Professionalism and Ethical Practices
- Team Work
- Passion for Results
- Customer Centred Participatory Approach and Inclusiveness

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