

## The Challenge

USAID's program assists Kenyans to move towards middle-income status with improved standards of living, improved quality of life, and more participatory governance. Progress will require an economic growth rate of 7 to 8 percent per year. Obstacles include lack of accountable government, poor rural productivity and management of resources, and a workforce in need of better access to higher quality health care and education. USAID is working with the Government of Kenya (GOK) and non-governmental organizations to reduce the transmission and impact of HIV/AIDS and improve reproductive, maternal, and child health; improve natural resource management in targeted biodiverse resource areas; improve the balance of power through transparent and accountable democratic institutions; increase rural household incomes; and increase equitable access to quality basic education.

## Objectives, Sectors and Workforce

Mission Director: Stephen Haykin

MCA Status: Threshold Eligible

PEPFAR Focus Country: Yes

Provided or Received Services From Other Missions: Received

### Program Budget (Appropriations by Objective)

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07	2005 SO Performance Score	Direct SO Admin. Cost Ratio
615-003 HIV/AIDS, Population, and Health	53,245	94,417	119,964	117,430	120.5%	1.29 Exceeded	0.03
615-005 Natural Resources Management	3,967	5,695	5,920	6,000	51.2%	0.94 Met	0.23
615-006 Democracy and Governance	6,436	6,378	5,195	5,507	-14.4%	0.79 Not Met	0.25
615-007 Increased Rural Household Incomes	6,637	8,573	10,578	10,250	54.4%	1.79 Exceeded	0.19
615-008 Basic Education	2,914	2,814	5,534	7,820	168.4%	1.28 Exceeded	0.38
PL 480 Title II not Allocated to a Strategic Objective	41,342	45,056	16,463	12,500	-69.8%		
<b>Country Total</b>	<b>114,541</b>	<b>162,933</b>	<b>163,654</b>	<b>159,507</b>	<b>39.3%</b>		

### Program Budget (Appropriations by Account)

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Child Survival and Health Programs Fund	34,877	14,600	16,840	14,611	-58.1%
Development Assistance	11,701	15,782	17,792	21,002	79.5%
Development Credit Authority	300	0	0	0	N/A
Economic Support Fund	7,953	7,678	7,920	6,755	-15.1%
Global HIV/AIDS Initiative	18,368	79,817	104,639	104,639	469.7%
PL 480 Title II	41,342	45,056	16,463	12,500	-69.8%
<b>Total</b>	<b>114,541</b>	<b>162,933</b>	<b>163,654</b>	<b>159,507</b>	<b>39.3%</b>

### Program Budget by Sector and Account

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Basic Education DA	2,914	2,814	4,019	6,000	105.9%
Agriculture and Environment DA	6,151	9,682	10,874	11,500	87.0%
DCA	300	0	0	0	N/A
ESF	750	2,850	2,970	2,500	233.3%
Economic Growth DA	200	686	674	1,250	525.0%
ESF	3,203	1,050	1,980	1,000	-68.8%
Human Rights DA	350	0	0	0	N/A
Democracy and Governance DA	1,386	2,600	1,875	1,902	37.2%
ESF	4,000	3,778	2,970	3,255	-18.6%
Conflict Management / Humanitarian Assistance DA	700	0	350	350	-50.0%
Family Planning / Reproductive Health CSH	8,900	10,900	8,898	7,661	-13.9%
HIV / AIDS CSH	22,277	0	0	0	N/A
GHAI	18,368	79,817	104,639	104,639	469.7%
Child Survival and Maternal Health CSH	1,000	1,000	989	1,000	0.0%
Other Infectious Diseases CSH	2,700	2,700	6,953	5,950	120.4%
PL 480 Title II not Allocated to a Sector	41,342	45,056	16,463	12,500	-69.8%
<b>Total</b>	<b>114,541</b>	<b>162,933</b>	<b>163,654</b>	<b>159,507</b>	<b>39.3%</b>

### Workforce

	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
US Direct Hires	6	11	16	18	200.0%
US Non Direct Hires	7	8	11	7	0.0%
Foreign Nationals	122	127	137	139	13.9%
<b>Total</b>	<b>135</b>	<b>146</b>	<b>164</b>	<b>164</b>	<b>21.5%</b>

### Operating Expense

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07

Salaries and benefits	2,742	2,885	2,521	2,702	-1.5%
Travel	166	304	132	145	-12.7%
Transportation of things	30	154	39	157	423.3%
Rent	175	215	151	161	-8.0%
Security	50	199	189	201	302.0%
Equipment	270	51	120	0	N/A
ICASS - Operating Expense only	141	158	195	202	43.3%
Other Operating Expense	665	400	537	316	-52.5%
<b>Total OE Budget</b>	<b>4,239</b>	<b>4,366</b>	<b>3,884</b>	<b>3,884</b>	<b>-8.4%</b>
US direct hire salary and benefits	923	1,230	1,715	2,073	124.6%
Program Funded Administrative Expenses				3,045	
<b>Country Total Administrative Budget</b>				<b>9,002</b>	
<b>Percent of Bureau OE Total</b>				<b>5.1%</b>	

**Mission Summary**

	FY 2004	FY 2005	FY 2006	FY 2007
Program per US Direct Hire (\$000)	19,090	14,812	10,228	8,862
Program per All US (\$000)	8,811	8,575	6,061	6,380
Program per Position (\$000)	848	1,116	998	973
Operating Expense as % of Program Funding				2.4%
Program Funded Admin Expense as % of Total Admin				33.8%
Total Admin Expense as % of Program Funding				5.6%

**Other Major Donors:**

Bilateral: Belgium, Canada, China, Denmark, Finland, France, Germany, Israel, Italy, Japan, the Netherlands, Norway, Saudi Arabia, Sweden, the United Kingdom.

Multilateral: African Development Bank, African Union, Arab League, European Commission, International Fund for Agricultural Development (IFAD), International Monetary Fund (IMF), and the World Bank. United Nations Agencies include Food and Agriculture Organization, International Labor Organization, United Nations Development Program, United Nations Environment Program, United Nations Population Fund, UN-Habitat, United Nations Development Fund for Women, United Nations Children's Fund, United Nations Office on Drugs and Crime, World Food Programme, World Trade Organization.

## Kenya PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2004 Actual	FY 2005 Actual	FY 2006 Current	FY 2007 Request
Child Survival and Health Programs Fund	34,877	14,600	16,840	14,611
Development Assistance	11,701	15,782	17,792	21,002
Development Credit Authority	300	0	0	0
Economic Support Fund	7,953	7,678	7,920	6,755
Global HIV/AIDS Initiative	18,368	79,817	104,639	104,639
PL 480 Title II	41,342	45,056	16,463	12,500
<b>Total Program Funds</b>	<b>114,541</b>	<b>162,933</b>	<b>163,654</b>	<b>159,507</b>

### STRATEGIC OBJECTIVE SUMMARY

615-003 HIV/AIDS, Population, and Health				
CSH	34,877	14,600	16,840	14,611
GHAI	18,368	79,817	103,124	102,819
615-005 Natural Resources Management				
DA	3,217	2,845	2,950	3,500
ESF	750	2,850	2,970	2,500
615-006 Democracy and Governance				
DA	2,436	2,600	2,225	2,252
ESF	4,000	3,778	2,970	3,255
615-007 Increased Rural Household Incomes				
DA	3,134	7,523	8,598	9,250
DCA	300	0	0	0
ESF	3,203	1,050	1,980	1,000
615-008 Basic Education				
DA	2,914	2,814	4,019	6,000
GHAI	0	0	1,515	1,820

Mission Director,  
Stephen Haykin

## Kenya

### **The Development Challenge**

USAID's program assists Kenyans to move towards middle-income status with improved standards of living, improved quality of life, and more participatory governance. Progress will require an economic growth rate of 7 to 8 percent per year. Obstacles include lack of accountable government, poor rural productivity and management of resources, and a workforce in need of better access to higher quality health care and education. USAID is working with the Government of Kenya (GOK) and non-governmental organizations to reduce the transmission and impact of HIV/AIDS and improve reproductive, maternal, and child health; improve natural resource management in targeted biodiverse resource areas; improve the balance of power through transparent and accountable democratic institutions; increase rural household incomes; and increase equitable access to quality basic education.

### **Other Major Donors**

**Bi-Lateral Donors:** Belgium, Canada, China, Denmark, Finland, France, Germany, Israel, Italy, Japan, the Netherlands, Norway, Saudi Arabia, Sweden, the United Kingdom.

**Multi-Lateral Donors:** African Development Bank, African Union, Arab League, European Commission, International Fund for Agricultural Development (IFAD), International Monetary Fund (IMF), and the World Bank. United Nations Agencies include Food and Agriculture Organization, International Labor Organization, United Nations Development Program, United Nations Environment Program, United Nations Population Fund, UN-Habitat, United Nations Development Fund for Women, United Nations Children's Fund, United Nations Office on Drugs and Crime, World Food Programme, World Trade Organization.

## Data Sheet

<b>USAID Mission:</b>	Kenya
<b>Program Title:</b>	HIV/AIDS, Population, and Health
<b>Pillar:</b>	Global Health
<b>Strategic Objective:</b>	615-003
<b>Status:</b>	Continuing
<b>Planned FY 2006 Obligation:</b>	\$16,840,000 CSH; \$103,124,000 GHAI
<b>Prior Year Unobligated:</b>	\$0
<b>Proposed FY 2007 Obligation:</b>	\$14,611,000 CSH; \$102,819,000 GHAI
<b>Year of Initial Obligation:</b>	2001
<b>Estimated Year of Final Obligation:</b>	2010

**Summary:** USAID's health program responds to priority challenges in Kenya, focusing on reducing fertility and the risk of HIV/AIDS. The program works to reform the health care sector, to prevent HIV transmission, to provide treatment, care, and support for those already infected, and to deliver family planning and maternal and child survival health services. Since Kenya is a focus country within the President's Emergency Plan for AIDS Relief, USAID is working with the U.S. Government country team to manage a large-scale emergency response.

### Inputs, Outputs, Activities:

#### FY 2006 Program:

Improve Child Survival, Health and Nutrition (\$989,000 CSH). Child survival funds will be used to assist the Ministry of Health (MOH) to implement its National Health Sector Strategic Plan. This plan, calling national attention to the need to increase health care funding and restating the focus on disease prevention and primary health care, will have a positive impact on child health. USAID will continue to work with the Kenya Medical Supplies Agency (KEMSA), both directly and by providing technical assistance, in order to improve the MOH's logistics system. Kenya has achieved eligibility for the Millennium Challenge Account (MCA) Threshold Program, and a concept paper is currently being reviewed. The proposed program will enable the Government of Kenya (GOK) to undertake necessary public financial management reforms to address corruption. The proposal includes procurement reforms including planning, procurement, accounting, and auditing within the MOH. Principal contractors and grantees: Futures Group, John Snow, Inc., and KEMSA (all prime).

Improve Maternal Health and Nutrition (\$1,250,000 CSH). Integrated service delivery is improving maternal health through facility renovation and training in emergency obstetric care. Nyanza Province, which has the worst maternal and child health indicators in Kenya, will be especially targeted. USAID is also working with private facilities and is strengthening networks between public and private facilities and community midwives to reach more women with services that are in highest demand. The program plans to scale up these services with appropriate attention to informed choice and quality of care. Principal contractors and grantees: To be determined.

Prevent and Control Infectious Diseases of Major Importance (\$6,703,000 CSH). In collaboration with the United Kingdom's Department for International Development (DFID), which will buy \$30 million worth of long-lasting nets, USAID is continuing distribution and sales of insecticide-treated bed nets. The MOH is committed to changing to Artemisinin Combination Therapy for first-line antimalarial treatment, using commodities purchased with Global Fund support; USAID is assisting with policy changes, service delivery, training, drug quantification, and program management activities. USAID supports the MOH's implementation of indoor residual spraying as part of the national malaria program, including significant commodity procurement. Principal contractors and grantees: the Malaria Action Coalition -- composed of Centers for Disease Control and Prevention (CDC), JHPIEGO and Management Sciences for Health -- and Population Services International (primes).

Reduce Transmission and Impact of HIV/AIDS: See the State Department Congressional Budget Justification, Global HIV/AIDS Initiative section, for a discussion of this program.

Support Family Planning (\$7,898,000 CSH). USAID continues to support public and private sector reproductive health activities, expanding assistance to service delivery in all eight provinces in Kenya and emphasizing the integration of family planning, reproductive health, maternal and child health, and HIV/AIDS services. It focuses on improved quality of care through service provider training and supervision and utilization of up-to-date family planning and reproductive health guidelines. A decentralized system for training and supervision of reproductive health services is going to be extended to the local facility level. USAID works with the central government to encourage greater accountability as well as funding for family planning. Priority is being placed on sensitizing local leaders to the importance of reproductive health. Principal contractors and grantees: Opinion Research Corporation Company (ORC) Macro and the University of North Carolina (primes) and others to be determined.

**FY 2007 Program:**

Improve Child Survival, Health and Nutrition ( \$1,000,000 CSH). Funds will be provided to the integrated service delivery program to add child survival activities in critical provinces, especially Nyanza. USAID and the MCA Threshold Program support to KEMSA will enable it to conduct a larger proportion of MOH procurement in 2007. Principal contractors and grantees: Same as FY 2006.

Improve Maternal Health and Nutrition (\$911,000 CSH). The integrated service delivery of family planning, reproductive health, maternal and child health, and HIV/AIDS will be fully functional in all eight provinces. Limited nutrition activities, closely linked to antiretroviral therapy, will continue. Principal contractors and grantees: to be determined.

Prevent and Control Infectious Diseases of Major Importance (\$5,700,000 CSH). USAID will expand the indoor residual spraying and bed net programs and support the national malaria program. Funds will be provided to the integrated service delivery program to add child survival activities in critical provinces. Principal contractors and grantees: Same as FY 2006.

Reduce Transmission and Impact of HIV/AIDS. See the State Department Congressional Budget Justification, Global HIV/AIDS Initiative section, for a discussion of this program.

Support Family Planning (\$7,000,000 CSH). USAID will implement a new service delivery program that starts in late FY 2006. This program integrates family planning, HIV/AIDS, and maternal and child health, in all eight provinces of Kenya. Principal contractors and grantees: To be determined.

All family planning assistance agreements will incorporate clauses that implement the President's directive restoring the Mexico City Policy.

**Performance and Results:** HIV prevalence is declining. Prevalence peaked at 10% in the late 1990s and has now fallen to 7%. In FY 2005, 400,000 people were counseled and tested, almost half at USAID-supported sites. Through USAID support, 32,000 people with advanced HIV infection received antiretroviral therapy. Problems with Global Fund procurement of HIV test kits held back both of these activities. From 2001 to 2005, USAID's reproductive health efforts achieved an 89% increase in new family planning acceptors and trained 3,016 providers in Coast and Western Provinces. Sales of insecticide-treated nets by the DFID-USAID malaria project grew from 635,000 nets in FY 2004 to 3.2 million in FY 2005. By program completion in 2011, HIV prevalence will be half of its peak level; most Kenyan's needing antiretroviral treatment will be receiving it; death rates and hence numbers of new orphans will be lower; and most orphans and vulnerable children will be receiving comprehensive care. Contraceptive use will increase and fertility will resume its downward trend. Childhood mortality will also be declining, helped by USAID efforts in malaria control, HIV/AIDS, and birth spacing.

## US Financing in Thousands of Dollars

Kenya

615-003 HIV/AIDS, Population, and Health	CSH	DA	DFA	ESF	GHAI
<b>Through September 30, 2004</b>					
Obligations	163,144	20,507	49,865	1,000	18,368
Expenditures	87,153	19,863	49,865	0	79
Unliquidated	75,991	644	0	1,000	18,289
<b>Fiscal Year 2005</b>					
Obligations	12,600	0	0	0	79,817
Expenditures	30,866	120	0	925	15,151
<b>Through September 30, 2005</b>					
Obligations	175,744	20,507	49,865	1,000	98,185
Expenditures	118,019	19,983	49,865	925	15,230
Unliquidated	57,725	524	0	75	82,955
<b>Prior Year Unobligated Funds</b>					
Obligations	0	0	0	0	0
<b>Planned Fiscal Year 2006 NOA</b>					
Obligations	16,840	0	0	0	103,124
<b>Total Planned Fiscal Year 2006</b>					
Obligations	16,840	0	0	0	103,124
<b>Proposed Fiscal Year 2007 NOA</b>					
Obligations	14,611	0	0	0	102,819
Future Obligations	39,000	0	0	0	0
Est. Total Cost	246,195	20,507	49,865	1,000	304,128

## Data Sheet

<b>USAID Mission:</b>	Kenya
<b>Program Title:</b>	Natural Resources Management
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	615-005
<b>Status:</b>	Continuing
<b>Planned FY 2006 Obligation:</b>	\$2,950,000 DA; \$2,970,000 ESF
<b>Prior Year Unobligated:</b>	\$2,850,000 ESF
<b>Proposed FY 2007 Obligation:</b>	\$3,500,000 DA; \$2,500,000 ESF
<b>Year of Initial Obligation:</b>	2001
<b>Estimated Year of Final Obligation:</b>	2010

**Summary:** The natural resources management program will increase the sustainable use of natural resources and biodiversity conservation by working with communities and the Government of Kenya (GOK). The program focuses on: improving sustainable management of natural resources and biodiversity; strengthening civil society's capacity to advance the conservation of natural resources; and improving private sector's viability in the conservation and management of natural resources.

### Inputs, Outputs, Activities:

#### FY 2006 Program:

Improve Private Sector Competitiveness (\$800,000 DA; \$900,000 ESF). USAID funds are being used to: facilitate two private sector-community ecotourism business ventures and establish two management leases; develop pilot integrated wildlife-livestock management systems for production and marketing in two districts; and support seven nature-based businesses to add value and export market their products. Principal contractors and grantees: Lewa Wildlife Conservancy (LWC), Nature Kenya (NK), African Wildlife Foundation (AWF) (primes) and others to be determined.

Improve Sustainable Management of Natural Resources and Biodiversity (\$1,200,000 DA; \$1,300,000 ESF; \$2,850,000 prior year ESF). USAID supports six community organizations adjacent to four parks and two reserves to establish wildlife monitoring systems. Small tree-planting groups and community-based mangrove and coral reef management are going to be established. The institutional development of the Kitengela Community Conservation Trust and the Northern Rangelands Trust organizations will put 5,000 hectares under improved conservation. With technical assistance from the U.S. Fish and Wildlife Service (USFWS), the Kenya Wildlife Service (KWS) is conducting applied research on five endangered wildlife and three invasive plant species, as well as improving three park visitor centers. KWS continues to improve wildlife monitoring and revenue collection with information communication technology development. The Kenya Forest Service (KFS) is receiving technical assistance from the U.S. Forest Service to implement one national and four district-level fire management plans and set up an information technology system to enhance forest-monitoring capacity. KFS is also supported to facilitate the development of forest management guidelines for participatory management and forest concessions, as well as draft agreements with three water catchment boards. USAID assists the Ministry of Tourism and Wildlife (MOTW) to conduct workshops to review the wildlife policy and law and prepare drafts to be debated in Parliament. KWS plans to develop bio-prospecting and user rights guidelines, and initiate the revision of the national biodiversity strategy. Principal contractors and grantees: Kenya Forestry Research Institute (KEFRI), Kenya Forest Department, MOTW, KWS, KFS, NK, Green Belt Movement (GBM), Institute for Environmental Innovation (I4EI) (primes); USFWS, U.S. Forest Service (USFS), PACT, International Center for Research in Agroforestry (ICRAF), and others to be determined (subs).

Strengthen Civil Society (\$950,000 DA; \$770,000 ESF). USAID funds strengthen governance systems of community-based organizations and expand credit access for women's groups. Seven district-based wildlife forums are receiving support to advocate reforms in the wildlife sector, and three community forest management associations in targeted, co-managed forest areas are going to be registered. Principal contractors and grantees: PACT, Inc. (prime) and others to be determined.



**FY 2007 Program:**

Improve Private Sector Competitiveness (\$700,000 DA; \$900,000 ESF). USAID intends to: facilitate dialogue between two local authorities and the private sector to develop lease agreements for the management of national reserves; promote integrated wildlife-livestock management systems; and facilitate two community-industry commercial agreements for the production of herbal medicines. One agreement for the extraction and marketing of gums and resins and one agreement for the production and export of certified honey are going to be developed. Principal contractors and grantees: LWC, NK, AWF (primes) and others to be determined.

Improve Sustainable Management of Natural Resources and Biodiversity (\$1,800,000 DA; \$1,600,000 ESF). USAID intends to support community groups to establish integrated livestock-wildlife management systems; support farm forestry; and develop a community-based monitoring program for coral reefs. To strengthen park management, support to KWS will: enhance wildlife monitoring through an improved integrated information network; facilitate joint ecosystem management; conduct a national study on bushmeat; and implement habitat restoration plans. The Convention on International Trade of Endangered Species (CITES) Unit of KWS is going to be strengthened to enforce compliance with wildlife trade regulations. Support to the KFS helps to improve forest biodiversity monitoring and evaluation capacity and stimulate negotiation and signing of environment services payment agreements with water catchments boards. KFS and KWS are expected to develop forest biodiversity survey instruments. USAID funds are also being used to support KWS in implementing a policy framework for devolution of wildlife management responsibilities; conduct national and regional awareness campaigns on the new policy; and develop wildlife utilization guidelines. Principal contractors and grantees: KWS, KFS, KEFRI, KFD, MOTW, AWF, LWC, NK, GBM, I4EI (primes); USFWS, USFS, PACT-Kenya, ICRAF (subs) and others to be determined.

Strengthen Civil Society (\$1,000,000 DA). USAID provides assistance to strengthen the governance systems of 10 community-based organizations. The Kenya Wildlife Landowners Association will be registered, and the interests of community and private landowners will be advanced. New conservancies will be registered and issued with management rights, and new forest associations will be supported to implement collaborative forestry management plans. Community-government committees will be established to reduce illegal and destructive fishing and control access to authorized users. To enhance the visibility and interests of community-based ecotourism ventures, USAID supports the Kenya Community-Based Association of Tourism. Principal contractors and grantees: PACT, Inc. (prime) and others to be determined.

**Performance and Results:** In FY 2005, acreage under improved conservation practices increased by 72,400 hectares, representing a 9.5% increase from FY 2004, while the number of individuals benefiting from the program was 57,900 (against a target of 50,000), 35% of whom were women. The International Small Groups and Tree Planting project, a Global Development Alliance activity, empowered 887 small groups to establish 680,500 tree seedlings for the long-term goal of reducing pressure on forest reserves and providing strategic reserves of future carbon sinks. Community businesses realized a combined revenue of \$275,000 as wages and dividends, representing a 38% increase from last year's earnings. The USAID-supported Rhino Research and Protection Database was recommended as a model for other countries at the CITES Conference held in Thailand. After five years of mobilization and consistent lobbying, a new Forest Bill was enacted and Forest Policy put in place. By program completion in 2010: Kenya will have vibrant civil society organizations to support policy reforms; a biodiversity strategy will be revised and 1.5 million hectares will be under improved natural resource management (NRM); and constituencies for public/private sector investment in NRM will be established.

## US Financing in Thousands of Dollars

Kenya

	DA	ESF
615-005 Natural Resources Management		
<b>Through September 30, 2004</b>		
Obligations	12,342	1,200
Expenditures	6,830	0
Unliquidated	5,512	1,200
<b>Fiscal Year 2005</b>		
Obligations	2,845	0
Expenditures	2,730	814
<b>Through September 30, 2005</b>		
Obligations	15,187	1,200
Expenditures	9,560	814
Unliquidated	5,627	386
<b>Prior Year Unobligated Funds</b>		
Obligations	0	2,850
<b>Planned Fiscal Year 2006 NOA</b>		
Obligations	2,950	2,970
<b>Total Planned Fiscal Year 2006</b>		
Obligations	2,950	5,820
<b>Proposed Fiscal Year 2007 NOA</b>		
Obligations	3,500	2,500
Future Obligations	9,000	9,000
Est. Total Cost	30,637	18,520

## Data Sheet

<b>USAID Mission:</b>	Kenya
<b>Program Title:</b>	Democracy and Governance
<b>Pillar:</b>	Democracy, Conflict and Humanitarian Assistance
<b>Strategic Objective:</b>	615-006
<b>Status:</b>	Continuing
<b>Planned FY 2006 Obligation:</b>	\$2,225,000 DA; \$2,970,000 ESF
<b>Prior Year Unobligated:</b>	\$3,028,000 ESF
<b>Proposed FY 2007 Obligation:</b>	\$2,252,000 DA; \$3,255,000 ESF
<b>Year of Initial Obligation:</b>	2001
<b>Estimated Year of Final Obligation:</b>	2010

**Summary:** This program improves the balance of power among the institutions of governance in Kenya by: increasing the transparency and effectiveness of government institutions; promoting more transparent and competitive electoral processes; and increasing the capacity of civil society organizations to lobby for reforms, monitor government activities, and prevent and resolve conflicts.

### Inputs, Outputs, Activities:

#### FY 2006 Program:

Mitigate Conflict and Support Peace (\$430,000 DA). USAID is supporting civil society organizations (CSOs) that prevent, mitigate, and resolve conflicts in marginalized areas. CSO activities facilitate community dialogue; strengthen peace committees; and highlight problems facing conflict-prone communities. USAID is also assisting the Government of Kenya (GOK) to: develop and implement a national policy on conflict management and peace building; conduct validation workshops at both the district and national levels to ensure the national policy is relevant and viable; and provide training for and technical assistance to a national steering committee on peace building and conflict management (NSC). Principal contractors and grantees: CSOs and the NSC (primes).

Promote and Support Anti-Corruption Reforms (\$150,000 DA). USAID reduces opportunities for corruption and impunity in the justice system by providing technical assistance, commodities, and training to the Department of Public Prosecutions (DPP). Activities include a needs assessment, a training curriculum and manual, and training sessions for approximately 50 prosecutors. USAID is also assisting the judiciary to implement recommendations from an integrity and governance report and anticipates managing a procurement reform program to be supported with funds from the Millennium Challenge Account (MCA) Threshold Program. Principal contractors and grantees: DPP, Judiciary, Ministry of Finance, and Ministry of Health and local CSOs (primes).

Promote and Support Credible Elections Processes (\$448,200 DA; \$2,425,000 ESF). USAID provides technical assistance, commodities, and training to the Electoral Commission of Kenya (ECK). USAID anticipates supporting domestic and international observations, including training for both party agents and domestic observers, allowing them to assess whether the presidential and parliamentary elections are non-violent, transparent, and competitive. USAID further anticipates monitoring media bias in the run up to the 2007 elections. Principal contractors and grantees: ECK, the International Foundation for Election Systems (IFES), local CSOs (primes).

Strengthen Civil Society (\$954,800 DA; \$325,000 ESF). USAID supports CSOs that advocate for policy and legislative reforms as well as monitor GOK performance. CSOs' advocacy activities address anti-corruption, access to information, procurement reform, privatization, and domestic violence/family protection. Grantees focus on policy analysis and ongoing consultations with Members of Parliament (MPs), government agencies, and other CSOs. USAID also provides CSOs with technical assistance (e.g., advocacy techniques) and training (e.g., leadership and financial management skills). Principal contractors and grantees: CSOs and others to be determined (primes).

Strengthen Democratic Political Parties (\$3,028,000 FY 2005 ESF carryover). USAID strengthens the

capacity of political parties, addressing their institutional weaknesses, and promoting dialogue and consensus building across parties. USAID assists political parties to improve transparency of party operations, improve leadership skills, and increase issues-based campaigning. Two forums will address approaches to level the electoral playing field ahead of the 2007 elections. Principal contractors and grantees: Kenyan political parties (prime) and others to be determined.

Strengthen the Legislative Function/Legal Framework (\$242,000 DA; \$220,000 ESF). USAID is improving the effectiveness of parliament by strengthening committees, developing in-house budget analysis capacity of the new budget office, and increasing dialogue between parliament, the executive, and CSOs. Parliamentary committees are monitoring government implementation of key recommendations in reports from the Auditor General, the Kenya Anti-Corruption Commission, and the Kenya National Commission on Human Rights. Principal contractors and grantees: Parliament, State University of New York (SUNY) and CSOs (primes).

**FY 2007 Program:**

Mitigate Conflict and Support Peace (\$430,000 DA). USAID will continue to support the conflict prevention and mitigation efforts as outlined above, as well as the implementation of a national policy on conflict management and peace building. Principal contractors and grantees: Same as FY 2006.

Promote and Support Anti-Corruption Reforms (\$300,000 DA; \$1,150,000 ESF). USAID will support both GOK and non-governmental anti-corruption efforts. USAID will extend training and capacity building activities with the DPP and will award grants to advocacy and monitoring CSOs. Principal contractors and grantees: DPP, Judiciary, Ministry of Finance, and CSOs (primes).

Promote and Support Credible Elections Processes (\$460,200 DA; \$1,455,000 ESF). USAID will continue to support local election observers, political party agents, and strengthening the ECK. Principal contractors and grantees: Same as FY 2006.

Strengthen Civil Society (\$152,800 DA; \$650,000 ESF). USAID will continue supporting CSOs that promote transparent and accountable governance and provide technical assistance and training to enhance their effectiveness. Principal contractors and grantees: Same as FY 2006.

Strengthen Democratic Political Parties (\$363,000 DA). USAID will support political parties to develop manifestos outlining their party policies and will sponsor five inter-party consultative group forums at the national and regional levels to improve the party nomination process. Principal contractors and grantees: Kenyan political parties (primes) and others to be determined.

Strengthen the Legislative Function/Legal Framework (\$546,000 DA). USAID will continue to strengthen the parliamentary committee system by training key staff in the Budget Office, helping Parliament develop systems for effective engagement in the budget process, and supporting efforts to update Parliament's strategic plan to revise standing orders. Principal contractors and grantees: Same as FY 2006.

**Performance and Results:** As a result of USAID assistance to date: national elections are more transparently and professionally administered; Parliament is more independent; and Parliamentary committees review and amend bills more thoroughly and subject the Executive, including Ministers, to more rigorous scrutiny. By program completion in 2010, there will be a better balance of power among the institutions of governance: Parliament will be more effective; government systems will be more transparent and accountable to the Kenyan people; electoral processes will be more transparent and competitive; and CSOs will have the full capacity to effectively lobby for national reforms and monitor government activities.

## US Financing in Thousands of Dollars

Kenya

615-006 Democracy and Governance	DA	ESF
<b>Through September 30, 2004</b>		
Obligations	12,242	10,702
Expenditures	6,998	4,453
Unliquidated	5,244	6,249
<b>Fiscal Year 2005</b>		
Obligations	2,617	0
Expenditures	2,640	1,239
<b>Through September 30, 2005</b>		
Obligations	14,859	10,702
Expenditures	9,638	5,692
Unliquidated	5,221	5,010
<b>Prior Year Unobligated Funds</b>		
Obligations	0	3,028
<b>Planned Fiscal Year 2006 NOA</b>		
Obligations	2,225	2,970
<b>Total Planned Fiscal Year 2006</b>		
Obligations	2,225	5,998
<b>Proposed Fiscal Year 2007 NOA</b>		
Obligations	2,252	3,255
Future Obligations	10,800	9,000
Est. Total Cost	30,136	28,955

## Data Sheet

<b>USAID Mission:</b>	Kenya
<b>Program Title:</b>	Increased Rural Household Incomes
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	615-007
<b>Status:</b>	Continuing
<b>Planned FY 2006 Obligation:</b>	\$8,598,000 DA; \$1,980,000 ESF
<b>Prior Year Unobligated:</b>	\$318,000 DCA; \$1,050,000 ESF
<b>Proposed FY 2007 Obligation:</b>	\$9,250,000 DA; \$1,000,000 ESF
<b>Year of Initial Obligation:</b>	2001
<b>Estimated Year of Final Obligation:</b>	2010

**Summary:** USAID's agriculture and private enterprise program increases rural smallholder household incomes in the medium and high potential areas and improves sustainable food security and livelihoods for vulnerable communities in arid and semi-arid lands. The program enhances agricultural productivity and trade for maize, dairy and horticulture, the three most important agricultural commodities in Kenya, and improves profitability of micro- and small enterprises. The program is fully integrated with the Initiative to End Hunger in Africa (IEHA) and supports the New Partnership for African Development's (NEPAD) Comprehensive African Agricultural Development Program.

### Inputs, Outputs, Activities:

#### FY 2006 Program:

Improve Economic Policy and the Business Environment (\$1,200,000 DA). USAID continues to support policy, regulatory and legal reforms to increase Kenya's agricultural productivity and competitiveness in domestic and international markets. USAID's contributions are built around unification of agricultural sector legislation and implementation of key fast-track actions under the Government of Kenya's (GOK) comprehensive framework for reform of the sector. USAID continues to support harmonization of seed policy within East Africa and fund long-term training and other capacity-building efforts for local institutions conducting policy research, analysis, and advocacy on key issues. Principal contractors and grantees: Tegemeo Institute, Kenyan Institute for Policy Planning, Research and Analysis (KIPPPA), and Seed Trade Association of Kenya (STAK) (primes).

Improve Private Sector Competitiveness (\$1,800,000 DA). USAID continues to facilitate the collaboration of input suppliers, exporters, processors, and other private sector firms in delivering required services to smallholders, micro- and small enterprises and others in the maize, dairy and horticultural sub-sectors. USAID also strengthens the capacity of farmer organizations to manage their businesses profitably and partner with private sector organizations to improve their market competitiveness. USAID builds the capacity of private sector service providers and enhance awareness of the services among smallholders. Principal contractors and grantees: Emerging Markets Groups Ltd, Fintrac, Land 'O' Lakes and Agricultural Cooperative Development International/Volunteers in Overseas Cooperative Assistance (ACDI/VOCA) (primes).

Increase Agricultural Sector Productivity (\$4,400,000 DA; \$1,980,000 ESF; \$1,050,000 prior year ESF). USAID continues to support the development and transfer of improved technologies and commercial market development. The program is working with the Kenya Agricultural Research Institute (KARI) and other partners to develop and release improved seed varieties to farmers. IEHA funds will be used to increase public awareness of biotechnology and develop a functional national bio-safety framework. USAID will work with Kenyan decision-makers to remove critical policy and transactional constraints related to U.S. market access under the African Growth and Opportunity Act (AGOA) and continue assisting the GOK to discourage trade in counterfeit products. ESF is also being used to expand horticultural production and processing. Principal contractors and grantees: KARI, STAK, Fintrac, ACDI/VOCA, Land O' Lakes, African Union Inter-African Bureau for Animal Resources (AU-IBAR) (primes); others to be determined.

Protect and Increase Food Security of Vulnerable Populations. USAID is improving livelihoods of communities in arid and semi-arid regions. USAID P.L. 480 Title II programs train farmers on dry-land farming and natural resource management; support communities in conflict resolution; provide water sources; provide training in nutrition and maternal/child health; and construct soil conservation and flood control structures. Principal contractors and grantees: World Vision, Adventist Development and Relief Agency (ADRA), Food for the Hungry (FHI), CARE, Catholic Relief Services (CRS), and Millennium Water Alliance (primes).

Strengthen the Financial Services Sector and Increase Access to Capital (\$1,198,000 DA; \$318,000 prior year DCA). USAID continues to facilitate enactment of the Microfinance Institutions Bill and establishment of a self-regulating microfinance industry. USAID supports preparation of prudential guidelines and undertakes capacity-building activities for the microfinance regulatory agencies, the national Association of Microfinance Institutions (AMFI), and other organizations. USAID implements Development Credit Authority (DCA) programs that will enhance access to growth capital by micro-, small and medium enterprises, including farmers. Principal contractors and grantees: Development Alternatives, Inc. (DAI), AMFI, Cooperative Bank of Kenya, K-Rep Bank (primes).

**FY 2007 Program:**

Improve Economic Policy and the Business Environment (\$1,750,000 DA). USAID intends to continue pursuing key reforms related to agricultural production and trade, while enhancing local research and analytic capacity. Principal contractors and grantees: Same as FY 2006.

Improve Private Sector Competitiveness (\$2,250,000 DA). USAID plans to continue to facilitate deeper engagement of the private sector in agribusiness and service delivery, and increase access of micro-, small and medium enterprises to expanded business support services. Principal contractors and grantees: Emerging Markets Group (prime) and others to be determined.

Increase Agricultural Sector Productivity (\$4,250,000 DA; \$1,000,000 ESF). USAID intends to continue supporting technology development and transfer, trade and market efficiency, with a focus on the target commodity sub-sectors. Principal contractors and grantees: Fintrac, Emerging Markets Group (prime) and others to be determined.

Protect and Increase Food Security of Vulnerable Populations. Through its P.L. 480 Title II programs, USAID will continue to increase capacity of communities in arid and semi-arid lands to enhance livelihood opportunities through interventions such as those listed above. Principal contractors and grantees: ADRA, CARE, FHI (primes) and others to be determined.

Strengthen the Financial Services Sector and Increase Access to Capital (\$1,000,000 DA). USAID plans to continue promoting an industry-level enabling environment for growth and product diversity in the microfinance industry. Principal contractors and grantees: DAI, AMFI, Cooperative Bank of Kenya, K-Rep Bank (primes).

**Performance and Results:** Program reports indicate increased incomes in the USAID target areas. Kenya is at the forefront on applying quality certification standards to enhance competitiveness of farmers, including smallholders. Kenya's volume and value of horticultural trade increased by 19.2% and 55%, respectively, over 2004, and over 23,000 horticultural farmers increased their incomes by a total of \$3.89 million. The 10,000 smallholder tree fruit farmers assisted by USAID produced 18,000 metric tons valued at \$2.8 million, up from \$556,000 in 2004. Mean household incomes increased an average of 16% in P.L. 480 Title II focal areas, exceeding the 10% target. Average maize yield increased by 19% for over 86,000 farmers in 2005. The USAID dairy program disseminated improved technologies that helped increase milk productivity by 22% for over 82,000 farmers. By the completion of this objective in FY 2011, USAID plans to achieve sustainable and consistent increases in productivity of targeted agricultural commodities; expand agricultural trade opportunities in the domestic, regional, and international markets; and enhance access to business support services for micro-, small and medium enterprises, and smallholder farmers. These results will lead to increased rural household incomes by about 40% in the high and medium potential areas and 50% in the PL 480 Title II focus areas.

## US Financing in Thousands of Dollars

Kenya

615-007 Increased Rural Household Incomes	DA	DCA	DFA	ESF
<b>Through September 30, 2004</b>				
Obligations	28,537	502	500	7,402
Expenditures	13,398	92	500	196
Unliquidated	15,139	410	0	7,206
<b>Fiscal Year 2005</b>				
Obligations	7,523	207	0	0
Expenditures	11,153	126	0	1,129
<b>Through September 30, 2005</b>				
Obligations	36,060	709	500	7,402
Expenditures	24,551	218	500	1,325
Unliquidated	11,509	491	0	6,077
<b>Prior Year Unobligated Funds</b>				
Obligations	0	318	0	1,050
<b>Planned Fiscal Year 2006 NOA</b>				
Obligations	8,598	0	0	1,980
<b>Total Planned Fiscal Year 2006</b>				
Obligations	8,598	318	0	3,030
<b>Proposed Fiscal Year 2007 NOA</b>				
Obligations	9,250	0	0	1,000
Future Obligations	33,000	0	0	6,000
Est. Total Cost	86,908	1,027	500	17,432



## Data Sheet

<b>USAID Mission:</b>	Kenya
<b>Program Title:</b>	Basic Education
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	615-008
<b>Status:</b>	Continuing
<b>Planned FY 2006 Obligation:</b>	\$4,019,000 DA; \$1,515,000 GHAI
<b>Prior Year Unobligated:</b>	\$0
<b>Proposed FY 2007 Obligation:</b>	\$6,000,000 DA; \$1,820,000 GHAI
<b>Year of Initial Obligation:</b>	2004
<b>Estimated Year of Final Obligation:</b>	2010

**Summary:** The principal aim of the program is to assist the Government of Kenya's (GOK) efforts to increase access to primary education, improve quality, and raise enrollment rates of children from marginalized populations in underserved geographic areas. Recognizing, however, that increased access is insufficient, USAID will also strategically focus on improving and influencing the overall quality and participatory nature of primary education. While the Kenyan concept of marginalized populations includes the arid and semi-arid lands, urban slums, people with disabilities and girls, USAID's program has and will continue to focus upon the largely Muslim population of the North Eastern and Coast Provinces, which have the lowest rates of school enrollment and educational attainment in Kenya. Key components of the USAID basic education program include: innovative models of education for marginalized children, combined with a social mobilization campaign designed to increase the community's appreciation for education and subsequently, create a demand for quality education services by marginalized populations; support for the implementation of an education sector support program which encourages and facilitates the participation of marginalized people within the national education system; and improved teacher practices and competencies through pre- and in-service training. The basic education program is closely linked to the President's Emergency Plan for AIDS Relief. These linkages will improve the Ministry of Education, Science and Technology's (MOES&T) policy institutional framework, services and HIV/AIDS awareness efforts.

### Inputs, Outputs, Activities:

#### FY 2006 Program:

Achieve Equitable Access to Quality Basic Education (\$4,019,000 DA). Activities are increasing both the demand for quality education and the capacity of the system to meet that demand. On the demand side, USAID continues to: mobilize communities and schools in the predominantly Muslim regions of the North Eastern and Coast Provinces; raise issues and foster dialogue regarding the value of education; improve school management; and improve educational attainment in marginalized areas. This program strengthens local communities' responsibilities for influencing, implementing, and achieving quality education. On the supply side, USAID designs and implements a program of teacher education and professional development with two principal aims: to improve teacher practices and competencies through a distinctive program of pre- and in-service teacher education; and to improve the standards of education and training provided at the Kenya Education Staff Institute (KESI). Activities include: support for drafting a detailed capacity development plan and implementation of a strategic plan for capacity and skill development of KESI staff to enable this staff to provide training to all heads of education and training institutes. Also on the supply side, capacity development within the ranks of teachers and administrators in the Ministry of Education, Science and Technology (MOESandT) is going to be addressed by developing a comprehensive training program that will enable all national, provincial and district education officials to have the foundation necessary to: implement the GOK's education sector program, including the code of conduct; manage for results and hold officials accountable; plan curriculum and lessons; and ensure adequate technical, financial and administrative skills. Principal contractors and grantees: Academy for International Research, MOES&T, KESI (primes), Aga Khan Foundation (sub) and others to be determined.

**FY 2007 Program:**

Achieve Equitable Access to Quality Basic Education (\$6,000,000 DA). USAID will continue to expand the campaign to mobilize communities and schools to promote basic education and foster dialogue on issues related to improving the management and quality of education in an additional 20 sites within Coast and North Eastern Provinces. Technical assistance will be provided for the implementation of the education sector program, pre-service teacher education, scholarships for orphans and vulnerable children, HIV/AIDS and education policy advocacy. Teacher education and professional development will be continued. Following an assessment of initial performance, USAID will make a determination on support for future activities identified in the strategic plan. USAID will also work closely with the GOK to develop and implement on-line training for teachers and education professionals. This effort will enable educators to identify, collect, and analyze data for better decision-making and more efficient/transparent management of the sector. Principal contractors and grantees: MOES&T, KESI (primes) and others to be determined.

**Performance and Results:** The principal achievements in 2005 include a greater appreciation of education, especially for girls in the 69 schools supported in the marginalized areas of North Eastern and Coast Provinces. This is demonstrated by a 12% increase in school enrollment from 89,401 in 2004 to 99,990 in 2005. More significant, however, is the increase in girls' attendance, which also rose by 12% from 42,637 to 47,879. In addition, the program trained 878 school management committee members from 251 school management committees. The number of teachers that received in-service training was 1,761. Under the Ambassador's Girls Scholarship Program 2, 500 girls are receiving scholarships and related assistance. USAID has provided 107 classrooms, 3 dining halls, 8 dormitories, 200 toilets, 28 water tanks, four staff houses, one administration block, and desks and chairs for each classroom constructed in the North Eastern Province. As a result of this intervention, learning conditions have significantly improved for students and teachers. By completion of this objective in 2010, access to and quality of education in previously underserved areas of Kenya, particularly in the northeastern and coastal parts of the country, will be significantly increased and, as a result, school enrollment and attendance, especially for girls, will have increased.

## US Financing in Thousands of Dollars

Kenya

	DA	GHAI
615-008 Basic Education		
<b>Through September 30, 2004</b>		
Obligations	3,224	0
Expenditures	0	0
Unliquidated	3,224	0
<b>Fiscal Year 2005</b>		
Obligations	2,814	0
Expenditures	65	0
<b>Through September 30, 2005</b>		
Obligations	6,038	0
Expenditures	65	0
Unliquidated	5,973	0
<b>Prior Year Unobligated Funds</b>		
Obligations	0	0
<b>Planned Fiscal Year 2006 NOA</b>		
Obligations	4,019	1,515
<b>Total Planned Fiscal Year 2006</b>		
Obligations	4,019	1,515
<b>Proposed Fiscal Year 2007 NOA</b>		
Obligations	6,000	1,820
Future Obligations	16,500	0
Est. Total Cost	32,557	3,335