Policy Monitor

Thinking Policy Together

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Unlocking Economic Potential of Arid and Semi-Arid Lands in Kenya

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Editorial

Welcome to the KIPPRA Policy Monitor, the January-March 2023 edition. The theme of this edition is "Unlocking Economic Potential of Arid and Semi-Arid Lands (ASALs) in Kenya".

The main articles in this edition focus on the following: Recent economic developments and growth prospects; Harnessing opportunities in tourism in ASALs with a focus on Northern Frontier counties; and Exploring energy transition in ASALs. The Policy Monitor also highlights KIPPRA capacity building activities, including the KIPPRA Mentorship Programme at Dedan Kimathi University of Science and Technology, and in Maseno University; the Public Policy Making Process for Eswatini Economic Policy Analysis and Research Centre Staff; and the Cross Economy Analysis for Counties and state corporation staff.

On engagement and networking, the Policy Monitor covers the collaborative launch of the Foresight Africa and the Urban Area Study on Nairobi and the Brookings Institution; a validation workshop for KIPPRA flagship report, the Kenya Economic Report; the 2nd Youth in Climate Action Symposium; and UNU-WIDER Webinar on the potential of domestic savings in the Global South. In partnerships, KIPPRA saw visits by officers from National Management College of Pakistan, and Chicago Institute of Health Research and Policy. Further, the Institute signed an MOU with the Association of Professional Societies in East Africa (APSEA). KIPPRA Senior Management also held a meeting with the Principal Secretary, Economic Planning.

Finally, the Policy Monitor highlights upcoming KIPPRA events, including the 4th Kenya Think Tanks Symposium, and the 6th KIPPRA Annual Regional Conference.

We hope you enjoy reading this edition.

1 Recent Economic Developments

Faith Kimaiyo, Caroline Ngari, Powel Murunga, and James Ochieng'

Introduction

This article analyzes the country's recent economic developments with a key focus on four key areas: growth of economic activities, monetary and financial policy, fiscal developments, and the external sector.

Growth of Economic Activity

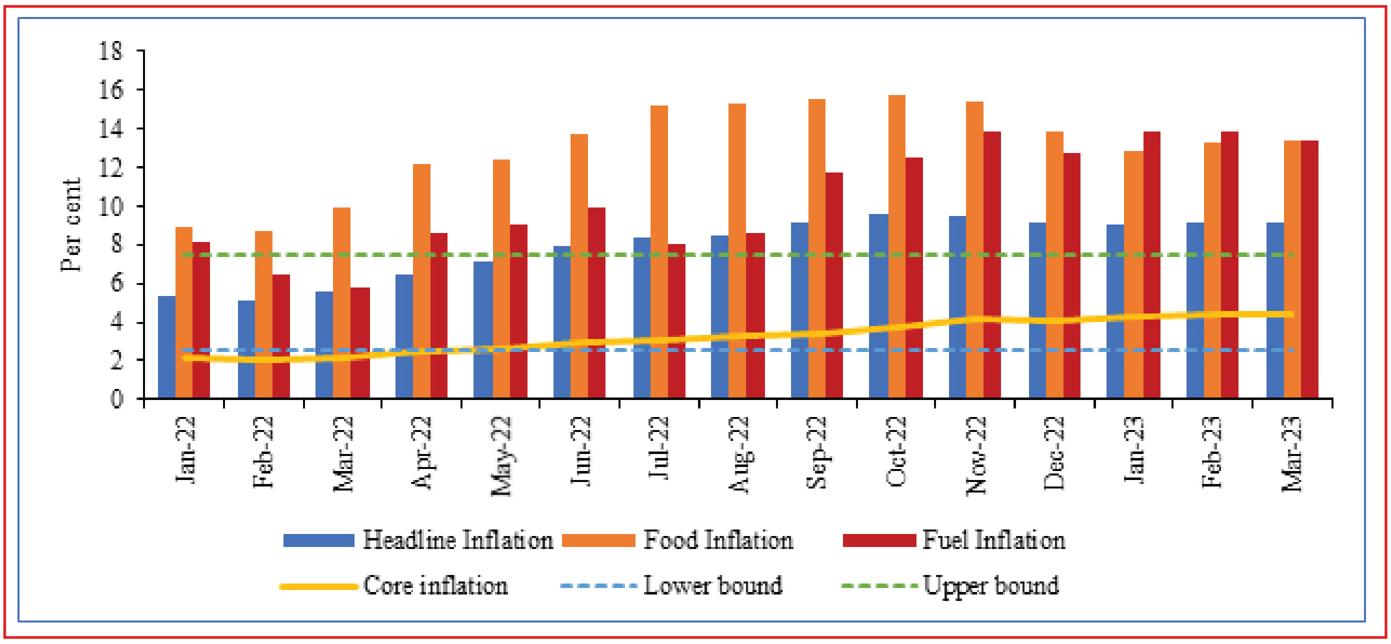
Kenya's economy exhibited resilience in 2022, with a sustained growth momentum in the post-pandemic recovery period. However, the economy grew by 4.8 per cent in 2022 compared to 7.6 per cent in 2021. The 2022 growth is mainly attributed to notable growth in sectors such as accommodation and food services sector (26.2%), education sector (4.8%), wholesale and retail trade (3.8%), administrative and support services activities (18.1%), transport and storage sector (5.6%), construction sector (4.1%), real estate (4.5%) and financial and insurance sector (12.8%).

The agriculture sector registered a 1.6 per cent contraction in 2022 compared a 0.4 per cent contraction in 2021. However, the sector remained the dominant sector in the country, accounting for 21.2 per cent of the overall GDP. The contracted growth was mainly due to prolonged severe drought. For example, maize production declined to 34.3 million bags in 2022 from 36.7 million bags produced in 2021, while marketed milk declined to 754.4 million litres compared to 810.9 million litres produced in 2021. Further, the volume of tea produced declined to 535,000 metric tonnes compared to 537,800 metric tonnes recorded in 2021. Despite the drought, the total sugarcane production expanded by 11.5 per cent from 7.8 million metric tonnes in 2021 to 8.7 million tonnes in 2022. In addition, coffee production rose greatly to 51,900 metric tonnes in 2022 from 34,500 metric tonnes in 2021 due to good weather in coffee growing zones and crop husbandry.

Inflation

Kenya's inflation averaged 9.1 per cent in the first quarter of 2023 compared to 5.4 per cent in a similar period in 2022, mainly due to inter-alia, high food and energy prices. On average, food prices in the first quarter of 2023 averaged 13.2 per cent compared to 9.2 per cent in the same period of 2022. This was largely driven by an increase in prices of maize and milk products. Additionally, prices of edible oils and wheat products increased due to increased global commodity prices following the disruption of international supply chains caused by the Russia-Ukraine war. Fuel inflation stood at 13.7 per cent in the first quarter of 2023 compared to 6.8 per cent in the same quarter of the preceding year, especially because of the scaling down of the fuel subsidy and increase in electricity tariffs.

Figure 1: Inflation rates, January 2022-March 2023



Data source: Kenya National Bureau of Statistics (KNBS)

Overall inflation is expected to decline in the near term, supported by the recently announced Government measures to allow duty-free imports of key food items, particularly maize, rice, and sugar.

Monetary and Financial Policy

The Monetary Policy Committee (MPC) met on 29th March 2023 and discussed the current global uncertainties, weak growth outlook, geopolitical tensions, and easing inflationary pressures. They acknowledged the sustained inflationary pressures and potential impact of global risks on the domestic economy. Therefore, the MPC decided to tighten monetary policy by raising the Central Bank Rate (CBR) from 8.75 per cent to 9.50 per cent to anchor inflation expectations.

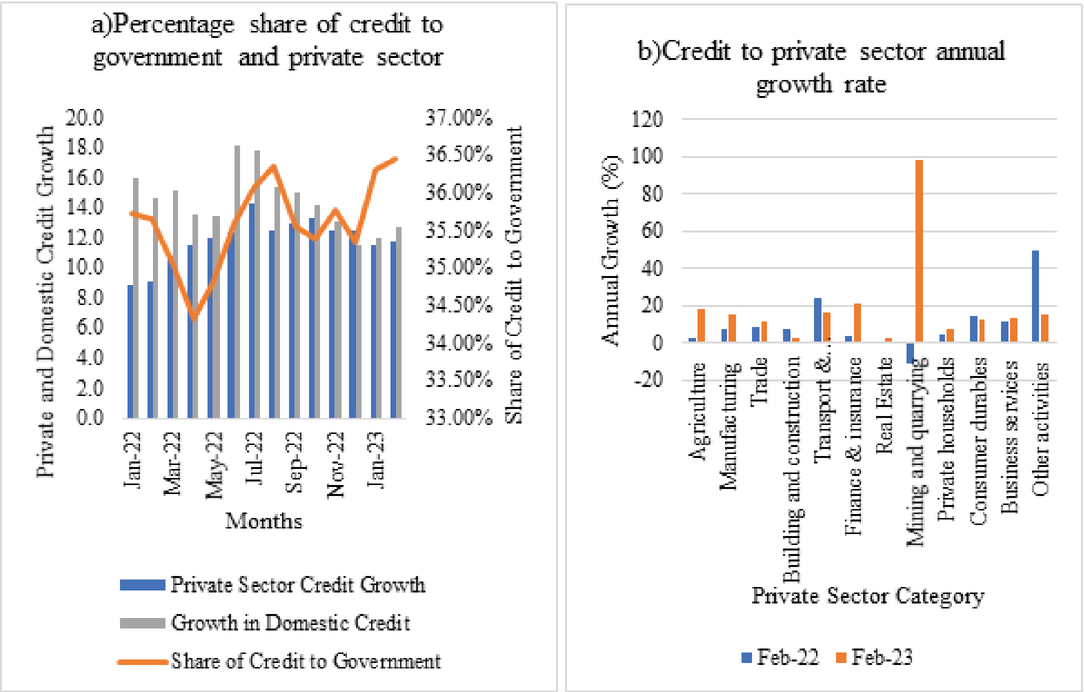
The average interbank rate was at 6.49 per cent in the quarter under review compared to 4.61 per cent in the corresponding quarter of 2022. The increase in the interbank rate reflects decreased demand for credit in the economy as businesses continue to recover from the effects of the COVID-19 pandemic. Similarly, yields on government securities increased, averaging 10.1, 10.4 and 10.9 per cent for the 91-day, 182-day and 364-day treasury bill, respectively, for the first quarter of 2023 compared to 7.3, 8.1 and 9.6 per cent in the first quarter of 2022.

The banking sector remains stable and resilient, with strong liquidity and capital adequacy ratios. The asset quality, measured by the ratio of gross non-performing loans (NPLs) to gross loans, remained constant at 14.0 per cent in February 2023, same as the 14.0 per cent reported in February 2022. Nonetheless, the volume of NPLs increased marginally from Ksh 436.1 billion in February 2022 to Ksh 466.7 billion in February 2023. The slight increase in the volume of NPLs was on account of challenges faced by businesses, such as slowdown in economic growth, increased inflation, high interest rates, and currency fluctuations. Increases in NPLs were recorded in four sectors: manufacturing (Ksh 25.6 billion), trade (Ksh 12.4 billion), real estate (Ksh 11.2 billion), and building and construction (Ksh 9.8 billion).

Liquidity in the banking sector decreased marginally from 56.2 per cent in February 2022 to 50.6 per cent in February 2023. This was well above the minimum statutory ratio of 20 per cent. The total liquidity ratio increased to 50.7 per cent in January 2023 compared to 56.7 per cent in the same period in 2022. The total capital adequacy ratio stood at 19.0 per cent in December 2022, declining from 19.6 per cent in the same period in 2021. The total capital adequacy ratio was above the statutory requirement of at least 14.5 per cent. The strong capital adequacy ratio was supported by a faster growth in total capital relative to total risk-weighted assets. Repayments and recoveries were noted in the trade, tourism, restaurant and hotels, transport and communication, and manufacturing sectors. Banks made adequate provisions for the NPLs.

The banking sector registered a strong performance in the year start of 2023, with the asset base increasing by 9.6 per cent from Ksh 6,064.9 million at February of 2022 to Ksh 6,649.4 million in February 2023. The performance was supported by banks reviewing their business models, leveraging technology and innovation, enhanced capital and liquidity buffers, and a continued focus on customer-centricity.

Figure 2: Credit to the private sector and government



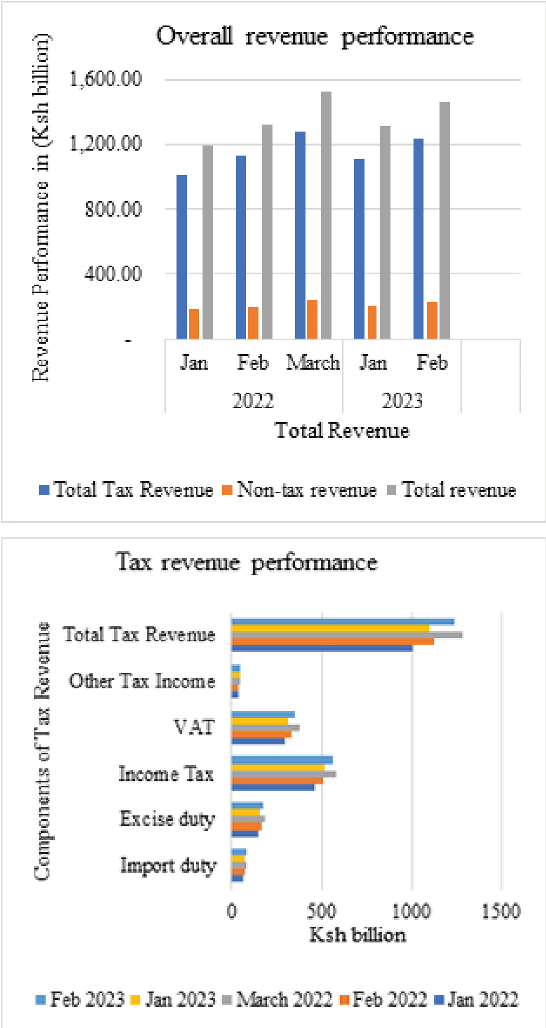
Data source: Central Bank of Kenya

Growth in private sector credit stood at 11.7 per cent in February 2023 compared to 9.1 per cent in February 2022. This increased performance reflects growth in credit to the private sector at Ksh 3,491.2 billion in February 2023 compared to Ksh 3,126.0 billion in February 2022. Strong credit growth was observed in the following sectors: Manufacturing (15.2%), transport and communication (16.5%), trade (11.8%), mining and quarrying (97.7%), and finance and insurance (21.1%) as shown in Figure 2b. The number of loan applications and approvals increased, reflecting improved demand with increased economic activities. Growth in credit to government declined from 27.5 per cent in February 2022 to 15.3 per cent in February 2023. The percentage share of domestic credit to government increased slightly from 35.64 per cent in February 2022 to 36.45 per cent in February 2023, reflecting a marginal increase in credit to government from Ksh 1,770.9 billion in February 2022 to Ksh 2,050.0 billion in February 2023. This reveals the relative importance of domestic borrowing in financing the government budget deficits.

Fiscal Developments

The economy recorded a strong revenue performance within the third quarter year of 2022/2023. By the end of February 2023, the actual revenue collected grew by 9.7 per cent from the same period in 2021/2022. Total revenue collected by end of February 2023 amounted to Ksh 1,464.04 billion compared to Ksh 1,321.81 billion collected in February 2022. The strong revenue performance was largely due to enforcement of tax policy measures and enhanced revenue administration by the Kenya Revenue Authority. Import duty and income tax revenue grew by 18 per cent and 12 per cent, respectively. VAT and Exercise Duty revenues also registered strong performance, growing by 5 per cent and 6 per cent, respectively (Figure 3).

Figure 3: Revenue performance in the third quarter (Jan-March) of 2021/22 and 2022/23



Data source: National Treasury

The total exchequer issues for the third quarter of year ending June 2023 were Ksh 3,964,685 million (Table 2). This was a slight increase by 0.7 per cent in comparison to the same period in the last fiscal year. This increase in exchequer issues was driven by an increase in cash issued to the Consolidated Fund Services (CFS), MDAs recurrent and national issues by 5.7, 2.0 and 0.92 per cent, respectively. County issues recorded a decrease of 2.7 per cent while MDAs development decreased by 21 per cent. The unfavourable macroeconomic environment shifted the government priorities from financing development expenditure to funding recurrent bills. Exchequer issues to the National government formed 47.3 per cent of the total issues while counties received 5.4 per cent of the total cash issues.

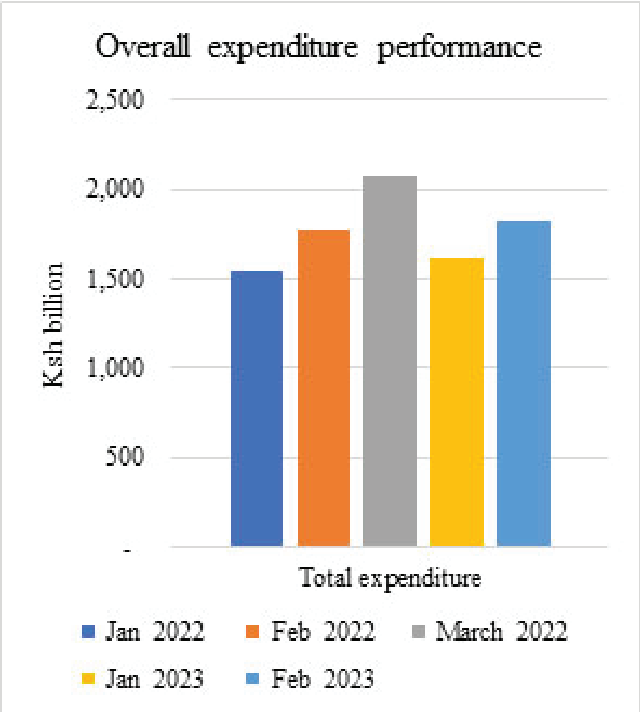
Table 2: Exchequer Issues for the third quarter of 2021/2022 and 2022/2023 (Ksh million)

	2022		2023		2022	2023
Exchequer Issues	Estimate	Actual	Estimate	Actual	Level of Performance (%)	Level of Performance (%)
MDAs (Recurrent)	1,179,425	799,037	1,265,970	814,713	32.25	35.65
CFS	1,309,468	838,390	1,552,942	886,466	35.97	42.92
MDAs (Development)	420,878	221,357	393,813	174,789	47.41	55.62
National Issues	2,909,772	1,858,783	3,212,724	1,875,967	36.12	41.61
County Issues	370,000	216,320	399,600	212,750	41.54	46.76
Total	6,189,543	3,933,885	6,825,048	3,964,685	36.44	41.91

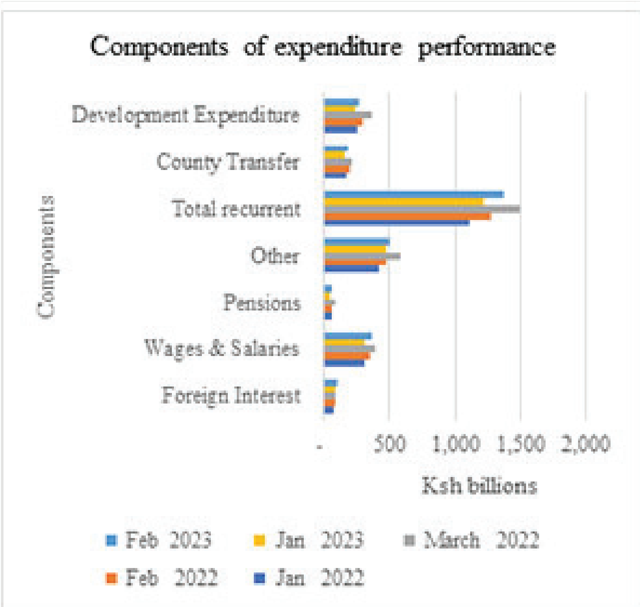
Data source: Kenya Gazette

The total expenditure in the first 8 months of 2022/23 grew by 3 per cent, amounting to Ksh 1,817.18 billion compared to Ksh 1,769.42 billion in the same period in 2021/22. Total recurrent expenditure increased by 8 per cent for the period under review (Figure 4). Recurrent expenditure for foreign interest, salaries and wages increased by 22 per cent and 2 per cent, respectively. Development expenditure and County Governments' transfers declined by 13 per cent and 5 per cent, respectively. Financial constraints and delays in the exchequer release contributed to this decline.

igure 4: Expenditure performance (Ksh billion)



Data source: National Treasury



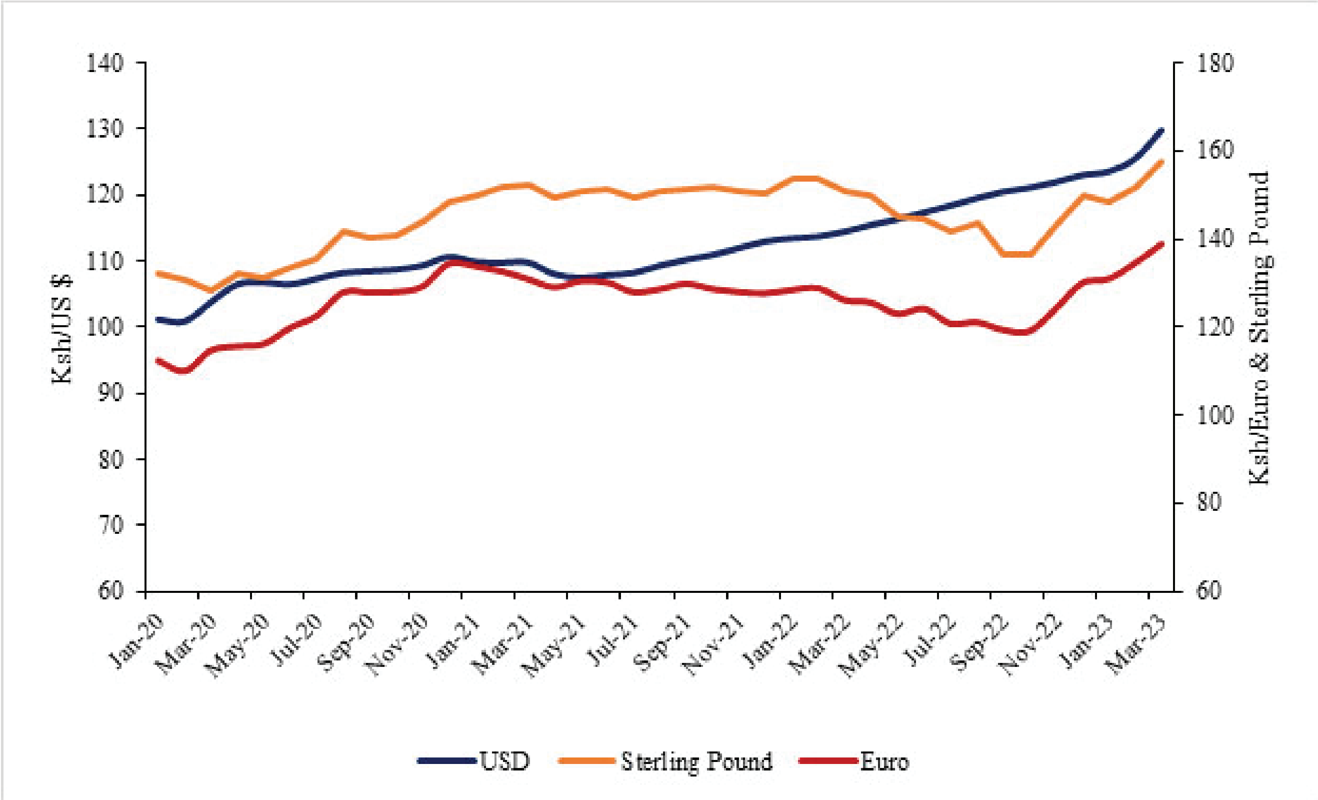
Data source: National Treasury

The overall public debt grew by 12.0 per cent, from Ksh 8.4 trillion in March 2022 to Ksh 9.4 trillion in March 2023. Domestic debt and external debt stock was Ksh 4.5 trillion and 4.9 trillion, accounting for 48 and 52 per cent of total debt stock, respectively. The increase in debt stock was mainly driven by the increase in treasury bonds, growth in external loan disbursements and depreciation of the Kenyan Shilling against the US dollar and other currencies.

External Sector Developments

The Kenyan shilling depreciated against the US$ and Euro in first quarter of 2023, exchanging at an average of Ksh 126.2 against the US$ and at an average of Ksh 134.7 against the Euro compared to Ksh 113.8 and Ksh 127.8 against the US$ and Euro, respectively, in a similar quarter of 2022. In February and March 2023, the Kenya shilling depreciated further against the US$ exchanging at an average of Ksh 125.45 and Ksh 129.74, respectively. The depreciation of the Kenyan shilling against the US$ has to a large extent been due to an increase in demand for foreign currency, which was largely amplified by strong import demand. The depreciation further poses challenges to the payment and servicing of external debt, which is largely dominated by the US dollar. In the same period, the Kenyan shilling strengthened marginally against the sterling pound, exchanging at an average of Ksh 152.5 in the first quarter of 2023 compared to an averaged Ksh 152.7 in the same quarter of 2022.

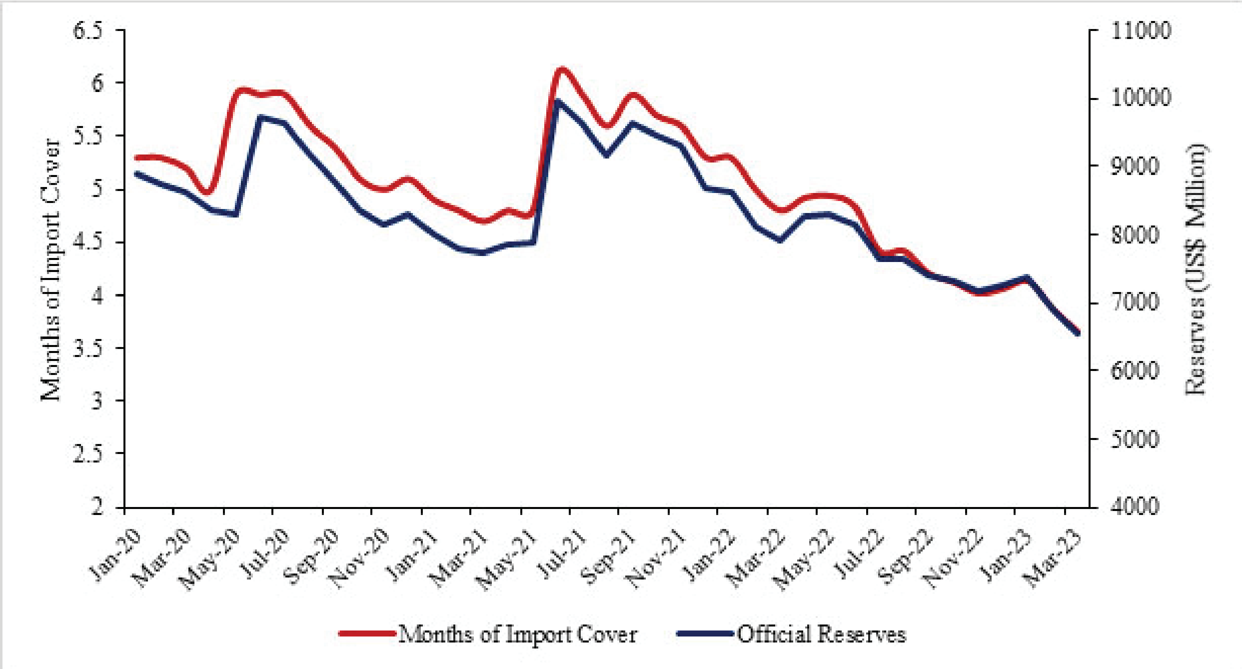
Figure 5: Exchange rate, Jan 2020-March 2023



Data source: Central Bank of Kenya

Foreign reserves averaged US$ 6,944 million (3.9 months of import cover) in the first quarter of 2023 (Figure 6). The value represents a decline in exchange reserves compared to the same period in 2022, which was US$ 8,227.5 million (5.0 months of import cover). The amount of foreign reserves declined further in March 2023 to US$ 6,541 million (3.7 months of import cover), bringing them to below the requirement to maintain at least 4 months of import cover.

Figure 6: Foreign exchange reserves, Jan 2020-March 2023

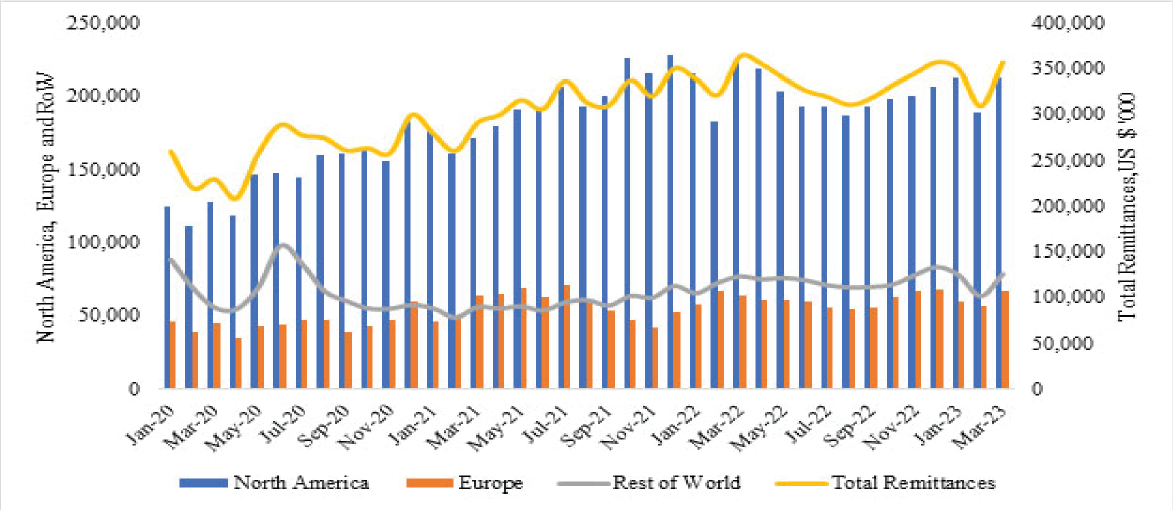


Data source: Central Bank of Kenya

The value of total exports remained strong, increasing to Ksh 76.7 billion in February 2023 compared to Ksh 70.3 billion in the same period in 2022. The improvement in the value of exports was on account of exports of fresh horticulture produce, coffee and tea. The value of tea exports greatly improved to Ksh 13.5 billion in February 2023 from Ksh 13.3 billion in February 2022. However, the value of coffee exported declined to Ksh 2.5 billion from Ksh 3.7 billion exported in February 2022. This was largely explained by a decline in coffee prices from Ksh 729.7 per kg in February 2022 to Ksh 626.9 per kg in February 2023.

Additionally, total imports decreased in February 2023 to Ksh 175.3 billion from Ksh 183.8 billion in February 2022. The import by broad economic category indicates that non-food industrial supplies make up the main import category in February 2023, recording the highest shares at 34.1 per cent of all imports. Additionally, food and beverages, machinery and other capital equipment, fuel and lubricants and transport accounted for 10.2 per cent, 10.9 per cent, 29.4 per cent and 7.8per cent, respectively.

Figure 7: Diaspora remittances, Jan 2020-March 2023

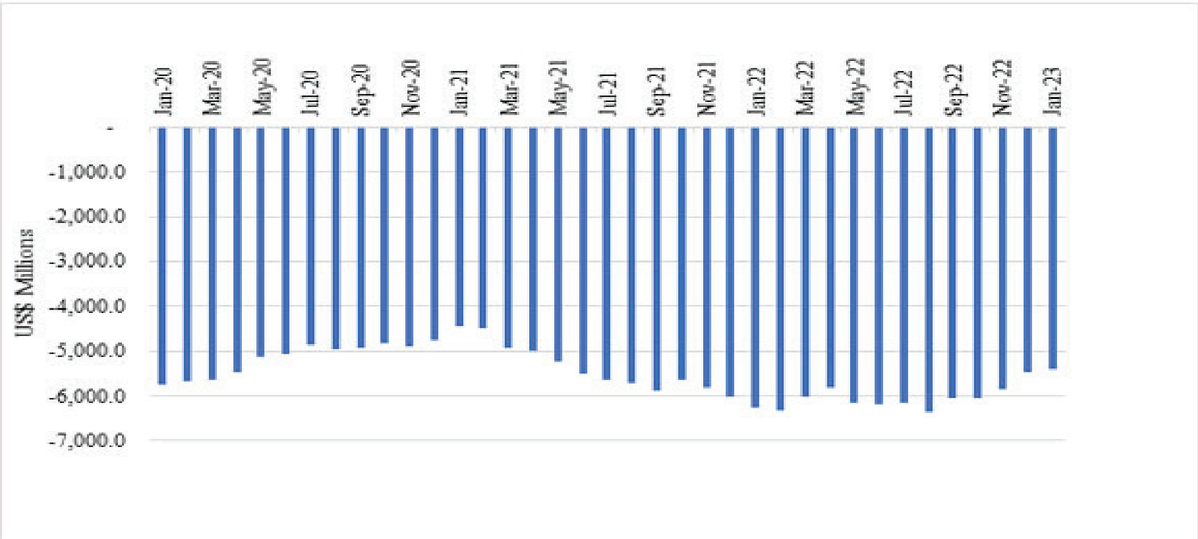


Data source: Central Bank of Kenya

Total diaspora remittances in the first quarter of 2023 dropped to US$ 1,015.5 million compared to US$ 1,023.8 million in the same period in 2022. In the first quarter of 2023, the highest percentage of total remittances received were from North America at 60.4 per cent followed by the rest of the world at 21.6 per cent and Europe at 18.0 per cent. However, remittances from North America and Europe contracted by 1.2 and 2.8 per cent, respectively, while remittances from the rest of the world grew by 2.0 per cent in the first quarter of 2023.

The developments in exports, imports, and remittances in January 2023 resulted in a reduction of the current account balance. The current account deficit narrowed to US$ 5,412.2 million in January 2023 compared to a deficit of US$ 6,258.6 million in the same period in 2022 (Figure 7). The current account deficit was estimated at 4.9 per cent of GDP in 2022 and is estimated at 5.4 per cent of GDP in 2023.

Figure 8: Current account balance (US$ millions), January 2020-March 2023



Data source: Central Bank of Kenya

2 Harnessing Opportunities in Tourism in ASALs: A focus on Northern Frontier Counties

Anne Gitonga, Githinji Njenga and Nahashon Mwongera

Background

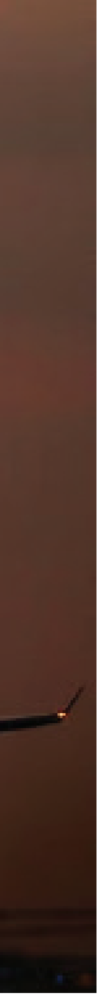
The tourism sector is a major source of income and employment in Kenya's economy, accounting for 10.4 per cent of Kenya's GDP, and 5.5 per cent of formal employment. The sector has multiplier effects in trade, agriculture, construction, manufacturing and transport, among others. In 2022, the sector recorded 1,483,752 international arrivals and Ksh 268.09 billion in inbound tourist receipts, which was a 70.45 per cent and 83.00 per cent increase over the previous year, respectively, depicting an ongoing recovery from the pandemic-related slump witnessed in years 2020-2021. The arrivals in 2019 reached 2 million and receipts of Ksh 163.56 billion. Kenya has various tourism attractions in various segments, including beach and marine, African Safari and wildlife, nature and scenic, culture and heritage, and conference and business. About 1.49 per cent of the labour force is engaged in hotel accommodation services and 0.26 per cent in arts, entertainment, and recreational services. In terms of the purpose of visit, in 2022, 36.63 per cent of tourists came for holiday, visiting family and friends (27.85%), business and meetings (27.24%), transit (5.01%), education (1.44%), religious reasons (0.85%), medical (0.77%) and sports (0.22%). The most preferred destination by tourists is coastal beach accounting for 39.4 per cent of hotel bed nights occupancy as of 2021. In the same period, game lodges and Nairobi accounted for 27.5 per cent and 7.9 per cent, respectively. Domestic tourism accounts for 68.7 per cent in terms of hotel bed nights.

Statistics reveal that counties in the arid and semi-arid lands (ASALs) in the northern frontier of Kenya, though rich in scenic and cultural heritage tourism attractions, record the lowest inbound visitor numbers annually. Northern Kenya has a hotel accommodation occupancy rate of 11 per cent. The hotel bed availability is in effect also the lowest, accounting for 3.3 per cent. Most Kenya's hotel accommodation is in Nairobi and the coastal area, which account for 57.8 per cent of the beds available. The higher rate of hotel accommodation in Nairobi and coastal areas is based on demand associated with a higher number of tourists and locals visiting the respective counties for holidays, business meetings and conferences.

The key tourism product in Kenya's ASALs, including northern frontier counties, is wildlife. The key tourism products in these counties, therefore, include African Safari and wildlife watching, nature and scenic, culture and heritage. ASALs have a wealth of natural resources and biodiversity, including livestock, wildlife, birds and forests. Kenya's wildlife is in fact ranked highly in terms of richness, diversity, and endemism. The National Policy for Sustainable Development of Northern Kenya and other Arid Plans (ASAL policy) estimates that ASALs are host to 90 per cent of wildlife. Kenya's ASALs also host most of the protected areas in form of national reserves and national parks and have a lion's share of Kenya's forest cover. These protected areas are managed by Kenya Wildlife Service (KWS), Kenya Forest Service (KFS), County Governments or communities and the private sector as conservancies. It is of policy importance to establish how these counties with most of the country's natural resources and wildlife, a key tourism asset, accounting for a paltry 3.3 per cent of tourist hotels and less than 20 per cent of revenue from park revenue can enhance their tourism opportunities.

Wildlife

As established in the National Wildlife Census (2021), various ASAL counties are host to a diversity of Kenya's wildlife. The Laikipia-Samburu-Marsabit- Meru Ecosystem, for instance, has among the largest population of elephants in Kenya. Laikipia and Samburu account for 93 per cent of global



population of Grevy's zebra (Equus grevyi). The Maasai Mara in Narok County is host to the great wildebeest migration, rendering it a major tourist destination. Nakuru County, also a major tourist destination, is host to a large proportion of conservancies.

In the northern frontier counties, the Lamu-Lower Garissa ecosystem hosts a wide variety of biological resources. It is home to Cape buffalo, Topi, reticulated giraffes, common zebra, among other wildlife resources. Wildlife in this region benefits from the pastoral nature of communities, which establishes vast land for grazing. The region is, however, also faced with challenges because of increased human and livestock populations leading to human wildlife conflicts; effects of climate change; and insecurity that predisposes wildlife to poaching.

The country's protected areas as defined by Wildlife Conservation and Management Act (2013) WCMA 2013 comprise of 23 terrestrial national parks, 29 terrestrial national reserves, 4 marine national parks and 6 marine national reserves. Of the terrestrial national parks, 17 (78%) are in ASALs and 6 within three of the northern frontier counties; Mandera, Turkana, Marsabit and Tana River. Majority (93%) of terrestrial national reserves are in ASAL counties, of which half are in northern frontier counties. Wajir County is the only county that does not have any protected area for game parks and reserves despite the presence of wild animals such as grant gazelle, reticulated giraffes, oryx and Ostrich. The national marine parks and national reserves are in the coastal counties of Lamu, Kilifi, Mombasa and Kwale. The protected area as provided in **WCMA** (refers to a geographical area often established through a legal notice or other legal or effective means, to achieve long- term conservation of nature with associated ecosystem services and cultural values).

ASAL counties host 17 terrestrial national parks, 25 terrestrial national reserves, 3 marine national parks 5 marine national reserves and numerous other tourist attraction sites.

Table 1: National Parks/National Reserves in Kenya's northern frontier counties

County	National Parks/ National Reserves	Other Tourist Attractions
West Pokot	Nasolot Game reserve	Kapenguria Museum; Mount Mtelo; Cherangani Hills; Turkwel Dam; Nasolot Hill; Tartar Falls; Marich Pass (escarpment); Kopoch Hills
Samburu	Samburu National Reserve; Shaba National Game Reserve	Kalama Conservancy; Reteti Elephant Sanctuary; Sera Rhino Sanctuary; Maralal National Sanctuary; Ndoto Mountains; Loroghi Hills; Kirisia Forest; Maralal International Camel Derby
Isiolo	Bisanadi National Reserve, Shaba National Reserve, Buffalo Springs National Reserve	-
Mandera	Malka Mari National Park	Mandera County Museum
Tana River	Kora National Park; Tana River Primate National Reserve	Tana River Delta Ramsar Site; Tana Delta Dunes; Hola Monument
Marsabit	Marsabit National Park and Reserve; Sibiloi National Park, South Island National Park; Losai National Reserve	Desert Museum Loiyangalani; Koobi Fora Museum (Cradle of Mankind); Mount Marsabit; Loiyangalani Rock Arts; El Molo Villages and Shrines; Mount Kulal; Kalacha Camp; Chalbi desert; Mount Ololokwe; Mount Poi; Lake Turkana; Lake Turkana Wind Power site
Garissa	Arawale National Researve; Boni National Reserve; Rahole National Reserve	Garissa Community Giraffe Sanctuary
Turkana	South Turkana Game Reserve, Central Island National Park and Lotikipi National Game Reserve	Lake Turkana; Eliye Springs Beaches; Ferguson Gulf; Lokori Standing Stones; Nariokotome Turkana Boy Monument (prehistoric site); Kapedo Hot Waterfalls; Lobolo Swamp; Kalokol Standing Stones (archaeological site); Kenyatta House - Lodwar
Lamu	Kuinga Marine National reserve; Dodori National Reserve;	Lamu Museum; Lamu Fort; Takwa Ruins; The Swahili House Museum; Manda Toto (island); Pate Island; The Fort of Shela; German Post Office Museum; Beach tourism; water sports; Lamu cultural festival
Wajir		Wildlife; Wajir museum; Wagalla Massacre Site; Orpahey Wells, British and Italian War Bunkers; Lake Yahud; Old courthouse

Data source for National Parks and Game Reserves: KWS

Within the northern ASAL counties, according to the National Wildlife Conservation Status Report (2017), only four parks/ reserves have accommodation in form of lodges or tented camps and one with campsite. These are Samburu National Reserve, Marsabit National Park, Sibiloi National Park and Shimba Hills. The campsite is in South Island National Park. Most of the frontier counties, except for Mandera, Wajir and Garissa, have conservancies. Community conservancies play an additional role in supporting local homesteads by providing direct employment and providing hotel facilities; however, very few conservatives have hotel facilities.

There are 7 tourism circuits in Kenya, which tourists can visit for amazing Kenya safari experiences, namely the western Kenya circuit, Coastal circuit, southern circuit, north rift circuit, south rift circuit, eastern circuit and Nairobi circuit. Of the seven, five cover the ASAL counties.

Most protected areas, especially conservancies, lack a comprehensive management plan. The WCMA 2013 provides for the establishment of management plans for the country's national parks, marine protected areas, and wildlife conservancies. Plan managements if well designed provide for zoning or breaking down of the protected areas for different purposes. A critical one that should be established is tourism use. A good proportion of the national parks and most community conservancies do not provide hotel facilities. The lack of management plans also impedes effective planning and resource allocation by the National and County governments. The government, as established in the WCMA 2013, recognizes the role of communities in conservation of wildlife. This enhances conservation of forests, natural waterbodies, and other natural habitats. The registration of all conservancies is yet to be done, given the regulations that are envisaged to help govern wildlife conservancies are yet to be gazetted.

Eighty (80) per cent of park revenue is derived from five national parks in Kenya, none of which are in ASAL counties. Wildlife tourism in Kenya is therefore concentrated in these parks. Consequently, several National Reserves including Nasolot in West Pokot, Arawale and Boni in Garissa, Losai in Marsabit and Tana River Primate in Tana River County do not have a tourist revenue gate. Furthermore, only 7 parks including Maasai Mara, Nakuru and Amboseli (accounting for more than 80% of the total number of visitors) are fully accessible to tourists. There is an opportunity to develop and add value to the other parks with modern facilities and infrastructure. In addition, there is an opportunity to invest in tourism circuits that lack accommodation facilities to enable tourists to visit and enjoy their stay in various parts of the country.

There is limited community awareness of provisions of legal statutes such as the WCMA 2013 or the benefits of wildlife, which has led to encroachment of protected areas and poaching. Among the documented threats to Kenya's wildlife is poaching. Poaching has led to decline in wildlife populations in Kenya, such as elephants, due to the demand for ivory and rhinos for their horn. Enhanced awareness and governance can therefore assist combat poaching.

Wildlife resources are challenged by drought, receding water levels, less productive pastures and the spread of invasive species and diseases and other effects of climate change, leading to the death of wildlife. ASALs are particularly affected due to erratic rainfall. Wildlife faces further challenges, including encroachment due to human settlements and infrastructure development and poaching.

Nature and Scenic

ASALs have diverse ecosystems including mountains, hills, escarpments, forest cover and natural water sources that provide environmental, economic, social, and cultural benefits. KFS, KWS and National Museums of Kenya (NMK) are key agencies in the conservation and management of forest resources. A review of the forest areas managed as public forests as at December 2017 reveals that 66 per cent of the total area of public forests is found within the northern frontier counties of Turkana, Garissa, Tana River, Samburu and West Pokot. Northern frontier counties are further dominated by arid desert; Chalbi Desert in Marsabit County is one of the most known deserts in Kenya. Marsabit County in the 2018-2022 CIDP acknowledges the potential of enhancing tourism in the desert by way of camel derby, camel caravans and Lake tourism, given the long open shoreline and pristine beaches of Lake Turkana.

Mountain and valley ecosystems are also part of northern frontier counties. There are mountains such as Namarunu in Turkana County, Mount Ng'iro Forest in Samburu County, Mount Marsabit in Marsabit County and Mount Korosi in Baringo County. Cherangani Hills in West Pokot is a rich source of flora and fauna and scenic elements such as viewpoints, cliffs, ridges and rocky gorges. It is further an important water catchment for the region. West Pokot is also home to Mount Mtelo (Sekerr), the fifth highest mountain in Kenya. The region, specifically, Samburu, Turkana and Baringo county is host to the northern parts of the Great Rift

Valley, with attractions such as Suguta Valley said to be the most remote, driest and hottest part of Kenya.

Interestingly, the longest river in Kenya, Tana River and the largest permanent desert lake in the world, Lake Turkana, which is also the largest alkaline lake in the world, are in northern frontier ASAL counties. Additionally, Lake Baringo, which is part of Kenya's lake system in the Great Rift Valley and a freshwater lake, is host to diverse bird species, including flamingos and geothermal activity in the form of hot springs and geysers.

Despite the diversity of natural resources, climate change has had adverse effects on biodiversity, including bird and other species populations and migration patterns, land degradation and in the extreme, biodiversity loss. The country's rich and diverse flora and fauna are also vulnerable mainly due to anthropogenic factors.

Culture and Heritage

The northern frontier counties, like other counties, have a rich cultural heritage, which is often promoted through cultural festivals. The Annual Lamu Cultural Festival, for instance, has been successfully convened for over the last twenty years; Lamu County is also host to Maulidi Cultural Festival. Turkana County has conducted the annual Tourism and Cultural Festival (Tobong'u Lore) for four consecutive years; Marsabit has been host to the Marsabit Lake Turkana Cultural Festival, Loiyangalani cultural museum festival and Kalacha festival. West Pokot County holds a Pokot Cultural Week annually, Samburu County as an annual Camel derby. These festivals have been a tourist attraction to the counties.

ASAL counties are also hosts to various cultural and heritage artifacts. Koobi Fora, in Marsabit County, for instance, is one of the world's leading pre-historic sites on the evolution of humankind; often referred to as the cradle of mankind. Koobi Fora is within the Lake Turkana National Parks, which are among the seven UNESCO World Heritage Sites in Kenya. Further testament to the evolution of humankind in Turkana County, the oldest-ever traced stone tools with an estimated age of 3.5 million years is among the county's archaeological discovery. The National Museums of Kenya (NMK) lists 23 museums around the country, 14 of which are in ASAL counties, of which 4 are in northern frontier counties. These include Kapenguria Museum in West Pokot; Loiyangalani Museum/Desert Museum in Marsabit; Wajir Museum and Garissa Museum. Kapenguira Museum has the highest number of visitors registered in 2021 among the four. This is the top museum among those located in ASALs.

Despite the rich culture within the different counties, cultural tourism activities and facilities as cultural centres are still limited. Tourism products in the desert environments are also under-developed in the ASALs. Further, there is limited information particularly in a centralized credible information system on natural, science and cultural sites or activities in various counties in Kenya.

Policy Actions and Gaps

The Constitution empowers the National Government with the role of tourism policy and development, with the County government's role being development and regulation of local tourism. Sessional Paper No. 8 of 1969 was the first national tourism policy. Subsequent national policies have articulated the development of tourism in the ASAL areas. The Economic Recovery Strategy for Wealth and Employment (ERSWEC 2003-2007) recognizes the potential of tourism growth in ASAL areas, citing little involvement of local communities, lack of adequate motivation to conserve natural resources in the areas and human-wildlife conflict as problems hindering the growth of tourism. The proposed interventions include allocating a large portion of the revenue generated from game reserves and national parks to community projects, strengthening community-based wildlife conservation and other approaches through which wildlife can benefit local people directly to motivate them to conserve and accommodate wildlife, and supporting the development of eco-tourism activities. The ERSWEC did not, however, identify the specific tourism activities to be developed in the ASALs.

The Kenya Vision 2030 in its Medium Term plans I, II and III envisions Kenya to be a top 10 long-haul tourist destination offering a high-end, diverse, and distinctive visitor experience. The MTP I (2008-2012) indicates the need to develop niche products, including cultural tourism, which is rich in the ASALs. The intervention to achieve this includes deliberate efforts to promote authentic cultural experiences and launch high value cultural projects and festivals. Further, development of cultural homes (homestay) in each community was to be done to provide tourists with a cultural experience and benefiting the communities at the same time. A Cultural and Heritage Tourism Strategy has been developed. The MTP II (2013-2017) indicated that County

Governments will provide incentives for community-based enterprise investors to engage in home-stay development. The guidelines for investment in home-stay tourism have been developed by the Tourism Regulatory Authority.

The Cradle of Mankind Tourist Circuit incorporates Sibilo National Park, Central Island National Park and Southern Island Park around Lake Turkana region to promote the niche product. The broad objective of the Eden Cradle of Humankind project is to position the Lake Turkana Basin as the renowned place for human origins internationally while opening the area for economic growth and poverty alleviation for local communities. The project as indicated in MTP II (2013-2017) is to be implemented in two phases; the first phase is a premier Science Park forming the core of the story of human origins in the area; while the second phase will involve the development of camp sites at the actual location where Kenya's most famous collections have been found on both the eastern and western sides of the lake.

Also earmarked in MTP I was development of the Lake Turkana resort city as a flagship project. Land for the resort city has been identified, and feasibility studies completed. MTPs II and III note the need to bolster the viability and sustainability of the LAPSSET Corridor by developing the three planned resort cities; that is Lamu (Mokowe), Isiolo and Turkana (Eliye Springs) and Loiyangalani sites. The process of procuring land for Turkana Resort City has already been initiated under the LAPSSET programme. The Lamu Resort City is proposed to be at Mokowe and is premised on the rich cultural history including the Swahili village, beaches, unique cultural identity, world heritage sites and national reserves/ parks. Lamu Old Town is a UNESCO World Heritage Centre and is the oldest and best-preserved Swahili settlement in East Africa. An international investor conference was envisioned to be held to market the resorts to both local and international investors.

The resorts have not been built and the tourist circuit is not established partly due to resource constraints. The government has proposed in MTP III to operationalize the Tourism Transformation Fund, finalize, and gazette regulations, and develop disbursement criteria. Other niche products to be explored and promoted include bird tourism, which is rich in Turkana Country.

During the MTP I, the Sessional Paper No. 1 of 2010 on Enhancing Sustainable Tourism in Kenya was developed. The sessional paper articulated the need to harness the cultural diversity of the country by promoting cultural tourism, enhancing product quality and diversity by targeting the under-visited parks and reserves, need for further investment particularly in roads, marketing Kenya's tourism products, dealing with other sources of insecurity including cattle rustling, which is prone in ASALs, and mitigating climate change. A draft National Tourism Policy 2020 on Enhancing Sustainable Tourism in Kenya, which captures emerging issues and the role of counties in tourism development, is yet to be finalized. The MTP III (2018-2022) notes the need for collaboration in tourism development between National and County Governments to ensure sustainability of tourism products. An inter-governmental coordination mechanism on tourism product development and promotion proposed in the plan is yet to be put in place.

The National Tourism Blueprint 2030, which is a tourism strategy intended to identify critical drivers and enablers of tourism growth, was developed during the MTP II. The strategy provides a practical implementation plan towards the achievement of the country's overarching tourism and economic goals. In the strategy, desert safaris in northern Kenya, which is mostly ASALs is identified as a new market segment which requires exploration. There is need for research on how to brand this product. The safaris, according to the strategy, need to be complemented with lakeside resorts such the one for Lake Turkana, cradle of mankind, and nature activities such as walking trials, glass bottom boat rides, birding and fishing around Lake Turkana.

The Sessional Paper No. 1 of 2020 on Wildlife Policy was also completed during MTP III (2018-2022). The policy recognizes human-wildlife conflict as a major problem in wildlife areas due to climate variability and change and increased human activity in areas originally preserved for wildlife. The policy also notes that the related compensation payments have been unsustainable. The MTP I envisioned developing a workable compensation scheme for economic losses caused by wildlife. The Sessional Paper is, however, silent on the establishment and role of Community Wildlife Conservation Committees (CWCCs), which is however established in the WCMA 2013. Community Wildlife Conservation Committees were in August 2019 established by Gazette Notice Vol. No CXX- No.105 in all 47 counties for a term of three years. Among the mandates of the CWCC as established in the Act is to review and recommend payment of compensation on claims resulting from loss or damage caused by wildlife.

A major policy concern within these counties that would stifle tourism is insecurity. The National Police Service crime statistics show that terrorism is among the challenges affecting the North Kenya regions, largely due to its proximity to Somalia. Additionally, majority of cattle stock theft in the country is from northern frontier counties. Some of the contributing factors to cattle theft is water and pasture constraints especially during drought, land and boundary disputes and outdated cultural practices. The government has continued to undertake various operations to address insecurity. The operationalizing and strengthening of the Tourism Protection Service is therefore key.

Recommendations

County governments in the ASALs are the custodians of tourism products and services, hence play a vital role in tourism development in the country. Thus, all counties need to: map all their tourist attraction, cultural and heritage sites and develop and implement county-specific tourism development and marketing plans that incorporate niche tourism product development. The county niche products include eco-tourism, sports tourism, desert tourism, cultural tourism, M.I.C.E, tourists-on-transit, conference tourism, adventure tourism, archaeology, amusement parks, agritourism, nature tourism, wildlife tourism, mountain tourism (e.g. hiking and paragliding), camping tourism, home-stay tourism and culinary tourism. This will then inform the Counties Tourism Information Centres and tourism signage. Strengthening of inter-governmental coordination for the development and promotion of tourism products is therefore a priority. This is aimed at supporting counties to improve infrastructure that supports tourism development. Implementation of Sessional Paper No. 01 of 2020 on Wildlife Policy will address several challenges affecting wildlife through the development of mechanisms for surveillance and management of wildlife diseases; a mechanism for ecosystem-based management; conservation funding mechanisms, and benefit sharing from wildlife utilization. Wildlife conservation provisions as provided in the policy are largely through national parks, reserves and sanctuaries and their accompanying approved management plans. The Sessional Paper further calls for development of an engagement framework for conservation within counties. The CWCC is a critical framework that can promote wildlife conservation at the counties.

Prioritization of development and revamping of tourism-enabling infrastructure, including existing national culture and cultural centres and establishment of county cultural centres and museums as proposed in the National Policy on Culture and Heritage is key to preserving and promoting culture and national cohesion. In addition, there is need to provide support to ASAL counties and investments in tourism-enabling infrastructure. including development of hotels, restaurants and other tourist-class hospitality facilities; development of roads to support access to tourism attraction sites; ICT and other enablers to support travel agents and tour operators; physical investments to support meetings, incentives, conventions and exhibition events; and development of airports and airline services.

Continued financial support to enhance key tourism products in ASALs, with focus on wildlife, nature (biodiversity) and cultural products that are unique to the region. This is to be achieved by undertaking the following:

- Facilitating community-based tourism activities, including conservation, eco-friendly and sustainable tourism, and home-stay tourism particularly for ASALs in northern frontier counties.

- Promotion of cultural festivals. Several frontier counties such as Lamu, Turkana and Samburu have successfully conducted cultural festivals annually, which has drawn tourism to the counties.

- Expansion of wildlife tourism opportunities within under-utilized parks and reservices through establishment of tourist activities including game drives, nature walks, mountain tourism and accommodation in parks, reserves and conservancies. This is aimed at exploring and exploiting the potential of parks, reserves and conservancies within ASALs.

Review the Tourism Act 2011 to accommodate aspects of devolution, inter-governmental coordination and streamline/ amalgamate and simplify tourism and hospitality licensing requirements to attract more investors to the sector.

There are opportunities to diversify into additional tourist activities such as water sport in conservation areas such as Central Island National Park in Turkana County. Enhancing nature tourism around Lake Turkana as presented in the National Tourism Blueprint 2020 and supporting investment in desert safaris/amenities in areas such as Chalbi Desert. This calls for the establishment of guidelines and technical assistance from the National Government to support of the development and promotion of these and other tourism products at the county level unique to the county.

Tourism Regulatory Authority is mandated to register, licence, and grade all tourist-related activities and undertake classification of tourism facilities and services. In 2019, Kenya had 211 classified accommodation facilities (comprising of hotels, restaurants, apartments, villas, lodges, camps, resorts, spa and golf clubs) spread in 20 counties, with a capacity of 16,554 rooms and 27,467 beds. Of these, 68.0 per cent were located in 6 counties, namely Nairobi, Narok, Nakuru, Mombasa, Kwale and Kilifi. In addition, only 18 per cent of Kenyan hotels are in the 4-5 star categories, which is significantly lower than the average of 40.0 per cent in competing long-haul destinations.

A total of 27 counties lacked classified establishments, affecting their competitiveness as local tourist destinations and ability to host high-spending tourists. This included West Pokot, Mandera, Tana River, Marsabit, Garissa, Turkana, Lamu, Wajir, Narok. Among the northern frontier counties therefore only Isiolo and Samburu had classified accommodation establishments. This would make tourism marketing difficult. This calls for a substantial increase in investment in accommodation and other tourism-enabling infrastructure across all ASAL counties, to meet the ever-increasing demand for Kenya's tourism products. In addition, it is necessary to enhance compliance to minimum standards by regulated tourism enterprises, activities and services to re-engineer destination appeal and competitiveness.

A review of the classification system may be further necessary to ensure that all hotels receive some classification informative to the consumer. The hospitality industry has identified alternative classification systems such as sustainability badges. This calls for the revisiting relevant policy frameworks such as the draft EcoTourism Policy and the home-stay policy.

Continued research on tourism opportunities by Tourism Research Institute, including water sports, bottom boat rides, and desert tourism within the northern frontier counties is necessary to identify the needs and opportunities and how to establish an effective destination marketing campaign on the same.

Continued efforts to enhance access and security in the northern frontier counties is paramount in encouraging tourism investors. This can be achieved through provision of necessary resources and capacity within the Kenya Tourist Police Unit in the region.

3 Exploring Energy Transition Opportunities in Arid and Semi-Arid Lands

Brian Nyaware and Humphrey Njogu

Introduction

Energy is vital for economic and social growth. The United Nations Sustainable Development Goal (SDG) 7 aims to achieve universal access to affordable, reliable, sustainable and modern energy. Among the goal's specific targets to be achieved by 2030 are universal energy access and a substantial increase in the share of renewable energy in the global energy mix, among others. Despite its numerous benefits, energy is a major contributor to climate change due to the large amounts of harmful greenhouse gas emissions from the use of fossil fuels. Consequently, SDG 7 guides the energy transition at the global level. The energy transition is a policy-driven process involving a systematic global shift from fossil-based energy production and consumption systems to zero-carbon, renewable, sustainable, efficient, secure, and reliable energy systems (World Economic Forum, 2018). Fast-tracking the energy transition will contribute to achieving the Paris Agreement goal of holding the global average temperature increase to below 2°C above pre-industrial levels, and thus reducing some climate change risks and improve livelihoods.

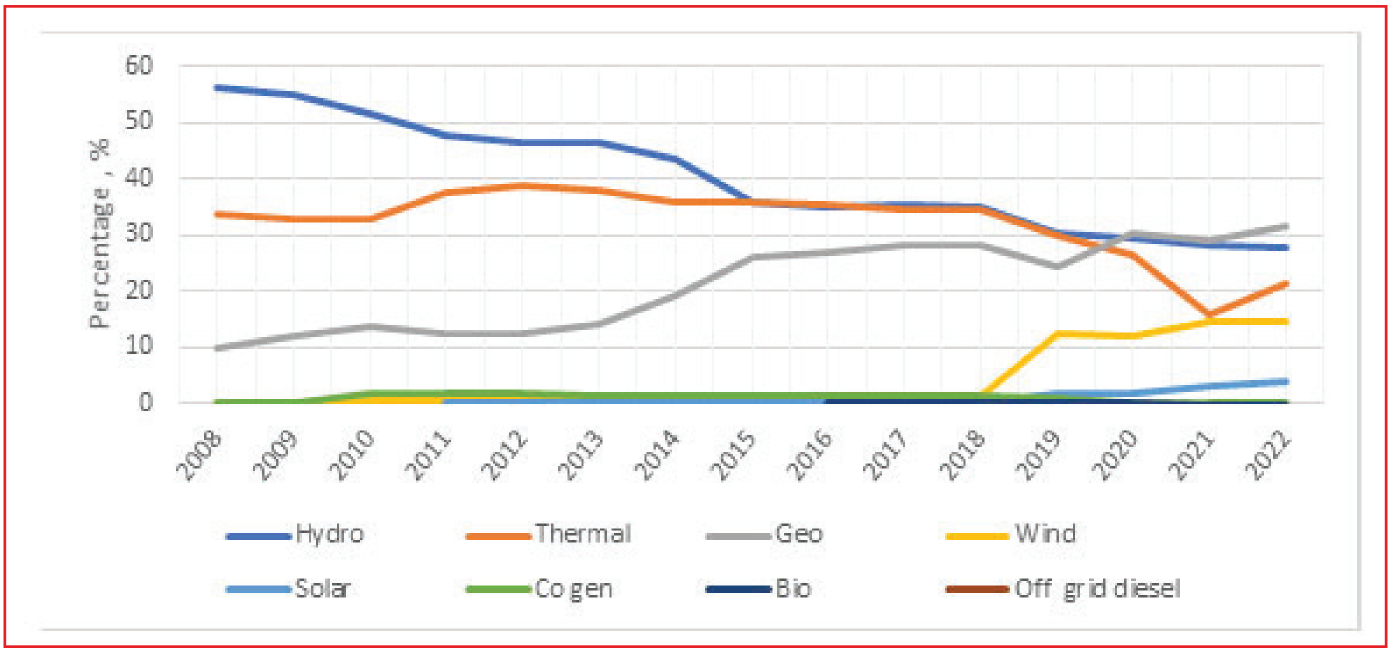
Arid and Semi-Arid Lands (ASALs) play a large role in Kenya's energy transition and sector. ASALs cover a large land area in the country, host many energy production sites, and provide land resources for additional renewable energy production. Besides the land resource potential, ASALs have great potential for renewable energy sources such as wind and solar. Kenya's equatorial position avails ASALs ample solar insulation all year through, with potential daily 5-7 peak hours providing 4-6 kWh/m2/day. Also, ASAL counties such as Laikipia, Marsabit and Samburu have great wind speeds suitable for wind energy generation. The Rift Valley region, which has some ASALs, is estimated to have 10,000MW of geothermal energy, according to the Government of Kenya (2018)- Least Cost Development Plan. Some key energy projects that have been recently commissioned in the ASALs are the Lake Turkana Wind Project (310MW) and the Garissa Solar Plant (50MW). Additionally, given that about 36 per cent of the county's population lives in these areas, according to the State Department for ASALs and Regional Development, they have a substantial contribution to Kenya's total energy consumption.

Despite their huge role in the energy sector, the energy potential and transition in ASALs is yet to be fully realized. This is partly because of challenges such as the remoteness of some areas, intermittency of weather patterns that negatively affect renewable energy sources such as hydro, and inadequate finances. ASALs are often characterized by poor infrastructure, high poverty levels and a high presence of unemployed youth, women, and vulnerable groups. Therefore, low access to clean energy further exacerbates the living conditions of the residents due to the associated negative effects such as slow economic growth, health concerns, pollution, and deaths. According to the World Health Organization estimates, there are 3.2 million annual premature deaths worldwide attributed to household air pollution, mainly caused by cooking with unclean fuels and traditional cooking stoves. Therefore, improving the energy transition and access in Kenyan ASALs has the potential to minimize the negative trends and bring about additional socio-economic and environmental benefits.

Energy Production

Energy is a key enabler for the achievement of Kenya's main development agenda - Vision 2030, which seeks to have the country become a middle-income industrialized country by 2030. For Kenya to achieve its development goals and economic growth, there is need to increase efficient production of affordable energy. Going by the trend at the national level over the last 14 years, Kenya seems to be progressively increasing its energy production, with the total installed capacity rising from 1,310 MW in the year 2008 to 3031 MW in 2022. Concurrently, there has been a major shift from reliance on non-renewable to renewable energy attributed to the expansion of geothermal, hydro, wind and solar, with a number of the renewable energy projects being located in and supply energy to the ASALs. This has fast-tracked the energy transition in Kenya with renewable energy having an aggregated average of 90.5 per cent of the total energy mix over the last three years (Kenya Power and Lighting Company Annual Report 2022). The growth has been mainly due to the government programmes, policies incentives and support that have led to the commissioning of new energy projects onto the grid by both government and non-government entities (Independent Power Producers-IPPs). The Scaling up Renewable Energy Programme (SREP), Rural Electrification Programme, Energy Act 2019, and the Feed-in Tariff (FiT) policy are examples of such initiatives and policies, that have also positively impacted the ASALs.

Annual energy generation mix (%)



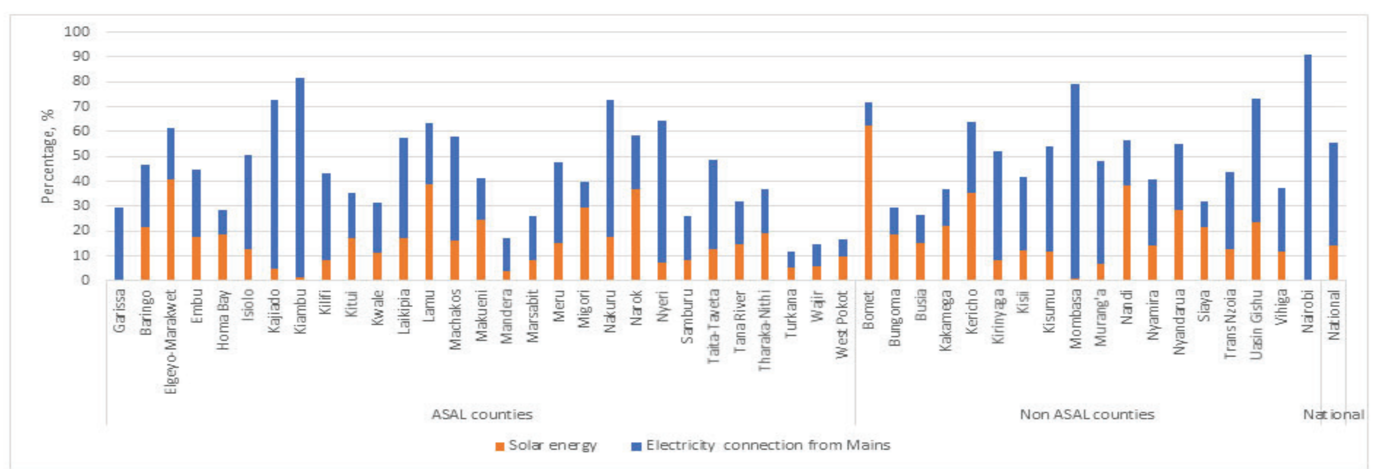
Source: Kenya Power and Lighting Company annual reports (2008 to 2022)

The Kenya Off-Grid Solar Access Project (KOSAP) is an example of a government project that promotes energy access and transition in Kenya's ASALs. The project's main objective is to provide electricity and clean cooking solutions in the remote, low density, and traditionally underserved areas of the country. It aims to support the spread of Standalone Solar Systems for Households in six lots, consisting of 14 counties that are ASALs: Turkana, West Pokot, Isiolo, Marsabit, Samburu, Mandera, Wajir, Lamu, Garissa, Tana River, Kilifi, Kwale, Narok and Taita Taveta. The project supports the transition from low-efficiency baseline stoves to cleaner, high efficiency improved cooking solutions in 8 ASAL counties (Turkana, West Pokot, Isiolo, Samburu, Marsabit, Kilifi, Kwale and Taita Taveta). Capacity building and financing are also part of this project. Overall, the project is expected to install 120 solar mini-grids, 250,000 solar home systems, more than 1,000 community solar systems, and 380 community solar water pumps. This contributes to the cumulative small-scale solar energy production in ASALs and Kenya. Kenya Power and Lighting Company is also implementing the solar lamp project that aims to support 13 counties in ASALs by distributing 24,500 solar lanterns. Lamu, Tana River, Meru, Embu, Samburu, Baringo, Mandera, Turkana, Wajir, Marsabit, Garissa, Isiolo and Homa Bay are the counties benefitting from this project.

MKOPA and PAYGO are examples of financing schemes in Kenya that enable people to access finance to overcome the financial barriers preventing them from clean energy access. This has also facilitated energy transition and access to many customers, especially those with low incomes and living in remote ASALs. The repayment amount is usually low and over a long period of time, hence affordable.

According to the Kenya Integrated Household Budget Survey 2015-2016, 12 per cent of Kenya's total households have installed solar panels. Some households use these solar panels as the main source of their lighting. Elgeyo Marakwet is the leading ASAL county when it comes to percentage distribution of households using solar energy as the main lighting fuel, while Garissa is the ASAL county with the least. The mean percentage distribution of households by the main lighting fuel being solar energy in ASAL counties is 15.5 per cent. This is lower compared to the 18.2 mean for non-ASAL counties. This goes to show that ASALs have a clean energy access gap and, therefore, are yet to achieve the energy transition. The most used source of lighting in Kenyan households is electricity at 50.4 per cent and other lighting sources are gas lamps, torches, paraffin, generators, candles, battery, and wood.

Percentage distribution of households by the main lighting fuel being solar energy per county



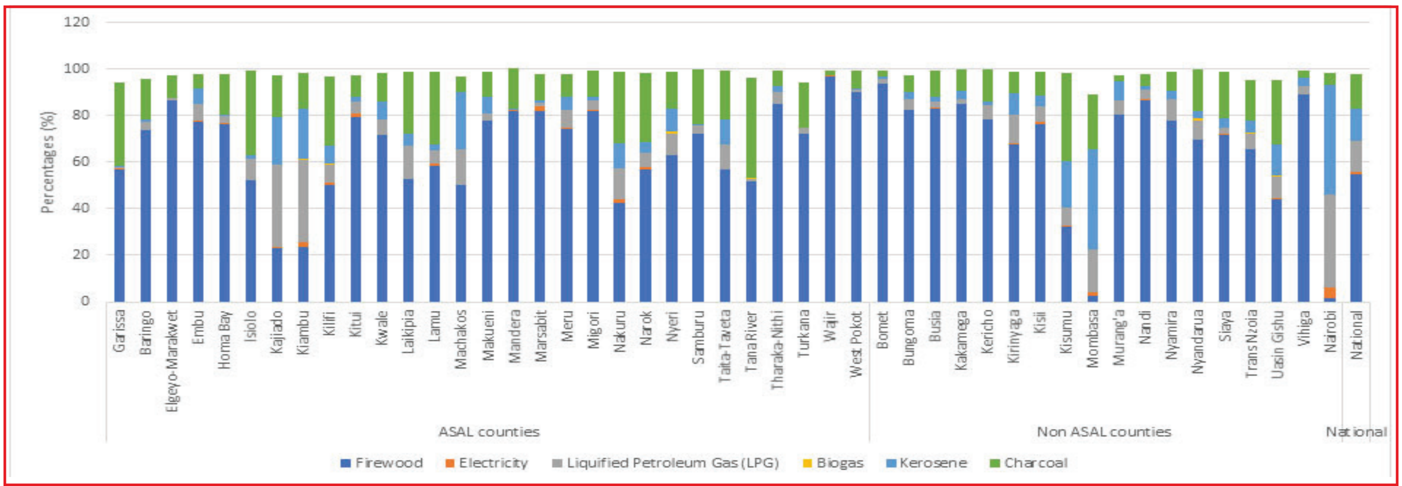
Source: KNBS, Kenya Integrated Households Budget Survey 2015-2016.

Energy consumption

Electricity and cooking are examples of common energy uses when it comes to consumption. The Energy Progress Report 2022 shows that about 733 million people still lack access to electricity worldwide. Out of these, 15 million are from Kenya. Despite the large numbers, Kenya has an above average electricity access rate of 75 per cent, with urban access rate being higher than rural access. From the annual sales of electricity in 2022, regions with large ASALs cover registered high unit sales - Coast, North Rift and North Eastern regions having 1,674 GWh, 357GWh and 969 GWh, respectively. These regions also have a high number of customers- 640935, 409034 and 916687 customers for Coast, North rift and North Eastern regions, respectively, in 2022. These examples demonstrate the large role ASALs have in energy consumption and energy transition as the consumption growth has been partly driven by grid expansion and adoption of renewable energy and off grid solutions. The Last Mile Project and the Rural Electrification Programme are some government initiatives that have led to increased electricity access in ASALs.

Also featured in the Energy Progress Report 2022 is that 2.4 billion people globally still cook using fuels that are detrimental to their health and the environment. According to the Regulatory Indicators for Sustainable Energy report, only 20 per cent of Kenya's total population has access to clean cooking. About 67 per cent of Kenya's population use charcoal and wood to cook. The use of unclean sources of cooking fuels is high in ASAL regions, with Tana River County having 43 per cent of its households using charcoal as the main source of cooking fuel. Clean fuel usage for cooking is low at national level and in ASALs. It is noted that there are different energy sources for cooking in both ASALs and non-ASALs. ASAL counties have a higher use of firewood and charcoal compared to non-ASAL counties, with the percentage distribution averaging 68.47 and 18.93 in ASALs and 62.5 and 12.13 in non-ASALs, respectively. The ASAL counties of Wajir, Garissa, Lamu and Taita Taveta have 89.5 per cent, 71.7 per cent, 60.6 per cent and 55.4 per cent of their household's using firewood as the main cooking fuel, respectively. ASAL counties also have a lower average percentage distribution of Liquified Petroleum Gas (LPG) compared to non-ASAL counties. Other cooking fuels in use are electricity, biogas, charcoal, solar and paraffin.

Percentage distribution of households by the main lighting fuel being solar energy per county



Source: KNBS, Kenya Integrated Households Budget Survey 2015-2016

Among the main challenges affecting renewable energy consumption in ASALs are low energy access, awareness, and affordability related issues. In most cases, the cost of non-renewable energy sources is mostly cheaper and more accessible, compared to renewable energy sources. As an example, firewood is cheaper and more accessible to

ASAL residents compared to clean electricity for cooking. Several initiatives have been set up by government and non-government stakeholders to address these challenges and fast-track the transition from non-renewables. The Kenya Country Action Plan (CAP) (2013) for Clean Cookstoves and Fuels looks into raising awareness to promote the use of clean fuels to address the knowledge barriers. For example, the government zero-rated VAT on LPG, and this led to significant uptake of LPG by more than 50 per cent between 2016 and 2020. In 2021, the government reinstated VAT exemptions on renewable energy products, including clean cooking solutions and solar and wind generation equipment through the Finance Act, 2021. Some of the fuels included in the exemption are denatured ethanol, biogas, and sustainable fuel briquettes. Additionally, the National Climate Change Action Plan (NCCAP) 2018-2022 targets to increase uptake of clean cooking solutions. The Mwananchi Gas Project is also a government project that aims to increase LPG penetration in the country from 10 per cent to 70 per cent. The distributed gas will be cheaper and thus more affordable. The government recently announced its plan to implement a subsidy on gas cylinder prices. This would result in price reductions of up to 80 per cent, with the price of a 6kg gas coming down from Ksh 2,800 to between Ksh 500 and Ksh 300. This will promote the use of clean energy nationwide, including in the ASALs. These government efforts demonstrate its commitment to achieving the energy transition by 2030. There have also been efforts by non-governmental organizations such as KOKO, GiZ and the Netherlands Development Organisation (SNV) to promote clean cooking in some ASAL counties such as Kitui through the supply of improved cooking stoves and fuels, increased public advocacy and other initiatives.

Energy Conservation and Energy Efficiency

Energy conservation and energy efficiency are other vital elements for a complete energy transition. Energy conservation refers to the process of limiting energy consumption to avoid wastage. It is largely based on behavioural and operational practices. An example of energy conservation can be turning off the lights when not in use or during the day. Energy efficiency refers to optimizing the amount of energy used to produce goods and services without compromising quality and quantity. It may involve the purchase and installation of more efficient equipment and processes. Among the benefits of these elements include: reduced demand and consumption of fossil fuels in electricity generation, improved manufacturing competitiveness, improved energy security, reduced overall energy demand, lower costs for the end user and mitigation of climate change through lower greenhouse gas emissions.

Kenya attained an overall energy efficiency score of 58 out of 100 in the Regulatory Indicators for Sustainable Energy report (2022). Under the energy efficiency sub-indicators, Kenya had above average scores in: energy efficiency entities, incentives, and mandates, building codes, minimum energy efficiency performance standards, energy labelling systems and building energy codes. This is an indication that the country is heading in the right direction with comprehensive policies in place, such as the Kenya National Energy Efficiency and Conservation Strategy. The transport sector, carbon pricing and financing mechanisms for energy efficiency are the sub-indicators that Kenya scored below average with 0 scores on the last two. This calls for a need to relook into these sectors. These scores also reflect the energy efficiency status in Kenya's ASALs. ASALs could benefit from quicker adoption of energy efficiency and conversion as they would have fewer systems or processes to adjust.

Kenya aims to enhance energy and resource efficiency across different sectors as stated in its priority mitigation activities within this National Determined Contributions (NDCs). At the recently concluded COP27, Kenya announced its intention to export carbon credits. The carbon credits benefit from increased energy transition and efficiency and they have the potential to benefit communities, including those in the ASALs. The Kenya National Energy Efficiency and Conservation Strategy aim to promote and mainstream energy efficiency and conservation in both private and public (national and county governments) sectors. Improving energy and resource efficiency in the manufacturing sector is also identified as a priority climate action in the National Climate Change Action Plan (NCCAP) 2018-2022, which also benefits the ASALs.

Conclusions and Recommendations

Kenya's ASALs present a broad range of patterns and potential when it comes to the energy transition. ASALs provide great potential for energy production from land resources for renewable energy infrastructure to natural resources such as wind and solar insolation. Notably, a great share of energy consumption originates from these areas. However, these areas still face challenges such as lack of clean energy access, high use of non-renewable sources of energy and lack of finances to facilitate sustainable energy access and energy transition.

It is important for the government and other stakeholders to continue looking for more ways to boost renewable energy production and reduce reliance on non-renewable energy in ASALs. This can be done using renewable energy mandates, incentives, and fast-tracking implementation of renewable energy policies such as the wheeling framework and the net metering policies.

Consumption of renewable energy can be improved upon through continued efforts on research, production, and distribution of clean fuel alternatives such as biomass briquettes, use of subsidies and incentives such as tax reductions on renewable energy equipment, and implementation of programmes and business models that improve affordability and access. The current VAT exemption can be expanded to include more clean energy equipment and fuels.

More public awareness, public advocacy, and adoption of energy-efficient processes such as the adoption of electric mobility solutions to improve energy efficiency and conservation in ASALs.

4 Legislative Developments and Policy News

A. LEGISLATIVE DEVELOPMENTS

I. National Assembly Bills:

1. The National Youth Council (Amendment) Bill, 2023 was gazetted on 9th February 2023. The principal object of this Bill is to amend the National Youth Council Act to depoliticise the membership of the National Youth Council by allowing the competitive recruitment of the youth serving in the council through the office of the County Directors of Youth.

2. The Statutory Instruments (Amendment) Bill, 2023 was gazetted on 15th February 2023. The principal object of this Bill is to amend the provisions of the Statutory Instruments Act (2013) to enable the Committee on Delegated Legislation to require the regulation making authority to submit to Parliament a copy of any regulation that ceases to have effect by operation of law. The amendment further obligates Parliament to notify the public in two newspapers of wide circulation that a statutory instrument which ceases to have effect by operation of law is a nullity.

3. The Supplementary Appropriation Bill, 2023 was gazetted on 28th February 2023. The Supplementary Appropriation Bill makes provision for giving statutory sanction for public expenditure for the year ending on 30th June 2023 on the basis of Supplementary Estimates of Expenditure 2022/23 (Recurrent) and the Supplementary Estimates Expenditure 2022/23 (Development) and for the appropriation of those amounts.

II. Senate Bills:

1. The Learners with Disabilities Bill, 2023 was gazetted on 31st January 2023. This Bill is aimed at providing a proper framework for actualisation of the right to basic education for learners with disabilities in Kenya at all three levels of education in Kenya. The Bill creates provisions of law that obligate the National Government through the Ministry of Education and the County Governments to carry out their duties in bringing the special needs education of learners with disabilities to parity with normal learners and to end the exclusion of learners with disability from the education cycle.

2. The Tea (Amendment) Bill, 2023 was gazetted on 6th January 2023. The principal object of the Bill is to amend certain provisions in the Tea Act (2020) to protect the tea growers' proceeds from mismanagement by factories. The Bill also aims to incentivize value addition of tea by exempting value added tea from payment of the tea levy. The Bill further seeks to liberalize the tea industry. This will be done through direct sales of teas overseas.

3. The Konza Technopolis Bill, 2023 was gazetted on 6th January 2023. The principal object of this Bill is to establish the Konza Technopolis on Land Reference Number 9918/6 and the Konza Technopolis Authority responsible for the administration of the Konza Technopolis.

4. The Equalization Fund Appropriation Bill, 2023 was gazetted on 31st January 2023. The Bill principally seeks to provide for payments out of the Equalisation Fund for the financial year 2022/23. The Equalisation Fund is established under Article 204 (1) of the Constitution to facilitate the provision of basic services including water, roads, health facilities and electricity to marginalized areas to the extent necessary to bring the quality of those services in those areas to the level generally enjoyed by the rest of the nation, so far as possible. This Bill therefore proposes a legal framework for the issuance of monies out of the Equalisation Fund to counties in which marginalized areas fall for the provisions of crucial basic services.

5. The Cotton Industry Development Bill, 2023 was gazetted on 6th February 2023. The principal object of this Bill is to provide for the policy and institutional framework within which cotton industry operates by, among others, establishing the Cotton Industry Development Board. The cotton industry was once a major foreign exchange earner whose collapse led to massive loss of revenue to the government and farmers. Government issues, regulatory challenges, national and international economic realities, and scientific reliability are some of the pressing concerns that need to be addressed by the institution responsible for cotton industry development to attain success in the industry. There is therefore a genuine need for strong and robust policy and institutional foundation to support and guide the multitude of activities, operations, and interactions within the industry with the aim that the growth of the industry will result to a strengthened agricultural economy for the various counties across the country. The highlight of this Bill is the revamping of cotton farming to make it profitable, sustainable, and development-oriented activity.

6. The Kenya Sign Language Bill, 2023 was gazetted on 28th February 2023. The principal object of this Bill is to provide for the use of sign language in judicial proceedings, schools, and public institutions to ensure that deaf learners are given the same opportunities as all other learners to be productive members of the society.

7. The Heritage and Museums Bill, 2023 was gazetted on 28th February 2023. The principal object of the Bill is to give effect to the Fourth Schedule to the Constitution. The Bill proposes to retain the National Museums of Kenya already established under the National Museums and Heritage Act (2006), to provide for national and county museums; the preservation, protection, and management of cultural and natural heritage at National and County levels of Government; and to repeal the National Museums and Heritage Act (2006).

III. Acts of Parliament:

Independent Electoral and Boundaries Commission (Amendment) Act was gazetted on 23rd January 2023. This is a Bill for an Act of Parliament to amend the Independent Electoral and Boundaries Commission Act and for connected purposes. The first schedule to the Independent Electoral and Boundaries Commission Act, 2011 is amended in paragraph 1 by deleting sub-paragraph (2) and substituting therefor the following new sub-paragraph- "(2) The selection panel shall consist of:

(a) One man and one woman, nominated by the Parliamentary Service Commission;
(b) One person nominated by the Public Service Commission;
(c) One person nominated by the Political Parties Liaison Committee;
(d) One person nominated by the Law Society of Kenya; and
(e) Two persons nominated by the Interreligious Council of Kenya."

B. POLICY NEWS

Domestic News

Maize Importation in the Country

As a result of drought in Kenya for the better part of 2022, leading to low production of maize, maize importation in Kenya doubled to 519,611.30 tonnes, equivalent to 5.7 million 90-kilogramme bags. In 2021, a similar period, according to data compiled by the Kenya National Bureau of Statistics (KNBS), the nation imported 214,100.9 tonnes of maize or 2,378,899 bags. Maize is a staple food in Kenya, and the commodity shortage resulted in a surge in retail prices for maize flour, and about 5.1 million people needed relief food. President William Ruto did not extend the maize flour subsidy scheme started by his predecessor, which would have reduced the price of a kilogramme of maize flour to Ksh 100. The government initiated a new fertilizer subsidy intending to reduce production costs. The state set aside Ksh 5.3 billion for the fertilizer subsidy in January 2023 to be used in the planting seasons in April and October. The new administration, however, retained the waiver on import duty and levies on maize shipped from outside the country, although the unavailability of the cereal in the region and the high transport costs complicated things. There were notable increases in the value of imported maize; and medicinal and pharmaceutical products from Ksh 7 billion and Ksh 21.4 billion in the third quarter of 2021 to Ksh 10.9 billion and Sh24.7 billion, respectively, according to KNBS Quarterly Balance of Payment for the third quarter of 2022.

Remittances now Kenya's Largest Foreign Exchange Earner

Kenya is now earning more foreign exchange from diaspora remittances than its major exports, including coffee, tea, and horticulture. Data from the Central Bank of Kenya reveal that the country's diaspora remittances rose by 8.34 percent to US$ 4.027 billion in 2022, closing in on exports, which brought in US$ 5.77 billion worth of foreign currency in the same period. Tea, Kenya's leading export, earned the country US$ 1.2 billion in 2022, followed closely by horticulture at US$ 901 million, chemicals (US$ 521 million), coffee (US$ 301 million), and petroleum products (US$ 77 million), highlighting the crucial role of remittances in bringing in foreign currencies. Although remittance flows have a significant impact on household and macro-levels, they are often used as subsistence consumption rather than investment. A significant portion is targeted to meet the specific household needs of the recipients and is usually recurrent expenditures such as school fees, rent and hospital bills. Kenyan Diaspora is a source of significant resource flows through remittances. However, they can also be seen as crucial contributors to social investments. This in turn creates potential opportunities for the government and private sector to harness and scale up these investments for economic growth. Given the high potential for diaspora remittances, the government needs to build a more robust understanding of how private resources can be mobilized and invested in off-grid projects. Financial institutions, policy makers and development partners need to foster a more conducive environment for diaspora investments by developing programmes that can encourage diaspora investment and provide attractive products to encourage diaspora investments to shift from remittances. In addition, there is need for the government to promote institutional engagement with the diaspora and establish an economic environment geared towards promoting investment and financial incentives.

KRA New Tax Plan for Importers

Importers of consolidated cargo will now be required to pay taxes based on transaction value in a new directive by Kenya Revenue Authority (KRA) in March 2023. This is a shift from the previous model, where importers declared loose cargo and paid duty at Ksh 200 per kilogramme. This new plan will affect more than 7,500 small-scale importers who will be expected to pay US$ 1,000 as container deposits, a levy that had been waived for those importing in small quantities. The directive will see items such as second-hand clothes and household goods, which end up in open-air markets, now attracting import duty, value added taxes (VAT), excise duty, Import Declaration Levies, and Railway Development Levy. This will lead to an increase in the cost of doing business and retail prices. The move to the World Trade Organization (WTO) General Agreement on Tariff and Trade model based on transaction value was necessitated by abuse of the initial government directive. The earlier directive aimed to ease costs for small importers, citing several cases of under-valuation of cargo and tax evasion that have denied the government billions in potential revenue. The move is also expected to affect cargo volumes on the standard gauge railway from Mombasa to the Kenya Railways Corporation Transit Shed in Nairobi, which was gazetted in 2021 as a facility to deconsolidate cargo. Establishing the Boma Line was part of the initiative to bring services closer to taxpayers and facilitate them to conduct their business effectively and efficiently. Cargo verification was also simplified, with traders with goods of Customs value of US$ 10,000 or less allowed to make an import declaration on a mobile app or a direct assessment entry. In contrast, those with goods of Customs valued above US$ 10,000 were cleared through a registered clearing agent in the Customs system.

Counties to Set up Economic Zones

The National Government has set aside more than Ksh 5 billion to set up industrial parks in each of the 47 counties to boost economic activity from benefits offered by Special Economic Zones. During a meeting held on 7th March 2023 with Tatu City Special Economic Zone officials and Tatu City Founder and CEO Stephen Jennings, H.E. President William Ruto confirmed that each county was set to receive Ksh 110 million. The President noted that Tatu City Special Economic Zone taught Kenya how to conduct its businesses, incubate companies, and stimulate economic activities. In the 5,000-acre special economic zone is the 900-acre Tatu Industrial Park, the largest private industrial zone in East Africa, where major pharmaceutical and other companies are expected to set up, thus bringing billions worth of investments.

Bilateral Relations

Kenya-Italy Relations

Kenya and Italy signed agreements, Memoranda of Understanding (MoUs), and a joint declaration to provide a framework to advance bilateral cooperation following Italy's President Sergio Mattarella arrival on 13th March 2023 into the country for a four-day official visit. The first signed MoU seeks Kenya and Italy to cooperate in the health field towards achieving improved pharmaceutical production and Universal Health Coverage. In the second agreement, the two countries agreed to bilateral consultations to set guidelines on relations between their respective Ministries of Foreign affairs. President Ruto and President Mattarella discussed regional and international issues and decided to remove non-tariff barriers to stimulate trade and investment. The two Presidents planned for negotiations on a double-taxation agreement to promote foreign direct investments and for cooperation in ICT, agro-industrial, ICT, and bio-fuel projects. President Ruto explained that Kenya and Italy had further committed to re-establish collaboration on constructing Arror, Kimwarer, and Itare dams. These projects are critical to food security and climate action. Italy committed Ksh 14 billion in grants and soft loans covering agriculture, MSMEs, housing and urban settlement projects, health, the digital superhighway, and the creative economy. President Mattarella noted that Italy will work with Kenya since it is a strategic partner in Africa.

Kenya-Eritrea Relations

On 9th February 2023, Kenya and Eritrea agreed to scrap visa requirements for their citizens permanently. This was formally announced at State House in Nairobi, where President William Ruto held bilateral talks with Eritrean President Isaias Afwerki. The progress is aimed at accelerating economic transformation between the two countries. President Ruto emphasized the need for a system free of barriers to strengthen relations, promote integration and enhance regional trade. Both Presidents confirmed the existence of immense trade and investment potential, hence the need for collaboration in agriculture, education, renewable energy, blue economy, sports, tourism, water management, security, transport, and mining. Trade volume between Kenya and Eritrea in 2020 was at Ksh 73.4 million compared to Ksh 257 million in 2015. President Ruto confirmed the relatively low figures as an indicator of enormous opportunity in trade, especially with the operationalization of the African Continental Free Trade Area (AfCFTA). The President hailed Eritrea's commitment to peace and stability in the region, which paved the road for regional peace and development cooperation and has seen the deepening of economic, social, and cultural relations with Kenya, which promotes joint investment and collaboration.

Kenya-Malawi Relations

The Cabinet Secretary Investments, Trade and Industry Moses Kuria met with Malawian President Lazarus Chakwera at the State House in Blantyre, Malawi on 6th February 2023. The Cabinet Secretary delivered President William Ruto's message on issues to do with regional integration and later held talks with President Chakwera on matters of mutual benefit between Kenya and Malawi. The Malawian President committed to fast-track the ratification of the Tripartite Free Trade Agreement (TFTA) between Southern Africa Development Community (SADC), Common Market for Eastern and Southern Africa (COMESA) and East Africa Community (EAC), an important move towards the implementation of the Africa Continental Free Trade Area. So far, 11 Member/Partner States, which include Egypt, Eswatini, Kenya, South Africa, Rwanda, Burundi, Uganda, Botswana, Namibia, and Zambia, out of 26 have ratified the TFTA short of the 14 required for the Agreement to enter into force. They further discussed potential cooperation on leveraging Malawi commercial food production through the Kenya Multi Commodity Exchange (KOMEX) that aims to address supply chain weaknesses for farmers.

Kenya-Egypt Relations

The Cabinet Secretary for Foreign and Diaspora Affairs, Dr Alfred Mutua, achieved landmark agreements with Egyptian Minister for Foreign Affairs Sameh Hassan Shoukry at a bilateral discussion in Cairo. The two ministers discussed ways to enhance social, political, and economic cooperation between Kenya and Egypt. They agreed to establish free visa entry for diplomatic and official passports of both countries after 21 days starting from 1st April 2023. It was also agreed to start and finalize discussions towards 100 per cent free visa regime for ordinary passports by 1st October 2023. This is aimed at enhancing tourism, growing trade and the economic free flow of people and goods as envisioned under the African Continental Free Trade Agreement (AfCFTA). CS Mutua and his Egyptian counterpart agreed to hold the 7th Kenya-Egypt Joint Commission for Cooperation (JCC) at a later stage to solidify and expand trade deals in the areas such as export Kenyan coffee, tea, cut flowers, meat, and nuts to Egypt. Egypt is a major supplier of fertilizer and has shown interest to supply fertilizer to Kenyan farmers and construct dams and boreholes to support Kenya's 15 billion tree initiative. The two leaders further discussed reclaiming of Kenya's semi-arid lands using Egyptian modeled irrigation techniques and opportunities for investors to invest rail, road, and connectivity through the Public Private Partnership (PPP) and Egypt scholarship to Kenya students. They agreed to further discuss and work on the Kenya diaspora framework to enable work, trade and interact in Egypt, sharing of the waters of the Nile.

Saudi Delegation Visits Kenya

On 11th January 2023, the Principal Secretary State Department for Foreign Affairs Dr A. Korir Sing'oei led the Kenyan delegation from across Ministries in a bilateral meeting with visiting Saudi delegation on humanitarian and development cooperation. The delegation was led by Mr Yosef Al Balawi, Minister Plenipotentiary Ministry of Foreign Affairs of Kingdom of Saudi Arabia, together with representative from ministries of Energy, Culture, Commerce, Environment, Water, Agriculture, Finance, Human Resources, Saudi Fund and King Salman Humanitarian Aid. During the meeting, the officials from both countries deliberated on ways of further deepening and supporting cooperation in the field of development and humanitarian affairs. The PS acknowledged the cordial relations that exist between Kenya and the Kingdom of Saudi Arabia and expressed Kenya's willingness towards deepening and strengthening ties for mutual benefit of the people of the two countries and expressed Kenya's readiness in partnering with the Kingdom of Saudi Arabia. This will be a mutually beneficial investment partnership agriculture development, trade and investment and labour and skills development. Dr Korir Singoei thanked the Saudi Government for support in Kenya's infrastructure development and humanitarian interventions through the Saudi Fund for Development and King Salman Humanitarian Aid.

Kenya-EU Business Forum 2023

Kenya convened its first Kenya - EU Business Forum in Nairobi from 21st-22nd February 2023 to discuss trade and investment opportunities. The Forum was organized by the European Union (EU) in partnership with the Kenya Private Sector Alliance (KEPSA) and the European Business Council (EBC), aimed at fostering European trade and investment while promoting Kenya by highlighting opportunities and discussing areas for improvement. The forum brought together 500 businesses, 250 companies drawn from Kenya and 250 from EU countries, for the two days forum, which H.E President William Ruto officially opened. Kenyan government officials at the opening plenary included Investment and Trade Cabinet Secretary Moses Kuria, Foreign and Diaspora Affairs Cabinet Secretary Alfred Mutua, and French Minister Delegate for Foreign Trade, Economic Attractiveness and French Nationals Abroad, Olivier Becht. The Forum witnessed the launch of the EU Initiative 'Investing in Young Businesses in Africa,' which supports early-stage businesses and entrepreneurs, especially women and youth, in creating jobs and growing sustainable and inclusive businesses. During the event, Investment and Trade Cabinet Minister Moses Kuria, EU Ambassador to Kenya Henriette Geiger, and TradeMark Africa CEO Dave Beer, signed a funding agreement of EUR 25million for the implementation of a five-year Business Environment and Export Enhancement Programme (BEEEP). This will facilitate Kenya's environmentally sustainable export ecosystem and support the government in creating a conducive business environment. BEEEP will complement the goal of the Integrated National Export Development and Promotion Strategy (INEDPS) by increasing agricultural exports by an average of 25 per cent annually and raising export earnings by EUR 9 billion, including the greening of transport and logistics. Lastly, a joint declaration between the Government of Kenya and the European Investment Bank (EIB) was signed to strengthen the cooperation and accelerate the production of green hydrogen using wind and solar renewable power. The EIB and EU Bank will mobilize EUR 1.8 million to support green hydrogen projects and to provide significant long-term loan financing for the sector.

Regional News

EAC's Proposals on the US Market Access under AGOA

The East Africa Community (EAC) is proposing to the United States government to make rules governing access to their market more flexible under the planned renewal of the African Growth Opportunity Act (AGOA). During the Council of Ministers meeting in February 2023, the ministers made four new proposals to the Joe Biden administration to expand AGOA and make it more effective. The proposals by the EAC include the expansion of the list of AGOA's products to cover the agro-processing value chain; expand beneficiary countries to include non-Sub-Saharan Africa countries to ultimately cover the entire AfCFTA; make the rules governing access to the market of US to be more flexible on AGOA products; and support MSMEs such as youth and women-owned business. The Council of Ministers has also proposed the establishment of a Dialogue Forum on Trade and Investment Opportunities and the provision of support in building the technical capacities od countries exporting to the United States under the AGOA framework.

Hosting of Key Organs by EAC Partners States

The East African Community (EAC) Council of Ministers are yet to conclude on hosting of the East African Monetary Institute (EAMI) and other key organs of the bloc. During the 43rd Ordinary Meeting in Bujumbura (Burundi) on 19th – 23rd February 2023, Kenya, Uganda, Tanzania, and Burundi failed to agree as each country requested for more time for consultations. This is the second time the Partner States have failed to agree on the host of the proposed monetary union headquarters. In 2022, Uganda protested the decision by the EAC verification committee to rank Tanzania as the most suitable to host EAMI. The EAC has 12 organs and institutions. Arusha is the headquarters of the Secretariat. Similarly, the Secretariat is also hosting the East African Legislative Assembly, East African Court of Justice, and East African Competition Authority temporarily as their headquarters have not been determined. While Tanzania and Uganda are hosting two EAC institutions each, Kenya, Rwanda, and Burundi host one each. South Sudan and the Democratic Republic of Congo are yet to host an EAC institution. To resolve the stalemate, the Council of Ministers directed the Secretariat to submit an analysis of the distribution of the organs and institutions of the EAC before the next ordinary meeting in mid-2023 to allow for determination on the matter.

President William Ruto addresses the 36th AU Summit

H.E. President William Ruto made his maiden address at the 36th Ordinary Session of the Assembly of Heads of State and Government of the African Union in Ethiopia on 18th February 2023 in Addis Ababa, Ethiopia. The President noted that Africa has the world's most youthful continent, a clear indication of the potential for the continent. The President affirmed the political will, which saw successful negotiations and 80 per cent ratification of the African Continental Free Trade Area (AfCFTA) despite the global pandemic. He noted that the development interests of Africa accorded ample financial support to tame inequality and exploitation. The President urged the Bretton Woods Institutions - International Monetary Fund and World Bank - to consider Africa a legitimate stakeholder in climate and multilateral development financing. He mentioned that it was vital for Africa to participate in the leadership transition at the World Bank to restructure the international financial system and reforms to make it climate sensitive and promote green growth as a pathway to a sustainable future.

President Ruto also addressed the Committee of Heads of State and Government on Climate Change on the need to take stock of the state of climate change, its impacts, and effective climate action. Following the successful conclusion of the United Nations Climate Change Conference (COP 27) held between 6th and 20th November 2022, he appreciated Egypt for hosting the event. The President brought to the fore the ravaging drought in the Horn of Africa, noting that it has affected food security, water, peace, and security. The effects of climate change, compounded by the geopolitical upheavals and high energy prices, have pushed the cost of essential commodities beyond the reach of millions of people, further diminishing the resilience of economies still recovering from the COVID-19 pandemic. The President emphasized using appropriate clean energy technology and green manufacturing to unlock financing from innovative sources such as green bonds, climate insurance instruments, and the growing African carbon credits market. To keep with the pledge to advance opportunities in green industrialization and Green Agenda for Africa, President Ruto and the Committee nominated Kenya to host the Africa Climate Summit from the 4th - 6th of September 2023.

5 KIPPRA Collaborative Research Projects

a) Cross Economy Analysis of Models Used for Green Transitions in Agriculture and Energy Sectors in Kenya

The World Resources Institute (WRI) and New Climate Economy (NCE), in collaboration with Kenya Institute for Public Policy Research and Analysis (KIPPRA), are undertaking a study on Cross Economy Analysis of the Models used for Green Transitions in Agriculture and Energy Sectors in Kenya. This study aims to conduct an initial cross-economy analysis scoping exercise to identify opportunities for enhancing climate impact through mitigation and adaptation action at the energy-agriculture nexus. The cross-economy analysis focuses on the agriculture and energy sectors to map out existing modeling and analytical capacities and identify key gaps that need to be filled to inform policy decisions. The analysis will also provide an overview of existing and proposed policies and interventions that can be used to foster a more inclusive green transition and economic recovery for Kenya. The cross-economy analysis will lay the groundwork for future economic modeling and analysis aiming to identify, quantify and select sound economic evidence that will form the basis for the formulation of green transition policies and advise on appropriate investment decisions at the national and county levels under energy and agricultural programmes. The inception report has already been developed, and the fieldwork is complete.

KIPPRA, in collaboration with World Resources Institute (WRI), hosted a stakeholder dissemination workshop on cross economy analysis report on the models used in assessing green transitions in agriculture and energy sectors in Kenya. The event on 30th November 2022 brought together representatives from WRI, New Climate Economy, Counties, and stakeholders from the agriculture and energy sectors.

b) Development of Public Spending Datasets and Public Spending Analysis in 2022

National Policy and Strategy for Food, Land, and Water Systems (NPS) is a new CGIAR research initiative that will be implemented in Kenya and other countries. The International Food Policy Research Institute (IFPRI) has signed a Memorandum of Understanding with both the Kenya National Bureau of Statistics (KNBS) and the Kenya Institute for Public Policy Research and Analysis (KIPPRA). Through NPS, together with Foresight and Metrics Initiative for Food, Land and Water Systems (F&M), IFPRI-Kenya office and country modeling team based in IFPRI HQ will work closely with KIPPRA and KNBS to compile Kenya public expenditure data to being able to analyze and report on trends and composition of spending at national and county level. In this activity, KIPPRA and KNBS will collect, classify, and compile Kenya's public expenditure data to be able to analyze and report on trends and composition of spending at national and county levels. The team has held two workshops to disaggregate and compile the data set as required. The second project under IFPRI is the Development of Kenya's new social accounting matrix (SAM). Through NPS, together with Foresight and Metrics Initiative for Food, Land and Water Systems (F&M), IFPRI-Kenya office and country modeling team based in IFPRI HQ will work closely with KIPPRA and KNBS in development of Kenya new 2019 social accounting matrix (SAM) based on the newly rebased national accounts and new SUT. The 2019 SAM is to be officially owned by the KNBS and a 42-sector SAM will become a publicly accessible dataset possibly published on KNBS website by the end of 2022.

c) Ukama Ustawi Initiative Diversification for Resilient Agribusiness Ecosystems in East and Southern Africa (ESA)

Ukama Ustawi (UU) project is aimed at supporting climate-resilient agricultural livelihoods and agribusiness ecosystems in 12 East and Southern Africa countries to help millions of vulnerable smallholders' transition from maize-mixed systems to sustainably intensified, diversified, and de-risked agrifood systems with a strong maize base. Targeted to address seven key SDGs, the focus of this initiative is improving public and private extension and delivery channels enabled by the agribusiness ecosystem, enterprise development, and private investment. KIPPRA, through FANRPAN, is to coordinate the policy engagement components by undertaking actor and policy mapping exercise of the status of the country's policies as far as agriculture, climate change and environment and natural resources is concerned and convene a national policy dialogue to share the findings of the country policy mapping and other outputs in the work packages.

The second component in FANRPAN/KIPPRA collaboration is the ClimBeR project on Building Systemic Resilience against Climate Variability and Extremes Study in Zambia and Kenya. The central objective of ClimBeR project is to transform the climate adaptation capacity of food, land, and water systems in six LMICs, ultimately increasing the resilience of smallholder production systems to withstand severe climate change effects like drought, flooding, and high temperatures. KIPPRA, through FANRPAN, is expected to coordinate the policy engagement component where it is required to identify and liaise with in-country stakeholders for Kenya and identify target policies for the iFEED and organize and deliver workshops as needed to co-develop policy pathways towards sustainable, resilient, and nutrition-secure futures.

d) Country Economic Transformation Outlook

KIPPRA, in collaboration with African Centre for Economic Transformation (ACET), is working on the Kenya Country Economic Transformation Outlook study, whose objective is to undertake a comprehensive diagnostic analysis of Kenya's economic transformation progress and challenges and to offer policy advice to the public and non-state actors. On 30th November, a stakeholder workshop was conducted to discuss the concept note. The workshop and brought together the public sector, private sector, civil society and other stakeholders within the country and Africa at large. The event was graced by KIPPRA Executive Director Dr Rose Ngugi and ACET Director of Innovation and Digital Policy, Mr Rob Floyd.

e) KIPPRA-AERC Institutional Partnership Grant

KIPPRA has received an Institutional Partnership Grant from Africa Economic Research Consortium (AERC) to build the capacity to conduct research and support human capital development in Africa (HCA) through institutional partnership. The grant aims to build capacity that involves systematic mentoring of young researchers by international resource persons who are experts in their research fields. This project presents an opportunity from a research perspective to establish priority research and investment areas for the government, aimed at ensuring that fundamental rights, including the right to the highest attainable standard of health; quality education, training, and skills development; and freedom from hunger and access to safe, clean water are attained. The institutional support will cover the following components: Thematic research on provision and financing human capital investment in Kenya; capacity building of researchers, strengthening KIPPRA ICT institutional systems, including KIPPRA policy virtual centre; strengthening partnerships and collaborations in human capital; capacity building (internal and external); and knowledge management, dissemination, holding joint workshops and policy uptake of recommendation emanating from human capital country case studies. Under this grant, KIPPRA will also implement studies on human capital development. These include: i) The contribution of school and non-school environment on pupil performance: A case for teacher development; ii) Do social assistance interventions foster education attainment in Kenya? An empirical perspective; among others.

f) Implications of COVID-19 on Essential Health Services in Kenya

KIPPRA, in collaboration with Africa Economic Research Consortium (AERC), is researching the short and long-term effects of COVID-19 on Kenya's health system. KIPPRA is developing a research paper addressing the following objectives: Assess the implications of the COVID-19 on the delivery of healthcare services, including availability and distribution; the level of preparedness with essential equipment, health workers, medicines; and information in the crisis period. The impact of COVID-19 on the provision of public health services amidst the pandemic will be tackled while identifying strategies for adequately and appropriately providing public health services during pandemic.

g) Children Sensitive Planning and Budgeting, Public Finance for Children (PF4C): From Evidence to Policy Project

KIPPRA, in collaboration with UNICEF, is providing technical assistance to county governments to implement recommendations of the county budget briefs, Public Expenditure and Financial Accountability (PEFA), and poverty profiles for improved service delivery. The Institute also supports transitioning UNICEF county-level support to be fully reflected on plans and budgets (including UN Women and UNDP support). The Institute has developed seven (7) draft National Budget Briefs (2017/18-2021/22) and set up a virtual policy centre platform for supporting County governments. The seven national budget briefs focus on macro public finance management; education and training; health; child protection; nutrition; water, sanitation, hygiene; and social protection. The programme is being implemented in partnership with CoG, CAF, UNICEF, UN-Women and UNDP.

h) Youth and Children Dashboard

KIPPRA and the Executive Office of the President Advisory and Strategy Unit (PASU) is working on the migration of the employment initiative mapping tool, the youth, and children dashboard, to be hosted at KIPPRA. KIPPRA, in partnership with other agencies (Dalberg and Mastercard Foundation developed the Dashboard. KIPPRA shall update and host the portal on youth and children's indicators and support its utilization by the public, Ministries, Departments and Agencies (MDAs), counties, researchers, policy makers, private sector, non-state actors (NSAs) and other stakeholders.

i) What Works for Youth Employment in Africa: A Review of Existing Policies and Empirical Analysis Project

KIPPRA, in collaboration with the Partnership for Economic Policy (PEP) and the Mastercard Foundation, is conducting a comprehensive review of youth employment policies and initiatives in Kenya; and of empirical studies on their impact while identifying and promoting best practices. The project involved understanding the functioning of formal and informal employment institutions in Kenya and, to a large extent, the Global South.

KIPPRA, in collaboration with Partnerships for Economic Policy (PEP) and Master Card Foundation (MCF), held a national conference on 22nd November to present the findings of a research on "empirical review of youth employment policies in Kenya and interventions towards addressing youth unemployment: what works?"

The forum was held through a blended physical and virtual platform and brought together policy makers, civil society, the public sector, the private sector, and other stakeholders within the country and in the region.

6 KIPPRA Events

Launch of Foresight Africa and Urban Area Study Reports

a) Launch of Foresight Africa 2023 Report

The Africa Growth Initiative at Brookings Institute, in collaboration with KIPPRA launched the Foresight Africa 2023 report on 16th February 2023 in Nairobi. The report captures the top priorities for the continent in 2023 and offers recommendations for supporting Africa at a time of heightened global turbulence.

The launch was graced by Principal Secretary, State Department for Economic Planning Mr James Muhati, KIPPRA Executive Director Dr Rose Ngugi and Africa Growth Initiative Director Dr Aloysius Uche Ordu.

b) Launch of Urban Area Study: A Case of Nairobi City Report

Executive Director Dr Rose Ngugi makes her remarks at the launch of urban economic growth study, a case of Nairobi city report

KIPPRA, in collaboration with African Growth Initiative (AGI) at Brookings Institution, held a stakeholder workshop in Nairobi on 17th February 2023 to launch the report of a study on "Urban Economic Growth in Africa – a Case Study of Nairobi City".

The study identified barriers and provided policy interventions to enhance accessibility and infrastructure, business environment, and public sector governance and finance. The event was graced by KIPPRA Board Chair, Dr Benson Ateng', Executive Director Dr Rose Ngugi, Africa Growth Initiative Director Dr Aloysius Uche Ordu and Director of Administration Nairobi City Mr Lucas Ngaruiya.

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Participants follow the proceedings of launch of urban economic growth study

Capacity Building Activities

a) KIPPRA Mentorship Programme at Dedan Kimathi University of Science and Technology

KIPPRA, in collaboration with Dedan Kimathi University of Science and Technology (DeKUT), hosted the KIPPRA Mentorship Programme for Universities (KMPUs) on 22nd and 23rd February 2023. The event brought together DeKUT students and faculty members and representatives from Laikipia University. KMPUs alumni from Pwani and Machakos universities also attended the event.

Participants pose for a group photo at KMPUs event at Dedan Kimathi University of Agriculture and Technolog

KMPUs strives to create awareness and develop capacity of the University Community in understanding the public policy making process. KIPPRA partnered with the National Youth Council, Youth Enterprise Development Fund, National Gender and Equality Commission, Directorate of National Cohesion and Values, State Department for Planning and the National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA), SME Support Centre and expert HR professionals to deliver the programme.

b) KIPPRA Mentorship Programme at Maseno University

KIPPRA joined Maseno University fraternity for KIPPRA Mentorship Programme for Universities (KMPUs) event on 8th and 9th March 2023.

Maseno University students pose for a group photo with KIPPRA Board Chair Dr Benson Ateng(second right) during award certificate at KMPUs event at Maseno University

The event whose main objective is to create awareness and develop the capacity of the university community in understanding the public policy process was attended by KIPPRA Board Chair Dr Benson Ateng', Director Economic Management Dr Eldah Onsomu who represented Executive Director Dr Rose Ngugi, Maseno University VC Prof. Julius Nyabundi and representatives from National Youth Council, Youth Fund, National Gender and Equality Commission, Directorate of National Cohesion and Values, State Department for Economic Planning and NACADA.

A. Workshops

a) Kenya Economic Report 2023 Validation Workshop

Participants keenly follow the proceedings of KER 2023 Validation Workshop

KIPPRA held the Kenya Economic Report 2023 validation workshop on 28th February 2023. The theme of the report is "Cost of Living and the Role of Markets". The objective of the workshop was to share the findings of the draft Kenya Economic Report 2023 with the stakeholders for discussions and suggestions towards finalization of the report. KIPPRA got valuable input from stakeholders to fine-tune the report before it was submitted to the Cabinet Secretary, National Treasury and Economic Planning by 31st March 2023 as required by law. The workshop brought together representatives from state and non-state actors. The event was graced by KIPPRA Executive Director Dr Rose Ngugi, KIPPRA Board Vice-Chair Ms Christine Wanjala, Board Programmes Committee Chair Prof. Harrison Maithya and Board members Dr Chris Galgallo and Fatuma Hussein.

b) KIPPRA-WRI Capacity Building Workshop on Cross Economy Analysis

Participants for a photo after WRI Capacity Building workshop

KIPPRA in collaboration with the World Resources Institute (WRI) held a capacity building workshop on cross economy analysis from 20th to 24th February 2023 in Mombasa. The workshop which brought together officers from county governments, ministries, departments, and agencies aimed at bridging the capacity gap identified by cross economy analysis report. The gaps include data skills gap, data analysis gap and modelling skills gap.

The participants were taken through use of statistical softwares such as SSP, STATA and EViews for data analysis to support green transition in the country, both at national and county level. Moreover, the participants were introduced to modelling for green transition. The trainers took the participants through KIPPRA Treasury Macro Model (KTMM), Supply Side Model and Computable General Equilibrium (CGE) Model. KTMM is a macroeconomic model for the Kenyan economy and a vital tool in planning and policy making process.

c) KIPPRA Capacity Builds Eswatini Economic Policy Analysis and Research Centre Staff

Participants engage in group discussions at the training of ESEPARC staff on public policy making process by KIPPRA

A team of KIPPRA staff led by Senior Policy Analysts Dr Eliud Moyi and Joshua Laichena trained Eswatini Economic Policy Analysis and Research Centre (ESEPARC) staff on public policy making process from 30th January to 3rd February 2023 in Mbabane, Kingdom of Eswatini.

The training gave ESEPARC staff an opportunity to gain an indepth understanding of public policy making process and tools of policy analysis. ESEPARC is a semi-autonomous entity that was established to build sustainable national capacity in public policy in Eswatini.

d) CGE Modelling Workshop

KIPPRA Policy Analysts participated in a training workshop on Computable General Equilibrium (CGE) from 30th January to 3rd February 2023. The training was facilitated by Dr Emanuele Ferrari and Dr Victor Nechifor from EU Commission's Joint Research Centre. The training was also attended by KIPPRA Director Integrated Development, Dr Moses Muthinja, and Director Economic Management, Dr Eldah Onsomu. CGE is a vital model in policy analysis.

e) Ukama Ustawi "Pause and Reflect" Workshop

KIPPRA participated in Ukama Ustawi "Pause and Reflect" Workshop in Johannesburg, South Africa. The Institute was represented by Director Integrated Management, Dr Moses Muthinja.

The workshop brought together Ukama Ustawi partners and provided an opportunity for reconnecting, reflection, follow-up on 2022 kick-off resolutions, and realignment of work plans for 2023. The Ukama Ustawi (UU) is a CGIAR initiative that was launched in 2022 and led by the International Water Management Institute (IWMI) to support climate-resilient agricultural livelihoods and agribusiness ecosystems in 12 Eastern and Southern Africa countries.

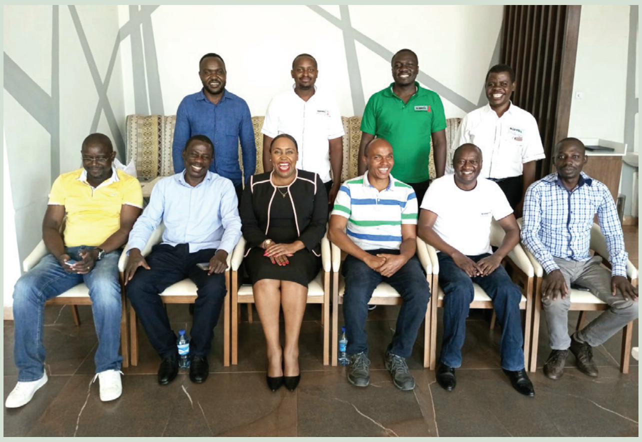
KIPPRA Director Integrated Development Dr Moses Muthinja (front row far right) poses for a photo with other participants FANRPAN_Ukama-Ustawi Workshop

f) UNU-WIDER Webinar on the Potential of Domestic Savings in the Global South

Executive Director Dr Rose Ngugi addressed a webinar on the potential of domestic savings in the Global South on 8th February 2023. The webinar, which was organized by UNU-WIDER, was graced by CS, The National Treasury and Economic Planning Prof. Njuguna Ndung'u, IMF Resident Representative, Kenya Dr Tobias Rasmussen, and UNU-WIDER Director Prof Kunal Sen.

Dr Ngugi underscored the importance of savings and noted that although savings by Kenyans remains low the government has taken initiatives such as liberalizing the financial sector through interest rate policy and commitment to fiscal sustainability to increase domestic savings.

g) Kisumu Local Economic Development Plan Workshop



KIPPRA staff pose for a photo with Kisumu County staff during Kisumun Local DevelopmenT plan Workshop

A team of KIPPRA staff led by Principal Policy Analyst, Dr Humphrey Njogu, participated in Kisumu Local Economic Development Plan workshop in Kisumu County on 4th and 5th March 2023. KIPPRA is the lead consultant in developing the economic plan for the county. The workshop was also attended by Dr Caroline Karugu, the lead data consultant and Kisumu County staff.

h) Asian Forum on Global Governance (AFGG) and Raisina Dialogues

Ms Vivian Omariba poses for a photo at the Asian Forum

KIPPRA participated in the Asian Forum on Global Governance (AFGG) and Raisina Dialogues in New Delhi, India. The Institute was represented by Ms Vivian Omariba, a Young Professional. AFGG is an annual ten-day policy workshop jointly organized by the Observer Research Foundation (ORF), India and ZEIT-Stiftung Ebelin und Gerd Bucerius, Germany. Each year, the forum brings together 50-60 young leaders from diverse backgrounds, geographies, and sectors.

The forum aims to foster leadership qualities and to serve as a networking platform that helps them establish lasting international relationships.

E. Symposium

a) 2nd Youth Symposium on Climate Change

KIPPRA, in collaboration with Kenya Youth Climate Directorate, hosted the 2nd youth symposium on climate change on 2nd and 3rd February 2023 at Kenya School of Government, Nairobi. Themed "Reflections from COP27: Sustaining Youth Participation in Climate Adaptation for Africa's Growth", the symposium brought together youths working in climate change to exchange views on how they can amplify their voices, strengthen their movement, reflect on resolutions of COP27 and work towards collective action in climate adaptation initiatives for Africa's growth.

Participants pose for a group photo at the 2nd Youth Symposium

The event was graced by Principal Secretary, State Department for Economic Planning, Mr James Muhati, KIPPRA Executive Director Dr Rose Ngugi, Deputy Permanent Representative to UNEP Mr Danny Rahdiansyah and Mr Hurdson Thomas, Executive Director from the Youth Greenspace Action and Network.

B. Partnerships and Courtesy Visits

a) KIPPRA Senior Management Meets PS Economic Planning

KIPPRA senior management staff, led by Executive Director Dr Rose Ngugi, met the Principal Secretary, State Department for Economic Planning Mr James Muhati on 23rd January 2023 at the Treasury Building. The meeting, which was a follow-up to PS's recent familiarization tour to KIPPRA, gave the management staff an opportunity to apprise the PS on the state of the Institute's finances and human resources. The PS promised to support KIPPRA in delivering its mandate and lauded the Institute for its role in public policy research and analysis. The PS underscored the importance of the KIPPRA-Treasury Macro Model (KTMM) in the achievement of the bottom-up economic plan.

KIPPRA Executive Director Dr Rose Ngugi (centre), PS Economic Planning Mr James Muhati(right) and Dr Aloysius Urdu, Director Africa Growth Intiative pose for a photo with the launch Africa Foresight Report

b) Pakistan Officers' Foreign Study Tour of KIPPRA

Visitors from the National Management College of Pakistan had a meeting with KIPPRA's Trade and Foreign Policy Department and Private Sector Development Department on 10th January 2023. The objective of the meeting was to give insights on KIPPRA's key functions in public policy research and analysis and sharing of findings and recommendations with stakeholders.

Staff from National Management College of Pakistan pose for a group photo with KIPPRA staff during the courtesy call

The KIPPRA team was led by Dr Moses Muthinja, Director, Integrated Development. The meeting was also attended Ms Ambreen Raza, Head of Delegation of the 117th Pakistan National Management Course and Mr Mohammed Junaid Wazir, Deputy Head of Mission, Pakistan High Commission and other senior officials from the Ministry of Foreign and Diaspora Affairs.

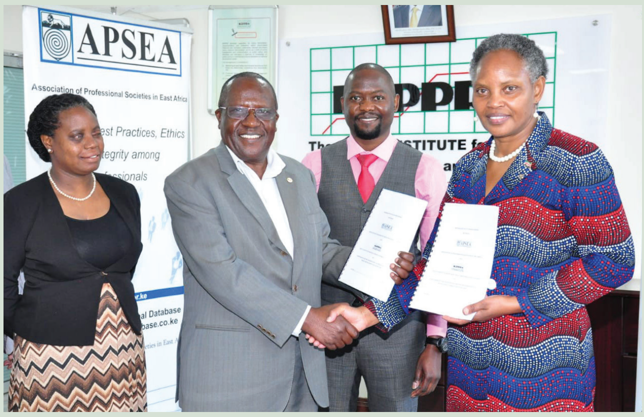
c) KIPPRA Hosts Visitors from Chicago Institute of Health Research and Policy

Officers from the Chicago Institute of Health Research and Policy visited KIPPRA and held a meeting with two directors on 12th January 2023. The objective of the meeting was to explore collaboration and partnership in policy research on alcohol, tobacco and taxation and the incorporation of all partners, including civil society. The KIPPRA team was represented by Dr Eldah Onsomu, Director, Economic Management and Dr Moses Muthinja, Director, Integrated Development.

The Chicago Institute of Health Research and Policy team was led by Dr Jacque Drope and Dr Jeff Drope. University of Chicago has been working closely with research organizations to provide evidence to inform policies. The university uses simulation models to understand the effect of taxation on price, consumption of alcohol, tobacco and its implication on finance and health.

d) KIPPRA Signs MOU with APSEA

KIPPRA signed an MOU with the Association of Professional Societies of East Africa (APSEA) on mutual areas of collaboration on 27th January 2023 in Nairobi. The signing ceremony of the MOU was graced by KIPPRA Executive Director Dr Rose Ngugi and APSEA Chairman Mr Felix Owaga Okatch.



KIPPRA Executive Dr Rose Ngugi (right) pose for a photo with APSEA Chair Felix Okatch during the siging of the MOU

APSEA is an umbrella body of professionals from East Africa whose members are drawn from diverse disciplines including agriculture, accounting, architecture, law and medicine among others.

e) Senior Technical Secretary at NCEA visits KIPPRA

KIPPRA hosted Senior Technical Secretary at Netherlands Commission for Environmental Assessment (NCEA) Dr Arend Kolhoff and Mr Peter Odhengo from The National Treasury. The team was received by Director Economic Management Dr Eldah Onsomu on behalf of Executive Director Dr Rose Ngugi. Discussions centred on partnerships in mainstreaming the Disaster Risk Management Tool into the Counties Development Plans (CIDPs).

C. Other Institute Activities

a) Training on Effective Public Complaints Management

KIPPRA Corruption Prevention Committee participated in a training on effective public complaints management and Access to Information Act, 2016 on 13th March 2023 in Machakos County. The training which was facilitated by staff from Commission on Administrative Justice was also attended by KIPPRA Executive Director, Dr Rose Ngugi.

b) Training on Contemporary Public Administration

Management staff pose for a group after the training in Israel

Eight KIPPRA Senior Management Staff and Deputy Directors attended a training on contemporary public administration at the Galilee International Management Institute in Israel from 3rd to 12th March 2023. The programme equips public sector professionals with the knowledge and skills needed to effectively manage public organizations and provide high-quality public services.

c) Economy wide CGE Modelling with DEMETRA Training

KIPPRA staff participated in a training on economy wide CGE modelling with DEMETRA "Application to Sub-Saharan Africa" at European Commission Joint Research Centre in Seville City, Spain from 11th to 18th March 2023. CGE modelling is a powerful tool for economic analysis, and is used by policy makers, researchers, and analysts to inform decision-making and assess the potential impacts of policy changes.

KIPPRA-staff-pose-for-a-group-with-staff-from-JRC-after-CGE-training-in-Spain

D. Upcoming Events

a) Kenya Think Tank Symposium

KIPPRA in collaboration with Kenyan Think Tanks Forum will hold 4th Kenya Think Symposium on 27th April 2023 in Nairobi. The theme of the symposium is "Mobilizing African Think Tanks for Effective Climate Negotiations: The Road to COP28".

b) 6th KIPPRA Annual Regional Conference

KIPPRA will hold its 6th Annual Regional Conference from 21st to 23rd June 2023 at Pwani University, in Kilifi County. The conference aims to explore how the country can accelerate economic growth and development for Arid and Semi-Arid Lands (ASALs) in Kenya. The conference will provide a platform to discuss progress made, opportunities to exploit and forging a common front to accelerate economic growth of ASALs.

ABOUT KIPPRA

The Kenya Institute for Public Policy Research and Analysis (KIPPRA) is an autonomous institute whose primary mission is to conduct public policy research leading to policy advice. KIPPRA's mission is to produce consistently high-quality analysis of key issues of public policy and to contribute to the achievement of national long-term development objectives by positively influencing the decision making process. These goals are met through effective dissemination of recommendations resulting from analysis and by training policy analysts in the public and private sectors. KIPPRA therefore produces a body of well-researched and documented information on public policy, and in the process assists in formulating long-term strategic perspectives. KIPPRA serves as a centralized source from which the Government and the private sector may obtain information and advice on public policy issues.

Send to us your comments on the articles published in this newsletter and any other aspects that may help to make the KIPPRA Policy Monitor useful to you. This may include policy issues you would like KIPPRA to prioritize.

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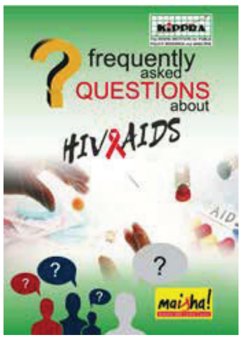
KENYA VISION 2030



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