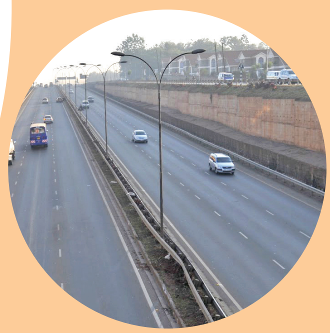
COUNCIL OF GOVERNORS

# COUNTY COVID-19 SOCIAL ECONOMIC RE-ENGINEERING RECOVERY STRATEGY

## 2020/21-2022/23



SEPTEMBER 2020

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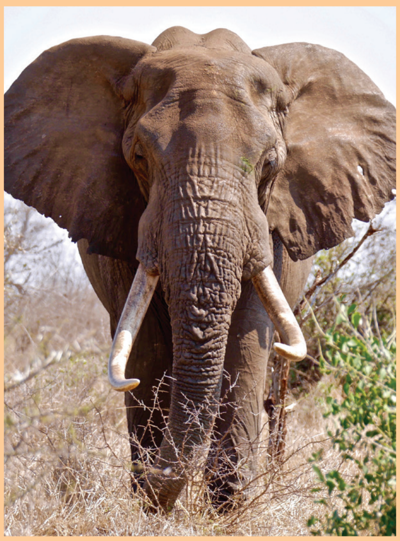

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# FOREWORD

The advent of COVID-19 in Kenya elicited a proactive response by the whole of the Government of Kenya, at both tiers strengthening inter-governmental relations. We the leaders of the National and County Governments immediately came together and quickly established practical and effective responses to this Pandemic that were geared towards safeguarding the lives and livelihoods of our people.

Acting on the basis of the recommendations and advice given to us by medical and public health professionals, we issued directives that established policy platforms and institutional mechanisms that would mitigate the adverse local effects of this global pandemic. To drive a concerted and coordinated multi-agency response, the National Emergency Response Committee on the Coronavirus Pandemic was established vide Executive Order No. 2 of 2020; bringing together all relevant government departments and agencies so that they would act in unison and synergistically pursue harmonious and complementary agenda, in line with their particular areas of mandate and expertise.

Many Kenyans have demonstrated their patriotism and sense of responsibility through adherence to the social distancing protocols, wearing face masks in public spaces and observing hygiene measures. The compliance to the containment measures demonstrate the individual and collective civil responsibility to protect ourselves, family members and other citizens. As a result, we have, together, contributed to slowing the spread of the coronavirus.

The pandemic has also taught us that as a country, we need to forge partnerships and collaboration within the country and with the rest of the world. Through extraordinary summits, organized for the National and County Governments, we discovered our synergy and commitments in responding to the needs of the citizens, in timely and appropriate manner. Through the use of technology, the National Government has kept a robust diplomatic engagement with our partners in the East African Community (EAC), Inter-Governmental Authority on Development (IGAD), African Union (AU), and Organization of the African, Caribbean and Pacific States (OACPS), in implementing joint measures to curb the spread of the virus across international borders. As a government, we have also held virtual bilateral and multilateral talks and consultations with our partners on **post Covid-19 economic recovery plans**.

The resolve of the government to expand our healthcare infrastructure through installing new and more medical equipment, recruiting additional healthcare workers, training of healthcare labour force on Covid-19 and increasing the testing capacity, is already bearing the expected outcomes. This notwithstanding, the Covid-19 pandemic will accelerate the realization of the national endeavor to achieve Universal Health Coverage.

The effects of Covid-19 on various sectors of economy cannot be gainsaid. Tourism, trade, manufacturing, Micro and Small Enterprises (MSEs), transport and education, to name but just a few, have been adversely affected. Many Kenyans have lost their jobs and livelihoods. The government has implemented various intervention measures to cushion the vulnerable Kenyans from shocks of the Covid-19, and going forward, enhancing our social protection system that is increasingly supporting the elderly, PWDs, orphans and other vulnerable households in the country, is a priority.

Among the welfare measures and interventions instituted to protect the economy include 100 per cent tax relief for persons earning gross monthly income of up to Ksh. 24,000; reduction of Income Tax Rate (Pay-As-You-Earn) from 30per cent to 25 per cent; reduction of Resident Income Tax (Corporation Tax) from 30 per cent to 25 per cent; reduction of the turnover tax rate from 3 per cent to 1 per cent; temporary suspension of the listing with the Credit Reference Bureau (CRB); and reduction of the VAT from 16 per cent to 14 per cent, effective 1st April 2020. I am also aware that counties have collectively and individually taken measures that complement the efforts to **protect lives and livelihoods of Kenyans**.

The government, in addition to the tax relief measures, rolled out the National Hygiene Programme (*Kazi Mitaani*) for job creation to the youth and to keep our environment clean and healthier. Further, the government has supported MSEs to manufacture basic medical equipment for both domestic use and export. The resilience and entrepreneurial spirit of this country have come out strongly as Kenyans seize the opportunities provided by the Covid-19, to demonstrate that we can expand our manufacturing by exploiting the significantamount of capabilities in the sector. Today, MSEs are producing masks, Personal Protective Equipment (PPEs), hand sanitizers and soap, among other products. This tells us that there are many other potential areas where we can locally produce or manufacture what we need rather than rely on imported goods and services.

During my fourth Presidential Address on the Coronavirus Pandemic in April 2020, I assured the People of Kenya that their government would formulate and implement a vibrant post COVID-19 economic recovery plan. The National and County Governments have been engaging all stakeholders including the private sector, academia, research institutions and development partners; towards the development and re-engineering of socio-economic recovery strategies in the wake of this pandemic. These strategies aim not only at dealing with the present challenges but are also aimed at enhancing Kenya's resilience and response capability in the face of future challenges of a similar nature.

We are taking into account the need to respond to both internal and external shocks arising from significant crisis situations; with a view of formulating enhanced protections for our priority areas of manufacturing, agriculture, tourism, Information and Communication Technology (ICT), housing, transport, education, health and social protection. The two levels of government are committed to transforming the economic and governance systems so as to ensure that the systems are more responsive to citizen needs, especially those of the youth, women and vulnerable members of the society.

The present pandemic situation has underscored the urgent need for Kenya to revitalise her welfare system; and establish a more progressive, effective, agile and sustainable system that meets the fast-changing needs of both current and future generations.

*Together we prosper.*

**UHURU KENYATTA, C.G.H.,**

***PRESIDENT OF THE REPUBLIC OF KENYA, AND***
***COMMANDER-IN-CHIEF OF THE DEFENCE FORCES***

## TOGETHER WE ARE STRONGER

The promulgation of the Constitution of Kenya 2010 brought forth several reforms, key among them a devolved system of governance. Article 10 of the Constitution illuminates the National Values and Principles of Governance, Article 174 espouses the objectives of devolution and the Fourth Schedule articulates the distribution of functions between the National and the County Governments. While the last eight years have seen significant progress with devolution, the COVID-19 pandemic serves to provide more impetus to strengthen the devolved system of governance in achieving inclusive development.

The pandemic has presented an opportunity to critically reassess, rethink and review the existing systems and structures in securing the welfare of Kenyans in a devolved system of governance. This is particularly important considering the critical role of the County Governments in ensuring the delivery and implementation of the Big Four Agenda and the Kenya Vision 2030. The COVID-19 pandemic has also clearly highlighted the essential role of regional economic blocs and the opportunities that can be leveraged in post-COVID-19 to strengthen the devolved system of governance. In spite of the prevailing challenges, the potential in establishing joint regional development blocs to deliver shared services promises a more effective post-COVID-19 recovery strategy.

In responding to the pandemic, counties have come up with county-specific COVID-19 prevention guidelines and strengthened community surveillance while implementing the COVID-19 prevention measures, including social distancing and general hygiene. County Governors also moved to protect their people through movement restrictions, setting up quarantine and isolation facilities in county rooms in hospitals; launching nutrition support systems; and even specifying protocols for funerals and last rights.

The 47 County Governments are committed to continue working together in harnessing their synergies and working closely with the National Government to recover from the COVID-19 pandemic and progress further to ensure realization of national development goals. This requires further deepening of the principles of intergovernmental relations as espoused under Article 6(2) of the Constitution, which provides that the National and County Governments are to conduct their mutual relations on the basis of consultation and cooperation. Thus, in discharging their constitutionally defined roles or functions and in addressing the COVID-19 pandemic, both levels of Government have been guided by these two key principles of intergovernmental relations.

The recommendations emerging from the County COVID-19 Economic Re-engineering and Recovery Strategy and Specific County Strategies will go a long way in informing the policy process, ultimately strengthening the devolved system of government in the post-COVID period.

**H.E WYCLIFFE OPARANYA**

***CHAIRMAN, COUNCIL OF GOVERNORS***

## UNITY IS STRENGTH; RESOLUTENESS IS THE ESSENCE OF STRUGGLE

The outbreak of Covid-19 is an eye opener on our levels of preparedness for pandemics and calamities that may threaten the existence of our society. If country borders are closed and restricted movement of goods and persons all over the world were to remain in place for much longer, one important question each country would ask is for how long each society would survive. Thus, exploiting opportunities for enhanced self-reliance becomes essential for survival of societies.

The collective response of both the national and county governments to this pandemic demonstrates the importance of interdependence of the two levels of government. Establishing policies, institutions and safeguards that can effectively respond to and mitigate such pandemics is vital. In that regard, the Council of Governors initiated a study by KIPPRA on its behalf to examine county and national policies in the context of the COVID-19 experience and its aftermath. I was privileged to chair the team that undertook this study.

As part of this preparedness is the domestic capacity to produce materials: intellectual, technical and equipment, needed at such times as much as possible.

We in Kenya should realize that the policy of Import Substitution Industrialization (ISI) that we threw out of the window in the 80s with the advent of the Washington Consensus may need to be re-examined in view of our experience with this pandemic.

With Covid-19, we have seen the importance of having: a well-functioning health care system to serve the population; proper functioning medical research institutions to develop vaccines; and a good planning of our cities, transport systems, education system and housing to offer services in the midst of the pandemic notwithstanding the threat of being left alone with the closure of international transport highways. We have also seen the importance of good government systems for continued provision of public service in difficult times, proper utilization of resources for longevity of our societies, and socio-economic sustainability in securing livelihood.

The pandemic therefore highlights the need to promote innovations and adopt modern technologies in the path to enhancing self-reliance. Our young population showcased their capabilities with innovations to help in responding to the pandemic. It takes our commitment as government to nurture innovations by re-energizing our institutions of technical training, science, technology and engineering to maintain the momentum for innovation to the level of being commercialized. This also presents an opportunity for our research and policy institutions to relook at the kind of innovation model the country and counties require in economic transformation.

What has happened in the area of health shows the relevance of research as governments and individuals have had to rely on evidence for solutions. Pharmaceutical companies, universities and research institutions all over the world have been actively engaged in research to understand the virus and help come up with vaccine, while others are actively providing evidence to inform policy formulation with the effects of Covid-19. Thus, highlighting the importance of strengthening the link between research and decision making.

We in Kenya and the East African Community need to invest even more robustly in research to be capable of implementing evidence-based policies. Evidence is an important tool in forging economic recovery strategies in view of the effects of Covid-19.

This calls for a realistic and appropriate budgeting to support our academic and research institutions. It also calls for the political class to formulate strategic laws and regulations governing our economic and social activities in all sectors of our society. For example, our taxation policies that have led to high costs of energy have not only retarded investment in our economy but also put many counties in jeopardy in the provision of services and creating enabling environment for investments.

Covid-19 has shown the importance of paying more attention and committing more investments to preventive, promotive and public health. "Cleanliness is indeed next to Godliness". During this period of the pandemic, diarrheal diseases and other water borne diseases went down considerably. This is attributed to the access to sufficient portable water both for consumption and hygiene. We could probably reduce our public health bill by investing effectively in water and hygiene.

Studies on economic recovery strategies have shown that counties are vital for the growth of the nation as frontiers for production and provision investments. Deliberate investments should be focused in the areas of food production targeting the weak and vulnerable small holder. The pandemic, however, demonstrated that without a strong value chain, the resilience of our small holder farmers can easily be jeopardized, thereby threatening the very basic foundation of our society.

Finally, the informal sector, provided with enhanced market access as a whole, can contribute even more to the counties and national economy.

**H.E. PROF ANYANG' NYONG'O**

***GOVERNOR, KISUMU COUNTY***

## STATEMENT

The COVID-19 pandemic has taken a toll on both lives and livelihoods in Kenya. The National and County Governments quickly adopted a multipronged approach that help to safe protect many citizens from the pandemic. Firstly, was to respond; second, is to allow for recovery; and thirdly, is to allow for thriving. Several measures were instituted at both National and County Government levels to curb the spread of the disease including social distancing, hand hygiene, and preparation of facilities for care and treatment of confirmed cases. As the country progresses to recovery and allow the economy to thrive, County Governments found it necessary to develop a socio-economic strategy to facilitate re-engineering and recovery of their economies from the impact of COVID-19.

As part of KIPPRA's mandate to provide advisory and technical services to the government, the Institute supported the Council of Governors (COG) in jointly developing the COVID-19 County Socio-Economic Re-Engineering and Recovery Strategy (CCSERS) and 47 County Specific COVID-19 County Socio-Economic Re-Engineering and Recovery Strategies. With the spirit of *Thinking Policy Together*, the process involved robust, independent yet consultative evidence-based research and policy analysis which saw collecting views from a wide range of stakeholders including: various committees at Council of Governors such as; health, agriculture, trade, manufacturing, cooperatives, and education, youth, sports, gender and culture. Other committees included; transport, housing, urban development and energy and tourism; and natural resources, water, forestry and mining. Consultative engagements were also carried out with all the County Governments which offered great insights that informed the development of the recovery strategies. Equally, in depth literature review and secondary data was collected, collated and analysed to inform the strategies.

County Governments have the potential to make their economies recover and thrive by leveraging on the following five pillars: Boosting private sector activity; Policy, legislatives, and institutional reforms; Strengthening County Government's preparedness and response to pandemics and disasters; Enhancing Information Communication Technology (ICT) capacity for business continuity; and Investing in human resource development. It will also be critical to institutionalize monitoring, evaluation, regular reporting and communication of the strategies up to grassroots level and across all communities and institutions in the counties.

**DR ROSE NGUGI**

***EXECUTIVE DIRECTOR***
***KENYA INSTITUTE FOR PUBLIC POLICY RESEARCH AND ANALYSIS (KIPPRA)***

## ACKNOWLEDGEMENT

The Council of Governors extends its gratitude to all those who participated in the preparation of the County Socio-economic Re-engineering and Recovery Strategy. The development of this Strategy was a combined effort of Council of Governors, County Governments, researchers, development partners, and sector stakeholders. Special thanks go to all County Governments for their active participation and providing data and information that was used in preparation of the Combined COVID19 County Re-engineering and Recovery Strategy and County-Specific Strategies.

We acknowledge the steering committee led by H.E. Hon. Prof Anyang' Nyong'o, H.E Prof. Kivutha Kibwana and H.E. Ndiritu Muriithi who conceptualized and guided the development of this strategy.

We would like to thank the Kenya Institute for Public Policy Research and Analysis (KIPPRA) for providing the technical lead throughout the preparation of these Strategies. Specifically, we wish to thank KIPPRA's Executive Director Dr Rose Ngugi for guiding the process.

We are also grateful to the COG County Socio-economic Re-engineering and Recovery Committee under the technical leadership of the Chief Executive Officer for their strategic and policy guidance, and the team of reviewers who provided insightful inputs towards the finalization of the Strategies.

We also greatly appreciate the county staff and stakeholders who participated in data and information collation and consultations, and others who verified the contents of various drafts of this Strategy.

Finally, we would like to thank the UNDP for financial support and technical input towards the assignment; and World Bank, UN-WOMEN and GIZ for the technical assistance in quality assurance of this strategy.

This strategy will guide County Governments in bouncing back from the impact of the COVID-19 pandemic through planning and budgeting of the policy interventions in the re-engineering and recovery phase.

**JACQUELINE MOGENI, MBS**

***CHIEF EXECUTIVE OFFICER***
***COUNCIL OF GOVERNORS***

# EXECUTIVE SUMMARY

This County COVID-19 Re-Engineering and Recovery Strategy 2020/21-2022/23 embeds the principles of response, recovery and thriving. The counties will continue to respond to the crisis while dealing with the immediate effects of the pandemic to contain it, treat the affected, flatten the curve of new infections, and ensure immediate financial assistance and restructuring of County Integrated Development Plans. Towards recovery, counties are mitigating socio-economic impacts as the pandemic is controlled, while also preventing a second wave. To thrive, the re-engineering and recovery strategies are aimed at long-term interventions to prevent or address future disasters and support sustained development across counties. The Strategy also envisages the revitalisation of the county regional blocs in the recovery and re-engineering processes.

**Measures by County Governments to Mitigate the Effects of COVID-19**

The Council of Governors through its mandate established under Section 19 of the Intergovernmental Relations Act 2012 has provided a central point for coordination of County Governments' COVID-19 response measures. The COVID-19 pandemic adversely impacted on various sectors particularly tourism, transport, trade, industry (manufacturing and construction) and agriculture. The pandemic has particularly affected micro and small enterprises that form a significant proportion of the establishment and many vulnerable households in the counties have been pushed into poverty. Many vulnerable households depend on farming and informal wages.

The County Governments came up with plans to tackle the COVID-19 pandemic including: Treatment of confirmed cases (recruitment of health workers, procurement of personal protective equipment (PPEs), expanding intensive care units, establishment of quarantine, isolation and testing capabilities); Preventing the spread (COVID-19 prevention guidelines, community surveillance strengthening of border disease surveillance by counties, enforcement of market guidelines, initiating production of face masks at vocational training centres in various counties); Supporting the vulnerable with formation of County Food Security War Rooms; and Raising finance by setting up COVID-19 emergency funds.

**Pillars for County Recovery and Re-engineering Strategies**

***1) Boosting Private Sector Activity***

The private sector is dominated by microenterprises (89.2%) and small farm holders (99.0%) majority of whom were adversely affected by the pandemic. As the engine that drives economic activity, it is important to get the private sector thriving by creating an enabling environment at county level. This will facilitate counties in enhancing their contribution to the national cake and expand the basket for own source revenue. To improve the business environment, there is need to:

(i) Enhance access to affordable credit: For the MSES, initiate and strengthen self-sustaining funds dedicated and easily accessible to MSEs; promote tailor made financial literacy programmes; and establish frameworks for micro-leasing; utilize the SMEs credit guarantee scheme.

(ii) Provide for worksite: Develop adequate, cluster-informed and well-equipped worksites with workshops, common user facilities, incubation centres and showrooms for artisans, and provide machines and safety gear.

(iii) Enhance access to intermediate goods: Enhance and promote local manufacture of affordable tools and machinery including strengthening the Numerical Machine Complex.

(iv) Improve infrastructure and security: Provide for connectivity to roads, electricity, water and drainage and enhance security to reduce crime in continuing to improve Kenya's global Ease of Doing Business ranking.

(v) Enhance access and diversification of markets for private sector production both locally and regionally including by developing county regional bloc value chains and consolidating markets within economic integration value chains. Also increase market access with greater use of e-commerce to move transactions to the digital economy.

(vi) Encourage formalization of informal sector with appropriate incentives to provide more sustainable income, stable employment and sustained innovation.

### *2) Strengthening ICT Capacity*

Less than 15 per cent of households in rural areas use internet and only 5 per cent have gadgets such as desktops, laptops and tablets. As a result, even with 90 per cent of public primary schools being installed with digital literacy infrastructure and devices, continued learning from home is a challenge because only 12.8 per cent of households have access to internet. Further, only 50 per cent of counties are fully connected to the Government Common Core Network (GCCN). Enhancing Information and Communication Technology (ICT) capacity in the public sector and households will enable business continuity and build resilience to future disasters and pandemics. This includes:

(i) Complete the County Connectivity Project to the Government Common Core Network (GCCN)[1].

(ii) Enhance connectivity of businesses to ICT by extending the National Optic Fibre Backbone Infrastructure (NOFBI) in trade centres, public buildings and public spaces to boost e-commerce.

(iii) Enhance household access to reliable, stable and affordable internet connectivity through Public-Private Partnerships (PPPs) between County Governments and ICT service providers such as the Goole Loon and Telkom Kenya partnership.

(iv) Promote household access to and use of ICT by providing devices such as smartphones that are 4G enabled and affordable.

1. The County Connectivity Project http://icta.go.ke/county-connectivity-project-ccp/

### *3) Human Capital Development*

Investing in human resource development enhances productivity which supports long term growth and development at county level. With the COVID-19, workers across various sectors reported reduced working hours and only a few who managed to provide new and expanded goods and services during the period managed to enhance their income. As such, human resource development will entail addressing health and education risks exposed by COVID-19. The interventions include:

(i) Extending the scope of Universal Health Coverage to collectively finance health services for all, including uninsured workers and their families; and investing in community and public health.

(ii) Investing in technical education, training and skills development to create more employment opportunities.

(iii) Establishing a pool fund to finance a seasonal public works or employment guarantee scheme.

(iv) Promoting safety at workplaces with enforcement of guidelines to reduce the exposure of all workers including informal workers to the virus.

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### *4) Policy, Legislative, and Institutional Reforms*

The Constitution gives the National Government the role of policy development, and thus County Governments rely on policy and legislative frameworks passed at the national level for activities in various sectors. Counties also develop their policy frameworks and it is important to improve inter-governmental relations to facilitate the integration and coordination of policies at national and county levels. With the pandemic, there is need reforming the following aspects in various sectors:

(i) Review the Public Health Act, Cap 242, to consider modern public health trends, developments, challenges and emerging opportunities.

(ii) Harmonization and rationalization of the various laws on agriculture to streamline operations between the National and County Governments.

(iii) Enact appropriate legal and regulatory frameworks to regulate and control the protection of data and status of individuals who are confirmed, suspected or recovered cases of COVID-19 and other future pandemics or public health outbreaks that may occur in future.

(iv) Develop regulations for protection and regulation of information shared, recorded or documented through online platforms including video conferencing platforms and mobile applications.

(v) Review the Employment Act 2007 to protect patients, or suspected patients, of COVID-19 from discrimination, harassment, unlawful disclosure of their status, stigmatization, reprisals or termination of employment due to fear of COVID-19, infectious disease or on grounds of their health status.

### *5) Strengthening County Government's Preparedness and Response to Pandemics and Disasters*

The county governments have a weak disaster management framework. A robust, comprehensive and well-coordinated policy and institutional framework for disaster management leveraging on regional bloc synergies is critical in mitigating any losses. This will include:

(i) Developing a Disaster Risk Management Policy that covers unforeseen disasters that may occur in future.

(ii) Linking the Disaster Risk Management Policy to policies in relevant sectors given the cross-cutting nature of disaster interventions.

(iii) County Governments to develop a legal and regulatory framework to provide the legal foundation for a collaborative partnership in institutional participatory management of disasters, including mobilization of the essential resources necessary for the management of all disasters.

(iv) Developing a legal and regulatory framework that applies to infectious diseases, including catering for medical costs.

(v) Review of procurement laws including the Public Procurement and Asset Disposal Act 2015 to have clear provisions on emergency procurement and procurement in times of urgent needs and disclosure of information in the case of direct procurement.

(vi) Ensuring accountability in the use of funds, and development of legal and statutory requirements for audit of the financial statements of emergency funds.

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## Support to Key Sectors

### *1) Agriculture*

As the sector gradually shifts from an emergency response to re-engineering, recovery and building resilience, counties should aim at building back better especially for the smallholders through:

(i) Enhancing agro-processing and value addition capacities of counties by adopting appropriate regulations, policies and legislations.

(ii) Greater exposure to market access by pointing out alternative markets and marketing channels to farmers. Regional blocs can provide greater market access and synergies.

(iii) Improving disaster surveillance at county level and mitigate risks associated with disasters, such as those related to floods, disease and pest invasion.

(iv) Facilitating access to quality and affordable inputs including certified seedlings, water, animal feeds, Artificial Insemination (AI) services, fertilizers, livestock vaccination and ploughing services by county tractor hire services.

(v) Facilitate access to affordable formal finance and advisory and information services.

(vi) Train and build capacity of farmers on modern agricultural technologies, including integrating best practices.

(vii) Enhance the role of agricultural cooperatives through development of more sustainable models of financing and customized training of cooperative members. County governments play a vital role in cooperative development through the effective stakeholder engagement and the implementation of well-designed cooperative policies.

### *2) Water and sanitation*

COVID-19 has placed high demand on water for hand hygiene, and this has compelled counties to ensure continuity in provision of water. To enhance connectivity of households, there is need to:

(i) Expand and rehabilitate the existing piped water connection infrastructure to increase access to water.

(ii) Expand sewer infrastructure to accommodate more households; currently there is low access to piped sewer.

(iii) Promote the importance of handwashing and construct water and sanitation (WASH) facilities to increase access at the household level.

(iv) Provide waste collection services at households, promote and facilitate regular waste collection, and embrace environment clean up exercises at neighbourhoods and in towns.

### *3) Urban development and housing*

Urban areas have emerged as hot-spots for the spread of the COVID-19 pandemic. For example, Nairobi and Mombasa and the surrounding urban areas have recorded the highest confirmed positive cases of the pandemic. Tied to this is the role that adequate housing plays in the home-based care strategy of treating COVID-19 patients. Opportunities and areas of focus for re-engineering and recovery strategies will include the following:

(i) Promote a National Home Ownership Policy; this would cushion households from future shocks that impede payment of rent.

(ii) Designate and approve urban areas of different cadres and undertake urban planning as an opportunity to boost investment and stimulate economic activity in the modern sectors. Ensure this is accompanied by appropriate road, water and electricity infrastructure.

(iii) Fast-track affordable housing in counties through provision of public land to improve housing conditions and improve the turnaround period for transactions for land and construction.

### *4) Transport*

There is need to enhance mobility options for residents and improve road conditions to support economic, social and subsistence activities. Towards this goal, there is need to:

(i) Use labour-based and local resource-based approaches for road development and maintenance.

(ii) Improve and expand infrastructure for Non-Motorized Transport (NMT) and intermediate transport modes which will also enhance environmental sustainability.

(iii) Adopt climate-smart road engineering designs to address the problem of floods that destroy roads and bridges and ensure harvesting of storm water for domestic and commercial use.

(iv) Develop better synergies between car, bus, rail, non-motorised transport and between public and private transport and select the most environmentally friendly solutions.

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### *5) Tourism*

The impact of COVID-19 pandemic on tourism sectors has been substantial. Re-engineering strategies for the sector include:

(i) Allocating resources for investment and rehabilitation of tourism-supporting infrastructure, including sports stadia, modern meetings, incentives, conferences and exhibitions (M.I.C.E) venues, and roads leading to the physical tourist attraction sites including cultural heritage sites.

(ii) Diversify tourism products across all counties to include cultural, sports, agro-tourism, M.I.C.E, nature-based, community-based, adventure, culinary and beach-based tourism products; jetties and floating facilities; amusement parks; and construction and development of public beaches.

(iii) Develop tourism information and data centres.

(iv) Upgrading medical facilities to promote medical tourism.

(v) Construct modern theatre and art gallery to support development of talent in music, visual and performing arts, and upgrading of sports stadia to develop talents in sport across counties.

(vi) Enforce sanitation and hygiene standards in all accommodation facilities and tourist attraction sites in line with the national guidelines for reopening of hospitality establishments to ensure business continuity.

(vii) Developing products specifically tailored to enhancing domestic tourism which is less susceptible to shocks. Such products to be affordable, and packages designed to maximize domestic tourist utility. Leverage on regional blocs for joint marketing of tourist attractions.

### *6) Health*

The COVID-19 has implications on healthcare systems (public hospitals, isolation centres). The healthcare system will need to strengthen COVID-19 response, and all the other healthcare services. Recovery of the sector calls for collaboration between the National and County Governments for the following:

(i) Strengthen coordinated mechanism to facilitate care and treatment of confirmed cases of COVID-19.

(ii) Identify training gaps among the health providers and make available targeted training.

(iii) Proactively address the mental health needs, including those of the health workforce.

(iv) Invest in research and development to spur innovation in health sector, including in the area of medicine.

(v) Legislate and equip health workers and Community Health Volunteers (CHVs) to adequately provide community health and counselling on appropriate maternal, infant and young child nutrition practices amidst the pandemic.

(vi) Mainstream family health training in medical training colleges curriculum as well as in university medical training programmes.

### *7) Education*

The education sector was totally disrupted with closure of all schools, which has led to loss of learning time and teaching time. Recovery of the sector will require significant collaboration between the National and County governments in:

(i) Preparing guidelines for schools reopening, improving WASH facilities and providing adequate personal protective equipment for teachers, learners and other employees in the schools.

(ii) Protecting the poorest and most vulnerable learners and enable them to continue learning, such as through targeted conditional cash transfers and learning vouchers.

(iii) Supporting back to school campaigns and supporting educators on the utilization of computerized devices by giving internet data when they are required to live-stream lessons.

(iv) Promoting monitoring and addressing psychosocial well-being of students, teachers and education officers and educating them on how to mitigate the spread of coronavirus.

(v) Carrying out large-scale assessment to identify learning gaps and inform remedial programming and learning opportunities so that all students catch up due to the learning time lost during the pandemic.

(vi) Strengthen ICT integration in teaching and learning in the education sector by facilitating production of radio, television and online teaching and learning materials and extending the existing distance learning programmes to all rural areas. Hybrid learning encompassing a blend of face to face and digital learning at all levels of education to be encouraged in the education sector.

(vii) Strengthen collaboration between county and non-state not-for-profit institutions including faith-based organizations in delivery of pre-primary education across counties.

(viii) National and county governments to review boarding vs day schooling models in guiding areas to promote investments.

### *8) Social protection*

Kenya has an estimated 918,00 PWDs (2.2% of the total population) and 1,870,443 older persons aged 65 years and above (representing 3.9% of the population). Social protection interventions require collaboration between the National and County Governments and will include:

(i) Supporting businesses to access credit guarantee for people whose occupations or employments have been disrupted by the pandemic.

(ii) Ensuring effective access to essential healthcare and other basic social services, in particular population groups and individuals who have been drawn into vulnerability due to the pandemic.

(iii) Supporting Child Help Line initiatives and other partners to provide counselling services, address mental health and psycho-social support targeting children and youth in their homes, community and in institutions and quarantine/isolation centres.

(iv) Facilitating coordination with health, WASH, nutrition and other sectors to ensure that COVID-19 prevention services are accessible to the hard to reach children (in informal settlements, arid and semi-arid counties and other care institutions).

(v) Use this opportunity to continue efforts to reviewing the more expansive and inclusive safety nets.

### *9) Gender and youth*

The interventions to address emerging gender issues with the pandemic include:

(i) Designating gender safe spaces to provide accommodation for Gender-Based Violence (GBV) survivors and create space in County Referral Hospitals to serve as GBV recovery centres.

(ii) Promoting use of alternative means of Gender-Based Violence safe outreach and awareness-raising that limit direct contact; that is, using traditional methods such as town criers and use of loud-speakers.

(iii) Supporting gender champions and sign language interpreters to activate and communicate an 'alert chain' to reach GBV survivors or those in imminent danger of injury and harm.

(iv) Strengthening inclusive community outreach strategies to ensure GBV messaging is localized and clear, and addresses stigma, discrimination and other power dynamics that serve as barriers to accessing GBV services and COVID-19 information among differently able persons.

(v) Bringing on board key stakeholders to actively engage and sensitize the youth on reproductive health; HIV/AIDS and COVID-19 prevention measures.


QUALITY

COUNCIL OF GOVERNORS

# COUNTY COVID-19 SOCIAL ECONOMIC RE-ENGINEERING RECOVERY STRATEGY 2020/21-2022/23

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# 1 INTRODUCTION

## 1.1 The County Context

Kenya has a population of 47,564,295 of which 49.5 per cent is male and 50.5 per cent female (KNBS, 2019) as shown in Table 1. Across the counties, the top 10 counties share about a third of the total population (Figure 1). Of the population 918,270 (or 2.2%) are persons with disability of whom 57.2 per cent are female. The youth constitute 36.1 per cent of the population of whom 51.4 per cent are female. The elderly population (over 65 years old) make up 3.9 per cent of the total population of whom 55.8 are female. The population in school-going age (4-22 years) was 68.7 per cent in 2019. The country has a population density of 82 per km$^2$. About 68.8 per cent of the population live in rural areas of whom 50.5 per cent are female.

In 2015/2016, the overall national poverty rate was 36.1 per cent. In addition, 31.9 per cent of the population were living in food poverty and 56.6 per cent were living in multidimensional poverty; which means being deprived in several dimensions including health care, nutrition and adequate food, drinking water, sanitation and hygiene, education, knowledge of health and nutrition, housing and standard of living, and access to information. The Country's multidimensional poverty rate is slightly lower that sub-Sahara average of 61.9 percent. Across the counties, only 14 counties are below the multidimensional poverty level. In 2014, 26 per cent of the children were stunted.

**Table 1: National development indicators**

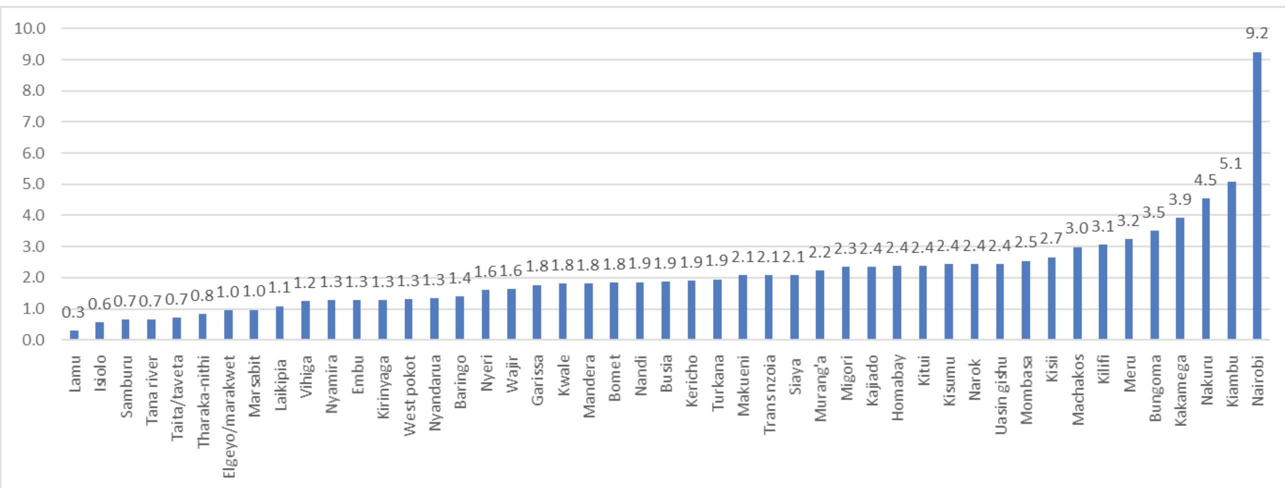
| | | |
|---|---|---|
| Estimated total population (KNBS, 2019)<br>Males<br>Females<br>Intersex | 47,564,295<br>23,548,055<br>24,014,7176<br>1,524 | <br>49.5%<br>50.5%<br>0.003% |
| Estimated population density (km$^2$) | 82 | |
| Persons with disability | 2.2% | |
| Population living in rural areas (%) | 68.8% | |
| School going age (4-22 years) (%) | 68.7% | |
| Youth (%) | 36.07% | |
| Elderly population (over 65-year-old) | 3.9% | |
| No. of COVID-19 cases (11th September 2020) (Ministry of Health) | 35,232 | |
| Poverty (2015/2016) (%) | 36.1% | |
| Food poverty (2015/2016) (%) | 31.9% | |
| Multidimensional poverty (2015/2016) (%) | 56.6% | |
| Stunted children (KDHS 2014) | 26% | |
| Gross Domestic Product (Ksh Million) | 7,524,710 (2017) | |

*Data Source: KNBS (2019)*

The counties' desire to optimize their economic comparative advantage, economies of scale and ability to attract investments has been characterized by the adoption of different forms of institutional structures by different economic blocs. The seven (7) regional economic blocs[2] are: the Lake Region Economic bloc (LREB) (13 members), the North Rift Economic Bloc (NOREB) (8 members), the Central Kenya Economic Bloc (CEKEB) (10 members), the Jumuiyaua Kaunti za Pwani (JKP) (6 members), the South Eastern Kenya Economic bloc (SEKEB) (3 members), the Frontier Counties Development Council (FCDC) (7 members) and Narok Kajiado Economic Bloc (NAKAEB) (2 members).

Country wide, Nairobi County accounts for the highest share of the population and about 9.2 per cent while Lamu County has the least share of about 0.3 per cent of the total population. In Central Kenya Economic Bloc (CEKEB), Kiambu County has the largest share of about 5.1 per cent of the national population while at Lake Region Economic Bloc (LREB), Kakamega County leads with 3.9 per cent, closely followed by Bungoma County with 3.5 per cent of national population. Kilifi County accounts for the largest share of the population in Jumuiya ya Kaunti za Pwani (JKP) economic block with about 3.1 per cent of national population while Machakos County accounts for the largest population share in South Eastern Kenya Economic Bloc (SEKEB) with about 3.0 per cent. Kajiado (2.4%) and Turkana (2.1%) account for the largest share of the population in Narok-Kajiado Economic Bloc (NAKAEB) and Frontier Counties Development Council (FCDC) blocs, respectively. Although poverty level in Kenya dropped by 11

**Figure 1: Population distribution by county (%)**

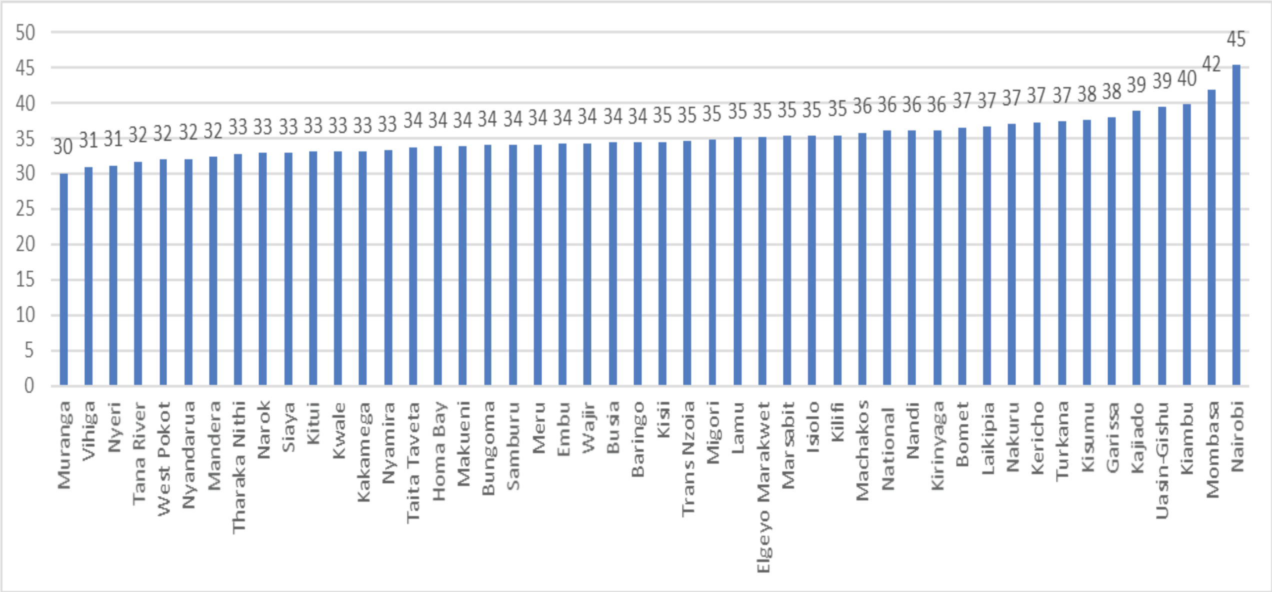



*Data Source: KNBS (2019)*

percentage points from 46 per cent in 2005/06 to 36.1 per cent in 2015/16, some counties face high food poverty level due to erratic rains and climate change. For instance, Turkana County is far more food insecure than any other county in Kenya with a food poverty level of 66 per cent closely followed by Mandera County with food poverty level of 63 per cent. Meru County has the lowest food poverty level estimated at about 15 per cent. Tana River County has the highest food poverty in Jumuiya ya Kaunti za Pwani (JKP) economic block at 56 per cent while all the counties in the Central Kenya economic block are below the national level, which stands at 32 per cent. Busia County faces very high levels of food shortages (60%) which is almost the double of average level and thrice Homa Bay County which has the lowest food poverty level in the Lake region economic block.

2. The member counties of the seven regional economic blocs are: the Lake Region Economic bloc (LREB) (14 members- Bomet, Bungoma, Busia, Homa Bay, Kakamega, Kericho, Kisii, Kisumu, Migori, Nandi, Nyamira, Siaya, Trans Nzoia, Vihiga), the North Rift Economic Bloc (NOREB) (8 members- Baringo, Elgeyo Marakwet, Nandi, Samburu, Trans Nzoia, Turkana, Uasin Gishu, West Pokot), the Central Kenya Economic Bloc (CEKEB) (10 members- Embu, Kiambu, Kirinyaga, Laikipia, Meru, Murangá, Nakuru, Nyandarua, Nyeri, Tharaka Nithi), the Jumuiyaua Kaunti za Pwani (JKP) (6 members- Kilifi, Kwale, Lamu, Mombasa, Taita Taveta, Tana River), the South Eastern Kenya Economic bloc (SEKEB) (3 members- Kitui, Machakos, Makueni), the Frontier Counties Development Council (FCDC) (7 members- Baringo, Garissa, Isiolo, Lamu, Mandera, Marsabit, Samburu, Tana River, Turkana, Wajir, West Pokot) and Narok Kajiado Economic Bloc (NAKAEB) (2 members- Kajiado, Narok). Nairobi County is not a member of any bloc and has handed over some of the County functions to the National Government under management of Nairobi Metropolitan Services.

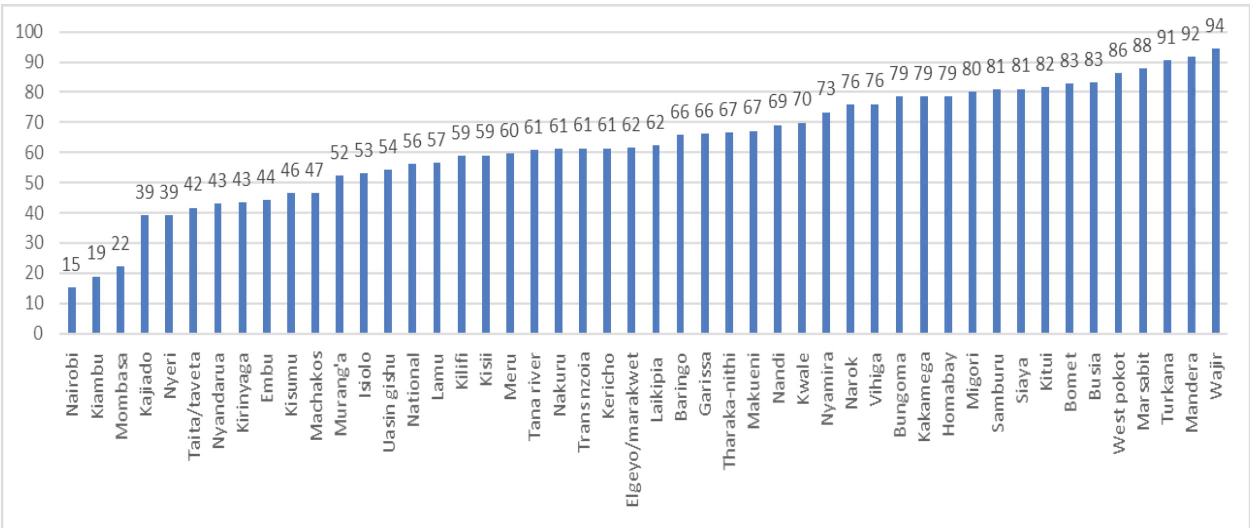
**Figure 2: Youth (age 15-34 years) population distribution by county (%)**




*Data Source: KNBS (2019)*

Further, 56 per cent of the population were deprived of health care, nutrition, adequate food, drinking water, sanitation and hygiene, education, knowledge of health and nutrition, housing and reasonable standard of living, and access to information (multidimensional poverty). This implies that a significant share of the population is vulnerable to indirect effects of COVID 19.

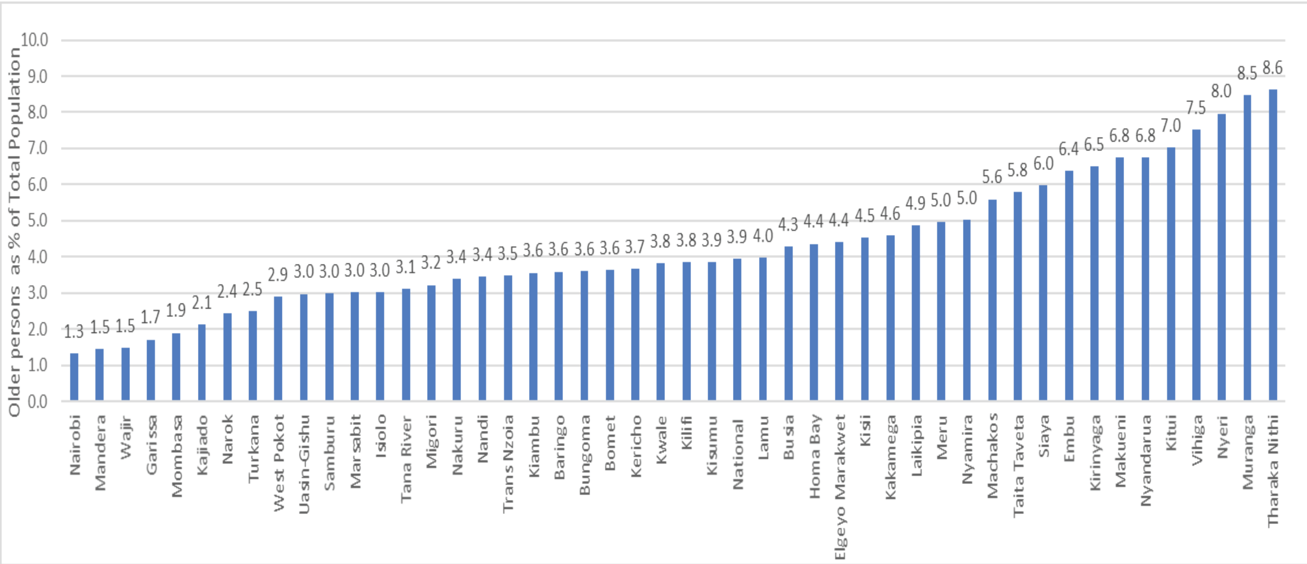
**Figure 3: Multidimensional poverty by county, 2015/16 (%)**




*Source: KNBS (2019)*

The older persons are more vulnerable to COVID-19 relative to the youth. According to the Kenya Housing and Census data (2019), 3.9 per cent of the population were aged 65 years and above with Tharaka Nithi County recording the largest share of older persons (8.6%) while Nairobi County recorded the lowest share of 1.3 per cent. This category of the population is vulnerable to both direct and indirect effects of COVID-19.

**Figure 4: Older persons (65 years and above) distribution by county, 2019 (%)**




*Data Source: KNBS (2019)*

The COVID-19 pandemic affected the economy at a moment when prospects for Kenya's economy were promising. At the beginning of 2020, Kenya was on track to its economic expansion, with growth projected to rise from 5.4 per cent in 2019 to 6.1 per cent in 2020 and 7.0 per cent over the medium term. In the first quarter of 2020, economic performance in most sectors slowed down compared to the corresponding quarter of 2019. Real GDP grew by 4.9 per cent compared to 5.5 per cent growth in the first quarter of 2019. The slowed economic activity in the quarter was mainly due to the uncertainty surrounding COVID-19 pandemic and related containment measures undertaken both locally and abroad. Accommodation and food services sector was the most affected, growing by by -9.3 per cent on account of COVID-19 pandemic containment measures instituted in the major tourists' source markets.

**Table 2: Quarter 1 economic growth performance**

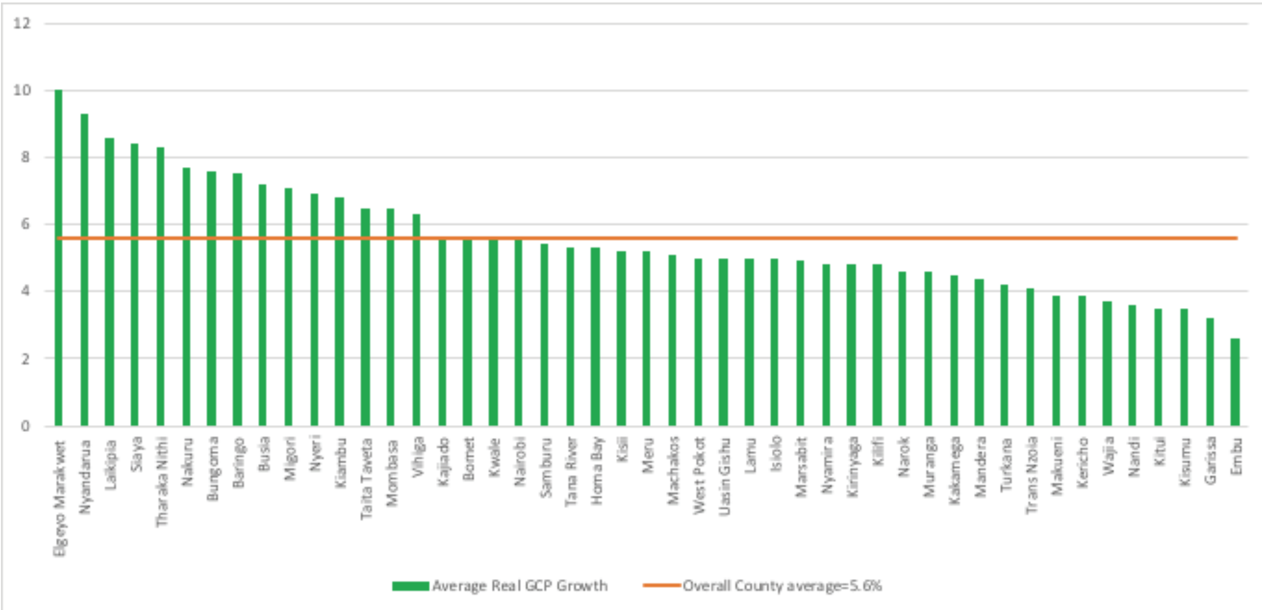
| | 2018 | 2019 | 2020 |
|---|---|---|---|
| Primary sector | 6.6 | 4.6 | 5.1 |
| Agriculture, forestry and fishing | 6.7 | 4.7 | 4.9 |
| Mining and quarrying | 3.1 | 1.4 | 9.5 |
| Secondary sector (Industry) | 4.6 | 4.9 | 4.1 |
| Manufacturing | 3.2 | 3.5 | 2.9 |
| Electricity and water supply | 6.1 | 7.8 | 6.3 |
| Construction | 6.7 | 6.1 | 5.3 |
| Tertiary sector (Services) | 6.2 | 6.4 | 5.4 |
| Wholesale and retail trade | 5.6 | 6.3 | 6.4 |
| Accommodation and restaurant | 13.3 | 11 | -9.3 |
| Transport and storage | 6.5 | 6.4 | 6.2 |
| Information and communication | 13.2 | 10.2 | 9.8 |
| Financial and insurance | 4 | 6.3 | 6 |
| Public administration | 5.5 | 8.9 | 6.7 |
| Others | 5.1 | 4.8 | 4.7 |
| of which Real estate | 5.2 | 4.8 | 4.3 |
| Taxes less subsidies | 6.1 | 4.7 | 3.4 |
| Real GDP | 6.2 | 5.5 | 4.9 |
| of which Non-Agriculture | 6 | 6.6 | 5.2 |

*Source: KNBS*

**County GCP**

The counties experienced a robust economic growth with real Gross County Product (GCP) averaging 5.6 per cent between 2014 and 2017 and 18 counties growing faster than the overall county average (Figure 1). Elgeyo Marakwet registered the highest average growth rate of 10 per cent, attributable to its robust agricultural sector. Other counties that experienced high growth rates include Nyandarua, Laikipia, Siaya and Tharaka Nithi, having attained average growth rates of 9.3, 8.6, 8.4 and 8.3 per cent, respectively. Embu, Garissa and Kisumu counties attained an average growth rate of 2.6, 3.2 and 3.5 per cent, being the least growth rates for the period under review.

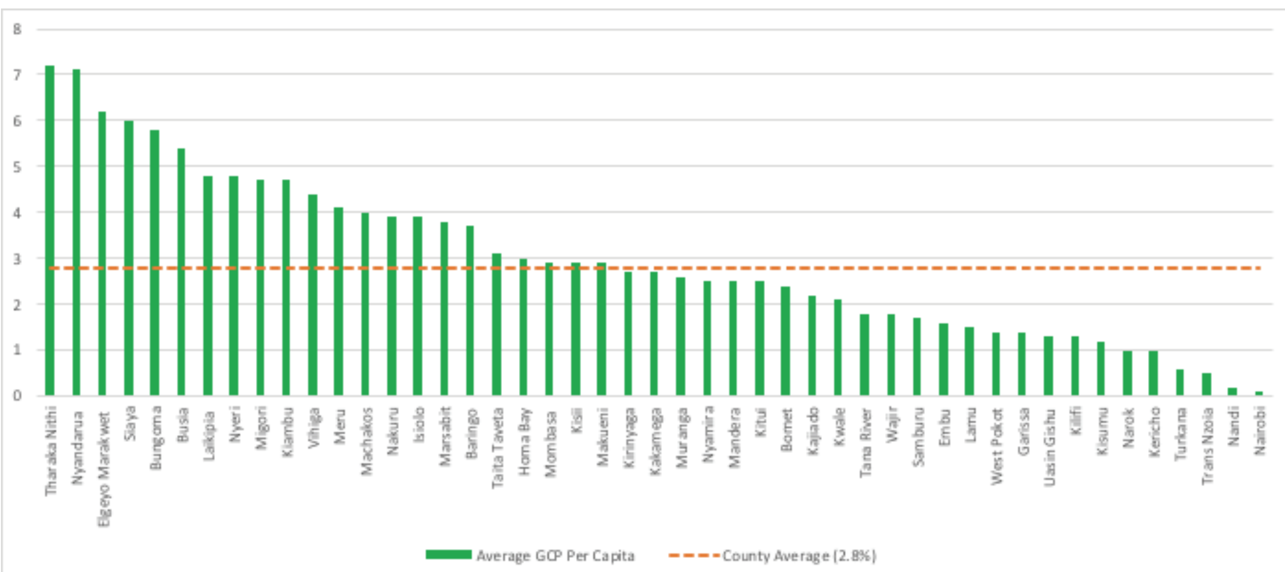
**Figure 5: Average real GCP growth rate, 2014-2017 (%)**




*Data Source: KNBS (2019) Gross County Product*

The economic growth performance in counties does not mirror the ranking in growth of per capita GCP. Counties real GCP per capita grew at an average of 2.8 per cent between 2014 and 2017 with 22 counties growing faster than the overall average (Figure 6). Tharaka Nithi, Nyandarua and Elgeyo Marakwet had the highest real GCP per capita growth rates of 7.2, 7.1 and 6.2 per cent, respectively, while Nairobi and Nandi counties registered dismal change in real GCP per capita during the period under review. The counties differential in real GCP per capita reflects dynamics in economic activities and population size, including the effects of internal migration.

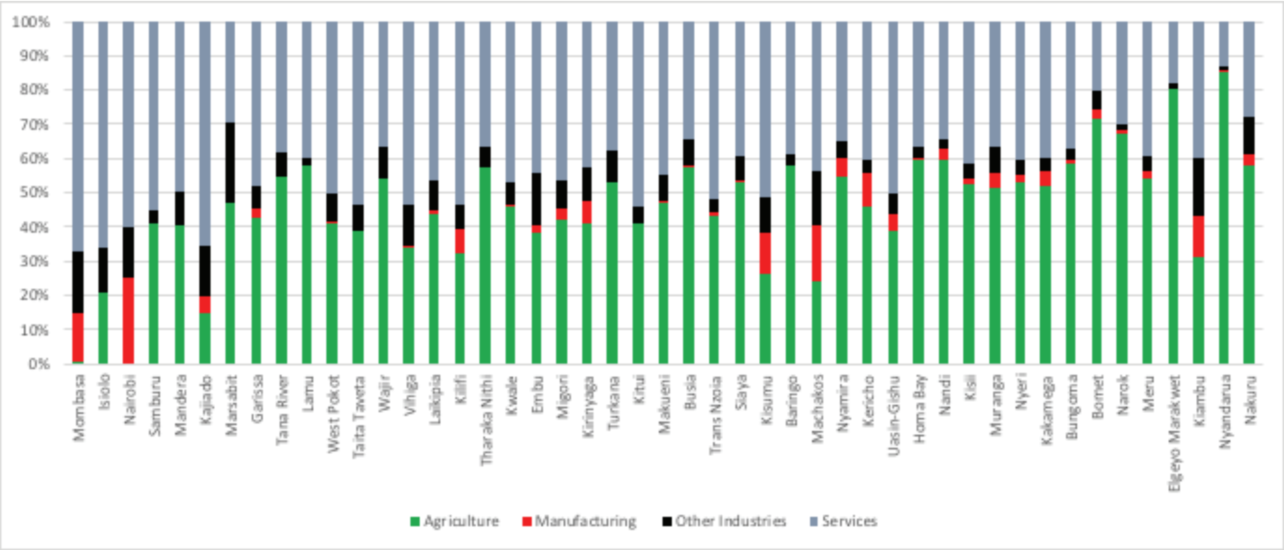
**Figure 6: Average real GCP per capita growth rate, 2014-2017 (%)**




*Data Source: KNBS (2019) Gross County Product*

Most counties rely heavily on agriculture as the main source of economic growth and are relatively less populated compared to Nairobi and Mombasa counties who rely heavily on the service sectors and are densely populated (Figure 7). Agricultural activities in Nyandarua, Elgeyo Marakwet, Bomet, Narok, Meru and Nakuru counties contributed more than 60 per cent of the total GCP, underscoring the importance of the agricultural sector in the counties. As a result, any shock to the sector will highly affect the economic performance of the counties. The services sector activities were equally vibrant in most counties, contributing the largest share in Nairobi, Mombasa, Isiolo and Kajiado counties. The share of contribution from manufacturing activities remained low in all counties. Significant contribution (0.2% and above) of the manufacturing activities were mainly concentrated in the urban counties that include Nairobi, Mombasa, Nakuru, Machakos, Kiambu and Kisumu. Therefore, most of the counties have a potential to boost their economic growth by leveraging on untapped opportunities in the manufacturing sector.

**Figure 7: Share of economic activities at county level, 2017**

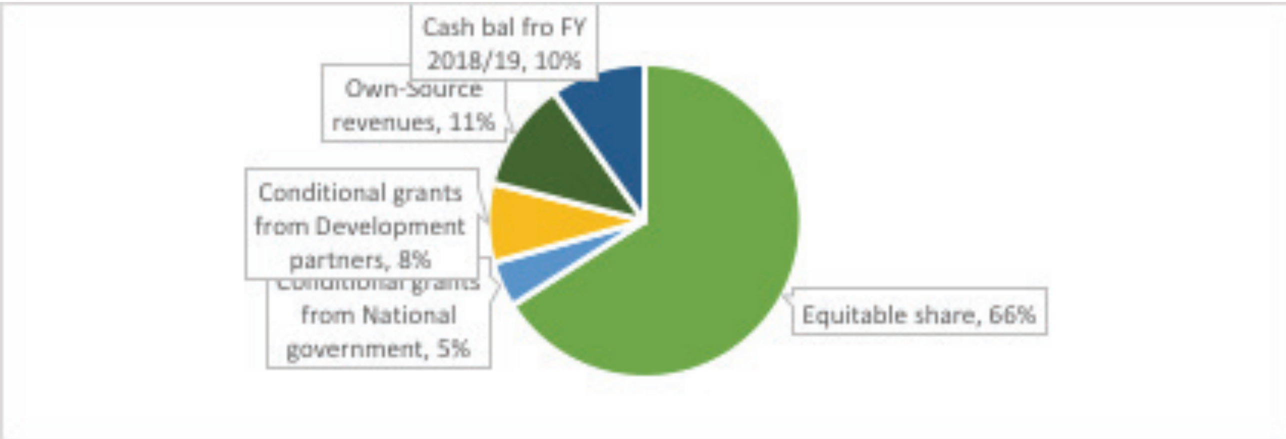



*Data Source: KNBS (2019) Gross County Product*

## County revenue and expenditure

County Governments expected a total revenue of Ksh 479.92 billion to finance their expenditures in 2019/20. This comprises of Ksh 316.5 billion equitable share revenue from the National Government, Ksh 61.99 billion total conditional grants from the National Government and development partners and Ksh 47.15 billion cash balance from 2018/19. The counties were also expected to generate Ksh 54.28 billion from own source revenues in 2019/20. This implies that County Governments are highly dependent on the equitable share from the National Treasury, which accounts for 66 per cent of total financing to finance their budget (Figure 8). As such, any delay or disruption of revenue from the National Government will highly affect the County Governments operations. Overall, County revenue increased from Ksh 412.7 billion in 2018/19 fiscal year to Ksh 429.4 billion in 2019/20 while aggregate spending was Ksh. 405.5 billion in 2018/19 and Ksh. 483.4 billion in 2019/20 (Economic Survey, 2020).

**Figure 8: Sources of budget financing in 2019/20**

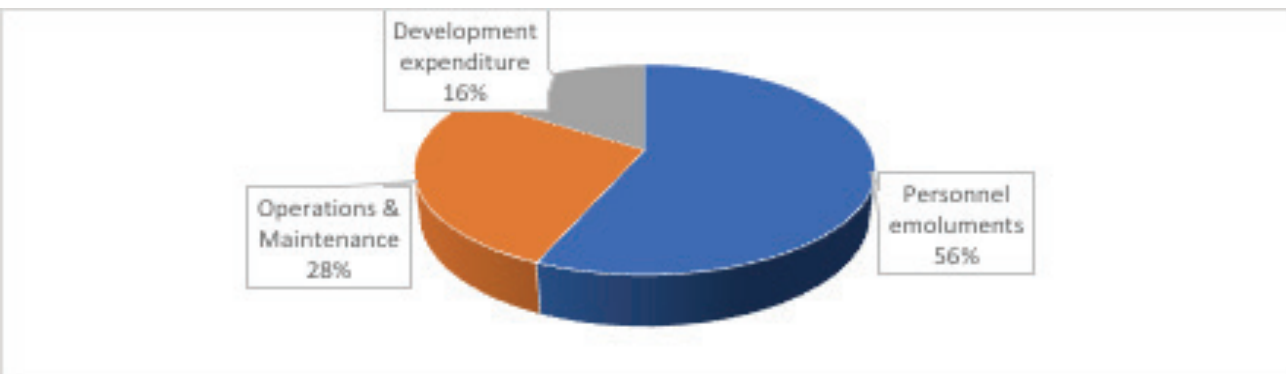



*Source: Author's Computation Using Data from Office of the Controller of Budget*

During the first half of 2019/20, County Governments received Ksh 179.77 billion, which accounted for 37.5 per cent of the total budgeted amount. The amount comprised of Ksh 117.29 billion as equitable share of revenue from the National Government, Ksh 47.15 billion cash balance from 2018/19 and Ksh 15.33 raised from own source revenue. County Governments cumulative receipts by the end of 31st March 2020 amounted to Ksh 286.7 billion. Out of this amount, Ksh 196.2 billion was equitable share of revenue raised nationally, Ksh 11.10 billion was conditional grants disbursed by the National Treasury, Ksh 51.33 billion was cash balance from 2018/19, and Ksh 28.04 billion raised from own sources. The National Treasury reports indicate that as of end of 30th June 2020, actual transfer to County Governments amounted to Ksh 325.3 billion, which was 89.8 per cent of the targeted amount and Ksh 35.4 billion below actual receipts in 2018/19.

The County Governments' total expenditure during the first half of 2019/20 amounted to Ksh 143.27 billion. Recurrent expenditures (personal emoluments and operations and maintenance) accounted for 84 per cent of the total spending, with development expenditure accounting for only 16 per cent (Figure 9). Total cumulative expenditure by County Governments at the end of 31st March 2020 amounted to Ksh 241.6 billion, representing an absorption rate of 49.3 per cent of the total annual County Government's budgets. Recurrent expenditure was Ksh 191.8 billion (equivalent to 63.9% of the annual recurrent budget) while development expenditure amounted to Ksh 49.8 billion (equivalent of 25.0% of the annual development budget).

**Figure 9: Share of total county expenditure (First half of 2019/20)**

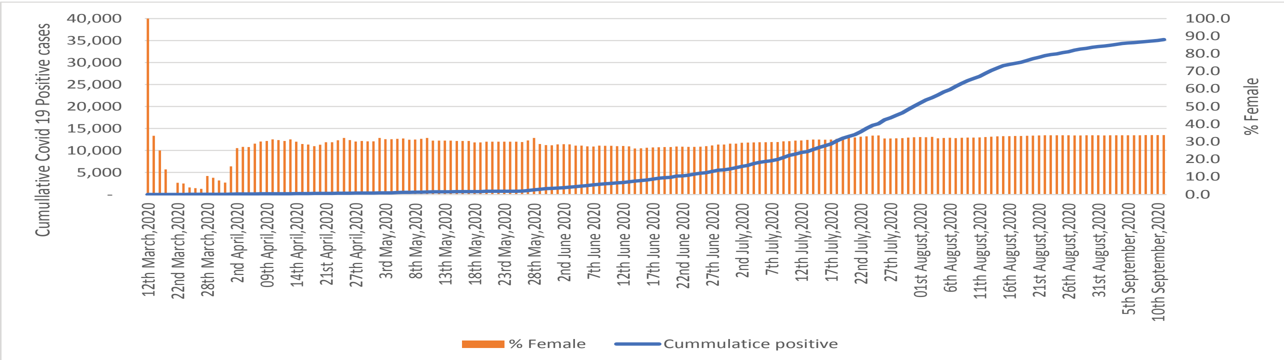



*Source: Author's Computation Using Data from Office of the Controller of Budget*

## 1.2 COVID-19 Situation in the Country

Kenya's first confirmed case of COVID-19 was on 13th March 2020. Since then, the number of confirmed cases increased to 35,232 (33% Female) in 11th September 2020 (Ministry of Health, 2020). Across the counties, there are significant variations on the confirmed cases of COVD-19, with Nairobi and Mombasa taking the lead.

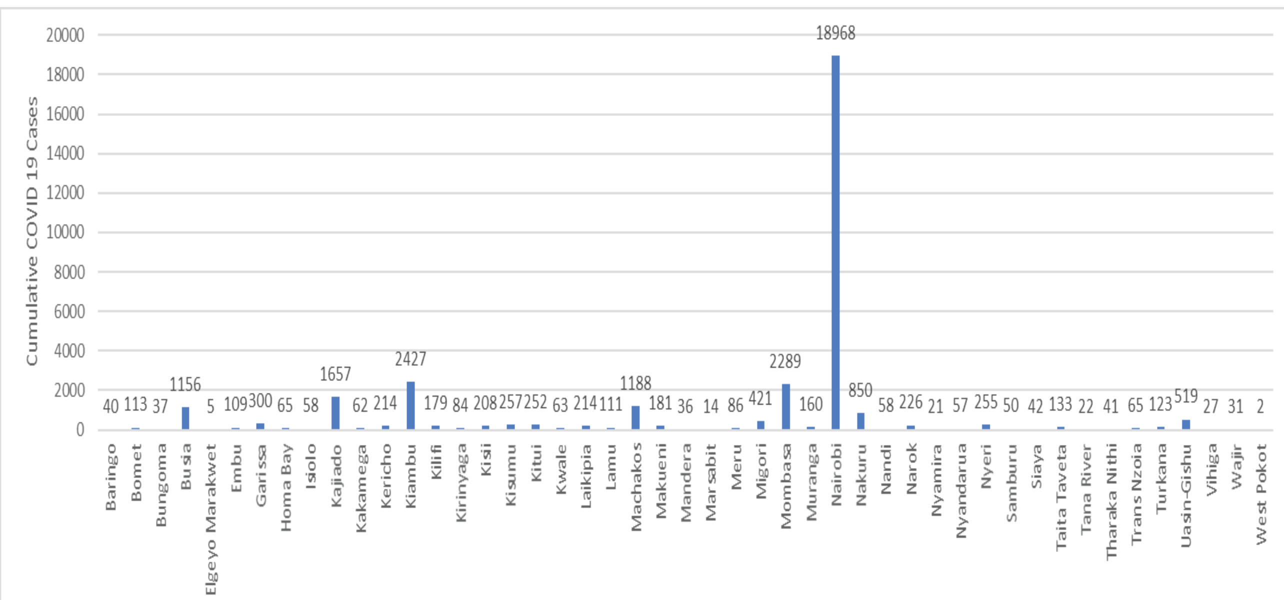
**Figure 10: Cumulative number of COVID-19 cases (March-September 2020)**




*Source: Ministry of Health (2020*

COVID-19 cases were reported in Africa Region. South Africa recorded more than half of the cases in the region at 651,521 (58 per cent); followed by Ethiopia (65,486 cases), Nigeria (56,478 cases), Algeria (48,734 cases), Ghana (45,655 cases), Kenya (36,301 cases), Cameroon (20,303 cases), Cote d'Ivoire (19,100 cases), Madagascar (15,803 cases) and Senegal (14,529 cases)[3].

**Figure 11: Cumulative number of COVID-19 Cases (March-September 2020) by county**




*Source: Ministry (2020)*

3. Https://apps.who.int/iris/bitstream/handle/10665/334326/SITREP_COVID-19_WHOAFRO_20200916-eng.pdf accessed on 22/9/2020.

With the outbreak of COVID-19, various monetary and fiscal measures were put in place to cushion the citizens and ease tax burden on businesses, employees and other taxpayers at large. On the monetary front, the Central Bank of Kenya (CBK) eased the monetary policy to support economic activity by reducing the policy rate signalling commercial banks to lower their lending rates to borrowers while at the same time cushioning borrowers that could be facing financial difficulties during the pandemic.

On the fiscal side, the following emergency tax measures were proposed to ease tax burden on businesses, employees and other taxpayers at large, including:

(i) 100 % Tax Relief for persons earning gross monthly income of up to Ksh 24,000.

(ii) Reduction of Income Tax Rate (Pay-As-You-Earn) from 30% to 25%.

(iii) Reduction of Resident Income Tax (Corporation Tax) from 30% to 25%.

(iv) Reduction of the Turnover Tax rate from the current 3% to 1% for all Micro, Small and Medium Enterprises (MSMEs).

(v) Reduction of VAT from 16% to 14% that was effective from 1st April2020.

(vi) Directive was issued to Kenya Revenue Authority (KRA) to hasten the process of refunding verified Value Added Tax (VAT) claims amounting to Ksh 10 billion in three weeks or allow offsetting of Withholding VAT to improve cash flows for businesses.

At the county level, the Council of Governors through its mandate established under Section 19 of the Intergovernmental Relations Act 2012 has provided a central point for coordination of County Governments' COVID-19 response measures. The County Governments came up with plans to tackle the COVID-19 pandemic, including:

(i) On care and treatment of confirmed cases (recruitment of health workers, procurement of personal protective equipment (PPEs), expanding intensive care units, establishment of quarantine, isolation and testing capabilities).

(ii) To prevent the spread (COVID-19 Prevention Guidelines, community surveillance strengthening of border disease surveillance by counties, enforcement of market guidelines, initiating production of face masks at vocational training centres in various counties).

(iii) Supporting the vulnerable with formation of County Food Security War Rooms.

(iv) Raising finance by setting up COVID-19 emergency funds.

(v) Counties have come up with county-specific COVID-19 Prevention Guidelines and strengthened community surveillance while strengthening COVID-19 prevention measures including social distancing and general hygiene.

(vi) County Governors have also moved to protect their populations through movement restrictions and setting up quarantine facilities and isolation rooms in county hospitals and launching nutrition support systems.

# 2 SOCIO-ECONOMIC EFFECT OF COVID-19

As the country was hit by the COVID-19 pandemic, several other shocks hit the county as well, including: Desert locusts; Floods/Mudslides/Landslides; and Livestock Diseases.

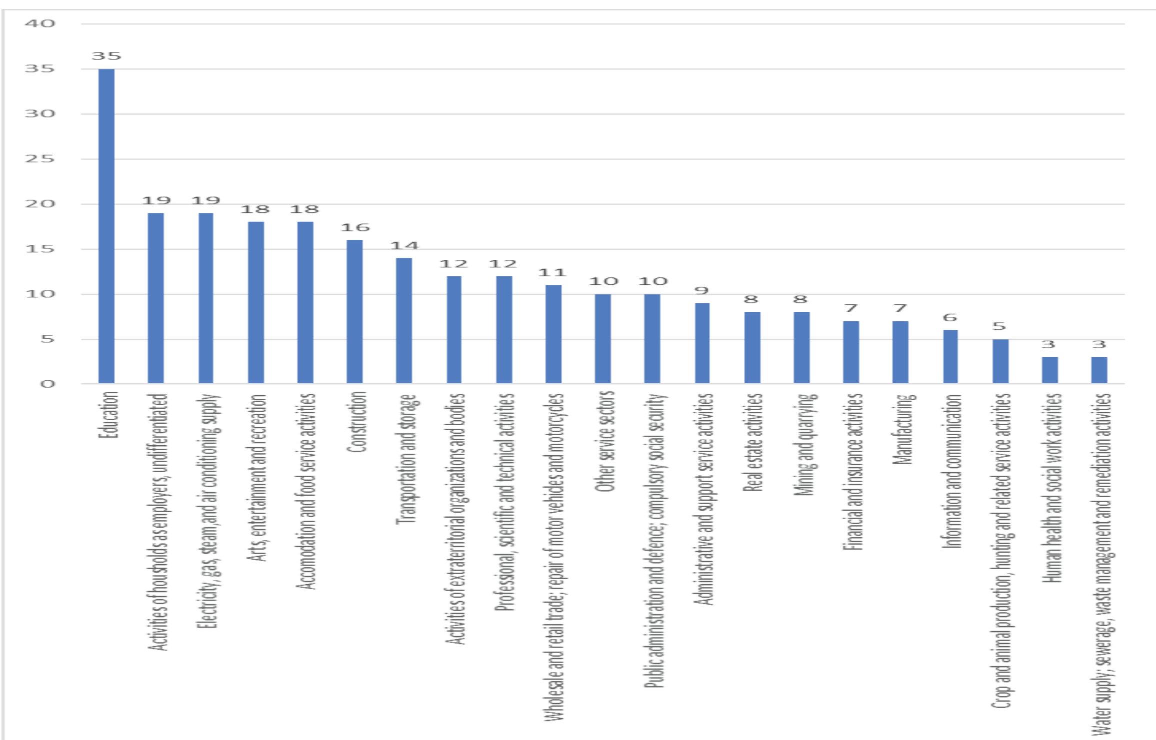
a) ***Labour participation***

According the June 2020 KNBS COVID-19 survey, 49 per cent of workers were self-employed while another 31.7 per cent were employed outside the household. General, workers across all industries reported a decrease in the mean working hours per week, with those in education, and accommodation and food services reporting the highest figures of 40 and 30 hours decline from normal working hours per week. This can be attributed to the pandemic due to the cessation measures and closure of businesses.

Almost half of the workers (or 49.9%) were absent from work due to the lockdown or stay away instructions by the government. Those in the private sector were given unpaid leave due to reduced activities at workplace as a result of implementing strict health guidelines. In private sector schools, teachers and other workers have lost their incomes. Some other business such as bars, hotels, market centres had to totally close down leading to reduced business activities. Workers in the transport sector were also rendered jobless due to restrictions of moving in and out of Nairobi and Mombasa counties.

During the KNBS COVID -19 (2020) Wave 2 Survey, respondents who reported to have worked were asked to state the number of hours worked. The workers across all industries reported having worked fewer hours that usual in the week preceding the survey. Figure 12 below shows the difference between usual hours less actual hours worked during the reference period. The education sector reported the highest level of loss of hours worked followed by activities of households as employers, undifferentiated, electricity, gas, steam, and air conditioning supply arts, entertainment and recreation, accommodation and food services, and construction. Water and health services sectors recorded the minimum loss in time worked.

**Figure 12: Difference between usual hours worked and actual hours worked during COVID 19 period**



Further, the labour market disruption by COVID-19 pandemic has worsened the challenges already facing youth employment in sub-Sahara Africa. It is estimated that about 20 million Jobs in Africa Continent could be lost dire to the effects of COVID-19 with a particularly strong economic impact likely to be felt in South Africa, Nigeria and Angola (African Union, 2020).

b) ***Agricultural sector***

COVID-19 has contributed to the recognition of the importance of small-scale farming to the overall agricultural sector in the country. Small-scale farming contributes a significant amount to household consumption with a significant share of the small-scale farmers producing mainly for subsistence purposes. From the KIHBS 2015-2016, nationally, 68.3 per cent of total food consumed is from purchases while 18 per cent is from own production (KNBS, 2018). Similarly, in rural, peri-urban and core-urban areas, households mainly source their food from purchases accounting for 57.4, 65.6 and 85.7 per cent of total food consumed, respectively. A significant share of food consumed in peri-urban (21.7%) and rural areas (27.7%) is from own production (KNBS, 2018). The share of food consumed from own production is even higher at county level for some specific counties (Migori 32.4%; Busia 38.1%; Elgeyo Marakwet 35.6%; West Pokot 34.1%; and Tharaka-Nithi 32.8 %), among others. With COVID-19, subsistence production cushioned households' consumption and in turn food security. Further, with labour disruptions as a result of the pandemic, the COVID county analyses (from the technical reports) indicate that in some counties, more workers ventured into subsistence production in this COVID period.

> Extract from Tharaka Nithi Technical report: *"…observed that subsistence agricultural and fishery workers worked 2 hours more than usual in the reference period. The workers in this sub-major group grow and harvest field or tree and shrub crops, grow vegetables and fruit, tend or hunt animals, gather wild fruits and plants, catch fish and gather other forms of aquatic life in order to provide food, shelter and a minimum of cash income for themselves and their households"*

As observed, small-scale farming in the country provides a crucial link to household food consumption and in turn food security. The impact of small-scale farming is however limited by:

(i) Low productivity, which affects their incomes. Production capacity also affects their ability to support broad-based agricultural transformation as envisaged in the Agricultural Sector Growth and Transformation Strategy (ASTGS).

(ii) Limited storage capacity which, coupled with seasonality of produce, has a negative effect on quantity and quality of raw materials and output for value addition and agro-processing of crop, livestock and fisheries.

(iii) Limited services provided to smallholder farmers to support their adoption of new technologies.

(iv) Access to structured markets with predictable demand and supply.

Majority of small-scale farmers practice highly diversified subsistence production. While this provided some cushion to households during the COVID period, there is need for more specialized production to achieve higher output and mover in higher-yield value chains.

The pandemic has contributed to the growing realization of the potential small-scale farming has in achieving food security at the household level, translating to a food secure nation. The pandemic experience serves as a call for County Governments to support smallholder farmer needs if agriculture is to be transformed into a competitive sector for food security, poverty reduction and development of the country.

c) ***Services sector***

Due to the COVID-19 pandemic, the tourism sector in the country almost collapsed due to suspension of passenger flights and other modes of transport globally, and cancellation of cultural and sports tourism events in the first half of 2020. The worst declines have been witnessed in accommodation and food services, entertainment, conferencing, transportation, beach and safari sub-sectors, and a significant decline in employment in key tourism value chain activities of up to 72 per cent (over 700,000 jobs lost).

The education sector was disrupted with closure of all schools, which has led to loss to learning time and teaching time. Nationally, 90.8 per cent of schools and only 12.3 per cent of households have internet access and relevant hardware to conduct online learning. Therefore, conducting online classes would leave the other 87.7 per cent of the population uncovered while leading to learning inequities and disproportionately affecting the disadvantaged and vulnerable children.

d) ***MSMEs sector***

Majority of Medium Small and Medium Enterprises (MSMEs) in Kenya operate in the wholesale and retail trade and repair of motor vehicles and motorcycles (56.6%), manufacturing (10.7%), accommodation and food services (8.6%), arts, entertainment and recreation (7.9%), financial and insurance activities (4.1%). These are the sectors that have been affected most by the COVID-19 pandemic and need focusing on in re-engineering and recovery of the economy.

MSMEs are largely located in commercial premises (70.5%), hence most of the businesses could be facing difficulties in meeting their rental obligations due to income disruptions occasioned by the COVID-19 pandemic. According to the KNBS COVID 2 survey, the households involved in farm and non-farm businesses attributed non-payment of household rental obligations to reduced incomes/earnings (60.6%), temporary layoffs/closure of businesses (29.1%), delayed incomes/earnings (9.6%), and permanent layoffs/closure of businesses (0.7%).

In terms of access to markets, according to the KNBS 2016 survey, only a few (0.3%) MSMEs depend on export market, with 3.3 per cent importing their inputs. Therefore, disruptions in the external markets potentially has adverse implications to MSMEs' operations within the country.

e) ***Infrastructure and housing***

The transport sector experienced twin challenges of the COVID -19 pandemic and floods. The instituted measures in the sector saw an increase in fares charged to cover the operating costs of service providers, thus affecting mobility options for commuters.

The County headquarters are connected to the National Optic Fibre Backbone Infrastructure (NOFBI) (except for Garisaa County) and over 90.03 per cent of public primary schools are installed with ICT capacity under Digital Literacy Programme. However, only 17.9 per cent of households own internet as an asset and 8.8 per cent own ICT devices such as desktop computer, laptop or tablet. Further, only 22.6 per cent of households use internet and 4.3 per cent of the population aged 15 years and above searched and bought goods and services online, indicating low penetration of e-commerce. Further, there is a gender divide in use of internet with 25.1 per cent male and 20.1 per cent of the women using the internet.

Majority of households (61.3%) own housing units they occupy while 38.7per cent of the households are under rental tenure. With the advent of COVID-19 pandemic, households' ability to pay rent has been affected, with almost a third of the households (30.9%) who usually paid rent on the agreed date with the landlords before the pandemic unable to pay on time for the month of April 2020. The main reason that has made households unable to pay rent was attributed to reduced incomes/earnings due to the pandemic.

f) ***Water and sanitation***

Clean water, proper sanitation and good hygiene are an essential component in protecting human health in times of outbreak of infectious diseases. Frequent and correct hand hygiene has been emphasized by the World Health Organization (WHO) as one of the frontline measures to curb transmission of COVID-19. Handwashing with water and soap kills COVID-19 viruses and this requires access to clean running water in enough quantities. This has placed a higher demand for water use in households, schools, health care facilities, marketplaces, workplaces and public places. It has necessitated the need for provision of water, sanitation and hygiene by the National and County Governments to all, including the vulnerable men, women and girls, elderly, persons with disabilities persons living in informal settlements, the street families, the homeless, refugee camps and those living in rural and urban areas.

Water is essential in households for handwashing and general household hygiene. In health care facilities, water is more utilized by health workers for maintaining the general hygiene purposes such as cleaning rooms, laundry and other general and specialized medical uses, while patients need water to keep them hydrated and for general hygiene to prevent re-infections. Similarly, families and caregivers are an important aspect of the health care system and need water to tend to patients. In schools, workplaces, marketplaces and public places, water serves the same purposes of handwashing and for general hygiene purposes. Though there is no evidence showing the spread of COVID-19 viruses through drinking water, recreation water or wastewater as per the WHO and Centre for Disease Control and Prevention (CDC), there is no evidence suggesting presence of COVID-19 in human waste and sewerage. Access to clean water and proper sanitation leads to increased hand hygiene, leading to prevention of infectious diseases thus reducing pressure on the existing weak health workforce and health infrastructure both at the national and county levels. Similarly, access to enough water in a timely manner can lead to adherence to government measures of social and physical distancing to mitigate COVID-19 among households. This means having fewer number of people accessing water points, sanitation and handwashing facilities.

The WHO recommended measures include providing adequate and accessible toilets (including separate facilities for confirmed or suspected COVID-19 cases at the health facility level and at the household level. Similarly, water used to clean facilities used by suspected COVID-19 including waste shall be disposed off in latrines. Facilities used by health workers such as PPE will be well cleaned and water disposed in a toilet.

The Constitution of Kenya recognizes that access to water and sanitation as a basic human right[4] and obligates both the National and County Governments to ensure these services are accessible and enjoyed by all[5]. Water and sanitation remain a devolved function under the devolved system of governance[6]. The Constitution obligates the National Government to develop policies and regulation of water resource management while the counties are tasked with implementation of these policies[7]. However, it will be important for national and county governments to collaborate in capital and infrastructure investment for water and sanitation across counties. Strong inter-governmental relations could also be supported with coordinated planning and budgeting processes, and prioritization of capital-intensive water and sanitation programmes across the Country.

Share of revenue collected from water bills has dropped in most counties from the month of March as a result of COVID-19. This is attributed to the Presidential directive to water companies to ensure continuous supply of water regardless of payment status from the users. Majority of the households may not be in a position to pay water bills, and this therefore means that counties share of own source of revenue is likely to decrease. This may also affect the delivery, development and rehabilitation of WASH services due to reduced revenue. Piped water is the major contributor of revenue for counties from water billing. Access to piped water stands at 14.68 per cent and is more utilized in urban households, industries and institutions.

Water companies have lost a significant amount of their revenues due to low demand of water and sanitation services mostly from hotels, schools and other institutions due to closure of operations. This in the long run may affect the delivery, development and rehabilitation of WASH services.

### g) ***Health***

The country has invested in Universal Health Coverage (UHC) construction; renovation of health facilities resulting; deployed medical officers and prioritized public health management through enhancement of latrine coverage, solid and liquid waste management. In 2019, Kenya had 13,790 health facilities and 176,642 medical officers (KNBS, 2020). In 2016, the Country attained a health facility population ratio of 2.3 per 10,000 population relative to a national target of 2.5 per 10,000 target (MoH, 2020). The County Governments also schemed on enhancing supply of drugs; investing in preventive care through regular tests and screening exercises; providing improved sanitation and environment health services; establishing a universal health insurance scheme; improving health infrastructure and equipment.

4. Article 43 of the constitution
5. Article 21 of the constitution
6. Section 2 and 11 of the Fourth Schedule of the constitution
7. Section 22 of the Fourth Schedule of the constitution

Child immunization and health prevention interventions are crucial for improved health outcomes. With health being a devolved function, majority of the counties rolled out children immunization programmes. According to the National Policy Guidelines on Immunization of 2013, counties are required to achieve a minimum immunization coverage of 80 per cent of fully immunized children. By 2018, only 20 counties had managed to attain this target while 27 remained below 80 per cent. The counties with the highest proportion of fully immunized children under 1 year were Kiambu (109.3%), Embu (92.4%), and Kajiado (91.0%) while the lowest were Bomet (58.8%), West Pokot (52.0%), and Mandera (46.0%).

The health sector requires enhanced investment in health systems, including in the prevention measures such as immunization, health workforce, health research, capacity building of community health workers and the medical officers on COVID 19, upgrading of working conditions and provision of requisite health commodities and equipment, especially in relation to personal protective equipment and occupational safety. Social dialogue is essential to building resilient health systems and therefore has a critical role both in crisis response and in building a future that is prepared for health emergencies.

# 3 KEY PILLARS OF THE RECOVERY STRATEGY

There is need for urgent responses for addressing the social and economic effects of the COVID-19 pandemic for the county to recover and be on an upward growth trajectory. To this end, five (5) pillars have been identified: Boosting private sector activity; Policy, legislation and institutional reforms; Strengthening County Government's preparedness and response to pandemic and disasters; Enhancing ICT capacity for business continuity; and Human capital development.

## 3.1 Boosting Private Sector Activity

The private sector is the engine that drives economic activity in generating output and employment creation. The KNBS 2016 statistics show that majority (56.6 %) of private sector activities are in the services sector with only 10.7 per cent in manufacturing. In terms of size, majority of the enterprises in the country are micro in nature (89.2%) and 9.1% are small. Similarly, majority (99%) of the farm holding are small (0-5 ha). As such, the informal sector tends to dominate the private sector activity in the country.

Services sector activities include the wholesale and retail trade, repair of motor vehicles and motorcycles (56.6%); accommodation and food services (8.6%); and financial and insurance activities (4.1%). Establishments in manufacturing sector largely operate in wearing apparel (42.3%), food products (22.9%), fabricated metal products (12.3%), and furniture (11.4%).

The COVID-19 has disrupted the operations of businesses and supply chains, therefore affecting demand and supply of most goods and services in the country. Overall, majority of the micro and small enterprises (58.3%) in the country source for raw materials from peer enterprises and individual suppliers. Equally, the market for their produce is from individual consumers (87.7%). This means that when some firms are adversely affected, this tends to spread fast in the private sector.

The key constraint faced by micro and small enterprises in Kenya relate to worksites and related infrastructure, including poor roads/transport and power interruption. In addition, these enterprises face challenges in terms of financing, regulatory framework, sourcing of raw materials, marketing of their products, unfair competition especially from counterfeits and appropriate skills.

The COVID-19 crisis offers an opportunity to address structural issues that constrain the competitiveness of the sector. In addition, it offers an opportunity to exploit the capabilities in the private sector, including in agro-processing with a focus on coffee, horticulture and textiles; and production of PPEs.

In boosting the private sector, it is important to target improving the business environment for nurturing, survival and growth of businesses. This includes:

(i) Access to affordable credit: Emphasis will be laid on initiating and strengthening self-sustaining funds dedicated and easily accessible to MSEs in the country; promoting tailor made financial literacy programmes for MSEs; and establishing frameworks for micro-leasing for the MSEs and utilizing the SMEs credit guarantee scheme to cushion MSEs from high cost of credit.

(ii) Worksite and related infrastructure: The National and County Governments in partnership with other institutions from public and private sectors could facilitate development of adequate and well-equipped worksites with workshops, common user facilities, incubation centres and showrooms for artisans, which is cluster-informed and fully serviced. Provision of machines and safety gear will be prioritized to improve the working environment of artisans within the county. In addition, enhancement and promotion of local manufacture of affordable tools and machinery for MSEs, including reverse engineering and mainstreaming the needs of PWDs in infrastructure support services will be considered.

(iii) Improved infrastructure and security: Provision of infrastructure related to connectivity such as roads, electricity, water and drainage will be prioritized to improve the business environment within the country. In addition, enhancement of security to reduce on crime and create a peaceful business environment will be fostered.

(iv) Enhance access and diversification of markets for private sector production both locally and regionally including by developing county regional bloc value chains and consolidating markets within economic integration value chains. Also increase market access with greater use of e-commerce to move transactions to the digital economy.

(v) Encourage formalization of informal sector with appropriate incentives to provide more sustainable income, stable employment and sustained innovation.

### 3.2 Policy, Legislatives, and Institutional Reforms

Majority of County Governments (with few exceptions) rely on legislation passed at the national level for the various sectors. The Fourth Schedule of the Constitution delineates the distribution of functions to be carried out by the National Government and those to be carried out by the County Governments. Notably is that policy formulation function is allocated to National Government. However, there are some residual functions that have not been allocated to either the National or County Government, and which cause confusion and uncoordinated policy directives. However, improvement of inter-governmental relations to facilitate coordination and integration of policies at national and county levels is vital for policy coordination. With Addressing the unresolved unbundling of functions and financing is therefore a priority. Besides this, the following strategies will be employed to allow for reforms in the various sectors.

(i) The Public Health Act Cap 242 to be reviewed, updated, revamped and revised by the National Assembly to consider modern public health trends, developments, challenges and emerging opportunities. The review will consider existing laws on health (such as the Health Act 2017) to avoid conflict.

(ii) Harmonization and rationalization of the various laws on agriculture is required to streamline operations between National and County Governments and to avoid duplication of resources and efforts in the sector.

(iii) Appropriate legal and regulatory frameworks will be enacted to regulate and control the protection of data and status of individuals who are confirmed, suspected or recovered cases of COVID-19 (and other future pandemics or public health outbreaks that may occur in future) and prescribe appropriate penalties for misuse, abuse or unauthorised disclosure of information related to such individuals. This ought to be separate, though supplementary and complimentary, to the existing Data Protection Act 2019.

(iv) The Ministry of ICT in collaboration with the Communications Authority will develop regulations for protection and regulation of information shared, recorded or documented through online platforms, including video conferencing platforms and mobile applications.

(v) The Employment Act 2007 will be reviewed to prescribe the process for employers to send employees on unpaid leave, and the conditions which ought to be met as the Act is currently silent on this aspect. This will include provisions on the process to be employed if employees refuse to consent to being sent on unpaid leave and mechanisms for internal dispute resolution, an issue which the Act is silent on.

(vi) The Employment Act 2007 further needs to be reviewed to consider the need for regulation to protect patients, or suspected patients, of COVID-19 from discrimination, harassment, unlawful disclosure of their status, stigmatization, reprisals or termination of employment due to fear of COVID-19, infectious disease or on grounds of their health status. Currently, Section 5 (3) (a) of the Employment Act only provides that no employer shall discriminate directly or indirectly against an employee or prospective employee or harass an employee or prospective employee on grounds of race, colour, sex, language, religion, political or other opinion, nationality, ethnic or social origin, disability, pregnancy, marital status or HIV status. Further, Section 46(g) of the Employment Act similarly only provides that the following do not constitute fair reasons for dismissal or for the imposition of a disciplinary penalty - an employee's race, colour, tribe, sex, religion, political opinion or affiliation, national extraction, nationality, social origin, marital status, HIV status or disability.

### 3.3 Strengthening County Government's Preparedness and Response to Pandemics and Disasters

Disaster risk management is a developmental issue aimed at reducing social, economic and environmental disaster losses to achieve socio-economic growth in the country. Therefore, a robust, comprehensive and well-coordinated policy and institutional framework for disaster management that includes preparedness, response, rehabilitation and mitigation in the counties prone to hazards is necessary.

(i) To ensure coverage of future disasters, County Governments to develop a Disaster Risk Management Policy that covers unforeseen disasters that may occur in future, including floods, drought, landslides, earthquakes, climate change, hazards or other natural disaster; environmental disasters; human diseases outbreaks, endemic infectious disease outbreaks; epidemics or pandemics; livestock and wildlife epidemic; wildlife extinction; crop infestations; raids, terrorist attack, civil war, civil commotion or riots, war, threat of or preparation for war, armed conflict; nuclear, chemical or biological contamination; and collapse of buildings, fire, explosion or accident.

(ii) Further, due to the cross-cutting nature of the disaster risk management function, the policy could be linked to policies on social, infrastructure, environmental and natural resources including on health, HIV and AIDS, nutrition and food security, gender, youth, child protection, education, the elderly, persons with disabilities, water and sanitation, housing, infrastructure, transport, environment, forestry and energy.

(iii) County Governments could also develop a legal and regulatory framework to provide the legal foundation for a collaborative partnership in institutional participatory management of disasters, including mobilization of the essential resources necessary for the management of all disasters. This will be supported by a comprehensive disaster risk management strategy that outlines the management of disasters, sets out standard operating procedures including saving lives, securing the scenes of crime and evidence, public education, sensitizations and awareness creation, and managing the national reaction and public attitude following such occurrences. This will also include mechanisms to facilitate early warning, communication strategies, risk assessment and command structure, including controlling operational command issues, information flow management and roles, obligations, mandates and functions of first responders.

(iv) It is recommended that a legal and regulatory framework is developed that applies to all other infectious diseases and are drafted in futuristic terms as it is unlikely that COVID-19 will be the last pandemic to affect Kenya. Overall, a framework needs to be established for the effective response to and management of a pandemic to prevent the occurrence or spread of a pandemic whenever it arises. The framework will provide measures to mitigate the effects of the pandemic and provide a mechanism to cushion those that may be adversely affected by the pandemic.

(v) In addition, the legal framework needs to prescribe who is to cater for medical costs for the treatment and care of persons infected with COVID-19, whether admitted to public or private hospitals.

(vi) There will be a review of procurement laws, including the Public Procurement and Asset Disposal Act 2015, to have clear provisions on emergency procurement and procurement in times of urgent needs and disclosure of information in the case of direct procurement to avoid abuse of procurement processes, which often leads to lack of value for money, delivery of substandard or poor quality goods, payment for non-delivery of goods or non-delivery of services, unqualified suppliers, incompetent contractors and inflated costs.

(vii) Further, to ensure accountability in the use of funds, there will also be legal and statutory requirements for audit of the financial statements of emergency funds.

(viii) Moreover, there has been duplication of efforts in the health sector particularly during the COVID-19 crisis with National Government duplicating measures and directives already being implemented by County Governments, leading to wastage of funds and friction. This should be avoided.

### 3.4 Enhancing ICT Capacity for Business Continuity

The status of ICT access and use differs across the counties, with some counties having low accessibility to ICT services and infrastructure. Further, access to ICT in rural and remote areas is limited, and there exists a digital divide. In the public sector, most County Government headquarters and public primary schools are connected to the national ICT infrastructure. However, there is low accessibility among households. In the new normal driven COVID-19, the county administration need to fast-track the implementation of various ICT-related projects to ensure business continuity and build resilience of the county against future pandemics and disasters. The key challenges with regard to ICT include:

(i) Low rate of reported use of internet by households at 22.6 per cent nationally, 13.7 per cent for rural areas and 42.5 per cent for urban areas. This is an impediment to deploying ICT solutions and applications in mitigating pandemics.

(ii) Low rate of reported use of desktop, laptop and tablets by households at 10.4 per cent nationally, 5.3 per cent in rural areas and 21.6 per cent in urban areas.

(iii) Not all households own and use ICT assets (smartphone, laptop, tablet, desktop), and for those that do own these devices, they may not afford the cost of internet.

(iv) Close to 90 per cent of public primary schools have successfully been installed with digital literacy infrastructure and devices. The challenge though with continued learning from home for the education sector is a household problem and not the learning institutions.

(v) Although close to 50 per cent of counties have been fully connected to the Government Common Core Network (GCCN) and the sites are monitored and supported at the Network Operating Centre (NOC) at the National Treasury, some departments and sub-county offices are yet to be connected, thus affecting utilization of ICT to decentralized county units.

Opportunities and areas of focus for re-engineering and recovery strategies

(i) In phase I of the County Connectivity Project, 28 counties were fully connected to the Government Common Core Network (GCCN)[8]. In phase II, the 19 remaining counties and two sites in Kilifi and Laikipia are being connected to the National Fibre Optic Backbone (NOFBI). This provides for seamless connectivity using ICT across the country. When further extended to departments and decentralized county offices, the project would enable business continuity and public service delivery in light of COVID-19 restrictions. Digitization of revenue system can been put in place, monitoring of government programmes as well as digitization for easy tracking is attainable.

(ii) Public-Private Partnerships (PPPs) between County Governments and ICT service providers could further enhance household access to ICT. This would support the work-from home

8. The County Connectivity Project http://icta.go.ke/county-connectivity-project-ccp/

measures now and in the event of future pandemics or disasters. An example of how such an opportunity can be optimized is with the Goole Loon and Telkom Kenya partnership to provide ubiquitous internet in Baringo by use of balloons launched in the air (see Baringo Launch of Loon tech: https://www.youtube.com/watch?v=pBW1oDQ8rt4 and technology for ubiquitous internet : https://www.youtube.com/watch?v=OFGW2sZsUiQ

(iii) Counties are implementing ICT access projects to avail free internet (WiFi) in selected locations. For example, in Kericho, the County Government has provided ICT centres that offer free WIFI especially at parks. In Garissa, 15 hotspots have been provided by the County Government and students have benefited from these hotspots through e-learning. Online classes are on using e-platforms. Garissa installed sensors in boreholes to detect water levels but there is still a challenge since they were not connected through broadband connectivity.

(iv) To boost e-ecommerce, the National Fibre Optic Backbone (NOFBI) and private sector measures can be used to spread connectivity to public buildings and key trade centres to boost MSMEs in trade and business. E-commerce (search for and purchase of goods and services online) is low at 4.3 per cent nationally, 1.7 per cent in rural areas and 9.6 per cent in urban areas.

(v) Access to ICT can also be promoted by providing devices such as smartphones that are 4G enabled. There are initiatives towards this with one of the leading telephone companies providing smartphones on credit for as low as Ksh 20 per day[9].

### 3.5 Human Capital Development

Investing in human capital enhances productivity and therefore economic growth and development. According to the Cost of Hunger Kenya Study (Government of Kenya, 2019); in 2014, it was estimated that 12.9 million (41.4 per cent) of the working age population (15-64 years old) suffered from undernutrition before reaching five years. Further, 26 per cent of the children were stunted. This level of undernutrition contributed to low progression in education system, with only 3 out of every 10 learners enrolled in grade 1 progressing (pass level) to Form Four; perhaps due to low cognitive skills. Child undernutrition affects health, education and productivity differently. The counties will therefore continue to address health and education risks related to COVID-19; poverty and malnutrition; and deprivations in health, education, housing and water. This will be achieved through:

(i) Universal Health Coverage to collectively finance health services for all, including uninsured workers and their families; investment in community and primary health including community health workers, water, sanitation, immunization and public health.

(ii) Build workplace resilience to public health emergencies and outbreaks of infectious diseases in all economic sectors and expand access to collectively financed paid sick leave, sickness benefits, and parental/care leave to ensure income security for those who are sick, quarantined or caring for children, elderly or other family members.

(iii) Deepen technical education, training and skills development to create more employment opportunities; investment in education and training and skills development across counties; and investments within the key sectors of manufacturing, agriculture, infrastructure, tourism, technology and innovation.

(iv) Strengthen partnerships with humanitarian actors and development partners to consider the feasibility of establishing a common fund to finance a seasonal public works or employment guarantee scheme.

(v) Support safety at workplaces: The National and County Governments and other stakeholders will continue to implement measures that reduce exposure to the Coronavirus for all workers including the informal workers by issuing guidelines and ensuring their enforcement. Public and private sector employees to define

9. Smartphones on credit: https://www.businessdailyafrica.com/corporate/companies/Safaricom-starts-Sh20-a-day-loan-smartphones/4003102-5599526-pywu66/index.html

and implement workplace protocols including use of facemasks (guidelines produced by counties and implemented in many workplaces) and ensure that those infected have access to health care; ensure early detection, isolation and availability of quality health services and introduce new benefits for workers in the informal economy.

# 4 SUPPORT TO KEY SECTORS

## 4.1 Manufacturing

Manufacturing sector is one of the important sectors in terms of contribution to the Kenya Gross Domestic Product (GDP) and employment creation. Over the last 2 decades, the share of manufacturing to the Country's GDP has been declining. Overall, the manufacturing share to GDP over the last twenty years has on average been 9.99%. Between 2000 and 2009, the mean contribution to GDP is 10.45 per cent while between 2010 and 2019, the share has been 9.53 per cent, depicting a 0.92 percentage points decline over the two periods. In the recent past, the sector share to GDP has further declined, within the last 3 years (2017-2019) an average of 7.8 per cent being registered.

Hence, it is essential in supporting recovery of both the national and county economies from the effects of COVID-19 pandemic. Only a few counties have a substantive manufacturing activity. The sector is significant due to its heavy exposure to COVID-19 pandemic. This is contributed by its high concentration of informal firms and dependence of imported raw materials, among other issues. That notwithstanding, there exists opportunities to be exploited such deepening innovations that respond to the pandemic, for instance, production of Personal Protective Equipment (PPEs), textiles, and so on.

(i) The national and County Governments to improve the business environment with affordable credit, sustained waiver of some County taxes, cess, and other charges and establishing a fund that support the firms in paying their rents as most establishments are located in commercial premises.

(ii) Moreover, both levels of governments can provide industrial sheds for the micro and small firms to reduce their operational costs and improve their opportunity for growth.

(iii) Seal all the loopholes for counterfeit goods in in order to protect the local manufacturers from unfair competition. In addition, local manufactured goods will be prioritised and promote the Buy Kenya, Build Kenya.

(iv) Support manufacturing firms and MSMEs to deepen innovation so that they can diversify their business activities and enhance their competitiveness.

(v) Exploit the opportunity presented by the pandemic especially in production of essential goods such as; masks, Personal Protective Equipment(PPEs), and sanitizers, disinfectants, canned foods, immunity boosting products, hospital beds and ventilators and desks for schools.

(vi) County Governments could strategize to diversify their economic activities from agriculture and services to manufacturing, which has the potential to strengthen the backward and forward linkages, thus lead to economic transformation from the county level.

(vii) Undertake training and capacity building to assist the MSMEs to surmount the shocks faced during the pandemic and allow for turn-around and recovery of affected enterprises.

(viii) Improve the quality of manufactures and MSME products, by increasing the role and partnership with research institutions like Kenya Industrial Research and Development Institute (KIRDI) and the Productivity Centre at the Ministry of Industry.

(ix) The National Government needs to exploit both existing and new markets for its local produce, exports and ensure sustainability.

## 4.2 Agriculture

Agriculture remains a key driver of growth in the country, accounting for slightly over a third of the total value of Kenya's economy. The Economic Survey 2020 shows the sector's contribution to Gross Domestic Product (GDP) in 2019 was at 34.1 per cent up from 30.2 per cent in 2015.

The sector plays a key role in employment creation, production and income generation. In the formal sector, total wage employment in the sector increased from 336,900 jobs in 2015 to 338,600 jobs in 2019. In addition, the sector has strong forward and backward linkages with other sectors of the economy, particularly the manufacturing sector, further underscoring the sector's importance in spurring economic growth in the county.

The COVID-19 pandemic has distorted the agri-food value chain in several ways to include: - restrictions in both local and international agricultural trade leading to job losses in affected industries such as the horticultural industries; increased post-harvest losses as a result of limited marketing activities; lower demand of agricultural produce due to disruptions in the activities of major consumers, particularly the hospitality industry and educational institutions; and constrained county budgets with funds being channeled to other areas during this COVID_19 period as well as diminishing fiscal space due to low agricultural operations. The COVID-19 pandemic effects on the sector was worsened locusts invasion and floods affecting several counties. These disruptions have affected livelihoods and increased instability of food availability, in turn affecting food prices.

As the sector gradually shifts from an emergency response to re-engineering, recovery and building resilience, counties aim at building back better through:

(i) Enhancing agro-processing and value addition capacities of counties particularly to support the smallholder farmers shift from subsistence to agribusiness;

(ii) Greater market access through pointing out alternative markets and marketing channels to farmers especially the smallholder farmers who are thinly integrated to the marketing system; and exploiting the potential that regional blocs provide.

(iii) Improving disaster surveillance at county level to mitigate risks associated with disasters, such as those related to floods, disease and pests invasion;

(iv) Support the smallholder farmers access to quality and affordable inputs including certified seedlings, water, animal feeds, AI services, fertilizers, livestock vaccination and ploughing services by county tractor hire services to enhance their productivity; and

(v) Facilitate smallholder farmers access to affordable formal finance and advisory and information services.

(vi) Enhance the role of agricultural cooperatives through development of more sustainable models of financing and customized training of cooperative members. County governments play a vital role in cooperative development through the effective stakeholder engagement and the implementation of well-designed cooperative policies.

To achieve the above, there is need for the national and County Governments to:

(i) Adopt regulations, policies and legislations that support vibrant competition in the market, respond to needs of the value chain actors, particularly the smallholder farmers, and attract private investments in agri-food value chain at the county level.

(ii) Develop partnership with development partners, such as, the National Government, NGOs, and the Private sector in enhancing agro-processing, value addition capacities of counties, access to quality and affordable inputs and affordable formal finance.

(iii) In addition to agro-processing, investment in storage and cooling facilities particularly at collection points to minimize spoilage and post-harvest losses.

(iv) Digitization of agricultural operations to support in: training and building capacities of farming households in modern agricultural technologies; provision of Advisory and information services; marketing agricultural produce; and improving access to innovative services ranging from water services to digital financial services including credit and insurance products and services.

### 4.3 Water and Sanitation

Frequent and correct hand hygiene has been emphasized by WHO as one of the measures to curb transmission of COVID-19. This has placed a higher demand for water more so at the households, health care facilities, marketplaces, public places and among essential services provides. The recovery strategy recommends the following strategies for implementation:

(i) Expand and rehabilitate the existing piped water connection infrastructure to help increase access to water. There is low access to piped water-public tab/stands pipe stands at 11.26% in rural, 23.77% urban, 9.02% peri urban areas. Access to piped water- piped into plot/yard stands at 18.3% rural, 30.78% urban, 16.72% peri urban. Access to piped water-piped into dwelling 9.42% rural, 22.75% urban, 4.94% peri urban. This means low revenue from piped water for the County Government, and low access to clean and safe water which is guaranteed through piped water system. To increase piped water connectivity to households The County Government can collaborate with the private sector, Non-Governmental organization and the local community to expand the water infrastructure.

(ii) Expand sewer infrastructure to accommodate more households, currently there is low access to piped sewer which stands as follows; only 29.1% of urban households flush to piped sewer, 12.9% of urban households flush to septic tank and 4.3% flush to pit latrine while 14.5% of rural households do not have a toilet facility. Low connectivity to piped sewer denies the county the much-needed revenue from sanitation services as well as access to safe sanitation. Additionally, sharing of a toilet facility with other households is common which stands at 38.3% rural, 65.5% urban and 44.4% peri urban. Toilet sharing puts households at risk of contracting COVID-19, and other infectious diseases in cases where proper toilet hygiene is not maintained. Increased access to sanitation can be achieved through collaboration between County Government, National Government, development partners and PPP to expand sewer infrastructure and to accommodate more households.

(iii) Promote the importance of handwashing and construct WASH facilities to increase access at the household level. Currently access to WASH is high among households with majority having access to water and soap at 66.9%, water soap and hand sanitizer at 28.0%, hand sanitizer only at 2.2% and 2.5% have access to water only. On the other hand, 81.1% of the households do not have a designated handwashing facility in their households. This may compromise hand washing hygiene of households thus making households vulnerable to contracting COVID-19. Increased access to WASH can be achieved by supporting households with access to water, soap and WASH facilities, sensitization on the importance of handwashing. Collaboration between County Government, Non-Governmental Organizations, local community and the media is important to realize increased access to WASH among households.

(iv) Provide and promote alternative sources of clean energy for cooking. The major sources of energy for cooking used by households are firewood at 68.89%, charcoal 14.0%, liquified gas at 11.7%, kerosene at 10.5% and electricity at 0.9%. This has a negative effect on environment management and conservation. The county can have partnerships and collaborations with the National Government and other established stakeholders in natural resource management and conservation.

(v) Provide waste collection services at households, promote and facilitate regular waste collection, environment clean up exercises at neighborhoods and in towns. Majority of the households at the national level dispose their solid waste by burning in the open at 35.01%, 31.8% dump in the compound and 9.9% dump their solid waste in the street/ vacant plot/ drain, 6.7% is collected by private company for disposal, 5.1% collected by community associations and 3.1% collected by the County Government for disposal. This means that only a small portion of household solid waste is safely disposed, thus exposing many households to environmental and health hazards. To have an effective and efficient waste collection and management, the counties will work with the National Government as well as collaboration with donor agencies, private sector, local communities to come up with up with initiatives to manage solid waste.

### 4.4 Transport

The transport sector is a key enabler of socio-economic activity, facilitating the movement of people and exchange of goods and services across geographical separated areas. In 2019, transport and storage sector accounted for 10.3 per cent of the Country's overall economic growth[10]. The transport sector is directly affected by measures implemented in response to the threat posed by COVID-19. Measures such as social distancing and cessation of movement between selected areas directly affect travel demand patterns. The containment measures affected travel patterns. These changes have the ultimate effect of disrupting accessibility -the ease with which people can reach and participate in various socio-economic activities, as well as exchange goods and services. While it is critical to contain the spread of the virus and stop infections, it is also strategic to assess the effects of these measures on the transport sector, from the demand and supply side, with a view to mitigating adverse effects and stimulating new opportunities.The measures implemented to mitigate the spread of the pandemic have had a direct impact on the transport sector in Counties. These effects include, among others:

(i) Cessation of operations for long distance PSV operators and reduction in daily operations and vehicle operations. This has led to reduced revenues by the operators, necessitating an increase in fares charged.

(ii) Commuters have modified their travel patterns to adhere to the curfew. However, across all counties, walking, use of motorbikes and matatu PSVs is the predominant mode of transport.

(iii) Countrywide, 59.2 per cent of the respondents reported a change in their cost of travel due to the pandemic. Further, the findings show that 14.4 per cent changed their main means of transport out of which 62.2 per cent opted to walk while 19.4 per cent opted to use Boda Boda.

(iv) The Counties were also affected by reduction in revenues generated from PSVs and Boda Boda parking and license fees.

(v) Counties that share borders with neighbouring EAC countries have had unique challenges controlling the spread of infections by cross border traders and long distance freight operators, such as in Busia County, where Busia -Malaba highway experienced traffic congestion due to surveillance of truck drivers for COVID-19.

(vi) Roads and bridges were affected by heavy rainfall and floods further compounding the transport challenges and limiting accessibility especially in rural areas.

(vii) Rail and air transport were also halted further affecting accessibility options for travellers.

There is need to enhance mobility options for residents and improve road conditions to support economic, social and subsistence activities. Areas of focus in the transport sector include:

(i) The predominant reliance on walking and PSVs provides the opportunity for counties re-engineer and retrofit urban streets towards sustainable transport options.

(ii) Some operators, e.g in Nairobi, have re-designed the PSVs by reducing the number of seats and increasing the space between seats to observe the 1.5 m social distance rule. This can spur the jua-kali sector who undertake the retrofitting.

10. Economic Survey, 2020.

(iii) The PSV and Boda Boda SACCOs provide a formal platform for organizing and mobilizing financial support to the sector. They also provide a platform to monitor and enforce compliance with the COVID-19 guidelines.

(iv) The 8 point stimulus programme by the National Government[11] and resources allocated to road development and maintenance provide the opportunity to strategically improve the road network for economic development, while creating jobs for youth , women and vulnerable groups as espoused in the Roads 2000 programme[12] on labour based road development approaches.

(v) The Roads 10,000 programme being implemented nationally by the Roads Subsector actors, and specifically, the Low Volume Sealed Roads (LVSR) approach[13] offers a strategic and cost-effective approach to improve rural accessibility in for counties with poor to fair road networks.

(vi) There is a need to Develop better synergies between car, bus, rail, non-motorised transport and between public and private transport and select the most environmentally friendly solutions.

### 4.5 Urban Development and Housing

Urban areas have emerged as hot-spots for the spread of the COVID-19 pandemic. For example, Nairobi and Mombasa and surrounding urban areas have recorded highest confirmed positive cases of the pandemic. Tied to this is the role that adequate housing plays in the homebased care strategy of treating COVID-19 patients. Key challenges include:

(i) Payment of rent by households with the advent of the pandemic. For example, from the KNBS 2020 Survey, overall, 31.6 per cent of households paid rent on time for April 2020, while 37.0 per cent were unable or would not be able to pay. Almost a third of the households (30.9 %) who usually paid rent on the agreed date with the landlords before the pandemic were unable to pay on time for the month of April 2020. Most of the households that were unable to pay rent for April 2020 attributed it to reduced income/ earning (61.0%)(KNBS, 2020).

(ii) Most landlords did not provided waiver or relief on rent payment for tenants. Only 0.7 per cent of households in rented dwellings received waiver or relief from landlords on rent while only 6.0 per cent had received a partial waiver. For most of the landlords rent payment is their income or cash flow to pay their debt obligations.

Opportunities and areas of focus for re-engineering and recovery strategies

(i) Designation and approval of urban areas of different cadres is an opportunity boost investment and stimulate economic activity. Designation of urban areas in line with the Urban Areas and Cities (amendment) Act 2019 has not been undertaken in all counties. Similar, formulation of Integrated Development Plans has been accomplished in all counties. This is an impediment to the planning, development and management of urban areas.

(ii) The Kenya Urban Support Programme funded by the World Bank provides the opportunity for counties to improve key urban infrastructure the selected urban areas. For instance, in Kericho, the project has enabled opening up of streets with adequate infrastructure.

(iii) The Big 4 agenda on affordable housing can be fast tracked in counties through provision of public land to improve the housing conditions. For example, Kakamega county has identified land where interested partners from the private sector can utilize to construct low cost houses under the Affordable Housing Programme. The county also has the shelter programme which involves construction of houses to the most vulnerable especially the elderly. They are collecting data on the people who require the facilities

11. GoK eight point stimulus programme https://www.president.go.ke/2020/05/23/the-seventh-presidential-address-on-the-coronavirus-pandemic-the-8-point-economic-stimulus-programme-saturday-23rd-may-2020/
12. Roads 2000 programme http://krb.go.ke/our-downloads/roads%202000%20strategic%20plan.pdf
13. LVSR /Roads 10,000 programme https://www.kerra.go.ke/index.php/lvsr

(iv) Counties can improve on turnaround period for transactions that were underway both for land and constructions so that approvals can be given to allow stimulation in the sector. Notable is the decline in approval for construction permits and there were no activities on follow up. Construction sites became dormant and related to unemployment in the sector.

(v) Promote a National Home Ownership Policy. This would cushion households from future shocks that impede payment of rent.

### 4.6 Tourism

Impact of COVID-19 pandemic on tourism sectors is substantial. This is because the sector depends on movement of people and therefore directly affected by secession restrictions, reduced air transport and controlled mass gatherings. The pandemic has also had significant impact on the aviation industry due to the travel restrictions. Re-engineering strategies for the sector include:

(i) Allocation of resources for investment and rehabilitation of tourism-supporting infrastructure, including sports stadia, modern M.I.C.E venues, and roads leading to the physical tourist attraction sites. Also refurbish infrastructure leading to cultural heritage sites which are impassable during poor weather

(ii) Diversify tourism products across all counties to include cultural, sports (boat racing, sports fishing, soccer stadia), agro-tourism, M.I.C.E, nature-based, community-based, adventure, culinary and beach-based tourism products; jetties and floating facilities; amusement parks; construction and development of Hippo point public beach;

(iii) Develop tourism information and data centers;

(iv) Upgrading medical facilities to promote medical tourism;

(v) Construct modern theatre and art gallery to support development of talent in music, visual and performing arts; marketing of sculpture and handicrafts; and upgrading of sports stadia to develop talents in sport across Counties.

(vi) Conduct research on potential areas for investment in tourism to catalogue information on existing and potential tourism products in each sub county; branding and marketing tourism products; hosting promotional events such as annual tourism and trade investment expos and M.I.C.E events.

(vii) Enforce sanitation and hygiene standards in all accommodation facilities and tourist attraction sites in line with the national guidelines for reopening of hospitality establishments in order to ensure business continuity.

(viii) Developing products specifically tailored to enhancing domestic tourism which is less susceptible to shocks. Such products to be affordable, and packages designed to maximize domestic tourist utility. Leverage on regional blocs for joint marketing of tourist attractions.

### 4.7 Health

The number of COVID-19 patients has implications on health care systems (public and private hospitals and isolation centres). The increased healthcare system focus to COVID-19 response, has potential implication of jeopardizing access to health services such as maternal and antenatal care, nutrition services and routine checkups. The COVID-19 pandemic has led to relaxation of immunization process over the fear of contracting the virus. It is observable that between the months of March to August 2020 fewer children under the age of two years were utilizing vaccinations services against highly transmissible ailments such as polio and measles. This could result in devastating outcomes for children in the coming months and in the long term[14].

14. The Global Alliance for Vaccines and Immunization (GAVI), a global health partnership of public and private sector organizations dedicated to "immunization for all" estimates that at least 13.5 million people in 13 of the world's least developed countries will not be vaccinated against measles, polio and human papillomavirus (HPV) in the short term due to fear of COVID-19; and the resulting disease burden has potential to be devastating, not only to the people suffering from disease and their families, but also to the already constrained health systems. Further, most of the preventable diseases such as polio, HPV and measles have even severe and long-term effects than COVID-19. https://www.reactgroup.org/news-and-views/news-and-opinions/year-2020/impact-of-covid-19-on-vaccine-preventable-diseases-and-antibiotic-resistance/ accessed in 22/9/2020.

The on-going pandemic and mitigating measures have an impact on mental health. Prolonged social isolation and stresses related to the impact of COVID-19 are likely to increase the incidences of mental health conditions and stress levels within certain segments of the society. On a positive note, the inadequacy of equipment and other medical essentials has triggered local invention and production. Students from Kenyatta University have invented ventilators to aid in the fight against COVID-19. In terms of PPE, local entrepreneurs and local companies have been in the forefront in making face masks and other PPE materials. Other entrepreneurs have also been in position of delivering hospital beds to meet the local demand. Recovery sector specific interventions include:

(i) The National and County Governments will strengthen coordinated mechanism to increase the capacity for intensive care, supply of PPEs and recruitment of trained healthcare personnel; provide equipment and requisite commodities for all isolation centres to ensure they are adequate, secure and essential services provided to hasten recoveries and encourage more citizens to volunteer for testing.

(ii) The County and National Government will identify training gaps among the health providers and make available targeted training. More so repurpose and mobilize the health workforce according to priority and need for services. Also, the capacity of essential public and community health workers to support and respond adequately to emerging emergencies shall be strengthened.

(iii) The County and National Governments will proactively address the mental health needs including those of the health workforce, mental illnesses from depression, especially in response to shut-downs, economic downturns, uncustomary care and burial of affected relatives.

(iv) Strengthen County Government capacity to deliver essential services during the COVID-19 pandemic including recruitment of volunteer health workers to support health, water and sanitation services.

(v) The National Government and County Governments will invest in research and development to spur innovation in health sector including in the area of medicine.

(vi) The County Governments to legislate and equip community health workers and community health volunteers (CHVS) to adequately provide community health and counselling on appropriate maternal, infant and young child nutrition (MIYCN) practices amidst the pandemic.

(vii) Mainstream family health training in medical training colleges curriculum as well as in university medical training programmes.

### 4.8 Education, Training and Skills Development

The Country has about 46,530 ECDE (public and private) centres enrolling 2.7 million learners and having 92,359 teachers; 32,344 public and private primary schools enrolling about 10.1 million learners with 218,760 teachers; 10,463 public and private secondary schools enrolling about 3.2 million students with 105,234 teachers; over 2192 public and private technical training institutions enrolling 430,598 students; and 384 middle level training colleges enrolling over 31,737 students and 63 universities enrolling over 509,473 students (KNBS, 2020). The education sector was totally disrupted with closure of all schools which has led to loss to learning time and teaching time. According to KNBS COVID 2020 wave 2 survey workers in education lost the highest level of working time estimated at 35 hours in comparison to hours previously worked. While distance-learning mechanisms are being attempted, they have not reached all children and youth in Kenya, and those without internet access or adult supervision are disadvantaged. While over 90.8 schools have access to digital learning devices, only 12.8 per cent of households have access to internet across the Country. Children among nomadic communities are already disproportionately affected by learning disruptions, and they are at risk of exclusion from online or other alternative learning options. Due to the COVID-19 pandemic, the last Six months in 2020 saw an upsurge in the percentage of teen pregnancies countrywide. According to Kenya Health Information System survey, 2020, more than 4000 teenage girls were impregnated during the COVID -19 period.

The school feeding programmes in ECDE and primary schools were discontinued after the closure of schools in March 2020. This is likely to result into malnutrition diseases especially among learners from marginalized regions who used to depend on the programme; and this would have negative long-term effects on human capital in the Country. The closure of schools is likely to affect 100 per cent transition policy. The 1.2 million Standard 8 learners and 750,000 students at form 4 shall not transit to next grade just like all other levels in the coming year. Recovery sector specific interventions include:

(i) The County and National Government will enhance teacher capacity, both in public and private schools including support teachers and education administrators to equip them with skills they require to deliver online teaching and distance learning for learner at different education levels. Also support utilization of computerized devices by giving internet data when they are required to give live streaming lessons. This also requires ICT support at household level.

(ii) The County and National Government through the Ministry of Education in collaboration with education stakeholders to prepare and enforce guidelines for schools reopening including in the use sanitization and fumigation of schools.

(iii) The National Government to improve of WASH facilities in schools, provide adequate personal protective equipment for teachers, learners and other employees in the schools in readiness to reopening learning institutions.

(iv) Since the poorest are likely to be mostly affected, the National Governments to protect the poorest and most vulnerable learners and enable them to continue learning, such as through targeted conditional cash transfers and learning vouchers.

(v) The national and County Governments to support back to school campaigns in areas with low level of attendance just before reopening.

(vi) Promote monitoring and addressing psychosocial wellbeing of students, teachers and education officers as well as educating them on how to mitigate spread of coronavirus.

(vii) The National Government to carry out large-scale assessment to identify learning gaps and inform remedial programming and learning opportunities so that all students catch up due to the learning time lost during the pandemic.

(viii) Kenya Institute for Curriculum Development and Ministry of Education to strengthen ICT integration in teaching and learning in the education sector through facilitating production of radio, television and online teaching and learning materials and content as well as extending the existing distance learning programmes to all rural areas. Hybrid learning encompassing a blend of face to face and digital learning at all levels of education to be encouraged in the education sector.

(ix) Strengthen collaboration between county and non-state not-for-profit institutions including faith-based organizations in delivery of pre-primary education across counties.

(x) National and county governments to review boarding vs day schooling models in guiding areas to promote investments.

a) ***Social protection***

### 4.9 Social Protection

The Country has an estimated number of 918,00 PWDs (2.2 per cent of the total population) and 1,870,443 older persons aged 65 years and above representing 3.9 per cent of the population. These groups of the population are highly vulnerable to both direct and indirect effects of COVID-19. Social protection interventions will include:

(i) The National Government to support businesses access the credit guarantee programme by National Government, specifically for people whose occupations or employment opportunities have been disrupted by the pandemic.

(ii) The National Government will ensure effective access to essential health care and other basic social services, for groups and individuals who have been drawn into vulnerability due to the pandemic;

(iii) The National and County Governments will support Child Help Line initiatives and other partners to provide counselling services, address mental health and psychosocial support targeting children and youth in their homes, community and in institutions and quarantine/isolation centers.

(iv) The National Government in collaboration with the County Governments will facilitate coordination of sectors including nutrition, Health, WASH, and Nutrition to ensure COVID-19 prevention services are accessible to the hard to reach children (in informal settlements, arid and semi-arid counties and other care institutions).

(v) Counties to use this opportunity to continue efforts to reviewing the more expansive and inclusive safety nets. Governments to use citizen identification systems and digital technologies, such as India's biometric system, huduma namba so that social protection programs can reach the people most at risk more quickly and efficiently, with the ability to scale up in times of crisis.

### 4.10 Gender and Youth

Population distribution in Kenya indicates that there are more females (50.5 per cent) than men (49.5 per cent). The youth (18-34 years) comprises 29 per cent of the total population and Youth aged 15 -34 years constitute 36.1 percent of the population. Prior to COVID-19, women, youth, boys and girls have disproportionately been affected by several challenges which include but is not limited to; poverty, limited access to healthcare including reproductive health and rights, Gender Based violence, stereotyping, and access to finance. The pandemic has further exacerbated existing gender inequalities resulting in women having even more limited access to critical health services, systems and information. Key interventions include;

(i) Designate gender safe spaces to provide accommodation for Gender Based Violence (GBV) survivors, and create space in County Referral Hospitals to serve as GBV recovery centers.

(ii) Promote use of alternative means of Gender Based Violence safe outreach and awareness-raising that limit direct contact i.e. using traditional methods e.g. town criers and use of loud speakers.

(iii) Support gender champions and sign language interpreters to activate and communicate an 'alert chain' to reach GBV survivors or those in imminent danger of injury and harm.

(iv) Strengthen inclusive community outreach strategies to ensure GBV messaging is localized and clear, and addresses stigma, discrimination and other power dynamics that serve as barriers to accessing GBV services & COVID-19 information among differently able persons.

(v) County Governments through the Department of Gender to bring onboard key stakeholders to actively engage and sensitize the youth on reproductive health; HIV/Aids and COVID-19 prevention measures.

### 4.11 Environment and Natural Resources Management

Tree cover stands less than 10 per cent in the country. This can be achieved by encouraging and promoting tree planting at household and institutional level by provision of tree seedling. There is also need for sensitization programs on importance of tree planting, environment management conservation. The County Governments to collaborate with private sector, local NGOs, donor agencies and local communities on environment and natural resources management.

# 5 ECONOMIC STIMULUS PROGRAMME

### 5.1 Economic Stimulus Package

COVID-19 has had varied implications on the economy and society large leading to a high degree of uncertainty. There is therefore need to either enhance the existing programmes or create innovative interventions which have multiplier effects on productivity and employment creation. The following are priority areas to be considered by the national and county governments when designing stimulus packages:

(i) Infrastructure - targeting roads, water and electricity;

(ii) Information and communication Technology (ICT) – a greater enabler for business continuity during and after COVID-19;

(iii) Environment and solid waste management,

(iv) Waivers/concessions – cess, single business permits, parking stickers, water bills, market fees

(v) Prioritization of settlement of payment of pending bills

(vi) Subsidize farming inputs – certified seeds, fertilizers and mechanized inputs (tractors)

(vii) Provide extension services and market creation for Agriculture.

(viii) Create a COVID-19 revolving recovery Fund utilizing structures such as table banking, self-help groups and MFIs to small scale traders and businesses in the informal sector.

### 5.2 Financing Economic Stimulus Package

Resource mobilization for implementation of the economic stimulus shall entail collaborations between National and County Government; support from development partners; public private partnerships and non-state actors including NGOs.

# 6 IMPLEMENTATION OF THE ESP

Implementing the County COVID-19 Re-engineering and Recovery Strategy will require adequate resource mobilization over the 2020/21 – 2022/23.

The Implementation will thus be supported through resource mobilization by all County Governments with support from National Government; Development partners; NGOs and Civil Society, private sector and individuals.

# 7 MONITORING, EVALUATING AND REPORTING

The overall purpose of monitoring, evaluation (M&E) and reporting is to track progress of the County COVID-19 re-engineering and recovery strategies. Monitoring will be done periodically to track the implementation of the work plans while evaluations will be undertaken to measure effectiveness, impact and sustainability in meeting the strategic priorities. Some of the M&E activities will include documenting actions, resources, outputs and measure the impacts on expected outcomes.

Monitoring will be undertaken on a continuous basis and reporting on a quarterly basis, at mid-year, annually and at the end of the plan period leading to progress reports. The monitoring framework will track the achievements, assess use and delivery of resources and accomplishment of deliverables.

Evaluation and impact assessment of the plan will involve weighing the extent to which strategic objectives are met and impact created. Evaluation shall therefore be based on the implementation framework with focus on the evaluation principles of relevance, effectiveness, efficiency, impact and sustainability.

The County COVID-19 re-engineering and recovery strategies reporting will be informed by annual work plans. All implementing departments in respective counties will be expected to prepare M&E frameworks for each activity (see Sample Annex Table 2). The quarterly progress reports will include information on key indicators against set targets for the quarter. At the end of each financial year annual performance reports will be drafted highlighting key achievements, challenges, lessons learnt and recommendations on the way forward.

# 8 COMMUNICATION CHANNELS

## 8.1 Overview

Communication channels[15] are the various media and techniques to be used to carry the re-engineering and recovery communication messages from the policy makers to the citizens. The range of communication channels are wide and growing fast with the new age of technology. However, despite the exponential growth of social media, traditional media remain the main source of information. Research (KNBS COVID-19 Wave 2) has established that radio, television and face to face (friends and family) are the most effective channels to use to communicate the re-engineering and recovery strategies. Face to face communication is more cost effective, it provides immediate feedback and enables checking the accuracy of the message interpretation, to make corrections where necessary.

Cognizant to the Ministry of Health (MOH) guidelines on physical meetings, gatherings of more than 100 persons is prohibited. Therefore, Communication for Development (C4D) an evidence-based[16] process that involves a mix of communication channels and approaches to facilitate dialogue, participation and engagement with the target audience for positive social and behaviour change will be adopted.

## 8.2 Channels

To increase buy-in from the members of the public on the county socio-economic recovery strategies, opportunities, interventions, a mix of communication channels will be utilised to encourage positive feedback. A recent research commissioned by the Communications Authority of Kenya and conducted by Kenya Audience Research Foundation revealed that 57 percent of Kenyans consumed their information through radio, 44 percent through television, 23 percent through online platforms and 8 percent through newspapers. While there is an audience overlap across these different channels, it is therefore clear that radio and television are the main channels of information for most Kenyans[17].

Use of radio as a medium of communicating the County COVID 19 re-engineering and recovery strategies is important since radio has a wider reach of audiences. Furthermore, there has been a significant growth of community radio stations which has increased the geographical footprint compared to other media platforms[18].

In the spirit of inclusivity, sign language will also be utilised for Persons with Disabilities (PWDs) in specific those with hearing impairment.

In summary, the planned communication channels have been grouped into four types namely:

(i) Written communication for Information, Education, and Communication materials, newspapers, digital and online communications.

(ii) Verbal communication to include radio, telephone, and face to face meetings of less than 100 persons observing MOH guidelines of social distance and wearing of face mask.

(iii) Non-verbal communication aimed at sign language.

(iv) Visual communication meant for Television (TV), Outdoor- billboards, drawings and graffiti.

15. https://www.oxfordreference.com/view/10.1093/acref/9780199657681.001.0001/acref-9780199657681-e-1679?rskey=sE6ywS&result=2
16. https://www.unicef.org/publications/files/UNICEF_2017_Report_on_Communication_for_Development_C4D.pdf
17. https://isaackalua.co.ke/posts/index.php?story=let-us-redefine-media-s-immense-power
18. Kenya Audience Research Foundation

**Table 1: Proposed communication channels with target audience**

| | Children 3yrs-17yrs | Youth 18yrs-35yrs | Men 36yrs-70yrs | Women 36yrs-70yrs | PWDs | Aged 71yrs + | Literate & Semi-literate | Rural | Urban & Informal settlements |
|---|---|---|---|---|---|---|---|---|---|
| Barazas <100 persons | | | | | | | | | |
| Face to face <100 persons | | | | | | | | | |
| Radio | | | | | | | | | |
| Newspaper | | | | | | | | | |
| TV | | | | | | | | | |
| SMS | | | | | | | | | |
| Website & Email | | | | | | | | | |
| Social Media | | | | | | | | | |
| I.E.C-Posters, branded gear | | | | | | | | | |
| Outdoor- Billboards, Graffiti, Drawings | | | | | | | | | |
| Telephone | | | | | | | | | |
| Sign language | | | | | | | | | |

Most appropriate channel to be used.

- For purposes of this report, the literacy levels will be measured by whether the target audience can listen, speak, read and write in English and Kiswahili language.
- It is assumed that children under the age of 3 years have not yet fully developed their cognitive abilities to interpret communication.

The proposed communication channels for Persons with Disabilities are radio and telephone calls for the visually impaired and sign language for those with hearing impairment.

The scheduled communication or frequency of messaging are proposed as follows:

- Weekly updates on County website & social media
- Bi-weekly local & Kiswahili radio station
- Monthly SMS
- Quarterly I.E.C materials - Posters in reception areas and community gatherings (markets, mosques, churches, clinics, Huduma Centres)
- Monthly barazas

## COUNTY GOVERNMENTS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