

JUMUIYA YA KAUNTI ZA PWANI

2030

DEVELOPMENT BLUEPRINT

November 2019

(Revised, August 2021)

ACKNOWLEDGEMENT

The formulation of the Jumuiya 2030 Economic Development Blueprint was based on a consultative process involving all stakeholders across all sectors and economic actors. The consultations with various stakeholders were undertaken at all levels so as to develop consensus and establish ownership. The Jumuiya Secretariat in consultation with our respective Jumuiya County governments, Development Partners, Private Sector, Civil Society, National Government and other stakeholders in the region has thus developed this Jumuiya 2030 Blueprint to actualize the planned activities through flagship projects generated in each of the identified sector, also known as the Jumuiya Flagship Projects.

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Mr. Emmanuel Nzai

Chief Executive Officer-Jumuiya Secretariat

PREAMBLE

The Jumuiya ya Kauti za Pwani (Jumuiya) 2030 Economic Development Blue Print was finalized in November 2019. On the 30th January 2020 the World Health Organization (WHO) declared Covid-19 outbreak a public health emergency and on 11th March 2020 a global pandemic. Kenya recorded its first case of Covid-19 on the 13th of March 2020 and by mid-August 2020, all of 47 Counties had reported positive cases. By July 2020, all of the six Jumuiya Counties had confirmed their first cases of Covid-19 beginning with Mombasa (28th March), Kilifi (1st April), Lamu (7th April) Kwale (14th April), Taita-Taveta (18th May) and Tana River (18th July).

The pandemic has given rise to an unprecedented global health, social and economic crisis. The containment measures to curb the spread of Covid-19 in the form of lockdowns, social distancing and travel restrictions have adversely impacted economies world as wide, resulting in significant job losses and loss of livelihoods. The Kenyan economy contracted by 5.5 percent in the second quarter (April-June) of 2020 and by 1.1 percent in the third quarter (July-September 2020). The pandemic has led to acute challenges in Kenya's social sectors; national and county health care systems are facing serious challenges to care for the infected and contain the spread of the virus. Schools and education institutions face the challenge of ensuring safe learning with many lacking adequate resources to invest in extra class rooms and desks, WASH facilities and on-line learning infrastructure. The emergence of new more transmissible variants, such as the Delta variant, is presenting additional challenges in managing the virus.

In response to the pandemic, the National Government and the Council of Governors (COG) have formulated Post Covid -19 Social and Economic Recovery Strategies which outline the policies and programs to address the pandemic and facilitate recovery and growth of the national and county economies. Given that the JKP 2030 Economic Blue Print was formulated prior to the outbreak of Covid-19, there was felt need to review and align it with the new post-Covid 19 realities and recovery strategies. The JKP Secretariat, with the support of the Council of Governors (COG) and the UNDP, initiated the process of revision and production of this revised August 2021 version.

This revised blue print has been aligned with the (i) National Post Covid-19 Recovery Strategy (2020-2022) (ii) The County Covid-19 Social Economic Re-Engineering Recovery Strategy 2020/21-2022/23 (iii) the Jumuiya Ya Pwani Social Economic and Re-Engineering Recovery Strategy 2020/21-2022/23 (iv) The Covid -19 Social Economic Re-Engineering Recovery Strategies of each of the Six JKP Counties 2020/21-2022/23 (v) The Budget Policy Statement (March 2021) and Budget for FY 2021/22 and (vi) other relevant national and county policy documents.

The revision of this document did not entail a re-write of the November 2019 version but reviewing the relevant sections of the document to include policies and programs aimed at mitigating the adverse effects of the pandemic and facilitating faster recovery of the JKP Counties and region. The Post Covid -19 recovery strategies have prioritized policies and programs and re-allocation of resources on sectors such as health, water and sanitation, education, ICT connectivity, Micro Small and Medium Enterprises (MSMEs) enhancing the role of private sector

and County Governments preparedness to cope and effectively manage pandemics. Such policies and programs have been captured in the relevant sections of this revised version (The amended sections are highlighted in yellow in the Table of Contents and in the main body of the text)

Further, given the adverse impact of the pandemic on GDP growth and other macroeconomic variables, the medium term macro targets in Table 3 (a) (Selected Macroeconomic Indicators) under section 3.3 (Jumiya 2030 Goals and Targets) have been adjusted based on more recent data, while leaving the longer term targets for the years 2027 and 2030 unchanged.

The November 2019 version identifies costed Flagship Projects planned for implementation in various sectors. However, the adverse effects of the pandemic on GDP growth, fiscal revenues, and availability of financing from the private sector and development partners, as well as constrained markets, has necessitated prioritization of the Flagship projects. An Addendum of this revised version lists the Post Covid-19 Priority Flagship Projects, in accordance with the identified priority areas of the Post-Covid 19 social economic recovery strategies.

The cost of implementing all of the JKP Blue print Flagship projects amounts to US \$ 3.818 billion compared to a total of US \$1.105 listed in the Addendum. However, it is important to note that this revised version has retained all of the Flagship projects on the assumption that the non-priority Flagship projects will be implemented once the global, national and county economies are back on a high and sustained growth trajectory.

EXECUTIVE SUMMARY

The Jumuiya ya Kaunti za Pwani (Jumuiya) 2030 Economic Development Blueprint is the Commonwealth of Coastal Counties first ever written long-term plan, expressing Jumuiyas’ aspirations by the year 2030. It articulates possible long-term alternative development positions and scenarios at different points which would contribute to the attainment of the desirable social economic indicators by the year 2030. The Jumuiya 2030 Economic Development Blueprint is therefore designed and developed to guide and provide socio-economic development paths trajectories, implemented through sectoral flagship projects aimed at operationalizing and actualizing the Blueprint’s Vision Statement which is:

“Accelerating Jumuiya Region’s Socio-Economic Transformation for Shared Prosperity”

The Jumuiya people’s vision is to become “A Prosperous Middle Income Economy by 2030”. By 2030, the People of Pwani, aspire to live in a strong and dynamic middle-income industrial region that provides opportunities for improving the well-being of all, embodying values of socioeconomic justice, underpinned by the principles of: (i) sustainable development; (ii) democracy; (iii) respect for human rights; (iv) good traditional and family values; (v) positive attitude towards work; (vi) peaceful coexistence and; (vii) private-public partnerships. Jumuiya also aspire for a common and shared prosperity, destiny, united in diversity, equitably integrated and democratic in governance, promoting patriotism and ethnic integration. This means, achieving a transformed Jumuiya Society that is transitions from a subsistent, peasant-based low economy to a competitive middle income economy characterized by a minimum income of US\$ 1,000 by 2027 and to US\$ 3,900 by 2030 and beyond. Thus, this blueprint will strive to pursue and achieve the following goals:

- A Reduction in Jumuiya’s Overall Poverty from the present level of 40.5% to at least 20% by 2030.
- An average annual real Gross Domestic Product (GDP/GCP) growth rate of above 9.2% by 2030.
- Attain the Middle Income Status Economy, achieving a regional GNI/GCI per Capita of US\$2,125(Ksh.212, 500) by 2030.
- At least 1,000,000 (million) productive and gainful job opportunities created while improving the Jumuiya region’s competitiveness by 2030.
- At least 70% of the Jumuiya’s population, enjoying unrestricted access to better and quality Basic Social Services in a Serene Physical Environment by 2030.

This Jumuiya 2030 Blueprint generates new development thought processes as well as builds on the progress that has so far been made by the Jumuiya County governments in addressing the strategic bottlenecks that have constrained the region’s socio-economic development structures and fabrics since independence. Some of these bottlenecks include but not limited to; ideological and cultural beliefs, high poverty levels, weak private sector, underdeveloped human resources due to poor schooling infrastructure resulting to high illiteracy rates, inadequate and almost non-existent road

infrastructure, low energy and ICT penetration, small markets, limited and sparse industrialization, underdeveloped services sector, underdevelopment of agriculture, among others. Thus, this Jumuiya 2030 Blueprint is conceptualized to offer new development and strengthen the fundamentals of the Jumuiya economy to harness the abundant opportunities around the Coastal Counties. The Blueprint in terms of development implementation is divided into nine parts of which 4 parts namely: the Economic Pillar, the Social Pillar, and the Enablers for Growth and, Cross-Cutting Sectors.

- *Economic Pillar:* aims to improve the prosperity of the entire Jumuiya community through strategic and carefully modeled economic development projects, covering the entire Jumuiya region. The economic pillar sectors seek to:
 - Achieve a 10% contribution to the national GDP by 2030, from the current estimated average contribution of 9.2%.
 - Halve the region's overall poverty level from the current 40.5% to 20.0% by the year 2030.
 - Drive the Jumuiya region to higher echelons of socio-economic transformation and welfare, achieving the region's shared vision of being a lower a middle income economy, with a Gross County Product (GCP) per Capita of US \$ 2,125 by 2030.

To address Jumuiya's perennial economic growth challenges and thereby creating more opportunities for all coastal people, two approaches have been identified to raise the Jumuiya region's GDP growth rate to 10% by 2025 and also have positive impacts on poverty. The two sector-based approaches are:

- The Blue Economy Sectors Development Approach and,
- The Land-Based Economic Sector Development Approach.

The Blue Economy Based Sectors identified to drive growth and development in the region includes: marine fisheries and aquaculture, coastal and maritime tourism, marine transport and related services, blue manufacturing, coastal and maritime environment, and, coastal urbanization. Land-Based Economic Sectors identified by the Jumuiya stakeholders and expert opinions include: agriculture and livestock and mining. Developments of these sectors are through the implementation of a series of flagship projects. The overall value of the flagship projects under the economic pillar is US\$3.818 billion as shown below.

| Jumuiya 10 Sectors | Estimated in (US\$ Millions) | Estimates in Kshs (Billions) |
|--|------------------------------|------------------------------|
| Economic Pillar | | |
| Jumuiya Agribusiness Food Security & Nutrition | 389,000,000 | 38,900,000,000 |
| Jumuiya Trade and Industry Sector Development | 238,500,000 | 23,850,000,000 |
| Jumuiya Blue Economy Sector Development | 3,000,000,000 | 300,000,000,000 |

| | | |
|---|---------------|-----------------|
| Jumuiya Natural Resource and Environment Sector Development | 191,000,000 | 19,100,000,000 |
| Sub-Total | 3,818,500,000 | 381,850,000,000 |

The outbreak of Covid -19 and implementation of containment measures have adversely impacted economic activities in the JKP region. Under this revised blue print, the Economic Pillar will prioritize implementation of policies, programs and projects aimed at mitigating the adverse impacts on the economy and facilitating faster post Covid 19 socio-economic recovery of the region. This includes (i) enhancing the role of the private sector in the economic recovery by creating a more enabling environment for private sector activity in light of the constrained fiscal space (ii) supporting the recovery and growth of MSMEs through implementing MSME Credit Guarantee Schemes to enhance their access to credit, expanding local and foreign markets for MSME products including through use of on-line platforms and e-commerce (iii) promoting local production of manufactured products such as PPEs, masks and medical products used to treat and manage Covid-19 and promoting purchase of locally produced goods (iv) enhancing agricultural production to reduce high dependency on imported food products and attainment of food and nutrition security by supporting local farmers through input provision, provision of agricultural extension services and provision of livestock and crop insurance schemes (v) facilitating development of the Blue Economy as a key driver of economic recovery (vi) implementing training of staff in hospitality and tourism sector in the Covid-19 safety protocols to support recovery of JKP tourism sector (vii) implementation of Economic Stimulus projects through funds provided by national and county governments to support youth employment in activities such as fumigation, improvement of infrastructure and sanitation in informal settlements and rehabilitation of water projects and access roads.

- *Social Pillar:* aims to help the Jumuiya ya Kaunti za Pwani, journey towards the much desired and anticipated prosperity. The pillar involves building of a just and cohesive society that enjoys equitable social development in a clean and secure environment. It therefore aims at improving the quality of life for people in Jumuiya ya Kaunti za Pwani by targeting distribution and access of strategic basic social services and consequently generate a series of impactful human and social welfare programmes and projects for the region. The social pillar sectors seek to achieve the following goals:

- Increase in the number of Jumuiya region's population under safe water coverage, from 2013/14 base population figure of 1,950,844 by at least 40% by 2030.
- At least 40% increase in the Jumuiya's population under good sanitation coverage from the 2013/14-base population figure of 1,675,004 by 2030.
- A region enjoying optimal health as individuals and as a population benefiting from a 100% high-quality health care services that are effectively coordinated within a strong public health system by 2030.

- Improved, relevant adequate productive skills set and competencies stock available in the Jumuiya region courtesy of enhanced basic educational services and TVETs by 2030.
- A region whose population lives in well planned urban centres with decent, well protected and managed environment resulting in high quality and healthy life by 2030.

The social pillar is classified in to two strategic approaches namely: *The Classical Social Sector Development Approach* and *The Blue Economy Social Sector Development Approach*, the Jumuiya aim to achieve the above stated goals by 2030. The Classical Social Sector Development Approach has identified the following sectors to enable the Jumuiya region achieve its goals social prosperity. The sectors are: water and sanitation, health, education and training. Each of these sectors is embedded with game-changing flagship projects that will help the region achieve its desires. The Blue Economy Social Sectors presented in this Blueprint include: coastal and maritime environment sector and, the blue-coastal urbanization. This Blueprint anticipates massive socio-economic transformational changes courtesy of the proposed social sector development. The overall value of the flagship projects under the social pillar is US\$677.5 million as shown below.

| Social Pillar | Estimated in (US\$ Millions) | Estimates in Ksh. (Billions) |
|--|------------------------------|------------------------------|
| Jumuiya Urbanization Sector Development | 250,000,000 | 25,000,000,000 |
| Jumuiya Health & Education Sector Development and Water & Sanitation | 427,500,000 | 42,750,000,000 |
| Sub-Total | 677,500,000 | 67,750,000,000 |

The Covid -19 pandemic has adversely affected the Social sectors. It has posed an enormous strain on the JKP health care system in terms of caring for the infected, testing for Covid-19 infection among the population, setting up isolation units and quarantine centers and more critically delivery of Covid-19 vaccines. It also affected the education sector by disrupted learning in schools and other Institutions of learning. Further, the lockdown measures resulted in a loss of livelihoods for many resulting in a need to scale up social safety net programmes for vulnerable members of society and social protection. Handwashing and maintenance of hygiene is one of the most effective measures to contain the spread of the virus this has provided a challenge given the low access to piped water in the JKP region thus necessitating increased investment in water supply and WASH facilities.

Under this revised version of the blue print, the Social Pillar will prioritize implementation of the following policies, programs and Projects: (i) recruitment of more health care workers, training of health care workers in Covid-19 safety and care and treatment of Covid-19 patients, provision of PPEs, expansion of health facilities, media campaigns in national and local languages on Covid-19 prevention measures and vaccination to protect against Covid-19 and vaccinating the JKP population (ii). Provision of extra classroom and desks for schools, WASH facilities, PPE and masks,

and ICT infrastructure to support on-line learning (iii) enhanced budgetary allocations by JKP County Governments to priority sectors of health, water, ICT, education and social safety net programs to support vulnerable members of society.

Foundation/Enablers Pillar: aim at laying the much needed foundation for growth and development of sectors that drive economic growth and development. The growth enablers presented in this Blueprint are infrastructure –based sub-sectors namely: road transport infrastructure, energy infrastructure and, ICT. Also considered under growth enablers is agricultural irrigation infrastructure development and land resource development that will support agricultural development in the Jumuiya region. The overall value of the flagship projects under the enablers pillar is US\$2,525.6 billion.

| Foundation/Enablers Pillar | Estimated in (US\$ Millions) | Estimates in Ksh. (Billions) |
|---|------------------------------|------------------------------|
| Jumuiya Infrastructure Sector Enabler | 2,324,000,000 | 232,400,000,000 |
| Jumuiya Land Resource Sector Banking | 60,000,000 | 6,000,000,000 |
| Jumuiya Investment Fund | 140,000,000 | 14,000,000,000 |
| Jumuiya Governance Foundation and Enabler | 1,600,000 | 160,000,000 |
| Sub-Total | 2,525,600,000 | 252,560,000,000 |

The Foundation/Enabler Pillar of this revised version of the blue print will accord priority to enhanced investment in development of ICT and digital infrastructure as a key enabler of the JKP region Post-Covid 19 recovery strategy. In particular development of connectivity infrastructure to facilitate on-line delivery of public services and e-commerce as well as bridging the digital gap through training and enhancing affordability of ICT infrastructure services. Priority will also be placed on involvement of the youth in labour intensive rural access roads as well as in enhancing green power from green sources such as solar and wind as a key component of a green and inclusive JKP post Covid-19 recovery strategy. Emphasis will also be on building the capacity of JKP County Governments for Disaster Risk Management (DRM) to respond effectively to pandemics and other disasters by harmonizing their policies and legal frameworks with national ones as well as establishment of County Disaster Management Committees and County Level Emergency and Contingency Plans.

Jumuiya 2030 Economic Development Blueprint Implementation

Effective realization of a development plan's goals hinges on its strategic and successful implementation, spiced with some good monitoring and evaluation framework. In this Blueprint, 60% of the flagship projects will be implemented through strategic investments provided by the Private Sector, 30% by through Development Partners' support and strategic interventions, 5% through

National Government engagement and interest, 3% by the Jumuiya County Governments and lastly 2% by the civil society through social projects interventions. All these shall be coordinated by the Jumuiya Secretariat on behalf of the Jumuiya County Governors who are the conveners of the Jumuiya ya Kaunti za Pwani. In order to effectively oversee coordination and certain aspects of implementation, the Jumuiya Secretariat will work closely with the region's socio-economic cluster agents (at the bottom of the pyramid) who make up a significant social and economic force, in coordinating and filling in the gaps in rural development activities in the Jumuiya region. The Jumuiya Secretariat through the County Governments will work with them in actualizing and participating in the projects at the local level. Similarly, it will equally be the responsibility of the people of Pwani to ensure that the much voiced socio-economic transformation is delivered to them. Most importantly, the Jumuiya 2030 Blueprint will be implemented in line with the County Integrated Development Plans (CIDPs). On the same take, the Blueprint has considered good governance and private sector development as key to its implementation. It is therefore envisaged that good governance across Jumuiya counties and of the Blueprint as well as efforts on private sector development in the Jumuiya, will be a necessary for the delivery of the blueprint's goals.

Monitoring and Evaluation Framework

In Monitoring and Evaluation Framework, the Jumuiya 2030 Blueprint is premised on the principles of Results-Based Management. To that extent, the Blueprint has drawn its results/outcomes from the Blueprint's planned sectoral flagship projects which articulate a series of results to be achieved towards attainment of the Blueprint's 2030 goals.

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List of Acronyms

| | |
|-----------------|--|
| ACFTA | African Continental Free Trade |
| AEZs..... | Agro-Ecological zones |
| AFC..... | Agriculture Finance Corporation |
| AfCFTA..... | African Continental Free Trade Area |
| ARUD..... | Agriculture, Rural and Urban Development |
| ASALs..... | Arid and Semi-Arid Lands |
| BMUs..... | Beach Management Unit |
| CADP | County Annual Development Plan |
| CBEF..... | County Budget and Economic Forum |
| CBTA..... | Cross-Border Trade Association |
| CDA..... | Coast Development Authority |
| CDF..... | Constituency Development Fund |
| CECM..... | County Executive Committee Member |
| CHWs..... | Community Health Workers |
| CIDP | County Integrated Development Plan |
| CIMES..... | County Integrated Monitoring and Evaluation System |
| CMTF..... | Community Mining Trust Fund |
| COVID- 19 | Corona Virus Disease 2019 |
| CWSB..... | Coast Water and Services Board |
| DFZ | Disease Free Zone |
| DRR..... | Disaster Risk Reduction |
| ECDE..... | Early Childhood Development Education |
| EEZ..... | Exclusive Economic Zone |
| EPZ..... | Export Processing Zones |
| FAO..... | Food and Agriculture Organization |
| FDI..... | Foreign Direct Investments |

| | |
|--------------|---|
| FPE..... | Free Primary Education |
| FY..... | Financial Year |
| GDP..... | Gross Domestic Product |
| HDI..... | Human Development Index |
| ICT..... | Information Communication Technology |
| ICZM..... | Integrated Coastal Zone Management |
| IFAD..... | International Fund for Agricultural Development |
| Jumuiya..... | Jumuiya ya Kaunti za Pwani |
| KIHBS..... | Kenya Integrated Household Budget Survey |
| KIA..... | Kenya Investment Authority |
| KMA..... | Kenya Maritime Authority |
| KPA..... | Kenya Ports Authority |
| KTB..... | Kenya Tourism Board |
| KENHA..... | Kenya National Highways Authority |
| KeRRA..... | Kenya Rural Roads Authority |
| KURA..... | Kenya Urban Roads Authority |
| KWFT..... | Kenya Women Finance Trust |
| MDAs..... | Ministries, Departments and Agencies |
| MFI..... | Micro Finance Institutions |
| MMR..... | Maternal Mortality Rates |
| NEMA..... | National Environmental Management Authority |
| NIB..... | National Irrigation Board |
| PPP..... | Public Private Partnership |
| RLF..... | Revolving Loan Fund |
| SACCOs..... | Savings and Credit Cooperative Societies |
| SDGs..... | Sustainable Development Goals |
| SEZ..... | Special Economic Zones |

| | |
|-----------|--------------------------------------|
| SME..... | Small and Medium Enterprises |
| TUM..... | Technical University of Mombasa |
| UN..... | United Nations-Habitat |
| UNEP..... | United Nations Environment Programme |
| VAT | Value Added Tax |
| WB..... | World Bank |
| WHO..... | World Health Organization |
| YEDF..... | Youth Enterprise Development Fund |

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SECTION I: INTRODUCTION AND BACKGROUND

1.1 Introduction

The Constitution of Kenya was promulgated on 27 August 2010 after a period of more than twenty years in the making. The 2010 Constitution of Kenya marked the outcome of an arduous journey, necessitated by a constitutional development history that began during the pre-colonial period. Significant in the 2010 Constitution is the chapter on devolution. The Constitution created a decentralized system of government wherein two of the three arms of government; namely the Legislature and the Executive are devolved to the 47 Political and Administrative Counties as provided for under Article 6 and specified in the First Schedule.

The primary objective of decentralization is to devolve power, resources and representation down to the local level. To this end, various laws have been enacted by Parliament to create strategies for the implementation framework and the adoption on which objectives of devolution can be achieved. In the same spirit, the 2010 Constitution in its Fourth Schedule, devolved functions that had been in the past Constitutional dispensation, were administered by the national government. The Fourth Schedule of the Constitution outlines the division of functions between the National and the County Governments. These functions are: agriculture and livestock, health services, cultural activities, transport services including county roads of class D, E and Unclassified roads, trade development and regulation, county planning and development, education, county public works and services, and lastly, implementation of specific national government policies on natural resources and environmental conservation including, soil and water conservation and forestry.

In spite of these positive constitutional developments, the counties have struggled to maximize development through exploitation of their respective natural resource assets and prudent financial resource use. Instead, counties have experienced slow socio-economic growth characterized by poor economic performance, weak resource base, low capacity and productivity, and, maladministration of the units. It is against this backdrop that the thought process of counties, forming Regional Economic Blocs (REB) to optimize the comparative advantage of counties, their economies of scale, attract investments and spur economic growth through harmonized policies and resource mobilization was mooted. The six regional economic blocs formed were: the Lake Region Economic Bloc, the North Rift Economic Bloc, the Central Kenya Economic Bloc, and the Jumuiya ya Kaunti za Pwani, the South Eastern Kenya Economic Bloc, and the Frontier Counties Development Council.

1.2 Formation of the Jumuiya ya Kaunti za Pwani (Jumuiya)

The Jumuiya ya Kaunti za Pwani (Jumuiya) was formed in 2015. The Jumuiya was formed by the Counties of Mombasa, Kwale, Kilifi, Tana River, Lamu and Taita Taveta. The Jumuiya was the first ever economic bloc formed in Kenya. It was established with the objective of harmonizing their respective county development priorities especially for cross-sector cutting sector projects leveraging on the vast shared regional resources for sustainable socio-economic empowerment and prosperity of their people. In pursuit of the same and in order to strengthen Jumuiya, the Coastal County

Governments entered in to a Cooperation Agreement with the Three Coastal Universities namely: Kilifi Pwani University, Technical University of Mombasa (TUM) and the Taita Taveta University College. Based on the Cooperation Agreement and the ensuing Memorandum of Understanding, the universities support the Jumuiya Secretariat through:

- Provision Technical Research in Specialized Sectors and Sub-sectors,
- Provision of Technical Assistance to the Secretariat and,
- Provision of Hosting Facilities and Support Staff to the Jumuiya Secretariat.

The Six County Governments in the same Agreement support the Secretariat through:

- Provision of Legal Standing and Political Support
- Provision of Seed Administrative Capital to the Jumuiya Secretariat
- Recruitment of the Chief Executive Officer to the Secretariat.

The Jumuiya ya Kaunti za Pwani liaison work and consultation with County and National Government as well as Development Programme Initiatives are managed and coordinated by the Secretariat. It is therefore out of the Secretariat's mandate that this Jumuiya 2030 Economic Development Blueprint has been developed.

1.3 Introduction to Development Blueprints

Development Blueprints are strategic socio-economic development directional or guide that are integral to achieving anticipated sustainable and measurable economic growth, characterized by high quality of life and great prosperity. With a formal blueprint, nations, provinces, states, or counties and by extension, communities can take control of their socio-economic development, set clear and attainable socio-economic development objectives, and design policies, strategies, programs and investment plans to achieve them. Without an economic development blueprint, the Jumuiya ya Kaunti za Pwani (Jumuiya)'s economic future will be less proactive and more reactive at best. At worst, it will be in the hands of others.

1.3.1 Jumuiya ya Kaunti za Pwani Development Blueprint 2030 (Jumuiya 2030)

This Development Blueprint is the medium and long-term development blueprint prepared and developed by the Jumuiya ya Kaunti za Pwani in order to create a nationally and globally competitive and prosperous Commonwealth of Counties whose people enjoy high quality of life driven, by steady, robust and sustained socio-economic growth and development by 2030. The Jumuiya Counties are motivated by unique and collective socio-economic aspirations for a poverty free and a prosperous region especially being one of the regions with some of the worst socio-economic or welfare indicators in the country. This blueprint is highly ambitious and embedded with transformational thoughts. It looks to change the Jumuiya region in to an active economic development area experiencing blue economic growth, export-led green industrialization, productive urbanization, climate-smart agricultural growth, productive mining in a clean and well conserved environment.

Given that the Jumuiya 2030 Development Blue print was formulated prior to the outbreak of the Covid-19 pandemic, this revised version of the blueprint (August 2021) has been aligned with National and County post Covid 19 socio-economic recovery strategies. The County Covid 19 socio-economic re-engineering strategy envisions a key role of county regional blocks in the recovery and re-engineering processes.

The policies, programs and projects of this revised version have also amplified the pillars for post Covid-19 socio-economic recovery strategies namely: (i) boosting private sector activity (ii) strengthening ICT capacity (iii) human capital development (iv) policy, legislative and institutional reforms and (v) strengthening County Governments preparedness and response to pandemics and disasters. In addition, the revised blue print has also included policies, projects and programs to support key sectors identified by the socio-economic re-engineering strategies including (i) agriculture (ii) water and sanitation (iii) urban development and housing (iv) transport (v) tourism (vi) health (vii) education (viii) social protection (ix) gender and youth.

Context of Jumuiya 2030

The Jumuiya region formally known as the coastal region or province in Kenya is a region that is highly endowed with great economic resources hence has immense potential for quality growth and development that would positively impact on its people. The region is well placed in terms of potential economic growth sectors namely the blue economy based sub-sectors such as the coastal and maritime based tourism, land-based tourism, mining, agriculture and livestock, trade and manufacturing yet the region has and continues to lag behind in terms of socio-economic development as observed in some of its social development and economic prosperity indicators.

- Indeed, the Jumuiya economic bloc is the second poorest of Kenya's six economic blocs. The Kenya Integrated Households Budget Survey (KIHBS, 2015-16) reports an average of 40.5% in overall poverty level, which is way above the national overall poverty average of 36.1%. Further, the region experiences a population growth rate of about 2.6% accompanied by an unemployment rate of 48.2% on the youthful (15-34yrs) population on average. The Jumuiya region has been one of the worst hit by climate change in Kenya. The region suffers from dire food insecurity that is estimated at an average of 40.6%¹ (see CGIAR, CCAFS, 2016).
- Similarly, the Jumuiya region's economic performance has not been positive either. The region's average contribution to the national Gross Domestic Product (GDP) by sector has been low amid the region's potential. For example, Jumuiya's agriculture contribution was only 5.1%², Tourism contribution was reported at 39.8%, Mining (11.7%), Trade (9.6%) and

¹CIAT developed the profiles in partnership with the Kenya Ministry of Agriculture, Livestock and Fisheries (MALF) and as part of the Kenya Climate-Smart Agriculture Project (KCSAP) supported by the World Bank (WB), and the Kenya Adaptation to Climate Change in Arid and Semi-Arid Lands (KACCAL) project, supported by a grant from the Global Environmental Facility (GEF)/ Special Climate Change Fund (SCCF) through the World Bank (WB).

²Gross County Product (KNBS), 2018

Manufacturing at 8.7% in spite of hosting approximately 30% of manufacturing and allied industries in the Country³.

From these development dynamics and context, the Jumuiya region is in dire need for socio-economic development in order to turn the narrative of a region bedeviled by cyclical poverty and underdevelopment. Under the “*Changing the Story*” tagline, the Jumuiya through its Secretariat has developed this Jumuiya 2030 Economic Development Blueprint as a medium and long-term economic development architecture, embedded with flagship projects and sub-projects aimed at bringing real development to the people by providing the right architecture for transforming the region into a middle income economy providing high quality of life to its people through optimal and sustainable exploitation of the regions resources using more robust socio-economic development approaches that includes but not limited to the blue economy allied sectors.

1.4 Physical and Geographic Features of the Region

1.4.1 Jumuiya Region Environment Overview

The Jumuiya ya Kaunti za Pwani (Jumuiya) region covers a total land area of 103,326 km² and lies adjacent to 333,320 km² of Kenya’s Exclusive Economic Zone (EEZ) . The coastline measures 640 km long and stretches along the seafront, from Kenya-Somalia border at Ishakani in the north (1.7°S; 41.5°E) to Kenya-Tanzania border at Vanga in the south (4.7°S; 39.2°E). Geographically, Jumuiya lies in a hot tropical area part of Western Indian Ocean (WIO) region where weather is influenced by the great monsoon winds of the Indian Ocean. Climate and weather regimes are dominated by large-scale pressure systems of the WIO with two distinct monsoon periods. These are the Northeast Monsoon (NEM; kaskazi) which is comparatively dry from November to early March, and Southeast Monsoon (SEM; kusi) prevailed by wet and rough sea conditions between April and September. Annual rainfall follows a strong seasonal pattern peaking between late March and early June. Another smaller peak of rain occurs between October and November but decreases rapidly from December to a minimum during January and February. Mean annual total rainfall ranges from 508 mm in the drier, northern hinterland to over 1,016 mm in the wetter areas south of Malindi. Relative humidity is comparatively high all year round, reaching its peak during the wet months of April to July.

1.5.2 The Ocean Geographical Dynamics and Jumuiya Region

The region’s tidal regime and waves is characterized by semi-diurnal tides with a spring tidal range of not exceeding 4 m (Brakel 1982; Tychsen 2006). The coastal offshore waters experiences swell whose magnitude varies in different periods of the year. During the NEM season, 80% of the swells originate from the north-east with a maximum significant height of 6 m. The sea is usually calm during the

³Kenya National Bureau of Statistics (KNBS, 2017/18)

inter-monsoon period (March-April) and wave height drops significantly to 2.5 m shifting clockwise to a southerly approach with large fluctuations. The waves are usually very large with a maximum significant height of 8 m during the SEM (May-October) approaching the coast predominantly from south-east and southwest direction. Calm conditions follow during the inter-monsoon period and waves tend to approach the coast from a north-east direction. Similarly, the offshore current system off the Kenya coast is part of the system that forms the alternating cycle of the SEM and the NEM seasons (Knox and Anderson 1985, Schott and McCreary 2001). The cycle is caused by alternating high and low pressure systems over central Asia and south of 20° S latitude (Okoola, 1999). From these current systems, the known predominant monsoon-driven surface current namely the East Africa Coastal Current (EACC), the Somali Current (SC) and the Equatorial Counter Current (ECC) characterize the current dynamics. For example the EACC flows northward throughout the year while the SC plays out as a seasonal reversing current with current flowing northward during the SEM season. These dynamics fundamentally influence a number of economic activities ranging from, agriculture, tourism, offshore fishing among others.

1.5.3 Coastal Ecosystems and Biodiversity

The Jumuiya region is endowed with biologically rich coastal and marine ecosystems ranging from terrestrial forests, mangroves, coral reefs, seagrass beds, estuaries and sand dunes. These ecosystems provide important goods and services of value such as; habitats for fish and other aquatic and terrestrial organisms, erosion control, provision of wood and non-wood forest resources, provision of food, water and industrial resources to millions of people along the coast. In the region, terrestrial coastal forests are found on a system of low ridges between 100 and 300 metres above sea level forming a mosaic of lowland forest patches, woodlands, bushlands and thickets with mostly infertile soils. The total area under terrestrial coastal forests is estimated to be between a low of 66,000 hectares to a high of 450,000 hectares. Mangrove forests are a common feature along the Kenya coast mostly found between high and low water marks of the spring tides. The mangroves provide goods and services that are of economic, ecological, and environmental value at local, national and international levels (Government of Kenya, 2017). More than 50% of mangroves along the Kenya coast is found in the Lamu Archipelago within Lamu County.

1.5 Demographics and Socio – economic characteristics of the Jumuiya Region

1.5.1 The Jumuiya Population Size and Projections

The Jumuiya Region has been known to be a net immigration region with population growth rate of 2.9 percent, slightly lower than the national average of 3.2 percent (Government of Kenya, 2010). The average population density is lower than the national average and most of the land has low population density. However, the coastal strip and the urban areas including Mombasa, Malindi and Kilifi have relatively high population densities of up to, 4,493 persons/km², while the lowest density of 16.2 persons/ km² is in Lamu. Table 1a shows the Jumuiya Region population distribution by County and the prospective youthful population dynamics and share in the overall regional population growth.

As may be noted from Table 1.a below 71.5 percent of the population of the JKP region is under 30 years of age this provides an opportunity for the region to benefit from the “demographic dividend” and benefit from the economic growth potential resulting from its youthful age structure.

Table 1a: Estimated Population Jumuiya Region (2017)

| County/Year | 2009 | 2018 | 2022 | Pop under 30yrs | % of pop under 30yrs |
|-------------|-----------|-----------|-----------|-----------------|----------------------|
| Mombasa | 939,370 | 1,271,920 | 1,433,689 | 877,643 | 69.0 |
| Kwale | 688,398 | 833,527 | 1,914,796 | 612,291 | 73.5 |
| Kilifi | 1,109,735 | 1,411,582 | 1,690,018 | 1,038,329 | 73.6 |
| Tana River | 240,045 | 305,194 | 366,661 | 232,451 | 76.2 |
| Lamu | 101,539 | 137,180 | 155,031 | 95,271 | 69.4 |
| TaitaTaveta | 284,516 | 335,800 | 374,862 | 225,252 | 67.1 |
| Totals | 3,363,603 | 4,295,203 | 5,935,057 | 3,081,237 | 71.5 |

Source: KNBS Database

1.5.2 Jumuiya Population Distribution Dynamics

The Jumuiya population distribution is driven by natural population growth, immigration due to availability economic opportunities, proximity to social amenities, and administrative settlement policy. Opportunities in sectors such as tourism, maritime activities, construction and commerce have attracted people to migrate from other parts of the country to settle in the coast. The earlier civilization and trade dynamics were pull factors that equally attracted people to the coast. The Jumuiya region is approximately 14.2% of Kenya’s land mass and has a population of 4.3 million people according to the Kenya National Bureau of Statistics estimates. This translates to 8.95% of the total Kenyan population. The population density in the region is estimated at an average of 40 persons per Km², a value that is lower than the national average of 66 persons per Km². However, there are very high density areas particularly along the coastline and in urban centres like Mombasa, Malindi and Kilifi, Ukunda and Lamu. The density is highest in Kilindini at 4,493 persons per Km² while the lowest is in Lamu with 16.2 persons per Km².

1.5.3 Social economic characteristics

The coast region has remained poor over several decades. A national inequality survey done by KNBS and SID (2013) showed that the severity of poverty was highest in coast region, with Tana River and Kwale counties having the highest poverty (44 - 49%) of the population while the lowest was at Lamu (4-11%). The interaction between the poor coastal communities and the environment has resulted in undesirable consequences that have accelerated not only poverty levels but also the rate of environmental degradation throughout the region. Access to social services such as health, education, water and financial (through social capital) has remained comparatively low in the region.

1.5.3.1 Education

The Coast Region has one of the lowest literacy levels in Kenya. According to government statistics, both Kwale and Kilifi Districts had the highest primary school enrolment rate while Lamu and Taita-Taveta Districts continued to lag behind the other counties in enrolment rates. The low enrolment rate is attributed mainly to poor facilities and infrastructure, lack of trained teachers, and early marriage of girls, particularly in the rural areas. As at 2009, there were no established universities at the Coast. There is a significant disparity in literacy levels between men and women, and between urban and rural areas. Kilifi, Tana River and Kwale Districts have the highest disparities, with literacy levels of men being much higher than of women (Hoorweg et al., 2000)⁴. The Covid-19 pandemic has further exacerbated the disparities in education achievements in the region especially among children from low income households due to inability to access on line learning during school closures.

1.5.3.2 Health

Kenya Coast region has a total of 579 health facilities comprising of 30 hospitals, 38 health centres, 235 dispensaries, 199 clinics and medical centres, 26 nursing and maternity homes, 34 institutional health facilities and 7 special treatment centres. In all Coastal Counties, the doctor-patient ratio still falls short by far, of the 1:600 standard set by the World Health Organization. Severe environmental degradation has consequences on human and ecological health. Whereas health and environment inter-linkages are undeniable, relevant legal and policy interventions rarely take cognizance of this interconnectedness (Kenya Coast Survey, 2013).

Like other regions of the country, the health care facilities in the JKP region face the challenge of coping with the Covid-19 pandemic. As at September 2020 the region accounted for 12 percent of total cases in the country. Despite having a large numbers of infected persons (174,300 by June 2021), the region is lagging far behind in the number of people who have received Astra-Zeneca Covid 19 Vaccine. As at 7th April 2021 only 9,749 people had been vaccinated in Mombasa County, 2,450 in Kilifi, 1,336 in Taita-Taveta, 903 in Kwale, 493 in Tana River and 278 in Lamu.

1.5.3.3 Water Supply and Sanitation Services

The main sources of freshwater at the Kenyan Coast are the Tiwi boreholes, Mzima springs in Taita-Taveta, Marere springs in Kwale and Baricho Water Treatment Works at Sabaki River. In 2009, 11% of the population in the Coast of Kenya had access to well water, 10.7% to stream/river water, 9.2% to pond water, 6.4% to borehole water and 5.8% to dam water (Government of Kenya, 2000). Wastewater treatment at the Coast of Kenya is presently inadequate. In the entire Coast Region there is only one wastewater treatment plant in Mombasa serving a small percentage of the city. Only 30% of the population of Mombasa Island and 15% of the population of the Mombasa Mainland West is connected to sewerage services; the rest is either served by septic tanks or cesspits, including pit

⁴ Hoorweg, J., Foeken, D., Obudho, R.A. (Eds) (2000) Kenya Coast Handbook: Culture, resources and development in east African Littoral. African Studies Center, Leiden, The Netherlands.

latrines. Over 65% of the coastal population is served by pit latrines, around 6% has a water closet and 16% has no provision for sewerage services whatsoever (GOK, 2001).

The JKP region has low access to water, sanitation and hygiene (WASH) facilities. Frequent hand washing is one of the a key and proven effective measure to curb transmission of the Covid-19. Statistics however show that the JKP region has low access to piped water. Access to piped water in Kilifi County stands at 22.1 % and 29.8 % in rural and urban areas respectively, Kwale County at 11.4 % and 18.2 %, Lamu County 48.2 % and 25 %, Taita-Taveta County 14.9 % and 24 % and Tana River County 11.1 % and 26.9 %.

1.5.3.4 Access to financial services

In most of the Coastal Region, the source of financial services for rural households is predominantly informal finance mechanisms that are savings-led taking several variants of Rotating and Savings and Credit Associations (ROSCAs), also referred to as the merry-go-rounds. Out of the eight sources of social capital (OECD, 2001), the commonly found sources within the coastal communities include: the extended family, SMEs and the local community organization e.g. the BMUs, women, ROSCAs. These forms of services also practised in urban areas despite access to lending services offered by microfinance institutions and banks. Islamic banking has been introduced in urban Kenya in conformity with Islamic norms.

1.5.4 National Poverty Status and Profiles

According to the Kenya Integrated Household Budget Survey (KIHBS, 2015-16) Report⁵ that has extensively looked into poverty perspectives in Kenya, over the last ten years, the welfare of Kenyans has shown significant improvements with overall headcount poverty recording a 10.5% decline. The findings suggest that while headcount poverty declined across the country since 2005-06, there remain few geographic areas with high pockets of the population living below the poverty line. From the report, the overall national poverty headcount rate (proportion of poor individuals) dropped from 46.6% in 2005-06 to 36.1% in 2015-16. The findings also show that the total population of poor individuals declined from 16.6 million in 2005-06 to 16.4 million in 2015-16 even though the country's entire population increased by approximately 10 million over the two periods. Analysis of poverty based on households at the national level shows a decline from 38.3% in 2005-06 to 27.4% of all households covered in 2015-16.

1.5.5 Poverty Status and Profiles in the Jumuiya Region

Overall poverty refers to the number of households and individuals whose monthly adult equivalent total consumption expenditure per person is less than Ksh. 3,252 in rural and peri-urban areas and less than Ksh 5,995 in core-urban areas are considered to be overall poor or live in “overall poverty”. According to the KIHBS report, substantial and significant variation in overall poverty incidence at the county level ranging from a low of 16.7% in Nairobi City County to a high of 79.4% in Turkana

⁵Basic Report on Well-Being in Kenya: Kenya integrated Household Budget survey (KIHBS, 2015-16), Kenya National Bureau of Statistics

County. Turkana County, with a population of 860,000 overall poor people, accounts for 5.2% of all the poor individuals in the country. Turkana (5.2 %), Kakamega (4.1 %) and Kilifi (4.0 %) had higher numbers of overall poor people, collectively accounting for 17.8 per cent of the total overall poor individuals.

The Jumuiya Region and by extension Counties have been experiencing both overall and extreme poverty levels in the last two or so decades. The counties have attributed this to the past economic injustices, marginalization, skewed and suppressed socio-economic development that the region has experienced. The data indicate that the overall poverty headcount rate for individuals at the national level was 36.1 per cent in 2015-16, implying that 16.4 million individuals lived in overall poverty. This could not have been worse for the Jumuiya counties. The data reveal significant variation in overall poverty incidence at Jumuiya counties level ranging from a low of 27.1 percent in Mombasa County to a high of 62.2 in Tana River County. The overall poverty incidence for the six counties is summarized in Table 1b.

Table 1b: Overall Poverty Estimates (individual) by residence and County, 2015/16

| Variable indicator | Population | Number of | Headcount | Distribution | Poverty Gap | Severity of |
|--------------------|----------------|-------------|-----------|-----------------|-------------|-------------|
| County | ('000)-2015-16 | Poor ('000) | Rate (%) | of the poor (%) | (%) | Poverty (%) |
| Mombasa | 1,185 | 321 | 27.1 | 2.0 | 7.5 | 3.3 |
| Kwale | 820 | 389 | 47.4 | 2.4 | 11.1 | 3.6 |
| Kilifi | 1,400 | 650 | 46.4 | 4.0 | 12.3 | 4.8 |
| Tana River | 304 | 189 | 62.2 | 1.2 | 20.0 | 9.3 |
| Lamu | 128 | 36 | 28.1 | 0.2 | 5.5 | 1.8 |
| TaitaTaveta | 358 | 116 | 32.4 | 0.7 | 7.7 | 2.7 |
| Total County | 4,195 | 1,701 | 40.5 | 1.8 | 10.6 | 4.3 |
| Total national | 45,371 | 16,401 | 36.1 | 100.0 | 10.4 | 4.5 |

Source: KNBS 2015/16 Basic Report Well-Being in Kenya

1.6 Employment dynamics

1.6.1 National Employment Status and Performance

At the national level, the number of persons engaged, excluding those engaged in rural small scale agriculture and pastoralist activities, rose by 5.6 per cent from 16.0 million in 2016 to 16.9 million in 2017. The numbers of new jobs created in the modern sector were 110.0 thousand in 2017 compared to 84.8 thousand jobs created in 2016. Of the total new jobs created, the informal sector accounted for 83.4 per cent of the total jobs created. The sector generated an additional 787.8 thousand new jobs in 2017 from a total of 13,309.7 in 2016.

1.6.2 Employment at JKP Region

In the Jumuiya ya Kaunti za Pwani (JKP) region, formal employment has remained limited and a great challenge to the inhabitants of the JKP Counties. This situation has been attributed to the limited number of skilled and qualified people in the appropriate disciplines and professions where

employment opportunities emerge. Where employment opportunities have existed, the very best of the region have faced massive competition from their counterparts from other Counties outside the JKP region. The situation has been aggravated further by the region's seasonality of business characterized by coastal tourism's patterns as well as the highly competitive seaport's business.

According to the County Integrated Development Plans by the six (6) JKP Counties, the region faces high levels of youth unemployment. According to the KNBS population projections for 2018, the JKP region is reported to have had a total of 1,527,835 youthful population (15-35 years) that are considered eligible for the employment market however, the region reported a sustained high unemployment rate at 48.2%, see Table 1c.

Table 1c: Youth (11-35yrs) Population Dynamics, Projections and Unemployment Rate by County

| JKP Counties | 2009 Census | 2018 (Projections) | 2022 (Projections) | % Unemployment |
|------------------------|--------------------|-------------------------------|-------------------------------|---------------------------|
| Mombasa | 428,771 | 562,522 | 630,260 | 44 |
| Kwale | 170,472 | 225,331 | 255,078 | 47 |
| Kilifi | 363,739 | 491,213 | 553,939 | 53 |
| Tana River | 94,510 | 97,462 | 109,908 | 54 |
| Lamu | 26,312 | 46,687 | 52,334 | 46 |
| Taita Taveta | 102,591 | 104,620 | 108,744 | 45 |
| Total Youth pop | 1,186,395 | 1,527,835 | 1,710,263 | 48.2 |

Source: CIDPs

The situation has further been made complicated by the fact that there has been dearth of formal employment opportunities due to stagnation in growth of major economic sectors in the region. Indeed, private sector activity in the region has been limited thus leading to limited employment opportunities. The situation has driven the potential working population in the region to engage in Micro, Small and Medium Enterprise activities which has equally not been vibrant as much. Table 1d below shows the number and distribution of SMEs across the JKP Region.

Table 1d: Micro, Small and Medium Enterprises (MSMEs) Sector SME Employment in JKP (2016/17)

| | Licensed (‘000) | | | Unlicensed (‘000) | | |
|---------------|--------------------|--------------|---------------|----------------------|--------------|--------------|
| County | Micro | Small | Medium | Total | Micro | Total |
| Mombasa | 157.0 | 77.1 | 18.8 | 252.9 | 239.6 | 239.6 |
| Kwale | 37.3 | 17.8 | 14.7 | 69.8 | 179.8 | 179.8 |
| Kilifi | 66.7 | 14.3 | 14.7 | 95.7 | 338.5 | 419.4 |
| Tana River | 4.2 | 1.6 | 2.2 | 8.0 | 42.4 | 42.4 |
| Lamu | 18.4 | 4.2 | 1.1 | 23.7 | 38.8 | 38.8 |

| | | | | | | |
|------------------------|--------------|--------------|-------------|--------------|--------------|---------------|
| Taita Taveta | 40.1 | 17.9 | 21.9 | 79.9 | 85.4 | 81.2 |
| Grand total | 323.7 | 132.9 | 73.4 | 530.0 | 924.5 | 1001.2 |

Source: MSMEs Basic Report 2016 (KNBS)

Indeed SMEs can create job opportunities across geographic areas, Counties and sectors, employing broad segments of the labor force, including low-skilled workers, and providing opportunities for skills development. SMEs that generate jobs and value added are important channel for inclusion and poverty reduction, a strategy that JKP needs to consider. Similarly, the strategy targets to reduce the unemployment levels of youths by 50% from the currently average level of 48.2%. The Jumuiya 2030 strategy anticipates that by 2027, over 50% of youths will be in either wage employment or self-employment, thus nearing the regions middle income county target by 2030.

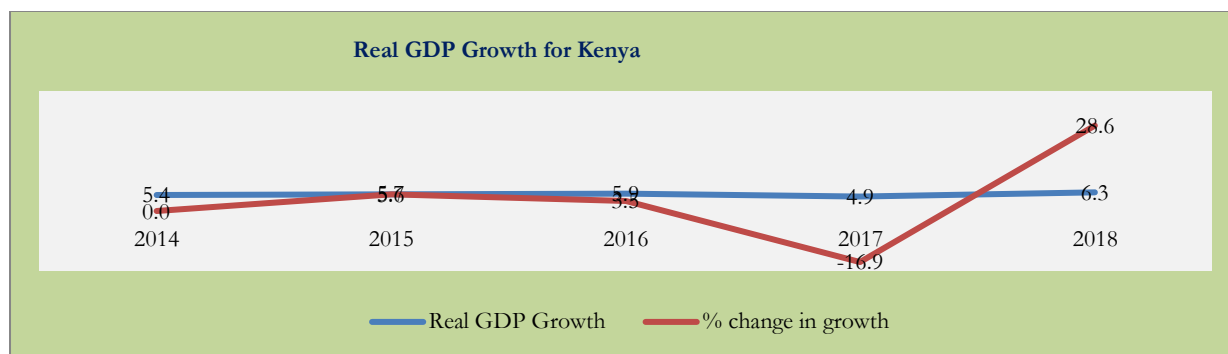
1.7 Economic Performance Dynamics

The performance of an economy is usually assessed in terms of the achievement of economic objectives. These objectives can be long term, such as sustainable growth and development measured through Gross Domestic Product (GDP). Gross Domestic Product (GDP) is the best way to measure economic growth. It takes into account the country's economic output. GDP includes all goods and services that businesses in the country produce. The most used classification measure under GDP is, Real Gross Domestic Product. Real GDP is a measure of economic output that accounts for the effects of inflation or deflation. It provides a more realistic assessment of economic growth than the nominal GDP. Without real GDP, it could seem like a country is producing more when it is only that prices have gone up. Development agencies like the World Bank more often than not, uses Gross National Income (GNI) as a measure of economic growth in a country. GNI is a measure of a country's income. It includes all the income earned by a country's residents and businesses, including any income earned abroad. Income in this framework is defined as all employee compensation plus investment profits. It includes earnings from foreign sources. In this Blueprint, real GDP is thus the adopted and used measure of economic performance at the national level.

1.7.1 Economic Performance at National Level

The Kenyan economy has experienced mixed performance over the last decade or so. The GDP Annual Growth Rate in Kenya averaged 5.5% from 2004-2018, reaching an all-time high of 11.6% in the fourth quarter of 2010 and a record low of 0.20% in the fourth quarter of 2008. In 2018, the country's real GDP in absolute terms increased from Ksh. 4,509.8 billion in 2017 to Ksh. 4,794.8 billion. This was a 6.3% growth compared to 4.9% reported in 2017; see Figure 2. The growth was attributable to increased agricultural production, accelerated manufacturing activities, sustained growth in transportation and vibrant service sector activities.

Figure 1: Real GDP growth Rates for Kenya



1.7.2 Economic Performance in the Jumuiya Region

The county's economic performance is measured in terms of the Gross County Product (GCP). Gross County Product (GCP) is a geographic breakdown of Kenya's Gross Domestic Product (GDP) that gives an estimate of the size and structure of county economies. It also provides a benchmark for evaluating the growth of county economies over time. The GCP estimates are consistent with the published national GDP in the sense that the sum of the GCP is equal to national-level GDP. The overarching objective of the GCP as a measure is to provide a picture of the economic structure and relative size of the economy for each county. The estimates are expected to be instrumental in informing economic growth and supporting county level decision making and economic planning. The GCP is useful in that it: informs county economic development plans, estimates the revenue potential for each county it is an indicator for potential for private sector investment informs economic progress at the county level.

1.7.2.1 Jumuiya Counties Economic Performance over 2013-2017 Period

The Jumuiya Counties have experienced mixed economic growth measured in terms of Gross County Product (GCP) at constant prices. The constant price estimates are useful for computing economic growth rates by county. As shown in Table 1c, the Jumuiya counties have shown positive growth trends since the inception of devolution. Mombasa County, the biggest economy in the region has demonstrated positive growth, achieving an all-time average growth of 19.2% over the period 2013-2017. Mombasa County's decent performance is due to the fact that more than a half of county economic activity is driven by services sector namely; manufacturing, wholesale and trade, tourism. The Jumuiya's smaller economies like Tana River, Taita Taveta and Lamu Counties have equally should positive economic growth reporting, 5.3%, 6.4% and 5.2% respectively, see Table 1c. The mid-level economies of Jumuiya like Kwale and Kilifi over the past five year have shown double digit growth amid several socio-economic challenges associated with the counties. Over the past 5 year (2013-17), average growth for Kwale County was reported at 5.6% while Kilifi County's growth was at 19.3%. Growth in the less urbanized Jumuiya counties can be attributed to the good performances in agriculture and livestock sectors, mining, fisheries and tourism growth sectors. In overall terms, the Jumuiya counties reported performance over the period under consideration (2013-2017) was 5.9% while the average share or regional contribution to the national GDP at constant prices was steady at 8.2%. It is envisaged that with the new planned development initiatives in the region, the Jumuiya Counties share in the national GDP will at least increase to 16% by 2027 and to 20% by 2030.

Table 1c: Gross County Product, 2013-2017 at Constant (2009) Prices (Ksh. Millions)

| Jumuiya County | 2013 | 2104 | 2015 | 2016 | 2017 | Average (2013-17) |
|------------------|---------|---------|---------|---------|---------|-------------------|
| Mombasa | 160,412 | 168,871 | 175,259 | 188,909 | 206,409 | |
| | 0.0 | 5.3 | 3.8 | 7.8 | 9.3 | 6.5 |
| Kwale | 37,054 | 38,606 | 40,846 | 42,979 | 46,173 | |
| | 0.0 | 4.2 | 5.8 | 5.2 | 7.4 | 5.6 |
| Kilifi | 55,073 | 56,650 | 62,560 | 63,009 | 66,381 | |
| | 0.0 | 2.9 | 10.4 | 0.7 | 5.4 | 4.8 |
| Tana River | 15,381 | 19,261 | 15,906 | 17,635 | 18,094 | |
| | 0.0 | 25.2 | -17.4 | 10.9 | 2.6 | 5.3 |
| Lamu | 11,668 | 11,070 | 12,963 | 12,908 | 14,121 | |
| | 0.0 | -5.1 | 17.1 | -0.4 | 9.4 | 5.2 |
| Taita Taveta | 20,265 | 22,380 | 22,784 | 25,369 | 25,982 | |
| | 0.0 | 10.4 | 1.8 | 11.3 | 2.4 | 6.4 |
| Total Annual GCP | 299,853 | 316,838 | 330,318 | 350,809 | 377,160 | |
| | 0.0 | 5.7 | 4.3 | 6.2 | 7.5 | 5.9 |

Source: Gross County Product, 2019-Kenya National Bureau of Statistics

In terms of GCP contribution by sector, Agriculture, Forestry and Fishing share in overall counties sectoral output was at 5.1% despite the Jumuiya's potential in delivering various categories of food crops competitively. The tourism sector's was the most dominant sector with a total share of 39.8%, thus making the sector a major growth driver in the entire region. Performances of the other economic sectors are summarized in Table 1f below.

Table 1f: Gross County Product by Economic Activity in Jumuiya Counties

| | Agriculture Forestry Fishing | Mining & Quarrying | Manu- facturing | Wholesale and Trade | Tourism Sector | Construction Sector | Transport & Logistics | Others | Total |
|-----------------------------------|------------------------------------|--------------------------|--------------------|---------------------------|-------------------|------------------------|-----------------------------|-----------|-----------|
| Jumuiya County | | | | | | | | | |
| Mombasa | 483 | 962 | 32,207 | 20,396 | 13,263 | 20,765 | 47,422 | 70,911 | 206,409 |
| Kwale | 13,927 | 1,202 | 206 | 2,747 | 6,793 | 1,766 | 1,915 | 17,617 | 46,173 |
| Kilifi | 13,019 | 2,770 | 5,761 | 3,292 | 782 | 1,209 | 5,074 | 34,474 | 66,381 |
| Tana River | 8,844 | 47 | 7 | 1,639 | 25 | 13 | 424 | 7,095 | 18,094 |
| Lamu | 6,172 | 104 | 34 | 1,554 | 265 | 92 | 1,766 | 4,134 | 14,121 |
| TaitaTaveta | 6,095 | 604 | 71 | 3,057 | 1,153 | 1,212 | 1,584 | 12,206 | 25,982 |
| Total by sector | 48,540 | 5,689 | 38,286 | 32,665 | 22,281 | 25,057 | 58,185 | 146,437 | 377,140 |
| All Counties total | 957,578 | 48,577 | 440,383 | 341,240 | 55,986 | 252,038 | 317,921 | 1,553,504 | 3,992,703 |
| Sector share in total counties | 5.1 | 11.7 | 8.7 | 9.6 | 39.8 | 9.9 | 18.3 | 9.4 | 9.4 |

Source: Gross County Product, 2019-Kenya National Bureau of Statistics

As shown in Table 1d, the total Jumuiya Counties share in total 47 counties Gross County Product in 2017 was 9.4%. This has been considered below par performance given the region's high potential in

natural and economic resource endowments capable transforming the region in to an economic powerhouse.

1.7.3 Real per Capita and GCP performance in the Jumuiya Counties

Real per capita is the ratio of the County GCP divided by the population of the County and adjusted for changes in prices. In this Blueprint, real per Capita is often used as a measure of standard of living of the population residing in the counties. Using the GCP constant prices, the average growth in GCP per capita across the Jumuiya counties over the period under review was 2.2%. This was 0.6 basis points lower than the average growth in GCP per capita across all counties reported at 2.8%. Mombasa County associated with relatively high GCP in absolute terms ranked high in real per capita GCP, despite its significantly high population.

Table 1g: Per Capita GCP for Jumuiya Counties at Constant (2009) Prices, 2013 - 2017

| County/Year | 2013 | 2014 | 2015 | 2016 | 2017 | Average growth |
|-------------|---------|---------|---------|---------|---------|----------------|
| Mombasa | 150,156 | 152,625 | 153,030 | 159,418 | 168,448 | |
| Growth rate | .. | 1.6 | 0.3 | 4.2 | 5.7 | 3.0 |
| Kwale | 50,111 | 50,411 | 51,528 | 52,401 | 54,439 | |
| Growth rate | ... | 0.6 | 2.2 | 1.7 | 3.9 | 2.1 |
| Kilifi | 43,635 | 43,338 | 46,236 | 45,007 | 45,853 | |
| Growth rate | ... | -0.7 | 6.7 | -2.7 | 1.9 | 1.3 |
| Tana River | 56,300 | 68,069 | 54,308 | 58,191 | 57,740 | |
| Growth rate | ... | 20.9 | -20.2 | 7.1 | -0.8 | 1.7 |
| Lamu | 101,008 | 97,541 | 104,671 | 100,734 | 106,557 | |
| Growth rate | ... | -3.4 | 7.3 | -3.8 | 5.8 | 1.5 |
| TaitaTaveta | 62,571 | 66,998 | 65,623 | 70,828 | 70,316 | |
| Growth rate | ... | 7.1 | -2.1 | 7.9 | -0.7 | 3.1 |

Source: KNBS Gross County Product, 2019

From the analysis and understanding of the Jumuiya region's economic status and performance, it can be concluded that the region has the potential to be a major economic player in the country and by extension in the East Africa Community area at large. Driven by decisive and impactful socio-economic programming, as embedded in this Jumuiya 2030 Economic Development Blueprint, the region shall surely write a different narrative of hope and of desperation.

SECTION II: APPROACH AND METHODOLOGY

2.1 Formulation of Jumuiya 2030

This blueprint has been developed through "an all-inclusive and participatory multi-stakeholder consultative process, involving Jumuiya County's Governors, Deputy Governors, County Executive Committee Members, Chief Officers and Directors, County Assemblies Representatives, the Private Sector, Coastal Universities, the Civil Society, Development Partners namely: the European Union,

Trademark East Africa and the GiZ, United Nation Agencies-UN-Habitat and UNEP, and Youth from all parts of the Jumuiya region. The consultative approach was undertaken through workshops with stakeholders from all levels of the public service, the private sector, civil society, the media and NGOs while in rural areas, counties and sub-counties consultative forums were also held throughout the region. The objective of all these consultations was to provide an in-depth understanding of the Jumuiya's region socio-economic development problems and challenges, listen to the various proposed solutions, and identify sectoral solutions and the necessary strategies to achieve such solutions.

To validate and synthesize the findings, the Jumuiya Secretariat assembled a team of experienced experts from the region and divided them into Sector Working Groups (SWGs), aligned to each of the six Counties. The SWGs conducted the economic growth sectors identification process with their respective enablers that would drive socio-economic growth and development in the region. The team went through a rigorous process of desk-analysis and eventual harmonization of the Vision 2030 programmes as expressed through the Mid-Term Plans Sector Plans. The team equally conducted a rapid assessment and analysis of the County Integrated Development Plans (CIDPs) programmes and projects in order to avoid programmes and projects implementation mix-ups. In the process, the team identified unique sector based flagship initiatives capable of causing impactful economic effects on the people and the regional economic agenda at large by 2030.

2.2 Conceptual Framework for Jumuiya 2030

The Jumuiya aspires to be a prosperous middle-income region by 2030. To achieve and experience this aspiration, it is imperative that the region articulates the processes, interventions and actions that will propel development towards this desired state. One of the ways to articulate the trajectory towards attainment of the Jumuiya 2030 goals is the use of the Theory of Change.

2.2.1 Theory of Change

Theory of Change (ToC) is essentially a comprehensive description and illustration of how and why a desired change is expected to happen in a particular context. Thus, the Jumuiya 2030 Blueprint is premised on the Theory of Change (ToC), which is a model that articulates, in a systematic way, how strategies, activities or programmes contribute to a set of specific outcomes through a series of intermediate results. The ToC describes the pathway through which change will come about. This is in the context of how Jumuiya ya Kaunti za Pwani (Jumuiya) are going to diversify the economy; what results the Jumuiya need to attain diversification; and what interventions will bring about these results. The ToC also provides a clear framework for stakeholder consultation. As such, broad-based consultations were conducted. It also describes the underlying assumptions and conditions necessary to bring about this change. Though the theory of change has not been used in the Vision 2030 and the CIDPs, the principles in a wider context are found in these development plan documents under various designs of monitoring and evaluation frameworks. Therefore, the Jumuiya 2030 Economic Development Blueprint will draw from its long-term expected as well as the long-term outcomes outlined in the CIDPs and the Vision 2030 medium-term outcomes of the plan on which some Jumuiya 2030 Blueprint activities are anchored.

2.2.1.1 The Integrated Multi-sectoral development approach

Based on the ToC and recognizing the multi-faceted and inter-linked nature of sustainable development, the planned interventions in the Jumuiya 2030 Blueprint will be tackled simultaneously through an integrated approach to planning considering that the Sustainable Development Goals were formulated using an integrated perspective. Due consideration to this is made given the complexities of the economic systems and because economic opportunities in one county, for instance, are locally, regionally and globally linked through trading, investment and transport and communications systems to events in other parts of the country, other counties and rest of the world. This approach, therefore, requires timely, strategic, targeted and simultaneous investments in various sectors of the economy through integrated efforts that will translate policies into equitable, cost-effective interventions that leave no one behind.

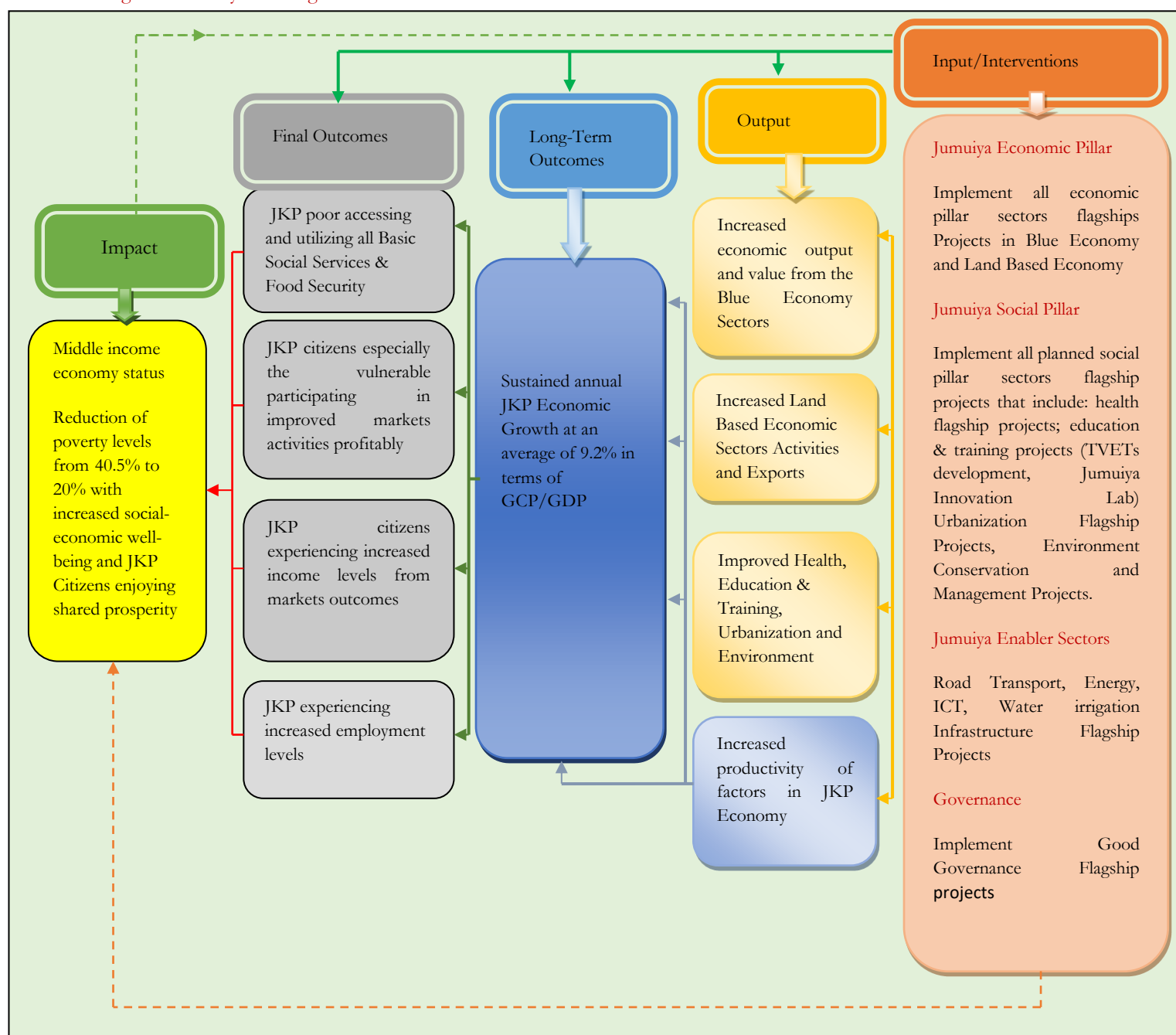
The Jumuiya 2030 Blueprint, using an integrated approach will, therefore, create an environment for the domestication of the Vision 2030 goals, CIDPs goals, Sustainable Development Goals (SDGs), regional, multilateral and bilateral development strategies. Taking this approach in the Jumuiya 2030 Economic Development Blueprint will be a platform to the promotion of partnerships for development in a transformative way.

In line with the ToC and the integrated approach, the Jumuiya will simultaneously prioritize investments in social sectors such as education and training and health. In addition there will be need to reform the Jumuiya Counties economic operating environment in order to create adequate decent jobs and enhance good governance and accountability. The Jumuiya Counties will promote and undertake initiatives towards universal early childhood development (ECD) and secondary education enrolment. Further, there will be increased enrolment in tertiary institutions-(TVETs) to equip its human capital to support the diversification agenda. To accelerate economic growth and job creation the Jumuiya County's economies will be diversified to reduce overdependence on the known sectors synonymous with the region, especially beach and sun tourism.

In addition, agriculture will be modernized to improve productivity and value addition through agro-based industries. All these interventions executed through flagship projects will be undertaken simultaneously in an integrated manner as so explained in the Blueprint. In the recent time, the Jumuiya region has experienced shocks both internally and externally driven by natural and economic factors, such as climatic change shocks and fluctuating commodity prices. These factors have affected the region's economic growth and development path. Therefore, the Jumuiya 2030 Blueprint aims to transform the Jumuiya region into a diversified and resilient economy, able to absorb these shocks. Economic diversification relies on the strategic identification of competitive growth sectors which are not dependent on single and finite resources. As such, the Jumuiya has identified the Blue Economy Sectors as the new competitive growth sectors to change the region's economic fortunes. The Jumuiya region's comparative advantage lies in its natural endowment of the blue ocean whose overall collection of activities is aggregated under the Blue Economy or Ocean Economy. The blue economy refers to the sum of economic activities of ocean-based industries, and the assets, goods, and services of marine ecosystems (OECD, 2016). The blueprint has outlined a series of interventions through

flagship projects within which full potential of the region's blue economy sectors will be realized. This is expected to generate new jobs and growth thus leading to substantial reduction of poverty levels in the region. To achieve the objective of diversification, measures that support reforms which promote institutional realignment and a performance management culture that leads to development accountability will be developed and implemented across all the Jumuiya Counties.

Figure 2: Theory of Change Chart



2.2.2 Linkage with Kenya Vision 2030

The Jumuiya 2030 Economic Development Blueprint is closely linked to the National Economic Development Blueprint famously known as the Vision 2030. The Vision 2030 is motivated by collective aspiration for a much better society than the one we have today, by the year 2030. The aim of Vision 2030 is “a globally competitive and prosperous country with a high quality of life by 2030,” by 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. Within its economic perspective, the Vision aspires to achieve an annual average GDP growth of 10% driven through a carefully selected economic pillar growth sectors across the Country. The Jumuiya 2030 Blueprint is linked from the economic dimension in that it seeks to drive socio-economic growth and development and contribute to the larger national GDP which in essence would facilitate overall national economic performance, social goals as well as prosperity though at a regional level. For example the Jumuiya 2030 seeks to halve the overall poverty levels in the coastal region by 2030. Such an outcome would definitely reduce the national poverty levels that the Vision 2030 is seeking to reduce by undertaking socio-economic programmes and projects aimed at improving livelihoods and overall national prosperity. Thus, the Jumuiya 2030 Economic Development Blueprint in all its dimensions comparatively has a shared vision and direct link to the national economic development Blueprint, Vision 2030.

2.2.3 Linkage with the County Integrated Development Plans

The County Integrated Development Plan (CIDP) is a plan prepared by all counties to guide development over a five-year period. The Public Finance Management Act, 2012 provides that no public funds shall be appropriated outside a county's planning framework. The CIDP should contain information on development priorities that inform the annual budget process, particularly the preparation of annual development plans, the annual county fiscal strategy papers, and the annual budget estimates. It is a super plan for the counties that gives an overall framework for development. It aims to co-ordinate the work of both levels of the government in a coherent plan to improve the quality of life for all the people and contribute towards devolution. The County Governments Act Section 108 provisions recommend for the development of County Integrated Development Plan (CIDP). The CIDPs outline the county development goals covering a period of five years. The plans contain both social and economic programmes and, projects aimed at addressing various existing challenges as envisaged by the county. In the Jumuiya region approximately 60% of the CIDPs are geared towards improving the basic social services in the respective counties. About 30% of the CIDP plans target more or less public administrative programmes while approximately 10% of the plans, target development programmes in the Counties.

Indeed the Jumuiya 2030 Economic Development Blueprint has a well-knit link with the County Government's CIDPs. The Blueprint during the process of its development has consulted and relied heavily on the CIDPs in terms of development focus and designated programmes and projects in order to compliment and support the more transformational economic areas in each county as well as cross cutting sectoral programmes between the counties.

The process of preparation of the next generation of CIDPs which will be aligned with the MTP (2023-2027) is expected to take place in FY 2022/23. This provides an opportunity for the JKP Secretariat and the County Governments to participate in the plan preparation processes and align the policies, programs and projects outlined in this revised blue print with the next generation of JKP County CIDPs as well as MTP4.

2.2.4 Linkage with Sustainable Development Goals

The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by all United Nations Member States in 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. The 17 SDGs are interconnected and highly integrated in that, they recognize that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability. Through the pledge to Leave No One Behind, Kenya has committed to fast-track progress for those furthest behind first. That is why the SDGs are designed to bring the world to several life-changing ‘zeros’, including zero poverty, hunger among others.

Without a doubt, the Jumuiya 2030 Economic Development Blueprint is deeply embedded within and with the aspirations of the United Nations Sustainable Development Goals which have equally been adopted by Kenya in all its socio-economic development plans. The Blueprint follows the SDG principles in creating a just society in the Jumuiya region by pledging to build a series of balanced socio-economic development programmes aimed at reducing regional high poverty levels, securing high quality of life in a clean and healthy environment for the people of Jumuiya region, and contributing to the overall national good.

2.2.5 Guiding principles

The development of the Jumuiya 2030 was guided by relevant policies and guidelines in force such as:

- Public Finance Management Principles
- Public Participation Principles
- Local Economic Development Principles
- International Laws and Conventions
- Environmental Safeguards (Paris agreement, Kyoto protocol, and Climate change)
- County Long Term Development Planning Guidelines

2.3 Structure of the Jumuiya 2030 Development Blueprint

This Jumuiya 2030 is divided into 5 major Parts and presented as follows:

- Section I contains the introduction and background to the economic development blueprints; introduction of the Jumuiya ya Kaunti za Pwani (Jumuiya), Context and the formation of Jumuiya 2030 Economic Development Blueprint; the Theory of Change; Linkage with Vision 2030, CIDPs and Sustainable Development Goals Framework.
- Section II outlines the Jumuiya Physical Environment, Socio-Economic Dynamics. The Part also discusses in detail the Jumuiya region’s economic performance as part of the development

context, Jumuiya's population distribution dynamics as well as the region's employment situational analysis.

- Section III presents the Jumuiya 2030 Blueprint's Vision. It also presents the Overarching Goals and Targets. Finally the Jumuiya's 2030 Economic Development Blueprint's Aspirations concludes the discussion in this Part.
- Section IV describes what it will take to move towards the Jumuiya 2030 Blueprint. It starts by introducing the Jumuiya 10 Sector Economic Pillars where agribusiness, Food Security & Nutrition, Blue Economy, Natural Resources and Environment Sectors, Trade and Industry
- Section V introduces the Jumuiya SOCIAL PILLAR Sectors. The sectors are the Jumuiya Urbanization, Jumuiya Health, Education and Training and, Jumuiya Water and Sanitation Sectors.
- Section VI presents the Jumuiya FOUNDATION AND ENABLERS Sectors. The sectors presented in this part are: the Jumuiya Infrastructure Sector that discusses the Road Transport sub-sector, Energy, ICT and Water Irrigation Infrastructure. Similarly, Land Sector Development, The Jumuiya Investment Fund Development and Governance as an enabler are comprehensively discussed in this part.
- Section VII presents and discusses the implementation and coordination framework of the Jumuiya 2030 Blueprint. The part also present the Blueprints Monitoring and Evaluation guide with a list of development processes indicators.
- Section VIII presents the Jumuiya 2030 Blueprint's Financing Strategy.

SECTION III: JUMUIYA 2030 VISION AND STRATEGY

3.1 Jumuiya 2030 Vision

The Jumuiya 2030 Vision is: “A transformed Jumuiya society from subsistence, peasant-hood economy to a middle-income prosperous economy where its people enjoy high quality of life and shared prosperity by 2030”. With the game changing flagship projects presented and listed in this Blueprint, it is envisaged that the Jumuiya region will graduate to the lower middle-income segment by 2027 and reach a per capita of US\$2,125 by 2030 and beyond. To that extent, the imposing Vision of this Blueprint is:

Accelerating Jumuiya Region’s Socio-Economic Transformation for Shared Prosperity

To realize this Blueprint’s vision, the Jumuiya region will need to implement policies and measures to curb the spread of Covid -19 put the economy back on a sustained recovery path in order to achieve high and sustained economic growth rates to attain the level of development observed in lower middle-income economies. While the Jumuiya County Governments and allied stakeholders in the region have shown commitment to achieve the middle income status characterized by reduced overall poverty levels, the region faces and will face a number of challenges. Key among these are:

- Curbing the spread of Covid-19 through implementation of the appropriate measures and protocols and ensuring all people in the region receive the recommended doses of the WHO approved vaccines;
- Enhancing the JKP County Governments preparedness to cope with pandemics
- Access to land;
- Establishing and maintaining investment climate and business environment conducive for attracting and retaining high levels of foreign and domestic investment;
- Establishing new growth relevant infrastructure and refurbishing and maintaining existing ones;
- Insecurity;
- Low school enrolment of girls;
- Low transition rates for girls;
- Radicalization of the youth;
- Drug abuse and addiction;
- Poor infrastructure;
- Poor access to basic social services;
- Lack of access to adequate health services;
- Mindset;
- Discrimination and marginalization;
- Promoting foreign direct investment (FDI) in productive sectors with a view of entrenching the knowledge and technology transfer among the local peoples;

- Improving access to credit by the Jumuiya citizens for investment needs;
- Practicing and ensuring for the enforcement of labour laws and observance of appropriate labour standards by all partners in the labour market;
- Maintaining efficiency, effectiveness, transparency and accountability in the use of public financial resources;
- Achieving efficiency and effectiveness in the ward and sub-county level and, central county administration system thereby enhancing the delivery of services and creating an appropriate institutional environment for attaining and sustaining socio-economic development;
- Sustaining the adequate supply of competent, highly skilled and motivated human resources and, investing in people through education and training to ensure effective labour, job creation and socioeconomic transformation;
- Establishing and maintaining a knowledge-based economy that is fully competitive, dynamic, robust and resilient in an integrated national environment;
- Creating a progressive society that is an innovative and forward-looking contributor to the scientific and technological advancement of the future;
- Having the regional private sector practicing shared value principles in their day-to-day business environment.
- Ensuring equitable distribution of wealth in a society whose peoples understand their rights, have property rights, access to adequate and affordable housing, safe and clean water and proper sanitation;
- Ensuring a healthy Jumuiya population in which the incidence of major diseases such as malaria, tuberculosis and dysentery related diseases are reduced and the HIV/AIDS pandemic is brought under control with a progressively reduced incidence rate in both urban and rural areas and among both men and women; and,
- Providing an enabling environment for safeguarding and promoting Jumuiya's tangible and intangible heritage as well as ensuring the development of its arts and culture.

3.2 Jumuiya 2030 Aspirations

Jumuiya has the following aspirations for the region's future development.

- The people of Jumuiya aspire to live and have unity in diversity and work together to build equal opportunities irrespective of gender, tribe and religion.
- Jumuiya people aspire for a beautiful, progressive and development culture that blends both progressive traditional beliefs and values in each County and across Counties.
- The people of Jumuiya aspire to live, seek an honest lifestyle and work in a peaceful, secure, harmonious and stable Counties where the laws of the land are upheld and human rights respected. The people of Jumuiya aspire to have a corruption free society.
- The people of Jumuiya aspire to have quality and prosperous life augmented by healthy living, high literacy levels, ease and timely access to all basic social services and enjoying middle income economy's benefits.

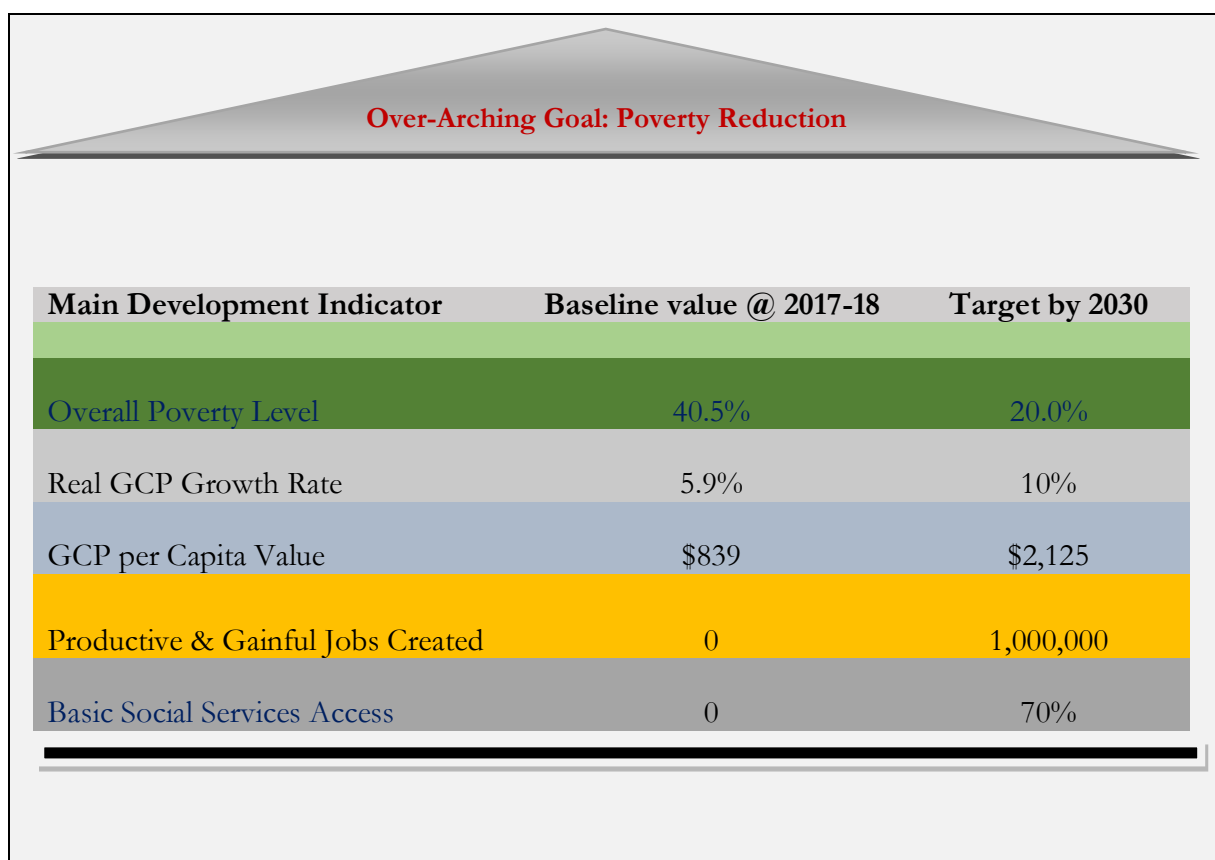
- The people of Jumuiya aspire and desire for a morally upright God fearing society with values of fairness, justice, respect, truth, responsibility and patriotism.
- A region with robust, high and sustained economic growth supported by skilled men and women from the region, contributing to the region's and national development through gainful employment, savings and investments.
- The people of Jumuiya aspire desire to live in a well maintained environment that is conserved and protected for posterity with, the population reaping the benefits of a preserved environment that includes quality and healthy lifestyle and, increased resource productivity in the land.
- The people of Jumuiya aspire to be a society free of poverty and free of hunger courtesy of good planning gains accompanied with optimal social protection systems that secures the people of Pwani
- The people of Jumuiya aspires to live in a region and within a society served with state of the art infrastructure and services, supported by modern technology to facilitate production and improve productivity and, access to clean, affordable and reliable energy sources.

3.3 The Jumuiya 2030 Goals and Targets

In conformity with the Blueprint's vision, theme, situational analysis of the Jumuiya region and having benchmarked with select regional development plans of regions, provinces, counties in countries that have achieved similar level of development status, a number of socioeconomic indicators and targets to guide the blueprint have been developed. The blueprint will strive to pursue and achieve the following goals:

- A Reduction in Jumuiya's Overall Poverty from the present level of 40.5% to at least 20% by 2030.
- An average annual real Gross Domestic Product (GDP/GCP) growth rate of above 9.2% by 2030.
- Attain the Middle Income Status Economy, achieving a regional GNI/GCI per Capita of US\$2,125(Ksh.212,500) by 2030.
- At least 1,000,000 (million) productive and gainful job opportunities created while improving the Jumuiya region's competitiveness by 2030.
- At least 70% of the Jumuiya's population, enjoying unrestricted access to better and quality Basic Social Services in a Serene Physical Environment by 2030.

Figure 3: The Jumuiya 2030 Goals and Targets Chart



Based on the above goals, Table 3a below highlights key economic indicator projections for the Blueprint plan period.

Table 3a: Selected Macroeconomic Indicators – Baseline and Projections, 2022, 2027-2030

| Key Selected Economic Indicators | Baseline 2013-2017 | Year | | |
|---|--------------------|-----------|-----------|-----------|
| | | 2022 | 2027 | 2030 |
| • Real GCP Growth | 5.9 | 5.3 | 8.5 | >10 |
| • GDP/GCP @ Constant Prices (Ksh. Millions) | 377,160.0 | 510,919.0 | 777,003.0 | 992,459.0 |
| • Youth Unemployment Rate (% of unemployment) | 48.2 | 48.7 | 28.5 | <24.1 |

Source: Jumuiya Secretariat

3.4 The Jumuiya Pillars

The Jumuiya 10 pillars for the Jumuiya Socio-Economic Transformation are sectors selected through a series of regional stakeholder engagements that involved, the Governors, Deputy Governors, Chief Officers, Directors, Professionals from different sectors, Civil society, Private sectors players among others. The sectors are considered to be those whose strategic development would drive the Jumuiya's socio-economic growth and development and take the region to the middle income economy bracket. The Jumuiya 10 Sectors have been classified into three main pillars namely: (i) the Jumuiya Economic Pillars; (ii) the Jumuiya Social Pillar and (iii) Jumuiya Foundation and Enablers Pillar as shown Figure 4 below.

Figure 4: The Jumuiya 10 Pillars and Respective Sectors

| JUMUIYA PILLARS Integrated Flagship Projects (2019 – 3030) Ver. 1.0 | | | | | | | | |
|--|---|--|--|---|---------------------------------|---|----|---|
| Economic | 1 | Agribusiness, Food & Nutrition Security | <ol style="list-style-type: none">1) Establish a Coconut processing Plant & farmer support program to plant & grow 1 Million trees annually – 2020 -20302) Establish a Cassava Processing plant & Farmer support program of XXX Acres producing xxx tonnes annually3) Establish a Ginnery & Cotton Farmer Support Program of XXX Acres producing XXX tonnes Annually4) Establish 3 modern abattoirs and Livestock value chain Farmer support program to produce XXX Beef / goats / Chicken. | 3 | Trade & Industries | <ol style="list-style-type: none">1) Embed, Master Plan & Promote establishment of<ul style="list-style-type: none">❑ Mombasa, Lamu SEZs❑ Diani, Kilifi and Lamu Resort Cities2) 3X Manufacturing Input | | |
| | 2 | Blue Economy | <ol style="list-style-type: none">1) Implement an Integrated XXX Tonnes Capture Fisheries program<ul style="list-style-type: none">❑ Establish 3 modern Fish processing plants in XXX /XXX❑ Equip 6 BMUs with cold Storage equipment, Fishing Equipment & member capacity building❑ Establish Fresh Water Fish Hatchery in Taita Taveta❑ Establish 6 Fish Cage Farming facilities in each of the 6 counties2) Tourism Culture & Heritage<ul style="list-style-type: none">❑ Establish MICE facilities in Mombasa , Kilifi & Taita Taveta❑ Promote Investments of 1 -3 Star Hotel / Increase 2X Bed Capacities❑ Develop products (Beach/Wildlife, Heritage/ Culture❑ Establish a Destination Marketing organization & Campaign to Increase 2X tourists3) Maritime & Transport<ul style="list-style-type: none">❑ Establish a Jumuiya Water transport /in partnership with KFS | 4 | Natural Resources & Environment | <ol style="list-style-type: none">1) Green & Blue regional Policy Development2) Master Plan & Rehabilitate 6 BMUs3) Establish JKP (6) integrated Forest cover (@XX Increase) of vulnerable marine and coastal ecosystems<ul style="list-style-type: none">❑ Establish & Support 6 Carbon credit Mangrove/ Bee keeping/sea grass farmer groups4) Enhance Marine Protected Areas with Capacity building of BMUs, County Inspectorate & Coast Guard | | |
| Social | 5 | Urbanization | <ol style="list-style-type: none">1) Provide at least (1) Urban Planner Technical Assistance per County (6) & Capacity Building for County Spatial Planning units; AND complete development of Taita Taveta County Spatial Plan.2) Master plan & Develop Six (6) Urban Centers (Hola, Mwatate, Mrwapa, MSA? Kwale? Lamu?)3) MasterPlan, Regenerate 4 Waterfront slums in Mombasa4) MasterPlan & promote Development of 6 vulnerable Waterfronts in Kilifi, Kwale, Tana River, Lamu and Taita Taveta (Lake/River) – for PPP Tourism Investment | 6 | Health & Education | <ul style="list-style-type: none">❑ Establish JKP (6) Jumuiya Innovation Labs<ul style="list-style-type: none">❑ Upskill and facilitate placement of 9000 youth❑ Incubate 1000 MSME to grow by X2❑ Establish a Jumuiya Health System | | |
| Foundations & Enablers | 7 | Governance -Policy & Advocacy -- Coordinate development 10 Year Sector Plans for each County -Conduct a JKP regional Economic Performance baseline Study - Conduct Security & Peace building program - Build Capacity & Strengthen or Jumuiya Legal & Institutional - JKP APEX - KP Secretariat Capacity -Strengthen Sector Working Groups - Develop & execute a Jumuiya IMC -Establish a Jumuiya FM & TV | 8 | Land Resource Development ❑ Land Banking - Map & Secure at least 1 Million Acres of available & Suitable land for Jumuiya 2030 projects (JKP – FAO – Ongoing) | 9 | Infrastructure • Mass rapid transit systems developed across JKP region • Off-grid renewable energy infrastructure (schools, etc) • ICT infrastructure linking major urban counties • Desalination plants for human/industry use • Maritime transport issues... • Irrigation/water infrastructure... | 10 | Jumuiya Investment Fund ❑ Operationalize Jumuiya Investment Fund & Increase regional OSR by XXX and Average CGP XXX ❑ Establish a Jumuiya Blue Bond (Regeneration, / CMA endorsed ❑ Establish SPVs as needed (Jumuiya foods, Jumuiya FM/TV, Jumuiya Health Fund, ❑ Blockchain ❑ Organize & Host an Annual Jumuiya Agribusiness & Investment Conference (JABEIC 2019 – Nov. 27-28 |

SECTION IV: STRATEGIC INTERVENTIONS

4.1 Jumuiya Economic Pillar - Achieving Economic Transformation

4.1.1 Background to the Jumuiya Economic Pillar

The economic pillar of the Jumuiya 2030 Economic Development Blueprint is embedded in a number of strategic economic growth sectors with great potential for meaningful transformation. Under the economic pillar, the sectors have been categorized under the blue economy and, the land-based economy. The pillar is considered important as it aims at improving the prosperity of the Jumuiya Community through an economic development plan executed through strategic flagship programmes and projects targeted at attracting top and quality investments globally, covering the entire Jumuiya region. The economic pillar sectors seek to:

- Achieve a 10% contribution to the national GDP by 2030, from the current estimated average contribution of 5.9%.
- Half the region's overall poverty level from the current 40.5% to 20.0% by the year 2030.
- Drive the Jumuiya region to higher echelons of socio-economic transformation and welfare, achieving the region's shared vision of being a middle income economy, with a Gross County Product (GCP) per Capita of US \$ 2,125 by 2030 and beyond.

The blueprint as guided by this economic pillar envisages success in achieving these goals through robust, strategic and, ordered sector growth programmes and project activities.

4.2 Jumuiya Agribusiness, Food and Nutrition Security Sector

The agriculture sector continues to play a vital role in economic growth and development. The sector has made significant contribution to the economic prosperity of advanced countries and its role in fostering economic development in less developed and developing countries remain strategic. The Sector's international as well as domestic value chains were adversely affected by the Covid 19 pandemic containment measures. This has placed high priority to implement urgent measures to reduce dependency of imported food products and attainment of food security through supporting local farmers.

4.2.1 The National Status of Agriculture Sector

Agriculture remains the most important economic activity in Kenya currently contributing 33% to the GDP. In addition through its linkages to manufacturing, distribution and service sectors; it accounts for 65% of the total export earnings, and; employs 80% and 18% of the rural and formal workforce, respectively. By extension, the economies of most of the 47 counties depend on agriculture. A 2015 World Bank Policy Working Paper 6 indicates that the average agriculture GDP for all the 47 counties is 51%. The livestock sub-sector is one of the main components of the agricultural sector contributing 18% of the Agricultural GDP. In 2018, the value of marketed agricultural products increased further

by 11.4% to Ksh 497.9 billion while the value of marketed livestock and livestock products increased by 8.3% to Ksh 146.8 billion.

As part of the mitigation measures on the adverse effects of Covid 19 on the Agriculture sector, the State Department of Agriculture, Livestock, Fisheries and Cooperatives developed the National and County Government Market Protocols and Guidelines for use by farmers and players in the food supply chain, input provision, production, trade, processing, transport, logistics, handling and consumption of food and agricultural produce.

4.2.2 Development Outcome 1: A Diversified and Export-Oriented Agribusiness and Food Security

Agribusiness, Food Security and Nutrition sector remains critical in achieving diversification, economic growth and poverty reduction in the Jumuiya region. Characterized majorly by household and semi-commercial practices, agriculture is the backbone of the rural Jumuiya economy and thus holds great potential for modernization due to its predominance. The Jumuiya rural population is still growing, therefore labour supply in agriculture is plentiful and its absorption will thus, be crucial to rural development.

This Blueprint has thus, considered this sector and therefore will, pay attention to agricultural development while banking on two major economic value chain propositions. First, increasing farmers' incomes directly supports rural demand, which results in the development of new activities and the diversification of the local economy, contributing to the overall process of structural transformation. Second, increasing agricultural outputs leads to the development of both upstream and downstream activities, the consolidation of value chains and the expansion of agro-industries, which are significant sources of employment and present real opportunities for economic diversification as well as guaranteeing food security and nutrition. Apart from crop production, commercial emphasis will be laid on livestock production. The increasing demand for livestock products range within and outside the Jumuiya provides the opportunity for diversification and growth. Diversification within the agriculture sector will be central in improving productivity, providing inputs to agro-processing and the manufacturing sector, for increased contribution to foreign exchange earnings and resilience to emerging challenges, as rains become more erratic and less predictable due to climate change.

4.2.3 The Status of Agriculture and Livestock in the Region

The Jumuiya region is classified into five agro-ecological zones (AEZ) of which 21.3% (1,707,625 hectares) is classified as a high potential crop production zone. This zone is along the coastal strip. Out of this, 0.27% (21,871 hectares) is classified as a medium capability zone. The remaining 78% of the available land under agro-ecological zone classification is described as low capability zone in terms of agricultural activities (KCDP, 2015a). Accordingly, the region has a consolidated land area of approximately 132,375 hectares under food crop production (CIDPs, 2013-2017). The main food crops grown are: maize, cassava, green grams, cow peas, beans. Other food crops grown, albeit in small quantities, are Irish potatoes, rice and sorghum, the later emerging as more of an industrial crop

than a food crop. The food security of the region is anchored on the unique agro-ecological features that endow this part of the Kenya coast. Cash crop production in the Jumuiya region consists of cashew nuts, bixa, coconut, cotton, sisal, sugarcane and horticultural crops. Fruits produced include mango, sweet watermelon, banana and oranges. Notably the sector employs an average of 50.8% of the population in the region with 82% engaged in Tana River County, Kwale County (51%), Lamu County (73%), Taita Taveta (40%) and Kilifi (50%). Table 3b puts in further perspectives the dynamics of the agricultural sector in the region.

Table 4a: The status of Agriculture and Agriculture allied dynamics in the Jumuiya Region

| <i>Counties</i> | Population 2019 estimates | Farming area in ha | % employed in agriculture | % of farmers with title | % Pop living in absolute poverty | % facing food Insecurity | Food crop production | Cash crop production |
|-----------------|---------------------------------|--------------------------|------------------------------------|----------------------------------|---|--------------------------------|----------------------------|-------------------------|
| Kwale | 866,820 | 87,530 | 51% | 23% | 75% | 14% | 32% | 51% |
| Kilifi | 1,453,787 | 689,120 | 50% | 31% | 72% | 67% | 8% | 7% |
| Tana River | 315,943 | 254,700 | 82% | 4% | 77% | 56% | 3% | 3% |
| Lamu | 143,920 | 5,517 | 73% | 20% | 32% | 17% | 1% | 1% |
| TaitaTaveta | 340,671 | 205,500 | 40% | 40% | 57% | 50% | 9% | 2% |

Source: Kenya County Climate Risks Profiles Series, CGIAR Report (2017/2018); KNBS Population Census Report (2019)

4.2.3.1 Challenges

- **Over-dependence on rain-fed agriculture:** Agriculture in the region has highly been affected by climate change impacts thus, leading to poor crop performance.
- **Land tenure system:** Lack of land title deeds has been a major problem in the region since independence. Most of the small holder families who represent the majority of farmers do not have title deeds.
- **Poor roads networks, transport and communication infrastructure:** These factors in total have inhibited productive agricultural practices in the region.
- **Loss of Crop Value due to on-farm inefficiencies:** Crop-post harvest management and handling challenges leading to massive post-harvest losses in the region.
- High costs of recommended crop farming inputs
- High presence of crop pest and diseases.
- Low modern agricultural technologies uptake in the region.

4.2.3.2 Livestock sub-sector challenges

- Production constraints include *low productivity; poor breed characterization, inadequate breeding services, poor animal husbandry, inadequate extension and advisory services, inadequate feeds and feeding, disease challenges, high cost of inputs and poor access to markets and inadequate integration of industry players.*

4.2.4 Agriculture and Livestock Sector Goals for the Region

Agriculture lies at the center of socio-economic development of the Jumuiya region. As such, the sector will be a major driver of growth for the coastal county's economy and is envisaged that agriculture and livestock will remain a chief source of livelihood, employment and poverty reduction. To that extent, the region has set out ambitious goals to be achieved by the Jumuiya 2030 blueprint. The key goals for the Jumuiya are:

Jumuiya Integrated Agricultural Development Goals by 2027

- Increased share in the total national agricultural production output at constant prices, less, (*fishing & aquaculture, forestry & logging*) from the current estimate of 5.5% to 8.5% by 2027, hitting 10% by 2030.
- A 50% increase in average earnings per day, per small-scale farmer in the region from Ksh. 465 per day to Ksh. 697.50 per day by 2027.
- At least 60% of Small and Medium Scale Farmers, practicing Climate-Smart Agriculture as well as adopting and using Greenhouse Technology and modern irrigation techniques thus increasing agricultural output in the region by 2027.

Jumuiya Integrated Agricultural Development Goals by 2030

- An increase in the number of farms and volume in hectares of land under irrigation by 2030.
- A prosperous regional agriculture, contributing at least 6% in agriculture national GDP in output by 2030 from the current estimated contribution of 1.0%.

4.2.5 Strategies

Strategy 1: Improve production and productivity

- The Jumuiya will undertake production and productivity improvement along the entire product value chain from farm to agro-processing and manufacturing at the sector and enterprise levels. The increase in production will be achieved through intensified agricultural mechanization, increasing the area under cultivation and the number of farmers participating in production, driven by enhanced extension service delivery and increased private sector participation, among others. Activities to be implemented through the flagship projects enhance production and productivity will include:
 - Productivity-enhancing technology development
 - agriculture extension programmes;
 - Agricultural input supply programming and management;
 - Animal production, Livestock bi-product range development i.e., meat processing, dairying development, leather tanning and processing;
 - Research and development promotion (crops, livestock and fisheries);
 - Farm power and mechanization enhancement, and
 - Livestock and Crop Insurance Schemes for farmers
 - Early warning systems development.

Strategy 2: Improve access to finance for production and exports

- This strategy will focus on enhancing access to affordable finance for farmers, agri-business Micro Small and Medium Enterprises (MSMEs) and exporters of high value agricultural products. Other interventions will include access to finance for auxiliary services to production and exports. The Jumuiya will place special focus on vulnerable groups, such as women and the youth while implementing this. Further, the strategy will focus on enhancing capacities of established farmer groups to participate in export markets, while creating a conducive environment for large exporters of crops, livestock, fish and forestry products to increase export volumes.

Strategy 3: Promote diversification within the agriculture sector

- This strategy will focus on agricultural diversification in crops, livestock and agro-forestry development products based on comparative and competitive advantage of each product and across the coastal agro-ecological zones. Key investment activities included in the flagship projects include but not limited to:
 - Crop diversification and development programmes i.e., cashew nut production and processing, smart coconut production and product range expansion, cassava production for food security and nutrition, cotton production and lint processing.
 - Agro-forestry development and product management for improved biodiversity.
 - Livestock product diversification i.e., poultry products, camel meat and milk production and processing.

Strategy 4: Enhance agriculture and agribusiness value chains

- Development in the sector value chains will include investment in production, agro-processing and marketing, including export market development and distribution mechanisms. Value chain development will promote the participation of small and medium enterprises, coupled with provision of business development services to enterprises along different value chains. Emphasis will be placed on promotion of the Jumuiya people's participation in agri-business and linking local to regional and international value chains. In addition, efforts will be made to strengthen market linkages between primary production areas and processing centres for reduced costs to the final product, hence being competitive in the domestic and regional markets. Agro-processing parks establishment will support the processing of primary agricultural products into value added products. These will be augmented by the Trade for Sustainable Development (T4SD) initiative in order to guide standardization and quality assurance. Similarly, the Jumuiya will modernize agricultural finance facilities and insurance that creates a business case for agriculture. Key element in the flagship projects include but not limited to:
 - Agro- and forestry-based processing and manufacturing promotion;
 - Product standardization and quality assurance enhancement;
 - Promotion of Small scale agriculture in rural areas
 - Agri-business development services provision, and

- Value chain linkages promotion including, Agriculture cooperatives and farmer group development.

Strategy 5: Enhance investment in agricultural infrastructure

- The Jumuiya Secretariat will require County Governments to prioritize investments in agricultural infrastructure in order to create a conducive environment for a vibrant agriculture sector. The aim is to enable the sector produce, process and market its various products competitively in the domestic, regional and international markets. Key among such agro-based infrastructure investments in flagship projects will constitute: small scale and medium irrigation development and water management, warehousing and storage, breeding and livestock holding centres among others.

4.2.6 Jumuiya-Integrated Agribusiness Food and Nutrition Security Flagship

The Jumuiya Secretariat will undertake and coordinate a number of integrated flagship programmes in order to achieve the stated goals. The flagships are split in flagship projects that are implemented over a designated period. The flagship projects are:

a. The Jumuiya- Climate-Smart Agriculture Flagship Project

This flagship project is designed as a response to climate change that has aided the declining pattern of agricultural output and activity in the Jumuiya region.

Table 4b: The Jumuiya-Climate Smart Agriculture Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|--|---|---|-----------------|
| CS-1: Jumuiya-Climate Smart Agriculture Flagship Project | SB-1: Institutional Capacity Building and Coordination (ICBC) Sub-Project | Institutional Partnerships Investment | US\$ 3 million |
| | SB-2: Jumuiya-Climate Change Resilience (CCRP) Sub-Project This include: ▪ Early Warning Early Action | Targeted Agro-Based PPP/or Development partner support | US\$ 10 million |
| | SB-3: Jumuiya-Climate Smart Technology Adoption (CSTA) Sub-Project | Private Investor Initiative/ or Strategic PPP | US\$ 12 million |
| | SB-4: Jumuiya Livestock Climate Smart Development and Diversification Project | County Governments in partnerships with World Bank, FAO | US\$10 million |
| Total Estimated Project Cost | | | US\$ 35 million |

b. Jumuiya-Productivity Enhancement and Diversification Flagship Project

This flagship project component aims at supporting Jumuiya smallholder farmers to produce competitive and marketable commodities, improve their ability to respond to market

requirements, and move towards increased commercialization. Table 4c shows the breakdown in components of the flagship project.

Table 4c: Jumuiya-Productivity Enhancement and Diversification Flagship Project Components

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|---|--|---|-----------------|
| PD-1: Jumuiya-Productivity Enhancement & Diversification Flagship Project | SB-1: Farmer Training and Capacity Building (FTCB) Sub-Project | Jumuiya Secretariat, County Governments and Development Partners Partnerships | US\$ 1 million |
| | SB-2: Modern Agriculture Technology Parks Sub-Project. | PPP/ Private Investor Initiative | US\$ 10 million |
| | SB-3: Production and Market Infrastructure (PMI) Project | Jumuiya Secretariat, County Governments and Development Partners Partnerships | US\$ 5 million |
| | SB-4: County Extension and Policy Advisory Support (CEPAS) Sub-Project | County Governments and Private Investor Initiative | US\$ 5 million |
| | SB-5: Jumuiya-Partial Credit Guarantee and Insurance Scheme Project | County Governments and/or Private Investor Initiative | US\$ 3 million |
| | SB-6: Agro-Forestry Production and Carbon Exchange Initiative | Jumuiya Secretariat supported by UNEP, FAO, World Bank | US\$ 50 million |
| Total Estimated Project Cost | | | US\$ 74 million |

c. Jumuiya Strategic Diversified Crop Production Investment Flagship Projects

This flagship project is conceptualized on the need for Jumuiya economy to have alternative income generation for its people, based on the region's diversified crop potential. It is designed to empower the region's household economic decisions regarding income strategies, natural asset utilization, participation in programs and organizations, crop choices, land management, and labor use.

Table 3d: Jumuiya-Strategic Diversified Crop Production Investment Flagship Projects

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|--|--|---|-----------------|
| PD-1: Jumuiya-Strategic Diversified Crop Production Flagship Project | SB-1: Jumuiya Cotton Development Project: This will involve: | Jumuiya Secretariat, County Governments and Development Partners Partnerships | US\$ 20 million |
| | <ul style="list-style-type: none"> Engaging local farmers in cotton production by increase acreage to about 30,000 ha under commercial cotton, producing at least 300,000MT annually. Establishment of Cotton Ginnery for lint production. | | US\$20 million |

| | | | |
|-------------------------------------|--|---|-------------------------|
| | SB-2: Jumuiya Coconut Production and Value Addition Project | County Government Support/PPP/Investor Initiative | US\$ 40 million |
| | SB-3: Jumuiya Cassava Development Initiative Project | Jumuiya Secretariat, County Governments and Development Partners Partnerships | US\$ 20 million |
| | SB-4: County Extension and Policy Advisory Support (CEPAS) for Strategic Diversified Crop Production Project This will involve: <ul style="list-style-type: none"> Farmer Capacity Building and Modern Crop Technology Adoption | County Governments and TVET Institutions/ also Private Investor Initiative | US\$ 10 million |
| | SB-5: Jumuiya-Strategic Diversified Crop Export Market Project | County Governments and/or Private Investor Initiative | US\$ 5 million |
| Total Estimated Project Cost | | | US\$ 115 million |

d. The Jumuiya Food and Nutrition Security (FNS) Flagship Project

The Jumuiya Food Security and Nutrition (FSN) flagship project development objective is to improve the region's agricultural productivity and nutrition practices of targeted smallholder farming communities in selected areas of the region. Generally, the project targets the entire population and with specific components targeting the vulnerable drought affected, acute food insecure, landless, disadvantaged, marginalized households especially women headed households as well as youths and, intends to reach approximately 150,000 direct beneficiaries. The nutrition interventions will mainly target 500,000 households in the Jumuiya focusing on young children, adolescent girls, pregnant and lactating women. The project will also build synergies and interface with the One Million Vulnerable Kitchen Garden Kit Support Project planned for implementation as part of the National Post Covid 19 Economic Recovery Strategy.

The project expects that at least 65% of the direct beneficiaries will be female. The FSN Project constitutes three sub-projects to be implemented during the blueprint's period. The three are: *Technology Adaptation and Dissemination, and Support to Beneficiary Groups Sub-Project; Income Generation and Diversification through Development of Market Linkages and Risk Management Sub-Project; Improved Nutrition Practices Sub-Project* and, *Early Warning, Early Action Sub-Project*. These interrelated sub-projects will contribute to sustained improvement in the key dimensions of food and nutrition security namely: availability and stability of food supply), accessibility and food safety.

Table 4e: The Jumuiya Food Security and Nutrition Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|------------------|-------------------------|---------------------|----------------|
|------------------|-------------------------|---------------------|----------------|

| | | | |
|--|--|--|-----------------|
| FSN-1: Jumuiya - Jumuiya Food Security and Nutrition Flagship Project | SB-1: Technology Adaptation and Dissemination, and Support to Beneficiary Groups Sub-Project: The project will involve: | County Governments in partnership with a development partners, Technology firms and National Government Agencies like KALRO among others | US\$ 15 million |
| | <ul style="list-style-type: none">Technology adaptation and testing that will promote the testing and adaptation of appropriate CSA technologies, improved inputs (foundation seeds, and animal breeds) and improved agronomic, husbandry and postharvest practices, with farmers’ participationTechnology dissemination and farmers’ skills development that will enable farmers to master the management skills required for sustainable production and intensification of agriculture practices and post-harvest processing. | | US\$10 million |
| | Total Estimated Project Cost | | |

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|--|--|--|-----------------|
| FSN-1: Jumuiya - Jumuiya Food Security and Nutrition Flagship Project | SB-2: Income Generation and Diversification through Development of Market Linkages and Risk Management Sub-Project This will involve: <ul style="list-style-type: none"> Organize and strengthen producer groups representing the targeted small and marginal farmers by organizing them around commodities of common interest, and enhance their capacity in terms of leadership skills, group dynamics, decision making, problem-solving and risk management. Consolidate the linkages between Beneficiary Organizations (BOs) and Agri-Business Enterprises Agencies (ABEAs), including micro, small and mid-size enterprises (MSMEs), traders, and Rural Financial Institutions (RFIs) | County government support initiative/Investor-Local Community Partnerships Elements of development partners support | US\$ 40 million |
| | SB-3: Improving Nutrition Practices Sub-Project This sub-project aims to help address the underlying causes of malnutrition by: <ul style="list-style-type: none"> establishing Nutrition Field Schools (NFSs), as part of a participatory and skills-based learning program involving groups of adolescent boys and girls enrolled in local secondary-level schools, as an entry point for the communities to promote nutrition home gardens, household level consumption of healthy and diversified food, sanitation and hygiene, and food safety. | County Government with support from Development Partners/ PSIs | US\$ 40 million |
| Total Estimated Project Cost | | | US\$ 80 million |

Jumuiya-Livestock Value Addition Development Flagship Projects

The Jumuiya Livestock Value Addition Development project design includes three sub-project components that aim to address the constraints to livestock sector development in the Jumuiya region

especially in Tana River County, Kilifi County and Taita Taveta County, and third that addresses climate change dynamics.

a. County Livestock Sub-Sector Public Investment and Services Flagship Project

This sub-project will aim at empowering and supporting select Counties of the Jumuiya with comparative advantage in both indigenous livestock and dairy farming practices to expand farmers' participation and abilities as well as increase overall livestock output and contribution to the region's agricultural and livestock GDP and trade in the same. Table 4f- presents the sub-project components to be implemented under the flagship project.

In implementing this Flagship project, the JKP Counties will also coordinate and build synergies with national post Covid 19 recovery programs such as (i) Livestock Inputs Subsidy Programme which involves provision of e-voucher to increase access to inputs by farmers and pastoralists and (ii) AFC Livestock Credit Support Programme

Table 4f: Jumuiya- County Livestock Sub-Sector Public Investment and Services Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|--|--|--|------------------------|
| LD-1: County Livestock Public Investment and Services Flagship Project | SB-1: County Livestock Capacity Support Sub-Project This will involve: <ul style="list-style-type: none"> • Livestock Holding Ground Development • Diversified Livestock Investment Support in goats, sheep, poultry etc | Jumuiya Secretariat in Partnership with County Governments/ Development Partners Support | US\$ 15 million |
| Total Estimated Project Cost | | | US\$ 15 million |

b. Jumuiya-Livestock Value Chain Modernization Flagship Project

This flagship is designed and will address problems of access to market and access to finance among value adding investments as shown in Table 4g.

Table 4g: Jumuiya-Livestock Value Chain Modernization Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|--|--|--|-----------------|
| LD-1: Jumuiya - Livestock Value Chain Modernization Flagship Project | SB-1: Jumuiya-Livestock Livestock Credit and Insurance Scheme Sub-Project | County Governments in partnership with a development bank | US\$ 15 million |
| | SB-2: Jumuiya- Value Chain Development and Smallholder Market Inclusion Sub-Project This will involve: <ul style="list-style-type: none"> • Establishment of at least 3 Value Adding Abattoirs in Livestock growing areas | County Governments supported by Development Partners/ Also National Government | US\$ 20 million |
| | SB-3: Jumuiya-Fodder Seed Improvement Sub-Project. | Local Co-operative Societies/ County | US\$ 10 million |

| | | | |
|------------------------------|--|------------------------|-----------------|
| | | Governments and Donors | |
| Total Estimated Project Cost | | | US\$ 45 million |

4.3 Jumuiya Blue Economy Sector Development

4.3.1 Introduction to the Blue Economy Value Chain

The Blue economy's main resource or asset namely the ocean ranks 7th among the world's top 10 economies. The WWF conservatively estimates the ocean's annual output of goods and services to be US\$ 2.5 trillion and places its overall value at US\$ 24 trillion. In underscoring the ocean's enormous economic potential, the analysis show that increased protection of critical habitats and proper usage by the value chain actors, could result in net benefits of up to US\$ 920 billion between now and 2050. Instructively, Value Chain Activity Outcomes (VCAO) around the Blue Economy (BE) depend and will continue to depend on understanding of the interaction or interrelations between the inhabitants living along the Blue based resources and, the socio-economic benefits they derive from it. Blue resources that are green remain a major source of livelihood to mankind.

4.3.2 Development Outcome 2: Sustained increase in Economic Growth and Development as well as societal livelihoods from sustainable exploitation and utilization

The Blue Economic sector, feed families and households, safeguards coasts, provide platform for urbanization, platform and essence for environmental planning, provide foundation for economic sectors like coastal and marine tourism, trade and transport, oil and gas, sustains both artisanal and industrial fishing and, acts as a store for carbon. In fact where blue resource planning and management has optimally been done, the interactions with the blue economy resources have led to decent economic growth and development, leading to massive reductions in poverty levels especially of local and indigenous communities living along and depending on the Blue sector as their main economic mainstay. It is envisaged that a well programmed implementation of activities and flagship projects embedded in this blueprint would lead the above stated outcome.

4.3.3 Blue Economy and Jumuiya 2030

In the recent time, the Jumuiya Counties have been encouraged to make the best use of the potential of the blue economy to promote growth, jobs and investment, while reducing poverty, safeguarding healthy and clean seas, and developing a clear vision for the sustainable and integrated development of marine and maritime sectors. Blue economy is premised on sustainable principles. The UN has promoted this concept, stressing the importance of seas and oceans to food security and livelihoods for people living in coastal areas and incorporating the true value of the natural capital of the seas and oceans into all aspects of human economic activity. It is upon this backdrop that the Jumuiya has considered the blue economy as pivotal in delivering the growth sectors identified under the Jumuiya 2030 Blueprint's economic pillar. The sectors classified by Jumuiya under the Go-Blue programme include: Marine Fisheries and Aquaculture Growth Sector; Maritime Transport and Logistics Growth

Sector; Coastal (Cultural Heritage, Sports and Leisure) and Maritime Tourism Growth Sector; Blue-Manufacturing Growth Sector

4.4 Coastal and Marine Fisheries, and Aquaculture Growth Sector Development

Kenya's fisheries and aquaculture sector contributed approximately 0.96% to the country's GDP (2017/18), a slight improvement from 0.5% contribution reported in 2015/16. In the same period, the sector is estimated to have supported approximately 2.3 million persons' livelihood in the country. Coastal and marine artisanal fishery capture over the period increased compared to 2015 production. In 2016, a total of 24,165 Mt with an ex-vessel of Ksh. 4.691 billion was landed. The 2015, coastal and marine artisanal capture landings was 22,407 Mt with an ex-vessel value of Ksh. 3.79 billion. The catch represented an increase of 7.8% production with a corresponding 23.6% increase in the ex-vessel value. Over the period 2006-2013, fish production from the coastal and marine artisanal fishery had remained fairly constant between 7,000 and 9,000 Mt.

4.4.1 Status of Coastal and Marine Fisheries, and Aquaculture in the Region

The importance of the fisheries and aquaculture to the livelihoods and food security of Jumuiya communities is well documented (FAO, 2016). Capture fisheries provide about 80% of the total income to 70% of Jumuiya communities (Malleret-King et al., 2003). About 90% of the production is by small scale artisanal and subsistence fishers. According to the State Department for Fisheries and the Blue Economy, the total coastal and marine capture fisheries and landing in Mombasa County was reported at 1,726 Mt valued at US\$ 6.22 million in 2016. Kwale County capture fisheries landing was reported at 5,011 Mt valued at US\$ 8.8million as shown in Table 4h. Kilifi County reported a total capture fishery of 12,211 Mt valued at US\$ 22.18 million. The year 2016 saw the entire region report a mean capture fishery of 4,855 Mt, way below its estimated potential range of 150, 000 - 300,000 Mt worth a mean value of US\$ 315 million (Ksh. 31.5 billion). Notably, marine capture fishery in region is reportedly composed of coastal and near shore artisanal, semi-industrial and offshore industrial fisheries. Artisanal and semi-industrial fisheries are exploited by the coastal local communities while the industrial fisheries are exploited by foreign fishing companies.

Table 4h: Jumuiya County marine fish landings (Mt) in 2016

| | Jumuiya Counties Marine Catch in Metric Tonnes | | | | | |
|---------------------------|--|--------------|--------------|--------------|------------|-------------------------|
| Marine Type | Kilifi | Kwale | Lamu | Mombasa | Tana River | Total Volume by Species |
| Demersals | 3,270 | 2,153 | 3,296 | 1,070 | 295 | 10,084 |
| Pelagics | 6,391 | 1,488 | 985 | 410 | 29 | 9,303 |
| Mixed Species | 1,317 | 328 | 109 | 110 | 48 | 1,913 |
| Crustaceans | 96 | 130 | 342 | 27 | 177 | 772 |
| Molluscs | 1,137 | 912 | 41 | 109 | 3 | 2,203 |
| Total Marine Catch | 12,211 | 5,011 | 4,775 | 1,726 | 552 | 24,274 |

Source: State Department of Fisheries, Fish Landings Statistics, 2016

In 2014, the artisanal fishing fleet comprised of 2,913 fishing crafts and 12,915 fishermen (*Marine Artisanal Fisheries Frame Survey Report, 2014*) while the semi-industrial fleet had two licensed trawlers.

In the same period, there occurred a general increase in fishing pressure along the coast with about 13,426 small-scale fishers reported to be involved in fishing in 2016/17, compared to 12,748 in 2014/15, 13,706 in 2012/13 and 12,077 in 2008 (Government of Kenya, 2016/17). Similarly, in the same period under review, the region's exports of aquarium fish increased by 26.8% from 230,465 Mt in 2015 to 292,270 Mt in 2016. In the same period, the number of marine invertebrates exported in 2016 reached 146,186 Mt from 94,480 Mt exported in 2015. This was an increase of 57% compared to 94,480 invertebrates exported in 2015. The export value however increased to Ksh. 2.7 million compared to 1.9 million Ksh. in 2014.

Like other sectors, Blue Economy activities were adversely affected by the Covid 19 pandemic. To inform the post Covid 19 National Economic Recovery Strategy, a Survey on the impact of the pandemic along the fish value chain will be undertaken to inform policy makers and stakeholders on the appropriate strategies to progress the sector forward. It will cover inland fisheries, Fresh Water Systems (FWS), marine fisheries (Ocean and Coastal Systems (OCS) and aquaculture (fresh water and marine)

4.4.1.1 *Marine Artisanal Fishers Activities in Jumuiya*

Incidentally artisanal fishers' activities remain a major human economic activity in the Jumuiya region. Though not highly professionalized, artisanal fishing is a major source of economic income and a major supplier of various classes of fish consumed not only in Jumuiya but within and out of the country. A total of over 20 types of fishing gears are used along the Kenya coast (*Marine Artisanal Fisheries Frame Survey Report, 2016*). However, the report reveals that out of these gears identified, 7 of them accounted for 74% of the total catch made by the artisanal fishers in the region. The landings by gear types were similar in pattern to those observed in the previous year, 2015 as well as match the expectations for 2017 to 2018.

4.4.1.2 *Challenges Facing Coastal and Marine Fisheries, and Aquaculture Sector*

- Limited capacity to exploit industrial marine fisheries potential.
- Over exploitation of offshore fishery due to illegal fishing by foreign fleets.
- There exists no proper fish landing sites or bay and storage facilities for landed fish in the entire Jumuiya coastline counties.
- Low fishing technology and skills especially by the artisanal fishers. They also lack modern fishing gears and boats suitable for deep sea fishing.
- Illegal fishing in the Kenya waters: There exist illegal fishing by foreigners and foreign vessels within Kenya's Exclusive Economic Zones.
- Insecurity problems at sea: Fear of insecurity at sea has limited fishing activity especially along the EEZ bordering Lamu and Somalia.
- Investment in the fishing industry in the Jumuiya Counties has been characterized by low returns on investment due lack of organized export markets.
- Inadequate readily available and affordable quality fish seed (fingerlings) and inadequate good quality and affordable fish feeds.

- Poor adoption of fish husbandry techniques by some farmers even after being trained on basic pond management.
- Water scarcity due to other competing uses i.e., industry, domestic and agriculture.

4.4.2 Goals of the Jumuiya ya Kaunti za Pwani Coastal and Marine Fisheries, and Aquaculture Sector

Jumuiya will pursue the following goals in order to improve the region's Go-Blue coastal and marine fisheries, and aquaculture output and gains to the coastal community in terms of food security and nutrition and, sustained increase in marine fisheries export value over the Blueprint's planning horizon.

Goals of the Jumuiya Coastal and Marine, and Aquaculture Fisheries Development by 2030

- Increase in the number of coastal strip marine artisanal fishermen from the current 13,426 to 40,279 artisanal fishermen by 2030.
- Upgrade the artisanal value chain to semi-industrial and industrial value chains
- Increase in the average per Capita fish consumption from the present 4.2 kg to at least 10 kg by 2025 and to 19.2 kg by 2030.
- Establish 3 Fish Processing Plants in Coastal designated areas by 2025.
- Increased earnings from Artisanal fishers from the present estimated Ksh. 4.5 billion (US\$45 million) to about Ksh. 7.2 billion (US\$72 million) in 2027 and, to Ksh. 8.2 billion (US\$82 million) by 2030.
- Increase in overall fish production by the Jumuiya region, from the current annual production of 24,165 Mt to 110,000 Mt by 2027 and to 290,000 Mt by 2030.

4.4.3 Strategies

- Strengthen marine fisheries governance: Jumuiya will work to strengthen coastal and marine fisheries, and aquaculture governance in order to increase economic benefits from marine fisheries. This includes regulating fishing effort to enhance stock productivity and ensuring availability of reliable fisheries information for management decision-making.
- Development and Refurbishment of Fish Landing Sites into modern facilities including cold storage and ice-making facilities
- Investment in modern deep sea fish vessels and trawlers
- Promote Investment in Marine Fisheries and Coastal Aquaculture by improving value addition of existing products, in particular through better access to markets.
- Promote artisanal marine fisheries participation in deep sea commercial fishing, small scale processing and trading.
- Integrate local coastal communities in marine capture fisheries and mariculture development and benefit sharing.

4.4.4 Jumuiya Coastal and Marine, and Aquaculture Fisheries Flagship Projects

In order to achieve the goals set under the coastal and marine, and aquaculture fisheries intervention identified under the blue economy (Go-Blue), the Jumuiya Secretariat will oversee the implementation of the following flagship projects under the Blueprint's guidance.

a. The Jumuiya-Fishing Port and Allied Services Flagship Project

This flagship project is intended to run under four sub-project components as shown in Table 4i below.

Table 4i: Jumuiya Fishing Port and Allied Services Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated cost |
|---|--|--|------------------|
| FP-1 Fishing Port Development and Logistics Flagship Project | SB-1: Fishing Ports Construction and Upgrading Sub-Project | Private Investor Consortium, PPP | US\$ 250 million |
| | SB-2: Marine Artisanal and Industrial Early Warning Early Action Sub-Project | County Government | US\$ 4 million |
| | SB-3: Ship Repair and Small Fishing Boat Construction Sub-Project | Private Investor Initiative | US\$120 million |
| | SB-4: Cold Storerooms Development Sub-Projects | Private Investor Initiative, County Government support for artisanal | US\$ 6 million |
| | SB-5 Port Access Infrastructure Development and Logistics Hub Sub-projects | PPP and Private Investor Initiative | US\$ 20 million |
| Total Estimated Project Cost | | | US\$ 400 million |

b. Jumuiya-Sustainable Coastal and Marine Artisanal Fisheries Flagship Project

This project intends to enhance the artisanal fishers' management capabilities in coastal and marine resources in a sustainable way and with profit. The flagship project will be implemented through a four phased sub-project as presented in Table 4n.

Table 4n: Jumuiya-Sustainable Coastal and Marine Artisanal Fisheries Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|--|---|---|----------------|
| CA-1: Coastal & Marine Fisheries Resources Management Flagship Project | SB-1: Coastal & Marine Capacity Strengthening Sub-Project | Jumuiya Secretariat and County Governments and Development Partners | US\$ 2 million |
| CA-2: Marine Artisanal Fishers Infrastructure Development Project | SB-2: Artisanal Fishers Infrastructure and Production Enhancement Project | Jumuiya Secretariat and County Governments in Partnerships with KeFS, KPA, KMA, KMFRI | US\$15million |
| CA-3 Jumuiya-Coastal Community Empowerment on Marine Fisheries and | SB-3: Coastal Community Fisheries Strengthening Sub-Project | Jumuiya Secretariat will partner with NGOs, County Governments | US\$10million |

| | | | |
|--------------------------------|---|---|-----------------|
| Livelihood Development Project | SB-5: Jumuiya Community Fish Processing Plants Investment Sub-Project | Private Investor Initiative, Special PPP, Private firms partnering with local communities | US\$ 30 million |
| Total Estimated Project Cost | | | US\$ 57 million |

a. The Jumuiya-Marine and Land Aquaculture Flagship Project

This project will support the Jumuiya to promote sustainable and community-managed freshwater, brackish water and marine aquaculture development to reduce poverty and increase food supply among the fish-farming communities (see Table 4j).

Table 4j: Jumuiya-Marine and Land Aquaculture Flagship Projects

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|---|--|---|-----------------|
| AA-1: Mariculture Enhancement Project | SB-1: Mariculture Coastal Community Mobilization Sub-Project | Jumuiya Secretariat and County Governments and Development Partners | US\$ 15 million |
| AA-2: Mariculture Input Projects SB-1, SB-2, & SB-3 | SB-2: Mariculture Input Access Sub-Project | County Governments in Partnerships with KPA, KMA, KEMFRI | US\$ 13million |
| | SB-3: Mariculture Fingerlings Production Centre Sub-Project | Private Investor Initiative, Community Initiative funded by CDF | US\$10million |
| | SB-4: Mariculture Quality Preservation Sub-Project | Implantation through Private Investor Initiative | US\$5million |
| AA-3: Mariculture Business and Market Development Project | SB-5: Mariculture Enterprise Development Sub-Project | County Governments and coordinated by Jumuiya Secretariat | US\$12 million |
| Total Estimated Project Cost | | | US\$ 55 million |

4.5 Coastal and Maritime Tourism, Culture and Heritage Sector Development

Tourism is one of the leading foreign income earners in Kenya; indeed, the sector contributes about 27% of foreign exchange representing 12% of the country's national Gross Domestic Product (GDP). Kenya is among the popular tourism destinations in Africa attracting millions of tourists over the past years. The country's development blueprint Vision 2030, National Tourism Blueprint 2030 and The Kenya Tourism Agenda 2018 – 2022 aim to making the country among the top 10 long haul tourist destinations in the world. The key tourist attractions along the Kenyan coast include beaches, culture and heritage sites and marine based habitats.

4.5.1 Development Outcome 3: A Diversified Jumuiya Tourism Sector

Tourism is an important service sector in the entire Jumuiya region. The Jumuiya region is endowed with rich natural heritage from ancient times to the present. This is in addition to other tourism attractions such as sun and beach, historical sites, world heritage sites, marine life, cruise tourism and wildlife safaris.

The diverse cultural heritage in the region ranges from food and lifestyles to different traditional ceremonies. Lately, only sun and beach product products - with a slight mixture of wildlife safaris - have been promoted. However, with the changing taste and preference of tourists, the sector's performance has been on decline.

This calls for a decisive strategy to diversify products offering to robustly embrace Maritime tourism, MICE, Sports tourism. Further, a deliberate destination promotion and management plan specifically for the region is necessary. It is therefore envisaged that with product diversification and destination marketing, the region shall experience increased tourist numbers mainly targeting both domestic, regional and international tourists of both high-end and a mixture of special interests visitors such as those coming for sports tourism, adventure, culture and heritage experience.

4.5.2 Coastal and Maritime Tourism Sector Status in the Jumuiya Region

The Kenya Coast is endowed with a variety of tourism product range and resources that support livelihoods and economic development in the region and Kenya as a whole in addition to sustaining coastal cultures and, maintaining international holiday and leisure travel in to Kenya. According to Kenya Tourist Board, at least 65% of foreign tourists' holiday makers visiting Kenya, visit the coastal region to sample various tourism product and service offering the region has to offer.

In the period under review, the number of international tourists visiting the region grew by 25.8 thus, demonstrating the undying tourists' demand for coastal tourism products and services. In terms of hotel bed nights in occupancy, the region continued to dominate despite the reduced levels on the length of stay. During the period of 2014-2018, the number of hotel bed-nights occupied in the Coastal Beach area rose by 24.7 per cent from 2,670.4 thousand in 2017 to 3,329.0 thousand in 2018 while occupancy in other Coastal areas facilities grew by 34.2 per cent to 280.4 thousand over the review period.

In spite of the average sector performance in the recent time, the sector's performance still remain below par and expectation as evidenced through the number of hotels and other touristic facilities across the region that have closed down. Similarly, the region has experienced massive loss of jobs and livelihoods due to the declining performance of the sector. It is envisaged that more innovative product diversification and strategic destination marketing will be able to restore the region's lost glory as the preferred tourist destination in the Indian Coastline Region.

The Tourism sector has been the most severely affected by the containment measures taken across the globe by different countries which shut down international and local borders to contain the spread of Covid 19. In April 2020 Kenya recorded only 3,101 tourist arrivals compared to 146,258 in April 2019. Given that the JKP region accounts for almost 70 % of tourist bed nights, the region's economy has suffered significant losses of income and jobs.

4.5.3 Maritime Tourism Status in the Jumuiya Region

Though Kenya does not have a fully designated or registered cruise line, Mombasa has in the past received a number of international cruise lines bringing hundreds of high-end tourists. According to

the Kenya Ports Authority report, Mombasa received 2,333 cruise passengers in 2018, a marginal drop of 0.4% from 2,342 cruise passengers received in 2017. The traffic has however been on a low, from a high of 5,072 cruise passengers from 6 cruise lines recorded in 2015, before dropping to 2,298 cruise passengers in 2016. The decline followed a long spell of poor cruise line travel performance in the region due to insecurity associated with terrorism and piracy along the Gulf of Aden. In an effort to increase Cruise Tourism, the Government of Kenya through Kenya Ports Authority has just finished development of a world class Cruise Terminal at the port of Mombasa. This is a significant development that is envisaged to significantly increase cruise based tourists by about 200,000 per year with the attendant benefit of increased supplies to the cruise vessels.

4.5.3.1 Challenges

- Increased competition from other Coastal destinations offering diversified tourism products and services.
- Changing tourist taste and preferences in relation to the destinations visited.
- Inadequate tourism product diversification to match the changing taste and preference of tourists.
- Insufficient dedicated maritime tourism infrastructure in the Jumuiya region
- Delay in embracing sustainable tourism
- Low quality standards

4.5.4 Jumuiya Coastal and Maritime Tourism, Culture and Heritage Sector Goals

Jumuiya Maritime, Cultural Heritage Tourism Development Goals by 2027

- Designated localized maritime tourism docking berths for local cruise vessels in Kilifi, and Lamu in place by 2027.
- At least 2 fully operational, locally registered cruise ships, competitively cruising along the Eastern-Coast of Africa, providing the Coastal Cultural Heritage Tourism brand and experience on board, by 2027.
- Increased number of artisanal maritime tourism transport services providers from an estimated 1% to at least 5% by 2027 and 2.5 % by 2030.
- At least 3 Maritime CBOs established in each County and, incorporated into maritime tourism products and services community by 2025.
- At least 2 State of Art Convention Centre established in Mombasa and Kilifi or Kwale by 2027.
- At least 2 State of the Art Stadium built in South and North Coast for sports tourism by 2027.

Jumuiya Maritime, Cultural Heritage Tourism Development Goals by 2030

- Change in profile and an increase in the number of foreign and local tourists, consuming the high-end maritime tourism products presently by at least 20 % from base value by 2030.
- A Jumuiya region enjoying high economic growth and socio-transformation courtesy of maritime, cultural heritage tourism by 2030.
- Increase domestic tourism bed nights to 5 M by 2022 from 4.8 M in 2019

- Recovery in International tourism arrivals to 0.6 M by 2022 from 0.43 M in Jan 2021 (Compared to 1.2 M in 2019) and to 3 M target in 2030
- Reduction in youth unemployment
- Increased household incomes
-

4.5.5 Strategies

Under this Blueprint, the short and medium term focus will be on implementing measures and the appropriate Covid 19 safety protocols in the tourism sector including training of staff in the hospitality industry on the new Covid 19 safety and hygiene requirements as well administering Covid 19 vaccination to all staff working in the industry. The Strategies will also focus on expanding the Jumuiya tourism industry beyond the traditional tourism product offering and promote integration of local destinations in such a manner that will make the Jumuiya tourism more competitive.

Strategy 1: Promote tourism-related infrastructure

- The Jumuiya Counties in partnership with the National Government and Development Partners will develop, upgrade and rehabilitate roads, viewing loops and airports to airstrips within the Tsavo National Park. The Jumuiya Governments through PPPs and private sector investment will develop requisite infrastructure to provide access to designated sites and parks from a position of a low volume but high value tourist destination.

Strategy 2: Promote diversification of tourism products

- Jumuiya will promote the development and expansion of non-traditional modes of tourism, such as MICE, Sport Tourism Eco- and Agro-tourism and Cultural and Community-based tourism. Jumuiya shall introduce a massive flagship projects to develop Maritime Tourism as a high-end product offer whilst also promoting investment in the development of large theme parks, accommodation and conference facilities of international standard in the southern tourism circuit and the midlands, using innovative financing mechanisms, such as PPP arrangements, venture capital and carbon financing.
- The development of arts and culture infrastructure will also be supported, to improve the contribution of the region's unique natural and cultural heritage to diversify the tourism product.

Strategy 3: Undertake Jumuiya Region's Destination Marketing and Management

- It is envisaged that this strategy will address the uniqueness of the region's tourism investment potential and consumption offer than it is presently done under national government.
- Promote Domestic and regional tourism in destination marketing

Strategy 4: Implementation of Covid 19 Safety training and hygiene protocols in all tourism related establishments

- Training of hospitality workers in the new Covid 19 safety and hygiene protocols
- Ensure all workers in the JKP hospitality sector receive the Covid 19 vaccinations

4.5.6 Jumuiya Coastal and Maritime Tourism Flagship Projects

The Jumuiya Coastal and Maritime Flagship Projects will be implemented through two sub-projects aimed at creating the desired development impact as programmed in the Blueprint development goals.

a. Jumuiya-Blue Cruise Tourism Market Development Flagship Project

Jumuiya will undertake the above project in order to increase her share in world's cruise passenger travel from the current 0.09% to at least 5% by 2030. Table 4k presents the key element of the cruise tourism flagship project.

Table 4k: Jumuiya Coastal and Maritime Tourism Flagship Projects

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|---|---|--|------------------|
| CT-1: Jumuiya- Coastal and Maritime Tourism Flagship Projects | SB-1: Inclusive Cruise Tourism Development Initiative | PPP/Private Investor Initiative | US\$15 million |
| CT-2: Coastal and Maritime Capacity Building Project | SB-2: Coastal & Maritime Technical and Business Support Initiative | PPP Mode, Private Investor Initiatives | US\$10 million |
| | SB-3: Tourism Diversification Project This will involve: <ul style="list-style-type: none"> • MICE Development • Sports Tourism Development • Music and Art Festivals • Adrenaline and adventure tourism • Investment in new properties to cater for the lower and middle income domestic tourists SB-3: Destination Marketing <ul style="list-style-type: none"> • Establish a coast region-centric tourism marketing unit that can focus on improving the coast region tourism product and assist in the establishment of convention centres to assist increase tourism numbers in the region. | Private Investor Initiatives/ PPP | US\$70 million |
| Total Estimated Project Cost | | | US\$ 115 million |

b. The Jumuiya-Regional Cruise line Flagship Project

This flagship project aims at developing an experiential or luxury regional cruise line that offer maritime experience it equally aims at generating income and employment in the region that badly needs enhanced tourism product diversification. Table 4l, presents the breakdown of the flagship project.

Table 4l Jumuiya-Regional Cruise line Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|------------------|-------------------------|---------------------|----------------|
|------------------|-------------------------|---------------------|----------------|

| | | | |
|--|---|---|-----------------|
| CL-1: Regional Cruise line Project | SB-1: Cruise line Investment Project This involve: <ul style="list-style-type: none"> Investment campaign to establish a locally registered cruise line vying the Eastern Indian Ocean Ports as well as Kenyan Ports | Private Cruise line Investment, Consortium of Investors | US\$ 85 million |
| | SB-2: Maritime Tourism Product Development Project. <ul style="list-style-type: none"> Community Maritime Tourism Integration Product development and packaging Development of dedicated berths at Lamu, Yacht berths at Kilifi and Vanga | Consortium of Investors | US\$ 5 million |
| | | Consortium of Investors | US\$ 15 million |
| CL-2-Jumuiya Destination Marketing Project | SB-2 Jumuiya Tourism Destination Marketing Sub-Project: This will involve: <ul style="list-style-type: none"> Marketing tourism investments opportunities in the Jumuiya locally and Abroad | The Jumuiya Secretariat | US\$ 20 million |
| | | | US\$ 10 million |

4.6 Maritime Transport and Logistics Growth Sector

The maritime sector in Kenya has in recent past taken centre stage and generated a lot of interest locally and internationally, with both public and private sectors taking keen interest in its development and promotion. Kenya Vision 2030 recognizes the marine sector as an enabler for sustained economic growth of 10% per annum and a key factor in the socio-economic transformation of Kenya to ensure its people have a high quality of life.

The outbreak of Covid-19 pandemic and the containment measures put in place locally and globally adversely affected international trade and the shipping and maritime sector due to its impact on reduction in global trade

4.6.1 Development Outcome 4: Over 100,000 youths in employment courtesy of an Efficient Maritime Transport and Effective Logistics Sector in Jumuiya.

The Shipping and Maritime sector supports over 90 % of the volume of international trade in goods that are transported by sea, the Jumuiya Counties are bullish about the potential growth and benefits to the region's economy, of the maritime transport and its associated logistics dynamics. The Jumuiya believes that a well-developed and efficient maritime transport systems is capable of turning the fortunes of the Jumuiya's entire economy by offering the much needed employment to youths and women and, reducing poverty by extension, attracting new local and foreign investments due to the sector's efficiency along its value chain.

4.6.2 Maritime Transport Sector Status in the Jumuiya Region

Mombasa port, with an impressive container dwell time of five days against global seven, is an important entry port to land locked countries of Uganda, Eastern Democratic Republic of Congo, Rwanda, Burundi and Southern Sudan^{6&7}. Total cargo handled at the port of Mombasa increased from 22.3 million tonnes in 2013 to 30.92 million tonnes in 2018. During the same period, the total container traffic handled rose from 894,000 Twenty-foot Equivalent Units (TEUs) to 1.3million tonnes. This was mainly due to larger capacity of the vessels docking at the port over the period. Total exports handled grew from 3 million tonnes to 4.125 million tonnes. Marine insurance business increased by 13.3 per cent from the premiums reported in March 2017 against an increase of the total monthly Gross Direct Premiums Income (GDPI) during the same period in 2016. This was an indication of the impact of localization of marine business in Kenya which also led to a reduction in capital flight in form of offshore insurance premiums.

In terms of port modernization and development, the Kenya Ports Authority (KPA) has accelerated infrastructure development and modernization of equipment in order to make the port more competitive based on capacity and efficiency measures. Indeed at present, Mombasa port operates a 24-hour working systems to ensure timely delivery of quality and competitive port services. Under the Mombasa Port Development Programme, a number of capacity improvement projects were implemented. These include the dredging of the port channel, construction of berth 19 and construction of the second container terminal. Other projects involve the continuous upgrading of the port ICT systems and the completion of the first phase of the Standard Gauge Railway. The Lamu port development project has achieved a major breakthrough with the completion of its berth, and the facility is now operational. The first berth is to be able to handle any kind of vessel especially the self-sustaining vessels. The development of the second Container Terminal at the Port of Mombasa and the Lamu Port and the revival of Kenya National Shipping line positions the Jumuiya region to be a Major Transshipment Hub. There is the high potential for growing coastal shipping and cabotage that include trade with the Indian Ocean Islands. This gives opportunity for investments in coastal shipping, employment and developments of special economic zones along the Jumuiya region, leading to massive job and wealth generation

Further the development of small ports along the coastline has been at the heart of the Kenya Ports Authority. In their master plan report, the KPA plan to develop 8 out of the 11 assessed potential port sites namely; Funzi, Shimoni and Vanga located in the south coast, Mtwapa, Kilifi, Malindi, Lamu and Kiunga further north. Apart from these ports, KPA made further assessment regarding other potential port sites along the coast. Two additional potential port sites, which do not fall under the KPA Act, have been identified. The additional ports are Takaungu and Ngomeni. Takaungu concerns a giant land site in possession of KPA. Ngomeni on the other hand is selected for its good natural harbour conditions. The Inauguration of Bandari Maritime Authority in Mombasa adds a very

⁶KMA 2013. Kenya Maritime Authority Five Year Strategic Plan 2013-2018

⁷UNCTAD 2018. “Maritime Transport in Africa: Challenges, Opportunities, and an Agenda for Future Research”. Opportunity and Growth Diagnostic of Maritime Transportation in the Eastern and Southern Africa.UNCTAD Ad Hoc Expert Meeting, under the framework of the IAME Conference 2018 11 September 2018, Mombasa, Kenya.

important aspect in the development of maritime transport in the region. The Academy will train specialists skills required in ship construction and repair, boat making, fishing, seafarer etc.

In June 2021, the Government provided new incentives at Kenyan ports including exempting fuel supplied to shipping lines from import and excise duty, VAT, railway development levy and import declaration fees. The objective is to attract more ships to Kenyan ports, particularly the recently launched Lamu.

A Maritime Single Window System under the TradeNet System has been finalized and has been operational from 2nd June 2021. It provides a harmonized a simplified ship to shore clearance procedures to stakeholders in the maritime sector. The system allows shipping agents in Kenya to submit vessel pre-arrival and pre-departure declarations electronically. It replaces the previous manual system which had lengthy processes that affected ship turnaround time shipping time which contributed to increase costs at the port of Mombasa.

4.6.2.1 Challenges

- Insufficient training (including specialized training such as handling hazardous cargo) facilities and equipment that meet international standards;
- Weak Monitoring Control and Surveillance;
- Illicit cargo trafficking and illegal Uncontrolled and Unregulated fishing;
- Lack of supportive legislative framework and policies such as cabotage regime and cargo reservation policy;
- Insecurity in the sea;
- Shortage of skilled workforce (e.g. sea farers, boat builders and repairers, arbitrators, etc.)

4.6.3 Jumuiya ya Kaunti za Pwani Maritime Transport and Logistics Sector Goals

Jumuiya will pursue the following goals in order to improve the regions maritime, cultural heritage tourism output and gains to the coastal community.

Jumuiya Maritime Transport and Logistics Development Goals by 2027

- At least one new thematic port developed and commissioned courtesy of the Jumuiya recommendation by 2027.
- At least 3 multi-modal logistics parks established in Lamu, Mombasa and one connecting a designated Coastal Special Economic Zone and the new port by 2027
- A 5% increase in the number of local community maritime business groups offering maritime transport services and logistics by 2030.

Jumuiya Maritime, Cultural Heritage Tourism Development Goals by 2030

- A thriving Jumuiya economy whose people enjoy high economic growth and socio-economic transformation courtesy of enhanced operational efficiency due to the expansion and modernization of ports by 2030.

4.6.4 Strategies

- Jumuiya Secretariat in partnership with the County Governments will develop an Inclusive comprehensive Maritime Transport and Logistics Development Strategy.
- Lobby and advocate for maritime development and integration of local community SMEs in maritime trades and investments.
- Conduct a region-wide awareness and campaigns on the importance of the Blue Economy's maritime transport and logistics to the local communities living and doing business in the major urban centers along the coastline
- Work within strategic stakeholders like Kenya Maritime Authority, Kenya Ports Authority and Private sector Associations to put in place a globally competitive maritime transport and logistics training programmes for all the relevant stakeholders.
- Training of 20,000 seafarers in the by end of 2022
- Implementation of Covid 19 Prevention and Safety protocols at all Kenyan ports

4.6.5 Maritime Transport and Logistics Flagship Projects-(Jumuiya Blue Maritimo 2030)

Project Jumuiya Blue Maritimo 2030 (PJBM, 2030), is a grand master Blue Economy Flagship Project under the Jumuiya 2030 Economic Development Blueprint. The PJBM 2030 aims to improve the Jumuiya region and by extension, Kenya's maritime transport and logistics infrastructure by evolving the Jumuiya Local Community, the Private Sector, County Governments, in economic growth through the Blue Economy Assets. The PJM, 2030 will be implemented through four sub-projects as shown in Table 4m.

a. New Thematic Ports Development and Modernization Flagship Project

Since about more than 90% of Kenya's trade with the outside world by volume is traded via the country's maritime route, there is therefore need to develop ports as well as County based ports and logistics and, trade-related infrastructure to accelerate growth in the manufacturing industry through the Coastal Special Economic Zones and to assist the Jumuiya region achieve her aspirations of a middle income economy by 2030.

Table 4m: The New Thematic Ports Development and Modernization Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|---|---|--|-----------------|
| PD-1: New Thematic Ports Development and Modernization Flagship Project | SB-1: Jumuiya- Takaungu Thematic Port Development and Modernization Sub-Project. This will involve: <ul style="list-style-type: none"> • Greenfield Development of a New Port at Takaungu. It will entail the development of multi-modal logistic parks. Port access infrastructures, modern storage and warehousing schemes. | Partnership between KPA, Kilifi County Development Corporation, Jumuiya Secretariat and Strategic Investor PPP Mode | US\$400 million |

| | | | |
|-------------------------------------|---|--|--------------------------|
| | SB-2: Jumuiya-Ngomeni Industrial Port Development and Modernization Sub-Project. <ul style="list-style-type: none"> This will involve: Brownfield Development of the Ngomeni Port. The port is planned to link through the CSEZs industrial activities by well developed multi-modal logistics corridors and parks. | Public Private Partnership Mode | US\$400 million |
| | SB-3: Existing Ports Expansion and Modernization Campaign Sub-Project. <p>This will be: A campaign by Jumuiya on KPA to fast-track development and expansion of region ports within their jurisdictions for purposes of increasing economic activity in the Jumuiya region.</p> | Jumuiya Secretariat and County Governments | US\$ 200 million |
| Total Estimated Project Cost | | | US\$ 1,000million |

b. The Jumuiya New Ports Connectivity Flagship Project

This project aims at providing enhanced connectivity between the new ports and the newly enhanced Jumuiya's domestic production/distribution centres especially with newly established Coastal Special Economic Zones centered around the new ports development. Table 4n the new ports connectivity flagship investments around this project.

Table 4n: The Jumuiya New Ports Connectivity Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|---|---|--|-------------------------|
| PD-2: The Jumuiya New Ports Connectivity Flagship Project | SB-1: Development of Multi-Modal Logistics Parks (MMLPs) Sub-Project: | Private Investor Initiative/Development Partners Support/ PPP Mode | US\$ 250 million |
| | SB-2: Last mile road and energy connectivity projects | PPP Investment Mode | US\$ 200 million |
| Total Estimated Project Cost | | | US\$ 450 million |

4.6.6 Blue-Manufacturing (Industrial) Development Flagship Projects

As stated earlier, the Blue-Manufacturing (Industrial) Development and the associated flagships projects will be implemented based on the strong foundations of sea-land development. This will involve the development of coastal manufacturing sector that is driven by maritime asset endowments, development and management of the same. The project is to be undertaken through the flagship project named below.

a. Blue-Coastal Special Economic Zones Flagship Project-(Blue-Green Flagship Programme)

The Jumuiya-Coastal Economic Zones Flagship Project will be an initiative by the Jumuiya ya-Kaunti za Pwani aimed at enhancing the region's economic development performance through an export led sector-based, small, and medium and mega industrial manufacturing sector, augmented by state of the art trade and logistics support frameworks. The project is modeled as a *Blue-Green Flagship Project (B-GFP)* under the Blue Economy. See Table 4p.

Table 4p: Blue-Manufacturing (Industrial) Development Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|---|---|---|-----------------|
| BM-1 Blue Manufacturing (Industrial) Flagship Project | SB-1: Development of the Blue-Coastal Special Economic Zones Flagship Projects- (Blue-Green Flagship Programme) | Special Strategic Investor Initiative/ County Government -Strategic Investor partnerships/PPP | US\$ 140million |
| | <ul style="list-style-type: none"> Industries to be set up will be: electronics manufacturing, sea food processing and canning, beef processing, leather and foot-ware manufacturing, textile and apparel manufacturing, coconut processing, cassava crisp processing, biotechnology, motor vehicle assemblies, agro processing for exports, edible oils manufacturing etc | Special Strategic Investor Initiative/ County Government -Strategic Investor partnerships/PPP | US\$160 million |
| | SB-2: Development of Strategic Economic Production Clusters in the zones. These will involve-development of industrial parks, logistic parks, technology and innovation districts within CSEZs | Private Investor Initiatives | US\$100 million |
| Total Estimated Project Cost | | | US\$ 400million |

4.7 Marine Biotechnology and Bio prospecting Sector Development

Biodiversity prospecting or bio prospecting is the systematic search for biochemical and genetic information in nature in order to develop commercially valuable products for pharmaceutical, agricultural, cosmetic and other applications. Bio prospecting activities must comply with the definition of utilization of genetic resources of the Nagoya Protocol or as stated in the national law or policy. The Nagoya Protocol applies to the utilization of genetic resources and their derivatives. The phases of bio prospecting start with sample collection, isolation, characterization and move to product development and commercialization. Bio prospecting is possible both in terrestrial and marine environments. Many molecules, such as trabectedin (an antitumor agent) and eribulin (used to treat breast cancer), were discovered from marine organisms.

4.7.1 Development Outcome 5: New income accruing to the Jumuiya Counties as a result of a growing marine biotechnology and Bio prospecting developments in the region.

4.7.2 Marine Biotechnology and Bio prospecting Status and Performance in Kenya

Kenya is diversifying her sources of growth by prioritizing the blue economy. As already noted, the activities of the blue economy include harvesting of living resources such as sea food and marine

biotechnology, extraction of non-living resources (seabed mining), and generation of untapped resources (energy and fresh water). However, Kenya has only focused on fisheries both for domestic and export markets. Fisheries account for only about 0.5 per cent of the Gross Domestic Product (GDP) and generate employment for over two million Kenyans through fishing, boat building, equipment repair, fish processing, and other ancillary activities. The estimated annual economic value of goods and services in the marine and coastal ecosystem of the blue economy in the Western Indian Ocean is over US\$22 billion with Kenya's share slightly over US\$4.4 billion (20%) with the tourism sector taking the lion's share of over US\$4.1 billion, according to the Kenya Maritime Authority (KMA) estimates.

Notably, Kenya's marine biotechnology and bioprospecting is not well developed and appreciated despite the sectors potential in generating new economic growth and development through the sector's unique products and services that are demanded all over the globe. For example, looking at the lowest volume of bioprospecting transactions recorded, amid the potential for revenue, the value of bioprospecting contracts is estimated to be around US\$100 million a year, compared with research and development investment by pharmaceutical companies of US\$ 50 billion a year.

Indeed the exceptional biological biodiversity of oceans estimated between, 700,000 to 1 million eukaryotic species (Appeltans et al. 2012) and millions more prokaryotic (Curtis, Sloan, and Scannell 2002) and viral taxa (Suttle 2013)—is an important source of novel genes and natural products, with applications in medicine, food, materials, and energy and across a wide array of bio-based industries. While conscious of the potential of marine biotechnology and bioprospecting, the Government of Kenya in 2006 promulgated a framework of legislation and regulations that set out provisions for access to genetic resources and benefit sharing. The Regulations include specific provisions authorizing the Minister to issue guidelines for access to and exploitation of living and non-living resources in the continental shelf, Territorial Seas and the Exclusive Economic Zone. The Science, Technology and Innovation Act set the framework for scientific research. Kenya equally ratified the Nagoya Protocol thus making the country ready for marine biotechnology and bio prospecting investment.

4.7.2.1 Challenges

The key challenges facing and are likely to inhibit growth of marine biotechnology and bio prospecting include:

- *Limited funding for marine biotechnology and bioprospecting:* the Government has not fully embraced the industry's potential. Instead most of the funds are donor funds, and little from the Government.
- *Limited partnerships between Corporations and Local Universities:* most of the time, universities serve as entry and exit point for bio-prospectors. Unfortunately there is no current clear working framework of relationship with corporate resource owners in terms of knowledge and materials.
- *Low research funding:* Inadequate or weak and under-funded technology-transfer offices. Research facilities are still inadequate for the potential work.

- *Low awareness on IP frameworks:* Low levels of awareness on intellectual property and related legislations among the sector stakeholders in Kenya and by extension the Jumuiya region. Many researchers undertake bioprospecting work on the basis of MOUs which are insufficient for protecting IP and biological resources
- *Poor contractual arrangements among partners and stakeholders:* Most bioprospecting work is not declared to the university by researchers for fear of losing ownership.
- *No frameworks for benefit sharing:* Genetic materials sourced from source stakeholders hardly include benefit-sharing arrangements.

4.7.3 Jumuiya Biotechnology and Bioprospecting Development Goals by 2030

- At least 2 Multinational Pharmaceutical Corporations fully investing in the Jumuiya's Biotechnology and Bioprospecting Industry, producing new pharmaceuticals, agrochemicals, cosmetics, flavorings, fragrances, industrial enzymes, and other products from biodiversity by 2030.
- At least one local university in partnership with one or two International Biotech and Bioprospecting Research Companies, actively participating in Biotechnology and Bioprospecting Research Development for new products in the market by 2030.
- A maximum commercial value from genetic resources and indigenous knowledge, while creating a fair compensation system that can benefit all in the Jumuiya region by 2030.
- An established Biotechnology and Bioprospecting Industry, contributing at least 2% to the national GDP by 2030.

4.7.4 Strategies

- The Jumuiya Secretariat will in partnership with the County and National Governments, engage development partners and, biotechnology and bioprospecting corporations together with local universities to conduct marine research and profiling of the ecosystems for appropriate exploitation and investment in the industry.
- Develop and put in place, holistic marine biotechnology and bioprospecting policies and regulations capable of:
 - Attracting investments in to the industry.
 - Optimal utilization of terrestrial and marine ecosystems.
 - Ensuring that revenues generated can be directly linked to the conservation of biodiversity and to the benefit of local communities.
 - Structuring and distribution of non-monetary benefits that include:
 - ✓ sharing of results of research and developments, training through research exchanges and collaborative research; joint ownership of intellectual property rights; technology transfer; and
 - ✓ the provision of equipment and improvement of infrastructure.
 - Structuring and distribution of monetary benefits that include:
 - ✓ license fees,
 - ✓ upfront payments, payments per sample, milestone payments, and royalties generated from the commercialization of products derived from genetic resources.

- Ensure that the County By-laws and National Legislation is in harmony with the Nagoya Protocol and that the National Government is a signatory to the Protocol.
- Ensure that a transparent system is in place, fully protected by County-Bylaws, which require that signing of a contract between users (i.e. investors, private or public manufacturers, research entities) and providers (i.e. local communities, landowners and government entities) of genetic resources.

4.7.5 Jumuiya Marine Biotechnology and Bioprospecting Value Chain Flagship Project

The Jumuiya Marine Biotechnology and Bioprospecting Value Chain Flagship Projects are a series of 7 impactful projects with great potential of being transformative economically to the Jumuiya region. The projects once implemented are expected to earn the region sufficient revenue in complete product exports and products traded domestically and regionally. The projects will equally have impacts on the local communities in terms of revenue sharing, product consumption and, job creation.

Table 4q: Jumuiya Biotechnology and Bioprospecting Value Chain Flagship Projects

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|---|---|---|-------------------------|
| BB:1 Jumuiya Biotechnology & Bioprospecting Value Chain Flagship Projects | SB:1 Jumuiya Biotechnology and Bioprospecting Policy Development & Legislation Sub-Project | Jumuiya Secretariat/County and National Government supported by development partners | US\$1million |
| | SB:2 Jumuiya Biotechnology and Bioprospecting Research and Value Chain Mapping & Development Sub-Project | Strategic Investor in partnership with local universities and development partners | US\$ 10million |
| | SB:3 Jumuiya Biotechnology and Bioprospecting Infrastructure & Research Development Sub-Project | Jumuiya Secretariat in partnership with Development Partners | US\$100million |
| | SB:4 Marine Food Biotechnology for Sustainable Production of Healthy Products through Fisheries and Aquaculture Sub-Project | Private Investor Initiative/PPP through multinationals in Food Technology Industries | US\$50million |
| | SB:5 Marine Biotechnology & Bioprospecting for Pharmaceuticals Development Sub-Project | Private Investor Initiative/PPP through multinationals in pharmaceutical industries | US\$80million |
| | SB:6 Education, Outreach, Integration and Community Integration in the Value Chain Sub-Project | Private Investor Initiative in partnership the Jumuiya Secretariat and the County Governments | US\$10million |
| | SB:7 Marine Biotechnology and Bioprospecting Investment Promotion & Market Development Sub-Project | Jumuiya Secretariat | US\$10million |
| Total Estimated Project Cost | | | US\$ 261 million |

4.8 Jumuiya Trade and Industry Sector Development

Trade involves the transfer of goods and services from one person or an entity to another often in a exchange for money. It can also be described as an economic concept involving the buying and selling of goods and services, with compensation paid by a buyer to seller, or the exchange of goods or services between parties.

4.8.1 Trade Sector Status and Performance in Kenya

Trade remains one of the key sectors that will potentially contribute to the attainment of the envisioned 10% annual Gross Domestic Product (GDP) growth in the Vision 2030. This is due to the sector's immense contribution to economic growth and development, employment and wealth creation, poverty reduction and its forward/backward linkages with the other sectors of the economy. A review of the sector's performance during Second MTP (2013-2017) revealed that the sector's contribution to the GDP over the period was 7.8 per cent against a target of 10 per cent. Wholesale and retail trade sub-sectors created 1.25 million jobs while on the international front, Kenya's exports increased steadily in the period of 2013 to 2015, but recorded a slight decline thereafter in the period 2016-2018. Over the period, imports shrank leading to improvement in balance of trade and improvement of export-import ratio from 35.5 per cent in 2013 to 40.4 per cent in 2016. In 2018, both the values of domestic exports and imports rose at the same rate of 2.0 per cent. The volume of trade increased by 2.3 per cent in 2018 compared to a 15.4 per cent growth in 2017.

The Covid 19 pandemic disrupted domestic and external trade. The curfews, restrictions on movement in and out of counties, ban on public gatherings and social distancing requirements greatly curtailed domestic trade. International trade was also adversely affected by closed borders and travel restrictions.

4.8.2 Development Outcome 6: Improved Access to all Jumuiya, National, Regional and International Markets

Markets are important to the socio-economic development process of a country. Markets enable exchange of goods and services in the domestic and international markets and consequently trigger household's productive activities, expand private sector profit motif activities and lastly, generate growth and development. In this Blueprint, the domestic market (national), regional (EAC, COMESA, and AfCTA) and international markets are considered as prime opportunity for the Jumuiya region to diversify its production and export base.

4.8.3 Trade Sector Status and Performance in the Jumuiya Region

The trade sector in the Jumuiya region is predominantly informal. Apart from the import and export of goods through the port of Mombasa, the region's trade structure is characterized by many informal players, large number of medium-scale wholesalers and retailers, and few large supermarket chains located mainly in urban areas. The sector has been a source of employment and livelihood to many in the region. Mostly, trading occurs in established markets in urban or in rural set ups, however such markets are not well developed. Further, retail trading in the regional urban centers occurs in open air

places, along road sides, buildings, making the counties loose revenue in millions of shillings. Nonetheless, trade in the Jumuiya region whether formal or informal has established itself as a major source of revenue from which the County Governments, private sector and local households can depend. Table 4h shows the impact of trade and trading related activities on Counties Own Source Revenue (OSR).

Table 4h: Jumuiya Counties OSR, Deficit and Percentage Share of Trade on OSR for period 2017/18

| OSR Classification | Mombasa | Kwale | Kilifi | Tana River | Lamu | TaitaTaveta |
|-------------------------------|---------|--------|--------|------------|-------|-------------|
| Own Source Revenue Targeted | 3.5b | 275m | 929.6m | 30m | 90m | 398.5m |
| Own Source Revenue Income | 1.65b | 139.3m | 389.3m | 16.2m | 41.5m | 122.1m |
| Own Source Revenue Deficit | 1.85b | 135.7m | 540.3m | 13.8m | 48.5m | 276.4m |
| Share of Trade Sector Revenue | 80% | 85% | 84% | 90% | 80% | 83% |

Source: County Government Budget Implementation Review Report-FY 2017/18

From the report, the major OSR for the Counties were mainly trade related namely; agricultural produce cess, business licensing, liquor licensing fee and tourism services levies. In terms of trade infrastructure development, various CIDP report show that the Jumuiya Counties have made attempts to facilitate and formalize trade in their respective areas. For example in TaitaTaveta, there were a total of 3,842 registered and licensed trading infrastructures establishments with retail trades structures accounting for 65%. In Kilifi County, there were 31,998 licensed retailers and 641 wholesalers spread across the major towns namely; Kilifi, Malindi, Mtwapa, Mariakani, Kaloleni, Watamu among others. Presently the County has a total of seventy two (72) physical markets distributed across the entire County with forty six (46) being open air and twenty six (26) county built markets. Similarly, Mombasa County in partnership with the National Government improved the Kongowea market with a view of improving and facilitating traders within Mombasa and its environs while, Kwale County Government has been expanding the Kombani market infrastructure and, has set aside land for trade development centre in Lunga lunga area.

4.8.3.1 Challenges

- Unfriendly investment climate and non-conducive business environment. Uncompetitive pricing and business positioning in the counties.
- Retail trade is faced with constant threat of business losses due to handling or trading with counterfeit products that can be confiscated any moment.
- High level of informality in the retail market segment. This is due to the acute shortage of affordable retail markets and business premises, particularly in urban areas.
- Inefficient regional trade supply chain due to fragmentation of trade players along the chain.
- High cost of financing inhibits trading activities in the region.

- Delays in payment of pending bill by National Government MDAs and County Governments which has affected liquidity of businesses and in some cases led to closure of businesses and job losses

4.8.4 Jumuiya ya Kaunti za Pwani Trade Sector Development Sector Goals

The Jumuiya counties consider trade to be fundamental in their economic growth and development and, in their transformational process. The region has therefore set the following goals for trade development.

Jumuiya Trade Sector Development Goals by 2027

- A Jumuiya Trade Policy and the accompanying regulatory framework to enable expansion and participation by locals in trade by place by end of 2021.
- At least 25 One Stop Trade Shop in each of the 25 Sub-Counties in the Jumuiya region by 2025.
- At least 1(one) trade (business) incubation centre established in each ward of the Jumuiya Counties by 2025.
- At least 50% increase in Jumuiya Counties Own Source Revenue (OSR) from the present levels due to improved trading practices across and within Counties by 2027.

Jumuiya Trade Sector Development Goals by 2030

- Increase in the regional trade contribution to the national GDP from the current 9.6% to at least 15.5% by 2030.

4.8.5 Strategies

To enhance and catalyze trading activities in the Jumuiya region, the following strategies will be undertaken by the County Governments, in order to improve trade facilitation and market penetration levels by established and SME traders at the domestic and international markets:

Strategy 1: Improve trade facilitation

- To facilitate import and export trade, Jumuiya will direct efforts towards ensuring that all trade activities take place in an efficient, transparent and predictable manner. Particular attention will be paid to realigning and integrating the trade regulatory and policies within Jumuiya, simplifying small-scale trading, providing supportive systems and infrastructure and developing trade corridors. Further, legal and regulatory reforms to support trade facilitation will be implemented by all Jumuiya Counties. Investment activities brought forth under trade in this Blueprint include but not limited to: Transport infrastructure development; Corridor development; efficient cross-border management; and; Policy and legal framework review and enhancement.

Strategy 2: Improve logistics management

- The Jumuiya County Governments, in partnership with the private sector and strategic development partners, will facilitate provision and improvement of logistics infrastructure and services to support both domestic and international trade, such as warehousing, storage, laboratory facilities and testing

equipment as well as ICT infrastructure at points of entry. Key initiatives include: the establishment of a Jumuiya Trade Promotion Centre.

Strategy 3: Secure access to export markets

- To expand market access for the Jumuiya locally produced products and services, the Jumuiya Secretariat in partnership with County Governments will effectively engage in negotiations at bilateral, regional and multilateral levels, to secure markets as well as address barriers to market entry, including through T4SD Initiative Certifications as well as the Organic Certification in order to access high return markets like the European Union and United Kingdom for organic produce.
 - In addition, participation in regional and multilateral processes will be enhanced through, among other ways, a collaborative approach with Missions abroad and line Ministries as well as enhancing relations with trading partners. Further, institutional support to both producers and exporters will be critical to maximize benefits from existing and new markets.
 - During the Blueprint's working period, the Jumuiya Counties will consolidate trade relations with each other, other counties, EAC Regional Governments and foreign missions to increase exports into these markets. Key initiatives in flagship projects include: Jumuiya Trade Development Promotion and Expansion; Jumuiya Trade negotiations enhancement; Jumuiya-Market analysis, Research and Development Promotion; and Trade Portal Services Development.

Strategy 4: Enhance the competitiveness of Jumuiya products

- The Jumuiya Secretariat, the County Governments and the Regional Private Sector will partner in order to enhance competitiveness in the domestic and foreign markets. Efforts will be directed towards supporting producers and exporters of Jumuiya Brands and Branded products and safeguarding local industry from imports and unfair trade practices. This will be done through promotion and strengthening the region's quality infrastructure facilities, such as quality assurance and enforcement mechanisms, packaging, product development support, streamlining licensing procedures and removal of non-tariff barriers. Emphasis will also be placed on the promotion of local products on the domestic market, fair competition and consumer welfare.

Strategy 5: Leveraging on Digital Platforms and Supporting e-Commerce

- The JKP secretariat working with the County Governments, National Government, and Private Sector will implement a comprehensive strategy to facilitate development of the requisite ICT in market and trading centers to support Digital platforms facilitate e-commerce as a mitigating measure to cope with Covid 19 as well as to enhance growth of the JKP business and trade sector.
- Support the training of businesses and traders in the JKP region in acquiring the relevant ICT and e-commerce skills

Strategy 6: Facilitate Payment of Pending Bills and Credit access by MSMEs through the Credit Guarantee scheme

- The JKP Secretariat will Sensitize the JKP Business Community and traders on how to access credit through the MSMEs Credit Guarantee Scheme established to de-risk lending to MSMEs

- The JKP Secretariat will liaise with the seven commercial banks (who have signed Credit Guarantee Agreements with the National Treasury) to provide credit to MSMEs in the JKP region
- The JKP Secretariat will facilitate the payment of all verified pending bills owed to the JKP business community and traders by MDAs and County Governments in Line with National Treasury Circulars and Directives

4.8.6 The Jumuiya Trade Sector Development Flagship Projects

This flagship project aims at improving the movement of goods and people with the Jumuiya Counties, across the neighboring counties and to enhance connectivity between Jumuiya and Tanzania in particular. The project comprises and will be implemented through four sub-projects as follows:

a. Trade and Development Projects for Jumuiya

Table 4i: Jumuiya-Trade and Development Facilitation Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|--|--|--|-----------------|
| TD- Trade and Development Facilitation Project for Jumuiya | SB-1: Critical County Road Infrastructure Up-grade | County Governments supported by Strategic Donors | US\$ 15 million |
| | SB-2: Technical Assistance Infrastructure Initiative | Development Partners and the Jumuiya Fund | US\$ 30 million |
| | SB-3: Trade Transport Development Sub-Project | County Government in Partnership with National Government and Strategic Development Partners | US\$ 15 million |
| | SB-4: Institutional Capacity Development and Program Management Sub-Project. | Jumuiya Secretariat and Development Partners Initiative | US\$ 5 million |
| Total Estimated Project Cost | | | US\$ 65 million |

b. Jumuiya-Cross-Border Trade Facilitation Flagship Project

This flagship aims to facilitate cross-border trade by increasing the capacity for commerce and reducing the costs faced by traders, especially small-scale and women traders, at targeted locations in the Jumuiya boundaries with Tanzania.

Table 4j: Jumuiya-Cross-Border Trade Facilitation Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|--|---|--|-----------------|
| TD-2: Jumuiya Cross Border Trade Facilitation Flagship Project | SB-1: Trade Infrastructure and Facility Sub-Project | County Governments supported by Strategic Donors | US\$ 15 million |
| | SB-2: Policy and Regulatory Reforms and Capacity Building Sub-Project | Development Partners and the Jumuiya Fund | US\$ 3 million |

| | | | |
|-------------------------------------|--|--|--------------------------|
| | SB-3: Jumuiya-Cross-Border Management Sub-Project This entail: <ul style="list-style-type: none"> Warehousing, storage, laboratory facilities and testing equipment as well as ICT infrastructure | County Government in Partnership with National Government and Strategic Development Partners | US\$ 10.5 million |
| | SB-4: Standardization and quality assurance enhancement Sub-project <ul style="list-style-type: none"> Technical and packaging support Trade remedies support | County Governments | US\$ 5million |
| Total Estimated Project Cost | | | US\$ 33.5 million |

4.9 Jumuiya Manufacturing Sector Development

4.9.1 National Manufacturing Sector Performance and Status

The Kenya's manufacturing sector has faced significant challenges in the last decade or so, that has seen the sector's growth more or less stagnate. The sector's contribution to the GDP has dropped substantially, giving rise to unemployment, reduced pace of economic growth and development and, fall in general societal welfare. According to the KNBS and the Department of Industry under Ministry of Industrialization and Enterprise Development, the sector's share of GDP has remained stagnant with only limited increase in the last three decades, contributing an average of 10% from 1964-73, rising marginally to 13.5% from 1990-2007. However in 2018, the sector's contribution to GDP decline by 23% from the 10% reported in 2014/15 to 7.7% recorded in 2018/19.

The sector also suffered significant losses in revenue and jobs following the outbreak of Covid 19 in the country in March 2020. The transport restrictions put in place globally and locally disrupted supply chains and supply of raw materials to manufacturing firms and also in rise in transport costs. These developments negatively impacted manufacturing output.

4.9.2 Development Outcome 7: Improved and Competitive, Export –Led, Manufacturing Sector

Review of development paths of developed and emerging economies show that except for a few oil-exporting countries, there is a strong positive correlation between industrialization and rapid development. Experience from the recent global financial crisis has shown the need to have a strong industrial base to cushion the economy from external shocks. A strong and competitive industrial base is therefore, important to create employment, advance technology and a resilient economy.

4.9.3 Manufacturing Sector Status and performance in the Jumuiya Region

The Jumuiya region has a good share of the manufacturing sector due to its strategic position to the port of Mombasa. The region hosts a number of designated export processing zones (EPZs) in Kilifi and Mombasa County respectively with Kilifi, Kwale, Lamu, and TaitaTaveta having massive potential for both green and blue special economic zones. Manufacturing industries in Jumuiya are located in Mombasa county (Mvita and Changamwe areas), Kilifi county (near Mtwapa, Kilifi and Mazeras Towns), Kwale county (Msambweni and Tiwi), TaitaTaveta (Voi) respectively while Lamu and Tana

River lack manufacturing industry zones. The industries venture in glassware manufacturing, edible oil processing, steel manufacturing companies, flour mills and car assembly plants located across and within the region. These industries offer the much needed employment opportunities to the local residents as well as other expatriates especially in the shipping sub-sector.

In bid to expand industrial activities, various Jumuiya Counties have earmarked a number of flagships projects in order to spur manufacturing activities within their jurisdictions for purposes of socio-economic development that includes employment and poverty reduction. For example Kwale County has outlined plans for deepening the agricultural based processing factories for coconut, citrus, mango, orange, and cashew nut. The County Government intends to set up industrial parks in Lunga lunga as well as establishing commercially vibrant apparel and textile outlets focusing mainly on the local markets such as school uniforms for all Kwale learning institutions (primary and secondary schools, polytechnics and colleges) and for export. The apparel and textile can be nested within the proposed industrial parks. This will go a long way in curbing unemployment among the youth as well as reducing poverty. Taita Taveta has earmarked at least 2 designated areas for industrial parks development.

4.9.3.1 Challenges

- High cost of electricity: The cost of electricity is a major element of the unit cost of manufacturing process. It is sometimes as high as 40% of the unit cost of manufacture. Thus making manufacturing in the country and by extension, the Jumuiya region unattractive.
- Low factor productivity: productivity is a key driver of a competitive manufacturing sector. In Jumuiya, the relative labor productivity is quite low and, will require skilling.
- Counterfeit and Illicit Trade: counterfeit and illicit trade is a major threat to the manufacturing. The un-customed products which enter the market are approximated to be over Ksh. 100 Billion. This has affected the manufacturing sector and in fact a number of manufacturers have closed down due to counterfeiting and illicit trade.
- High cost of Financing: The cost of financing for the manufacturing investments is very high as compared to the world market rates.

4.9.4 Jumuiya ya Kaunti za Pwani Manufacturing (Industrial) Sector Goals

Jumuiya will pursue the following goals in order to improve the region's manufacturing sector competitiveness:

Jumuiya Manufacturing (Industrial) Development Goals by 2027

- At least 5 Green-Coastal Special Economic Zone (GPEZs) valued at US\$110million established in the recommended sites in Kwale (1), Taita Taveta (2) Kilifi (1) and Tana River (1) by 2027.
- A fully integrated Green-Coastal Special Economic Zones in to the Blue economy sector development framework by 2024.

Jumuiya Manufacturing (Industrial) Development Goals by 2030

- Increased the Jumuiya region's share of manufacturing in national GDP from present average estimate of 0.8% to 6% in 2030.

4.9.5 Strategies

To trigger growth and development in the Jumuiya region, the County Governments in partnership with the National Government and other strategic stakeholder will pursue the following strategies:

- *Develop modern Green-Coastal Special Economic Zones:* these are specialized sustainability driven economic zones targeted at enhancing industrial processing activities within the designated areas in Jumuiya region. Some of these include: food processing parks, textile and apparel parks among others.
- *Develop modern manufacturing establishments to produce PPEs, face masks, ventilators, oxygen and medical products for management and treatment of Covid 19*
- *Ensuring sustained improvements in business regulation:* The Jumuiya Counties in partnership with the National Government will carry out reforms of the business environment in the following ways:
 - Manage tax administration and reporting, improve taxpayer service quality, and apply risk-based audit criteria universally.
 - Simplify, reduce, and automate county export and import procedures; improve service quality for economic entities.
 - Simplify and reduce procedures for getting construction permits
 - Ensure access to credit and centralize credit information.
 - Enhancing access to affordable credit through the Credit Guarantee Scheme
 - Provision of finances to manufacturing sector MSMEs through the Kenya Industrial Estate
 - Reduce the procedures and time for registering property.
 - Simplify the procedures and reduce the time for bankruptcy and liquidation processes
 - Enforce efficient protection of intellectual property and support the Jumuiya exporters in protecting their intellectual property in export markets
- *Infrastructure upgrade:* the Jumuiya will strive to avail land for industrial zone development and where necessary supply the prerequisite road, electricity lines, water and security to the intended development sites.
- *Attraction of foreign investment:* the Jumuiya Secretariat will implement investment promotion strategies aimed at attracting FDIs in the designated sectors in manufacturing.
- *Supporting workforce development programs:* improving the productivity of the labor force is a significant boost for competitiveness enhancement.

4.9.6 The Jumuiya-Green Special Economic Zone Flagship Projects

The Green-Special Economic Zones (G-SEZs) are environment compliant industrial establishments. The Jumuiya region will establish such thematic G-SEZs in 4 counties in order to attract investments and growth the manufacturing sector in the region. Table 4k shows the breakdown of sub-projects that will be undertaken by Jumuiya to effect the G-SEZ flagship projects.

Table 4k: Green Special Economic Zone Flagship Projects

| Flagship Projects | Flagship Projects Description | Implementation Mode | Estimated Cost |
|---|---|--|----------------|
| GM-1: Green Special Economic Zone Flagship Projects | SB-1: Jumuiya-Green Coastal Economic Zone Project-(Industrial Development Project) | Investment through Public Private Partnerships | |
| | This will be done in Counties with greater coastal hinterland. The project involves: | | |
| | <ul style="list-style-type: none"> Establishment of (2) 15,000ha Green-Special Economic Zone in TaitaTaveta County Establishments of a (2) 10,000ha Green Special Economic Zones in Kwale. Establishment of (1) 10,000 Agro-processing Zone each in Kilifi and Tana River Development of Logistics & Distribution Centres in each zone. | Private Investor Initiative | US\$70million |
| | | | US\$ 40million |
| | | | US\$20million |
| Total Estimated Project Cost | | | US\$140million |

4.10 Jumuiya Natural Resource and Environment Sector Development

4.10.1 Introduction to Jumuiya Natural Resource and Environment Sector

Coastal Kenya is home to an amazing array of wildlife – it's one of the most bio-diverse parts of Africa. Over 550 plant and 50 animal species found in Kenya's coastal forests occur nowhere else on earth. And the waters off the coast are home to five of the seven known species of marine turtle as well as dugongs, whales and dolphins. The region's natural resources are globally important and local communities rely heavily on the oceans, forests and freshwater for food, fuel, materials and income for the rapidly growing population of over 4 million people. As well as the economic and environmental value of these resources (the precious woodlands and mangrove forests help reduce soil loss and coastal erosion, for example), many local people have strong cultural and spiritual links to the forests of coastal Kenya. The region is region cover a total land area of 103,326 km² and lie adjacent to 333,320 km² of Kenya's Exclusive Economic Zone (EEZ). The Jumuiya boasts of a

coastline of over 600 km which stretches along the seafront, from Kenya-Somalia border at Ishakani in the north (1.7°S; 41.5°E) to Kenya-Tanzanian border at Vanga in the south (4.7°S; 39.2°E).

4.10.2 Development Outcome 8: Improved Management of Natural Resource Endowments and the overall Jumuiya's Environmental Management Standards

Improved and controlled natural resource exploitation in the Jumuiya will trigger the region's economic growth and development with positive impacts on the general welfare of the people of Jumuiya. Such controlled processes will lead to increased direct and indirect employments, increased exports from the region and by extension, improvements in the region's contribution to the national GDP. Similarly such growth will have to be sustainable meaning, the growth will need to consider environmental protection mitigation measure since, the Jumuiya population aspires to live a prosperous life in a clean and serene environment.

4.10.3 Environmental Sector Status in the Jumuiya Region

The Jumuiya region socio-economic development dynamics are heavily dependent on the environmental dynamics that are equally dependent on the land physical structures and majorly the blue ocean. The coastal climate is influenced by the monsoon winds and characterized by two distinct rainy seasons courtesy of the Indian Ocean wind movement patterns. Annual average rainfall along the coast varies from about 500–900 mm/year on the northern coast to 1000–1600 mm/year on the southern coast. Average temperatures range between 24 and 30 °C. The Jumuiya environment is characterized by various marine and coastal ecosystems that include coral reefs that make Jumuiya coastline's sandy beaches very attractive for beach tourism thus attracting approximately 60% of the total tourists visiting Kenya⁸. The marine and coastal environment fabrics is embedded with valuable seagrass beds, mangroves and terrestrial forests that play valuable role in the protection of shorelines from damaging storms, strong winds, waves and floods. They maintain water quality and clarity, filtering pollutants and trapping sediments originating from land. The mangroves are an important source of timber for building poles, fuel, dyes, tannins, and are also known to provide both shelter, and food for part of the, marine fauna. Their value to the Jumuiya region, therefore calls for proper utilization and conservation of all the available mangrove forests along the coast.

4.10.3.1 Challenges

- Heavy pollution from land and sea-based activities especially the disposal of untreated waste water and solid waste continues to pollute marine life.
- Air pollution is also a problem in urban centers especially due to high concentration of main pollutants (factories and auto-mobiles) that emit toxic fumes in the surrounding environment (air, water, and soil), posing health risks to humans, animals and plants.

⁸A Review of the Future of Tourism in Coastal Kenya: The Challenges and Opportunities Posed by Climate Change. Ongoma V and Onyango O.A. Journal of Earth Science and Climatic Change 2014, Vol 5(7): 210

- Climate change related impacts such as sea-level rise, increase in Sea Surface Temperature (SST) persistent draught and frequent floods. Increase in SST is a major threat to corals (bleaching), planktons and other sensitive sea animals.
- Destruction of the mangroves along the coastline has affected the environmental dynamics in the region. For example, Mombasa is allegedly becoming hotter due to the depletion of mangrove forests, a vital ally in the fight against climate change. Along the Tudor Creek, more than 80% of mangroves have been wiped out. The situation is equally threatening as climate along the Jumuiya coastline is projected to get worse with time due to such unplanned human activities. Similarly, the mangrove forest area at Jumuiya has been and continues in degradation as a result of illegal logging and overutilization of other mangrove resources, see Table 5j.

Table 5j: Areal coverage of mangrove forest areas per county and the degraded proportion

| County | Mangrove ha (Area) | Degraded mangrove (ha) | % Degraded area |
|-------------------|--------------------|------------------------|-----------------|
| Lamu | 37,350 | 14,407 | 38.6 |
| Tana River | 3,260 | 1,180 | 36.2 |
| Kilifi | 8,535 | 3,422 | 40.0 |
| Mombasa | 3,771 | 1,850 | 49.0 |
| Kwale | 8,354 | 3,725 | 44.6 |
| Total (ha) | 61,270 | 24,584 | 40.1 |

Source: National Mangrove Ecosystem Management Plan

4.10.4 Jumuiya Environmental Sector Enabler Goals

Jumuiya will pursue the following goals in order to improve and sustain the region's environment status by creating and building programmes that will restore coastal and marine environment for better delivery of the region's socio-economic development goals over the Blueprint's time period.

Jumuiya Environment Sector Enabler Goals by 2027

- Reduce coastal mangrove biodiversity loss, from the present level by at least 50% by 2027.
- Coastal and maritime spatial planning and marine utilization plan completed by 2020, allowing optimal and guided economic utilization by both marine artisanal and industrial user by 2027.
- Reduction in the degraded number of hectares of mangrove forest land from the present average of 40.1% to at least 20% by 2027.

Jumuiya Environment Sector Enabler Goals by 2030

- Increase Jumuiya land under pure forest cover from the present 24% to about 60% forest cover by 2030.
- Better quality of life for present and future generations through sustainable management and use of the environment and natural resources in Jumuiya by 2030

- A 100% of degraded mangrove forest land in hectares put under full mangrove young forest cover by 2030.
- Marine resource optimally exploited by all with industrial marine fishers enjoying higher income and profits as well as the artisanal fishers having sustained household incomes, nutritional values by 2030.
- Almost 0% of land and water based pollution along the Jumuiya coastline by 2030
- Increased and sustained agricultural production and quality outputs across all Jumuiya Counties courtesy of improved and expanded environmental practices by all from the current level of 5.1% to at least 15% by 2030.

Strategies

- In bid to reduce toxic marine pollution from transport ships, the Jumuiya Secretariat in partnership with County Governments, strategic partner institutions like Kenya Maritime Authority and Kenya Ports Authority and, development partners will monitor adherence to the recommended pollution control measures that rely on existing and new technologies such as: increasing fuel quality, treating of engine emissions, and adopting other energy-conservation measures so that ships burn less fuel. It is believed that this strategy will serve both the older-engine vessels and the new ones including the fishing trawlers.
 - *Improved Fuel Quality*: notably, when diesel ship engines burn poor-quality fuel, their smoke stacks release oxides of nitrogen and sulfur as well as carbon. These pollutants, as well as contributing to greenhouse warming, are highly toxic. Sulfur dioxide readily dissolves in water, creating acid rain that causes harm to both people and the environment.
 - *Refinement of crude oil*: this strategy removes sulfur, which reduces the amount of sulfur dioxide produced when the fuel is burned. Higher-grade diesel also reduces the volume of heat-trapping nitrous oxide, but is more expensive to produce because it requires more purification at the refinery.
 - *Installation of exhaust scrubbers*: this is will be considered under this initiative as it's a much cheaper way for ships to meet clean-air requirements by simply capturing the engine exhaust and passing it through scrubbers. The scrubbers convert nitrous oxide gases into harmless nitrogen and water. This blueprint acknowledges that clean fuel is an important part of reducing emissions, but the higher cost of low-sulfur fuel will deter many companies, thus stringent regulations would definitely throw many of these shipping lines out of business. This process requires retrofitting older ships, and updating the design of new ship exhaust systems. One advantage of this approach is that it allows ships to meet the different pollution regulations around the world without having to swap fuels.
- The Jumuiya will partner with strategic partners like UN-Habitat, UNEP and County Government to outline key thematic areas on coastal environmental management. The blueprint recommends at least 7 strategic areas for strategic action namely: *Coastal development, Working waterfronts, Public coastal access, Sea level rise and storm events, Coastal ecosystems and habitats, Coastal water quality and Governance.*
- Under the Jumuiya County Government supported by the National Government, the Counties can develop land use bylaws to establish and implement policies regarding

protection, use and development of lands within the County areas of jurisdiction. This includes identification, protection, use and development of lands subject to flooding, steep slopes, lands susceptible to subsidence, erosion or other geological hazards, swamps, marshes or other environmentally sensitive areas. Counties also have the legal capacity to establish development provisions, impose buffers or use zoning to protect.

- The Jumuiya Secretariat and County Government will partners with UN-Habitat and other like-minded agencies to conduct Coastal Spatial Planning and establish frameworks for undertaking investments in planned and designated areas.
- Jumuiya and County Governments to conduct massive public advocacy campaign to educate the entire coastal community on the need for environment protection
- The JKP Secretariat and County Governments will partner with the National Government and development partners in implementing the *Financing Locally Led Climate Action Program*. The Program will strengthen National and County Government's capacities to manage climate risk through support to County climate change units, establishment of County Climate Fund and climate change laws
- JKP Secretariat and County Governments will put in place and enforce mechanisms for the safe disposable of face masks and Covid 19 waste and other protective devices

4.10.5 Jumuiya ya Kaunti za Pwani Environment Sector Flagship Projects

This Jumuiya Environment Sector Flagship Projects will be implemented under two sub-projects that shall be consistent with best practice and holistic approach to integrated coastal and maritime resource management systems. The two sub-projects are:

a. Jumuiya-Mangrove Forests and Mangrove areas Flagship Project

Coastal ecosystems are critical to maintaining human well-being and global biodiversity. In particular, mangroves provide numerous benefits and services that contribute to the overall health and function of the coastal ecosystem including protection from storm surge and sea level rise, erosion prevention, coastal water quality regulation, habitat provision for numerous commercially important and endangered marine species, and food security for many coastal communities around the world.

Table 4u: Mangrove Forests and Mangrove areas Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|--|---|---|------------------|
| M1-Jumuiya-Coastal Mangrove Conservation and Protection Flagship Project | SB-1: Establishment of a mangrove forest protected areas in 5 Jumuiya Counties | County governments in partnership with KFS, Ministry of Environment and National Land Commission | US\$ 30 million |
| | SB-2: Jumuiya Mangrove Conservation & Protection Advocacy Initiative-2yrs | Select Environmental-Based NGOs and Community Mobilisers and Social Education | US\$ 2.0 million |
| M2-Mangrove Land use Management (MLM) Project | SP-3: Integrated Mangrove Land-use Planning (IMLP) and Community Conservation Agreements (CCAs) | County governments funding supported or in partnership with UN-Habitat, EU and UNEP among other others. | US\$ 10 million |

Total Estimated Project Cost

US\$ 42 million

b. Jumuiya-Coastal and Marine Environment Management Flagship Project

This flagship projects aim at creating more lasting and stable solutions towards the challenges faced. Table 4v presents the flagship project and its sub-projects as envisaged.

Table 4v: Jumuiya Coastal and Marine Environment Management Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|--|--|--|------------------------------------|
| FL-1: Coastal & Maritime Environmental Asset Audit and Spatial Planning Flagship Project | SB-1: Maritime Asset Audit and Spatial Planning Sub-Project | Partnership arrangement | US\$ 20 million |
| FL-2: Common Blue-Governance Regime Flagship Project | SB-2: Establishing and implementing a Common Blue-Governance Regime for the Exclusive Economic Zone (EEZ) | Partnership arrangement | US\$ 35 million |
| F3- Integrated Coastal Management Flagship Project | SB-3: Comprehensive system of marine managed areas in the territorial parts, building along the F2's ICM. | Development Partners and Jumuiya | US\$ 15 million |
| F4- Coastal Communities Environmental Stewardship Flagship Project | SB-4: Coastal Communities Environmental Integration Sub-Project This will entail: <ul style="list-style-type: none"> Support for Agro forestry practice among rural household farmers. Forest Conservation especially the terrestrial coastal forests and campaign to plant new forests | Counties & National Governments and Development Partners | US\$ 25 million US\$ 25 million |
| Total Estimated Project Cost | | | US\$ 120 million |

4.10.6 Mining and Mineral Resources Sector

The Government of Kenya recognizes the importance of mineral resources sector in facilitating economic growth and development. The sector is one of the priority areas under the economic pillars of the Kenya Vision 2030.

It has emerged as an important player in Kenya's economic development and realization of the Sustainable Development Goals (SDGs). The sector contributes about 1% to Gross Domestic Product (GDP) and 3% of the total export earnings.

It has the potential for higher contribution, in view of the discoveries of oil in Turkana County, titanium and rare earth elements in Kwale County, coal and gas in Kitui and Lamu counties. It is

expected that with the discoveries, and development and management of other mineral resources, industrial growth can be realized.

Accelerated exploitation of mineral resources and the associated value chain activities will result in employment creation, increased export earnings, alleviation of poverty and bridging the inequality gap. These activities have also improved development of infrastructure thus improving the livelihood of the communities.

To promote exploration and mining activities in the country in the June 2021 National Budget the Government exempted from VAT goods for use in oil exploration and mining prospecting

4.10.7 Development Outcome 9: A Diversified and Export-Oriented Mining Sector

The Jumuiya region has a mining history that spans over 50 years and continues to play some decent role in the economic development of the country and of the counties concerned. The main mining activities occur in Mombasa, Kwale, Kilifi and Taita Taveta Counties in the Jumuiya while the production, processing and export of other minerals remain underdeveloped.

Under this Blueprint, emphasis will be on broadening the range of minerals to cover non-traditional mining of gemstones, among others as classified in table 4x. It is believed that improvements in the sector will surely transform the counties in which major mining activities exist and by extension, the entire Jumuiya region.

4.10.8 Mineral Resources Sector Status and Performance in the Jumuiya Region

In the Jumuiya region, there are several mineral occurrences and discoveries. However, most of the minerals discovered, resource estimates have not been done and they remain unexploited. Nonetheless for the minerals that have been discovered, exploitation has been going on amid many challenges that hinder its development and overall communal benefits.

Table 4w: Registered minerals in the Coastal Region (Jumuiya)

| County | Registered Minerals |
|--------------|--|
| Taita Taveta | Iron Ore, gemstones, Manganese, Graphite |
| Kwale | Gemstones, Coal, Titanium minerals, Silica sand, Rare earth elements, Coral limestone, Sandstones |
| Kilifi | Titanium, minerals, manganese, Barytes, Gypsum, Gemstones, Coral limestone, Halite (Salt), Pozzolana |
| Tana River | Gypsum, Limestone, Silica and Gemstones |
| Mombasa | Gypsum, Coral limestone, Clay |
| Lamu | Coral Limestone, Coal |

Source: Ministry of Mining (Government of Kenya)

Taita Taveta County is endowed with mineral deposits whose origin is geologically linked to the rich Proterozoic rocks forming the Mozambique Belt that runs from south to eastern Africa region.

Minerals found here are both gemstones and industrial types. Recent exploration has also indicated the presence of copper, cobalt and manganese. The precious gemstones include ruby, tsavorite, sapphire, emerald, tourmalines and many types of garnets that are mined in areas such as Voi, Mwatate, Kasighau, Kishushe, Bura, Chungaunga, Kamtonga, Wanjala and other parts of Taita. These minerals can bring enormous wealth if put to proper planned exploitation by Jumuiya. Similarly, Kwale County is endowed with various types of industrial minerals namely: titanium sands (comprised of ilmenite, rutile and zircon), iron ore and niobium. Titanium is mined at two areas in Msambweni sub-county. An estimated annual extraction of 410 000 tons of ilmenite, plus rutile and zircon (over a 13- year mine life) is expected to yield \$200 million (KSh17 billion) annually.

This project will earn the country over \$2 billion (KSh170 billion) with Kwale County earning approximately KSh51 billion assuming that the earnings are shared with the national government on a 70:30 ratio over its mine life. Niobium, a material used to strengthen steel and is estimated to have a potential in-ground value of Ksh. 5.4 Trillion is present in commercial quantities at Mrima Hill, in the Southern part of Kwale. **Table 5x** above presents a summary of the Jumuiya mineral resource endowment by county.

In terms of performance, the sector's contribution to the region GDP was reported at 11.7% thus, making it the second most productive sector after tourism in the Jumuiya region. The mineral resource sector is indeed a blessing and curse in the region. The sector would truly change the fortune of the region especially the Counties with such endowments.

4.10.8.1 Challenges

- Just like any other place, mining and mineral operations are done on, in, or under the land surface; and offshore in the country's Exclusive Economic Zone. In some areas like Taita Taveta and Kwale Counties, disputes relating to access to land have hampered effective exploration and mineral development and deterred investment in the mining sector.
- Limited or no funding at All: Mineral extractions require massive capital or funding for it to make economic sense. Mineral exploration has historically been funded by development partners and heavily funded private investors, with government playing a limited role in exploration activities.
- Inadequate Geological Data and Information: Most of the Jumuiya region's mineral resources remain unexplored and under exploited largely because of the lack of geological data and limited mineral exploration.
- Nonexistent Mining Infrastructure: The region lacks modern mining infrastructure capable of attracting and retaining high level mining investors of international repute as well as local miners and high level technical expertise miners.
- No Mineral Value Addition: The region just like the rest of the country have inadequate expertise, under development of the mineral processing industry, lack of appropriate technology coupled with high energy costs contribute to the low level of value addition in the region.

- **Poor Local Participation:** In the region, large-scale mining operations are mostly controlled by foreign firms and individuals due to the industry's inherent complexities. Local participation has further been limited by inadequate financial and technical capacity and expertise, as well as lack of guidelines on local content and value chain participation.
- **Inadequate Institutional and Human Capacity:** Mineral exploration and mining is a highly technical industry which requires specialization: Ever since, mining policies have been the preserve of national government. The legal provisions and regulations that have been operating for the mining sector were mainly based on the Mining Act Cap 306 enacted way back in 1940 meaning that the industry was operating within an archaic legal framework and that it did not cover under its jurisdiction, several minerals that are mined and quarried on commercial basis. Its guidelines on procedures and timelines for licensing and supervision were unclear, leading to cases of speculators selling or hoarding mineral rights.

4.10.9 Jumuiya ya Kaunti za Pwani Mining Sector Goals

Mining among other extractives in the Jumuiya region though not properly developed, can have socio-economic transformational effects on the region's population and the economy at large. The Jumuiya 2030 Economic Development Blueprint envisages that a well thought out structural plan with decisive goals for the sector will truly bring the much needed economic growth for the region.

Jumuiya Mining Sector Development Goals by 2027

- A harmonized regional and national policy for regional mineral exploration, exploitation, value addition and revenue sharing in place by 2022.
- At least two mineral cleaning and processing plants set up in Taita Taveta and Kwale County Green Special Economic Zones by 2025.
- Increase in the number of Artisanal Miners from the presently estimated 10,000 miners to at least 15,000 miners by 2027.

Jumuiya Integrated Agricultural Development Goals by 2030

- Triple the estimated value of the artisanal miners' contribution of Ksh. 12 billion by the year 2030.
- A prosperous regional mining sector, contributing at least 20% in Jumuiya's regional GDP from the current 11.7% by 2030.

4.10.10 Strategies

- **Improvement on policy and regulatory reforms:** The Jumuiya to come up with policies that promote investment in the sector especially the much needed foreign direct investment (FDI) as well as those that promote formalization of the artisanal miners in the region. The formalization policy strategy by Jumuiya will include:
 - Formalization of artisanal miners' mineral production activities and trade in order to bring greater transparency and accountability in the supply chain. In so doing, the Jumuiya Consortium (*County Government, National Government, Private Sector, Artisanal Groups and Development Partners*) will develop a plan and programme of formalization acceptable to all.

- Establishing systems for evidence-based decision-making and robust monitoring and evaluation of progress towards formalization and artisanal miners' activities. This will require formal coordination between multiple actors along the value chain, in particularly among government agencies. The first step is to jointly develop and implement an ASM census.
 - Establish a mineral and extractives fund in Jumuiya in order to attract expansive investments into the sector as well as support and create access for input funding by the artisanal (SMEs) miners in the region.
 - Lobby and work out a mining fiscal regime framework that encourages foreign direct investments in to the sector and at the same time encourage artisanal miner's participation in mining. For example, miner's income spent on paying VAT in Taita Taveta contributes an estimated US\$ 1.6 million to the annual Kenyan national budget, which by far exceeds the total royalty revenues.
 - Streamline the policy and regulatory frameworks that govern and differentiate Artisanal and Small Scale Miners (ASM) and Small Scale Mining (SSM) operations and their respective mining rights.
- Human capacity building: Jumuiya and like-minded stakeholders will plan targeted trainings needed for diversity of artisanal miner stakeholder.
 - Create local institutional systems such as artisanal miners' cooperatives societies for collective bargaining as well as developing and establishing Artisanal Miners Public Private Dialogue Platforms for policy monitoring and management.

4.10.11 Jumuiya-Mining and Extractives Development Flagship Projects

Mining and extractives sector remains an important economic growth and development sector in the Jumuiya region and the country at large. As a result, this blueprint has recommended a series of flagship projects that must be undertaken in order to cause the much anticipated transformational effects on the Jumuiya region's economy. The flagships are presented as follows:

a. Jumuiya-Mining Sector Governance Support Flagship Project

The Jumuiya- Mining and Extractives Sector Governance Support Flagship Project is designed and aimed at strengthening the capacity and governance systems of key institutions for managing the minerals sector in the Jumuiya region. This flagship will be implemented through three sub-projects as outlined below.

Table 4x: Jumuiya-Mining Sector Governance Support Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|---|--|---|-----------------|
| ME-1: Jumuiya-Mining Sector Governance Support Flagship Project | SB-1: Mineral Resource Access Facilitation Sub-Project | Jumuiya Secretariat in Partnership with Development Partners Initiative | US\$ 3 million |
| | SB-2: Institutional strengthening for mineral management Sub-Project | Jumuiya Secretariat and Development Partners Initiative | US\$ 3 million |
| | SB-3: Mining Areas Economic Development Sub-Project | County Governments supported by Development Partners/ Strategic PPP | US\$ 10 million |

Total Estimated Project Cost

US\$ 16 million

b. Jumuiya-Mining and Extractives Infrastructure Investment Support Flagship Project

The Jumuiya-Mining and Extractives Infrastructure Investment Support Flagship Project is designed to support and facilitate investments in infrastructure to support mining and downstream processing activities, and to build local capacity to prepare and transact infrastructure projects. The flagship project will be implemented under four sub-projects framework as detailed in table 4y.

Table 4y: The Jumuiya-Mining and Extractives Infrastructure Investment Support Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|---|--|---|------------------------|
| ME-2: Jumuiya-Mining Infrastructure Investment Support Flagship Project | SB-1: Jumuiya Mining Infrastructure Investments Support Sub-Project | Private Investor Initiative/ or also Select PPP | US\$ 7 million |
| | SB-2 Establishing Jumuiya Mining Fund | Jumuiya Secretariat/ County Governments | US\$ 3 million |
| | SB-3: ASM and SSM Capacity Building and Knowledge Transfer Sub-Project | County Governments in Partnership with Private Investors in Mining /or Artisanal Miners Partnerships with Large Corporations | US\$ 1 million |
| | SB-4: Beneficial Mineral Resources Development Sub-Project | County Government/Jumuiya Secretariat in partnership with National Government, Private Sector Investors supported by Development Partners | US\$ 2 million |
| Total Estimated Project Cost | | | US\$ 13 million |

5 Jumuiya Social Pillar-Achieving Socio-Economic Transformation

5.1 Jumuiya Urbanization Sector Development

Urbanization refers to the population shift from rural areas to urban areas, the gradual increase in the proportion of people living in urban areas, and the ways in which each society adapts to this change. It is predominantly the process by which towns and cities are formed and become larger as more people begin living and working in central areas. It is therefore a high social dimension development process and thus more often than not, deliberated upon from that perspective. Urban populations interact with their environment. Urban people change their environment through their consumption of food, energy, water, and land. And in turn, the polluted urban environment affects the health and quality of life of the urban population.

5.1.1 Urbanisation Sector Status and Performance in Kenya

Sustainable Urbanization is one of the most significant global trends in the 21st Century. More than 50% of the world population now lives in urban areas, while 60% of world population will live in urban areas by 2030. Approximately, 90% of world urban population growth between now and 2030

will take place in developing countries. Hence, urban areas are the locus of significant global challenges. Sustainable urbanization is a vehicle for national economic and social transformation. Sustainable urbanization means the transition of rural-urban landscape that structure both rural and urban economy, ecology and society in ways that reward the present generation with higher quality of life without endangering and diminishing the living standards of future generations. This structural shift is underpinned by proper planning, supported by enforceable legal mechanisms and by so doing, brings about rapid economic progress and equitable development of citizens. When rural-urban shift is properly managed alongside industrialization, and planned urban space, it tends to lead to higher productivity and eventually, rising living standards and better quality of life.

5.1.2 Development Outcome 10: Resilient, Inclusive and Sustainable Jumuiya City and Urban Centres by 2030

Urbanization in the region is spreading rapidly. The spread is offering the Jumuiya County Governments opportunities to improve the lives of people and enhance economic development in towns and cities. But this outcome will come forth only by collaborative efforts of county governments and all stakeholders deriving livelihood from urban settings. It will require modern and thoughtful planning that is cognizant of the climate change and future population content dynamics as well as dedicated urban development funding to enable the desired outcomes come forth. Poorly managed urban growth and development, however, can exacerbate inequalities, exclusion, and vulnerability, especially among marginalized populations. This Blueprint focuses and will dare to implement a series of sustainable urban development projects within the Jumuiya coastline and mainland with one major goal: achieving resilient, inclusive and sustainable cities and urban centres by 2030.

5.1.3 Urbanization status and performance in Jumuiya Region

Urbanization process in the Jumuiya region has highly been an unplanned process. Almost 45% of the region's populations live in the urban and peri-urban areas. This upsurge in urbanization process has come with great environmental challenges especially along the coastline urban areas. While urbanization processes should have led in greater productivity hence, prosperity in the region, it has been characterized by high incidences of poverty, upsurge of informal unplanned informal settlements, crime and environmental degradation in essential areas. In the Jumuiya region, the major urban areas include Mombasa, Malindi and Kilifi and Mombasa County accounts for approximately 40% of the total coastal population. Features include: Important infrastructure in the coastal region: roads, airports, railways, ports and harbors, energy, water supply and sanitation. Urban centres include: Kilifi, Lamu and Malindi. Mombasa has one of the largest and busiest sea ports in Eastern Africa. In conclusion, the urbanization process in the region has been very haphazard and thus contributed to the social and environmental challenges currently being witnessed in the region's urban places in the last and present decade as such.

5.1.3.1 Challenges

- *Unsustainable transportation and mobility systems:* Mombasa and most urban centres in the Jumuiya region suffer from unplanned transport and mobility system that has led to massive traffic congestion, and road accidents hence making it difficult to conduct seamless business activities

- *Energy infrastructure:* urban places in the Jumuiya suffer from massive energy supply and distribution challenges. The city like Mombasa is confronted with a trade-off in energy generation systems between options that have lower up-front costs but are often polluting and inefficient (e.g., diesel generators) and investments in renewable sources (solar or wind) that may have higher capital costs but are less polluting, produce fewer GHG emissions and often have lower life-cycle costs. Inadequate Energy infrastructure in Tana River and Taita Taveta counties is directly impeding investment in industrialization and manufacturing which is essential for value chain development.
- *Environmental protection and waste management:* The region lacks a waste management and treatment plant. Almost all urban centres in the Jumuiya suffer from environmental degradation. Urban places especially along the ocean have continuously polluted the ocean waters through untreated waste water discharge, unmanaged solid waste disposal especially for (no biodegradable waste), negative coping strategies among others.
- *Rural –Urban Migration:* the Jumuiya region has not been left behind among other regions in Kenya in, rural urban migration. Because of the heavy concentration of economic activities within the urban centres and the levels of development i.e., in Mombasa, population have moved to the urban places in such of better opportunities of work and quality life.
- With the onset of devolution, previously established towns and urban centers have flourished in to commercial hubs further attracting the migration from the rural areas to these urban centers. The scramble for resources and employment opportunities is leading to unplanned settlement for prospecting citizens and investors in the already poorly established urban areas.
- *Spatial equality and social equality:* urban places in the Jumuiya region suffer from increased spatial inequalities within the urban and between urban.
- *Limited Public Space and Land for Urban Development:* the Jumuiya urban centres including the Mombasa City lack access to sufficient public land to effectively establish public recreational parks and amenities under the urban improvement and modernization programs. The urban authorities given the present circumstances need to accommodate a growing population by building sewage conduits, water pipes, optic fiber and electricity lines; increasing security and fire fighters; and building and staffing and equipping local clinics and primary schools.

5.1.4 Jumuiya Goals by 2030

- Highly productive Jumuiya urban places, towns, centres and cities, offering high quality of life characterized by decent housing, work and recreational spaces to the inhabitants and immigrants, attractive to both local and international investors by 2030.

5.1.5 Strategies

Strategy 1: Planned Sustainable Urban Housing Development and Settlement

- In this strategy, the Jumuiya and UN-Habitat will explore environmental, institutional, social, and cultural aspects of sustainability in major towns and centres in the Jumuiya region. While on this, the Jumuiya will focus particularly on meeting the needs of the urban poor. This will be under the main

themes of Urban environmental management with particular reference to conduct of economic activities and housing, achieving institutional, social and cultural sustainability, managing urban development processes to reduce their environmental impacts, to improve the produced built environments and sustain improved practices.

- Jumuiya will partner with National Government and Private Sector in developing affordable housing schemes in all JKP Counties. This will also include working with the Kenya Mortgage Refinancing Company to provide affordable long term mortgage loans to JKP residents.

Strategy 2: Planned Urban Places Decongestion Initiative

- The development options to ease traffic include mass transit public transport, increased car-centric road transportation or shared economy solutions. Mass transit public transport has higher up-front costs in terms of initial infrastructure investments and service integration with existing transport options

Strategy 3: Planning for Sustainable Energy Efficiency in Urbanization

- The Jumuiya with support from UN-Habitat will plan and ensure that measures on sustainable energy efficiency are implemented in residential buildings, businesses and industries. Regulations requiring green energy like solar panels in each building will be implemented. The idea will be to adopt and stay green, with additional benefits including cost-savings and increased income.

Strategy 4: Implement new Waste Disposal and Management Techniques

- The Jumuiya with help from UN-Habitat will develop innovative waste management systems such as waste-to-energy technologies (like methane from landfills), reusing and recycling as an economic opportunity and ecosystem-based sewage treatment. Solid waste management measures including composting and generating energy from methane combustion can also help reduce methane emissions in landfills, increase forest carbon sequestration and contribute to overall reduction of greenhouse gases.

Strategy3: Urban Spatial Planning

- The Jumuiya and the UN-Habitat will embark on strategic spatial urban planning in the region that will involve optimal distribution of people and activities in urban spaces of various scales. In the Jumuiya, spatial planning will be done along the coastal waterfront, cultural and heritage sites, old towns, coastal and inland special economic zones and at green urban centres.

5.1.6 Jumuiya Urbanization Sector Development Flagship Projects

The Jumuiya Urbanization Sector Development Flagship Projects aim to enhance and increase socio-economic growth and development in the region but in a planned and sustainable manner. Table 5a. summarizes the sub-projects envisaged in this blueprint.

Table 5a: Jumuiya-Urbanization Development Flagship Projects

| Flagship project | Sub-project description | Implementation mode | Estimated Cost (US\$ million) |
|------------------|-------------------------|---------------------|-------------------------------|
|------------------|-------------------------|---------------------|-------------------------------|

| | | | |
|--|--|---|------------------|
| UB-1: Jumuiya Urbanization and Environmental Development Project | SB-1: Sustainable Urban Cities and Towns Development Sub-Project This will entail: <ul style="list-style-type: none"> Coastline Towns and Cities Regeneration Initiatives Up-Country Urban Spatial Planning and Town Regeneration Initiative Enhanced County Urban Development Policy and Legislative Reforms for controlled urban development and growth | Jumuiya Secretariat/UN-Habitat & Development Partners | US\$ 90 million |
| UB-2: Jumuiya Smart Cities Development Project | SB-2: Jumuiya Growth Hub Urban Projects This will entail: <ul style="list-style-type: none"> Climate Smart Productive Cities Spatial Planning Coastal Urban Satellite Monitoring and Programming Jumuiya Urban Waste Management Improvement Initiative | UN-Habitat & Partners | US\$ 100 million |
| Total Estimated Project Cost | | | US\$190 million |

Table 5a1-: Jumuiya-Urbanization Development Flagship Projects (Cont)

| Flagship Project | Project Description | Implementation mode | Estimated cost (US\$) |
|---|--|-----------------------|-----------------------|
| UB-3: Jumuiya Thematic Cities Urban Development Project | SB-3: Jumuiya Leisure and Quality Life Cities Project | UN-Habitat & Partners | US\$ 75 million |
| UB-4: Jumuiya-New Industrial Urban Towns Projects | SB-4: Coastal Industrial Zone Urban Centres and Towns This will entail: <ul style="list-style-type: none"> Coastal Special Economic Zones Spatial Planning Urban and Private Land Development Management (UPLDM) | UN-Habitat & Partners | US\$ 45 million |
| Total Estimated Project Cost | | | US\$ 120 million |

5.2 Jumuiya Health and Education Sector Development

5.2.1 Introduction to Health Sector Development

The Kenya Vision 2030 identifies the health sector as an essential component to national development. One of the goals of the Vision is to improve the overall health outcomes and indicators of Kenyans by shifting focus from curative healthcare to preventive and promotive healthcare. In terms of performance of key primary and basic indicators, the country seemed to have moved positively in achieving some milestones. For example the Infant Mortality per 1,000 live births dropped by 42% in

2017 from the base value of 35 per 1,000 live births in 2015. Under One Fully Immunized Children increased by 8.9% from 82.6% in 2015 to 90% in 2017. The national government targets 100% by 2030. The national government equally achieved an increase in doctor numbers per 10,000 populations of 23% while the number of nurses per 10,000 populations increased by 45% in the same period under review. The positive performance is reflective of health sector performances across all counties in Kenya.

More recently, the Covid-19 pandemic has emerged as the a critical challenge to the health sector. Since the first confirmed case in the country on the 13th of March 2020, the country has recorded increases in the number of positive cases. The emergence of new mutations and more potent variants with higher transmissible rates is further complicating the management of the pandemic. As at 10th August 2021, the total number of confirmed cases in the country stood at 213,756, with the number of deaths from the disease at 4,211.

5.2.2 Development Outcome 11: Improved Health and Health Associated Services in the Jumuiya by 2030

In recognition of the fact that that economic productivity is a function of a healthy people or citizenry, the Jumuiya County Governments are determined to transform the coastal region into a region of healthy and productive people. A healthy workforce is critical for the successful attainment of the Jumuiya 2030 Economic Development Blueprint goals of becoming a prosperous middle-income economy as it enables the country to enhance its economic productivity and earn a substantial demographic dividend. To this end, combating the threat posed by the Covid-19 pandemic and recruitment of health personnel and expansion of health care facilities will be a top priority of this Blueprint and will be regarded as a key social investment that will contribute to the evolution of the human capital to drive our socio-economic development agenda. As a strategy to achieve this, emphasis will be placed on achieving universal vaccination of the population to protect against the Covid 19 as well as strengthening health systems and services using the primary health care approach, to enhance the wellbeing of all the Jumuiya citizens.

5.2.3 Health Sector Status in the Jumuiya Region

The entire Jumuiya region has a total of 827 health facilities comprising of 36 hospitals, 63 health centres, 362 dispensaries, 291 clinics and medical centres, 27 nursing and maternity homes, 41 institutional health facilities and 7 special treatment centres. In terms of health sector performance, the entire region is still struggling despite the sector being devolved amid little improvements. For example, the doctor-population ratio still falls short by far, of the 1:230 standard set by the World Health Organization as seen in Table 5b. The average immunization coverage of combined Jumuiya Counties was reported at 73.5% way below the national average of 77%. The recommended coverage by the World Health Organization (WHO) is 90%. Table 5c shows the performance based on a select health status indicators in the Jumuiya region.

Table 5b: Select Health Indicators Performance in the Jumuiya Region

| Indicators | Counties | | | | | | |
|----------------------------------|---------------|---------------|------------|------------|-----------|---------------|-----------------|
| Health Status Indicators | Mombasa | Kwale | Kilifi | Tana River | Lamu | TaitaTaveta | Jumuiya Average |
| Immunization Coverage | 73 | 80 | 72 | 70 | 64 | 81.7 | 73.5 |
| Nutrition Profile Status | | | | | | | |
| Stunting | 34.1 | 29 | 39 | 35 | 28 | 34 | 33.2 |
| Wasting | 11.2 | 21 | 4.7 | 23 | 40 | 11.2 | 18.5 |
| Underweight | 28.5 | 6 | 18.2 | 36 | 11 | 28.5 | 21.4 |
| Totals | 73.8 | 56 | 61.9 | 94 | 79 | 73.7 | 73.1 |
| Morbidity | Malaria (48%) | Malaria (41%) | RTI (43%) | RTI (41%) | RTI (30%) | Malaria (38%) | |
| Health Access | | | | | | | |
| Available beds | 1,553 | 405 | 492 | 153 | 172 | 371 | 525 |
| Doctor: Population Ratio | (1:11875) | (1:76,741) | (1:10,000) | (1:78,410) | (1:7,000) | (1:19,138) | (1:33,860) |
| Nurses: Population Ratio | (1:2,879) | (1:3,133) | (1:8000) | (1:4,200) | (1:800) | (1:1,142) | (1:3,359) |
| Distance to Health Facility (km) | 0.5 | 7 | 7 | 6 | 4 | 5 | 5 |

Source: County CIDPs, Health Sector Performance Report, Various Issues

5.2.3.1 Challenges

- Generally, half of the counties in region have fewer than two health facilities per 10,000 people and fewer than 4.2 facilities per 100 square kilometers. For example, the densely populated Mombasa has 134 health facilities per 100 square kilometers respectively, but far fewer facilities per 10,000 people. Tana River County has the fewest health facilities per 100 square kilometers, but above average numbers of health facilities per 10,000 people (Ministry of Health). While these counties may have sufficient number of facilities for the population, patients must travel an average distance of 5 kilometers to the nearest health facility in the region.
- Low ratio of healthcare worker to the population in the region. In the Jumuiya region, the ratio of healthcare workers to the population falls below the WHO recommended 230 per 100,000 people.
- The Jumuiya region experience high rates of desertion by medical personnel, lack of proper structures to determine the health personnel requirements.
- High corruption rates at the counties and lack of adequate funds to employ health personnel, among other reasons.
- Funding of healthcare has been a perennial challenge to healthcare development and access in the Jumuiya region.
- HIV represents one of the public health challenges confronting the Kenyan people, with an estimated 71,000 new HIV infections among adults and about 6,600 new infections among children annually.
- Prevalence and Emergence of non-communicable diseases
- The Covid 19 pandemic including mutation of the virus into new more potent and transmissible variants has emerged as a serious health threat and challenge in the JKP region, the country and across all countries in the globe.

5.2.4 Jumuiya ya Kaunti za Pwani Health Sector Enabler Goals

Jumuiya will pursue the following goals in order to improve the population's health status by enhancing access and uptake across the Jumuiya counties over the Blueprint's time period.

Jumuiya Health Sector Enabler Goals by 2027

- Increase in the malaria immunization coverage in the region from the current average level of 73.5% to the WHO recommended level of 90% by 2027.
- Ensure at least a minimum of 70 % of JKP residents receive WHO recommended vaccines to protect them against Covid -19 by end of 2023
- Increase in the Counties nutritional levels from the current average level 73.1% to at least 90% by 2027.
- An improved doctor/nurse population ratio of at least 1: 5000 and 1: 6000 respectively by 2027.
- Improved access to quality healthcare services of all forms by at least 70% by 2027

Jumuiya Health Sector Enabler Goals by 2030

- A region enjoying optimal health as individuals and as a population benefiting from a 100% high-quality health care services that are effectively coordinated within a strong public health system by 2030.

5.2.5 Strategies

- The Jumuiya will pursue a strategy of cooperation and collaboration through integration of rural hospitals and health clinics. This is a way of those vulnerable rural areas better meet community needs and stabilize and expand services as those needs change. The specific type of relationship formed between a rural hospital and health clinic, Rural Health Clinic or Community Health Clinic, will vary based on the needs of the hospital, health clinic and community. This shall be done by:
 - Contractual collaborations, such as referral and co-location arrangements, or an agreement for the purchase of clinical and/or administrative services between a rural hospital and health clinic;
 - Formation of a consortium or network that allows for sharing of clinical and administrative functions, as well as facilitate the continuum of care; or corporate integration (i.e., merging the rural hospital into the health clinic).
- To enhance healthcare access by the vulnerable in the Jumuiya Counties, the Jumuiya Secretariat in addition to the National Health Insurance Fund (NHIF), introduce an additional health insurance support known as Micro-Health Insurance Scheme (MHIS).
- Lobby regional County governments to develop healthcare access strategies that contain how health care facilities would be improved, modalities of healthcare deliveries to the people and promotion of public health and prevention systems.
- Lobby for County Governments to increase public expenditures to more strategic health infrastructures and access mechanisms.

- Encourage private sector investment uptake in healthcare infrastructures, service provision and healthcare technology access at low costs to the people. National and County Governments shall be lobbied to provide waivers and tax breaks to such private investors.

5.2.6 The Jumuiya-Health Sector Enablers Flagship Project

The Jumuiya considering what is hand in terms of the region's health status has purposed to undertake a number of projects that would bring better and quality healthcare to the people. The flagship projects are:

a. Jumuiya-Primary Healthcare Flagship Sub-Project

This project targets to expand coverage and improve quality of primary health care and referral services, with special focus on mothers and children. An innovative feature about this is, the development of new intermediate level facilities to supervise and serve as referral centers for primary health centers.

Table 5c: Jumuiya Primary Healthcare Project Breakdown

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|--|--|--|-----------------|
| M1-Jumuiya-Primary Healthcare Flagship Project | SB-1: Primary Healthcare Capacity Building Component Sub-Project | Partnership between County Governments and Development Partners | US\$ 30 million |
| | SB-2: County Health Sector Research and Planning Component Sub-Project | County Governments and Local Universities | US\$ 10 million |
| | SB-3: Specialized Healthcare Provision and Nutrition Campaign Project | County Governments and Jumuiya Secretariat& Development Partners | Us\$ 20 million |
| Total Estimated Project Cost | | | US\$ 60 million |

b. Jumuiya-Micro-Healthcare Insurance Flagship Projects

Each year many families are pushed into extreme poverty because of the high cost of healthcare. Particularly for major inpatient expenses, health insurance is the most effective way for people to reduce their out-of-pocket costs and avoid having major medical emergencies which plunge them deeper into poverty. However, insurance providers often have difficulty convincing low-income customers to pay insurance premiums now for needs that may or may not arise later. In bid to enhance UHC in the region as an addition to the National Hospital Insurance Fund (NHIF), the Jumuiya Secretariat will work with private sector to develop e-insurance or digital credit that can enable patients to obtain instant loans for healthcare, even in remote areas.

Table 5d: Micro-Healthcare Insurance Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|---|--|---|-----------------|
| H2-Jumuiya-Micro-Healthcare Insurance Flagship Projects | SB-1: e-Pwani Card <ul style="list-style-type: none"> The e-Pwani will be an Integrated Jumuiya Health Insurance Company, set up to provide financing mechanisms for the delivery of affordable healthcare to the low end of the market. | Private Investor Initiative/Private Investor in Partnership with County Governments | US\$ 10 million |
| Total Estimated Project Cost | | | US\$ 10 million |

5.3 Jumuiya Education and Training Sector Development

Education and Training is one of the fundamental factors in socio-economic development. Without substantial investment in human capital through education, no country can achieve sustainable economic development. Education enriches people's understanding of themselves and their surroundings. It improves the quality of their lives and leads to broad social benefits to individuals and society. Education and training raises people's productivity and creativity and promotes entrepreneurship and technological advances. In addition it plays a very crucial role in securing economic and social progress and improving income distribution.

5.3.1 Education and Training Status and Performance at National Level

In the period under consideration, the sector witnessed a general increase in the number of educational institutions across all categories. The most notable increase was in public vocational training centres, which went up by 26.6 per cent to 1,502 in 2018. Similarly, the total number of primary schools rose by 7.0 per cent to 37,910 in 2018 however, Gross Enrolment Rate (GER) for primary schools stagnated between 2017 and 2018. In the same period, the total pupil enrolment in Early Childhood Development Education (ECDE) centres rose by 3.0 per cent to stand at 3.4 million in 2018. Indeed the number of trained ECDE teachers increased by 5.4 per cent to 112,703 whereas, that of untrained ECDE teachers declined by 7.8 per cent in 2018. Pre-primary Gross Enrolment Rate (GER) increased by 1.3 percentage points to 78.4 per cent in 2018. In terms of technical training and skilling at the national level, the total enrolment in Technical and Vocational Education and Training (TVET) institutions grew by 32.3 per cent to 363,884 in 2018 due the massive campaign by the government on technical skilling of youths for employability. During the same period, enrolment in vocational training colleges increased by 25.5 per cent to 284,506, partly due to the on-going initiative to increase enrolment in TVET institutions.

The Covid19 pandemic led to the closure of schools and all learning institutions to safe guard the health and safety of students and teachers. The prolonged closure of schools and learning institutions has exposed children to social isolation and negative impact on their overall well being. It has also disadvantaged students from low income households and those from areas of the country with low ICT infrastructure who were unable to access on line learning.

5.3.2 Development Outcome 12: Improved Education Uptake and Skills Development Levels

Improved education and skills development are instrumental in creating societies that are better able to respond to social and economic development challenges they face. The availability of a skilled workforce is necessary to support the transition of all economic sectors towards highly productive activities, raise labour productivity, attract investment into the country, reduce poverty and build resilience in the economy. Issues of lifelong learning, continuing professional development and knowledge production, alongside innovation, are key to building the capabilities of individuals and society as a whole and achieving societal benefit like gender equality.

5.3.3 Education and Training Status in the Jumuiya Region

In the Jumuiya region, there have been commendable efforts made towards developments in basic education characterized by the Early Childhood Development Education (ECDE) and the primary education. The region has considered this as an important undertaking that aims at creating and building a society that is knowledgeable, fair and capable in participating in nation building even at the minimum level. According to the CIDP Reports, Lamu County had a total of 203 ECDE centres with a total of 13,000 pupils and 478 teachers thus, reporting a teacher/pupil ratio of 1:27. The County also experienced the highest transition rate reported at 98% and a retention rate of 99% at ECDE levels while reporting a transition rate of 68% and a completion rate of 87%. The primary education segment saw a total enrolment of 25,688 with a teacher/pupil ratio of 1:40 reported. Mombasa County had a total of 770 ECDE centres spread across the County with 47,867 students with 1,714 teachers. Growth in primary schools establishments remained fairly stable but with an improved enrolment of 76,345 students. The teacher/pupil ratio reported at 1:41 thus doing better than the recommended teacher/pupil ratio of 1:50 for primary education. The dynamics were basically similar in the other Counties of Tana River, TaitaTaveta and Kwale as shown in Table 5e.

Table 5e: Basic education performance indicators at Jumuiya Counties

| Basic education category | Kilifi | Kwale | Mombasa | Lamu | TaitaTaveta | Tana River |
|----------------------------|--------------|-------------|-------------|-------------|-------------|-------------|
| No. of ECDE | 1,609 | 1,072 | 770 | 203 | 453 | 315 |
| ECDE Enrollment | 135,571 | 77,067 | 47867 | 13,000 | 21,063 | 20,404 |
| <i>Teacher/Pupil Ratio</i> | <i>1:130</i> | <i>1:37</i> | <i>1:41</i> | <i>1:27</i> | <i>1:39</i> | <i>1:51</i> |
| <i>Recommended ratio</i> | <i>1:50</i> | <i>1:50</i> | <i>1:50</i> | <i>1:50</i> | <i>1:50</i> | <i>1:50</i> |
| No. of Primary Schools | 756 | 471 | 645 | 106 | 315 | 152 |
| Enrollment | 287,562 | 178,166 | 146,646 | 25,688 | 58,475 | 49,668 |
| <i>Teacher/Pupil Ratio</i> | <i>1:85</i> | <i>1:36</i> | <i>1:41</i> | <i>1:40</i> | <i>1:30</i> | <i>1:40</i> |
| <i>Recommended ratio</i> | <i>1:40</i> | <i>1:40</i> | <i>1:40</i> | <i>1:40</i> | <i>1:40</i> | <i>1:40</i> |
| No. of Secondary Schools | 249 | 79 | 99 | 25 | 81 | 52 |
| Enrollment | 60,936 | 25,739 | 27,542 | 5934 | 20,983 | 5,782 |
| <i>Teacher/Pupil Ratio</i> | <i>1:83</i> | <i>1:21</i> | <i>1:43</i> | <i>1:36</i> | <i>1:23</i> | <i>1:32</i> |
| <i>Recommended ratio</i> | <i>1:40</i> | <i>1:40</i> | <i>1:40</i> | <i>1:40</i> | <i>1:40</i> | <i>1:40</i> |

Source: CIDPs and County Statistical Abstracts, KNBS

With new emphasis laid on Technical Vocational Education and Training (TVET) by the national government as a strategy for increasing labor capacity and skills for industrialization as well as making youths employable and, helping create capacity for self-employment, the Jumuiya Counties have gone full throttle to develop and promote Youth Polytechnics (YPs), TVETs and VTCs in their respective areas despite the limited resources at disposal in the Counties. For example, in Lamu County, there were a total of 745 trainees enrolled in a mere 6 VTCs. Kilifi County there were 2 technical training institutions registering 203 trainees while the existing 28 VTCs enrolled 3,261 trainees with a completion rate of 65%. Kwale County reported having about 120 trainees in total from their 20 Youth Polytechnics while TaitaTaveta with 24 TVET centres spread across the County enrolled 2,298 trainees between 2013-2018 periods. Mombasa County reported at least 3 Youth Polytechnics with 576 trainees. In spite of the attempts by the Jumuiya County Governments to promote and financially support the YPs, TVETs and the respective VTCs, their interventions have not been sufficient in terms of market oriented technical capacities and space given the region rising youthful population (15-35 years) that currently is estimated at 1.5million.

5.3.3.1 Challenges

- Low uptake of TVET related courses and institutions: notwithstanding, the quality of TVET and its programmes, the TVETs and allied technical education institutions have been negatively profiled.
- Early school age pregnancies: this has mainly affected the girl child education in the entire Jumuiya region.
- Low quality of education as evidenced by low performance results in the annual Kenya National Examination Council Assessment Examinations.
- Slow implementation and filtration of the Competence-Based Education and Training (CBET) Curriculum.
- Inadequate financial resources: the Counties do not have sufficient financial resources to effectively support TVET's infrastructures and the required modern technical staffing of such institutions.
- Inadequate WASH facilities, disinfection and fumigation, PPEs, school infrastructure such as extra classroom and desks in schools and learning institutions and on-line ICT learning facilities to manage and contain Covid 19 through hand hygiene, safe distance requirements and other measures.
- Lack of Covid 19 vaccination for teachers, staff, and students in tertiary institutions

5.3.4 Jumuiya Education and Training Sector Goals

Jumuiya will pursue the following goals in order to improve the education and training status by enhancing infrastructural needs, improving quality and promoting uptake across the Jumuiya counties over the Blueprint's time period.

Jumuiya Education and Training Sector Development Goals by 2027

- Improved, relevant and adequate skills and competencies in strategic disciplines in place by 2027 for spurring industrial and economic development in line with the aspirations of the Jumuiya respective Counties CIDPs.
- Increase in the number of ECDE Centres with appropriate infrastructures in each County by at least 10% by the year 2027 and a minimum of 95% enrolment rate per County by 2030.
- Improved primary school enrollment rate by at least 90% in each County by the year 2025 accompanied, by transition rate of 95% to secondary schools by 2030.

Jumuiya Education and Training Sector Development Goal by 2030

- Effective and harmonized TVET system that is capable of producing quality skilled labor with almost perfect synchrony with the expecting industry demands and, with the right attitudes and values required for self-development as well as for growth and prosperity of the Jumuiya region by 2030.

5.3.5 Strategies

Strategy 1: Enhance access to quality, equitable and inclusive education

- Programmes enhancing equitable access by all persons, including those with disabilities and special needs, to school places at all levels of education will be implemented in the medium to long-term. Investment in infrastructure and use of innovative methods of delivering education will be undertaken. Infrastructure development to promote equitable access to quality education and skills training, distance education, research, innovation and vocational and entrepreneurship training will be implemented. Access will be enhanced by advanced ICT that will play a critical role in expanding learning opportunities for different groups of learners and promote life-long learning and continuing professional development.

Strategy 2: Enhance Education Quality

- To improve quality, focus will be on enhancing the development of literacy and numeracy skills in learners, especially at ECDE and primary education level, through implementation of the revised curriculum. Priority will also be given to the procurement and supply of learning and teaching materials (including ICT) and upgrading teacher competences. Projects to effect this strategy are include but not limited to:
 - Infrastructure development;
 - Teacher training, recruitment and deployment improvement;
 - Equity and inclusive education enhancement;
 - Youth and adult literacy expansion and improvement; and

Strategy 3: Enhance access to skills training

- The implementation of the Jumuiya 2030 Economic Development Blueprint will require abundant supply of skilled labour. However, opportunities for skills acquisition in the Jumuiya are very limited, constrained even further by high cost barriers to skills acquisition. To increase access to skills training, the Jumuiya County Governments will enhance implementation of the strategies that were commenced by the National Government on TVET Development and

Training. Additionally the Jumuiya Counties with support from Development Partners i.e., GiZ with undertake the following strategies:

- Secondary school vocational education and training;
- Institution-based learning and, Open, distance and flexible learning;
- Workplace/on-the-job training and Learnership, including apprenticeship;
- Recognition of prior learning assessments;
- National skills competitions.

Strategy 4: Enhance private sector participation

- Private education and training providers will continue to be important partners in the delivery of education and training for all at all levels. The Jumuiya County Government will provide a conducive environment for private sector participation in the provision of education and skills training. Furthermore, there will be special effort to improve private sector participation in skills development for out-of-school youths through provision of incentives to the private sector to invest in delivery of education and skills training.

Strategy 5: Implementing Covid 19 Mitigating and Management Measures

The JKP secretariat working with County Governments, National Government, Private Sector, Development partners and local communities will implement the following strategies:

- Ensure that all teachers and staff in the JKP region schools and education are fully vaccinated against the Covid 19 as per WHO recommendations
- Provision of adequate WASH facilities in schools and learning institutions
- Provision of psychosocial support through counselling and guidance to students and learners and teaching staff
- Monitor enforcement and compliance of schools infrastructure to the Covid -19 Health and Safety Manuals for Schools and the Ministry of Health Covid-19 containment measures
- Partnership with media organisations to provide updates and sensitize children and parents on Covid-19 containment measures in national and local languages
- Ensure Increased budgetary allocations by County Governments to fund Covid-19 related measures in the education sector

5.3.6 Jumuiya Education and Training Sector Flagship Projects

It is true that high-quality Early Childhood Development (ECDE) interventions have significant and long-term social and economic benefits for children, their families, and society at large. This position applies to the Jumuiya Counties as well. Evidence from around the world have shown that early childhood (ages 3-7) is a critical period in a child's physical, cognitive, linguistic, and socio-emotional development, and that what children experience in these early years shapes and defines their futures. Holistic ECDE interventions have been shown to benefit children in three broad categories of interrelated outcomes: (i) *enhancing school readiness and educational outcomes*; (ii) *improving physical and mental health outcomes*; and (iii) *reducing engagement in high-risk behavior*. These types of interventions can have an especially powerful effect on children from disadvantaged households, helping to reduce inequalities.

It is therefore instructive to note that any project aimed at ECDE development should aim at such outcomes as stated above.

a. The Jumuiya- Early Childhood Development Education Flagship Investment Project

This flagship project aims to increase access to early childhood education, improve the quality of learning environments in selected 2 public pre-schools in every Sub-County in all the Jumuiya Counties, and enable a systematic measurement of education quality for informed decision-making. The flagship project components are:

Table 5e: Early Childhood Development Education Flagship Investment Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|--|--|--|-----------------|
| ED-1: Quality ECDE Improvement Flagship Project. | SB-1: Improving Quality and Access to Pre-school Education | County Governments supported by Development Partners | US\$ 50 million |
| | SB-2: Primary and Secondary School Enrollment and Completion Project | | |
| | SB-3: Jumuiya Post Secondary Vocational Camps Projects | | |
| Total Estimated Project Cost | | | US\$ 50 million |

b. The Jumuiya – TVET Quality Enhancement Flagship Project

The Jumuiya –TVET Quality Enhancement Flagship Project aims to improve MSMEs development, equitable access to market relevant training programs and to strengthen the technical and vocational education and training (TVET) sector service delivery in the Jumuiya region as the impending regional industrialization, agricultural and fisheries development, tourism among others plan to take shape. The flagship project dynamics are presented in Table 5f.

Table 5f: Jumuiya –TVET Quality Enhancement Flagship Project

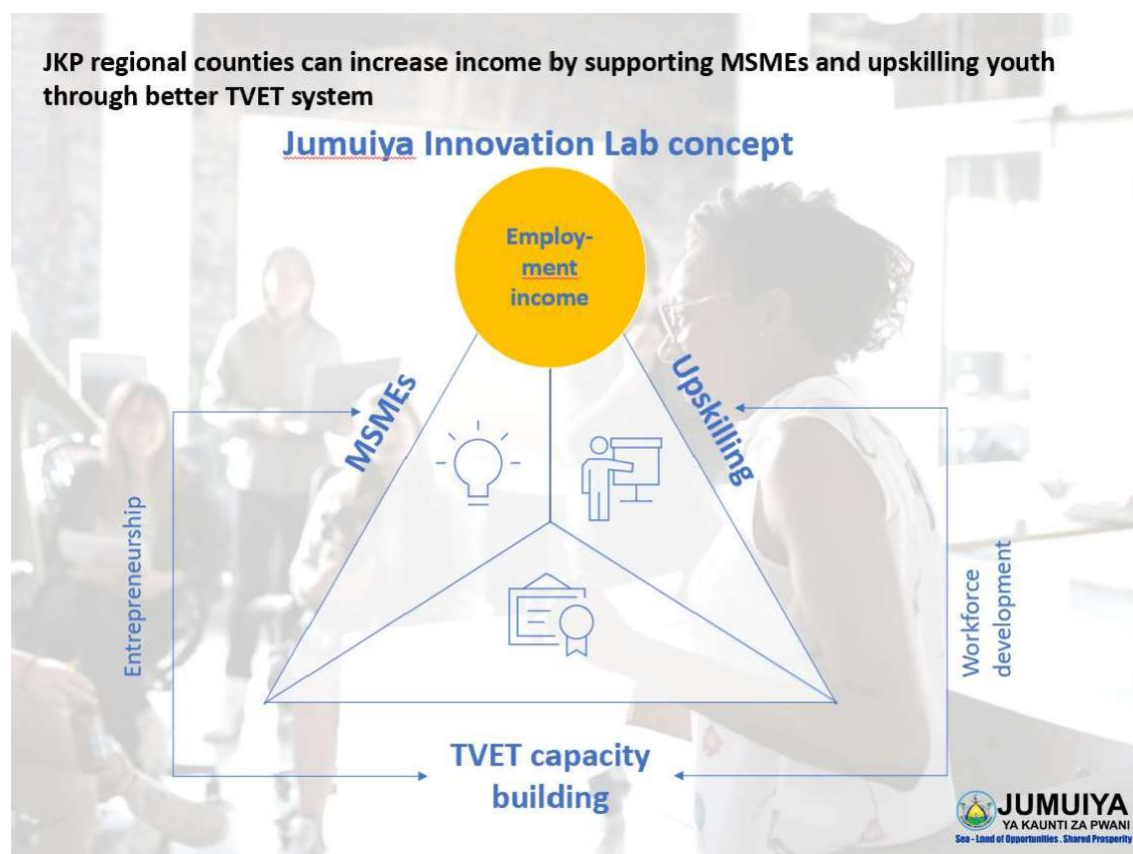
| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|--|---|--|-----------------|
| T1-TVET Result Based Development Project | SB-1: Strengthening Service Delivery in Technical Education Sub-Project This involves: | Jumuiya Secretariat, County Government working with the National Government and Development Partners | US\$ 25 million |
| | <ul style="list-style-type: none"> Development of Fully Loaded Theme Based Workshop Industry Based Apprenticeship | | US\$10 million |
| | SB-2: Widening Access to TVET Programs Sub-Project This involves: | Private Investor Initiative/ Development Partners | US\$ 30 million |
| | <ul style="list-style-type: none"> Establishment of Centres of Excellence in all the 6 Counties Private Sector TVET Participation Promotion Project | | US\$15 million |
| | SB-3: TVET Graduate Skills Testing Certification (GSTC) Initiative | National Government/County Governments supported | US\$5 million |

| | | | |
|---|--|-------------------------|------------------|
| | | by Development Partners | |
| SM:1 Jumuiya MSMEs Productivity Development Project | SB-4: MSMEs Facilitation Sub-Project | | US\$40 million |
| | SB-5: MSMEs Enterprise Development Sub-Project | | US\$60 million |
| Total Estimated Project Cost | | | US\$ 185 million |

c. The Jumuiya- Innovation Lab Flagship Projects

The Jumuiya Innovation Lab is a coordinated skilling initiative for youth's employability across the Jumuiya region and beyond. The Jumuiya Innovation Labs (JIL), will and seek to touch and impact at least 10,000 youths directly and up skill 20-30 VTCs by 2022. By 2030, JIL aims at transforming the coastal vocational education system. This will be through business development support, vocational education, workforce skilling and placement. The JIL will be a one-stop center for youths providing career advisory among other entrepreneurial development clinics.

Figure Jumuiya Innovation Lab Concept



The flagship is to combine intervening strategies and policies in the Jumuiya counties to align in closing the school transition gaps, facilitate self-employment with incubation of Micro- Small Medium Enterprises (MSMEs) development for employability and economic productivity. This will help support the progression to middle income.

Table 5g: The Jumuiya- Innovation Lab Flagship Projects

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|--|--|---|------------------|
| JL-1: Jumuiya Incubation Lab Project | SB-1Micro, Small and Medium Enterprise (MSME) Incubation Sub-Project | Jumuiya Secretariat through Jumuiya Fund and Private Investor Partnership | US\$ 1.5 million |
| JL-2: Jumuiya Workforce Development Center | SB-2: Center for workforce skilling | Jumuiya Secretariat through Jumuiya Fund and Private Investor Partnership | US\$ 5 million |
| JL-3-TVET Youth Transition to Work Project | SB-3: Enabling Youth Transition to Work Activities Sub-Project | Jumuiya Secretariat through Jumuiya Fund and Private Investor Partnership | US\$ 1 million |
| Total Estimated Project Cost | | | US\$ 7.5 million |

5.3.7 Private Sector Development and Engagement

Private Sector Development (PSD) is a public sector oriented development strategy targeted at promoting economic growth and development, increasing societal welfare and reducing poverty in developing countries by building private enterprises through deliberate assistance or policy support towards creating conducive business environment with the ultimate outcome of, ease of doing business

Given the adverse impact of the Covid -19 pandemic on the economy and the consequent reduction in fiscal revenues both the national and county governments post Covid-19 social and economic recovery strategies place a larger role for the private sector in terms of employment creation and poverty reduction. The National Government will implement a revised PPP Act and regulations to reduce the lengthy approval processes and facilitate a larger role of the private sector in development of infrastructure and service delivery. The revision will also allow a greater role to County Governments in the process of initiating and approving PPP projects.

5.3.8 Development Outcome 13: A Vibrant Jumuiya Private Sector Investing in all Jumuiya 2030 related Flagship Projects among other existing Business Initiatives

Sustainable economic development occurs and can only be sustained in an environment where private sector is in the forefront of the mainstream economic development. Without a doubt, private sector is the engine of economic growth - creating jobs, increasing trade, providing goods and services to the poor and generating tax revenue to fund the much needed basic public services such as health and education among other basic social services. In this Blueprint, the private sector will be sought by the Jumuiya as a partner for a number of reasons, including its expertise, market-based approaches and technological innovation in order to drive development.

5.3.9 Private Sector Status and Performance in Jumuiya

In Kenya the private sector has over the years substantially contributed to the country's economic development process. The private sector through its activities contributes over 85% of the GDP, a substantial percentage of total employment, and the bulk of export earnings. The major growth sectors are Trade, restaurants and hotels; Agriculture, Manufacturing, Finance, insurance, real estate and business support services; and Transport, communications and storage. It is no doubt that the private sector will be a major driving force of the Jumuiya 2030 Blueprint implementation and the envisaged outcomes and future impacts.

5.3.9.1 Challenges

- Poor and unfriendly investment climate and business operating environment characterized by complex regulatory and conflicting policy positions
- Uncompetitive infrastructure and utilities; Low levels of labor and capital productivity in the region; Low entrepreneurial urge and undertaking in the Jumuiya region
- Emerging and unique crime associated with radicalization among other common crime thus, leading to insecurity,
- Low technology adoption levels and application and High cost of credit; Limited industry based financing institutions and, poor governance and High levels of corruption.

5.3.10 The Jumuiya Private Sector Development and Engagement Goals

- At least 50 local private sector companies/businesses, participating through investing in the Jumuiya economic capital flagship projects by 2030.
- A competitive private sector supporting the Jumuiya's socio-economic growth through enhanced market share in the EAC region, national and at the global markets by 2030
- Prioritize attraction of Diaspora funds in investment in the JKP region and JKP 2020 Flagship projects

5.3.11 Strategy

- The Jumuiya Secretariat in partnership with the Jumuiya County Governments, Private Sector Organizations and Development Partners will develop the Jumuiya Private Sector Development Strategy 2020-2025

5.3.12 Private Sector Development and Engagement Flagship Projects

The flagship projects hereunder seek to support and strengthen the Private Sector at all levels in the Jumuiya region in order to make them competitive at production and in the domestic and external markets. Table 8e below presents a number of sub-projects under the main flagship project to be undertaken during the blueprint's implementation period.

Table 8e: Jumuiya Private Sector Development and Engagement Flagship Projects

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|------------------|-------------------------|---------------------|----------------|
|------------------|-------------------------|---------------------|----------------|

| | | | |
|---|---|---|-----------------|
| PS-1: Private Sector Development and Engagement Flagship Projects | SB:1- Jumuiya Investment Climate & Business Operating Environment Improvement Sub-Project. | Jumuiya Secretariat/County supported by development partners | US\$5million |
| | SB:2-Jumuiya Region's Private Sector Enterprise Value Chain Development Sub-Project This will involve: <ul style="list-style-type: none"> Improving market linkages at the regional, national and global to businesses in regional entrepreneurship ecosystems. New automated company registration system—technology infrastructure and integration. | Jumuiya Secretariat/County supported by development partners | US\$ 10million |
| | SB:3- Jumuiya-Sub-Contracting and Partnership Exchange Sub-Project | Jumuiya Secretariat in partnership with Development Partners | US\$10million |
| | SB:4- Jumuiya Private Sector Development Fund <ul style="list-style-type: none"> Developing a dynamic startup finance ecosystem. | County Government & Development Partners as well as Strategic Investors | US\$50million |
| Estimated Project Cost | | | US\$ 75 million |

6 Jumuiya Foundations and Enablers

6.1 Jumuiya Governance Foundation and Enablers

6.1.1 Introduction to Governance

Good governance is imperative for creating conditions to accelerate the Jumuiya socio-economic diversification and inclusive growth agenda the region envisages. Various governance concerns will be addressed in the Jumuiya 2030 Blueprint Plan Period, to contribute to the realization of a resilient and diversified Jumuiya economy. This will be done especially in the non-traditional economic sector of the Blue Economy that includes: marine fisheries and aquaculture, maritime tourism and cultural heritage, maritime transport and logistics, blue manufacturing and, blue urbanization. Traditional value added sectors in the Blueprint include: agriculture and livestock, tourism, green manufacturing and mining. The Jumuiya Secretariat as the implementation coordinator together with the respective Jumuiya County Governments Government will through this Blueprint mainstream the Sustainable Development Goals (SDGs).

To ensure “Zero Tolerance to Bad Governance” and upholding, “Total Adherence to good governance by 2030”, the Jumuiya Secretariat as the coordinating organization will continue to promote good governance in the following areas during the Blueprint period:

- Improving the policy and legislative environment;

- Improving sustained transparency and accountability;
- Developing service charter to guide quality service delivery; and
- Improving rule of law, human rights and constitutionalism.

6.1.2 Good Governance Implementation

To address these overarching points, the Jumuiya Secretariat and the County Government will focus on the following development governance outcomes.

6.1.2.1 Governance Outcome 14: Improved Policy and Legislative Environment

The Jumuiya Secretariat and the County Governments will during the Blueprint Plan Period put in place a conducive and stable and predictable policy environment with a view to providing certainty to the private sector (business community), development partners, the general public, civil society and public sector institutions, thus instilling public, investor and institutional confidence. This will be achieved through establishment of inclusive Consultative Dialogue Platform, see Table 6n, and a guiding framework as well as legal reforms that will ensure legally binding, inclusive and coherent policy formulation, implementation and monitoring.

6.1.2.2 Intervention projects

- Establishment and Operationalization of Projects on: County Sector Working Groups Platform (CSWGP), Jumuiya Apex Sector Working Group Platform (Jumuiya-ASWGP) and Jumuiya Advisory Council (Jumuiya 2030-AC); and
- Establishment of Legal and Administrative Framework for the Established Jumuiya 2030 Working Units

Table 6n: Jumuiya Consultative Dialogue Platform Projects

| Strategy | Governance Project | Implementer | Estimated Cost |
|--|--|--|----------------|
| <i>Strategy 1: Reform and re-establish inclusive consultative structures</i> | County Sector Working Group Platform Development | Jumuiya Secretariat | US\$ 200,000 |
| | Jumuiya-Apex Sector Working Group Platform Development | Jumuiya Secretariat | US\$ 200,000 |
| | Jumuiya-2030 Economic Development Blueprint Advisory Council | Jumuiya Secretariat & County Governments | US\$ 200,000 |
| | Legal and Administration Framework Development | Jumuiya Secretariat & County Governments | US\$ 200,000 |
| Total Estimated Project Cost | | | US\$ 800,000 |

6.1.2.3 Governance Outcome 15: improving sustained transparency and accountability

Sustained transparency and accountability in the management of public resources are key to the Jumuiya region's quest to attain a diversified and resilient economy. In this regard, the Jumuiya Secretariat will focus on improving transparency and accountability in Jumuiya County Governments

and allied institutions for enhanced public service delivery and growth in the economy. Further, the Jumuiya Secretariat will support the County Governments to enhance and strengthen accountability mechanisms, review and strengthen legal frameworks for oversight institutions and foster stakeholders' participation in promoting transparency and accountability.

6.1.2.4 Intervention Project

- Establishment of County Complaints Management System

Table 6p: Jumuiya County Transparency and Accountability Project

| Strategy | Governance Project | Implementer | Estimated Cost |
|--|--|---|----------------|
| <i>Strategy 1: Strengthen transparency and accountability mechanisms</i> | County Transparency and Accountability Project | County Governments coordinated by Jumuiya Secretariat | US\$ 200,000 |
| <i>Strategy 2: Strengthen public financial management</i> | Establishment of County Complaints management Systems Office | County Governments coordinated by Jumuiya Secretariat | US\$ 500,000 |
| Total Estimated Project Cost | | | US\$ 700,000 |

6.1.2.5 Governance Outcome 16: Improved Service Delivery

The Jumuiya Secretariat will promote continued reforms to enhance professionalism and efficiency in the public service. The reforms will aim at building public satisfaction and confidence. The Jumuiya Secretariat will support County Governments to undertake necessary reforms in the public sector aimed at promoting objective, suitable and impartial recruitment and placement of public service officials, while entrenching professionalism in the public service.

6.1.2.6 Governance Intervention Project

- County Service Charter Development

The Counties service charter will be developed and budgeted for as shown in Table 6q, with a County Commitment Framework to deliver by the charter. The charter will contain within it principles with reflections of good governance such as:

- Provision of clear and explicit standard of services that clients must reasonably expect.
- Providing all County clients with adequate information about services in a straight forward and open manner.
- Commitment to communicate clearly and effectively to all audience.
- Commitment to handle clients with dignity, courtesy and respect.
- Commitment to uphold transparency and accountability.
- Commitment to uphold the principles of natural justice at all times.
- An undertaking to utilize resources prudently to attain best value for the County Government, users, County citizens and taxpayers.
- Practice monitoring and evaluation system that keep track of County performance in its service delivery charter.

Table 6q: Jumuiya County Charter Development Project

| Strategy | Governance Project | Implementer | Estimated Cost |
|----------|--------------------|-------------|----------------|
|----------|--------------------|-------------|----------------|

| | | | |
|----------------------------------|--|-------------------------------------|--------------|
| <i>Scale-Up Service Delivery</i> | County Service Delivery Development Capacity Building and Technical Assistance | County Governments/ JKP Secretariat | US\$100,000 |
| <i>Service Delivery Unit</i> | Capacity Building and Technical Assistance | County Governments/ JKP Secretariat | |
| Total Estimated Project Cost | | | US\$ 100,000 |

6.2 Jumuiya Land Resource Sector Development

6.2.1 Introduction to Land Resource

Land is major factor of production among other factors that fall within the realm of economic production function. It is a key enabler to the major economic activities to be undertaken in the Jumuiya initiatives as well as community economic activities.

6.2.2 Development Outcome 17: Increased amount of Land in Hectares Reclaimed for Economic Activities

Land is the natural resource and a factor of production that an enterprise uses to produce goods and services to generate economic outcomes such as crop output, industrial development, and infrastructure set up. The Jumuiya has planned to increase for example agricultural production and expanded industrial development by implementing both the Blue-Coastal Economic Zones and the Green Economic Zones. The Jumuiya has equally planned for massive infrastructural development across the region. These planned developments will require land that would be either existing or reclaimed and prepared in order to realize the expected development outcomes.

6.2.3 Land Resource Status in Jumuiya Region

The Jumuiya is endowed and has the potential to effectively support various economic activities based on its land resource. The main economic land uses in Jumuiya include agriculture, tourism, urbanization, human settlements, industry and warehousing, ranching/grazing, conservation areas, mining and quarrying. The other form of economic land use fall under protected land. These are in the form of forest reserves, national reserves and national parks. The national park and reserves constitute the largest part of land under conservation and one that singularly targets one economic activity. The total area land use distribution is shown in Table 6j. In the agricultural context, land (soil type and condition), has a strong influence on crop production that ensures food security.

Table 6j: Land use distribution in Jumuiya

| County | Land area in km2 | | | | |
|---------|------------------|------------|----------|---------------------------|-----------|
| | Arable | Non-arable | Forest | National parks & reserves | Total/row |
| Mombasa | 9 | 216.5 | 4.4 | 165 | 394.9 |
| Lamu | 5,517 | 328.1 | 428 | 877 | 7,150.10 |
| Kilifi | 6,891.20 | 5,164 | 245 | 6 | 12,306.20 |
| Kwale | 733.2 | 5,286.50 | 2,250.50 | 192.5 | 8,462.70 |

| | | | | | |
|--------------|-----------|-----------|----------|-----------|-----------|
| Taita Taveta | 2,055 | 4,249.20 | 104.5 | 10,650 | 17,058.70 |
| Tana River | 2,547 | 29,798.70 | 3,457 | 3,059.50 | 38,862.20 |
| Total/column | 17,752.40 | 45,043.00 | 6,489.40 | 14,950.00 | 82,994.30 |

Source: County Integrated Development Plans 2013-2017 for Kilifi, Taita-Taveta, Tana River, Kwale, Lamu and Mombasa Counties.

6.2.3.1 Challenges

- Land tenure system in the Jumuiya Region is one of the greatest challenge and impediment to socio-economic development in the region.
- Another challenge is that vast tracks of land are owned by absentee landlords. Such tracks of land have been occupied by squatters who believe they have the right of ownership because they have occupied and lived in these parcels for over ten years.
- Lack of titles deeds.

6.2.4 Jumuiya-Land Resource Sector Development Goals

Jumuiya Land Resource Development Goals by 2027

- Put at least 50% of the 45,043 ha of the non-arable land in the coastal region into full agricultural use applying modern technology by 2027.

Jumuiya Land Resource Development Goal by 2030

- An additional 20% of ha of the non-arable land in the coastal region reclaimed and put into multi-economic use by 2030.

6.2.5 The Jumuiya Land Reclamation and Improvement Flagship Projects

The Land Reclamation and Improvement Flagship (LRIF) Project is a programme designed to reclaim and improve lands to make them suitable for economic use. Reclamation component will be concerned with the improvement of rainfall-deficient areas by irrigation, the removal of detrimental constituents from salty or alkali lands, the dyking and draining of tidal marshes, the smoothing and re-vegetation of strip-mine spoil areas, and similar activities.

Table 6k: Jumuiya Land Reclamation and Improvement Flagship Projects

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|--|--|---|-----------------|
| LD-1: Jumuiya Land Reclamation and Improvement Flagship Projects | SB-1: Land Identification Development and Treatment Sub-Project | County government/Partnership with Development Partners | US\$ 20 million |
| | SB-2: Improvement of Drainage Systems Sub-Project | County government | US\$ 30 million |
| | SB-3: Land and Agriculture Support Service Sub-Project: This will involve: <ul style="list-style-type: none"> Securing approximately 1 million acres of land for commercial agriculture. | Private Investor Initiative/Civil Society/County government | US\$ 10 million |

| | | | | |
|------------------------------|--|--|--|-----------------|
| | | | | |
| Total Estimated Project Cost | | | | US\$ 60 million |

6.3 Jumuiya Infrastructure Enablers

Economic and physical infrastructure is key to Jumuiya's socio-economic transformational growth, and development. The adequacy of infrastructure in form of roads and railway transport system, ports, power, waterways, airports, ICT systems, energy and their efficient working is and will be needed for growth and development of sectors such as agriculture and livestock, manufacturing, trade and logistics, mining among others.

6.3.1 Road Transport Sector Enabler

Road transport plays a central role in the development of all sectors in the Jumuiya's region. Indeed, good road infrastructure network spurs economic growth as it lowers the cost of doing business through reduced costs of transport and maintenance.

6.3.2 Development Outcome 18: Improved Road Transport Networks Associated Infrastructure

A well-functioning transport system has the potential to reduce the overall cost of doing business in the country, thereby contributing to the attainment of a diversified and resilient economy for sustained growth and socio-economic transformation. An improved transport system and infrastructure will enable efficiency in the movement of goods and people within and outside the region and therefore fast-track economic growth and development.

6.3.3 Road Transport Services Status in Jumuiya Region

The Jumuiya region road transport infrastructure network is one of the least developed in the Country. The region has a total of 6,380 km of classified roads out of which only 27% have bitumen surface thus creating classified roads deficit of 73%. The total length of roads in use in the region is 19,817km. Out of this, 68% (13,437km) are unclassified but are in use by the region's households who are the main economic agents. Table 6a shows the length of classified and unclassified road network in the six coastal counties.

Table 6a: Road network distribution by County and Type of Surface

| County | Earth surface | Murram Surface | Bitumen surface | Total Classified Roads in Km | Total distance in Km by County |
|---------|---------------|----------------|-----------------|------------------------------|--------------------------------|
| Mombasa | 91 | 127 | 257 | 384 | 475 |
| Kwale | 1,695 | 425 | 194 | 619 | 2,314 |
| Kilifi | 7,479 | 3,000 | 521 | 3,521 | 11,000 |

| | | | | | |
|--------------------|--------|-------|-------|-------|--------|
| Tana River | 2,269 | 659 | 449 | 1108 | 3,377 |
| Lamu | 522 | 161 | 6 | 167 | 689 |
| TaitaTaveta | 1,381 | 298 | 283 | 581 | 1,962 |
| Total km/road type | 13,437 | 4,670 | 1,710 | 6,380 | 19,817 |

Source: County Integrated Development Plans

According to the Kenya National Highways Authority (KeNHA) a total of Ksh.28 billion is presently being spent on road construction and upgrade in the coastal counties of Mombasa, Lamu and Tana River. Among the roads under construction are Lamu-Garsen (135km), Mombasa Southern By-pass, and Magongo (17.7km) in Mombasa and the Lamu Port access roads.

The ongoing construction and upgrade of road infrastructure projects is aimed at facilitating transportation of goods and passengers and boost the economy of the region. Similarly, the construction and expansion of Magongo- Miritini, Airport and Port Reitz roads which have been expanded into dual carriage ways at a cost of Ksh.23 billion is expected to ease traffic from and to Moi International Airport and also improve movement of cargo from the port. The Dongo-Kundu Bypass which connects Mombasa to the South Coast and funded through a loan of Ksh.25 billion from the Japan International Agency (JICA) is another mega project implemented by the government in the Coast region. With these developments, it is envisaged that the road networks expansion and development will generate positive economic impact courtesy of improvement in connectivity within the Blue economy.

6.3.3.1 Challenge

- The number of roads in kilometers under earth surface and murram constitute a total of 18,107km in Jumuiya. The total distance of roads in kilometers under bitumen surface in the region is estimated at 1,710km. The total distance of roads measured show a massive deficit of 91.3% of decent, all weather bitumen/tarmac roads a situation that is detrimental to any form of economic growth and development. The bad roads have fueled the poverty levels as the poor can hardly access and sell in more established markets within the region. This has slowed down economic growth and development potential of the Jumuiya Region.

6.3.4 Jumuiya Road Infrastructure Goals

The Jumuiya will pursue a number of goals in order to improve the region's road infrastructure over the Blueprint's implementation time period. The following goals are to be pursued.

Jumuiya Road Infrastructure Development Goals by 2027

- At least 467 kilometers (10%) of murram roads turned in complete bitumen roads in all Jumuiya Counties by 2027.
- At least 2,016 kilometers (15%) of earth surface roads in all Jumuiya Counties improved to graveled usable surface by 2027

Jumuiya Road Infrastructure Development Goals by 2030

- A total of 934 kilometers (20%) of murram road completed with all-weather bitumen surface across Jumuiya Counties by 2030.
- A total of 2,015 kilometers of earth surface road turned into graveled roads across all Jumuiya Counties by 2030.

6.3.5 Strategies

Strategy 1: Construction and rehabilitation of road network across the Jumuiya Counties

The Jumuiya focus will be on construction and maintenance of road infrastructure to ensure enhanced and safe connectivity across the country and to preserve road asset investments. In addition, focus will be on upgrading and rehabilitating of roads and bridges to foster trade and development, facilitate movement of goods and services and reduce travel times and costs. The County Government will equally be at liberty to develop tolls on strategic developed roads and collect road user charges to finance its programmes in the road sub-sector as well as pursuing PPPs as a financing mechanism for road construction.

Strategy 2: Construction and rehabilitation of maritime and inland waterways

The Jumuiya is a maritime oriented environment with workable inland waterways in Tana and Sabaki Rivers. To that extent, the Jumuiya Counties supported by the Development Partners and National Government will focus on expansion and modernization of the inland waterways of Tana and Sabaki Rivers, where possible, to increase access and open up markets. There will also be focus on the development and rehabilitation of canals and jetties along these rivers to service rural communities through increased trade and service delivery. During this Blueprint period, studies will be undertaken to determine the feasibility of developing the Tana and Sabaki Rivers' navigability.

6.3.6 The Jumuiya Road Transport Infrastructure Flagship Projects

The flagship projects conceptualized in this blueprint include road projects that will offer socio-economic transformation by supporting rural and urban structural economic development through expansion and linkage between sectors and among sector actors for purposes of facilitating and fast-tracking economic activity.

a. Toll-Road Infrastructure Flagship Project

The construction and tolling of approximately 350-kilometer highway will be considered a major economic success and shall show the economic resolve, commercial and political cooperation between neighboring Counties and the benefits of Public Private Partnership (PPP).

Table 6b: Jumuiya Toll Road Development Sub-Project

| Flagship Project | Project description | Implementation mode | Estimated Costs |
|------------------|---------------------|---------------------|-----------------|
|------------------|---------------------|---------------------|-----------------|

| | | | |
|-------------------------------------|---|---|----------------|
| Jumuiya Toll Road Flagship Projects | SB-1: Commercial Toll Road Sub-Project <ul style="list-style-type: none"> The Great Inter-County highway will be planned to link the economic heartland of Lamu to join the Taveta-Mwatate-Voi highway in TaitaTaveta County via Kinango, Samburu, Chasimba and Bamba in Kilifi County and via Garsen in Tana River County. | The projects will be implemented through the Public Private Partnership (PPP) mode. | US\$880million |
| Total Estimated Project Cost | | | US\$880million |

b. County Economic Roads Flagship Project

This project is intended to support and drive development of rural or inland economic roads within the Jumuiya region. The project will target inland roads with high economic influence and impact to the rural economy especially in agricultural, mining and also connectivity to major market outlets in urban and peri-urban areas.

Table 6c: Jumuiya Inland Economic Roads Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|--|---|--|------------------|
| CR-1: County Inland Economic Roads Flagship Projects | SB-1: County Economic Roads Tarmacking Sub-project | Direct public investment by County supported by either National Government or Donors | US\$ 150 million |
| | SB-2: County Economic Roads Graveling Sub-project | Direct public investment by County supported by either National Government or Donors | US\$ 50 million |
| WW-1: Inland Waterways Flagship Project | SB-3: Tana and Sabaki Rivers Navigability Sub-Project | PPP | US\$ 30 million |
| Total Estimated Project Cost | | | US\$ 230 million |

6.3.7 Energy Sector Growth Enabler

Energy is the lifeblood of the global economy – a crucial input to nearly all the goods and services of the modern world. Stable, reasonably priced energy supplies are central to maintaining and improving the living standards of billions of people. The energy industry contributes to economic growth in two ways: First, energy is an important sector of the economy that creates jobs and value by extracting, transforming and distributing energy goods and services throughout the economy; secondly, energy is that intermediate and essential factor that drives all production activities in modern industrial development.

The Post Covid -19 National and County socio-economic recovery strategies place emphasis on creating opportunities for a green and inclusive economic recovery focusing boosting investment in solar, wind and other green energy sources as well as creating green jobs.

6.3.8 Development Outcome 19: Improved Green Energy Production and Distribution for Sustainable Development across the Jumuiya Region

Energy plays a key role in facilitating activity in all sectors of the economy. For the Jumuiya to achieve her development goals, the region will have to harness all its energy resources in addition to what the National Government supplies through the Kenya Power and Lighting Company. This would include exploration and investments in wind, solar and hydro energy infrastructure

6.3.9 Energy Sector Status in Jumuiya Region

In 2017, the national government through Kenya Power and Lighting announced that coast region was to be one of the beneficiaries of the 36 new substations to be constructed in various parts of the county to modernize the electricity system. For the Coast region, the Ministry of Energy announced new expenditure of Ksh. 8.7 billion that would ensure that 10 new sub-stations are constructed in the areas of Port Reitz, Bofu, Mtongwe, Kwale, Kindimu, Sabaki, Wundanyi, Kaloleni, Kokotoni and Mtondia.

Presently the Jumuiya Counties suffer from an enormous energy deficit that is not sustainable. For example, in Kwale County, only 20.1 percent have access and use electricity as the main source of energy. 41.8 percent of the rural households in Kwale still use tin lamps as a source of lighting. In Tana River County, 87.5 % use wood fuel, 78.2 percent use kerosene while only 0.9 percent have access to conventional electricity. In Mombasa County 47.5 have access to electricity while 51.5% of the population do not have access. This situation can be changed by investing in alternative energy sources such as solar energy and wind. According to the study conducted by the Kenya National Bureau of Statistics and Society for International Development (SID) in 2013, the potential for investment in renewable energy sources is high given that the Jumuiya Counties receives over 6 hours of sunlight, with an average of Direct Normal Irradiation (DNI) ranging between 4.0kW²/s to 6.75 kW²/⁹ in the hinterland areas. Strong winds on land with an average speed of between 5-71 m/s present a significant opportunity for development of renewable wind energy. In addition, the Indian Ocean is a potential source of offshore energy for the Jumuiya Region.

6.3.9.1 Challenges

- The demand for energy in the Jumuiya region, just like in other regions countrywide, is more than the installed capacity. Kenya has an installed capacity of 2.3 GW. The current electricity demand is 1,600 MW and is projected to grow to 2,600-3600 MW by 2020.
- High cost of electricity connection nationwide equally affects demand and access to electricity in Jumuiya region.
- Similarly, the cost of electricity for industrial consumers has increased from an average of Ksh. 14.9 per kWh-(\$0.14) to Ksh. 16.15 per kWh-(\$0.15). Further, tariffs in Kenya are among the

⁹Medium Term Plans Publication-2018-2022

highest in the region. The cost in Kenya inhibits industrialization process and often, keeps away investors.

- With the ever-increasing demand for electricity and the over-reliance on hydroelectricity, the frequency of power outages estimated at approximately 30%, an improvement from 33 percent in 2008/09 is still high in the Jumuiya region.

6.3.10 Jumuiya Energy Development Goals

The Jumuiya will pursue the following goals in order to improve the region's energy infrastructure and access over the Blueprint's time period.

Jumuiya Energy Infrastructure Development Goals by 2027

- Achieve a 90 percent electricity access (uptake) in the rural areas at a reduced cost per kWh delivered through solar and wind energy off-grid supply in all Jumuiya Counties by 2027.
- Achieve a 90 percent electricity access or penetration level from the present 73 percent by 2027.
- Increased level of industrial (manufacturing) activity due reduced cost of electricity from the current cost of Ksh. 16.15 per kWh-(\$0.15) to \$0.05 by 2027.
- Achieve a minimum of 30 percent share of electricity generated from clean green energy sources by 2027

Jumuiya Energy Infrastructure Development Goals by 2030

- Achieve a 95 percent electricity penetration level at maximum competitive cost of \$0.03 per kWh by 2030.
- Achieve a minimum of 40 percent share of electricity generated from clean green energy sources by 2030

6.3.11 Strategies

Strategy 1: Promote renewable and alternative energy

- This strategy aims at promoting the development and use of renewable and alternative energy sources, such as solar and wind as a way of diversifying the energy mix and improving supply. Therefore, renewable energy resource mapping and promoting the development and use of renewable energy technology systems, including implementing a feed-in tariff and bidding system - which is attractive for private investment into renewable energy generation, will be undertaken. In addition, during this Blueprint period, Jumuiya will make efforts to attract investment in Off-Grid Solar and Wind Energy as an alternative source of power to cater for the deficit especially in the rural Jumuiya.

Strategy 2: Institute Energy PPP Development Regulations

- Since PPP implementation management processes are being cascaded down to the County level, the Jumuiya Counties will put in place strategies and regulations that will be attractive to the private sector investors in the energy sector.

6.3.12 The Jumuiya Energy Development Flagship Projects

The Jumuiya's energy demand for economic development is and, will continue to be substantial especially as the region begins to roll-out economic projects proposed by the Jumuiya 2030 Economic Development Blueprint. The region is well endowed with the necessary resources to provide both basic household and industrial energy demands that people need in their daily lives, yet only approximately 20.1% of the region has access to basic electricity services. Indeed, although the national government, through its policy and programmes implementing agencies, has made effort to increase energy capacity; more effort will be required in order to reduce the energy deficit in the region that currently lies at about 79.9%. In the recent time, the World Bank in collaboration with the National Government launched the Kenya Off-grid solar access project for the underserved counties. The project development objective is to increase access to modern energy services. The project is expected to benefit approximately 277,000 households (1.3 million people) in 1,097 community facilities and 380 boreholes. The project incidentally will cover 14 underserved counties out of which 5 are from the Jumuiya region namely: Kilifi, Kwale, Lamu, Taita Taveta and Tana River County¹⁰. In support of the National and County Government's effort to expand energy capacity in the region, the Jumuiya has planned for two flagship projects under the Jumuiya-Off-Grid Energy Investment Flagship Initiatives. This off-grid energy project aspires to and will focus on the following core objectives:

- Design and installation of Solar PV Microgrid Systems in at least 15 Villages per Sub-County in every Jumuiya County to power community infrastructure and households.
- Developing and putting in place a Geospatial Energy Access Investment Plan for each County and advice in Off-grid electrification regulatory frameworks in the Counties.
- Conducting capacity building clinics to strengthen the County government and community representatives' skills and abilities.

The flagship project will entail a two-pronged approach to Off-Grid Energy Development that will largely be driven by non-renewable energy sources.

a. Solar Off-Grid Energy Production Investment Project

The Jumuiya region receives over 6 hours of sunlight, with an average of Direct Normal Irradiation (DNI) ranging between 4.0kW²/s to 6.75kW²/s in the hinterland areas. The Jumuiya therefore calls for investment projects on Solar Off-Grid Energy Production. Table 6d, describes the solar off-grid energy investment profile.

Table 6d: Solar Off-Grid Energy Investment Component breakdown

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|------------------|-------------------------|---------------------|----------------|
|------------------|-------------------------|---------------------|----------------|

¹⁰ World Bank/IDA Project Appraisal Document on Off-Grid Solar Access Project for Underserved Counties, 2017

| | | | |
|--|--|--|------------------|
| SE-1: Jumuiya-Off-Grid Energy Investment Flagship Projects | SB-1: Jumuiya- Solar Off-Grid Energy Production Investment Sub-Project. <ul style="list-style-type: none"> The project is about developing 6 solar parks in various locations within the 6 Counties, occupying a minimum of 100 acres per County, with at least 250,000 Photovoltaic PV Panels each. The expected total generation capacity of 300 MW (400,000 hp). Project will provide lighting to an average of 300,000 homes | Private Investor Initiative or Public Private Partnership or Consortium of Investors Undertaking | US\$ 500 million |
| Total Estimated Project Cost | | | US\$ 500 million |

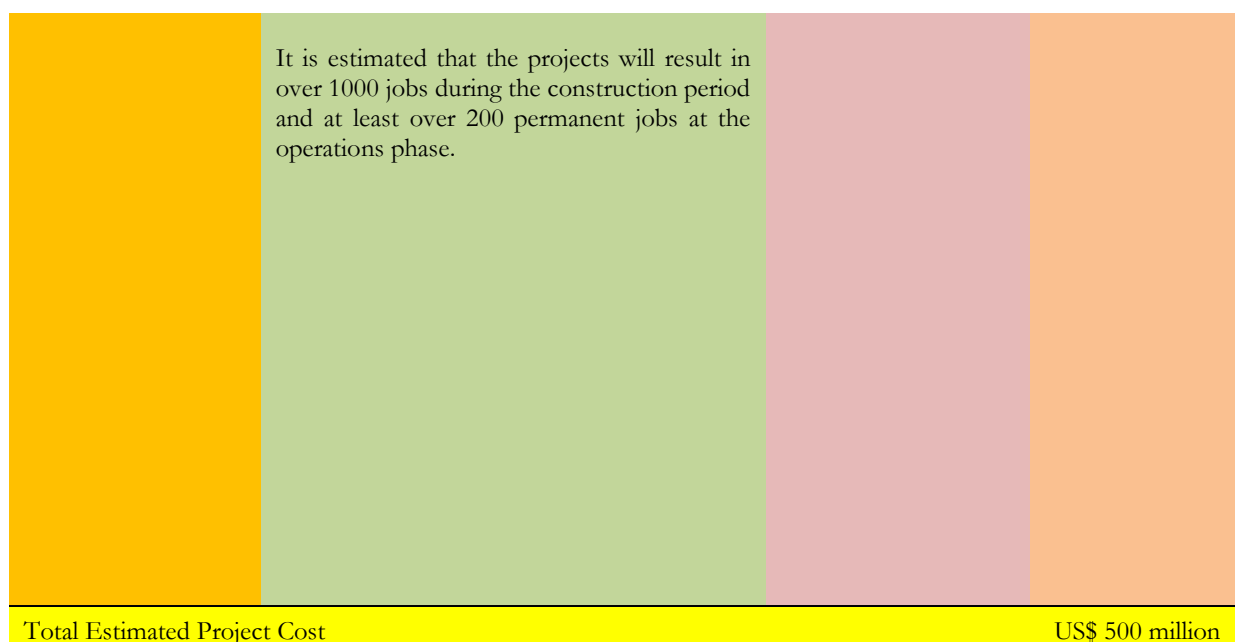
b. Wind Off-Grid Energy Production Investment Flagship Project

In recent years, wind energy has become one of the most economical renewable energy technologies. Today, electricity generating wind turbines employ proven and tested technology, and provide a secure and sustainable energy supply. At good, windy sites, wind energy can successfully compete with conventional energy production. The Jumuiya has the ability to generate wind energy. The region is endowed with strong winds on land with an average speed of between 5-71 m/s. This presents a significant opportunity for development of renewable wind energy. In addition, the Indian Ocean is a potential source of off shore energy for the Jumuiya Region. Off-Grid investment presents high-energy uptake as the transaction costs are lower compared to On-Grid systems.

Table 6e, presents the Jumuiya's planned Off-Grid Wind Energy Production Sub-Project that will be undertaken during the Blueprint's period.

Table 6e: Wind Off-Grid Energy Production Investment Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|--|--|---|------------------|
| WE-1: The Jumuiya-Wind Off-Grid Energy Production Investment Project | SB-2: The Jumuiya-Wind Off-Grid Wind Energy Production Investment Flagship Project. <p>Jumuiya will deliver the project through strategic investor placement.</p> <ul style="list-style-type: none"> Upon launch of the flagship wind energy production project, the investor will be expected to construct a capacity of 60 GE 1.7-103 equivalent wind turbines accompanied by a recommended 220Kv transmission lines to carry power to the nearest sub-stations. The wind off-grid investment is expected to light over 50,000 homes in Kilifi, Kwale, Lamu, Tana River and Taita Taveta. | Private Investor Initiative, Public Private Partnership | US\$ 500 million |



6.3.13 Information and Communication Technology (ICT) Sector Enabler

The ICT sector enables economic agents' participation in socio-economic activities that leads growth and development of every sector in the economy. For example, telecommunications plays an increasingly vital role in enabling the participation and development of people in communities and nations disadvantaged by geography, whether in rural areas, in the mainland Jumuiya Counties or in a more developed Metropolitan County like Mombasa. It provides technological foundation for societal communications. Communication plays a central role in the fundamental operations of a society—from business to government to families. In fact, communication among people is the essence of what distinguishes an organization, community, or society from a collection of individuals. Communication—from Web browsing to cell phone calling to instant messaging—has become increasingly integrated into how people work, play, and live.

The Covid-19 pandemic has resulted in an increase in the use of ICT in many spheres of social life. Social distancing and working at home measures led to reliance on ICT in coping with the pandemic. This has consequently increased use of mobile money transactions and a sharp reduction in use of bank notes and coins; use of online platforms to conduct on line courses in schools and education institutions, delivery of government services, and e-commerce and on line shopping. Increased recourse to digital platforms has not only constrained the spread of the virus but also, in many cases, increased the efficiency and effectiveness of service delivery. However, uneven access to ICT infrastructure and digital technologies has disadvantaged low income households as well as populations living in areas with low of the country with low ICT connectivity.

6.3.14 Development Outcome 19: Enhanced Information and Communication Technology Spread and Uptake in the Jumuiya Region

Information and communication technology (ICT) has been identified as a catalyst for socio-economic development by promoting competitiveness as well as being an enabler of good governance. However, there are several challenges regarding access to and utilization of ICT in Jumuiya. ICT infrastructure, both public and private, is inadequate and fragmented, resulting in poor connectivity and communication. Further, the public sector, in particular, lacks adequate human resource in the area of computing and information technology. Under this Blueprint, the Jumuiya will focus on increasing investments in ICT infrastructure and human resource development. Further, the County Governments will endeavor to implement the National Government ICT Policy on universal access to ICT and promote the use of ICT in business (e-Commerce); networking of services and applications across the public sector and online access to government services will be prioritized.

6.3.15 The ICT Sector Status in the Jumuiya Region

In the Jumuiya Counties, the average mobile telephone penetration is estimated at 75.8% of the total Jumuiya Counties population. According to the grouped CIDPs, Mombasa County has the highest penetration levels at 95% followed by Taita Taveta with a penetration level of 80%. Kilifi, Kwale and Lamu Counties have same level of mobile phone penetration level of 75%. Tana River County present level of penetration is reported at 55%. Given the role telecommunications play in socio-economic development of a nation, the Jumuiya Counties must endeavor to facilitate the increase of penetration levels of mobile telephony from the current 75% to at least 90% in the next five years as they seek to expand economic activity in the region.

Currently all of JKP County headquarters are connected to the National Fibre Optic Backbone (NOFBI) II. However, available data shows that the region still has low ICT connectivity and access. For example, only 11.6 % of Households in Kilifi County own internet, 5.5 % have a desk top or a tablet and 2.2 % engage in e-commerce. Similar respective data for the other JKP Counties are: Kwale 9.8 %, 4.3 % and 1.5 %; Lamu 11.8 %, 4.2 % and 3.1 %; Taita-Taveta 15.9%, 6.3 % and 3.4 %; Tana River 5.5 %, 2.7 % and 1 %.

6.3.15.1 Challenges

- There are inadequate ICT uptake and penetration levels, currently reported at 75 percent. The higher penetration level is found mostly in established urban centers like Mombasa and Malindi. The rest have not achieved the penetration levels capable of supporting economic development activities.
- Cyber and information security to protect against emerging threats of cyber crimes and cyber attacks

6.3.16 Jumuiya ICT Development Goals

Jumuiya ya Kaunti za Pwani ICT Goals by 2027

- Facilitate to achieve 80% ICT penetration level in all Jumuiya peri, semi-urban, urban and cities by 2027.
- Create a well and interconnected, technologically advanced rural and urban society with modern information and communication networks creating innovation, socio-economic growth and development in all Jumuiya.
- Have ICT applications (mobile phone and web technologies) driving and improving productivity of farmers, traders, fishermen, among others by facilitating access to valuable data by 2027

Jumuiya ICT Goal by 2030

- Facilitate to achieve a 90 percent ICT penetration level in all Jumuiya Counties rural areas by 2030 (need to qualify)
- A fully integrated society enjoying high quality of life supported by increased household's income from expanded economic activity, driven by ICT applications by 2030.

6.3.17 Strategies

Strategy 1: Improve ICT infrastructure for service delivery

- To improve ICT infrastructure, there is need to invest in and upgrade telecommunications networks, data centres and access devices throughout the Jumuiya region. This will improve the flow of information within and among government institutions, enterprises and citizens to bring about social and economic benefits. Key among intervention intended are: ICT common infrastructure development; ICT innovation park establishment; and Broad band infrastructure expansion.
- Implement the County Connectivity Programme (CCP Phase III) which will interconnect all 47 counties through a Last Mile Wired and Wireless network
- Enhance JKP Health Sector ICT Connectivity to facilitate access to health care services through telemedicine

Strategy 3: Provide electronic services

- With total upgrading in ICT, the County Government will facilitate ICT skills up-scaling for public service workers, rural citizenry and the private sector.
- Establish Constituency Digital Innovation Hubs to support entrepreneurs and the general public access Wi-Fi in all constituencies in the JKP region. This will also enhance awareness and uptake of online platforms with information on employment and business opportunities and also facilitate employees to work from home

Strategy 4: Enhance Cyber Security

- Formulate and Implement JKP County Governments Cyber Security Policy
- Put in place the Cyber security infrastructure and training program

6.3.18 The Jumuiya Integrated ICT Access Flagship Projects

ICT use in Jumuiya's rural areas lags behind that in cities. In fact the uptake in urban centers and the city of Mombasa and Malindi are the main drivers of the 75 percent telecommunication penetration levels in Jumuiya. While approximately 70 percent of the urban dwellers in Jumuiya use the ICT services, less than 25 percent of the rural population does so, and the gap could be growing and thus requiring urgent attention. Access to Information and Communication Technology (ICT) such as the internet can enhance the lives of rural citizens, provide structured information about agricultural and off-farm livelihoods, deliver public services, and disseminate educational and health knowledge. Under this flagship, the Jumuiya in partnership with County Governments will roll out two projects namely: the Jumuiya Smart Villages Sub-Project and the e-Transform Pwani Sub-Project.

a. The Jumuiya Smart Villages Sub-Project

The Jumuiya Smart Villages Flagship Project aims to assist coastal rural communities to harness its digital potential - ensuring that all people of Jumuiya have access to high quality, low-cost internet connectivity, and that public services are easily accessible online, and that the digital economy is driving growth, innovation and job creation.

Table 6f: The Jumuiya Smart Villages Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|--|---|---|-------------------|
| ICT-1: The Jumuiya Smart Villages Flagship Project | SB-1: Investment Climate and Business Operating Environment Project | County Government and Jumuiya Secretariat Facilitation | US\$ 0.5 million |
| | SB-2: ICT Rural Connectivity Investment Project | PPP/ Private Investor Initiative or Partnerships | US\$ 30 million |
| | SB-3: Jumuiya ICT-Based Financial Inclusion Project | PSI/PPP or Partnership Investment between County Governments and Private Investor | US\$ 5 million |
| Total Estimated Project Cost | | | US\$ 35.5 million |

b. The e-Transform Pwani Sub-Project

The e-Transform Pwani Project will be implemented across all the County and Sub-county headquarters over a period of 6 years. The flagship is to be implemented under a sub-project known as the Jumuiya-ICT Innovation and Knowledge Hubs Sub-Project. This flagship aims at nurturing Technology Start-ups with the objective of promoting digital entrepreneurship and creating digital jobs for the youth across Jumuiya. Table 6g presents the components of the Jumuiya-ICT Innovation and Knowledge Sub-Project under the e-Transform Pwani Project.

Table 6g: e-Transform Pwani Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|------------------|-------------------------|---------------------|----------------|
|------------------|-------------------------|---------------------|----------------|

| | | | |
|---|--|--|-------------------|
| ICT-2: e-Transform Pwani Flagship Project | SB-1: Mobile Applications Laboratory (m-Lab) Sub-Project <ul style="list-style-type: none"> The m-Lab will function as business incubator, with offices, a testing lab (for testing prototype mobile applications), makers and creative spaces and AI labs, Labs for other emerging ICT areas. | Private Investor Initiatives with County Governments at National Government | US\$ 15 million |
| | SB-2: Innovation Hub (i-Hub) <ul style="list-style-type: none"> The i-Hub will be a “pre-incubation” space, or co-working space, suited for start-ups and entrepreneurs, with a large events space for hosting events that will attract more established firms. | Private Investor Initiatives with County Government at National Government, where necessary PPP Mode | US\$ 10 million |
| Total Estimated Project Cost | | | US\$ 25.5 million |

6.3.19 Water and Irrigation Infrastructure Enabler

Kenya has an estimated irrigation potential of 1.3 million hectares of arable land but only about 125,000 hectares (about 10%) is currently under irrigation. Most of this irrigated land (43%) is under smallholder production, 18% under public management while the private large-scale farms represent 39 per cent. There are seven irrigation schemes in Kenya: Mwea, Ahero, Bunyala and West Kano schemes which produce rice while Bura, Tana and Pekerra irrigation schemes are under maize production. Besides rice and maize, there are other crops grown within these schemes, including onions, tomatoes, watermelons, pulses, cotton, sorghum and other horticultural crops. Public schemes across the country account for about 43,270.5 acres under irrigation against a gazetted area of 70,626 acres¹¹. This implies that the current irrigation schemes are not fully utilized.

6.3.20 Development Outcome 20: Improved Water Resources Development and Management

Water resources infrastructure is a critical component in the provision of sustainable water resources management and services for engineered irrigation, drainage, water supply and sanitation, hydropower generation, flood control and food security.

Furthermore, water resources management systems for collection, analysis and generation of products and services for various users are critical for planning and decision-making. The Jumuiya through the County Governments will ensure that water resources are properly harnessed, developed and managed so that they play their key role as an engine and catalyst for socio-economic development

The Covid-19 pandemic has created an urgent need for extra resources to be invested in the water supply and sanitation sector. Access and availability of water for frequent handwashing and maintenance of hygiene is one of the most cost effective means of protection against Covid -19. The

¹¹ Harnessing the Potential of Irrigated Agriculture for Food Security, KIPRA, Vision 2030 and National Irrigation Board Report, 2018.

JKP County Governments will prioritize and implement various projects to enhance water supply to the residents in the region.

6.3.21 Water and Irrigation Infrastructure Status in the Jumuiya Region

Irrigation is considered the cornerstone to the successful implementation of all agricultural development initiatives to be undertaken under the Jumuiya 2030 Economic Development Blueprint. It is the process through which controlled amount of water can be supplied through artificial means such as pipes, ditches, sprinklers etc. The main objectives of irrigation systems are to help agricultural crop growth, landscape maintenance and reduction of the effect of inadequate rainfall on agricultural production. In the Jumuiya region, most of the irrigation works has been undertaken by the national government. For example, the Bura Irrigation Rehabilitation Project was initiated with the objective of enhancing national food security through installation of gravity water abstraction system to lower the cost of production and increase the area under irrigation in Bura irrigation scheme from 6,000 acres to 15,000 acres. Similarly, the Galana-Kulalu Scheme Model a project of the national government covers about 10,000 acres in the Tana Basin in Tana River County thus, demonstrating the region's potential in irrigation infrastructure.

6.3.21.1 Challenges

- Limited technical skills of farmers and staff: The inadequate technical capacity of both technical staff and farmers limits the uptake of irrigation technologies.
- Low access to affordable credit and capital investment stand as a great barrier to irrigation development, particularly for smallholders.
- Power unavailability and high Costs
- Water availability and quality: Irrigation is increasingly threatened by serious environmental problems that cause unavailability of water resources
- Poor usage of water especially where irrigation as an activity has been taking place.

6.3.22 Jumuiya ya Kaunti za Pwani Water and Irrigation Infrastructure Goals

Jumuiya will pursue the following goals in order to improve the region's water and irrigation infrastructure usage and uptake across the Jumuiya select counties over the Blueprint's time period.

Jumuiya Water Resource Development Goals by 2027

- Improved standards and better usage or efficiency of irrigation water usage by smallholder and medium scale farming community in the Jumuiya region by 2027.
- Improved efficiency in water resource management and distribution in the Region courtesy of increased private sector involvement and investment by 2027.
- Ensure water and sanitation Connectivity to all public institutions bus terminus, and market places in all JKP Counties by end of 2022
- Improve water supply and sanitation facilities in all low income urban in formal settlements by 2022

Jumuiya Water Resource Development Goals by 2030

- Ensure that at least 80% of the farmers in Tana River, Kilifi, TaitaTaveta, Kwale and Lamu practicing small and medium scale irrigation farming have increased farm output by the year 2030.
- Ensure at least 50 % of all households in the JKP region have access to piped water supply and improved sanitation facilities

6.3.23 Strategies

Strategy 1: Enhance rain water harvesting and catchment protection

During the Plan period, focus will be on water resources infrastructure development through construction of small, medium to large dams to meet various water needs particularly for domestic, agriculture and hydropower generation. Increasing water resources availability through increased storage will in the long run mitigate the impact of climate change and help to build resilience. These initiatives will also serve rural communities, thus supporting productive use of water and livelihoods and increasing resilience to the adverse effects of climate change, such as floods and droughts. During the planned period, the Jumuiya County Government will promote protection and improvement of catchment areas, to protect recharge zones and river sources. Key activities contained in the flagship projects include: Water resources assessment and quantification enhancement; Catchment delineation and protection; Water resources infrastructure development; Early warning systems development; and Rain water harvesting promotion.

Strategy 2: Promote local and trans-boundary aquifer management

- During the Blueprint period, counties will develop local and inter-county aquifers with riparian counties promoting inter-county regional integration and water security in the along the river catchments.

Strategy 3: Promote inter-basin/catchment water transfer schemes

- The Jumuiya County Government in partnership with Development Partners to develop and promote implementation of programmes and projects on transfer of water resources from water rich parts of Jumuiya to water stressed parts to support various socio-economic activities.

Strategy 4: Registration and regulation of water vending and management of sewage

- Registration of Community Based Organizations (CBOs) to run water point systems to include operational guidelines and deed of handover
- Registration of handcart septage services in informal settlements and provision of training and protective gear

6.3.24 The Jumuiya-Hybrid Irrigation Infrastructure Investment Flagship Projects

This flagship programme is a technology-based Small and Medium Scale Irrigation and Soil Conservation Programme aimed at getting farmers back to the farms to generate domestic and export

oriented agricultural produce. The flagship projects are designed to attract both technical and financial support from all strategic investors, community farmers, County and National Government, and development partners. The programme in its hybrid form will be implemented through a two-pronged approach executed through the following flagship projects namely:

- **Small and Medium Scale Irrigation and Soil Conservation Projects**

The flagship projects in Table 6i, will seek to achieve the aspirations of the Jumuiya 2030 Economic Development Blueprint of, securing a region that is food secure and enjoys high quality nutrition and life while competitively exporting agricultural produce globally.

Table 6i: Jumuiya-Hybrid Irrigation Infrastructure Investment Flagship Projects and Components

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|---|---|--|------------------|
| WT-1: Jumuiya-Hybrid Irrigation Infrastructure Investment Flagship Projects | SB-1: River, Rainwater and Run-off Water Harvesting Project | County government initiative/Investor-Local Community Partnerships/PPP | US\$ 40 million |
| | SB-2: Small Scale Irrigation Flagship Project | County Government with support from Development Partners/PSIs | US\$ 50 million |
| | SB-3: Medium Scale Irrigation Flagship Sub-Project | Agricultural PPP Investment Frameworks | US\$ 30 million |
| | SB-4: Land Improvement Flagship Project | County government Land Development Support Initiative | US\$ 35 million |
| Total Estimated Project Cost | | | US\$ 155 million |

6.3.25 Water and Sanitation Sector Development

6.3.25.1 Introduction to Water Resource Dynamics

The Kenya's renewable freshwater resources endowments are estimated at 20.2 Km³ per year. This corresponds to 647 m³ per capita per year of which, total yearly water withdrawal is estimated at over 2.7 Km³ or less than 14% the water resource. Ideally water resource availability varies significantly in time and between regions. Nonetheless, Kenya is classified as a water scarce country. This is due to the fact that the country is having one of the lowest natural water replenishment rates, at 647 metres cubed per capita per annum which is far below the 1,000 metres cubed per capita per annum. Estimates of water supply in the country indicate that only about 56% of the population has access to safe water. Also, about 50% of illnesses experienced in most health facilities in the country are water, sanitation and hygiene related.

According to UNICEF, sanitation coverage has dropped from 49% to 43% in recent years. Approximately 50% of Kenyans do not have adequate sanitation and more than 90% of the water and sanitation related disease outbreaks occur in the rural areas. For this reason, the national government

has put robust water and sanitation policy frameworks to enhance access to clean, safe water and sanitation especially in rural and informal urban settlements across the country.

6.3.26 Development Outcome 21: Improved Access to Water Supply and Sanitation in the Jumuiya Region

Access to water and sanitation services by all segments of the population is a key component of all aspects of sustainable development and this challenge becomes more important when the population growth by 2030 is factored in. All sectors require access to adequate water and sanitation services for their productivity to be enhanced. This Blueprint acknowledges that poor water supply and sanitation conditions are major contributors to the burden of disease and expose people to water-borne diseases and related ailments in the Jumuiya region. It therefore recommends for the need to increase levels of access to clean and safe water and sanitation services for people in rural and urban areas. To achieve this, strategies to facilitate water and sanitation services provision and prioritize the utilization of clean and safe water among households will be intensified at the county level. Further, solid waste that is disposed of at undesignated places poses various health risks to the affected communities. It is believed that through this, the region will achieve improvement in access to water supply and sanitation by 2030.

6.3.27 Water Resource Endowment Status in Jumuiya Region

The total water demand for the Jumuiya region is steadily growing and is expected to increase with the ensuing population rise and urbanization among other up-coming economic activities. In 2015, the total demand for water was estimated at 364,243M³/Day.

With the stated developments mentioned thus far, the total demand for water is expected to more than double by 2035 to (887,253M³/Day). It is therefore prudent that the region plans for this scenario ahead of time to avert a water scarcity crisis. In the Jumuiya region, most of the water consumed is obtained from rivers, lakes, springs, ground water aquifers, sand dunes and shallow wells amid the known scarcity of fresh water at both household and industrial level. The main sources of fresh water at the coast are surface water (rivers, lakes, dams and wells) ground water, and rainwater (roof catchments). Amid this scarcity, the region is endowed with a number of rivers that cut across the Jumuiya Counties with an estimated potential of about 48,751 M³/D as shown in Table 5a. Analysis show that Kilifi County accounts for 3,548M³/D (7.2%) of the total river fresh water potential, Tana River accounts for 10,958.9 M³/D (22.5%), Taita Taveta at 6,104M³/D (12.5%) and Kwale County accounting for the majority of rivers freshwater potential at 28,140.7M³/D which is 57.8% of the total Jumuiya region's¹² potential. In terms of water demand and distribution, the Jumuiya region is challenged with the rising demand for fresh water due to the ever-growing needs of urban populations in addition to large scale irrigation agriculture and power generation needs.

¹²State of Coast Report for Kenya: Enhancing Integrated Management of Coastal and Marine Resources in Kenya. A Report Published by the National Environment Management Authority (NEMA), in 2017 Kenya, (2nd Edition).

The main sources of fresh water at the coast are surface water (rivers, lakes, dams and wells) ground water, and rainwater (roof catchments). Table 5i presents the main sources of water used by households in the Jumuiya region.

Table 5i: Sources of water for households in Jumuiya counties

| County | Dam/Pond | Lake | Stream | Well/ Borehole | Piped into Dwelling | Piped | Djabia | Water Vendor | Other | Total |
|--------------|---------------|--------------|---------------|-------------------|------------------------|----------------|--------------|-----------------|--------------|----------------|
| Mombasa | 1,102 | 33 | 340 | 59,143 | 31,055 | 110,955 | 323 | 65,601 | 147 | 268,699 |
| Kwale | 25,370 | 265 | 10,970 | 45,131 | 3,080 | 31,361 | 701 | 2,544 | 125 | 119,547 |
| Kilifi | 26,218 | 511 | 8,636 | 42,476 | 14,151 | 93,557 | 1,418 | 12,215 | 582 | 199,764 |
| Tana River | 3,691 | 460 | 12,703 | 20,399 | 800 | 5,024 | 82 | 1,706 | 2,549 | 47,414 |
| Lamu | 1,396 | 1,396 | 532 | 11,402 | 1,732 | 5,030 | 1,652 | 265 | 29 | 23,434 |
| TaitaTaveta | 617 | 618 | 16,368 | 7,532 | 4,639 | 37,451 | 134 | 4,081 | 52 | 71,492 |
| Total | 58,394 | 3,283 | 49,549 | 186,083 | 55,457 | 283,378 | 4,310 | 86,412 | 3,484 | 730,350 |

Source: Kenya Forest Service Survey

6.3.27.1 Challenges

- The Jumuiya region is water deficient despite the numerous source of water that includes ground water and flowing rivers.
- The Region has been reliant on groundwater extraction. However, groundwater resources in coastal areas are always in danger of contamination by sea water intrusion. The probability of this taking place is on the rise due increased rates of extraction of groundwater as a result of increased demand for fresh water resource. The danger is more pronounced where the intensity is near the shoreline. To avert sea water intrusion, groundwater abstraction should be limited and further drilling controlled through licensing.
- Sea water intrusion rise: there exists potential sea water intrusion due to the predicted sea level rise resulting from global warming. For the Kenyan coast, the likelihood of sea water intrusion is further increased by (a) the highly porous nature of the underlying coral limestone formation; and (b) reduced rates of groundwater recharge as urban centres and roads are paved.

6.3.28 Jumuiya Water Resource and Allied Services Goals

Jumuiya will pursue the following goals in order to improve the region's water resources management and distribution over the Blueprint's time period.

Jumuiya Water Resource Development Goals by 2030

- Improved distribution and access of safe and clean water by the residents of Jumuiya from the current average level of about 55% to 70% by 2027 and to 85% by 2030.

- Increase in the Jumuiya region's sanitation access from the currently estimated 47% to 65% by 2027 and to 75% by 2030.
- At least 50% of the total river fresh water potential (24,375.8M³/D) harnessed and put to full household, agriculture and industrial use by 2030.
- Reduced Jumuiya region's water demand deficit in m³ per day from the presently estimated 64% to at least 25% by 2030¹³.
- Reduced groundwater abstraction in the Region especially along the coastal strip by about 50 percent by 2025.
- Citizens of Jumuiya practicing better water resource management and conservation and enjoyed broader sanitation services at individual household level by 2030

6.3.29 Strategies

The Jumuiya during the Blueprint's period will undertake strategies to address water supply and sanitation challenges with a view to improving the living conditions of the people of Pwani. Water conservation and water-related disaster management coordination will also be incorporated in all strategies to mitigate effects of climate change and variability.

Strategy 1: Enhance provision of adequate safe water and sanitation

- The Jumuiya County Governments are aware that effective and sustainable management of clean, safe water and sanitation is key to improved health for all. The counties will thus enhance Water supply and sanitation through established sub-counties, commercial utilities, the private sector and communities. Key activities to be undertaken in the flagship projects will include but not limited to: Water quality monitoring improvement; Water supply and sanitation and hygiene promotion, Communication and advocacy enhancement; Sector coordination enhancement; and Capacity development.

Strategy 2: Enhance provision of adequate solid waste management services

- Provision of solid waste management will be a priority under this Blueprint. The Blueprint will require Jumuiya Counties to focus on institutional and capacity development to ensure that county implementing agencies are well placed to provide these services. Provision of appropriate equipment and infrastructure for solid waste management will be facilitated to ensure sustainable service delivery. The Jumuiya Secretariat under this strategy will lead a Region-wide campaign against littering and messages encouraging the population to access services will be accelerated. Strategic activities along these include: Institutional capacity development; Awareness campaigns; Stakeholder coordination enhancement; Solid waste management improvement; and Equipment procurement facilitation

Strategy 3: Improve availability of water and sanitation infrastructure

- The Jumuiya in partnership with Development Partners and the National Government Water Development Agencies during the Blueprint period, will prioritize infrastructure development in rural Jumuiya areas, to improve access and livelihoods of the rural population where the majority of the poor live. Further, the flagship project will invest in water supply and sanitation services and its management in urban areas. Focus will be on addressing water-related hazards, promotion of resilience

¹³Coast Water Services Board Strategy

of water and sanitation, infrastructure development including construction and, rehabilitation. Capacity development will be enhanced to incorporate disaster risk reduction into the design and construction of facilities.

6.3.30 Jumuiya Water Resource Development (WARED) Flagship Project

The Jumuiya will launch an ambitious flagship programme known as the Jumuiya-Water Resource and Sanitation Investment and Development Flagship (WARSED) Project. The flagship project will aim at: harnessing and collecting sufficient amount of freshwater from the region's top river resource endowments, source points and areas by 2030, providing water infrastructure underpinning the Jumuiya's economic growth and development, improving the quality of water and ensure convenient access to safe water supplies for both household and industrial/commercial use across Jumuiya and, introducing and ensure good water resource management practices and protection of riparian environments. Table 5j presents the flagship projects to be undertaken during the blueprint time period.

Table 5j: Jumuiya-Water Resource and Sanitation Investment and Development Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|---|--|---|------------------------|
| WS-1: The Jumuiya Water Resource & Sanitation Investment Development (WARED) Flagship Programme | F1-Jumuiya-Water Management Flagship Project | Direct public investment by County and National Governments | US\$ 15 million |
| | F2-Jumuiya Waterworks Infrastructure Investment Flagship Project | Public Private Partnership | US\$ 25 million |
| Total Estimated Project Cost | | | US\$ 40 million |

6.4 Jumuiya Investment Fund

6.4.1 Role of Finance in Development

Financial sector and thus, financing plays an important role in socio-economic development of a nation. The overall impact of finance in an economy is to ensure sustainable growth and development.

6.4.2 Development Outcome 22: Improved and Available Funding for Jumuiya Strategic Flagship Projects

Finance through its instruments, supports business activities and helps to grow entrepreneurship in all its forms. Classified under the larger financial sector, it attracts deposits and provide loans from surplus to deficit side. It helps to mobilize savings and direct funds into production sectors. It facilitates efficient allocation of resources and increases overall productivity. It also facilitates delivery of products and services. In addition, it ensures the availability of different instruments, such as insurance packages, and information that facilitates trade activities. Thus, a fund will be necessary and important in facilitating the delivery of the Jumuiya development goals as stated in this Blueprint.

6.4.3 Financial Sector Status and Performance in the Jumuiya Region

In Jumuiya, the presence of financial institutions in Mombasa County is very strong as there is representation of most of the banks in Kenya within the County. The Central Bank of Kenya also has a branch in Mombasa. The County has many outlets with forex services which is usually boosted with presence of tourists (see CIDP 2018-22). Further, the mobile banking has grown rapidly reaching people in the grassroot areas of the County. Kilifi County is served by 14 commercial banks and about 10 micro finance institutions which are mainly located in major towns like Mtwapa, Mariakani, Kilifi and Malindi. Major Banks include KCB, Co-operative Bank, Equity, Sidian, National Bank, Post Bank, Eco Bank, Kenya Women Finance Trust Bank, NIC, Barclays, Standard Chartered, Stanbic, Jamii Bank, Chase Bank, Imperial and Diamond Trust Bank. Taita-Taveta County host about 5 banks, 3 micro finance institutions that serve approximately 5% of the population. There are 10 commercial banks in Kwale and at least 2 known commercial banks in Tana River. In the period under review, Lamu County reported having 8 commercial banks with a few non-bank financial institutions, providing financial services. However in terms of distribution, most of these are located in Lamu West Sub-County, leaving the other areas under-served and lagging behind in financial inclusivity. Nevertheless the under-served community has adopted and embraced the mobile money services technology with agents located in almost all the trading centers. This has improved the financial sector deepening in the County.

Similarly, the region has had some good presence of micro-finance institutions especially the co-operative societies. In Kilifi County the known micro-financial institutions include Rafiki Micro Finance, SMEP, Faulu, Yehu, Kenya Women, Fadhili, Platinum Credit, and Jitegemee among others. Also there is good presence of merry go rounds, table banking, Village Savings and Loans associations (VSLAs), Savings and Credit Societies (SACCOs) as well as agency banking and mobile money agents in the County that has helped alleviate money access problems. Cash transfer programmes in the county have introduced banking services to the unbanked segment of the community including the elderly, the OVCs and the vulnerable members of the community thereby boosting the demand for banking services in the rural areas. In terms of numbers, Kilifi County has 171 SACCOs which are broadly classified as Urban and Rural Saccos. These SACCOs have played a great role in mobilizing savings from their members and giving out affordable loans. Two SACCOs namely Imarika and Lengo SACCO operate Front office Savings Activity (FOSA) in the county. Kwale County hosts about 86 cooperative societies. These societies broadly fall under three categories namely, Marketing Cooperative Societies, Farmers /fishermen's Cooperative Societies, and Savings and Credit Cooperative Societies (SACCOs) and recently Matatu operator SACCOs.¹⁴

6.4.3.1 Financial Services Access Performance in the Jumuiya Region

In the Jumuiya region, Mombasa County ranked second to Nairobi County in terms of financial services access inclusion rate at 94% in 2019, an improvement of 8.5% from 86.6% inclusive rate reported in 2016. The combined Lamu, Tana River, Kilifi, Kwale and Taita Taveta Counties financial services access inclusion rate was reported at 78% in 2019, a 20.7% improvement from 64.6%

¹⁴County Integrated Development Plans-(2018-2022)

recorded in 2016. In terms of financial services access exclusion, only 5% of the total adult bankable population in Mombasa County does not access financial services. This was an improvement of 52.3% from the 10.5% reported in 2016. The remaining Jumuiya counties combined financial services access exclusion rate was reported at 11% in 2019, an improvement from 23.6% in 2016 thus, demonstrating improved financial services access formalization and uptake in the region. The improvement has been as a result of innovative financial services technology courtesy of mobile money banking whose uptake has been reported in 2019 at 79% in terms of mobile money accounts nationally.

6.4.3.2 Challenges

- Limited and restrictive conventional financial services offered by few available banks: most of the existing banks in the region especially in the rural areas are restrictive in their lending to majority of the cohorts living in the rural areas.
- Low and poor accessibility of financial services: in the Coast region banks seem to have fewer branches hence exhibiting thin distribution and poor accessibility.
- Limited financial sector services education: The low literacy in Jumuiya is affecting the effectiveness and efficiency of delivering financial services to the disadvantaged groups.
- High interest rates: where the Jumuiya citizens are able to access finances from conventional banks, the interest rates (cost of capital) have been high thus discouraging many potential borrowers from taking loans.
- Most of the urban dwellers do not fully utilize the financial services as the transaction costs are unaffordable to them.

6.4.4 Jumuiya Financial Sector Development Goals

The Jumuiya ya Kaunti za Pwani Financial Sector Development Goals have been set in order to give guidance to the sector's growth and development ambitions as well as establish robust financial systems to support, facilitate and fund both the Jumuiya 2030 Economic Development Blueprint and the Jumuiya Go-Blue Strategy

Jumuiya Financial Services Sector Development Goals by 2027

- Efficient, well-structured and capitalized Jumuiya Development Fund (JDF) fully operational and supporting Jumuiya socio-economic development by 2022.
- Various Jumuiya County's Revolving Funds fully consolidated in to one single efficient Micro-Finance Institution, funding Youths and Women in business by 2022.
- An SME Partnership Fund established by 2023.

Jumuiya Financial Sector Services Development Goals by 2030

- Increase of 22% in the Jumuiya financial services access inclusion coverage rate from the present 78% to 95% coverage rate in non-urban Jumuiya Counties by 2030.
- Decline of 55% in the Jumuiya's Financial Services Access Exclusion (out-of-coverage) from the present rate of 11% to 5% in non-urban Jumuiya Counties by 2030.

- Increased, expanded and sustained funding of the Jumuiya 2030 and the Go-Blue economic development projects courtesy of the Jumuiya Development Fund (JDF) over the entire Jumuiya Blueprint's period.

6.4.5 Strategies

Strategy 1: Undertake a Jumuiya Fund Consolidation Programme

- Harness and Consolidated all Public and Private Funding Programmes into one Single Fund

Strategy 2: Conduct Fundraising

- Jumuiya Secretariat apart from County Government allocations and Donor Funding Support, will undertake strategic sector and activity-based fundraising initiative.

6.4.6 The Jumuiya Financial Sector Deepening and Intermediation Flagship Project

The Financial Sector Deepening and Intermediation Project will continue and expand financial sector development and uptake in the Jumuiya region by focusing on: assisting the private sector to respond to the changing socio-economic needs and environment by providing easy access and non-subsidizing resources for investments in income generating MSME activities. The flagship project will be implemented through two sub-projects namely:

a. County Revolving Funds Consolidation Sub-project:

This sub-project is about consolidation of the County Revolving Funds. The County Governments established revolving funds to support youth investment initiatives and programmes. Within the micro institutions, establish a County Line of Credit through the County Finance Administrative Unit accessible to eligible borrowers or on-lending to private enterprises requiring term finance for all economic activities except real estate.

Table 6l: Jumuiya Financial Sector Deeping and Intermediation Flagship Project

| Flagship project | Sub-project description | Implementation mode | Estimated Cost |
|--|--|---|-----------------|
| FI-1: Jumuiya Financial Sector Deeping and Intermediation Flagship Project | <p>CF-1: County Revolving Funds Consolidation Sub-project.</p> <p>This will involve:</p> <ul style="list-style-type: none"> • Consolidation of the County Revolving Funds in to small deposit taking and lending micro financial institutions. Within the micro institutions, establish a County Line of Credit through the County Finance Administrative Unit accessible to eligible borrowers or on-lending to private enterprises requiring term finance for all economic activities except real estate. | Jumuiya Secretariat with County Governments | US\$ 10 million |

| | | | |
|-------------------------------------|--|---|------------------------|
| | CF-2: SME Partnership Fund Sub-project. This will involve: <ul style="list-style-type: none"> Establishment of an SME Equity Fund especially for SMEs on defined sectors, and are on the growth path to maturity. This will involve: Establishment of an SME Equity Fund especially for SMEs on defined sectors, and are on the growth path to maturity. | Jumuiya Secretariat and County Government | US\$50 million |
| Total Estimated Project Cost | | | US\$ 60 million |

b. The Jumuiya Development Fund Project (JDF)

The Jumuiya Development Fund (JDF) is a fund project designed to finance Jumuiya 2030 Economic Development Blueprint proposed transformational projects. The Jumuiya Fund will not implement projects, but will support and facilitate the efforts of County Governments and by extension, local communities and will ensure the provision of technical expertise in project implementation and management of all kinds wherever the county government's needs. The Fund will finance the Jumuiya 2030 Economic Development Blueprint and the Jumuiya Go-Blue Strategy initiated projects and sub-projects according to the following criteria:

- Finance 70% of total approved JDF-1 project costs;
- 10% of total approved JDF-4 project costs on micro-credit for income generation and micro-enterprise development;
- 5% of total training and capacity building project related costs, and;
- 15% to fund the Jumuiya Special Investment Initiatives and JDF-3 Project Administration Costs.

Table 6m: The Jumuiya Development Fund Project (JDF)

| Flagship Project | Flagship Project Description | Implementation Mode | Estimated Costs |
|--|--|---|-----------------|
| JD-1The Jumuiya Development Fund Project (JDF) | JDF-1: Jumuiya Capital Investments and Public Private Partnerships Sub-projects: This will involve: <ul style="list-style-type: none"> Investment in Jumuiya Capital flagships projects through PPP. | Jumuiya Secretariat and Strategic Investors | US\$50million |
| | JDF-2: Jumuiya Regional Economic Participation and Inclusion Sub-Project: Under this sub-project: <ul style="list-style-type: none"> The Fund intends to support and build income-generating capacity of poor people and households along | Jumuiya Secretariat and County Government | US\$10million |

| | | | |
|------------------------------|--|--|---------------|
| | the proposed sectors in the Blueprint and the Go-Blue Strategy. | Development Partners | |
| | JDF-3: Environment Conservation and Stewardship Sub-project | Jumuiya Secretariat | US\$5million |
| | <ul style="list-style-type: none"> The Fund will undertake approved regional environmental conservation. | UN-Habitat European Union World Bank | |
| | JDF-4: Development and Rehabilitation of Basic Social and Economic Infrastructure Sub-Project | Jumuiya Secretariat/County Governments | US\$15million |
| | This will involve: <ul style="list-style-type: none"> Support for the proposed Jumuiya 2030 projects rehabilitation of basic social and economic infrastructures. | And Development Partners | |
| Total Estimated Project Cost | | | US\$80million |

SECTION V: IMPLEMENTATION AND COORDINATION FRAMEWORK

7 Introduction

The Jumuiya 2030 Economic Development Blueprint projects of all types will be implemented within the Jumuiya region. The flagship projects execution will be implemented at the Jumuiya Secretariat and at the County Government levels. This will require a careful synchronization of the demands and projects of the Jumuiya 2030 Blueprint as coordinated and implemented by the Secretariat and the action plans of County Governments as enshrined in their respective CIDPs. This will include harmonization of priorities.

7.1.1 Implementing the Jumuiya Development Blueprint 2030

Attainment of the Jumuiya 2030 Blueprint development goals requires that a robust coordination framework is put in place to guide the implementation of the Blueprint. In addition, institutional arrangements need to be clarified together with assumptions upon which the success of the Blueprint objectives rests. Implementation and coordination of the Blueprint will equally be based on the integrated approach with a view to ensure that flagship projects implementation are not only well coordinated but are mutually reinforcing each other in the process. The coordination and

implementation approach links the blueprint's goals, priorities, people's aspirations and the physical institutions. Through an elaborate implementation and coordination framework, a system for accounting for development outcomes will be established to help in informed decision-making. This will shape and guide the entire management of the Jumuiya 2030 Blueprint involving the Jumuiya County Governments, and among other stakeholder organizations. The following are the key strategic stakeholders for this Jumuiya 2030 Blueprint and their active participation in the implementation will lead to its exemplary success.

Over the short and medium term period the implementation of the Jumuiya 2030 Blue print will also be closely synchronized with the policies, programmes and projects outlined in the JKP Covid-19 Re-Engineering and Socio-economic Recovery Strategies 2022//22 to 2022/23 and the National Economic Recovery Strategy

7.1.1.1 The Jumuiya Secretariat

- The Jumuiya Secretariat, working closely with the County Governors, will implement and also provide guidance to the implementation of this Blueprint. To that extent, the Secretariat will require institutional strengthening in financial standing, human and technical capacity in order to guarantee effective and efficient implementation of the flagship projects therein.

7.1.1.2 The Public Sector-(County Government & National Government)

- The public sector as represented by the County Governments will create and sustain and enabling environment that is composed of, inter alia, good governance and transparency, security, conducive investment climate and business operating environment through supportive county laws and regulations. These will include maintenance of conducive doing business environment, favorable external relations for expanded trade, resource mobilization by all means necessary, and provision of the much required basic infrastructure and lastly, maintenance of good relations with the national government.

7.1.1.3 The Local Community (Pvianians)

- It is envisaged that successful implementation of the Jumuiya Blueprint will depend on how effectively the local communities in the region are integrated in the projects and their organizations i.e., Community Based Organizations (CBOs), Women and Youth Groups and their socio-economic development interests are secured. Their role as whistleblowers and unofficial monitors and project evaluators will highly be appreciated.

7.1.1.4 The Private Sector

- The private sector in the region is quite varied. It comprises of a wide range players including individuals and organizations motivated by profit to undertake production and investment activities. The private sectors makes use of the available information, market signals and policies as well as the physical environment to engage in productive economic activities, which earn them income and therefore by extension, trigger growth and development. The Secretariat will thus, promote continuous dialogue through established Public Private Dialogue

Platforms for the private sector and the public sector in order to ensure the private sector's optimum participation in the implementation and eventual success of the Blueprint.

7.1.1.5 Civil Society

- The civil society's role will be to enhance the coastal people's capacity to organize, generate, and utilize resources more effectively and in a transparent manner, provide services in those areas they are best placed to do so, be chief advocates for improved governance, human rights, environmental protection, and leaders accountability in as far as the Blueprint's implementation is concerned.

7.1.1.6 Development Partners/Donors

- The development partners (DP) or donors are and will be a fundamental partner in the implementation of the Jumuiya 2030 Economic Development Blueprint. The development partners are earmarked for both technical assistance and funding of some of the landmark projects especially those under the Blue Economy also known as the "Go-Blue". Further the development partners will be strategic. The development partners are programmed to support Jumuiya 2030 Blueprint's pro-poor growth, target firms and sectors directly, promote the enabling environment for pro-poor growth by focusing on market outcomes. Similarly, the development partners will support and work closely, in partnership with the Jumuiya Secretariat to position the Jumuiya region and attract reputable investors in mega flagship projects.

7.1.1.7 Cooperatives and Unions

- In the Jumuiya region, there exist a number of co-operative societies, farmers associations among others. These agencies exist to ease members business risks whether in price of outputs and inputs. Under the Jumuiya 2030 Blueprint regime, such localized institution will be strengthened in order to play greater and critical roles in implementing the Jumuiya Blueprint.

7.2 Coordination Mechanism

7.2.1 Implementation and Coordination Mechanisms

Attainment of the development outcomes contained in this Jumuiya 2030 Economic Development Blueprint requires having in place a robust coordination framework to provide guidance in the implementation of the Blueprint. In addition, institutional arrangements need to be clarified together with assumptions upon which the success of the Blueprint rests. Implementation and coordination of the Blueprint will equally be based on the integrated approach with a view to ensure that sectors development are not only well coordinated but are mutually reinforcing each other as implementation ensues. The coordination and implementation approach links the Jumuiya 2030 Economic Development Blueprint's priorities, Jumuiya ya Kaunti za Pwani's CIDP aspirations and the National Vision 2030 goals. Through an elaborate implementation and coordination framework, a system for accounting for development results will be established to help in informed decision-making. This will shape and guide the entire management of the Blueprint involving the Jumuiya Secretariat, Jumuiya

Counties, National Government, Development Partners, Private Sector, Civil Society and individual players.

The Covid -19 pandemic has created the need for close collaboration and coordination between the National and County Governments in implementing measures to formulated to address the pandemic and in expediting economic recovery .

Coordination Mechanism

The nature and levels of coordination will be on basically two levels that recognize processes implementation, monitoring and evaluation. The two main levels of coordination will therefore be as follows:

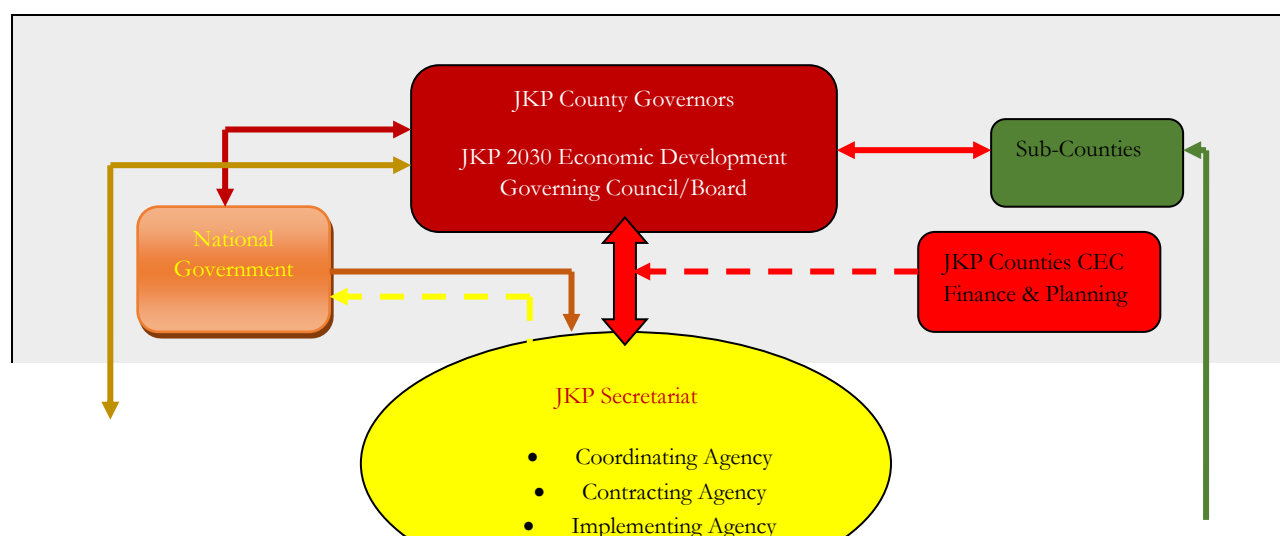
7.2.1.1 County Levels Coordination and Implementation Arrangements

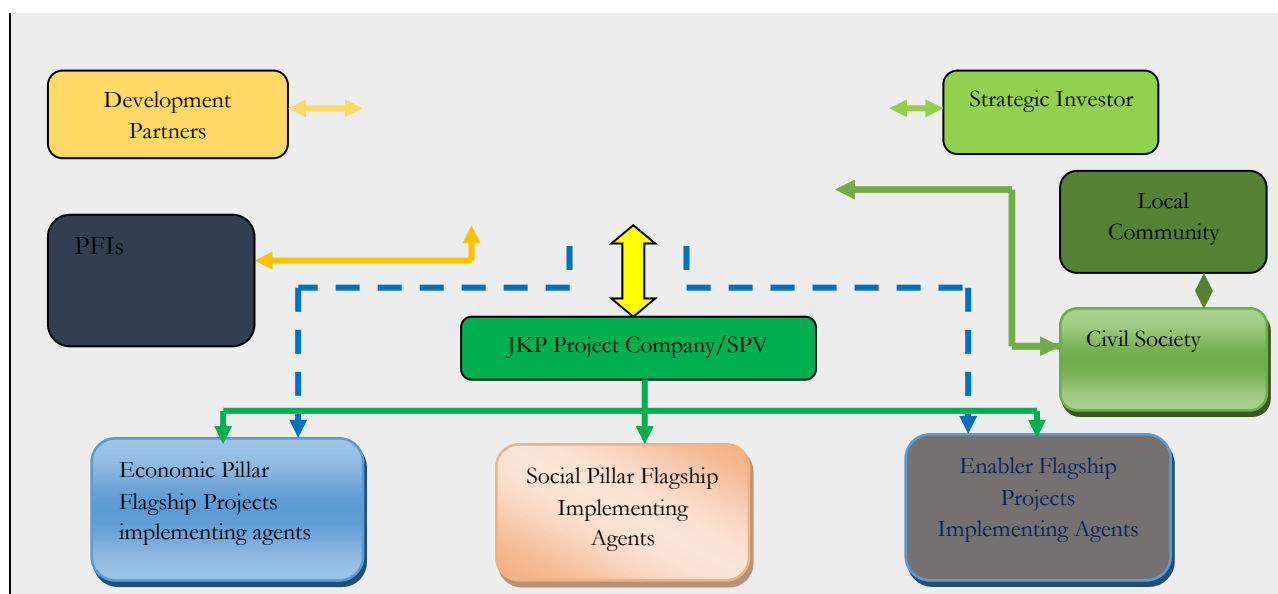
This level of coordination led by the Jumuiya Secretariat will ensure that all development benchmarks set in the Plan are contextualized within the County CIDPs plans. The County level coordination will progressively work towards enhancing synergies between all the identified sectors for efficient and effective implementation of projects at all levels. This County level coordination will galvanize participation of County Government and Sub-County as well as National Government Agencies in meeting targets of the Blueprint as monitored through a set of Key Performance Indicators (KPIs).

7.2.1.2 Sectoral level coordination and implementation

This level will bring together all economic pillar sectors, Social Pillar Sectors, Enabler Sectors and Cross-Cutting Sectors implementing flagship projects under a particular development goal and outcome area. Emphasis at this level will be placed on strengthening intra- and inter-sectoral integration to an extent that sectors will be grouped together to address a common strategic area of development. Sectors will be required to jointly undertake programming and sequencing of projects and activities, within and among themselves. Ultimately sectors will have to plan jointly to interface on flagship projects implementation and monitoring and evaluation.

Figure 5: The Jumuiya 2030 Economic Development Blueprint Coordination Flowchart





7.3 Enhancing JKP County Governments Preparedness to Manage Pandemics

The Covid-19 pandemic has highlighted weaknesses in the preparedness of both National and County Governments to deal with highly infectious diseases and pandemics. The JKP County Governments will work closely with the National Government in strengthening Capacity for Disaster Risk Management (DRM). This will involve preparation of County level and JKP Regional level emergency contingency plans, County Disaster risk Profiles, establishment of Constituency Disaster Co-ordination Committees and formulating JKP County Disaster Management Acts and aligning them with the County Government Act 2012 Regulations, Intergovernmental Relations Act 2012 and National Disaster Risk Management Policy.

7.4 Monitoring and Evaluation Framework

The Monitoring and Evaluation Framework for the Jumuiya 2030 Blueprint is premised on the principles of Results-Based Management. To that extent, the Blueprint has drawn its results/outcomes from the Blueprint's planned sectoral flagship projects which articulate a series of results to be achieved towards attainment of the Blueprint's 2030 goals. Consequently, the Jumuiya 2030 Blueprint has identified 4 outcome areas namely: *poverty reduction*, *regional annual average GCP/GDP growth*, *employment* and, *improved access to basic social services*. Underpinning each level of outcome of the Blueprint are Key Performance Indicators (KPI) that will be used to track progress towards attainment of the anticipated outcomes as sampled out in figure 8.

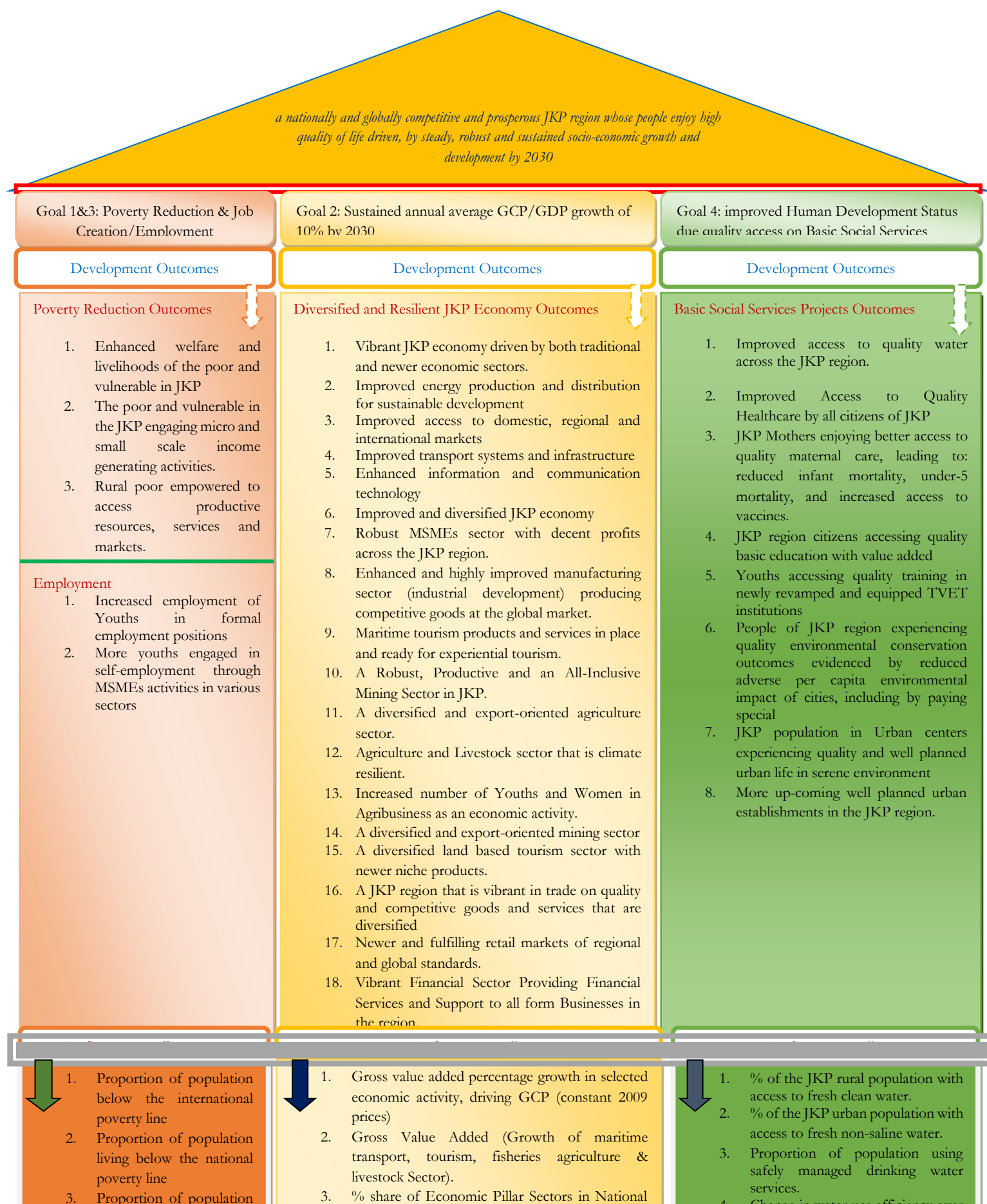
Monitoring arrangements will be such that the Jumuiya Secretariat, at County level, will consistently report on higher level indicators, while implementation institutions i.e., County CECs/Chief Officers and Sector Working Groups (SWGs), performing their functions in an interrelated and integrated manner towards attainment of the Blueprint's outcomes will generate, collect and document performance data from project investors that will be useful for measuring progress and reporting. This monitoring and evaluation framework has set out roles and responsibilities of all actors in the practice

of M&E activities in Jumuiya Counties to contribute to the measurement of the overall development progress in the Jumuiya region.

To effectively monitor, evaluate and report on outcomes that will be generated through implementation of the Blueprint, a robust and well-coordinated County-wide M&E system will be put in place. The institutional arrangements for monitoring and evaluation in M&E regime will mirror the roles and responsibilities structure as set out in the Blueprint's implementation framework. This is to ensure that planning and M&E processes are standardized, interconnected, fully internalized and applied by the relevant institutions with the view to generate coordinated development outcomes to inform decision-making processes. Further, the monitoring processes for the Jumuiya 2030 Blueprint will involve an integrated approach, to ensure synergy between the different M&E systems currently existing within the Counties, and those to be developed in the different sectors during the Blueprint's implementation period. The key strategies will include the following:

- Institutionalize the Jumuiya M&E framework within Counties
- Establish M&E management information systems;
- Strengthen the County data collection and statistical system;
- Establish and operationalize County and sector-based evaluation frameworks;

Figure6: Sample Jumuiya 2030 Blueprint Flagship Project Implementation Outcome and respective KPIs



8 The Jumuiya 2030 Blueprint Financing Strategy

8.1 Financing of the Jumuiya 2030 Economic Development Blueprint

With the County Governments CIDPs 2018/22 Agenda for rapid socio-economic growth and development, as well as the Vision 2030, the nation's own development vision, Kenya aspires to fulfill major socio-economic development objectives in the next 10 years to come. A key challenge for the National Government and by extension the County Governments to succeed in their ambitious development efforts will be seen in their efforts to mobilize adequate financial resources, and the respective prudent use of the same in order to achieve goals aimed at enhanced socio-economic transformation characterized by poverty reduction, improved households' income per capita, improved and better access to basic social services such as clean and safe tap water, quality basic education, quality and accessible health care, better infrastructural assets namely; good roads and rail lines, airports, sea ports and affordable energy fully transmitted across the country, all these summing up to greater, inclusive and sustainable prosperity.

Considering the scale of the Jumuiya 2030 Economic Development Blueprint's financing needs, the task is not an easy one. While assessing the amount of financial resources needed in a precise manner remains extremely complex due to certain social dimensions of the blueprint. It is thus clear that achieving the Jumuiya 2030 Blueprint's development goals will require the provision of an unprecedented level of development finance. Similarly, it will require strengthened local and international support through traditional channels such as increased development fund allocation out of tax revenues for local and enhanced official development aid from development partners, but not only. For the Jumuiya region to meet their development desires as enshrined in the blueprint, enhanced resource mobilization at the County level, from the private sector, and through innovative modes of finance will also play a critical role, as recognized in the blueprint itself.

Given the negative impact of the Covid-19 pandemic on National and County Governments fiscal revenues, the Jumuiya 2030 Blueprint Financing Strategy will place priority on tapping financial resources on new innovative sources of financing including providing incentives to Kenya and Pwani Diaspora to invest in projects in the JKP region.

8.1.1 Design of the Jumuiya 2030 Financing

The Jumuiya 2030 Blueprint is designed as a project deliverable plan and therefore planned to be financed, 60% by the private sector through strategic investments in a number of flagship projects. The County Governments will be expected to take up certain flagship projects within their jurisdiction or may entrust such funds with the Jumuiya Secretariat's Benevolent Investment Fund. In total the County governments will take up 5% financing of the Blueprint. The Jumuiya Secretariat plans to establish the Jumuiya Development Fund (JDF) among others to help participate in joint project financing, Public Private Partnerships (PPPs) among others. This will account for 10% of the Blueprint's capital structure. Lastly the Jumuiya 2030 Blueprint is expected to receive support from

Development Partners namely the European Union, World Bank among others. The participation will account for approximately 25% of the total fund structure as envisaged. The Counties by national government guarantee and no objection will also have a window to raise capital through the capital markets using County Development Bonds, equivalent of municipal bonds in the USA. The counties will equally seek for concessional loans and grants from the national government for specific projects under the Jumuiya 2030 Blueprint to kick start major infrastructure development projects to enhance the region's competitiveness. For SMEs projects financing, the Jumuiya Secretariat will invite the venture capitalists and equity investors as part of the Jumuiya 2030 Blueprint's financing.

8.1.2 The Jumuiya 2030 Cost Structure

The blueprints development cost structure consists of broken down costs categorized under the economic, social pillar, enablers' sector classification and the cross-cutting sectors consisting of trade and financial sectors. The total estimated cost is US\$ 7.022 billion. Table 7a show the actual breakdown by categorization and costs.

Table 7a: Jumuiya 2030 Economic Development Blueprint Cost Structure

| | Jumuiya 10 Sectors | Estimated in (US\$ Millions) | Estimates in Ksh. (Billions) |
|----|--|------------------------------|------------------------------|
| 1 | Jumuiya Agribusiness Food Security & Nutrition | 389,000,000 | 38,900,000,000 |
| 2 | Jumuiya Trade and Industry Sector Development | 238,500,000 | 23,850,000,000 |
| 3 | Jumuiya Blue Economy Sector Development | 3,000,000,000 | 300,000,000,000 |
| 4 | Jumuiya Natural Resource and Environment Sector Development | 191,000,000 | 19,100,000,000 |
| 5 | Jumuiya Urbanization Sector Development | 250,000,000 | 25,000,000,000 |
| 6 | Jumuiya Health & Education Sector Development and Water & Sanitation | 427,500,000 | 42,750,000,000 |
| 7 | Jumuiya Infrastructure Sector Enabler | 2,324,000,000 | 232,400,000,000 |
| 8 | Jumuiya Land Resource Sector Banking | 60,000,000 | 6,000,000,000 |
| 9 | Jumuiya Investment Fund | 140,000,000 | 14,000,000,000 |
| 10 | Jumuiya Governance Foundation and Enabler | 1,600,000 | 160,000,000 |
| | TOTAL | 7,021,600,000 | 702,160,000,000 |

8.2 Financing Mechanism for Jumuiya 2030

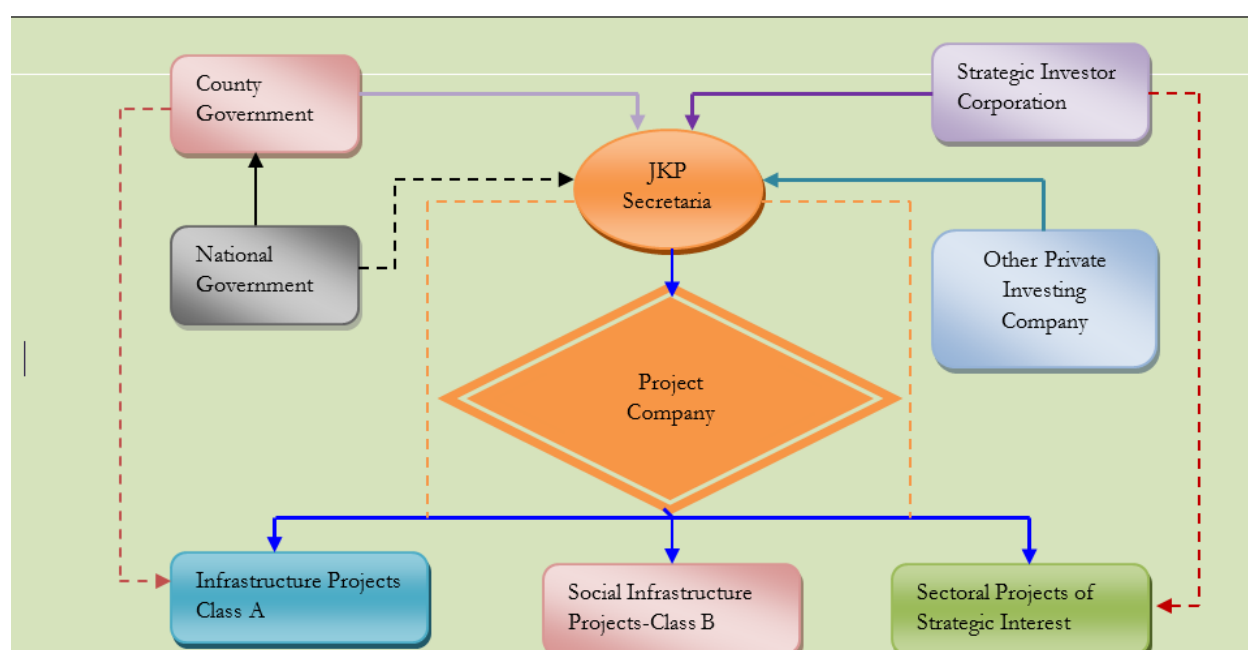
8.2.1 Financing through the Public Private Partnerships

Private sector participation in mega-flagship projects in the Jumuiya 2030 Economic Development Blueprint will be mainly through the Public Private Partnerships (PPP) strategy. Of many methods of private financing of infrastructure, public-private partnerships (PPPs) have shown much promise in recent decades. PPPs are long-term contracts between a private party and a government entity, for providing a public asset or service, in which the private party bears significant risk and management responsibility. In the Jumuiya 2030 Blueprints flagship projects, private sector participation through the PPP investment mode will take several forms depending on the project type. These will include,

operation and maintenance contracts (O&MC); leases; concessions; build, operate, transfer (BOT); build, own, operate, and transfer (BOOT); and so on.

In executing the PPP strategy, the Jumuiya Secretariat technical team shall conduct the initial phase on PPP project identification, selection and output identification. The team shall conduct the PPP option assessment based on: affordability, risk allocation, bankability, value for money, and tax and public finance treatment. The Jumuiya Secretariat technical team will also oversee the PPP bidding process, contract signing and financial closer. All these will be done by the Secretariat on behalf of the Jumuiya County Governments. The figure below demonstrates the proposed structure of the Jumuiya PPP execution framework.

Figure 7: The Jumuiya PPP Execution Framework



8.3 Private Investor Initiative (Private Finance Initiative)

Private Investor Initiative in this blueprint is one and the same thing as the Private Finance Initiative (PFI). The PFI is a way of financing public sector projects through the private sector. The Jumuiya Secretariat has considered the PFI as an alternative investment mode that will reduce or ease the government and taxpayers of the immediate burden of coming up with the capital for these projects. It is envisaged that this mode will support and suit the County Government's Jumuiya 2030 Blueprint's flagship projects uptake. It will help free capital for other essential but non-attractive private sector public investment projects. Under this PFI strategy, the private company handles the up-front costs instead of the government. The project is then leased to the public, and the government authority makes annual payments to the private company. These contracts are typically given to construction firms and can last as long as 30 years or more. Under PFI, private sector firms make their money back through long-term repayments plus interest from the government. It is often preferred where the projects need to start off but the government does not have funds. Thus, the government does not

have to lay out a large sum of money at once to fund the project. The Jumuiya Secretariat will equally consider this strategy on project by project basis.

8.3.1 Development Partners Financing

This Blueprint is designed to equally attract development partners' support in a multifaceted manner. It triggers the development partners underlying goal of eliminating poverty especially in the less developed and developing economies. The blueprint is embedded with flagship projects that will seek to offer social protection among the vulnerable members of the Jumuiya society by bring development closer. In so doing, the Jumuiya recognizes the fact that development partners use development aid interventions as an instrument to assist developing countries with reducing poverty, supporting social justice and protecting the rights of most vulnerable populations in society. In this Blueprint, development aid characterized by both technical assistance and financial support will equally be targeted to trigger economic growth and development in the Jumuiya region.

8.3.2 Civil Society Organizations (CSOs) Financing

The Jumuiya considers the civil society organizations as an important partner in financing development. This Blueprint has earmarked a 2% financing by the CSOs through kind arrangements and direct participation in environmental, community development and social programming for socio-economic development.

8.3.3 National Government Support

The Jumuiya as an economic bloc has been endorsed by the national government. The Blueprint believes that it is in the best interest of the national government to support and fund certain strategic projects embedded within this blueprint, for purposes of achieving national development goals as envisaged in the Vision 2030. To that extent, the Jumuiya will anticipate a 5% contribution or financing of the blueprint in strategically identified flagship projects in the region.

8.3.4 County Government Financing

As stated earlier, the Jumuiya County Governments are committed to the development processes in the region. While the counties rely on the national government for development funds, the counties will seek to allocate 3% of their development funds on flagship projects with great public outreach as shown in the Blueprint, see Table 7b.

Table 7b: Jumuiya 2030 Blueprint Cost Allocation by Source of Funds

| Jumuiya Sectors Cost Distribution | Expected Funding Participation Share | | | | | |
|--|--------------------------------------|--------------------|--------------------------|------------------|----------------|------------------|
| Jumuiya 10 Sectors | Estimated in (U\$ Millions) | Private Sector 60% | Development Partners 30% | National Govt 5% | County Govt 5% | Civil Society 2% |
| Jumuiya Agribusiness Food Security & Nutrition | 389,000,000 | 233,400,000 | 116,700,000 | 19,450,000 | 11,670,000 | 7,780,000 |
| Jumuiya Trade and Industry Sector Development | 238,500,000 | 143,100,000 | 71,550,000 | 11,925,000 | 7,155,000 | 4,770,000 |

| | | | | | | |
|---|---------------|---------------|---------------|-------------|-------------|-------------|
| Jumuiya Blue Economy Sector Development | 3,000,000,000 | 1,800,000,000 | 900,000,000 | 150,000,000 | 90,000,000 | 60,000,000 |
| Jumuiya Natural Resource and Environment Sector Development | 191,000,000 | 114,600,000 | 57,300,000 | 9,550,000 | 5,730,000 | 3,820,000 |
| Jumuiya Urbanization Sector Development | 250,000,000 | 150,000,000 | 75,000,000 | 12,500,000 | 7,500,000 | 5,000,000 |
| Jumuiya Health and Education Sector Development | 427,500,000 | 256,500,000 | 128,250,000 | 21,375,000 | 12,825,000 | 8,550,000 |
| Jumuiya Infrastructure Sector Enabler | 2,324,000,000 | 1,394,400,000 | 697,200,000 | 116,200,000 | 69,720,000 | 46,480,000 |
| Jumuiya Land Resource Sector Banking | 60,000,000 | 36,000,000 | 18,000,000 | 3,000,000 | 1,800,000 | 1,200,000 |
| Jumuiya Investment Fund | 140,000,000 | 84,000,000 | 42,000,000 | 7,000,000 | 4,200,000 | 2,800,000 |
| Jumuiya Governance Foundation and Enabler | 1,600,000 | 960,000 | 480,000 | 80,000 | 48,000 | 32,000 |
| Grand Total | 7,021,600,000 | 4,212,960,000 | 2,106,480,000 | 351,080,000 | 210,648,000 | 140,432,000 |

8.3.5 Diaspora Financing

The Jumuiya Counties will put in place competitive incentives to attract investments by Kenyans and Wapwani in the Diaspora. Diaspora resources play an important role in Kenya's economy. In May 2021 Kenyans in the diaspora sent home a monthly record of Kshs 34 billion (US \$ 315.8), a 22 percent increase from a corresponding month in 2020.

8.4 Development Fundraising through Capital Markets

The Jumuiya Counties will seek to participate in the capital markets to raise funds for infrastructural development. In this regard, the Jumuiya Counties will seek an additional funding by issuing a Blue Bond or a Green Bond, as well as Open Infrastructure Bond to fund specific flagship investment enshrined in this Blueprint.

Addendum Table: Post Covid-19 Priority Flagship Projects

| Pg | Name of Flagship Project | US \$ Million |
|-----------|---|----------------------|
| 33 | Table 3a: Jumuiya Strategic Diversified Crop Production Investment Project | 115 |
| 34 | Table 4e: Jumuiya Food Security and Nutrition Flagship Project | 80 |
| 36 | Table 4f: Jumuiya County Livestock Sub-Sector Public Investment and Services Flagship Project | 15 |
| 36 | Table 4g Jumuiya Livestock Value Chain Mordenization Flagship Project | 45 |
| 41 | Table 4n:Jumuiya Sustainable Coastal and Marine Artisinal Fisheries Flagship Project | 57 |
| 60 | Table 4j: Jumuiya Cross-Border Trade Facilitation Flagship Project | 33.5 |
| 64 | Table 4k: Green Special Economic Zone Flagship Projects | 140 |
| 82 | Table 5c: Jumuiya Primary Healthcare Flagship Sub-Project | 60 |
| 83 | Table 5d: Micro –Health Care Insurance Flagship Project | 10 |
| 88 | Table 5f: Jumuiya-TVET Quality Enhancement Project | 185 |
| 90 | Table 5g: Jumuiya Innovation Lab Flagship Project | 7.5 |
| 92 | Table 8e: Jumuiya Private Sector Development and Engagement Flagship Project | 75 |
| 93 | Table 6n: Jumuiya Consultative Dialogue Platform Project | 0.8 |
| 95 | Table 6q: Jumuiya County Charter Development Project | 0.1 |
| 108 | Table 6f: Jumuiya Smart Village Flagship Project | 35.5 |
| 109 | Table 6g: e-Transform Pwani Flagship Project | 25.5 |
| 112 | Table 6i: SB-1: River, Rainwater and Run-off Water Harvesting Project | 40 |
| 116 | Table 5j: Jumuiya Water Resource and Sanitation Investment and Development Project | 40 |

| | | |
|-----|--|--------|
| 119 | Table 6i: Jumuiya Financial Sector Deepening and Intermediate Flagship Project | 60 |
| 120 | Table 6m: Jumuiya Development Fund Project (JDF) | 80 |
| | | |
| | Total Cost | 1104.9 |
| | | |

