Evaluation

Projects in Makueni and Taita Taveta Districts, Kenya
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This report was prepared by independent consultants with no previous involvement in the activities mentioned. Responsibility for the content and presentation of findings and recommendations rests with the evaluation team.

The views and opinions expressed in the report do not necessarily correspond to the views of the Danish Ministry of Foreign Affairs, the recipient governments, or the implementing organisations.

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## Abbreviations

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<th>Description</th>
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<tbody>
<tr>
<td>ASAL</td>
<td>Arid and Semi-arid lands</td>
</tr>
<tr>
<td>ASP</td>
<td>Agricultural Support Project</td>
</tr>
<tr>
<td>BDS</td>
<td>Business Development Services</td>
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<tr>
<td>CBNP</td>
<td>Community Based Nutrition Programme</td>
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<tr>
<td>CBO</td>
<td>Community Based Organisation</td>
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<tr>
<td>CIDA</td>
<td>Canadian International Development Agency</td>
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<tr>
<td>DHMT</td>
<td>District Health Management Team</td>
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<td>FDA</td>
<td>Focal Development Area</td>
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<td>FSA</td>
<td>Financial Services Associations</td>
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<tr>
<td>FTLP</td>
<td>Family Life Training Programme</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GoK</td>
<td>Government of Kenya</td>
</tr>
<tr>
<td>HIV/AIDS</td>
<td>Human Immuno-deficiency Virus/Acquired Immune Deficiency Syndrome</td>
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<td>HSP</td>
<td>Health Services Project</td>
</tr>
<tr>
<td>IMCE</td>
<td>Inter-Ministerial Committee on Environment</td>
</tr>
<tr>
<td>JKA</td>
<td>Jua Kali Associations</td>
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<tr>
<td>KANU</td>
<td>Kenya African National Union</td>
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<tr>
<td>KTC</td>
<td>Kisii Training Centre</td>
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<tr>
<td>MEDP</td>
<td>Micro-Enterprise Development Project</td>
</tr>
<tr>
<td>MFA</td>
<td>Ministry of Foreign Affairs</td>
</tr>
<tr>
<td>MFII</td>
<td>Micro-Finance Institutions Initiative</td>
</tr>
<tr>
<td>MoH</td>
<td>Ministry of Health</td>
</tr>
<tr>
<td>MoRPW&amp;H</td>
<td>Ministry of Roads, Public Works and Housing</td>
</tr>
<tr>
<td>NARC</td>
<td>National Alliance Rainbow Coalition</td>
</tr>
<tr>
<td>NEAP</td>
<td>National Environmental Action Plan</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-Governmental Organisation</td>
</tr>
<tr>
<td>NIC</td>
<td>Newly Industrialised Country</td>
</tr>
<tr>
<td>PANS</td>
<td>Participatory Approach to Nutrition Security</td>
</tr>
<tr>
<td>PRSP</td>
<td>Poverty Reduction Strategy Paper</td>
</tr>
<tr>
<td>R2000</td>
<td>Roads 2000 Coast Province Project</td>
</tr>
<tr>
<td>WMS</td>
<td>Welfare Monitoring Survey</td>
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Average exchange rate between June 1999 and June 2003: DKK 1.00 equal to KSH = 9.80.
Executive Summary

Introduction

The main objective of the evaluation is to capture good practice and lessons learnt which will be of use in the expansion of Danish assistance in Kenya’s new political context. This expansion has been made possible by a change of government in Kenya and involves moving from what had, essentially, been assistance in a project modality to providing sector programme support.

During the 1990s, some donors had stopped development assistance to Kenya because of the corruption associated with the former Government. Danida chose to remain and to evade the difficulty by constructing its assistance as a series of projects with links to provincial and district level structures, thus keeping dependence on the Government of Kenya’s (GoK) involvement to a minimum. This political response was entirely appropriate and maintained continuity in development assistance. It also required considerable work from people in the Nairobi Embassy and in Copenhagen. The quality of that work, including difficult political negotiation, was high and should not go unrecorded.

At the time of the evaluation, the six projects at issue were concentrated in the Taita Taveta District in Coast Province and the Makueni District in Eastern Province. They were the Health Services Project (HSP), the Agricultural Support Project (ASP), the Community Based Nutrition Project (CBNP), Roads 2000 Project Coast Province (R2000), the Micro-Enterprise Development Project (MEDP) and the Micro-Finance Institutions Initiative (MFII). The last two were evaluated together and a joint report prepared.

Common to them all, in varying degrees, was an emphasis on participatory planning in which the rights and responsibilities of implementing agencies and of beneficiaries were fully recognised. This was the key to cost sharing between donor, government and beneficiary communities. It is difficult to assess what would have happened if Danida had not operated in Eastern and Coast Provinces. However, the probabilities are that household poverty would have been greater than it is now. Access to water, a central intervention in both the Agricultural Support Project and the Community Based Nutrition Project, would have been substantially lower.

Main Conclusions

The six projects were, in differing degrees, efficient, effective, making a positive impact, relevant and sustainable. Table 1 gives an overall, but severely limited, assessment; for a more nuanced judgement, see the main chapters. But it should be noted that the Focal Development Area (FDA) and village level approaches adopted for the livelihood improvement activities of the ASP and the CBNP left large areas without direct development support.

There was a strong sense of local ownership in the projects and highly visible Kenyan technical management. Participatory planning, in which rights, responsibilities and cost sharing were negotiated, best demonstrated in the CBNP, was critical to the sense of
Executive Summary

Ownership. Impact was heightened by linkages to provincial (health) or district level structures (agriculture and nutrition) and was greater when participatory planning set realistic targets and implemented reliable interventions. All the implementers were resourceful in considering activities against budget lines and interventions that had the maximum impact at least cost. The projects were proactive in identifying interventions appropriate for alleviating poverty in dry lands.

Negative impacts were, at first sight, limited. There were clear signs of environmental degradation around some boreholes, but other examples of damage, such as clearing bush to obtain line of sight along roadsides, could not reasonably be so described. Other negative impacts arose because contracting was slow, examples of this were apparent in R2000 and, in the case of the ASP, the length of the time it took to raise community contributions. In some cases effectiveness was compromised because interventions were supply driven, as in the first phase of MEDP and parts of the HSP. Most negative effects were, however, addressed by the participatory planning process by reformulating or modifying the interventions.

Table 1: Evaluation Summary

<table>
<thead>
<tr>
<th>Evaluation</th>
<th>Efficiency</th>
<th>Effectiveness</th>
<th>Impact</th>
<th>Relevance</th>
<th>Sustainability</th>
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</thead>
<tbody>
<tr>
<td>HSP</td>
<td>a+</td>
<td>β-</td>
<td>a</td>
<td>β+</td>
<td>α+</td>
</tr>
<tr>
<td>ASP</td>
<td>β</td>
<td>β</td>
<td>a</td>
<td>β-</td>
<td>β</td>
</tr>
<tr>
<td>CBNP</td>
<td>δ</td>
<td>α+</td>
<td>γ</td>
<td>β</td>
<td>α+</td>
</tr>
<tr>
<td>MEDP/MFII</td>
<td>δ</td>
<td>δ</td>
<td>δ</td>
<td>δ</td>
<td>δ</td>
</tr>
<tr>
<td>R2000</td>
<td>a+</td>
<td>α+</td>
<td>a+</td>
<td>α+</td>
<td>δ</td>
</tr>
</tbody>
</table>

α = positive; β = mixed; γ = indifferent to poor; δ = cannot be classified; + and – indicate gradation.

Lessons Learnt

The most important lesson is that a participatory approach, identifying the rights and responsibilities of implementers and of beneficiaries, as well as providing a negotiating framework for cost sharing is critical to the local ownership of projects.

Another lesson, which follows from this, is that by focusing on rural livelihoods, the interventions meet the needs of local communities because they are directly involved in defining them.

A third is that experimentation, not least because interventions have to be tuned to a dry lands environment, should be encouraged. Existing experiments are led by Kenyan professional staff who are technically competent to design appropriate interventions. It is important that monitoring and evaluation provides an overview of system design, rather than concentrating on completed activities.

The most negative lesson learnt was the lack of significant cross-sectoral cooperation, where linkages which would have been relevant were neither utilised nor even explored. This was caused, in part, by project designs and modalities of implementation and, in part, by the forms of control used by individual line ministries.

The issue of system design will be important as Danida returns, in its assistance in Kenya, to a sector programming modality. Embassy staff will be required directly to
address the development challenge in association with the GoK. In the existing projects, the poverty focus was implicit and not explicit. Making the alleviation of poverty an explicit objective will be the key to making a sectoral programme succeed. What must not be lost in this new policy dialogue is the emphasis on the participatory negotiation of rights and responsibilities of beneficiaries and the government structures and institutions. The emphasis on local delivery will be part of that policy dialogue, not least because the GoK is addressing the decentralisation challenge. Overshadowing these negotiations is the impact of the HIV/AIDS pandemic, which, like gender, must become a central cross-cutting issue.

**Recommendations**

It is recommended that Danida concentrate on two sectors: improved health service delivery and the enhancement of rural livelihoods. In the former the delivery framework is through provincial structures; while in the latter it should be localised to district level.

In enhancing rural livelihoods, there should be cross-sectoral linkage between the three interventions of on-farm activity, off-farm activity and rural infrastructure and nutrition issues must also be integrated. In designing on-farm activities, good practices and lessons learnt from ASP and CBNP should be adopted, for the programme approach, to ensure that the expected impact is feasible. Interventions should be focused on family farm food security and household incomes. An appropriate model of extension that promotes the participation of local communities should be adopted. Off-farm activities, which should borrow from the current MEDP training and the MFII operations, bringing in cross-sectoral linkages and synergy, enhancing the connection between agricultural activities and income generation, should be emphasised. This should include activities that stimulate farming as a business and trigger a process that creates opportunities for improving livelihoods. The rural infrastructure sector should include water and roads. All three sub-sectors must adopt a multi-sectoral approach although it is likely that on-farm activities will initially be driven through the Ministry of Agriculture, off-farm activities through the Treasury and rural infrastructure through the appropriate technical ministries.

For success in programming, Danida should consider making its participatory methodology explicit. It should also consider what monitoring and evaluation criteria it wishes to adopt, in both the health and rural livelihood sectors, and for system delivery so that programme goals can accurately be measured. Above all it must retain the local negotiation of rights and responsibilities; this will help to ensure that interventions are reliable and replicable. For greater impact, a district-wide intervention strategy is envisaged with uniform development in selected districts or target areas. This is particularly important for livelihoods sub-sector interventions.

The move to sector programming will require a substantial effort at national level. To this end, it is important that Danida’s technical team is based in Nairobi, in the Ministry of Planning and National Development.

Key findings from the evaluation are that the following approaches should be prioritised in the future Danida programme:
Executive Summary

• The sustainable livelihood framework should be used in the analysis of, and response to, poverty.
• The participatory community-based methodology of the nutritional project should be employed in other activities.
• Activities, including decision making should be managed, to the extent feasible, at local level.
• Cross-sectoral linkages should be strengthened.
• Investments in water management should have a cross-sectoral emphasis.
• Danida’s focus on ASAL should continue and should address the issue of disaster planning.
• All programmes should address, specifically, the implications of HIV/AIDS.
1. Introduction

1.1 Background to the Evaluation

The Terms of Reference for this evaluation point out that ‘In April, 2003 ... it was noted that most project agreements are ending in 2004.’ The evaluation of six projects, financed by Danida in Kenya, was commissioned in June 2003 in order to make possible a ‘new pipeline building on lessons learnt from the on-going projects.’ The work was undertaken by the ETC International Group through ETC UK, ETC East Africa and ETC Crystal. The projects covered by the evaluation were: the Health Services Project (HSP); Agricultural Support Project (ASP); Community Based Nutrition Programme (CBNP); Roads 2000 Coast Province Project (R2000); Micro-Enterprise Development Project (MEDP); and Micro-Finance Institutions Initiative (MFII): the last two were evaluated together. The projects were chosen because they represented ‘the special bottom-up model’ and, since they were concentrated in the Taita Taveta District and Makuuni District of, respectively, Coast and Eastern Provinces, and, in some cases, in both, the evaluation took place in those two districts.

The policy context, within which the evaluation has been framed, refers to the policies in force at the time of the activities at issue, but the ways forward must incorporate the Interim Poverty Reduction Strategy Paper 2001-2003 (Levin J & N.S. Ndugu, 2001), the Economic Recovery Strategy for Wealth and Employment Creation (2003), the National Agricultural Extension Policy, (Republic of Kenya, 2001) and the National Health Policy Framework (1994).

Following the democratic election of a new government in Kenya in December 2002, the Government of Kenya (GoK) and Danida were, at the time of writing, considering a new phase of cooperation in the light of Kenya’s substantially altered political situation. For the last few years, because of disagreement with the previous GoK, Danida has continued to implement its aid programme in Kenya, not through a sector-wide approach as in all other Danish programme countries, but in a modality closer to that of a project.

At the time of the evaluation, the Danish Embassy in Nairobi was beginning to prepare for a sector-wide approach to future development cooperation between Kenya and Denmark. For that, it had determined to establish water as a new sector of intervention and preliminary missions to identify problems in water supply coincided with the evaluation. Danida had, at the same time, taken the decision to end support for the rural roads programme in Coast Province, but continues to support the Kenya Roads Board.

Because of all of these issues, the evaluation report is more than a simple summary of six projects in five evaluation reports; particular attempts were made to place all six within a poverty framework, assuming that a sector-wide approach will fully comply with Danida’s core policy of poverty alleviation. It does so even though individual project documents and agreements do not explicitly focus on poverty.

In addition to the five reports covering the subject areas, the evaluation is also based on a mapping report designed to assess the impact of the individual projects. Some of its maps are also incorporated in other project reports.
Introduction

1.2 Methodology

Five evaluation reports on six projects were the basis of this evaluation report. The projects covered health, nutrition, agriculture, informal sector training, micro-finance and roads. With the prospect of a new national programme, the roads project was effectively terminated at the time of the evaluation. The MEDP and MFII were considered together. Agriculture and nutrition were deliberately considered separately, not least to compare project approaches to beneficiary definition of need.

Five field teams of two persons, largely Kenyan and predominantly female, led three week missions to evaluate the projects. In addition, two other field teams were used. These teams concentrated on mapping project impact and filming beneficiary responses to the projects. Overall field support was provided by ETC East Africa while overall management, and production of the evaluation report, was undertaken by ETC UK. Altogether, 30 person weeks were spent in the field and a further 30 person weeks on production of reports. The output from this evaluation consists of:

- The evaluation report.
- Five individual reports. (The Field Reports, Annexes 3-7)
- A report on impact mapping. (Annex 8)

In the health and road sectors, the evaluation sought to explore ways of capturing the essence of programmes operating in project mode. In the health case, the evaluation uses case materials to explore the management implications of the project. In the roads sector, a photo essay illustrates the challenge of the project and gives a sense of work in arid and semi-arid lands.

In some senses, the MEDP and MFII projects were too recent to undergo evaluation, not least because of reprogramming in informal sector training. The report suggests possible future challenges as well as identifying lessons learnt from initial project identification.

In all projects, sampling was used to select key informants. Discussion with project teams and an analysis of the literature informed the process. To gather information on policy direction, discussions were also held with representatives of the GoK.

Although key informant sampling does not represent the total population, in-depth interviews allowed the exploration of qualitative data to explain changes and effects brought about by project interventions.

Commentary and criticism were offered by project staff, beneficiaries, the Government of Kenya, the Danish Embassy in Nairobi, Danida staff, the Evaluation Department and the peer review panel. Each commentary has been systematically addressed within the Field Reports and the evaluation report. Points of fact or of interpretation raised by the reviewers and others have been carefully considered and modifications made, as appropriate.

There are two major weaknesses in the evaluation. The lack of quantitative data on impact means that it is difficult to be specific about it. More importantly, because the evaluation is project focused, it is difficult to judge the overall impact on the total popu-
lation: if a broader sectoral approach had been taken, the assessment of impact would tend to be more modest and the GoK policy framework would have been more directly addressed.

Both quantitative and qualitative data are used in the Field Reports but the limited time available reduced the possibility of a rigorous examination of statistical data. The reports made use of previous reviews, which included statistical data, and the projects' monitoring data, where this was available, but in all cases much of the assessment of impact was necessarily based on discussions with stakeholders and experience-informed observation of activities.
2. Poverty

2.1 Poverty Planning

Kenya’s primary development goal is to achieve broad-based, sustainable improvement in welfare for all Kenyans. A fundamental prerequisite for reducing poverty is that economic growth should substantially outpace population growth.

Available estimates suggest that, over the past 25 years, food poverty has increased more than absolute poverty. While the prevalence and incidence of sickness are similar for both the poor and non-poor, response to sickness is remarkably different; the overall majority of the poor cannot afford private health care and rely on public health facilities, but find even public health charges unaffordable. The unavailability of drugs is an additional problem. Many poor households do not have access to safe drinking water. Subsistence farmers and pastoralists are among the poorest and women are more vulnerable than men.

In education, the completion rate for primary schools fell to less than half the student population. Teachers’ salaries account for most of the Ministry of Education’s budget, the remainder is spread thinly across learning materials and maintenance. Because of increased poverty, many parents are unable to meet their share of the costs of providing physical facilities (UNDP, 1999).

The GoK’s interim PRSP (2001-03) addressed increasingly widespread poverty and outlined a preliminary policy framework. A National Poverty Eradication Plan was established at the Office of the President for this purpose.

2.2 The Poverty Challenge in Kenya

Twenty-three percent of the population live in absolute poverty (defined as less than a dollar a day), most of them are in rural areas. The poorest 20 percent of the rural population receive only 3.5 percent of rural income. Life expectancy has fallen from an average, in 1989, of 59.5 years to an average, in 2002, of 46 years.

Following the 2002 election, the key policy for alleviating poverty was the Economic Recovery Strategy for Wealth and Employment Creation of 2003, which covers agriculture, infrastructure, energy and tourism. Kenya has a small open economy, with an annual Gross Domestic Product (GDP) of around USD12.1 billion (World Bank, 2002). The inflation rate for 2002 was 7 percent, and annual per capita income lies at around USD 360 (World Bank, 2002). Primary production constitutes 80 percent of export earnings.

The GoK’s public finance revenue is 25 percent of GDP. Donor funding is currently around 25 percent but is rising again. The national debt burden is 61 percent of GDP.
2. Poverty

and debt servicing requires 20 percent of foreign exchange. Kenya is not a Heavily Indebted Poor Country.

Macro-economic policies, adopted in the 1980s and 1990s, affected small farmers negatively. This is exacerbated by low commodity prices, corruption, poor infrastructure, inappropriate technologies and the increasing rate of social breakdown due to the Human Immuno-deficiency Virus/Acquired Immune Deficiency Syndrome (HIV/AIDS). Horticultural production is expanding, but commodities such as coffee, cotton and sugar are declining, and livestock, forestry and fishery stagnate. Agriculture provides livelihoods for 70 percent of Kenyans. The institutional framework for enhancing off-farm income in rural enterprise is limited. There are few formal credit facilities and co-operatives perform badly. Enterprise opportunities are concentrated in urban areas.

Gains in health have been eroded, principally by malaria, poor conditions for pregnancy and childbirth, acute respiratory infection, diarrhoeal diseases, tuberculosis and HIV/AIDS. These conditions are complicated by malnutrition, including protein energy anaemia and vitamin A deficiencies. Only 43 percent of the Kenyan population live within a 4 km radius of a health facility.

A National Nutritional Policy is now under consideration. Within food-poor households, the proportions of stunted and under-weight children are 42 percent and 26 percent respectively. In 1998, Coast and Eastern Provinces had one of the poorest levels of nutrition. The HIV/AIDS increases opportunistic infections. Only 46 percent of the rural population has access to 20 litres per capita per day of safe water within 0.5 km. Water borne diseases are a serious threat and only 40 percent of the rural population has access to sanitation, largely through pit latrines. Per capita water storage capacity has declined.

Infrastructural development is a slow process, there are over 100,000 km of minor roads which are labour-intensive in both construction and maintenance, but it is important to recognise that labour-intensive operations can have beneficial effects (see R2000). Maintenance is needed urgently, but soil types and drainage determine the reliability of rural roads.

2.3 Local Poverty

The Coast and Eastern Provinces are the focus of Danida’s activity. The districts of Taita Taveta and Makueni are the two districts in which the six projects were evaluated in the two provinces. They are within the 80 percent of Kenya classified as arid or semi-arid lands (ASAL). Both districts are physically diverse but suffer from inadequate rainfall. Average annual rainfall is low and unreliable so that there is a risk either of drought or flood. Rainfall variability is a problem for both agriculture and health. Careful water management allows irrigation in parts of the two districts, but human populations are stressed in areas where water supply cannot be ensured.
2. Poverty

2.3.1 Coast Province

Coast Province is composed of seven districts and has a total population of 2.5 million of which 1.2 million are females.

According to the Welfare Monitoring Survey (WMS) of 1997, those in absolute poverty formed 61 percent of the Province’s population (1.5 million). The sex ratio of poor people within the district is 47 percent males to 53 percent females. Literacy levels among the poor are 67 percent for males compared to 38 percent for females. Infant mortality stands at 78 per thousand live births, while access to safe water currently stands at 57 percent.

2.3.2 Taita Taveta District

In Taita Taveta, the district in Coast Province on which this evaluation focuses, 43 percent of the total population cannot meet their basic food requirements even after spending their entire income on food. Literacy levels among the poor are 64 percent for males and 37 percent for females, these fall a little below the Coast Province’s averages.

The population according to the 1999 census was 246,671. Absolute poverty in the district was 66 percent, rural food poverty was 62 percent, rural hard-core poverty was 47 percent and overall rural poverty was 66 percent (WMS, 1997, GoK, 2003b).

2.3.3 Eastern Province

Eastern province has a population of 4.6 million, living in 13 districts, most of which lie in ASAL zones, and has the highest number of the poorest people in Kenya.

Health and education facilities are minimal in the province’s arid regions, but there are a few run by non-governmental organisations (NGOs) and charitable church organisations. To highlight the prevalence of poverty in the province a sample analysis of certain districts formed part of the evaluation. Absolute poverty in the province is estimated to be 58 percent (WMS, 1997).

Primary school enrolment stands at 74 percent. Access to safe water is 36 percent. Infant mortality currently stands at 53 percent. Food poverty is estimated at 57 percent.

2.3.4 Makueni District

In Makueni the population is 771,545 of whom approximately 74 percent (571,000) are absolutely poor. Of approximately 144,000 households, 107,000 are poor. The District is frequently a candidate for food relief. Most residents in Makueni are subsistence farmers and are vulnerable to the weather (GoK, 2003a).
2. Poverty

2.4 Conclusion

Much of Danida’s work in the Coast and Eastern Provinces is in the poorest areas of Kenya. The land is largely arid and semi-arid and water availability is the main challenge. Since such areas are more sparsely populated, access to services, including health and education, tends to be more restricted than elsewhere. The paucity of urban centres and the poor road network exacerbate problems of access. In such areas, people become marginalised because services are expensive to deliver.
3. Overview of the Six Projects

The overall objective of Danish development assistance, in accord with the Millennium Development Goals, is to achieve sustainable development through poverty-oriented economic growth and to support the long-term Kenyan strategies for poverty reduction. This is to be achieved through support for the private sector, respect for good governance and a focus on women’s participation.

The Danish-Kenyan development cooperation – which dates from the 1960’s – is currently concentrated on the ASAL in Eastern and Coast Provinces. The support is organised in projects and not in a sector programme, as in all other Danish programme countries. All projects are implemented at local government level but in full cooperation with the central authorities. One important feature, common to most of the projects, is the emphasis on the empowerment of local communities vis-à-vis the planning and implementation of activities (the demand driven or ‘bottom-up’ approach).

Contextual factors such as the economic, social, political, cultural and physical environments interact and are constantly changing, quite independently of projects and programmes. Desired changes may be caused by the project or by lucky circumstances. On the other hand a well-designed and well-run project may succeed in overcoming poor operating conditions. All of the sectors were directly and/or indirectly influenced by external and uncontrollable factors. Three important examples are:

- the favourable rains of the last three years (generally beneficial);
- Kenya’s economic problems during the last few years (negative);
- the effects of the HIV/AIDS epidemic (strongly negative).

This point is well made in Table 3 of the report on the HSP and entitled ‘Capturing Success in Conventional Evaluation Criteria’ – ‘Impact in terms of improved health statistics should not be expected, given the (increasing) poverty context, and the HIV/AIDS epidemic.’ However, the report continues that there would be a positive impact if use of the service improved, if costs were decreased for users and the quality of care was improved. It adds that any successful replication of the project should also be interpreted as an impact.

These influences from outside the project/programme boundary may be positive or negative or may be both. HIV/AIDS is entirely and increasingly negative in all projects, but three years of good rains, while being an advantage for farming and nutrition, may be problematic because the incidence of malaria, one of the most significant health problems, can increase. Heavy rain is a threat to all unsurfaced roads, and to make matters worse, matatu drivers now use chains to improve traction during wet weather, but these chains quickly damage the roads, encouraging more drivers to use chains.

To make the analysis even more difficult, the context for project/programme implementation is also influenced by a combination of trends and shocks. Long-term secular trends such as population increase, increased numbers of vehicles on roads, changing social and political attitudes towards gender, may be positive and/or negative. Short-term shocks are usually unpredictable, may be very local and are normally negative. The terrorist attack in Mombasa had a severe impact on economic activity, such as the
important markets for agricultural products in the coastal area, but one knock-on effect was an incentive to improve the disaster response system: the challenge here is to improve the ability to respond to a range of disasters including those caused by weather. Droughts and floods are frequent system shocks in the ASAL, with direct effects on agriculture, economic activity, health and nutrition. Drought has not been a problem in the last few years, a benefit to many of the projects, but whether the project activities have strengthened the ability to respond to drought will be clear only when drought recurs, as it surely will.

Reviewers have mentioned the significance of changed political circumstances post-December 2002 and the implications for, and influences on, the activities of various levels of the GoK and other actors. The evaluation was aware of these issues and considered them in the preparation of the draft reports. Insufficient time has elapsed for a firm judgement on the direction and degree of change, or whether change is in fact occurring in the GoK’s efficiency and effectiveness and in issues like human rights and governance. Major GoK organisational and administrational changes are likely, but the extent to which subsidiarity, a component of participation and localisation, will become a reality has yet to be seen. These are contextual issues for development programmes to which Danida will continue to pay close attention.

3.1 Health Services Project

<table>
<thead>
<tr>
<th>DKK million</th>
<th>Start this phase</th>
<th>Finish this phase</th>
<th>Province</th>
<th>Districts</th>
<th>Latest Review</th>
<th>First Expenditure</th>
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<td>2001</td>
<td>2006</td>
<td>Coast</td>
<td>7 (all)</td>
<td>April 2003</td>
<td>1995</td>
</tr>
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</table>

The Health Services Project (HSP) focuses on improving health by undertaking fundamental reforms in health delivery. A wide range of interventions was examined in the project and significant improvements were made. Examples included: capital purchase of oxygen-making equipment which reduced stress on the overall revenue budget; the provision of generic drugs, the negotiation of a fee structure for service delivery and, since ‘80 percent of deliveries do not take place in a health facility’, the provision of maternal shelters for mothers, the last of which also eased access to hospital care. Each of these examples indicates that health professionals were thinking as a unified service.

Planning and management have ‘improved at all levels’, they are transparent and accountable and are excellent so far as they go, but they are restricted. Health care workers whose profession is valued by the public and who provide strong leadership are excluded from them – a situation which causes resentment and, to some degree, inhibits success.

Efficiency: cost effectiveness and the quality of care have improved; necessary health interventions have been defined in a fully participatory process, they also include the repair of infrastructure; the capacities of the providers have been both improved and sustained. Sharing the costs of delivering ‘essential health packages’ with the beneficiaries has been jointly agreed.

Effectiveness: the project achieved its objectives, but more attention might have been paid to expanding them such as to produce some response to HIV/AIDS. However, the cut in its budget, made in 2002, might well have compromised its ability to do this. The
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concept of delivering ‘essential health packages’ has been formulated. But delivery to, and access for, poor people living in remote ASAL areas is problematic. Health professionals clearly understand the patterns of need and demand in the context of the districts epidemiology, with the exception of HIV/AIDS. In this they are in the position of the rest of the country and, indeed, the continent. Of the ten ‘outputs’ proposed in the project document, two remain unaddressed: the ‘minimum health packages’ (also called ‘essential health packages’) have been determined, but not yet delivered; and the Health Management Information System which is now undertaken by District Health Management Teams and Provincial Health Management Teams.

Impact: at one level, the project’s impact was substantial because it developed from simply being a project into a ‘collective of engaged health professionals throughout the [health] service’. Its management boards and user-committees are participatory and, hence, make a greater impact, but there is the exception of the non-inclusion in management of health-care workers. However, little or no impact has been made on the rates of morbidity and mortality because of the effects of HIV/AIDS.

Relevance: from the point of view of most of the communities, the project was undoubtedly relevant, but, because it did not have the resources, it could make little headway in Danida’s overall objective of reducing poverty. More could be done to deal with the symptoms of poverty holistically, rather than approaching each of them as separate problems, particularly with children: ‘57 percent of children admitted to hospitals have ... underlying malnutrition; this ... is not documented as a problem.’ Better services for the remote poor are a matter of resources.

Sustainability: the project is completely sustainable unless its resource base become compromised or unless national priorities intervene in its present structure.

3.1.1 Lessons Learnt

The lessons learnt emphasise the importance of realistic planning in designing replicable interventions. For example, in the Coast Province HSP, excessive drug prescription in dispensaries was curbed by the introduction of flat fees that included medicines. It also became plain that reliable and competitively priced supplies of drugs can be ensured by dealing with a number of competent central suppliers. Another example may be seen in the ability of District Health Management Teams to decide, when the Ministry of Health is unable to provide core staff, on the recruitment of supplementary staff to be paid for on a cost-sharing basis. The HSP succeeded because health is probably the single domain in which professionals retain trust from the service users and where service users are the best judges of the planning challenges. Finally, the HSP was not overburdened with external technical assistance, not least because Kenyan health professionals were in charge.

3.1.2 Best Practices

The evaluation defined the success of the HSP in a way that would do justice to what is achieved beyond the project’s defined outputs. It found that success has to do both with what is offered (the Project), and how this is utilised (the health service itself). The unambiguous nature of the HSP’s core business (health care and preventive services) is an underlying factor, while the set-up – supporting an existing institutional entity, with
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distinct delivery points, throughout a province – provides a clear framework for ownership and implementation.

*Membership of the collective health programme must be maintained:* Actors who should be part of the collective programme, but are excluded, should be included. In particular, the public health cadre and its capacity-building aspirations should be included in the next round of funding.

*‘Turning the flywheel’:* Opportunity for experimentation should remain, and all members of the collective of health care providers should be able to access it through the modality of the district work plan. Examples of salient health care problems that HSP could address are the morbidity and mortality associated with poor people in ASAL areas. Special attention should be given to HIV/AIDS.

*Processes that are ‘just right’:* The HSP should continue to revise and update its processes to see if, given changing contexts, these are, and remain, ‘just right’. Exit strategies for technical assistance and resources should be designed in the knowledge that there is no such thing as ‘completion’ for an ongoing service.

*Recognisable core business:* The HSP should continue to ensure that it is recognisable as a resource, and thus may be tapped not only within, but also outside the Province. This could be helped by monitoring and evaluation (including self and peer evaluation) and result in a user-defined Health Management Information System. The HSP should likewise be open to the lessons of other relevant programmes, such as the Swedish International Development Cooperation Agency funded programme and the European Union Project in East and Central Province, due to start in 2003.

### 3.2 Agricultural Support Project

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<th>DKK million</th>
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<th>Province</th>
<th>Districts</th>
<th>Latest Review</th>
<th>First Expenditure</th>
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The immediate objective of the ASP was the development of ‘sustainable management of soil, water, vegetation and animal resources ... [in] selected Focal Development Areas (FDA)’. It was also ‘designed to impact on the cross-cutting issues of gender, human rights, environment and improved self-determination ... [and to] sharpen focus on efforts to improve the livelihood of the poorer segment of the ASAL population.’ The principal target group was that of low-income farmers.

The Project was designed to improve the communal identification of necessary interventions and, to ensure communal ownership, to promote cost-sharing either in cash or in kind. It strengthened extension services by providing a range of inputs, but cost-sharing was more problematic.

Capacity building through appropriate training was a major means of achieving the objective. Between 64 and 73 percent of the targeted farmers were trained in the areas of crops; forestry; livestock; veterinary care; water; social development, management and organisation; and in mounting demonstrative tours within the community.
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Efficiency: the project did succeed in implementing its activities, but the quality of implementation was occasionally poor. When the project began, inadequate preparation and rushed planning led to unnecessary expense, but the situation improved with the introduction of ‘para-extension workers ... within the communities’. Planning did not allow for the time needed by communities in raising funds for cost-sharing.

Effectiveness: the project was certainly effective in its contribution to the reduction of poverty by initiating activities in tune with the needs of the people of the ASAL. But these were of use to the relatively, rather than absolutely, poor. 30 percent of the population is described as ‘poorest of the poor’ and their needs were not adequately addressed.

Impact: the project made communities aware of possibilities and helped to create a knowledge base to an extent and in ways that had not previously existed. Social and environmental impacts were largely positive (early exceptions were gradually overcome). Technical impacts have been considerable because they were built on the incorporation of local expertise. Negative impacts are relatively minor, but include cash cost-sharing which favours the better-off.

Relevance: the project’s development objective specifically included the reduction of poverty and the consequent improvement of living standards; its activities were dominated by a ‘close consultative participatory approach’; both elements made the project relevant. But its inability to identify and reach the extremely poor compromised its overall relevance.

Sustainability: between 50 and 60 percent of the project’s activities should survive the eventual withdrawal of Danida’s funding. A major issue is the constitution of the FDA committee whose members could appropriate most of the benefits. Cost-sharing and community capacity building have been important in securing the position.

3.2.1 Lessons Learnt

The first lesson learnt from the ASP was that the FDA model of extension is fully participatory, but is expensive and, therefore limited; consideration should be given to suitable levels of entry in each district: division, sub-location or village. In evaluating the ASP it became obvious that the planning process was initially too rapid and, despite the rhetoric of participation, plans were imposed from above.

Other lessons were that an emphasis on rights and responsibilities in a participatory approach to planning is essential and that communities should be involved in monitoring implementation. Funding for experimentation at district level should be retained, not least because ASAL environments are so variable and require local solutions which central bodies would find difficult to formulate. Working with local institutions, rather than imposing structures from above, and thus developing local solutions is clearly important. Kenyan technical capacity is considerable, but future technical cooperation could best be focused on providing management support systems that would allow Kenyan professionals a broader frame of delivery. Parallel structures are usually counter-productive and may be the source of wrangles and conflict; thus it became clear that a system that strengthens linkages with existing structures at district and community level is better than one that encourages the creation of new structures. If the project implementation modalities are not very clear to all participating stakeholders at the start of a
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project, then there is a risk that both the communities and the implementers may tend to see themselves primarily as beneficiaries. Those offering services in the sector are frequently unaware of the real benefits accruing from their involvement.

3.2.2 Best Practices

A stronger sense of ownership, promoting sustainability, is created when project activities originate from the farmers/communities. The process is far more effective when members of the community analyse and prioritise their needs and contribute towards the costs of implementation.

Training local people to offer specialised services is a cost-effective way of implementing interventions.

Capacity building, including management capacity, and the time for new groups to coalesce to achieve unity and form a common purpose should be allowed for in building new organisational structures;

Communities should be told, at the design stage, what the project is able to offer in terms of resources and knowledge.

Small-scale subsistence farmers should be introduced to the possibilities of a business orientation.

3.3 Community Based Nutrition Programme

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<th>Province</th>
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The CBNP came into existence in 1995, taking over from an earlier programme (the Family Life Training Programme) that had run 14 centres in which malnourished children could be rehabilitated. It is a Kenyan social development and poverty reduction programme, substantially funded by Danida, and implemented through the Ministry of Gender, Sports, Culture and Social Services.

The new organisation moved from the former residential care to community-based activities designed to improve nutrition. Its developmental objective is the reduction of poverty among women and men and to improve the nutritional status of children. To achieve this two objectives were agreed:

• Improve the capacity of district and divisional teams to support communities in addressing their social development, including their nutritional security. To that end it used participatory methods, principally the system known as the participatory approach to nutrition security (PANS), and multi-sectoral approaches.
• Enhance the capacity of rural communities to plan and implement sustainable social development activities towards the improvement of nutritional status.
CBNP activities may be classified in four ways: organisational support, building capacity in staff of the district/divisional government, interventions at community level and monitoring and evaluation.

CBNP’s participatory approach in delivering services to the community enhances the opportunity for the poorest of the poor to be integrated into their communities and to participate in their development. But, at the same time, the programme targets the poor to ensure that this opportunity is taken up. It tries to do this without isolating them from the rest of the community, or robbing them of their dignity. The participatory approach to nutritional security has made the community more sensitive to the plight of its less fortunate members.

The participation of the community in gathering data ensures that the CBNP makes informed decisions about the nature of its problems and how to address them. Community participation in planning, implementing and monitoring development agendas has not only demystified these processes but has made them more appealing and user friendly.

The availability of the Community Initiative Fund enables the very poor, and other vulnerable groups, to access development funds without being compelled to produce matching funds. A transfer of technology is needed in order to enhance household livelihoods. This requires financial input beyond the current level of Danida funding: more effective networking is essential if the additional funds to supplement the contribution from the communities and from Danida are to be raised.

CBNP’s multi-sectoral approach has demonstrated, at district and divisional level, that extension workers from different line ministries, if well co-ordinated and with proper definitions of their roles, can work together as a team and harmoniously share available resources for the benefit of communities. There is a strong sense of community ownership in the programme, which became apparent when its members defined their own critical problem as one of water.

The programme has achieved much, but, through no fault of its own, there is a flaw in its construction. In 1994, when the Danish and Kenyan governments agreed to a move from institutionalised rehabilitation for severely malnourished children to a community based operation with a wider remit, they neglected to make provision for these children. The responsibility for them is now assumed to rest on the GoK. Given that the CBNP uses a multi-sectoral approach to nutrition, it seems obvious that it should be given responsibility for issues of severe malnutrition.

Planning in the CBNP has been excellent and poor communities were involved in a participatory process in which both implementers and beneficiaries had defined rights and responsibilities.

Efficiency: since the programme is working with an entirely new model of community mobilisation, it is impossible to compare it with alternative and possibly more efficient ways of achieving the objectives. It has achieved between 77 and 100 percent of its targets while, at the same time, ensuring correct accounting procedures.

Effectiveness: the programme’s bottom-up approach is entirely consonant with the two agreed objectives and it is clear that these have been achieved. In the nature of the case,
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It is very difficult to quantify the degree of achievement in building social awareness, but training has been successful and communities participate fully in determining the kinds of project and activity to be undertaken. Community pharmacies have been established and the programme has been active in the health sector in general.

**Impact:** the understanding of malnutrition, its causes and the solutions to it have improved. But, to a considerable degree this understanding is largely related only to severe malnutrition. A positive shift in feeding practices has been made and the relationship between a family’s nutritional needs and income generation has more clearly been recognised. Agricultural techniques designed to improve food security have been introduced. Gender issues have been recognised and efforts are being made to address them. All these are elements in reducing poverty, but the CBNP has clearly demonstrated that the reduction of poverty can be achieved by the concerted efforts of a number of different initiatives. Danida has added a comment subsequent to the Field Report: ‘The project was developed after a pilot phase where it was shown that using social mobilisation for initiating development in vulnerable communities would have an effect on stunting levels and ultimately poverty levels. The present project was to test whether scaling-up of the above mentioned concept would be possible.’

**Relevance:** the project was plainly relevant since it dealt with central issues of nutrition; the only caveat concerns its limitation in planning for future famines. Its activities are congruent with the development policies of both the Kenyan and Danish governments. The issue of poverty is central and its reduction cannot be handled by a single sector, hence the multi-sectoral involvement of all the relevant government ministries and departments.

**Sustainability:** interventions and improvements in water supply are of such value that they will continue to be sustainable. Danida carries all the costs of community training, it provides the technical and moral support for the village development committees and much that has been gained will probably be lost with the ending of Danida funding, unless it is replaced by funds from the GoK.

### 3.3.1 Lessons Learnt

The participatory approach to social issues of most kinds is of the first importance. It is of particular value in any targeting of the very poor, because only thus can discrimination and branding be dealt with.

Community participation in data gathering enhances all other communal participation and promotes the sense of ownership.

It is necessary to find mechanisms (in this case the Community Initiative Fund) to deal with the inability of many small communities, particularly those of the very poor, to raise matching funds.

### 3.3.2 Best Practices

A multi-sectoral approach allows extension workers from different line ministries who are well co-ordinated and equipped with proper definitions of their roles, to work...
3. Overview of the Six Projects

together as a team, at district and divisional levels, and harmoniously to share available resources for the benefit of communities.

Gender analysis can be undertaken by communities which, in the process, sensitises them to the varying roles and responsibilities.

Capacity building takes place throughout the whole organisational structure.

3.3.3 An Addendum

Since the completion of the field reports and the drafting of the evaluation report, the authors of the latter have been informed that the CBNP has ended; this would seem to render recommendations for the Programme’s future otiose. The anxiety, expressed in the field report, over the problem of what happens to severely malnourished children in some future famine remains and the present authors understand that the GoK and the UNDP are both addressing the issue. Nonetheless, it seems legitimate to draw on CBNP’s experience in its activities and to suggest that national plans should incorporate local solutions and involve local participation – a thesis admirably illustrated by CBNP’s record. The authors recognise that any discussion of the ending of the CBNP cannot – since the field report deals entirely in the present tense – belong in a synthesis; they also recognise that, no matter how legitimate the suggestion may be, it is quite possible that Danida’s withdrawal from that particular localised activity may mean that recommendations cannot be passed on.

3.4 Micro-Enterprise Development Project and Micro-Finance Institutions Initiative

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<thead>
<tr>
<th>Project</th>
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<th>Start this phase</th>
<th>Finish this phase</th>
<th>Province</th>
<th>Districts</th>
<th>Latest Review</th>
<th>First Expenditure</th>
</tr>
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<td>2+2</td>
<td>February 2001</td>
<td>1998</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>Eastern</td>
<td></td>
<td></td>
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<tr>
<td>MFII</td>
<td>10.3</td>
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<td>2004</td>
<td>Coast+</td>
<td>2+2</td>
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<td>2001</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Eastern</td>
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The Micro-Enterprise Development Project and the Micro-Finance Institutions Initiative were evaluated together: the MEDP had two distinct phases, numbered I and II. Initiated in 1999, MEDP-I provided direct support for organisations through which the development of enterprise might take place and for individual entrepreneurs; the groups were the Jua Kali associations (JKA), youth polytechnics and women’s organisations. Support consisted of training, sales techniques, micro and small enterprise (MSE) financing and reorienting group objectives towards business (this last was particularly the case for women’s groups). MEDP-II, begun in October 2002 changed, essentially, into a business development service (BDS) with the overall policy of reducing poverty by increasing employment and income generation through micro-enterprises. To this end the project recruited micro-finance institutions, in the MFII, to promote village banking which would bring savings and credit systems to marginalised communities. Most Kenyans work in the informal sector which ordinary banks do not serve.
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MEDP-I began its support from the top-down: it was supply driven and funded by the state; it saw BDS as a public good and it set out to build the capacity of institutions. Inadequate outcomes led to a thorough reform of the project and to the formation of its second phase. MEDP-II has adopted models of best practice in development: its support is now demand driven and will be paid for and provided by the MSEs, facilitated, in part, by Danida, it will promote BDSs as private services and set out to build markets.

MFII supports financial services associations (FSA), particularly in the provision of smallholder agricultural credit. It also supports ‘small-scale producers of goods or services’. Agricultural credit is tied to harvesting seasons, but since the small producers are also either farmers or living in an agricultural economy, ‘the financing of each business is normally interconnected’. At the time of the evaluation it had improved access to financial services for 700 people.

Efficiency: MEDP-I’s approach as a direct provider, making its own assessments of needs, meant that most of its activities were inefficient, hence the need for its reform.

MEDP-II has been substantially more efficient in the short term in which it has operated, but it could improve matters yet further by coordinating better with both the ASP and the MFII.

MFII has, in its work in micro-finance, made a very efficient use of its financial resources. It has succeeded in creating ten FSAs and, although this number is only half the agreed target, the reduced number has resulted in a correspondingly reduced budget.

Effectiveness: MEDP-I offered free services of kinds it felt to be important; because they were free, training sessions were well attended, but made no difference. ‘Some interventions involved large amounts of cash, which ... [distorted local] markets’. Some partners, particularly JKAs, were inappropriate. But it did succeed in creating ‘business relationships’ and promoting business-like approaches with very small subsidies.

So far, in its short life, MEDP-II has been very effective in promoting local marketing, good business relationships between the MSEs and the facilitators/providers, and in targeting the poor. It is also persuading farmers that their occupation is a business.

MFII has effectively established systems for developing village banks; its financial services associations are built to accommodate the consequences of harsh ASAL environments. But its policy of employing local and inexperienced staff compromises the building of capacity.

Impact: because MEDP-I worked through established groups of various kinds, its impact was largely limited to those groups. It weakened the JKAs, but it contributed considerably to improving governance and management and capacity building in youth projects; it also got women’s groups to add business structures to their otherwise purely social concerns.

At the time of the evaluation, MEDP-II had only recently come into being, its impact, therefore could not be measured, only predicted. Its planning, approaches and early activities suggest that the impact might be considerable.
MFII has established FSAs which are based on mutuality and are understood and accepted in a number of communities. They provide services that are obviously needed and have successfully mobilised resources not immediately apparent to local communities. They have also been able to engage low-income members of the communities, particularly women.

**Sustainability:** MEDP-I’s successes in the groups will survive, since they were largely a matter of changing attitudes. Some of its activities, like the encouragement of BDSs, will also survive, but under the different circumstances created by MEDP-II. It has also been successful in the long-term change in communal attitudes to the importance of youth polytechnics and in introducing new technologies and ideas.

MEDP-II’s prospects for sustainability are promising, particularly in the case of its strengthening of the activities of those who are simultaneously providers of BDSs and micro-entrepreneurs – a dual role which encourages intra-communal training.

All MFII activities are, in principle, sustainable, but it is clear that the continued use of local, untrained and inexperienced staff in the FSAs will lead to the project’s ultimate collapse.

MEDP-I’s planning did not reach the poor and generated an unsustainable model for providing services. MEDP-II is market focused, but is insufficiently linked to the ASP and the MFII. The MFII is well managed, but it, too, is inadequately linked to the ASP and the MEDP; but MEDP, MFII and the ASP have all been seeking ways in which to co-operate more closely. Although there have been numerous meetings at project level, these have not translated into satisfactory co-operation on the ground. In particular, the relationships and possible conflicts between MEDP and MFII, which are both more market orientated, and ASP, whose outputs are part public good and, potentially, part private service, have not been resolved.

### 3.4.1 Lessons Learnt

The obvious lesson learnt from MEDP-I partly led to its replacement by MEDP-II: the inadequacy and expense of top-down service provision which, because of its structure, discouraged community ownership. A more positive lesson may be found in its demonstration that exhibitions can be a powerful tool in marketing.

At the time of the evaluation, MEDP-II had only recently been established and firm lessons are difficult to draw; but it is expected that its concentration on encouraging and supporting MSEs will substantially assist in the improvement of conditions for the very poor and will, therefore, provide an effective lesson.

MFII demonstrated that FSAs are appropriate and effective in the difficult environment of much of Kenya. It also made clear that there are some areas (in this case, financial management) in which it is unwise to rely too heavily on local and inexperienced staff.
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3.4.2 Best Practice

In the case of investment in MSEs and in formal and informal training, it is important to maintain, so far as possible, the participatory approach. This will mean the incorporation of trained staff into the relationships of participatory enterprise.

3.5 The Roads 2000 Coast Province Project

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<th>Province</th>
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<th>Latest Review</th>
<th>First Expenditure</th>
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Danida’s Roads 2000 Coast Province Project was set up to maintain the network of existing roads and, where cost-effective, to ensure the use of labour-based methods (thus combining a social and economic good with the generation of income). Staff of the Kisii Training Centre (KTC) successfully trained a total of 108 small contractors in Kilifi, Kwale, Malindi and Taita Taveta Districts. Some 30 of the small contractors were women. Theoretical and practical work was followed by supervised trial contracts; subsequent contracts were awarded in open competition. For 2,460 person-days, staff of KTC also trained the staff of the Ministry of Roads, Public Works and Housing (MoRPW&H) to facilitate the planning and supervision of R2000 activities. There were considerable delays in the process of contracting and in the initial transfer of funds by GoK.

Good progress was made towards achieving the immediate project objectives. A system of routine maintenance had been achieved in most of the network, with considerable progress towards privatising it. There were, unfortunately, irksome delays in contracting at the start of the financial year, necessitating the use of force account (government led work) when, otherwise, small contractors could have carried out the work. Women’s participation as contractors and as labourers has increased significantly, though women tend to be marginalised in the work that they do. Though appropriate institutions were developed at district level, MoRPW&H staff movements caused the loss of skills and institutional memory in the project, so that a programme of continuous training is needed.

Implementation took environmental quality into account. The Project planned R2000 efficiently, making several managerial innovations and co-operated successfully with MoRPW&H in the implementation of activities. Staff of MoRPW&H particularly commended the monthly reporting system. It was hoped that Danida would consider the resumption of support for three years to allow the implementation of Phase 2 in Coast Province. This would allow a detailed examination of the extent to which local contractors can successfully undertake a broader range of activities beyond the simple ones attempted so far, for example in spot improvements. It was also thought Danida should encourage GoK to maintain full support through the fuel levy and modify procurement rules to facilitate a more favourable regime for locally-based contracting, with more fixed rate contracts and the purchase of local materials.

**Efficiency:** Danida’s design of this project was particularly successful and responses to any inefficiencies were rapid. Costs were kept well within targets (between 81-85 percent of the expected cost). Reporting, the detailed management of training and the involvement of local communities were all handled efficiently.
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**Effectiveness:** maintenance has facilitated access to goods, services and markets. Labour for it has been local and the income generated has been of value, 'particularly for the land poor.' Women, in particular, have benefited from training, which has increased their confidence, and from the income that the work has brought in.

**Impact:** although non-motorised travel remains dominant, the number of matatus and buses has increased and their fares reduced. Greater activity in agriculture and trade has followed the project; access to markets, schools, medical facilities and administrative centres has improved. The project has made a number of innovations, notably in the reporting system, which has not only been used outside the project boundary, but also in several aspects of the training of contractors. The evaluation found that the social and economic impacts of the activities were positive and that local people not only wished to participate in road maintenance, mainly through paid employment, but that they perceived roads to be valuable aids in satisfying their own needs. R2000 enjoys local political support and there is no opposition to any part of the project.

**Relevance:** agriculture is the principal occupation in the region and to sustain and strengthen agricultural livelihoods it is necessary to provide access to markets, particularly for farmers in remote areas. Other forms of livelihood are also facilitated: shops, roadside kiosks and the sale, on roadsides, of aggregate and building stone. R2000 is an appropriate and relevant response to the poverty-related needs of local people, both in support of livelihoods and as a welcome source of direct income.

**Sustainability:** Danida funding has ended and the GoK has yet to release funds for the project. The latter is proposing to extend the project to cover the whole of Kenya. Economic sustainability depends on the transfer of certain hypothecated sums, but sustaining the indirect social gains (particularly for women) depends on the continuation of the locally based systems of labour and resisting the temptation to employ large-scale contractors and heavy machinery.

### 3.5.1 Lessons Learnt

Labour intensive road building and improvement which employs local labour is more beneficial than large-scale and more industrialised means of construction.

Rural roads are of major importance to other sectors like agriculture.

Rural roads enable otherwise isolated communities to compete in, for example, local markets, and so to escape poverty.

Building and maintaining roads increases the scope for creating employment.

A real sense of ownership is generated wherever local labour is used in building and improving roads.

Skills in sophisticated maintenance and improvement exist in local communities in a measure not normally found in urban companies of contractors.

People will invest their own time in an organised way for road maintenance.
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Women organise and manage funds and work with great efficiency; their physical labour is probably also valuable, but reports differ.

3.5.2 Best Practice

Regular periodic (in the case of R2000, monthly) reporting should be used as an operational management tool.

All training should be relevant to local environmental conditions.

Facilitating the attendance at training sessions of mothers with small babies, an initiative introduced by Danida, should be common practice.

Repayable loans should replace the incentives, financial or in kind, offered for attendance at training sessions.

The leasing of small-scale road-building equipment to locally formed contractors should be the norm.

3.6 Evaluation Judgement on the Six Projects

The terms of reference for this evaluation posed five specific questions, of which four are answered in the Field Reports and in Sections 4.5 and 4.6 of this report. The four questions for which evidence in the Field Reports provides answers are:

- Does working at local level improve ownership?
- Does working at local level improve sustainability?
- Does working at local level improve slow implementation?
- Has the bottom-up approach of the projects and the focus on participation improved the ability of communities to take action to improve their own living standards?

The answer to each of these is ‘yes’. The fifth question (fourth in the order in which they appear) is not answered by consulting the Field Reports:

- Does working at local level increase the burden on Embassy staff?

But conversations with Embassy staff in Nairobi during the preparation of the evaluation report do provide an answer. The members of staff at issue are committed to ‘working at local level’ and do not regard the consequences as a burden, but as part of the Danish contribution to building development cooperation.

The most important finding is that the Kenyan staff, in conjunction with Danida staff, were technically very competent and capable in the planning and implementation of the various projects. The Field Reports criticise some elements in the ASP, the CBNP and the MEDP and MFH, but also make the point that many of the problems arose from geographic or demographic conditions (the overwhelming importance of water in ASALs and the isolation of the very poor). The evaluation’s judgement on the six projects, allowing for reservations, is favourable even if some matters call for further exami-
nation (for example, the social problems in cost-sharing, the reinforcement of demand-side management and the need to widen consultative processes). Successes can be explained partly because in operating in a project modality, Danida created very strong project boundaries, i.e. limits to the interventions. As a consequence, however, two interlinked problems arose. First, with the exception of the CBNP, each project has great difficulty in working in a multi-sector environment. Second, the projects found it difficult to locate themselves in the national development challenge for poverty alleviation; some were essentially floating in an institutional governance vacuum. For example, the HSP, did not have a well-developed and reliable way of serving the very poor.

Projects at sub-national level are institutionally in limbo, with few anchor points and distant from line ministries. The ASP, the MEDP and MFII all had key offices located in Mombasa, outside the districts where they were meant to be operating. In Mombasa the Provincial Medical Unit shares an office with the Provincial Agricultural Officer, but no cross-sectoral contact is seen to take place. There was no sense in any of the individual projects of how private sector involvement is institutionalised. On the ground opportunities for links between the projects and the private sector were missed. The CBNP, which was originally focused on family food security had little relationship with the ASP and fell under a different line ministry. In addition, the agricultural project itself did not address family food security. The scaling up (‘vertical linkages’) and the scaling across (‘horizontal linkages’), in all sectors, were only partially successful.

In general the projects focused well on what was needed within the project boundary and agreed a suite of services within each sector with the beneficiaries. With the exception of the MFII and HSP, little deliberate action has been taken towards the development of service delivery systems. A continued project service delivery mode, especially in agriculture, is expensive and unsustainable. By taking a participatory approach that identifies the rights and responsibilities of both implementer and beneficiary, Danida has demonstrated a capacity to develop a responsive and realistic planning model. Danida has also searched for reliable interventions by seeking to support the exploration, by communities and professionals, of what would be the most appropriate intervention for the particular environmental, economic and social conditions of the ASAL. In order to underpin the anti-poverty strategy, it is also necessary for Danida to support communities and professionals in the creation of replicable interventions that can be disseminated cost effectively. Such an exploration has not yet begun.

At several points the Field Reports consider the contributions of individual projects to the support of livelihoods and livelihood strategies, which has the advantage of focusing on the individual households and people, and on the specific causes of their vulnerability, particularly in the case of the very poor. Thus poverty alleviation may be addressed through the use of a sustainable livelihood framework. The sustainable livelihoods approach evolved from investigations of entitlement and is a heterogeneous concept, but it is possible to identify six underlying principles. Livelihood investigations are:

- People Centred – must focus on what matters to people.
- Responsive and Participatory – the poor people must be the key actors.
- Multi-Level – work must be carried out at micro and macro level.
- Conducted in Partnership – both public and private sector.
- Sustainable – economic, institutional, social, environmental.
- Dynamic – respond flexibly to changes in people’s situation
3. Overview of the Six Projects

Even a cursory examination of the Field Reports shows that ‘Danida’s Experiment’ – the provision of assistance in project mode at a time of political difficulty – produced valuable results. The projects were frequently successful in achieving their objectives; some failures were caused by inadequate design (for example, the exclusion of health-care workers in the planning and management of the HSP, or the inappropriately constructed MEDP-I), but many more of the difficulties arose from the divorce between the Projects and the GoK which led to Danida’s intervention taking the form that it did.

But these projects did substitute for a programme and, with this reservation in mind, it is worth making the attempt to use the five evaluation criteria as if these projects were, collectively, a programme. By the same token, but not quite with the same reservation, the lessons that were learnt and the best practices that were identified in each project may also be generalised.

Efficiency: The HSP’s efficiency was compromised only by its difficulties with the remote poor. Rushed planning reduced the efficiency of the ASP and it initially failed to allow sufficient time for communities to manage cost-sharing; but its main activities were executed efficiently. A central element in judging the efficiency of any project lies in comparisons with other, similar, projects in order to determine whether or not it could have been more efficient: since the CBNP introduced an entirely new model of community mobilisation, such a comparison cannot be made. All that may be said is that it achieved a high proportion of its goals and that its accounting procedures were correct. MEDP-I had ended by the time of the evaluation, but it did succeed in promoting businesses with very small subsidies. MEDP-II had barely begun its activities, but seemed to be on course. MFII, a financial support project, had made efficient use of its resources. R2000 was exceptionally efficient.

Effectiveness: The HSP reached most of its objectives effectively, but its overall effectiveness was compromised by cuts in its budget and by its inability to address the greatest health problem – HIV/AIDS. Poverty was effectively reduced among the relatively poor by the activities of the ASP; but it did not adequately address the need of the ‘poorest of the poor’. The CBNP was very effective, but, through no fault of its own, its remit in the case of malnourished children in any emergency was too narrow (see Relevance). MEDP-I had been poorly constructed but had some useful effects; MEDP-II shows the signs of becoming effective; MFII has been effective, but its staffing policies may undermine its position. R2000 has been very effective, not the least in improving conditions for women.

Impact: The services provided by the HSP have made a considerable difference; but, since it lacked the resources of all kinds with which to address HIV/AIDS, its impact on the overall rates of morbidity and mortality has been negligible. The ASP’s impact has been substantial, compromised only by a cost-sharing system which favoured the slightly better-off farmers. Because the CBNP has been able to learn from experience, its impact is growing, but its potential has yet to be fully realised. Elements of the impact of MEDP-I were unfortunate, but its promotion of youth polytechnics had a considerable and useful impact; it is not yet possible to
3. Overview of the Six Projects

determine the impact of MEDP-II; MFII’s impact has been positive. R2000 has had a substantial social and economic impact.

Relevance: The HSP was certainly relevant to people’s needs, but was limited by the lack of resources. This lack reduced its ability to introduce new practices and understandings which would have increased its relevance; the project was also unable to do much for the very poor. The ASP’s activities were certainly relevant to the needs of better-off farmers, but it could do little for the very poor. CBNP’s activities dealt with central issues of nutrition and were obviously of immediate relevance, but its relevance would substantially be increased if it were given the opportunity to plan for future famines. MEDP-I engaged in appropriate activities, some of them misguidedly structured and, thus, of rapidly decreasing relevance; MEDP-II has been designed to redress the situation; MFII’s relevance is limited only by its size and by its inability to bring differing project interests together. In an agricultural region, access to markets is essential, hence R2000 could not fail to be relevant; it was equally important in facilitating other forms of livelihood.

Sustainability: The HSP is fully sustainable in its present form, but national changes may affect this position. Fifty percent or more of the ASP’s interventions are sustainable without Danida funding; but, in the absence of Danida influence, FDA members could appropriate most of the benefits. In the case of CBNP, its interventions in water supply will continue to be sustainable without Danida’s funds, but community training will probably disappear unless it is supported by GoK. MEDP-I no longer exists and its legacy is small; MEDP-II shows every sign of being sustainable, particularly in the case of its work with BDSs and micro-entrepreneurs. Danida’s funds for R2000 have ended and, at the time of the evaluation, the GoK had not released new funds for it; the GoK is proposing to extend the project throughout Kenya and such a change could affect local engagement, particularly in the case of women.

3.6.1 Lessons Learnt

Planning:
• Top-down planning has been found not to work, and planning only succeeds when it addresses a clear need, is fully participatory and is revised and updated as necessary.
• Community involvement in data gathering ensures that the right needs are addressed.

Operation:
• When local workers are engaged, a sense of ownership ensues and livelihoods are improved.
• Local structures, institutions and expertise are more effective than new or parallel arrangements.
• Cost-effectiveness is improved by providing training for local people.
• Repayable loans are more effective than grants in promoting ownership.
3. Overview of the Six Projects

- Special measures are necessary to include the ‘poorest of the poor’, to prevent their isolation and to preserve their dignity.
- The Community Initiative Fund was more effective as a means of helping the very poor than a drive for matching funds.
- Women are the best organisers and managers of funds and, where gender issues do not interfere, their manual labour is valuable.
- Capacity building is essential at all levels.

3.6.2 Best Practices

- Despite the random nature of multi-sectoral activity and its inhibition by the project structure, the six projects frequently allowed extension workers to work as a team.
- Gender analysis was undertaken by communities and so sensitised them to the problems.
- The incorporation of trained staff into the relationships of participatory MSEs enables participatory training.
- Regular reporting (monitoring) improved operational management.
- Training was relevant to the local environment (i.e., ASALs).
- Facilitating the attendance of mothers with small babies (the presence of older children can offend local susceptibilities), a practice introduced by Danida, was particularly valuable and should be extended.
- Local workers were frequently employed, which substantially improved local economies.
- Loans, rather than grants, were used as incentives to training.

3.7 Mapping

Adequate data sets were not available to allow the full mapping of outcomes for all six projects and there was insufficient time to generate new data sets, nevertheless it was possible to map some of the outcomes of Danida’s activities. Four variables, population, poverty, gender and topography, were selected and maps, illustrating outcomes from activities of the ASP, were created (See Annex 8). Topography, which relates closely to rainfall was an indicator of land potential; local officials were able to produce maps of poverty surfaces and it was possible to derive maps of population density and female-headed households from census data. When expenditure on agriculture was overlaid on these surfaces it was clear that Danida’s agricultural project had succeeded in targeting female-headed households, but was less effective in reaching poorer households. Other Danida projects are, in general, in different areas from those in which investment in agriculture took place, this suggests that opportunities for cross-sectoral linkages were limited.

3.8 Conclusion

All projects in individual sectors, with the possible exception of MEDP-I, performed well, especially in the health sector. However, there were complaints in all sectors that multi-sectoral activities were difficult to achieve. This, in turn, suggests that each sector had built its own institutional framework through its own line ministry. In all cases, except health and MFII, there was an emphasis on the delivery of services, rather than
3. Overview of the Six Projects

on establishing systems through which services could be delivered. Hence, although monitoring and evaluation were in place, the evaluation of the system, including its overall impact, was minimal.

Because Danida operated in project rather than sector programme mode, this is not a surprising conclusion. Projects have strict limits, which enable them to generate strong performance internally, but the limits themselves prevent replication. In cross sector activities where least cost solutions based on livelihood analysis and consolidated experience can be sought, they can also be passed up the system to inform future programming; an aim difficult to achieve if project limits have first to be negotiated.

The institutional setting had several consequences. The policy framework was opaque and the obligations of the GoK were unclear. Since local government structures reflect those of central government, there was a tendency to strong vertical relationships within sectors, but little drive for cross sectional linkage. The mode of operation produced a Danida focused operation rather than one which addressed the efficient and effective use of public funds, including official development assistance, from a Kenyan perspective.
4. Danida’s Experiment

4.1 Introduction

Given a new government in Kenya and Danida’s intention to expand its aid programme for the country; given also that both parties agree that they will define this programme nationally within a framework of a sector-wide approach; it is useful to look at the six projects as if they were a programme. In reviewing the experience, it is important to separate internal and external factors.

4.2 Internal Factors

In a review of internal factors the following points are noteworthy. In the six projects there is little evidence that the choice of sector was driven by policy aims per se. In all of them Danida was committed to active participation by communities and professionals, using a wide range of participatory instruments. These instruments focused on the rights and responsibilities of all partners. Danida also supported national technical capacity and took a lead from it in designing better uses of resources. This suggests that unlike much of the literature that indicates that participation must attack professional positions, effective and full participation requires their full deployment.

In making a judgement of stakeholder involvement, results seem more mixed. Since Danida decided to provide assistance in project mode, the national headquarters of line ministries have not all been significantly involved in the programme and there has been little debate across different domains in institutions.

Capacity building has been addressed at different levels in all sectors and Kenyan professionals, who appreciate the support of Danish professionals, are especially conscious of the need for its continuation, particularly in framing management systems. But the delivery of such a wide range of training without any overall control leads to substantial variation in quality.

Because a dialogue with the Government of Kenya about processes did not take place, there were few opportunities to influence policy and to explore the efficiency and effectiveness of interventions in a national context. For example, monitoring and evaluation were rarely used to draw generic conclusions.

4.3 External Factors

External factors determining the performance of the programme itself, before the advent of the new Government of Kenya, were largely negative. At face value the GoK and Danida agreed on a number of cross-cutting issues: poverty alleviation, governance, gender, environment and an emphasis on participatory planning processes supported by the development of institutional capacity. But this agreement has to be seen against a breakdown, in all sectors, in the framework of delivery from national to provincial to district level and the withdrawal of development negotiations in a sector-wide approach. There was no shared commitment to good governance; policies evolved, but were largely run
by major players such as the World Bank; the economic context was unfavourable and the shared agenda limited. This, in turn, led to a decline in funding which would have made a programme very unsustainable.

4.4 Conclusion

It is not surprising that in the measurement of internal factors, target group orientation is high and stakeholder involvement very high. The strength of the programme was in its determination to make planning participatory and its strong emphasis on gender. Needs were defined from the perspective of community livelihood systems. Rights and responsibilities were established in participatory planning, as was the share of the cost burden.

It is equally unsurprising that factors external to the programme were judged harshly, not the least, until the recent elections, because of significant disagreement between the Governments of Kenya and Denmark, over the thrust of the development programme. It was because of that disagreement that Danida sought to continue its development assistance in a project format. The evaluation thought that this decision should be widely applauded and that it shows a significant level of courage in tackling the problem of continuity.
5. Evaluation Summary and Recommendations

5.1 Evaluation Lessons

It was apparent that participatory planning was strong in all projects. This was because the rights and responsibilities of implementers and beneficiaries were defined. It was further strengthened by including cost sharing agreements in the planning negotiations.

Kenya has the technical capacity to address rural development issues. This capacity, with the agreement of both the State and local communities, enabled the exploration of value for money in defining the range of interventions in each sector. These interventions reflected the nature of development opportunity and constraint in arid and semi-arid lands.

Because of the distances that must be travelled to obtain services, work in poverty alleviation is slow and expensive, especially in arid and semi-arid areas. It is also slow because implementers frequently over-estimate local absorptive capacity or seek to superimpose institutional forms which do not match local need.

There is still a tendency for implementers to take a supply-side approach to development and not to ground their analyses in an understanding of local livelihood systems. At times this can result in the delivery of inappropriate inputs, especially around training. It also results in isolated working practices that limit cross-sectoral linkages.

It is important that the management framework, including monitoring and evaluation, moves beyond the management of activities towards a systems approach to service delivery of both public and private goods.

5.2 The Task Ahead

The task ahead is to consolidate what is best from experience to date and to refocus from project to programme mode.

It is important to keep the participatory approach, particularly with its emphasis on rights and responsibilities and cost sharing. Such an approach will ensure that the planning process is both responsive and realistic. It is also important to keep to the fore the issue of value for money, by allowing experimentation in producing reliable and replicable solutions. In turn, this means that the development assistance programme has to recognise that Kenyans, as both implementers and beneficiaries, are the key resource for success.

What should not be lost is the ability to work at local level as development assistance moves from project to programme negotiation. In particular, Danida funds must be seen to be additional to the funds of the districts in which it supports development, not as a substitute for GoK monies.

Above all, that task ahead will be dominated by engagement with the GoK in policies to define the future programme. That dialogue will start from a shared perspective on
5. EVALUATION SUMMARY AND RECOMMENDATIONS

poverty alleviation. It will be driven forward by the use of a participatory planning process that emphasises rights and responsibilities. It will clearly address issues of governance, especially the opportunities offered by the process of decentralisation, currently under negotiation within Kenya. It must also address cross-cutting issues particularly of gender and HIV/AIDS.

Specifically, the evaluation recommends explicit programme policies and project agreements, focused on poverty alleviation and with specific targets; monitoring and evaluation systems appropriate to the specific level of intervention are also recommended. Programme line management should be through two lines that emphasise health delivery and the enhancement of rural livelihoods. In health, programme management should be domain focused at a provincial level. In rural livelihoods, which need to operate at district level, there are three focal areas – improved farm production, increased rural enterprise and enhanced rural infrastructure. To focus thus will require a core team of technical assistance in Nairobi which will support the Embassy in its negotiation with the GoK.

To conclude, based on the successes and limitations of the projects, it is possible to highlight a number of principles for future Danida programmes. With the aim of reducing poverty, and with the poorest as the main concern, the sustainable livelihood framework should first be used to identify the crucial elements of poverty in specific situations, then the programmes could be designed to address these. Such a response would certainly emphasise cross-sectoral linkages, with implications for the coordination of activities between line ministries. The participatory, community-based methodology of the nutrition project is one method of achieving a more direct contact with the poorest people, as is the direction of programme activities, including decision-making, as far as feasible, to local level. The Danida focus on the ASAL has been successful in maintaining contact with specific local environmental, political, economic, social and cultural conditions. The working relations developed, the high level of need, the positive achievements and the momentum, argue for a continuation of interventions in the ASAL. Within the ASAL programme it would be wise specifically to address the issue of disaster planning. Many of the concerns mentioned here will be helped when Danida starts investing in water management, which is central to many problems of the ASAL and to the problems of the poorest. Water management will necessarily be cross-sectoral. Finally, all programmes should continue to address HIV/AIDS and its direct and indirect implications in all aspects of activity.
Annex 1 Terms of Reference

1. Background

The overall objective of Danish development assistance is to reduce poverty and improve the living standards of the most vulnerable groups within society. The Danish-Kenyan development cooperation – which dates back to the 1960’s – is today characterised by a strong geographical concentration to the arid and semi-arid lands in Eastern and Coast Provinces. The support is based on projects and not sector programme support as in all other Danish programme countries. All projects are implemented at local government level but in full cooperation with the central authorities. One central feature common for most of the projects is the emphasis on empowerment of local communities vis-à-vis planning and implementation of activities (the ‘bottom-up approach’).

Since the first multiparty elections in 1992 the support of democracy and human rights has been the ‘raison d’etre’ for the Danish development assistance to Kenya and the reason for the continuation of the development assistance to Kenya despite corruption scandals and insufficient government action to improve democracy and human rights. The programme that directly supports democracy and human rights is carried out in a way that is similar to Danida-models in other programme countries, and it will therefore not be subject to this evaluation. The focus of the evaluation is the special ‘bottom-up’ participatory model of development assistance that is implemented in Kenya.

Representing the special bottom-up model, the following six projects have been chosen for the evaluation:

- The Agricultural Support Project
- The Health Services Project
- The Community Based Nutrition Programme
- The Micro-Enterprise Development Project
- Roads 2000, Coast Province
- The Micro-Finance Institutions Initiative

In April 2003, during the annual consultations in Nairobi, it was noted that most project agreements are ending in 2004. It was agreed to embark on formulation of a new pipeline building on lessons learnt from the on-going projects.

It has therefore been decided to carry out an evaluation in two of the districts where the projects are concentrated: Taita Taveta in Coast Province and Makueni in Eastern Province.

Project activities under all six projects except CBNP are implemented in Taita Taveta District. In Makueni Districts there are closely co-ordinated activities financed under the ASP, MEDP and MFII projects plus there are CBNP activities.
2. Objectives

The main objective of the evaluation is to capture good practice and lessons learnt in order to provide input to the ongoing expansion of Danish assistance within the new political context in Kenya.

3. Output

An evaluation report providing an overview of the project activities in the two districts and an assessment of the five evaluation criteria:

The relevance of the activities (Are the objectives in keeping with needs and priorities? Should the direction be changed? Should activities be continued or changed?).

The efficiency of the activities (To what degree have the outputs achieved been delivered as agreed? Could it have been done better, more cheaply and more quickly?).

The effectiveness of the activities (To what extent have agreed objectives been reached? Are the activities sufficient to realise agreed objectives?).

The output and impact of the activities (What are the positive and negative effects and do positive effects outweigh negative effects?).

The sustainability of the activities (Are the involved parties willing and able to keep facilities operational and to continue on their own?).

The evaluation report should state causes and explain reasons for successes or failures and contribute to making the future cooperation relevant, effective, efficient and sustainable, as well as state lessons learnt and good practices. The evaluation should consider lessons learnt in relation to both possible future sector programme support and experience from area-based development (The Rakai Evaluation, Danida Evaluation 2000/3).

4. Scope of work

The evaluation shall provide an overview of the current Danish-Kenyan cooperation and an assessment of the possibilities and constraints for the formulation, planning and implementation of assistance. Care must be taken to understand the political context of Danish assistance to Kenya around issues of democracy, human rights, good governance and corruption. The evaluation shall cover the period 1998 – 2003, but may also include earlier activities if they are relevant to the development of the programme.

Gender should be a cross-cutting issue throughout the evaluation to the extent the data allows it.

The co-ordination of the agencies involved is important, for example in standardised targeting criteria. The appropriateness of the projects chosen, and the division of labour amongst agencies is relevant, and an account of the logistical and political constraints encountered in getting resources to the needy areas.
Annex 1 Terms of reference

Within the evaluation, particularly important additional issues include:

- Does working at local level improve ownership?
- Does working at local level improve sustainability?
- Does working at local level slow implementation?
- Does working at local level increase the work burden on Embassy staff?
- Has the bottom-up approach of the projects and the focus on participation improved the ability of communities to take action to improve their own living standards?

Within the projects, the focus should be upon:

- Health and CBNP; these projects should be evaluated separately, with a view to understanding the CBNP-approach should be combined with future projects in the health, agriculture and water sectors.
- Vocational training; linking this to human rights as well as employment are two particularly important issues.
- Agriculture; the effects on asset creation and livelihood. Particular emphasis should be on the maintenance of soil fertility, availability of labour at the household level, and the opportunities for off-farm income that support household viability. The multidimensionality of land use and access to markets also requires exploration.
- Rural road development and maintenance; four issues are critically important: the improvement of local people’s access to services, the importance of the choice of construction methods in the road rehabilitation and project as a source of income to improve livelihoods, the applicability of the approach and methods developed under the project on a nation-wide scale and the national government contribution to the project.
- Micro finance; the activities focus on equal access to micro finance, but do women have autonomous decision-making power?

5. Evaluation approach

The evaluation must be carried out in accordance with Danida’s Evaluation Guidelines (February 1999). In order to assess the above-mentioned elements, the evaluation should focus on activities that are sufficiently advanced to allow for significant and relevant documentation of processes and results. To this end, various programme documentation: project documents, review reports, progress reports, etc. will be put at the consultant’s disposal.

The evaluation should build on and not repeat the technical reviews of these projects.

The evaluation will begin with discussions in Danida with key personnel involved in the Kenya programme and staff of the evaluation Secretariat. With the support of Danida staff, documentation on the Kenyan programme will be collected. This documentation will be analysed before fieldwork begins.

In Kenya, the evaluation will work through the Danish Embassy to the Treasury and relevant line ministries. At field level, through the Danish Embassy, contact will be made with local government structure and NGOs who are implementing partners. All implementing partners, across all sectors, will be given semi-structured interviews with a common core.
A sample of beneficiary views will be sought for more detailed qualitative data. The sample will be determined by poverty level, gender and age. Attempts will be made, through local interviews of a range of beneficiaries, to capture impact experience on film that same sample method will underpin the story-board of the film. Such sampling allows close consideration to be given to impact (e.g. rural roads proved improved access to health facilities) and encourages beneficiaries to estimate what might have happened if development assistance had not been given. A sample of non-beneficiaries should be interviewed to provide information to help ascertain whether particular groups have been excluded.

There will be debriefings in the field, at Embassy level and in Denmark.

### 6. Reports

- **Mid-July**: Inception report detailing methodology, work plan etc.
- **September**: Draft evaluation reports.
- **November**: Production of final main evaluation report.
- **December**: Workshop in Copenhagen.

### 7. Composition of Evaluation Team

The evaluation team is composed of persons who are skilled in one or more of the following areas.

- Agriculture, soil fertility, agricultural economics
- Healthcare
- Nutrition
- Gender
- Micro, meso, and macro- economics, product and market development
- Engineering, labour-based road rehabilitation and maintenance, transport economics
- Institutional development and capacity building
- Participatory research methods

The majority of the team are bilingual, or multilingual, and Kenyan experts comprise the majority of the evaluation team.

### 8. Timetable

The key dates are as follows:

- **First week of July**: 1 person, 2 days visit to Copenhagen for background information.
- **Late June, early July**: ETC East Africa contact the Danish Embassy in Nairobi to establish background information.
- **21 July, early August**: fieldwork by 3 teams on 3 projects (2 weeks field, 1 week Nairobi)
- **August**: fieldwork by 3 teams on 3 projects (2 weeks field, 1 week Nairobi)
- **September**: draft evaluation reports (the main evaluation report should not exceed 80 pages; evaluation reports on each project will be produced on CD ROM)
ANNEX 1 TERMS OF REFERENCE

October – meeting with Danida on draft evaluation reports
November – production of final main evaluation report
December – general presentation in Copenhagen (1 person, 2 days)

Table 1: The Six Projects

<table>
<thead>
<tr>
<th>Project (Danida’s File no.)</th>
<th>Amount DKK million</th>
<th>Start this phase</th>
<th>Finish this phase</th>
<th>Province</th>
<th>Districts</th>
<th>Latest Review</th>
<th>First Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health (133)</td>
<td>129.1</td>
<td>2001</td>
<td>2006</td>
<td>Coast</td>
<td>7 (all)</td>
<td>Apr.03</td>
<td>1995</td>
</tr>
<tr>
<td>Agriculture (130)</td>
<td>160.1</td>
<td>1996</td>
<td>2004</td>
<td>Eastern</td>
<td>2</td>
<td>Feb.01</td>
<td>1996</td>
</tr>
<tr>
<td>Nutrition (79)</td>
<td>61.2</td>
<td>2000</td>
<td>2004</td>
<td>Several</td>
<td>13</td>
<td>Feb.03</td>
<td>1980</td>
</tr>
<tr>
<td>Micro-enterprise (111)</td>
<td>46.7</td>
<td>1999</td>
<td>2004</td>
<td>Eastern</td>
<td>2</td>
<td>Feb.01</td>
<td>1998</td>
</tr>
<tr>
<td>Micro finance (131)</td>
<td>10.3</td>
<td>2001</td>
<td>2004</td>
<td>Eastern</td>
<td>2</td>
<td></td>
<td>2001</td>
</tr>
</tbody>
</table>

Source: Danida, May 2003
Annex 2 Country Background

In 2002, Kenya’s population was around 31.2 million, a density of 54 per km². From 1975 to 2001, the average annual population growth was 3.2 percent; the rate from 2001 to 2015 is expected to fall to 1.2 percent per (UNDP, Human Development Report, 2003). This is attributable both to family planning and to the negative impact of HIV/AIDS. Approximately two thirds of the population lives in the Lake Victoria basin, the central highland and the coastal strip. Approximately 80 percent of the total land area of Kenya is arid or semi-arid land and contains 30 percent of the population and 50 percent of the livestock (UNEP, 2000). Rainfall is greatest in the highlands, in the coast and near Lake Victoria, but areas below 1,120 metres are semi-arid, and reliable rainfall, adequate for cultivation (750 mm) falls, in four years out of five, on only 15 percent of Kenya’s land. Around 60 percent of relatively good land is dedicated to crop and milk production, the rest is used for grazing and natural parks or reserves.

2.1 The Regional Context

Kenya is a prominent member of both the African Union and the New Economic Partnership for African Development. Kenya is also a partner in the Lomé Convention and the subsequent Cotonou Agreement (EIU, 2000). It is involved in the key regional economic initiatives, particularly the Common Market for Eastern and Southern Africa, a descendant of the Preferential Trade Area.

In 1996, the East African Community, which includes Kenya, Tanzania, and Uganda, and which had become defunct in 1977, was reformed; its re-establishment was ratified in 2000. In 1986, the Inter-governmental Authority on Drought and Development was established. It has seven East African members (Djibouti, Ethiopia, Eritrea, Kenya, Somalia, Sudan and Uganda) and is co-ordinating a collective response to recurrent ‘natural disasters’.

2.2 Political History

From independence in 1961, until December 2002, the Kenya African National Union (KANU) held power and Jomo Kenyatta was President until his death in 1978. Daniel arap Moi succeeded Kenyatta and remained as President until the National Alliance Rainbow Coalition (NARC), a coalition united against the KANU, became the ruling party. In the last five years of KANU’s rule most international aid was frozen. Danida localised its programme support, choosing a project modality. Since December 2002, NARC’s commitment to democracy, good governance and its fight against corruption has led to the resumption of donor support. Denmark has indicated that it will increase its programme.

2.2.1 Corruption in Kenya

During the 1990s corruption and poor governance destroyed the state’s capacity to develop. It also led to the collapse of foreign aid as increasing numbers of development
partners refused to assist such an openly corrupt state (Brown, 2001). Land grabbing by businessmen and their political allies had direct and immediate consequences for the livelihood strategies of the very poor. State resources and power were used to create a clientalist state. Patronage also included bribery and inappropriate appointments within public institutions. The subsequent new government has launched a campaign against corruption.

2.2.2 Civil Society

Community based organisations have penetrated rural areas and other civic societies are joining them. Most non-governmental institutions and voluntary groups are community-based organisations (CBO), and around 75 percent are domestic groups. Most CBOs lack formal status, although some are registered at the Ministry of Gender, Sports, Culture and Social Services. Because of the general and historic lack of state capacity to address the needs of the people, donors have sought alternative routes through which to channel assistance.

2.3 Human Rights and Gender

The Government of Kenya has been, and still is, unable to guarantee the rule of law, so, while the Constitution recognises civil and political rights, the repression of dissent continues. Ethnic cleansing in the Rift Valley, a precursor to the 1992 elections, was politically motivated and prior to the 1997 elections, politically inspired violence in the Coast province resulted in the deaths of hundreds of people and left thousands homeless. Police brutality, torture and arbitrary arrest were widespread, and prison conditions are still life threatening (US Department of State, 2001). Violence against women and girls was common. Insecurity in areas bordering Ethiopia, Somalia and Sudan rose to alarming levels as rival militias have easy access to arms from the neighbouring countries (Amnesty International, 2001; Human Rights Watch, 2001). The GoK was accused by several ethnic groups of not protecting, even actively violating, their traditional rights. The judiciary is not independent because judges are political nominees. A large part of the population has no access to justice because it lacks the skills and resources to defend its rights. Women are the most vulnerable, since many of them have no right to land or income.

In rural areas, women are the principal labour force, but much of their contribution is unrecorded in GDP statistics. According to a national survey in 1997, 69 percent of women were subsistence farmers, compared to 43 percent of men. In 1991, barely 20 percent of public sector employees were women and they were mainly concentrated in the lower cadres. Of the 5,150 higher cadres, only 1.5 percent were women. Between 1963 and 1969, there were no women MPs, and since then their share has varied from 1 to 4 percent (Ongile, 1993). At local level, less than 3 percent of the elected members were women. In 1997, the Inter-Parties Parliamentary Group recommended that half of the 12 MPs nominated by the President should be women, but only four were nominated; less than a quarter of the nominated district councillors were women.

Some 88 percent of men, but only 75 percent of women are functionally literate; among the poorer sections of the population the difference is greater, 59 percent for women and 78 percent for men. There are regional disparities in education; a survey, published in
2001, reported that in the North Eastern Province, only 26 percent of boys and 13 per-
cent of girls attended primary school (Office of the UN Resident Co-ordinator, 2001). 
Poverty in female-headed households is almost double the rate of those headed by men.

Many unequal or harmful cultural practices remain, especially in rural areas. For exam-
ple, even though NGO campaigns have brought about notable improvements in reduc-
ing female genital mutilation, the practice is still common. Another example is that thirty
percent of uneducated women are in polygamous marriages, compared to an average
of 16 percent of educated women.

2.4 Environment and Natural Resources

Soil loss and degradation, loss of biodiversity, polluted water bodies, pollution of the
general environment and the destruction of forests and wildlife are serious environmen-
tal problems reducing the prospects for economic growth and poverty alleviation. The
GoK has long recognised the need for measures to arrest environmental degradation:
Sessional Paper 10, on 'African Socialism and its Application to Planning in Kenya',
makes clear statements on the management of natural resources and the integration of
environmental concerns in development planning. More recent policy documents, like
the Seventh Development Plan (1994-6), have brought environmental issues to the fore,
but little has translated into action (Mugabe, 1999).

In the 1980s the management of natural resources was attempted by, for example, the
Development Authorities of the Kerio Valley; the Lake Basin; the Tana and Athi Rivers;
the Coast and the Ewaso Nyiro North River Basin. Linkage to other environmental
questions was provided by other specialised agencies, such as the Presidential
Commissions on Soil Conservation and Afforestation. More than 20 institutions and
over 70 laws cover natural resource management, which means that it is very fragmented
(Mugabe, 1999).

Before the 1980s, only one specialised environmental agency, the National
Environmental Secretariat, existed. It was transferred to the Environment Ministry in
1981, leading to a transfer of power and influence to sectoral ministries and depart-
ments. The Inter-Ministerial Committee on Environment (IMCE) is also chaired by the
Ministry, but has no legislative mandate. Problems are also found within the IMCE, for
example sectoral ministries responsible for implementation ignore its decisions (Mugabe,
1999). In 1993, the World Bank supported a restructuring of environmental manage-
ment through a National Environmental Action Plan (NEAP). The preparation of an
Environmental Management and Co-ordination Bill, seeking to harmonise all existing
statutes covering environmental issues, was one of its main objectives. A Country Co-
operation Framework in environmental and natural resources management was jointly
developed by GoK and United Nations Development Programme (UNDP) for the peri-
od 1999-2003, focusing on linking poverty eradication to better management of envi-
ronment and resources in which the local community participates.

Although it has adopted a NEAP Kenya still has no national environmental policy. A
good example may be seen in the impact of recent drought. Droughts in Kenya are
cyclic; major droughts occur in each decade, minor ones every few years and the north
suffers from annual droughts. Despite their obvious and devastating impact, there is no
comprehensive drought policy and the numerous institutions addressing the problem
lack co-ordination. No consideration is given to environmental implications and the situations are managed as crises.

As a direct result of the uncontrolled exploitation of pit and river sand, together with the mining of coral rock and limestone, soil erosion and land degradation are commonplace. The Indian Ocean fish stocks are depleted by over-fishing and the use of unsustainable methods by new, inexperienced, fishermen are all unsustainable coping strategies (UNEP, 2000).

2.4.1 Water Resources

Kenya has five major catchment areas ranging from 70,000 to 205,000 km². Annual precipitation varies from over 2,000mm in the highlands to less than 200mm in arid areas, with a mean of around 500mm country-wide. Free-water evaporation ranges from 2,500mm in low-lying areas below 300m to 1,250mm in areas of around 3,000m (Hukka et al. 1992). Forests and wetlands are very important in retaining water. Indigenous forests with significantly greater surface areas are more effective than plantations or bush-land, since they contain a substantial amount of varied organic matter which absorbs large quantities of water and releases it slowly (UNEP, 2000). Even allowing for the effects of drought, river flows throughout Kenya have declined steadily, partly due to poor catchment area management. A total lack of water management and waste treatment in some areas, like the Lake Victoria basin, has resulted in high levels of eutrophication. Floods and siltation also plague the area, mostly caused by inappropriate methods of land-use (Republic of Kenya, 2001).

Water resources are unevenly distributed and mostly inadequate (FMFA, 1995). In 1995, the annual estimated per capita availability was only 600m³, dropping to nearly 500m³ as the population grew. In the 1990s, access to appropriate sanitary means of human waste disposal fell slightly from 84 percent in 1989 to 80 percent in 2000. In the same period, access to drinking water improved from 48 percent in 1989 to 56 percent (Office of the UN Resident Co-ordinator, 2001). Seasonal variations and regional and economic conditions cause major differences in access to safe water.

In the 1990s, the Government realised that it had insufficient resources to provide services for everyone, and so introduced major changes in the sector (National Development Plan 1994-96). The provision of piped potable water to all Kenyans by 2000 had been official policy since Independence, but, during the 1980s, the population increased by more than seven million people, outpacing the Government’s provision of improved services to 3.5 million people (Hukka et al., 1992). Treating water as an economic good with a direct cost to individuals became policy in 1999. It promotes local community responsibility for operating and maintaining supplies.

During the 1990s, frequent changes in the institutional arrangements for the sector took place. Until 1997, the Ministry of Land Reclamation, Regional and Water Development was responsible for water development; it then became the purview of a special Ministry of Water Resources, then further reorganisation put the Ministry of Environment and Natural Resources in charge. The future sustainability of rural water supply will depend on effective financing mechanisms for developing and rehabilitating supplies (Vikman, 2000).
2.5 Economy and Development Policy

Five significant economic periods succeeded Independence, see Table 1.

Table 1: Economic Periods Post Independence

<table>
<thead>
<tr>
<th>Period</th>
<th>Percentage Growth GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>1964 – 1973</td>
<td>Rapid Growth 6.6</td>
</tr>
<tr>
<td>1973 – 1979</td>
<td>Oil shocks, coffee bean boom 5.2</td>
</tr>
<tr>
<td>1980 – 1989</td>
<td>Drought, debt, global recession 4.1</td>
</tr>
<tr>
<td>1990 – 1995</td>
<td>Poor weather, poor infrastructure, intensified corruption, declining donor support, insecurity, declining tourism 2.5</td>
</tr>
<tr>
<td>1996 – 2000</td>
<td>Decline in all sectors 2.0</td>
</tr>
</tbody>
</table>


Recent surveys show that socio-economic outcomes indicate a worsening of poverty; especially over the last three years.

In the sectoral contribution to GDP since Independence, agriculture has declined, manufacture has stagnated and services have increased. Table 2 details GDP by Productive Sector between 1996 and 2000.

Table 2: GDP by Productive Sector (1996 – 2000)

<table>
<thead>
<tr>
<th>Sector</th>
<th>GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>24.5</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>13.3</td>
</tr>
<tr>
<td>Public Services</td>
<td>14.8</td>
</tr>
<tr>
<td>Other Services</td>
<td>47.4</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100 %</td>
</tr>
</tbody>
</table>


Growth in employment has largely followed economic trends; declining economic growth led to declining formal sector employment. The informal sector, *Jua Kali*, provides limited employment for about two thirds of the economically active population outside small-scale farming and pastoralism; small-scale agriculture absorbs 60 percent of the workforce.

Kenya's main economic assets are agriculture, a relatively well-developed manufacturing sector and tourism. But during the 1990s extreme weather conditions reduced agricultural output and industrial growth practically stood still. Despite a notable decline in the numbers of international tourists coming to Kenya, it is still, after agriculture, the country's second largest source of foreign exchange.

Since independence the GoK has relied heavily on agriculture as the base for economic growth, employment creation and foreign exchange. But its share in total GDP decreased from 37 percent in 1963-74 to 26 percent in 1990-95. Employment in agriculture has also declined, from about 80 percent of the working population in 1980 to
70 percent in 2000, but it remains the main livelihood for the rural majority. More than half of its output comes from subsistence production.

Food policy primarily focused on encouraging self-sufficiency as a means of improving food security, however, base commodity production has fallen behind consumption. Maize production fluctuated between 16 and 32 million bags in the 1990s, and consumption amounted to 34 million bags. The agriculture sector’s continuing poor performance in recent years has been attributed to factors such as insufficient rainfall, deteriorating rural services and infrastructure and poor world commodity prices.

Kenya has often been seen as East Africa’s industrially most developed country and 70 percent of all industrial production is accounted for by agro-industry (UNEP, 2000). Foreign investment, mainly from the UK and the USA, accounts for half of all industrial sector investment, (Africa South of the Sahara, 2002). Kenya’s industrial policy shifted from import substitution to trade liberalisation and export promotion during the Sixth Development Plan (1989-93), but growth has stagnated.

Deteriorating land transport, centred around the road and railway corridor linking Mombasa with Uganda is one example of stagnation. Throughout the 1990s, the GoK’s maintenance expenditure was inadequate; despite the significance of transport, the lack of upkeep has caused the loss of a major portion of the initial investment. One report found that only 57 percent of Kenya’s road system is usable, and suggests that 700 million would be the cost of bringing the entire network up to standard (Africa South of the Sahara, 2002). The Ministry of Public Works, under audit in the fiscal year 1997-98, was found to have cases of embezzlement, improper execution of projects, inadequate supervision, neglect of official tendering procedures and dubious contracts (EIU, 2000). Railroads are in much the same situation.

During the early 1990s, increases in money supply were the catalyst for instability in Kenya’s macro-economic indicators. Decline in real growth and investor confidence linked to inflation, led to a massive outflow of foreign exchange and an unsustainable balance of payments (Office of the UN Resident Co-ordinator, 2001). Increasing external debt, in that period, has been reversed. In 1997 domestic debt was equivalent to 2 percent of GDP, absorbing 20 percent of government spending when linked with external debt service. This has meant that less is spent on infrastructure, health, education and other basic services than on repaying creditors.

Economic development continues to revolve around the key challenges of increasing poverty, rising unemployment, inadequate investment in human capital, increasing opacity in the public sector and poor governance – economic, administrative and political. Problems related to poor governance appear as poor project implementation, weakening public institutions, increased corruption, loss of accountability and declining tolerance for differing leadership views (UNDP, 1999). During the 1990s, as state enterprises were privatised, reforms in economic policy were made slowly. They included removing controls on prices, foreign exchange and import licensing, simplifying the tariff structure, liberalising crop marketing and a new Banking Act establishing the independence of the Central Bank.
2.5.1 Institutional Issues

Since Independence there has been a move towards centralisation. The last two decades have seen the collapse of systems of governance at sub-national level, a collapse which has reinforced the vertical power of individual ministries. Good practice in governance was gradually eroded, a process associated with local control and significant sectoral difficulties. All public services became supply-side oriented.

2.5.2 Kenya’s Development Policy

GoK’s long-term policy documents for the 1990s were the Sessional Papers 1 and 2: ‘Economic Management for Renewed Growth’ (1986) and ‘Industrial Transformation to the Year 2020’ (1997). A Structural Adjustment Programme (SAP), was introduced by the first paper. The second set out national policies and strategies for the structural transformation necessary to establish Kenya as a ‘Newly Industrialised Country’ (NIC) by 2020. The second paper proposes that the role of Government will be limited to providing an enabling policy environment, meaningful investment in resources for basic welfare and human development, guarding against human and environmental exploitation and degradation and providing and maintaining essential infrastructure.

Newly introduced policies called for cost sharing and funding basic needs related services in the social sector (NDP, 1989-93). A return to multi-party democracy and the UN Conference on Environment and Development in Rio de Janeiro in 1992 saw the preparation of a National Development Plan (1994-96) which reflected the increasing global concern for democracy and environment.

Because of the economic slump of the early 1990s, processes for structural transformation were found to be difficult to implement. Reference was made to the concept, sustainable human development, introduced by the UNDP, and it became the focus of the 1994-96 period (NDP, 1994-96).

Kenya’s transformation into an NIC was expected to follow from the eighth National Development Plan (NDP, 1997-2001). Industrialisation was seen as the quickest route to generating higher incomes and new employment. The document acknowledged the suffering of vulnerable groups under austerity measures introduced by the Structural Adjustment Programme – which reduced social service availability and affordability, employment in the public sector and real wages – while finding solutions in an accelerated and sustained rate of economic growth. A real GDP growth rate of 5.9 percent per annum was the plan’s target.

During the late 1990s unemployment continued to rise as Kenya underwent a significant economic slow-down. By 2000 the number of the poor had risen from approximately 3.7 million to 15 million.

2.6 Conclusion

In summarising Kenya’s recent economic development against its potential, it is possible to take a pessimistic view; but there have been significant advances during the 40 years of cooperation between the Governments of Kenya and Denmark. These are perhaps
Annex 2 Country Background

best reflected in the increase in life expectancy before the HIV/AIDS epidemic began, but are also reflected in the material improvements in everyday life which are clearly visible, especially in housing and transport. While significant problems remain, there is an openness to consultation between the two governments, not least because of the GoK’s commitment to end corruption in the public sphere and to drive towards better governance. The starting point of any future shared programme between the partners will be the alleviation of poverty.
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Extensive references are included within each Field Report.
Location Map – Makueni and Taita Taveta
Evaluation

Projects in Makueni and Taita Taveta Districts, Kenya