

SUMMARY

Annual Action Programme 2017 in favour of Kenya to be financed from the 11th European Development Fund

1. Identification

Total cost	EUR 75.5 million of EU contribution The Ending Drought Emergency (EDE) programme is expected to be co-financed by potential grant beneficiaries and Government of Kenya for an indicative amount of EUR 7 000 000. The Urban Mobility Project is expected to be co-financed by European Financing Institutions for an estimated amount of EUR 200 000 000 as well as by Government of Kenya with an estimated amount of EUR 55 000 000.
Basic act	Council Regulation (EU) 2015/322 of 2 March 2015 on the implementation of the 11th European Development Fund

2. Country background

The Republic of Kenya is a large and geographically diverse country with an estimated population of approximately 48 million in 2017 and an estimated annual population growth rate of 2.5% in 2017, with more than 70% of the population living in rural areas. The UN estimates that its population will reach 85 million by 2050.

Kenya plays an important role for stability in the region, reflecting the fact it is the economic power house of the region. Kenya is the largest and most diversified economy in East Africa and a regional hub for transport, finance, and trade. The IMF, assessing the macroeconomic situation, saw Kenya's economy as "remaining robust", supported by strong credit growth and a dynamic investment environment. In 2015, Kenya has recorded an average Gross Domestic Product (GDP) growth of 5.7%, above the sub-Saharan average of 5% (IMF 2012). Kenya is a low- to middle-income country, but while there is little reliable recent data, the economic growth seems not to translate into robust poverty reduction. Some 25% of Kenyans still do not have enough income to meet their basic food needs. And progress on MDGs is uneven.

Kenya Vision 2030, launched in late 2007, is the country's policy blueprint which aims that by 2030 Kenya will be a newly-industrialised, middle-income country providing high quality of life for all its citizens in a clean and secure environment. As part of the devolution process, Kenya's 47 new county governments started their operations on 1 July 2013. Significant powers have been transferred from the Government to the counties, including responsibility for health services and road construction and the counties have also received budgetary responsibility and the authority to raise taxes. Devolution is clearly one of the most dramatic changes in Kenya's development path. Kenya has an 11th EDF allocation of EUR 435 million. Kenya doesn't benefit from the preferential treatment under Everything But Arms (EBA). Kenya signed and ratified the Economic Partnership Agreements (EPA).

Drought is one of the biggest threats to the well-being of people in the arid and semi-arid lands (ASALs) and to the achievement of Kenya's Vision 2030. Between 2008 and 2011, the impact of drought is estimated to have slowed GDP by an average of 2.8% per annum, with total damage and losses estimated at USD 12.1 billion. The highest values of per capita

damage and losses were in areas where the Human Development Index is lowest¹. The Ending Drought Emergency Common Programme Framework (EDE CPF) underscores the constitutional right to be free from hunger and malnutrition, and acknowledges that a child from the ASALs is more than twice as likely as an average Kenyan child to live in a household with insufficient income to cover basic nutrition and food requirements.

Food and nutrition insecurity remains a major concern in Kenya, with an estimated 10.8 million people (25% of the total population) under-nourished,² and more than 2 million under-five children stunted.³ The economic cost of stunting to Kenya's economy was estimated to be as high as USD 1 billion in 2010. By end of January 2017 the 2016-2017 drought left 2.7 million people in need of relief assistance out of which 2.3 million people were classified as IPC level 3 with numbers set to increase as the drought continues.

Kenya has been urbanising rapidly with an estimated 25% of her population currently residing in urban areas. The population living in urban areas is projected to reach 50% around 2050⁴. By 2030, Nairobi city population is expected to increase from 3 million inhabitants in 2009 to, depending on projections, between 4.5 and 7 million⁵. Kenya's cities grow rapidly with inadequate urban and transport planning, leading to poor service delivery that constrains their social and economic development. Investment in urban infrastructure is low and has so far been dedicated to improving the road network for car traffic.

Therefore urban transport in Kenya and especially in Nairobi is inefficient and characterised by severe traffic congestion, long waiting hours and high costs for public transport, poor safety and security, as well as environmental degradation from pollution. These unbearable transport conditions are experienced on a daily basis in Nairobi, although the transport mode distribution is still relatively balanced at the moment (40% walking, 40% public transport, 20% private car). As a result of urban growth and an expected doubling of car ownership rate between 2005 and 2025, if nothing is done, the situation is expected to further deteriorate and congestion to rise sharply. In that scenario, average speed in Nairobi city is expected to be halved by 2030, from a current average of 40km/h to 20km/h⁶. In peak times average speed in the city centre and along most of the main arteries is already much slower than that.

3. Summary of the Action Programme

Ending Drought Emergencies: Support to Resilient Livelihoods and Drought Risk Management: Drought is one of the biggest threats to the well-being of people in the arid and semi-arid lands (ASALs) and to the achievement of Kenya's Vision 2030. At the same time, food and nutrition insecurity remains a major concern in Kenya. Drought is one of the factors that perpetuate food and nutrition insecurity. Kenya has made significant progress in strengthening and institutionalising its drought management system, with the creation of the National Drought Management Authority (NDMA) in November 2011, the formulation of the EDE strategy and its CPF, and technical improvements to the early warning and contingency planning systems. However, two key challenges remain: (i) reducing droughts involves many diverse actors, working at multiple levels, in various sectors, and over many years and (ii) the link between early warning and early response remains weak. In that context, the project aims

¹Republic of Kenya (2012) 'Kenya Post-Disaster Needs Assessment for the 2008-2011 Drought'

²FAO (2014) 'The State of Food Insecurity in the World'

³Republic of Kenya (2014) Kenya Demographic and Health Survey

⁴Kenya Urbanization Review, World Bank, 2016

⁵NIUPLAN, 2014

⁶NIUPLAN, 2014

at supporting communities in ASAL areas of Kenya to become more resilient to drought and other effects of climate change. The specific objectives are to (i) enhance food and nutrition security of vulnerable households, especially for women and children and (ii) generate sustainable livelihoods and protect productive assets. The programme builds on the 10th EDF Kenya Rural Development Programme (KRDP) and Support to Horn of Africa Resilience (SHARE) as well as on-going 11th EDF support to the National Drought Management Authority (NDMA) and its approach to Drought Risk Management (DRM).

Urban Mobility project: An inefficient urban transport system has three major negative impacts: (i) it increases urban poverty and disadvantages women and youth as these population groups typically bear the brunt of under-investment in urban planning and deployment of infrastructure, (ii) it hampers economic growth and (iii) it damages the environment. The action will foresees a contribution into Africa Investment Facility (AfIF) of funds to be used for grant loan blending purposes with International Financing Institutions (IFIs) or European Financing Institutions (EFIs). The aim is to contribute to national investment projects in the Urban Transport sector in Kenya. Concretely investment will target the development of Bus Rapid Transit (BRT) system for Nairobi Metropolitan area; including developing appropriate BRT infrastructure, developing BRT operations; upgrading the existing road network infrastructure; developing/improving non-motorised transport and improving traffic management.

4. Communication and visibility

The communication and visibility of the Ending Drought Emergencies project will be undertaken by the grant beneficiaries as part of the grant contract that will be concluded. The communication and visibility of the Urban Mobility project will be undertaken by the financial institution as part of the contract that will be concluded. The EU will oversee that adequate communication and visibility plans are produced and implemented.

5. Cost and financing

Ending Drought Emergencies	EUR 30 500 000
Urban Mobility	EUR 45 000 000
Total EU contribution to the measure	EUR 75 500 000



EN

This action is funded by the European Union

ANNEX 1

of the Commission Decision of the Annual Action Programme 2017 in favour of Kenya to be financed from the 11th European Development Fund

Action Document for "Ending Drought Emergencies: Support to Resilient Livelihoods and Drought Risk Management"

INFORMATION FOR POTENTIAL GRANT APPLICANTS

WORK PROGRAMME FOR GRANTS

This document constitutes the work programme for grants in the sense of Article 128(1) of the Financial Regulation (Regulation (EU, Euratom) No 966/2012), applicable to the EDF in accordance with Article 37 of Regulation (EU) 2015/323 in the section concerning calls for proposals: 5.4.1 and in the section concerning grants awarded directly without a call for proposals: 5.4.2.

1. Title/basic act/ CRIS number	Ending Drought Emergencies: Support to Resilient Livelihoods and Drought Risk Management CRIS number: KE/FED/039-257 financed under 11 th European Development Fund (EDF)	
2. Zone benefiting from the action/location	The action shall be carried in the following location: Component 1: Support to Resilient Livelihoods will tentatively target four counties, constituting 2 clusters as follows: a) West Pokot and Baringo and b) Isiolo and Tana River. Component 2: Support to Drought Risk Management will target 23 ASAL counties.	
3. Programming document	11 th EDF National Indicative Programme (NIP) 2014–2020 for Kenya	
4. Sector of concentration/ thematic area	Focal Sector 1: Food Security and Resilience to climate shocks in Arid and Semi-Arid Lands	DEV. Aid: YES
5. Amounts concerned	Total estimated cost: EUR 37 500 000 Total amount of EDF contribution: EUR 30 500 000 This action is co-financed in parallel co-financing by the Government of Kenya for an amount of EUR 2 500 000 This action is co-financed by potential grant beneficiaries for an indicative amount of EUR 4 500 000	
6. Aid modality and implementa- tion modalities	Project Modality <ul style="list-style-type: none"> • Direct management –grants – call for proposals (EUR 18 000 000) • Direct management –grants – direct award (EUR 12 000 000) 	
7 a) DAC code	74010 – Disaster prevention and preparedness	
b) Main Delivery Channel	1000 –Public Sector Institutions	

8. Markers (from CRIS DAC form)	General policy objective	Not targeted	Significant objective	Main objective
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Gender equality (including Women In Development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade Development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, Maternal, New born and child health	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Main objective
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9. Global Public Goods and Challenges (GPGC) thematic flagships	N/A			
10. Sustainable Development Goals (SDGs)	Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture; Goal 13. Take urgent action to combat climate change and its impacts			

SUMMARY

The Programme is aligned with the Common Programme Framework (CPF) that operationalises Kenya's "Ending Drought Emergencies" (EDE) strategy which focuses on the 23 most drought prone counties in Kenya. The action responds to the 11th EDF NIP Focal Sector "Food Security and Resilience to climate shocks" (in Arid and Semi-Arid Land (ASAL) areas) and contributes to all of its 3 result areas. In this context, it supports the implementation of Kenya's Intended Nationally Determined Contribution (INDC), which identifies the implementation of the Ending Drought Emergencies Strategy as a priority adaptation action. Further, the programme links well with the Inter-Governmental Agency for Development (IGAD) Regional Strategy, Volume 2: Implementation Plan 2016-2020, especially on Pillar 1: Agriculture, Natural Resources and Environment.

The programme builds on the 10th EDF Kenya Rural Development Programme (KRDP) and Support to Horn of Africa Resilience (SHARE) as well as on-going 11th EDF support to the National Drought Management Authority (NDMA) and its approach to Drought Risk Management (DRM). The programme will support two of the six pillars of the EDE CPF, namely "Sustainable Livelihoods" and "Drought Risk Management". The 2016-2017 drought, caused by the intensification of "El Niño" phenomenon, led to a dramatic increase in household vulnerability and number of people in need of relief support thereby increasing the risk of destabilising an already fragile overall situation in Kenya's ASALs. Under EDE pillar 4 (component 1), the action will support building of resilience through strategic planning for sustainable livelihoods, improved management of water, livestock, crops and rangelands resources and establishing cross-sectoral links with other EDE pillars.

The programme will follow a multi-sector approach to address weak drought resilience and high food and nutrition security vulnerability in some of the most at risk ASAL counties. It will be aligned to other resilience building interventions including those focussing on cross-border areas. The action will contribute to enhanced climate-resilience, economic development and prosperity as well as improved stability, peace, conflict prevention and security in a fragile and challenging region, and particularly volatile counties such as West Pokot and Baringo. The approach will ensure better cross-sector synergy and complementarity and also strengthen NDMA and county level administration capacities in building drought resilience and food and

nutrition secure livelihoods for vulnerable and at risk households. In addition, the action will strengthen the devolved systems on implementation of policies and strategies as well influencing policy and strategy changes for improved resilience building and drought risk management, including in the face of climate change impacts and other climate risks. In this regard, the ASAL county governments will play a crucial role in the implementation of the action.

Under pillar 5 (component 2), the programme will support DRM on early warning and response, and specifically strengthen the timeliness, accountability and efficiency of drought responses, including through better preparedness. The continued support to DRM and the Drought Contingency Fund (DCF) became necessary after the 2016-2017 drought responses practically used up all available 10th and 11th EDF DCF response funding provided during the period from August 2016 to May 2017.

The primary target group of this programme are drought vulnerable households in Kenya's ASALs. While component 1 will particularly focus on 4 marginal agricultural and agro-pastoral counties with high vulnerability to droughts and where high proportion of children and women suffer from malnutrition, component 2, in principle, can support target beneficiaries in all the 23 ASAL counties.

1. CONTEXT

1.1 Sector/Country/Regional context/Thematic area

1.1.1 Public Policy Assessment and EU Policy Framework

Kenya Vision 2030 is the country's policy blueprint which aims at by 2030 making Kenya a middle-income country providing high quality of life for all its citizens in a clean and secure environment. It is implemented through successive five-year medium term plans, the second of which, for the period 2013-17, incorporates the EDE strategy as one of the "foundations for national transformation". The implementation of the EDE strategy is also one of the key priority adaptation actions identified in Kenya's INDC. More than 80% of the country's landmass is arid and semi-arid land (ASAL), is highly vulnerable to the impacts of climate shocks and climate change. The country's economy is highly dependent on climate sensitive sectors such as agriculture that is mainly rain-fed, energy, and tourism.

The EDE is the operationalisation at national level of IGAD's Drought Disaster Resilience and Sustainability Initiative (IDDRSI) in the Horn of Africa, and its strategy builds on the National Policy for the Sustainable Development of Northern Kenya and other Arid Lands and commits the government to supporting communities in the 23 most drought prone counties of Kenya (estimated 15 million people) to become more resilient to drought and thus end drought emergencies by 2022. With climate change already being felt in the country and droughts identified as one of the main climate hazard, the implementation of EDE becomes even more urgent. Chronic poverty, isolation and lack of economic development are particularly severe in northern and eastern pastoral areas of Kenya which contain 18 of the 20 poorest constituencies in Kenya, where the vast majority of the population lives below the poverty line. With stunting rates above 30% in a number of counties¹, malnutrition in many ASALs remains unacceptably high. According to NNAP², risk factors linked to stunting are multi-sectoral and include poor childhood health and hygiene, poor access to safe water and sanitation, poverty, low incomes, lack of resources and productive assets, poor dietary diversity and access to nutritious and balanced diets, low level of education and challenges in relation to women's empowerment. Sustainable livelihoods cannot be achieved without adequate food and nutrition security. Hence resilience building actions targeting food and nutrition insecure households must therefore cover a wide range of activities to alleviate food and nutrition insecurity and achieve sustainable impact.

Kenya's strategy to end drought emergencies actively seeks to anticipate and eventually reduce vulnerability to drought through sustainable development in two ways: firstly, by strengthening the foundations for growth and development, which are particularly weak in drought-prone areas and, secondly, by strengthening the institutional and financing frameworks for drought, preparedness and resilience building and climate risk management.

¹ Kilifi, Kitui, TharakaNithi, Samburu, Turkana, West Pokot, Usain Gishu, Bomet and Narok (9 counties).

² National Nutrition Action Plan/NNAP 2012-2017.

The EDE CPF has six pillars: peace and security, climate-proofed infrastructure, human capital, sustainable livelihoods, drought risk management and institutional development and knowledge management. While NDMA has direct responsibility for the implementation of the fifth and sixth pillars, it has gained considerable experience in the coordination, supervision and M&E (monitoring and evaluation), and EDE pillar 4 on resilience building livelihood actions under KRDP, SHARE and DCF.

This programme also aligns with the Agricultural Sector Development Strategy 2010-2020, National Food and Nutrition Security Policy 2011, the National Nutrition Action Plan 2012-2017 and the National Food and Nutrition Security Implementation Framework (NFNSP-IF). It also fully complies with the Constitution of Kenya (2010) administrative context, considering that many of the former functions of the Ministry of Agriculture (Livestock and Fisheries) and Ministry of Health at national level have been devolved to the counties, which are now fully responsible for these two sectors. Therefore, the proposed support under component 1 envisages that the approach to livelihood resilience building be fully embedded in the planning and implementation of counties' integrated development plans (CIDPs) and sector strategies. Effective cross-sectoral linkages between agriculture, livestock, health, water, environment and education services are to take place at county level.

At the regional level, the programme aligns with the IGAD Regional Strategy, Volume 2: Implementation Plan 2016-2020 whose strategic objective for Pillar 1 is to promote attainment of food security and sustainable management of the environment and natural resources. The expected outcomes of this pillar include: Improved food security in the region through development of agriculture, fisheries and livestock development; and Resilience to natural disasters and economic shocks improved.

The programme complies with the "new European Consensus on Development"³ by addressing issues of human development of vulnerable populations in relation to building sustainable livelihoods and resilience to environmental and climate change induced stresses and shocks. Finally, the programme takes on board the link between development, rehabilitation and relief⁴, considering the high environmental and climate change vulnerability of the target counties which are cyclically hit by droughts resulting in heavy loss of productive assets and high food and nutrition in-security. The European Consensus on Development identifies gender equality and women's empowerment as a principle and key driver for sustainable development and of EU's development cooperation. Through the above, the programme contributes strongly to addressing root causes of irregular migration, conflict and displacement.

Generally, the end result of this programme will contribute to improved stability by improving the economic and social wellbeing and livelihoods of vulnerable rural households. This is expected to enhance peace and stability by reducing internal conflicts related to competition over scarce natural resources and also reduce rural-urban migration as well as cross border migration in search of employment and better opportunities.

The programme also fully complies with the following EU policies: a) Communication of the Commission on: Enhancing Maternal and Child Nutrition in External Assistance: an EU Policy Framework – 2013; b) Commission Staff Working Document: Action Plan on Nutrition – 2014; c) Commission Staff Working Document: Boosting food and nutrition security through EU action: implementing our commitments – 2013; d) Joint Communication to the European Parliament and the Council on a Strategic Approach to Resilience in the EU's external action, June, 2017 and aligns with the Scaling Up Nutrition (SUN) movement; and e) The EU Gender Action Plan 2016-2020⁵, especially the thematic priority on Physical and Psychological Integrity objectives 12 (healthy nutrition levels for girls and women and throughout their life cycle), and Thematic Priority: Political and civil rights - Voice and Participation objective 20 (equal rights enjoyed by women to participate in and influence decision-making processes on climate and environmental issues).

³ Communication from the Commission to the European Parliament, the Council, the European Economic And Social Committee and the Committee of the Regions, Proposal for a New European Consensus On Development, 'Our World, Our Dignity, Our Future', COM (2016).

⁴ In compliance with the LRRDS (Link Relief, Rehabilitation, Development Strategy/ the Directorate-General for European Civil Protection and Humanitarian Aid Operations (ECHO) and the Agenda for Change.

⁵ Joint Staff Working Document, Gender Equality and Women's Empowerment: Transforming the Lives of Girls and Women through EU External Relations 2016-2020, SWD (2015).

The programme will also build on best practices and lessons learnt from other interventions and will be fully aligned with existing and planned resilience initiatives which NDMA and EDE are addressing in particular.

A recent draft evaluation report on the EU approach to resilience to withstand food crises in African drylands, covering Sahel and Horn of Africa, including Kenya, revealed that the EU's strategic approach to resilience building remains highly relevant given recurrent food crises in the region. The underlying resilience concept, "that a multi-sector, long-term approach is needed to help countries and communities recover and withstand future stresses and shocks, without relying to external aid" is still pertinent. Kenya's EDE strategic approach and the drought risk management of NDMA through the DCF were highlighted in the report as positive examples.

According to the Kenya Demographic and Health Survey (KDHS) of 2008/9 and 2014, the stunting and wasting rates declined significantly from 35% and 7% in 2008/09 to 26% and 4% in 2014 respectively. However, the national target of reducing stunting to 14% by 2017 may not be achieved. The Global Nutrition Report 2015 highlighted Kenya as one of the countries which have made significant progress in reducing malnutrition. This is an indication that Kenya has put in place effective policy frameworks and strategies as well as institutional capacities for delivery of desired results in food and nutrition security. This programme will scale up these positive developments as well as strengthening the capacities of NDMA, county governments and civil society organisations to deliver more efficiently.

1.1.2 Stakeholder analysis

The main target group of this programme are drought vulnerable and food and nutrition insecure households in Kenya's 23 ASAL counties.

a) **Component 1** will particularly focus on marginal agricultural and agro-pastoral areas in West Pokot, Baringo, Isiolo and Tana River counties and targets rural communities with high vulnerability to droughts and where a high proportion of children and women suffer from malnutrition and food insecurity. The action targets highly drought vulnerable smallholder/agro-pastoralist households unable to meet their household nutritional and food requirements for most parts of the year. Support to children under 5 years of age and women is of particular importance. Women in Kenya comprise more than 70% of the labour force in agriculture and contribute 80% of all labour in household food production. The action's multi-sector livelihoods and resilience building support is therefore targeting women headed and vulnerable households with children under 5 years of age.

Other beneficiaries of component 1 are county public sector workers in the areas of agriculture, livestock, WASH (Water, Sanitation and Hygiene), health, nutrition and education as well as community health and nutrition workers who will benefit from capacity building, training and other support. Gender balance will be taken into account to ensure both women and men benefit equitably.

Existing Common Interest Groups and Community-based Organisations (CBOs), associated with agriculture, livestock, WASH, health and nutrition will be supported, as will be the establishment of new groups, with emphasis on gender mainstreaming.

School children will benefit from environmental and nutrition education and practical demonstrations and training.

b) **Component 2**, the DCF contribution, in principle, can support any vulnerable household in the 23 ASAL counties as required. Both drought preparedness and response activities will be based on needs and priorities identified at the county level and verified by NDMA. The type of drought responses will be triggered by the county/sub-county crisis level as assessed by NDMA.

NDMA staff at national and county levels as well as county administration staff will benefit from component 2 - support in terms of training and capacity strengthening for better planning, including mainstreaming of climate change considerations in the curricula, M&E, timeliness and efficiency of responses as well as accountability and good financial management. Gender balance will be ensured in all the training and capacity building activities.

During the identification mission, over 180 stakeholders were consulted from the national government, 9 county governments staff, civil society organisations, international organisations and donors.

1.1.3 Priority areas for support/problem analysis

Drought is one of the biggest threats to the well-being of people in the ASALs and to the achievement of Kenya's Vision 2030. The challenge is exacerbated by climate change impacts. Between 2008 and 2011, the impact of drought is estimated to have slowed gross domestic product (GDP) by an average of 2.8% per annum, with total damage and losses estimated at USD 12.1 billion. The highest values of per capita damage and losses were in areas where the Human Development Index is lowest⁶. A child from the ASALs is more than twice as likely as an average Kenyan child to live in a household with insufficient income to cover basic nutrition and food requirements.

Food and nutrition insecurity remains a major concern in Kenya, with an estimated 10.8 million people (25% of the total population) under-nourished,⁷ and more than 2 million under-five children stunted.⁸ The economic cost of stunting to Kenya's economy was estimated to be as high as USD 1 billion in 2010. By end of January 2017, the 2016–2017 drought left 2.7 million people in need of relief assistance out of which 2.3 million people were classified as Integrated Phase Classification (IPC) level 3 with numbers set to increase as the drought continues.

Some ASAL counties are particularly affected by high stunting rates (e.g. West Pokot, 45.9%; Kitui, 45.8%; Kilifi, 39.1%) and the negative dynamic is driven by a number of inter-related factors:

- Recurrent failure of rains leading to drought spells and poor vegetation recovery result in high animal morbidity and mortality with declining production of essential food of animal origin. Poor harvests and crop failures lead in turn to severe cyclical shortages of staple food (from a minimum of 4 months to 6 or more months).
- Low crop yields and poor livestock performance in ASAL areas are also a result of a) high cost of or absence of inputs, b) inadequate production systems, c) poor rural roads and infrastructure, d) low market integration and e) poor animal disease control and extension services.
- Inefficient and ineffective management of communal natural resources, insufficiency of risk mitigation investments, such as water harvesting and use of appropriate drought tolerant crops, crop diversification, fodder harvesting, etc, negatively affect the coping capacity of communities and hamper the resilience of the most vulnerable households.
- Challenges of accessing basic services, such as health, education, water and sanitation and social protection due to low income and high levels of poverty in ASAL counties. In addition, there are gender inequalities due cultural beliefs and religious practices.
- High insecurity due to banditry, cattle rustling and clan/tribal conflicts mostly triggered by competition for scarce natural resources such as water and land for grazing and farming. This hinders development interventions, drought response and access to basic social services increasing the vulnerability of the local communities. Furthermore, in some areas insecurity is linked to the presence of Al Shabaab militia group

Vulnerability to drought is particularly acute in the ASALs, where food insecurity and drought emergencies are a product of developmental and structural challenges such as population growth, environmental pressures, chronic poverty, and inequality, exacerbated by climate change impacts. It is evident that resilience to droughts and food and nutrition security are closely interlinked and that one cannot sustainably be achieved without the other.

Kenya has made significant progress in strengthening and institutionalising its drought management system with the creation of the NDMA in November 2011, the formulation of the EDE strategy and its CPF, and

⁶ Republic of Kenya (2012) "Kenya Post-Disaster Needs Assessment for the 2008-2011 Drought".

⁷ FAO (2014) "The State of Food Insecurity in the World".

⁸ Republic of Kenya (2014) Kenya Demographic and Health Survey.

technical improvements to the early warning and contingency planning systems. However, two key challenges remain.

Firstly, the task of reducing vulnerability and building drought resilience involves many diverse actors, working at multiple levels, in various sectors, and over many years. This situation is strongly influenced by devolution now that core EDE functions are shared between the national and the new county governments. It is anticipated that the process of devolution will accelerate efforts to address the long-term inequities of resource distribution and service provision across counties. However, the new county governments have not yet developed adequate capacity to effectively deliver on their mandate. Their absorption capacity of 65.2% of development funds, as reported in the Annual County Governments Budget Implementation Review Report 2016, is still low.

The dramatic increase of number of vulnerable households and people in need of food aid and the number of livestock deaths under the 2016–2017 drought have clearly shown that communities and households in the ASALs have not yet been able to build the level of livelihood resilience and food and nutrition security required to withstand the negative effects of drought. Further support is required to specifically build resilience and food and nutrition security of the vulnerable population in the counties most at risk.

NDMA has gathered considerable experience and know-how in the coordination, supervision and M&E of drought preparedness and resilience building actions under KRDP and DCF (including contracting authority) and under SHARE. Component 1 of the current programme will build on the experiences and know-how of NDMA in identifying and implementing county specific actions that address weak drought resilience and poor food and nutrition security.

Priority measures (not exhaustive) to address the above challenges under the EDE pillar 4 – sustainable livelihoods (programme component 1) are:

- Support to enabling institutions and other relevant stakeholders.
- Advocacy at county level to convince decision makers of the importance of building drought resilience and food security through multi-sectoral approach. This may include use of different media.
- Improved linkages and interaction between thematic sectors (agriculture, livestock, water, health, education, economics, infrastructure, etc) at county level, and mainstream climate change adaptation into county integrated development plans, as identified in Kenya's INDC.
- Improved women empowerment.
- Improved climate-proofed water provision and utilisation of water for (i) crop production; (ii) livestock production; and safe water for (iii) domestic consumption and, (iv) promotion of sanitation and hygiene.
- Promotion of crop diversification, drought tolerant crops and nutritious food.
- Promotion of locally adapted climate smart, climate resilient, conservation and agro-forestry systems.
- Promotion of better crop-livestock interaction.
- Improved livestock productivity and production/utilisation of fodder and crop residues.
- Promotion of crop and livestock insurance schemes where relevant.
- Promotion of kitchen/home garden (production of vegetables, fruit trees and small stock).
- Improved storage, preservation and processing of crops and food. Reduction of food losses and wastage.
- Improved marketing and market access for agricultural products and livestock.
- Provision of nutrition and other relevant education/training for adults and children. Use of school vegetable gardens/fruit trees for training and demonstration.
- Diversify household income and develop new income generating activities.
- Support to creation and strengthening of CBOs, peer interest groups, grassroots organisations.

- Support capacity building and training to NDMA, county administration, CSOs, CBOs, joint interest groups and community volunteers.

The second main challenge is the weak link between early warning and early response, caused in part by the lack of attention given by all actors to drought preparedness and in part by lack of set-aside funds. The challenge has been further increased by the lack of coordination and harmonization of the triggers for response to drought between different actors (ie: HSNP, KLIP, DCF), with different approaches creating confusion even with the beneficiaries. Evidence for the cost-effectiveness of early response and its capacity to protect productive assets is mounting⁹. Therefore the Government is in the process of establishing a National Drought Emergency Fund (NDEF) and has budgeted for that a Government contribution of USD 20 million in the current financial year. The NDEF will be established under the Public Finance Management Act and is planned to be implemented by NDMA using rules and regulations similar to that of DCF. While awaiting the NDEF to be fully established, NDMA has been providing early and well targeted responses to the current drought using DCF resources from 10th and 11th EDF to a level that by May 2017 all available EDF allocations for responses will have been fully utilised. Component 2 will therefore contribute another tranche of finance for both drought preparedness and response under DCF. Furthermore, it is increasingly recognised that, for all sectors, a systems approach to planning and provision, which breaks down the artificial humanitarian and development divide and encompasses scalability triggered by a deteriorating context, is the most efficient and effective in terms of ensuring a timely, adequate and relevant response.

2. RISKS AND ASSUMPTIONS

The following table sets out the major risks and their mitigating measures. None of the risks identified are considered as high risk and therefore programme success is likely not compromised.

	Risks	Risk level	Mitigating measures
1	Low absorption capacity of county governments for new programmes	Low	Advocacy within county governments to improve staff training and increase home economics extension staff
2	Impact of drought and other climate shocks	Medium	Adopt the coping mechanisms in collaboration with NDMA and county governments
3	Impact of crop and livestock diseases	Medium	Coping mechanisms in collaboration with county governments
4	Security and freedom of movement in the ASAL areas, risk of destabilisation in the light of the upcoming elections	Medium	National security issue addressed by the relevant county authorities
5	Cultural beliefs and practices of communities may constrain nutrition-sensitive agriculture information and infant, and young child nutrition (IYCN) messages	Medium	Conduct awareness campaigns, targeting both men and women, in collaboration with national and county governments departments
6	Devolution presents significant opportunities for the EDE, particularly in ensuring faster and more appropriate response to local priorities and strengthening local accountability mechanisms. The inevitable challenges experienced at this early stage of devolution may slow progress in EDE implementation.	Low	The NDMA has established positive working relationships with county governments which it will leverage for EDE accountability and for deeper ownership of national policies at the county level. Inter-governmental mechanisms are already in place and will be strengthened.
7	Fiduciary risks - significant amounts of money are disbursed during periods	Medium	The NDMA is taking the necessary steps to strengthen its systems and ensure effective

⁹ Cabot Venton, C. et al (2012) 'The Economics of Early Response and Resilience' London, DFID.

	of drought stress, increasing the risks of malpractice and corruption		risk management. It has developed a Risk Management Framework which addresses fiduciary risks.
8	Lack of gender sensitive approach contributes to increasing gender inequality (especially as regards access to and control over land resources)	High	NDMA will put emphasis on gender mainstreaming, training and creating awareness on gender issues to both implementing partners, target counties and communities
	Assumptions		
1	County governments, stakeholders, civil society and community organisations, community leaders and members are favourable towards programmes that build resilience, sustainable livelihoods and food and nutrition security of ASAL population.		
2	County governments and implementing partners will support the planning and implementation of the sustainable livelihoods action and allocate financial and human resources.		
3	County governments will make building of resilience and food security a priority of their CIDP and support extension in all key sectors relevant to the programme.		
4	Advocacy at county government level will induce a change of the mind of decision makers in the context of achieving stronger resilience to the effects of drought including better food and nutrition security.		

5	The Government of Kenya understands drought risk management as the full range of policies, strategies and measures that lessen the negative impacts of drought. These include interventions that reduce underlying vulnerabilities and exposure to risk (primarily through the first four pillars of the EDE) and those that improve the quality of preparedness and response (primarily through the fifth pillar of the EDE). The EDE strategy provides a framework to integrate these interventions which take place on different timescales, under different conditions, and by different actors.		
6	The disbursement procedures for the DCF require that county governments and their partners continue to raise financial resources to complement the funds available under the DCF and thus increase the magnitude and impact of drought mitigation activities. The assumption is also that county governments and their partners align their interventions with the procedures and best practices promoted by the NDMA, including the computerised fund management tool.		

3. LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES

3.1 Lessons learnt

A review of the drought management co-ordination structures in 2014 drew together the lessons learnt in food security and drought management in Kenya over the past decade and identified both devolution and the establishment of the NDMA as important opportunities for strengthening coordination structures. In particular, the review highlighted the importance of the following:¹⁰

1. Inclusion of all key actors in a multi-agency but government-led, clearly demarcated and legally mandated approach required at all levels.
2. Effective early warning and dissemination of information to generate timely response.
3. Existing coordination mechanisms, in their focus on drought-related crises, tended to downplay the chronic nature of food insecurity, under-nutrition, and the structural causes of vulnerability. Rather, a longer term response and better mainstreaming of risk management across all sectors within the broader development agenda would facilitate engagement early in the drought cycle, would save lives and livelihoods as well as significantly reducing the need for costly emergency operations.

¹⁰ Acacia Consultants (2014) "Review of Drought Management and Food Security Coordination Structures in Kenya".

4. Long-term funding should be sourced from government, donors, non-governmental organisations (NGOs), communities and the private sector with reduced reliance on external funding and increased investment in human resources at all levels signalling greater government commitment.
5. Flexible budgeting and rapid disbursement procedures with decentralised financial decision-making.
6. Community participation and community capacity building in all aspects of drought management, potentially through the ASAL Stakeholders Forum.
7. Importance of transparency and institutional accountability to identified targets as underscored in the EDE.

Considerable progress has been made in implementing these lessons, although as mentioned above, lack of sufficient contingency funds remains the principal limitation on the drought management system.

The 2013 ex-post Results Oriented Monitoring (ROM) of the predecessor project to NDMA noted that the action successfully demonstrated and validated the hypothesis that a structured and systematic drought management system is important for early and efficient response. It also reinforced the importance of stakeholder involvement, particularly of communities, in drought planning and food security, and of effective coordination, community structures for risk reduction, and government leadership.

In June 2014, the NDMA was granted EUR 10 million of drought contingency finance to respond to the emerging drought. This flexible fund increased the timeliness of response: between August and November 2014, the NDMA disbursed KES 275 million (EUR 2.6 million) to 17 arid and semi-arid counties for activities in livestock, water, health and nutrition, education, agriculture, security and coordination. Feedback from communities and county governments confirmed that the activities financed are very relevant and have helped avoid the unfolding of an emergency situation and further human suffering.

In 2016 successive poor rains led to a rapid deterioration of the natural vegetation in the ASALs with the worst ever recorded vegetation indices in many of the counties. The coastal counties of Lamu, Kilifi and Kwale, which during previous droughts provided a fallback position for livestock grazing, this time were the worst affected counties in the early stages of the drought. By the end of 2016, the drought was affecting most of the ASAL counties with particular severity in the northern, eastern and coastal counties. Between July and December 2016, NDMA had released approximately EUR 2 million from 10th EDF DCF for drought responses. NDMA supported measures in many areas were the first responses provided to the affected population. Focus was on water, health, support to livestock, destocking and coordination. After the Kenya Government declared the drought a national disaster, the signing of the 11th EDF DCF grant was fast-tracked and EUR 15.3 million out of an available EUR 16.3 million were allocated for rapid drought responses during the period February to May 2017, leaving the DCF practically for 3 years without financial means to respond to other potentially emerging droughts and crises.

The recent drought also resulted in a rapid increase of the number of vulnerable households and by end of January 2017 some 2.7 million people in the ASALs were in need of food aid. Livestock, a key productive asset in the ASALs, started to succumb to shortages of feed and water and outbreaks of animal diseases were reported. The rapid deterioration of the livelihood situation and food security of the drought affected population clearly demonstrated that communities and households in the ASALs had not yet been able to build the level of livelihood resilience and food security required to sustainably mitigate the effects of drought. Further support is required to enhance preparedness, resilience and food and nutrition security of the most vulnerable population. The resilience building will need to put particular emphasis on improving community and household food and nutrition security. Malnutrition in Kenya until now has been mainly addressed through the health sector while a multi-sectoral approach needs rather to be followed to achieve sustainable food and nutrition security. Agriculture and livestock value chains which are key for smallholder household food security are practically absent from the Kenya Food and Nutrition Security Policy (FNSP). However, the Food and Nutrition Security Bill (2014) is currently being revised and resubmitted to Parliament for debate. The bill proposes establishing a Food and Nutrition Security Council, with a Secretariat hosted at the Office of the President, to coordinate the implementation of nutrition interventions through a multi-sectoral approach.

The Government of Kenya joined the global movement for Scaling up Nutrition (SUN) in 2012 in a bid to address malnutrition at scale using a multi-sectoral approach. The SUN Networks have however not yet been

embraced by county governments although some counties have elaborated nutrition action plans. Awareness creation and advocacy at county level to convince decision makers of the importance of child and maternal nutrition is considered essential to overcome the associated budgeting issues. Embracing an inter-sectoral approach to address food and nutrition security is however still lacking in most counties.

Subsequent pertinent lessons learnt on the Medium Term ASAL programme funded by Danida in 6 ASAL counties which are also relevant to the design of this programme.

Lessons learnt from Medium Term ASAL programme	Proposed change in approach for new programme
Scattered populations and large distances between project sites resulted in poor support to and supervision of CBOs.	Implementation should preferably take place in focused and clustered sites which can serve as demonstration points.
Site selection for infrastructure development was based on which organisations responded first, rather than need and priority.	Implementation should take place in county government priority sub-catchments based on the County Integrated Development Plans.
The Support Organisations that were recruited often 'cut corners' because of scattered populations and large distances involved, often resulting in poor design, and lack of supervision.	The programme needs to enter into formal agreement with county governments for provision of structured county involvement and support to ensure effective design, control and supervision of resilience building infrastructure investments.

3.2 Complementarity, synergy and donor coordination

This programme to a large extent builds on past and on-going EU support provided under the KRDP and SHARE programmes.

Besides a number of resilience building actions, KRDP also provided funds to NDMA for coordination of EDE and drought risk management. Also under KRDP are the Kenya Cereal Enhancement Programme (KCEP) managed by IFAD (International Fund for Agricultural Development) and the Conservation Agriculture programme implemented by FAO. Both actions are directly relevant to the proposed programme in terms of input supply chain support, promotion of drought tolerant crops, improved storage, development of market links and promotion of conservation agriculture techniques for increased crop production and efficiency for climate smart marginal agriculture in ASALs.

SHARE also supports drought resilience building in the ASALs as well as a maternal and child nutrition programme implemented by UNICEF.

Because of the similarity of the objectives and the use of the same implementing partner, the EU and four EU Member States (Germany, Denmark, Sweden and Finland) developed a **"Joint EU framework for the provision of water and sanitation in Arid and Semi-Arid Lands of Kenya"**. This framework is a step in furthering the efforts of EU joint programming in the water and sanitation sector. The total funding of the Joint EU framework for the period 2017-2021 amount EUR 46.5 million, including EUR 7.1 million counterpart contributions from the two levels of Government.

Complementary actions under the **11th EDF in support to Ending Drought Emergencies (EDE)**: CPF focussing on ASAL counties comprises a EUR 30 million programme supporting EDE pillar 5 (Drought Risk Management) and pillar 6 (Institutional Development and Knowledge Management), a EUR 20 million programme to support WASH, a EUR 30 million (+ EUR 60 million from Agence Française de Développement (AFD) through blending) programme on rural roads (both actions under pillar 2 climate proofed infrastructure) and a EUR 50 million support action to productive smallholder agriculture (pillar 4 - sustainable livelihoods). The latter action is not specifically limited to ASAL counties but open to support agribusiness and value chain development benefitting smallholders throughout Kenya. Through blending, the programme is expected to leverage an additional EUR 70 million in concessional loans from EIB and AFD for investment in the sector thereby strongly supporting youth employment.

As regards food and nutrition security, the preparations for setting up an EU supported National Information Platform for Nutrition (NIPN) in Kenya are progressing well. Contracting is planned for second semester 2017. The NIPN initiative will assist national and county governments to make best use of existing nutrition

information, enabling informed nutrition related decisions through efficient policy formulation, programme designs and resource allocation.

Other actions with direct relevance to building of resilience and sustainable livelihoods and food and nutrition security in ASALs are shown below.

	Subject	Relevance to Programme mobilisation, effectiveness and/or efficient resource use
DfID	UK Aid/DFID Market Assistance Programme (MAP) supported by Gatsby Trust and the Netherlands.	Fund management; information management and dissemination; involvement in catalysing targeted sub-sectors.
DfID	Kenya Health Programme	Support the Kenya Ministry of Health (MoH) to strengthen capacity for service delivery support systems and governance.
DfID	Kenya Social Protection Programme II	Assists target households to protect orphans and vulnerable children from under-nutrition.
DfID	Hunger Safety Net Programme Phase 2 (HSNP 2)	To reduce poverty, hunger and vulnerability by providing the poorest households with cash transfers.
GIZ	Food and nutrition security, enhanced resilience	Supports households at risk for better food and nutrition security and resilience.

FAO	Promoting Nutrition Sensitive Agricultural Diversification to Fight Malnutrition and Enhance Youth Employment Opportunities in Eastern Africa	Supports creation of decent employment opportunities for young women and men in the agricultural sector.
GIZ	GIZ Food Security and Drought Resilience programme (Turkana and Marsabit)	Supports coordination, climate proofed infrastructure development and resilience building.

This programme will endeavour to make linkages, synergies and cooperation with the above projects and any other related actions to avoid any duplication, overlapping of activities and create greater impact in resilience building. It will strengthen inter-agency collaboration and create opportunities for future joint programming and assure long-term sustainability through strong involvement of county government services.

3.3 Cross-cutting issues

Gender equality and equity: The programme is both gender specific and gender sensitive. Women of vulnerable households and their children aged under 5 are a core-target group of the programme. Women empowerment will be addressed through specific actions to strengthen knowledge, access to resources, decision-making and economic capabilities. The programme foresees the promotion of group-based initiatives at community level. Women's groups, such as "mother to mother support groups", "kitchen-garden" or "small ruminant/poultry-keeping" groups will be strengthened and scaled-up. The gender agenda will be further promoted throughout the programming exercise at county level as well as in county/community coordination platforms and in the advocacy and awareness raising campaigns, especially among men, about the benefits that female farmers bring to the household.

Good governance will be promoted throughout the entire programme. The programme encompasses awareness-raising, advocacy and capacity building, aiming at bettering organisations¹¹ responsiveness to provide public goods and services requested by the communities, for enhancing agriculture and livestock productivity and diversity and improving resilience and food and nutrition security. There is a need to strengthen, invigorate and open existing "nutrition-sensitive interventions platforms (NSIPs)" at county level to other sectors, to foster a broader/inter-sector agenda and a holistic approach on food and nutrition security. NSIPs will be able to support policy and decision-making and boost transparency, accountability and

¹¹ Including State and Non State Actors / NSA as NGOs, and CBOs

responsiveness of public actions addressing food insecurity and malnutrition. The programme contributes to the promotion of the fundamental socio-economic human rights, such as the Right to Health and the Right to Food of acceptable quality, endorsed by the Kenyan Constitution.

Desertification processes and the impacts of climate change are to be considered among the root causes of food insecurity and not just as cross-cutting issues in the context of building resilience and sustainable livelihoods and achieving better food and nutrition security through enhanced and diversified agriculture/livestock production. ASALs in Kenya have suffered recurrent droughts due to the intensification of "El Niño" phenomenon, resulting in poor crop production and livestock productivity, with increasing loss of vegetation cover in some areas, land degradation through soil erosion, fragmentation and destruction of wildlife habitats, and degradation of water catchments. Intervals between droughts are getting shorter and shorter thereby negatively affecting the opportunity for the vegetation to fully recover after a drought spell. Data from the FAO fodder index from the last 16 years show that, since November 2013 to date, the fodder/water situation in the ASALs has failed to recover to its previous post-drought recovery level. Such a protracted degradation of the rangelands and pasture in the ASALs is limiting the opportunities for sustainable livestock keeping and in turn increases the risks for conflict and instability. There is a strong sense that more needs to be done to make Kenya better prepared for future droughts and reverting land degradation and desertification processes. This is reflected in the strategies of NDMA and the concerned sector ministries, as well as in Kenya's INDC. Building resilience of communities and households through promotion of climate smart agricultural practices, promotion of nutritious and drought resistant crop varieties as well as improved management of livestock and water resources will mitigate the effects of climate change and enable the development of sustainable livelihoods.

Increased environmental sustainability will be promoted through soil and water conservation, rainwater harvesting, better crop-livestock interaction, agro-forestry and tree planting initiatives for human nutrition and animal fodder. The action will promote climate adaptation through introduction of diverse and drought resistant seed varieties for crops, fodder grasses and shrubs, already successfully tested by the Kenya Agricultural and Livestock Research Organisation (KALRO). Sustainable management of natural resources for household, livestock and other economic uses will be part of the capacity building and training activities under the programme.

Peace and security are critical ingredients of development. ASAL areas comprise some of the most insecure parts of Kenya, including areas bordering Somalia and areas where inter-communal tensions and conflicts are frequent. The latter are dominant obstacles to resilience, which curtails mobility and trade, deters investment and services, and makes prime grazing inaccessible. Conflict over natural resources is common across the ASALs. Resource-based conflict may become more serious and unpredictable in future as the impact of climate change deepens. Failure to manage resource-based conflict has significant consequences for drought risk management, since large areas of land may be abandoned from fear of violence.

Availability and conservation of water as a cross-cutting issue will also be taken on board by the programme. In the current environment, due to climate change and desertification, droughts and environmental degradation, water availability and use have been major challenges for communities living in the ASALs. This affects communities' coping capacities negatively in all sectors, especially regarding food and nutrition security, economically, socially and politically. The problem of water scarcity in ASAL counties is exacerbated by salinity of ground water, remote location and contamination of surface sources. To mitigate these problems the programme will create awareness in water conservation and promote rainwater harvesting for livestock and crop production through surface water harvesting structures, micro-dams and pan/rock catchments and other small to medium rainwater harvesting systems.

4 DESCRIPTION OF THE ACTION

4.1 Objectives/results

This programme is relevant to the United Nations 2030 Agenda for Sustainable Development. It contributes primarily to the progressive achievement of SDG 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture, but also promotes progress towards Goals 1: End poverty in all its forms everywhere; 3: Ensure healthy lives and promote well-being for all at all ages and 13: Take urgent action to combat climate change and its impacts. This does not imply a commitment by the country

benefiting from this programme. It also supports Kenya in implementing one of its priority actions as identified in the Intended Nationally Determined Contribution of the Paris Agreement.

Overall Objective:

The overall objective is that communities in ASAL areas of Kenya are more resilient to drought and other effects of climate change.

Specific Objective:

The specific objectives are to:

1. Enhance food and nutrition security of vulnerable households, especially for women and children.
2. Generate sustainable livelihoods and protect productive assets.

The main expected results for this action are:

Result 1: Productive, climate resilient and nutrition sensitive agriculture and livestock production strategies and measures are implemented.

Result 2: Key productive household assets and community investments are sustainably protected and safeguarded against recurrent droughts and the effects of climate change and recovery capacities are strengthened.

Result 3: County administrative services, cross-sectoral collaboration and local livelihood initiatives are strengthened.

Result 4: Preparedness and response interventions (non-food), triggered by the early warning system and related drought phase classification are improved.

DCF will support drought response activities earmarked in the county contingency plans. Activities eligible for funding are based on the Drought Response Manual adopted by the NDMA.

Preparedness funds will be disbursed to finance community-driven Disaster Risk Reduction/Climate Change Adaptation (DRR/CCA) initiatives which are designed to improve local capacity to prepare and respond to impending droughts and to facilitate linkages and synergies with the county drought management system. In addition, funds can be used to finance priority county-level preparedness investments. In collaboration with relevant line ministries and other county service providers, the NDMA will identify selected strategic investments that may involve, for example, the construction of strategic dry-season boreholes that are operated only during drought episodes and located in strategic grazing areas; the repair of county water browsers to provide water in areas without water supply; the construction of animal feed and seed banks to have better capacity for stockpiling animal feed and seeds; investment in livestock marketing to facilitate implementation of emergency livestock destocking programmes, etc. The logical framework presenting the results chain, indicators, baselines and targets is in Appendix.

4.2 Main activities.

Result 1 (R1): Productive, climate resilient and nutrition sensitive agriculture and livestock production strategies and measures are implemented.

R1a Agro-pastoralism related activities (non-exhaustive):

- Promotion of pasture/rangeland management and fodder production through controlled/rotational grazing and introduction of drought tolerant fodder trees, shrubs and grasses
- Promotion of techniques to conserve and store fodder, crop residues and by-products for use in times of shortage to safeguard key breeding animals and sustain milk production
- Improvement of pastoralists' resilience to droughts through controlled herd sizes and strategic livestock marketing/offtakes, animal health measures and improved breeding management
- Promotion of crop and livestock insurance schemes where relevant
- Promote the use of available climate services data for climate-resilient decisions
- Promotion of techniques to process and preserve animal products
- Introduction of small-stock and indigenous poultry which can utilise home and kitchen waste.

- Capacity building of livestock sub-sector stakeholders including training on nutrition, food preparation and gender mainstreaming.

R1b Nutrition sensitive agriculture related activities (non-exhaustive):

- Promotion of rainwater harvesting and storage techniques for improved crop/horticulture
- Promotion of drought tolerant crop species, crop diversification and bio-fortified crops
- Promotion of good agricultural practices, conservation agriculture and agro-forestry
- Promotion of homestead/kitchen gardens for vegetable and fruit production
- Promote the use of available climate services data for climate-resilient decisions
- Improve linkages for supply of farm inputs and for marketing of crops and horticultural produce
- Training and capacity building for agriculture stakeholders including training on nutrition, food preparation, good agricultural practices and gender mainstreaming.

Result 2: Key productive household assets and community investments are sustainably protected and safeguarded against recurrent droughts and the effects of climate change and recovery capacities are strengthened.

- Improved availability and utilisation of water for crop production and homestead/kitchen gardens
- Improved availability and utilisation of water for livestock production including construction/rehabilitation of water pans and/or boreholes with separate water troughs, etc.
- Improved safe water availability for domestic use and improved sanitation and hygiene
- Improved on-farm, home and community based food processing and preservation and storage systems to reduce losses, exposure to health hazards and extend food availability
- Improved availability and home consumption of naturally occurring foods such as honey, tree fruits, nuts, leaves and others
- Improved smallholder market access for product marketing and input supplies
- Promotion of commercial production of fodder or hay for sale and during droughts
- Promotion of alternative income generating activities, especially for women
- Foster the uptake of nutrition sensitive approaches at school level.

Result 3: County administrative services, cross-sectoral collaboration and local livelihood initiatives are strengthened.

- Improving policy decision-making and policy implementation through pro-active involvement of county governments. Support to county governments to establish and strengthen county level multi-sectoral Nutrition-Sensitive Interventions Platforms (NSIP) aimed at addressing food and nutrition security issues, and promote mainstreaming of climate change adaptation into County Integrated Development Plans (CIDPs).
- Support to grassroots and community-based networks (CBN) working on resilience building and food and nutrition sensitive approaches
- Increasing knowledge on underlying and root/basic causes of undernutrition and improve knowledge-management through sound and harmonised Monitoring & Evaluation (M&E) mechanisms (including programme M&E framework). Linkages with the National Information Platform for Nutrition (NIPN) in Kenya already being developed will be of particular importance
- Awareness raising and advocacy initiatives on need to build resilience and sustainable food and nutrition security.

Result 4: Preparedness and response interventions (non-food), triggered by the early warning system and related drought phase classification are improved.

- Further strengthening of the strategic governance of the EDE
- Implementation of drought preparedness and response measures
- Support to EDE Secretariat knowledge management in terms of:
 - a. Mapping and analysis of projects and stakeholders that contribute to the EDE CPF
 - b. Demand-driven research programme to generate evidence and learning
 - c. Reviewing and informing existing survey design

- d. Developing robust and comprehensive EDE information and knowledge systems
- e. Facilitating pillar-based and cross-pillar learning
- f. Leading monitoring and evaluation of the EDE MTP (medium term plan) II and design of the EDE MTP III

4.3 Intervention Logic

Relevance

The action is fully in line with EU's overarching aid policies and objectives and the goals formulated under the National Indicative Programme (EU Country Support Strategy for Kenya). Its goal of strengthening drought resilience is highly relevant and consistent with the EU strategy on resilience.¹²

Component 1 (Result 1-3): Pastoralism and agro-pastoralism are the dominant livelihood systems in the ASALs. These livelihood systems are increasingly at risk due to recurrent droughts, effects of climate change/risks, degradation of the natural resource base, lack of water, poor soil fertility, increasing population pressure and restricted access to land. Poor carrying capacity of the ranges and high livestock mortalities due to droughts are forcing more and more pastoralists to change to a sedentary lifestyle and engage in crop production on often marginal lands, unable to provide for sustainable livelihoods. It is those areas, where marginal cropping systems are the predominant livelihoods option, that malnutrition and food insecurity are highest. This results in high vulnerability, low resilience and increased risk of instability which became very evident during the drought of 2016-2017.

Promotion of climate resilient and nutrition sensitive agriculture measures and integrated adapted livestock production will be linked to increased water harvesting, sustainable use of natural resources and enhanced economic and social development. Support to creation of a conducive, sustainable and effective institutional and operational setting will foster formulation of locally adapted policies and strategies, improved planning, preparation, implementation and M&E of development efforts. Involvement and strengthening of local CBNs and grassroots organisations will enhance local ownership and long-term sustainability of the approach.

Component 2 (Result 4): The Government of Kenya has committed itself to mitigate the huge impact of droughts on the national economy through the EDE, and has recognised the need to strengthen and institutionalise systems for drought early warning, preparedness and coordination. In this regard, strengthening early warning systems (EWS) linked to Kenya Meteorological Department and IGAD plus effective coordination of all relevant stakeholders in drought preparedness and response will be important. This will include strengthening the strategic governance of the EDE, facilitation of inclusive decision-making, integrated approaches, and vertical and horizontal coordination; effective implementation of drought preparedness and response measures and support to EDE Secretariat knowledge management to deliver on its mandate more effectively. It will also include the strengthening of NDMA's role in coordinating the harmonization of triggers for response and level of support.

Strategy

The programme builds on the achievements of 10th and 11th EDF interventions on building resilience to droughts and drought risk management. The programme will support two of the six pillars of the EDE CPF, namely "Sustainable Livelihoods" and "Drought Risk Management". The recent 2016-2017 drought resulted in dramatic increase of household vulnerability and number of people in need of relief support thereby increasing the risk of de-stabilising an already fragile overall situation in Kenya's ASALs. West Pokot and Baringo were particularly affected by conflicts and violence when pastoralists' herds invaded private conservatories and farms in search of pasture and water. The proposed intervention will contribute to reducing the risk of conflict and instability through better preparedness and resilience.

Resilience to droughts and food security are closely interlinked and both of these development aspects need to be addressed simultaneously in a complementary and holistic manner.

¹² Joint Communication to the European Parliament and the Council on a Strategic Approach to Resilience in the EU's external action, June, 2017

Climate smart and nutrition-sensitive agriculture is an approach that seeks to maximise agriculture's (and livestock) contribution to nutrition and household food security while at the same time it is well adapted to climatic stress and limited water availability. This strategy stresses the importance of climate adapted production techniques combined with the multiple benefits derived from availability and consumption of a variety of nutritious foods. It recognises the nutritional value of food for good nutrition, health and productivity, and the social and economic significance of the agricultural and livestock sector for building sustainable and resilient rural livelihoods and communities. Other contributing factors for the approach to be successful entail targeting poor vulnerable households, promoting gender equity, promoting conflict sensitivity, provision of relevant trainings and linking up with education and health. Furthermore resilience building requires addressing other related key challenges such as WASH, sustainable use of natural resources, diversification and strengthening of economic development and enhanced drought risk management. The programme objective will therefore be achieved through four interlinked broad result areas, focusing on i) production systems, ii) resilience building measures, iii) cross sectoral collaboration and institutional development and iv) strengthening the institutional & financing framework for drought preparedness and early responses.

Cross-cutting issues are addressed by each of the EDE pillars: for example, pillar 1 on peace and security will contribute to the delivery of the Kenya National Action Plan on women, peace and security; pillar 2 has a strong emphasis on the climate-proofing of infrastructure investments; pillar 3 focuses specifically on the professional development of women and girls, while pillar 4 addresses environmental governance with regard to land and natural resource management. However, ongoing processes of learning and review will progressively strengthen the treatment of key cross-cutting issues, such as gender, nutrition and conflict sensitivity. This action will also support pillar 6, which is the "cross-cutting" pillar of the EDE, in that it focuses on issues which affect all pillars, such as institutional capacity and knowledge management.

The NDMA has acquired significant experience and capacity in both, coordination management and M&E of resilience building actions as well as drought preparedness and responses. It has been managing the KRDP DCF in a transparent and accountable manner. It has a strong finance department with an independent internal audit unit that reports directly to the Board of Directors, as well as an online Management Information System (MIS) for transparent and accountable fund management. Headquarter finance and procurement staff regularly monitor the NDMA county offices. For the reasons stated above, and based on the first conclusions of a systems audit, the NDMA was contracted by direct award in June 2014 for *de jure* monopoly to use the available KRDP resources allocated for DCF. The programme is proposed to involve NDMA for Component 1 to design and appraise the call for proposals, and to support contract coordination and M&E and for Component 2 for management of the Drought Contingency Fund.

5. IMPLEMENTATION

5.1 Financing agreement

In order to implement this action, it is foreseen to conclude a financing agreement with the partner country, referred to in Article 17 of Annex IV to the ACP-EU Partnership Agreement.

5.2 Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 4.2 will be carried out and the corresponding contracts and agreements implemented, is 60 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's authorising officer responsible by amending this decision and the relevant contracts and agreements; such amendments to this decision constitute non-substantial amendment in the sense of Article 9(4) to Regulation (EU) 2015/322.

5.3 Implementation of the budget support component

N/A

5.4 Implementation modalities

5.4.1 Grants: Call for Proposals "Resilience for Sustainable Livelihoods" (direct management) for Component 1: Support to Resilience for Sustainable Livelihoods

(a) Objectives of the grants, fields of intervention, priorities of the year and expected results

The Objective of the call for proposals is to identify and conclude grant contracts with non-state actors and local authorities (county governments) or consortia of the above that will successfully implement actions to build resilience to drought through sustainable livelihoods and improved food and nutrition security, mainstreaming climate change and other climate shocks impacts. To enhance sustainability and ownership, the respective county governments need to take a significant or leading role in the proposals.

(b) Eligibility conditions

Eligible applicants are non-profit-making legal persons and be a specific type of organisation such as: non-governmental organisation, public sector operators, local authority as defined by Article 43 of the Rules of application of the EU Financial Regulation, established in a Member State of the European Union or of any Country covered by ACP-EC Partnership Agreement, as laid down in Annex IV to the latter Agreement as revised by Decision No 1/2014 of the ACP-EU Council Of Ministers of 20 June 2014 (2014/428/EU). Moreover, the applicants will need to have a demonstrated capacity to manage actions involving a significant sub-grant component targeting agribusinesses in East Africa.

Subject to information to be published in the call for proposals, the indicative amount of the EU contribution per grant is EUR 4.5 million (for a maximum total of EUR 18 million) and grants may be awarded to sole beneficiaries and to consortia of beneficiaries (applicant and co-applicants). The indicative duration of the grant (its implementation period) is 48 months.

(c) Essential selection and award criteria

The essential selection criteria are financial and operational capacity and specific experience of the applicant. The essential award criteria are relevance of the proposed action to the objectives of the call; design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

(d) Maximum rate of co-financing

The maximum possible rate of co-financing for this grant is 80%.

In accordance with Article 192 of Regulation (EU, Euratom) No 966/2012, applicable in accordance with Article 37 of Regulation (EU) 2015/323, if full funding is essential for the action to be carried out, the maximum possible rate of co-financing may be increased up to 100%. The essentiality of full funding will be justified by the Commission's authorising officer responsible in the award decision, in respect of the principles of equal treatment and sound financial management.

(e) Indicative timing to launch the call

Second semester of 2018

5.4.2 Grant: direct award: Support to Drought Risk Management and Coordination (direct management) for Component 2: Support to Drought Risk Management and Coordination, Monitoring and Evaluation

(a) Objectives of the grant, fields of intervention, priorities of the year and expected results

By the support provided to the NDMA, the grant will improve institutional and financing mechanisms to ensure effective drought planning and preparedness and timely, accountable and coordinated drought response. The DCF business process provides a clear outline of the systems and procedures that are used to determine the disbursement of DCF. In particular, the approval process involves a number of steps both at county and national levels that ensure the fast release of funds and thus avoid intervening too late in the drought cycle.

Financial resources are earmarked to promote the institutional building of NDMA and to finance knowledge management-related initiatives. The capacity building component will be supported by a Technical Support Unit to enhance the operational capacities of the NDMA, while the EDE Secretariat established under the Authority will provide coordination services to facilitate, among other things, the identification and implementation of knowledge management initiatives.

The grant is also earmarked to support NDMA for the overall management of the programme, coordination, monitoring and evaluation. It will strengthen the alignment, coordination and quality of EDE resilience building interventions as well as the M&E framework. The activities involved relate to the EUR 18 million grants implemented under component 1 as well as to the EUR 10 million grant under component 2.

The grant will also strengthen the alignment, coordination and quality of EDE interventions by provision of technical assistance to the EDE Secretariat.

(b) Justification for a direct grant

Under the responsibility of the Commission's authorising officer responsible, the recourse to an award of a grant without a call for proposals is justified because the NDMA has a de jure monopoly (Rules of application (RAP) - Article 190 c), as lead institution in government for EDE leadership and coordination, and given its mandate and capacities to manage the drought system in Kenya's ASALs. Furthermore, the actions proposed have specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation and its administrative power (RAP - Article 190 f). The drought management system in Kenya is institutionalised in the NDMA, whose mandate is the leadership and coordination of all matters relating to drought management. The NDMA has also led the design of the National Drought Contingency Funds and the development of the EDE strategy and its correlated 6 Pillars Common Programming Framework.

In this regard, NDMA has gathered considerable experience and know-how in the coordination, supervision and M&E of drought preparedness and resilience building actions and this additional grant of indicative amount of EUR 2 million will further reinforce their capacities in this area and contribute to address the weak link between early warning and early response.

Among other measures, the NDMA has already established a strong finance department which includes an independent internal audit unit that reports directly to the Board of Directors, and has finalised a computerised MIS system for the management of DCF that will ensure transparency and accountability in the use of the funds.

The severity and scope of the 2016 and 2017 droughts required mobilisation of a large part of the available DCF resources for drought responses and support to upscaling of cash transfers under Hunger Safety Net Programme (HSNP). For the reasons stated above, the NDMA is proposed to be the implementing partner for the use of EUR 10 million from available 11th EDF resources for drought preparedness and responses under DCF in Kenya.

(c) Eligibility conditions

The National Drought Management Authority fulfils the criteria for the direct award of a grant contract as semi-autonomous government agency under the Ministry of Devolution and Planning.

(d) Essential selection and award criteria

The essential selection criteria are the financial and operational capacity of the applicant. The essential award criteria are relevance of the proposed action to the objectives of the project; design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

(e) Maximum rate of co-financing

The maximum possible rate of co-financing for this grant is 80%. The Government of Kenya will provide matching funds to the DCF through various initiatives such as the national safety net and the livestock insurance programmes. In addition, county governments will continue to complement the DCF by allocating specific financial resources from the newly established National disaster management funds.

In accordance with Article 192 of Regulation (EU, Euratom) No 966/2012, applicable in accordance with Article 37 of Regulation (EU) 2015/323 if full funding is essential for the action to be carried out, the maximum possible rate of co-financing may be increased up to 100%. The essentiality of full funding will be justified by the Commission's authorising officer responsible in the award decision, in respect of the principles of equal treatment and sound financial management.

(f) Indicative trimester to conclude the grant agreement

It is envisaged that the grant contract with the NDMA will be signed during the second trimester of 2018.

5.5 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

The Commission's authorising officer responsible may extend the geographical eligibility in accordance with Article 22(1)(b) of Annex IV to the ACP-EU Partnership Agreement on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

5.6 Indicative budget

Component	EU contribution (in EUR)	Indicative third party contribution (in EUR)
5.4.1 Component 1 (Result areas 1, 2 & 3)		
5.4.1.Call for Proposals	18 000 000	4 500 000
5.4.2 Component 2 (Result area 4) and Coordination, Monitoring & Evaluation		
5.4.2 Direct Award (DRM)	12 000 000	2 500 000
5.9 Evaluation and 5.10 Audit	250 000	
5.11 Communication and visibility	250 000	
Totals	30 500 000	7 000 000

5.7 Organisational set-up and responsibilities

A Programme Steering Committee (PSC) will be constituted to direct and to review the operations of the Programme under Chairmanship of NDMA. Participants in the Committee will be the concerned county governments receiving assistance, development partners, private sector representatives, the National Treasury, and the Ministry of Devolution and Planning with the European Commission participating in an observatory status. The Committee will oversee and validate the overall direction and policy of the project. The Steering Committee shall meet twice a year. The PSC will support the NDMA in overseeing and steering programme activities and in monitoring the programme implementation. All grant beneficiaries will be required to systematically share all reporting to the PSC.

For component 1 of EDE- Support to Resilient Livelihoods will tentatively target four counties, constituting 2 clusters as follows: a) West Pokot and Baringo and b) Isiolo and Tana River although implemented under direct management, the NDMA, as chair of the Programme Steering Committee (PSC) is set to play a key role in the supervision and monitoring of this grant component. Also the NDMA will be involved in the design and appraisal of the call for proposals, and will be a member of the evaluation committee.

The National Drought Management Authority NDMA will be responsible for the overall implementation of its grant- component 2 of EDE-Support to Drought Risk Management will target 23 ASAL counties- through the National Drought Emergency Fund envisaged under the NDMA Act.

5.8 Performance monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality). The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

NDMA will be directly responsible for the monitoring of activities under results 1, 2, 3 and 4 and for designing a framework and a methodology to confirm the indicators and baseline data targets, and reporting of achievements as per the programme indicative logframe. This framework (which will be approved by the Project Steering Committee) will include sex disaggregated indicator data, a common methodology for data collection, analysis, consolidation, and reporting of achievements.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews). This is provided for separately under the programme budget.

5.9 Evaluation

Having regard to the nature of the action, a mid-term and an ex-post evaluation will be carried out for this action or its components contracted by the Commission.

The mid-term evaluation will be carried out to assess the effective complementarity of the different components in contributing to the activity outcome.

The ex-post evaluation will be carried out for assessing the programme achievements and impact as well as for accountability and learning purposes at various levels (including for policy revision), and will inform future directions of EU support to the agricultural and rural development sector.

The Commission shall inform the implementing partner at least one month in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities

The evaluation reports shall be shared with all other key stakeholders. The implementing partners, the Government of Kenya, the concerned county governments and the Commission shall analyse the outcome of the evaluations and, jointly decide on the follow-up actions to be taken and any adjustments necessary, including the reorientation of the project.

Indicatively, two contracts for evaluation services shall be concluded under a framework contract: one in 2020 for the mid-term evaluation; the other after the completion of the project.

5.10 Audit

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

Indicatively, one contract for audit services shall be concluded under a framework contract, after the completion of the project.

5.11 Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation and supported with the budget allocation indicated in section 5.6 above.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

APPENDIX - INDICATIVE LOGFRAME MATRIX (FOR PROJECT MODALITY) ¹³

The activities, the expected outputs and all the indicators, targets and baselines included in the logframe matrix are indicative and may be updated during the implementation of the action, no amendment being required to the financing decision. When it is not possible to determine the outputs of an action at formulation stage, intermediary outcomes should be presented and the outputs defined during inception of the overall programme and its components. The indicative logframe matrix will evolve during the lifetime of the action: new lines will be added for including the activities as well as new columns for intermediary targets (milestones) for the output and outcome indicators whenever it is relevant for monitoring and reporting purposes. Note also that indicators should be disaggregated by sex whenever relevant.

	Results chain	Indicators	Baselines (inc. reference year)	Targets (inc. reference year)	Sources and means of verification	Assumptions
Overall objective: Impact	Communities in ASAL areas of Kenya are more resilient to drought and other effects of climate change	1. Incidence of household vulnerability and food and nutrition insecurity	Baseline data to be established at project inception	Targets to be set at project inception	Kenya Food Security Assessment Steering Group Semester report	
		2. Average household income in KES per month.	KES 5,000	60% (2022)	End-Term Evaluation	
		3. Number of children under 5 yrs stunted**	Average for target counties 31% (2014)	24% (2022)	Kenya Demographic and Health Survey (KDHS)	
		4. Number of children under 5 yrs wasted	Average for target counties 9% (2014)	6% (2022)	KDHS and SMART survey reports	
		5. Under five mortality rate **	52 deaths per 1,000 live births (2014)	40 deaths per 1,000 live births (2022)	KDHS and Kenya Population Census	
		6. Maternal mortality ratio	362 deaths per 100,000 live births (2014)	280 deaths per 100,000 live births (2022)	KDHS and Kenya Population Census	

¹³ indicators aligned with the relevant programming document are marked with '*' and indicators aligned to the EU Results Framework with '**'.

Specific objective(s): Outcome(s)	1. To enhance food and nutrition security of vulnerable households, especially of women and children	1. Number of people classified IPC 3 or higher	Baseline data to be established at project inception To be set at project inception	Targets to be set at project inception To be set at inception	Integrated Phase Classification (IPC)	Effective national M&E systems in place.
	2. To generate sustainable livelihoods and protect productive assets	2. Food Insecurity Experience Scale (FIES)			FAO “Food Insecurity Access Score“	National Information Platform for Nutrition (NIPN) functioning
		3. Average duration of lean period in months	6 months (2017)	4 months (2022)	Project monitoring and progress reports	
		4. Mortality rate of core breeding animals	Set at inception	Set at inception	Early warning and risk management Reports 1) SMART ¹⁶ survey	
		5. Morbidity rate of core breeding animals	Set at inception	Set at inception	2) NDMA Early Warning System	
		6. Average household income in KES per month.	KES.5,000	60% (2022)	3) PDNA ¹⁷ and specific livelihood assessment	
		7. Percentage of household income spent on essential basic services (eg. education, health, WASH and food)	To be set at project inception	To be set at project inception		
		8. Dietary intake,(MDD-W ¹⁴)	To be set at project inception	To be set at inception		
		9. Dietary intake (MDD-Yc ¹⁵)	To be set at project inception	To be set at inception		
		10. Women Empowerment in Agriculture Index (WEAI)	To be set at project inception	To be set at inception		

¹⁴MDD-W Minimum Dietary Diversity – Women of reproductive age

¹⁵ MDD-Yc - Minimum Dietary Diversity – Young Children

¹⁶ SMART / Standardized Monitoring of Assessment of Relief and Transitions

¹⁷ PDNA Post Disaster Needs Assessment

Outputs	Result 1: Productive, climate resilient and nutrition sensitive agriculture and livestock production strategies and measures are implemented	1. Quantities of food crops harvested in kgs	To be set at inception	To be set at inception	Baseline and Project progress reports	Strong multi-stakeholder coordination mechanisms in place
		2. Access to nutritious food for children and women	To set at inception	To be set at inception	Project progress reports	
		3. House Hold Dietary Diversity Score	To be set at inception	To be set at inception	Mid-term review and	
		Duration of lean period			End-term evaluation reports	County Governments support services in extension and training in nutrition-sensitive agriculture activities
		4. Number of women participating in resilience building activities	To be set at inception	To be set at inception	Project progress reports	
		5. Status of land use plans and grazing management	To be set at inception	To be set at inception	County governments reports	Counties have a strong scaling up nutrition civil society alliance.
		5. Number of rainwater harvesting systems developed	To be set at inception	To be set at inception	Project progress reports	
		6. Area under irrigation in acres	To be set at inception	To be set at inception	County govts/GoK and Project progress reports	
		7. Area planted with drought tolerant fodder in acres	To be set at inception	To be set at inception	Project progress reports	
		8. Quantity of fodder and crop residues conserved in kgs with support of this action	0Kgs	To be set at inception	Project progress reports	
		9. Number of animals vaccinated with support of this action	0	To be set at inception	Project progress reports	
		10. Number of breeding animals supported by the project	0	To be set at inception	County govts and Project progress reports	
		11. Quantity of food preserved and marketed with support of this action	0kgs	To be set at inception	Project progress reports	
		12. Quantity of manure collected and stored with support of this action	0kgs	To be set at inception	Project progress reports	
		13. Number of agro-pastoralists trained by this action (disaggregated by sex)	0	To be set at inception	Project progress reports	
		14. Percentage of beneficiary HH using rainwater harvesting	0	70%	County Govt's and Project progress reports	

		systems with support of this action	To be set at inception	40m ³	Project progress reports	
		15. Capacity of water storage systems in cubic meters per beneficiary HH	0 acres	To be set at inception	Project progress reports	
		16. Area in acres under irrigation with support of this action	0 male 0 female	To be set at inception	Project progress reports	
		16. Number of farmers planting diversified crops with support of this action (disaggregated by sex)	0Kgs	To be set at inception	Project progress reports	
		17. Quantity of crops harvested by farmers in Kgs through this action	0	To be set at inception	Project progress reports	
		18. Percentage of farmers adopting climate smart, GAP, CA and agro-forestry systems (disaggregated by sex)	0	To be set at inception	Project progress reports	
		19. Number of beneficiary HH adapting homestead/kitchen gardens with support of this action;	0Kgs	To be set at inception	Project progress reports	
		20. Quantity of vegetables and fruits produced in Kgs in homestead/kitchen gardens with support of this action	0 male 0 female	To be set at inception	Project progress reports	
		21. Number of farmers using input supplies with support of this action (disaggregated by gender),	0Kgs	To be set at inception	Project progress reports	
		22. Quantity of crops marketed by farmers using input supplies provided by this action;	0 KSh	To be set at inception	Project progress reports	
		23. Income earned by farmers receiving input supplies from this action (disaggregated by sex of farmer)	0 male 0female	To be set at inception	Project progress reports	
		24. Number of farmers trained (disaggregated by sex) by the action	To be set at	To be set at	County govts and Project	

		25. Percentage of households requiring food and cash assistance during drought 26. Percentage of post-harvest crop losses	inception To be set at inception	inception To be set at inception	progress reports Project progress reports	
	Result 2: Key productive household assets and community investments, are sustainably protected and safeguarded against recurrent droughts and the effects of climate change and recovery capacities are strengthened	1. Number of resilience strengthening systems/activities and risk mitigation measures used by beneficiaries with support of this action (water harvesting, soil conservation, crop/livestock diversification, protection of core productive assets, sustainable use of natural resources etc.)** 2. Percentage share of diversified food consumed 3. Number of grass root/community organizations supported by the action 4. Number of farmers trained in nutrition disaggregated by sex by the project ** 5. Number of water infrastructures in place with support of this action (dams, pan/rock catchments, water troughs, boreholes, roof rain water harvesting structures, trapezoidal bunds and counter bunds to catch surface run offs) 6. Number of water systems put in place by this action for provision of safe drinking water 7. Number of farmers in	To be established at project inception To be set at inception 0 0 male 0 female 0 0 0 0 male	To be set at the project inception To be set at inception To be set at inception To be set at project inception To be set at project inception To be set at project inception To be set at	Baseline and project progress reports Project Progress reports Project progress reports Project progress reports Baseline and project progress reports Project progress reports Project progress reports	Cross-sectoral collaboration of Agriculture and Nutrition at County Government level in place

		target areas using improved storage and food processing technologies with support of this action (disaggregated by sex) 8. Number of smallholders linked to Micro-credit by the project 9. Number of farmers producing fodder or hay with support of this action 10. Number of IGAs established with support of this action 11. Number of schools integrating school gardens and tree planting with support of this action	0 female 0 0 0 0	project inception To be set at inception To be set at inception To be set at project inception To be set at project inception	Project progress reports MTR and ETE Project progress reports Project progress reports	
	Result 3: County administrative services, cross-sectoral collaboration and local livelihood initiatives are strengthened	1. Establishment of multi-stakeholder forum on food and nutrition security 2. Number of multi-sectoral coordination meetings on food and nutrition security 3. Number of Multi-sectoral consultative meetings to draft or review policy and strategy documents such as CIDPs and Action Plans 4. Establishment of SUN CSA County Chapter 5. Number of meetings held by the SUN CSA supported by the action 6. Number of partnership agreements /MOUs in place between County govt, NGOs, Private Sector, IOs, DPs etc, addressing building of resilience, sustainable livelihoods and HH Food	0 0 0 0 0 0	1 (2018) 16 (2022) 10 (2022) 1 (2018) To be set at inception To be set at project inception	Project progress report Project progress report Counties' govt reports (annual) and project progress reports Project progress reports Project progress reports County governments reports	Smooth implementation of Devolution Reform Adequate financial, material and human resources allocated, either through Central Govt or sourced at County level Political factors do not hamper County's work

		& Nutrition Security 5. Number of community based networks and grass root organizations supported by this action 6. Number of M&E systems established and used by governments with support of this action 7. Number of advocacy meetings held on food and nutrition security, resilience building and the need for a multi-sectoral approach interventions 8. Number of men and women reached in advocacy and awareness campaigns	0 To be established at project inception 0 0 male 0 female	To be set at project inception To be set at project inception 5 To be set at project inception	County governments reports and project progress reports NDMA and Project progress reports Project progress reports Project progress reports	
	Result 4: Preparedness and response interventions (non-food), triggered by the early warning system and related drought phase classification are improved	1. Timely (within 30 days) mobilisation of DCF resources as per the identified preparedness and response measures 2. Regular (quarterly) EDE coordination meetings 3. Timely (as stipulated in the contract) completion of DCF preparedness actions 4. M&E Framework in place to support effective EDE knowledge management	To be set at project inception To be set at project inception To be set at project inception To be established at inception	To be set at project inception 16 (2022) To be set at project inception To be set at inception	NDMA reports NDMA reports NDMA reports NDMA reports	County governments collaborate well with NDMA Political interferences will not hamper DCF preparedness and response measures



EN

This action is funded by the European Union

ANNEX 2

of the Commission Decision on the Annual Action Programme 2017 in favour of Kenya to be financed from the 11th European Development Fund

Action Document for "Contribution to Africa Investment Facility for the Urban Mobility Programme in Kenya"

1. Title/basic act/ CRIS number	Urban Mobility Programme CRIS number: KE/FED/040-587 financed under the 11 th European Development Fund (EDF)	
2. Zone benefiting from the action/location	Kenya The action shall be carried out at the following location: Nairobi Metropolitan Area	
3. Programming document	11 th EDF National Indicative Programme (NIP) 2014-2020 for Kenya	
4. Sector of concentration/ thematic area	Sustainable Infrastructure	DEV. Aid: YES
5. Amounts concerned	Total estimated cost: EUR 45 000 000 Total amount of EDF contribution EUR 45 000 000 This action is co-financed by entities and for amounts specified in the indicative project pipeline - Appendix 2	
6. Aid modality and implementation modality	Project Modality This action regarding this Regional Blending Facility shall be implemented in indirect management by entities to be indicated in complementary financing decisions to be adopted at the end of the Regional Blending Facilities award procedure	
7 a) DAC code(s)	210 – Transport and Storage 21010 Transport policy and administrative management 20% 21020 Road Transport 40% 430 – Other multisector 43030 Urban development and management 40%)	
b) Main Delivery Channel	40000 Multilateral Organisations	

8. Markers (from CRIS DAC form)	General policy objective	Not targeted	Significant objective	Main objective
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality (including Women In Development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade Development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, Maternal, New born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Main objective
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Global Public Goods and Challenges (GPGC) thematic flagships	Link with Flagship 12: Climate Change Mitigation: Supporting low carbon development			
10. Sustainable Development Goals (SDGs)	Main SDG: SDG 11 – Make cities and human settlements inclusive, safe, resilient and sustainable Secondary SDG: SDG 1 - End poverty in all its forms everywhere SDG 8 - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all SDG 13 - Take urgent action to combat climate change and its impacts			

SUMMARY

The action promotes investment in sustainable urban mobility in Nairobi through grant/loan blending. Concretely, investment in a Bus Rapid Transit (BRT) project is to be achieved.

The action will be carried out through injection into Africa Investment Facility (AfIF) of funds to be used for grant loan blending purposes with international financing institutions (IFIs) or European financing institutions (EFIs). Following AfIF award and one or more complementary Commission decisions, a delegation agreement is to be concluded with one or more eligible IFIs or EFIs.

1 CONTEXT

1.1 Sector/Country/Regional context/Thematic area

1.1.1 Public Policy Assessment and EU Policy Framework

Kenyan Institutional framework in the transport sector

The **Ministry of Transport, Infrastructure, Housing and Urban Development (MoTIHUD)** is the leading actor of the Kenyan transport sector. The Ministry comprises five State Departments: Infrastructure, Transport, Housing and Urban Development, Maritime and Shipping affairs and Public Works.

Key institutional reforms were implemented in the road sub-sector during the last 20 years. The creation of the Road Maintenance Levy Fund in 1993 and of the Kenya Roads Board (KRB) in 2000 to manage the disbursement of the Fund improved the condition of the roads network. Following the enactment of the Kenya Road Act in 2007, three autonomous road agencies were created with clear mandates to manage Kenya's road network assets: Kenya National Highway Authority (KeNHA), Kenya Rural Roads Authority (KeRRA) and Kenya Urban Roads Authority (KURA). The new authorities became operational in July 2009. A draft **road bill** is currently in discussion in Parliament to concretise the **devolution process** in the road sector. As per the 2010 Constitution, the new road bill will clarify which roads are classified as national trunk roads and which roads are classified county roads. The road bill will also clarify which authorities are in charge of the different types of roads.

Other relevant actors of the transport sector include: the **National Transport Safety Authority (NTSA)** established in 2012 with a mandate covering road transport system planning, regulation as well as road safety policies; **Kenya Railway Corporation (KRC)**; **Kenya Ports Authority (KPA)** and **Kenya Airport Authority (KAA)**.

With regard to **urban mobility**, Kenya's 2010 Constitution devolved **County transport**, including county roads and public road transport to the Counties. In practical terms however, most Kenyan Counties are still playing a limited role in the transport sector.

In the Nairobi Metropolitan Area (NMA), Nairobi City County (NCC) and the 4 other counties of the NMA (Kiambu, Machakos, Kajiado and Muranga) signed a Memorandum of Understanding with MoTIHUD in October 2014, to pave the way for the establishment of the **Nairobi Metropolitan Area Transport Authority (NaMATA)**. A steering committee for NaMATA was gazetted in February 2015 and a Secretariat was appointed in December 2015. The Executive Order to establish NaMATA was signed by the President of Kenya on 17 February 2017. NaMATA's mandate mostly covers transport strategy and planning for the Metropolitan Area, development of a Mass Rapid Transit system, traffic management, Non-Motorised Transport. Capacities of these institutions have received and will continue to receive support by international donors. With an EU-financed institutional support contract starting in September 2017, NaMATA shall receive technical assistance/capacity development over 36 months.

Kenyan strategies and policy documents in the transport sector

Infrastructure is one of the foundations of **Vision 2030**, the main long term policy document guiding the development of Kenya and transport is one of the key drivers for the realisation of the Vision's pillars, which also contains under the social strategy (one of its pillars) specific targets on gender, youth and vulnerable groups. With regard to gender, Vision 2030 stipulates equity in resource distribution between the sexes, which is closely linked to women's access to safe, reliable and efficient transport. The **Second Medium Term Plan 2013-2017** for the implementation of Vision 2030 puts an emphasis on the infrastructure sector including transport and focuses on sustaining and expanding Kenya's physical infrastructure to ensure that it can support a rapidly-growing economy. With regard to urban

mobility, the Second Medium Term Plan includes as flagship project the development of Mass Rapid Transit systems in Kenyan major cities and the establishment of a transport authority for Nairobi Metropolitan area.

The **2009 Integrated National Transport Policy** document provides a 15-year strategic planning framework for the transport sector. This document promotes, as part of a new framework for the transport sector, the consolidation of Urban Public Transport, including the establishment of a transport metropolitan authority for Nairobi and the integration of Non-Motorised Transport into the Transport Systems. The update of this national strategic document is planned as part of the project "*Sirari corridor accessibility and road safety improvement: Isebania-Kisii-Ahero road rehabilitation project*" through an investment grant funded by the EU-ITF.

An **Integrated Urban Development Master Plan for the City of Nairobi** (NIUPLAN) was approved in 2014 by Nairobi City County. Development of a mass rapid transit system in Nairobi, including BRT routes, is proposed as part of the priority Urban Transport Development programme formulated within this Master Plan.

Funding of the Kenyan transport sector

In recent years, **development and maintenance financing of transport infrastructure has significantly increased**. Budget allocated to the road sub-sector (development and maintenance) has increased from KES 46 billion in 2006/2007 to KES 187 billion in 2017/2018. The road maintenance levy has been increased from KES 12 to 18 /litre of fuel in June 2016.

In addition to public/donor funding, the Kenyan Government seeks to increase **private sector funding** to the transport sector. In 2014, the Government launched the Annuity Programme which aims at mobilising loans from commercial banks to finance the surfacing and maintenance of 10 000 km of previously unsurfaced roads. The Government is in addition considering introducing public-private partnership (PPP) schemes (with tolls) for transport projects.

EU policy framework

The new **European Consensus for Development** adopted by the Council on 19 May 2017, stipulates that its implementation "*will be closely coordinated with that of the Paris Agreement on Climate Change and other international commitments of the European Union, including the New Urban Agenda.*" It outlines that "*(t)he EU and its Member States will support the design, construction and operation of quality infrastructures (...) that are more resource and energy efficient. They will support the development of sustainable, low-emission, interconnected and secure mobility and transport networks*"

The **New Urban Agenda** adopted by the UN General Assembly in September 2017 provides that signatories "*will promote access for all to safe, age- and gender-responsive, affordable, accessible and sustainable urban mobility*". It specifies that this will be done by supporting a "*significant increase in accessible, safe, efficient, affordable and sustainable infrastructure for public transport, as well as non-motorized options such as walking and cycling, prioritizing them over private motorized transportation*".

The European Union's **External Investment Plan** (EIP) provides for the creation of the European Fund for Sustainable Development (EFSD) as its first pillar. The first meeting of the Strategic Board of the European Fund for Sustainable Development (EFSD) in Brussels on 28 September 2017 considered 5 investment windows essential, including one on "Sustainable cities" which is targeted at exploring innovative mechanisms to address the challenges of sustainable urban development faced by partner countries. Promoting greener

transport modalities is among the targets of another investment window "Sustainable Energy and Sustainable Connectivity".

The relevant programming document between the European Union and Kenya, the **11th EDF National Indicative Programme 2014-2020 for Kenya**, signed in June 2014, includes as the second focal sector "*Sustainable infrastructure*". One of the two specific objectives to be pursued under this focal sector is: "*develop a more efficient and safe transport system for increased productivity and reduced negative environmental impact*". Three results are expected under this specific objective: "*Increased access to and efficiency of transport services and reduced transport cost for passengers and goods*", "*Reduce environmental impact of the transport sector*", and "*Increased road safety*". The indicated preferred mode of financing the projects is blending of EU grants with loans from Development Finance Institutions.

Transport is one of the key priority sectors of the Africa Investment Facility (AfIF).

1.1.2 Stakeholder analysis

Main implementing partners of the project will be NaMATA and the key stakeholders being part of NaMATA including MoTIHUD and NCC. MoTIHUD and NCC have expressed their keen interest to carry forward Mass Rapid Transit Systems including BRT in Nairobi. Other public and private bodies playing a role in Kenya, such as other counties, the NTSA, KURA, KeNHA and public transport operators will also be key implementing partners. Relevant stakeholders will also include informal transport operators.

Direct beneficiaries will include all Kenyans who will benefit from improved urban mobility in the NMA, i.e. in particular the citizens of Nairobi but also of the neighbouring counties (commuters). The project will target more specifically vulnerable users who are currently hampered by low mobility such as urban poor and women as well as Persons with Disabilities.

The transport investment project to be prepared and implemented under this programme will impact people living and working in the vicinity of the projects. During design of the projects, an Environmental and Social Impact Assessments is being conducted to ensure that opportunities to improve livelihoods are identified and measures taken to mitigate the negative impacts the project may have, including negative environmental impacts and resettlement issues.

1.1.3 Priority areas for support/problem analysis

A rapid urbanization leading to unbearable urban transport condition

Kenya has been urbanising rapidly with an estimated 25% of its population currently residing in urban areas. The population living in urban areas is projected to reach 50% around 2050¹. By 2030, Nairobi city population is expected to increase from 3 million inhabitants in 2009 to, depending on projections, between 4.5 and 7 million².

Kenya's cities grow rapidly with inadequate urban and transport planning, leading to poor service delivery that constrains their social and economic development. Investment in urban infrastructure is low and has so far been dedicated to improving the road network for car traffic. All urban road transport services are currently provided by private stakeholders, without any public subsidy. In the short to medium term, uncertainties with regard to the devolution process implementation are hampering a rational allocation of resources to urban centres for development.

¹ Kenya Urbanization Review, World Bank, 2016.

² NIUPLAN, 2014.

Therefore, urban transport in Kenya and especially in Nairobi is inefficient and characterised by severe traffic congestion, long waiting hours and high costs for public transport, poor safety and security, as well as environmental degradation from pollution. These unbearable transport conditions are experienced on a daily basis in Nairobi, although the transport mode distribution is still relatively balanced at the moment (40% walking, 40% public transport, 20% private car). As a result of urban growth and an expected doubling of car ownership rate between 2005 and 2025, if nothing is done, the situation is expected to further deteriorate and congestion to rise sharply. In that scenario, average speed in Nairobi city is expected to be halved by 2030, from a current average of 40km/h to 20km/h³. In peak times average speed in the city centre and along most of the main arteries is already much slower than that.

Major negative impacts on poverty, economy and environment

An inefficient urban transport system has **three major negative impacts**:

- **It increases urban poverty** and disadvantages **women and youth** as these population groups typically bear the brunt of under-investment in urban planning and deployment of infrastructure.
 - Economic growth has concealed high and rising inequalities in urban areas - income disparities in Kenyan cities have steadily increased over the last decade while those in rural areas have on average declined. The poverty level in urban areas is high with 52% of the urban population living below the national poverty line, 44% in Nairobi⁴ where almost half of the city's population lives in over 100 slums and squatter settlements;
 - Public transportation fares are high and variable. Studies show that taking a series of informal mini/midi buses ("matatus") and motorbikes ("boda bodas") to and from work can cost as much as 30% of daily wages in Nairobi;
 - The majority of Nairobi's inhabitants walk as they cannot afford motorised transport. Half of these trips are more than 9km⁵ and are made in poor conditions regarding safety and comfort. Although walking is the main (40%⁶) transport mode in Nairobi, it accounts for only 1% of the total transport costs, including public investments. The share of cycling in Nairobi is estimated at less than 3%. Lack of dedicated non-motorised transport infrastructure facilities and fear of fatal traffic accidents are the main impediments to higher bicycle use in urban areas;
 - For the poor, women and youth, bad transport conditions diminish their access to basic needs (work, education, health, etc.). More specifically, the persistence of low mobility is a major challenge for those seeking employment and thereby seeking to increase their household incomes. It erodes the efficiency of individual economic activities as well as reducing national and municipal economic efficiency.
- **It hampers economic growth.**
 - Urban areas, and especially Nairobi, are a major contributor to Kenya's economy. Nairobi city generated in 2009 over 25% of Kenya GDP⁷;
 - Transport inefficiency, both in terms of passengers and freight transport, has a strong negative impact on Kenya's economy. In addition to high fares, multiple

³ NIUPLAN, 2014.

⁴ Kenyan Urbanization Review, World Bank, 2016.

⁵ Feasibility Study and Technical Assistance for MRTS in the Nairobi Metropolitan Region, AfDB, 2011.

⁶ NIUPLAN, 2014.

⁷ NIUPLAN, 2014

additional hidden costs lead to economic waste: cost related to time-losses due to the congestion, the unpredictability of the traffic and the unproductive hours spent by pedestrians, cost related to multiple accidents and to environmental degradation. Such inefficiency leads to a high cost of living, increases suffering for the poor urban dwellers, crowds out investors and positions the country poorly as a transport hub;

- Transport inefficiency is, in addition, putting Kenya's international attractiveness with investors at risk especially as neighbouring capitals (Dar es Salaam, Addis Ababa) have taken an advance on Nairobi already in developing modern transport systems;
- The cost of the inefficient urban transport system in Nairobi is estimated to be around 2% of Gross Domestic Product (GDP)⁸. This will be exacerbated as Nairobi's population grows and economic activity increases.

– **It damages the environment.**

- At global level, road transport is a major contributor to climate change through greenhouse gases (especially CO₂) emissions. According to the *Kenya National Climate Change Action Plan 2013-2017*, the transport sector is the third sector contributing to greenhouse gases emissions and the sector contribution is expected to increase rapidly, from about 6 MtCO₂ in 2010 to about 18 MtCO₂ in 2030. According to this plan, the Nairobi Mass Rapid Transit project as a whole is the transport sector project with the largest mitigation potential with an estimated abatement of 2.8 MtCO₂ per year;
- At local level, road transport generates air pollution (especially NO_x and particulates) and noise pollution which are high in Nairobi. For example, a study⁹ conducted in 2003 in Nairobi Central Business District demonstrated that PM10 levels were far above the WHO limits (239µg/m³ on average against a limit of 100µg/m³) and that the level of fine particulates was strongly correlated to the density of motor vehicles.

A consensus to focus on moving people in masses

The need to address urban transport inefficiency has been underlined in numerous studies and in the major Kenyan planning documents. Since 2014, a consensus has emerged to focus as a priority on **moving people in masses** through the development of a Mass Rapid Transit system for the NMA. Other priorities include: better transport planning including land use planning, enhancing Non-Motorised Transport facilities and improving road safety, improving traffic management and making urban road networks more efficient.

A **Mass Rapid Transit system project for Nairobi** was endorsed by the Ministry of Transport and Infrastructure in May 2014. The project is foreseen to be implemented in two phases:

- Phase I: implementation of five Bus Rapid Transit (BRT) lines and upgrade of the existing commuter rail network;
- Phase II: extension of the lines under Phase I and possible upgrade to modes such as Light Rail.

⁸ Institutional Capacity Building to the Transport/Road sector in Kenya, Traffic engineering input 1 Final report, annex A, EU, May 2014

⁹ Motor vehicles and air pollution in Nairobi, Odhiambo et al., 2010

The Nairobi Mass Rapid Transit system has the potential to be an iconic project, transforming transport conditions in the Metropolitan area. The Nairobi Mass Rapid Transit system project is also a complex project raising not only transport infrastructure issues but also transport institutional and operational issues. Total cost of the 5 Bus Rapid Transit lines is expected to be several billion euros and will require a joint effort by the Government of Kenya and several development partners (DPs).

Due to the large scale of implementing such a project, the various project components will invariably need to be phased and broken down into smaller parts. Since 2014, and upon request of the Kenyan Government, preparatory works for the development of the Bus Rapid Transport network has focused on three lines: a North-South line (Line 1) for which the lead has been taken by the World Bank and two East-West lines (Lines 3 and 4). While the African Development Bank (AfDB) has been requested to fund preparatory studies for Line 4 East, the Kenyan Government requested the EU in 2014 to fund a preparatory study for Line 3 and Line 4 West. Subsequent to this request, the EU contracted in May 2015, with the Consortium Ingerop/Lux Consult/Lux Consult Mtius, a Feasibility and Detailed Design study for BRT Line 3 and Line 4W. The feasibility study was submitted in March 2016, while essential parts of the draft Detailed Design were submitted in July 2017 with remaining parts expected by end of 2017.

1.2 Other areas of assessment

N/A.

2 RISKS AND ASSUMPTIONS

Risks	Risk level (H/M/L)	Mitigating measures
Institutional framework for urban mobility not fully established and operational	M	The progressive establishment and operationalisation of an adequate institutional framework to be included as a pre-condition in the agreement(s) to be signed with the Financing Institution(s); Continued dialogue, jointly with other Development Partners, with the Kenyan Government; capacity building support.
Lack of project coordination	H	Urban mobility projects in Nairobi Metropolitan Area to be coordinated by NaMATA. NaMATA capacity to be strengthened by Capacity Building programmes included an EU funded project foreseen to start from August 2017.
Lack of technical skills within the implementing partners	H	EU funded capacity building programme with a specific focus on urban mobility to start from August 2017. Complementary capacity building on urban mobility to be provided by World Bank and as part of the KfW/GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH) project submitted under NAMA facility.

No sufficient financing available to maintain/operate infrastructures	M	Exploitation of BRT shall be commercially profitable (fares revenues shall cover at least operation and fleet costs). Maintenance of infrastructure by Kenyan stakeholders to be included as a pre-condition in the agreement(s) to be signed with the Financing Institution(s).
Opposition to the project from existing stakeholders	M-H	Mitigation strategy to be adopted and implemented by NaMATA, with the support of the EU funded Capacity Building and building on similar African BRT experiences.
Resettlement issues during infrastructure works	M	Consultation process with project affected persons (PAPs) to start ahead of works launch and to include relevant NGOs/ human rights organisations and women's organisations. Resettlement Action Plan (RAP), including a census of PAPs (disaggregated by sex), to be adopted for each project. RAP measures, possibly including non-financial compensation, to be included in the project. Gender-responsive capacity building on resettlement issues to be included in the EU funded capacity building programme to start in September 2017.
Inadequate financing volumes available: (<i>DP side</i> : project delays could lead to loss of NaMA grants; FI commitments are not firm and priorities may change <i>Kenyan side</i> : budgetary constraints could prevent allocation of adequate co-financing; Kenya could get close to borrowing ceilings - debt/GDP ratio)	M	Project sizing to be adapted to expected grant and loan volumes. Continued reinforced coordination between EU and concerned FIs. Policy dialogue with Government of Kenya.
Other DPs pursue conflicting projects and/or diverge with EU on basic design assumptions	M-H	Conflicting DP projects: reinforced dialogue with DP concerned KURA and MoTIHUD on such project; explore possibilities for projects adaptation, e.g. through phasing. Divergences on design assumptions: support decision making by the Government and NaMATA; reinforce dialogue between DPs.
Assumptions <ul style="list-style-type: none"> - Stable political and economic climate; absence of major external macro-economic shocks; - NaMATA endowed with sufficient capacity, competences and resources; - BRT project is prioritised in Vision 2030 – MTP III and receives adequate political support; - Effective coordination between relevant government agencies/ministries; - NMA counties have competent transport management capacity and receive sufficient funds. 		

3 LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES

3.1 Lessons learnt

An **evaluation of the EU Kenya Cooperation** (2006-2012) conducted in 2014 identified several key recommendations to improve EU cooperation in the infrastructure sector. These include the need to improve coordination with other DPs, strengthen policy dialogue, encourage internal synergies within EU funded projects, develop and implement a more result-oriented approach, explore and scale up innovative modalities of delivering finance and ensuring better project designs. The evaluation found that the EU had a comparative advantage in the transport sector and recommended that the future strategy should continue support to roads but with a broader focus on providing infrastructure to the poor, which addresses clear priority needs and enhances synergies.

The on-going *KENYA/ACP/Regional Economic Integration by means of Transport Infrastructure - Urban Roads (FED/2011/022-951)* project entails the construction of 10 missing link roads in Nairobi including footpaths and cycle tracks accounting for a total length of about 17km and 2 additional footpaths/cycle tracks. Some useful lessons have been learnt from this urban road project, including the fact that infrastructure works in urban settings are more complex, costly and require more time than works in non-urban settings. This is mainly due to issues of land acquisition, resettlement and relocation of utilities as well as to restricted camp site location and access to materials and management of traffic disruption. Good practices to minimise later on cost and time extension include prioritising project areas where such issues can be minimised, foresee additional time and budget compared to non-urban projects, require from the implementing partners adequate progress on these issues before the start of the works. Another good practice is to require the implementing partner to finance costs linked to land acquisition, resettlement and relocation of activities as well as any claims made by the contractor.

The EU funded *Institutional Capacity Building to the Transport/Road Sector* programme, terminated in December 2016, provided useful lessons learnt from Mass Rapid Transit system projects recently launched in Sub-Saharan Africa such as Dar es Salaam DART project, Lagos BRT project and various BRT project in South Africa. This includes the fact that, although implementing transport infrastructure in urban settings may face some specific challenges, the most difficult components of a public transport project, such as Mass Rapid Transit projects, are often the institutional and the operational components. Another major lesson learnt is that existing privately-managed public transport may strongly oppose public transport projects such as Mass Rapid Transit projects. For that reason, consultation with the operators during project preparation is necessary and mitigation measures shall be foreseen.

3.2 Complementarity, synergy and donor coordination

The current **EU aid to Kenya entails a comprehensive support** to the transport sector, including several projects related to urban mobility such as the Urban Roads project, the Institutional Support to the Kenyan Transport sector and the Support to Kenyan Road Safety Policy and Programme.

12 Development Partners are active in the transport sector, of which 10 provide support to infrastructure development, mainly roads but also airports and ports. Several Development Partners already support urban mobility projects, including the World Bank, the African Development Bank, Japan International Cooperation Agency (JICA), UNEP and UN-Habitat.

In the context of **joint programming exercise** in Kenya, the EU and Member States agreed that transport is a priority sector for joint programming. As such, the EU and the EIB, KfW and Agence Française de Développement (AFD) have committed themselves to jointly programme activities in this sector and, where applicable, will include other Member States.

In addition, **coordination between all Development Partners** is carried out through the Development Partner-Transport Sector Working Group. This Working Group was chaired by the EU from July 2014 to October 2016 and is now chaired by JICA and co-chaired by the World Bank. During the EU chair, 8 meetings were held, with a specific focus on urban mobility issues; mainly to agree on common strategic priorities, including the need to establish NaMATA, for the sector dialogue with the Kenyan Government and to ensure proper coordination between Development Partners projects and avoid project overlapping. In early 2017, the Government of Kenya also revived the Government Donor Working on Transport/Infrastructure, which will provide a further forum for coordination.

Furthermore, two relevant processes with which the proposed Urban Mobility Programme will coordinate are:

Global Covenant of Mayors for Climate & Energy: The Global Covenant is an international alliance of cities and local governments with a shared long-term vision of promoting and supporting voluntary action to combat climate change and move to a low emission, resilient society. Sustainable transport is one of the Global Covenant's areas of interest. Nairobi is a member city of the Global Covenant, and the European Union of the main stakeholders in the Covenant.

NAMA Facility: This facility, financed by the UK, Germany, Denmark and the European Commission, supports nationally appropriate mitigation actions (NAMAs) in developing countries. A NAMA for a rapid bus-line in Nairobi ('Kenya Mass Rapid Transport System') has been pre-selected for EUR 20m funding.¹⁰ The proposed Urban Mobility Programme will closely cooperate with the proposed NAMA Facility funding.

3.3 Cross-cutting issues

Cross cutting issues will be addressed in all activities to be implemented under the project with a view to reduce and mitigate any possible negative impact of the activities and enhance the positive impact.

The project, aiming at enhancing the sustainability of urban mobility in Kenya, shall have an overall positive impact on the environment, notably due to the comparative reduction of pollutants and greenhouse gas emissions allowed by the new transport systems. At a more local level, the activities may however have some negative impacts on the environment, e.g. during construction, which will/have been identified during specific Environmental and Social impact studies and will be mitigated through the implementation of Environmental Management Plans. The project will ensure infrastructures are climate proof, i.e. designed to resist climate change and climate events, built using carbon wise techniques, understanding local risks and working to enhance resilience, associating urban planning to climate smart financing and maintenance plans.

Gender issues will be integrated in the project, in line with the EU's Gender Action Plan II and according to EU guidelines on "*Mainstreaming gender equality to the project approach*" as well as, once available, the recommendations of the "*Action plan for accelerated Gender Equality, Women's Empowerment and Gender Mainstreaming in Country Programming*" currently being developed in Kenya. A specific Gender Equality Plan will be developed during design phase targeting mainly at reducing women-specific urban mobility constraints and enhancing women participation in the activities.

Activities to be implemented under the project will entail a specific focus on resettlement issues which are a common and sensitive matter when implementing infrastructure projects in urban settings in Kenya. As per international standards, consultation will be conducted with the Project Affected Persons (PAPs) before implementation and a Resettlement Action Plan

¹⁰ See <http://www.nama-facility.org/projects/mass-rapid-transport-system-for-nairobi/>

will be agreed aiming, as a minimum, at restoring the living conditions of those affected by the project and ideally at working on the continuous improvement of their living conditions.

4 DESCRIPTION OF THE ACTION

4.1 Objectives/results

This programme is relevant for the United Nations 2030 Agenda for Sustainable Development. It contributes primarily to the progressive achievement of SDG 11 but also promotes progress towards Goals 1, 8 and 13. This does not imply a commitment by the country benefiting from this programme.

The **overall objective** of the project is to accelerate inclusive economic growth in Kenya through more sustainable and efficient urban mobility.

The **specific objective** of the project is to improve the sustainability and efficiency of urban mobility in Kenya focusing mainly on implementing sustainable transport planning, prioritising public transport and non-motorised transport and optimising the road network.

The expected results of the project are:

- Result 1: Development of a core sustainable, modern and efficient public transport system within the Nairobi Metropolitan Area which is gender sensitive;
- Result 2: Improved planning and management of the transport sector in the NMA taking into account gender issues.

4.2 Main activities

The main activity of the project will be a contribution to national investment projects in the Urban Transport sector in Kenya.

Activities under Result 1

- *Development of Bus Rapid Transit system for Nairobi Metropolitan area* which includes:
 - Develop appropriate BRT infrastructure
 - Develop BRT operations
 - Upgrade the existing road network infrastructure
 - develop/improve non-motorised transport
 - improve traffic management

The exact scope of the project is to be defined commensurate with available financing by development partners and the Government of Kenya. Design work is being undertaken by EU-financed consultants on a part of the intended network. It is expected that the Lead Financing Institution(s) will base itself/themselves on this work when appraising a project and making an application to AfIF.

Preliminarily, the financing of a core bus line (Core Line 3) is foreseen. This line runs from a part of the city that is situated west of the Central Business District (Upper Hill with important facilities for hospitals, public administration, commercial administration and the National Library), passes the Central Business District tangentially on its southern side and then goes to the densely populated and poorer eastern part of Nairobi ending at an important future transport node – Dandora railway station).

This Core Line 3 is well connected with all other BRT bus lines foreseen to be built. It can later be extended both on its east and west side. As mentioned above, demand on this line is expected to be very high.

However, the selection of this line is still indicative and may change as a result of prioritisation decisions by NaMATA, the Government of Kenya and NCC, and/or by

Financing Institutions. Other lines or stretches may eventually be chosen. The exact scope of the intervention will be defined in another Commission decision.

Activities under Result 2:

- ***Capacity Development of the urban mobility sector through:***

- Technical assistance to NaMATA, GoK and NCC, including on public awareness raising and stakeholder involvement and including support for development and implementation of a Sustainable Urban Mobility Plan

4.3 Intervention logic

An Urban Mobility Study commissioned in October 2013 revealed that Nairobi's current congestion issues are estimated to account for economic losses "likely to run into billions of shillings". In the current situation, Nairobi's workforce are stuck in traffic, with widespread and unpredictable congestion, the large number of pedestrians suffer from a lack of adequate infrastructure and there is generally a lack of a coherent, high quality passenger transport network¹¹.

The need to address urban transport inefficiency has been underlined in numerous studies and in the major Kenyan planning documents. Since 2014, a consensus has emerged to focus, as a priority, on moving people in masses through the development of a Mass Rapid Transit system for Nairobi Metropolitan area. Other priorities include: better transport planning including land use planning, enhancing Non-Motorised Transport facilities and improving road safety, improving traffic management and making urban road networks more efficient.

Therefore, following the endorsement of a Mass Rapid Transit system project for Nairobi by the Ministry of Transport and Infrastructure in May 2014, the EU Delegation was requested to finance a design study for two Bus Rapid Transit (BRT) Lines. The detailed design for one core line is ongoing and will be completed by early 2018.

The intervention logic of the action is to leverage EU funds in order to crystallise EFI/IFI loans, Government of Kenya funds and possibly private investment for implementing a concrete investment project that will provide environmentally sustainable and socially inclusive bus rapid transit services (BRT) to citizens of Nairobi and the wider NMA. For such services to be offered, the required infrastructure (dedicated bus lanes, stations, and depots) needs to be built, buses to be procured and the required institutional and organisational framework to be put in place.

The intervention requires improved planning and management of the transport sector in the NMA taking into account gender issues, support for which forms an integral part of the action. Following technical assistance to NaMATA, it is expected that urban mobility plans for the NMA shall be developed to ensure improved planning and management in the sector.

5 IMPLEMENTATION

5.1 Financing agreement

In order to implement this action, it is not foreseen to conclude a financing agreement with the partner country, referred to in Article 17 of Annex IV to the ACP-EU Partnership Agreement.

5.2 Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 4.2 will be carried out and the corresponding contracts and agreements

¹¹ Study of Urban Mobility in Nairobi: Final Report, January 2015.

implemented, is 98 months from the date of adoption by the Commission of this Action Document.

Extensions of the implementation period may be agreed by the Commission's authorising officer responsible by amending this decision and the relevant contracts and agreements; such amendments to this decision constitute non-substantial amendment in the sense of Article 9(4) of Regulation (EU) 2015/322.

5.3 Implementation of the budget support component

N/A.

5.4 Implementation modalities

5.4.1 Contribution to the Africa Investment Facility (AfIF)

This contribution may be implemented under indirect management with implementing entities, one or more eligible Lead Financial Institutions, and for amounts identified in Appendix 2 of this action document, in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012 applicable in accordance with Article 17 of Regulation (EU) /2015/323. The entrusted budget-implementation tasks consist of the implementation of procurement, grants, financial instruments and payments. The entrusted entity shall also monitor and evaluate the project and report on it. The Lead Financial Institution(s) is/are not definitively known at the moment of adoption of this Action Document but are indicatively listed in Appendix 2. A complementary financing decision will be adopted under Article 84(3) of Regulation (EU, Euratom) No 966/2012 to determine the Lead Financial Institutions definitively.

Certain entrusted entities are currently undergoing the ex-ante assessment in accordance with Article 61(1) of Regulation (EU, Euratom) No 966/2012. The Commission's authorising officer responsible deems that, based on the compliance with the ex-ante assessment based on Regulation (EU, Euratom) No 1605/2002, they can be entrusted with budget-implementation tasks under indirect management.

5.5 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

The Commission's authorising officer responsible may extend the geographical eligibility in accordance with Article 22(1)(b) of Annex IV to the ACP-EU Partnership Agreement on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

5.6 Indicative budget

	EU contribution (in EUR)
5.4.1 Contribution to the African Investment Facility	45 000 000
5.9 Evaluation, 5.10 Audit	will be covered by another decision
5.11 Communication and visibility	N.A.
Contingencies	N.A.
Totals	45 000 000

5.7 Organisational set-up and responsibilities

Activities will be implemented under indirect management by one or more Lead Financial Institutions. Pre-identified potential Lead Financial Institutions include KfW, AFD, or EIB (see Appendix 2).

A steering committee, bringing together representatives from the EU, Financing Institutions, the Kenyan Government, NaMATA, KURA and other stakeholders involved in the project implementation, will be established and meet at least on a bi-annual basis to ensure proper monitoring of all activities of the project.

5.8 Performance monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the log frame matrix (for project modality). The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

5.9 Evaluation

Having regard to the nature of the action, an evaluation will not be carried out for this action or its components.

The Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner.

The Commission shall inform the implementing partner at least one month in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

The financing of the evaluation shall be covered by another measure constituting a financing decision.

5.10 Audit

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

The financing of the audit shall be covered by another measure constituting a financing decision.

5.11 Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation and supported with the budget indicated in section 5.6 above.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

Communication and visibility measures will be implemented by the Lead Financial Institution(s) responsible for implementing the respective projects. These measures will be described in the project proposal(s) submitted by the Lead Financial Institution(s) to the African Investment Facility. Care will be taken that substantial visibility will be given to all activities described.

APPENDIX 1 - INDICATIVE LOGFRAME MATRIX (FOR PROJECT MODALITY) ¹²

The activities, the expected outputs and all the indicators, targets and baselines included in the logframe matrix are indicative and may be updated during the implementation of the action, no amendment being required to the financing decision. When it is not possible to determine the outputs of an action at formulation stage, intermediary outcomes should be presented and the outputs defined during inception of the overall programme and its components. The indicative logframe matrix will evolve during the lifetime of the action: new lines will be added for including the activities as well as new columns for intermediary targets (milestones) for the output and outcome indicators whenever it is relevant for monitoring and reporting purposes. Note also that indicators should be disaggregated by sex whenever relevant.

	Intervention logic	Indicators	Baselines (incl. ref year)	Targets (incl. ref year)	Sources and means of verification	Assumptions
Overall objective: Impact	To accelerate inclusive economic growth in Kenya through more sustainable and efficient urban mobility	<ul style="list-style-type: none"> - GDP per capita (nominal) - Poverty index** EURF L1 I2 - Annual per capita energy consumption - CO₂ emission at national level** EURF L1 I21 	<ul style="list-style-type: none"> 1 434 USD (2015) 39% in 2012 155 kWh in 2014 73 MtCO₂eq (2010) 	<ul style="list-style-type: none"> > 5 % CAGR 2015-2030 15 % in 2030 200 kWh in 2020 70% of business as usual case (BAU) in 2030 (BAU 2030: 143 MtCO₂eq) 	Ministry of Finance, Ministry of Energy & Petroleum, National Climate Change Response Strategy (NCCRS), National Climate Change Action Plan (NCCAP), and National Adaptation Plan (NAP) M&E Reports	
Specific objective: Outcome	To improve the sustainability and efficiency of urban mobility in Kenya focusing mainly on implementing sustainable transport planning, prioritising public transport and non-motorised transport and optimising the road network.	<ul style="list-style-type: none"> - Level of emissions from public and private transport in Kenya - Number of women employed in the public transport sector - Number of injuries/deaths in traffic accidents 	<ul style="list-style-type: none"> 6 MT CO₂eq (2010) – projected growth till 2030 in no change scenario: +200% To be identified at project submission stage 3 000 per year in 2013 	<ul style="list-style-type: none"> - 30% in 2030 To be identified at project submission stage < 2 650 per year in 2025 	<ul style="list-style-type: none"> NEMA, IPCC, Ministry of Transport and Infrastructure, National Bureau of Statistics, Surveys, NTSA. 	<ul style="list-style-type: none"> Stable political and economic climate; absence of major external macro-economic shocks NaMATA endowed with sufficient capacity, competences and resources BRT project is prioritised in Vision 2030 – MTP III

¹² * Indicators aligned with the relevant programming document and ** indicators aligned to the EU Results Framework

Outputs	Result 1 – Development of a Core sustainable, modern, and efficient public transport system within the Nairobi Metropolitan Area which is gender sensitive	BRT lines in operation (constructed and used by the public daily)	0 in 2017	1 in 2023	Ministry of Transport and Infrastructure, NaMATA, NEMA, Evaluation studies	Effective coordination between relevant government agencies/Ministries
		Further BRT lines under construction	0 in 2017	2 in 2025		
		BRT operators identified	0 in 2017	1 in 2022		
		Reduction of average travel time per passenger along selected BRT route	0 in 2017	50% in 2024		
		Reduction of emissions by public transport vehicles along selected BRT route	0 in 2017	50% in 2024		
		Travel costs reduced for users of selected BRT route	0 in 2017	10% in 2024		
		Number of safety incidents reported to police on public transport in NMA affecting women (as a percentage of overall safety incidents).	(To be identified at project submission stage)	(To be identified at project submission stage)		
		Increased percentage of users feeling safe or very safe using BRT compared to existing public transport (gender disaggregated data).	(To be identified at project submission stage)	(To be identified at project submission stage)		
		Increased percentage of urban population using public transport services on BRT line (gender disaggregated data)	(To be identified at project submission stage (To be identified at project submission stage)	(To be identified at project submission stage)		
		Number of women employed on selected BRT line / number of women in management position	0 in 2017	(To be identified at project submission stage)	Specific surveys required	

		Km of non-motorised transport facilities constructed along the BRT line		~13 km in 2022		
	Result 2 - Improved planning and management of the transport sector in the NMA, taking into account gender issues	<ul style="list-style-type: none"> - Number of Sustainable Urban Mobility Plans developed for NMA - Number of Sustainable Urban Mobility Plans developed for Nairobi Metropolitan Area which include a gender action plan - Multimodal transport model for NMA 	<p>1 in 2017</p> <p>1 in 2017</p> <p>0</p>	<p>(To be identified at project submission stage)</p> <p>(To be identified at project submission stage)</p> <p>1</p>	<p>NMA County governments, NaMATA</p> <p>NMA County governments,, NaMATA</p> <p>NaMATA</p>	NMA counties have competent transport management capacity and receive sufficient funds

APPENDIX 2 - INDICATIVE PROJECT PIPELINE

Nairobi Bus Rapid Transit Line 3 – in particular Core Line 3

Project description	<p>Contribution to the implementation of Nairobi Bus Rapid Transit (Core) Line 3 project.</p> <p>Nairobi Bus Rapid Transit (Core) Line 3 project includes:</p> <ul style="list-style-type: none"> • construction of BRT infrastructures (including BRT dedicated lanes, stations, workshops and depots, structures and bridges, junctions signalization, feeder bus stations, ticketing, information and security systems) • construction of non-BRT transport infrastructure along the corridor (including general traffic lanes, Non-Motorised Transport facilities, public spaces); • purchase of bus fleet; • Institutional Support component targeting inter alia BRT operation.
Estimated total amount	<p>Total project: Estimated amount: EUR 300 million</p> <ul style="list-style-type: none"> • Components to be funded by 11th EDF: Estimated amount: EUR 45 million • Components to be funded under the AfIF by Financial Institutions EIB estimated contribution: EUR 50 million KfW estimated contribution (incl. NaMA grant): EUR 80 million AFD estimated contribution: EUR 50 million Italian Development Cooperation estimated contribution via Cassa di Roma Prestiti e Depositi (CDP) Other FI or additional amount by one of the above: EUR 20 million • Government/NaMATA component : Estimated amount : EUR 55 million
Financial partners	<p>Potential Lead Financial Institution(s) for the AfIF component: KfW, AFD or EIB.</p> <p>Other potential Financial Partners: AfDB, CDP (both also potential Lead Financial Institutions), Government of Kenya.</p>
Preparedness	<p>Detailed design study including environmental and social impact surveys, economic and financial return assessments as well as tender documents prepared to the level of ‘final draft’.</p>
Preliminary timing	<p>Submission of the project by the Lead Financial Institution to the AfIF TAM: S1 2018</p> <p>Signature of Agreement with the Lead Financial Institution: Q1 2019</p> <p>Beginning of works: S1 2020</p> <p>End of works : S2 2023</p>

Other Nairobi Bus Rapid Transit Line Projects

Other BRT Lines could alternatively be considered for financing: –

- Line 1, JKIA turn off to Likoni (Lot 1) Likoni to James Gichuru (Lot 2); extension
(One of these lots is likely to be financed by World Bank; the other one might be financed by AfDB.)
- Line 2, Langata –Thika
(There is an initial South African financing interest.)
- Line 4, West (Mbagathi) and East (Jogoo road)
AfDB financed a preliminary design study for Line 4 East; Line 4 West is part of the EU's design consultancy
- Line 5, Outer Ring road.