

KENYA ACCOUNTABLE DEVOLUTION PROGRAM

ANNUAL REPORT

2018



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KENYA ACCOUNTABLE DEVOLUTION PROGRAM (KADP)

ANNUAL REPORT

2018



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ABBREVIATIONS

ACPA	Annual Capacity and Performance Assessment	KSG	Kenya School of Government
AHADI	Agile and Harmonized Assistance to Devolved Institutions	M&E	Monitoring and Evaluation
ASALs	Arid and Semi-Arid Lands	MDTF	Multi-Donor Trust Fund
C-APR	County-Annual Progress Report	MoDA	Ministry of Devolution and Arid and Semi-Arid Lands
CDS	Country Delivery System	MoH	Ministry of Health
CEA	Country Environmental Assessment	MoU	Memorandum of Understanding
CIDP	County Integrated Development Plan	MTP	Medium-Term Plan
CIMES	County Integrated Monitoring and Evaluation System	MTR	Mid-Term Review
CoB	Controller of Budget	NCBF	National Capacity Building Framework
CoG	Council of Governors	NEDI	North and North Eastern Development Initiative
CPER	Comprehensive Public Expenditure Review	NEMA	National Environmental Management Authority
CRA	Commission on Revenue Allocation	NT	National Treasury
CSO	Civil Society Organization	OAG	Office of the Auditor General
CVPT	Crime and Violence Prevention Training	OCOB	Office of the Controller of Budget
DANIDA	Danish International Development Agency	O&M	Operation & Maintenance
DFID	Department for International Development	PB	Participatory Budgeting
DSWG	Devolution Sector Working Group	PEFA	Public Expenditure and Financial Accountability
EU	European Union	PFM	Public Financial Management
FCDC	Frontier County Development Council	PFMR	Public Financial Management Reform
GCP	Gross County Product	PP	Public Participation
GDP	Gross Domestic Product	PPP	Public Private Partnership
GoK	Government of Kenya	PSC	Public Service Commission
GRM	Grievance Redress Mechanisms	SRC	Salaries and Remuneration Commission
HR	Human Resources	TA	Technical Assistance
ICT	Information and Communication Technology	ToT	Training of Trainers
IFMIS	Integrated Finance Management Information System	UN	United Nations
KADP	Kenya Accountable Devolution Program	UNDP	United Nations Development Program
KDSP	Kenya Devolution Support Program	USAID	United States Agency for International Development
KIPPRA	Kenya Institute of Public Policy Research and Analysis	WB	World Bank
KNBS	Kenya National Bureau of Statistics		



The capacity building, analytical and technical assistance provided by development partners have contributed to the gradual streamlining of devolved functions and resources for enhanced revenue generation and service delivery.

1. INTRODUCTION

The Kenya Accountable Devolution Program (KADP) works with government of Kenya at both county and national levels to address key capacity gaps to make devolution respond to citizens' needs through strengthened institutions, improved service delivery and citizen engagement. It is a World Bank-managed multi-donor Trust Fund with funding from the governments of Denmark, European Union Finland, Sweden, United Kingdom and United States. The program provides high quality, timely analytical and technical support, and pilots innovative approaches. By solving national and county level problems impacting on service and infrastructure delivery, KADP is uniquely positioned to leverage broader devolution programs.

Within the World Bank, the program specifically operates alongside the complementary Kenya Devolution Support Program (KDSP), whose objective is to strengthen capacity of core national and county institutions. KADP also supports other sectoral programs. It comprises of six components, each drawing from thematic expertise within the World Bank Group. The capacity building initiatives of both KADP and KDSP are coming of age and are demand-driven. These range from facilitating public financial management reform to supporting the implementation of public participation initiatives. Supporting the development of a revised revenue allocation formula aligned with urban priorities to leading the mainstreaming of gender and climate resilience dimensions in key sectors.

On leveraging the World Bank Portfolio, a major achievement was the coming together of KADP and two big WB operations – Kenya Devolution Support Program (KDSP) and Governance for Enabling Service Delivery and Public Investment in Kenya Program (GESDeK) for the first implementation support mission which took place in September 2018. The mission objective was to support and influence the new Public Financial Management Reform (PFMR) strategy. Early results of this include the adoption of a

new audit methodology that has seen the Office of the Auditor-General (OAG) cut down the audit backlog by six months for the 2017/18 audits. KADP's work on Grievance Redress Mechanisms, conflict mitigation and social risk management is informing similar initiatives in other Bank programs: KDSP, North and North-Eastern Development Initiative (NEDI) and the Kenya Urban Support Program (KUSP). World Bank teams, particularly those working on devolved sectors rely on the KADP's deep relationships and knowledge to improve their engagement and dialogue with counties and relevant national government agencies. This has contributed immensely to helping sector teams to overcome hurdles and moving program activities faster.

Kenya's devolution became effective in 2013 with the election of the first county governments and is now in the second cycle. There are numerous bright spots, successes and good practices across the 47 counties. For instance, Bomet County rolled out a performance management system to achieve cost savings and improved water delivery for households, while Makueni County continues to lead in budgetary allocations for citizen-led development projects and Kiambu County is implementing an award-winning solid waste management system. At the same time some challenges remain in the delivery of services to Kenyans. The capacity building, analytical and technical assistance provided by development partners have contributed to the gradual streamlining of devolved functions and resources for enhanced revenue generation and service delivery. KADP will continue working with Kenyan institutions and development partners to build on these successes and address challenges to contribute to the improved delivery of devolved services for all Kenyans.

KADP will continue working with Kenyan institutions and development partners to build on these successes and address challenges to ensure the improved delivery of devolved services for all Kenyans

This is the fourth annual report of KADP Phase II covering activities from January 2018 to March 2019. The report highlights achievements in the period under review, such as KADP's support for the County Public Expenditure Review, (CPER); development of a new Public Financial Management Reform (PFMR) Strategy and analysis of the public sector wage bill to inform harmonization. Also highlighted is building capacity of the Commission on Revenue Allocation (CRA) on intergovernmental transfer frameworks and development of the second-generation marginalization policy and index for Kenya.

To deepen understanding on what devolution means for persons living with disabilities, KADP launched the Public Participation Guidelines in braille. KADP with other devolution support programs facilitated an eye-opening governors' peer learning tour to Makueni County on citizen-led development. The work on conflict and violence prevention and training is gaining momentum with early results confirming that county residents are adapting the training content to design approaches for sustainably mitigating the same.

County-led knowledge sharing as spearheaded by the Maarifa Centre has taken off, and the Centre won an international innovation award in Indonesia. As KADP II draws to an end, the design of the next phase has started; including a multisectoral stakeholder consultation on priorities going forward. KADP is also supporting a multiagency series of sectoral and cross-cutting studies to understand how devolution has affected service delivery.

The annual report starts with an overview of KADP's vision, objectives and contribution towards broader outcomes. The overview is followed by detailed descriptions of key achievements and results in each of the six KADP components. The report ends with a forward-looking section, which also discusses some of the potential risks and challenges. Results stories — highlighting key achievements and innovations — are spread throughout the report. Financial details, as well as a detailed results framework are provided as annexes.

2. OVERVIEW

2.1 CONTEXT: DEVOLUTION IN KENYA

Kenya's devolution is now in its second generation of county governments. Support for devolution remains high. However, there is significant national debate on how to manage and optimize the cost of devolution; the design of the third-generation county revenue allocation formula; how to improve funds flow to counties and the management of those funds. Beyond transfers from national government, counties need to improve on their own collection of revenues. A County Own Source Revenue (OSR) Potential and Tax Gap study showed that the initial expansion of revenues that continued after devolution, now appears to be slowing down or even reversing. OSR contributes only up to 12-13% of the total financing of county governments, with increasing dependency on transfers from the national government. This has raised concerns that own-source revenues are not commensurate with the scale, growth and nature of the expanding economic activity at the county level and with the expanding value of the tax/fee base. There is greater momentum towards regional blocs bringing together counties in the same geographic regions as a way to pool resources and strategies for growth and development. Blocs such as the Lake Region Counties, and the Frontier Counties are charting a unified path to socio-economic development in their respective regions. The Lake Region Counties are implementing a socio-economic blueprint while the Frontier Counties, through the Frontier Counties Development Council (FCDC) will be launching theirs in the first half of 2019.

Analysis of the public expenditure since 2013 shows that devolved sector spending in Health, Agriculture, Energy and Infrastructure grew at a fast rate. Kenya's wage bill is considerably high and is potentially crowding out other important socio-economic and developmental expenditure, with the wage bill to revenue ratio consistently exceeding 50% which is higher than the 35% threshold required by the

Public Financial Management (PFM) Act 2012. An empowered Intergovernmental Relations Committee is spearheading improved relations among the senate, county and national governments, and is coordinating the transfer of assets and liabilities from national to county governments in line with the Public Procurement and Asset Disposal Act 2015. Counties were supported in developing and updating asset and liability registers. Peer to peer learning is emerging as a key means of lesson-sharing and benchmarking on what works in devolution, with Kenyan counties learning from each other, and other countries in Africa seeking to learn from Kenya's experience. For instance, Makueni's County Executive Member for Finance shared their lessons in implementing the outcomes of a Public Expenditure and Financial Accountability (PEFA) assessment at a pan-African forum. Counties are also embracing the evidence-based approach to policy formulation in areas such as climate resilience and disaster risk management.

2.2 KADP'S VISION AND OBJECTIVES

KADP's vision is to work with the government at both national and local levels to support devolved systems by identifying and addressing key capacity gaps to make devolution respond to citizens' needs through strengthened institutions, improved service delivery, and citizen engagement. The program seeks to fulfil this vision by providing high quality and timely advisory services, analytical work and capacity development, and by utilizing international experience for long term solutions.

The basic theory of change underlying KADP is that building robust and resilient systems and capacity at county level, including systems that foster inclusion, equity, and efficiency, will lead to better services for citizens, increased social cohesion, and improved conditions for economic development and poverty alleviation.

OBJECTIVES:

KADP's specific objectives are to improve knowledge and capacity of national and county level stakeholders to implement a successful devolution process, and to help build the accountability relationship between the new county governments and Kenyan citizens for improved efficiency and development results.

The program is organized around six key areas of engagement and with four cross-cutting themes. The components and cross-cutting themes are based on consultations with national and county governments as well as development partners. The program also mirrors the key results areas captured in the National Capacity Building Framework (NCBF).

The four cross-cutting themes were introduced in 2015 as part of the program scale-up. The cross-cutting themes specifically respond to the need to build in support to counties to mitigate against the risks associated with climate change by supporting resilience; manage risks of conflict and violence in

marginalized counties through training on conflict and violence prevention approaches; and to ensure that the benefits of devolution accrue equitably to all including women and young girls. Encouraging progress has been realized in the implementation of some of the key identified areas.

LINKING KADP TO HIGHER ORDER IMPACTS

KADP's results framework focuses on improved county performance and strengthening of core devolved governance systems. KADP activities are designed to contribute to higher order objectives around reduced poverty and shared prosperity for Kenyans.

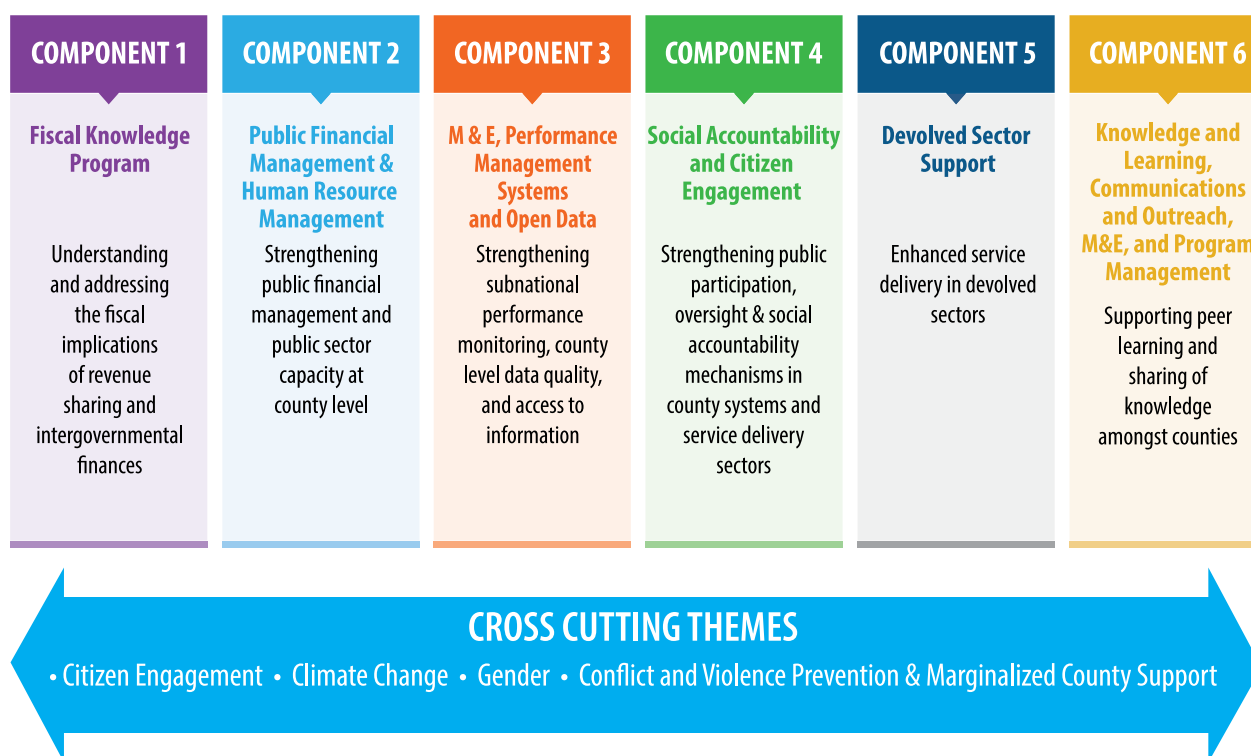
FIGURE 1: KADP COMPONENTS AND FOUR CROSS-CUTTING THEMES

TABLE 1: KADP OUTCOMES



PROGRESS TOWARDS KADP IMPACT STATEMENT: IMPROVED CAPACITY OF CORE COUNTY GOVERNANCE SYSTEMS

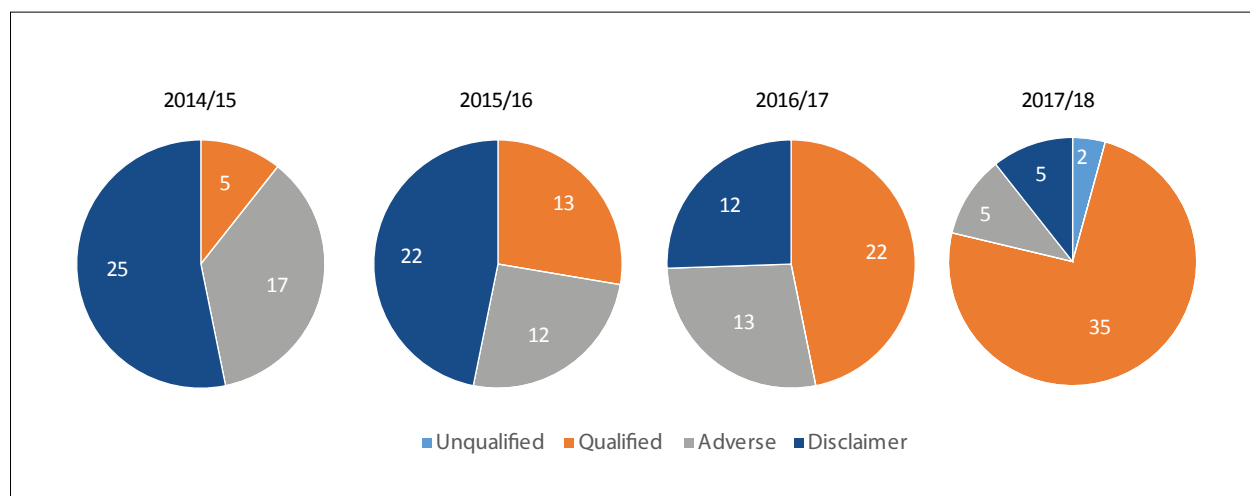
In April 2018, KADP revised its Results Framework in line with the findings of the 2017 Mid-Term Review (MTR). In the inaugural Annual Capacity and Performance Assessment (ACPA) published in 2018, the average county score was 41.8%. The number of counties with functional public participation systems and processes improved in 2018, with a corresponding ACPA score of 2 (out of a possible 3). In the ACPA, counties did not perform well on the production of County Annual Progress Reports (C-APR) the average score was 1.5 out of 5. More than half (59%) of the counties did not produce C-APRs; while only 6 out of the 47 counties got the top score of 5. This now provides a baseline to track annual progress going forward. There was significant variation in the county scores, for instance the overall county scores ranged from 63% to 18% — this is a

stark reminder that not all counties have similar needs and consequently capacity building efforts should be tailored to individual counties.

PROGRESS TOWARDS KADP OUTCOME STATEMENT: IMPROVED COUNTY PERFORMANCE

- On county audit reports, there was a marked improvement with counties moving up the scale of audit opinions
- Counties with qualified opinions grew from 13 in FY 15/16 to 22 in FY 16/17 and 35 in FY 17/18
- For the first time, two counties - Nyandarua and Makueni - got unqualified opinions. KADP has worked closely with Makueni
- There was a reduction in in the bottom category (disclaimed audits) from 22 in FY 16/17, and 5 in FY 17/18

FIGURE 2: COUNTY AUDIT OPINION RESULTS (2013-18)



3. KEY ACHIEVEMENTS AND RESULTS

This chapter summarizes key highlights in each of the six KADP components. Details on each of the components, outputs and results indicators are provided in Annex 3.



COMPONENT 1: FISCAL KNOWLEDGE PROGRAM

OBJECTIVE

This component aims to support areas that are critical to understanding and addressing the fiscal changes that accompany devolution:

- Regular monitoring of the fiscal position of counties
- Analysis and understanding of sub-national expenditures
- Providing support to public-private partnerships at the county level
- Estimating county level GDP to support employment and job creation
- County level revenue mobilisation

Together the activities under this component aim to enable regular monitoring and timely action on county fiscal position, and support regular monitoring of country expenditure management. The component also measures trends in growth, inequalities, productivity and investment. Progress has been seen across a set of activities, and requests for additional KADP support has also been growing, including from the National Treasury.

KEY ACTIVITIES AND RESULTS

a. Comprehensive Public Expenditure Review

The World Bank, through KADP, supported the Kenyan government to conduct a Comprehensive Public Expenditure Review (CPER), that included county level analysis for the first time. The preparation of the report was done through a consultative process involving technical teams from different line ministries in the national government, county governments, the CRA, Kenya Institute of Public Policy Research and Analysis (KIPPRA) and the World Bank with validation from national and county governments, development partners, think tanks, academia, and the public. The Comprehensive Public Expenditure Review (CPER) Report of 2017 provides a critical assessment of public spending, challenges, weaknesses and successes in the past four years (2013/14 to 2016/17). The CPER Report was launched in November 2018 (see Results Story for key highlights).

b. Assessment of Own Source Revenue Potential

Today, Own-Source Revenue (OSR) contributes only up to 12-13% of the total financing of county governments despite the expansion of economic activity and tax base at county level after devolution.

The National Treasury and the CRA commissioned the “Own-Source Revenue Potential and Tax Gap Study of Kenya’s County Governments” with KADP support to generate an evidence base to inform the draft policy and revision of the CRA allocation formula. If counties were to achieve more of their revenue potential, they would be able to more sustainably finance their service delivery mandate. The study generated responses to these questions:

- How much revenue would each county be able to raise in total and from each OSR stream if it operated in line with the best performing county in the country?
- How much revenue would each county be able to raise from each OSR stream if it fully utilized the fiscal instruments at its disposal, resolved issues relating to administration and eliminated evasion?

The study highlighted new potential revenue options such as: local hotel or tourism tax, environmental taxes and county income tax or value added tax. Among the proposals for better revenue management by counties are: greater automation of revenue management systems and strengthening of Information Technology (IT) connectivity; better integration of revenue management systems with IFMIS reporting, use of stronger forecasting methods and publishing forecast assumptions. The draft OSR study has been submitted to the National Treasury for review.

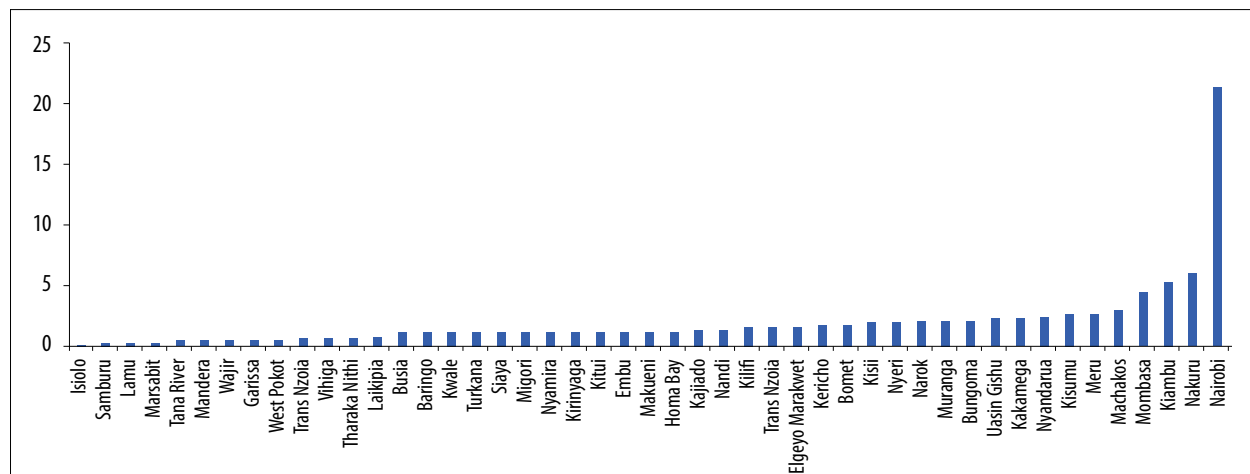
c. Tracking County GDP

In 2018, through KADP support, a team from Kenya National Bureau of Statistics (KNBS) produced the Gross County Product (GCP) estimates that show the contribution by counties to the national Gross Domestic Product (GDP). The estimates provide a picture of the economic structure and relative size of the economy for each county. The GCP data fills an important data gap – that of lack of credible quantification of the respective county economic size or progress over time. Some of the data highlights:

- Nairobi (21.7%), Nakuru (6.1%), and Mombasa (4.7%) made the largest contributions to the national GDP (Figure 3)
- Counties with huge agricultural potential include: Nakuru, Nyandarua, Kiambu, Elgeyo Marakwet, Meru, Narok, and Bomet; with horticulture a top agricultural activity
- Industrial activities, especially manufacturing, are mainly concentrated in urban counties namely: Nairobi, Kiambu, Mombasa, Machakos, Kisumu, Nakuru, and Kajiado. For potential industrial investors, counties with huge untapped potential include: Lamu, Samburu, Isiolo, Tana River, Elgeyo Marakwet, and Baringo
- Approximately 18 counties, led by Bungoma, Tharaka Nithi, Nyandarua, Elgeyo Markwet, Siaya, Nyeri grew faster than the average per capita GCP across all counties

The GCP 2013-17 Report was officially launched in February 2019.

FIGURE 3: SHARE OF COUNTY CONTRIBUTIONS TO NATIONAL GROSS DOMESTIC PRODUCT



d. County Creditworthiness Initiative

KADP is supporting the CRA to build capacity of nine counties in Public Financial Management to enhance their readiness to access debt markets. Nine pilot counties (Laikipia, Meru, Kisumu, Nandi, Lamu, Mombasa, Makueni, Bungoma and Samburu) were involved in the inaugural County Creditworthiness Academy from January 28 to February 1, 2019. During the intensive five-day Academy, senior level county finance officers and participants from the Office of the Controller of Budget and the Office of the Auditor General (OAG) delved into the full range of factors affecting counties' financial management performance using a self-assessment tool. Participants developed a customized action plan of specific institutional reforms, capacity-building, and other actions that will improve their creditworthiness and facilitate their ability to plan, finance and deliver infrastructure services. The program also included a full day training for 25 additional CRA staff to ensure sustainability of the capacity building initiative.

e. Country Enterprise Survey

KADP supported an enterprise survey to determine non-agricultural economic activities in 10 counties in Kenya. Profiling 1001 firms with more than five

employees, the survey covered: manufacturing, construction, services, transport, storage, communications and IT. In March 2018, a capacity building workshop on the survey methodology was organized on firm-level survey design and implementation; and potential uses of the enterprise survey data for policy analysis. The data is available at <http://www.enterprisesurveys.org>.

f. Developing an Affordable Housing Prototype

KADP supports county efforts to develop their infrastructure by crowding in private sector investment through county public-private partnerships (PPPs). Between January and May 2018, a scalable and sustainable low-cost housing delivery model was developed for a proposed site in Naivasha, Nakuru County. In June 2018, these findings were validated through discussions and meetings held with the various sector stakeholders. The KADP team together with the World Bank's Finance, Competitiveness and Innovation team are seeking private sector investors for the Naivasha prototype. Laikipia County has been selected as a potential second site, with feasibility assessment ongoing. An investment pipeline from the county's three urban centres i.e. Nanyuki, Nyahururu, and Rumuruti will be concluded by June 2019.

BOX 1: COMPREHENSIVE PUBLIC EXPENDITURE REVIEW (CPER)

The Comprehensive Public Expenditure Review (CPER) report tries to establish facts about Kenya's public expenditures, presenting trends over time and analysing composition across sectors and the two levels of government over the period 2013/14 – 2016/17. The report presents comprehensive information on key sectors. The report aims to answer the following: *Who benefits from these substantial amounts of public resources? Where are the gaps? In addition to these questions, this report also tries to respond to key concerns that are in the minds of many ordinary Kenyans, such as: How efficient are we in utilizing the available resources? Is the current level of say education and health spending sufficient? Why is it so difficult to disburse funds through the government budget system?*

The CPER can be a powerful tool for both levels of government to realize efficiency and effectiveness in utilisation of resources to deliver the devolution dividend for all Kenyans. The following section outlines the key highlights from the CPER.

Kenya's public spending in key sectors and its overall impact on inequality and poverty have been at par with those of neighbouring countries. Direct transfer programs were well-targeted but reach only a small fraction of the population, resulting in only a modest effect on poverty and inequality. Public spending on education is pro-poor, while public health spending on outpatient care is considered progressive.

Spending on health by counties nearly doubled from KSh 42 billion in 2013/14 to KSh 82 billion in 2016/17, while spending by the Ministry of Health (MoH) increased from KSh 31 billion in 2013/14 to KSh 57 billion over the same period, clearly demonstrating that counties were more dominant. Through the implementation of the Free Maternity Services program, the use of medical facilities increased by 40%; thanks to better access to quality healthcare. On employee compensation, the MoH spent only 11% of its budget: reflective of the transfer of the large human resources costs to counties, which allocated on average 62% of their health expenditures to this. This implies curtailed funding for drugs and other medical supplies as well as for operation and maintenance (O & M), and critical medical equipment – resulting in low levels of 16% of budget on O & M. This is insufficient to maintain assets and provide goods and services for effective delivery of health services. Consequently, counties spent only 11% on capital expenditures in 2016/17.

The wage bill to revenue ratio has consistently exceeded 50% which is higher than the 35 per cent threshold required by the PFM Act 2012; contributing to lower allocations of county budgets to development projects. Devolution required new administrative structures created by the 2010 Constitution to fulfil newly assigned government functions at the county level. County governments' wage payments have increased on average by 18% since 2013. Government efforts to contain wage bill growth are constrained by the fragmented wage bill control function. Options presented for reducing the public wage bill include: harmonization of recruitment and promotion across government, as well as rolling out a robust payroll system for all public employees that will prevent leakages, facilitate better analysis and forecasting, and allow the government to make more informed human resource policy decisions.

Agriculture remains a key sector and is expected to contribute to national food and nutrition security as contemplated in the national government's "Big 4" Agenda. County government allocations and expenditures to agriculture increased steadily with counties on average allocating 55% to the development budget. This is partly attributable to increases in allocation and improvement in absorption rates. County governments plan and budget according to departments (agriculture, livestock, fisheries and veterinary) and not as a sector. Overall, 17 counties spend under the 10 % of the Maputo/Malabo threshold, 20 counties spend between 10 % and 20 % while 10 counties spend between 20% and 30%. The median county is at 11 per cent, right above the target. Given the sector's potential to contribute directly or indirectly to the other Big 4 pillars, it is recommended that other financing mechanisms including public-private partnerships (PPPs) should be explored to meet budgetary shortfalls and to spur growth to the projected 7% per annum.



COMPONENT 2: PUBLIC FINANCIAL MANAGEMENT (PFM) AND HUMAN RESOURCE MANAGEMENT

OBJECTIVE

Work under this component focuses on:

- Policy support for fiscal decentralization
- Strengthening county revenue administration
- Deepening county expenditure management
- Organizational development, human resource management and wage bill management

Under this component, KADP is supporting multiple activities to help counties improve selected PFM processes such as: fiscal planning, budgeting, accounting, financial reporting, procurement through supporting development of training modules and manuals under the overall NCBF and the PFMR Strategy.

KEY ACTIVITIES AND RESULTS

a. Public Expenditure and Financial Accountability (PEFA) Assessments

A team comprising representatives from KIPPRA, the World Bank, CoG, OAG PFMR Secretariat, Kenya Revenue Authority, National Treasury, CRA and KSG conducted a PEFA report validation mission in six counties: Kajiado, Nakuru, Kakamega, West Pokot, Baringo and Makueni. The PEFA validation team worked with the county finance teams to identify

actions to address some of the easier to implement recommendations such as having PFM documents online. Participating counties found the PEFA process beneficial and recommend extending the PEFA assessment learnings to the other 41 counties. A noteworthy achievement was receiving the PEFA Check in November 2018 for having met all the PEFA process requirements. The six county PEFA Assessment reports will be published on the global PEFA website (see related Results Story).

b. Public Financial Management Reform Strategy

Over the last five years, significant investments have been made under the 2013-18 PFM Reform Strategy to translate the provisions of the new Constitution into reality for delivery of macroeconomic stability and public services in the Medium-Term Plan (MTP). Despite progress in PFM reform, significant challenges remain, calling for a refreshed PFM Reform Strategy for 2018-23. One of the challenges is a mismatch between policy priorities and public spending, which impacts the effectiveness of service delivery and return on investments. KADP supported the development of a new PFMR Strategy by national and county departments who jointly identified priority Results Areas. The PFMR Strategy has been finalized and will be launched in the first half of 2019.

c. Public Sector Wage Bill Management Study

KADP supported the Salaries and Remuneration Committee (SRC), the Ministry of Public Service and Youth Affairs, National Treasury, CoG, OAG, CRA, OCOB, and the Public Service Commission (PSC) to conduct a public sector wage bill management study, and compliance checks exercise in 70 State Corporations and 32 County Governments. The study makes key recommendations in enabling the public service to attract and retain top talent. These include harmonization of human resource

practices and recruitment policies, promotion and performance management; cost-benefit analysis of training; automation of payroll management; standardization of performance management; and harmonization of retirement benefits. The study's findings were incorporated into the CPER report's chapter on Wage Bill Management, while the Public Sector Wage Bill Management report was validated in December 2018 with a formal launch planned in the first half of 2019.

BOX 2: APPLYING GLOBAL EXPERTISE TO RAISE PUBLIC FINANCIAL MANAGEMENT EXCELLENCE IN KENYA

In January 2019, Kenya's lessons and experiences from implementation of the first sub-national Public Expenditure and Financial Accountability (PEFA) assessments and resultant recommendations were shared with more than 200 participants from 45 countries in Dakar, Senegal. This was a positive example of cross-border peer to peer learning in PFM reform, where Makueni County's County Executive on Finance, Mary Kimanzi outlined the benefits, challenges and recommendations for improving the PEFA process at sub-national level. The forum titled *'The impact of PEFA on sub-Saharan Africa — the role of PEFA and PFM reform in improving service delivery'* was organized by the PEFA Secretariat and included experiences from: Burkina Faso, Cameroon, Ghana, Liberia, Niger, Kenya and South Africa. Kenya is one of a handful of countries in Africa who have devolved PFM systems and implementation of the PEFA assessments put it on the global PFM map.

Makueni County, which recently managed to get an unqualified audit opinion, was among six pilot counties in which the PEFA assessments were conducted in 2017. Others were: Kajiado, Baringo, West Pokot, Nakuru and Kakamega. In Kenya, the PEFA assessments have provided an entry point for PFM reform efforts for all stakeholders including national government, county governments and development partners. In 2018, each of the six counties began developing its PFM reform agenda to improve accountability and service delivery, based on the outcomes of the PEFA assessments. In line with overall support for improved PFM performance in the counties, KADP has been implementing a problem-driven approach to designing and implementing PFM reforms towards improving service delivery outcomes. This work together with the resulting action plans from the PEFA assessments formed the basis for the more extensive development of the Public Finance Management Reform Strategy.

Future work in PEFA should involve improving the links between PFM and service delivery to inform the design of impactful reform approaches; and adapting the PEFA assessment indicators to specific sub-national contexts to avoid low scores where the indicators are not applicable. Building local capacity in conducting the PEFA assessments will also go a long way in embedding regular assessment of success in achieving PFM reform at county level.



COMPONENT 3: MONITORING & EVALUATION, PERFORMANCE MONITORING SYSTEMS AND OPEN DATA

OBJECTIVE

This component seeks to enhance capacity in and use of monitoring & evaluation, performance management systems and open data. The main activity strands in this component are:

- County Integrated M&E Systems
- County Delivery Systems
- Citizen access to results information
- Citizen feedback on service delivery

Demand to support building of strong M&E and performance management systems remains high. This component is responding to this demand by offering activities designed to assist counties manage development results more effectively and respond to demand for better value-for-money in county programs and projects more effectively.

KEY ACTIVITIES AND RESULTS

a. Strengthening County M&E Systems

Two activities were undertaken in 2018. i) Updating the County Integrated M&E System guidelines. KADP supported a revision workshop held in September with the M&E Department (MED) in the National Treasury and Planning and the CoG. An updated

version of the guidelines was produced which is awaiting final approval before it can be disseminated. ii) KADP supported a joint MED and Evaluation Society of Kenya initiative to strengthen the evaluation function at county level through undertaking two rapid evaluations, training MED staff on evaluations and sensitizing county leadership on the role of evaluations in county policy-making, planning, budgeting and implementation. In 2018 evaluation consultants were recruited and plans for the rapid evaluations in 2019 were developed. The rapid evaluations will be undertaken in Kilifi and Kericho and in the Water and Health sectors.

b. County Delivery System

Efforts to set up effective County Delivery Systems (CDS) in Kericho and Bomet counties continued in 2018. In addition, a promising development in the CDS work is the support to two regional economic blocs to enhance devolved service delivery. The two blocs – Lake Region and Coastal – will be supported to set up delivery systems at both bloc secretariat and county levels to ensure that regional development priorities are implemented. In Bomet, CDS was used to vastly improve citizens' access to water through increasing workers' efficiency (see related Results Story and infographic).



IMPROVED WATER ACCESS THROUGH URBAN INFRASTRUCTURE DEVELOPMENT

BOMET COUNTY USES COUNTY DELIVERY SYSTEM (CDS) METHODOLOGY



DEVELOPMENT CHALLENGE

In 2015/16, only 27% of households in Bomet had access to improved water. As a result, particularly women, are burdened with walking long distances to access water for their families.

SERVICE DELIVERY PROBLEM

In response, better access to water in 10 towns were included in the County Integrated Development Plan. The pipe-laying productivity was however low and inefficient and was improving access for only one of 10 towns.

ROOT CAUSES

Market rate for labourers at **500 KES per day** against current rate of **1500 KES per day**. Potential efficiency savings of **1000 KES per person per day** identified.

Large Team Size

50 labourers working

1 Only one out of identified 10 towns benefited

Low Motivation

Labourers paid by the day, not based on productivity and hence laid less pipes than expected

↔ 50 m of pipe laid per day

CDS ANALYSIS

County Delivery System Logframe	INPUT	OUTPUT	OUTCOME	IMPACT
	No. of labourers Amount of KSH	Meters of pipeline laid	No. of new connections	Distance of population from nearest water source

CORRECTIVE ACTION

Optimal Team Size

5 labourers working in each team

10 teams benefit 10 towns

Right Motivation

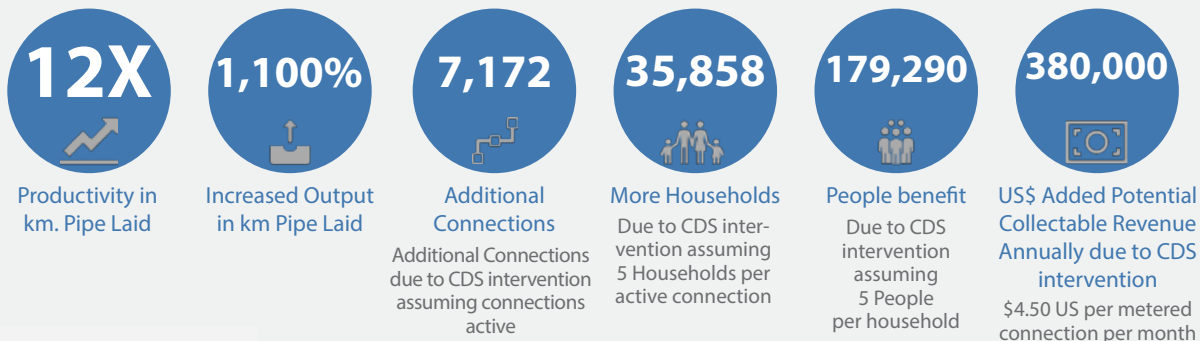
Labourers paid for results
No. of meters of pipeline laid

↔ > 600 m of pipe laid per day for the same cost

RESULTS

IMPACT

The following **additional benefits** are due to collaboration, process and management improvements resulting from CDS coaching and mentoring support.



Publishing of CDS Case Studies assists County Governments to learn from experience and maximise performance for citizens.

BOX 3: COUNTY PERFORMANCE MANAGEMENT SYSTEMS ENHANCE PROJECTS' VALUE-FOR-MONEY IN KENYA

One of the challenges of devolution in Kenya was the lack of capacity of county officials to effectively design monitoring and evaluation and performance management systems to assess project results and value-for-money; while citizens lacked a system of formally accessing county performance data and engaging with their leaders on development results. KADP in collaboration with county governments and the CoG designed the County Delivery System (CDS) to assist counties to more effectively manage development results and respond to citizens' demands for better value-for-money in county programmes and projects.

Bomet County leaders requested assistance from KADP to ensure delivery of priority projects using the CDS. KADP assisted Bomet County to set up a CDS comprising of a delivery team and supporting institutional structures to actualize the development priorities identified by citizens in the county's Annual Development Plan. The CDS is designed to ensure greater collaboration among the separate entities working in county governments for better service delivery. The approach emphasizes both identifying high priority programs/projects, setting performance targets and driving delivery through systematic debottlenecking and problem-solving as well as improving project deliverability through improved project specification and preparation. The CDS work is fully integrated with the county planning, budgeting and public investment management processes. One CDS project addressed a program delivering accessible water to citizens.

In Bomet, access to improved water is low and women are particularly burdened with walking long distances to access clean and safe water for their families. Service delivery required laying distribution pipes and providing connections. Output was increased 12 times through CDS coaching, mentoring and an online platform benefiting 75,418 additional citizens mainly women and children. KADP provided technical assistance to the county's leaders to conduct a project analysis and develop a results framework, with output measured in metres of pipework laid, outcome in new connections and impact measured in distance travelled by citizens to the nearest water source. The county officers identified two root causes of low output: team size and team motivation. In the past, a single team of 50 day-labourers worked in one of 10 prioritized towns and laid 50 metres of pipework per day. This approach was ineffective and supported only one of 10 towns. Through the CDS support, two corrective actions were identified: i) The team was split into 10 teams of 5 labourers working across 10 towns ii) Teams were paid on results – based on the number of meters of pipework laid.

There are demonstrable results of the CDS coaching, mentoring and tools. Each smaller, more incentivized team laid 60 metres of pipework in their town – representing a twelve-fold increase in productivity; 7,172 additional new water connections benefiting 35,858 additional families/households and 179,290 citizens with clean safe water through these actions, with potential additional revenue collection of more than KSh 38 million annually (see infographic). The CDS approach will be scaled-up to more projects in each of the 47 counties in Kenya and together with the Open County platform has the potential to save county governments millions of shillings earmarked for development projects by exposing inefficiencies and discrepancies in value-for money for services across counties. The CDS is vital to integrating strategic planning and budgeting, public financial management, and performance management to benefit citizens at regional economic bloc, county and interdepartmental levels.

b. Integrating Maarifa Centre's Portal with Open County Portal

In 2018, the Maarifa Centre's portal was enhanced by the integration of the Open County portal. The Maarifa Portal exists to gather, highlight and share devolution-related knowledge generated from the counties. This knowledge is complemented by budgetary and sectoral performance data from the same counties as generated from the Open County portal. The public can access case-studies, working papers, project reports, financial reports, interviews, legislative and legal publications. With the integration, the public can engage more through the comments' sections, public forums or discussion boards, social media sharing and subscriptions. What has been exciting is the discovery of high impact-low profile projects from the counties that have been posted by counties themselves. The teams from Open Institute and the CoG took under three weeks

to complete the integration. The Open Institute conducted training sessions for the Maarifa team to embed the portal management expertise. In 2019, the team will explore ways using the Open County App in participatory budgeting to increase citizens' access to county-level information on service delivery.

d. Availing Kenya National Bureau of Statistics County Data to Citizens

In 2018, the existing KNBS county data portal was upgraded and KNBS staff were trained in uploading county data and generating data visualizations. A draft set of core county indicators was also developed. This will be used to inform future County Statistical Abstracts. Lastly, a KNBS data app for cell phones was developed. The updated portal and cell phone App are expected to be launched in the second quarter of 2019.



Public participatory budgeting leads to more inclusive development.

COMPONENT 4: SOCIAL ACCOUNTABILITY AND CITIZEN ENGAGEMENT

OBJECTIVE

Kenya's constitution and its legal framework place strong emphasis on public participation, transparency and good governance. Under this component, KADP supports the national and county governments to set standards, build mechanisms and strengthen capacity to manage participation in core county development processes – such as planning, budgeting, expenditure management, procurement, and monitoring and evaluation.

The main activity strands include:

- Supporting effective participatory budgeting through sensitization and training of county officials
- Increasing inclusion of women, persons with disabilities and other vulnerable groups in participatory budgeting
- Improving structured citizen engagement in counties
- Enhancing access to devolution information through a signature IT platform – DevHub (www.devolutionhub.or.ke)
- Supporting county grievance redress mechanisms
- Engaging youth in participatory budgeting

Capacity building and sensitization of county officials on participatory budgeting (PB) has facilitated compliance with legal requirements for public participation and faster approval of the budget by the County Assembly members. KADP is seeing increasing demand from the government at county and national levels to support citizen engagement as part of the decentralized public service delivery, PFM, and service delivery institutions. Inclusive development is at the heart of devolution. This year, governors from the 47 counties visited Makueni County on a structured peer learning tour organized jointly by the World Bank, CoG, and AHADI a USAID program. Mapping of county development projects to support accountability and transparency was conducted as a pilot in two wards in Makueni with plans to extend this to other counties. The work on PB design was extended to 10 counties comprising the FCDC through a capacity building session. A signature initiative by the Ministry of Devolution and Arid and Semi-Arid Lands and the CoG with KADP support was the launch of the braille version of the Public Participation Guidelines in a unique social experiment – dubbed 'Dining in the Dark' which effectively highlighted the lived experience of persons living with visual disability.

KEY ACTIVITIES AND RESULTS

a. Governors' Peer Learning Tour to Makueni County

In August 2018, the CoG with the support of the World Bank and AHADI organized a structured peer-to peer learning event for governors and their technical teams in Makueni. The county has continued to pioneer PB innovations since 2015. During the interactive visit, other counties had a chance to experience firsthand what inclusive development has meant for Makueni's citizens. The county has prioritized development projects identified by community members that range from fruit processing to health facilities and improved access to water. These projects have been realized at low cost yet high on quality and impact. One key takeaway from the learning event was the proposed off-season sourcing of fruit for the processing plant from other counties to optimize its capacity. Through participatory development, Makueni has transformed itself from a net recipient of food aid to food self-sufficiency. Eugene Wamalwa, Cabinet Secretary for Devolution and Arid and Semi-Arid Lands said: "It is amazing that we can come for a visit to Makueni County and be gifted with food to take back. Previously, as the government, whenever we heard about Makueni, we would always think we needed to provide relief food."

b. Extending Participatory Budgeting to the Northern Frontier Counties

In 2018, KADP expanded the scope of PB design training to the Northern Frontier Counties (Wajir, Garissa, Mandera, Tana River and Isiolo together with Meru on request) through the regional bloc secretariat – Frontier Counties Development Council. This is an experiment on scaling up World Bank-delivered capacity building approaches through regional blocs. FCDC counties face specific challenges that include shortage of amenities like clean drinking water; a nomadic lifestyle; high levels of illiteracy; cross-border insecurity and violent extremism; and lack of structures for engaging youth in development. Combined, these factors have resulted in low citizen engagement in participatory development processes including in budget formulation. A key focus of the PB design training was how to enhance engagement of women and youth in development, who are traditionally marginalized by socio-economic barriers. Some tangible recommendations included creating youth platforms and utilizing social media to share information; empowering youth and women through entrepreneurship funds with zero interest loans; creating youth spaces with facilities; cross-county collaboration especially along border areas to address conflict over natural resources; contracting of youth for employment through the county youth services; and sharing of government opportunities such as bursaries. In all this, it was important to ensure that these initiatives were inclusive for all community members to ensure adequate resource allocation.



Governors' peer learning tour to Makueni County.

c. Enhancing Public Participation for Persons with Disabilities

KADP supported the Kenya Institute for the Blind to develop a braille version of the *County Public Participation Guidelines* to contribute towards ensuring inclusivity of persons with visual disabilities in participatory governance processes. The document was jointly launched in November 2018 by the Ministry of Devolution and Arid and Semi-Arid Lands and the CoG with support from KADP. Themed: “Achieving Greater Inclusivity for Persons with Disability,” the launch was well attended with representation from national and county governments, development partners, civil society, private sector, media and the public. Designed as a social experiment on the lived experience of those with visual disabilities, the event featured all sighted participants eating a three-course meal while blind folded. The event was insightful in highlighting the fact that often those with disabilities are present but may be unintentionally excluded due to lack of provisions.

“This day is very special to me. The Kenyan society is changing...when I was growing up no one was bothered with the disabled. Working with the disabled was viewed as charity work. But with steps like this launch, there is hope for us,” said Reginald Oduor, a disability activist.

H.E. Prof. Governor Paul Chepkwony, the chief guest at the luncheon and chair of the Education, Youth,

Sports, Culture and Social Services Committee at the CoG, who struggled to hold his cutlery and drink his soup remarked: *“This was a very brilliant concept because for sure I was able to walk a mile in the shoes of the visually challenged and for the first time I was able to understand the saying, we don’t see with our eyes.”*

Participants heard from counties implementing initiatives to include persons with disabilities that included Baringo County’s use of sign language interpreters in meetings. Mr. Collins Odanga, a visually impaired ward administrator from Siaya County shared his experiences and successes in serving citizens with the help of a sighted assistant and assistive devices.

Mr. Campbell McDade, Acting Head of Department for International Development (DFID) mission said: *“By publishing the braille version of the public participation guidelines, Kenya joins the vanguard of nations that continue to be responsive to the needs of persons with disabilities.”*

Ms. Juliana Kivasu, the Executive Director, Kenya Society for the Blind noted that *“Very few persons with visual impairment are good at using adapted technology; it’s only the working class that are good at it. As a Society we are happy because with these guidelines persons with visual impairment will be able to participate at the local level. Assistive devices are still too costly and hard to get.”*



World Bank team and CoG 'Dine in dark'.

A major outcome of the event was the line Ministry's pledge to monitor and enforce affirmative action in the public procurement system at all the service delivery points to ensure that the one third procurement rule for persons with disabilities.

d. Launching of a PB Manual and Leaders' Briefing Note

KADP developed and launched two useful resources for county leaders in 2018. The two are: *PB Manual for County Governments in Kenya* and *Elected Members Briefing Note on Participatory Budgeting*. Both are designed as practical guides for counties and contain documented experiences of counties successfully implementing PB. Early results confirm that counties are finding the planning and budgeting guides in these resources very useful.

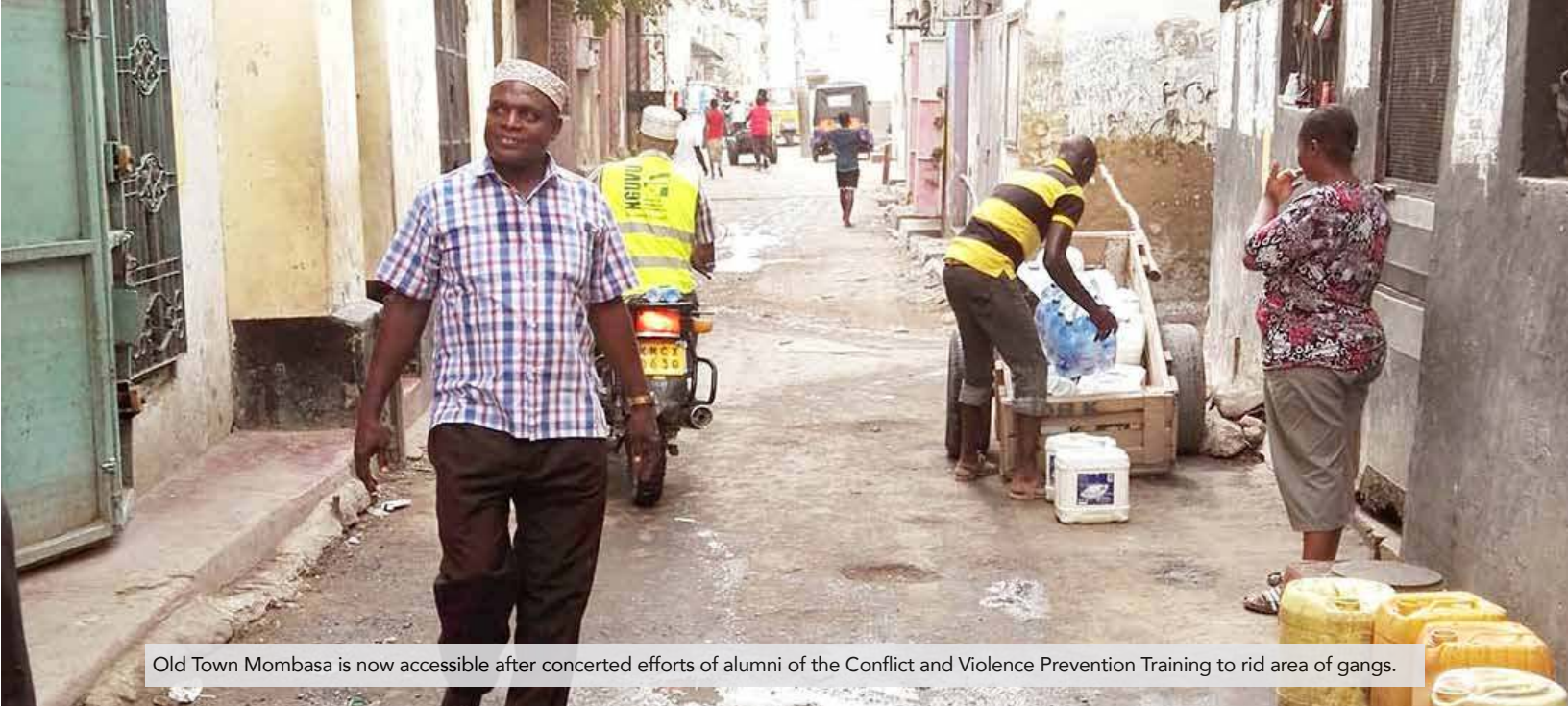
BOX 4: CATALYZING INCLUSIVE DEVELOPMENT THROUGH CITIZEN ENGAGEMENT AND SOCIAL ACCOUNTABILITY IN KENYA

To date, KADP has supported 12 counties to implement participatory budgeting: Makueni, West Pokot, Baringo, Kwale, Elgeyo Marakwet, Laikipia, Kajiado, Mandera, Siaya, Taita Taveta, Turkana and Trans Nzoia. The result has been increased allocation of county budgets to development priorities identified by citizens themselves; enhanced agency and voice by citizens, especially those previously marginalized; and improved governance through more transparency in use of public funds for development projects. Five counties – Makueni, Baringo, Elgeyo Marakwet, Laikipia and West Pokot on average 35% of their development budgets to citizen-prioritized projects.

KADP continues to pioneer innovative knowledge sharing on devolution best practices among counties in Kenya. As part of these efforts, the World Bank together with the CoG and AHADI organized a structured peer-to-peer learning event for 46 governors and their technical teams in Makueni. Through its inclusive development approach, Makueni County has vastly transformed the socio-economic status of its citizens by actively promoting citizen-led development and transparent governance of public funds. Other counties are adopting this approach with encouraging results.

During the interactive visit, leaders from the other counties were taken through Makueni's process of participatory budgeting – a key feature of which is the project management committee that comprises of citizens and provides oversight on project identification, budgeting, implementation and approvals prior to payment of contractors for services delivered. For instance, through this approach, the average access to water points for the citizens has been reduced to 4.9 km – in an area that previously faced acute water shortages. Makueni County has invested in improving health facility infrastructure and staffing, and its universal health care model is one of the most impressive in Kenya: for an annual fee of KSh 500, citizens can access any county primary health care facility. Conceptualized and prioritized from the village level in 2015/16, the ultra-modern Makueni Referral Level 4 Health Facility cost KSh 120 million and is almost complete with a delivery unity, an oxygen plant and theatre, trauma centre, and out-patient wings. A citizen project monitoring committee ensured that the contractor delivered within cost and as per the bill of quantities.

Other projects visited included: the Makueni Fruit Processing Plant that has transformed local fruit farmers' livelihoods by providing a profitable market; and the Kwambila Earth Dam that provides water for both irrigation and domestic use. These projects have been realized at low cost yet rank high on quality and impact. Through this peer learning and the technical assistance for the design and implementation of participatory budgeting initiatives KADP will contribute to leveraging of additional development funds for citizen-identified priorities across the country.



Old Town Mombasa is now accessible after concerted efforts of alumni of the Conflict and Violence Prevention Training to rid area of gangs.

COMPONENT 5: DEVOLVED SECTOR SUPPORT AND CROSS-CUTTING THEMES

OBJECTIVE

This program area provides additional support to sectors to conduct analysis, technical assistance, capacity development, and knowledge sharing that enhances the delivery of devolved services in health, agriculture, water and sanitation, local services, and private sector development. In most cases, KADP supports additional analysis and technical assistance that help the larger government programs and projects that address key challenges of devolution.

The main strands of this component include:

- Sector planning, budgeting, performance management and social accountability systems
- Improving legal and policy frameworks in sectors
- Supporting sectors to define intergovernmental arrangements
- Strengthening capacity of counties to respond to and mitigate against climate risks
- Enhancing capacity of marginalized counties
- Conflict and violence prevention integrated in county processes

KEY ACTIVITIES AND RESULTS

Support to Devolved Sectors

Urban

Under this Component, support was provided to the CRA in the development of the third-generation revenue allocation formula through peer learning with South Africa, whose intergovernmental fiscal system is more advanced and provides lessons for Kenya's devolution process. At the Financial and Fiscal Commission, the CRA delegation learned the need to strengthen their research function to inform their recommendations. The discussions at Gauteng Province and Western Cape Province enriched the CRA's understanding of the framework for financing urban counties in Kenya. The City of Cape Town represents good practice that Kenyan urban counties can learn from in terms of urban governance and upgrading urban slums. CRA expressed keen interest to connect Kenya's city counties.

Water

KADP supported a national forum in May 2018 on global and local good practices on aggregation of water utilities. The workshop on commercial

viability in water service provision was themed: **‘Accelerating access to water and sanitation services’** with discussions around the question: ***Is the size of a utility a critical factor for its commercial viability?*** The participation was targeted at key stakeholders in the clustering process who included: County Executive Committee Members in charge of water affairs and the respective MDs of WSPs, the Ministry of Water and Sanitation, CoGs, Water Service Boards, development partners and other government agencies with water related mandates. The workshop output was to support the county governments and WSPs in progressively realizing their constitutional mandate of water service provision. The topics presented for discussion included the key consideration in the clustering process backed by global and local study findings on clustering of water utilities. Through this initiative KADP is leveraging the broader Bank Water sector portfolio.

Implementation of Cross-cutting Themes

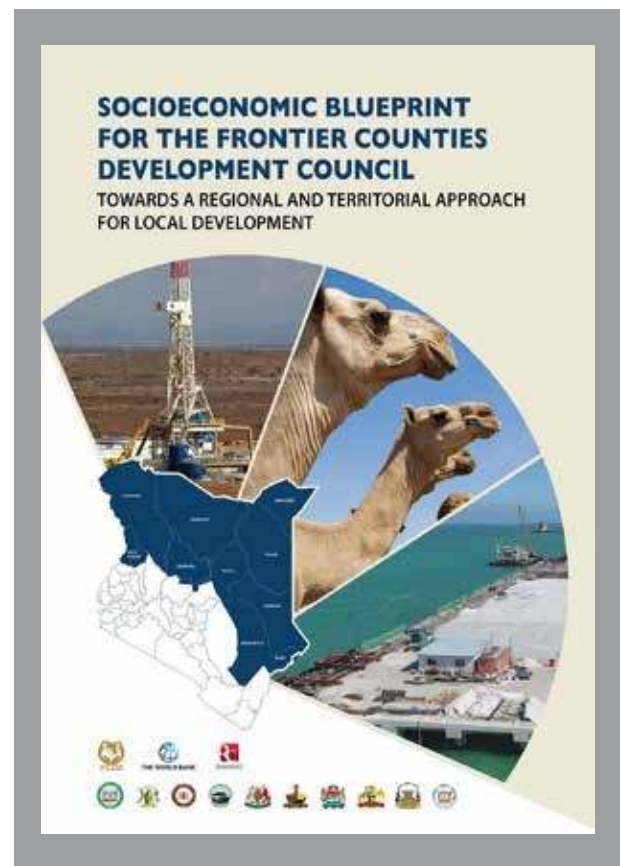
Conflict and Violence Prevention

KADP’s support to the FCDC Secretariat continued in 2018 with the finalization of the socio-economic blueprint that provides a framework for identifying and prioritizing policies and strategic initiatives to promote faster socio-economic development of the FCDC counties. This is part of building a foundation for peace and cohesion in the regional bloc. The blueprint is based on an analytical study that attributes the underdevelopment in the region to low density in terms of economic and population concentration, poor infrastructure which leads to costly and long distances to the markets for the goods and services from the region, and, high social divisions arising from insecurity, conflicts and negative social and cultural practices. The blueprint recommends that these challenges be addressed by building institutions, improving connectivity and addressing social and cultural barriers through appropriate interventions and incentives. The blueprint was officially launched on March 1, 2019. In Isiolo County, a rapid assessment of the CVPT situation was conducted and the report completed in 2018. The report, titled: ‘Isiolo

County: Rapid Assessment of the Institutional Architecture for Conflict Mitigation’ outlines key recommendations for national and county government agencies, development partners, civil society and faith-based organizations managing crime and violence prevention initiatives. The report was launched in Nairobi and Isiolo, in March 2019.

Climate and Disaster Resilience

KADP is implementing the World Bank’s Devolution and Locally-Led Climate and Disaster Risk Management Project whose activities are guided by the National Climate Change Act (2016) and focus on strengthening the capacity of counties to address climate-related vulnerability, risk management and resilience, including capacity building in environmental and social risk management and safeguards. Specifically, this involves: (i) Integrating climate and disaster risk management into County Integrated Development Plans (CIDPs); (ii) Strengthening county government capacity for climate and disaster risk reduction; and (iii)



Promoting partnerships between communities and their local authorities on resilience strengthening. The project is being implemented in Makueni, Siaya, Narok and Kwale counties.

Progress on integrating climate and disaster risk management into the CIDPs has been made in each of the four counties. Aspects of the interventions include: climate smart agriculture; climate proofing of infrastructure like roads and water facilities; sustainable management of natural resources, including setting up of grazing regimes and restoration and protection of catchments; and the establishment of an early warning system for natural hazards. The approaches and interventions have been reached consultatively in discussions among county governments and key stakeholders.

On knowledge capture, the CoG is a key partner and will be involved in ensuring that lessons learnt from both the executive and legislative aspects during the setting up of the governance systems at the county level for climate change and disaster risk management are documented and exposed to county governments. Additionally, the Maarifa Portal will be key in capturing and documenting the processes and progress of project implementation. Given the notable lack of legislation on this aspect, KADP will facilitate the development of climate change legislation in Siaya, Kwale and Narok to guide climate and disaster risk management.

Through the Kenya Country Environmental Analysis (CEA), KADP aims to identify solutions and spur action, including mobilizing national and county budget resources to contribute to Kenya's Vision 2030 strategy. With regard to population trends, urbanization and livelihoods, an interim draft CEA has been prepared that focuses on the economic costs and health burden due to natural resource degradation (land, forests, wildlife and protected areas, water, coastal and marine), refugee influx, climate change and climate-related natural hazards. A key aspect of the CEA is the compilation of County Climate Change Profiles for select counties including the ASALs and coastal counties. The CEA will be finalized in May 2019 after the updating of the County Information Sheets and conducting a

deep dive on the economic costs of climate change related to natural hazards in the four counties.

Gender

KADP's engagement on gender has generated demand to develop Gender-Based Violence (GBV) prevention and response approaches focusing on devolved services at county level. Specifically, requests were received from the Governors of Bomet and Kitui Counties. KADP has therefore initiated the development of GBV programming piloting activities, with the view toward scaling-up such interventions under KADP III or through ongoing operations in other sectors. An initial analysis of gaps in service provision to survivors of GBV was undertaken in 2018 in Bomet, Kisumu, Kitui and Kwale counties and the final report will be released in early 2019 - outlining overall recommendations to strengthen GBV prevention and response.

Activities in Kitui will examine the linkages between property rights, economic violence, and other forms of GBV. There is a growing body of evidence showing that land and property ownership economically empowers women to navigate gendered power relations and helps protect against intimate partner violence. However, due to discriminatory customary law, patriarchal attitudes and practices, and lack of rights and knowledge, women and their children can be vulnerable to disinheritance, property grabbing, and various forms of violence. Property grabbing is also often accompanied by other forms of violence including physical abuse, eviction from land and home, harassment, intimidation, and being forced to engage in risky sexual practices to hold on to property. To this end the proposed initiative in Kitui will explore the dynamics of economic violence and land grabbing in the County, including identification of programmatic approaches to address this challenge, with the view to making operational recommendations for prevention and response programming in this area.

In Bomet, activities will focus on strengthening the health systems' response to GBV at county level. Specifically, the objective will be to document current practices and procedures relating to GBV

response at facility and community levels; audit the current clinical and non-clinical services for GBV survivors; and assess the capacity of health care workers to offer comprehensive GBV services. This work is intended to ultimately inform the capacity

building of health officials and healthcare workers to improve health responses to GBV and support the establishment of a multisectoral coordination mechanism to improve the uptake and ongoing improvement of GBV services in Bomet County.

BOX 5: COLLABORATIVELY PROMOTING PEACE AND SECURITY IN KENYAN COUNTIES

Through KADP, the World Bank is rolling out a Crime and Violence Prevention Training (CVPT) program in four counties: Mombasa, Isiolo, Kisumu and Garissa counties. CVPT engages multisectoral stakeholders to participate in a month-long training on the causes and local dynamics of crime and violence, as well as different approaches to their prevention. This initiative in Kenya builds on previous work by the United States International University (USIU)-Africa, KSG and the National Crime Research Centre that was initially funded by the Open Society Initiative in East Africa (OSIEA) and now by KADP. Now in its seventh phase, the CVPT work is yielding lessons learned on the ground.

The CVPT curriculum teaches the importance of partnership in prevention activities, while its delivery involves training a diverse mix of participants (local government, police and health staff, civil society organizations, religious leaders). The seminars are lively with active experience sharing for peer learning. In 2018, the participants were taken through the CVPT surveys conducted in Mombasa and Isiolo and gleaned useful insights on how to conduct similar surveys in their own counties. An additional feature of the CVPT is that it facilitates networking among the participants and many of the alumni remain connected to each other through social media.

For example, alumni of the Mombasa-Isiolo CVPT were inspired by the program to act on the gang problem in Old Town in Mombasa. A chief and a senior government administrator in partnership with a civil society organization started a program to rehabilitate 45 young gang members by helping them start small businesses. Previously, while conducting the Mombasa County CVPT survey, the research team had been unable to access parts of Old Town due to the dangerous gang activity, but on this occasion, the previously dangerous areas were considerably safer and accessible, and the researchers were able to speak with the youths in the rehabilitation program who were positive about the assistance they were receiving.

Another good practice is in Isiolo County: it has successfully mainstreamed crime and violence prevention and peacebuilding into all aspects of the latest CIDP. This is a promising model that can be scaled out across the Northern Frontier Counties.

As Kenya continues to struggle with the development challenges of conflict and violence including new forms of violence associated with devolution, urban growth, large infrastructure projects and violent extremism, CVPT is fulfilling its objectives of slowly but steadily changing the discourse on managing crime and violence in the country and pointing practitioners in both state and non-state sectors towards the evidence base for a preventative and collaborative approach. Furthermore, CVPT is empowering citizens to create partnerships for addressing crime and violence in their vicinity through practical preventative strategies.



COMPONENT 6: KNOWLEDGE EXCHANGE AND PROGRAM MANAGEMENT

OBJECTIVE

Experience under Phase I of KADP highlighted the need for dedicated resources for knowledge exchange, coordination and management. This component focuses on:

- Coordination of KADP activities among the World Bank, development partners and other institutions
- Communications and knowledge sharing to ensure program lessons and knowledge are shared widely
- Monitoring and evaluation of KADP activities

KEY ACTIVITIES AND RESULTS

Coordination, Communications and Knowledge Sharing

Coordination

KADP Phase II has seen greater coordination among the World Bank, counterpart institutions and other development partners. The team organized two Steering Committee meetings, a Devolution Heads of Mission meeting as well as a national Devolution Stakeholders' meeting to share progress on KADP and to get insights on how to design KADP Phase III for greater success. KADP also secured additional

funding from the government of the United Kingdom to scale up some of the initiatives and pilot new ones ahead of KADP III. A key step will be the preparation of an analytical study on devolution in Kenya five years on and its impact on inclusive development and enhanced service delivery. KADP is collaborating with other World Bank teams on the design of the Systematic Country Diagnostic for Kenya – to inform more broadly how the World Bank can strengthen its engagement with the country's leadership to accelerate progress towards ending extreme poverty and promoting sustainable shared prosperity by 2030. Devolution is one of three pillars in the World Bank's Kenya Strategic Partnership Framework. KADP will provide analytical expertise in the sections on devolved service delivery, inclusive development and enhanced accountability.

Communication and Knowledge Sharing

KADP continued to intensify its communications efforts in 2018 through the KADP Annual Report, regular email updates on progress, documentaries, blogs, social media and media features around key events. Innovations in peer learning were incorporated throughout KADP's work in the year, and some of these were led by the COG's Maarifa Centre, for instance the participatory budgeting peer learning summit

in Makueni as profiled under Component 4. KADP also pioneered the launch of the public participation guidelines in braille as a sensory experiment and produced media features to enhance knowledge on the lived experience of persons with visual disabilities and to stimulate debate around provisions for persons living with disabilities under devolution.

Maarifa Centre Partnership with Universities on County Knowledge Sharing

Through KADP's facilitation, a partnership between CoG and select Kenyan universities was formed on systematic documentation of devolution experiences as a basis for peer learning in areas such as agriculture, health, citizen engagement, PFM and revenue generation. The selected academic institutions will be trained on knowledge capturing using the World Bank's organizational knowledge sharing program methodology. The pilot universities are USIU, Kenyatta University and Jomo Kenyatta University of Agriculture and Technology. The Technical University of Kenya (TUK), Moi University and Egerton University will follow. In time, these institutions will integrate the capturing of the devolution experience as student assignments in existing curricula. Next steps include training of trainers' sessions for faculty and student teams as well as promotion of peer learning during the 2019 Devolution Conference. KADP will continue strengthening the knowledge management capacity of the Maarifa Centre through embedded technical assistance from two knowledge management specialists seconded to the Centre.



The Maarifa Centre showcased the the Maarifa Platform and associated communities of practice during the Devolution Conference 2019. Here persons living with disabilities were engaged on the Big 4 Agenda.

Developing the Kenya School of Government (KSG) Learning Strategy

To enhance KSG's capacity in contributing to an effective public service through impactful training, KADP facilitated a week-long training of trainers of all KSG faculty and directors on a revised learning strategy for KSG, change facilitation, and participatory adult learning. A major outcome of the training session was a renewed focus and commitment by the KSG to adapt its delivery towards pragmatically building capacity of the public service to solve non-technical challenges experienced under devolution. The key pillars of the KSG revised learning strategy were also identified. Notable was the proposed departure by faculty from the classic two-hour classroom sessions to longer-term facilitated engagements with cohorts of civil servants from counties and national government. Activities in 2019 began with a change facilitation workshop for associate lectures for Embu, Kabete and Mombasa campuses. The key takeaways by participants from the workshop were a new perspective on the process and best practices in effective facilitation including how to develop a 'Facilitation Survival Kit'; new insights on what motivates adult learners and a commitment to make adult learning more oriented towards problem-solving instead of lecturing, using for example a solution mapping approach. The KSG Director General, Dr. Chweya Ludeki urged the associate faculty members to uphold the values of the teaching profession and to strive to keep ahead of the adult learners through constant research.

Enhancing Strategic Learning and Knowledge Sharing on Safeguards and Grievance Redress Mechanisms (GRM)

In 2018, work for the development of peer learning approach for social and environmental safeguards and GRM in counties got underway with consultations on identification of a core curriculum and good practice models in counties. It is proposed that e-learning will be complemented with participatory face-to-face sessions, and the curriculum content will build on the existing curriculum by National Environmental Management Authority (NEMA) that was developed with World Bank support. This will be a multi-agency initiative incorporating NEMA, KSG, CoG, the Ombudsman's Office and the line Ministry on curriculum development and delivery. The KSG

BOX 6: MAARIFA CENTRE: INNOVATION IN PROMOTING KNOWLEDGE SHARING ON KENYA'S DEVOLUTION

The idea of Maarifa Centre was born in 2016 and the Centre is now fully institutionalized as part of the CoG, which represents and coordinates the 47 counties in Kenya. 'Maarifa' is Swahili for 'Knowledge', and the name says it all: Maarifa Centre is the go-to place for any knowledge on Kenya's devolution. The Maarifa Centre organizes knowledge sharing activities, documents county development solutions and houses the Open County platform – an open data source on key county service delivery and performance indicators. The public can access case studies, working papers, project reports, financial reports, interviews, legislative and legal publications from the Maarifa Portal. Today, the Maarifa Centre is an integral part of the devolution story and landscape in Kenya. Its vision is: "To be Kenya's premier knowledge sharing and learning platform for effective governance and service delivery for sustainable development."

"Maarifa Centre is both a virtual and physical platform where people share best practices or request for information on devolution issues, they may not be conversant with," says Jacqueline Mogeni, the CEO, CoG.

KADP facilitated the creation of the Maarifa Centre with a suite of activities and tools, ranging from organizational capacity assessments, visioning and planning workshops, strategy development, and technical capacity development in the areas of knowledge capturing and sharing. Furthermore, KADP is supporting the development of Africa's first online knowledge sharing platform on devolution.

'Innovation' is in the DNA of the Maarifa Centre: in 2017, it organized the first ever county innovation forum to showcase wide-ranging innovations from the counties and in 2018 it convened a national peer learning summit on participatory budgeting that promoted benchmarking of inclusive development practices. In 2018, the Maarifa Portal was launched and features a range of thematic communities of practice, documented county solutions and county development data, and will further be enriched with cutting-edge content. In 2019, the Maarifa Centre will roll out noteworthy peer learning activities in five priority areas: Health, Agriculture, Citizen Engagement, Public Finance Management, and Revenue Generation. In partnership with several tertiary academic institutions, the Maarifa Centre will pioneer the integration into existing curricular, the capturing of devolution history and successes as student assignments to ensure the systematic documentation of devolution experiences. So far, a memorandum of understanding (MoU) has been signed with the USIU-Africa.

For its work in promoting innovative peer learning across the board, the Maarifa Centre won two awards in 2018: the Kenya Public Service Innovation and Excellence Awards, and an International Innovation Award in Indonesia.

e-learning platform will be used for the e-learning modules which will be a prerequisite for the face-to-face sessions. This is an important initiative that will strengthen counties capacity to effectively manage social risks associated with devolution projects on the ground. KADP will provide initial strategic oversight and capacity building for the involved agencies.

Monitoring and Evaluation

In April 2018, the revision of the KADP Results Framework in line with the MTR recommendation was completed to more accurately reflect the reality in KADP implementation. Good progress has been made against key outcome and output indicators (see Annex III– Revised Results Framework).



The Kenyan devolution process is extraordinarily ambitious and rapidly evolving, endowed with opportunities but also capacity constraints.

4. LOOKING AHEAD: OPPORTUNITIES, RISKS AND CHALLENGES

The Kenyan devolution process is extraordinarily ambitious and rapidly evolving, endowed with opportunities but also capacity constraints. KADP will continue to contribute to capacity building, particularly in the areas with substantial needs, including strengthening of PFM systems, performance management improvement, and integration of citizen consultation mechanisms in planning, budgeting and M&E systems. Looking ahead key opportunities and challenges include:

CHALLENGES AND OPPORTUNITIES

The much-awaited public launch of the BOOST tool has been delayed due to lack of staff capacity to conduct rigorous expenditure analysis using the BOOST tool and to some inconsistencies in expenditure data sources. The recently concluded County Enterprise Survey 2019 mainly covered urban counties and does not include data on agricultural activities. There is scope in future to integrate the County Enterprise and the Gross County Product surveys to generate complementary data on investment opportunities in Kenyan counties.

Some of the previous gains in having more gender-inclusive participatory budgeting sessions in counties were lost due to changes in leadership. For instance, in West Pokot County, the consultations were held at ward-level instead of village level; this prevented women from travelling the long distances to the PB session venues. Follow up on training of the FCDC counties earlier trained on PB design was a challenge since it was difficult to access the FCDC counties due to insecurity issues. Similarly, technical assistance and documentation of PB progress in these counties was also difficult.

Though KADP is making steady progress in changing mindsets and the practices related to adult learning in Kenya's public service, some challenges remain. These include a continued focus by course participants on short-term gains such as career certificates for promotions, instead of acquiring skills for improved service delivery over the long term; and a curriculum that is not yet-adequately oriented towards building problem-solving capacities of the trainers and learners alike. There is promising work that has begun in this area with the scheduled training of KSG faculty in problem-solving facilitation techniques as well the refresh of the KSG learning strategy.

The absence of collective action solutions to PFM challenges affects the sustainability of ongoing efforts. To address this, a renewed commitment to better coordination and cooperation among the associated ministry agencies and departments on PFM results will be key. The development of the Public Finance Management Strategy is contributing to the breaking down of existing silos through establishing cross-institutional results' teams to achieve collective reform results.

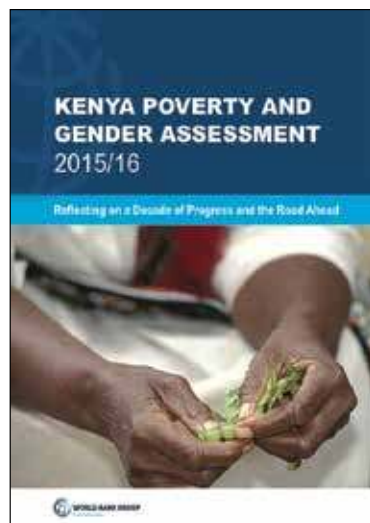
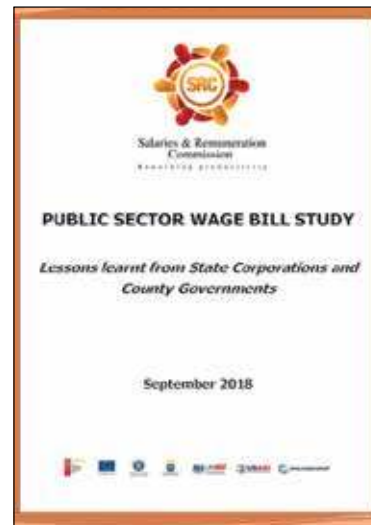
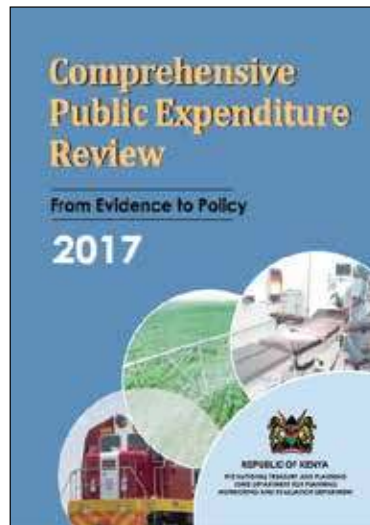
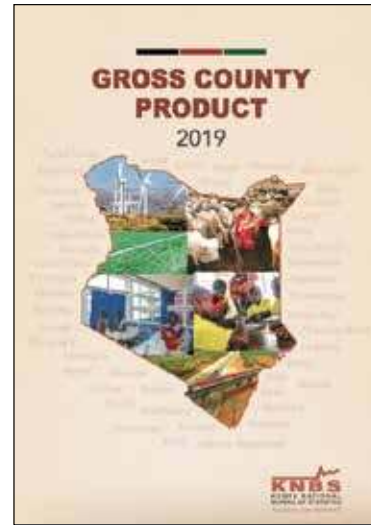
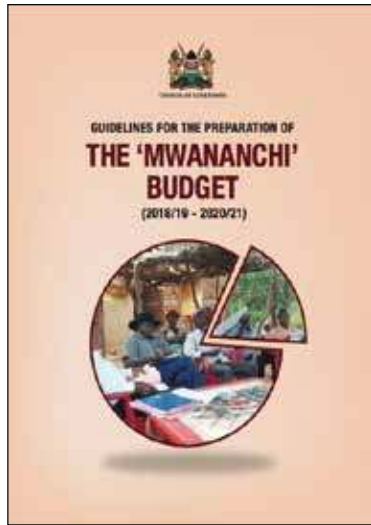
Sustaining commitment to agreed-upon projects by technical-level staff in some counties has been a challenge resulting from competing political interests and lack of cascading of the commitment. This leads to lack of staff to focus on the commitments and subsequent lack of progress in technical areas such as monitoring and evaluation.

ANNEX I: KADP FINANCIAL POSITION AS AT DECEMBER 20, 2018

TABLE 3: MDTF DISBURSEMENT AND COMMITMENT OVERVIEW AS AT DECEMBER 31, 2018								
Child TF	Name	TF No.	Revised Grant Amount*	Disbursed	Committed	Total Disbursed + Committed	Available Balance	% Disbursed + Committed
Component 1	Fiscal Impacts of Devolution	TF19343	3,600,000	2,605,311.80	396,329.95	3,001,641.75	598,358.25	83.38%
Component 2	PFM and HR	TF19194	5,470,000	4,696,447.14	570,321.28	5,266,768.42	203,231.58	96.28%
Component 3	M&E, PMS, and Open Data	TF19149	2,800,000	1,924,435.30	649,298.15	2,573,733.45	226,266.55	91.92%
Component 4	Social Accountability	TF19142	3,200,000	2,150,509.58	344,845.57	2,495,355.15	704,644.85	77.98%
Component 5	Devolved Sector Support	TF19143	4,305,000	2,878,698.52	827,946.16	3,706,644.68	598,355.32	86.10%
Component 6	Program Management	TF19144	1,605,000	1,517,922.27	62,168.99	1,580,091.26	24,908.74	98.45%
Total			20,980,000	15,773,324.61	2,850,910.10	18,624,234.71	2,355,765.29	88.77%

* Individual grant amounts were revised after the KADP Mid-Term Review. The revised total grant amount reflects exchange rates fluctuations since 2014.

ANNEX II: EXAMPLES OF KADP PRODUCTS



ANNEX III: KADP RESULTS FRAMEWORK – SUMMARY OF PROGRESS

Revised version, March 2019

IMPACT AND OUTCOME INDICATORS

Impact*	Indicator	Baseline	Target results					Frequency	Assumptions and risks
			2015	2016	2017	2018	2019		
Improved capacity of core county governance systems	1. Overall Annual Capacity and Performance Assessment (ACPA) Score	2017	2015	2016	2017	2018	2019	Annual	1. Political stability 2. No deterioration in security situation 3. Continued political support for devolution and the Kenya Devolution Support Program (KDSP)
		Not available	Not available	Not available	Not applicable	47%	52%		
		Actual results							
		Not available	Not available	42%	64%				
Source: Ministry of Devolution and Arid and Semi Arid Lands, ACPA report									
Outcome statement*	Indicator	Baseline	Target results					Frequency	Assumptions and risks
Improved County Performance	1. Counties that produce an APR on the implementation of their CIDP (ACPA score for indicator 2.6)	2017	2015	2016	2017	2018	2019	Annual	1. Ownership of the devolution process at both national and county level. 2. No further escalations in political instability 3. No further escalations in security instability
		Not available	Not available	Not available	Not applicable	+5%	+5%		
		Actual results							
		Not available	Not available	Average score = 1.5 out of 5					
Source: Ministry of Devolution and Arid and Semi Arid Lands, ACPA report									
	Indicator	Baseline	Target results					Frequency	
2. Share of County Executive audit reports that are unqualified and qualified (other categories are Disclaimed and Adverse)	2. Share of County Executive audit reports that are unqualified and qualified (other categories are Disclaimed and Adverse)	2017	2015	2016	2017	2018	2019	Annual	
		Unqualified audit reports = 0 counties	Improved audit report findings	Improved audit report findings	+5%	+5%	+5%		
		Actual results							
		Qualified audit reports = 3 counties	Unqualified audit reports = 0 counties	Unqualified audit reports = 0 counties	Unqualified audit reports = 0 counties	Unqualified audit reports = 2 counties			
		Qualified audit reports = 5 counties	Qualified audit reports = 13 counties	Qualified audit reports = 22 counties	Qualified audit reports = 35 counties				
Source: Office of the Auditor General reports									
	Indicator	Baseline	Target results					Frequency	
3. Counties with functional public participation system and processes (ACPA Score Indicator 4.4)***	3. Counties with functional public participation system and processes (ACPA Score Indicator 4.4)***	2017	2015	2016	2017	2018	2019	Annual	
		Not available	Not available	Not available	Not applicable	+5%	+5%		
		Actual results							
		Not available	Not available	ACPA Score = 2 out of 3					
Source: Ministry of Devolution and Arid and Semi Arid Lands, ACPA report									
Outcome statement*	Indicator	Baseline	Target results					Frequency	
Leveraging World Bank portfolio	4. Leveraging of World Bank portfolio (Value of World Bank projects supported)	2017	2015	2016	2017	2018	2019	Annual	
		Not applicable	Western Kenya-Driven Development Project: \$86m	Kenya Devolution Support Program: \$200m	Kenya Urban Support Program: \$300m	Selected North and North Eastern Counties Initiative projects	Devolution in the World Bank Country Partnership Framework		
		Actual results							
		Western Kenya-Driven Development (CDD): \$86m	KDSP: \$200m	Kenya Urban Support Program: \$300m	NEDI: \$1 bn GESDeK: \$150m KDSP: \$200m KUSP: \$300m				
Source: KADP implementations reports									

* The KADP only contributes to the impact and outcome level results, but is not held accountable for results at these levels.

** The ACPA is expected to be finalized in April, 2018. Once officially launched, this results framework will be populated with the actual values.

*** Parametres include structured forums, citizen inputs into plans and budget, percentage of budgets allocated to citizen prioritized projects.

OUTPUT INDICATORS

1. Fiscal impacts of devolution										
Output Statement	Indicator	Baseline	Target results					Frequency	Assumptions and risks	
		2014	2015	2016	2017	2018	2019			
Increased data and analytical products to inform better county macro fiscal analysis	1.1 Generation of county level macro fiscal data, including on expenditure, revenues, county Gross Domestic Product (GDP) and investment climate data	None	Database in place, and methodology for sub-national BOOST agreed, and version-zero	Prepare county Integrated Financial Management Information System (IFMIS) data for loading into BOOST	BOOST Tool developed with adequate Integrated Financial Management Information System data	Validation of data for County level Gross Domestic Product	County Gross Domestic Product estimated	Annual	1. Financial and technical assistance resources available on time 2. Political support from national and county governments	
		Actual results								
			BOOST design work commenced	County IFMIS data accessed and prepared	BOOST Tool developed and integrated with data from both IFMIS and Controller of Budget (CoB)	County Gross Domestic Product estimated and a report prepared, launch of County GCP expected in February 2019				
		Source: NT/CoB reports								
	1.2 County level data generated and shared to help inform macro and fiscal issues at the county level	2014	2015	2016	2017	2018	2019	Annual		
		None	Methodology for estimating subnational Gross Domestic Product developed	County Public Expenditure Reviews (PER) and Public Expenditure Tracking Surveys (PETS)	Contracting of Own Source Revenue work planned	Comprehensive Public Expenditure Review; Own Source Revenue	Spatial macroeconomic model			
		Actual results								
			Subnational Gross Domestic Product work commenced	With UNICEF and UNWOMEN conducted a sub-national Public Expenditure Review covering 10 counties, focusing on health, children, water and sanitation. A validation workshop held	Relevant data and legislation for OSR collated to support the analysis of County level revenue potential, consultant on board on to spearhead this study	Comprehensive Public Expenditure Review completed and launched in November, 2018; Own Source Revenue report finalized and launched as well as shared by the Government of Kenya in June 2018				
	Source: KNBS reports									
	1.3 Strengthened macrofiscal management at the County level through technical assistance	2014	2015	2016	2017	2018	2019	Annual		
None		Conference on subnational borrowing planned	Support Commission on Revenue Allocation (CRA) to built its capacity in area of assessing revenue potential for counties	Framework for county Public Private Partnerships	Completion of Feasibility study for one County level Public Private Partnerships	County level Credit worthiness and credit rating training				
Actual results										
		Conference on subnational borrowing held. Agreement on framework areas	A request to support assessment of Own Revenue Potential received in February, 2016	Completed a review of feasibility studies on County Public Private Partnerships (PPP)	Feasibility study completed for Nakuru County proof of concept to go to the market once title deed is cleared					
Source: KADP implementation records										

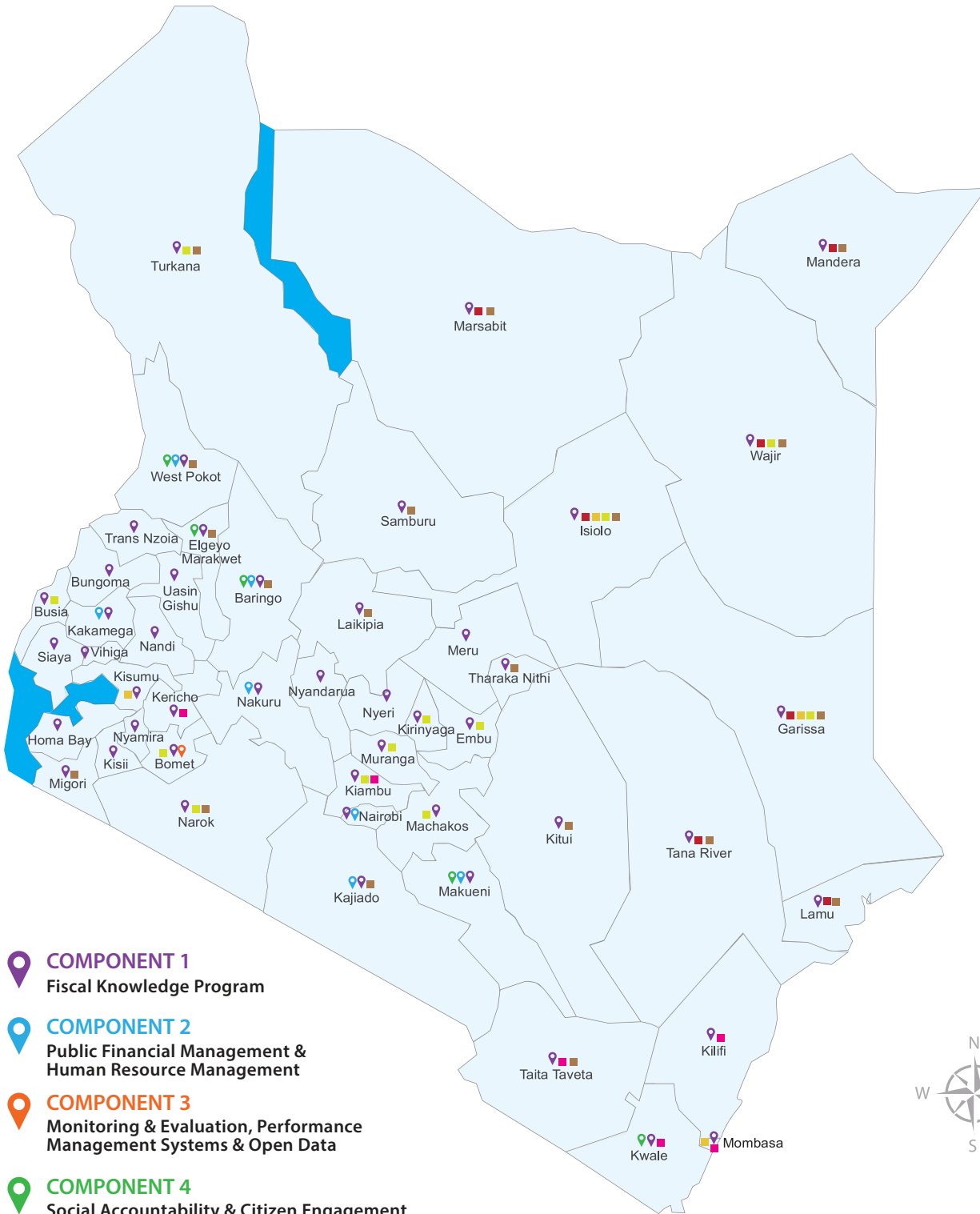
2. Public Financial Management and Human Resources									
Output Statement	Indicator	Baseline	Target results					Frequency	Assumptions and risks
Improved County PFM & HR Systems	2.1 Analyses and Assessments of county Public Financial Management (PFM) and Human Resource Management (HRM) carried out	2014	2015	2016	2017	2018	2019	Annual	1. Ability to agree with GoK counterparts on analytical work to be carried out 2. Collective agreement of priority challenges to address with national and county counterparts and joint workplans 3. Cooperation between stakeholders during implementation 4. Complementary GoK (via Kenya Devolution Support Program) and Development Partner (DP) funding is available for rollout to all counties
		Not applicable	PFM and HRM analysis and assessments conducted	PFM and HRM analysis and assessments conducted	PFM and HRM analysis and assessments conducted	PFM and HRM analysis and assessments conducted	PFM and HRM analysis and assessments conducted		
		Actual results							
		Draft PFM Systems and Capacity assessments developed and submitted to the National Treasury	Public Expenditures and Financial Assessment (PEFA) Concept Note developed and approved, ToRs for consultants prepared, consultants contracted	PEFA in 6 counties completed; PFM Problem diagnosis in 3 counties completed County wage bill data collection and analysis completed	6 PEFA assessments reports finalised; assessment of e-procurement system completed County Public Expenditure Review Wage Bill Analysis Chapter completed; County Wage Bill Management Study Report completed				
	Source: Analytical and assessment reports produced; Quarterly Component Reports								
	2.2 Legal, Policy, System, Manual, Guideline development for county PFM and HR (from 2018 linked to core challenges impacting on delivery and integrated into National Capacity Building Framework (NCBF))	2014	2015	2016	2017	2018	2019	Annual	
		PFM Modules and Manuals in place	PFM & HRM Policy, Legal, Policy, System instrument development	PFM & HRM Policy, Legal, Policy, System instrument development	PFM & HRM Policy, Legal, Policy, System instrument development	PFM & HRM Policy, Legal, Policy, System instrument development	PFM & HRM Policy, Legal, Policy, System instrument development		
		Actual results							
		Financial Accounting and Reporting Module and Budget Module developed and rolled out, Consultation workshop held on Human Resource (HR) Strategy	Information Systems Audit Manual developed	Asset management guidelines gazetted; JS Audit Manual developed; Salaries and Remuneration Commission (SRC) wage forecasting tool developed and training provided for Wage Bill Forecasting Tool as well as Public Policy, PFM, Labour and Remuneration and M&E leadership	Roll out of procurement sensitization module; SRC remuneration and benefits bill commenced; Social Audit Citizen Engagement Framework draft commenced and stakeholder consultations ongoing; draft procurement manual developed in Makeni County; OSR revenue projection tool developed for Makeni				
	Source: Instruments supported, Component Reports								
	2.3 Support to major training and capacity building activities for counties on PFM (from 2018 linked to core challenges impacting on delivery and integrated into the National Capacity Building Framework (NCBF))	2014	2015	2016	2017	2018	2019	Annual	
		Not applicable	Major training exercise(s) in PFM supported	Major training exercise(s) in PFM supported	Major training exercise(s) in PFM supported	Major training exercise(s) in PFM supported	Major training exercise(s) in PFM supported		
Actual results									
Roll-out and Trainer of Trainers (ToT) for 3 PFM Modules and 2 manuals		On the job provided to 47 counties on financial reporting Training of Salaries and Remuneration Commission staff on wage bill modelling completed	Training of counties on asset transfer; training of Nairobi on Asset management. ToTs on Information System (IS) Audit; ToTs and manual on Procurement sensitization; Training to CACCOCs on PB and Social Audit	Training underway for Public Procurement and Asset Disposal (PPAD) and regs Roll out of HR Policies and Strategies to all 47 counties					
Source: Training Materials, Training Reports, and component reports									
2.4 Cases of institutional change addressing county PFM and HRM challenges at the national and county level	2014	2015	2016	2017	2018	2019	Annual		
	Not applicable	Not measured	Not measured	2 cases of institutional change	3 cases of institutional change	5 cases of institutional change			
	Actual results								
	Not applicable	Not applicable	Nairobi County asset management policy development and adoption Change in approach to asset transfer by Intergovernmental Budget and Economic Council (IBEC)	Draft PIM Guidelines developed and establishment of the PIM dept in the National Treasury; Cross-institutional PFM and HR Results Teams established to collectively implement the PFM Strategy; Operationalisation of the Assets and Liabilities Department in the NT; County PEFA Action Plans under development in PEFA Counties					
Source: Accounts of change maintained by KADP team									





3 Monitoring & Evaluation, Performance monitoring systems and Open Data										
Output Statement	Indicator	Baseline	Target results					Frequency	Assumptions and risks	
Enhanced Capacity & Use of M&E PMS and Open Data	3.1. Number of counties with improved County Delivery Systems (CDS)*	2014	2015	2016	2017	2018	2019	Annual	1. Support from the CoG to the County Delivery System blue-print 2. Political will at county level to use a County Delivery System to drive improvements in performance and delivery 3. Continued support from the CoG to the Open County portal 4. Sufficient capacity to develop data visualizations and applications in IT community 5. Continued support to deliver effective monitoring and evaluation (M&E) systems across Government	
		Draft model presented to the Council of Governors (CoG)	County Delivery System concept completed	Firm recruited	1 county supported to run a CDS and a CDS Manual developed	2 counties, 1 regional block and the CoG supported to operationalize delivery systems	4 counties and 1 regional blocks supported to operationalize delivery systems			
		Actual results								
		CDS Concept developed, including a CDS Handbook	Firm recruited through competitive bidding	1 county (Bomet) supported to run a CDS and a Reference CDS Manual developed	2 counties (Bomet and Kericho), 2 REBs (LREB and Coastal) and CoG supported to setup and run delivery systems					
		Source: CDS technical assistance reports								
	Definition: County Delivery System defined as 1. County has identified a small number of high priority projects in the CIDP, 2. County has set targets for each development priority, 3. County has established delivery team, 4. County completes quarterly progress reports on the implementation of the priority results, and 5. County conducts routine progress reviews and agrees on corrective action when performance is off track									
	3.2 Open County platform developed and used	2014	2015	2016	2017	2018	2019	Annual		
		Draft Open County platform developed	Draft Open County platform developed	Open County platform updated	Open County Apps developed	Open County integrated into Maarifa Centre and Open County sensitization of counties	Open County applied in counties to inform planning and budgeting			
		Actual results								
			Open County Portal Pageviews = 2,000	Open County Application downloads = 500	Open County Portal Pageviews = 4,000	Open County Application downloads = 1,000				
Source: Online Maarifa and Open County platforms and cell phone Applications										
4. Social Accountability										
Output Statement	Indicator	Baseline	Target results					Frequency	Assumptions and risks	
Strengthened Citizen Participation & Accountability Systems	4.1 National standards and guidelines on public participation developed and rolled out and include mechanism which are applicable and accessible for different groups, including women, marginalized and vulnerable groups.	2014	2015	2016	2017	2018	2019	Annual	1. Commitment by Counties to participatory budgeting 2. Change in County Administration does adversely affect implementation	
		Policy Briefs on min standards disseminated; national workshop with MoDP on Public Participation (PP) guidelines held	National guidelines on PP developed	National guidelines launched	National guidelines inform Public Participation frameworks in 10 Counties	National guidelines inform Public Participation frameworks in 20 Counties	Review and improvement of guidelines on public participation			
		Actual results								
		National guidelines on PP developed & validated	National guidelines launched	Assessment of progress in implementation of guidelines in 47 Counties	Guidelines in Braille version developed & launched					
		Source: MoD and ASAL (ACPA), Civil Society Organization (CSO) monitoring tools								
	4.2 Number of counties with improved Participatory Budgeting (PB) mechanisms	2014	2015	2016	2017	2018	2019	Annual		
		TA offered to counties through Kenya School of Government; modules of PFM including participation developed and rolled out	Sensitization of counties on Participatory Budgeting	Technical assistance (TA) on Participatory Budgeting provided to 5 counties	Technical assistance on Participatory Budgeting provided to 8 counties	Technical assistance on Participatory Budgeting provided to 12 counties; Participatory Budgeting Module developed	Evaluation of Participatory Budgeting processes held			
		Actual results								
		Mission held, work will commenced in Jan 2016	TA provided to Makueni, Baringo, West Pokot, Kwale, Elgeyo Marakwet & Kakamega	12 (7 additional Counties trained on PB (Trans Nziola, Turkana, Taita Taveta, Laikipia, Mandera, Siaya, Kajado)	16 counties trained. 5 additional counties include (Meru, Isiolo, Tana River, Garissa, Wajir, Vihiga, Kitui, Nyandarua, Nairobi). PB Module launched					
		Source: County PB Reports; County PP Reports; WB project monitoring								
4.3 No. of counties with increased allocation of development budget subjected to Participatory budgeting	2014	2015	2016	2017	2018	2019	Annual			
	Draft policy briefs on social accountability developed; draft Social Accountability Synthesis Paper	Awareness raising on Participatory Budgeting	2	5	8	12				
	Actual results									
	Mission held, work commenced in Jan 2016	3 (Makueni, West Pokot & Baringo)	4 - Makueni, Baringo, Elgeyo Marakwet, West Pokot	5 - Makueni, Baringo, Elgeyo Marakwet, Laikipia, West Pokot. (average 35%)						
	Source: County budgets and reports, World Bank project monitoring									

5. Devolved Sector Support										
Output Statement	Indicator	Baseline	Target results					Frequency	Assumptions and risks	
		2014	2015	2016	2017	2018	2019			
Enhanced Devolved Sector	5.1 Support delivered to improve core county systems in devolved sectors	No sector specific support	Social accountability in health	Social accountability and M&E in health; planning in sanitation; planning in water and agriculture	Social accountability and M&E in health; planning in water; planning and budgeting in urban	Social accountability and M&E in health; planning in water	Planning in water	Annual	1. Sector demand for technical assistance, capacity development, and analytical support from KADP 2. Political support for defining intergovernmental and conditional grant mechanisms	
			Actual results							
			Health Social Accountability Manual developed; Health Political Economy Analysis completed; start of sanitation and water support	Sanitation PPPs; Open Defecation Free Campaign, county prototype bill/ Kenya Environmental Sanitation and Strategic Framework; Results-Based Financing web application; Water Act development; WSP support Kiambu	Results-Based Financing web work; First phase of Water and Sanitation Program (WSP) support to Kiambu; Modelling of urban grants; Analysis on municipalities in the legal framework	Knowledge sharing on aggregation of water utilities; CRA support for revenue allocation formula				
		Source: Program records								
	5.2 Strengthened capacity of targeted counties to respond to and mitigate against climate risks with a focus on community resilience and adaptation and DRM	No focus on climate resilience in a devolved context	Consultations with donors to address Climate Change in KADP	Technical background work to inform program design	County Environment Information Sheets developed	4 counties selected to pilot activities on climate and disaster risk management				Annual
				Actual results						
				Agreement to incorporate Climate Change in KADP	Background papers to inform project design completed; Internal technical expertise and funding	County Environment Information Sheets finalized	Climate risk management interventions mainstreamed in CIDP (2018-2022) of two counties (Narok and Kwale), staff capacity built on approach of integrating climate change and disaster risk management into planning and budgeting process	Additional funding leveraged from GFDRR to support development of mobile based early warning system for Narok county, and partnership with CSOs		
		Source: Program records								
	5.3 Capacity of the Frontier Counties Development Council (FCDC) strengthened	No focus on regional blocs	Technical assistance on organizational development of FCDC (operations manual, functional Secretariat)	Plan to accelerate the socioeconomic development of the FCDC counties	Mechanism for rapid deployment of technical assistance to FCDC counties - PB, service delivery, M&E, conflict mitigation)	Public participation guidelines and citizen education programs contextualized to the FCDC counties	At least two County Integrated Development Plans (CIDP) aligned with FCDC regional instruments (socio-economic blueprint, conflict mitigation)	Annual		
				Actual results						
				FCDC Secretariat established	Draft blue print guided by a strategic policy framework on territorial development consulted with FCDC counties	A concept note on rapid deployment of technical assistance to FCDC counties drafted and consulted with counties	Training done but roll out delayed due to insecurity			
		Source: Program Records								
5.4 County-level capacity building on conflict mitigation and violence prevention developed	No focus on conflict in a devolved context	Identification of entry points for systemic capacity building of counties on violence prevention	Crime and Violence Prevention Training (CVPT) contextualized at the county level	Number of rapid assessments on crime and violence developed and TOT rolled out in 4 counties	At least two counties integrating violence prevention in CIDPs	CVPT program delivered to KSG for integration into the curricula for civil servants	Annual			
			Actual results							
			Support CVPT between USIU, KSG and National Crime Research Center established	CVPT curriculum updated including inputs from Bank's team	Two rapid assessments on crime and violence in Isiolo and Mombasa consulted	Isiolo County has integrated CVPT in its CIDP				
	Source: Program records									
5.5 Support delivered to identify and address gender inequalities in a devolved context	No specific attention to gender issues in a devolved context	Consultations with donors to address gender in KADP	Stakeholder engagement and initial mainstreaming into specific components	Mainstreaming work continued & Gender-Based Violence (GBV) work conceptualized	GBV service gap analysis completed with Social Development Direct and report available.	Operations informed by GBV background work & mainstreaming continued	Annual			
			Actual results							
			Agreement to incorporate gender	Areas identified; Mainstreaming undertaken (Kenya School of Government (KSG) manuals, procurement regulations, National Gender and Equality Commission (NGEC))	Mapping concluded and mainstreaming in M&E, PFM/ citizen engagement; GBV identified	GBV service gap analysis completed; collaborations on piloting with Bomet and Kitui initiated				
	Source: Program records									

6. Knowledge Exchange and Program Management										
Output Statement	Indicator	Baseline	Target results					Frequency	Assumptions and risks	
Strengthened knowledge sharing and learning capacity	6.1 Council of Governors (CoG) knowledge sharing and learning capacity strengthened	2014	2015	2016	2017	2018	2019	Annual	1. CoG and county leadership support to improving knowledge sharing and learning amongst counties	
		CoG knowledge and learning centre process not started	No support planned	CoG: Maarifa Centre strategy developed	Maarifa Centre Launched; One learning forum conducted	Online knowledge sharing platform launched; Centre team trained on knowledge capturing and sharing methodology	5000 page visits on the Maarifa Centre online platform. Network of County knowledge workers created			
		Actual results								
		CoG knowledge and learning centre process not started		CoG supported to design the Maarifa Centre (concept and strategy approved by CoG)	Maarifa Centre Launched at the Devolution Conference Maarifa Centre Innovation Forum Held Grievance Redress peer learning event held	Maarifa platform launched and Maarifa Team trained				
		Source: Maarifa Centre and KADP program implementation reports								
	6.2 Production and dissemination of knowledge sharing and learning products	2014	2015	2016	2017	2018	2019	Annual		
		Dissemination of knowledge and learning products ad hoc	Dissemination of KADP Lessons Learned paper	No. of knowledge sharing and learning products planned	No. of county experiences/ solutions documented	10 county experiences/ solutions documented; 3 peer learning events/ forums (online & offline) implemented	20 county experiences/ solutions documented; 10 peer learning events/forums implemented (online & offline)			
		Actual results								
		Dissemination of KADP Lessons Learned paper	No support provided	5 county experiences/ solutions documented	21 county solutions documented 5 peer learning events					
		Source: Maarifa Centre and KADP program implementation reports								

KADP County Activities



-  **COMPONENT 1**
Fiscal Knowledge Program
-  **COMPONENT 2**
Public Financial Management & Human Resource Management
-  **COMPONENT 3**
Monitoring & Evaluation, Performance Management Systems & Open Data
-  **COMPONENT 4**
Social Accountability & Citizen Engagement

COMPONENT 5 Devolved Sector Support

-  FCDC
-  Conflict & Violence Prevention
-  Sanitation
-  Health
-  Water Sector Reform





WORLD BANK GROUP

Kenya Accountable Devolution Program (KADP)

