11th EDF NIP for Kenya – Summary

After the peaceful elections in 2013 the current government faces as one of its main challenges the continuation of the reform process, and the further implementation of the 2010 Constitution. Strengthening government institutions, enhancing their accountability as well as the fight against impunity are important agenda items. The devolution process is a key element in this process as it aims to bring the government closer to the people. Police and land reform as well as continued reform of the judiciary are other main areas to be addressed.

Kenya is the leading economy in the region and has the potential to become a middle income country. Economic performance is on the rise, and macroeconomic stabilisation is showing good results. However, poverty levels remain high, progress towards the Millennium Development Goals sketchy. Recurrent severe droughts illustrate the fragility of the socioeconomic development. Boosting competitiveness, targeted investments for more jobs, and addressing vulnerabilities and continue the reform process are key economic priorities.

The main long term policy document guiding the development of Kenya is Vision 2030 a national development blue-print to create a globally competitive and prosperous nation transforming Kenya into a middle-income country providing a high quality of life to all its citizens by 2030 in a clean and secure environment. This vision is anchored on three key pillars; economic, social and political governance.

Based on Vision 2030, the Agenda for Change and the Division of Labour among Donors, the NIP proposes to focus on the following three sectors: Food security and resilience to climate shocks, sustainable infrastructure, and accountability of public institutions.

Sector	Indicative Amount (in M€)	Indicative % of total
Sector 1 - Food Security and Resilience to climate shocks	190	*44*
Sector 2 - Sustainable Infrastructure	175	*40*
Sector 3 - Accountability of public institutions	60	*14*
Support measures (incl._NAO support)	10	*2*
Total	435	100

The Food Security and Resilience to climate shocks sector will improve food security of the rural population and their resilience to future climatic shocks. In particular, EU support will enable institutions and stakeholders in the agriculture sector to develop, adjust and to implement disaster risk reduction strategies. To this end, the NIP foresees a multifaceted approach covering nutrition, agriculture productivity integrating market linkages, diversification of livelihood sources as well as climate proof investments at community and at county levels.

In the **Sustainable Infrastructure** sector the focus will be on poverty reduction and accelerated and inclusive economic growth through more sustainable and efficient energy and transport infrastructure. The two main objectives are to develop 1) more efficient and environmentally friendly energy services that are accessible to all and 2) a more efficient and safe transport system for increased productivity and reduced negative environmental impact. The preferred mode of financing the projects shall be blending of EU grants with loans from European financial institutions including the European Investment Bank (EIB). The identification of other potential financial partners and the negotiation with them will start during the project identification stage.

With the support to enhance the **Accountability of Public Institutions** three specific objectives are pursued, all of which are closely linked to the further implementation of the 2010 Constitution:

- The justice system is made available to a greater diversity of Kenyans.
- Public funds are better monitored and accounted for at all levels of governance.
- The 2017 elections are credible and centered around issues of public interest.

There will be no specific allocation for civil society support. However, civil society organisations will be among the potential implementing partners and beneficiaries of the activities of the sectors on "Food Security and Resilience" and "Accountability of Public Institutions".

EU - KENYA Cooperation

11th EUROPEAN DEVELOPMENT FUND

NATIONAL INDICATIVE PROGRAMME 2014 – 2020

NAIROBI, 14 MARCH 2014

LIST OF ABBREVIATIONS

Abbreviations

AEG	Aid Effectiveness Group
AfDB	African Development Bank
AMISOM	African Union Mission in Somalia
ASALs	Arid and Semi-Arid Lands
ASDS	Agriculture Sector Development Strategy
DANIDA	Danish International Development Agency
DGDG	Democratic Governance Donor Group
DoL	Division of Labour
DRR	Disaster Risk Reduction
EAC	East African Community
EACC	Ethics and Anti-Corruption Commission
EA-SA-IO	East Africa-South Africa-Indian Ocean
EC	European Community
EDF	European Development Fund
EPA	Economic Partnership Agreement
EU	European Union
EUCAP NESTOR	Regional Maritime Capacity Building Mission in the Horn of Africa and the Western Indian Ocean
FY	Financial Year
GDP	Gross Domestic Product
GoK	Government of Kenya
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GHG	Green House Gas emissions
IEBC	Independent Electoral and Boundaries Commission
JICA	Japan International Cooperation Agency
KES	Kenya Shilling
KFSSG	Kenya Food Security Steering Group
MDG	Millennium Development Goal
MT	Metric Ton
MTEF	Medium Term Expenditure Framework
MTP	Medium Term Plan
NAO	National Authorising Officer
NCCAP	National Climate Change Action Plan
NIP	National Indicative Programme
NSAs	Non State Actors
NTBs	Non-Tariff Barriers
ODA	Official Development Assistance
PFM	Public Financial Management
RIP	Regional Indicative Programme
SoV	Source of Verification
TJRC	Truth Justice and Reconciliation Commission
TSP	Technical Support Programme

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1 The overall lines for the EU response

1.1 Strategic objectives of the EU's relationship with Kenya

Links between the European Community (EC) and Kenya were forged as early as 1968 when the then East African Community signed the Arusha Convention establishing trade relations between three partner States (Kenya, Tanzania, Uganda) and the EC. Economic, trade and political relations continued to be established between the European Union (EU) and Kenya under the framework of the successive Lomé Conventions, to which Kenya became a signatory in 1975, and the Cotonou Partnership Agreement. Today relations have advanced and are very much driven by mutual interests in the economic and social development of the country as well as the will to promote a common political agenda of human rights, democracy and peace in the country and the region.

The current government faces as one of its main challenges the continuation of the reform process, and the further implementation of the 2010 Constitution. Strengthening government institutions, enhancing their accountability as well as the fight against impunity – notably in relation to corruption - are important agenda items. The devolution process is a key element in this process as it aims to bring the government closer to the people. Police and land reform as well as continued reform of the judiciary are other main areas to be addressed.

Kenya is also facing periodic refugee crisis situations fuelled by conflict in neighbouring countries some of them leading to semi-permanent large refugee camps such as Dadaab on the Somalia border.

The main long term policy document guiding the development of Kenya is Vision 2030, a national development blue-print to create a globally competitive and prosperous nation transforming Kenya into a middle-income country providing a high quality of life to all its citizens by 2030 in a clean and secure environment. This vision is anchored on three key pillars: economic, social and political governance.

The Second Medium Term Plan 2013-2017[1] (MTP II) for the implementation of Vision 2030 contains concrete objectives to be achieved over this period in the various sectors.

Kenya is the leading economy in the region and has the potential to become a middle income country. Dependency on aid is limited in part due to a taxation rate of above 20% of GDP which is one of the highest rates in Sub-Saharan Africa. However progress towards the Millennium Development Goals remains a challenge. High youth unemployment and socio-economic and regional inequalities are also important challenges. In addition, the country faces growing environmental problems such as soil erosion, deforestation, water pollution, and desertification. Global environmental concerns such as climate change and loss of biodiversity aggravate the situation.

[1] Pathway to Devolution, Socio-Economic Development, Equity and National Unity

Kenya is a key regional partner for the EU. The EU works with Kenya to secure peace in Somalia, and to enhance maritime security. The Regional Maritime Capacity Building Mission in the Horn of Africa and the Western Indian Ocean EUCAP Nestor as well the EU support to African Union Mission in Somalia (AMISOM) and its comprehensive strategy towards the Horn of Africa provide the framework for this cooperation.

The EU is a very important trade partner for Kenya (31% of imports, 26% of exports). The conclusion of the Economic Partnership Agreement (EPA) is regarded as important by Kenya notably in view of the importance of its exports to the EU for its economy.

EU development partners have embarked on Joint Programming in Kenya. In 2013, the EU Delegation together with 8 Member States (Germany, France, the Netherlands, the UK, Denmark, Sweden, Italy and Finland) carried out a mapping of the development sectors it intends to cover over the next implementation cycle (MTP 2). All EU Member States represented in Kenya endorsed at HoMs level in December 2013 guiding principles on joint programming related in particular to the division of labour, the use of country systems, joint monitoring and joint evaluation. This Joint Programming initiative aims to lead as a final output to a Joint EU assistance response to the second Medium Term Plan 2013-2017. In the meantime, the EU Member States and the EU Delegation will jointly explore the potential for joint analysis, joint programming and joint implementation modalities in the form of Task Teams designed to cover the following sectors: i. Agriculture and Resilience, ii. Energy, Infrastructure (incl. Transport), iii. Election, Justice and Democratic Governance joined with Devolution, iv. Environment and Climate change, v. Water & Sanitation, vi. Health and vii. Gender.

The EU response and National Indicative Programme may be complemented by operations financed by the EIB from the Cotonou Investment Facility and/or its own resources. Synergies and complementarities will be sought both in the focal sectors of the EU and in other sectors.

1.2 Choice of sectors

The focal sectors addressed by the NIP have been identified in consistency and complementarity with the support that the country will be able to receive under the Regional Indicative Programme (RIP) for Eastern Africa, Southern Africa and the Indian Ocean (EA-SA-IO). The main objective of which is to support peace and stability, trade and regional economic integration, including infrastructures, and natural resources management, as to address the needs arising from future EPA implementation in a holistic way. Individual Member States of Regional Organisations may receive direct financing from the RIP for projects with a regional dimension based on the regional policies and strategies of their reference Regional Organisation. The National Indicative Programme of Kenya will contribute to promote regional cooperation and integration in the EA-SA-IO region; moreover it will complement support to the EPA process at regional level by addressing the challenges the country is facing in Food Security, Energy and Transport and Governance sectors at national level.

The choice of sectors is based on the Government of Kenya priorities as elaborated in the Vision 2030's MTP II, the EU Agenda for Change and the Division of Labour (DoL) among donors as proposed by the Aid Effectiveness Group (AEG). It was also endorsed by the Civil Society Organisations (CSOs) gathered (80 in total, including Local Authorities networks) at a consultation meeting held by the EU Delegation in September 2013.

The selected sectors correspond to the MTP II sectors and cover the Enablers/Foundations for National Transformation of Vision 2030 and its three pillars (a) The Economic Pillar, (b) The Political Pillar (c) Social Pillar. Cross cutting issues including Gender, Environment & Climate Change, and Resilience, will be taken into account in individual programmes at the identification and formulation stages. The potential of Information and Communication Technologies (ICT) in providing or facilitating viable solutions will also be exploited.

The Evaluation of the European Union's Co-operation with Kenya for the period 2006 – 2012 highlights the importance to improve the availability of quality data and the quality of Monitoring and Evaluation systems. These issues will receive particular attention and will be improved by the individual programmes. The evaluation also stresses that the EU in the Kenya country context of fragmented project aid and relatively week donor coordination adopted a pragmatic approach. It recommends that future focus of EU assistance should be in areas where it has built up comparative advantage and should be in line with government's priorities. The evaluation recommendations explicitly support the choice of focal sectors as indicated below.

Focal Sector 1: Food security and resilience to climatic shocks with focus on ASAL (MTP II Sectors Agriculture, Livestock and Fisheries, Environment, Water and Sanitation and ASAL)

Food security and resilience are key priorities in MTP II. The EU has substantial experience in the sector and is one of the major donors. It fits within Agenda for Change priorities, and the sector is relatively well organised lending itself to the implementation of large efficient programmes in collaboration with other players in the sector including donors and the private sector.

Country Strategy and policies: Kenya Vision 2030 identifies agriculture as one of the key economic sectors expected to drive the economy. Major challenges to this include: A predominantly rain-fed agriculture, climate change affecting more severely the Arid and Semi-Arid lands (ASAL) which also have some of the highest levels of poverty incidence and, population pressure leading to spontaneous settlements in ASALs and further land degradation. High on the agenda for expanded production and increased productivity is access to agricultural inputs and irrigation. Priorities of Agricultural Sector Development Strategy (ASDS) 2010-2020 are in line with Vision 2030. Assuming a conducive environment, the agricultural sector has set the following targets by 2015: (i) reduced number of people living below absolute poverty lines to less than 25%, to achieve the first MDG; (ii) reduced food insecurity by 30% to surpass the MDGs; (iii) increased contribution of agriculture to GDP by more than KES 80 billion per year as set out in Vision 2030; (iv) divest from all state corporations handling production, processing and marketing that can be better done by the private sector; and (v) reformed and streamlined agricultural services such as in research, extension, training and regulatory institutions to make them effective and efficient. Given the holistic approach envisaged in addressing resilience also issues of water and ecosystems will need to be factored in. In addition, as Kenya's economy is natural resource based, these objectives can only be achieved with rehabilitation of watersheds that provide the economy with critical ecosystem services. With fast diminishing high and medium potential areas the ASALs are the last frontier of agricultural development in Kenya. The ASAL policy "Releasing our full potential" aims at integrating ASAL in the national economy, building the resilience of its population to future climatic shocks including climate proof infrastructure, developing alternative approaches to service delivery, governance and public administration that will accommodate the specific realities of the ASAL and finally mobilising the resources necessary to reduce inequality. Measures to improve agricultural output should emphasise sustainable land management techniques, including agro-forestry and other measures for the sustainable management of natural resources. The policy is people-centred by recognising the need to develop a community approach and the need to cater for the pastoral way of life in providing adapted solutions in terms of governance, growth and access to social services. The policy was developed from the finding of the post crisis need assessment that was made by the World Bank in 2010.

Rural Poverty: Nearly half (47%) of Kenya's rural population is living below the poverty line and unable to meet its nutritional requirements. High levels of rural poverty persist because of the high population growth rate, small landholdings, frequent droughts, large rural income disparities, and strong linkages between poverty and environmental degradation particularly poor water management, soil erosion and declining fertility. The majority of the poor are living in the medium-high potential areas that cover about 16% of the country. Food security continues to be a major concern with an estimated 3.8 million or 47% people in rural areas either highly or extremely food insecure. On nutrition, official data indicate that 33% of children under five years of age are stunted, and that 20% of all children are underweight. Very little progress has been made in combating chronic malnutrition. The agriculture sector remains the backbone of the economy, although its share in the GDP has declined from nearly 40% in the 1970s, to about 28% in 2011. About 80% of people working in agriculture are smallholders, who use low quantities of modern inputs, employ inappropriate practices that lead to soil degradation, have limited access to technical and financial services, have significant post-harvest losses, selling mostly at farm gate at low prices. Women contribute

80% of all labour in food production and 50% in cash crop production, it is estimated that over 40% of smallholder farms are managed by women as men increasingly migrate for non-agricultural labour. Female-headed households have lower income and higher poverty incidences and to a less extent land owners. Youth form 30% of the population and 60% of the total labour force. The majority is unemployed and resource poor to start their own business. The ASALs have the lowest development indicators and the highest incidence of poverty with an increasing larger percentage of the population falling out of the agro-pastoralist system becoming reliant on social transfer and remittance from urban population in the absence of alternative source of livelihood.

Devolution: The new 2010 Constitution brings about fundamental changes to the way Kenya is governed notably through devolution of responsibility from central government to the new counties government. This is particularly relevant for the implementation of the health care primary services including nutrition and for the implementation of the agriculture and ASAL policies whereby the County Governments have now the responsibility (Kenya Gazette Supplement N° 116 - 9 August 2013) to regulate, implement and deliver services encompassing crop, livestock and fisheries as well as disaster risk reduction investments and land conflict resolution. The Ministry's functions, as per Executive Order N°2 of 20 May 2013, are now focused on broad ranging policy formulation, standards setting and oversight to evaluate conformity of counties' implementation with national policies and strategies.

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Responding to continental strategies: Sector interventions in Kenya will also have to be coherent with the continental strategies, particularly: the ending drought emergencies strategies developed by IGAD and the food security strategies developed by the African Union under the NEPAD.

Lessons learnt from past interventions show there is a strong relationship between resilience building and other aspect of development. Past failure to manage risks had consequences in various areas, including livelihood and environmental sustainability, health and nutritional status, educational opportunity, social development, political stability, inequality, and economic growth. Effective actions in all these sectors are essential to bring sound resilience together with a paradigm shift in the way governments, development partners and NGOs do business.

A common programme framework needs to be developed to operationalise the policies dealing with food security and disaster mitigation measures and for a more effective implementation and to avoid duplication and overlaps. Environment conservation and an effective natural resource management is crucial in this regard.

Focal Sector 2: Sustainable Infrastructure ***(MTP II Sector - Infrastructure)***

Infrastructure is one of the foundations of Kenya's Vision 2030 and energy and transport are key drivers for the realisation of the Vision's three pillars: economic, social, and political. This is in line with the EU Agenda for Change to support an inclusive and sustainable growth for human development necessary to achieve the primary objective of eradicating poverty. Modern and efficient infrastructure facilities are required to support the expansion of Kenya's productive sectors and to alleviate poverty. The inadequate investment in infrastructure development and maintenance is recognised as one of the main contributors to the high cost of doing business, undermining competitiveness and adversely affecting trade and regional integration. It also increases the cost of providing social services and curtails access to markets, in particular to the remote parts of the country.

Kenya has a multi-modal transport infrastructure system comprising roads, railways, maritime, oil pipeline and air transport networks. At present, roads remain the dominant transport mode in Kenya, accounting for 93% in terms of volume for both domestic freight and passenger traffic, the former of particular importance given the country's role as East Africa's main logistics hub. Despite a significant increase in development and maintenance financing in recent years as well as a number of improvements to the institutional framework, a number of challenges remain to be addressed. These include: inadequate funding for development and maintenance of key infrastructure, poor quality of transport services, inappropriate modal split, weak adherence to environment requirements, lack of urban transport policy, and institutional deficiencies. Furthermore, the transport sector is a major contributor to greenhouse gas emissions, it generates air and noise pollution and is a key consumer of energy. According to Kenya's National Climate Change Action Plan, if nothing is done, greenhouse gases emissions from the transport sector are projected to grow significantly from $6MtCO_2$ in 2010 to almost $18MtCO_2$ in 2030. Finally, the road sector has a poor safety record with 10 deaths recorded per 100,000 persons each year.

Kenya's power system consists of the national grid and several mini-grids serving areas located far from the national grid. Yet, only about 29% of households in Kenya have access to grid electricity and over 68% of people in Kenya still rely on traditional biomass for cooking and heating. The connection rate is around 15% in the rural areas. Kenya lags behind its economic peers in household electrification and per capita energy leading to unequal accessibility of energy services. Vulnerability of energy supplies and dependence on imported fuels, traditional biomass and hydro power leaves Kenya prone to price volatility, supply instability and interruptions in dry periods which cause physical hardship and economic burden. Inadequate, low quality and highly priced energy supply contribute significantly to the prevailing high cost of doing business in the country. As such the two main challenges concern inadequate electricity generation that in turn is too expensive. A number of strategies have been put in place in the country as part of ongoing efforts to improve access to modern energy services, increase generation capacity, strengthen transmission and distribution systems, as well as improve energy security. The sustainable growth will require the promotion of renewable energy, energy conservation, energy efficiency and energy substitution programmes for households, industry and the transport sectors. Given the significant proportion of rural populations for whom biomass (predominantly fuel wood) still represents the main energy source, the promotion of sustainable use of fuel wood and improving the energy-efficiency of wood-burning stoves is critical. The sustainable management of forest resources also complements objectives under sector 1) Food security, as well as mitigates against climate change and reduces land degradation.

In order to address the infrastructure challenges, MTP II focuses on sustaining and expanding Kenya's physical infrastructure to ensure that it can support a rapidly-growing economy. This includes upgrading the national transport framework at both national and regional level, expanding the capacity of the road network and improving its condition, increasing the capacity of ports and improving their efficiency, reducing congestion in the main urban areas. MTP II also focuses on modernising the energy infrastructure network, increasing installed capacity for electricity generation, increasing the share of energy generated from renewable energy sources, and providing access to energy that is affordable and reliable to businesses and homes.

The major investments in energy and transport will only lead to sustainable social and economic development if the negative impacts on the environment are mitigated and green growth policies are mainstreamed. Furthermore, the investments in infrastructure are only sustainable if an adequate maintenance and effective axle load control regime are institutionalised. The evaluation of the EU Kenya Cooperation further recommends that the future support strategy should continue to address the challenges regarding sustainable improvements in road maintenance as well as support to key institutional reforms through a good policy dialogue. At county level, support to rural roads would provide good opportunities to enhance internal coherence and to create synergies between various sector level activities supported by the EU.

Focal Sector 3: Accountability of Public Institutions *(MTP II Sector* - Governance and the Rule of Law*)*

The Constitution adopted in 2010 by referendum raised great expectations in the Kenyan public that governance in the country would dramatically change for the better. The large majority of Kenyans (66.9%) who voted for this text hoped that public decision-making would become more accessible through devolution, thus leading to increased accountability, improved service delivery and more equitable distribution of public resources across the country. There was also strong consensus among Kenyans for the extensive provisions of the Constitution on transparency, representation of the people of Kenya in its diversity, and effective checks and balances applying to all arms of the State. This setup was seen as a powerful instrument to break free from a past of strong centralised government ruling at the regional and local levels, and more recent elections marred by intercommunity violence along ethnic fault lines.

It has been now more than 3 years since the passage of the Constitution. The legislative calendar planned in the Constitution for implementation (5^{th} Schedule) has been by and large upheld. However, the most ambitious reform agenda enshrined in the Constitution, devolution, though on-going, is to date partly implemented as some of the key functions of the Counties such as health and agriculture are still mostly financed by the central institutions in Nairobi. Other key reforms of the Constitution have recently encountered setbacks (oversight and vetting of the Police, independence of the Judiciary) while some have been put on hold until further notice (1/3 gender clause at Parliament).

In this context, the perception of governance by Kenyans has hardly changed over the last years. According to a recent survey by the Ethics and Anti-Corruption Commission (EACC), 67.7% of the respondents consider corruption to remain high in Kenya. 67.6% of them argue that the level of corruption is unchanged or even increasing in Kenya. With regards to justice, while 77% of Kenyans were aware of the existence of courts in the country, less than half of them (46.2%) agreed that they could easily defend their rights in court. In the same baseline study on governance in Kenya (2012), only 24.7% of the public understood how devolution would work and about 29% stated that they understood the county structures. All these issues can become even more challenging when combined to the emerging disputes on the benefits of extractive industries (Turkana, Coast). Kenya's EITI (Extractive Industries Transparency

Initiative) membership would go a long way in enhancing the transparency on re-distribution of the fiscal benefits of extractive industries in the country.

There is also a general sentiment at the moment in Kenya that the Constitution has not yet delivered on its promise to fight impunity in Kenya, as illustrated by the lack of follow-up following the release of the report of the Truth, Justice and Reconciliation Commission (TJRC) in May 2013 on past cases of human rights violations, corruption and land grabbing. The possible establishment of an International Crime Division (ICD) at the High Court of Kenya will be another important measure in the development of national capacities for the fight against impunity, especially if it is done in accordance with the principles laid out in the EU Joint Staff Working Document on Advancing the Principle of Complementarity - Bridging the gap between international & national justice[2].

Governance finds itself now at a crossroads in Kenya. The 2010 Constitution has raised expectations on the concrete benefits of democracy for all citizens of Kenya. The government at central and decentralised level will need to demonstrate that these benefits are realised. Continued reforms are needed so that public institutions operate efficiently and transparently and effectively implement public policies in Kenya.

Further strengthening accountability mechanisms in line with the new Constitution will assist the government realising its objectives in this regard. The Constitution provides indeed for accountability mechanisms:

In intergovernmental relations between central and county level, but also between county authorities and the local communities;
In the form of a more effective justice sector, ensuring that all rights recognised by the Bill of Rights can be equally upheld for all Kenyan citizens, irrespective of their social, religious or ethnic background;
Every 5 years during general elections, as managed by the Independent Electoral and Boundaries Commission.

The European Union will support all three conduits for the increased accountability of public institutions in Kenya, relying also on civil society organisations to strengthen the demand side of governance, especially with regards to legal aid services. This support will be consistent with the Constitution of Kenya but also with the second national Medium Term Plan (MTP II). Election assistance and devolution reforms feature in the Foundations for National Transformation (Chapter 2) but also in the Political Pillar of MTP II (Chapter 6). In that respect, the recommendations of the EU Election Observation Mission of 2014 provide a valuable basis for the improvement of the electoral process. Progress in their implementation should be closely monitored and supported through political dialogue and/or technical assistance. Finally, strengthening of the justice sector pertains to several flagship programmes of the Political Pillar of MTP II.

On specific areas, the following lessons were learnt from past interventions:

Governance: past support in this area lacked a comprehensive strategy and was too scattered and limited in scope. It was also hampered by the limited institutionalized dialogue and

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[2] http://eeas.europa.eu/human_rights/icc/docs/joint_staff_en.pdf

information exchange between NSAs (which mostly benefitted from the EU governance programmes) and the national government. This is said, through the 09th and 10th EDF Governance interventions there has been a consistent involvement in 'Access to Justice' that needs further consolidation under the 11th EDF with an expansion of scope and resources to allow some tangible impact in this area.

The radical Electoral reforms that took place with the adoption of the Constitution and the experience of the 2013 Elections call for a consolidation of the gains obtained in this democratic exercise, with a specific need to further build the capacity of the Electoral Commission to ensure it delivers its mandate with the confidence of the public, critical safeguards for future credible and peaceful Elections.

PFM reforms can only be effective if led by the GoK and if they get high level political support. Past support was not as successful as expected because there was lack of drive from GoK

2 Financial overview

Sector	Indicative Amount (in M€)	Indicative % of total
Sector 1 - Food Security and Resilience to climate shocks	190	*44*
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Sector 3 - Accountability of public institutions	60	*14*
Support measures (incl._NAO support)	10	*2*
Total	435	100

3 EU support per sector

3.1 Food Security and Resilience to climate shocks (EUR 190 million)

3.1.1 The overall and specific objectives:

Overall objective: Food security of the rural population and their resilience to future climatic shocks is sustainably improved.

Specific objective: Institutions and stakeholders in the agriculture sector are able to develop, adjust and implement Disaster Risk Reduction strategies involving a multisectoral approach to nutrition, agriculture productivity integrating market linkages, diversification of livelihood sources as well as supporting climate proof investments at community and at county levels.

In order to achieve substantial impact by 2020, the interventions under the three results below will have to address Government priorities and key issues underlined in recent evaluations.
Identification of the interventions will also take into consideration the continental strategies such as the Continental Programme for a Sustainable Development of Livestock for Livelihoods in Africa, the Africa Fishery Governance programme and others.

3.1.2 The main expected results:

Result 1: Food security and nutrition of the most vulnerable part of the population and their resilience to climatic shocks are improved.

Food security interventions need to address with an integrated approach nutritional challenges affecting the most vulnerable. This includes promoting production and access to high nutritional value food and fortification and strengthening of systems to effectively deliver nutrition interventions in line with the Scaling Up Nutrition principles. The nutrition activities would encompass high impact nutrition interventions as defined in the National Nutrition Action Plan and nutrition-sensitive activities in agriculture and education. It is also necessary to invest in climate proof community infrastructure in view of future periods of drought as well as in early emergency response mechanisms in order to mobilise humanitarian aid only when peak crisis occur

Result 2: Productive climate resilient agriculture and community investments to safeguard productivity against climatic shocks supported.

In order to increase agricultural output at national level it will be necessary to transform the agricultural model of a significant number of small holder farmers from subsistence farming to farming as a business. Support could build upon the EU's current experience in the promotion of strategic value chains (including those for sorghum, maize, pulses, cassava, livestock, poultry, and fisheries) which have had proven impact on the food security situation at national level. Interventions should adopt a comprehensive approach; this includes improved agricultural practices, notably those that are climate resilient, a complete range of financial services as well as E-services to farmers. Integrating the youth and women farmers will also be a priority in order to respond to the aging famers/pastoralist population, unemployment and above all the need to empower women. Supporting research for promising yielding/climate resilient agro technologies is also critical as demonstrated by the success of EU investment in past in research on climate proof insurance, drought adapted plants and farming practices.

Result 3: A conducive environment for long-term food security, rural growth economy and resilience building supported.
It will be important to address the needs of counties for climate proof infrastructure which will bridge the climate proof infrastructure developed by communities and those developed by the national government.
It is also important to conserve critical watersheds to maintain continued provision of critical ecosystem services benefiting communities adjacent to the watersheds and beneficiaries further afield. In addition, counties are indicating the lack of peace and security as a limiting factor for their inclusive development and therefore interventions on land governance would need to be expanded. Finally, in view of increased division of labour and synergy with government programmes, coordination at all levels will have to be strengthened.

The 11th EDF should also be an opportunity for leveraging investments from Government, other development partners and private sector in an effective Community Public Private Partnership approach. The identification of new programmes will identify the responsibility of each of these actors and will ensure that implementation mechanisms strengthen their respective capacities.

3.1.3 The main indicators:

The main indicators for measuring the aforementioned results are contained in the sector intervention framework attached in Annex.

3.1.4 Donor coordination and policy dialogue

Donor coordination and policy dialogue are in place and active at the level of agriculture sector, environment, ASAL and food security and nutrition. Government and donors are now jointly engaging into the formulation of common programmatic frameworks in order to first align programmes along the MTPII pillars and at term to develop joint programme for donors procedures permitting. The completion of those common programmatic frameworks will represent a pragmatic way forward in increasing donor coordination.

The EU is currently the chair of the ASAL coordination donors' group and the co-chair of the agriculture sector coordination. The EU is also chairing the Forest Sector Group and in addition is the Scaling Up Nutrition (SUN) donor convenor.

3.1.5 The Government's financial and policy commitments

The Government of Kenya is committed to its policy and financial commitments, including not losing effectiveness in achieving sectors' objectives in implementing devolution. The need to develop operation policies at county level and to re-enforce a coherent monitoring and evaluation system will be high on the agenda during the years to come including addressing cross cutting issues. Kenya aims at being a medium income country with substantial budgets are allocated to recurrent expenditures (year 2013/2014 about EUR 100 million for agriculture, EUR 5 million for the National Drought Management Authority). Hence the 11th EDF would focus on investment cost and targeted capacity building measures.

3.1.6 Environmental Assessment

Any programme or project identified under this focal sector will be subject to the environmental screening according to the procedure indicated in the Guidelines for Integration of Environment and Climate Change in EU Development Cooperation in coordination with the Government and other donors active in the sector.

3.1.7 The overall risk assessment of the sector intervention:

i. Occurrence of a major drought disaster and/or other climate-related events such as extreme flooding prior to a common programmatic framework being in place.
ii. Disparity in budgets and allocations compromising the funding of public service.
iii. The politicisation of the devolution process and the risk on targeting non disaster risk reduction investments.
iv. Dynamic of high population growth.

These risks will be mitigated by increased sector dialogue with line ministries at the political level.

3.2 *Sustainable Infrastructure (EUR 175 million)*

3.2.1 The overall and specific objectives:

Overall Objective: Contribute to poverty reduction and accelerated and inclusive economic growth through more sustainable and efficient energy and transport sectors

Specific Objective 1: Develop more efficient and environmentally friendly energy services that are accessible to all

Specific Objective 2: Develop a more efficient and safe transport system for increased productivity and reduced negative environmental impact

These objectives shall be pursued through the development of a green investment policy framework with a view to improve coherence between climate and investment policies. Integrating climate and investment policies in a unique framework can help these different policy communities work together to achieve the common goal of low-carbon, climate-resilient development and greener growth

3.2.2 The main expected results:

Specific Objective 1

Result 1: Increased access to modern and sustainable energy services

Increased access includes increasing the capacity of the electricity sector through development of the country's generation, transmission and distribution capacity as well as decentralised off-grid systems. It also includes developing solutions for clean lighting and cooking at household level.

Result 2: Increased production of renewable energy in the country

Increased production of renewable energy entails primarily developing new solar and wind sources in the country and may entail limited support to the development of geothermal and small hydro sources as well as the promotion of a more sustainable use of biomass through sustainable natural resource management. This will also include the design and implementation of incentives to promote private sector investments in renewable energy generation.

Result 3: Improved energy efficiency

Increased energy efficiency entails developing and promoting energy conservation and efficiency programmes for households (cooking and lighting), industry (food processing, textile, paper, tea) and the transport sector. Initiatives to be preceded by energy audits may include credit facilities for energy efficiency improvement, training, information exchange, technology transfer and support to development of policies and regulations.

Specific Objective 2

Result 4: Increased access to and efficiency of transport services and reduced transport cost for passengers and goods

Improvements to the quality and cost of transport services requires investments in infrastructure to develop and maintain the transport network (e.g. roads, ports, facilities for public transport and non-motorised traffic, intermodality), strengthening of the institutional and regulatory framework to promote most efficient modes in terms of cost and time as well as reduction of non-tariff barriers.

Result 5: Reduced environmental impact of the transport sector
A reduction of the environmental impact requires interventions that reduce unnecessary travel, shift travel to more efficient transport modes and promote technological improvements to reduce the negative environmental impact of motorised modes.

Result 6: Increased road safety

Increased road safety will require investments to increase the safety of the road network (segregation of motorised and non-motorised traffic, redesign of unsafe locations) complemented with activities targeting an improvement of knowledge and enforcement of traffic regulations.

The preferred mode of financing the projects shall be blending of EU grants with loans from European financial institutions including the European Investment Bank (EIB). The identification of other potential financial partners and the negotiation with them will start during the project identification stage. Furthermore, given the large demand for investments in the energy and transport sectors, opportunities for the involvement of the private sector through public-private-partnerships (PPP)will be pursued.

In particular for the transport sector, a key objective will be to ensure full complementarity between the initiatives foreseen under the national programme with those foreseen under the regional programme.

3.2.3 The main indicators:

The main indicators for measuring the aforementioned results are contained in the sector intervention framework attached in Annex.

3.2.4 Donor coordination and policy dialogue

In energy sector, donor coordination is led by the Ministry of Energy and Petroleum. Co-chairs of the Donor coordination group are currently World Bank and Japan International Cooperation Agency (JICA). Further, 14 donors are active in the sector which demonstrates the high level of support. Out of these, 51% are active in generation, 27% in transmission and 10% in distribution. The project financing comprises of 86% loans and 14% loans/grants. Policy dialogue and priority areas have mainly focused on the need for capacity development in the sector, creation of an enabling environment for private sector involvement as well as increasing access to energy.

The Roads and Transport Sector Donor Group is currently chaired by JICA on a 2 year rotational basis. The EU is scheduled to take the chair from the middle of 2014. The Group actively participated in the Government's 2008 road sector reform by supporting the development of sector specific policies, strategies, institutional frameworks, as well as the road sector investment plans.

More recently, the group's contacts with the Government have been less frequent. Moving forward the Group needs to identify how to reinvigorate its working relationship with the Ministry of Transport and Infrastructure as well as possibly with other Ministries and institutions directly concerned by the envisaged programmes (Nairobi City County, Ministry of Land, Housing and Urban Development etc.).

3.2.5 The Government's financial and policy commitments

The Government's financial and policy commitments are elaborated in the second Medium Term Plan (MTP II). Specifically, and relevant to the possible interventions under the 11th EDF:

- In the energy sector, the Government is committed to improve the infrastructure network and promote the development and use of renewable energy sources to create a reliable, adequate and cost effective energy supply regime. The financial commitments include the construction of 24 MW Hydropower, 1,646 MW Geothermal Resources, 630 MW Windpower as well as 18 MW co-generation.
- The Government will increase access to electricity through upgrading and expansion of the national power transmission and distribution network to improve supply and reliability, reduce losses and connect two million new customers by 2017. The Rural Electrification Authority (REA) will continue implementing the Rural Electrification Programme countrywide which targets to connect 6,304 public facilities.
- In terms of policy, the Government will continue to regularly review its policy on Feed in Tariffs and amend as necessary the 2nd and latest version of December 2012. It will also provide a regulatory framework to enhance independent system operators; as well as finalise and enact the Energy Bill.
- In the transport sector, the Government will implement a Roads expansion Programme aimed at enhancing domestic and regional trade through upgrading of the national and county roads network. The Government is committed to finance the construction and rehabilitation of approximately 5,500 km of roads and the construction of approximately 1,700 km pedestrian and cycling facilities for Non-Motorized Transport (NMT).
- In terms of climate change actions, the Government's National Climate Change Action Plan (NCCAP) foresees the development of Mass Transport Transit Systems in major cities including an extensive mass transit system for Greater Nairobi. This will be in the form of bus rapid transit corridors complemented by light rail transit and non-motorised transport infrastructure such as bicycle lanes and sidewalks. These measures could abate about 2.8 Mt Co2e in 2030.
- In terms of policy, the Government will review and implement the Integrated National Transport policy and develop and implement a 50 Year Transport Master Plan. Government will also finalise and enact the Roads Subsector Policy and Kenya Roads Bill 2013; establish a Nairobi Metropolitan Transport Authority, as well as develop and implement a National Road Safety Programme.

3.2.6 Environmental assessment

The Government will conduct environmental assessments as an integral part of all stages of the project development so as to comply with the legal requirements of the National Environmental Management Authority (NEMA). They will also address relevant climate-change adaptation concerns and include preliminary climate risks assessments as and when relevant.

3.2.7 The overall risk assessment of the sector intervention:

1) Lack of political will to implement institutional and policy reforms to strengthen sector context - This risk will be mitigated through a continued and where possible intensified policy dialogue at the different levels of Government. The dialogue must be coordinated with the key development partners in the sectors and possibly linking the size of investments to the achievement of key milestones by the Government.
2) Limited uptake of funds due to delays in implementation of programmes particularly where co-funding and/or blending are pursued as these increase the complexity of the programmes being implemented. - This risk can be mitigated through provision of adequate funding for project identification and preparation as well as consultation of key partners at an early stage of the project cycle.
3) In the case of blending loans/grants: a limited number of bankable projects ready for financing or a limited number of financial partners interested in the identified projects. - This risk can be mitigated through the provision of dedicated funds to identify and develop bankable projects. .
4) Climate change presents risks to infrastructure assets which include damage or destruction from extreme events, which climate change may exacerbate, changes in patterns of water availability, as well as effects of higher temperatures on operating costs. These risks can be mitigated through the update of infrastructure design standards to ensure that future infrastructure capital is resilient to anticipated climate change and extreme events, and strengthening of the maintenance and repair regimes.

3.3 *Accountability of public institutions (EUR 60 million)*

3.3.1 The overall and specific objectives:

Overall objective: enhance the accountability of public institutions in the delivery of their constitutional mandate

Specific objectives:

Support increased equity in access to and delivery of justice

Support more transparent management of public funds at central and county level

Support elections that are credible and fully compliant with the Constitution

3.3.2 The main expected results:

1) The justice system is made available to a greater diversity of Kenyans

2) Public funds are better monitored and accounted for at all levels of governance

3) The 2017 elections represent further improvement in terms of preparation of the elections, polling operations and compliance with the Constitution

Result 1 relates directly to Legal Aid and Awareness, Judicial Transformation and strengthening of the criminal justice system, which are three of the six flagship projects of the Governance and Rule of Law component of the Political Pillar of MTP II for the period 2013-2017. Moreover, Access to Justice is emphasised as a key legal and policy reform in the same component of MTP II. It is also aligned to the first pillar of the sector strategy, the Judiciary Transformation Framework (2012 – 2016) on a "people-centred delivery of justice".

Result 2 ties in to Public Financial Management Reforms and Devolution, which are identified as priority areas in MTP II. This result addresses five flagship projects of the Devolution component of the political pillar of MTP II. This result also pertains for four themes of the Strategy for Public Finance Management Reforms in Kenya (2013 – 2018) on Budget Execution, Accounting/Reporting, Audit and Oversight and Fiscal decentralisation. In addition to assisting the central government, devolution support will also need to take into account the needs expressed by subnational levels of government represented by the Council of Governors and possibly by associations of local authorities.

Result 3 caters for Electoral and Political Processes, which is one of the programmes of the Governance and Rule of Law component of the Political Pillar of MTP II. In the Implementation Matrix of MTP II, national cohesion is mentioned as one of the Strategic Objectives of the Governance and Rule of Law component of the Political Pillar.

3.3.3 The main indicators:

The main indicators for measuring the aforementioned results are contained in the sector intervention framework attached in Annex.

3.3.4 Donor coordination and policy dialogue

Donor coordination takes place in the framework of the Donor Group on Democracy and Governance (DGDG). The Government and public institutions take part in the DGDG technical groups on elections, devolution and public financial management sector group meetings.

The EU is at present lead donor with DANIDA in public financial management. This position entails the holding and chairing of sector group meetings, consultation with government institutions on current reforms, and preparation of sector contributions to the bi-annual Development Partnership Forum.

The main policy areas in the governance sector to be addressed by development partners in the near future are 1) devolution and 2) support to the judiciary. Public financial management and election support rank lower in terms of ODA commitments. With regards to justice, the largest development partner now is the World Bank, who will finance court infrastructure. GIZ, a major donor in the past, is reducing its interventions. In the PFM area, plans for donor support are still unclear, as GIZ and AfDB are withdrawing, while Sweden and DANIDA are to announce their future governance interventions. Regarding election support, only the UK and Canada have pledged so far support for 2017

The next step for increased donor harmonisation and ownership by the government is the progressive alignment of the DGDG architecture with the relevant MTEF sector working groups. Joint programming for the implementation of the Judiciary Transformation Framework, of the Strategy for Public Finance Management Reforms in Kenya and of the future Capacity Building Strategy of Government on devolution also seems achievable in the near future.

3.3.5 The Government's financial and policy commitments

Objective 1: Support increased equity in access to and delivery of justice

The government under MTP II (Political Pillar – Implementation Matrix) has earmarked KES 155,575 million (EUR 1,349 million) for the Justice Sector until 2018, integrating the World Bank project on support to the Judiciary of almost EUR 89 million. This medium-term forecast seems ambitious, given that the justice sector (Public Prosecutor + Judiciary + Department of Justice) is to receive a total of KES 38,819 million or EUR 336 million until 2016 according to the Programme-Based Budget.
Two prerequisites are needed on the government's side for progress on this objective: the enactment of the Legal Aid bill and its implementation through relative regulations, and the institutionalisation of the National Council for the Administration of Justice,

Objective 2: Support more transparent management of public funds at central and county level

According to its 2013-2014 Programme-Based Budget, the government plans for a total of KES 54,021 million (EUR 467 million) for public financial management in the period 2013 – 2016. 75% of the amount is to be funded by the government, while the rest (mostly capital expenditure) is expected to be provided by development partners.
The budget for the implementation of the Strategy for PFM Reforms in Kenya equals KES 20,295 million (EUR 176 million) in the period 2013 – 2018. According to the Implementation Matrix of MTP II (Political Pillar), capacity building of county governments is expected to cost a total of KES 50,700 million (EUR 439 million) over the same years. Funding for these two items is to be covered by both the government and development partners.
The main sector measure pending is the operationalisation of the PFM Reform Strategy through the establishment of an implementation unit within Treasury.

Objective 3: Support issue-based and credible elections

Allocations to the Independent Electoral and Boundaries Commission (IEBC) (government and Appropriation-in-Aid combined) amount to an aggregate figure of KES 11,669 million between 2013 and 2016 (EUR 101 million). This needs to be compared to the last allocation to the IEBC during an election year (FY 2012/2013), which was KES 24,900 billion (EUR 216 million). It is therefore expected that government funding of the 2017 elections will significantly increase over FY 2016/2017.

A comprehensive review of the legislative framework related to elections is to be carried out by the government (Department of Justice) and the IEBC, not least to guarantee that the 1/3 gender clause be complied with in all elected positions in 2017. Clear decisions by the government and the IEBC on procedures for voter registration and verification, result transmission and tallying will also need to be taken at a very early phase of the electoral cycle to prevent any repeat of the challenges observed in 2013.

3.3.6 Environmental assessment:

Any programme or project identified under this focal sector will be subject to the environmental screening according to the procedure indicated in the Guidelines for Integration of Environment and Climate Change in EU Development Cooperation. If an environmental assessment is not necessary, the application of the screening questionnaire will nevertheless provide an indication of environmental and climate change aspects that will have to be taken into account during the formulation phase.

3.3.7 The overall risk assessment of the sector intervention:

Major risks:

1) No adoption or implementation of the national legal aid bill

Mitigation measure: provide support to legal aid policies on the grounds of the Constitution which sets Access to Justice as a right and engage with GoK in order to have the national legal aid bill adopted and implemented.

2) No effective implementation of the PFM Reform Strategy

Mitigation measure: Maintain active participation in PFM Sector Working Group (with GoK) in order to ensure the implementation of key PFM reforms.

3) Improvement of the legislative framework on elections stalled at the Parliament

Mitigation measure: support the existing legal framework which offers the minimum guarantees for Elections preparedness including for pre and post-election dispute and engage with GoK in order to have provisions on party conduct (financing) and gender equality implemented.

4 Measures in favour of civil society

There will be no specific allocation for civil society support. However, civil society organisations will be among the potential implementing partners and beneficiaries of the activities of the sectors on "Food Security and Resilience" and "Accountability of Public Institutions".

B-allocation

No B-allocation is foreseen.

5 Support measures

Measures to support or accompany the programming, preparation or implementation of actions (10 million €)

A support facility (i.e. the Technical Support Programme - TSP) which aims to support or accompany the programming, preparation or implementation of actions, will also benefit from 11th EDF funds, based on the experience of previous programmes under the 10th EDF (TSP 1 and 2).

Support to the National Authorising Officer

Support to the National Authorising Officer will be part of the activities funded by TSP (see point above).

Annex 1a - Data Profile Kenya

	2005	2006	2007	2008	2009	2010	2011	2012
World view								
Population, total (millions)	35,79	36,76	37,75	38,77	39,82	40,91	42,03	43,18
Population growth (annual %)	2,69	2,68	2,67	2,67	2,68	2,69	2,70	2,70
Surface area (sq. km) (thousands)	580,37	580,37	580,37	580,37	580,37	580,37	580,37	580,37
Poverty headcount ratio at national poverty line (% of population)	45,9							
GNI, Atlas method (current US$) (billions)	18,61	20,94	24,68	28,32	30,88	32,76	33,66	36,50
GNI per capita, Atlas method (current US$)	520	570	650	730	780	800	800	850
GNI, PPP (current international $) (billions)	47,94	52,47	57,64	60,04	62,20	66,42	69,77	76,05
GNI per capita, PPP (current international $)	1340	1430	1530	1550	1560	1620	1660	1760
People								
Income share held by lowest 20%	4,84							
Life expectancy at birth, total (years)	54,70	55,60	56,59	57,61	58,62	59,55	60,37	
Fertility rate, total (births per woman)	4,923	4,879	4,824	4,761	4,691	4,616	4,538	
Adolescent fertility rate (births per 1,000 women ages 15-19)	101,81	101,02	100,22	98,90	97,58	96,25	94,93	
Contraceptive prevalence (% of women ages 15-49)					45,5			
Births attended by skilled health staff (% of total)					43,8			
Mortality rate, under-5 (per 1,000 live births)	97,3	93,7	90	85,8	82,5	79	75,5	72,9
Malnutrition prevalence, weight for age (% of children under 5)	18,4				16,4			
Immunization, measles (% of children ages 12-23 months)	69	77	80	90	88	86	87	
Primary completion rate, total (% of relevant age group)	90,65							
Ratio of girls to boys in primary and secondary education (%)	95,83	96,03	95,14	95,84	95,36			
Prevalence of HIV, total (% of population ages 15-49)	6,8	6,6	6,4	6,3	6,2	6,2	6,2	
Environment								
Forest area (sq. km) (thousands)	35,22	35,11	35	34,89	34,78	34,67	34,56	
Agricultural land (% of land area)	47,44	47,53	47,62	47,79	48,23	48,23	48,23	
Annual freshwater withdrawals, total (% of internal resources)			13,21				13,21	
Improved water source (% of population with access)	56,1	56,9	57,7	58,5	59,3	60,1	60,9	
Improved sanitation facilities (% of population with access)	28	28,2	28,5	28,7	28,9	29,1	29,4	
Energy use (kg of oil equivalent per capita)	451,33	459,67	456,39	459,22	474,50	482,02	480,13	
CO2 emissions (metric tons per capita)	0,24	0,26	0,26	0,26	0,31	0,30		
Electric power consumption (kWh per capita)	136,34	144,32	147,86	147,42	145,96	154,51	155,02	
Economy								
GDP (current US$) (billions)	18,74	22,50	27,24	30,47	30,60	32,23	34,33	37,34
GDP growth (annual %)	5,91	6,33	6,99	1,53	2,74	5,80	4,38	4,56
Inflation, GDP deflator (annual %)	4,90	7,79	5,61	13,21	9,32	1,97	14,38	7,92
Agriculture, value added (% of GDP)	27,20	26,76	25,01	25,84	26,56	24,35	26,90	29,34
Industry, value added (% of GDP)	19,09	18,47	18,54	19,77	18,57	18,49	17,48	17,39
Services, etc., value added (% of GDP)	53,71	54,77	56,45	54,39	54,87	57,16	55,62	53,27
Exports of goods and services (% of GDP)	28,51	27,11	26,78	27,61	24,14	27,77	28,54	27,30
Imports of goods and services (% of GDP)	35,97	37,83	37,70	41,75	37,45	40,01	45,07	44,49
Gross capital formation (% of GDP)	17,65	18,49	19,12	19,24	19,92	19,76	20,52	20,09
Revenue, excluding grants (% of GDP)	20,23	18,35	18,74	19,41	19,66	20,29	20,24	
Cash surplus/deficit (% of GDP)	1,49	-2,33	-2,98	-4,08	-5,31	-5,87	-4,46	
States and markets								
Time required to start a business (days)	54	54	44	30	34	33	33	32
Market capitalization of listed companies (% of GDP)	34,07	50,56	49,15	35,83	35,15	44,87	29,72	39,61
Military expenditure (% of GDP)	1,69	1,67	1,82	1,90	1,89	1,93	1,88	1,96
Mobile cellular subscriptions (per 100 people)	12,95	20,09	30,28	42,40	49,07	61,63	67,49	71,89
Internet users (per 100 people)	3,10	7,53	7,95	8,67	10,04	14,00	28,00	32,10
Roads, paved (% of total roads)				14,6	14,3	14,3		
High-technology exports (% of manufactured exports)	2,90	3,24	5,51	4,15	5,31	5,70		
Global links								
Merchandise trade (% of GDP)	49,45	47,70	47,99	52,94	47,96	53,61	61,09	60,21
Net barter terms of trade index (2000 = 100)	90,04	88,01	84,76	84,31	94,22	92,22	90,68	
External debt stocks, total (DOD, current US$) (millions)	6482,90	6680,51	7522,66	#####	8589,49	8801,16	10257,88	
Total debt service (% of exports of goods, services and primary	9,97	7,12	6,31	4,87	5,12	4,39	4,20	
Net migration (thousands)			-189,33					-50
Personal remittances, received (current US$) (millions)	424,99	570,46	645,21	667,32	631,46	685,76	934,15	
Foreign direct investment, net inflows (BoP, current US$)	21,21	50,67	729,04	95,59	116,26	178,06	335,25	
Net official development assistance and official aid received	759,2	946,7	1326,78	1366	1776,2	1628,6	2484,28	
Source: World Development Indicators database								

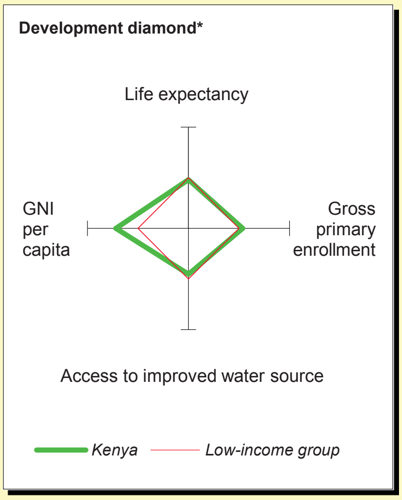
Page: Country: Kenya **Row**: Series **Column**: Time

7,53379	8,67	10,04	14	28	32,09542			
Mobile cell	12,94967	20,08792	30,27701	42,39604	49,07117	61,63228	67,48607	71,88812

Kenya at a glance

3/17/13

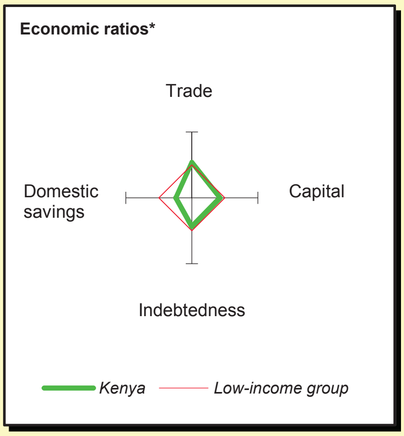
POVERTY and SOCIAL	Kenya	Sub-Saharan Africa	Low-income
2011			
Population, mid-year *(millions)*	41.6	875	817
GNI per capita *(Atlas method, US$)*	820	1,258	571
GNI *(Atlas method, US$ billions)*	34.1	1,101	466
Average annual growth, 2005-11			
Population *(%)*	2.6	2.5	2.1
Labor force *(%)*	3.1	2.8	2.6
Most recent estimate (latest year available, 2005-11)			
Poverty *(% of population below national poverty line)*	46	..	..
Urban population *(% of total population)*	24	36	28
Life expectancy at birth *(years)*	57	55	59
Infant mortality *(per 1,000 live births)*	48	69	63
Child malnutrition *(% of children under 5)*	16	21	23
Access to an improved water source *(% of population)*	59	61	65
Literacy *(% of population age 15+)*	87	63	63
Gross primary enrollment *(% of school-age population)*	113	100	105
Male	115	103	108
Female	112	96	103



KEY ECONOMIC RATIOS and LONG-TERM TRENDS

	1991	2001	2010	2011
GDP *(US$ billions)*	8.2	13.0	32.2	33.6
Gross capital formation/GDP	21.0	18.8	19.8	21.2
Exports of goods and services/GDP	27.0	22.9	27.8	29.1
Gross domestic savings/GDP	19.5	8.7	7.5	4.3
Gross national savings/GDP	19.1	13.1	14.1	13.5
Current account balance/GDP	-1.8	-5.7	-7.3	-10.4
Interest payments/GDP	3.9	0.9	0.4	0.3
Total debt/GDP	91.4	42.9	27.3	30.5
Total debt service/exports	32.7	16.1	4.4	4.3
Present value of debt/GDP	..	..	..	21.0
Present value of debt/exports	..	..	..	70.2

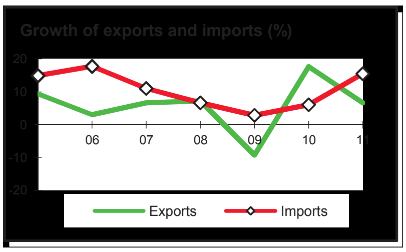
	1991-01	2001-11	2010	2011	2011-15
(average annual growth)					
GDP	2.3	4.5	5.8	4.4	4.9
GDP per capita	-0.5	1.9	3.0	1.6	2.2
Exports of goods and services	0.7	6.2	17.7	6.7	7.0



STRUCTURE of the ECONOMY

	1991	2001	2010	2011
(% of GDP)				
Agriculture	28.1	31.3	25.1	28.5
Industry	19.7	17.2	18.6	17.6
Manufacturing	12.0	11.0	11.3	11.0
Services	52.2	51.4	56.3	53.9
Household final consumption expenditure	63.8	75.3	74.9	77.7
General gov't final consumption expenditure	16.8	16.0	17.6	18.0
Imports of goods and services	28.6	33.0	40.1	46.0

	1991-01	2001-11	2010	2011
(average annual growth)				
Agriculture	2.9	1.7	6.3	1.6
Industry	1.1	4.7	5.4	2.8
Manufacturing	0.9	4.4	4.5	3.3
Services	3.0	5.0	5.6	5.1
Household final consumption expenditure	4.1	4.8	1.8	4.7
General gov't final consumption expenditure	5.6	3.2	9.2	10.6
Gross capital formation	7.8	10.1	5.0	16.1
Imports of goods and services	9.4	8.8	6.1	15.6



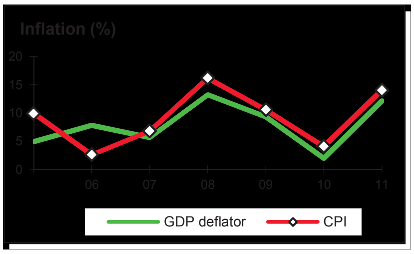
Note: 2011 data are preliminary estimates.

This table was produced from the Development Economics LDB database.

* The diamonds show four key indicators in the country (in bold) compared with its income-group average. If data are missing, the diamond will be incomplete.

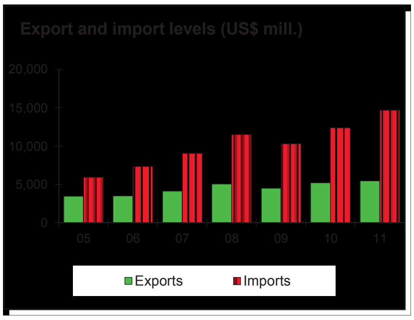
PRICES and GOVERNMENT FINANCE

	1991	2001	2010	2011
Domestic prices				
(% change)				
Consumer prices	19.1	5.7	4.1	14.0
Implicit GDP deflator	12.5	1.6	2.0	12.1
Government finance				
(% of GDP, includes current grants)				
Current revenue	20.4	20.1	24.2	23.9
Current budget balance	-6.0	0.5	0.9	2.5
Overall surplus/deficit	-11.0	-2.8	-5.8	-3.7



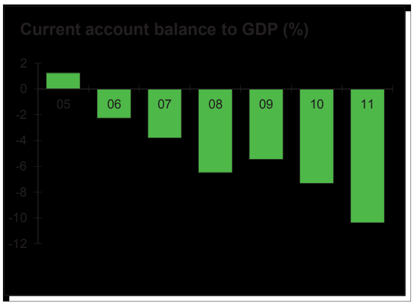
TRADE

	1991	2001	2010	2011
(US$ millions)				
Total exports (fob)	1,055	1,891	5,225	5,478
Petroleum	76	177	90	113
Coffee	159	94	209	266
Manufactures	188	175	608	715
Total imports (cif)	1,956	3,462	12,395	14,665
Food	69	207	610	655
Fuel and energy	385	721	2,622	2,857
Capital goods	523	639	3,808	5,361
Export price index *(2000=100)*	35	103	198	209
Import price index *(2000=100)*	36	109	195	201
Terms of trade *(2000=100)*	97	94	102	104



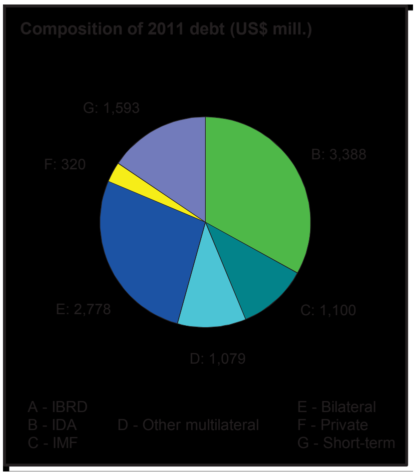
BALANCE of PAYMENTS

	1991	2001	2010	2011
(US$ millions)				
Exports of goods and services	2,197	2,978	8,901	9,907
Imports of goods and services	2,320	4,287	13,544	16,347
Resource balance	-123	-1,309	-4,643	-6,440
Net income	-372	-148	-3	-148
Net current transfers	348	719	2,288	3,102
Current account balance	-147	-738	-2,358	-3,486
Financing items (net)	59	929	2,512	3,732
Changes in net reserves	88	-190	-154	-246
Memo:				
Reserves including gold *(US$ millions)*	199	1,064	4,002	4,248
Conversion rate *(DEC, local/US$)*	27.5	78.6	79.2	88.8



EXTERNAL DEBT and RESOURCE FLOWS

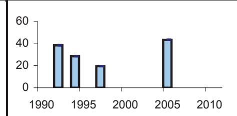
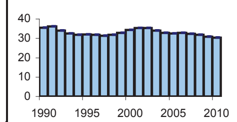
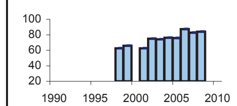
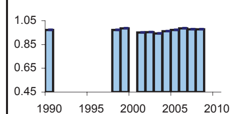
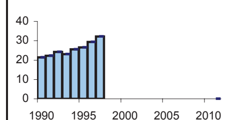
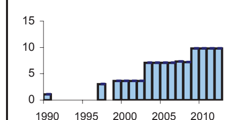
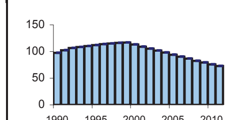
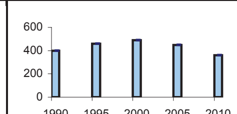
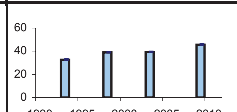
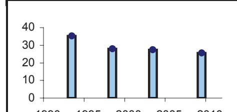
	1991	2001	2010	2011
(US$ millions)				
Total debt outstanding and disbursed	7,454	5,566	8,801	10,258
IBRD	783	23	0	0
IDA	1,370	2,263	3,238	3,388
Total debt service	719	485	401	428
IBRD	165	26	0	0
IDA	14	51	111	129
Composition of net resource flows				
Official grants	418	272	1,228	..
Official creditors	274	-2	263	560
Private creditors	274	-144	8	17
Foreign direct investment (net inflows)	19	5	178	335
Portfolio equity (net inflows)	0	2	22	20
World Bank program				
Commitments	304	92	649	485
Disbursements	178	116	220	268
Principal repayments	101	57	88	103
Net flows	77	58	132	165
Interest payments	77	20	23	26
Net transfers	0	39	109	139



Note: This table was produced from the Development Economics LDB database. 3/17/13

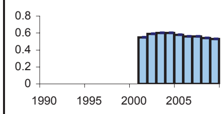
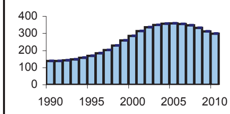
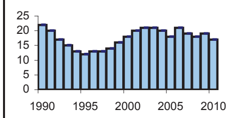
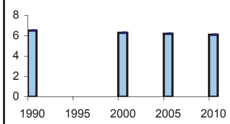
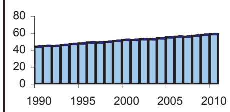
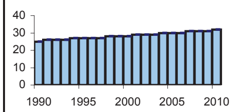
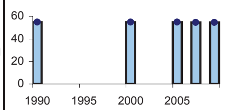
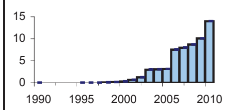
MDG Country Progress Snapshot: Kenya

Last update: Dec. 2012

Goals and Targets	Indicators	First Year		Latest Year		Country Progress		Region Latest Data: Sub-Saharan Africa	
		Value	Year	Value	Year	Level [1/]	Chart	Value	Year
Goal 1: Eradicate Extreme Poverty and Hunger									
Reduce extreme poverty by half	Proportion of population living below $1.25 (PPP) per day (%)	38.4	1992	43.4	2005	very high poverty		47.5	2008
Reduce hunger by half	Proportion of population below minimum level of dietary energy consumption (%)	35.6	1991	30.4	2011	high hunger		27.0	2008
Goal 2: Achieve Universal Primary Education									
Universal primary schooling	Net enrolment ratio in primary education (enrolees per 100 children)	62.6	1999	84.0	2009	moderate enrollment		76.2	2010
Goal 3: Promote Gender Equality and Empower Women									
Equal girls' enrolment in primary school	Ratio of girls to boys in primary education	0.97	1991	0.98	2009	parity		0.93	2010
Women's share of paid employment	Share of women in wage employment in the non-agricultural sector (%)	21.4	1990	32.2	1997	medium share		32.5	2010
Women's equal representation in national parliaments	Proportion of seats held by women in national parliament (single or lower house only - %)	1.1	1990	9.8	2012	very low representation		20.0	2012
Goal 4: Reduce child mortality									
Reduce mortality of under-five-year-old by two thirds	Under-five morality rate (deaths of children per 1,000 births)	97.8	1990	72.8	2011	moderate mortality		121	
Goal 5: Improve maternal health									
Reduce maternal mortality by three quarters	Maternal mortality ratio (maternal deaths per 100,000 live births)	400	1990	360	2010	high mortality		500	2010
Access to universal reproductive health	Contraceptive prevalence rate (percentage of women aged 15-49, married or in union, using contraception)	32.7	1993	45.5	2009	moderate access to reproductive health		24.6	2010
	Unmet need for family planning (percentage of women aged 15-49, married or in union, with unmet need for family planning)	35.3	1993	25.6	2009			25.4	2010

MDG Country Progress Snapshot: Kenya

Last update: Dec. 2012

Goals and Targets	*Indicators*	*First Year* Value	*First Year* Year	*Latest Year* Value	*Latest Year* Year	*Country Progress* Level [1/]	*Country Progress* Chart	*Region Latest Data: Sub-Saharan Africa* Value	*Region Latest Data: Sub-Saharan Africa* Year
Goal 6: Combat HIV/AIDS, malaria and other diseases									
Halt and begin to reverse the spread of HIV/AIDS	HIV incidence rate (number of new HIV infections per year per 100 people aged 15-49)	0.55	*2001*	0.53	*2009*	high incidence		4.80	*2010*
Halt and reverse spread of tuberculosis	Incidence rate and death rate associated with tuberculosis: Number of new cases per 100,000 population	139	*1990*	298	*2010*	low mortality		276	*2010*
	Incidence rate and death rate associated with tuberculosis: Number of deaths per 100,000 population	22.0	*1990*	17.0	*2010*			30	*2010*
Goal 7: Ensure environmental sustainability									
Reverse loss of forests	Proportion of land area covered by forest (%)	6.5	*1990*	6.1	*2010*	low forest cover		28.1	*2010*
Halve proportion without improved drinking water	Proportion of population using an improved drinking water source (%)	44.0	*1990*	59.0	*2010*	low coverage		61.0	*2010*
Halve proportion without sanitation	Proportion of population using an improved sanitation facility (%)	25.0	*1990*	32.0	*2010*	very low coverage		30.0	*2010*
Improve the lives of slum-dwellers	Proportion of urban population living in slums (%)	54.9	*1990*	54.7	*2009*	very high proportion of slum dwellers		61.7	*2012*
Goal 8: Develope a global partnership for development									
Internet users	Internet users per 100 inhabitants	0.0	*1990*	28.0	*2011*	high usage		12.6	*2011*

The MDG Country Progress Snapshot provides an overview of the progress achieved at country level since 1990 towards the Millennium Development Goals. The snapshot is intended mainly to provide the international community easy access to the information and are not meant to replace in any way the country profiles produced at the national level in several countries. They are also meant to reflect the contribution of country-level progress to the global and regional trends on progress towards the MDGs.

The data used in the snapshot are from the MDG global database (http://mdgs.un.org/unsd/mdg/Data.aspx). The metadata and responsible agencies can be found on http://mdgs.un.org/unsd/mdg/Metadata.aspx. Sources of discrepancies between global and national figures are due to, among others, different methodology and definitions or different choice of data sources. At the global level, the monitoring of the progress aims to ensure better comparability of data among countries. Country can contact the responsible agencies for resolving data discrepancies.

Note: 1) The country progress level indicates the present degree of compliance with the target based on the latest available data. The technical note on the progress level can be found at http://mdgs.un.org/unsd/mdg/Resources/Static/Products/Progress2012/technicalnote.pdf.

DIVISION OF LABOUR BASED ON ON-BUDGET ESTIMATES – JUNE 2013

	DP/SEC	IDA	SIDA	DANIDA	JAPAM	ITALY	BELGIUM	KFW	CHINA	EU	ADB	GIZ	AFD	FINLAND	NETHERLANDS	USAID	DFID	AUSAID	CIDA	BADEA	EIB	KUWAIT	OPEC	SPAIN	SAUDI ARABIA	BCM	SWITZERLAND	ABHU DHABI	GEFT	INDIA	TOTAL
1	Tou																														
2	Agric	X	X		X			X		X	X	X		X	X	X															8
3	Man	X			X																										2
4	ICT	X																													1
5	PFM	X	X	X		X				X	X	X	X	X		X	X		X												12
6	EaT				X		X	X			X					X						X	X								7
7	Hea	X		X	X	X		X		X	X	X			X	X				X		X	X		X	X					14
8	EWS	X	X	X	X	X		X		X	X	X	X	X	X	X		X		X		X	X				X		X		17
9	LYH	X		X		X			X		X				X																7
10	PUH	X	X			X		X		X			X																		6
11	GJL	X		X						X		X				X															5
12	Tra					X				X	X						X			X				X							6
13	SPB		X																												1
14	PSR	X		X	X		X		X																						5
15	Ener	X			X		X		X		X		X							X	X		X	X	X					X	12
16	Roa	X			X			X	X	X	X		X							X		X	X		X			X			12
17	Trans	X			X						X																				3
18	NMD	X																													1
19	STI								X		X				X																3
20	DRR	X			X					X	X	X	X					X			X										
21	Lan	X	X							X																					2
TOTAL		15	6	6	9	6	3	6	5	8	11	5	5	2	3	6	2		1	5	1	4	5	2	3	1	1	1	1	1	

Key: Sectors- **Tou**-Tourism, **Agri**-Agriculture, **Tra**- Trade, **Man**-Manufacturing, **ICT**-Information, Communication and Technology, **PFM** –Public Finance Management, **EaT**-Education and Training, **Hea**-Health, **EWS**-Environment, Water and Sanitation, **LYH**-Labour, Youth and Human Resource Management, **PUH**- Population, Urbanisation and Housing, **GJL**-Governance, Justice and Legal Reforms, **SPB**-Security, Peace Building and Conflict Management, **DRR** Disaster risk reduction in ASAL- **PSR**-Public Service Reform **Roa**-Roads, Trans-Transport, **NMD**-Nairobi Metropolitan Development, **STI**- Science, Technology and Innovation **Lan**-Lands, **Ene**- Energy, **Trans**-Transport

Matrix showing tentative current (FY 2012/2013) engagement of DPs by sector as defined in the MTP II Draft

Tables 1 and 2 show the EU+ support provided by the 8 bilateral Member States, EUD/the European Development Fund (EDF), the European Investment Bank (EIB) and the Directorate General for Humanitarian Aid and Civil Protection (ECHO) distributed by sector in amounts and percentages. In the colour version of the report, the pillars of the MTP have been marked with the following colours:

MTP Pillars:		Economic		Social		Political		Foundations		Others

Table 1: EU+ support by sector in EUR

Joint EU programming Kenya						
Sector	Amounts in million EUR					
	Disbursements		estimates (commitments)			
	2011	2012	2013	2014	2015	2016
Agriculture	36.07	42.75	45.36	38.79	25.32	21.97
Tourism	0.00	0.00	0.00	0.00	0.00	0.00
Trade	7.67	13.06	24.53	21.83	3.01	1.40
Manufacturing	7.62	11.97	10.39	10.72	10.04	3.50
ICT and BPO	0.00	0.00	0.00	0.00	0.00	0.00
Financial services	6.55	75.98	57.88	110.21	45.64	0.00
Education and Training	8.28	8.90	15.68	17.55	5.64	5.56
Health	79.30	41.39	60.37	87.84	26.37	15.61
HIV/AIDS	2.15	1.20	0.00	0.00	0.00	0.00
Environment, water and sanitation	70.69	88.73	165.82	133.66	96.95	76.02
Gender, youth and vulnerable groups	10.91	21.46	15.34	14.10	3.16	1.45
Labour and employment	0.29	0.00	0.00	0.00	0.00	0.00
Equity	0.00	0.00	0.00	0.00	0.00	0.00
Population, Urbanization and Housing	3.78	4.18	16.00	32.39	3.64	2.76
Governance, Security and Rule of Law	34.72	51.09	37.81	32.67	15.89	16.00
Security	1.04	1.61	2.30	2.01	1.29	0.60
Public Sector Reform	3.55	3.76	2.48	2.08	1.80	2.73
Public financial management	2.29	10.60	11.11	3.83	3.08	3.75
Devolution and implementation of the Constitution	0.74	0.81	0.38	3.92	3.00	9.00
Infrastructure	89.19	132.98	343.44	253.15	217.79	214.70
Science, Technology and Innovation	0.00	0.00	0.00	15.00	0.00	0.00
Draught and Ending Drought Emergencies	79.75	19.79	52.83	37.18	11.00	11.00
Emergencies and disaster management	27.65	17.54	25.48	17.92	0.50	0.50
Totals	472.26	547.79	887.19	834.85	474.13	386.55

Table 2: EU+ support by sectors in percentage, ranking of sectors by amount of support and total percentage for the 10 most supported sectors

Joint EU programming Kenya							
	Percentage distribution on sectors						Ranking 2013 & % of 10 largest
	Disbursements		estimates (commitments)				
Sector	2011	2012	2013	2014	2015	2016	
Agriculture	7.64	7.80	5.11	4.65	5.34	5.68	6
Tourism	0.00	0.00	0.00	0.00	0.00	0.00	
Trade	1.62	2.38	2.77	2.61	0.63	0.36	9
Manufacturing	1.61	2.19	1.17	1.28	2.12	0.91	
ICT and BPO	0.00	0.00	0.00	0.00	0.00	0.00	
Financial services	1.39	13.87	6.52	13.20	9.63	0.00	3
Education and Training	1.75	1.63	1.77	2.10	1.19	1.44	11
Health	16.79	7.56	6.80	10.52	5.56	4.04	4
HIV/AIDS	0.46	0.22	0.00	0.00	0.00	0.00	
Environment, water and sanitation	14.97	16.20	18.69	16.01	20.45	19.67	2
Gender, youth and vulnerable groups	2.31	3.92	1.73	1.69	0.67	0.38	12
Labour and employment	0.06	0.00	0.00	0.00	0.00	0.00	
Equity	0.00	0.00	0.00	0.00	0.00	0.00	
Population, Urbanization and Housing	0.80	0.76	1.80	3.88	0.77	0.71	10
Governance, Security and Rule of Law	7.35	9.33	4.26	3.91	3.35	4.14	7
Security	0.22	0.29	0.26	0.24	0.27	0.16	
Public Sector Reform	0.75	0.69	0.28	0.25	0.38	0.71	
Public financial management	0.48	1.93	1.25	0.46	0.65	0.97	
Devolution and implementation of the Constitution	0.16	0.15	0.04	0.47	0.63	2.33	
Infrastructure	18.89	24.28	38.71	30.32	45.94	55.54	1
Science, Technology and Innovation	0.00	0.00	0.00	1.80	0.00	0.00	
Draught and Ending Drought Emergencies	16.89	3.61	5.95	4.45	2.32	2.85	5
Emergencies and disaster management	5.85	3.20	2.87	2.15	0.11	0.13	8
Totals	100.00	100.00	100.00	100.00	100.00	100.00	93.50

Annex 3. Template for Sector intervention framework

Note: All targets are based on current data available and subject to feasibility, identification and assessment studies. Where baselines or targets are not available, these will be determined at project formulation stage. Every time it is possible and meaningful, indicators will be disaggregated by gender.

Sector 1: Food Security and Resilience to climate shock in ASAL

Specific objective 1: The ASAL institutions and stakeholders in the agriculture sector are able to develop, adjust and implement Disaster Risk Reduction strategies involving a multifaceted approach covering nutrition, agriculture productivity integrating market linkages, diversification of livelihood sources as well as supporting climate proof investments at community and at county levels.

Expected Results	Indicators	Means of verification
a) Food security of the most vulnerable part of the population and their resilience to climatic shocks are improved (the pull element).	About 2 million persons will benefit under this component along the following indicators: a1) malnutrition level during drought: i) % of stunted children below five years old in ASAL areas *ii)* Access to food as measured by FAO food insecurity access score. a.2) i) % of ASAL covered by approved county drought contingency plans ii) % of ASAL covered by community drought contingency plans b) % of livestock retained at household level after drought verified against average livestock holding per household before drought crisis (sub-reference per quintile of income per agro-ecological zone)	A1) a) MoHealth yearly Kenya Nutritional Survey + b) Kenya food security assessment steering group semester report a2) Crisis Toolkit for county planning and county reporting ii) FAO survey a) NDMA early warning system b) PDNA and specific Livelihood assessment
b) Productive agriculture and community investments to safeguard productivity against climatic shocks supported (the push element).	Another 2 million persons should benefit from this component. a) % of smallholder farmers beneficiaries graduating from subsistence farming to commercial agriculture measured by i) % of non-subsidized inputs used, ii) % of smallholder farmers with a commercial contract iii) % smallholder farmers in financial services. b) National grain deficit c) % of smallholders' production marketed d) Number of new drought resistant and more yielding technologies adopted (in value chain or national programme).	B1) a) b) and c) Ministry of Agriculture M&E system. B2) Research and programme implementation reports
c) A conducive environment for long-term food security and resilience to drought supported.	**c1)** % climate proof infrastructure earmarked in County Investment Development Plans (CIDP) budgeted;	**c1)** consolidated DRR counties yearly reports

	and % climate proof infrastructure implemented - Baseline: the DRR annexes to the CIDPs. c2) average water flow on permanent and semi-permanent rivers from water towers located in or bordering ASAL areas c3) Indicators to be defined during the identification mission along: a) Access to land for the small holder farmers and pastoralists b) number of resolution of conflicts on land and access to natural resources.	c2) relevant counties hydrological reports c3) consolidated semester report of the county land boards

Sector 2: Infrastructure

Specific objective 1: Develop more efficient and environmentally friendly energy services that are accessible to all

Expected Results	Indicators	Means of verification
Increased access to modern and sustainable energy services	- Number of people with access to modern energy (electricity and clean cooking facilities) - Number of people with access to electricity from the grid	Ministry of Energy statistics
Increased production of renewable energy in the country	- MW generated from renewable energy sources	Ministry of Energy statistics Project report
Improved energy efficiency	- Energy consumption related to energy efficiency measures at household or industry level	Ministry of Energy statistics Project reports

Specific objective 2: Develop a more efficient and safe transport system for increased productivity and reduced negative environmental impact

Expected Results	Indicators	Means of verification
Increased access to transport services and reduced transport cost for passengers and goods	- Number of people with access to all season roads - Percentage of road network in good and fair condition - Cost of transport services along selected transport routes - Travel times along selected transport routes	Ministry of Transport and Infrastructure Project reports
Reduced environmental impact of the transport sector	- Transport related GHG emissions per capita - Transport related air and noise pollution level per capita	Ministry of Environment Ministry of Transport and Infrastructure
Increased road safety	- Number of injuries/deaths in traffic accidents	Ministry of Transport and Infrastructure

Sector 3: Accountability of Public Institutions

Specific objective 1: Support increased equity in access to and delivery of justice

Expected Result	Indicators	Means of verification
1) The justice system is made available to a greater diversity of Kenyans	Change (in %) in case backlog at the Judiciary	Annual Report on the State of the Judiciary and the Administration of Justice
	Change (in %) in the number of people who have benefited from Legal Aid services across Kenya	Annual Report on the State of the Judiciary and the Administration of Justice
	Percentage of people held in custody in Kenyan prisons who are on remand	Annual Report of the Kenya National Commission on Human Rights (KNCHR) Annual Report on the State of the Judiciary and the Administration of Justice
Specific objective 2: Support more transparent management of public funds at central and county level		
Expected Result	**Indicators**	**Means of verification**
2) Public funds are better monitored and accounted for at all levels of governance	Status of legislation and regulations to implement Chapter 11 (Devolved Government) and Chapter 12 (Public Finance)	Annual Implementation Report of the PFM Reform Strategy PEFA evaluation
	Number of government and county financial reports unqualified by the Auditor General	Annual audit report of the public accounts of Kenya by the Office of the Auditor General
	Change (in %) in the poverty rate of the 10 poorest counties of Kenya	County fact sheets by the Commission on Revenue Allocation (CRA)
Specific objective 3: Support elections that are credible and fully compliant with the Constitution		
Expected Result	**Indicators**	**Means of verification**
3) The 2017 elections represent further improvement in terms of preparation of the elections, polling operations and compliance with the Constitution	Percentage of recommendations of the EU Election Observation Mission on General Elections 2013 in Kenya implemented before and during the next elections of 2017	2017 EU Election Observation Mission Reports 2017 UNDP Election Basket Fund implementation report
	Number of public institutions elected in 2017 in compliance with the Constitution, including the 1/3 gender clause	2017 EU Election Observation Mission Reports 2017 UNDP Election Basket Fund implementation report

Annex 4. Template for Indicative timetable for commitments

	Indicative allocation	2014	2015	2016	2017	2018	2019	2020
SECTOR – Food Security and Resilience to climate shock in ASAL	190 M €	**0**	**80**	**110**	**0**	**0**	**0**	**0**
SECTOR – < Infrastructure e>	175 M €		**10**	**30**	**45**	**45**	**45**	
SECTOR – Accountability of Public Institutions	60 M €		**30**			**30**		
For ACP:								
Other measures (support to civil society)	M €							
B- allocation	0€							
Support measures including	10 M €			**5**			**5**	
• **Measures to support or accompany the programming, preparation or implementation of actions**	M €							
• **Support to the National**	M €							
For DCI:								
Support measures	M €							
• **Measures to support or accompany the programming, preparation or implementation of actions**								
Total Commitments	M €							