



**THE NATIONAL TREASURY AND ECONOMIC PLANNING  
STATE DEPARTMENT FOR ECONOMIC PLANNING**

**KEY HIGHLIGHTS OF THE FOURTH MEDIUM TERM PLAN 2023 – 2027  
PRIORITIES**

**PRESENTED DURING THE LAUNCH OF THE BUDGET PREPARATION  
PROCESS FY 2025/26 – FY 2027/28**

**BY  
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PRINCIPAL SECRETARY**

**9<sup>TH</sup> SEPTEMBER , 2024**



# PRESENTATION OUTLINE

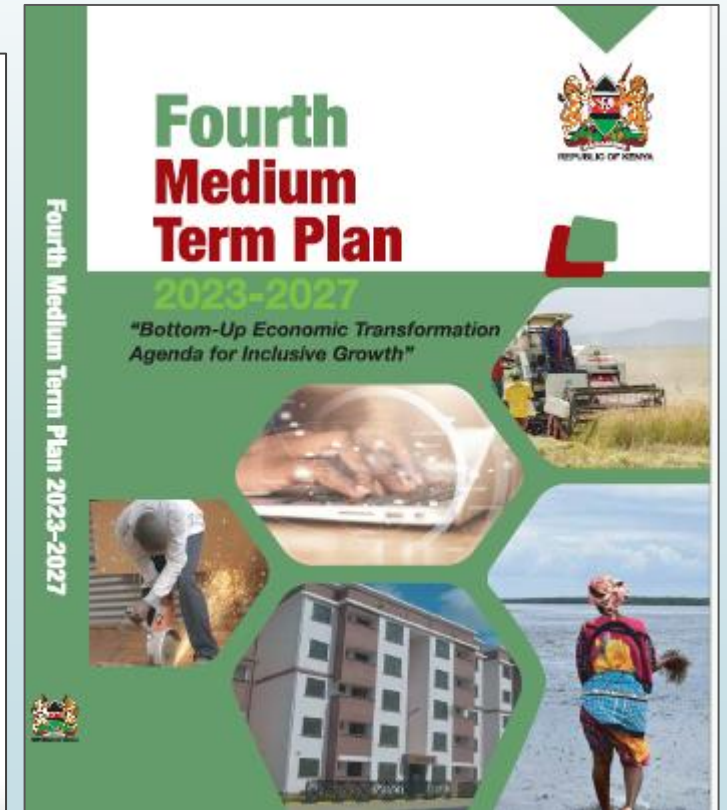
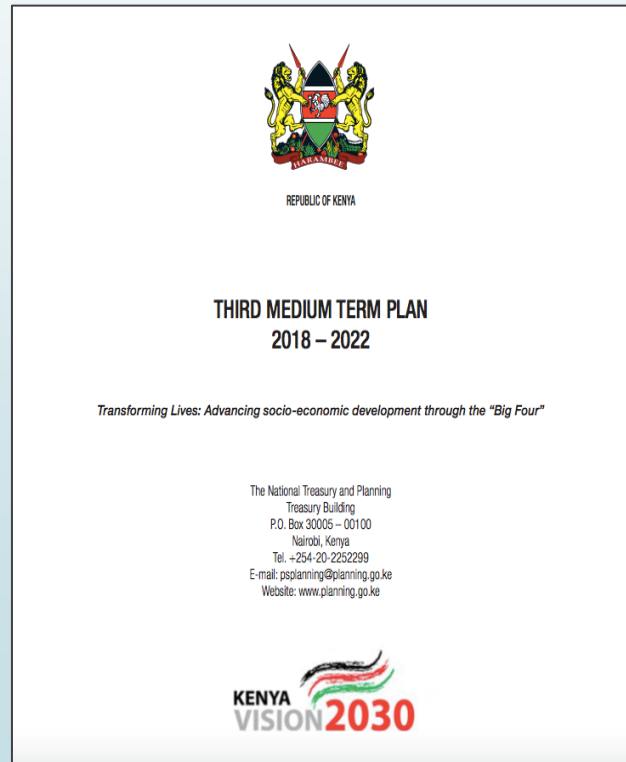
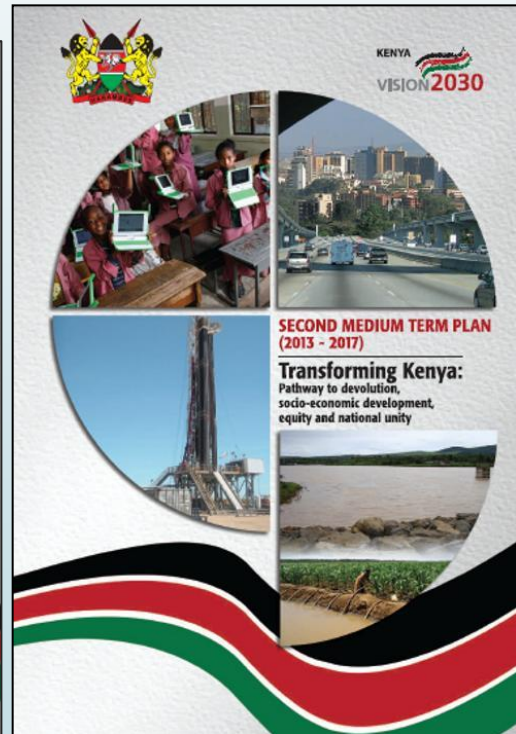
- 1) BACKGROUND**
- 2) MTP IV KEY PRIORITY PROGRAMMES BY SECTOR**
- 3) MTP IV KEY SECTOR PERFORMANCE FY 2023/24**
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# 1.BACKGROUND



Aims at “Transforming Kenya into a newly industrializing middle-income country providing a high quality of life to all its citizens in a clean and secure environment by the year 2030”







# LAUNCH OF THE MTP IV 21<sup>st</sup> MARCH 2024



# DISSEMINATION OF MTP IV JUNE 2024

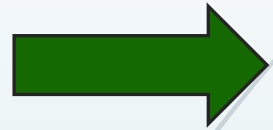




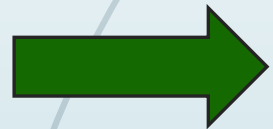
# THE FOURTH MEDIUM TERM PLAN 2023-2027



WHAT IS BETA ?



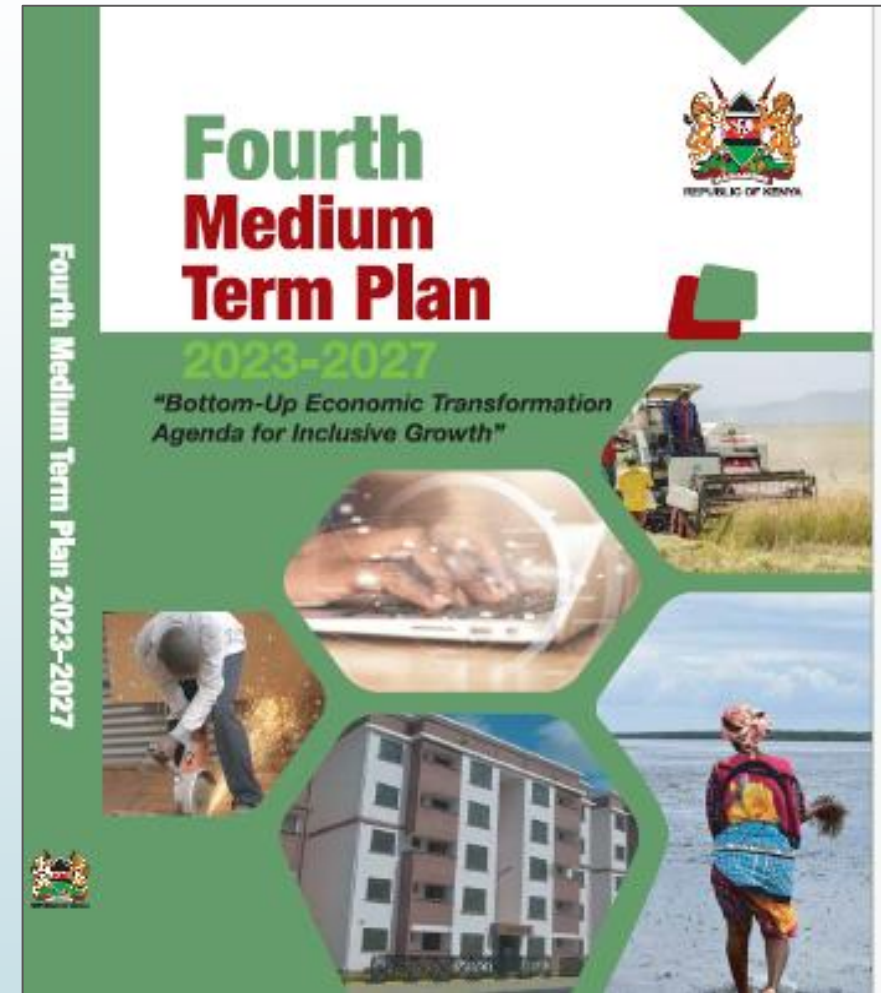
IMPLEMENTING THE BETA PRIORITIES THROUGH MTP IV



IMPLEMENTING THE BETA / MTP IV PRIORITIES THROUGH VALUE CHAIN APPROACH



MTP IV PRIORITY PROGRAMMES







# THE FOURTH MEDIUM TERM PLAN 2023-2027

## What is the Bottom-Up Economic Transformation Agenda (BETA) ??

1

BETA is geared towards economic turnaround through a value chain approach

2

BETA targets sectors with high impact to drive economic recovery and growth

3

Beta ensures rational resource allocation by eliminating wastage of resources

4

BETA provides impetus for achievement of Kenya Vision 2030 goals and MTP IV objectives

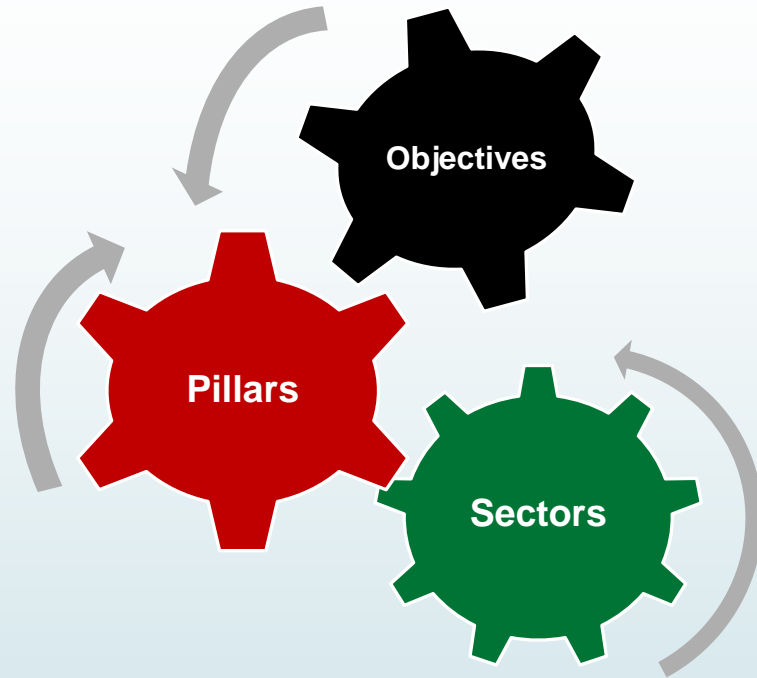


# MTP IV LINKAGES TO BETA

## BETA Core Pillars

1. Agriculture
2. Micro, Small and Medium Enterprise (MSME) economy
3. Housing and Settlement
4. Healthcare
5. Digital Superhighway and Creative Economy

## 25 MTP III Sectors



## Objectives of BETA

1. Bringing down the cost of living by lowering the annual inflation rate to 5%
2. Eradicating hunger
3. Creating 1,200,000 jobs annually
4. Expanding the tax base to increase revenue collection to 19.7% of GDP by 2027/2028
5. Improving foreign exchange balance through promotion of exports in order to improve reserves to 6.1 months of import cover
6. Achieve Inclusive growth – leaving no one behind

## MTP IV Sectors

1. Finance and Production
2. Infrastructure
3. Social
4. Environment and Natural Resources
5. Governance and Public Administration



# MAPPING OF MTP III SECTORS AND MINISTRIES TO MTP IV SECTORS

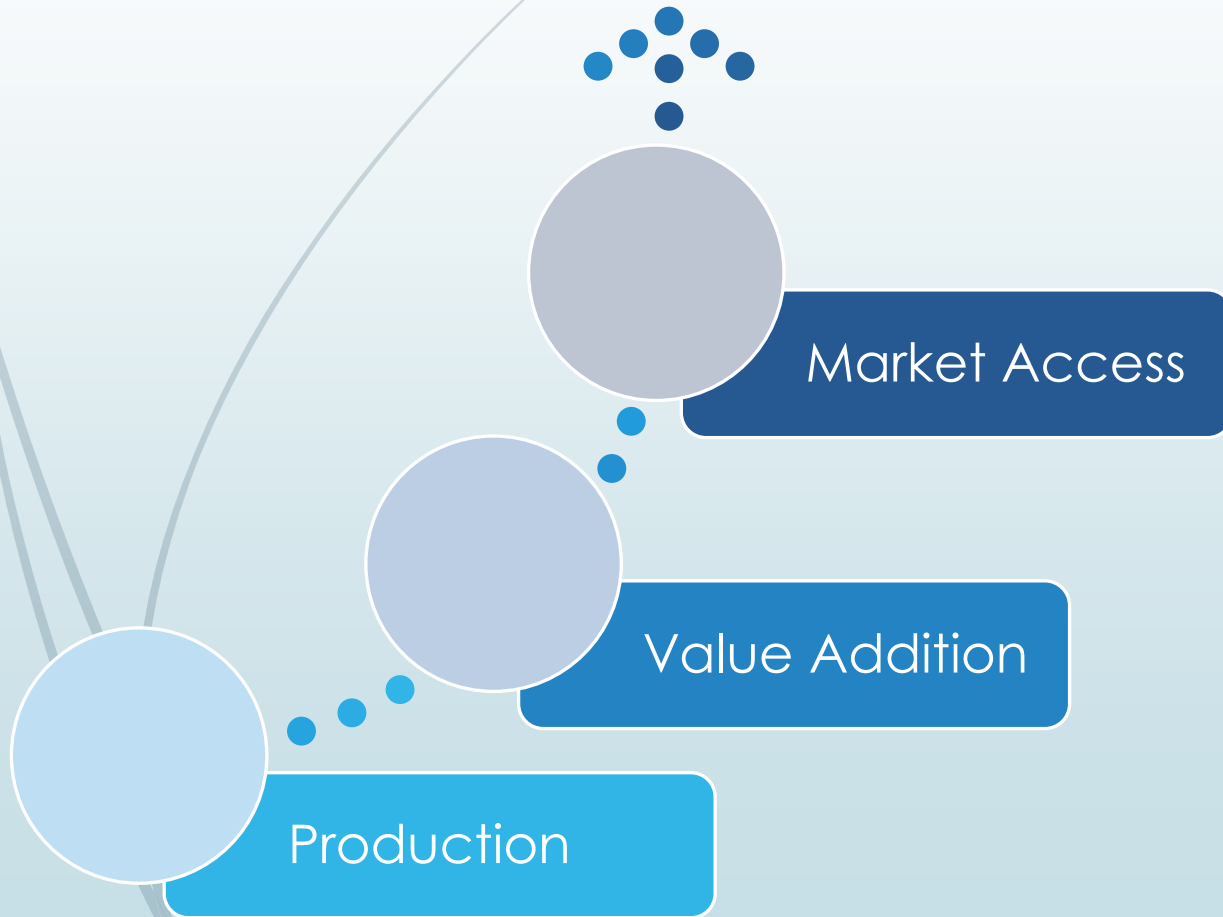
25 MTP III Sectors	MTP IV Sectors	Ministries
<ol style="list-style-type: none"> <li>1. Financial Services</li> <li>2. Agriculture and Livestock</li> <li>3. Trade</li> <li>4. Manufacturing</li> </ol>	<b>Finance and Production</b>	<ol style="list-style-type: none"> <li>1. National Treasury and Economic Planning</li> <li>2. Agriculture and Livestock Development</li> <li>3. Cooperatives and Micro Small Medium Enterprises (MSMEs) Development</li> <li>4. Investments, Trade and Industry</li> <li>5. EAC, The ASALs and Regional Development*</li> </ol>
<ol style="list-style-type: none"> <li>1. Infrastructure (Roads, Energy, Railway, Air)</li> <li>2. Environment, Water, Sanitation and Regional Development*</li> <li>3. Land Reforms</li> <li>4. Population Urbanization and Housing</li> <li>5. Information Communications and Technology</li> <li>6. Business Process Outsourcing (BPO)</li> </ol>	<b>Infrastructure</b>	<ol style="list-style-type: none"> <li>1. Roads and Transport</li> <li>2. Energy and Petroleum</li> <li>3. Information Communications and The Digital Economy</li> <li>4. Lands, Public Works, Housing and Urban Development</li> <li>5. Water, Sanitation and Irrigation</li> </ol>
<ol style="list-style-type: none"> <li>1. Education and Training</li> <li>2. Health</li> <li>3. Public Sector Reforms</li> <li>4. Gender, Youth and Vulnerable Groups</li> <li>5. Labour and Employment</li> <li>6. Science, Technology and Innovation</li> <li>7. Sports, Culture and the Arts</li> <li>8. Ending Drought Emergencies</li> </ol>	<b>Social Sector</b>	<ol style="list-style-type: none"> <li>1. Health</li> <li>2. Education</li> <li>3. Labour and Social Protection</li> <li>4. Public Service and Human Capital Development.</li> <li>5. Gender, Culture, The Arts and Heritage</li> <li>6. Youth Affairs Creative Economy and Sports</li> </ol>
<ol style="list-style-type: none"> <li>1. Environment, Water, Sanitation and Regional Development*</li> <li>2. Tourism</li> <li>3. Oil, Gas and Mineral Resources</li> <li>4. Blue Economy</li> </ol>	<b>Environment and Natural Resources</b>	<ol style="list-style-type: none"> <li>1. Environment, Climate Change and Forestry</li> <li>2. Tourism and Wildlife</li> <li>3. EAC, ASALs and Regional Development*</li> <li>4. Mining, Blue Economy and Maritime Affairs</li> </ol>
<ol style="list-style-type: none"> <li>1. Governance, Justice and Rule of Law</li> <li>2. Devolution</li> <li>3. Security, Peace Building and Conflict resolution</li> <li>4. National Values and Ethics</li> </ol>	<b>Governance and Public Administration</b>	<ol style="list-style-type: none"> <li>1. Interior and National Administration</li> <li>2. Defence</li> <li>3. State Law Office</li> <li>4. Foreign Affairs and Diaspora Affairs</li> <li>5. EAC, ASALs and Regional Development*</li> </ol>





## MTP IV IMPLEMENTATION THROUGH VALUE CHAIN APPROACH

To attain the MTP IV objectives, the five MTP IV sectors target to pursue a value chain approach in implementation of identified priority areas.



*“ A value chain describes the production-to-market linkages, generating value for the consumer while increasing revenue generated by producers”*



# VALUE CHAINS

## 10 PRIORITY VALUE CHAINS

1. Leather and leather products
2. Textile and Apparel
3. Dairy
4. Edible oils (sunflower, canola, palm oil, coconut, soya)
5. Tea
6. Rice
7. Blue Economy
8. Minerals
9. Forestry
10. Construction/Building Materials

## OTHER VALUE CHAINS

1. Maize
2. Potatoes
3. Pyrethrum
4. Beef
5. Coffee
6. Apiculture (bees)
7. Indigenous poultry
8. County specific value Chains

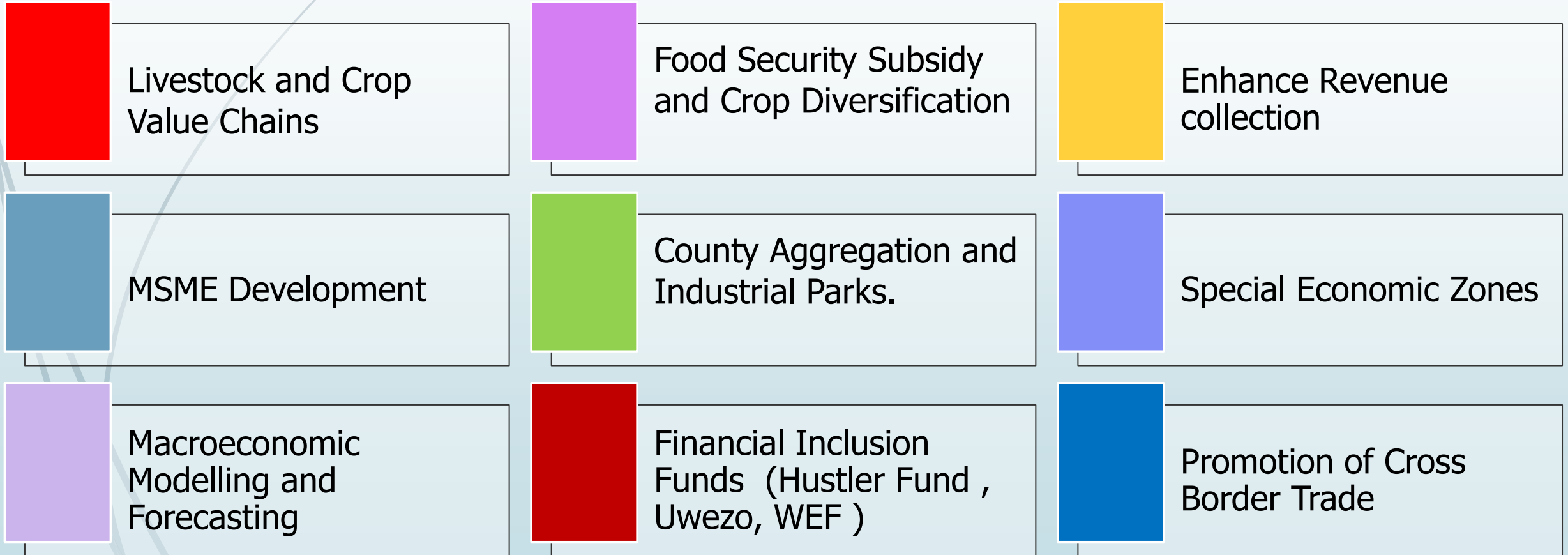


## **2. MTP IV KEY PRIORITY PROGRAMMES BY SECTOR**



# A. FINANCE AND PRODUCTION SECTOR

The Sector has 68 Priority Programmes/Projects. The Key priority programmes are:







## B. INFRASTRUCTURE SECTOR

The Sector has 86 priority programmes/projects. The key priority programmes are:

Construction, rehabilitation and maintenance of roads

Civil aviation Development

Construction of Housing Units

Railways Including SGR phase 2B

Construction of Footbridges

Generation / distribution of Renewable and Alternative Energy Sources

Water Harvesting for Irrigation and Domestic use

Digital Access and Creative Economy Infrastructure

Power distribution-access to electricity



## C. SOCIAL SECTOR

**The Sector has 77 priority programmes/projects. The key priority programmes are:**

Health infrastructure  
and Financing

Education Reforms

Social Protection

Public Service Reforms

Sports and Arts

Inclusion of Persons  
with Disabilities in  
National Development

Integrated Health  
Management  
Information System

Human Capital  
Development

Science Technology  
and innovation



## D. ENVIRONMENT AND NATURAL RESOURCES SECTOR

The Sector has 63 priority programmes/projects. The key priority programmes are:

Natural Resource conservation, Restoration and Management

Sustainable Waste Management

Mineral Value Addition and processing

Modernization of Meteorological Services

Ocean Governance

Green and Blue jobs

Climate Change Mitigation and Adaptation

Tourism, Culture and Heritage Promotion

Agroforestry woodlots in ASALs



# E. GOVERNANCE AND PUBLIC ADMINISTRATION SECTOR

**The Sector has 44 priority programmes/projects. The key priority programmes are:**

Judicial Transformation

Police and Prison Housing Mortgage Scheme

Leadership Accountability and Legislative Agenda

Electoral and Political Processes

Foreign Policy and Diaspora Affairs

Administrative Justice and Access to Information

Promotion of Human Rights

Leadership, Ethics and Integrity

National Cohesion and Integration





# 3. MTP IV KEY SECTOR PERFORMANCE FY2023/24



## A. FINANCE AND PRODUCTION SECTOR ACHIEVEMENTS

### KEY MACROECONOMIC INDICATORS

- 1) **Real GDP** grew by 5.6% in 2023 compared to 4.9% in 2022;
- 2) **Government Revenue** collected as at 30<sup>th</sup> June 2024 was KSh 2,702.6 Billion against a target of KSh 2,907.5 Billion;
- 3) **Inflation rate** dropped from 7.3% in July 2023 to 4.4% in August 2024;
- 4) **Exports grew** from KSh 871 Billion in 2022 to KSh 1,007.9 Billion in 2023;
- 5) **Balance of Payment** recorded a lower deficit of USD 418 Million in the 4<sup>th</sup> Quarter of FY 2023/24 compared to a deficit of USD 461 Million in the 4<sup>th</sup> Quarter FY 2022/23;
- 6) **Current account deficit** narrowed to USD 4,091.3 million in June 2024 compared to USD 4,840.9 million in June 2023, reflecting lower imports, increased export of goods and services as well as increased remittances



## A. FINANCE AND PRODUCTION SECTOR ACHIEVEMENTS *Cont..*

### OTHER ACHIEVEMENTS

- 1) **Maize production increased by** 38.8% (34.3 Million Bags in 2022 to 47.6 million bags in 2023);
- 2) Area under **rice production** increased to 24,404Ha;
- 3) Distributed 235,028 MT of **subsidized fertilizers** for planting and top dressing;
- 4) **Marketed milk** production rose by 6.9% from 754.3 million litres in 2022 to 806.6 million litres in 2023;
- 5) Delivered 996 MT of hides and 10,579 MT of skins to tanneries;
- 6) Commissioned 18 **county aggregation and industrial parks**;
- 7) Incubated 1,002 MSMEs; and facilitated 1,487 MSMEs to access markets.



## B. INFRASTRUCTURE SECTOR ACHIEVEMENTS

- 1) Constructed 559km of new **roads**;
- 2) Rehabilitated/ maintained 17,419km of rural and 32,519km of **urban roads**;
- 3) Established 1,368 free public Wi-Fi hotspots (Jikonnnect);
- 4) Installed 8,959km of fibre optic cable;
- 5) Connected 150 public and county offices to the last mile internet connectivity;
- 6) Connected 341,563 **new customers** and 428 **public institutions** to the National Electricity Grid;
- 7) Constructed 6 small dams and 14 water pans; and
- 8) Acquired a total of 281,524 **LPG 6kg cylinders** for distribution to low-income households.





## C. SOCIAL SECTOR ACHIEVEMENTS

- 1) 100% **transition** from Primary to Junior Secondary School;
- 2) Provided **loans and scholarships** to 112,741 university students and 151,933 TVET trainees;
- 3) Constructed 6,270 **Secondary Classrooms** and 900 Laboratories;
- 4) Created 848,200 **jobs** in 2023;
- 5) **Trained** 63,097 youth at NYS;
- 6) Operationalized Social Health Insurance Scheme (SHI) ;
- 7) Provided **cash transfers** to 815,071 **older persons** and 269,879 **Orphans** and Vulnerable Children;
- 8) 124,568 households benefited from the Hunger and Safety Net Programmes;
- 9) Disbursed over **KSh 53.9 Billion** to individuals through the **Hustler fund**;
- 10) Engaged **107,000 Community health** promoters (CHPs).



## D. ENVIRONMENT AND NATURAL RESOURCES SECTOR ACHIEVEMENTS

- 1) Produced 975 Million tree seedlings and planted 300 million;
- 2) Rehabilitated 28,000 Ha of agroforestry in ASAL areas;
- 3) Formed 168 waste service provider associations;
- 4) **Formalized 228 artisanal Mining** SACCOs;
- 5) Established mineral value addition centers for fluorspar, gold and granite;
- 6) **Tourism arrivals** increased from 1.48 Million in 2022 to 1.95 Million in 2023;
- 7) **Tourism earnings** rose from KSh 268.09 Billion in FY2022/23 to KSh 352.3 Billion in FY 2023/24; and
- 8) Placed 1,903 youths on green and blue jobs; and 1,500 in international shipping companies.



## E. GOVERNANCE AND PUBLIC ADMINISTRATION SECTOR ACHIEVEMENTS

- 1) Diaspora remittances of over KSh. 580 Billion received;
- 2) Psychosocial support provided to 252,000 offenders;
- 3) Insurance cover provided to 106,469 security officers;
- 4) Court Cases clearance rate of 93% against a target of 94%



## 4. CHALLENGES IN MTP IV IMPLEMENTATION

- 1) Slow adoption of value chain approach;
- 2) Constrained fiscal space;
- 3) Adverse effects of climate change;
- 4) Litigation that delays projects implementation;
- 5) Inadequate human resource capacity;
- 6) Slow uptake of emerging technologies;
- 7) Data quality (Accuracy, Validity, Completeness, Consistency and Timeliness); and
- 8) Weak intergovernmental coordination/engagement.





## 5. MTP IV FOCUS AREAS FY 2025/26

- 1) Programmes that enhance the implementation of priority value chains and BETA priorities
  - ❖ Raising agricultural productivity
  - ❖ Transformation of the MSMEs
  - ❖ Affordable housing programmes
  - ❖ Universal Health Coverage
  - ❖ Investments in Digital Superhighway and the Creative Economy
- 2) Priority policies, programmes, and projects as per MTP IV and National Reporting Indicator Handbook
- 3) Human Capital Development
- 4) Presidential Directives and Cabinet Decisions
- 5) Programmes that address climate mitigation and adaptation



# 6. SDEP PUBLICATIONS

**Fourth Medium Term Plan**  
2023-2027

**POPULAR VERSION**

"Bottom-Up Economic Transformation Agenda for Inclusive Growth"

THE NATIONAL TREASURY AND ECONOMIC PLANNING  
STATE DEPARTMENT FOR ECONOMIC PLANNING

STATUS OF THE KENYA ECONOMY REPORT

QUARTER 1  
2023/24

Fourth Medium Term Plan  
"Bottom-Up Economic Transformation Agenda for Inclusive Growth"

OCTOBER, 2023

THE NATIONAL TREASURY AND ECONOMIC PLANNING  
STATE DEPARTMENT FOR ECONOMIC PLANNING

STATUS OF THE KENYA ECONOMY REPORT

QUARTER 2  
2023/24

Fourth Medium Term Plan  
"Bottom-Up Economic Transformation Agenda for Inclusive Growth"

JANUARY, 2024

THE NATIONAL TREASURY AND ECONOMIC PLANNING  
STATE DEPARTMENT FOR ECONOMIC PLANNING

STATUS OF THE KENYA ECONOMY REPORT

QUARTER 3  
2023/24

Fourth Medium Term Plan  
"Bottom-Up Economic Transformation Agenda for Inclusive Growth"

APRIL, 2024

**Third Voluntary National Review on the Implementation of the Sustainable Development Goals**

"Reinforcing the 2030 Agenda and Eradicating Poverty in Times of Multiple Crises: The Effective Delivery of Sustainable, Resilient and Innovative Solution"

**ECONOMIC SURVEY 2024**

PROVIDING, MANAGING AND PROMOTING QUALITY STATISTICS

**THE NATIONAL REPORTING INDICATOR HANDBOOK**

For the Fourth Medium Term Plan 2023 – 2027

Bottom-Up Economic Transformation Agenda for Inclusive Growth

Cost of Living and the Role of Markets

**KENYA ECONOMIC REPORT 2023**

1 of 66

SESSIONAL PAPER NO. 1 OF 2023 ON  
**KENYA NATIONAL POPULATION POLICY FOR SUSTAINABLE DEVELOPMENT**

NATIONAL COUNCIL FOR POPULATION AND DEVELOPMENT  
THE NATIONAL TREASURY AND ECONOMIC PLANNING

OUR POPULATION, OUR PROSPERITY, OUR RESPONSIBILITY

20th Anniversary

Honoring two decades of excellence and impact

THE NATIONAL TREASURY AND ECONOMIC PLANNING  
STATE DEPARTMENT FOR ECONOMIC PLANNING  
NEPAD/APRM KENYA SECRETARIAT

**KENYA NATIONAL GOVERNANCE REPORT**

JANUARY 2023

**Kenya**

Demographic and Health Survey  
Volume 1

2023

**Facts & Figures 2024**

PROVIDING, MANAGING AND PROMOTING QUALITY STATISTICS





# END

