ORANGE DEMOCRATIC MOVEMENT

Deepening Reforms for Equity and Social Justice

OUR PLAN FOR GOVERNMENT

2013-2017

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our achievements

SCORECARD: 2007 – 2012

A Guaranteeing a New Constitution and Ethical Governance

OUR PLEDGE 2007	ACHIEVEMENTS
Guarantee a new Constitution that ensures equity, executive accountability and devolution of power.	The Constitution of Kenya 2010 embodies these guarantees and more.
Introduce a parliamentary system of government.	A presidential system, with strong horizontal and vertical checks and balances, has been introduced by the Constitution of Kenya 2010.
Entrench ESC rights with limited claw-back clauses.	The Bill of Rights (Chapter 4 of the Constitution) entrenches Civil and Political Rights as well as ESC Rights. Article 255(1)(e) provides a higher threshold for the amendment of Bill of Rights.
Entrench KNCHR with increased funding.	This has been done – KNCHR Act 2011.
Review and strengthen the offices of the Attorney-General (AG) and the Solicitor-General (SG).	The Office of the AG and that of the Director of Public Prosecutions (DPP) have been separated and made independent constitutional offices.
Establish a Truth, Justice and Reconciliation Commission (TJRC).	The TJRC was established in 2009 and has so far taken statements from victims of historical justices and held hearings throughout the country, and is in the final stages of completing its work.
Work with the United Nations and the World Bank, which have launched the Stolen Asset Recovery Initiative.	Only partly achieved, due to frustrations from coalition partners.
Ensure respect for the rule of law.	The Constitution demands this be strictly enforced. Implementation has on a few occasions been frustrated by attempts by those who thrive on impunity to claw back the gains.
Review public procurement laws.	The Public Procurement and Disposal Act was enacted and operationalised.
Introduce an independent Presidential Public Appointments Commission to ensure appointments to public offices are merit-based.	The Constitution requires parliamentary approval for key public officer appointments and ODM Members of Parliament have ensured that this is observed.
Introduce community relations legislation.	This has been realised through the enactment of the National Cohesion and Integration Commission (NCIC) Act 2009.
Amend the Public Officers and Ethics Act.	This was done through the Ethics and Anti-Corruption Commission (EACC) Act 2011. Commissioners were appointed, after parliamentary approval, in May 2012.
Enhance the capacity of the Judiciary to revive confidence in the rule of law.	Following the promulgation of the new Constitution, judicial reforms have been undertaken in earnest, including the establishment of an independent Judicial Service Commission (JSC), competitive appointment of the Chief Justice (CJ), Deputy CJ and Supreme Court judges. Vetting of judges and magistrates is ongoing.
Establish a framework that will address past human rights violations.	This is the overarching mandate of the TJRC.
Enact an Access to Information Act.	The right to information held by state agencies is guaranteed in the new Constitution and the Access to Information Bill has been drafted. It is awaiting debate and enactment in Parliament.
Guarantee to build Kenyan society based on fairness and equality of opportunities.	The Constitution is expected to lead us to realisation of this pledge. This current Manifesto (2012) pledges to continue pursuing the same.

B Fostering Prosperity and Eradicating Poverty

OUR PLEDGE 2007	ACHIEVEMENTS
Achieve stable growth averaging not less than 10 per cent annually.	This was derailed by the post-election and global financial crisis but growth. has steadily risen from two per cent in 2008 to 5.5 per cent in 2011.
Pursue policies for equitable distribution of income, wealth and resources.	Several policies and legislation including the draft National Social Protection. Policy, ESC rights in the Constitution and national policy on older people have been developed.
Craft policies that protect and promote the livelihoods and welfare of the poorest and most vulnerable people and create a new Ministry for Social Development that will be the programme policy and supervision agency.	i) Social assistance including cash transfers for orphans and vulnerable children, older persons, persons with disabilities and other vulnerable groups are being scaled up nationally under the Ministry of Gender, Children and Social Development. ii) The Office of the Prime Minister facilitated the development of the Urban Food Subsidy Programme, which is being piloted in Nairobi and Mombasa.
Optimise the collection of VAT, Customs and Excise and PAYE through efficient administration.	i) Tax revenue collection has been enhanced from Sh 360 billion in financial year 2005/06 to 634 billion in financial year 2010/2011. ii) More efforts need to be put into efficient collection of revenue.
Encourage Public-Private Partnerships (PPPs) in infrastructure development.	This has been done across the country. Examples are the development of Konza technocity and the Lamu Port South Sudan Ethiopia Transport Corridor (LAPSSET).
Establish a framework for credit referencing to lower the rate of default on loans and enhance stability of the banking sector.	Credit referencing bureaus have been established.
Enhance the role of micro-finance (MF) services.	Public MF services, such as the Youth Enterprise Fund and Women's Empowerment Fund, have been established. Besides, many private MFIs have been licensed.
Ensure there is speedy resolution of commercial disputes by the judiciary.	ODM has been unwavering in pursuit of judicial reforms.

C Investing in Infrastructure

OUR PLEDGE 2007	ACHIEVEMENTS
Institutionalise budgetary provision for road infrastructure to four per cent of current GDP.	i) This target was surpassed to the current level of over seven per cent. ii) Three roads authorities were created and are fully operational.
Reduce procurement procedures to fast-track donor funded programmes.	Realised through the amendments of the Public Procurement and Disposal Act and the establishment of the Public Procurement Oversight Authority.
Butiminise all roads linking all regions in the country and linking rural areas to district headquarters.	Increased tarmacking of roads countrywide.
Bituminise all international dual carriageways linking Kenya to its neighbours.	In progress. These include the Namanga-Athi River (A104) and Nakuru-Eldoret-Malaba (A104) roads.
Bituminise all urban access roads.	On-going. It began with major urban areas including Nairobi, Mombasa, Kisumu, Eldoret, Nakuru and Nyeri.
Enforce strict load capacity.	Efforts are being made but the process is slow due to corruption.
Use labour-intensive methods in construction to create employment.	Institutionalise financial allocation to the constituencies for the construction of rural access roads by local communities.
Construct modern electric standard gauge railway to link key cities.	Preparation of preliminary design and feasibility studies ongoing.
Develop a light railway system for Nairobi and major cities.	Construction of the new Syokimau railway station is complete.
Pursue Public-Private Partnerships in railways.	The previously troubled Kenya Uganda Railway Concession has been restructured and new investment partners brought on board, finances for improvement works secured, and operational and safety performance reached.
Modernisation and expansion of JKIA.	New terminal at JKIA is nearing completion. The construction of a new terminal with a second runway at the land adjacent to Syokimau is to commence in 2014.
Establish Kisumu Airport as a hub for the Great Lakes region.	Kisumu International Airport and has been commissioned.
Enhance airport facilities at Wajir, Isiolo, Mandera and Lokichoggio.	Enhancement of airport facilities has been achieved. In addition, studies on the establishment of a second transport corridor linking the port of Lamu with south Sudan and Ethiopia have been completed (crude oil pipeline, railway, highways, refinery, roads, airport and resort cities). Ground breaking for the corridor project and Lamu Port undertaking.

D Creating Opportunities for Employment

OUR PLEDGE 2007	ACHIEVEMENTS
Collect national data on the Small and Medium Enterprise (SME) sector.	The database has been compiled and is currently being updated by the Treasury.
Give SMEs priority in access to public procurement.	i) ODM spearheaded the amendment of the Public Procurement and Disposal Act and the establishment of the PPOA. ii) In addition, PPPs policy, legislation and regulations formulated and approved by Cabinet and passed by Parliament
Create venture capital and other organisations that assist in promoting innovations in SMEs.	Not accomplished due to excessive bureaucracy.
Create and strengthen an enterprise culture.	The Grand Coalition Government through the OPM has been spearheading this by holding round-table discussions.
Open job-seeker offices in major cities and towns.	Labour offices have been reactivated in all county headquarters.
Ensure polytechnics become 'skills academies'.	A review of TIVET institutions is under way. This was reinforced during the Technology Week Conference & Exhibitions officially opened by the Prime Minister on May 7, 2012.

E Fighting Crime, Drugs and Insecurity

OUR PLEDGE 2007	ACHIEVEMENTS
Ensure adequate resources for training, equipping and transporting law enforcement officers.	i) About 600 new vehicles were purchased for the Kenya Police and Administration Police but more needs to be done. ii) A new police training curriculum is in place and the training period has been extended from 9 to 15 months. The first batch of police officers recruited and trained under this new system will graduated in August 2012.
Review the current remuneration package of police officers.	The Ransley Task Force has reviewed remuneration. i) Phase I has been implemented. ii) Phase II began implementation in July 2012.
Establish an Independent Police Complaints Authority, so that victims of police brutality or negligence can seek redress.	The Independent Policing Oversight Authority Act 2011 was assented to in December 2011. The Board was appointed in May 2012.
Engage more citizens in active crime prevention through neighbourhood watch programmes and community policing.	Community policing has been rolled out and more than 2,000 police officers have been trained. Eighty police officers have been given advanced training as trainers, some in Sweden and Botswana.
Regulate the private security industry so that it works in partnership with the police to fight crime.	The Private Security Providers' Regulation Bill has been drafted and it is awaiting tabling in Parliament.
Strengthen the criminal justice system.	i) Judicial reforms are being undertaken. ii) Police reforms are ongoing. iii) Police prosecutors are being phased out and replaced by professional prosecutors/state counsel.

F Advancing Quality Education

OUR PLEDGE 2007	ACHIEVEMENTS
Introduce free quality secondary education.	Free Tuition Secondary Education was introduced in 2008.
Improve teachers' training, conditions of service and remuneration.	i) Teachers' salaries were reviewed in 2011. ii) Teachers' medical insurance was introduced as part of the civil service medical scheme in July 2011.
Enforce strict accreditation of colleges.	Accreditation systems are being strengthened and as a consequence more than 600 colleges offering sub-standard training were deregistered in 2009.
Invest heavily in science, information and communication technologies at the primary and secondary school levels.	The Computers for Schools Programme commenced during the 2009/2010 financial year and e-learning policy training took place and is being rolled out.
Formulate an equitable budgetary allocation driven by needs.	This has yet to be achieved, partly due to the centralised budgeting framework. With the devolution of government, this will be achieved. The Commission on Revenue Allocation (CRA) has developed a formula for the allocation of budgetary resources to county governments.
Protect vulnerable children and the girl child from sexual abuse in the educational system by enacting tough laws.	Efforts are in place to protect all children from sexual harassment, through enforcing legal provisions.
Ensure the teaching and practice of basic hygiene in all schools and make sanitary towels accessible.	The PM launched a sanitary towels initiative in August 2011.

G Devolving Power

OUR PLEDGE 2007	ACHIEVEMENTS
Reform the system of government to empower local communities.	Chapter 11 of the Constitution creates devolved structures of government. This has changed the entire architecture of the Government of Kenya.
Establish a framework for even and equitable development of all regions.	This is contained in recommendations of the Task Force on Devolved Governments (TFDG) and Devolution bills.

H Saving Our Environment

OUR PLEDGE 2007	ACHIEVEMENTS
Place concern for the environment at the heart of Government policy.	Green development has become a key concern for the Government, as seen in, for example, the greening Kenya initiative and drive for green energy.
Make greater use of carbon trading.	The framework was developed by the Climate Change Unit in the OPM.
Strengthen regulation on industrial pollution.	NEMA regulations have been enhanced, although more needs to be done.
Protect and conserve water towers including Mt Kenya, the Mau escarpment, Mt Elgon, the Aberdares and Cherangany.	Rehabilitation of the Mau escarpment, Mt Kenya and the Aberdares is ongoing.
Promote civic environmental education.	Below expectation.

renewed commitment

Many of the pledges that ODM made to Kenyans in 2007 have been fulfilled with appreciable degree of success, despite the often difficult political environment under a Grand Coalition government. Key among these successes was the promulgation and implementation of a new Constitution, which has given Kenyans a once-in-a-lifetime opportunity to alter fundamentally the architecture of the governance superstructure, the national economy and social relations.

Some of the pledges, especially those relating to infrastructural development and implementation of the new Constitution, have begun bearing fruit but need further institutionalisation and continual enhancement.

Reform is a long process that can be derailed unless it is institutionally anchored and resources are set aside to sustain momentum. Reform initiatives are interlinked, so it is not sufficient to reform in a few sectors and leave others unchanged.

As the party of reform, ODM will effect change across government and private and public institutions. The party reaffirms its zealous commitment to national renewal and to the institutionalisation of emerging reforms in the three arms of government and at sectoral levels of the judiciary, police, public service, public finance, procurement and so on. The task has only begun and must be sustained.

This Manifesto is therefore anchored on faithful implementation of the Constitution with a renewed and sustained commitment to the reform process supported by six pillars: **(i) the rule of law and an end to impunity; (ii) genuine devolution of power and resources to county governments and local structures; (iii) wealth and employment creation; (iv) equal opportunities and social protection; (v) one united Kenyan nation, and (vi) land reforms.**

1 The Rule of Law and an End to Impunity

A society that does not respect and uphold the rule of law is unjust, retrogressive and oppressive, especially to those without political and financial clout. It cannot prosper. ODM recognises that corruption and impunity continue to be major challenges, with the law selectively applied on the basis of patronage and influence. We restate our commitment to dealing firmly with corruption, including by closing the systemic, legal and institutional loopholes that foster the scourge. An ODM government will promote a culture of respect for the rule of law and the equality of every citizen before the law. It will review the entire legal system to ensure the rule of law is aligned with the Constitution of Kenya.

2 Genuine Devolution of Power and Resources

Kenyans cannot enjoy the fruits of their labour and independence unless they are fully involved in decision-making. An ODM Government will ensure undiluted devolution of political power, responsibilities and resources to redress the ills occasioned by many years of poor governance and the exclusion of the citizen from decision-making. It will create an appropriate environment for and empower citizens to participate in policy formulation, implementation and monitoring.

3 Wealth and Job Creation

ODM is committed to ensuring Kenya moves from being a poor and dependent country to becoming a productive and self-sufficient nation within the next two decades, as espoused in Vision 2030. Almost half-a-century since Independence, nearly half the population (46.7 per cent) lives below the poverty line, with one-fifth per cent (6.7 million people) living in absolute poverty. ODM recognises that the only route to a prosperous nation and citizenry is the creation of an environment that enables every willing and industrious Kenyan. ODM undertakes to remove barriers to economic productivity and prosperity by individual citizens, industrialists, the business community, counties and communities. By providing a productive economic base for all, an ODM government will pave the path to gainful employment and a dignified life for all citizens. To this end, investment in manufacturing and value-addition, information and communications technology, services, infrastructure, science, technology and agro-processing will be major pillars of ODM's development policies.

4 Equal Opportunities and Social Protection for All

The injustices of the old order continue to haunt Kenya and are a threat to the stability of the nation. The Gini-coefficient index 42.5 (2008 est) illustrates the overwhelming disparities in wealth within our nation. An ODM government will address historical injustices and put in place a comprehensive Usawa (Equality) programme and strategies aimed at an efficient, equitable and just process of wealth redistribution across the nation.

5 One United Kenyan Nation

Your ODM Government will build one nation, recognising and appreciating our diverse and complementary cultures. ODM believes this is Kenya's moment for unity and sharing, not a moment for ethnic and sectarian balkanisation of the nation. An ODM government will ensure equal access and equal opportunities for all citizens in their various counties, through affirmative action, social assistance and implementation of equalisation interventions.

6 Land Reforms

An ODM government will implement the constitutional provisions to address historical injustices on land. It will ensure the National Land Commission is facilitated to perform its roles, address land issues in urban areas, especially in the informal settlements, and develop a sustainable land-use policy.

vision

ODM envisages a united, prosperous and modern Kenya, founded on popular democracy and social justice where all citizens enjoy equal political, economic and socio-cultural rights – a country that is corruption-free and where political and economic power is vested in the people, based on the principle of subsidiarity.

mission

Our mission is to win and maintain state power through democratic means – singly or in coalition with a like-minded party or parties – and use such power to ensure the economic and political empowerment of all Kenyans.

ideology

As a social democratic party, ODM believes in the principle of sovereignty of the people of Kenya, as enshrined in the Constitution. The party will formulate and faithfully implement programmes that nurture and support individual enterprise in the context of and tempered by social justice and equity regarding access to basic social services and opportunities.

1

reforming institutions of GOVERNANCE

ODM understands participatory governance to include mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences. The envisaged governance framework will guide the implementation of all the goals contained in this Manifesto.

1.1 Full Implementation of the Constitution

The Constitution of Kenya 2010 is a progressive document that provides an elaborate framework for restructuring the state and entrenching the rule of law and constitutionalism in Kenya. The full implementation and realisation of the promise of the Constitution is the most important way of consolidating the restructuring of the state.

ODM continues to lead the nation in ensuring that the Constitution is implemented in letter and spirit. ODM has time and again intervened on behalf of the people of Kenya to ensure that the Constitution is upheld.

Challenges

Despite some progress in implementing the Constitution, a number of challenges have impacted negatively on the process. Among these challenges are:

1. *The culture of impunity, negative ethnicity, poor governance and disregard for the rule of law, which is deeply entrenched in society.*
2. *Resistance by those who stand to lose from the full implementation of the Constitution.*
3. *Institutions charged with implementation of the Constitution on occasions working at cross purposes.*
4. *Political, transitional and interpretative challenges of the Constitution.*

What your ODM Government will do

- *Protect, implement and defend the Constitution in spirit and letter.*
- *Follow strictly the time specifications for legislation to be enacted by Parliament, as required under Article 261(1) and as outlined in the Fifth Schedule of the Constitution.*
- *Protect and facilitate the role of independent constitutional commissions and independent offices established under Article 248 and ensure seamless co-ordination of the organs charged with implementation of the Constitution.*
- *Work closely with civil society organisations and communities to provide an avenue for citizen participation.*
- *Ensure county governments are founded on the principles of good governance, transparency and accountability.*
- *Ensure that Chapter Six of the Constitution on leadership and integrity and Article 10 on national values are fully implemented.*
- *Promote diversity and the inclusion of all Kenyan people, communities and counties, through zero tolerance to negative ethnicity and ensuring equity in access to resources and productive opportunities, positions and instruments of power.*

1.2 Combating Corruption

The extent to which corruption is embedded in our national life threatens and diminishes all national efforts. To redress this, the Constitution provides for the architecture of integrity and anti-corruption measures under Chapter 6, Leadership and Integrity. The chapter details the responsibilities of leadership (Article 73), the oath of office of state officers (Article 74), the conduct of state officers (Article 75), the financial probity of state officers (Article 76), restrictions on activities of state officers (Article 77), citizenship and leadership (Article 78), and legislation on leadership (Article 80).

Since the promulgation of the Constitution, significant progress has been made in reforming the Judiciary, an institution critical to the fight against corruption. High standards for institutional reform have been set by the Judiciary, which has regained much public confidence. There has been incremental progress in other key sectors of government, specifically in the civil service and in Parliament. However, the police force is still polled as the most corrupt organisation in the country, but faithful implementation of the Ransley Report and completion of the work of the Naikuni Committee on Police Reforms will fundamentally transform the police and strengthen the criminal justice system. Further, the Ethics and Anti-Corruption Commission has been established to succeed the Kenya Anti-Corruption Commission as the main player in the fight against corruption.

Challenges

1. *Weak institutions with limited capacity to fight corruption. Furthermore these institutions tend to focus on individuals rather than structures.*
2. *The use of political mobilisation of ethnicity to frustrate the anti-corruption war and to slow down determination of cases.*
3. *The general political and civic culture, even at the level of the citizenry, which undermines initiatives at eliminating corruption in Government.*

What your ODM Government will do

- *Strengthen ethics and accountability by building the requisite behavioural reorientation among public officers.*
- *Enhance the powers of EACC to deal effectively with corruption, including, but not limited to, giving it prosecutorial powers.*
- *Establish institutional checks and balances in county governments to prevent the translocation of corruption to that level.*
- *Invest in public education and awareness as a corruption-prevention strategy.*
- *Fast-track reform of the criminal justice system to ensure judicious and expeditious disposition of corruption cases.*
- *Implement police force reforms to ensure that the police do not delay or tamper with investigations.*

1.3 Ensuring National Security

Security [and lack thereof] is a prominent concern for most people, who cannot fully devote their energies to the tasks of nation-building while living with ever-present threats of mugging, rape, robbery, murder, abduction and terrorism. Inter-ethnic and inter-clan raids have claimed many lives among our communities, especially in the pastoralist regions. No investor, whether local or foreign, will risk putting capital into a jurisdiction where stability and security of their investment is not guaranteed. Due to a number of factors, among them poor training, lack of tools and equipment, poor working and living conditions, corruption and lack of internal accountability, the national security organs, especially the police force, have been unable and/or unwilling to deal with ever-growing insecurity.

The politicisation of the police force immediately before and after Independence, the security intelligence function vacuum created upon the establishment of the National Security Intelligence Service (NSIS), and the weakening of the CID following centralisation of decision-making in the force have undermined police performance. In addition, following the Police Act and NSIS Act, 1998, the Commissioner of Police and Director-General of the NSIS are answerable to the President. The new Constitution has provided the basis for addressing this anomaly.

The Constitution provides a framework for major security-sector reforms that reflect the recommendations of the Commission of Inquiry into Post-Election Violence (CIPEV) and the Task Force on Police Reforms. Chapter 14 of the Constitution provides for national security organs, namely, the Kenya Defence Forces (KDF), the National Intelligence Service and the National Police Service. The chapter provides for the principles of national security to ensure protection against internal and external threats to Kenya's territorial integrity and sovereignty, to its people, their rights, freedoms, property, peace, stability and prosperity, and to other national interests.

Parliament has enacted the National Police Service Commission Act 2011, the Police Oversight Authority Act 2011, and the National Police Service Act 2011. Bills have also been developed on the provision of private security services, the National Intelligence Service Draft Bill 2011 and the National Coroners Bill 2011. These legislative measures are complemented by institutional and administrative reforms on recruitment, training and vetting, as well as terms of service and accountability mechanisms. In addition, a policy on community policing has been finalised and will be devolved to the counties.

This new dispensation imposes new challenges and obligations on security structures. The military's roles, for instance, have been expanded, implying a re-orientation of its operational doctrine in a bid to meet its defined tasks, that is, national defence, internal human security and state security activities, regional and institutional peace-keeping and security operations.

Challenges

1. *Corruption in the police force that has undermined security in the country.*
2. *A low police-citizen ratio that has led to the proliferation of vigilante groups and militias in both rural and urban areas.*
3. *High unemployment rates and poverty that have contributed to the rise of crime and violence, including their exploitation by politicians during electioneering.*
4. *Porous borders coupled with instability in neighbouring countries that have facilitated the commission of acts of terrorism in the country.*
5. *The proliferation of small arms and light weapons.*

What your ODM Government will do

- *Prioritise and actualise the country's evolving national security architecture to ensure the security of the Kenyan people, while giving it a human rights face.*
- *Develop a national security strategy to strengthen the country's response to fast-moving and interconnected threats from terrorism and militia groups, as well as new challenges such as cyber security, while expanding the use of CCTV.*
- *Equip the Police Service with the necessary tools, kits and equipment to provide security while at the same time giving Parliament and the courts oversight roles to ensure powers are not abused.*
- *Strengthen community policing to protect citizens through the sharing of vital information with the police system for safety, security and sustainable development.*
- *Improve border policing by deploying defence personnel to Kenya's borders.*
- *Create a Directorate of Criminal Investigation that is delinked from the command of the national police.*

1.4 Reformed Public Service Delivery

Since Independence in 1963, poor governance has been a major cause of inadequate public service delivery. Low levels of accountability among public officials have led to haphazard and poor delivery of services in all sectors. However, since 2007 there have been efforts, spearheaded by ODM, to ensure greater efficiency. These initiatives include the rapid results initiatives, the enactment and implementation of service charters, and ensuring that public institutions achieve ISO certification.

Articles 73, 232 and 236 of the Constitution provide both a framework for restructuring the country's public services and key principles to guide civil service reform. These include the vetting by Parliament of senior public service officers; results-based management and performance contracting for all public servants; and modernisation of public services to increase effectiveness and efficiency in delivery.

Challenges

Since the agreement on Agenda 4 in 2008, progress in the implementation of public service reforms has been slow. The major challenges include:

1. *Persistence of cronyism and patrimonial considerations in appointments.*
2. *Involvement of public servants in private business and resulting conflicts of interest.*
3. *Deterioration of professionalism in the public service.*
4. *Slow pace in the implementation of gender equity in the civil service.*
5. *Inadequate public participation in the governance process.*

Several key factors have continued to undermine the promotion of public accountability:

1. *Ineffectiveness of most watchdog institutions.*
2. *Selective application of sanctions.*
3. *Inadequate rewards and incentives for good performance.*
4. *Ineffective supervision of public servants by the Public Service Commission, Directorate of Personnel.*
5. *Management, Teachers Service Commission, Inspectorate of State Corporations and Judicial Service Commission.*

What your ODM Government will do

- *Properly reform, restructure and retool the civil service in line with the Constitution and work with established constitutional bodies to ensure professionalism, meritocracy, productive performance and efficient delivery of service to the people of Kenya.*
- *Inculcate a new ethos in public management through working with constitutional commissions and offices to ensure efficient and effective delivery of services to the public. Restore professionalism in the public service. Improve terms and conditions of service for public servants. Ensure uniform application of sanctions and extension incentives, and strengthen supervision of public servants.*
- *Through the Salaries and Remuneration Commission and other initiatives, continually review terms and conditions of public servants to motivate them to give their undivided attention in the service of the people.*
- *Ensure the implementation and realisation of citizen participation, as provided for in the Devolved Government Act.*

1.5 Promotion of Human Rights and Management of Diversity

The Bill of Rights in the Constitution combines civil, political, socio-economic and cultural rights to guarantee the protection, promotion and enjoyment of all human rights by all Kenyans. The state has a duty to respect, promote, protect and fulfil the rights enshrined in the Constitution, and at the same time accord every citizen equal treatment before the law. The Government has developed and drafted various pieces of legislation through the Kenya Law Reform Commission, as well as revising various statutes to make them Constitution-compliant.

Moreover, the Coalition Government has established and restructured the following institutions to enhance the respect, promotion and protection of human rights and to operationalise the pro-human rights laws: the Kenya National Commission on Human Rights; the National Cohesion and Integration Commission; the Commission on Administrative Justice; the Kenya National Commission on Gender and Development; the Legal Aid Commission; the National Council for Children's Services, and the National Council for Persons with Disabilities. Kenya's human rights policy has been developed to provide a comprehensive framework for the protection and promotion of human rights for all Kenyans, as guaranteed under the Constitution.

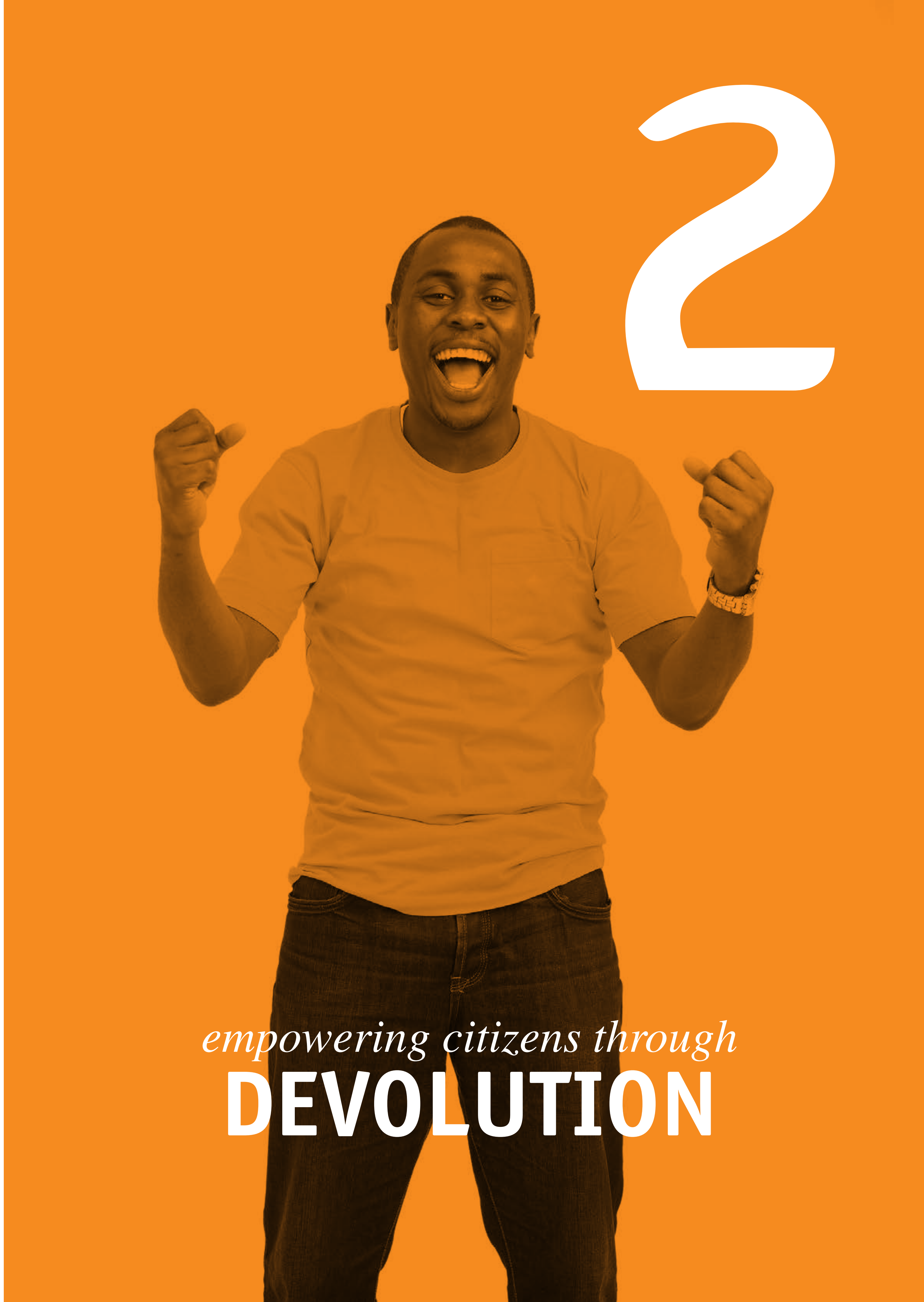
Challenges

The human rights arena includes protection of workers, service delivery and administrative justice. As a result, the challenges faced are numerous.

1. *Lack of depth in the demonstration and deployment of the requisite with relation to human rights.*
2. *Lethargic pace of enacting legislation to operationalise the human rights agenda.*
3. *Impunity, especially in tackling human rights abuses, mainly on the part of the police.*
4. *Proliferation of militia groups.*
5. *No access to basic social services and rights for a large section of the population.*

What your ODM Government will do

- *Operationalise the Bill of Rights through legislation, institutional strengthening and administrative and policy measures.*
- *Create and/or strengthen mechanisms and institutions for the constructive management of human rights and diversity.*
- *Strengthen the capacity of county governments to meet the needs of the people as provided for in the Constitution.*
- *Streamline and harmonise the powers and functions of the various institutions overseeing national cohesion and unity.*
- *Establish a human rights tribunal to deal with human rights abuses, as provided for in the Constitution.*



The Constitution of Kenya 2010 ushered in a devolved system of government, something ODM has demanded for many years. In fact the Orange Movement's 'No' vote in the 2005 constitutional referendum was anchored on, among other premises, the dilution of the Bomas Draft devolution chapter in the 'Kilifi' and 'Wako' Drafts.

ODM will not relent until county governments are established and fully operational in all 47 counties. An ODM government will also ensure that further decentralisation below the ward level is actualised for effective participation that fosters local leadership; effective resource mobilisation and appropriate financial systems; protection of county assets; management of liabilities, human and natural resources and security; and appropriate functioning of state corporations.

2.1 Legislative and Policy Framework

ODM has spearheaded the process towards devolution and will continue to provide stewardship towards its realisation. Four pieces of legislation relating to county governments have been enacted by Parliament – the Urban Areas and Cities Act 2011, the Contingencies Fund and County Emergency Funds Act 2011, the Inter-Governmental Relations Act 2012, and the Transition to Devolved Government Act 2012. However, the key laws on devolved government and public finance have yet to be enacted, which raises serious concerns. It is notable that there are forces in both the political class and the civil service that are keen to reverse the gains of the Constitution on devolution. ODM will not only ensure the enactment of these Bills but will also facilitate the operationalisation of the provisions of the Acts, and assist county governments to develop policies, plans and strategies in line with the legal framework.

Each county will be expected and supported to embrace the policies and legislation as a point of reference for developing home-grown policies and legislation to guide county operations. ODM will collaborate with the constitutional commissions and offices and the county governments to provide the necessary required capacity for formulating county-level enabling policies and legislation.

2.2 Participation

The establishment of the counties moves Kenya away from centralised government where citizens have limited say or input in decision-making. Devolution empowers citizens and puts them at the centre of development. ODM is dedicated to Article 1 of the Constitution, which gives sovereign power to the people of Kenya. Chapter 11 of the Constitution provides pillars for realising devolved government, of which "giving powers of self-governance to the people and enhancing the participation of the people in exercise of powers of the State and in making decisions affecting them" is a provision that ODM intends closely to observe. Doing this will require appropriately structured platforms for citizen engagement, to ensure they play a role in the conceptualisation of local development, in the planning for use and management of resources, right up to monitoring and evaluation.

To this end, ODM will assist county governments to legislate and establish modalities and platforms for citizen participation, including the facilitation of county citizen forums and well-equipped citizen service centres. Kenya has taken the lead in information and communication technology (ICT) pioneered by our own-brand pioneer electronic money transfer, M-PESA, which is currently being studied and embraced globally. ODM will pursue this line and ensure that the three 'e's – e-participation, e-services and e-commerce – become common practice and avenues for livelihoods in devolved governments.

2.3 Resource Mobilisation and Financing (human, natural and monetary)

Devolution without resources is an empty shell. In addressing resource mobilisation and financing, the ODM government will operate on the principle of 'funds must follow and match functions'. In realising this principle, ODM will work with the Transition Authority and the Revenue Allocation Commission in costing the county functions and ensuring that transferred functions are well resourced. This requires effective resource mobilisation from all sources, beginning with efficient allocation by the Revenue Allocation Commission, followed by internal and external resource mobilisation. ODM recognises the untapped resources lying across counties, the poor record payment of property rates by central government, and fragmented devolved funds. These challenges have affected the overall performance of local authorities and should not be transferred to the county governments. Consequently, counties will be assisted to mobilise resources, with the ODM government overseeing prompt transfer of funds and payment of rates by national government agencies.

In facilitating county governments to mobilise resources, ODM will pay particular attention to the development and management of cities and urban areas. This is in recognition that urbanisation is a driver for economic growth and development. It is in cities that the pressures of globalisation, migration, social inequality, environmental pollution, climate change and youth unemployment are directly felt. Furthermore, cities have for centuries been the cradle of innovation. In Kenya, more than 60 per cent of the GDP is produced within cities.

2.4 County Assets and Liabilities

County governments will inherit massive assets and liabilities from the current local authorities, so they must be assisted to protect the assets and manage the liabilities. Most services to be devolved have real and financial value (and liabilities), including land, buildings and movable assets. Enabling county and national governments to begin with a clean slate will require transferring assets to each level of government and addressing liabilities. The ODM government will facilitate budget allocation for the liquidation of existing liabilities of local authorities and national government, to enable both governments to begin their operations without encumbrances. Dealing with these issues requires close collaboration with Transition Authority, the CRA, the CIC, central government and local authorities, in order to prevent abuse of resources during the transition period.

2.5 Security for Prosperity

Security is understood broadly to include state, human, economic and social security. This is crucial to both levels of government, and each level must play a role in ensuring holistic security. There has been unnecessary debate on which level of government should have the mandate of ensuring security based on the functional prescription stipulated in the fourth schedule of the Constitution. Promoting peace and security is the responsibility of all citizens, and any level of government assigned this responsibility must ensure that the other level and the entire citizenry are playing their roles.

2.6 Mutual Functioning of National and County Governments

Another major concern for ODM is the relationship between the national and county governments. The ODM position is that there is need for harmony between the two levels of government in line with the Constitution. The Constitution recognises the importance of service delivery to citizens, and ties devolution to access of services in Article 6, noting that, 'governments at the national and county levels are distinct and inter-dependent and shall conduct their mutual relations on the basis of consultation and co-operation'. ODM will not only protect constitutional commissions, offices, state corporations, the Senate, the national and county co-ordinating summits, the council of county governors and related organs but will also facilitate consultation and co-operation and ensure amicable relations between the two levels of government. The ODM Government will ensure that these shared institutions serve both levels of government, not only the interests of the national government. This will require synergy within and between the two levels of government. State corporations, such as the Kenya Institute of Administration, will, under an ODM government, devolve services to counties to provide training and capacity building.

Challenges

1. *The reluctance by some sections of society to embrace devolution, which might impact the transition. The stalemate following the ruling against the appointment of commissions (July 2012) illustrates the lack of commitment by the coalition partners.*
2. *The modalities of transferring the functions to counties have yet to be determined. This is a political issue, which requires not only technical knowledge but also a negotiated approach, to ensure understanding and mutual agreement between the two levels of government.*
3. *Inadequate capacity in many counties as revealed through studies and public media. These differences are historical and resource-based, with most counties in arid and semi-arid areas faring worse than those agriculturally endowed.*
4. *The culture of centralisation and personalisation of political power, ethnicity and corruption, which, if left unchecked, might be replicated in the counties.*
5. *Lack of the necessary infrastructure, both human and physical, to ensure that county governments are operational immediately after the next general election.*

What your ODM government will do

- *Fully support and facilitate the devolution process and respect the county governments, guaranteeing that this process is not sabotaged by attempts to introduce parallel governments at the county level.*
- *Harmonise relations between the national and county governments, both in the letter and spirit of the Constitution, and related inter-governmental relations legislation.*
- *Assist counties to establish structures and mechanisms to allow for local flexibility and responsiveness and to inhibit the translocation of corrupt and dictatorial tendencies in order to shape public service delivery.*
- *Work with the Transition Authority and CIC in ensuring that all counties retain/recruit skilled staffs that have the requisite technical capacity for effective take-off and, more specifically, the capacity to plan, implement and efficiently manage respective budgets.*
- *Ensure that the provincial administration is restructured, as provided for, to respect and accord with county governments.*
- *Collaborate with the CRA in developing clear criteria for the distribution of conditional and unconditional grants from the national government, sharing of revenue and regular review.*
- *Protect county governments from interference by national officials working at county levels, and ensure amicable functional relations between the two levels of government by establishing a liaison office.*
- *Establish a County Investment Advisory Committee as a division of Vision 2030 to facilitate county government resource mobilization and financing both locally and internationally.*

3

ensuring economic stability and GROWTH

3.1 Macro - Economic Framework

Before the 2007/8 post-election crisis, Kenya's growth spell had peaked at seven per cent but the failure to ensure a peaceful political transition ground the economy to a halt. Following the slump, the economy experienced an upward trend up to 2010, but this was followed by a series of domestic and external challenges in 2011 that dampened growth. Kenya's macro-economic policy has therefore a major role to play in the pursuit of economic growth and development. The ODM government will address the unimpressive performance of the economy through the following policies: monetary, fiscal, income, growth, stabilisation, and employment. Real variables to be targeted include GDP, employment, aggregate expenditure, saving, investment, government expenditure, tax revenues, non-tax revenues, exports, imports and the balance of payments.

An ODM government will determine macro-economic policy objectives in the light of the economic needs and social aspirations of the people of Kenya. The policy objectives will include: reducing unemployment to acceptable levels; increasing output through proper utilisation of all non-labour resources and reduction of excess capacity; rapid economic growth; price stability through moderating the rate of inflation; eliminating chronic current account and balance of payments deficits; prudent management of both external and internal debt; promoting more equitable distribution of opportunity, income and wealth; promoting rural development, increasing monetisation of the rural sector, and minimising economic fragmentation and the segmentation of financial markets (so as to enhance financial savings and promote a more efficient allocation of resources); creating opportunities to provide food, clothing, shelter and other basic needs at affordable prices; and safeguarding the environment. Monetary policy, fiscal policy, stabilisation policy and direct controls will therefore be key in restoring not just income growth, but growth that creates employment and brings about development.

3.1.1 Monetary Policy

The monetary policy has not really been effective in influencing economic growth and stabilising the economy. Kenya has witnessed high interest rates that are prohibitive to borrowing and investment. The interest rate spread is too high and this is not helping the situation. The inflation rate has long remained in double digits and foreign exchange rates are not quite stable, especially when it comes to external shocks. An ODM government will target the following to rectify the situation: supply of money; demand for money; supply of credit; bank deposits; and interest rates (credit creation by commercial banks). Policy instruments will include: the Central Bank's discount rate; the cash reserve ratio; Open Market Operations (OMO), and selective credit controls. These instruments will affect the demand for money or cash holding of the public and, in effect, work on the flow of money from banks to the public and from the public to the banks, thereby affecting the flow of institutional credit and real variables in the economy.

3.1.2 Fiscal Policy

Lack of fiscal discipline has been the bane of sound macro-economic management in Kenya. This is attributed to three challenges: (i) the budget has been resource driven, that is, the government has endeavoured to spend as much money as it can raise from taxes, non-tax revenues and aid; (ii) an inability to prioritise, giving rise to inadequate cost-benefit analyses of public expenditures; and (iii) lack of budget transparency, where it is almost impossible to establish the cost structure of government services, other than at the very broad level published in the estimates. This hides inefficiencies, waste and misappropriation.

ODM's fiscal policy will ensure long-term growth and poverty alleviation through efficient revenue mobilisation and prudent expenditure composition. The fiscal policy instruments to be used include: public expenditure; taxation; public borrowing; and deficit financing (debt management). Using these instruments, an ODM government will put in place fiscal measures that will improve the real variables, such as disposable income, consumption expenditure, savings, investment, and the wealth holding of the people. It will also affect tax rates and the level of public expenditure. The aim is to influence the economic decisions of all those who possess taxable income, consume taxable goods and services, have savings and investments, or have wealth in the form of bonds.

An ODM government will undertake a comprehensive public expenditure review to establish a cost benchmarking exercise for the core government functions. This will improve productivity while at the same time instilling investor and development-partner confidence. Secondly, an ODM government will undertake: (i) 'value for money' audits, and (ii) impact evaluation. The information generated will be used to gauge both cost-effectiveness and outcomes, to ensure sound management of public finances.

What your ODM Government will do

- *Bring all off-budget government revenues and expenditure on-budget, and prepare a comprehensive budget – the general budget and the government-funded budget.*
- *Complete the move from one to two budgetary levels in a manner consistent with the letter and spirit of devolution. This step is key to streamlining the size of the two levels of government, improving the efficiency of government services, and empowering county governments.*
- *Discipline the budgetary process and synchronise budget and expenditure cycles by finalising the budget two months before the start of financial year (April 30).*
- *Improve performance contracting by using independent agencies to conduct rigorous performance evaluations of government programmes on a random basis. These evaluations will help provide feedback on resource allocation, and identify those programmes delivering the right outcomes and those that are not.*

- *Strengthen treasury management and budget accounts, as well as cash management at both levels of government, to streamline disbursements, introduce fiduciary controls and prevent fraud and corruption.*
- *Keep a strict tally of contingent liabilities accumulating in the banking sector, in state corporations and in county governments, and conduct regular fiscal sustainability analyses, accounting for these liabilities under different stress scenarios.*
- *Ensure both levels of government bring all public revenues and expenditure in on budget.*
- *Cause the national government to change the criteria for performance of evaluation of local officials, from an emphasis on growth and output to a focus on improving quality of life.*
- *Both levels of government to adopt participatory budgeting processes and publish and make transparent all budgetary revenues and expenditures from aggregate sectoral allocations and out-turns, to project level allocations and out-turns.*

3.1.3 Stabilisation Policy

To ensure competitive aggregate prices, the ODM government will pay special attention to the design of a monetary policy that will ensure stable rates of inflation, real interest rates, wage rates and the real exchange rate. This stability will lead to low government and business indebtedness and improve on export competitiveness.

3.1.4 Direct Interventions

Where fiscal or monetary policy or a combination thereof fails to achieve the desired results, the ODM government will resort to direct controls that will include: price and wage guidelines (not price controls); credit control; an industrial licensing system for controlling choice of industries; choice of technology; control of certain imports, and, in a worst-case scenario, foreign exchange (for example, if oil is exploited, so as to strengthen the shilling against all major foreign currencies).

Anchored on the above macro-economic framework, an ODM government pledges to address the following major economic issues: i) wealth creation; ii) inequality; iii) employment creation; and iv) poverty eradication.

3.1.5 Wealth Creation

Low savings and investment rates have led to low rates of wealth creation, hence higher poverty levels. Investment and savings as a share of the GDP have consistently fallen below the targets spelt out in the first Medium-Term Plan (2008-2013) of the Kenya Vision 2030. Investment was targeted at 23.2 per cent in 2008/9 but reached only 19.3 per cent. Savings were targeted at 16.2 per cent but only 12.7 per cent was achieved. In 2009/10, investment targeted 24.6 per cent but realised 19.5 per cent, while savings targeted 18.5 per cent but only achieved 12.1 per cent. In 2010/11, the investment target was set at 27 per cent but only 22 per cent was realised, while savings realised 12 per cent, as opposed to a target of 21.4 per cent.

Challenges

1 *The unfavourable investment climate leading to low investments.*
2 *Low savings.*
3 *Macro-economic instability.*

What your ODM Government will do

- *Improve the investment climate to achieve minimum GDP growth of 10 per cent for the next 10 years through:*
- *Reduce the number of licences required for investments to globally competitive levels, such as by ensuring a one-stop-shop licensing mechanism.*
- *Ensure there is law, order and effective enforcement of business contracts.*
- *Increase the level of investment in research and development from the current level of 0.3 to 2.5 per cent of GDP.*
- *Put in place a progressive tax policy to encourage savings and investments.*
- *Increase savings and investment rates by:*
  - *rejuvenating and streamlining the co-operative movement, with a view to mobilising savings*
  - *expanding access to credit by ensuring a strengthened and well co-ordinated micro-finance sector*
  - *ensuring adaption/operationalisation of national productivity policy*
  - *putting in place measures to favour a combination of high-profit taxes and low interest rates, in order to promote investment over consumption.*

3.1.6 Addressing Inequality

Despite positive growth in the past eight years, high poverty levels have persisted and are presently compounded by a largely unequal distribution of income, opportunities and resources across the country. Income inequality is more pronounced in rural areas. In urban areas, the top 10 per cent of the population earns about 43.5 per cent of the total income, with the bottom 10 per cent earning only 1.2 per cent. In rural areas, the top 10 per cent of the population earns 42.2 per cent of the total income, while the bottom 10 per cent earns only 0.8 per cent.

Challenges

1 *How to ensure equitable distribution of gains from growth, especially as governance devolves to the county levels.*
2 *How to implement effective affirmative action and equalisation interventions to ensure that those counties disadvantaged due to historical injustices are uplifted, in order to serve the citizens effectively.*

What your ODM government will do

- *Design tax policies for redistribution of income and wealth by focusing on counties with limited capacity.*
- *Strengthen and expand the social assistance programmes in the social protection policy.*
- *Ensure that counties meet their constitutional obligations on the provision of basic services, including health, education, food and shelter.*
- *Create an enabling environment for counties to provide services to their people.*

3.1.7 Job Creation

ODM's principal promise to all Kenyans in the next five years is to develop effective policies for greatly expanding decent employment opportunities in all sectors. The need to create more employment opportunities is informed by an open unemployment rate of 15 per cent. The 2009 census results also indicate an increase in the dependent population at 42 per cent (of which the largest proportion are full-time students) compared with 33.9 per cent in 1999, posing an increased burden to the economy (Kenya National Bureau of Statistics 2010). With an increasing dependency ratio and an expanding labour force, along with low employment levels, unemployment is a major problem.

Challenges

1 *Earning inequalities in the labour market for similar jobs across sectors and industries.*
2 *Inadequate capacity of the high-productivity sectors, such as financial intermediation and ICT, to absorb surplus labour.*
3 *An education and training system that is insufficiently responsive to the skills needed for the national and global economy.*
4 *Inadequate safety nets for low-income earners, the unemployed and the under-employed.*

What your ODM Government will do

- *Reform and, restructure Kenya Industrial Estates into a Kenya Industrial and Enterprise Development Agency. The agency will establish fully-fledged industrial and enterprise development incubation centres in each county, to impart specialised skills to small and medium-sized enterprises. The centres will act as business incubation hubs for promising investments. These centres will collaborate with the Youth Enterprise Development Fund and micro-finance institutions to provide financial support and soft loans to promising business start-ups and SMEs.*
- *Facilitate the establishment of modern, green industries that meet domestic consumption and export needs.*
- *Implement rigorous establishment criteria for investors, based on four key criteria: job creation, foreign exchange earnings/savings, use of local inputs, and technology transfer.*
- *Encourage and give incentives to banks and other financial institutions to finance industrialisation.*
- *Support and strengthen centralised wage determination via the newly created Salaries and Remuneration Commission to ensure 'equal wages for work of equal value'.*
- *Institute and pursue active labour market policies as a way of alleviating local and industry-specific unemployment and under-employment.*
- *Pursue labour market policies that facilitate growth in employment by giving priority to development of the sectors that offer the major employment opportunities, such as the retail trade, restaurants and hotels, and social and personal services.*
- *Focus education and training systems to be more responsive to the needs of the national and global economies, including the need for a well-skilled workforce.*

3.1.8 Seizing the Opportunity for Green Development

The world, Kenya included, is faced with the catastrophic prospect of dying rivers, desertification, widespread loss of biological diversity, unpredictable weather patterns and global warming. All these are attributable to our profligate consumption patterns, poor land use and inept management of our natural resources and lifestyles. If we are to avoid the worst, then it is imperative that we urgently re-engineer our economy from the traditional form to a green economy. In its simplest expression, a green economy can be described as one that is low-carbon, resource-efficient and socially inclusive. A green economy can take advantage of new growth trajectories designed to be more socially inclusive, as well as being responsive to poverty reduction and economic diversification objectives.

There are many advantages to be derived from turning green. Greening is a potential driver for economic growth. Firstly, if successful, a green economy will create new business opportunities, stimulate innovation in technology and make Kenya competitive in sunrise industries. Secondly, it will significantly improve the quality of economic growth and ensure less dependence on fossil fuels, leading to a reduction in health losses from air and water pollution.

Thirdly, it will help address a wide range of sector-specific issues, such as energy security, urban habitation, agricultural output and infrastructure constraints. Fourthly, given rising and volatile commodity prices, lowering the resource intensity of production will improve regional and international competitiveness and partially insulate domestic prices from global price fluctuations. Finally, a green economy will make a significant contribution to tackling climate change, even though we emphasise domestic strategy.

Challenges

1 *Distorted prices of energy, water and raw materials that do not factor in externalities and scarcity value.*
2 *Excessive dependence on administrative interventions to deal with environmental and NRM issues.*
3 *Fiscal and regulatory incentives for environmental protection either weak or weakly enforced. As a result, pollution and ghg emissions are high.*
4 *Opposition from enterprises and workers that benefit from the current pattern of growth, exports and investment.*
5 *Lack of co-ordination among government ministries and agencies.*
6 *Job retraining, skill development and readjustment will need additional new resources.*

What your ODM Government will do

- *Put in place long-term market incentives to encourage both enterprises and households to 'go green'.*
- *Harness the creativity and entrepreneurial energy of the private sector to protect the environment and turn the sector into an important source of growth by making its members world-class innovators and competitors. Market mechanisms to use will include: pollution taxes, tax rebates for green enterprises, fees, tradable permits, tradable quotas and eco-labelling.*
- *Introduce 'polluter pays' principle.*
- *Remove direct and indirect subsidies high-pollution, high emission and resource-intensive industries.*
- *Develop better-designed and enforced regulations requiring changes in behaviour. These will include:*
    - *establishment of strong environmental and emissions standards, e.g. standards for fuel consumption in the automobile industry and energy efficiency for the appliance and lighting industry, and setting standards for climate-robust green buildings, urban design and transportation to avoid locking in existing carbon footprints*
    - *establishment of standards and labels for green products, services and technologies so that they are recognisable and understood by the consumers*
    - *implementation of recycling guidelines to reduce the need for new urban landfills or incinerators, by reducing the volume of waste at source*
    - *government to lead by example by changing the way it does its business.*
- *Engage in public investments that deliver key environmental goods and services with high externalities and incorporate climate-risk management.*
- *Increase government expenditures related to environment by at least 0.5 per cent of GDP higher than current levels. The incremental expenditures to target:*
    - *reduction of pollution and solid waste*
    - *restoring the health of ecosystem, water, and soil*
    - *reducing damage from flooding*
    - *reforestation and combating desertification.*
- *Institute measures to strengthen local governance institutions. This will be done by aligning national and local objectives through explicit performance indicators for county governments that support green. Ratings will depend on publicly disclosed information such as levels of air and water pollution, or levels of environmental compliance across industries; adjusting local tax structure away from land sales to property and value-added taxes; and strengthening inter-county and inter-governmental co-ordination to better manage regional transportation, natural resources, and pollution control facilities.*
- *Introduce safety net schemes to mitigate short-term negative employment effects of green development reforms. Adjustment from traditional to green economy will have financial and social costs. Mitigating measures include:*
    - *compensation for carbon pricing (whether taxation or tradable permits) through cash transfers*
    - *'social tariffs' could be introduced where price increases in water, energy, oil and gas do not specifically affect low-income groups*
    - *job-retraining will be needed for displaced workers.*

3.2 Growing Key Economic Sectors

To implement policies that create wealth and employment and reduce inequality, all of which have a direct bearing on poverty-eradication, an ODM Government will accelerate growth through the following sectors: agriculture, manufacturing, the wholesale and retail trade, tourism, energy – notably electricity, construction, transport, storage and communication, finance, real estate, business services and general government services.

3.2.1 Accelerating Growth Through Agriculture

The agriculture sector contributes 26 per cent of GDP and is the second-largest contributor after the service sector. The sector contribution has only declined by about 12 per cent from the early 1960s' level of 38 per cent. This depicts a slow transformation of the economy. The sector accounts for 65 per cent of Kenya's total exports, 18 per cent and 60 per cent of the formal and total employment, respectively. Agriculture remains the main source of livelihood for the poor and is also one of the sectors identified to deliver the 10 per cent economic growth rate under the Kenya Vision 2030 (GoK, 2007c).

The agriculture sector exhibits four types of commodities and services (need to capture production for home consumption):

1 *Commodities that compete with imports, although the country is a high-cost base producer of maize and sugar and, to a lesser extent, beef and dairy.*
2 *Low productivity of domestic cereals and livestock, fruit and vegetables.*
3 *High-value exports, mainly tea, coffee and horticulture.*
4 *Service inputs, especially financial services, marketing services, and research and extension.*

What your ODM Government will do

To accelerate growth in the sector, an ODM government will transform the sector through five phases:

- *improving agricultural productivity to generate surpluses through enhanced research, irrigation and application of modern technology*
- *setting clear, national and county-by-county agricultural productivity targets*
- *enhancing investment in the development of agro-processing as an industrial base at county and national levels*
- *county governments will be required to be food self-sufficient in five years*
- *strengthening co-operatives and integrating rural production with the rest of the economy, via infrastructure development and better markets*
- *value addition to agricultural exports*
- *whereas continued support for food-deficient households is envisaged, an ODM government will support households to be food-sufficient. It will invest in efforts to improve productivity through irrigation and subsidised inputs, including seeds and fertilisers.*

3.2.2 Accelerating Growth Through Manufacturing

Growth in the manufacturing sector has been less inspiring and has resulted largely from the increased supply of agricultural inputs for agro-based activities, an increase in clothing production, and increased cement output. The sector is dominated by small and informal enterprises producing mostly for the domestic market. Virtually no small firm has grown vertically into a large manufacturing firm through the acquisition of technology and resulting market expansion. The sector has generally remained stagnant in terms of its contribution to the GDP at 10 per cent.

The sector has also over time predominantly focused on import-substituting industries producing for the domestic market. Recently, however, the sector has made inroads into the regional market, as evidenced by high expenditure at an average rate of 17 per cent per year in transport equipment and machinery. While the change in the structure of exports has been encouraging, exports will need to play a more important role if growth is to be accelerated and sustained to create employment.

Challenges

1 *Political risk, particularly in an election year, which may linger.*
2 *Lack of macroeconomic stability reflected in high inflation.*
3 *Low returns on investments.*
4 *Limited and high costs of accessing finance.*
5 *Risk to appropriation of returns due to corruption, crime and insecurity.*

What your ODM Government will do

Directly

- *Design policies that will increase the share of manufacturing exports to total exports by diversifying from traditional products and destinations.*

- *Reduce business, transportation (including logistics and tele-communication) and maritime costs to increase opportunities for participating in global production chains.*
- *Improve the reliability of the energy supply, enhance security, eradicate corruption, and improve access to finance for small and rural entrepreneurs.*
- *Increase FDI to bring with it newer technology and newer products, and help improve productivity, as happened in the horticulture and garments sectors.*
- *Improve the investment climate by identifying regulatory hurdles and streamlining administrative processes faced by stakeholders.*

Indirectly

- *Formulate policies that will exploit Kenya's coastal advantage to increase the proportion of manufactured exports.*
- *Improve on the quality of political and economic institutions to encourage investment flows in the sector.*
- *Expand the scope of institutions to protect the property rights of investors and ensure that contracts are enforced.*
- *Work towards reducing the income inequality that could be an obstacle to political stability for a long-run growth strategy in manufacturing.*

3.2.3 Accelerating Growth Through the Wholesale and Retail Trade

Formal and informal trade contributes approximately 10 per cent of GDP and 10 per cent of formal employment. Wholesale, retail and international trading has been among the most rapidly-expanding sub-sectors of the economy since trade was liberalised in the 1990s. The value of domestic trade grew at an annual average rate of 16.5 per cent. Currently, trade in services accounts for 60 per cent of GDP and 68 per cent of total wage employment in Kenya. The informal sector provided 78 per cent of total employment and contributed 87 per cent of new jobs created between 2005 and 2007.

Most of the employment in trade is found in the informal sector, which thrives on avoiding regulatory compliance and is characterised by ease of entry and exit. It is estimated that there are more than 2.1 million non-agricultural household enterprises in Kenya, 90 per cent of which are informal enterprises and 10 per cent formal. More than 5.2 million people work in this sector, including contributing family workers who supply the domestic market. Almost no Kenyan household enterprises sell a significant fraction of their goods and services on export markets.

Challenges

1. *Lack of linkages with other domestic businesses – very few household enterprises sell to public sector entities.*
2. *Almost no access to international markets due to stringent standards.*
3. *Growth is inhibited mainly by lack of secure property rights and security of tenure of business locations, which are often temporary in nature.*
4. *Lack of tenure in business location deters large firms from establishing linkages through outsourcing and contracting.*
5. *Poor infrastructure – most traders operate in sites that have no basic facilities or amenities, have poorly maintained roads, an inadequate water supply and no electricity.*
6. *Constraints to market access, due to lack of trade support infrastructure such as trade centres or warehouses in priority export markets.*
7. *Low level of business skills that manifests in limited managerial skills and exposure to international best business practice.*

What your ODM Government will do

- *Eliminate punitive and intimidating tendencies of the government against small-scale enterprises, through streamlining licensing.*
- *Facilitate the provision of physical infrastructure to resolve security of tenure and property rights issues experienced by small enterprises.*
- *Work with county governments and relevant decentralised units to identify suitable zones for small-scale enterprises.*
- *Partner with the private sector to provide basic infrastructure and ensure the autonomy of the private sector after leasing or selling the work-space to them.*
- *Initiate and regulate the formation of informal traders' associations to enhance savings and create a membership platform through which affordable loans can be provided.*
- *Review transaction costs that come with expansion, the most critical being securing licences, tax compliance, and compliance with labour laws.*

3.2.4 The Provision of Affordable Energy – Electricity

There is a strong electricity demand growth (estimated at eight per cent per annum), a forecast driven by a combination of economic growth, increased connection rates and an enhanced rural-electrification programme. However, electricity has become a huge setback for operating businesses over the past four years. Power outages increased from an average of 16.4 hours per month to 33 hours per month between 2002 and 2007.

The Kenya Association of Manufacturers (KAM) reported that, in August 2009, industries throughout the country lost between 12 and 36 hours of production per week due to power rationing. Kenyan firms continue to suffer through higher power costs as indirect costs and losses, estimated at approximately seven per cent of sales.

KenGen has forecast peak demand to increase from 1,193.8MW in 2008 to 3,560.6MW in 2020, an increase of 16.5 per cent, and 7,795.3MW in 2030. Peak demand is therefore expected to increase while the available capacity is reducing. The power system faces enormous challenges and, unless completely enhanced, is not likely to support the expected economic growth rates envisaged in Vision 2030.

Challenges

1. *Dependence on hydropower is susceptible to drought, leading to persistent power shortages and high costs in stop-gap measures using emergency power supplies.*
2. *The electricity tariff in Kenya is higher than the tariffs in South Africa and Egypt, which who are Kenya's major competitors in trade and services in Eastern and Southern Africa. In the foreseeable future, electricity tariffs will continue to rise, making Kenya uncompetitive as a business destination.*
3. *Transmission and distribution losses due to technical inefficiencies and vandalism.*
4. *Consistently high international energy prices and uncertainty with respect to the timing of regional supply projects from neighbouring countries.*
5. *Spill-over effects of the global financial crisis that may dampen investor interest in large-scale electricity projects.*

What your ODM Government will do

- *Ensure adequate, quality, cost-effective and affordable supplies of electricity to meet development needs, while protecting and conserving the environment.*
- *Improve access to affordable energy services; provide an enabling environment for the provision of electricity services and enhance security of supply.*
- *Promote development of indigenous energy resources, and promote energy efficiency and conservation, as well as ensuring prudent environmental, health and safety practices.*
- *Increase the level of competition in production, distribution and sale and encourage private investment with the aim of achieving financial sustainability through cost-based tariff regulation.*
- *Eliminate monopoly in production through empowering county governments and individual entrepreneurs/investors to produce energy.*

3.2.5 Accelerating Growth Through Construction and Real Estate

The construction sub-sector has driven growth more robustly than manufacturing. The construction sub-sector recorded an impressive average growth of 8.1 per cent in the first half of 2011, compared with 2.2 per cent growth in the same period in 2010.

The construction of real estate has been exemplary since 2005, fuelled by high demand. The annual demand in the real-estate sector is estimated at about 150,000 housing units and far exceeds the supply side, which only offers 35,000 units, leaving an annual deficit of 115,000. In spite of the significant opportunities, lending to the real estate sector stood at 8.4 per cent of total credit by banks and mortgage finance companies in 2010, compared with a rate of 12.2 per cent realised in 2009.

In order to facilitate the provision of adequate housing to Kenya's growing population, the 2010 Finance Bill proposed to amend the Banking Act. The proposed amendment would allow mortgage finance companies to operate current accounts and banks to advance up to 40 per cent of their total deposit liabilities for the purchase, improvement or alteration of land. This last proposal would represent an increase from the actual ratio of 25 per cent, further stimulating growth in the real-estate sector.

Challenges

1. *The policy and legal framework lacks co-ordination, with more than 101 statutes governing various aspects of the industry and working at cross-purposes.*
2. *Absence of a unifying legal framework for all industry players – architects, quantity surveyors, engineers, landscape architects and environmentalists.*

3 *Non-implementation of the National Planning and Building Authority Regulations 2010, due to ministerial competition of domicile contributing to stalled projects.*
4 *The East African construction sector lacks a set of unifying building specifications generally and member countries still follow specifications of a colonial legacy.*
5 *Political and community interference with projects perceived to promote the interest of political adversaries, leading to stalling, escalated cost or stoppage of projects.*
6 *Bidding conditionalities that prejudice against bidders litigating against the government for delayed payments, yet these delays can lead to bankruptcy.*
7 *Prevalence of corruption and graft in the industry, leading to escalating costs of construction and the quality of buildings.*

What your ODM Government will do

- *Review the policy and legislative framework of the industry to harmonise the multiplicity of legislative instruments and establish an efficient legislative regime.*
- *Fast-track dispute resolution between stakeholders and government to end impunity and corruption in government agencies.*
- *Make provisions in legislation to avoid stalled projects and to prevent other stakeholders from incurring losses.*
- *Create a business environment that prevents political and community interference in construction projects, including recourse to justice, in an effort to prevent projects stalling, stopping or escalating in costs.*
- *Fast-track the Construction Authority Bill to allow for the creation of an authority to regulate the conduct of all stakeholders in the industry.*
- *Encourage innovation in construction to reduce costs while ensuring high standards of building.*

3.2.6 Accelerating Growth Through Transport

All real productive activities use transport and communication services, with tourism and manufacturing benefiting the most. Studies estimate that Kenya could gain as much as 9.9 per cent of consumption or 8.3 per cent of GDP by reforming its business services (said to include banking, insurance, wholesale and retail distribution services, in addition to transport and telecommunication services).

Kenya's transport sector consists of air, rail, maritime, road and pipeline facilities. Performance varies enormously across these sectors. Reforms have resulted in a well-functioning air transportation system. However, Kenya's port, rail and road transportation services are a significant drag on the economy in general and on the competitiveness of its exports in particular.

Maritime transport: Mombasa is one of the most significant ports in Africa. With almost 0.5 million container Twenty-foot Equivalent Units (TEUs) and 3.7 million tonnes of cargo handled per year, Mombasa is, after Durban, the second-largest port in terms of tonnage and containers handled in sub-Saharan Africa. The port is also a natural trans-shipment centre for East Africa, with 27,288 TEUs trans-shipment inbound and approximately the same number of trans-shipment outbound per year.

Cargo traffic has continued to grow at fairly high annual rates. Cargo traffic handled at Mombasa Port rose by 24 per cent from 13.2 million tonnes to 16.4 million tonnes between 2005 and 2008 and is projected to reach about 25 million tonnes by 2025. Containerised cargo more than doubled from 305,427 TEUs to 615,733 TEUs. The Kenyan domestic cargo accounts for 75 per cent of the cargo passing through Mombasa Port.

Challenges

1 *Kenya's port operations are plagued by complicated bureaucratic procedures and inefficient handling of containers, yet port and container traffic have increased.*
2 *At least 10 government agency stamps are required on clearance documents to clear a single container, further exacerbating the problem.*
3 *The slow clearance and handling procedures result in delays and an increase in the overall cost of trading goods, which has an adverse effect on Kenya's competitiveness.*
4 *All major decisions of the KPA Board require lengthy decision-making processes involving all responsible ministries of the government and the Office of the President.*

Road transport: Extensive resources have been expended in improving the road network but still one-third of the classified road network is in poor or worse condition and requires major maintenance or reconstruction to restore it to its original functionality. While new infrastructure projects on roads are welcome, there is need for a rigorous cost-benefit analysis of the need for new roads, as opposed to rehabilitating and maintaining the existing roads. Developing new transport infrastructure need not be a top priority if maintaining old roads has higher rates of return.

Road transport costs are also increased through administrative issues. Such costs have been identified as idling time – the opportunity cost of waiting while loading, unloading, and completing administrative procedures at the borders and ports. This contributes more significantly to transport prices than variable costs, which are determined by the physical condition of road infrastructure.

Challenges

1 *The roads department has a history of low-budget execution, while projects are not chosen based on traffic assessments, sound economic appraisals or cost-benefit analyses.*

2 *Poor management and lack of transparency in transactions leads to inefficient executions of works, sizeable cost and time overruns and dubious quality of works.*
3 *A present focus by the Government on prioritising backlog rehabilitation of poor roads at the expense of routine and periodic maintenance of good roads.*
4 *The institutional framework in the Ministry of Roads is unsuitable and too cumbersome for efficient and effective delivery of road works.*

What your ODM Government will do

- *Fast-track the transition to the new institutional set-up created by the Roads Bill of 2007, in which three statutory road authorities have been created.*
- *Prioritise, based on a sound benefits analysis to the economy, the rehabilitation of the road network countrywide.*
- *Improve the capacity in the local road-construction industry in terms of strengthening professional governance and self-regulation.*
- *Reduce waiting time at the port, weighbridges, and borders, through reform in the transport sector packaged as logistics reform.*
- *Complete the modernisation reform programme through automation of container tracking, in partnership with the private sector.*
- *Fast-track the construction of Lamu port to serve Ethiopia, Somalia, Southern Sudan and Uganda.*
- *Develop a free port to create a free trade zone in the port of Mombasa through a public-private partnership.*
- *Ensure international container terminals are moved to computer-based systems to ease the organization and management of container stacking and storage.*

3.2.7 Accelerating Growth Through Information, Communications and Technology (ICT)

Kenya's ICT sector has undergone a revolution following the laying down of three fibre-optic international submarine cables in 2009 and 2010, which ended the country's dependence on limited and expensive satellite bandwidth. Bandwidth prices have now fallen by more than 90 per cent, enabling cheaper tariffs for telephone calls and broadband internet services.

A simplified and converged licensing regime introduced in 2008 has lowered the barriers to market entry and increased competition by allowing operators to offer any kind of service in a technology and service-neutral regulatory framework. Several fibre infrastructure-sharing agreements have been forged. The market entry of third and fourth networks has created more competition, leading to drastic reductions in prices. The operators are developing new revenue streams from third-generation broadband and mobile banking services. With market penetration rates in Kenya's broadband and traditional banking sector still very low, the mobile networks have an opportunity to rely on the phenomenal growth rates seen in the voice sector in recent years.

To maintain its position as the business gateway to Eastern Africa, Kenya must build on this rapidly evolving sector to offer world-class connectivity at competitive prices. The quality and cost of ICT infrastructure is a critical factor in the location decisions of corporations and international organisations, which can only be provided through competition.

Challenges

1 *There is a relatively high cost of services, notably in the high direct-dial rates of fixed line outgoing international calls due to the current monopoly position of TKL.*
2 *The ISPs have resisted initial calls for reduction of rates, claiming they still had contracts with satellite service providers that were running up to 2011 and the bandwidth used was acquired at higher costs.*
3 *ISPs also claimed that high taxes by local authorities, an unreliable power supply and higher annual fees by building owners have hampered their ability to reduce connectivity charges.*
4 *Limited access to the National Broadband Infrastructures, which are becoming the foundation of networked economies and information societies.*
5 *Rampant fibre vandalism, which is a huge cost for the industry.*

What your ODM Government will do

- *Provide a framework that will enable ICT to contribute towards achieving national development goals as espoused in Vision 2030.*

- *Develop the export markets for ICT services and BPO/ITES, and position Kenya as a regional ICT centre of excellence and knowledge hub.*
- *Ensure that ICT infrastructures are utilised effectively, are compliant with regional and international standards, and are internationally competitive.*
- *Enhance the use of ICT across the economy for increased productivity and efficiency and transform Kenya into an information society.*
- *Use ICTs to enhance governance structures in the public sector.*

3.2.8 Accelerating Growth Through Financial Intermediation

Kenya's financial system is more developed than in most countries in the sub-Saharan Africa region, and compares favourably with other emerging nations of similar development levels. Whereas many other African emerging economies have experimented with state-owned banking systems, the private banking sector has been a mainstay of the Kenyan economy. Furthermore, foreign banks have always accounted for a substantial portion of the assets of the Kenyan banking system, a strong indicator of confidence in the sector. The relative sophistication of the financial sector has ensured that the Kenyan economy is well-monetised, and bank regulations are generally adequate and flexible. The country has a significantly diversified financial structure, including insurance and capital market institutions. Kenya, unlike many other African countries, has many of the elements needed for the development of a vibrant financial market.

The sector comprises banks, insurance companies, brokerage firms, pension funds, microfinance institutions and SACCOs. The sector contributes 5.4 per cent of GDP but has the potential to contribute 8-15 per cent of GDP. The banking sector holds assets worth 63 per cent of GDP and has the potential to increase formal sector employment beyond the current share of one per cent. Since 2007, the sector has experienced a structural transformation, most notable in the mobile phone financial services platforms such as M-Pesa.

Challenges

1. *The pressure Kenya's economy came under in 2011, notably from high global fuel and food prices, drought in the Horn of Africa and the Euro crisis.*
2. *Escalating food and fuel prices, which drove up inflation by 18.9 per cent. Transport and food inflation doubled from 13 to 26 per cent.*
3. *Shocks came at a time when fiscal policy safeguards had been depleted and monetary policy was still expansionary.*
4. *The sudden rise in interest rates has reduced the level of economic activity and hence the ability of borrowers to service loans.*

What your ODM Government will do

- *Review the overall macroeconomic framework to ensure macroeconomic stability based on reduced indebtedness and efficient use of domestic revenue.*
- *Design policies that will ensure the reduction of the fiscal deficit and tame inflation.*
- *Take a longer-term perspective on macroeconomic stability via a comprehensive approach to managing public finances.*
- *Establish sound macro-micro linkages for the productive sectors notably firms and banks to operate efficiently through incentives.*
- *Strengthen regulatory capacity and functions of the Central bank of Kenya to manage runaway interest rates.*

3.2.9 Accelerating Growth Through Tourism

Kenya has prided itself as a global tourism destination and the economy is expected to grow through tourism. The productivity of traditional tourism has continuously gone down, due to exploitation by foreign firms. In order to maximise on the investments in tourism, several actions must be taken:

- *Measures to encourage domestic tourism*
- *Create a Commission on Tourism to assess the problem*
- *Integrating international and domestic tourism*
- *Conference tourism*
- *Ensuring the environment and infrastructure supports the growth of the industry.*

Tourism currently accounts for about 10 per cent of Kenya's Gross GDP, making it the third-largest contributor to GDP. It is also Kenya's leading foreign exchange earner, generating about Kshs 73.6 billion in 2010, up from Kshs 65.4 billion in 2007. Further, the sector is a major source of government revenue in the form of taxes, duties, licence fees and entry fees, among other things. Due to tourism's linkage with other sectors, it has a very high multiplier effect on the economy, having the capacity to stimulate demand for locally produced goods and services, to provide a wide market for agricultural products, to promote regional development, and even to create new commercial and industrial enterprises.

Kenya recorded the highest number of tourist arrivals ever, at 1,095,945, at 31st December 2010. This was a 15 per cent increase over the 952,481 arrivals in 2009. This figure excludes cross-border tourist arrivals, which could add up to approximately another 700,000 tourists.

Challenges

1. *Lack of focus on intensive marketing and promotion, product development, natural and wildlife asset protection, in order to attract tourists from existing and new markets.*
2. *Kenya is characterised as a once-in-a-lifetime tourist destination, with fragmented and less competitive products in today's market.*
3. *The sector is vulnerable to political instability and global economic recession, so has remained stagnant and requires revamping to compete internationally.*
4. *Policy reforms are required to enhance an enabling environment that comprehensively protects the sector's asset base and builds capacity to contribute further to economic gains.*

What your ODM Government will do

- *Institute, within 12 months, policy and institutional reform to improve co-ordination between seven ministries and public agencies involved in tourism-related activities.*
- *Fine-tune the legal and regulatory framework to harmonise mandates and clarify leadership roles; currently there are some 44 pieces of legislation related to tourism in the country.*
- *Undertake policy and institutional reforms focusing on developing co-ordination mechanisms, harmonising mandates and clarifying leadership roles.*
- *Explore the possibility of creating an apex body (as in Rwanda) to help in improving co-ordination among accountable bodies.*
- *Build capacities of county governments to identify, develop and exploit the tourism potential in their respective jurisdictions.*
- *Develop an overall tourism development strategy to improve co-ordination and give priority to strengthening public services that impact directly on tourism.*
- *Create a Tourism Commission to submit to government a programme of action within six months.*

3.2.10 Accelerating Growth Through General Government Services

The size of the government and economic growth are interrelated: the relationship is positive when public resources raised through taxes (that do not impact adversely on growth) are invested in growth-enhancing activities. Historically, the Kenya government's revenue effort has been comparable to East Asian 'tiger economies' (18-24 per cent of GDP). The difference is that the Asian economies have consistently devoted more than one-third of their revenues – close to 10 per cent of GDP – to capital formation, while the Kenya government has seldom managed to contribute one per cent of GDP. The extent to which government spending is adding to the accumulation of these assets will have a positive impact on economic growth.

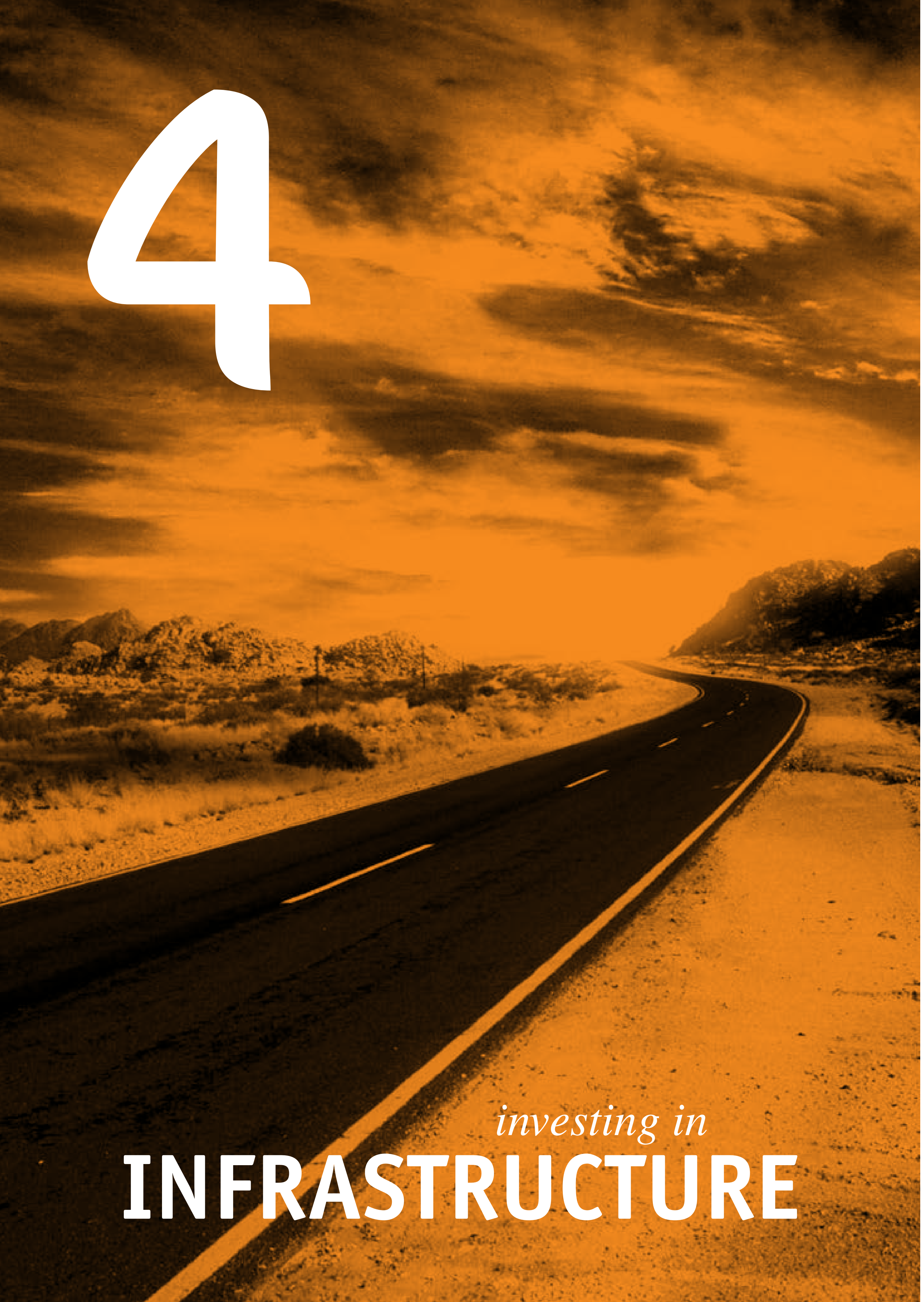
In this context, general government services have contributed an average of 14.5 per cent to GDP, mainly in the sectors of public administration, defence, education and health, from 2005 to 2010. Overall government expenditure has increased. The fiscal deficit has widened significantly in the past two years, to an estimated eight per cent of GDP in 2008/9. Revenues grew marginally in proportion to GDP between 2003/4 and 2008/9. Expenditures that grew steadily in proportion to GDP at the beginning of the period increased considerably in the past two years, driven by an increase in capital spending and an increase in spending through other levels of government, such as the devolved funds and transfers to semi-autonomous government agencies (SAGAs) and parastatals. However, the revenue-to-GDP ratio at around 21 per cent is high in Kenya compared with other countries of a similar income level.

Challenges

1. *In the context of policy, rapidly scaling up spending in order to maintain and rehabilitate infrastructure, while maintaining macroeconomic stability.*
2. *Competing demand for social spending, which has increased rapidly following the government's adoption of free primary education in 2003 and various health goals.*
3. *How to use fiscal policy in the medium-term to create fiscal space for infrastructure and social spending without compromising the solvency of public finances.*
4. *Getting more value out of government's current level of social and infrastructure expenditure and curtailing general administrative expenditure.*
5. *Improving productivity in public expenditure to enhance investor and development partner confidence through efficient public services.*

What your ODM Government will do

- *Improve the quality of expenditure through efficient use of public resources in education, health and roads, which account for more than half of total government expenditure.*
- *Measure government performance in service delivery by linking resource use to results and impact on quality of services.*
- *Establish cost benchmarks and service-delivery targets for all government ministries, state corporations and county governments.*



4 investing in INFRASTRUCTURE

4.1 The ODM Infrastructure Platform

The Vision of the ODM Government infrastructure policy is to 'provide sustainable world-class transformative infrastructure and services in support of Vision 2030'. The Mission is to 'provide an efficient, affordable, cost-effective and reliable transformative infrastructure for sustainable economic growth and development, through construction, modernisation, rehabilitation and effective management of infrastructure and services'. Overall, an ODM Government will have the objectives outlined below for development of the infrastructure sector:

- *Delivering transformative infrastructure by accelerating ongoing infrastructure development, focusing on quality, aesthetics and functionality of the infrastructure services developed. This will enable the country to make tremendous strides towards facilitating socio-economic development.*
- *Create a seamless interconnectivity throughout the country with linkages to neighbouring countries through the country's roads, railway, ports, airports and telecommunications.*
- *Strengthen the dominant regional hub scenario in the country (particularly in our roads – Northern Corridor, port, rail, airport), SEZs and Free Trade Areas.*
- *Increase electric power generation through various energy initiatives, such as green energy and clean energy, to improve reliability in the electric power supply and support a faster rate of industrialisation.*
- *Attract increased private sector investment in infrastructure development and management in the country. There are currently a number of private-sector involvements, particularly in the energy, water and railway sub-sectors. More private sector investments are being explored in roads, railways, ports and water services.*
- *Strengthen the institutional framework for infrastructure development and accelerate the speed of completion of infrastructure projects.*
- *Create more jobs in both specialised areas and labour, thus reducing poverty levels in the country. Countries such as Singapore, Malaysia, Thailand and India have used transformative infrastructure development as a means to spur socio-economic growth and development. Malaysia has constructed such highways and landmark investments as the Petronas Twin Tower as a means of strengthening capacity in local construction expertise.*
- *Create capacity in the infrastructure industry from human, technological, financial and consumers in the country. Such countries as China, India, Malaysia, Brazil, Iran and Singapore have used this model to adapt technology and train their manpower, while building capacity in their delivery institutions.*
- *Strengthen Kenya's socio-economic base. Continued investment in infrastructure has seen the country recovering speedily from the shocks that resulted in a jumpstart from a marginal 1.6 to 2.6 and 5.5 per cent growth in 2008, 2009 and 2010, respectively.*
- *Develop and maintain an integrated, safe and efficient transport network.*
- *Integrate information and communication technologies in the process of infrastructure development and service provision.*
- *Benchmark infrastructure facilities and service provision with globally acceptable performance standards targeting enhanced customer satisfaction.*

Your ODM Government will continue to strengthen the development of the infrastructure sector through increased budgetary allocation, as well as improving the policy and regulatory environment to attract private-sector participation in infrastructure development. In spearheading the aspirations of Kenya Vision 2030, an ODM Government will seek to achieve the outcomes outlined below in its infrastructure-sector policies and development of transformative infrastructure.

4.2 Overview of Infrastructure Policy

Adequate transport infrastructure will be required to meet the demands of the population and its economic activities. Providing the required urban and rural transport infrastructure and services calls directly for major investments in infrastructure through extensive public works. The demand for transport infrastructure and services is expected to be influenced by changes in population and in purchasing power, demographic shifts, changes in regional and international trade patterns and in the urban and rural economic matrix, national defence needs and changes in the global transport industry.

The challenge for the Port of Mombasa is not only that of attracting and servicing increased traffic from the hinterland within Kenya and in neighbouring countries but also that only small-sized vessels are calling at the port, while larger post-panamax vessels cannot access the port due to its shallow channel.

The roads sub-sector is reeling under a large backlog of road rehabilitation and maintenance work that requires large amounts of funding. At the national level, more than 50 per cent of the total classified road network requires urgent rehabilitation to bring roads to a maintainable condition, at an approximate cost of Kshs 150 billion (approximately US$ 1.9 billion). Further, there are crucial cross-country and other road networks in marginalised areas, referred to as 'low potential areas', which require urgent development to take roads to where all Kenyans live and to enhance accessibility and national mobility.

The rapidly growing aviation industry in Kenya faces major challenges, including inadequate regulations and enforcement, oversight and accident investigation capacity and air transport infrastructure, and limited capacity in local training institutions. The air accidents that have occurred in the recent past and the real threat to aviation security that is faced today make it more compelling for the country to work harder towards improving the safety of the airspace and aviation security in order to sustain growth.

In the energy sub-sector, the government has consolidated the Electric Power Act and the Petroleum Act through the Energy Act 2007. The Rural Electrification Authority (REA), the Energy Regulatory Commission (ERC) and the Energy Tribunal have been established. In addition, a state-owned Geothermal Development Company (GDC) has been established, with charge of geothermal resource assessments and the sale of steam to future independent power producers (IPPs) and KenGen for electricity generation. The GDC will also sell lowenthalpy geothermal fluids to other users. Further, Kenya Electricity Transmission Company (KETRACO), which is 100 per cent government owned, has been established to be responsible for construction and maintenance of new power transmission lines. The Kenya Power and Lighting Company (KPLC) is responsible for distribution and will keep its current stock of existing 132 kV and 220 kV transmission lines.

While significant gains in infrastructure development have been realised over the past five years, Kenya's global competitiveness is still weak. This is mainly attributed to high cost of doing business. Some of the challenges include: the high cost of power, poor road networks and poor performance by the Kenya Railways Corporation Concessionaire.

The sector has been implementing key reforms aimed at enhancing efficiency and effectiveness in service delivery. In the roads sub-sector, following the enactment of the Roads Act 2007, the government has operationalised the three road authorities namely, the Kenya National Highways Authority (KeNHA), the Kenya Rural Roads Authority (KeRRA), and Kenya Urban Roads Authority (KURA).

The government has finalised a draft Integrated National Transport Policy Paper under the theme 'Moving a Working Nation', which prescribes policies aimed at facilitating national and regional integration, promoting trade and economic development, and contributing to poverty reduction and wealth creation and the achievement of the objectives of Vision 2030 and beyond.

The increasingly youthful population is faced with unemployment and diminishing opportunities for self-actualisation. While inter-generational conflict for leadership continues to intensify, the government has, since Independence, not been able to invest in infrastructure that is capable of assuring the youth of a better today and the best of tomorrow.

The Orange Democratic Movement believes that there is need to deliver infrastructure for all Kenyans through its leadership, and this forms the basis of its infrastructure policy platform.

Challenges

1. *Cumbersome procurement procedures that consume valuable time in procurement processes.*
2. *Lengthy bureaucratic procedures that lead to project time and budget overruns.*
3. *Disincentive approaches, frameworks and mechanisms that deny or limit private-sector participation in infrastructure development as a business in Kenya.*
4. *The trends in expenditure analysis indicate that there has been a general under-utilisation of development expenditure for infrastructure development. Between 2007/08 and 2010/11, the average under-utilisation of development expenditure for the period stood at 28 per cent. The under-utilisation is attributed to: procurement challenges, particularly donor-funded projects; inadequate counterpart funding, which affects expenditure on the donor component, and delayed exchequer releases and disbursements of funds from development partners.*

5. *Other challenges of the transport sector include: over-reliance on one transport corridor; inefficient public transport systems in cities and principal towns, such as Nairobi, Mombasa, Kisumu, Nakuru, and Eldoret; the prevailing traffic congestion and environmental pollution in Nairobi; fragmented transport systems; low investment in transport infrastructure; an inappropriate institutional framework; slack enforcement of rules and regulations; the poor state of safety/security at ports and airports; out-dated legislation, and poor driver training, testing and licensing.*

What your ODM Government will do

- *Invest at least 10 per cent of GDP on infrastructure development over the next five years.*
- *Expand the road network to reach all Kenyans and cover all parts of the country, thus achieving the ambition of having all Kenyans and Kenya genuinely connected.*
- *Address the existing imbalance in the provision of road infrastructure, which is concentrated in the so-called "high potential areas", in order to open up hitherto marginalised regions and improve accessibility for the development of all economic sectors and regions in Kenya.*
- *Introduce a modern integrated rail infrastructure that connects Kenyans. The construction of the new rail lines along the LAPSSET Corridor and the Northern Corridor are its special pledge for Kenya's 50th independence anniversary.*
- *Enhance the reliability of the electricity supply in order to increase access to electricity in rural areas and lower energy costs, through expanded private sector participation.*
- *Strengthen private-sector participation in infrastructure investment across the country.*

4.3 Road Transport Infrastructure

Road transport alone accounts for more than 80 per cent of the total internal freight and passenger traffic in the country, with the remainder being mainly carried by rail and only a small proportion by air. However, the roads sub-sector is faced with a myriad problems, including:

1. *There are more than 65,000 km of classified roads (14 per cent paved), 15,000 km of municipal roads (17 per cent paved) and approximately 120,000 km of unclassified roads, of which there is no inventory. It is estimated that 20 per cent of paved, 30 per cent of gravel and 60 per cent of earth roads are in poor condition. The roads sub-sector is reeling under a large backlog of road rehabilitation and maintenance, which requires large amounts of funding. At the national level, more than 50 per cent of the total classified road network requires urgent rehabilitation to bring it to a maintainable condition. The stock of backlog maintenance is estimated to cost about Kshs. 100 billion (approximately US$ 1.22 billion). Further, there are other crucial cross-country networks and roads in marginalised areas, previously referred to as 'low-potential areas' that require urgent development in order to (a) link all parts of the country; (b) provide accessibility to locations where Kenyans live; and (c) enhance transportation efficiency and overall national mobility.*

2. *Despite reforms undertaken in the roads sub-sector between 2003 and 2012, the existing institutional framework requires further strengthening to make it more efficient and effective for appropriate delivery of the roads infrastructure. Even though the Grand Coalition Government has significantly increased funding levels for road-asset investment over the past four years, there is inadequate local contracting capacity, thus hampering optimal and competitive participation of local road-contracting companies in road-asset development and maintenance.*

3. *The Grand Coalition Government has spearheaded the formulation of policies, laws and regulation for promoting PPPs, which have since been approved by Cabinet. The laws have yet to be implemented, however, as parliamentary approval is still awaited, resulting in the absence of an appropriate institutional, legal and regulatory framework for private-sector participation in financing and managing the development and maintenance of roads. The present situation notwithstanding, there is a large appetite among local investors for the provision of infrastructure, as exhibited by over-subscription in the recent Initial Public Offers (IPOs) on stocks issued locally in various sectors of the economy.*

4. *The Road Maintenance Levy Fund (RMLF) is insufficient for maintenance of the public road network and could only cover 60 per cent of the maintenance requirements if the road network was in good maintainable state.*

5. *Currently, there is no comprehensive policy for financing the roads sub-sector. Road rehabilitation and development is too dependent on development-partner support. The government does not have sufficient funds for rehabilitation, upgrading and construction of new roads. Additionally, financing is insufficient for safety, control of environmental impacts, and traffic management.*

6. *It is estimated that backlog maintenance alone requires approximately Kshs 100 billion, which, if implemented over a five-year period, would mean Kshs 20 billion per year. Periodic and routine maintenance requires an additional Kshs 15 billion per year. To date, 80 per cent of urban roads, 50 per cent of main class A, B and C roads and 96 per cent of rural class D and E roads remain unpaved. The percentage of unpaved main class A, B and C roads is likely to increase from 50 per cent to approximately 70 per cent when re-classification of roads, which is long overdue, is undertaken.*

7. *The urgently needed network expansion and capacity enhancement will also require substantial funding of approximately Kshs 20 billion per year. The recent Nairobi Master Plan Study recommends an investment in new infrastructure of approximately Kshs 5 billion per year. Urgent upgrading and development in other major towns, as well as main and feeder rural roads, requires an additional Kshs 10 billion per year.*
8. *An improved road network to facilitate the economic growth of Kenya would thus require approximately Kshs 80 billion per year – four per cent of GDP using 2007 statistics. Currently, Kenya's GDP is estimated at Kshs 3,400 billion. The World Bank recommends using of at least seven per cent of GDP for infrastructure (this includes rail and air transport, as well as the water sector).*

9. *There is severe vehicle congestion on roads within large towns and a lack of sufficient parking, in addition to the low performance of the railways sector, which has led to over-burdening of the main roads, which now have to carry a larger proportion of heavy cargo than would otherwise be the case.*

10. *Even though there is a Roads Sector Investment Plan, which is a framework for participatory identification and prioritisation of road development, the selective way the government has identified roads for development and maintenance continue to cause concern to Kenyans.*

Challenges

1 The sub-sector's budgetary allocations have never matched the resources required to provide a reliable road (both classified and unclassified) network. Inadequate plant and equipment under the Mechanical and Transport Fund to meet the ever increasing demand.
2 Funds absorption and disbursement, procedures on the development co-funded projects portfolio.
3 There is huge maintenance backlog on the roads network, which has reduced the uptake of new projects.
4 Low capacity in the local construction industry.
5 Poor control of roadside development and poor co-ordination of physical development plans with road corridor development.
6 Challenges with enforcement of axle-load limits.
7 The reduction in maintenance funds for Classes D, E and other roads and eventual equitable distribution of the 10 per cent Fuel Levy Funds meant for maintenance to all constituencies. This has led to a thin spread of financial resources across all the constituencies, which does not result in meaningful road maintenance works. The funds are inadequate to make the desired impact in any constituency's road network.
8 The management of the Constituency Road Maintenance Funds through the legislative arm of government as represented by the CDF mechanism.
9 Managing stakeholder expectations and maintaining the existing good will.
10 Lack of technology to stabilise gravel and earth roads in national parks and game reserves.

What your ODM Government will do

- *Institutionalise budgetary provision for road infrastructure to four per cent of the current GDP in order to accelerate the provision of effective road infrastructure.*
- *Working with agencies responsible for roads, bituminise all international trunk roads linking Kenya and its neighbours, while upgrading busy sections of the network to dual carriageways. Bituminise all roads linking counties, rural areas and key service and production centres. Bituminise all urban arterial and access roads, and streets serving residential and commercial estates.*
- *Empower county governments to improve, develop and upgrade roads within their jurisdictions, so as to improve county-based investments and local economic vitalisation.*
- *Create an appropriate legislative framework and a suitable commercial environment for increased PPPs in the provision of high-quality, cost-effective road development and maintenance on the viable road network.*
- *Institutionalise labour-intensive and other appropriate methods (such as public works) in road construction in order to create employment cells countrywide. Devolve the functions of KIBHIT to counties to ensure the availability of appropriate skills for road construction and maintenance.*

4.4 Rail Infrastructure

There is poor coverage by rail, and the existing network is inadequately maintained. The existing capacity of the railway is under-utilised. The rail system has a capacity of more than six million tonnes per year, but it handles only 2.4 to 3.2 million tonnes per year. Despite concessioning of the existing Mombasa-Nairobi-Kisumu-Malaba rail line to Rift Valley Railways, rail operations have continued to deteriorate, in both operational efficiency and safety standards.

Currently, there are too many overloaded road-freight vehicles carrying cargo that should be transported by railway. Plans to upgrade the existing Mombasa-Nairobi-Kisumu-Malaba rail line to standard rail gauge have not progressed since the idea was mooted in 2007. The Grand Coalition Government has just completed pre-feasibility studies for a new railway line connecting the proposed Port of Lamu with South Sudan and Ethiopia via Isiolo, as part of the Grand LAPSSET Corridor Project.

Challenges

1 There has been limited investment by both the government and the private sector in rail infrastructure over the years. As a result, the existing Kenyan rail network is almost obsolete, with outdated technology and aged components. The rail technology is inefficient and expensive to manage. The narrow-gauge (one-metre track) rail network limits capacity and speed of trains.

2 Long distance intra-urban travel between Nairobi, Mombasa, Kisumu and other towns takes many hours or days to accomplish by the existing rail network. Further, air transport is expensive, forcing the majority of people to depend on road transport. This scenario limits opportunities and increases the turnaround time for transacting business between cities.

3 An urban commuter rail infrastructure and services are currently absent in major cities, while operations in Nairobi are inappropriate and unplanned. This situation has led to prime journey time rising from an average of 20 minutes to more than 40 minutes in key city networks during peak hours.

What your ODM Government will do

- *Construct a modern, electric, standard-gauge, high-speed railway system to link key cities and towns along the Northern Corridor for the rapid transit of passengers and bulky goods. This would protect our roads and lower costs for business.*
- *Fast-track the construction of the LAPSSET Corridor rail line connecting Kenya with South Sudan and Ethiopia, to open up Northern Kenya and improve regional trade and transport with its neighbours.*
- *Develop a light railway transport network for Nairobi, Mombasa, Nakuru and Kisumu.*
- *Conduct an appraisal of the capacity of the country to put in place underground rail transport in Nairobi and Mombasa cities.*

4.5 Maritime and Inland Waterways Infrastructure

The maritime industry is currently one of the fast-growing sectors of the economy, due to increased demand for sea-borne trade in the region. Regional economies are fast-growing, while new markets have emerged in Ethiopia and South Sudan, which have focused on exporting and importing their goods using Kenyan ports. Mombasa is the main sea port in Kenya, followed by Kisumu. There are other minor ports, such as those at Shimoni, Vanga, Lamu and Lake Turkana. The Grand Coalition Government has just completed detailed studies for the proposed Lamu Port, which has the potential of being a deep-sea port in addition to a regional passenger hub.

There is much undeveloped potential in the maritime sector. Kisumu has major potential as a regional inland water port. It could be the main driver for other regional ports, such as Bukoba, Jinja, Mwanza and Port Bell. Lake Turkana has the potential to be an inland water transport link with Ethiopia. The Dongo Kundu area, acquired in 1976 for the purpose of developing an EPZ, has a shoreline of 2,000 metres of straight quay, and this has remained undeveloped.

Challenges

The Port of Mombasa has been a regional hub for Eastern and Central Africa but is fast losing ground to other ports, such as Dar es Salaam, due to inefficiency and lack of a port infrastructure development strategy. Mombasa Port is the gateway to the economies of several other countries, including Uganda, Burundi, Rwanda, the Democratic Republic of Congo, Ethiopia, Southern Sudan, North-Eastern Tanzania and Somalia. These countries rely on Mombasa Port for import and export operations.

What your ODM Government will do

- *Increase the capacity of the Port of Mombasa, install the equipment required for efficient operations and establish a free trade area.*
- *Facilitate the development of the international sea port at Lamu in accordance with the LAPSSET Corridor Project studies, completed in 2011.*
- *Develop other minor satellite ports, such as Shimoni, Lake Turkana and Kisumu, through strategic partnership approaches.*
- *Enhance the safety of maritime transport through enforcing standards and providing state-of-the-art equipment and putting in place relevant equipment.*
- *Establish a Coast Guard Service to link up with other international community coastguards in strengthening the safety and security of the maritime industry.*
- *Revitalise the inland waterways port infrastructure in the lake region, with Kisumu as a regional inland waterway hub to link with other regional ports such as Bukoba, Jinja, Mwanza and Port Bell.*
- *Establish an inland waterway transport infrastructure around Lake Turkana to improve mobility around the lake and provide a link with neighbouring Ethiopia.*

4.6 Air Transport Infrastructure

Air transport has grown through demand from the local business community and foreign tourists and investors. It is also the most cost-effective means of transport for high-yielding exports and perishable goods, such as floriculture and fish products. It therefore has the potential to catalyse the consolidation of economic gains and spur further growth. In spite of the existence of a good network of airstrips and aerodromes, these investments are lying idle, completely neglected.

There are about 570 aerodromes in Kenya, of which 156 are public. Of the public aerodromes, nine are currently managed directly by the Kenya Airports Authority (KAA). Jomo Kenyatta International Airport is currently playing the role of a regional hub within Eastern, Central and parts of Southern and Northern Africa. Moi International Airport Mombasa is playing a major role as a tourist reception facility for the country and specifically the coastal zone as an entry and exit point. The policy aims to consolidate this position, with a view to improving Kenya's tourist share in the region and internationally.

Eldoret International Airport, which was built in late 1980s and early 1990s at a cost of Kshs 2.0 billion, is providing an alternative entry and exit point into and out of the country through the Western Kenya region, and the policy strives to expand the exploitation of this opportunity.

The Grand Coalition Government completed constructing Kisumu International Airport in 2011, and this is the fourth international gateway after Nairobi, Mombasa and Eldoret. Kisumu International Airport is rapidly gaining popularity due to the increasing demand for air transport as a mode of travel linking Western Kenya with other parts of the country and the region. Kisumu has also been identified as a major regional hub for Eastern and Central Africa. Effort has also been put into developing and improving the condition of other local airports and airstrips, including Malindi, Lamu, Isiolo, Wajir and Lokichoggio. Other airstrips built over past five years include Embu and Maasai Mara.

The Grand Coalition Government recently completed prefeasibility studies for the development of three international airports within the LAPSSET Corridor Project area, namely Lamu, Isiolo and Lokichoggio.

Challenges

Despite the growth witnessed in the aviation industry, the following challenges still affect its performance:

1. *Inadequate financial resources for sector infrastructure development.*
2. *Weak institutional capacity for complex aviation sector growth.*
3. *Poor aviation sector safety and oversight.*

What your ODM Government will do

- *Develop the three international Airports whose studies were previously completed, at Lamu, Isiolo and Lokichoggio.*
- *Expand all regional airports to act as hubs for human travel and cargo.*
- *Upgrade airstrips in counties and institute proper maintenance of all other airstrips and aerodromes.*
- *Enhance the capacity of the civil aviation regulatory authorities to enhance air safety.*

4.7 Energy

Kenya's energy sector is characterised by a captive generation capacity of 1,200MW. Hydro-electric power generation caters for more than 75 per cent of total generation capacity. There is a growing policy shift towards diversification of energy sources, including from geothermal, wind, solar and nuclear. The country has the potential for 7000MW of geothermal power, located mainly within the Rift Valley.

Kenya has recently struck oil in the north-western part of the country, in Turkana. More oil-exploration activities are ongoing to ascertain the commercial viability and coverage of the oil deposits. Exploration for hydrocarbon gases is also currently ongoing along the Indian Ocean coastline.

Challenges

The challenges of the energy sector include limited distribution capacity, limited capacity during peak demand, grid-system losses and weaknesses, limited reach in rural areas, over-reliance on hydro and high tariffs. It is important to note that demand for electric power supply in Kenya is growing at nine per cent per annum, which is above the supply level of seven per cent.

Studies have shown that there is a direct linkage between electric-power supply, job creation and poverty alleviation. Electric-power supply increases people's opportunities for self-employment at the small and micro-enterprise levels. Electrifying rural areas, towns and markets is therefore expected to increase opportunities for employment in the centres and improve living standards in new supply areas. Key energy-sector challenges are outlined below.

1. *Inadequate power-supply capacity: The demand for electricity is growing faster than the ability to install additional generation capacity. This has arisen because of inadequate budgetary support to facilitate timely implementation of generation projects based on the rolling Least Cost Power Development Plan.*
2. *Weak transmission and distribution network: This in high system losses, frequent power outages and low quality of supply, all of which increase the cost of doing business.*
3. *Long lead times in the development of power infrastructure: Power generation, transmission and distribution infrastructure is capital intensive and takes an inordinately long time from conception to commission.*
4. *Low investment in the power sector by private investors: Many Independent Power Producers (IPPs) are not interested in investing in the power sector, and the few who show an interest take too long to implement projects, and sometimes have high demands, such as very high generation tariffs, and government guarantees and letters of credit covering several months of payment for both capital and energy charges.*
5. *High cost of power: The cost of power is high compared with our competitors, such as Egypt and South Africa, due to high system losses, poor economies of scale, accumulation of fuel cost recovery surcharge and appreciation of the Kenya shilling. Electricity tariffs in Kenya remain among the top five in sub-Saharan Africa and the second highest in East Africa after Uganda, due to limited resources and losses along the grid. The retail prices of electricity in the Southern African region have been and are currently low by international standards.*
6. *Dependence on donor financing: With the power utilities having a weak capital base, and given that power-generation projects are capital-intensive, the country has been over-reliant on donors for financing, which has not been sufficient.*
7. *Over-reliance on hydropower: Hydropower in Kenya constitutes 70-80 per cent of the total electrical power. This over-reliance has exposed the country to power-rationing in times of drought, resulting in the use of very expensive emergency power generation.*
8. *Inability of KPLC to connect all customers: KPLC is not able to connect electricity to all customers who would like to be connected to the national grid due to an overloaded distribution network and a shortage of transformers.*
9. *High cost of rural electrification: Due to very high cost of extending the national grid, low densities of customers connected per kilometre of line or per step-down transformer.*
10. *Low countrywide electricity access at 22 per cent of the total population and 10 per cent of the rural population and a very slow increase in the number of connections.*
11. *Inadequate seaport facilities for handling imported coal and natural gas, which are cheaper primary energy resources than petroleum oil-based fuels for power generation.*
12. *High and ever-rising prices of fossil fuels: Kenya has been adversely affected over the years by the high and ever-rising prices of crude oil on the international market and subsequent increases in the prices of petroleum products.*
13. *Insecure oil supply: This is due to the fragility of the world market, the high prices of oil, the proliferation of sub-standard fuel dispensing facilities, the under-dispensing of products, the adulteration of motor fuels, the dumping of export products and the limited distribution infrastructure in the rural areas.*
14. *Obsolete oil refinery: The oil refinery in Mombasa is not only uneconomic to operate but also produces petroleum products that do not meet international quality standards, and inadequate LPG quantities that do not match local and export demand.*
15. *Constrained oil pipeline system: There is inadequate pipeline capacity to transport oil products from Mombasa to Nairobi and to Western Kenya.*
16. *Unsustainable biomass use: This has led to deforestation and land-degradation.*
17. *Addressing food security issues when developing the bio-diesel industry: developing bio-diesel industry is sometimes in conflict with food security issues.*

What your ODM Government will do

- *Address the high electricity tariffs to the manufacturing industry to make Kenyan goods competitive both locally and internationally.*
- *Develop the various geothermal power-generation plants in collaboration with the private sector.*
- *Encourage the participation of Independent Power Producers in generation, supply and distribution of electricity, while reducing current system grid losses of electric power*
- *Increase electricity generation capacity to 10,000MW over the next 10 years.*
- *Develop and strengthen solar power stations and expand wind farms as renewable sources of energy.*
- *Exploit alternative sources of energy, including power resources of bagasse, solar, wind, coal and bio-gas.*
- *Expand oil-storage capacity to have a strategic fuel reserve, and enter into bilateral trade agreements with oil-exporting companies to import oil at stable and lower price.*
- *Establish a National Centre of Excellence in renewable energy as a priority.*
- *Develop a regional power pool and a supporting domestic electricity industry structure.*
- *Subsidisation of step-down transformers to enable access to electricity for rural populations.*
- *Ensure that domestic production of motor fuels meets international quality standards.*

5 *promoting* EQUALITY AND SOCIAL PROTECTION

ODM is a social democratic party, and an ODM Government will invest in the social sector as a key mandate. In line with the Social Pillar of the Kenya Vision 2030, ODM will seek to build 'a just and cohesive society with social equity in a clean and secure environment'. The social pillar is based on transformation in eight social sector areas, namely: education and training; health; water and sanitation; environment, housing, and urbanisation; gender, youth, sports, and culture; and promoting equity and poverty reduction. There is special recognition for people with disabilities and those who live in marginalised areas.

In pursuit of the provisions of Article 43 of the Constitution, ODM will formulate and implement a policy that focuses on a social protection and welfare system appropriate for Kenya in the 21st Century. This policy will promote human capital development; provide basic social welfare while avoiding welfare dependency; create social conditions supportive of growth and development. It will be founded on a basic level of security provided to all, with particular focus on the poor. Just as important, and to realise everyone's potential and narrow disparities in income, living conditions and wealth, ODM. Policies will place a premium on equality of opportunity in education, health, employment and enterprise.

This will allow people to enjoy a higher standard of living and share in the fruits of growth and development.
Pillars of the ODM Social Protection Programme

The social protection programme will be built on the following three pillars:

Pillar 1: Social Assistance

- *Roll out a universal pension scheme for all Kenyans aged 65 years and above.*
- *Upscale cash transfers to vulnerable households and individuals, including orphans and vulnerable children (OVC) and the rural and urban poor.*
- *Protect individuals and households from the impacts of adverse shocks to their consumption and support them to manage these shocks in ways that do not trap them in poverty, through reducing their exclusion and strengthening their agency, with a view to eventual graduation from social assistance to self-providing and self-financing alternatives.*
- *Cushion workers and their dependants from the consequences of income-threatening risks, such as sickness, poor health and injury at work, as well as exposure in post-employment life.*
- *Promote key investments in human capital and physical assets by poor and non-poor households and individuals capable of ensuring their resilience in the medium-term and of interrupting and exiting the inter-generational cycle of poverty.*
- *Promote synergies and integrated approaches among social protection providers, as well as positive interactions among stakeholders for optimal functioning of this policy.*

Pillar 2: Social Security

Working with all other stakeholders, ODM will:

- *Upscale and strengthen existing social security regimes and extend legal coverage to all workers, whether in the formal or informal sectors, as well as their dependants.*
- *Work towards the establishment of a Universal Pension Scheme (UPS), where every Kenyan aged 65 years and above will be entitled to an old-age pension. This will be done after thoroughgoing studies have been conducted with regard to viability, delivery and sustainability.*
- *Implement structures to make membership of social security schemes compulsory and enforce compliance for those who are able to contribute, and to monitor compliance with this obligation.*
- *Streamline governance and management arrangements applicable, so that governance is representative of government, employer and worker interests, and management of the schemes is streamlined, cost-effective and transparent.*
- *Develop synergies within social security and across the social protection spectrum, to establish a seamless system of care and provision through suitable benefit harmonisation and a co-ordinated and integrated system of multi-pillar retirement provisioning, supported by co-ordinated information systems and reliable contributor and beneficiary databases.*
- *Put in place effective and independent regulators to ensure the contributors' interests are protected.*
- *Extend the range of benefits provided by social security schemes to extend coverage to core areas of needed protection, such as unemployment and comprehensive pre- and post-natal care.*
- *Determine the desired scope, role and place of occupational schemes in appropriately extending social security coverage to those who can contribute to their own post-retirement welfare and security and risk mitigation.*
- *Include and strengthen preventive, rehabilitative and re-integrative elements into the social security scheme design and implementation, with a view to providing holistic support and to avoiding unnecessary payment of benefits in the form of compensation.*

Pillar 3: Social Healthcare

ODM, in collaboration with stakeholders, will:

- *Establish a fully-fledged comprehensive National Social Health Insurance Scheme, to cover all Kenyans, and to which those who can afford it must contribute.*
- *Establish a framework for medical aid for those who are not able to contribute, so that they are able to access an essential benefit package of healthcare, including for maternal care and pandemics such as HIV-related conditions.*

- *Ensure institutional streamlining, including the removal of duplication and inconsistencies in healthcare provisioning.*
- *Establish a health insurance regulator to improve standard-setting, regulation and supervision in the health sector.*
- *Provide a supportive framework for private sector participation in healthcare and determine the exact role, place and function of medical benefit (insurance) schemes in relation to the NSHIS and government interventions in healthcare.*

An ODM Government will be committed to ensuring that the people of Kenya experience a transformation in their social lives. The economy cannot be seen to be growing when most of the population lives in poverty. The main challenge that faced the Grand Coalition Government (2008 to 2012) in transforming the social sector was lack of a harmonised and co-ordinated approach. Social-sector issues were addressed in different ministries, with disparate mandates that often worked at cross-purposes. An ODM Government will, therefore, consolidate its efforts to address inequity and discrimination, which have entrenched poverty and denied more than half the population their dignity.

ODM recognises the need to focus on key social sectors, including gender, culture, sports, urbanisation and housing. Although health and education fall under the social sector, they are addressed separately due to their importance to the overall development of the country.

5.1 Addressing Gender Issues

Women in Kenya are disadvantaged politically, socially, economically and culturally. Although they constitute 51 per cent of the Kenyan population, only six per cent of them hold titles to land. Furthermore, women make up most of the 47.6 per cent of Kenyans classified as poor (living below the poverty line) and have limited access to both movable and immovable assets, factors that impact on their capacity to invest and improve themselves economically. Gender-based violence continues to be a major problem, with approximately 41 per cent of women aged 15-49 years reporting having been physically and/or sexually abused. Furthermore, female genital mutilation (FGM) continues to be practiced widely in the country, despite legislation that outlaws it.

The Women's Enterprise Fund (WEF), officially launched in 2007, was aimed at the economic empowerment of women. Loans reach the target beneficiaries through partner financial intermediaries and directly through Constituency Women's Enterprise Scheme (C-WES). It is notable that the Fund has led to improved incomes for the women; enhanced and diversified businesses; increased access to other markets; ability to make independent decisions; access to extension services; and impact on other stakeholders (the communities in general) and the economy.

Although the country is committed to empowering women as part of the MDGs, the contribution of women in agriculture is not fully recognised, yet they contribute about 70 per cent of the labour force in this sector. Women's role in decision-making at the national level remains minimal at 9.9 per cent (in the National Assembly), way below the Constitutional provision of at least 30 per cent of either gender. Women are under-represented in executive decision-making positions, despite the existence of policies, legislative reforms, plans and programmes aimed at resolving these disparities.

The Constitution recognises the importance of addressing gender discrimination as a key measure of ensuring that both women and men enjoy their rights. However, the recognition of women's rights, access and control of resources will remain provisions, unless there is commitment towards addressing the social, economic, political and cultural barriers that continue to hinder full enjoyment of their rights. The implementation of the Constitutional provisions has met with various challenges related to the reluctance or inability of the Grand Coalition Government to change the status quo.

Promoting women's rights should not, however, be at the expense of men. The fate of the male child is increasingly being considered. Alcohol, drug and substance abuse, major problems among male youth, are issues that need to be addressed urgently if Kenya is to have a truly equitable society.

Challenges

1. *Cultural practices that dictate and limit women's access to resources and assets, affecting their capacity to fully enjoy their constitutional rights.*
2. *The limitations imposed by micro-finance and other lending institutions that disadvantage women (eg, demand for collateral in the form of land, yet few women have ownership rights).*
3. *Slow implementation of policies and laws due to gaps in legislation and delayed enactment of gender-related legislation.*
4. *Susceptibility of women to reproductive health and other health problems that affect realisation of their potential.*
5. *The neglect of the boy child, despite evidence that young men are increasingly inclined towards destructive behaviour, mainly alcohol, drug and substance abuse.*

What your ODM Government will do

- *Implement the constitutional provisions that redress current gender disparities. This will include engaging in affirmative action and other means to ensure at least 33 per cent representation by women in all leadership positions: parliament, national and county governments, the foreign service and so on.*
- *Ensuring that public and private institutions put in place measures to address gender-based violence (against both girls and boys) and ensure that our criminal justice system severely punishes those who perpetrate such violence.*

- *Improve women's access to appropriate, affordable and quality healthcare, information and services.*
- *Address micro-credit conditions, which continue to disenfranchise poor women with high interest rates and stiff conditions for qualification, in line with MFI policy.*
- *Develop programmes that integrate delinquent young men into society.*
- *Put in place measures to address cultural practices that suppress women's potential.*

5.2 Nurturing the Potential of Our Youth

ODM recognises the numerous social, economic, political, cultural and health challenges facing the youth in our communities. Approximately 55 per cent of the Kenyan population is below 20 years of age. Half of primary-school leavers do not proceed to secondary school, which implies that more than 500,000 youths enter the job market annually to compete for non-existent jobs. High levels of unemployment among the youth, currently estimated at over 62 per cent of the unemployed, leaves youths open to manipulation and susceptible to crime and violence. A large proportion of unemployed youth (90 per cent) has no vocational or skills training. Indeed, youths are the key perpetrators and victims of crime and violence in both urban and rural areas.

Although the Grand Coalition Government created a ministry of youth affairs and established the Youth Enterprise Fund to enable the youth to access micro-credit, efforts in this regard have not been successful. The Fund, initiated in 2006, has had limited success because most of youth groups have invested the resources in consumables, instead of production.

It is estimated that one in every five new smokers is a youth, with females taking up smoking more rapidly than males. Drug and substance abuse is a key challenge for this age-group. Alcohol abuse is also a major problem, with addiction being reported in children as young as 10. This behaviour has serious implications for the health and career development of the youth. It is estimated that 12 per cent of girls aged 15-24 are infected with HIV (compared with 2.3 per cent of their male counterparts), with adverse consequences for their own health and that of the nation at large. The risks facing girls are mainly as a result of a female predisposition to sexually transmitted infections (STIs), as well as socio-cultural factors, poverty and the economic disempowerment of women.

Challenges

1. *High levels of poverty among the youth that limit their access to education and make them vulnerable to political and other forms of manipulation.*
2. *A lack of structures that facilitate the absorption of youth without special skills into a job market that allows them to develop hands-on-skills for income-generation.*
3. *The easy availability of drugs and other substances of abuse that have implications for the safety and health of the youth and our society at large.*
4. *The limited access to reproductive health and related services, even though these are provided for in the National Youth Development Policy.*

What your ODM Government will do

- *Involve the youth in decision-making and planning of interventions that address their needs.*
- *Establish well-equipped vocational and entrepreneurial training centres (VETC'S) in each sub-county, to offer the acquisition of modern entrepreneurial and technological skills to meet demands of the jobs market.*
- *Establish a special skills and talent development bursary scheme for talented, out-of-school youths.*
- *Promote working relationships between the private sector, educational institutions, VETC'S and non-state actors (NSAs) to provide opportunities for job-placement, internships and apprenticeship to young college graduates.*
- *Restrict the supply and demand of alcohol, drugs and substances of abuse through implementing stringent border controls and stiff punishment for people engaged in the drug trade. In addition, the government will work with NACADA to design education programmes for schools to educate the youth on the dangers of tobacco, alcohol, drug and substance abuse.*
- *Implement strategies that support the adoption of behaviours that are protective of the youth against health risks (including susceptibility to HIV and other STIs), including abstinence, fidelity and condom use.*
- *Promote the development of modern sports centres and academies in each sub-county, to enable the development of sporting talent among the nation's youth.*

5.3 Protecting Vulnerable People and Groups

The Constitution of Kenya provides for specific rights for children, people with disability, older persons, minorities and the marginalised groups, as briefly described below.

Children: This category covers people aged below 18 years. As of 2010, there were an estimated 2.4 million orphans and vulnerable children (OVC) in the country. Children are vulnerable to poverty, the more so those with disabilities and those residing with older or chronically poor or ill persons. The fate of street children continues to be ignored yet the streets are a learning environment for delinquency and a life of crime. The government, in partnership with development partners, is currently implementing a cash transfer targeting OVCs. The programme is, however, reaching only a small proportion of the children in need (currently only 90,000 households). It is our conviction that no country can plan for a bright future if the needs of children are not effectively addressed.

Persons with disability: It is estimated that 10 per cent of all Kenyans have a disability (that is, approximately four million Kenyans). The Constitution entitles persons with disability to a range of services, including access to educational institutions and facilities, reasonable access to all places (including public transport and information) and communication (sign language and Braille), and access to materials and devices to overcome constraints arising from disability. Despite the enactment of the Persons with Disabilities Act of 2003, the implementation of the rights contained therein has not been effected. Although the National Council for People with Disability is in place, the resources allocated for addressing the needs of people with disability are too limited to have a positive or long-term impact.

Older persons: Although older people have traditionally comprised a low proportion of the Kenyan population, there is a marked increase in the proportion of people living beyond 65 years of age (currently estimated at four per cent of the population). There are higher levels of poverty among older people – 50 per cent of people aged over 60 are estimated to live in absolute poverty. Furthermore, older people are more vulnerable to non-communicable diseases (mainly cardiovascular diseases, cancers and diabetes). The government has since 2009 implemented a cash-transfer programme targeting older persons. Although this is a timely action, more needs to be done to ensure that the programme reaches all those in need in a predictable and reliable manner. The full implementation of the National Social Health Insurance Scheme would benefit this group greatly.

Challenges

1. *Limited capacity of the government and other partners to implement life-cycle-based comprehensive programmes that address the needs of vulnerable people and groups.*
2. *Lack of a social protection policy to ensure that the various programmes are implemented in a co-ordinated, comprehensive and sustainable manner, to enable the beneficiaries to break out of the cycle of poverty.*
3. *Social and cultural barriers that continue to entrench stereotyping and discrimination against certain people and groups in our communities (including people with disabilities and minorities), which disenfranchises them further.*
4. *Deep systemic constraints that hinder vulnerable people and groups from gaining access to services, including education, health and transport. Addressing such issues would require restructuring of the current institutions to allow for the appropriate transformation of society.*

What your ODM Government will do

- *Enact legislation to operationalise fully Article 43 of the Constitution guaranteeing all Kenyans their social and economic rights.*
- *Roll out a universal pension scheme for all Kenyans aged 65 and over.*
- *Upscale cash transfers to vulnerable households and individuals, including orphans and vulnerable children (OVC), and the urban and rural poor.*
- *Implement a National Social Health Insurance Scheme that would contribute significantly to the wellbeing of the poor and vulnerable groups.*
- *Through partnership with the private sector and civil society, develop measures that recognise and motivate vulnerable groups (including street families) to become productive members of society.*

5.4 Promoting the Positive Aspects of Our Culture, Heritage and Identity

The Constitution recognises culture as the foundation of the nation and as the cumulative civilisation of the Kenyan people and nation. Although there are several negative cultural practices (such as FGM and early marriages), there are positive features of our culture (including social capital) that should be preserved. It is, however, notable that, with globalisation and access to external influences, our heritage and cultures are under threat.

Culture provides people with an identity, an important part of being Kenyan. However, negative identity has been elevated through political manipulation and corruption, entrenching nepotism and the culture of political patronage in our country.

Challenges

1. *Inability of the government and other players to address culture in a manner that eradicates the negative aspects while preserving positive practices, such as social capital.*
2. *The continued decline of local languages and cultures among people including the Ogiek, Bajuni, Sanye, Suba, Nubian and Elmolo communities.*
3. *The rapid expansion and access to community-based media, which have been turned into political instruments, as was the case during the 2007/8.*
4. *Limited investment in the establishment and preservation of museums and cultural centres across the country, which could otherwise instil a greater sense of nationhood, while at the same time promoting the appreciation of diversity in our nation.*

What your ODM Government will do

- *Nurture and sustain a thriving national music, literature, folklore, art, drama and film industry, through working with the youth and other community groups around the country in collaboration with county governments.*
- *Ensure the preservation of all languages and cultures with a major focus on those at risk of extinction through documentation of the languages and storage of cultural artefacts.*
- *Work with county governments to identify, preserve and display cultural artefacts, monuments and historical sites for posterity.*
- *Document, preserve and protect indigenous knowledge of various Kenyan communities.*
- *Implement legislation that addresses negative cultural practices (including FGM), while at the same time designing mechanisms to support the promotion and preservation of cultural morals and mores.*

5.5 Paying Due Attention to Sports

Kenya is a household name globally in athletics and our sportsmen and women continue to make the country and the African continent proud. Our athletes have become key investors in the country, using the income gained from international and local competitions. The performance of our sportsmen and women in other disciplines, including volleyball, rugby and cricket, has been impressive in the past but needs strengthening. Our performance in football continues to be wanting, mainly due to mismanagement and inadequate focus on nurturing young talent. It is important for the national and county leadership to support and promote the sports industry.

Challenges

1. *Inadequate sports infrastructure across the country. Many sports facilities are poorly maintained and are in varied states of disrepair.*
2. *Political interference, mismanagement and corruption in many of the sporting organisations in charge of the various disciplines.*
3. *Inadequate support for the development of talented sportsmen and women from an early age. Resource allocation to facilitate training of young people has been minimal nationally but more so in rural areas.*
4. *Inadequate recognition of local sportsmen and women. Although there have been efforts by the government, the private sector and NSAs to reward athletes who perform well in international competitions, more could be done at the national level.*
5. *The current overloaded system of education hinders children from playing and participating in competitive sports. There is too much focus on academic subjects.*

What your ODM Government will do

- *Mainstream physical education and sports as an examinable subject in our education system, from primary school to university level.*
- *Set aside, in collaboration with the county governments, financial resources that will lead to the establishment of modern stadia and sports facilities in every county and the availability of world-class sports facilities at the national level.*
- *Encourage and facilitate the establishment of national sports academies for various sporting disciplines in different parts of the country, with the main aim of nurturing talent and ensuring consistent improvement in the performance of the national teams.*
- *Establish a national sports lottery and give tax rebates to private companies that sponsor sporting activities, to raise resources for sports development.*
- *Facilitate the establishment of a sports policy and legislation unit to oversee the development of policies and guidelines targeting women, children, and persons with disabilities, and to ensure proper management of sports institutions and associations.*

5.6 Ensuring Planned Urbanisation and Access to Affordable Housing

About 35 per cent of Kenyans live in urban areas, a proportion that is expected to increase to 50 per cent by 2030. The key challenge for the country is that about 70 per cent of urban dwellers live in slums and informal settlements. People in such settlements generally have low levels of education and experience higher levels of crime and violence, disease and fires, as a consequence of poor housing and living conditions. Although the government has committed to undertaking slum upgrading as part of meeting the MDGs, the level of expansion of urban areas negates any of the efforts in place.

The devolution process will ultimately lead to the expansion and/or growth of urban areas to serve people at the county headquarters. Although this presents an opportunity for bringing services closer to the people, the main challenge is poor planning with the risk of transferring the challenges of big towns, including limited capacity for garbage collection, sewerage and access to basic services, to the county headquarters. An ODM government will take cognisance of the need to address urbanisation now.

Access to housing remains a major challenge in Kenya. The housing gap is currently estimated at 350,000 units annually in major urban areas. As noted above, most urban dwellers live in shelters that are unfit for human habitation.

Challenges

1 *Unplanned urban development that has led to slum housing on land that is unsuitable for human habitation (near sewers and garbage dumps), with serious environmental and health risks.*
2 *Rapid expansion and transformation of formerly small towns into urban centres (as county headquarters) with no or inadequate amenities to ensure that those migrating from rural areas have access to basic services.*
3 *Corruption that has resulted in public land being illegally granted to private developers and individuals, which has limited the potential for expansion and provision of the necessary amenities.*
4 *Lack of planning for the social needs of workers, which leads to the proliferation of informal settlements to cater for the housing needs for people working in industry.*
5 *Poor or non-enactment of building standards, which has resulted in the mushrooming of housing structures that are poorly constructed and pose risks to the inhabitants. There have been many deaths and injuries caused by collapsing buildings.*

What your ODM Government will do

- *Facilitate the county governments to prepare integrated urban development plans.*
- *Streamline licensing and approval systems for building developments, through the enactment of the Housing Policy of 2006. This Bill provides for 'one-stop-shop' housing development approvals.*
- *Work with the National Land Commission and the county governments to ensure that all public land that has been inappropriately allocated to individuals and other entities is reclaimed and used for the provision of services that serve the Kenyan people at large.*
- *Working closely with the relevant associations (eg, the Architectural Association of Kenya), to ensure that county headquarters are planned appropriately.*
- *Work with county governments in setting targets for the construction of housing units in urban areas.*
- *Expand the slum-upgrading programme to cover all major urban areas, with a view to ensuring that the urban poor live a life of dignity.*
- *Expand Urban Cash Transfers to reach the poor and vulnerable in urban areas across the country, while building their capacity to get out of poverty.*

5.7 Enforcing Labour Laws

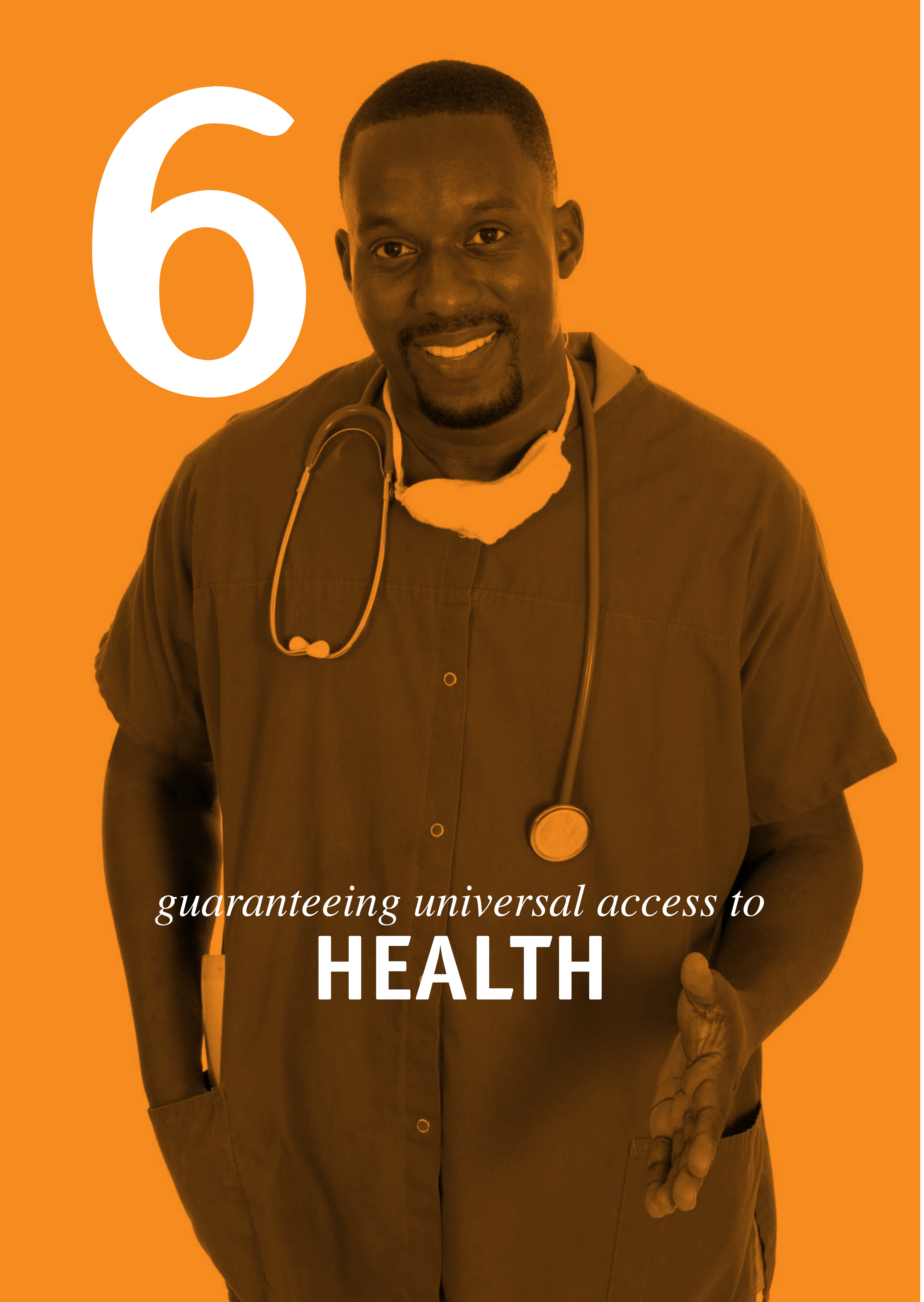
The Employment Act (2007) was enacted following a comprehensive review of labour laws. The Act declares and defines the fundamental rights of employees to provide basic conditions of employment and to regulate employment of children. The Act provides for decent work and decent livelihoods for working populations. It addresses social marginalisation and workers' risks, thereby providing a regulatory framework for ensuring decent work. It seeks to transform the labour sector and to enhance the social and economic wellbeing of the workers and their families. The National Child Labour Policy (2004-2009) is further aimed at protecting children from exploitative and dangerous labour and related tasks.
The ministry of labour is responsible for the administration of the workmen's compensation system, approving settlements and paying benefits from funds deposited by employers. Currently, Kenya does not have an unemployment insurance scheme.

Challenges

1 *Inadequate implementation of productivity-based compensation that would ensure remuneration for skills and work output.*
2 *Lack of knowledge and understanding of the labour laws, exposing people to exploitation and occupational hazards (such as experienced by workers in horticulture and floriculture production).*
3 *Lack of enforcement of international labour standards, to which the government is a signatory.*
4 *Corruption in production firms that interferes with the enforcement of regulations aimed at protecting the workers.*

What your ODM Government will do

- *Ensure the promotion and protection of workers, accompanied by intensive worker education in conformity with international best practice.*
- *Domesticate ILO core labour standards to form the core of our national legislation.*
- *Develop and implement a productivity policy for the labour market.*
- *Enforce adherence to labour standards for decent work by all employers, and institute regular inspection in accordance with the labour laws.*
- *Establish an unemployment insurance scheme to cushion workers while out of employment and to ensure their re-integration into the job market, to be implemented as provided for in the Constitution and as part of social protection.*
- *Legislate for stiff punishment to individuals and agencies contravening the laws against child labour.*



6 guaranteeing universal access to HEALTH

ODM believes that a healthy nation is a wealthy nation. Kenya's health sector has had mixed fortunes in recent years, experiencing significant progress in certain areas, while at the same time continuing to face major challenges that hinder it from meeting the healthcare needs of Kenyans. Health systems and institutional weaknesses, lack of adequate personnel and supplies, dilapidated facilities, and low service-utilisation, as well as mismanagement and corruption, are some of the major issues facing the health sector today.

Almost 50 years after Independence, Kenya continues to experience a high disease burden, especially concerning preventable diseases. The leading causes of death include complications from HIV/Aids, tuberculosis, malaria and diarrheal diseases. There are also significant disparities in access to services that raise serious concerns about equity. The distribution of health facilities and health personnel are skewed towards urban and peri-urban areas and certain parts of the country. For example, Kenyans in northern Kenya are less likely to be able to access healthcare services than their counterparts in other parts of the country.

The ODM government will adopt a multi-pronged approach to ensure that the country tackles current health challenges, while at the same time employing long-term strategies to strengthen institutional capacity, increase investment, ensure equity in resource allocation and staff deployment and enhance citizen participation.

6.1 Governance of the Health Sector

Kenya's health management system consists of eight administrative provinces, divided into districts. Following the formation of the Grand Coalition Government in 2008, the ministry of health was split into two, becoming the ministry of medical services (MOMS) and the ministry of public health and sanitation (MOPHS). At the provincial level, responsibilities are split between the provincial health management team (PHMT, part of the MOPHS) and the provincial medical services management team (PMSMT, part of the MOMS). The MOMS is responsible for service delivery at levels 4-6, and the MOPHS is responsible for levels 1-3. This purely political decision has contributed to duplication, heightened competition for limited resources and disrupted partnership arrangements, which had been steadily gaining momentum.

Traditionally, decisions have always been made from the central level of government, through top-down approaches. This centralised system has contributed significantly to regional disparities in the distribution of health personnel and resources and access to quality health services.

Challenges

1. *Weak governance and management structures contribute to leakages of resources and limit the sector's absorption capacity.*
2. *A highly centralised system with strong control over resources, which fuels inequities in resource allocation.*
3. *Poor co-ordination of partners in the health sector, leading to duplication of efforts.*

What your ODM Government will do

- *Ensure proper co-ordination of the sector through implementing comprehensive reforms aimed at decentralising the country's health management system, including; decision-making power for resource allocation and service delivery to the lower levels and to facilitate greater community involvement.*
- *Create a single ministry of health with the responsibility of improving governance and promoting a co-ordinated approach to policy implementation.*
- *Support county governments to establish structures that support the delivery of services to the people as outlined in the Constitution. Support the establishment of county health management boards (CHMBs) and county health management teams (CHMTs) to manage facility-level operations within their localities. Establish county and regional referral facilities to ensure that specialised medical services are available at the county level and relieve pressure from national referral facilities. This will improve efficiency in health-service delivery at both the national and county levels.*
- *Streamline co-ordination to ensure that development partners respond to Kenya's priorities in the health sector and support programmes that are in line with Kenya's needs.*
- *Support the establishment of co-ordination and regulatory mechanisms.*
- *Facilitate the establishment of strong linkages between the national and county level governments to ensure continuity in service delivery within the new governance structures.*

6.2 Policy and Legal Environment

Kenya's health sector has a very facilitative policy and legislative environment with numerous laws and policies governing its operations. The Constitution recognises the right to health and clearly outlines measures that need to be put in place to improve the health and general well-being of Kenyans. It is expected that the implementation of the Constitution will usher in an even more facilitative legal framework for the realisation of the right to health including reproductive health.

Vision 2030, Kenya's blueprint for development, recognises the health sector as critical to the country's development and outlines several priorities, including the establishment of robust health infrastructure networks; improvement of the quality of healthcare service delivery; promotion of partnerships with the private sector; and provision of healthcare services.

The Government has finalised the Kenya Health Policy Framework (KHPF) 2011-2030, in recognition of devolution and the new structure envisaged under the Constitution. The third National Health Sector Strategic Plan (NHSSP III) 2012 -2017 is also under development. The Kenya Essential Package for Health (KEPH), which outlines medium-term strategic objectives for the sector, is also in place. There are also numerous policies for specific areas, including reproductive health, adolescent and child health, malaria, pneumonia and HIV/Aids. In addition, there are hundreds of policy guidelines and protocols.

To improve prevention and health-promotion and enhance the participation of communities in their own health, the government developed the Community Health Strategy (CHS) in 2007. The CHS presents a significant shift in healthcare service delivery, with more emphasis at the household and community levels. The CHS supports the participation of citizens in health promotion and prevention and proposes the deployment of about 436,905 CHWs to serve the estimated 8,738,097 households across the country. The CHS has tremendous potential to contribute to improvements in health outcomes at household level as well as to the acceleration of the achievement of health-related MDGs, but remains largely unfunded, relying mainly on the good will of development partners.

Challenges

1. *Weak and unco-ordinated approach to implementation of policies, strategies and guidelines, including the community health strategy.*
2. *Donor-driven priorities, which do not respond to the country's health needs as outlined in key policy documents and the Constitution.*
3. *Unclear regulatory framework, which contributes to the proliferation of poor-quality services and unscrupulous providers preying mainly on poor Kenyans.*

What your ODM government will do

- *Undertake comprehensive implementation of the Constitution, including the review and formulation of policies to ensure that the right to health as outlined in the Constitution is attained.*
- *Support the acceleration of reforms in the health sector in line with the Constitution and ensure equity in all areas.*
- *Design and implement a 'No region, No Kenyan left behind' policy in health to ensure equity in access to health care across the country.*
- *Support the implementation of policies including regional and global agreements as provided for in the Constitution.*
- *Increase investment in the Community Health Strategy to strengthen the participation of citizens in health-promotion and prevention and to ensure that each county has the required number of CHWs as recommended in the strategy.*

6.3 The Status of Health Facilities and Service Delivery

Government run (public) facilities make up 52 per cent of the total health facilities in Kenya. Faith-based and NGO facilities (FBOs) account for 15 per cent, while private hospitals and clinics make up 33 per cent of total health facilities. The public sector provides healthcare to between 60 and 80 per cent of Kenyans. There are also 1,200 licensed private pharmaceutical outlets in Kenya and an estimated 3,000 to 4,000 unlicensed outlets. This extensive network of health facilities is, however, dilapidated and run down and in urgent need of refurbishment and renovation.

In many parts of the country, health facilities lack basic equipment and supplies to enable them to provide services to the people. Facilities also lack basic health supplies, which severely compromises access to services for citizens. Utilisation of healthcare services therefore remains low, despite increased investment in the sector and demand creation activities.

The sector has no comprehensive regulatory framework in place to guide service delivery and ensure access to quality services. Currently, the ministries of health are the regulators and also the providers of poor health services.

Challenges

1. *Long distances to health facilities in marginalised parts of the country going beyond the stipulated five-kilometre limit, which hinders access.*
2. *Major disparities in distribution of facilities, especially in arid and semi-arid areas and between rural and urban areas.*
3. *Limited facilities for providing specialised treatment, which forces most patients to seek treatment in other countries, such as India and South Africa. For example, cancer treatment is available in only three facilities countrywide and the services are expensive and beyond the reach of the majority of Kenyans.*
4. *Limited range of services, which are also of poor quality.*
5. *Weak regulatory and co-ordination structures.*
6. *Low utilisation of health services by communities, due to logistical and cultural barriers.*

What your ODM Government will do

- *Accelerate the pace of refurbishment and renovation of health facilities to ensure that citizens access high-quality services.*
- *Work with county governments, the private sector and NSAs to establish robust outreach services through a 'Bringing healthcare to the people' approach to ensure access to all Kenyans across the country, including those in remote and marginalised areas.*
- *Invest in expansion of specialised services, such as treatment for cancer, and ensure that such services are available at levels 4, 5 and 6 facilities across the country.*
- *Support the establishment of a regulatory framework in line with the Constitution.*

6.4 Addressing Human Resource Needs for Healthcare Service Delivery

Kenya has about 6,900 doctors, 48,000 nurses, 6000 clinical officers, 15,000 public health officers and 4,900 pharmacists and pharmaceutical technologists. Most of the healthcare providers work in the private sector. For example, of the estimated 6,900 doctors, more than 5,000 are in private practice. The same is true of nurses, where 33,000 of the estimated 48,000 are working in the private sector and only 15,000 work in the government-run facilities where the majority of poor Kenyans access health care.

There is an acute shortage of specialised health professionals in Kenya, making it imperative for Kenyans to seek care abroad at enormous cost to individuals and their households. Kenya has also continued to lose health professionals (nurses, doctors, pharmacists) to other countries, further depleting the available human resources trained locally to serve our health system.

The health sector continues to be plagued by a severe staff shortage, with certain parts of the country faring worse than others. An estimated one out of 10 dispensaries has no qualified staff members, and up to 50 per cent of health centres have only one or two staff members, way below the acceptable norms set by MOH and the Word Health Organisation (WHO). Additionally, almost 1,000 health facilities built with money from Constituency Development Funds have no staff.

Challenges

1. *Skewed distribution of healthcare workforce with major disparities between regions and rural and urban areas.*
2. *Inadequate numbers of health care providers for all cadres to ensure universal access to care.*
3. *Low pay and poor working conditions driving staff to the private sector and fuelling flight to other countries.*
4. *Poor infrastructure in some parts of the country (including roads, schools) that make these hardship areas unable to attract qualified staff.*

What your ODM government will do

- *Invest in deployment of additional staff capacity, especially in marginalised areas.*
- *Improve the terms of public service and support the introduction of incentives to address the flight of professionals to the private sector and to other countries.*
- *Support efforts to ensure that all health facilities have staff as per the minimum staffing norms established by the government and the WHO.*
- *Build capacity of CHWs to adequately support task-shifting in specific regions and service areas.*
- *Investment in infrastructural improvement, with an initial focus in marginal areas to ensure access to health services and to attract qualified staff.*
- *Establish institutions for developing specialised health professionals and incentives for retaining their services locally.*

6.5 Financing Healthcare in Kenya

The health sector in Kenya is mainly financed from three primary sources: public, private including households (consumers), and development partners/donors. According to the National Health Accounts (NHA), the largest contribution comes from households (35.9 per cent), followed by the government and then donors, who contribute approximately 30 per cent. Kenya is especially dependent on donors for the financing of key programme areas, such as HIV/Aids. Donors support about half of all HIV/Aids activities.

Government expenditure on health stands at between six and seven per cent of total government expenditures. Local authorities contribute about 0.4 per cent of total health expenditure, mainly from revenues and user fees. Although the government's spending on health has increased in recent years, the per capita expenditure of US$27 still falls below the WHO recommendation.

The Government continues to invest little in health despite its commitment to prioritise health in Vision 2030. This inevitably compromises the quality of care in the public sector, as evidenced by the frequent shortage of basic medical supplies, inadequate human resources, and poorly maintained infrastructure.

The Health Sector Service Fund (HSSF) is aimed at enhancing financial access to facilities and subsequently improving service delivery in lower level facilities. The HSSF has adopted a performance-based financing approach by linking financial allocations to outputs and rewards facilities that achieve their targets.

Challenges

1. *Lack of adequate investment in the sector. Despite commitment to the Abuja Declaration and to other global agreements, the Government has failed to meet the required minimum threshold for funding the health sector. Its per capita expenditure remains dismally low.*
2. *Over-reliance on external sources to fund crucial programmes, which threatens the sustainability of programmes and compromises health service delivery.*
3. *Poor co-ordination of development partners financing the health sector has compromised Kenya's ability to realise its goals in the sector.*
4. *Lack of a comprehensive social insurance scheme for all Kenyans since the National Social Health Insurance Plan proposed several years ago has yet to be implemented.*

What your ODM Government will do

- *Support the development and implementation of a healthcare financing strategy, which will focus on universal coverage to be achieved in a realistic timeframe (in the next five to 10 years).*
- *Strengthen the enforcement of the Health Sector Code of Conduct to ensure efficient use of resources especially by NGOs and development partners. This will include investigating and punishing all cases of leakages in the system.*
- *Increase budgetary allocation to the health sector over time to ensure that human resource capacity is improved, availability of equipment, innovation and increased investment in preventive health (environment, awareness and proper disposal of biomedical waste).*
- *Support the establishment of a social health insurance scheme for Kenyans. A review of the proposed National Social Health Insurance Scheme will be conducted to bring it in line with the Constitution and the social protection policy. Put in place measures to ensure implementation. In this regard, within the framework of the fund, establish a special fund for managing chronic diseases such as cancer, diabetes, chronic lung diseases and HIV/Aids among others.*
- *Expand the Health Sector Service Fund (HSSF) established by the government to enhance financial access to facilities and improve service delivery at the lowest levels. Ensure that standards and guidelines are put in place, in consultation with health stakeholders, to regulate the cost of services in private health facilities.*

6.6 Status of Child Health

The 2015 deadline for the Millennium Development Goals (MDGs) is only three years away yet Kenya is very far from achieving the health targets set in 2000. Currently, under-five mortality is estimated at 74/1,000 live births, while Infant Mortality is 52/1,000. Little progress has been made in reducing the under-five mortality rate of 99/1,000 recorded before the launch of the MDGs, with the under-five mortality rate going down by 15 per cent since 1990. At the current rate, the under-five mortality rate is almost two-and-a-half times the MDG target of 33/1000 by 2015.

There have been some achievements in improving child survival over the past two decades. The massive awareness and education campaigns implemented by the government have contributed immensely to increased rates of immunisation for vaccine-preventable diseases, with 77 per cent of children aged 12-23 months being fully immunised. Comprehensive investment and sustained focus on combating malaria through initiatives such as 'Roll Back Malaria' has seen a reduction in childhood malaria deaths by up to 44 per cent. In 2011, diarrheal diseases overtook malaria as the largest killer of children aged under five. Increased investment, especially by development partners, has also supported comprehensive health-promotion programming, capacity building and procurement of medicines and equipment.

In recent years, new vaccines have been introduced into the market. The pneumococcal vaccine launched in Kenya in 2011 has contributed immensely to reducing mortality and morbidity related to pneumonia. However, without external resources and the support of partners, the ministries of health lack the capacity to make large capital investments in the supply-chain system to support a scale-up and introduction into the public sector of a wide range of already available vaccines. Despite achievements, service uptake levels remain low, slowing Kenya's progress in addressing child mortality. Demand and supply-side factors linked to practices at the household level, such as low levels of awareness on effective prevention practices and treatments of common childhood illnesses, poor healthcare-seeking behaviour among caregivers, and lack of adequate supplies at health-facilities contribute to poor health among children. In the case of diarrhoea and pneumonia, for example, almost half (49 per cent and 56 per cent respectively) of affected children do not receive treatment.

Challenges

1. *Slow pace of implementation and limited investment in strategies to meet relevant MDGs.*
2. *Poor healthcare-seeking behaviour by communities, mainly due to lack of awareness and cultural factors.*
3. *Limited access to clean water and proper sanitation.*
4. *Weak linkages between sectors and regional disparities in access to services.*
5. *Institutional and logistical weaknesses, for example, with the cold chain for vaccines and other supplies that limits access for marginal communities.*

What your ODM Government will do

- *Put in place strategies to accelerate the pace of implementation of MDGs by increasing investment, improving co-ordination and ensuring adequate supplies at all levels in all regions of the country in partnership with development partners and NSAs.*
- *Increase the budgetary allocation for prevention and healthcare promotion, while at the same time ensuring that curative services are well catered for.*
- *Work with development partners and communities to support community sensitisation and awareness campaigns to improve health seeking behaviour.*
- *Support efforts to strengthen public-private partnerships to expand access to a wider range of available vaccines by out-sourcing certain logistical components, such as the cold chain management and storage.*
- *Strengthen the implementation of a 'waiver policy' that allows all children aged under five and other vulnerable groups to access services at public health facilities to attain universal access.*
- *Work with county governments to implement measures to improve sanitation and hygiene by supporting the establishment of a water, sanitation and environment fund for each county.*

6.7 Addressing Maternal Health

The status of maternal health is also of concern. It has been argued that the health of women and children is a clear indication of a nation's health. While the number of women accessing antenatal care services has increased across the country, the number of women making at least four minimum visits as recommended by the WHO remains below 50 per cent. Delivery in health facilities is also low, with less than half (44 per cent) of births supported by a skilled attendant. There are major variations across regions, with about eight out of 10 children in northern Kenya born at home without skilled care. This has serious implications, including high mortality and morbidity rates for both mothers and newborns.

While family planning uptake has increased slightly recently, only 46 per cent of women are currently using a contraceptive. Unmet need remains high at about 25 per cent. Contraceptive commodity security is weak, with frequent stock-outs and serious logistical challenges. The country depends almost entirely on donors for commodity security, with government investing less than one billion shillings on commodities, against an estimated budget of five billion shillings.

Kenya's progress towards meeting MDG 5 and reducing maternal mortality by 75 per cent is slow and unpredictable. The maternal mortality rate (MMR) is currently estimated at 488/100,000, up from 418 per 100,000 live births recorded in 2003. There are major variations by county, with certain parts of the country registering rates as high as 1,200/100,000. In areas where childbearing begins early, such as in the former North Eastern, Nyanza and Coast provinces, maternal mortality and morbidity rates are much higher.

The role of men remains extremely low, despite the influence and control that men exercise over their partners and within the household. To achieve progress in these areas, there is an urgent need to involve men and in adopting comprehensive approaches that target the family and household, rather than individual women.

Demand and supply-side factors, such as lack of adequate supplies, high poverty levels, distance to health facilities and inadequate administrative personnel, coupled with cultural and societal factors, all work in concert to hinder women from making timely decisions regarding their health and general well-being.

The Kenya Medical Supplies Agency (KEMSA) faces serious challenges that severely compromise its ability to support the sector adequately. Apart from institutional weaknesses, it also receives only about half of its annual budget from the government.

With only three years left to 2015, the final race to achieving MDGs 4 and 5 will need to focus on strategies that will accelerate the reduction by more than half the current under-five mortality rate and the MMR by 75 per cent. These ambitious targets will require sustained and well co-ordinated efforts, adequate investment and political commitment at the highest level.

Challenges

1. *Inadequate resources for maternal health supplies, leading to frequent stock-outs of commodities, including contraceptives.*
2. *Limited access and availability of quality reproductive health services in marginalised areas.*
3. *Low uptake of reproductive health and family planning services.*
4. *High levels of poverty among women.*
5. *Slow pace of implementing laws and policies, which protect women from harmful traditional and cultural practices that negatively impact on their maternal health.*

What your ODM Government will do

- *Accelerate the implementation of policies and laws, including relevant international and regional agreements such as the Maputo Protocol.*
- *Support the adoption of special measures and accelerate the implementation of programmes and activities aimed at enabling the country to meet MDG 5.*
- *Ensure the inclusion of line-budget items to cater for maternal health supplies, including contraceptives and essential medicines.*
- *Introduce special measures that allow poor women and those in remote and marginalised regions to access quality maternal health services in a timely manner, including maternity care at subsidised rates.*

6.8 Addressing the Health of Kenya's Youth

It is estimated that adolescents aged 15-19 and youths aged 20-24 years make up almost 40 per cent of the country's population. In recent years, the government has put in place policies to support youth programmes. However, due to poor implementation, the existence of good policies and laws has not translated into positive health outcomes for young people.

ODM acknowledges that the socio-economic development and political stability of a country depends to a very large extent on the well-being of its youth. A healthy youth population is able to participate adequately and contribute to the development of the communities.

Kenyan youths face severe threats to their health and well-being and encounter serious challenges in acquiring education, postponing marriage and childbearing, staying safe from violence and harmful cultural practices, finding gainful employment and remaining free of sexually transmitted infections, including HIV/Aids. Young women are in an even more precarious situation, due to societal and institutional barriers and vulnerabilities across the country.

The most critical health challenges facing young people in Kenya are related to their sexuality. Sexual activity begins early and is often unprotected. By age 18, about half of women (47 per cent) and slightly more than half of men (58 per cent) have had sexual intercourse. According to the latest KDHS (2008-9), almost half of girls have begun childbearing by age 20. Early childbearing endangers the lives of young women, as they are up to three times more likely to experience complications than older women. It also disrupts the pursuit of education and limits future career opportunities for individual socio-economic growth, and the direct and indirect costs to the nation in terms of lost investment are immense.

Emerging lifestyle related diseases (including hypertension, cancer and diabetes) are also rising among the youth, posing a new challenge fuelled mainly by risk-taking, as well as drug and alcohol abuse and the adoption of Western-oriented lifestyles and practices. The rise in cervical cancer among young people has been linked to the early onset of sexual activity.

Challenges

1. *Poor and unco-ordinated implementation of policies and laws. Despite improvements in the policy and legislative environment, there remains a serious mismatch between policy priorities and their implementation.*
2. *Haphazard implementation of life skills education among young people, both in and out of school.*
3. *Lack of adequate youth-friendly services (YFS). Only 12 per cent of government health facilities provide YFS. Furthermore, most of these facilities are situated in urban and peri-urban areas.*
4. *Cost, availability and acceptability of services act as a barrier to many young people. The KDHS (2008-9) indicates that up to 25 per cent of young women deliver at home due to cost of services.*
5. *Risk-taking behaviour, poor healthcare-seeking patterns and cultural and societal practices such as FGC and early marriage also tend to have a negative bearing on the health of youth.*

What your ODM Government will do

- *Strengthen the implementation of policies and laws by ensuring the consolidation and inclusion of budget lines to support the health activities targeting youth.*
- *Put in place strategies to ensure the establishment of YFS in all level 3, 4 and 5 health facilities.*
- *Put in place measures in support of the development of health programmes that meet the needs of young people and comprehensively address new and emerging health conditions previously associated with adults, such as non-communicable diseases (NCDs).*
- *Strengthen the school health programme to support preventive measures and health-promotion.*

6.9 The Impact of HIV/Aids on the Health of the Nation

The emergence of HIV/Aids is one of the most significant developments impacting on the health of Kenyans. The epidemic has changed the family landscape, resulting in a reorganisation of roles and responsibilities, disrupting lives and driving up healthcare costs. In addition, the high burden on certain family members, such as youths and women working as care-givers to family members, jeopardises learning and the ability to prepare for the future – in the case of youths, and prevents women from taking care of their own health and participating effectively in income-generation activities.

Significant progress has been made in reducing prevalence and expanding access to care and treatment services, which has contributed to declining trends. Prevalence is currently at 6.3 per cent for 15-49 year olds.

The effect of the epidemic has been felt throughout the health sector, where it has contributed to increased mortality and morbidity, impacted on various aspects, including staffing, supplies, budgets and the pattern of disease burden, severely burdening an already strained healthcare system, as well as stretching limited household resources. Currently, almost four out of 10 deaths (38 per cent) in Kenya are as a result of HIV/Aids-related complications.

Kenya is faced with a serious challenge of mobilising adequate resources to expand prevention, care and treatment, as well as social mitigation against the impact of HIV/Aids. The Kenya National Aids Strategic Plan (KNASP III) outlines a comprehensive vision for the country, clearly indicating the level of available resources and the shortfall. Most of the funding shortfall (58 per cent) is required for care and treatment. In the 2010/2011 financial year, the government allocated for the first time Ksh. 900 million, or US$ 11.3 million, for the purchase of anti-retroviral drugs (ARVs).

The ODM government recognises that donor resources for HIV/Aids are not sustainable and thus there is a need to explore alternative modalities of financing HIV/Aids through enhanced mobilisation of domestic resources.

Challenges

1. *Over-reliance on development partners to support prevention, care and treatment; significantly, more than 75 per cent of the resources used to finance the current strategy are derived externally.*
2. *Reduced funding from the Global Fund to Fight Aids, Tuberculosis and Malaria, due to the adverse global economic situation.*
3. *Over-emphasis on the disease aspect of HIV, without recognising that HIV affects many aspects of an individual's life and needs to be tackled through a multifaceted approach.*
4. *Low uptake of services, due to stigma and discrimination.*

What your ODM Government will do

- *Work with communities and all stakeholders to ensure that declining HIV trends are sustained, by enhancing health-promotion and preventive approaches to healthcare and public education, while addressing persistent stigma and discrimination.*
- *Increase funding for HIV/Aids programmes, with emphasis on both prevention and care and treatment, to ensure access to all, irrespective of their socio-economic status.*
- *Support the establishment of programmes that adequately tackle the social dimensions of HIV/Aids in all counties. This will include the establishment of special programmes in every county to support households adversely affected by HIV/Aids.*

7

reforming AGRICULTURE, LIVESTOCK INDUSTRIES AND FISHERIES

The agricultural sector comprises six sub-sectors: industrial crops, food crops, horticulture, livestock, fisheries, and forestry. It employs such factors of production as land, water and farmer institutions (co-operatives, associations, etc). It currently directly contributes 26 per cent of the GDP and indirectly another 25 per cent. The sector also accounts for 65 per cent of Kenya's total exports and provides more than 18 per cent of formal employment. More than 70 per cent of informal employment in this sector is in the rural areas.

Industrial crops contribute 17 per cent of the Agricultural Gross Domestic Product (AgGDP) and 55 per cent of agricultural exports. Horticulture, which has recorded a remarkable export-driven growth in the past five years, is now the largest sub-sector, contributing 33 per cent of the AgGDP and 38 per cent of export earnings. Food crops contribute 32 per cent of the AgGDP but only 0.5 per cent of exports, while the livestock sub-sector contributes 17 per cente of the AgGDP and seven per cent of exports. The livestock and fisheries sub-sectors have huge potential for growth, not yet fully exploited.

ODM believes that the transformation of agriculture, livestock and fisheries is essential for providing Kenyans with adequate food, assuring people of decent incomes, enhancing equity and providing productive employment for many people in the medium-term, as the country strives to industrialise and diversify job opportunities.

7.1 Crop Production

Crop production is mainly rain-fed, with only two per cent of cropland under irrigation. This makes the sub-sector susceptible to the vagaries and the resultant shocks of the weather, which occasion great variations in crop production from year to year. For instance, the drought experienced in 2008/9 resulted in more than 25 per cent of the Kenyan population (an estimated 10 million people) being declared at risk of starvation. Food insecurity, which is pervasive, is worsened by poverty, poor infrastructure, inadequate marketing systems and poor support to small-scale farmers. Women provide most of the labour (about 70 per cent) in this sector.

Although the country accounts for 35 per cent of all flower sales in Europe, the returns do not always trickle down to the people who provide services in this industry. The exposure of the workers to occupational hazards continues to be a challenge. The contamination of Kenya's water courses, through the use of pesticides in floriculture and other forms of commercial farming, is a key concern.

There have been many debates about genetically modified organisms (GMOs). Food lobby groups have expressed concerns that GMO developers exerted pressure to ensure the enactment of the Biosafety Act of 2009 despite the potential risks (Kenya is the fourth country in Africa to have GMO-ready laws). The risks posed by GMOs are diverse and include most importantly community dependence on external inputs for their agricultural activities. GMOs can also cause genetic pollution, where non-GMO plants may be contaminated due to cross-pollination, which is a threat to genetic diversity.

Challenges

1. *Environmental degradation due to unsustainable land-use practices, diminishing of viable agricultural land due to population pressure and lack of land-use planning, human-wildlife conflict and compensation, and the nature of human-land interactions among communities across the country.*
2. *Lack of implementation of the National Land Policy 2009, which seeks to improve the overall framework and define key measures to address land administration, access to land, land-use planning, restitution of historical injustices, environmental degradation, conflicts, unplanned proliferation of informal urban settlements, outdated legal framework, institutional framework and information management.*
3. *Inadequate investment in research and innovation in long-term action-oriented scientific studies of agro-ecosystems, including the management and dissemination of data. This has limited the understanding of the ecosystem and the overall promotion and development of the agricultural sector.*
4. *Effects of climate change that have made the predictability of rains and synchronisation with the farming seasons difficult for farmers who rely on rain-fed crop production.*
5. *Declining farm sizes (mainly due to population pressure) and detrimental land-tenure systems, limited access to farm inputs and drudgery due to low mechanisation.*
6. *Lack of extension services, credit and insurance for small-scale farmers.*
7. *Unregulated use of pesticides that has resulted in the contamination of water courses. In addition, the extraction of water from our lakes (such as Naivasha) has resulted in reduced water volumes, as well as destruction of the natural flora and fauna.*
8. *Inadequate value addition in processing, preservation and marketing of crops.*
9. *A poor transport network which results in delayed transportation of produce to choice markets and exploitation of farmers by middlemen and sellers, disenfranchising small-scale farmers who can hardly meet their production costs.*
10. *Poor management and limited capacity of co-operative societies, resulting in wrangles and losses of farmers' investments and confidence.*
11. *Infiltration of cheaper food products from neighbouring countries, frustrating the efforts of local farmers. High production costs in Kenya.*

What your ODM Government will do

- *Subsidise farm inputs to ensure increased yield, and invest in rural infrastructure so as to facilitate access to markets.*
- *Reintroduce free extension services to cater for the needs of small-scale farmers and artisanal fisher-folk.*
- *Promote value addition in agriculture through taxation and other measures.*
- *Devolve decision-making on funding, research prioritisation, agro-processing and value addition to the county governments. This will enhance production and create employment for local people.*
- *Facilitate the development and implementation of legal and institutional reforms, including harmonisation of sectoral statutes, the inclusion of the private sector and non-state actors in planning through consultative forums, and innovative PPP arrangements to strengthen governance in the sector.*
- *Develop and implement policies and legal and institutional frameworks that enhance the production capacity of farmers in the country.*
- *Promote greater agricultural research and develop mechanisms to produce crop varieties that can withstand projected climate variability. This will be accompanied by the implementation of structures to strengthen the management of farmers' groups and institutions across the country.*
- *Invest in modern and innovative science and technology-based intensive and extensive irrigated agriculture for improved yields.*
- *Encourage investment in post-harvest processing, preservation and storage technologies that will maximise returns to rural producers while ensuring a stable supply and affordability to the consumers.*
- *Streamline and strengthen the co-operative movement and address the plight of farmers, such as those engaged in pyrethrum, coffee, tea, cashew-nut and sugarcane farming, whjch have experienced dwindling returns.*

7.2 Livestock

The livestock sub-sector contributes about 10 per cent of GDP and accounts for more than 30 per cent of the farm-gate value of agricultural commodities. Livestock production is a major economic and social activity for communities that live in high rainfall areas for dairy production, and in the arid and semi-arid lands (ASALs) for beef production. The milk industry is the most developed within the livestock sub-sector and is dominated by small-scale producers, who account for 80 per cent of the dairy industry's output. As a result of liberalisation in milk processing in 1992, there are currently 45 private creameries countrywide that are licensed to produce milk and milk products.

Beef is derived from three major livestock production systems: extensive pastoral beef, dairy bull calves, and a commercial beef production system. Kenya's beef cattle population stands at more than nine million, most found in rangelands. Currently, most of the beef produced is consumed locally. There is high potential for export, whose exploitation is limited by market accessibility and animal diseases. Other animals of importance include camels, sheep and goats. In terms of poultry, chicken stands out as the most popular for its meat and eggs. Small-scale farmers constitute up to 70 per cent of the total pig farmers in the country.

There have been several achievements in this sub-sector over the past five years:

- *The development of the Dairy Policy and Dairy Industry Bill, Animal Feed Policy and Bill, and National Livestock Development policy.*
- *Creation of disease free/export zones and facilitation of access to external markets, mainly neighbouring countries and the Middle East.*
- *The ASAL based Livestock Rural Livelihood Support Project negotiated and initiated in 22 districts.*
- *Continued implementation of smallholder dairy projects and farming in tsetse control areas, which has improved the dairy industry.*

Challenges

1. *Insecurity and conflict over grazing resources, which occur regularly during drought and between pastoralists and farmers.*
2. *Disease and pests are a key problem in the ASALs, which have limited access to veterinary services, both private and government, in part due to poor physical infrastructure which makes communication difficult. The private sector providers of these services are largely uninterested in the ASALs, as demand for their services tends to be low and the supporting infrastructure poor.*
3. *The frequency of droughts and floods in the rangelands in ASALs – droughts, floods and unpredictable weather patterns have a direct effect on livestock feed and water supplies and consequently the quality and quantity of production. These shocks leave the vast majority of cattle-keepers vulnerable, as livestock die and pasture is rendered unusable by floods.*
4. *Constraints imposed by poor infrastructure mean that the ASALs' access to livestock markets in other parts of Kenya, as well as to the export market, is limited. Poor infrastructure also implies that that the ASALs are primary producers of livestock with little, if any, value addition.*
5. *The limited water sources in the ASALs have become magnets for distressed pastoralists from across the regions. Influxes of herds from other areas tend to degrade the rangelands and other pasture areas.*
6. *Unavailability of suitable credits to livestock farmers and limited commercialisation of smallholder farmers.*
7. *Poor storage facilities for farm produce, which results in excessive wastage during times of plenty and very high demand during times of scarcity.*
8. *Unfavourable international trade environment and trade barriers – informal trade that is not recorded compounds this situation further. It is estimated that 80 per cent of livestock sold in Kenya comes from other countries. In addition, trading instruments that include subsidised imports do not favour Kenya and other countries in the region.*

What your ODM Government will do

- *Working with the counties and the private sector, facilitate the development of improved high-yielding and disease-resistant animals among pastoralist communities, small-scale dairy farmers and those owning traditional stock.*
- *Provide free extension and subsidised veterinary services, including breeding, treatment and control and prevention of diseases.*
- *In partnership with the private sector, establish livestock insurance schemes to mitigate the consequences of drought and animal diseases.*
- *Establish livestock-processing industries in the ASALs, whose mandate would include cushioning farmers in times of drought and other shocks.*
- *Invest in early-warning and disaster preparedness that safeguards livestock farmers in view of climate change and natural shocks.*
- *Enter into agreements with neighbouring countries to monitor cross-border trade and disease control, to ensure that Kenyan farmers reap the maximum benefits from their stock.*

7.3 Fisheries

The fisheries sub-sector plays an important role in the national economy. It contributes about 0.5 per cent of GDP and supports 80,000 Kenyans directly. However, this figure could be higher if value-addition at the various stages of the supply chain were considered and post-harvest losses minimised.

Fisheries production comes from aquaculture and capture fisheries, which are further divided into marine and freshwater. Capture fisheries account for about 96 per cent of the national nominal production. Unfortunately, there have been declines in fish stock in most of the country's water. The decline is in both productivity and species composition. For example, it is estimated that Lake Victoria experienced a substantial drop in productivity between 1999 and 2008 (214,709 metric tons to 134,709). In addition, although the lake had more than 200 fish species in the recent past, it is today dominated by only three species. Fewer than 50 species are still in existence in the lake.

There have been several efforts by the government to develop this sector: the construction of several aquaculture facilities in different parts of the country, capacity building through training and deployment of technical staff to support farmers, and the development of links and collaborations with local and international organisations.

Challenges

1. *Lack of a co-ordinated approach among the different institutions engaged in the sub-sector.*
2. *Lack of a comprehensive policy in aquaculture, despite its importance to the economy.*
3. *Weak research programmes and training for fish farmers.*
4. *Inadequate outreach programmes and inefficiency in the dissemination of technology to fish farmers.*
5. *Low funding by government and inadequate investment by the private sector.*
6. *Poor/low consumption of fish at source (lakes) due to high retail costs compared with same commodity in non-fish producing areas.*

What your ODM Government will do

- *Formulate policies and legislation to guide the management, research and investments in aquaculture.*
- *Promote investment in modern, hygienic landing bays, storage and processing facilities, efficient transport and communication infrastructure on inland fishing areas particularly around Lake Victoria.*
- *Provide funding, in partnership with the private sector and NSAs, to support groups engaged in aquaculture across the country.*
- *Support regularisation of costs at source to enhance diets of communities living near rivers and lakes.*
- *Facilitate the devolution of KEMFRI activities to the counties and increase investment in research, through supporting county-level research institutions, to generate strategies that ensure the protection of the various species in the country.*

8.1 Environment

Kenya is rich in environmental and natural resources, including land, soil, water, forests, the atmosphere, climate, wind, sound, biological materials such as plants and animals, as well as social factors such as aesthetics. The Kenyan economy relies heavily on natural resources in terms of people's livelihoods and as a contribution to the national income.

Challenges

There are general and sector-specific challenges in terms of the environment and natural resources that require appropriately systemic and sector-specific strategies.

1. *The abundant natural resources in Kenya have not been utilised to ensure economic growth, improved livelihood of Kenyans, sustainable development and general stability of the Kenyan social, economic and political climate.*
2. *The agrarian sector, which is the mainstay of the economy, draws heavily from the environment. Yet conservation and value addition have not been integrated into the constellation of resources – land for agriculture, pasture and rural settlements and related natural resources, such as forests and water; culturally-defined or economically determined production systems; prevailing technologies of resource utilisation, and human resource capacity.*
3. *Although these components influence the sustainability of the environment and natural resources in Kenya, resource distribution and governance is inequitable and deficient in the agrarian sector in particular and in environment and natural resources more generally.*

What your ODM Government will do

Implement the following over-arching strategies in the management, conservation and improvement of the environment and natural resources.

- *Roll out market incentives, such as pollution taxes, tax rebates for green enterprises, eco-labelling and tradable permits.*
- *Establish strong environmental and emission standards, such as standards for fuel consumption, energy-efficiency and recycling guidelines.*
- *Adopt and implement strategies and policies to determine the quantity and quality of resources at the county and national levels, and implement precautionary measures such as environmental impact assessments, audits, monitoring and evaluation.*
- *Support awareness, advocacy and literacy programmes to educate Kenyans on the importance of environmental and natural resource conservation and management. In line with Article 69 (2), raise awareness among communities to own the protection and conservation of the environment and to ensure ecologically sustainable development and use of natural resources. Adopt and implement natural resource conservation strategies that include re-generation, renewal, bio-remediation, and afforestation.*
- *Support and encourage research, innovation and appropriate systems of intellectual property to promote the conservation, sustainable use and equitable sharing of environmental and natural resources.*
- *Design an environmental management structure that is free of complexities of the current system that accords greater equity of access to natural resources, and empowers natural resource managers to make appropriate and sustainable environmental decisions.*

8.2 Forest Management

Forests are a source of numerous products, such as timber, poles, fuel-wood, food, medicines, fodder and other non-wood forest products. Forests are also home to varieties of animals, plants and micro-organisms, which are crucial in maintaining the ecological balance, as well as having in some cases medicinal value. Moreover, forest resources and forestry development activities also contribute significantly to the national economy by supplying raw materials for industrial use and creating substantial employment opportunities and livelihoods.

The forestry sector in Kenya is integral to many socio-economic activities in rural and urban households, businesses, sub-sectors and industries. It supplies energy for domestic and industrial activities, provides timber for construction and also plays a fundamental role in the hydrological cycle. For example, about four million people living adjacent to forests depend on them for energy, food, medicine and other non-timber products. It is estimated that 80 per cent of the population uses biomass energy, while urban development and hydro-energy rely heavily on water.

Kenya is considered by the UN to be a low-forest-cover country because it has less than two per cent of its total land area classified as forest, compared with the 10 per cent expected minimum. The country has only about 10 forest conservancies. This has resulted in reduced water catchment, biodiversity, supply of forest products and habitats for wildlife. In addition, it has led to conflicts over access between forest managers and communities living near forest resources. Hence, forestry governance is an integral pillar in environmental and natural-resources governance, and also in attainment of many goals in socio-economic development.

Past government policies and programmes, such as the Nyayo tea zones and settlements, cultivation, charcoal-burning, logging, over-grazing and related practices in water towers such as the Mau Forest complex and the Aberdares, have led to depletion of forest cover by both indigenous and plantation forests. These have undermined the realisation of sustainable forest management. Key principles guiding good governance of forests should include: equity and justice, empowerment, accountability, transparency, subsidiarity and sustainability.

Challenges

1. *Over-exploitation and degradation of forest resources, mainly from unsustainable human activities, have led to the loss of forest cover, soil erosion, loss of biological and cultural diversity, greenhouse-gas emissions and watershed degradation.*
2. *Kenya's forest cover has been under constant threat from illegal loggers, incompetent management, and lack of integrity among forest managers.*
3. *There are limited reliable and consistent statistics on forest cover, forest conditions and changes over time to guide decision-making by the Kenya Forest Service and relevant agencies of government, the private sector and civil society.*
4. *Forestry governance is integral to socio-economic and political stability. However, sustainable development and management of forests continues to face major challenges, including inadequate financial resources, lack of appropriate enabling policies and legislation, and increasing population and poverty, which continue to exert pressure on Kenya's forest resources.*

What your ODM Government will do

ODM's pledge is to reclaim, improve, conserve and protect Kenya's five water towers, due to their great significance for both sustainable development and for the protection of global biodiversity, through the following measures.

- *Work with county governments to realise the target of 10 per cent forest coverage.*
- *Strengthen the implementation of policies and programmes on the conservation, sustainable exploitation, equitable sharing and improvement of forests and forest resources.*
- *Develop the skills, knowledge, attitudes and values of officials in the forestry sector and the general population to protect, sustainably utilise and equitably share forest resources.*
- *Invest in alternative energy sources (wind, solar and geothermal) policies on alternative energy supplies, to reduce deforestation.*
- *Strengthen KEFRI and other institutions of research to work with the counties as a means of preserving forests in the country.*

8.3 Wildlife Management

Kenya is endowed with a wide variety in genetic biodiversity, ranging from the marine and coastal areas to savannah, woodlands, arid and semi-arid lands, wetlands, forests and mountain ecosystems. There are currently 46 protected areas that represent the key ecosystems, all covering approximately eight per cent of the national land area. There are also many other areas that are designated for wildlife conservation as the principal land-use system outside the gazette protected areas network. Currently, there are 17 community sanctuaries and private conservancies, covering a total area of 300,000ha. Wildlife management and conservation are critical to the attainment of Vision 2030.

Wildlife management and conservation in Kenya are important for securing various economic, social, environmental, scientific, aesthetic and cultural benefits. They are central to the government's strategy for tourism and the sustainable exploitation of natural resources for economic recovery, employment and wealth-creation.

The tourism industry is the second-largest contributor to Kenya's economy. In fact, the Kenya Wildlife Service (KWS), which manages the country's wildlife resources, accounts for 90 per cent of safari tourism and about 75 per cent of total tourist earnings. The tourism industry accounts for 21 per cent of total foreign exchange earnings and 12 per cent of GDP. Moreover, wildlife and tourism have multiplier effects in such sectors of the economy as agriculture, horticulture, transport and communications, the protection of water catchments and genetic resources. Hence, wildlife management and conservation is critical to the attainment of the promise of the Constitution and Vision 2030.

Challenges

The quality and quantity of biodiversity and genetic resources in Kenya is being affected by the general environmental degradation that is a result of the swelling human population and unsustainable land use and development practices. Some of the main threats and challenges to wildlife conservation include:

1. *Encroachment on wildlife parks and reserves due to growth in human population.*
2. *Habitat degradation.*
3. *Limited human resource capacity in wildlife management.*
4. *Seasonality of tourism, partly due to weather patterns, climate change, and challenges related to insecurity.*
5. *Poor infrastructure, especially in the areas central to wildlife tourism.*
6. *Poverty and underlying socio-economic problems affecting a large proportion of the population, which is partly responsible for human-wildlife conflicts.*

What your ODM Government will do

- *Enhance, conserve and sustain the utilisation of Kenya's wildlife to conserve the environment and ecological tourism. Ensure that the management of wildlife in Kenya does not interfere with the environment.*
- *Ensure sustainable wildlife management in the parks, game reserves, conservancies, sanctuaries and nature trails, among others, to eliminate human-wildlife conflict.*
- *Implement the Constitution and Vision 2030 by, among others, reforming wildlife conservation and management laws and policies to redefine the roles of all stakeholders including communities, the 47 counties, KWS and agencies of the national government, the private sector and civil society.*

8.4 Mining, Exploration and Prospecting

The mining industry is an integral pillar in the achievement of Vision 2030 but it has been accounting for only 1.4 per cent of GDP. This is despite discovered and potential or unexplored mineral deposits. Among the minerals found in Kenya in significant quantities are soda ash in Lake Magadi, fluorspar in Kimwarer in the Kerio Valley, and titanium in Kwale, Malindi and Lamu areas. In addition, there is significant potential for gold in Kakamega, Vihiga, Migori, Trans-Mara, Bondo, Siaya, Pokot, and Turkana. Coal is found in Mwingi and Mutitu areas, while iron occurs in parts of Taita, Meru, Kitui, Kilifi and the Samial Hills.

Other mineral occurrences include diatomite in Kariandusi near Gilgil, vermiculite on Kinyiki Hill in Makueni, copper in eastern and north Rift regions, gypsum in Elwak, Garissa, Tana River, Kajiado and Turkana, natural carbon dioxide at Kereita in Kiambu and in Eldoret areas, and a variety of gemstones in Taita, Kwale, Kitui, Mwingi, Kajiado, Isiolo, Pokot, Turkana and Marsabit areas. Significantly, oil has been found in Turkana.

Despite the abundance of minerals, only a few minerals, including soda ash, fluorspar, diatomite, limestone, gold and some gemstones, have been seriously mined. The total quantity has rarely exceeded 768 000 tonnes, with an income of about Ksh. 172 million. Moreover, existing policies, laws and institutions governing the sector are inadequate. These include the Environmental Management and Conservation Act (EMCA), the Mining Act, and the Mines and Geology Department,

A progressive policy and legal framework for the development of the mining sector is crucial, as it is closely linked to other sectoral policies and laws, such as those on energy, the environment, water and land.

Challenges

1. *Environmental degradation that comes with mining activities discourages mining, especially around human settlements.*
2. *Inadequate research and development in the mining industry discourages potential investors from risking capital in prospecting. Hence 70-80 per cent of the mining is conducted by small-scale or artisan miners.*
3. *Limited or poor innovation, technology transfer, and infrastructure for value addition in minerals.*
4. *A limited framework for equitable benefit-sharing among the national and county governments, investors and local communities leads to impoverishment of the communities around mining activities.*
5. *Limited transparency and accountability in the issuance of licences and concessioning of mining activities has resulted in loss of revenue.*
6. *Ethnic and gender inequity in mining activities has aggravated levels of poverty among most communities and the rural women folk.*
7. *Limited mechanisms to mitigate volatile and fluctuating mineral prices and related externalities.*

What your ODM Government will do

- *Work with county governments and communities to develop a policy to ensure full benefit-sharing by local communities.*
- *Establish a special agency to guide the exploitation and exploration of minerals in the country.*
- *Stimulate investment and innovation in the mineral and exploration industry by promoting public private partnerships, provide fiscal and other incentives to investors and communities to conserve, exploit and utilise mineral resources.*
- *Promote equitable benefit-sharing, sustainable use, and conservation of mineral resources.*
- *Work with county governments to support the engagement of small-scale miners and artisans in the mining sector, as a means of employment and wealth-creation.*
- *Mitigate the adverse social and environmental impacts of mineral resources exploitation as a means of securing the wider socio-economic benefits of mineral resources without causing damage to the environment or livelihoods.*

- *Set and enforce standards in the mining sector to ensure the protection of the workers (focus on healthy work environments and workers' protection).*

8.5 Climate Change

According to the UN Development Programme (UNDP) and other sources, climate change has become the defining human development challenge of the 21st Century. Kenya's climate is influenced by its situation on the equator, its topography, the Indian Ocean, and the Inter-Tropical Convergence Zone (ITCZ). Kenya, like other countries, is already experiencing the negative impacts of climate change. Indicators of climate change include weather variability, floods, droughts, increased greenhouse gas emissions and temperature changes.

Climate variability has significant economic costs in Kenya. Periodic floods and droughts have already caused major socio-economic impacts and reduced economic growth in Kenya through to the damage and inconvenience they have caused to people as well as to crop and livestock production. The most recent drought of 2011 affected millions of Kenyans and led to major economic costs. Both water and energy sectors suffered huge constraints.

Future climate change will lead to additional and potentially very large and uncertain economic costs, which could possibly be as much as US$0.5 billion per year. This is equivalent to about two per cent of GDP, with reductions in long-term growth. Research indicates that Kenya is not adequately prepared to adapt to or mitigate existing climate risks.

Challenges

1. *Majority of Kenyan households rely on fossil fuels, which account for a high of 16.8 per cent of total energy use. Inadequate or unaffordable alternative energy sources accelerate climate change.*
2. *Inadequate appropriate transportation, especially in urban areas, has resulted in high use of private transportation, increasing the use of oil-related energy products in the transportation sector, causing the greater emission of ozone-depleting gases.*
3. *Inadequate integration of climate change and its effects into the framework of environmental governance, policy and law.*
4. *Inadequate data on the process and effects of climate change in Kenya.*

It is therefore important to prepare for climate change. While it is difficult to predict the effects with confidence, there is need to plan robust strategies to prepare for the future, rather than using uncertainty as a reason for inaction.

What your ODM Government will do

- *Use climate-change indicators to formulate policies and preventive strategies to mitigate the causes of climate change.*
- *Partner with the international community in mitigating and adapting to the effects of climate change in Kenya.*
- *Build capacity of relevant stakeholders in both public and private sectors to formulate strategies and actions to address climate change.*
- *Develop Kenya's immense potential in geothermal, wind, solar, hydro and other renewable energy resources. This would include efforts on multi-purpose dam projects for irrigation, flood-management and electric power generation.*
- *Find comprehensive, innovative and adaptive development responses to the risks posed by climate change, as opposed to the present practice of launching ad hoc response schemes after disasters have struck. These innovative and adaptive measures include crop and livestock insurance schemes, research on drought-tolerant crops, conservation farming, minimum tillage, agro-forestry, and agricultural diversification.*
- *Take deliberate steps towards a green economy in Kenya. This includes promoting green investment, increasing the number and quality of jobs in the green sectors and increasing the share of green sectors in GDP.*

8.6 Soil Conservation

Soil erosion and land degradation are among the main challenges to agrarian development, along with the conservation and sustainable utilisation of the environment and natural resources. About 24 billion tonnes of top-soil are washed away annually.

Challenges

1. *Overstocking, overgrazing, and removal of soil cover, as well as related agricultural practices.*
2. *Deforestation, including logging and charcoal-burning,*
3. *Weak policies, institutions and laws on soil conservation.*

What your ODM Government will do

Implement soil conservation through the following measures:

- *Support local communities and farmers in the conservation and management of the soil for higher productivity, working with county governments.*
- *Promote agroforestry, terracing, effective land administration and related agrarian practices that enhance afforestation and reafforestation, as well as combating desertification.*
- *Through participatory approaches, implement the Constitution and Vision 2030 by reforming the law and policies on soil conservation and natural-resource governance, in consultation and collaboration with the counties.*

8.7 Urbanisation

Kenya Vision 2030 recognises urbanisation as an integral part of the social pillar, in realising equitable and social development in a clean and secure environment. Rapid urbanisation due to rural-urban migration has caused widespread environmental degradation and multiple health hazards. About 35 per cent of Kenya's population resides in urban areas. By 2030, it is estimated the proportion of the Kenyan population living in urban areas will reach 60 per cent. This percentage could increase with the implementation of devolved county governments, which are expected to attract settlement, services and infrastructure, and to catalyse urbanisation in otherwise rural areas.

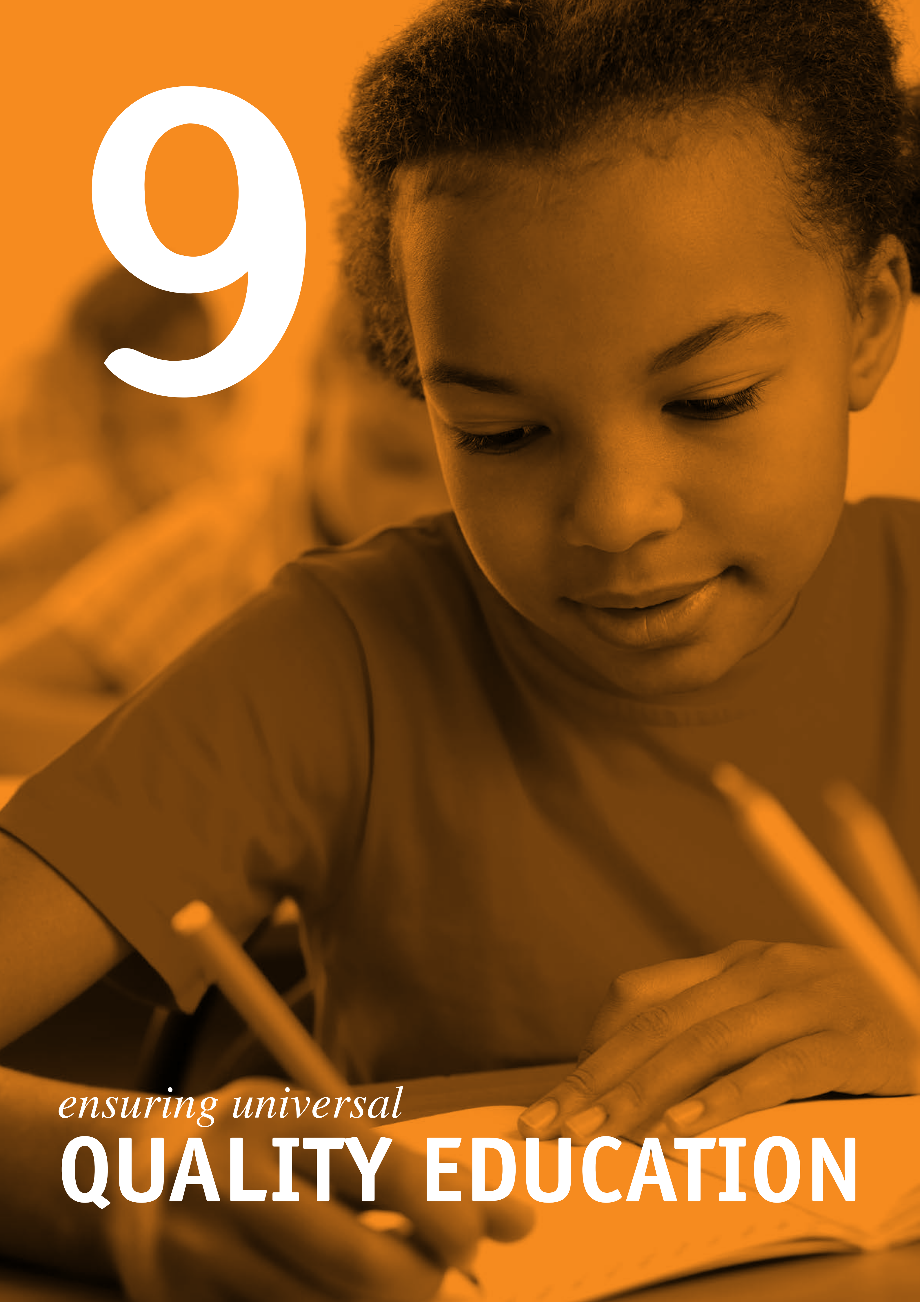
Unless urbanisation is well planned, it will cause serious environmental, social and economic problems, including increased congestion, unemployment, environmental degradation, inadequate water, sanitation and waste management issues, insecurity and high crime rates. Related challenges will be poor infrastructure services and the proliferation of informal settlements with extremely poor living standards. This is already evident in such major towns and urban areas as Nairobi, Mombasa and Kisumu. Remarkably, 40 per cent of waste is uncollected or poorly disposed of. This causes more environmental degradation and health hazards to urban dwellers, loss of wildlife, challenges to quality livelihoods in formal and informal settlements, and land use, planning and biodiversity problems.

Challenges

1. *Inadequate urban and physical planning that is neither integrated with other wider environmental concerns nor guided by policy.*
2. *Inadequate resources among the institutions and authorities charged with urban and physical planning.*
3. *Inadequate devolution of power and resources to rural areas and counties.*
4. *A progressive urbanisation policy is therefore vital in securing the wider environmental governance and management agenda.*

What your ODM Government will do

- *Reform the national laws, policies and regulations relating to urbanisation, and encourage county governments to progressively address urbanisation and related environmental concerns through local policies, laws and regulations.*
- *Initiate and establish rural development programmes in all counties to eradicate poverty through development programmes such as infrastructure, communication and energy development, consequently decongesting the few urban areas that suffer population and environmental pressure.*
- *Administer and enforce the reformed laws, and regulations on the use of plastic bags, timely collection and disposal of garbage from residential areas, proper sewage disposal, and protection of urban wetlands. Support county governments to formulate urban waste management.*
- *Establish and promote a framework for public private partnerships and with civil society organisations at the national and county levels to build and provide the needed urban infrastructure and ensure that critical services are better managed (RECAST).*
- *Ensure that the county governments are adequately funded in the national budget, and also get maximum support from the national government to establish self-sustaining hubs of urbanisation.*
- *Ensure the improvement of urban governance through enhanced co-operation between the national and county governments, in order to provide effective and equitable development and delivery of urban services in formal and informal settlements.*
- *Fully implement land reforms articulated in the Constitution and National Land Policy.*
- *Link urbanisation and environmental policies with population management programmes in urban and rural areas to popularise and mainstream family planning efforts, in order to match the current population with the available resources.*



9

ensuring universal QUALITY EDUCATION

The First Medium Term Plan (2008-2012) (FMTP) developed under the Grand Coalition Government placed education and training at the core of achieving widespread prosperity in Kenya. The plan's medium-term priorities were to provide quality education to Kenya's 14 million school-age children, of whom 21 per cent are aged four to five years (potential in demand for Early Childhood Development and Education (ECDE)). Fifty-six per cent are of primary-school age, six to 13 years, and 24 per cent are secondary school-going children aged 14 to 17.

Ministry of education (MoE) projections estimate that, in the next five years, (2012 to 2017), there will potentially be an additional 300,000 (2012-2015 the figure is 400,000) early-childhood-level children, 2.5 million primary-school children and 0.5 million secondary-school children for whom the education system will need to cater.

Sector Governance and Policy Framework

Presently, the overall policy framework is bestowed on the government through the twin ministries of education and higher education, science and technology.

The Minister for Education has considerable powers vested in his office through the Education Act regarding the management and governance of the education sector. He/she appoints members of respective governing bodies and most of these bodies are required to refer cases for a decision to the minister. This undermines the independence of governing bodies and removes responsibility for decisions and accountability for their actions from themselves. In the absence of a strong system of checks and balances, cases of impunity and patronage have occurred. Due to the dual role of policy-making and implementation, a heavy burden is placed on the ministry, with some functions being neglected for capacity and lack of co-ordination reasons.

Prior to the FMTP, the MoE developed a sector-wide policy and strategy, which was presented to parliament as the 2005 Sessional Paper No. 1 on Education and Training. The Kenya Education Sector Support Programme (KESSP) 2005-2010 translated these priorities into investment programmes and a comprehensive framework for implementation. The broad policy objectives are to provide affordable and equitable access to education through several strategies, including collaborating with the private sector, NGOs and development partners in the provision of additional educational facilities. The key issues addressed within this policy framework relate to access, equity, quality and relevance.

The policy is designed to address different issues that affect different levels of the education system, namely, early childhood development education (ECDE), primary school education; secondary education, technical, industrial, vocational and entrepreneurship education (TIVET), and university education. In addition, the policy pays special attention to education in ASALs, special-needs education, non-formal schools, and adult and basic education. It also takes cognisance of cross-cutting issues in the sector, the major ones being HIV/Aids and education, school health feeding and education, gender equity, reducing the disparity in the net enrolment ration (NER) of girls relative to boys, and enhancing learning and quality achievement.

Progress towards achievement of the KESSP development objectives was to be measured particularly by (i) the NER, disaggregated by gender and province; (ii) the primary completion rate (PCR), disaggregated by gender; (iii) learning achievement levels based on results from periodic National Surveys of Learning Achievement (NASLA); and (iv) the transition rate from primary to secondary education.

9.1 Achievements at Different Education Levels

The KESSP targeted the achievement of primary NER of 96 per cent in 2010, over the 2005 EMIS baseline of 83 per cent. According to the MoE, NER significant progress was achieved, but published by household surveys and the population census over the same period show a stagnating NER at about 79 per cent. The performances of different levels were as follows:

- *Early childhood development education (ECDE): A substantial increase in enrolment but this is still low with the average NER at only 43 per cent.*
- *Primary school education: The highest participation rate, with eight out of 10 children attending public primary schools and the NER at 91.6 per cent. The progress achieved towards the attainment of the primary completion rate (PCR) target is considered unsatisfactory based on the 2005 baseline of 80 per cent. The PCR increased by three percentage points over the baseline against a target of 12 per cent.*
- *Secondary school education: The number of secondary schools has increased and with it the transition rate from primary to secondary but this varies considerably by region. NER rates increased by 55 per cent between 2003 and 2010.*
- *TIVET: Increasing enrolment is being experienced but the capacity of the system is being stretched as mid-level institutions are converted to universities.*
- *University education: The percentage of secondary school graduates admitted to university increased from 4.9 per cent to 10 per cent between 2004/5 and 2009/10.*

9.2 Achievements on Cross-cutting Issues

Several achievements were realised, including (i) 3.6 million children were dewormed in 2009, reducing school absenteeism by 25 per cent; (ii) 22,000 primary schools received grants for life-skills training; (iii) awareness about the HIV/Aids pandemic has been increased significantly among pupils and teachers; (iv) quality and learning achievement based on the performance of KCPE show a mixed picture of decline in English, flat in maths and improvement in science relative to the baseline.

Achievement of gender equity is similar to MoE and survey results on access to education. According to the MoE, girls' enrolment lagged behind that of boys over the KESSP period, and worsened over time. However, according to household surveys, female school participation rates were consistently higher than those for boys and this advantage increased over time.

Overall, the number of pupils attending school since 2003 had increased by 22.3p per cent by 2010: enrolments in ECDE increased from 1.6 million to 1.8 million, with 62 per cent in public schools; enrolment in primary schools increased from 8.2 million in 2007 to 9.38 million pupils in 2010, (although the percentage attending public school fell from 97 to 84); and enrolment at secondary school increased from 1.1million in 2007 to 1.7 million in 2010 (88 per cent in public schools). However, there is considerable variation in enrolment rates by geographic area, though Kenya's primary NER stands at 91.6 per cent. For example, in Nairobi, the enrolment rate is only 46 per cent compared to the national average of 92 per cent. Some 330,000 pupils in Nairobi are not in formal primary school. In addition, an estimated 690,000 children of school-going age have never attended school, and more than one-third of children in North Eastern report that they have never attended school.

In terms of facilities, as at the end of 2010 there were 38,523 ECDE centres (23,980 public and 14,514 private); 27,489 primary schools (19,059 public and 8,340 private); 7,311 secondary schools (5,296 public and 2,015 private); 238 TTC at all levels (44 public and 194 private) and 32 universities (seven public and 25 private). Public ECDE facilities increased (both) by 17 per cent between 2003 and 2010, primary by three per cent only, and secondary by 43 per cent. The private sector has also been expanding: ECDE facilities have increased by 49 per cent; primary facilities by 76 per cent and secondary by 167 per cent. There are in addition 1,395 informal schools.

At the tertiary level, TIVET has been revitalised and more mid-level colleges have been brought into the mainstream educational system. Access to institutions of higher learning has increased, a factor that has been attributed to the introduction of a variety of certificate, diploma, degree and master's courses. Enrolment in these institutions has also increased dramatically due to the introduction of parallel, sandwich and evening programmes. The number of private universities has also increased considerably to date.

Challenges

1 *Funding is the biggest. By all standards the KESSP was one of the largest funded but still fell short of the resources required to improve on the requirements needed by all public sector education institutions.*
2 *Access to pre-primary and post-primary education is still low, despite the increase in enrolment rates. For instance, the NER for ECDE was only 43 per cent and for secondary was 28.9 per cent in 2010. The main reasons for non-enrolment in secondary schools are affordability, unsatisfactory educational attainments among Standard 8 completers, limited secondary school capacity in some regions, and socio-cultural factors, among others.*
3 *Despite an increase in school facilities, growth has been much higher in the private sector. The low transition rates to secondary schools are as a result of lack of adequate secondary school places.*
4 *Failure to utilise resources to meet educational needs, and waste manifest in high-school dropouts, with very low transition rates to higher levels and low numbers of students making it to institutions of higher learning, and even secondary school, despite the introduction of free primary education. Other challenges facing the education system that contribute to inefficiency are poor administration structures and weak human resource capacities.*
5 *Inequalities determined by a number of factors, such as cost, proximity to educational facilities and availability of appropriate physical amenities such as school laboratories and adequate instructional material. Appropriate teacher-student ratios in private schools mean that teachers can afford to give individual attention to students. For public institutions of learning, low teacher-student ratio (in some instances 1:100) means that less attention is paid to individual students. In relation to availability of resources that determine performance of schools:*

    - *Private schools are well equipped in terms of classrooms, laboratories and other social amenities, while public schools lack learning resources such as laboratories and libraries; for poorer schools located in rural areas, the situation is worse.*
    - *Public schools also lack qualified teachers in sciences and mathematics and most schools are characterised by a high teacher mobility.*
    - *Public schools have high dropout rates, with studies attributing this to high incidences of drug-addiction, bullying and teenage pregnancy.*

6 *Access to institutions of higher learning is competitive and is influenced by the availability of finances. Few qualified students are admitted to public universities via the Joint Admissions Board (JAB) and those who do not join the regular university programmes do so on a self-paying basis. The cost of higher education under the parallel programme is high and attracts mainly individuals from the middle- and upper-income classes. Self-sponsored programmes have also been criticised as 'catering exclusively for the rich'.*
7 *Gender equity remains a thorny issue. Although higher numbers of girls were recorded after the introduction of FPE, GER was recorded at 101.6 per cent for girls, while for boys it was 108.0 per cent. Women form a smaller percentage of students enrolled in public universities, at 30 per cent for regular programmes and 37 per cent for self-sponsored programmes. Regular programmes see 36 per cent female intake, 64 per cent male.*
8 *The educational curriculum has been criticised as cumbersome. Students are overburdened with heavy academic workloads and course overlap is common. Lack of proper structure in the learning items; certain high-level concepts have been taught in lower levels. System and curriculum has offered more about schooling than learning.*
9 *Although more children are attending school, evidence is thin to suggest that average learning outcomes have improved at the primary level. In addition, although more students are reaching primary examination level, the average score has not increased since 2003. The national mean score remained at 247.5 in 2003 and 2010, out of the possible maximum 500 marks. Pupils continue to exhibit very low basic skills in literacy and numeracy. Only 28 per cent (three out of ten) in Standard 3 can read Standard 2 level stories. The rapid expansion and higher admissions to institutions of learning have also been cited for compromising the quality of education offered in technical institutions. Provision of technical skills necessary for technical and industrial growth is on the decline, threatened by the conversion of higher institutions to universities.*
10 *It is estimated that 1.8 per cent of the country's 245,000 teachers lose their lives annually. HIV/Aids is draining the supply of education, eroding its quality, weakening demand and access, drying up the country's pool of skilled workers and increasing the sector cost, which is already high in relation to available public resources. The number of Aids orphans and other vulnerable children is estimated at about 1.2 million. The realisation of girls' and women's empowerment through education has been impeded by HIV/Aids and a number of other factors, such as cultural and religious attitudes and practices.*
11 *In Adult and continuing education (ACE) there are relatively low enrolments in relation to the estimated 4.2 million functionally illiterate adults, due to low funding of the sub-sector compared with other sub-sectors. In addition, there are inadequate teaching personnel who are also unmotivated.*
12 *Insecurity has a great impact on the ability of students to access education. The most affected regions include the clash-torn regions located in certain parts of Coast province, such as Likoni and Tana River, and parts of Rift Valley. Cattle-rustling and banditry in the arid and semi-arid regions has resulted in parents withdrawing their children from schools. Long distances and insecurity erodes parents' confidence in sending girls to school.*

The 2007-2008 post-election violence destabilised both pupils and teachers, who were forced to relocate to areas far away from trouble-spots. The huge number of displaced and transferring students and teachers has had a negative impact on other regions, due to strained physical amenities and facilities. Women tend to suffer more in contexts of insecurity. Insecurity exacerbates inequalities in enrolment across the regional divide. It is also possible from internal triggers due to drug alcohol and substance abuse in schools.

ODM recognises the fundamental role education plays in Kenya's development and makes the bold pledge of offering quality education to all Kenyans at all levels as the party's commitment to poverty reduction and to the MDGs and Education for All (EFA) goals. ODM's pledge is to improve access, quality and equity. An ODM Government will fulfil these pledges by identifying new sources of financing for the sector, which has been the bane of the sector's development.

What your ODM Government will do

1. Finance:

- *Transform public education facilities at all levels into institutions that offer quality, free, basic education services in accordance with Article 53 (1b) of the Constitution by identifying alternative sources of financing for the sector.*
- *Facilitate public universities to diversify their sources of income to finance university education, with a view to lowering tuition and fees paid by students directly.*
- *Support and facilitate partnership between industry and technology and vocational education and training (TVET) in financing the sector.*

2. Access:

- *Enforce the provisions that make education compulsory in compliance with the Constitution, which entitles every child to a basic education that is both free and compulsory.*
- *Work with county governments to ensure that children once enrolled are retained in school and monitored throughout their primary and secondary education.*
- *Ensure the distance to schools is within acceptable norms, by undertaking a mapping of all schools to ensure attendance, starting with disadvantaged areas.*

3. Quality and relevance:

- *Shift focus from schooling to learning, while constantly assessing the learning outcomes to identify and correct low learning outcomes, especially at lower levels.*

- *Ensure a shift from improved mean scores, which may just mean systematic drilling of children at the expense of lifelong learning.*
- *Strengthen the capacity of schools and district offices for information management to help in tracking progress towards quality. Ensure that headteachers and county education officers are capacitated to analyse education information, especially in the study of trends to enhance decision making at their levels.*
- *Link education with the market to ensure thousands of the youth attain skills that are widely applicable in the market.*
- *Encourage and support teachers' continuous training and education to have a teaching force that is conversant with modern trends in education and curriculum delivery.*
- *Develop a system that identifies and nurtures talent at an early age.*

4. Technical, Industrial and Vocational Education and Training (TIVET):

- *Stop the transformation of TIVET institutions into universities, which creates a major gap in access to skills-based training.*
- *Establish TIVET institutions across all counties to develop technical skills required for realisation of Vision 2030. In partnerships with local and global institutions, establish incentives for leading edge innovations in TIVET.*
- *Adapt a relevant model to position TIVET as the force behind the knowledge-based economy in Kenya.*

6. Quality education is everyone's concern:

- *Think beyond the allocation of the ministry, to draw extra resources from other ministries and partners locally and globally.*
- *Package education as 'everyone's business' to draw on the strengths of other government ministries to improve schools. For example, ministry of communication to see that young Kenyans have access to ICT, ministry of public health and sanitation to ensure that children have access to proper nutrition and hygiene.*

7. Equity:

- *Review the allocations to FPE and FSE to ensure that equity and social justice are realised.*
- *Address regional variations of female-to-male literacy ratios.*
- *As we focus on the girl child, let us not forget the boy child.*

8. Education personnel:

- *Working with the TSC, review working and living conditions of teachers.*
- *Review the standards for those entering the teaching profession to attract highly qualified personnel.*
- *Review the terms of service of education personnel to ensure long-term retention and harmony, especially in the ECDE sub-sector, which is marked by a high turnover of trained teachers (estimated at 40 per cent annually) and low participation rates, especially in arid and semi-arid lands and urban slums.*
- *Review the high pupil/teacher ratios in some schools due to an inadequate number teachers and recruit more teachers to correct the imbalance [RECAST].*
- *Review the in-servicing of teachers to adopt alternative methods of curriculum delivery, especially for the hard-to-reach children.*
- *Scale up interventions aimed at reducing HIV/Aids.*
- *Increase the capacity of teachers to meet the requirements for training children with special needs.*

9. Facilities:

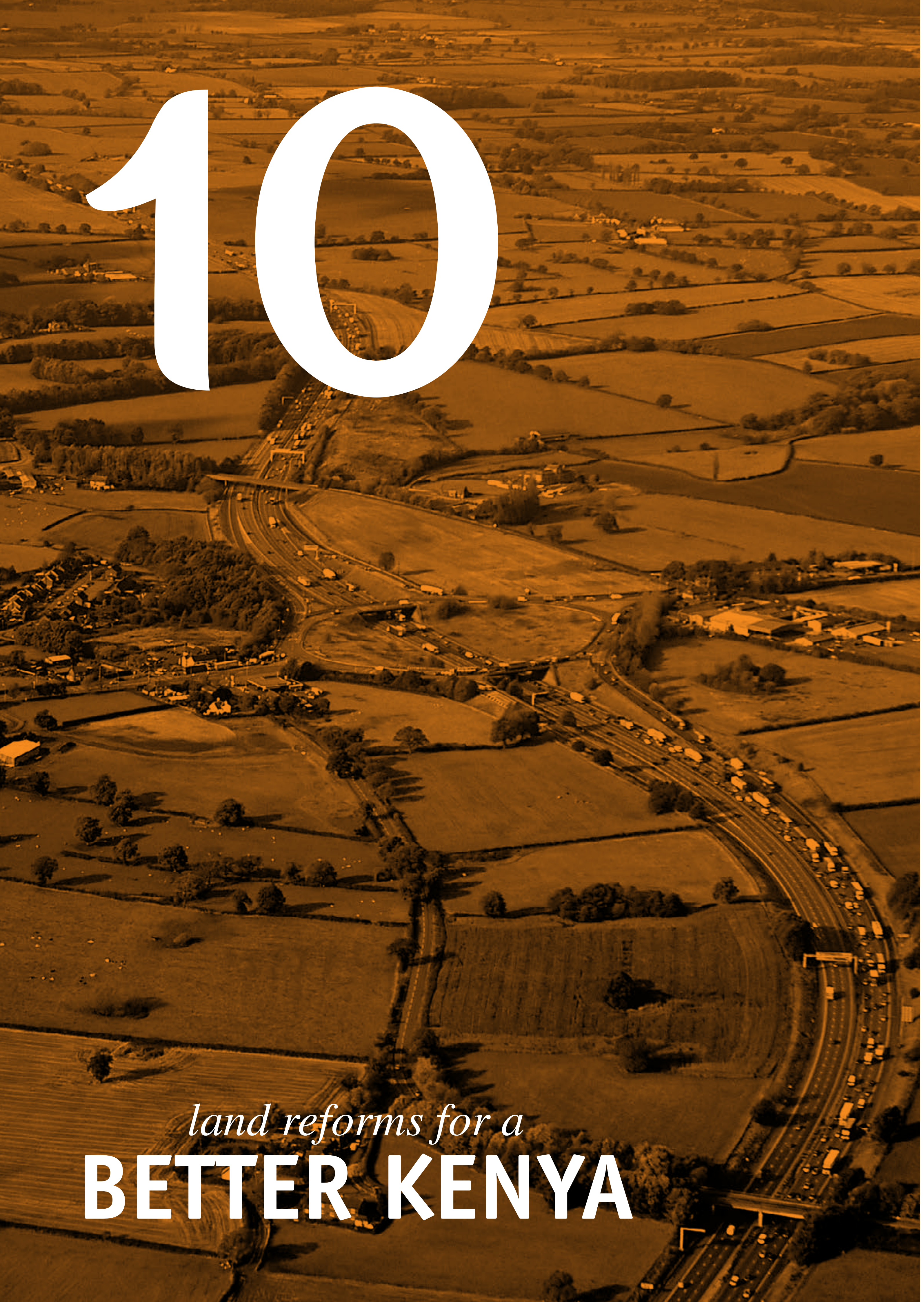
- *Construct/complete/renovate existing facilities to alleviate overcrowding in schools especially those in urban informal settlements, ASALs, and densely populated areas.*
- *Renovate/reconstruct all public education institutions with inadequate physical facilities due to increased enrolments and dilapidated infrastructure.*
- *Provide special equipment/facilities and materials to cater for children with special needs.*
- *Integrate all non-formal schools and non-formal education centres into the formal education system.*
- *Bring under the MoE many of the OVCs and NFE service-providers that are registered under different organisations, including government eepartments, such as under the office of the vice-president, the attorney-general's chambers, social services and NGOs, to provide consolidated and harmonised services.*
- *Review the existence of many private NFS that charge fees to the poor. It is difficult to extend government support to the NFE sub-sector, since the MoE has registered few of them.*
- *Improve on low transition rates from primary to secondary and under-utilised capacity in the TIVET sub-sector that leads to high wastage.*

8. ICT education/e-learning

- *In partnership with major IT global firms, launch e-learning and ICT education programmes, starting with secondary schools. e-Learning will ease the situation occasioned by a shortage of critical and expensive textbooks.*
- *Scale-up the computers–for-schools programme to cover all counties.*
- *Mount internet in all schools to enable access to e-libraries and e-laboratories.*
- *Establish computer laboratories in all public high schools to enable children to access the 21st Century tools required to prepare them sufficiently for the knowledge-based world economy.*
- *Mount e-tutor and e-student services, offering self-based, web-enabled learning for thousands of the youth that have dropped out of formal school.*

9. University education

- *Improve the quality of education and skills building to ensure that the graduates are absorbed into the job market.*
- *Allocate resources for research and facilitate the linkages between the universities, government and industry.*
- *Increase gross enrolment rates from three per cent to 10 per cent by the year 2022, in line with the policy framework.*
- *Support and help universities implement reforms as set out in the current policy framework in the areas of increased access, affordability, equity, relevance, research, governance, resource mobilisation (including staff compensation and retention), linkages with industry and partnerships with other global institutions.*
- *Encourage universities to incorporate elements of entrepreneurship, innovation and social responsibility.*



10 land reforms for a BETTER KENYA

The genesis of our land problems can be traced to the colonial era, when the objective was to entrench a dominant settler economy while subjugating the African economy through administrative and legal mechanisms. Land has remained the most contentious subject in Kenya's social and political discourse. Until 2009, Kenya had no comprehensive policy or harmonised legal framework for the management of land and land-based resources.

The country has less than 20 per cent arable land, and even much of that is uncultivated. A large proportion remains outside the formal legal system. Much belongs to local communities under traditional and customary rights, which until the coming into force of the current Constitution was not respected by official system. The majority of Kenyans (80 per cent) are smallholders owning in total less than two per cent of the land but responsible for more than 90 per cent of Kenya's agricultural production.

Access to land continues to be a big challenge and a potential source of conflict in both rural and urban areas. Women, who are responsible for 70-80 per cent of food production in Kenya, only less than two per cent of registered land in their own names and about five per cent in joint ownership. Youths, who live in their majority (70 per cent) in rural areas, are unable to access land easily. In contrast, large-scale national and foreign investors have privileged access and treatment in land access. Increasing competition and conflict for diminishing resources such as land and water are rising and contributing to Kenya's environmental degradation. Population growth, commercial pressure on land and climate change are an explosive cocktail that needs to addressed.

The twin blueprints on land reform, the Constitution of Kenya 2010 and the Sessional Paper No. 3 of 2009 on National Land Policy, have proffered principles on redressing the overall poor management of land resources, insecure tenure rights, land-related conflicts contributing to Kenya's low agricultural productivity and food insecurity, famine and population movements, poor environment and natural resource management, inadequate urban planning and development, and ultimately to increasing social unrest and threats to peace and security.

ODM recognises that land:

- *is the basis of livelihood security for the vast majority of Kenyans, who depend on it as farmers, pastoralists, fisher-folk and forest-dwelling hunter-gatherers;*
- *is the foundation of our national economic development, through agriculture and pastoralism, tourism, mining, fisheries and the exploitation of other natural resources;*
- *defines our history, as well as the cultural, social, economic and political relations within our society;*
- *is potentially a major source of conflict due to increased pressure arising from high population growth, competing land use, climate change and environmental and natural resources degradation.*

Land reforms as envisaged in the Constitution and a supportive National Land Policy have a critical bearing on our capacity to manage the land-related challenges for economic development and poverty reduction in both rural and urban areas of Kenya.

Challenges

1. *A long history of unjust acquisition, allocation and use of land resources by the powerful at the expense of communities and the marginalised.*
2. *A systematic breakdown in land administration and land-delivery procedures.*
3. *Inadequate participation by communities in the governance and management of land and natural resources.*
4. *Rapid population growth in the small-farm sector.*
5. *Rapid growth of informal settlements in major urban areas.*
6. *A multiplicity of legal regimes related to land.*
7. *Gross disparities in land-ownership, gender and trans-generational discrimination in succession, transfer of land and the exclusion of women in land decision-making processes.*
8. *Lack of capacity to gain access to clearly defined, enforceable and transferable property rights.*
9. *A general deterioration in land productivity in the large-farm sector.*
10. *Inadequate environmental management and conflicts over land and land-based resources.*
11. *Encroachment of public land by private interests.*
12. *Poor record-keeping at lands offices.*
13. *Displacement of populations and unresolved squatter problems.*
14. *Hoarding of land for speculative purposes – general disregard for land-use planning regulations.*
15. *Cultural, expectations and inheritance that determine land use.*

What your ODM Government will do

- *Fully implement the National Land Policy (2012), in line with the Constitution of Kenya 2010.*
- *Safeguard the rights of women and the disadvantaged to land and land-based resources.*

- *Address historical injustices on land, including, but not limited to, squatter problems, displacement of indigenous communities and involuntary resettlement of populations.*
- *Tax idle land to discourage speculation and under-utilisation of land resources.*
- *Establish and enforce sustainable land-use standards and benchmarks, based on a comprehensive national land-use policy.*
- *Maintain a sustained focus to remedy and correct historical injustices through land reforms and the Land Commission, especially among marginalised communities.*
- *Ensure that all land records are secured and digitally stored by 2014.*
- *Promote transparency in the management of and public access to land information. In this regard, ODM commits itself to securing the land and resource rights of the rural poor, as a necessary condition for economic growth.*
- *Promote manufacturing and a service economy as alternatives to over-reliance on land.*
- *De-emphasise the role of land as collateral in accessing credit.*
- *In the first six months, put in place mechanisms to address squatter problems in the country.*

11

investing in

RESEARCH, SCIENCE, TECHNOLOGY AND INNOVATION

Building a modern social democratic state and society is ODM's mission statement, and this can only be achieved with an effective policy and strategy for RST&I. ODM, in line with Constitutional provisions and the Science, Technology and Innovation Policy, will respond to the global urbanisation and climate change trend, which require comprehensive understanding of local, regional and global development dynamics. This cannot be achieved without an operational RST&I policy informed by the Constitution. Prior to the promulgation of the Constitution in 2010, Kenya had moved ahead and isolated RST&I in its Vision 2030 as one of the foundations for socio-economic transformation. This was in 2008 backed up with a science, technology and innovation (STI) policy and strategy, which is implemented under the co-ordination of the Prime Minister's Office. National priority sectors for STI policy interventions include agriculture, rural development and related industries, health and life sciences, trade and industry, human resource development, physical infrastructure, energy, environment and natural resource management, and ICT.

The STI policy and strategy has identified 12 strategic policy issues relating to the sectors, including governance framework; technology development, transfer and diffusion; education, training and research; indigenous resources and traditional knowledge (IRTK); collaboration and partnership, which are all pertinent issues in the Kenyan economy. An ODM government will monitor progress in the sectors, address policy issues, collaborate with stakeholders and mobilise resources required for progress and competition locally, regionally and globally. In particular, the governance framework, which is an over-arching issue, will be a major priority. Effective governance of STI is important for optimising the benefits of STI and mitigating the undesirable outcomes.

11.1 Innovation

Innovations come with both advantages and challenges, and an enabling institutional and regulatory framework to support its development must be put in place, and the public, including women, youths and disadvantaged persons, socialised to support related activities. Furthermore, ODM not only recognises the need to integrate STI into all sectors of the economy and encourage targeted research and innovation in key growth sectors of the economy as stated in the policy, but also will go beyond integration to ensure synergy with the Constitution among sectors and counties and collaboration among key stakeholders.

The 21st Century is facing a number of challenges that cannot be resolved using conventional methods, hence the need for innovative approaches to development. Climate change reflected in global warming and flooding, which is a menace in Kenya, must be addressed through technology and engineering. If the economy is to remain sustainable, innovations in renewable energy to solve climate change problems manifested in prolonged droughts, flooding and a rise in tropical diseases will be required.

11.2 Technology Development, Transfer and Diffusion

Technology development, transfer and diffusion are central to economic development. Both the Kenya 2003 Economic Recovery Strategy for Wealth and Employment Creation and the Kenya Vision 2030 acknowledge that ST&I is crucial in realising Kenya's vision of a globally competitive and prosperous economy. Generation of new knowledge is vital to wealth-creation, social welfare and international competitiveness. Vision 2030 expected an average economic growth rate of 10 per cent per annum and sustaining the same till 2030 in order to generate more resources to meet the MDGs and vision goals. However, Kenya is struggling to attain this growth rate. ODM will exploit technology in generating new knowledge, and strengthen economic and institutional regimes that provide incentives for efficient use of existing knowledge, creation of new knowledge and flourishing of entrepreneurship in order to achieve Vision 2030 milestones.

The party will rely on educational institutions and promote the creation, sharing and use of knowledge in all sectors of development. ODM recognises the importance of education in RST&I, since education is the key to unlocking the economic potential of any economy. Unfortunately, there is massive generation of knowledge in higher learning institutions that is not effectively co-ordinated, disseminated or stored. ODM will collaborate closely with key public institutions such as the National Council for Science and Technology and the ministry for higher education, as well as the private sector, to identify areas relevant for promoting knowledge generation, and addressing related issues.

11.3 Education, Training and Research

Education, training and research make up the seedbed for development, and Kenya has been focusing on these since Independence, with significant gains, albeit with challenges. Since 2003, a number of reforms have been made in education, including the adoption of universal primary education and subsidised secondary education. While these steps have increased opportunities for children who would otherwise not have been in school, issues of quality and policy on the progression of students in public and private schools, inadequate resources for training and research, retaining professional personnel, strengthening institutions for creation, translation of data and knowledge, dissemination of information, collecting, collating, analysing, storing, archiving and retrieving data remain policy issues that ODM will use a public-private partnership (PPP) approach to addressing.

11.4 Indigenous Knowledge

Knowledge generation is not the preserve of higher learning institutions and exclusive sectors of society. Communities across Kenya are endowed with indigenous knowledge, which ODM will protect and nurture. Article 11 of the Constitution recognises the role of science and indigenous technologies, and the protection of the intellectual property rights of the people of Kenya. The provision further requires the state to promote all forms of national and cultural expression through science.

While the Constitution has these provisions, this area largely remains untapped, with citizens holding different opinions on some forms of indigenous knowledge – for example the role and space for traditional medicine/healers. ODM will use relevant information and communication channels for promoting deeper understanding and harmony between conventional and traditional sciences, including regarding indigenous seeds, plant varieties and genetic resources.

Challenges

ODM acknowledges that the main challenge in ensuring an efficient RST&I lies in the mobilisation of resources required for efficient operation of the sector, including co-ordination and efficient management. Specific challenges include:

1. *Lack of synergy among various agencies pursuing RST&I.*
2. *Inadequate exploitation of RST&I for socio-economic and political development.*
3. *Inadequate collaboration with higher learning and research institutions and use of the knowledge generated for socio-economic, cultural and political development.*
4. *Poor co-ordination, dissemination and storage of knowledge generated through RST&I.*
5. *Weak PPPs for efficient promotion of RST&I.*
6. *Poor identification of areas relevant for promoting knowledge generation, including indigenous knowledge.*
7. *Weak exploitation of indigenous knowledge among Kenyan communities.*
8. *Inadequate synthesis of knowledge generated by higher learning and research institutions.*
9. *Large numbers of students in public schools, which compromises quality and generation of knowledge.*
10. *Differential progression of students in public and private schools.*

What your ODM government will do

- *Formulate and implement policy and legislative frameworks that ensure synergy, collaboration and harmony among different actors in RST&I, including inventors, innovators and breeders.*
- *Centres of excellence in R&D and technology innovation.*
- *Establish and fund innovation centres in all counties.*
- *Commit more resources (least 1.5 per cent of GDP) towards research, technology innovation and the development of high-level skills in key productive sectors of the economy, among them ICT, agriculture, energy, manufacturing, transportation and tourism. This is in line with African Union proposals.*
- *Borrow the best ideas from others but innovate and adapt these ideas and technologies to suit Kenya's circumstances.*
- *Strengthen the intellectual property regime to protect Kenyan inventions and innovations.*
- *Work with relevant government agencies in mobilising stakeholders for efficient resource-mobilisation and co-ordination of RST&I programmes.*
- *Facilitate the exploitation of technology in generating new knowledge, and strengthening economic and institutional regimes responsible for RST&I.*
- *Review the mandate of the National Council Science and Technology, with the view to strengthening the co-ordination of the different actors involved in RST&I in the promotion, synthesis, sharing, use and storage of knowledge.*
- *Sensitise innovators on the need to declare and protect their intellectual property.*
- *Put in place a recognition and award system for innovators.*
- *Protect and nurture indigenous knowledge-generation through RST&I.*
- *Review the educational curriculum at all levels and align with the development needs of the country, laying emphasis on creativity, adaptability and ease of application.*

12

accelerating growth through INFORMATION AND COMMUNICATIONS TECHNOLOGY(ICT)

The Government has identified universal access to ICT as a major objective of Vision 2030. It is expected that greater access to ICTs will contribute to economic growth by reducing transaction costs and increasing business efficiency, especially in the case of small service firms in rural areas. In addition, ICTs should contribute to improved educational standards and access to information, as well as accountability among government officials.

The ICT sector has in recent times outperformed other sectors of the economy, growing at an average of 20 per cent annually. Growth of the sector has in turn had a direct positive impact on the growth of all other sectors of the economy, especially the service industry, transport and communications. Furthermore, the sector has had a transformative impact on the financial sector. The World Bank estimates that, by the end of 2010, 15 million Kenyans will use mobile money, transferring an estimated US$ 7 billion annually by phone.

Following the laying-down of three fibre-optic international submarine cables in 2009 and 2010, ending the country's dependency on limited and expensive satellite bandwidth, bandwidth prices have fallen by more than 90 per cent, enabling cheaper tariffs for telephone calls and broadband internet services. A simplified and converged licensing regime introduced in 2008 has lowered the barriers to market entry and increased competition, by allowing operators to offer any kind of service in a technology and service-neutral regulatory framework.

According to the CCK's 2nd Quarter ICT Sector Statistics for 2011/2012, the number of internet subscribers in Kenya increased by 13.48 per cent from 5.42 million to 6.15 million between September 1 and December 3, 2011. During the same period, the estimated number of internet users rose to 17.38 million from 14.30 million, representing an increase of 21.55 per cent. Furthermore, the number of mobile phone subscribers increased to 28.08 million, up from the 26.49 million recorded during the previous period, an increase of 5.99 per cent. Mobile penetration in Kenya has increased to 71.3 per cent in 2012.

Kenya's Open Government Action Plan proposes that, by March 2013, citizens should be able to access government information through SMS, get crucial services through a single point by April 2013, and access important government documents by the end of 2012.

As a pioneer in Africa of open data, Kenya wants to maintain a leading position in implementing ICT that improves citizen service delivery, strengthens public-sector governance and transparency. The open-data portal further allows budding entrepreneurs to participate in this process, through using data to innovate and create applications and products for citizen use. This will increase job creation, which is key to achievement of Vision 2030.

- *A study commissioned by the CCK in 2011 on access to ICT in Kenya, highlights the following issues as among the key challenges hindering the growth of the sector:*
- *high operation and maintenance costs, especially due to lack of or erratic energy supply, a poor roads network and lack of security provision for the infrastructure deployed (which is vulnerable to vandalism);*
- *low population – more than 2,000 users are required to justify the installation of a new base station in a rural area;*
- *high license and spectrum fees and lack of definition of spectrum policy for these areas;*
- *high interconnection fees have a negative impact on the cost of doing business for small players;*
- *low education levels and lack of access to computers affect the use of data services. SMS use is also negatively affected by low literacy in English;*
- *rampant fibre vandalism, which has huge costs for the industry and represents an emerging key challenge.*

Challenges

1 *Compared with voice services, access to data services (the internet) is relatively low in Kenya. The 2009 census shows only five per cent of the population had used the internet during the previous month and only three counties (Nairobi, Mombasa and Kiambu) had usage levels higher than 10 per cent. Of the total internet subscribers in the country, broadband subscription represented only 2.14 per cent.*

2 *Lack of access to affordable financial resources by small and medium-sized enterprises (SME) in the ICT sector is a major obstacle to growth of the sector. It is largely because such firms often lack tangible assets that can be leveraged as collateral for loans.*

What your ODM Government will do

- *Double the contribution of ICT to GDP from by 2017.*
- *Develop the export markets for ICT services and BPO/ITES and position Kenya as a regional ICT centre of excellence and knowledge hub.*
- *Enhance internet penetration from six per cent to 25 per cent, by ensuring that each county has affordable broadband connectivity through fibre optic cable by 2017.*

- *Ensure that all public secondary schools have well-equipped computer laboratories and qualified ICT instructors.*
- *Establish two national centres of excellence in ICT technology research and development.*
- *Ensure within two years that 90 per cent of government services are delivered on an ICT platform that is accessible to all citizens.*
- *Build a strong skills and knowledge base by promoting the establishment of ICT entrepreneurial and technology development centres in each county, through partnership with public educational institutions and the private sector.*
- *Establish an ICT enterprise growth fund, in collaboration with players in the sector, to provide venture capital to viable ICT, SMEs and start-ups.*
- *Ensure sustained growth in the ICT sector by prioritising the creation of the enabling environment necessary for enhanced development of the sector through:*

    - *sustained investment in the development and supply of cheaper and reliable electrical energy;*
    - *lowering of inter-connection and spectrum tariffs;*
    - *sustained investment in essential infrastructure (roads, energy) to lower the cost of ICT network development and maintenance;*
    - *enforcement of strict penalties for telephone and fibre optic cable vandals;*
    - *promotion of computer literacy in educational institutions.*

13

improving access to water and SANITATION

Improved access to water and sanitation is crucial for sustainable livelihoods, prosperity, the elimination of poverty and the attainment of the Millennium Development Goals (MDGs). Moreover, access to water and sanitation is important for ethnic, regional and gender parity, conflict management, and the realisation of health and education for all. Vision 2030 and the country's commitment to realisation of the MDGs aim at increased access to water and sanitation for all. Provision of clean and potable water is critical for improved health and the reduced incidence of water-related diseases. It is estimated that 80 per cent of all diseases are water-related, leading to high health-sector expenditures at the expense of production.

Water is also important for human dignity. About two-thirds (63 per cent) of Kenyans have access to improved water sources. However, the urban figures (estimated at 91 per cent) mask significant challenges experienced by those living in urban slums and other informal settlements. The main problem in rural areas is the distance to water points, a burden borne mostly by women. Water sector reforms, guided by the Water Act 2002, have resulted in the creation of various institutions with specific roles and functions for policy and supervision, regulatory and service delivery.

Access to sanitation continues to be a major problem, with only 50 per cent of the urban population having access to improved sanitation. The situation in slum communities is deplorable, with garbage and lack of drainage systems exposing residents to a myriad health risks. Only about 19 per cent of waste water in towns is captured by sewerage systems, while 81 per cent of raw sewage is discharged into the environment untreated. This means that most human waste is either penetrating untreated into groundwater or is diverted into surface water courses. The consequences are clear. Approximately 80 per cent of hospital attendance is due to preventable diseases and 50 per cent of these diseases are water, sanitation and hygiene-related.

Although the Grand Coalition Government has invested in increasing access to safe water, mainly in arid and semi-arid lands (ASALs), more needs to be done to ensure that most people have access to water throughout out the year. There is need for investment in rainwater catchment and protection of streams.

Challenges

1 *Ensuring equitable distribution of water resources in the country, especially in the ASALs.*
2 *Relieving the water burden from women who must walk long distances in search of water, further limiting their engagement in career and other development activities.*
3 *Continued human settlements in water catchment areas and the destruction of forests, and especially in the five main water towers, undermine the hydrological cycle.*
4 *Contamination of water due to poor sewerage and inappropriate management of garbage, the more so in urban areas.*
5 *High health costs to the national government and unnecessary suffering to individuals and households, due to exposure to preventable-disease causative agents.*
6 *Poor urban planning bereft of appropriate drainage, garbage collection and sewerage management structures.*
7 *The policies and legislation, including the Water Act of 2002 and the underlying policies and regulations, have yet to be aligned with the Constitution and Vision 2030.*
8 *Inadequate attention to sanitation as a crucial segment in the provision of water and sanitation services, especially to urban informal settlements and rural areas.*
9 *Lack of a unified framework for the governance and management of water resources, which compromises the government's approach and efforts in co-ordinating and meeting the MDGs.*
10 *Inadequate private sector investment in water infrastructure and services.*
12 *Inadequate regional co-operative frameworks for the management of water resources that are shared among the counties and the East African partner states.*
13 *Pollution of urban and rural water resources continues to undermine conservation efforts.*
14 *At the state level, there are weak ministerial and agency policies and capacities such as:*
15 *lack of irrigation and land reclamation policies;*
16 *scattered information systems, and weak monitoring and evaluation systems;*
17 *shortages of staff and/or skills in water and sanitation;*
18 *lack of an effective information, education and communication (IEC) strategy;*
19 *obsolescence and inadequacy of the available equipment.*

What your ODM Government will do

- *Develop an integrated water resource management framework for domestic use, animal husbandry and irrigation.*
- *Identify the water needs in all counties and introduce special measures to meet those needs, including the expansion of urban water supplies and sanitation in all cities and urban areas.*
- *Ensure access to clean drinking water by all households.*
- *Align the institutions and multiple players in the water sector to conform to the provisions of the Constitution.*
- *Enforce water-quality standards and effective policing by the Water Resources Management Authority and strengthen the Water Services Trust Fund (WSTF) to fund water projects that focus on the rural and urban poor.*
- *Allocate funds for the construction of dams and water-pans along river basins in all counties as appropriate, including on the rivers Nzoia, Yala, Nyando, Athi, Itare and Tana. Apart from facilitating irrigation, dam construction will address the perpetual problem of annual flooding in flood-prone areas.*
- *Harness surface and run-off water and create storage facilities, including underground tanks for water conservation for irrigation and food production. Enhance the use of water-harvesting techniques in homes, schools and institutions, through partnerships with NSAs and the private sector.*
- *Intensify public-education efforts on waste disposal, while providing adequate toilet and water facilities to eliminate seepage of effluence.*
- *Work with the county governments, wards and local communities to reclaim, improve, conserve and protect water resources such as the five main water towers at Mt Kenya, the Aberdares, the Mau Forest, Mt Elgon and the Cherangani Hills, which jointly supply most of the freshwater resources for the entire country, as well as being critical reservoirs of biodiversity.*
- *Commission an appraisal for water-recycling and sustainable use.*

14

deepening East African integration and PAN-AFRICANISM

The integration process in East Africa is guided by the treaty for the establishment of the East African Community (EAC), which came into effect in 2000. The treaty provides for integration through establishment of a customs union as an entry point, a common market, a monetary union and ultimately a political federation. The four stages form the pillars of integration.

14.1 The East African Community Treaty

The Customs Union: The protocol for the establishment of the East African Community Customs Union was signed in 2004 and launched on January 1, 2005. The EAC Customs Union provides for elimination of internal tariffs and a common external tariff structure of zero per cent for raw material, 10 per cent for intermediate goods and 25 per cent for finished goods. It also provides for rules of origin that govern goods accorded tariff-free status for the case of intra-EAC trade. Since the establishment of the customs union, Kenya's exports to the EAC countries have been rising. Exports to the EAC constitute manufactured products, which creates employment for Kenyans as well as forward and backward linkages to other sectors of the economy.

The Common Market: The protocol for establishment of the EAC common market was signed in November 2009 and came into force on July 1, 2010. The common market provides for free movement of the people of EAC across borders; the right of establishment for East Africans within the EAC; free movement of services and capital, and the right of residence. Under this arrangement, professionals, business people and workers can access opportunities available across the borders without discrimination. Achievements so far include the easing of cross-border movement of persons; an East African passport; separate counters to serve East African nationals in all international airports in the region and at crossing points. A single immigration departure/entry card has been adopted and is in use.

The Monetary Union: The East African Monetary Union is the third step in the EAC integration process. The taskforce spearheading negotiations on the protocol for the establishment of the monetary union has been working for the past two years. The 12th Summit of the EAC Heads of State in 2010 gave a target of finalising the protocol by 2012.

Challenges

1. *Emergence of non-tariff barriers (NTBs) that frustrate the movement of goods and services across borders.*
2. *Low level of awareness among stakeholders.*
3. *Overlapping membership of partner states in regional bodies, i.e. in EAC, Comesa and SADC.*
4. *Inadequate implementation of the customs union protocol and slow take-off of the common market protocol.*
5. *Fear of citizens of partner states on the likely potential loss of employment opportunities through increased labour mobility and competition.*
6. *Fear by citizens of certain partner states of loss and competition over land.*

What your ODM Government will do

- *Advocate the realisation of the customs union authority, common market authority and an economic union commission to maximise integration gains.*
- *Develop deliberate programmes to tap the benefits of labour mobility.*
- *Develop a regional competitiveness strategy to exploit means of livelihood alternative to land.*
- *Adopt appropriate mechanisms and frameworks to nurture soft instruments for integration, such as EAC scholarships, EAC sports leagues and EAC cultural forums, including mainstreaming the East African identity, making the integration process truly people-centred.*
- *Operationalise the East African Trade Negotiations Act (2007).*

14.2 Political Federation

The quest for a political federation in the EAC remains the overarching ambition of the partner states. While the EAC has made relatively bold strides towards economic integration, the process of building regional bodies and pooling sovereignty as envisaged in the treaty has been limited. This has impeded progress towards a political federation. The creation of a political federation will require a steady transfer of political control to the centre, as a step towards ceding powers and creating the nucleus of a future federal authority of East Africa.

The quest for a political federation has preoccupied the member states since pre-Independence days. However, cognisant of the experiences of Europe, from which the envisaged stages were borrowed, and given that the Euro as a common currency is facing challenges, an ODM government will support the EAC summit's resolution to fast-track the political federation process. This is based on the fact that experience elsewhere has shown that a successful monetary union springs naturally from a common political union.

Challenges

The initial stages of integration have faced numerous challenges of implementation that have undermined the integration process. The citizens of East Africa have yet to comprehend the gains accrued from the customs union and the common market, and fears and concerns among the citizenry of the partner states remain whenever the idea of a political federation is propagated. The quest for political federation comes at a time when benefits from the formative stages aforementioned have not been fully realised. The most critical challenges facing the quest for a political federation are thus:

1. *Lack of a design or a model framework for political federation.*
2. *Lack of a discernible political will from the respective partner states to cede sovereignty.*
3. *Lack of tangible impact in the governance process by the East African Legislative Assembly and the East African Court of Justice.*
4. *The disparity among partner states in upholding good governance standards, as well as the potential spill-over of bad governance practices from one partner state to another.*
5. *Perceived loss of identity and social cohesion.*
6. *Significant disparity in the constitutional frameworks of partner states.*

What your ODM Government will do

- *Rationalise the existence of key EAC institutions, such as the East African Court of Justice, the East African Legislative Assembly and the EAC Secretariat.*
- *Expedite the process of harmonisation of the partner states' foreign, security and defence policies and practices, and ensure the implementation of a common EAC foreign and security policy.*
- *Sensitise the people of East Africa on the potential benefits and challenges of regional integration.*

14.3 Pursuing a Policy of Pan-Africanism

Pan-Africanism, as an expression of continental identity and coherence, distinguishes regional integration in Africa from other regions in the developing world. But the economic arguments for regional co-operation are also particularly strong, given the small size of many African countries in economic terms. Furthermore, most African countries remain highly dependent on agriculture and suffer from high levels of poverty. In these circumstances, there is an over-arching need for African regional integration schemes focused on exploiting whatever synergies may exist to promote peace, good governance and economic development. Despite the force of these arguments, regional integration efforts have been rather slow.

The Lagos Plan was promoted by the Economic Commission for Africa and launched in a special initiative by the OAU. It envisaged three regional arrangements, aimed at the creation of separate but convergent and over-arching integration arrangements in three sub-Saharan sub-regions. West Africa would be served by the Economic Community of West African States (Ecowas), which pre-dated the Lagos Plan. A Preferential Trade Area (PTA) was established in 1981 to cover the countries of East and Southern Africa, which was eventually replaced in 1993 by the Common Market for Eastern and Southern Africa (Comesa). For Central Africa, the treaty of the Economic Community of Central African States (Eccas) was approved in 1983 but has yet to be fully ratified. Together with the Arab Maghreb Union (Amu) in North Africa, these arrangements were expected to lead to an all-African common market by the year 2025. The Lagos Plan was followed up in 1991 by the Abuja Treaty, re-affirming the commitment of the Organisaiton of African Unity (OAU) heads of state to an integrated African economy. In April 2001 at Sirte, African heads of state launched the African Union to replace the OAU.

Challenges

Intra-regional trade in Africa as a share of total foreign trade has traditionally been low compared with other regions. Figures in the early 1990s suggested that the proportion was only 8.4 per cent in 1993, compared with western Europe (69.9 per cent), Asia (49.7 per cent), North America (33 per cent) and Latin America (19.4 per cent). However, recorded trade underestimates the volume of actual trade and, if proper account was taken of the size of informal trade, the African numbers would not look so out of line. Furthermore, there is evidence that the importance of intra-regional trade has been steadily increasing in recent years.

1. *Most African states have suffered from severe macroeconomic disequilibria, foreign debt-service burdens, over-valued currencies, lack of trade finance, and a narrow tax base, with customs duties a substantial source of revenue. The protective import-substitution strategies adopted by most countries since Independence resulted in a host of regulations restricting trade, such as licensing, administrative foreign-exchange allocation, special taxes for acquiring foreign exchange, advance import deposits and so on. Thus the economic context has been unfavourable to the development of regional commitments.*
2. *The design of African integration schemes around inward-looking industrialisation meant that the economic costs of participation for member states are often immediate and concrete (in the form of lower tariff revenues and greater import competition), while the economic benefits are long-term and uncertain and are often unevenly distributed among member states.*

What your ODM Government will do

- *Play a leading role in the promotion of good governance, peace and resolution of conflicts in Africa.*
- *Promote movement of people within the continent by reviewing Kenya's visa policies towards African citizens, with a view to eventually removing visa requirements for Africans.*
- *Lobby to host pan-African institutions.*
- *Sensitise the people of Kenya to the potential benefits and challenges of regional integration.*
- *Promote Kenya as the communication hub of Africa.*
- *Support efforts by Kenya Airways to connect Nairobi with all African capitals and major cities.*
- *Aggressively market Kenyan companies and products in the EAC, Comesa and SADC regions, as a way of promoting intra-African trade and investment.*

15.1 Foreign Policy Under an ODM Government

Since Independence in 1963, Kenya has maintained cautious foreign relations with its neighbours and the rest of the world. This relationship has been pegged on territorial integrity, peaceful co-existence in Africa and non-alignment in global politics. A similar approach has been witnessed in the post-Cold War period, during which time Kenya has maintained a low profile on many issues in Africa and beyond. An ODM Government will tap into the advantages of this approach, while at the same time pursuing Kenya's national interests through a foreign policy that is anchored on the national aspirations and values enshrined in the Constitution of Kenya and the universally recognised principles that govern relations among states.

ODM has noted with concern that successive Kenyan governments, since the attainment of Independence, have not developed a blueprint that serves as a baseline as well as a guideline for Kenya's foreign-policy objectives. This has partly contributed to Kenya's being besmirched by critics in diplomatic circles as a country that employs a wait-and-see approach to foreign interactions and actions. The lack of a blueprint on foreign policy makes it difficult for both diplomats and Kenyans at large to appreciate the benefits of diplomacy to the country and the roadmap for securing national interests. An ODM Government will unveil a blueprint for Kenya's foreign policy that will not only enlighten Kenyans on the activities of their government abroad but will also keep them abreast of the benefits that accrue from such ventures.

The following principles that have guided the conduct of relations between Kenya and her neighbours since Independence will be enhanced, as well as articulated within the framework of the contemporary global framework:

- *peaceful co-existence with neighbours;*
- *promotion of regional cooperation;*
- *peaceful settlement of disputes;*
- *promotion of south-south collaboration;*
- *adherence to the UN Charter, the AU Constitutive Act and other treaties;*
- *promotion of international co-operation.*

The sources of Kenya's foreign policy under an ODM government will emanate from official documents and pronouncements including:

- *the Constitution of Kenya 2010;*
- *the National Anthem;*
- *this ODM Manifesto 2012;*
- *Vision 2030;*
- *executive pronouncements and circulars;*
- *national development plans.*

15.2 Factors That Will Shape Kenya's Foreign Policy under an ODM Government

National Security and Territorial Integrity: Peace and stability are prerequisites to social and economic development. National security is a core interest. It entails territorial integrity and sovereignty, internal security of the state and its people, protection of rights, freedoms and property, food security, and peaceful and harmonious existence among the population. Security guarantees the peace, economic development and safety of all citizens. An ODM government will guarantee the security of its people and the preservation of national integrity and sovereignty within secure borders, enabling a a secure political environment for development. This will not only enhance Kenyan's confidence in their government but will also earn the country respect in the eyes of the international community.

Economic Advancement and Development: Economic development will play a key role in shaping Kenya's foreign policy. An ODM Government will pursue an open economic policy that will on the one hand attract foreign capital and investment flows while at the same time safeguarding indigenous capital and ventures from erosion. An ODM Government will employ a foreign policy strategy that taps into geo-economics to establish good relations with the international community, through trade and cross-country economic activities that will in turn foster economic development. This will lead to an economically active population with good economic prospects, creating a nationalist feeling among the citizenry that will in turn be ready to defend the country.

National Stature and Prestige: Foreign policy under an ODM government will be used to project Kenya as a country at peace within itself, with its neighbours and with the international community. It will promote nationalism and national cohesion, unity and a common sense of belonging and purpose. An ODM government will nurture Kenyan exploits in tourism, not only to enhance patriotism but also to put the country on the world map as the tourist destination of choice. An ODM government will also maximise its stature as the humanitarian hub of the region. An ODM Government will profile the UN infrastructure in the country, including Unep and UN-Habitat, in promoting environmental diplomacy across the continent and the globe.

National Interest and Power: Kenya's role as a serious player on the world stage is critical to its ability to influence favourable decisions in pursuit of its foreign policy objectives. The attainment of MDGs and Vision 2030 will transform the country into a modern and competitive middle-income country, with enhanced capacity, actual and potential, to promote, protect and defend her interests from both internal and external threats. To this end, an ODM government will tap into Kenya's geo-strategic importance as a littoral state of the Indian Ocean to maximise Kenya's relations with its landlocked neighbours. In addition, an ODM government will make Kenya the premier nation in the region by:

- *making Kenya the trade and financial hub of the Horn Africa by capitalising on the Lappset Corridor that will serve Lamu port and connect Kenya to South Sudan and Ethiopia;*
- *making Kenya the investment hub by capitaliszing on Mombasa port, which is the largest cargo-handling port on the continent's east coast;*
- *making Nairobi the commercial hub of East Africa.*

Challenges

1. *Kenya faces serious domestic challenges, including poverty, disease including HIV/Aids, unemployment, corruption, poor governance and macro-economic mismanagement.*
2. *Key sectors, including agriculture, infrastructure, education, health, environment, manufacturing and tourism, are critical to Kenya's economic development. Investment in these sectors is crucial for the economic development of the country but this requires well-thought-out policies to attract both local and foreign investment.*
3. *In a fast-changing world, Kenya constantly faces external challenges, to respond to which it must design responsive strategies in pursuit of the country's interests abroad. These include declining capital inflows, international peace and security, international terrorism, piracy and human- and drug-trafficking, among others.*

   Kenya's ability to respond successfully to these challenges will depend on the implementation of a coherent foreign policy.

What your ODM Government will do

- *Formulate, a comprehensive foreign policy informed by this document and articulate a proactive and co-ordinated policy directed by strategic interests and economic considerations.*
- *Accelerate economic diplomacy at bilateral, regional and multilateral levels to spur the country's development.*
- *Review participation in international trade negotiations to ensure the national interest is served.*
- *Strategically promote the country as the tourist destination of choice on the basis of its unique variety of products provided by its rich natural heritage.*

15.3 International Peace and Security

Kenya is located in a volatile region plagued by conflict and war, recurrent drought, food shortages and a fragile eco-system. For this reason, it has played a pivotal role in the search for peace in Sudan, Somalia, Mozambique and the Great Lakes Region, in efforts to enhance the principle of peaceful co-existence. Through its membership of the Inter-Governmental Authority on Development (Igad), Kenya has committed enormous financial and diplomatic resources to the Sudan and Somali peace processes. The successful conclusion to the Sudan peace process has greatly enhanced Kenya's political and diplomatic credentials in the world.

The Somalia debacle has also been of great concern to Kenya since 1991. Somalia's internal turmoil has led to a huge number of Somalis crossing into Kenya as refugees. Uncontrolled ingress as a result of Kenya's porous borders has also led to the proliferation of small arms and light weapons in Kenya. Despite consistent peace efforts, Kenya is still deeply immersed in the Somalia question, incurring huge sacrifices in Somalia to counter Al Shabaab, a terrorist group with links to Al Qaeda. The objective is to neutralise them so that they do not continue to present a threat to Kenya.

Challenges

Owing to its location in a volatile region plagued with civil wars and instabilities, Kenya faces a series of challenges, including:

1. *The proliferation of small arms and light weapons.*
2. *Uncontrolled flow of refugees and internally displaced persons.*
3. *Human-trafficking.*
4. *Piracy.*
5. *Political instability and conflict.*
6. *Drought and famine.*

What your ODM Government will do

- *Ensure that Kenya has secure borders to guarantee residents' personal security, territorial integrity and economic national security.*
- *Ensure full commitment and participation in conflict-management, peace-building and post-conflict reconstruction processes in the region.*

15.4 International Relations and Co-operation

When Kenya became independent in 1963, it joined the community of nations as an actor of international law in its own right, and committed itself to international co-operation in pursuit of its interests. This commitment included co-operation in addressing common problems facing humanity that could successfully be resolved through sustained global efforts. These problems include promotion of international peace and security; protection of human rights; participation in peace-keeping efforts; promotion of international law, and the search for consensus through the AU, the UN and other international bodies.

Challenges

The world has become a global village, such that developments in any region have a dramatic and immediate effect on the rest of the world. Modern communication systems present major challenges to the conduct of traditional diplomacy, as major events are captured live on television and on web-cast channels. Kenya has to adapt to these changes by crafting a foreign policy that is responsive and flexible.

What your ODM Government will do

- *Reposition Kenya as a key player in regional and multi-lateral bodies.*
- *Promote south-south co-operation.*

15.5 Economic Partnerships and International Trade

Diplomacy across the world now places emphasis on building economic and trade partnerships among nations. In addition to regional co-operation and integration arrangements, Kenya is involved in other international initiatives aimed at consolidating its trade and economic relations globally. The objective is to achieve the country's developmental goals through building global economic partnerships.

Challenges

Kenya faces unprecedented challenges posed by the advent of globalisation and liberalisation, including:

1. *Unfavourable terms of trade with developed countries.*
2. *Stiff competition on the basis of variable factors of production.*
3. *Declining capital inflows.*
4. *Technological developments.*

What your ODM Government will do

- *Continue to engage traditional development partners in Europe and the Americas, as well seeking new ones among the emerging economies of Asia, Latin America and the Middle East.*
- *Focus on African countries as primary trading partners and ensure full participation in regional integration efforts.*

15.6 Adherence and Commitment to International Laws and Norms

At Independence, Kenya acceded to the UN Charter, the AU Constitutive Act (formerly the OAU Charter) and other international treaties. Kenya has since become a signatory, as a member of the international community, to other international treaties and conventions, including the Rome Statute. Kenya is legally bound to adhere to these international commitments, which are critical to the country's international credibility. The Constitution provides a road map to exercising this responsibility.

Challenge

1. *Kenya has signed numerous international treaties and protocols but has been reluctant to adhere to the same within the framework of multi-lateral diplomacy.*

What your ODM Government will do

- *Ensure that Kenya fully discharges its obligations and observes its commitments under international law, as provided for in the Constitution.*

15.7 Harnessing the Potential and Output of Kenyans in the Diaspora

Kenyans in the Diaspora are an important national resource. They make an invaluable contribution to the economy through the repatriation of funds to support their families and for investment. Before the adoption of the new Constitution, Kenyans in the Diaspora campaigned for many years for dual citizenship, to enable them to maintain strong ancestral connections to their country of birth while also benefitting from rights as citizens of their adopted countries. Successive governments did not give the matter due consideration, even as the country benefited from those in the Diaspora. The new Constitution recognises their right to dual citizenship, which grants them security to invest both at home and in their adopted countries. Efforts should be made to ensure that they take advantage of this opportunity.

Challenges

1. *It is difficult to account for Kenyans in the Diaspora, as many of them do not register their presence with Kenyan embassies and consulates abroad.*
2. *Lack of incentives to attract Kenyans in the Diaspora to invest within Kenya.*
3. *Successive governments have not put in place mechanisms to harness the potential of Kenyans in the Diaspora.*

What your ODM Government will do

- *Establish a desk in the ministry of foreign affairs to map out the locations and presence of Kenyans in the Diaspora, with a view to addressing their concerns and encouraging them to participate in national development.*
- *Provide linkages between the ministry of foreign affairs and consulates/embassies to keep track of Kenyans in the Diaspora.*
- *Ensure missions abroad accord Kenyan citizens hospitality and full protection.*
- *Facilitate placement of Kenyans in international organisations and foreign countries.*

15.8 Enhancing the Capacity of the Ministry of Foreign Affairs

The ministry of foreign affairs formulates, articulates and implements Kenya's foreign policy, in consultation with other stakeholders. This calls for proper co-ordination, as well as considerable resources. Implementation of a successful foreign policy will require adequately trained staff with the ability to cope with technological advancements, particularly ICT. Staff deployed in the ministry must possess adequate skills to ensure professional execution of the ministry's mandate.

Kenya has not developed a good strategy to place Kenyans in senior positions in international organisations. Currently, the highest-ranking Kenyan in the United Nations system is an assistant secretary-general, while many of our competitors and neighbours have held and continue to hold higher positions in the same organisation, due to their pro-active diplomatic strategies and engagement.

The Foreign Service Institute (FSI) has been established under the ministry to provide diplomatic training to foreign service officers, but it lacks the capacity to execute its mandate effectively. As an important organ of the ministry, the FSI should be adequately funded and equipped with the appropriate skills and capacity to ensure professionalism in the discharge of its mandates.

Challenges

1. *Lack of a properly established diplomatic service, due to rapid and high absorption of non-career officers at senior levels. This has stunted the progression of career officers to higher offices, leading to a loss of morale*
2. *Perennial appointment of politicians to key diplomatic posts, in spite of their irrelevant career backgrounds*
3. *Lack of a coherent foreign policy on issues of major interest to the country. The ministry has not been able to properly co-ordinate other stakeholders, including government ministries/departments, parliament and the private sector, to embrace strategies and action plans that will guide the pursuit of Kenya's interests abroad.*

What your ODM Government will do

- *Provide sufficient financial resources to the FSI to enable it develop capacity, in liaison with institutes of diplomacy and international relations in public universities and the National Defence College, to train our foreign service officers.*
- *Ensure that officers deployed to the diplomatic service have proper academic and professional qualifications, as well as appropriate experience in their areas of competence.*
- *Use Kenyans who have earned international reputations in different fields as good-will ambassadors in the pursuit of the country's foreign policy objectives.*

ODM

ORANGE DEMOCRATIC MOVEMENT

TUKO TAYARI