



REPUBLIC OF KENYA

**SECTOR PLAN
FOR
POPULATION, URBANIZATION AND HOUSING
2013 – 2017**

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STATEMENT BY THE CABINET SECRETARY MINISTRY OF DEVOLUTION AND PLANNING

In keeping with the decision that Kenya Vision 2030 be implemented through five year Medium Terms the Government successfully launched the Second Medium Term Plan (Second MTP 2013-2017) in October 2013. The Ministry of Devolution and Planning then embarked on the process of preparing the second round of Kenya Vision 2030 Sector Plans detailing policies, programmes and projects to be implemented in each sector. A total of twenty one Sector Plans have therefore been produced based on the work of nineteen medium term plan sector working groups and three thematic working groups formed to prepare detailed plans as background documents for the Second MTP.

The Sector Plans outline in greater detail specific plans for implementation in each sector during the 2013-2017 period. The Plans have been prepared through a participatory and inclusive process involving representatives from the government, development partners, private sector, NGOs, civil society, faith based organizations, professional associations, research institutions, and organizations representing women and youths, among others. Apart from the technical inputs, the Sector Plan priorities have been aligned and taken into account the priorities and inputs from nationwide Second MTP county consultation forums which captured views and priorities of Kenyans at the grass root and local level. Additionally, the Sector Plans have taken on board the key issues and priorities outlined in the Manifesto of the Jubilee Government in line with Second MTP.

The Sector Plans implementation matrices outline the broad goals and strategic objectives, the specific objective of each programme and project, the expected output and outcomes, the indicators for monitoring progress, the entity responsible for implementation, the implementation timelines, the source and mode of funding for each planned programme and activity starting financial year 2013/14 to 2017/18.

In accordance with the Constitution of Kenya, it is expected that the programmes and projects outlined in the Sector Plans will be implemented in close consultation and collaboration with county governments, keeping in mind, the distribution of functions between the national and county governments as outlined in the fourth schedule; and the capacity of county governments. Involvement of the private sector, including through Public Private Partnerships (PPPs), in implementing the Sector Plans will also be crucial to deliver the expected outputs and outcomes of various prioritized programmes and projects.

To ensure successful implementation of the Sector Plans, and the activities outlined in the implementation matrices, my Ministry will put in place the necessary monitoring and evaluation framework and systems including the reporting formats and templates for production of quarterly progress reports by implementing entities.

In conclusion, let me take this opportunity to thank the respective Cabinet and Principal Secretaries involved in various sectors and all those involved in preparation of the Sector Plans.



Anne Waiguru, O.G.W.
Cabinet Secretary, Ministry of Devolution and Planning

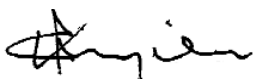
FOREWORD

The Sector Plan for Population, Urbanization and Housing will guide the Second Medium Term Plan (2013-2017) in the implementation of the Kenya Vision 2030. It outlines policies, reform measures, projects and programmes that will be undertaken within the Second MTP period. Implementation of this Plan has a critical role in creation of jobs for the youth and the unemployed.

The main goal of the Vision 2030 strategy for the sector is to ensure that the country's population is provided with adequate and decent housing in well planned urban areas while ensuring that smaller towns and rural areas have access to decent housing and related basic infrastructure. In addition, population policies and programmes will be implemented and will include advocacy, population policy and research, and promotion of partnership on population and development.

This Plan takes into account all programmes and projects that were initiated in the First MTP as well as new projects that are key to effective implementation of the Vision 2030. Priority areas planned for implementation include: reducing population growth rate from 3.0 % in 2009 to 2.4 % by 2017; development and implementation of an integrated growth and development strategy for Nairobi Metropolitan Region (NMR) and other five metropolitan regions (Mombasa, Kisumu-Kakamega, Nakuru-Eldoret, Wajir-Garissa-Mandera and Kitui-Mwingi-Meru); development of National Urban Development Policy; development of Market Development Policy; development of physical and social infrastructure in slums and informal settlements; increasing the housing stock; promoting research and utilization of low cost appropriate building materials and construction technologies; enhancing access to housing finance among others.

Successful implementation of this Plan calls for commitment from all stakeholders in the sector.



Hon. Charity K. Ngilu, EGH
Cabinet Secretary, Land, Housing and Urban Development

PREFACE

This Sector Plan has been produced through stakeholder participation involving Government, private sector, development partners, civil society and other non-state actors in the sector.

High population growth rate and its implications on socio-economic development have been of concern to Government. This Plan therefore, constitutes an important framework for the government's commitment to effectively plan and manage its population and urbanization process through proper planning and provision of adequate and decent housing.

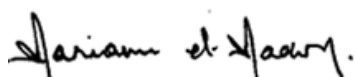
One of the most significant dynamics impacting on our society is rapid urbanization mainly due to rural-urban migration. Urbanization increased from 8% at independence to 31% in 2009 (Population and Housing Census-KNBS 2010). It is projected to increase to 39% by 2017.

In Kenya, the threat to urbanization process has arisen because of the failure to cope with its effects and the inability to meet the basic needs for land, housing and services for the growing population. For the country to become a middle income economy, urbanization will play a visible and crucial role and, thus requires strong support through effective policy interventions both at national and county levels.

Over the years housing has been characterized by acute shortage in urban areas and poor quality in rural areas resulting in high incidences of poor housing conditions and unhealthy living environments. This has resulted in formation of slums and informal settlements. The Government is committed to implementing the National Housing Policy and enhance access to housing. The Plan outlines programmes and projects that are crucial to realization of the aspirations of the Vision 2030 of adequate and decent housing in sustainable human settlements.

The Sector Plan will be monitored and evaluated through annual progress reports through the National Integrated Monitoring and Evaluation System (NIMES).

In conclusion, I take this opportunity to appreciate the commitment of all those who were involved in the preparation of this Plan. These include government officers, private sector partners, the civil society and the Development Partners. Special recognition goes to the Ministry of Devolution and Planning for guidance and leadership in the preparation of this Plan.



Mariamu el Maawy
Principal Secretary
Ministry of Land, Housing and Urban Development



TABLE OF CONTENTS

STATEMENT BY THE CABINET SECRETARY MINISTRY OF DEVOLUTION AND PLANNING	III
FOREWORD	IV
PREFACE	V
LIST OF ABBREVIATIONS	VIII
1 INTRODUCTION	1
2 SITUATIONAL ANALYSIS	2
2.1 Population	2
2.2 Urbanization	3
2.3 Housing	4
3 EMERGING ISSUES AND CHALLENGES	6
3.0 Overview	6
3.1 Population	6
3.2 Urbanization	7
3.3 Housing	7
4 PROGRAMMES AND PROJECTS 2013-2017	9
4.1 Flagship Programmes and Projects	9
4.2 Risks and mitigation measures	11
5 POLICY, LEGAL AND INSTITUTIONAL REFORMS	12
5.1 Population	12
5.2 Urbanization	12
5.3 Housing	12
IMPLEMENTATION MATRIX	13

LIST OF ABBREVIATIONS

ABT (s)	-	Appropriate Building and Technologies
GIS	-	Geographical Information System
GoK	-	Government of Kenya
HIV/AIDS	-	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
IEC	-	Information Education and Communication
IMR	-	Infant Mortality Rate
KDHS	-	Kenya Demographic and Health Survey
KENSUP	-	Kenya Slum Upgrading Programme
KISIP	-	Kenya Informal Settlement Improvement Programme
KNBS	-	Kenya National Bureau of Statistics
LAPSSET	-	Lamu Port, South Sudan and Ethiopia Transport
MLHUD	-	Ministry of Land, Housing and Urban Development
MMR	-	Maternal Mortality Ratio
MTP	-	Medium Term Plan
NCPD	-	National Council for Population and Development
NMR	-	Nairobi Metropolitan Region
PPP	-	Public Private Partnerships
TFR	-	Total Fertility Rate

1 INTRODUCTION

High population growth, rapid urbanisation, sky-rocketing cost of housing and their subsequent implications on socio-economic development are challenges the Government is committed to address. Population management is key to improving quality of life thereby reducing poverty levels. Kenya's population has been increasing rapidly at 3.0 per cent per year since 1999 reaching 38.6 million in 2009 from 28.7 million recorded in 1999.

Implementation of Population Policy has been important in the management of population growth rates. In line with Sessional Paper No. 10 of 1965 on African Socialism and its Application to Planning in Kenya, the Government launched the National Family Planning Programme in 1967. Sessional Paper No. 4 of 1984, on Population Policy Guidelines was developed to mainstream population issues in national development. Further, Sessional Paper No. 3 of 2012 on Population Policy for National Development was developed to fast track management of population growth to a level that can be sustained with the available resources.

Kenya's urban population increased from 19% in 1999 to 31% in 2009 and is projected to be 39% by 2017. This increase is likely to exert pressure on services in the urban areas and the environs resulting to constrained provision of critical facilities such as water, sanitation, security, infrastructure, housing and transportation. Housing is a means of promoting and mobilizing savings, expanding employment opportunities and economic activities which have multiplier effects in the economy. The importance of housing to quality of life, economic, social, cultural and personal significance cannot be overemphasised. Article 43 1(b) of the Constitution of Kenya 2010 emphasises the right of every person to accessible and adequate housing, and to reasonable standards of sanitation. The demand for housing in urban areas is estimated at 200,000 housing units against an estimated supply of 35,000 units per year. This has resulted in high incidences of poor housing and proliferation of slums and informal settlements.

This Sector Plan focuses on developing a policy framework for sustainable urban development. Finalisation and implementation of a National Urban Development Policy (NUDP) is therefore critical in guiding spatial allocation of resources as well as providing a framework for governance and management of urban areas.

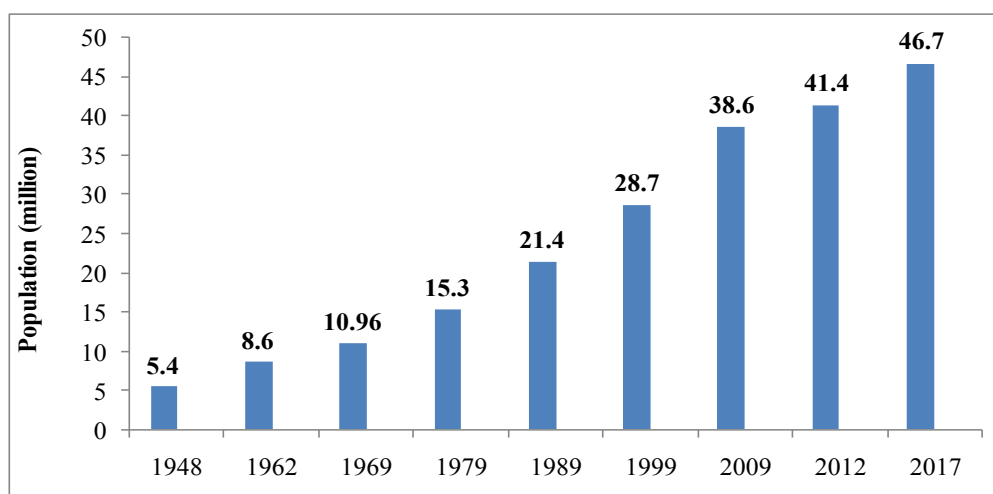
2 SITUATIONAL ANALYSIS

2.1 Population

2.1.1 Population Size and Growth

Kenya's population census of 1948 estimated population at 5.4 million. The 2009 Population census recorded an estimated population of 38.6 million. With an annual growth rate of 3.0%, population is projected to reach 46.7 million by 2017 (Figure 1 below).

Figure 1: Population Trends and Projections 1948-2017



Source: KNBS-2009 Population and Housing Census

2.1.2 Demographic Indicators

Population growth rate increased significantly from 2.5% in 1948 to 3.8% in 1979 and declined to 2.9% in 2008 as shown in Table 1. Given the economic growth rate of 4.4%, the current rapid population growth is expected to adversely affect utilization of resources and availability of social amenities to households.

Table1: Kenya Key Demographic Indicators

Period	1948	1962	1969	1979	1989	1999	2008	2012	2017
Total Fertility Rate	6.0	6.8	7.6	7.9	6.6	5.0	4.6	4.5	3.8
Crude Birth Rate (CBR)	50.0	50.0	50.0	52.0	48.0	41.3	37.7	35.7	34.7
Crude Death Rate (CDR)	25.0	20.0	17.0	14.0	11.0	11.7	9.1	12.3	11.0
Infant Mortality Rate (IMR)	184.0	NA	118.0	104.0	66.0	77.3	49.3	54.0	52.2
Annual Growth Rate	2.5	3.0	3.3	3.8	3.3	2.9	2.9	2.7	2.4
Life Expectancy	35.0	44.0	49.0	54.0	60.0	57.0	58.9	59.6	61.4

Source: Kenya National Bureau of Statistics

2.1.3 Fertility

Population change has been driven by fertility, mortality and migration. However, fertility remains a key driver of population growth more than any other demographic process. Kenya's fertility rate declined marginally from an estimated 7.9 and 5.4 children per woman in the 1970's and early 1990's respectively to 4.6 children per woman in the period 2009, although this rate is still considered high. It is expected to decline to 3.8 children per woman in 2017, which is far beyond the replacement level fertility of 2.1 children per woman implying that the Plan period 2013-2017 will still be characterized by rapid population growth.

Major causes of high fertility rate include child bearing among teenage girls with about 23 per cent of teenagers (ages 15 to 19 years) giving birth each year, and unmet need for family planning which has remained high at about 25% (KDHS 2008). Therefore, efforts to reduce the high fertility rate must focus more on eliminating barriers which prevent women and particularly teenage girls from utilizing family planning services.

2.1.4 Mortality

Kenya has experienced significant improvement in life expectancy since 1948. The expectation of life at birth increased from 35 years in 1948 to 49 years and 60 years in 1969 and 1989 respectively as a result of improvement in the provision of public health services. However, it declined to 57 years in 1999 mainly due to the emergence of HIV/AIDS pandemic. Life expectancy was estimated at 59.6 years in 2012 and is expected to improve to 61.4 years in 2017 mainly due to increased uptake of Antiretroviral (ARVs) drugs. Improvement in life expectancy is expected to result in an increase in the proportion of the aging population (60 years and above) which is about 5% of the total population.

In addition, although there have been significant reduction of infant and child mortality ratios in recent years, they still remain high at 52 and 74 deaths per 1,000 live births respectively in 2008. This can be attributed to inadequate provision of Maternal and Child Health (MCH) and low uptake of family planning services. On the other hand, maternal mortality rate has remained high at 488 deaths per 100,000 live births as recorded in the 2008 KDHS. This can be attributed to cultural practices such as Female Genital Mutilation (FGM), early marriages and low use of Maternal Health Care especially delivery services where majority of women (66%) deliver at home without any skilled attendance. Therefore, advocacy initiatives to create awareness will be implemented.

2.1.5 Migration

In 1999, rural population was 81% and urban population was 19%. While rural population dropped to 69%, urban population increased to 31% in 2009 mainly due to rural-urban migration. The rapid increase in urban population constrains existing resources in the urban areas. Consequently, major urban areas are faced with social and economic challenges such as inadequate housing, unemployment, high poverty levels and insecurity among others.

2.1.6 Population Structure

The proportion of population aged below 25 years is about 60% while those aged 18-35 years (as defined by the Youth Policy) was recorded at 30.4% in 2009. During the Plan period, the youthful nature of population is projected to remain as a consequence of the high fertility rates and the resulting population momentum.

2.2 Urbanization

Urban-based economic activities account for more than 85% of Gross National Product (GNP) in high

income countries and more than 70% in middle income countries indicating is a positive correlation between levels of urbanization and national economic development. Urbanization relieves pressure on available agricultural land by creating non-agricultural employment and business opportunities. For instance the Nairobi Metropolitan region contributes over 60% to the Gross Domestic Product (GDP), and the balance 40% from the other regions

Urbanization is closely linked to modernization, industrialization, and the sociological process of rationalization. It represents the level of urban development relative to overall population, or the rate at which the urban proportion is increasing thereby creating opportunities for employment and improved livelihoods. It drives economic and social development; provides centres for knowledge, wealth and culture; and serves as Generators of Economic Momentum and engines of growth.

Kenya continues to experience high rates of urbanisation and population growth in significant ways. Urban population increased from 5.4 million in 1999 to 12.2 million in 2009, and is projected to increase to 17.6 million in 2017. This will constitute urban population of 39% and an annual urban growth rate of 7.5%.

2.2.1 Spatial Distribution of Urbanisation

The current spatial distribution of urbanisation is skewed along the Coast and the East West direction (along Mombasa – Nairobi - Kampala transport corridor). Out of the 215¹ urban centres, 181 (84%) are concentrated in a third of the national space with the northern parts of the country having insignificant levels of urbanisation.

The focus of managing urbanisation is to maximise benefits and mitigate against negative impacts. In the context of accelerated economic growth and globalisation, urban areas need to be productive, competitive and bankable. Unplanned and poorly managed urbanisation results in uneconomic resource consumption (land, capital, energy, environment); economic, social, spatial inequalities; high disparities (income, housing, mobility, access to services); poor safety and security; and environmental degradation.

Urbanisation process in Kenya is regrettably preceding industrialisation and has been going on without an urban development policy. Consequently, spontaneous forms of urbanisation characterised by slums and the informal sector are on the increase as survival strategies, in response to poverty and desperation. Urban areas require policy-based planning for city extensions to check against the phenomenon of spontaneous development, create urban jobs and achieve social integration. This calls for fast-tracking finalization of the National Urban Development Policy.

2.3 Housing

Shelter is a basic human need and Article 43 1(b) of the Constitution of Kenya 2010 emphasises the right of every person to accessible and adequate housing, and to reasonable standards of sanitation.

However, housing sub-sector is characterized by inadequacy of affordable and decent housing; extensive and inappropriate dwelling units including slums and informal settlements. This is due to under-investment in low-cost housing, outdated legal and regulatory framework, uncoordinated policy implementation, low private sector participation, inequitable and skewed access and ownership to land in urban areas, slow absorption of modern housing technologies and inadequate financing to buyers and developers.

2.3.1 Housing Demand

Demand for new housing units in urban areas is estimated at 200,000 housing units annually against an estimated supply of 50,000 housing units. This shortfall is acute among low-income households whose demand is estimated at 48%. Low-income earners and other vulnerable groups tend to close this gap by living in slums and other informal settlements. The middle-income group is equally disadvantaged because

¹ ¹ The figure is likely to change with the implementation of the Urban Areas and Cities Act No.13 of 2011

of the high prices of middle income housing, resulting in the supply of affordable housing for this group remaining unattended.

2.3.2 Stock and Quality

According to the 2009 Population and Housing Census, dwelling units in rural areas were more than four times the units in urban areas. The physical state of housing stock in urban areas is better than in rural areas. It is further indicated that while 24% of dwelling units in urban areas had earth floor, in rural areas a significant 77% had earth floors. Further, over 80% of households in rural areas and less than 30% of urban households own their dwellings.

2.3.3 Legal Framework

The existing legal framework for housing is fragmented, outdated and restrictive, leading to the current housing deficit. These include; Environment and Management and Coordination Act, Physical Planning Act, Housing Act and the Building Code. This has also resulted in disaster unpreparedness and lack of a risk management framework for management of disasters related to housing.

2.3.4 Building materials and construction technologies

Most construction processes in Kenya use conventional brick and mortar application. Other construction technologies have not been widely applied due to high cost; inadequate knowledge on alternative technologies; viability and building regulations inhibitions. High cost of materials and technologies escalate property prices. Promotion of research and utilization of appropriate building materials and technologies as well as a building code that is responsive to the changing needs and technologies are essential to realising adequate and affordable housing.

2.3.5 Land for Housing

In most urban areas, suitable land for housing development is either vested in county governments or owned by private entities. Land in urban areas held by county governments is characterised by low and middle income housing units while private land is mostly located on suburbs where housing infrastructure services are lacking. This has led to slow development of housing in these areas due to the high cost infrastructure development/installation.

2.3.6 Finance for Housing

Access to finance is a major factor in housing development. Some of the organisations providing finance for housing include Housing Finance Company, Commercial Banks, Cooperatives and Micro-Finance institutions. However, most of these providers charge an average interest rate of 20% per annum for a maximum term of 20 years, which is costly particularly for accessing low-cost housing.

3 EMERGING ISSUES AND CHALLENGES

3.0 Overview

Implementation of the first Medium Term Plan (2008-2012) was influenced by issues that emerged either as lessons and/or challenges. These factors were considered in planning for the sector's second MTP. The Constitution of Kenya 2010 for instance outlines provisions that form critical emerging issues for the sector. Implementation of the Constitution therefore necessitates a review of population, urbanisation and housing legislations and policies.

Inadequate policy and legal framework to support implementation of reforms have led to uncoordinated investment in the sector and is a drawback to effective delivery of sector goals. Other challenges include inadequate resource allocation and low private sector participation especially in delivery of low-cost housing.

3.1 Population

Population increase from 11 million in 1969 to 38.6 million in 2009² at the current annual growth rate of 3.0% is very high. By 2017, population size is projected to be 46.7 million. While population issues pose opportunities for socio-economic development, there are challenges that may negatively impact on the country's development aspirations and may reverse gains previously. Some of the challenges include:

3.1.1 High Maternal and Childhood Mortality

The current status of Maternal and Child Health indicators poses formidable challenges for the realization of Millennium Development Goals (MDG) 4 and 5. Maternal Mortality Ratio (MMR) worsened from 414 deaths per 100,000 live births in 2003 to 488 deaths per 100,000 live births in 2008 with some regions reporting as high as 1,000 deaths per 100,000 live births. High MMR negatively affects poverty eradication efforts.

The Infant Mortality Ratio (IMR) improved to 52 deaths from 77 deaths per 1000 live births and the under-five Mortality Rate improving to 74 deaths from 115 deaths per 1000 live births in 2008/09 and 2003 respectively. The improved performance of these indicators are attributable to interventions such as integrated management of childhood diseases and introduction of pneumonia vaccines for children aged one year and below, promotion of exclusive breastfeeding and increase in facilities providing immunization services.

3.1.2 High Fertility

Persistently high poverty levels and weak social protection systems for the aged have hampered efforts to reduce high fertility rate. TFR recorded in 2008 is approximately 4.6 children, with rural women having a higher TFR of 5.2 compared to their urban counterparts at 2.9 children.

3.1.3 Rapid Population Growth

Population growth if not managed will continue to constrain the nation's ability to save and invest in economic development. In the second MTP period, effective implementation of Sessional Paper No. 3 of 2012 on Population Policy for National Development will be fast-tracked.

3.1.4 Population, Climate Change and Natural Resources

Population density increased from 19 to 66.4 persons per square kilometre in 1969 and 2009 respectively. The high population density continues to exert pressure on natural resources causing environmental

² *These estimates are derived from the various issues of the National Population and Housing Census (Kenya).*

degradation. This will aggravate effects of climate change and thereby disadvantaging the country in ensuring environmental sustainability.

3.1.5 High Dependence Burden

Kenya's population structure depicts a high dependence burden proportion currently estimated at 81%. The implication is that individual households and national resources will be devoted to dependants at the expense of improving standards of living and the national development at large. The economy has therefore to grow at the envisaged 10% and the social protection framework for the aged implemented.

3.2 Urbanization

The role of urbanisation in Kenya's development process cannot be overstated. This importance is entrenched in the Constitution of Kenya 2010 and the Vision 2030. Articles 176 and 184 of the Constitution provide for county governance, classification and management of cities and urban areas taking into account public participation. Vision 2030 on the other hand provides for the effective planning and management of Nairobi and five other metropolitan regions.

Specific emerging issues and challenges include:

3.2.1 Policy and Legal Framework

The Urban Areas and Cities Act, 2011 makes it mandatory for managers of urban areas to allocate public resources on an approved plan of the area or region. In order to achieve competitive and sustainable urban development, finalization of National Urban Development Policy needs to be fast-tracked. Development and management of metropolitan regions call for enactment of the pending Metropolitan Areas Bill to promote and facilitate integrated planning and development for efficient delivery of services.

3.2.2 Managing urban growth

Sustainable development of urban areas has been inhibited by poor planning, rapid growth of human settlements and activities, unmitigated urban sprawl and inadequate provision of infrastructure. Therefore, if not properly managed, urbanisation could bring about social and economic challenges, including increased congestion, unemployment, environmental degradation, high crime rates, poor infrastructure services and proliferation of informal settlements with extremely poor living standards.

Preparation and implementation of land use plans at national and county levels is a prerequisite for sustainable urban development. Therefore, a review and harmonisation of existing land use planning laws and development of National Land Use Policy will be undertaken during the Plan period.

Other challenges in urbanisation include inadequate coordination among implementing agencies; stringent timelines; inadequate technical staffing levels; inadequate financial resources; outdated and inadequate planning data.

3.3 Housing

The sub-sector is characterised by inadequacy of affordable and decent housing for low and middle income groups and existence of slums and informal settlements that lack essential services. This is due to under-investment in low-cost housing by public and private sectors, unfavourable legal and policy frameworks for housing development and high cost of building materials. Specific emerging issues and challenges in the sub-sector include:

3.3.1 Policy and Legal Framework

Effective implementation of the National Housing Policy has been constrained by lack of a supportive legislative framework since its formulation in 2004. The Housing Bill of 2006 was envisaged to provide the requisite legal framework for the policy. However, the Bill has been reviewed and aligned to the Constitution of Kenya 2010. Fast-tracking finalisation and enactment of the Housing Bill 2012, Built Environment Bill 2012 and Landlord Tenant and Bill 2007 will be undertaken during the Plan period.

Further the existing land tenure, administrative and policy issues hamper housing provision, particularly for the low-income group. Implementation of land reforms would address this challenge to spur private-led development of low cost housing.

3.3.2 Access to housing finance

High cost of finance for housing constrains housing delivery. Financial institutions and private sector developers have not adequately served the middle and low income groups and are hesitant to invest in low-cost housing. This is exacerbated by low implementation of housing incentives and market reengineering initiatives approved by government in 2008.

3.3.3 Public Private Partnerships

Public Private Partnerships could be instrumental in bridging the financing gap in housing development. However, investment based on PPPs has not been successful due to lack of a legal framework. This has led to lack of synergy between technical and organizational expertise of the private sector and the regulatory functions of the public sector. Therefore, implementation of framework(s) that promote interests of private sector developers will unlock delivery of housing for low and middle income groups.

3.3.4 Housing Infrastructure Development

Infrastructural facilities such as access roads, water lines, sewer lines and electricity is a major factor in housing, accounting for about 30% of housing construction costs. Inadequate supply of serviced land is a challenge to opening up new areas for housing development. The sector will therefore develop an infrastructure development framework to spur supply of serviced land to facilitate sustainable housing development.

3.3.5 Environmental Sustainability

The rising demand for housing exerts pressure on the environment in regard to building materials, water and energy use, and waste and pollution management. Use of green building concepts to enhance resource efficiency including optimal use of natural ventilation and renewable energy and water resources will require a deliberate choice of design, construction materials and technologies.

4 PROGRAMMES AND PROJECTS 2013-2017

This chapter outlines programmes and projects for implementation during the Plan period and includes projects proposed during second Medium Term Plan county consultation forums. The chapter also highlights risks likely to occur during implementation of programmes and projects, and the measures to mitigate against impacts of the risks.

4.1 Flagship Programmes and Projects

4.1.1 Population

During the Second MTP period the national priority for population will be the implementation of the Sessional Paper No. 3 of 2012 on Population Policy for National Development. This will be undertaken through:

- i. **Advocacy** – National Council for Population and Development (NCPD) will continue carrying out advocacy on population issues aimed at sensitizing politicians, opinion leaders and the private sector at national and county levels.
- ii. **Public Awareness and Behaviour Change Communication** - Public awareness programmes geared towards raising knowledge and behavioural change to adopt small family norm; high uptake of family planning, maternal and child health services will be undertaken. Similarly, efforts will be made to integrate population issues in environmental planning and management.
- iii. **Institutional Capacity Development** - Capacity will be developed for institutions to collect, analyze and package high quality population data for development planning at national and county levels.
- iv. **Population Policy Analysis and Research** - Quality population data and information will be generated and provided through research and policy analysis. Information generated on population issues will form a basis for effective and evidence-based decision making.
- v. **Partnerships on Population and Development** - NCPD will strengthen partnerships and coalitions to mobilize support for population programmes and projects at national and county levels.

4.1.2 Urbanisation

Flagship projects to be implemented are;

- i. Preparation and implementation of strategic development and investment plans in six metropolitan regions (Nairobi, Mombasa, Kisumu-Kakamega; Nakuru-Eldoret, Wajir-Garissa-Mandera, Kitui-Mwingi-Meru) and their respective Spatial Plans.
- ii. Preparation of Strategic Integrated Physical Development Plans for five urban centres along the Lamu Port, Southern Sudan and Ethiopia Transport (LAPSSET) Corridor and operationalization of outstanding metropolitan regions of Mombasa, Kisumu-Kakamega, Kitui-Mwingi-Meru, Wajir-Garissa-Mandera and NakuruEldoret.
- iii. Formulation and implementation of planning standards and guidelines.
- iv. Review and formulation of National Urban Development Policy.
- v. Implementation of Urban Areas and Cities Act of 2011.
- vi. Preparation of Integrated Development Plans for designated urban areas as defined in the Urban Areas and Cities Act 2011.

- vii. Finalisation and implementation of Metropolitan Policy and Markets Development Policy,
- viii. Implementation of 24 hour economy initiative.
- ix. Development and implementation of a Metropolitan Branding and Promotion, Metropolitan Safety and Emergency, Metropolitan Social Infrastructure and Quality of Life, Metropolitan Planning and Environment Management.
- x. Technical assistance and support to County Governments in planning, urbanisation and infrastructure development.
- xi. Completion, review and harmonisation of legal and institutional framework governing urbanisation.

4.1.3 Housing

During this Plan period, the following flagship projects will be implemented;

- i. Facilitation in production of 200,000 housing units annually through various initiatives:** Demand for housing units for lower and middle income segment surpasses its supply and thus various initiatives that have been put in place include: urban redevelopment and renewal, installation of infrastructural facilities in residential areas to open land for housing development and provision of housing incentives.
- ii. Development of appropriate building materials and technologies:** Building materials account for approximately 60% of the total building costs. Promotion of Appropriate Building Technologies (ABTs) will lower construction cost, improve quality of housing, enhance speed of delivery and achieve environmentally friendly constructions.
- iii. Installation of physical and social infrastructure in slums and informal settlements in selected urban areas:** The objective of this programme is to improve livelihoods of people living and working in slums and informal settlements in urban areas. The infrastructure component of the programme involves installation of social and physical infrastructure within slums.
- iv. Implementation of Kenya Informal Settlement Improvement Programme (KISIP)³:** The programme will undertake tenure regularization and installation of social and physical infrastructure in informal settlements in the following towns; Nairobi, Mombasa, Kisumu, Nakuru, Eldoret, Malindi, Naivasha, Kitui, Machakos, Thika, Nyeri, Garissa, Kericho, Kakamega, Embu.
- v. Development and implementation of Housing Finance initiatives:** The strategic goal is to increase accessibility to finance for low income households through; establishment of a Housing Fund; establishment of Housing Re-development and Maintenance Fund;.
- vi. Establishment of national housing database and a monitoring and evaluation framework:** The housing statistics currently applied have been overtaken by events given the huge dynamics that characterize the sector. Therefore there is a need to develop a framework on evaluation of housing development, collection of data geared towards providing statistics for evidence-based policy formulation and guidance to real estate investment.

³ *KISIP has four core areas: strengthening institutions and program management, enhancing tenure security, investing in infrastructure and service delivery, and planning for urban growth.*

4.1.4 Programmes and Projects to mainstream Youth, Women and Persons with Disabilities in the Sector:

- i. Youth involvement in environmental planning and Management programmes/initiatives.
- ii. Capacity building for the youth including transfer of skills to youth through apprenticeship programmes.
- iii. Progressively involvement of youth in internship programmes.
- iv. Progressively increase the values of government procurement/tenders allocated to youth, women and Persons with Disabilities.
- v. Preparation of specifications to facilitate procurement of locally manufactured products for public use.

4.2 Risks and mitigation measures

The sector will continuously assess and mitigate against the following identified risks and any other that may occur in the process of implementing the plan.

Table 2: Risk Management Matrix

Risk	Risk level	Risk mitigation measure
Population		
Shifting in priorities at the national and global levels	High	High level effort and sustained advocacy to keep population issues relevant
Conflicting messages on population and development issues	High	Continuous lobbying and dissemination of evidence-based information
Urbanisation		
Low capacity of county government to implement the investment projects in accordance with the donors' guidelines and procedures.	High	National Government to support the county government to implement on-going projects and programmes.
Land use, ownership and management conflicts	High	National Land Commission to develop alternative dispute resolution mechanism
Housing		
Institutional changes due to implementation of the Constitution may delay implementation KISIP	High	KISIP to be managed by the National government in the 15 selected urban areas
Acceptability of the Real Estates Investment Trust Market	Low	Lobby for acceptability

5 POLICY, LEGAL AND INSTITUTIONAL REFORMS

Successful implementation of the planned programmes and projects requires that the requisite policy, legal and institutional reforms are put in place.

5.1 Population

Sessional Paper No. 3 of 2012 on Population Policy for National Development is premised on international and regional conventions, agreements and declarations of which Kenya is a signatory. Reforms will be geared towards ensuring effective implementation of this Policy.

5.2 Urbanization

The following reforms will provide the necessary framework:

- Review and harmonisation of legal and institutional framework governing urbanization.
- Formulation and implementation of Urban Development Policy.
- Finalization of Metropolitan Areas Policy and Bill.

5.3 Housing

Targeted reforms to enhance access to adequate and affordable housing include:

- Development of supportive legislation and implementation of the National Housing Policy formulated in 2004;
- Enactment of Landlord and Tenant Bill 2007 and Built Environment Bill 2012;
- Enactment of Housing Bill of 2012
- Formulation of the following Policies:
- National Housing;
- Maintenance;
- National Slum Prevention and Upgrading;
- National Housing Infrastructure Framework;
- Leasing and Accommodation; and
- Development of Housing Infrastructure Framework.

IMPLEMENTATION MATRIX

Population

Goals	To attain high quality life by matching population growth to national resources for Kenyan people.										
	<ul style="list-style-type: none"> To improve knowledge and information base on population issues (fertility, mortality and migration) To provide quality data and information products on population issues. To enhance capacity for coordination, planning and Management of population issues. 										
Strategic Objectives 2013– 2017	Objectives	Expected Outcomes	Performance Indicators	Lead Implementing Agency	Time Frame	Source of Funds	Budget (in Kshs million)				
Programmes/ Projects							2013/14	2014/15	2015/16	2016/17	2017/18
Implementation of the Population Policy for National Development.	To enhance capacity for coordination, planning and management of population issues	Improved policy environment and implementation on population issues	<p>Increased contraceptive prevalence rate from 46% to 50%</p> <p>Reduced total fertility rate from 4.6% to 4.2%</p> <p>No. of policy briefs published and disseminated</p> <p>No. of advocacy/IEC materials developed and disseminated</p> <p>No. of survey reports published</p>	NCPD	2013-2017	GOK, Development Partners	2,854	2,854	2,854	2,854	3,854

Urbanization

Goals		To facilitate sustainable urbanization process through an Integrated Urban and Regional Planning Management Framework									
Strategic Objectives		<ul style="list-style-type: none"> Provide well configured land use that optimizes social needs and minimizes adverse effects of built environment and nature. Enhance infrastructure, connectivity and accessibility, safety and security that facilitate investment in 6 metropolitan Regions. Prepare detailed plans for six new towns and transit corridors of NMR and 5 urban centres in the LAPSETT corridor. 									
Programmes/ Projects	Objectives	Expected Outcomes	Performance Indicators	Lead Implementing Agency	Time Frame	Source of Funds	Budget (in Kshs million)				
							2013/14	2014/15	2015/16	2016/17	2017/18
Preparation and Implementation of Strategic Development and Investment Plans in 6 metropolitan regions	To harness resource potential and achieve faster economic development	Competitive Metropolitan regions	No. of Regional Plans implemented	MLHUD, County Governments	2013-2017	GoK, Donor, PPP	100	100	100	100	100
Strategic Integrated Development Plans of Urban Centres along LAPSETT Corridor	To prepare and implement Strategic Integrated Development Plans for 5 urban centres along the LAPSETT Corridor	Well planned Urban Centres for increased development along the LAPSETT Corridor	No. of towns with approved Strategic Integrated Development Plans.	MLHUD	2013-2017	GoK, PPP	100	200	100	100	100
Review and formulation of National Urban Development Policy, Metropolitan Policy and Markets Development Policy	To create a framework for sustainable urban development	Well planned urban areas	Policies in place	MLHUD, County Governments	2013-2017	GoK, PPP, Sida	200	250	200	150	110
Implementation of Urban Areas and Cities Act of 2011	To develop guidelines to operationalize the Act	Well managed urban areas	Urban Areas and Cities Act operationalized	MLHUD, County Governments	2013-2017	GoK, PPP	2000	2000	2000	2000	2000

To facilitate sustainable urbanization process through an Integrated Urban and Regional Planning Management Framework											
Goals	To facilitate sustainable urbanization process through an Integrated Urban and Regional Planning Management Framework										
Strategic Objectives	<ul style="list-style-type: none"> Provide well configured land use that optimizes social needs and minimizes adverse effects of built environment and nature. Enhance infrastructure, connectivity and accessibility, safety and security that facilitate investment in 6 metropolitan Regions. Prepare detailed plans for six new towns and transit corridors of NMR and 5 urban centres in the LAPSET corridor. 										
Programmes/Projects	Objectives	Expected Outcomes	Performance Indicators	Lead Implementing Agency	Time Frame	Source of Funds	Budget (in Kshs million)				
							2013/14	2014/15	2015/16	2016/17	2017/18
Preparation of Integrated Development Plans for designated urban areas	To develop a framework for integrated planning	Sustainable development of designated urban areas	Urban areas with Integrated plans	MLHUD, County Governments	2013-2017	GoK, PPP	1000	1000	1000	1000	1000
Implementation of the twenty four (24) hour economy initiative	Ensuring a safe and secure metropolitan region	Improved environment for business and investment Reduction of crime within the NMR	No. of CCTV cameras installed % of the areas installed with security surveillance systems. No. of Equipped response units No. of firefighting stations constructed	MLHUD	2013-2017	GoK, PPP	135	1,817	1,680	1,826	1,800
Technical Assistance and Support to County Governments in Planning, Urbanization and Infrastructure Development	To enhance efficiency of service delivery	Ease of access to Standards and norms manuals	Standard Manuals	MLHUD	2013- 2017	GOK, PPP,	2000	2000	2000	2000	

Goals	To facilitate sustainable urbanization process through an Integrated Urban and Regional Planning Management Framework										
	Strategic Objectives	Programmes/ Projects	Objectives	Expected Outcomes	Performance Indicators	Lead Implementing Agency	Time Frame	Source of Funds	Budget (in Kshs million)		
2013/14									2014/15	2015/16	2016/17
	<ul style="list-style-type: none"> Provide well configured land use that optimizes social needs and minimizes adverse effects of built environment and nature. Enhance infrastructure, connectivity and accessibility, safety and security that facilitate investment in 6 metropolitan Regions. Prepare detailed plans for six new towns and transit corridors of NMR and 5 urban centres in the LAPSET corridor. 										
Geographical Information System (GIS) for Cities and Towns	Develop a GIS for Cities and Towns for Land Management, planning and development control	Improved land management Eased updating of maps	No. of counties that have adopted GIS in land management systems	MLHUD	2013-2017	GoK	500	500	500	500	500
Disaster Management	Support disaster management in cities and urban areas	Disaster preparedness set up in urban centres and cities	% reduction in disasters	MLHUD	2013-2017	GoK	5000	5000	500	500	500
Solid and liquid waste management	Support for Solid and liquid waste management in cities and urban areas	Proper solid waste management	No. of counties with proper solid management	MLHUD	2013-2017	GoK	1000	1000	1000	1000	1000
Review and harmonization of the existing legal and institutional framework governing urbanization	To review and harmonize the existing legal and institutional framework governing urbanization	Improved governance framework to manage urbanization	No. of urban areas with harmonised By-Laws across the Metropolitan region	MLHUD	2013-2017	GoK, PPP,	178	267	356	267	-
Nairobi metropolitan region bus rapid transit / system	To establish a master commuter service in the NMR	Improved transport system within Nairobi metropolitan.	An operational bus rapid transit system	MLHUD	2013-2017	GoK, PPP	1,105	9,567	10,509	11,170	11,000

Housing Development

Increase urban housing production to 200,000 housing units and improve 300,000 rural housing units annually.											
Strategic Objectives 2013-2017											
Improve the livelihoods of 1,000,000 slum dwellers under the KENSUP and KISIP; Produce 55,000 units under employer incentives programme, 100,000 under urban renewal development programme and improvement of 1.5 million rural houses.											
Programmes /Projects	Objectives	Expected Outcomes	Performance Indicators	Lead Implementing Agency	Time Frame	Source of Funds	Budget (in Kshs million)			2017/18	
							2013/14	2014/15	2015/16		2016/17
Physical and social infrastructure development in slums and informal settlement	To improve the lives of at least 1 million people living and working in slums and informal settlements	Improved living conditions	No. of Social and Physical infrastructure installed No. of households accessing physical and social services	MLHUD	2013-2017	GoK	10,000	20,000	10,000	6,000	6,075
Implementation of Kenya Informal Settlement Improvement Programme	To improve living conditions in selected informal settlements in 15 urban areas	Improved living conditions	No. of informal settlements with secure land tenure and improved infrastructure	MLHUD, County Governments	2013-2017	GoK, World Bank, AFD, Sida	2640	2640	2640	2640	-
Facilitation of production of 200,000 housing units annually through various initiatives	To increase housing stock	Increased access to housing development	No. of houses developed No. of urban areas opened up for housing development No. of housing incentives	MLHUD	2013-2017	GoK, PPP	350	400	400	400	400

Goals	Increase urban housing production to 200,000 housing units and improve 300,000 rural housing units annually.										
	Strategic Objectives 2013-2017	Objectives	Expected Outcomes	Performance Indicators	Lead Implementing Agency	Time Frame	Source of Funds	Budget (in Kshs million)			
Programmes /Projects							2013/14	2014/15	2015/16	2016/17	2017/18
Development of Appropriate Building Materials and Technologies	To reduce housing construction costs	Increased investment in housing	No. of ABT centres operationalized No. of community groups trained on ABTS. No. of housing technologies adopted No. of housing units developed	MLHUD, County Governments	2013-2017	GoK, PPP	4000	4400	4800	5300	5800
Monitoring and Evaluation framework and Housing Database	To provide data for evidence-based decision making	Evidence-based planning	Monitoring and Evaluation Framework in place	MLHUD, KNBS	2013-2017	GoK	25	25	25	30	30
Development and Implementation of Housing Finance initiatives	To enhance access to finance for low cost housing To increase social housing	Increased access to low cost housing Increased social housing	Operational National Housing Fund National Re-development and Maintenance Fund operational No. of social housing units developed	MLHUD	2013-2017	GoK	100	100	100	100	100
Housing Reforms	To fast-track implementation of policy and legislative framework	An enabling legislative framework for housing development	Housing Act Revised Housing Policy	MLHUD	2013-2017	GoK, PPP	500	500	500	1,500	1,500
						GoK	100	150	50	-	-

Goals	Increase urban housing production to 200,000 housing units and improve 300,000 rural housing units annually.												
	Strategic Objectives 2013-2017	Programmes /Projects	Objectives	Expected Outcomes	Performance Indicators	Lead Implementing Agency	Time Frame	Source of Funds	Budget (in Kshs million)				
									2013/14	2014/15	2015/16	2016/17	2017/18
			To provide a comprehensive law relating to Building and Maintenance of buildings	An enabling legislative framework for housing development	Built Environment Act and Maintenance Policy	MLHUD	2013-2017	GOK	15	98	92	-	-
			Formulate the National Slum Upgrading and Prevention Policy	An enabling legislative framework management of slums and informal settlements	Policy formulated	MLHUD	2013-17	GOK	25	20	15	15	15
			To formulate guidelines for housing infrastructure framework	Housing Infrastructure development	Housing Infrastructure Development framework	MLHUD	2013-2017	GOK	25	20	10	10	-
			To formulate National Leasing and Accommodation Policy	Coordinated management of leasing of office and accommodation space	National Leasing and Accommodation Policy	MLHUD	2013-2017	GOK	25	20	15	15	15

