

# **PRESENTATION ON “THE BIG 4 AGENDA: WHICH WAY FOR THE NATION” ON THE 34<sup>TH</sup> ICPAK ANNUAL SEMINAR**

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# “Big 4 Agenda”



“The Big Four” refers to Government priorities for the new term of office and they include: food and nutrition security, affordable housing, manufacturing and universal healthcare for accelerated social-economic transformation, increased job creation and improved quality of life for all Kenyans.

The Big Four Agenda are aligned to the MTP III of the Vision 2030.



# Food & Nutrition Security



❖ Goal: 100% food and nutrition security over the next five years

Increase food availability by increasing maize production from the current 40 million bags in 2017 to 67 million bags in 2022, rice from 112,800 MT to 406,486 MT and potatoes from 1.3 million MT to 2.52 million MT over the same period.



# Food & Nutrition Security



## Strategies

### ❖ Enhance Large Scale Production

- ✓ Place additional 700,000 Acres through PPP under maize, potato, rice, cotton, aquaculture and feeds production
- ✓ Use locally blended fertilizer
- ✓ Incentives for post-harvest technologies to reduce postharvest losses
- ✓ Provide coordination for irrigated agriculture



# Food & Nutrition Security



## Strategies ...

### ❖ Drive small holder productivity

- ✓ Train 1,000 SMEs in food processing along the value chain
- ✓ Improve access to credit/input for farmers through Warehouse Receipt System and strengthen commodity fund
- ✓ Establish commercialized feed systems for livestock, fish, poultry and piggery to revolutionize feed regime and traceability of animals
- ✓ Establish East Africa's Premier food hub, construct a Shipyard and increase domestic fishing fleet by 68 Vessels in the Coast



# Food & Nutrition Security



## Strategies...

### ❖ Reduce cost of food

- ✓ Contract farmers for Strategic Food Reserve and other commercial off-takers
- ✓ Redesign subsidy model to maximize impact by focusing on specific farmer needs (flexible voucher and incentive based model)
- ✓ Secure investments through PPP in post-harvest handling (storage, cold storage for fish, aggregation) and market distribution infrastructure to reduce losses
- ✓ Eliminate multiple levies across counties in the agriculture value chain



# Affordable Housing



- ❖ Goal: To make 500,000 new home owners in the next 5 years
  - ✓ The housing sector will create 350,000 jobs, and provide a market for manufacturers and suppliers.
  - ✓ Real estate & construction sector contribution to GDP will double from 7% in 2017 to 14% in 2022
  - ✓ 7,000 acres of land will be developed in 5 cities – Nairobi, Mombasa, Kisumu, Nakuru and Eldoret
  - ✓ Funding will constitute 60% private funding, 30% NSSF and less than 10% from budgetary allocation





# Affordable Housing



## Strategies

- ❖ Demand driven planning, to ensure optimal uptake by residents
- ❖ Effective urban planning and joint zoning with the county governments to ensure optimal land use
- ❖ Reduction of construction costs through government negotiated scale discounts for input materials and the use of innovative technologies



# Affordable Housing



## Strategies...

- ❖ Improved access to mortgage financing –
  - ✓ Kenya Mortgage Refinancing Company will issue bonds to local capital markets and extend longer-term loans to financial institutions to secure mortgages
- ❖ Fast tracking the support ecosystem around home ownership
  - ✓ Fast permitting and transfer of titles
  - ✓ Fast-track PPP process



# Affordable Housing



## Strategies...

- ❖ Innovative systems to finance developers
  - PPP models, e.g. land swap
  - NSSF balance sheet
  - Off-plan sales



# Manufacturing



❖ Goal: Increase manufacturing to 15% of GDP

From 9.2% in 2017 to 15% in 2022

Enhancing the country's rank of doing business from 80<sup>th</sup> to 50<sup>th</sup> position

Fast tracking the growth of SMEs from 11.8% -20%



# Manufacturing



## Strategies

### ❖ Textile

- ✓ Apparel industrial sheds in Athi River
- ✓ Establishment of the Dongo Kundu special economic zone (SEZ)
- ✓ Rollout of genetically modified cotton

### ❖ Leather

- ✓ Complete the Machakos leather park
- ✓ Train 5,000 cottage industries
- ✓ Change policies to stop imports of finished leather
- ✓ Identify three other industrial parks along the SGR



# Manufacturing



## Strategies ...

- ❖ Accelerate the export of agro-processed products
  - ✓ Mapping tea, dairy, meat, and crop value chains
  - ✓ Attract two global tea processors to Mombasa
  - ✓ Regulate milk hawking
  - ✓ Develop warehousing and cold chains and
  - ✓ Make Mombasa a food value hub
- ❖ Construction materials
  - ✓ Implement "buy Kenya" policy that targets 70 per cent of housing material



# Manufacturing



## Strategies ...

### ❖ Oil and mining

- ✓ Attract one global mining player
- ✓ Export Turkana oil

### ❖ Iron and steel

- ✓ Attract \$1 billion in new investments
- ✓ Establish coal and iron deposits



# Manufacturing



## Strategies ...

### ❖ ICT

- ✓ Assembly plant for phones, TV's and laptops
- ✓ Attract 5 Business Process Outsourcing (BPO) players
- ✓ Develop an IT entrepreneurs programme
- ✓ Strengthen Innovation ecosystem





# Manufacturing



## Strategies ...

### ❖ Blue Economy

- ✓ Develop a blue ocean policy
- ✓ An aquaculture special economic zone on Lake Victoria
- ✓ Grow Kenya's fish exports from 2,500 tons annually to 18,000 tons
- ✓ Attract an investor to put up a \$20 million fish feed mill



# Affordable Health Care for all



❖ Goal : Achieve 100% Universal Health Care by scaling up NHIF uptake

At a projected population of 50 million people in 2022, Kenya will go from the current 36 per cent coverage to achieve 100 per cent universal health coverage.



# Affordable Health Care for all



## Strategies

- ❖ Reconfigure the National Hospital Insurance Fund by:
  - Digitization of NHIF to create customer friendly processes of registration and claims
  - Enlist 100,000 Community Health Volunteers to recruit households
  - Launch segregated multi-tiered package
    - Bronze: Affordable outpatient and inpatient
    - Silver: Outpatient and inpatient including specialized treatment
    - Gold: Premium outpatient and inpatient
  - Extend services through 37,000 bank agents
  - Review of the rules governing private insurers



# Affordable Health Care for all



## Strategies

- ❖ Role out Linda Mama (free maternity) programme to missionary and private hospitals.
- ❖ Ensure CT-scan capability in all counties.
- ❖ Increase health spending from Sh61 billion in 2018 to Sh73 billion in 2021.



## Role of accountants in realizing the big 4 agenda.



- ❖ Assist the government MDAs in carrying out their mandate effectively and economically by keeping systematic financial records; preparing reports for policy-makers; analysing and interpreting financial and other data; and providing financial management advice.
- ❖ Provide a proper accounting for the use of financial and other resources that have been entrusted to MDAs.
- ❖ Evaluate how good delivery by government is being done, in accounting for their operations and in reporting on them.



## Role of accountants in realizing the big 4 agenda.



- ❖ Planning, developing and implementing Government accounting policy, systems and procedures;
- ❖ Computerization of accounting systems;
- ❖ Monitoring revenue collection and expenditure as approved by Parliament;
- ❖ Application of sound principles, systems and techniques in accounting for Government finances, Government assets, revenue, expenditure and costs.



## Role of accountants in realizing the big 4 agenda.



- ❖ Accounting for special funds set up under various statutes, programmes and projects under special negotiated agreements;
- ❖ Management of accounting information which includes coordination and rationalization of estimates, annual appropriations and fund accounts, cash flow control, cost analysis and any other related



Thank you...