MDGs STATUS REPORT FOR KENYA
2005
This report provides a synopsis of the MDGs-related strategies and activities in Kenya since the release of the 2003 Progress Report, which indicated that Kenya was unlikely to achieve most of the goals unless the policy environment was drastically changed. Luckily, the installation in December 2002 of the NARC Government provided the necessary stimulus for the desired changes in the policy environment. The Status report 2005 shows that the policy environment is changing faster than earlier envisaged. The main engine behind the change is the NARC Government’s Economic Recovery Strategy (ERS), a comprehensive policy tool aimed at accelerating economic growth; poverty reduction through job creation; investment in people and social protection; improving governance and the physical infrastructure. It changes the story of hopelessness and lethargy into one of hope and enthusiasm.

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This report has been prepared by the Government of Kenya in a series of activities spearheaded by the Ministry of Planning and National Development in partnership with UNDP, Kenya, and the Government of Finland.
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### ACRONYMS AND ABBREVIATIONS

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<th>African, Caribbean and Pacific</th>
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<td>AGOA</td>
<td>African Growth Opportunity Act</td>
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<td>Aids/AIDS</td>
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<td>ASALs</td>
<td>Arid and Semi-Arid Lands</td>
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<td>CCK</td>
<td>Communications Commission of Kenya</td>
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<td>CDF</td>
<td>Constituency Development Fund</td>
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<td>COMESA</td>
<td>Common Market for Eastern and Southern Africa</td>
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<td>CPR</td>
<td>Contraceptive Prevalence Care</td>
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<td>CRC</td>
<td>Convention on the Rights of the Child</td>
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<td>CSOs</td>
<td>Civil Society Organizations</td>
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<td>DARE</td>
<td>District AIDS and Reproductive Health</td>
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<td>EAC</td>
<td>East African Community</td>
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<td>EFA</td>
<td>Education for All</td>
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<td>ERS</td>
<td>Economic Recovery Strategy</td>
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<td>FDI</td>
<td>Foreign Direct Investment</td>
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<tr>
<td>FPE</td>
<td>Free Primary Education</td>
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<tr>
<td>FY</td>
<td>Financial year</td>
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<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>GER</td>
<td>Gross Enrolment Rates</td>
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<td>GFCC</td>
<td>Gross Fixed Capital Formation</td>
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<td>HIV</td>
<td>Human Immunodeficiency Virus</td>
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<td>ICPD</td>
<td>International Conference on Population &amp; Development</td>
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<tr>
<td>ICT</td>
<td>Information and Communication Technology</td>
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<tr>
<td>ICPS</td>
<td>Integrated Management of Childhood Illnesses</td>
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<tr>
<td>IP</td>
<td>Investment Programme</td>
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<td>IPPD</td>
<td>Integrated Payroll and Personnel Database</td>
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<td>KADU</td>
<td>Kenya African Democratic Union</td>
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<tr>
<td>KANU</td>
<td>Kenya African National Union</td>
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<tr>
<td>KDHS</td>
<td>Kenya Demographic and Health Survey</td>
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<td>KENSUP</td>
<td>Kenya Slum Upgrading Programme</td>
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<td>Kenya Expanded Programme of Immunization</td>
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<td>LLINs</td>
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<td>MDGs</td>
<td>Millennium Development Goals</td>
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<td>NACC</td>
<td>National Aids Control Council</td>
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<td>NARC</td>
<td>National Rainbow Coalition</td>
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<td>NASCOP</td>
<td>National Aid and STI Control Programme</td>
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<td>NGOs</td>
<td>Non-Governmental Organizations</td>
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<tr>
<td>NMC</td>
<td>National Management Committee</td>
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<tr>
<td>NEMA</td>
<td>National Environmental Management Authority</td>
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<td>NER</td>
<td>Net Enrollment Rates</td>
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<td>NPEN</td>
<td>National Poverty Eradication Plan</td>
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<td>NSC</td>
<td>National Steering Committee</td>
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<td>NRHS</td>
<td>National Reproductive Health Services</td>
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<td>ODA</td>
<td>Official Development Assistance</td>
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<td>ORT</td>
<td>Oral Rehydration Therapy</td>
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<td>PEM</td>
<td>Public Expenditure Management</td>
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<td>PMTCT</td>
<td>Prevention of Motherhood to Child Transmission</td>
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<td>PRSP</td>
<td>Poverty Reduction Strategy Paper</td>
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<td>PTAs</td>
<td>Parent Teachers Associations</td>
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<td>ROM</td>
<td>Results Oriented Management</td>
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<td>RMFL</td>
<td>Road Maintenance Levy Fund</td>
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<td>SMCs</td>
<td>School Management Committees</td>
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<td>SNA</td>
<td>System of National Accounts</td>
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<tr>
<td>TB</td>
<td>Tuberculosis</td>
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<tr>
<td>TIVET</td>
<td>Technical, Industrial, Vocational and Entrepreneurship Training</td>
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<tr>
<td>TTCs</td>
<td>Teachers Training Colleges</td>
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<tr>
<td>UN</td>
<td>United Nations</td>
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<tr>
<td>UNICEF</td>
<td>United Nations Children’s Fund</td>
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<tr>
<td>UPE</td>
<td>Universal Primary Education</td>
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<tr>
<td>VCT</td>
<td>Voluntary Counselling and Testing</td>
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<tr>
<td>VIP</td>
<td>Ventilated Improved Pit</td>
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<td>WHO</td>
<td>World Health Organization</td>
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<td>WSS</td>
<td>Water and Sanitation Sector</td>
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<td>WTO</td>
<td>World Trade Organization</td>
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In September 2000, one hundred and eighty nine (189) countries, Kenya included, adopted the Millennium Declaration, whose main objective was to define a common vision of development by 2015. With the endorsement of the Millennium Declaration, countries set themselves a limited number of achievable goals to be reached by the year 2015. The Declaration has committed UN Member states, International organizations, and other specialized agencies to ensure basic human development for all the people on this planet by 2015 through the attainment of the Millennium Development Goals (MDGs).

Kenya, like other countries on the continent, has so far initiated the implementation process for the MDGs. This process was initiated in September 2002, when a stakeholders’ workshop was held to seek consensus and promote understanding on the significance of the MDGs, their links to the national planning frameworks, and the mode and frequency of country-level reporting. Later, the Government, with support from development Partners undertook an assessment of Kenya’s performance in relation to each of the eight MDGs and compiled a report which was launched in July 2003. The report indicates that there is high potential to meet some of the goals such as goals 2 (Achieve Universal Primary Education) and 6 (Combat HIV/AIDS, Malaria and Other Diseases). However, for the rest of the goals, the government needed to stop the usual business and embark on a well thought-out planning process aimed at putting the country on track towards realizing the goals. Accordingly, the MDG-based planning process in Kenya was then officially launched on 12th May 2004 to demonstrate the government’s commitment to reach the MDGs by 2015.

Since then, work on MDGs has concentrated on conducting an analysis of the country’s requirements to meet the MDGs as an initial step to formulate a national framework through which the goals could be achieved.

This report presents an analysis of the current status, challenges faced and the interventions required to achieve each of the eight goals. The report indicates that the Government is making progress towards meeting the goals. This progress has been occasioned by the innovative measures taken by the government in the recent past. Foremost among such measures is the government’s directive to mainstream MDGs into national planning and budgeting processes. The Government has directed that MDGs be provided for in the specific budgets of ministries, departments and sectors and adequate funds be allocated to them for implementation. The outcome of this has already been reflected in the Budget Strategy Paper, 2005/06 to 2007/08 in which the MDGs were considered as a major criterion for resource allocation. Subsequently, in this year’s budget, whose theme is `Reorienting Expenditure to Achieve Rapid Economic Growth and Poverty Reduction,’ there has been an emphasis on the need to tackle poverty on a sustainable basis and make progress towards meeting the MDGs. The intention is to increasingly shift resources to priority areas with a pro-poor focus. The aim is to shift resources to the social and economic sectors gradually to about 56% in FY 2004/05 to 64% in FY 2007/08. The decision by the government to increase funding towards MDGs-related programmes. The decision by the government to increase funding towards MDGs-related programmes has seen funding for the health, education, agriculture and infrastructure sectors increase. In the FY 2005/06 overall funding for healthcare was raised by 30 per cent, increasing the sector’s share as a percentage of total government expenditure from 8.6 in FY 2004/05 to 9.9 per cent in FY 2005/06. For the three years, the total resource allocation to this sector is expected to increase by 74 per cent. The government is supporting Universal Primary Education (UPE) and continues to allocate the bulk of its resources to this sector (28 per cent of total allocations). The government plans to increase funding for agriculture sector from Kshs. 16 billion in FY 2004/05 to Kshs. 27.8 billion in FY 2007/07 to allow for the implementation of the ‘Strategy for Revitalizing Agriculture’. The government also plans to increase funding for the physical infrastructure (energy, water, rail and air transport) from Kshs. 44.6 billion in 2004/05 to Kshs. 82.8 billion in 2007/08. The proposed increase in funding indicates the government’s commitment to meet the MDGs.

The government has also directed that 20% of LATF funds be spent on core poverty programmes (which are essentially MDGs-related programmes). Moreover, the government has through an Act of parliament created the Constituency Development Fund, where 2.5% of ordinary government revenue is deposited and disbursed directly to the constituencies to fund development projects at this level. Accordingly, 1.26 billion (US $16.4 million), 5.6 billion (US $ 72.7 million) and Kshs. 7.2 billion was paid into the CBK national account during the financial years of 2003/04, 2004/05 and 2005/06 respectively.
Other funds at the constituency level include Constituency Aids Fund, Constituency Bursary Fund and Constituency Roads Fund. A recent survey of the CDF funds indicates that over 60% of this fund on average is spent on education, water and health in any given constituency at any one time. Consequently, these funds have significantly improved the MDGs-related infrastructure (*school, health and water infrastructure*) at the constituency level as long as Kenya's international partners honor their commitments. This report has cited this fact in contributing greatly to the realization of the MDGs at a national level. If this is sustained and funding is increased, the funds will make a significant contribution towards meeting the MDGs.

Given the government’s commitment to implement the MDGs demonstrated through increased funding towards the goals, it is possible that Kenya can deliver on these goals for the debt burden, low ODA, and unfair global trading system among others, as reasons for the unsatisfactory progress towards achieving the MDGs in Kenya. Accordingly, Kenya's international partners will need to scale-up their efforts towards honoring their commitments on the above issues in order for Kenya to move at the desired pace towards meeting the goals. It is true that the government will need to significantly increase funding beyond the current levels towards the MDGs-related activities while at the same time instituting policy reforms to provide for a suitable framework to implement the MDGs. But even at the current level of efforts, for as long as the international community honors the resolutions of the Millennium Declaration, particularly the commitment to increase the Official Development Assistance (ODA) to the developing world and implement debt cancellation, Kenya will truly have a chance to deliver on the goals.

*Hon. Professor Peter Anyang’ Nyong’o EGH., MP.*  
*Minister for Planning and National Development*  
*Government of the Republic of Kenya*
ACKNOWLEDGEMENTS

This report is a product of an inter-agency committee launched by the Minister for Planning and National Development to prepare a status report on the achievements made by Kenya on MDGs in preparation for the MDG +5 Conference in September in New York. The report has been prepared by the MDG Secretariat, Ministry of Planning and National Development with support and input from UNDP-Kenya and the inter-agency committee. The consultation process leading to the report was led by the National MDG Focal Point, Ministry of Planning and National Development. It involved many partners drawn from government ministries, departments, Civil Society Organizations and the Private Sector.

The report benefited mainly from useful comments from members of the inter-agency committee. Various government technical departments, Central Bureau of Statistics, and the Needs Assessment Report provided the information and statistics used in this report. All these forms of support and contributions are duly acknowledged.
BACKGROUND

KENYA AT A GLANCE

Geography

Kenya is situated in the Eastern part of the African continent. The country lies between 5 degrees north and 5 degrees south latitude and between 24 and 31 degrees east longitude. Ethiopia and Sudan border it to the North; Uganda to the West; Tanzania to the South; Somalia to the northeast; and the Indian Ocean to the southeast. The coastline is about 536 kilometres in length.

The total land area is about 582,650 km² of which 569,250 km² constitutes land area while water takes the rest of about 13,400 km². Approximately 80% of the land area is arid or semi-arid, and only 20% is arable.

The country has diverse physical features, which are a major source of tourist attraction. These include: vast plains which are home to world famous game parks and reserves; the Great Rift Valley, which runs north to south and whose floor has provided potential for geothermal power generation; Mount Kenya, the second highest mountain in Africa at about 5,199m above sea level; Lake Victoria, the largest freshwater lake on the continent supporting a major fishing industry in the East Africa region; Lake Nakuru, a major tourist attraction because of its flamingos; Lake Magadi, famous for its soda ash; and a number of major rivers, including Sondu-Miriu, Tana and Athi, which generate the hydropower resources of the country; Yala, Nzoia and Mara, the major feeders into Lake Victoria.

Some parts of the country experience an equatorial kind of climate especially the central highlands, whereas along the coastline it is mainly tropical. Rainfall and temperatures are influenced by altitude and proximity to the lakes or the ocean. There are four seasons in a year: a dry period from January to March, the long rainy season from March to May, followed by a long dry spell from May to October, and then the short rains between October and December. The disparity in rainfall amounts and distribution has a significant effect on the country’s capacity for economic production. Many parts of the country cannot produce adequate food from rain-fed agriculture, and are therefore exposed to frequent hunger. The arid and semi-arid lands depend mainly on livestock production; which is frequently adversely affected by drought.

Demographic and Poverty Situation

Currently, the country’s population is about 32 million people, 75-80% of whom live in the rural areas. The population distribution varies from 230 persons per km² in high potential areas to 3 persons per km² in arid areas. Only about 20% consists of high to medium potential agricultural land, and supports 80% of the population. The remaining 20% of the population lives in the 80% of the land, which is arid and semi-arid.

Kenya is faced with a high dependency burden, with over 50% of the population below 15 years of age. This has resulted in high dependency ratios placing high demands on social services such as primary education and health care. However, the inter-censal population growth rate declined from 3.9% per annum during 1969-79 to 2.5% during 1989-00. The country’s population is characterized by high mortality rates, low and declining life expectancy, increased fertility rates (from 4.7 children per woman in 1995-1998 to 4.8 in 2000-2003), high infant mortality and death rates, and declining population growth rates (which could be attributed to the HIV/AIDS pandemic). All these reflect the enormous challenges to be expected in achieving the MDGs.

The population in absolute poverty was estimated to be 44.7% in 1992, 52% in 1997, and 56% by 2002. The major indicators of poverty can be recognized in a number of sectors: low coverage in water supply services; a general decline in child nutrition and the provision of health services; increased pressure on environmental goods and services, especially the forest resources; and increased numbers of people receiving below minimum level of dietary energy consumption.

Political Governance

The country is currently governed through a democratically elected central government elected every five years. For administration purposes, the country is divided into eight provinces, namely, Central, Coast, Eastern, Nairobi, North Eastern, Nyanza, Rift Valley and Western. These provinces are further sub-divided into districts and divisions. The country has one national assembly with 210 elected and 12 nominated Members of Parliament (MPs).
Kenya gained Independence from Britain in 1963. It became a de facto one-party state when the main opposition party, Kenya African Democratic Union (KADU) dissolved itself and joined the Government that was being led by the Kenya African National Union (KANU). In 1982, Kenya became a de jure one-party state until 1991 when multiparty democracy was again restored. KANU ruled the country from 1963 until 2002, when a coalition of opposition parties, the National Rainbow Coalition (NARC), won the elections. The NARC victory ushered in a new administration, which vowed to rid the country of poor governance and improve the living conditions of the people. The NARC government consequently launched the Economic Recovery Strategy for Wealth and Employment Creation 2003-2007 (popularly known as the ERS) in June 2003 as a blueprint for development, in the context of a vision for up to 2015.

The country now has over 40 political parties, the main one being the ruling (coalition) party NARC and the KANU (official opposition). In addition, there have been a growing number of political pressure groups in the areas of human rights, labour unions, and religious groups, non-governmental organizations (NGOs) and international organizations, among others. There is no doubt that there has been a significant opening up of democratic space in the country over the years. The government is committed to translate this space into a positive environment that would contribute to human development.

Macroeconomic Situation
The Kenyan economy grew by an annual average rate of only 1.5%, between 1997 and 2002, which was below the population growth estimated at 2.5% per annum - leading to a decline in per capita incomes. The economy however registered a 2.8% growth in 2003 and a further 4.3% in 2004, an indication that the reforms the Government has been undertaking are beginning to bear fruit. Among the key reasons for the slow economic growth include:

a) Weak implementation capacity in the public service leading to a completion rate as low as 3% for major development projects;

b) Low levels of donor inflows such that between 1997 and 2003, the annual per capita average was US $0.75, compared to Sub-Saharan Africa ODA average of US$20. This decline in ODA levels seriously affected the pace of development in the country, as the development budget was highly dependent on external support;

c) Exogenous shocks, including droughts and deteriorating external environment. In

2000 and 2004, Kenya suffered severe droughts and famine that hampered the performance of the productive sectors, particularly agriculture and manufacturing. Due to the decline in food production, budgetary resources were diverted to famine relief, thus interrupting the development momentum. The deterioration in the terms of trade, as a result of falling international prices of primary exports and an increase in the prices of imported raw materials and machinery affected the economy further.

d) Poor governance and perceived weak commitment to the reform agenda led to the loss of business and investor confidence in the last two decades, leading to low private sector investment and declining interest from foreign investors.

The low in economic growth coupled with increasing inequality in the distribution of income has led to a rise in poverty levels such that currently about 17 million Kenyans or 56% of the population live below the poverty line. With 500,000 job seekers entering the job market every year, while only about 80,000 formal sector jobs having been created in the last six years, unemployment rates continue to rise.

The core objectives of the Government’s development agenda has therefore been to restore economic growth and reduce poverty through employment and wealth creation, as articulated in the ERS, whose implementation commenced with the 2003/04 budget.

The ERS is anchored on four pillars, namely, restoration of economic growth within the context of a sustainable macroeconomic framework, strengthening the institutions of governance, restoration and expansion of the physical infrastructure, and investing in the human capital of the poor. To implement the ERS, an investment programme (IP-ERS) was formulated taking into account views of development partners, the private sector and other stakeholders.

MDGs in the Kenyan Context
The Kenya Government has been pursuing human development objectives since independence. The Sessional Paper No. 10 of 1965 focused on the elimination of poverty, disease and ignorance. Various development plans and sectoral plans have also had some focus on MDGs. In the recent years, the Government has also published a number of policy and strategy papers geared towards achieving broad-based sustainable improvement in the welfare of all Kenyans. These include the National Poverty Eradication Plan.
(NPEP), the Poverty Reduction Strategy Paper (PRSP) and lately the ERS. The ERS is founded on the pillars that can be matched to the MDGs as shown in the table below. However, the successful implementation of these plans and strategies has been hampered by limitations in capacity, financing and governance problems. The key issue in the MDGs has therefore not been just to assess what needs to be done within the current resource constraints, but rather what is required to scale-up investment up to 2015 in order to achieve the goals. The MDG process has also entailed rallying all national and development actors behind the MDGs, and engaging the international community in constructive dialogue on the need to honour their pledges to increase development assistance to at least 0.7% of their Gross National Income, reduce the debt burden, improve trade practices, and support the transfer of appropriate technology to developing countries.

<table>
<thead>
<tr>
<th>ERS Pillars</th>
<th>MDGs Equivalent</th>
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<tr>
<td>Rapid growth with macroeconomic stability</td>
<td>Investments- public and private; foreign and domestic-with strong national facilitation and regulation.</td>
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<tr>
<td>Rehabilitation and expansion of infrastructure</td>
<td>Transportation (roads and rails), housing, energy, water and sanitation.</td>
</tr>
<tr>
<td>Investment in human capital</td>
<td>Education; gender equality; child mortality; maternal health; HIV, TB and malaria; health systems.</td>
</tr>
<tr>
<td>Strengthening institutions of governance</td>
<td>Declaration to improve governance.</td>
</tr>
<tr>
<td>Revitalizing productive sectors: Agriculture, Tourism Trade &amp; Industry</td>
<td>Approaches to meet the Millennium Goal on hunger, create jobs and increase incomes.</td>
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**MDGs Campaign in Kenya**

The first major MDGs-related activity in Kenya took place in September 2002 when the first national stakeholders’ workshop on the Millennium Development Goals was held. The main objective of the workshop was to seek consensus and promote understanding of the significance of the MDGs, their links to the national planning frameworks, and the mode and frequency of country level reporting. The workshop thus served as one of the first avenues towards agreeing on a country-level reporting format, including the role of various national stakeholders.

The workshop led to the establishment of a national MDGs Task Force to spearhead the MDG campaign and prepare the first status report on MDGs in Kenya. Consequently, a MDG Progress Report for Kenya was officially launched in July 2003. The Report formed a major reference material for subsequent work and MDG campaign in Kenya. The report clearly brought to the forefront the fact that under the current resource constraints and policy environment, Kenya is unlikely to achieve the MDGs, unless the development environment is radically changed.

In order to focus the country’s development agenda on MDGs, the Government prepared a MDGs Needs Assessment Concept Note in May 2004 as an initial step in the move to an MDGs-based planning path. The Government in May 2004 then officially launched the MDG-based national planning process. This was followed later in the month by a National Stakeholders workshop, attended by Cabinet ministers, development partner representatives, Permanent Secretaries, senior government officials, senior policy advisors from the Millennium Project secretariat, researchers, women leaders and CSOs. The workshop issued a joint communiqué together with sector reports, which highlighted the interventions needed to meet the MDGs, the national targets for each intervention, data and information requirements and their sources and programmes for furthering the work within the sectors. More workshops and consultative meetings were held later at sector level to deepen the understanding of the needs assessment methodology; identify interventions and targets and data requirements for the assessments in each of the goals.

The Needs Assessment and Costing Report on MDGs has now been finalized. The report shows that the country requires about US $ 61 billion between 2005 and 2015 to achieve the MDGs. This amount of resources cannot be financed through public resources alone but will require support from development partners.

The Government has also put in place an elaborate institutional framework to drive the process that include a National Steering Committee comprising Permanent Secretaries, representatives of development partners, Civil Society Organisations and the Private Sector and a Technical Committee for technical oversight to the process. The overall coordination of the MDG process is being done through a National Focal Point at the Ministry of Planning and National Development. The Cabinet has also directed that MDGs be mainstreamed in all the country’s development frameworks with a requirement for all ministries to have MDG units.
STATUS OF THE MDGs

OVERVIEW
A major problem hindering a detailed assessment of the progress of MDGs in Kenya is the paucity of relevant data. However, such data as available on Kenya’s progress towards realising the MDGs by the target date indicate that at the current trend and pace, achieving MDGs in Kenya will be an uphill task notwithstanding the fact that there is significant progress being recorded towards realising some of the goals for example goals 2 (Achieve Universal Primary Education) and 6 (Combat HIV/AIDS, Malaria and Other Diseases). But generally, the performance of the country towards realising the goals is still low.

There are many factors contributing to this, among them the sluggish economic performance of the Kenyan economy. The economy has been characterized by stagnation in economic growth in the last two decades. The failure to drastically improve the country’s investment and savings record threatens the recovery effort, since no meaningful growth can take place without adequate capital accumulation.

In the period 2000-2002, the average domestic savings rate was 13.1%. Public gross fixed capital formation (GFCF) as a percentage of GDP was 2.01% in 2003. This poor economic growth has led to the increase in the number of people living in poverty to about 56% in 2002 up from 44.7% in 1992 and it is projected that this number will increase to 65.9% in 2015 if the current trend continues. Thus, despite significant improvement towards economic recovery, the growth of the economy is still far below the necessary growth rate of about 7% needed to support implementation of MDG-related activities within the remaining decade to 2015.

Kenya’s progress towards meeting the MDGs has been slow due to a number of factors including the ones cited above. There is however significant progress made in a number of areas as discussed under each goal.

GOAL 1
ERADICATE EXTREME POVERTY AND HUNGER.

Target 1:
Halve, between 1990 and 2015, the proportion of people whose income is less than 1 US dollar a day.

Indicators:
1. Proportion of people living on less than 1 US $ a day.
2. Poverty gap ratio (incidence x depth of poverty), and
3. Share of the poorest quintile (20%) in national consumption. Halve the proportion of people who suffer per cent of the population rose from 4.9 from hunger between 1990 and 2015 per cent to 6 percent while that of the highest.
4. Prevalence of under weight in children 10 per cent declined from 56 per cent under five years of age to 47.9 per cent between 1982 and 1997.
5. Proportion of the population below minimum level of dietary energy. The prevalence of underweight children under consumption. 5 years of age, as another indicator under Target 2, has declined from 32.52% in 2002 to 20%

With proper technology in Agriculture the hunger goal can be achieved
Status and Trends

The root causes of hunger in Kenya are poverty (inability to produce own food and lack of means to access food); unemployment and underemployment; landlessness; vagaries of weather; overemphasis on maize as the staple food; low education, especially among females; inadequate sanitation, health facilities and clean water.

The number of people living below the poverty line has risen from 44.7% in 1992 to 52% in 1997 and 56% in 2002, whereby 82% of them live in rural areas and 18% in urban areas. The categories of persons at risk include pregnant women and lactating mothers (1.1 million); children under 5 years (5.3 million); elderly people over 55 years (1.8 million); AIDS orphans (1.8 million); people living with AIDS (2.2 million); and people suffering from tuberculosis (32,000), and malaria (6.7 million cases reported each year). Pastoralists are a major vulnerable group as they are always susceptible to droughts and have poor resource endowment. In addition, there are about 2 million people who are permanently on food relief. The number rises to between 5 to 10 million people during periods of severe droughts. As a result, it is estimated that the Government spends about US $ 40-65 million annually on famine relief, and the figure is even higher when famine relief support by Civil Society Organisations is taken into account.

Kenya is also ranked among the top ten low-income economies with a high concentration of income amongst its highest earners (10 percent control 35 percent of the national income). The share of the lowest 10 per cent of the population rose from 4.9 per cent to 6 percent while that of the highest 10 per cent declined from 56 per cent to 47.9 per cent between 1982 and 1997.

The prevalence of underweight children under 5 years of age, as another indicator under Target 2, has declined from 32.52% in 2002 to 20% in 2003 while the prevalence of children under 5 years who are wasted declined from 6.6% in 2000 to 6% in 2003. These proportions are expected to decline to 16.26% and 3.09% by 2015 for underweight and wasted children respectively.

The poor performance on the poverty and hunger indicators corresponds to a generally declining performance of the agricultural sector as a whole. The performance of the agricultural sector has had a very strong relationship with the overall growth of the Kenyan economy. The only exception is the drought years when the overall GDP growth tends to be slightly higher than agricultural GDP.

Challenges

The challenges facing the country in the efforts to reduce poverty and hunger are enormous. They include:

a) High is an impediment not only by limiting access to productive resources but also to the fulfilment of basic needs of Kenyans such as education, nutrition, health, water and sanitation;

b) There are inadequate resources available to provide services in the rural areas that could spur growth, especially among the poor. These include, water for small-scale irrigation, effective extension services, agricultural inputs and credit;

c) Poor health and malnutrition leads to a vicious cycle of poverty due to low productivity;

d) Full and effective implementation of the Food Policy, especially in the regions that are prone to perennial drought and starvation and coordination of the numerous public players and structures in the food production area;

e) Regeneration of depleted soils and the reversing the degradation of the natural resources and the environment that directly threaten food security and incomes of many of the poor people;

f) The high prevalence of HIV/AIDS and its toll on agricultural labour is adversely affecting agricultural productivity and production; and

g) Improving governance, especially among the farmer-base organisations.

In spite of this unfortunate trend, the government has put in place measures aimed at reversing the situation.
Interventions
The Economic Recovery Strategy presents a broad development framework and recognizes agriculture as the critical sector that must be revitalized if the economic recovery objective is to be achieved. Other strategic steps being undertaken by the government are listed in the interventions given below:

a) The government has also formulated the Strategy for Revitalization of Agriculture (SRA) 2004-2014 that is expected to contribute significantly towards attainment of the following ERS targets:

b) Reducing the proportion of the population below the poverty line from 56% in 2000 to 28% by 2010, 10% by 2015 and 0% by 2020; and

c) Reducing the proportion of food poor from 48.4% in 2000 to 23.5% in 2010, 10% in 2015, and be eliminated altogether by 2020.

d) The Government has in place the National Food Policy to address the basic causes of malnutrition and improve food security at the household and national levels.

e) The “Njaa Marufuku Kenya” (Kick Hunger out of Kenya) strategy was launched in March 2005 to fast track the increase in food production and ensure food security;

f) The Government has proposed to increase resources to agriculture from 5.6% of total government expenditure to almost 7% over the next three years (2005/06 to 2007/08). The resources will specifically go to credit for farmers; revival of farmers’ institutions; strengthen agricultural research and extension systems and control of crop and animal diseases.

GOAL 2

ACHIEVE UNIVERSAL PRIMARY EDUCATION

Target 3:
Ensure that by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.

Indicators:
1. New enrolment ratio in primary education.
2. Proportion of pupils starting grade 1 who reach grade 5.
3. Literacy rate of 15-24 year olds.

The introduction of Free Primary Education (FPE) impacted positively on the enrolment of both boys and girls. An extra 1.5 million children are now accessing primary education, increasing the enrolments from 5.9 million to 7.4 million in 2004. The GER stands at 104.8% as compared to 93% in 2002. Provisional Net Enrolment Rates (NER) figures for 2004 stands at 82.1% of which boys comprise 82.2% and girls 82.0% as indicated in Table 2.1a below.

Situation Analysis
The National Gross Enrolment Rates (GER) at primary level was recorded at about 93% between 1999 and 2002 as indicated by the table below:

Table 2.1: Primary School Enrolment Rates, 1999-2004

<table>
<thead>
<tr>
<th>Year</th>
<th>Boys</th>
<th>Girls</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>94%</td>
<td>93%</td>
<td>93%</td>
</tr>
<tr>
<td>2000</td>
<td>93%</td>
<td>92%</td>
<td>92%</td>
</tr>
<tr>
<td>2001</td>
<td>94%</td>
<td>91%</td>
<td>92%</td>
</tr>
<tr>
<td>2002</td>
<td>94%</td>
<td>91%</td>
<td>92%</td>
</tr>
<tr>
<td>2003</td>
<td>106%</td>
<td>104%</td>
<td>105%</td>
</tr>
<tr>
<td>2004</td>
<td>108%</td>
<td>104.8%</td>
<td>106.4%</td>
</tr>
</tbody>
</table>

Source: MOEST

Table 2.1a: Primary Schools Net Enrolment Rate by Province, 1999-2004

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Coast</td>
<td>58.9</td>
<td>52.1</td>
<td>50.4</td>
<td>60.1</td>
<td>52.4</td>
<td>56.2</td>
<td>66.9</td>
<td>60.1</td>
<td>63.5</td>
<td>72.8</td>
<td>67.7</td>
<td></td>
</tr>
<tr>
<td>Central</td>
<td>82.6</td>
<td>84.5</td>
<td>83.7</td>
<td>80.5</td>
<td>83.0</td>
<td>81.7</td>
<td>83.6</td>
<td>84.2</td>
<td>83.9</td>
<td>81.4</td>
<td>81.8</td>
<td></td>
</tr>
<tr>
<td>Eastern</td>
<td>74.2</td>
<td>76.8</td>
<td>75.9</td>
<td>83.5</td>
<td>86.2</td>
<td>84.9</td>
<td>90.4</td>
<td>90.3</td>
<td>90.4</td>
<td>91.4</td>
<td>91.5</td>
<td></td>
</tr>
<tr>
<td>Nairobi</td>
<td>46.4</td>
<td>43.5</td>
<td>44.9</td>
<td>37.8</td>
<td>44.3</td>
<td>40.9</td>
<td>35.5</td>
<td>40.3</td>
<td>37.7</td>
<td>35.9</td>
<td>41.1</td>
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<tr>
<td>Rift Valley</td>
<td>67.8</td>
<td>67.3</td>
<td>67.5</td>
<td>75.0</td>
<td>74.3</td>
<td>74.6</td>
<td>84.1</td>
<td>82.0</td>
<td>83.1</td>
<td>87.8</td>
<td>85.4</td>
<td></td>
</tr>
<tr>
<td>Western</td>
<td>74.2</td>
<td>77.2</td>
<td>75.7</td>
<td>91.8</td>
<td>87.2</td>
<td>89.4</td>
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<td>95.3</td>
<td>99.3</td>
<td>97.2</td>
<td></td>
</tr>
<tr>
<td>Nyanza</td>
<td>74.4</td>
<td>73.7</td>
<td>74.0</td>
<td>80.0</td>
<td>89.2</td>
<td>89.0</td>
<td>96.2</td>
<td>95.4</td>
<td>95.8</td>
<td>96.9</td>
<td>96.2</td>
<td></td>
</tr>
<tr>
<td>North Eastern</td>
<td>17.9</td>
<td>10.6</td>
<td>15.4</td>
<td>18.8</td>
<td>11.3</td>
<td>15.3</td>
<td>26.1</td>
<td>16.2</td>
<td>21.6</td>
<td>23.6</td>
<td>14.9</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>68.8</td>
<td>68.8</td>
<td>68.8</td>
<td>75.0</td>
<td>75.0</td>
<td>75.0</td>
<td>80.8</td>
<td>80.0</td>
<td>80.4</td>
<td>82.2</td>
<td>82.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: MOEST
Access to primary school education is almost reaching gender parity but the boys have a slight edge over the girls. For instance, at the primary level, enrolment grew from 891,533 pupils in 1963 to about 7.4 million pupils (3.5 million girls and the rest boys) in 2004.

Enrolment at this level however continues to experience sharp regional disparities, being particularly low among girls in arid and semi-arid regions. In addition, output and quality assessment studies reflect problems of quality in teaching and learning.

The 1999 census showed that, a total of 2.8 million boys and girls aged between 14 and 17 years who should have been in secondary school were not enrolled. The FPE is also putting pressure for expansion in secondary school enrolment. This will lead to achievement in the transition rate from primary to secondary from the current 54% to 70%. In addition, issues of access, equity and quality, especially the poor access to secondary education will have to be addressed.

Total enrolment in public Technical, Industrial, Vocational and Entrepreneurship Training (TIVET) institutions increased to 79,000 in 2003, with female enrolment constituting 44% of the total, but there exists serious gender disparities in terms of overall enrolment in science and technology-related professions. However, due to the limited places available in TIVET institutions, only a small proportion of eligible school leavers are absorbed. Enrolment in universities has increased from 3,443 students in 1970 to 58,017 students (18,317 females and 39,700 males) in 2003/04 and 9,541 students (5,128 females and 4,413 males) in private universities. However, despite the rise in enrolments, the transition rate from secondary level to university still remains low, at 12%. In addition, the teacher-training sub-sector has also grown with an enrolment of 16,794 students (8,515 females and 8,279 males) in the 21 public colleges in 2003, up from 14,316 in 1999.

The national population censuses have shown that illiteracy in Kenya is high, especially among the poor and the women. In 1999, about 4.2 million adult people were illiterate in Kenya. Literacy levels among women are lowest in Coast and North Eastern provinces while overall declined from 415,074 in 1979 to 101,261 in 1999 and 93,052 in 2001.

**Challenges**

Though there have been marked achievements towards realising universal primary education in the country, free primary education continues to experience a number of challenges such as:

- Overcrowding in schools especially those in urban slums, ASALs areas, pockets of poverty and densely populated areas;
- Inadequate physical facilities due to increased enrolment;
- High pupil/teacher ratios in some schools;
- High cost of special equipment/facilities and materials to cater for children with special needs. About 90,000 of the 750,000 school-age have been assessed to establish the nature of their special needs, yet only 26,885 are enrolled in educational programmes;
- Low quality of education offered in non-formal education and lack of linkage with the formal education system (inadequate teaching and learning resources, poor physical facilities and low prioritisation by Government in terms of budgetary allocations);
- In-servicing of teachers to adopt alternative methods of delivery;
- Low transition rates from primary to secondary leading to very high wastages;
- Diminished support by communities;
- Gender and regional disparities;
- Quality and relevance of education and training;
- High cost of financing FPE programme etc.

_UPE creates space for both boys and girls_
The Government is also striving to implement the interventions and strategies listed here below to achieve quality and equity in primary education:

a) Increase availability of textbooks to achieve a pupil: textbook ratio of 3:1 at lower primary and 2:1 in upper primary;

b) Recruit more teachers to achieve the optimal pupil: teacher ratio of 40:1;

c) Investing in ASALs to enable children in these areas, especially girls, to access quality education through mobile schools;

d) Enhance provision of an all-inclusive education so as to accommodate children with special needs through modifying existing facilities as well as training of special education teachers;

e) Expand secondary school spaces to enhance transition from primary to secondary. This will require increased public funding to secondary school to cope with the expected increase in enrolments at secondary level;

f) Invest in crosscutting issues such as HIV/AIDS, capacity building, quality assurance and standards, ICT, and monitoring and evaluation. Under HIV/AIDS, the activities will include sensitising students, teachers and the community and an education support programme for HIV/AIDS orphans (currently estimated at 1.8 million);

g) Investing in capacity building programmes for senior education managers, head office management unit staff, provincial and district education office staff, district trainers, school heads, deputies, SMCs and Parent Teachers Associations (PTAs).

Interventions
Government budgetary support towards FPE has been averaging at about Kenya Shillings 7.5 billion per year. The allocation increased from Kshs. 8.1 billion in 2002/2003 Financial Year to Kshs. 22.8 billion in 2004/2005 Financial Year. Government will also continue allocating the bulk of its resources, amounting to over 26% of total voted provisions to education. The other interventions that the government is pursuing towards attainment of UPE include:

a) The implementation of school feeding programme which targets mainly children in poverty stricken areas in the Arid and Semi-Arid Lands (ASALs);

b) Expansion of the infrastructure both through construction of the additional facilities and improving the existing ones. These include construction of new primary schools, rehabilitation of the existing ones and construction and rehabilitation of the equipments;

c) Implementation of the Children’s Act 2001, which provides the framework for enforcing UPE in the country;

d) The Bursary fund which enhances the transition from primary to secondary by helping poor students meet some of the costs related to secondary school education;

e) The primary school curriculum has been revised therefore making it less burdensome and hence attractive to the learners;

f) On quality assurance and control, funding to the inspectorate department has been enhanced to ensure mobility as well as building their capacity for inspection;

g) Finalisation of the National Education for All (EFA) Action Plan. Provincial and District EFA Action Plan which spells out provincial and district specific strategies of attaining UPE are already in place.
GOAL 3

GENDER EQUALITY AND WOMEN EMPOWERMENT

Target 4:
Eliminate gender disparity in primary and secondary education preferably by 2005 and in all levels education no later than 2015.

Indicators
9. Ratio of girls to boys in primary, secondary and tertiary education.
12. Proportion of seats held by women in national parliament

The Millennium Declaration commits all UN member countries to promotion of gender equality and empowerment of women as effective ways to combat poverty, hunger and disease, and as necessary means to stimulate development that is truly sustainable. Persistent and pervasive gender inequalities hinder access to and control of resources while perpetuating unequal distribution of resources with greater bias against women. This in effect contributes to social insecurity, lack of opportunity and instils a deep sense of powerlessness, lowering the quality of life for both men and women. Women empowerment and equality between women and men are issues of human rights and justice not just women’s issues. They are bedrock for lasting political, social, economic and cultural security among all people.

Situation Analysis
i) Gender Equality
Despite sustained campaigns, notable progress and gains on gender issues in Kenya, wide gender gaps still exist in access to and control of resources, economic opportunities and political voice. Overall, women continue to have less access to social services and productive resources than men. Women remain vastly underrepresented in parliament and local authorities and account for only 8.3% of the seats in the National Assembly. Girls are less likely to attend school than boys. Even when there is gender parity at lower classes in primary school, girls are more likely to drop out, often due to unwanted pregnancy, early marriages, poverty mainly occasioned by deaths of parents, often due to HIV/AIDS. There are also large wage gaps between men and women and only a small proportion can be explained by gender differences in education, work experience or job characteristics.

ii) Women in Empowerment
During 1998/1999, the labour force participation rate was higher for males at 84.5% compared to 80% for females. The male labour force participation rates were lower than for females for age groups 15-19 and 20-24, and the reverse was true for all other age groups. Although on average the male labour force participation rates have remained higher than those for females, the gap between them is gradually narrowing.

The annual Economic Survey data on wage employment in modern sector for 1999-2001 shows that women involvement was around 30%. A review of data on civil service employees shows that women made up 24.3% in September 2002 with majority concentrated on the lower cadres of employment (job group A-D). Further, the data on wage employment shows that the proportion of women employees in the modern sector has remained stagnant at around 29.5% during 2000-2003.

iii) Leadership and power
Since independence, there has been gross under-representation of women in Kenya in both the political and other leadership spheres. In 1990, the number of women members of parliament increased from 5 to 18 in 2002/3. Though some gain, this is 8.3% of the total parliamentary membership.

In the recent past, this situation is changing with the Government appointing a number of women to key positions in the cabinet, civil service and the state corporations. As of June 2003, the proportion of women in the judiciary was 36.4%, where most of them are in the rank of the chief magistrate and below.

iv) Education
It is a national policy in Kenya that every child has a right to education, and the responsibility of both the Government and parents to ensure this right. The Children’s Act passed by the Parliament in 2001 ranks provision of basic education as a basic human right that every Kenyan child should enjoy. The Act promotes equal educational opportunities for both girls and boys through
provisions for addressing likely cultural, religious, and other forms of biases particularly against girls.

The enrolment, retention, completion and progression rates for both boys and girls at primary and secondary levels are almost equal in Kenya. The ratio of girls to boys in the primary school during the 1990-2001 period increased from 94.9% to 97.3%. The ratio of girls to boys in secondary school education increased from 74.9% to 89.5%.

Primary education has shown impressive gains in enrolment since independence and currently has achieved near gender parity (see table 2.1). Since the Government introduced free primary education program in 2003, there has been large increase in enrolment although this has led to overcrowding and overstretched facilities. Similarly, the secondary level has witnessed slight improvement in enrolment rising from a national GER of 27.3% in 1999 to 29.8% in 2004 as shown in table 2.1b.

Table 2.1b: Secondary Schools Gross Enrolment Rate by Province, 1999-2004

<table>
<thead>
<tr>
<th>PROVINCE</th>
<th>1999</th>
<th>2001</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Boys</td>
<td>Girls</td>
<td>Total</td>
<td>Boys</td>
</tr>
<tr>
<td>Coast</td>
<td>24.3</td>
<td>19.8</td>
<td>22.0</td>
<td>25.5</td>
</tr>
<tr>
<td>Central</td>
<td>40.6</td>
<td>46.8</td>
<td>43.7</td>
<td>46.0</td>
</tr>
<tr>
<td>Eastern</td>
<td>28.6</td>
<td>27.9</td>
<td>28.3</td>
<td>28.7</td>
</tr>
<tr>
<td>Nairobi</td>
<td>41.8</td>
<td>21.9</td>
<td>30.3</td>
<td>12.0</td>
</tr>
<tr>
<td>Rift Valley</td>
<td>24.6</td>
<td>19.5</td>
<td>22.1</td>
<td>27.9</td>
</tr>
<tr>
<td>Western</td>
<td>29.4</td>
<td>27.7</td>
<td>28.6</td>
<td>26.2</td>
</tr>
<tr>
<td>Nyanza</td>
<td>29.7</td>
<td>23.2</td>
<td>26.5</td>
<td>32.2</td>
</tr>
<tr>
<td>North Eastern</td>
<td>6.1</td>
<td>2.7</td>
<td>4.6</td>
<td>5.2</td>
</tr>
<tr>
<td>TOTAL</td>
<td>28.8</td>
<td>25.7</td>
<td>27.3</td>
<td>28.9</td>
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<tr>
<td>GRAND TOTAL</td>
<td>27.3</td>
<td>27.5</td>
<td>28.5</td>
<td>29.8</td>
</tr>
</tbody>
</table>

Source: MOEST

However, some regions still have low enrolment and high dropout rates for girls due to customary values, limited infrastructure and amenities especially water and sanitation, and the burden of household responsibilities. Girls also drop out of school on account of pregnancies, early marriages and gender violence within communities and school environments. Highest female illiteracy levels in the country have been recorded in the North Eastern Province.

Although there is almost near-gender parity in the primary education cycle, the lower scholastic progression rate for girls from primary to secondary education means that gender ratios are not maintained at the secondary level. In secondary school, boys outnumber girls, though by a small margin due to limited secondary school opportunities for girls; high cost of education which makes poor parents invest in boys’ education in preference to girls due to cultural gender biases; unwanted pregnancies and early marriages, while HIV/AIDS also forces girls out of school to work and care for sick relatives.

Available data on enrolment in the polytechnics and technical training institutes shows that the ratio of female enrolment to total has slightly increased from 30.4% in 1997/98 to 39.4% in 2003/04.

Although the proportion of female students shows an upward trend, their numbers are still too low, mainly on account of traditional attitudes and practices which discourage girls from enrolling in mathematics and sciences, and limited facilities supporting technical subjects in girls’ schools. Fewer girls than boys thus have access to postsecondary wage employment and tertiary education institutions.

The enrolment at the Kenyan public universities was over 52,408 in 2003/2004. The ratio of females has increased from 27.8% in 1995/96 to 30.8% in 2003/04. The relatively lower admissions of female students into universities reflect the cumulative effects of the factors that hinder girls’ participation, good performance and progress at primary and secondary school levels. Recently, the Government put the cut-off points for female students at one point lower than that of their male counterparts during university admission as one way to address this gap.

Total enrolment in private accredited universities has increased from 3,646 in 1997/98 to 8,021 in 2003/04, while their proportion of female students has increased from 50.3% to 54.5% during the same period.
Challenges

a) Although female to male ratios in primary and secondary schools are almost equal, emphasis on the role of the girl child at home coupled with poverty and other cultural factors limit the chances of her completion of primary school education and result in early school dropout.

b) Enrolment of women in tertiary institutions and universities remains low nationally.

c) Regional variations of female to male literacy ratios pose challenge to the national literacy achievements.

d) The number of women in decision-making positions in both government and private sector is very low.

e) Due to high costs of mounting election campaigns, lack of campaign and leadership skills, political violence, intimidation and lack of information, many women are deterred from seeking elective political posts, especially parliamentary.

f) Age-old cultural and traditional practices that perpetuate pervasive gender stereotypes, biases and abuses against women.

Interventions

The interventions the government is making are anchored on both policy and legal framework. These include:

a) The Government’s free primary education policy which has accorded equal basic educational opportunities to boys and girls, resulting in almost gender parity in primary school enrolment;

b) The Children’s Act passed by the Kenya parliament in 2001 which is intended to give effect to the principles of the Convention on the Rights of the Child (CRC), the African Charter on the Rights and Welfare of the Child, and address related issues such as early marriages; Female Genital Mutilation; right to survival; health and medical care; education; protection from child labour, sexual exploitation, prostitution, harmful drugs; and for legal assistance by the Government;

c) Affirmative action has also been taken to lower the entry mark for admission of more female students to public universities and girls who drop out of primary and secondary schools due to pregnancies who are allowed to re-enter and complete their education;

d) The National Policy on Gender and Development which identifies key forms of discrimination in respect of customary law, the law of succession, and citizenship as well as cultural biases against women perpetuated by the patriarchal social structure. It will facilitate the mainstreaming of the needs and concerns of men and women in all areas in the development process.

e) A comprehensive Draft National Employment Policy that mainstreams women’s rights in employment and bans child labour has been formulated.

f) The Kenya draft Constitution that commits the Government to implement affirmative action in policies and programs to benefit individuals or disadvantaged groups in accessing education and gainful employment; participation in governance; and guarantees equal political rights and freedom from discrimination, exploitation or abuse.
GOAL 4

REDUCE CHILD MORALITY

Target 5:
Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate.

Status and Trends
Infant and childhood mortality declined rapidly in Kenya as a result of the global initiatives to improve child health between the 1970s and the 1990s. These include the WHO Expanded Programme on Immunization (EPI), against six diseases: tuberculosis, measles, diphtheria, whooping cough, tetanus, and polio and the low-cost, low technology intervention to control diarrhoea through oral re-hydration therapy (ORT). In addition, there has been a decline in the level of child immunization, a key indicator of child health. Children aged 12-23 months receiving full vaccination against vaccine preventable diseases fell from 65% in 1998 to 60% in 2003. The result is that the mortality of children under age 5 continued to increase from about 90 per 1000 in 1990 to 112 per 1000 in 1998 and 115 in 2003 as shown in the table below. During the same period, Infant Mortality Rate increased from about 60 per 1000 in 1990 to 74 in 1998 and 77 in 2003. The majority of these deaths result from five diseases – acute respiratory infections, diarrhoea, measles, malaria, and malnutrition – or from a combination of these conditions.

Table 2.2: Trends in Infant and Under-Five Mortality since 1989 by sex

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Infant</td>
<td>Under five</td>
<td>Infant</td>
<td>Under five</td>
</tr>
<tr>
<td>Males</td>
<td>63</td>
<td>96</td>
<td>67</td>
<td>97</td>
</tr>
<tr>
<td>Females</td>
<td>54</td>
<td>86</td>
<td>59</td>
<td>89</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>89</td>
<td>62</td>
<td>96</td>
</tr>
</tbody>
</table>

To reduce these unnecessary child deaths, the Government in collaboration with WHO and UNICEF implemented a new approach for improving child health in the mid-1990s - the Integrated Management of Childhood Illnesses (IMCI) strategy. The IMCI strategy combines better management of childhood illness with nutrition, immunization, maternal health, and other health programs.

Challenges
a) The major challenge in reduction of child mortality is the continued increase in mortality rates since the 1990s in all regions of the country. There are wide geographical disparities in access to health care services while the cost of accessing health care is high especially for the poor.

b) Although tremendous progress had been made in reduction of infant and child morbidity and mortality, as a result of improvements in immunization of children, the gains made in child health have in recent years been adversely affected by HIV/AIDS pandemic.

c) Ensuring a critical mass of the human resource with skills needed to manage childhood illness remains a challenge to the government. The freeze on employment, worsened by high levels of attrition, has greatly reduced the skilled personnel that would provide the required services in the existing and new public health facilities.

d) Inadequate supplies also affect sustainable quality healthcare necessary for reduction in child morbidity and mortality. This is compounded by the mal-distribution and poor access to health services; insufficient resources and poor performance of the health care system.

e) The recent surveys, and especially the 2003 KDHS showed that about 29% of the child deaths occurring in the first five years of life take place within one month after birth (neonatal mortality), 66% within the first year, and the remaining 34% in the remaining 1-4 years. The challenge therefore remains to understand and work on the causes of mortality within the first month after birth, if any progress is to be achieved in reducing under-five mortality.
Better health facilities necessary for maternal health care

**GOAL 5**

**IMPROVE MATERIAL HEALTH**

**Target 6:**
Reduce by three quarters, between 1990 and 2015, the maternal mortality rate.

**Indicators**
17. Proportion of births attended by skilled health personnel

**Status and trends**
Maternal mortality figures in Kenya have varied widely by source. But it is estimated that maternal mortality per 100,000 was 670 in 1990, 590 in 1998 and 414 in 2003. Approximately 14,700 women of reproductive age die each year due to pregnancy-related complications; while between 294,000 and 441,000 suffer from disabilities caused by complications during pregnancy and childbirth. However, there is lack of reliable regional estimates of maternal mortality despite some evidence of wide regional differentials. The Government launched the National Reproductive Health Services (NRHS) Delivery Strategy, 1997-2010 to promote safe motherhood and child survival, which is among the components towards the operationalization of comprehensive health care.

The strategy arose out of the Reproductive Health Agenda endorsed by 179 countries following the 1994 Cairo International Conference on Population and Development (ICPD). The strategy identified the key pillars of safe motherhood to include family planning, antenatal care, clean and safe delivery, essential obstetric care, postpartum care, newborn care, and post-abortion care. In addition the Kenya government launched the Integrated Management of Childhood Illnesses (IMCI) strategy in 1998, with its implementation beginning in the year 2000.

The Kenyan reproductive health care management also include a comprehensive prevention of mother to child transmission often referred to as ‘PMTCT plus’. This package includes aspects of voluntary counselling and testing and use of anti-retrovirals for both mother and child in case of infection.
Despite the strategies and policies designed to improve maternal health, the proportion of mothers assisted by skilled health personnel declined from 51% in 1989 to 45% in 1993 and further down to 42% in 2003 (while 40% delivered in a health facility). Only 15% of the health facilities are able to provide Basic Obstetric Care, while for emergencies a mere 9% of the facilities are equipped to provide Comprehensive Essential Obstetric Care. According to 2003 Kenya Demographic and Health Survey (KDHS), about 90% of women receive any antenatal care. The use of antenatal care is less likely in rural areas while wide regional differentials still exist. Currently only 52% receive the required 4 or more antenatal visits (against the recommended 12 visits) while only 11% do visit within the first trimester.

Although there had been major gains in contraceptive use in the last decade leading to a large decline in fertility, contraceptive prevalence rate (CPR) reached a plateau in the recent past. The contraceptive prevalence rate continued to stay at 39% (32% modern methods) in the last decade. The major challenge is not only how to tackle the increased unmet need but also addressing persistent contraceptive stock-out. Only 63% of the total demand for family planning is currently satisfied, with 60% in rural areas and 74% in urban areas.

Table 2.3: Trends in current contraceptive use by currently married women

<table>
<thead>
<tr>
<th>Year</th>
<th>Any method (%)</th>
<th>Any modern method (%)</th>
<th>Unmet need (%)</th>
<th>Total demand (%)</th>
<th>% of Total demand satisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>1984</td>
<td>17.0</td>
<td>9.7</td>
<td>36.4</td>
<td>69.2</td>
<td>47.3</td>
</tr>
<tr>
<td>1989</td>
<td>26.9</td>
<td>17.9</td>
<td>23.9</td>
<td>64.8</td>
<td>63.2</td>
</tr>
<tr>
<td>1993</td>
<td>32.7</td>
<td>27.3</td>
<td>24.5</td>
<td>65.8</td>
<td>62.8</td>
</tr>
<tr>
<td>1998</td>
<td>39.0</td>
<td>31.5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>39.0</td>
<td>31.5</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


**Challenges**

a) The need to address direct obstetric causes of maternal mortality such as haemorrhage, sepsis, complications arising from unsafe abortion, eclampsia, etc and indirect obstetric causes such as malaria, anaemia, TB and HIV/AIDS in the efforts to improve maternal mortality.

b) Addressing the health needs of the adolescents since majority of the maternal mortality cases arise from this group.

c) Change in provider attitudes in order to encourage more women to deliver in health facilities and also ensure sustainable availability of required supplies and equipment.

d) The family planning policy is silent on the provision of contraceptives for adolescents, although girls as young as fifteen years old are sexually active.

e) Creation of national policy framework and identification of specific programs to enable accessibility of reproductive services by young people.

**Interventions**

The interventions proposed to improve maternal health include:

a) Policies and programs that provide education to men about safe motherhood and empower women to articulate health needs and concerns, to access services with confidence without delay and to demand quality services from service providers;

b) Increase the number of skilled personnel in rural areas to provide quality obstetric care. Increased medical coverage of deliveries, through additional skilled staff and service points, are basic requirements for improving delivery care. Reliable supply lines and staff retraining programs are also critical;

c) Provide prompt postpartum care, counselling, and access to family planning services. Postpartum care and counselling will help ensure the proper care and health of the newborn. Counselling should include information on breastfeeding, immunization and family planning;

d) Improve post-abortion care as about 13% of maternal deaths in the country are due to unsafe abortion;

e) Strengthen health promotion activities through mass media materials;

f) Improve access to reproductive health and family planning services, especially in rural areas;

g) Increase access to high quality antenatal care. High quality antenatal care includes screening and treatment for STIs, anaemia, and detection and treatment of hypertension.
GOAL 6

**COMBAT HIV/AIDS, MALARIA AND OTHER DISEASES.**

**Target 7:**
Have by 2015 the spread of HIV/AIDS reversed and the others halted

**Indicators:**
18. HIV prevalence among 15-24 year-old pregnant women.
19. Contraceptive prevalence rate.
20. Number of children orphaned by HIV/AIDS.

**Status and Trends**
The national HIV prevalence is estimated at 7% (KDHS 2003). The National AIDS Control Council also estimates that there are more than 3 million people currently infected with HIV/AIDS; and more than 2 million have so far died of AIDS-related complications, leaving behind over 1.8 million orphans. Several millions of children are living with parents who are ill, often becoming the primary care givers for their parents, young siblings and other dependants. Over 60% of those infected live in the rural areas where the socio-economic conditions are worsening due to poverty and unemployment. This has strained the already inadequate and ill-equipped health facilities with over 50% of public hospital beds being occupied by patients with HIV/AIDS related infections. It is estimated that many more persons living with HIV/AIDS stay at home, unable to access health care and stressing the households’ ability to cope.

In spite of the apparent declines in prevalence, HIV/AIDS has become a tragedy of devastating proportions in Kenya. The lives of the infected, their families, where they work and the country as a whole have been affected. It is estimated that two people die of AIDS every five minutes and 200,000 urgently need antiretroviral drugs but only 12,000 can afford. As a result the disease is costing Kenya more than KShs 200 million daily (KDHS, 2003). The social and economic damage caused by HIV/AIDS in Kenya is enormous and there is urgent need for all actors to intensify the fight against the pandemic.

**Challenges**
a) Sex abstinence among the youth is still low, as the median age at first intercourse has largely remained constant in the 1990s, at 16.7 and 16.8 for men and women respectively thus putting them at a high risk of contracting HIV/AIDS.
b) Despite the high level of awareness on HIV/AIDS (99% among men and 98% among women), there is no corresponding change in sexual practices and a remarkable number of men and women continue to indulge in risky sexual behaviours.
c) Though there is steady growth in use of condoms owing to sustained countrywide campaigns (68% and 54%, in both urban and rural areas respectively), there is still strong resistance for their use.
d) There are no adequate policies, strategies and resources to counter the increasing number of HIV/AIDS orphans.
e) Voluntary Counselling and Testing (VCT) has gained popularity countrywide but facilities for the exercise are still limited in rural areas.
f) Access to anti-retroviral drugs is limited to a small proportion of the HIV/AIDS sufferers due to the high cost, especially for the poor who also account for the largest proportion of the infected.
g) Only 33% of women and 38% of men know that the use of antiretroviral drugs by the mother could reduce the risk of transmission from mother to child during delivery.
Interventions.
a) The Government launched a National HIV/AIDS Strategic Plan 2000-2005 in December 2000 with the overall theme on behaviour change to reduce HIV/AIDS and poverty. Key components in the plan include priority areas for the control of HIV/AIDS as well as mechanisms for the mitigation of socio-economic impact at individual, family, community, sectoral and national levels.
b) The Sessional Paper No. 4 on AIDS in Kenya was approved in September 1997, a clear intent of political will on part of the government to support effective programmes to control the spread of AIDS, to protect the human rights of those with HIV/AIDS, and to provide care for those infected and affected by HIV/AIDS for the next 15 years and beyond.
c) The 1999 Presidential Declaration that AIDS is a national disaster added vigour to the fight, leading to the establishment of the National AIDS Control Council (NACC). The establishment of NACC in the Office of the President and NASCOP in Ministry of Health provided the national institutional framework for liaison and coordination of activities to combat HIV/AIDS. The establishment of Constituency HIV/AIDS Committees in recent years has added yet another layer in the fight against the pandemic.
d) International development partners have disbursed some of their HIV/AIDS funds through non-governmental and community-based organizations. These organizations sponsor a broad spectrum of interventions.

TUBERCULOSIS

Status and trends
The Millennium Development Goal for tuberculosis relate to reduction in prevalence and death rates associated with tuberculosis. There has been an increase in TB cases in the recent years due to the impact of HIV/AIDS pandemic. In 2003, a total of 96,000 TB cases of all forms were notified compared to 82,000 in the previous year. In 2004, the number of cases went up to 106,000 cases of all forms of TB (NLTP, 2004). It is currently estimated that over 60% of TB patients are co-infected. TB cases occur mostly among slum dwellers in large cities and among nomadic populations in pastoral districts. Nairobi, with slightly less than 10% of the total population contributes at least 20% of TB cases notified annually, and the highest case notification rates (>500 cases per 100,000) are recorded in arid and semi-arid areas.

Interventions
a) The Ministry of Health is implementing internationally recommended TB DOTS Strategy for TB control countrywide
b) The Ministry is also actively pursuing the WHO/UNAIDS “3 by 5” Initiative to contribute to reducing HIV/AIDS related morbidity and mortality. The bulk of resources for TB, including 25% of all anti-TB drugs are provided through the public sector. Other forms of support have been through the World Bank for the District Aids and reproductive Health (DARE) project and the Global Drug Facility.
GOAL 7

ENSURE ENVIRONMENTAL SUSTAINABILITY

Target 9:
Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources.

Indicators:
21. Proportion of land area covered forest.
22. Land area protected to maintain biological diversity.
23. CDP per unit of energy use (as proxy for energy efficiency).

Status and Trends
Environment and natural resources provide the base for economic and social development including poverty reduction. However, its importance has not been precisely valued and factored into the Gross Domestic Product. The sector forms the basis for food production, industrial input and tourism industry. It is also important to note that environment cuts across all the other sectors and contributes directly or indirectly towards achieving the other MDGs. In view of this, interventions in other sectors have a bearing on the achievement of this goal, hence the need to mainstream environment into the national and sectoral planning.

The greatest threat to our environment is posed by poverty. Deprived people are a major threat to the environment when the basic needs of adequate food, shelter, clothing and health services are not met. High levels of poverty negatively impact on the environment through agricultural land degradation leading to reduced productivity and hunger, and pollution of ground water table by both industry and chemical fertilizers. Pollution of drinking water sources is responsible for leukaemia in children and increased incidences of malaria, typhoid, cholera and other environmental diseases.

Wood fuel is categorized as the main source of household energy. The high and increasing demand for wood-fuel poses a major threat to existing forest and other terrestrial ecosystem resources. For example, since 1930, Kenya has lost about 65% of its originally standing wood volume (NEMA, 2004). The area under industrial plantations too, has continued to decline over years from 165,000 ha in 1988 to less than 80,000 ha in 2003. On the other hand, the total area under protection (gazetted) currently stands at 1.7 million ha (1.7%) against the recommended level of 10%.

The challenge is how to reduce over-reliance on wood-fuel among the rural poor with limited access to alternative sources of energy. What does it takes to put in place a mechanism that facilitates communities to become self-sufficient in household wood fuel energy demand while significantly contributing to reduction of poverty? Conservatively, environmental services and products contribute about KShs 460 billion to the household economy (non-timber forest products – like gums and resins valued at Kshs. 538 million; fish, 13 billion; tourism, 53 billion; livestock, 160 billion; herbal medicines, 105 billion; charcoal, 48 billion).

Challenges
Despite their major role in environmental, social and economic development of the nation, forests and other natural resources are currently faced with threats that include:

a) Illegal encroachment, excision, charcoal burning, illegal cultivation, poaching of timber and frequent fire outbreaks among others,
b) Repossessing land previously irregularly acquired,
c) The degradation of natural resources resulting from pollution and poor waste management, water catchment destruction and desertification,
d) Poverty also poses enormous challenges to environmental sustainability as the poor rely mostly on natural resources for survival, and
e) Ensuring that environmental considerations are integrated in all major national and sectoral policies, plans and decision-making processes.
The above measures are meant to bring the protected forest area to at least 3.5% by 2008. Modalities are also being put in place to develop a national environmental accounting and valuation system that contributes to the System of National Accounts (SNA) with a view to integrating environmental considerations with the national planning process.

Already, the Government’s commitment to environmental issues is demonstrated by the enactment of the Environmental Management and Co-ordination Act of 1999. To enforce the Act and establish good environmental practices, the National Environmental Management Authority (NEMA) has been in operation since 1st July 2002.

In addition, a total 1,759 ha of degraded forest have been rehabilitated; private stakeholders have established a total of 3,273 ha of forestland and an additional 5,970 ha of forest plantations established.

The wide range of policy options and interventions exist that can be undertaken to reduce poverty and conserve the environment. The key measures that are being undertaken include:

- Putting in place an effective policy and legal framework for the conservation and management of the environment and natural resources. This includes a framework that improves the legal and administrative coordination of the various sectoral initiatives currently being undertaken by the many stakeholders involved in the sector, including the Forest Bill and Land Use Policy;
- Putting in place measures to increase and protect forest cover through reforestation, repossession of irregularly acquired forest land (142,968.2 ha of forestland have been identified as land that was irregularly and illegally allocated); encouraging private sector participation in forest management and risk mitigation management (especially against fire);
- Developing a strategic and a long-term environmental strategy that spells out clearly what needs be done, by whom, when, and at what cost;
- Promoting environmental education, public awareness and participation in pursuit of sustainable development.

Water and Sanitation

**Target 10:**

Halve, by 2015, the proportion of people without sustainable access to safe drinking water.

**Indicator:**

24. Proportion of population with sustainable access to improved water source.

Access to safe water is estimated at 89% in urban areas and only 49% in rural areas. Sanitation access in urban areas is estimated at 94.8% as compared to 76.6% in the rural areas. However, access to safe water supply and sanitation varies greatly from region to region and with considerable disparities within regions. Access to safe water varies from a high of 92.6% in Nairobi to as low as 13.5% in Bondo District of Western Kenya. The arid and semi arid lands of Kenya have a relatively fair coverage of safe water, with below 22% of the people in North Eastern Kenya able to access a safe water source within 15 minutes. Similarly, access to improved sanitation varies from region to region with Nairobi and Central province enjoying better sanitation levels at about 99% and 99.5%, respectively. North Eastern province has the lowest access with only 22.8% of its population able to access adequate sanitation. Nationwide, Wajir District is the most underserved with only 15.3% of its population able to access improved sanitation. The pit latrine, whether improved or not, forms the most widely used sanitary means of excreta disposal.

Over the last thirty years, there has been inadequate funding for rehabilitation, upgrading and expansion of water supply and sewerage facilities. Most of existing water supply and
swardage collection treatment and disposal systems were constructed 20–40 years ago. Declining allocations from the exchequer compounded this situation, leading to their rapid deterioration. In recognition of past neglect and to reverse the current situation, the Government has initiated a process of reforms for the entire water sector. The reforms include the development of autonomous institutional framework that will be solely responsible for the management of the scarce water resources in such a way that we can be assured of sustained development. The reforms are based on the globally accepted principles of decentralization, participation and sustainability of the water resources.

To achieve the MDGs in the water and sanitation sector, the people without access to safe water and improved sanitation need to be halved, which translates to 80% nationwide coverage of safe water supply (urban 96% and rural 66%) and 96% coverage of improved sanitation (urban 96% and rural 89%).

Challenges
The sector is currently facing a number of challenges. Some of these challenges include:

a) Catchment Degradation (degradation of environment and aquatic systems causing flooding, pollution, reduced ground water recharge, and reduced stream base flow).

b) Poverty (estimated at 56% of the total population) in the country results to poor cultivation, deforestation, and overgrazing on river barks.

c) Hydrological variability: Kenya is classified as a chronically water scarce country with a limited natural endowment of fresh water of only 647 cubic meters per capita.

d) Deterioration of and under-investment in water storage capacity;

e) Rapid population increase causing excess demand over supply;

f) Poor performing water infrastructure;

g) Capacity building in the commercialised water supply systems, public and private institutions;

h) The need to sensitise communities in all areas to pay for water to ensure sustainability of current and new water supply and sanitation services.

Interventions
The need to increase per capita water storage is necessary if Kenya is to achieve access to water services. The key interventions the government has put in place to achieve this include:

a) Rehabilitation and augmentation of the existing water supply and sewerage works;

b) Implementation of the proposed new water supply and sewerage projects;

c) Construction of small, medium and big dams and pans;

d) Rehabilitation and sinking of new boreholes/wells;

e) Carry out roof catchment/rock catchment activities;

f) Purchase and installation of surface water monitoring equipment;

g) Carry out groundwater investigation and purchase and rehabilitate relevant groundwater monitoring equipment;

h) Construction of gabions, check dams, forestation, terracing, and building dykes;

i) Operationalization of all institutions established by the Water Act 2002;

j) Rehabilitate and augment the existing irrigation works;

k) Intensification of leak control programme to reduce unaccounted for water;

l) Conduct public awareness campaigns on efficient water use, catchment conservation and sanitation;

m) Development of low cost sanitation technologies; and

n) Construction of latrines in schools

o) Build capacity at Kenya Water Institute (currently the major middle level training institution for the water sector)

There are several opportunities in favour of achieving the MDG goals:

a) Only 15% of the safe yield of renewable fresh water resources has been developed so far. There remains an opportunity to exploit the balance of 85%.

b) The ongoing water sector reforms separate policy formulation; regulation and services provision and define clear roles for sector actors within a decentralized institutional framework.


d) There has been sustained donor support in the water sector.
**Energy Services**

Access to clean, appropriate, affordable, sustainable energy is an essential input towards the achievement of all the 8 MDGs. Energy provides the stimulus, drive and momentum to all the MDGs due to its "hidden multiplier effect". The MDGs cannot be achieved without provision of sustainable, affordable and appropriate energy at all times.

**Situational analysis**

Households take the lion's share of all energy types, accounting for 73.1%. Small-scale industries take about 10%. The data shows the dominant role of biomass energy (80.5%), especially for the traditional sector including the urban poor, while petroleum products account for 18% and electricity only 1.4%. The latter two types are dominant in the commercial energy sector. By end of 2004, Kenya imported 3.578 million metric tons of petroleum products equivalent to 25.7% of the country annual import bill.

The present electricity generation system has an effective capacity of 1,034 MW comprising 641 MW of hydropower, 128 MW Geothermal, 259 MW oil-fired, and 30 MW of imported hydro and a peak demand of 920 MW and projected to annual average energy growth rate of 7%. Consumption is extremely low at 121 KWh per capita and national access rate at about 15%, which is below the average 32% for developing economies. The supply of adequate and affordable types of energy for growth and development is the central theme of the Government's energy policy. For a country to make a transition from a subsistent to a fast growing economy, the minimum per capita consumption of modern energy is expected to be at least 300 Koe (kilogrammes of oil equivalent), which is about four times what is consumed in Kenya (89.4 Koe).

**Some of the Programmes to Meet MDGs include:**

a) The solar energy programme to install solar electric power supply in 16 secondary schools in North Eastern Province in progress;

b) Rural electrification annual growth rate has been slightly more than 0.1 % over the last 5 years. However the Government is implementing Energy Recovery Programme that is intended to increase customer connections to 150,000 per year. The programme targets power connections to market centres, public institutions such as schools, health centres, dispensaries and water pumps.

c) Construction of LPG import handling, storage and bottling facilities in Mombasa, Nairobi, Eldoret, Kisumu, Sagana and Nanyuki.

**Challenges**

a) Expanding and upgrading of energy infrastructure. The electricity sub-sector is currently faced with a weak power transmission and distribution infrastructure due to limited investments in power systems upgrading (electric power system losses are estimated at 18% of net generation).

b) Mobilizing requisite financial resources for operation and expansion of energy services consistent with raising demand given the high cost in initial investment in power generation;

c) Scattered nature of human settlement in Kenya;

d) Low levels of income in rural areas to generate enough demand for power connections;

e) Over reliance of hydroelectricity, which is prone to variances of weather;

f) Lack of effective regulatory framework in petroleum sector leading to poor competition, enforcement of safety standards and high barriers to entry;

g) Lack of appropriate technology and low level of awareness on the available technologies;

h) Enhancing and achieving economic competitiveness and efficiency in energy production, supply and delivery.

**Interventions**

The interventions are meant to provide affordable energy sources and improve conservation of the environment. They include:

a) Initiate commercialisation of 500,000 ha for fuel wood in farms and another 25,000 ha in appropriate areas of gazetted forest areas where biodiversity and water catchment aspects will not be compromised;

b) Improvement of earth kilns to increase efficiency from the current 15% to 20% through intensive training of charcoal makers by mobile artisans;

c) Promote increased use of improved cooking stoves and adopt energy conservation measures by households and institutions;

d) The Government is developing the energy policy and regulatory frameworks to promote private electricity production and sale. This strategy will remove some of the constraints in development of mini-hydro or other alternative sources of energy in some remote areas of the country not covered by the national grid;

e) Power interconnectivity: Efforts to acquire cheaper electricity from other countries, particularly Southern African countries are ongoing;

f) Promotion of solar energy: Promote photovoltaic panels (PVs) and solar heaters for institutions or groups of households, as they would be cheaper and more practical than electricity in specific areas of the country;

g) Promote wider use of wind energy: Despite high potential of wind energy in Kenya, areas of installation have not been well identified and technical backup is lacking. Promotion includes proper survey and training of backup artisans and digitisation of wind power sites and their potential in GIS format for quick decision making.
IMPROVING THE LIVES OF SLUM DWELLERS

Target 11:
Have achieved, by 2020, significant improvement in the lives of at least 100 million slum dwellers.

Indicators:
25. Proportion of people with access to improved sanitation.
26. Proportion of people with access to secure tenure.

Situational analysis
Since Kenya attained its independence in 1963, the Government has addressed shelter issues through various initiatives. The key interventions for the sector include the formulation of Sessional Paper No. 5 of 1966/67; the National Strategy for Shelter to the year 2000 and other measures contained in successive National Development Plans. Despite the efforts, the demand for housing has always outstripped supply.

The Government recognized the inevitability of slums and informal settlements as early as 1970 as amplified in the 1970/74 National Development Plan. Since then, the evolution of policies and interventions dealing with informal settlements in Kenya fits in four stages, namely: provision of minimum services, extension of tenure security and physical upgrading, recognition of the legitimate role of low income settlers and other stakeholders in urban development, and lately the formulation of a comprehensive national slum upgrading programme under the Kenya Slum Upgrading Programme (KENSUP). The Programme is initially meant to cover the urban areas starting with selected slums within the administrative boundaries of the Nairobi and Kisumu and Mombasa.

Challenges
The challenges that face the slum upgrading include:

a) Conflicts between the residents and Government over relocation
b) Lack of co-ordination between the slum upgrading programme and similar programmes/activities of other institutions,
c) Appropriate financial and other resource mobilization strategies and the appropriate development options for rental or ownership.

Interventions
a) The Government of Kenya, through the Economic Recovery Strategy (ERS), 2003-2007, among others, aims at facilitating the construction of 150,000 housing units in the urban areas and the improvement of 300,000 housing units in rural areas annually. As an achievement towards realizing the housing objective, the Sessional Paper No. 3 on National Housing Policy was prepared and adopted by Parliament in June 2004;
b) The Government has also initiated the preparation of a Comprehensive Housing Bill to provide a legal basis for the regulation, coordination, guidance, monitoring and evaluation of the housing and human settlements sector in Kenya;
c) The Government has established the Slum Upgrading and Low Cost Housing and Infrastructure Trust Fund to serve as a depository for funds mobilized for the Slum Upgrading Programme;
d) The Government is also putting in place measures and incentives aimed at encouraging investments in the housing sector and the revitalization of the housing sector; and
e) In the financial year 2005/06 the Government has allocated US $ 6 million for the Kenya Slum Upgrading Programme – a nationwide programme that is being implemented in collaboration with UN-HABITAT and other development partners.
GOAL 8

DEVELOP GLOBAL PARTNERSHIP FOR DEVELOPMENT

Target 12:

Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term.

Indicators:

27. Proportion of official bilateral HIPC debt cancelled.
28. Debt service as a percentage of exports of goods and services.
29. Proportion of ODA provided as debt relief.
30. Number of countries reaching HIPC decision points and number that have reached their HIPC completion points.

Official Development Assistance (ODA)

Judging from the slow pace of progress towards meeting the MDGs in Kenya, it is important to note that the internal efforts to attain the MDGs must be supported by the international community in terms of development finance, access to markets and removing the burden of external debt. Kenya has experienced a general relative decline in the flow of ODA. As such, financing of MDGs is still a challenge in Kenya like in any other developing country. The Millennium Declaration (2000), the Monterrey Conference on Financing Development (March 2002), the World Summit on Sustainable Development (September 2002) and the Global Conference on Scaling Up Poverty Reduction (May 2004), all urged developed nations that had not increased their funding towards the MDGs to make concrete efforts to achieve the target set since 1970s of 0.7% of Gross National Income as Official Development Assistance (ODA) to developing countries and 0.15 to 0.20 per cent of GNP of developed countries to least developed countries. At the Third United Nations Conference on least developed countries, developing countries were encouraged to build on progress achieved in ensuring that ODA is used effectively to help achieve development goals and targets. As at end of 2003, only 5 out of the 23 OECD largest donors had attained the target. If the donor countries would have delivered on the Global ODA commitment, Aid would be US$165 Billion a year, which is about three times the current level and above the current estimates what is needed to achieve the MDGs. At the Monterrey Conference, donors promised an increase of US$18.5 billion per annum in aid yet between 2002 and 2003, aid increased by less than US$2 billions. The July 2005 G8 meeting also resolved to double the level ODA by 2010 which, it is hoped, this time round could be honoured.

Governance

The declining ODA was occasioned by donor perceptions that Kenya was a reluctant reformer and that the governance situation was worsening. However, currently, Kenya has taken measures to improve governance and create a better environment for development. For instance, towards addressing governance issues, the Government enacted two major pieces of anti-corruption legislation: The Anti-Corruption and Economic Crimes Act, 2003 and the Public Officer Ethics Act, 2003. The Public Audit Act 2003 and the Public Procurement and Disposal Act, Public Procurement and Disposal Act, the Privatisation Act and the Government Financial Management Act have all been passed by Parliament.

The Government launched a “Strategy for Performance Improvement in the Public Service”, in April 2002 with an objective of introducing results-oriented management in the public sector to improve quality, efficiency and effectiveness of services and performance on a continuous basis. This involves undertaking service delivery surveys in ministries/departments; developing service delivery standards, benchmarks and charters; introducing annual work plans, and work improvement teams; reviewing staff performance appraisal; and introducing merit-based promotion and performance contracts in the public service

Other measures on governance have included the establishment control and management of the payroll, introduction of information technology in the public service, and decentralization. In an effort to control and arrest payroll fraud, the Government has developed the Integrated Payroll and Personnel Database (IPPD) system. There have also been measures to deepen fiscal decentralization.

In addition, changes to the Parliament’s Standing Orders made in 1997 established departmental committees, and required that these committees review legislation. By 2001, the initiative for policy change had shifted to Parliament’s
committees. These Committees are playing an increasing role in instilling discipline in the management of public affairs, and have the capacity to prevent mismanagement of public funds before it happens and thus are useful in the fight against corruption.

These measures have substantially improved governance and created a better environment for business thereby improving the case for a significant increase in aid flows, yet the status on ODA has not changed much because the donor community has not honoured the Millennium Declaration commitments. This decline in ODA levels seriously affected the pace of development in the country, as the development budget was highly dependent on external support.

Foreign Direct Investment
The Millennium Declaration called on the donor community to support developing countries through increased Foreign Direct Investment (FDI), debt cancellation, improved market access as well as transfers of technology yet to date there are no significant improvements to honour this call. As at November 2004, Kenya’s public debt stock amounted to an equivalent of Kshs. 752.49 billion (USD 10.03) i.e 63% of the Gross Domestic Product (GDP). Out of this, the domestic debt constitutes Kshs. 301.54 (USD 4.02 billion) while the external debt stock stood at Kshs. 449.95 billion (USD 5.99 billion). Servicing of this debt means committing a huge chunk of resources from the national resources leaving inadequate funds to implement the MDGs. For instance, between 2002 and 2003, Kenya has been committing Kshs. Millions 29,261.5 and 32,256.2 as external debt service charges annually. This has continuously had adverse effects on the growth of the country. Thus the Argument that Kenya’s external debt is sustainable, when considered within the context of the other development challenges facing the country, would not hold.

The experience in Kenya is that the debt does not leave sufficient resources to implement the MDGs. Consequently, it is impossible to achieve any of the MDGs, without addressing the debt burden and the unfair trading practices. Without debt cancellation the government will continue channelling resources towards servicing the previous debt. Therefore with the international community’s call to achieve the MDGs by 2015, debt sustainability criteria need to be redefined to focus on the MDGs and not merely on exports, as is the case in the HIPC. In this regard, debt should be said to be sustainable if it leaves enough resources to meet the MDGs.

In conclusion, it is clear that unless concerted efforts are made by the donor community to meet the resolutions of the Millennium Declaration, then Kenya like any other developing country will not meet the MDGs by the target date. In this regard, Kenya expects the donor community to steadfastly deliver on the following:

- Significantly and steadily increase the level of ODA flow to Kenya;
- Improve the quality of aid by de-linking it from trade and geopolitical interests and linking it to MDGs, and making it more predictable;
- Establish a fair and equitable global trading system that is MDGs friendly and more responsive to the development needs of developing countries such as Kenya. Towards this end, Kenya’s products should fairly access the developed markets through the removal of non-tariff trade barriers by developed countries;

Given that Kenya is facing severe constraints in financing MDGs, there should be total debt cancellation for Kenya before 2007.

Trade
The Government believes that promotion of international trade is a major complementary factor towards meeting the MDGs in developing countries – besides increased ODA. Therefore, the reforms that the Government has been undertaking since the 1990s are aimed at not only increasing trade openness locally, but also improving trade with countries in the African region and the rest of the world. In this regard, the Government supports the call for improved market access and support improved south-south competitiveness for developing countries.

The Government is already undertaking comprehensive reforms of its trade system in the context of the East African Community (EAC), the Common Market for Eastern and Southern Africa (COMESA), African, Caribbean, Pacific–EU trade arrangements and the World Trade Organization (WTO) framework. Towards this end, the East African Community customs union came into effect on 1st January 2005. Under the ACP-EU, agreement has been reached for both the ACP and EU to negotiate new WTO compatible trading Agreements, which will enter into force in January 2008.

The benefits of increased access to developed country markets are evident from the Kenyan textile exports to the US market through the
AGOA initiative. The exports have increased from US$71 million in 2001 to US$123 million in 2002 and US$150 million in 2003. Between January-June 2004, the exports were worth US$100 million.

In spite of all the above efforts, Kenya is faced with other challenges, including, high transaction costs occasioned by poor and underdeveloped infrastructure; unfair competition from counterfeit import goods and the slow process of putting in place the necessary legislation to promote trade and investment.

The other interventions the Government is putting in place to promote the trade in development and meeting the MDGs include:

a) Addressing the supply-side constraints by prioritising the rehabilitation and expansion of physical infrastructure;
b) Enactment of the Investment Code and establishment of an Investment Authority as a one stop office for investors;
c) Ongoing development of an export development strategy; and
d) Building capacity in government and among other stakeholders international trade negotiations and monitoring international trade malpractices.

Partnerships are important for the achievement of the MDGs: Development Partners sharing information on MDGs
CREATING AN ENABLING ENVIRONMENT FOR THE MDGs

OVERVIEW
The achievement of the MDGs depends on many other factors that set an enabling environment for their realization. Broadly, they include infrastructure, service delivery mechanisms and governance (especially public expenditure management), science and technology, trade and industry, the international trade and aid environment, and security.

INFRASTRUCTURE
The infrastructure sector accounts for approximately 10% of the GDP and employed 183,000 workers in 2002, with over KShs 51.4 billion in wage payments. The ERS recognizes the importance of infrastructure development and lays emphasis on rehabilitation and extension of the existing systems to foster development. Physical infrastructure is an important prerequisite in creating and supporting a business environment that facilitates private sector investment, growth and job creation. The challenge in Kenya is the poor nature of the road network, inadequate and dilapidated railway network, expanding the supply and high cost of electricity, telecommunications and information technology.

The poor state of physical infrastructure has resulted primarily from inadequate allocation of resources for construction, maintenance and rehabilitation of existing facilities; poor contractual work; rapid urbanization; high population growth; and adverse weather conditions.

SITUATION ANALYSIS
Kenya has a large road network of about 195,000 km long, about 6% of which is paved. A significant part of the network fell into disrepair and neglect during the past decade. The government has carried out an inventory and survey of conditions of the classified roads. Preliminary data show that about 43% of the classified roads network is in poor condition.

Funding for the maintenance of classified road network has been through the Road Maintenance Levy Fund (RMFL) and Roads 2000 programme, which has been inadequate. About KShs 9.4 billion is required annually (most of it from RMFL) to finance the maintenance of the 57% of the classified network while KShs 45 billion is required to rehabilitate the 43% of the classified network. The state of access roads to tourist potential areas has resulted to astronomical vehicle operating costs, loss of time, and passenger discomfort. About 150,000 km of road would require upgrading or reconstruction annually until the entire network is in motorable condition.

The problems affecting rail service include outmoded technology as reflected in aged locomotives, wagons and equipment as well as poor signalling and telecommunication systems. Air transport is the main transport mode for tourists, high-value exports and imports and perishable goods. The government has in the last few years undertaken reforms aimed at improving capacity and efficiency of the sub-sector such as liberalization, privatisation of Kenya Airways, establishment of Kenya Civil Aviation Authority, and establishment of Kenya Airports Authority. Maritime transport still remains the cheapest mode of transporting heavy and bulky goods, and strengthening this system would contribute significantly to the economic development of the country. Mombasa port is the principal seaport in Kenya. The port also serves several other hinterland countries. The performance of the port at 10 million tonnes in 2002 is still below its capacity of 22 million tonnes.

Interventions
a) The Government has given high priority to infrastructure in the ERS and the Medium Term Expenditure Framework budget. The resources going to the whole infrastructure sector will increase from 15.6% (or US $ 571 million) of the total government budget in 2004/05 to 20.5% in 2007/08, with almost 36% (to US $ 1.4 billion) increase during the 2005/06. The Roads 2000 Programme is one major programmes for rural areas that is being funded through support from a group of development partners.

b) The rail system is being improved through privatisation of services to enable Kenya Railways regain 50% of the share of the Mombasa-Nairobi-Malaba traffic and lead to less damage to the road network.

c) The Government is developing strategies to increase private sector participation in the construction and maintenance of major roads.

d) Reforms are ongoing to convert the seaport of Mombasa into a landlord port.
TELECOMMUNICATIONS

In the communication sub-sector, the Government has undertaken a broad range of policy reforms since 1997 with the aim of expanding and improving service delivery, improving efficiency and competitiveness. Already the Communications Commission of Kenya (CCK) has released a new market structure, which provides for unified licensing of operators. This aims at enhancing competition in the sector and improving service delivery.

Developments in the fixed telephone market segment have seen subscription falling from 320,000 in 2002/2003 to 299,000 during 2003/2004 but increasing to 330,000 in 2004. Following the expiry of the 5-year Telkom Kenya’s monopoly in June 2004, new players can now enter the market. Already a new regional telephone operator has been licensed to serve the North Eastern Region. The two Mobile operators have also been expanding their services and most parts of the country are currently covered. The subscriber base of the current two mobile phone operators stands at over 3 million subscribers against a potential demand of about 9.4 million. To boost competition and increase penetration and coverage, additional operators will be licensed to rollout network and compete with the existing operators.

The Government also recognizes that the spread of ICT services in Kenya is currently skewed towards urban areas with almost 80% of fixed network in Nairobi and Mombasa alone. Access to mobile services is also restricted to those living in urban areas, along major roads and highways as well as within 30 kms of both urban areas and major roads. Provision of ICT services to rural areas is both uneconomic and unfeasible. A Universal Service Fund will therefore be created to facilitate provision of services to the remote and un-served areas.

The Government is now finalizing the ICT Policy in the Country. The overall Objective of the Policy is to facilitate sustainable economic development, wealth creation and poverty reduction in the country.
INNOVATIVE MEASURES TO ADDRESS THE MDGs

OVERVIEW
Apart from the aforementioned interventions being taken to address the MDGs, the government has further taken steps to put in place mechanisms that address MDGs in a more targeted way. These measures include:

Government Position on MDGs.
In May 2005, the Cabinet directed that MDGs be mainstreamed in all development frameworks. Following this directive, all ministries and departments are now establishing institutions for incorporating MDGs-related activities into their specific budgets. The directive requires that MDGs-related activities be provided for in the specific budgets of ministries, departments and sectors and adequate funds allocated to them for implementation. The outcome of this has already been reflected in the Budget Strategy Paper, 2005/06 to 2007/08.

MDG Process in Brief
12th May 2004 Official launch of MDG-based planning and budgeting process by Minister for Planning and National Development.

Mid May 2004 National Stakeholders workshop to discuss the Concept Paper on the Needs Assessment and agree on the methodology and institutional framework. Joint communiqué issued committing stakeholders to MDG process.

June - October 2004 Series of workshops and consultative group meetings at the sector level to deepen understanding of the methodology of the Needs Assessment, and identify interventions and data requirements for the assessments in the different sectors.

October 2004 Commissioning of consultants, with inputs from line ministries, to conduct MDG Needs Assessment studies in all relevant sectors.

November 2004 High-level government-donor consultative meeting on MDGs convened by Government of Kenya. Joint communiqué issued in the presence of Professor Jeffrey Sachs.

December 2004 Finalisation of Needs Assessment studies, submission to stakeholders’ review, data and information validation and ownership. Treasury circular advocates for more resources for MDG and core poverty programmes.

January 2005 National launch of global report ‘Investing in Development: A Practical Plan to Achieve the MDGs’.

February 2005 Budget Outlook Paper advocates resource shift to MDGs and core poverty programmes.

February -March 2005 Commissioning of consultants to consolidate sector reports into national report; validation of data by small workshop of representatives from key ministries.

March 2005 Government (cabinet) decision to mainstream MDGs within the national planning, budgeting and monitoring and evaluation processes.


April - May 2005 Analysis of financing requirements from Needs Assessment and of synergies resulting from multi-sector interventions, and development of macro-economic framework for higher-case scenarios necessary to achieve MDGs.

June 2005 Presentation and Adoption of Budget Proposals by Parliament.

The Budget and the MDGs
The Minister of Finance said that the aim of the budget was to “tackle poverty on a sustainable basis and make progress towards the Millennium Development Goals (MDGs)”.

There is a sense in which this year’s budget could be viewed as an initial response to the MDGs campaign, in general and the MDGs Needs Assessment exercise, in particular. The budget proposals presented by the Minister for Finance focused on the theme: ‘Reorienting Expenditure to Achieve Rapid Economic Growth and Poverty Reduction’.

For the first time in Kenya’s history the budget proposals were made without factoring in budgetary support by bilateral development partners. However, should such support be forthcoming in the course of the fiscal year, the minister informed parliament that such resources will be utilised “to reduce government domestic
borrowing and upscale spending on core poverty programmes, including those aimed at achieving the MDGs”.

In making the budget proposals, the primary concern of the government was to consolidate and accelerate economic recovery while ensuring that the growth in real GDP, which currently stands at 4.3%, improves the lives of ordinary Kenyans. This is to be achieved by shifting more resources to the social and economic sectors gradually from about 56% in Financial Year (FY) 2004/05 to 64% by FY 2007/08. The specific shifts effected in the 2005/06 budget and proposed in the medium term for the key MDGs sectors are as shown below:

Health Sector
Expenditure (current and medium term) Overall spending on health care raised by 30% in FY2005/06 increasing the sector’s share in total government expenditure from the current 8.6% to 9.9% in FY 2005/06.

Over the next three years, the amount of resources going to this sector is programmed to increase by 74% to about Kshs. 43 billion by FY 2007/08. Consequently the share of total government expenditure going to health will rise to about 11% by FY 2007/08.

Priority programmes
- improving health facilities countrywide
- increase immunisation coverage to about 75%
- reduce child and mother mortality rate
- reduce malaria in-patient mortality to 15% as a share of total patient mortality
- put in place strategies to reduce HIV prevalence and improve access to affordable drug
- improve health service delivery through decentralisation of health care service
- increase expenditure on preventive and basic health services.

Education Sector
Expenditure (current and medium term) Government to continue allocating the bulk of its resources, amounting to over 28% of total expenditures to this sector.

Priority programmes
- ensuring equitable access to education by targeting disadvantaged areas, particularly ASAL, and vulnerable groups, such as street children and the girl child
- reviewing implementation of the bursary scheme to ensure only deserving children from poor households benefit
- improving quality and internal efficiency through teacher training and redeployment
- decentralising decision-making to district and school-level administrators
- redefining the roles of local authorities
- reforming university education to promote its quality in order to ensure globally competitive

Agriculture Sector
Expenditure (current and medium term) Increase the government resources to this sector by about 74% over the next three years i.e. from Kshs. 16 billion in FY 2004/05 to Kshs 27.8 billion by FY 2007/08. The share of resources going to this sector will rise from 5.6% of total government expenditure in FY 2004/05 to almost 7% by FY 2007/08.

Priority programmes
Begin implementation of Strategy for Revitalization of Agriculture (SRA) specifically to do the following:
- provision of credit to farmers through injection of Kshs.1.5 billion to the Agricultural Finance Corporation
- revival of farmers’ institutions that are key to agricultural growth
- strengthen agricultural research and extension systems
- amend Coffee and Pyrethrum Acts
- support initiatives to promote cotton production
- development of disease control programmes for establishing disease-free zones

Physical Infrastructure Sector
Expenditure (current and medium term) Sector to benefit from largest increase in resource allocation of 86% over the next three years from Kshs. 44.6 billion in 2004/05 to Kshs. 82.8 billion in 2007/08 representing a rise in the share of total government expenditure from 15.6% to 20.5% during the same period. During FY 2005/006 alone, sector allocation increased over 36%.

Priority programmes
- mobilising resources for maintenance
- rehabilitation of existing facilities
- expansion of the road network
- curbing wastage
- ensuring adherence to standards
- decongesting ports
- developing alternative sources of energy

Shelter and Housing Sector
Expenditure (current and medium term) 600 housing units already being built in Kibera
under the slum-upgrading project. Government has established the slum upgrading and low cost housing and infrastructure trust fund to serve as a depository for funds mobilised for the program. KShs.500 million allocated during FY2005/06 for this important project.

Priority programmes
To encourage construction of more houses, the government has recently reviewed the National Housing Policy and will submit to parliament during FY 2005/06 comprehensive Housing Bill.

It is apparent that a modest injection of US $ 450 million per annum in donor assistance would lead to significant changes in the architecture of the budget with proportionately more resources being allocated to the key MDG sectors of health, agriculture and infrastructure. The situation would be much better were the donors to reach even the US $ 1.4 billion per annum promised during the 2003 Consultative Group meeting.

While the budget has been praised by many people as being pro-poor, in a general sense, there are some proposals that have direct and immediate impact on the attainment of the MDGs. These are:

**General Tax Measures**
- House mortgage interest relief increased from Kshs.100,000 to Kshs.150,000.
- Import duty on essentials such as diapers, sanitary pads, cooking gas, medicines, safety belts and speed governors etc are removed.
- Sanitary towels, LPG, maize flour, milk and kerosene zero-rated for VAT.
- Newly listed companies corporate tax rate at a reduced rate of 20%.
- Medical benefits no longer taxable for non-executive directors who control more than 5% subject to a limit of Kshs 1million.
- Excise duty on all vehicles to now stand at 20%. Previously the upper limit was 60%.

**Manufacturing and Agriculture Sector**
- Excise duty on neutral spirits harmonised at Kshs100 per proof litre.
- Kshs.250m allocated for revival of cotton production.
- AFC allocated Kshs1.5 billion for loans to farmers.
- Direct exportation of coffee to be allowed.
- Revival of KCC and Kenya Farmers Association underway.
- Some food now zero-rated for VAT.
- Duty on parts for agricultural equipment removed.

**Energy and Infrastructure**
- LPG and kerosene now zero-rated for VAT.
- Duty on petroleum now payable only at port of entry.
- Geothermal power supply to be improved.
- Concession of Kenya/Uganda railway to be completed by December 2005.
- Plans to commission railways to Ethiopia and the Sudan.
- KShs.1.8 billion allocated to local authorities for road maintenance.
- The port of Mombasa to be privatised (landlord port).
- Kshs.1.5 billion allocated for boreholes.

**Finance and Insurance**
- SACCO Bill under preparation and Micro-Finance Bill to be tabled.
- New penalties for late submission of retirement benefit contributions.

**CHALLENGES**
- To take the MDG process to the community level.
- To develop capacity at all levels and in all sectors.
- To align national and sector plans, strategies, and implementation frameworks to the MDGs.
- To secure adequate resources for meeting the MDGs – improving aid uptake, filling resource gaps, mobilising all stakeholders etc.

**Other Innovative Measures to Address MDGs**
Apart from the already mentioned interventions being taken to address the MDGs, the government has taken steps to put in place mechanisms that address MDGs in a more targeted way. These measures include:

**Cabinet directive to mainstream MDGs into national planning and budgeting process**
Following this directive, all ministries and departments are now establishing institutions for incorporating MDG-related activities into their specific budgets. The outcome of this has already been reflected in the Budget Strategy Paper, 2005/06 to 2007/08.

**Local Authority Transfer Fund (LATF)**
This fund has been established through an act of parliament and is to be spent on development projects at the ward level. All councillors are supposed to utilise this fund to develop their
Constitution Development Fund (CDF)

The CDF Act, 2003, established the Constituencies Development Fund. The Act provides that 2.5% of all ordinary government revenue collected in every financial year be paid into the fund and be disbursed under the direction of a National Management Committee (NMC). The Act also provides that 75% of this amount shall be disbursed equally to all the 210 constituencies and the remaining 25% shall be disbursed on the basis of population and the poverty index.

A total of Kshs. 1,260,000,000 (US$16.4 million) was released to the constituencies during the 2003/04 financial year and was fully disbursed to the 210 constituencies in accordance with the provisions of the Act. Each constituency received Kshs. 6 million. Like LATF, this fund is being used on development projects within the constituencies. The CDF initiative was designed to take development to the people at the grass root level. The objective was to have people drive their own development agenda and as such make development process at the grass root participatory and faster. A snap monitoring of the projects at constituency level has shown that since the release of the first tranche in October 2004, there has been a marked improvement in the social sector infrastructure (i.e. education, health and water). In some cases roads and electricity have been improved.

Other funds at the constituency level include the Constituency Aids Fund that is mainly used for HIV/AIDS awareness creation, the Constituency Bursary Fund and Constituency Roads Fund. These funds have significantly, improved the infrastructure and social needs at constituency level, thus contributing positively to the achievement of the MDGs at a national level.

CONCLUSION

This report provides an update on the MDGs Progress Report for Kenya, 2003. The 2003 report indicated that Kenya was unlikely to achieve most of the goals unless the policy environment was drastically changed. The Status Report for 2005 shows that the policy environment is changing faster than earlier envisaged. This is due the policies that the NARC Government has been putting in place since it came to power in December 2002. As a result of these measures, the economy grew from a mere 0.4% in 2002 to 4.3% in 2004. This is expected to increase in 2005 and thereafter.

The Government unveiled the Economic Recovery Strategy (ERS) that is anchored on accelerating economic growth; poverty reduction through job creation, investment in people and social protection; improving governance and the physical infrastructure. The introduction of free primary education early in 2003 led to over 1.5 million children joining primary school. The government is realigning the budget process and strengthening the public expenditure management to address the activities in the ERS and the MDGs. The current increased budgetary allocations to health, agriculture, water, roads, tourism and environment are meant to accelerate the achievement of the above objectives.

In addition, a number of reforms have been undertaken to improve governance, including the creation of necessary institutions and legislation to fight and control corruption. The delivery mechanisms for development resources have also been enhanced through the development of various mechanisms that take resources directly to the local level. These include the Constituency Development Fund, Constituency Bursary Fund and Local Authorities Transfer Fund. There are more classrooms being constructed to cater for increased number of children in schools; more needy children are getting education through bursaries, and basic drugs are now more readily available in health facilities than before. The rehabilitation and expansion of the physical infrastructure has been started in earnest. In spite of these promising achievements, the challenges to be overcome so as to achieve the MDGs are still enormous, given the limited public resources available and the still too unpredictable flow of external resources. The needs assessment and costing study undertaken in 2004 and 2005 clearly underscores the need for increased flow of external assistance.

On the whole, if the tempo of policy environment being put in place in Kenya is maintained, there are already good indications from the emerging results that the country may make significant improvements on most of the MDGs from as early as 2010 through to 2015.
# Status of MDGs in Kenya at a Glance

<table>
<thead>
<tr>
<th>Goal</th>
<th>Target</th>
<th>Indicators</th>
<th>Status</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Eradicate poverty and hunger</strong></td>
<td>Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day.</td>
<td>The proportion of the population below $1 per day.</td>
<td>56%</td>
<td>2002</td>
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<td></td>
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<td>Poverty gap ratio</td>
<td>1:2</td>
<td>2003</td>
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<td>Share of the poorest quintile in national consumption.</td>
<td>4.8%</td>
<td>2000</td>
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<td></td>
<td>Halve, between 1990 and 2015, the proportion of who suffer form extreme hunger.</td>
<td>Prevalence of underweight in children under five years of age.</td>
<td>19</td>
<td>2003</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Prevalence of stunting in children under 5 yrs of age.</td>
<td>31</td>
<td>2003</td>
</tr>
<tr>
<td><strong>2. Achieve universal primary education</strong></td>
<td>Ensure that by 2015, children everywhere, boys and girls, will be able to complete a full course of primary schooling.</td>
<td>Net enrolment in primary education—boys, girls, total.</td>
<td>82.2% (Boys)</td>
<td>2004</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Proportion of pupils starting grade 1 who reach grade 5—boys, girls, total.</td>
<td>82.1% (Total)</td>
<td>2000</td>
</tr>
<tr>
<td><strong>3. Promote gender equality and empower women</strong></td>
<td>Eliminate gender disparity in primary and secondary education preferably by 2005 and in all levels of education no later than 2015.</td>
<td>Ratio of girls to boys in primary secondary education.</td>
<td>Primary (101.6%)</td>
<td>2004</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ratio of literate females to males among 15-24 year olds.</td>
<td>90.5%</td>
<td>2000</td>
</tr>
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<td></td>
<td></td>
<td>Share of women in wage employment in the non-agricultural sector.</td>
<td>35%</td>
<td>2003</td>
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<td></td>
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<td>Proportion of seats held by women in national parliament.</td>
<td>8.3%</td>
<td>2005</td>
</tr>
<tr>
<td><strong>4. Reduce child mortality</strong></td>
<td>Reduce by two-thirds between 1990 and 2015, the under five mortality rate.</td>
<td>Under-five mortality rate</td>
<td>115/1,000</td>
<td>2003</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Infant mortality rate.</td>
<td>77/1,000</td>
<td>2003</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Proportion of one-year old children immunized against measles.</td>
<td>73%</td>
<td>2003</td>
</tr>
<tr>
<td><strong>5. Improve maternal health</strong></td>
<td>Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio.</td>
<td>Maternal mortality ratio</td>
<td>414/100,000</td>
<td>2003</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Proportion of births attended by skilled by skilled health personnel.</td>
<td>42%</td>
<td>2003</td>
</tr>
<tr>
<td><strong>6. Combat HIV/AIDS and other diseases</strong></td>
<td>Have halted by 2015, and begun to reverse the spread of HIV/AIDS.</td>
<td>HIV prevalence among 15 to 24 year old pregnant women.</td>
<td>9</td>
<td>2003</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Contraceptive prevalence rate.</td>
<td>41%</td>
<td>2003</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of the children orphaned by HIV/AIDS.</td>
<td>1.8 million</td>
<td>2004</td>
</tr>
<tr>
<td></td>
<td>Have halted by 2015, and begun to reverse the incidence of malaria and other major diseases.</td>
<td>Coverage of ITN for children below 5 yrs of age (%).</td>
<td>5</td>
<td>2003</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Pregnant women accessing prophylaxis (%).</td>
<td>4</td>
<td>2003</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of notified TB cases.</td>
<td>90,000</td>
<td>2002</td>
</tr>
<tr>
<td><strong>7. Ensure environmental sustainability</strong></td>
<td>Integrate the principles of sustainable development into country policies and reverse the loss of environmental resources.</td>
<td>Change in land area covered by forest. (Gazeted Forests)</td>
<td>From 165,000 ha to less than 80,000 ha</td>
<td>1988-2002</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Proportion of land area protected to maintain biological diversity.</td>
<td>1.7 mn ha.</td>
<td>2004</td>
</tr>
<tr>
<td></td>
<td>Halve, by 2015, the proportion of people without sustainable access to safe drinking water.</td>
<td>The proportion of population with sustainable access to an improved water source.</td>
<td>55%</td>
<td>2002</td>
</tr>
<tr>
<td></td>
<td>Have achieved, by 2020, significant improvement in the lives of at least 100 million slum dwellers.</td>
<td>Proportion of population with access to improved sanitation.</td>
<td>86%</td>
<td>2004</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Proportion of population with access to secure tenure, owned or rented houses.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>8. Develop global partnership for development</strong></td>
<td>In cooperation with developing countries, develop and implement strategies for decent and productive work for youth.</td>
<td>Unemployment rate of 15 to 24-year-olds for each sex and total.</td>
<td>29.3% for women</td>
<td>2000-2003</td>
</tr>
<tr>
<td></td>
<td>In cooperation with the private sector, make available the benefits of the new technologies, especially information and communication.</td>
<td>Telephone and cellular subscribers per 1,000 population</td>
<td>100 lines for 1,000 population</td>
<td>2005</td>
</tr>
</tbody>
</table>