

United Nations Development Programme**Country: Kenya****Project Initiation Plan****Project Title:****Strengthening public accountability and integrity systems for accountable governance (SPAIS)**

Expected UNDAF/CP Outcome(s): By 2022, people in Kenya access high-quality services at devolved level that are well coordinated, integrated, transparent, equitably resourced and accountable.

Expected CPD Output(s):**Output 1.1:**

Government has strengthened policy, legal and institutional mechanisms for coordinated, inclusive and effective service delivery.

Output 1.4:

People in Kenya have capacity to engage, deepen accountability and transparency in devolution, especially women, youth and persons with disabilities.

Initiation Plan Start/End Dates: 1 March to 31 December 2022**Implementing Partner:** UNDP Kenya**Brief Description**

The impact of corruption on the poor and most vulnerable populations is a key development concern globally. Corruption not only increases the public costs of basic services such as health, education, water and sanitation, but it also hinders access to the basic needs and capabilities that every citizen requires to have a dignified standard of living. This project aims to strengthen the capacities of key stakeholders towards transparent and accountable governance in Kenya. The project seeks to contribute to efforts by the government and non-state actors aimed at corruption prevention and combating corruption for improved service delivery and inclusive governance. Its main intervention is to support lead state institutions, civil society and private sector to increase transparency, accountability and responsive democratic governance through:

1. Strengthened policy and legal frameworks for countering and preventing corruption;
2. Enhanced capacities of oversight and coordination institutions for countering and preventing corruption;
3. Increased capacities and participation of civil society, faith-based organizations, media, and private sector to inform public, monitor service delivery and promote public accountability.

Programme Period: 1 March to 31 Dec 2020

Atlas Project Number: _____

Atlas Output ID: _____

Gender Marker: GEN 2

Total resources required US\$ 1,000,000

Total allocated resources: US\$ 1,000,000

- Regular
- Other:
 - Donor _____
 - Government _____

Unfunded budget: US\$ fully funded for Year 1

In-kind Contributions: _____

Agreed by UNDP: Mandisa Mashologu Deputy Resident Representative – Programmes

Sign: _____

A handwritten signature in blue ink, appearing to read 'Mandisa Mashologu'.

Date: _____

07-May-2020

I. PURPOSE AND EXPECTED OUTPUTS

1. DEVELOPMENT CHALLENGE

Kenya has made significant political, social and economic progress over the past one and half decades. Political, social and economic reform have driven economic growth, social development and political transformation, giving rise to economic growth which has seen the country graduate from the rank of the low-income countries into a lower middle-income country in 2014, with poverty incidence declining from 46.8 percent in 2005/06 to 36.1 percent in 2015/16.¹ Kenya has made progress in human development, as reflected in the improvement of its Human Development Index (HDI) from 0.468 in 1990 to 0.5790 in 2019, an increase of 26.1%. These achievements notwithstanding, Kenya still faces myriad development challenges. High levels of poverty undermine the potential for inclusive growth and so does inequality between the rich and poor, with some 14.5% of the population experiencing severe multi-dimensional poverty.² The situation is more acute in remote, arid and sparsely populated north-eastern parts of Kenya, where poverty rates remain above 80 per cent.³ The Commission on Revenue Allocation notes the highest rates of poverty and significant social inequalities in Garissa, Wajir, Lamu, Tana River, Mandera, Marsabit and Isiolo areas.⁴

This situation is compounded by corruption, which is a causal factor of poverty and inequality. Though the 2018 Mo Ibrahim Index on Governance in Africa ranked Kenya 11 of 53 countries with a score of 59.8/100, with strengths in national security and safety, rule of law, participation and human rights and gender, it also cited major weaknesses in government accountability, corruption and bureaucracy.⁵ The 2019 Transparency International Corruption Perception Index ranked Kenya 137 of 180 countries with a score of 28/100, noting that corruption has a negative impact on accountability, quality, access and efficiency in the provision of public services such as education, health, justice and water.⁶ To these may be added the effect of corruption on investment.⁷ Recent Global Competitiveness Reports continue to list corruption among the most pertinent competitive challenges facing firms in doing business in Kenya.⁸ In constraining business opportunities, corruption in turn detracts from the objective of job creation and overall economic growth. Tackling corruption in the country therefore remains a national development priority, underpinned by the normative requirements of the Agenda 2030 for Sustainable Development Goals.

2. PROJECT JUSTIFICATION

This project comes at an important juncture when transformative governance reform to address the challenges facing Kenya is a subject of national public debate. A national, foundational public debate

¹ See: UNDP Kenya Country Program Document 2018-2022, available at:

<https://www.ke.undp.org/content/kenya/en/home/library/undp-reports/undp-kenya-country-program-document-2018-2022.html> [accessed 23 February 2020]

² See: Oxford Poverty and Human Development Initiative (OPHI), Global Multidimensional Poverty Index 2018 Report, available at: <https://ophi.org.uk/multidimensional-poverty-index/global-mpi-2018/> [accessed 23 February 2020]

³ See: World Bank, Kenya Economic Update, 2019, available at:

<https://www.worldbank.org/en/country/kenya/publication/kenya-economic-update-poverty-incidence-in-kenya-declined-significantly-but-unlikely-to-be-eradicated-by-2030> [accessed 26 February 2020]

⁴ See: Commission on Revenue Allocation, Kenya County Fact sheets, June 2013, second edition, available at: <https://www.crakenya.org/wp-content/uploads/2013/07/CRA-County-Fact-sheets-2nd-Edition-June-2013.pdf> [accessed 23 February 2020]

⁵ Further on the Mo Ibrahim reading on governance index in Africa can be consulted on the link: <https://mo.ibrahim.foundation/news/2018/2018-ibrahim-index-african-governance-reading-results> [accessed 28 February 2020]

⁶ Further on Transparency international corruption index, see: <https://www.transparency.org/cpi2019>

⁷ *Ibid.*

⁸ See: World Economic Forum, Executive Opinion Survey, 2016, available at: http://www3.weforum.org/docs/gcr/2015-2016/GCR_Chapter1.3_2015-16.pdf

is underway on how to effectively tackle corruption and rebuild social trust and public confidence in state institutions. The theory of change underlying this project is that corruption undermines development, and especially the achievement of sustainable development goals (SDGs), and that addressing the root causes of poverty and inequality requires tackling corruption and mismanagement of public resources to achieve transformative governance and shared prosperity for all. To illustrate with the example of health, corruption contributes to poor health outcomes as when it occurs at all levels — from grand corruption, as funds are siphoned off during the construction of new hospitals or health centres, to petty corruption as health workers or administrators demand bribes just to perform their routine duties. The misallocation of resources leaves hospitals poorly staffed and resourced, and the circulation of fake and potentially lethal drugs increases. The poor and especially women suffer disproportionately where bribes are a prerequisite for access to basic health care, including maternal health or other reproductive health services. All this increases the likelihood of fatalities from treatable illnesses, child mortality, and child and maternal death rates during childbirth.⁹

The national development blueprint, Kenya Vision 2030, underscores the significance of integrity, accountability and overarching transparency in governance to ensure proper planning and resource use is targeted at transforming the growing youthful population, the dynamic private sector, the vast natural resources and highly skilled workforce. This imperative is captured in the Third Medium Term Plan 2018-2022 under the theme of advancing socio-economic development through the presidency clustered focus areas, the “**Big Four**,” that is,

Corruption a major impediment to economic growth

Kenya ranked position 91 out of 137 countries in 2017-2018 compared to position 96 out of 144 countries in 2013-2014 in the GCI. The 2017-2018 GCI report identifies 16 highly problematic areas with corruption being the most prominent, the major cause being greed. The Government in collaboration with other stakeholders will, therefore, address the issue of corruption which is a major impediment to economic growth.

Source: Government of Kenya, *Medium Term Plan III 2018-2022*, p. 8.

manufacturing, universal health coverage, food nutrition and security, and affordable housing. The Government of Kenya has therefore purposefully committed to establish and enforce robust normative, policy, legal and institutional frameworks for preventing and combating corruption and providing space for rights holders to participate in a responsive, democratic systems of governance within the constitutional architecture. The need is ever more timely to deal with new opportunities and incentives – novel and traditional alike for patronage and rent seeking under the devolved system of government. Visible state sanctioned investigations on corruption allegations and instituted high-level prosecutions point to a renewed priority on a concerted effort in addressing deep-rooted corruption practices, but such provide only but an element of what is required to ground combating corruption and corruption prevention.

This project will focus on anti-corruption strategies in the health sector. In the light of the identified insufficiencies in health care access and quality and the need for accelerated and continuous government intervention, the universal health coverage goal is underlined by the distribution of adequate medical equipment to all counties, introduction of free maternity health and an expanded National Hospital Insurance Fund – notably each already realized to varying degrees as of start of the year 2020.¹⁰ While step-to-step progress is being registered as aforementioned, the health system remains suboptimal in speed, target and optimization due to corruption.¹¹ In surveys conducted by the Ethics and Anti-Corruption Commission, both County

⁹ UNDP, *Corruption and Development: A Primer*, 2008.

¹⁰ See: Presidential delivery unit report for further additional insights, available at: <https://www.delivery.go.ke/flagship> [accessed 29 February 2020]

¹¹ See: Ethics and Anticorruption Commission Research Report No.6 of May 2018, available at: <http://eacc.go.ke/default/wp-content/uploads/2018/11/EACC-ETHICS-AND-CORRUPTION-SURVEY-2017.pdf> [accessed 1 March 2020]

Health Departments and the Ministry of Health ranked as some of the most corruption-prone public service providers.¹²

These findings point to the need of not only wide but also deeper interventions to address corruption in health systems at both the tiers of governance, not least through legislation, policy frameworks, and promotion of best practices that embed robust governance frameworks. For health services to be all inclusive and rights-based, as envisaged in the Constitution, four important inputs are required. First, there has to be the availability of a network of healthcare facilities; second, the facilities must be functional with competent and motivated staff; third, there needs to be supplies of essential medicines, and, finally, funds for the operation and maintenance of health facilities must reach the facilities on time. Underscoring all these four areas of are (i) accountability, (ii) citizenry and communities empowerment to engage (iii) institutional capacitation for delivery and (iv) continuous review of gaps identified as well as knowledge and best practice sharing. This initiative thus acknowledges a sectoral approach in realization of short, medium and long term interventions within the health service sector to address these imperatives.

3. PROJECT OUTPUTS

The past one and half decades have seen a wide range of constitutional, legal, policy, and institutional reforms aimed at creating a more democratic and accountable state. The enactment of a new constitution in 2010 marks the high point of these reforms with the enshrinement of normative standards on leadership and integrity, and these are complemented by legislative reforms introduced by the Anti-Corruption and Economic Crimes Act, 2003 (No. 3 of 2003), the Public Officer Ethics Act, 2003 (No. 4 of 2003); the Public Procurement and Disposal Act, 2005 (PPDA); the Proceeds of Crime and Anti-Money Laundering Act, 2009 (No. 9 of 2009); the Mutual Legal Assistance Act, 2011 (No. 36 of 2011); the Commission on Administration of Justice Act, 2011 (No. 23 of 2011), the Leadership and Integrity Act, 2012 (No. 19 of 2012), the Public Finance Management Act, 2012 (No. 18 of 2012), and the Fair joint Administrative Action Act, 2015 (No. 4 of 2015), among others. As noted by the Task Force appointed to review these laws, legislation has provided the normative infrastructure required to combat and prevent corruption in Kenya, yet the problem has remained rampant, with its ranking in international corruption perception surveys remaining poor.¹³

The project interventions advance the realization of Sustainable Development Goal 16, which underlines the centrality of strong institutional arrangements in promoting the rule of law, peace, justice and accountable governance. This project will work with state actors to support strengthening the existing legal and policy frameworks for fighting and preventing corruption. The priority policies and laws will be identified and prioritized through a process of stakeholder consultation that builds on current and past reform initiatives to realize the output. The second output will focus on establishing systems to enhance the effectiveness and efficiency of the relevant mandated institutions and coordination mechanisms. The third output seeks to support citizen voice and private sector engagement in tackling corruption. With the insight that corruption occurs at the interface of the public and private sectors, the project will engage non-state actors, particularly the private sector umbrella groups such as the Kenya Private Sector Alliance and the Kenya Association of Manufacturers, media and civil society groups including women and youth organizations. A component of this output will be implemented in collaboration with the Intergovernmental Authority on Development (IGAD), which will focus on health governance, a prerequisite for realizing the SDGs.

¹² *Ibid.*

¹³ See: For further consultation: <https://www.statelaw.go.ke/wp-content/uploads/2016/08/Republic-of-Kenya-Report-of-the-Task-Force-on-the-Review-of-the-Legal-Policy-and-Institutional-Framework-for-Fighting-Corruption-in-Kenya-2015.pdf>

The following are the specific project outputs:

Project Output 1: Policy and legal frameworks for countering and preventing corruption developed at national and county levels.

Project Output 2: Capacities of oversight and coordination anti-corruption institutions strengthened.

Project Output 3: Citizen Engagement and participation of civil society, faith-based organizations, media, and private sector to inform public, monitor service delivery and promote public accountability strengthened.

4. RESULTS AND PARTNERSHIPS

The project results will contribute to the achievement of the following UNDAF Outcome: *By 2022, people in Kenya have access to high quality, devolved services that are well coordinated, integrated, transparent, equitably – resources and accountable.* In line with UNDP programming principles of accountability, human rights, gender equality, and participation, project implementation will ensure the engagement of women, youth and persons with disabilities while also giving attention to geographical areas that have been heretofore marginal in such initiatives.

1. Project Output 1: Policy legal and institutional frameworks for countering and preventing corruption developed at national and county levels: This output seeks to achieve strengthened policy and legal frameworks for anti-corruption for greater accountability and access to public services. The Office of the Attorney General and Department of Justice and the Kenya Law Reform Commission will work with the Ethics and Anti-Corruption Commission to review and strengthen the policy, legal and institutional frameworks for anti-corruption, including:

- 1.1.1 Policy and legislative review
- 1.1.2 Institutional assessments and systems audits

2. Project Output 2: Capacities of oversight and coordination anti-corruption institutions strengthened. The robustness of oversight institutions matters on the effectiveness of efforts to counter or prevent corruption. Further, coordination mechanisms are required to enable institutions to work collaboratively beyond their individual mandates. This will be done through the leadership of the Office of the Attorney General and Department of Justice to enhance the coordination of the Multi-Agency Task force on Anti-Corruption which comprises the National Intelligence Service; Director of Criminal Investigation; the Anti-Money Laundering Unit; the Asset Recovery Agency; Anti-Banking Fraud Unit, Financial Reporting Center, Kenya Revenue Authority, Cyber Crime Unit; the Anti-Counterfeit Authority and the Ethics and Anti-Corruption Commission. The main focus of the support will be the following:

- 2.1.1 Development of protocols for joint investigations and other related operations
- 2.1.2 Technical support for decentralized anti-corruption coordination sub-structures
- 2.1.3 Support towards development of a database for anticorruption cases
- 2.1.4 Capacity development for anti-corruption court judges and the State Corporations Review Committee

Project Output 3: Citizen Engagement and participation of civil society, faith-based organizations, media, and private sector to inform public, monitor service delivery and promote public accountability strengthened. It is important that countering and preventing corruption go beyond state action to include citizen engagement and corporate initiative as part of strengthening collective action capabilities for anti-corruption. The project will support strategic initiatives towards enhanced citizen demand and participation in promoting and upholding public accountability, with attention to women, youth and persons with disabilities. A component of this output will focus on health governance. The planned activities will be as follows:

- 3.1.1 CSOs and private sector monitoring, research, documentation and advocacy
- 3.1.2 Media training and challenge on transparency and accountability
- 3.1.3 Convening of accountability policy dialogue series with civil society, media and private sector
- 3.1.4 Community driven governance and service delivery audits and report cards
- 3.1.5 Support to the National Anti-Corruption Steering Committee to scale up its public education campaign.

Partnerships

	Partner	Role
1.	Ethics and Anti-Corruption Commission (EACC)	The mandate of the EACC is to combat corruption and economic crime in Kenya through law enforcement, prevention, public education and promotion of ethical standards and practices.
2.	State Law Office and Department of Justice	The Attorney General is the Government principal legal advisor, responsible for representing the national Government in court or any other legal proceedings to which the national Government is a party (other than criminal proceedings) and for performing any other functions conferred to the Office by an Act of Parliament or by the President. The Attorney General is also the promoter of the rule of law and defender of the public interest.
3.	Organization for economic cooperation and development (OECD)	The Organization for Economic Co-operation and Development (OECD) is an international organization that works to build better policies for better lives. Our goal is to shape policies that foster prosperity, equality, opportunity and well-being for all. They draw on almost 60 years of experience and insights to better prepare the world of tomorrow.
4.	IGAD	Partners in establishing linkages with the regional and sub-regional development agenda and technical assistance provision
5.	UNDP Regional Office	Technical advisory functions on the Nairobi Protocol and implementation of relevant interventions
6.	Select CSOs	Partners in delivery of interventions, community outreach and mobilization;
7.	UNODC	The United Nations Office on Drugs and Crime (UNODC) is a global leader in the fight against illicit drugs, transnational organized crime, terrorism and corruption, and is the guardian of most of the related conventions, particularly: <ul style="list-style-type: none"> • The United Nations Convention against Transnational Organized Crime and its three protocols (against trafficking in persons, smuggling of migrants and trafficking in firearms) • The United Nations Convention against Corruption • The international drug control conventions
8.	Private sector – KAM and Global Compact	Established in 1959 as a private sector body, Kenya Association of Manufacturers (KAM) has evolved into a dynamic, vibrant, credible and respected business association that unites industrialists and offers a common voice for businesses.
9.	AUDIT	The audit will be made through the UNDP's Office of Audit and Investigation (OAI).

5. ALIGNMENT WITH FACILITY OBJECTIVE

1. Alignment to the TRAC 2 objectives

TRAC2 is focusing on **Signature solution 1: Keeping people out of poverty**. This will be done through enhancing anti-corruption efforts to ensure public resources are best used to improve the citizens' livelihoods. Involvement of women and youth will also address the widening inequalities including gender inequalities, technology and skills alignment, among others.

The TRAC2 funding will also contribute to **Signature solution 2: Strengthen effective, inclusive and accountable governance through strengthening and promoting democracy**,

transparency and accountability, security and justice, social inclusion and gender equality.

This will be by supporting initiatives that prevent corruption by reviewing the Procurement rules and regulations; civic engagement targeting the disadvantaged groups; stringent punitive fines for those caught with corruption cases and by establishing systems in place that detect early stages of corruption.

The proposed support will contribute to the achievement of **SDG 16: Promote peaceful and inclusive societies for sustainable development, access to justice and build effective, accountable and inclusive institutions at all levels.**

- 16.3 Promote the rule of law at national and international level and ensure equal access to justice for all
- 16.4 By 2030 significantly reduce illicit financial and arm flow, strengthen recovery and return of stolen assets and combat all forms of organized crime;
- 16.5 Substantial reduce corruption and bribery in all its forms
- 16.6 Develop effective, accountable and transparent institutions at all levels
- 16. A Strengthen relevant national institutions including through international cooperation for building capacity at all levels in particular in developing countries, to prevent violence and combat terrorism and crime.

2. Alignment with regional priorities:

The East Africa Community (EAC) has programmes and initiatives that contribute to anti-corruption in the member states. The Community has technical committees that consist of heads of national anti-corruption authorities and regional legal cooperation frameworks to support the fight against corruption. The EAC approach is normatively aligned to the AU Agenda 2063 Aspiration 3: “An Africa of Good Governance, Democracy, respect for human rights, justice and rule of law,” and Aspiration Goal 11: “Democratic values, practices, universal principles of human rights, justice and rule of law and its attendant priority area on human rights, justice and the rule of law.”

Through IGAD a landscape analysis will be conducted on the health system transparency and accountability. The project will also participate in the review mechanism of the United Nations Convention against Corruption (UNCAC).

II. MANAGEMENT ARRANGEMENTS

The project will be implemented through the Direct Implementation (DIM) modality whereby UNDP takes on the role of Implementing Partner. UNDP will assume the responsibility for mobilizing and applying effectively the required inputs in order to reach the expected outputs.

Project Coordinator

This role is appointed by the Project Board to coordinate, on behalf of the Project Board, the day-to-day collaborative efforts at the overall project level. The project coordinator plays a key role in coordinating and incorporating the programmatic contributions of all partner countries and is responsible for:

- Compiling joint project reports, with specific inputs from each partner country
- Facilitating communication and coordination among partners
- Preparing for and convening project board meetings
- Facilitating joint activities, as needed, and
- Coordinating and commissioning project evaluations.

The Project Coordinator is supported by a UNDP office that may be identified during initiation and formulation of the project, considering its comparative advantages. Such an office is called a **coordinating office** of the project. The cost for services provided by a coordinating office should be covered by the project budget.

The Project Board/Steering Committee:

Quality Assurance: The Quality Assurance role supports the Steering Committee and is assumed by UNDP that will undertake objective and independent oversight and monitoring functions on behalf of the Steering Committee. This role ensures that appropriate programme management milestones are managed and completed.

III. MONITORING

Monitoring of activities and project deliverables will be conducted on a quarterly basis. To ensure coherence in tracking results in project implementation and monitoring of the implementation of the initiation plan will be regularized and synchronized with the Project Steering Committee (PSC) meeting progress reporting. Quarterly reports will constitute useful information in reporting on implementation progress of the plan.

UNDP will work with partners to ensure appropriate stakeholder consultation, jointly develop work plans, engage in joint M&E and field visits, and share information to ensure maximum coordination of efforts and attainment of results. Overall monitoring and documenting the successes and shortcomings of the plan, including undertaking reviews will be undertaken by UNDP in close collaboration the other key partners, under the guidance of the PSC. An Initiation Phase Report will be prepared at the end of the Initiation Plan, and a Project Document developed and subjected to Internal and Local Project Appraisal Committees (IPAC and LPAC) for validation.

IV. WORK PLAN

Period¹⁴:

UNDAF Outcome: *By 2022, people in Kenya have access to high quality, devolved services that are well coordinated, integrated, transparent, equitably – resources and accountable*

EXPECTED OUTPUTS	PLANNED ACTIVITIES	BUDGET TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET		
		2020					Funding Source	Budget Description	Amount (USD)
		Q 1	Q 2	Q 3	Q 4				
Output 1: Policy and legal frameworks for countering and preventing corruption developed at national and county levels	1.1.1 Policy and Legislative Review		X	X	X				50,000
	1.1.2 Institutional Assessment		X	X	X				50,000
SUB TOTAL									100,000
Project Output 2: Capacities of oversight and coordination anti-corruption institutions strengthened.	2.1.1 Development of protocols for joint investigations and other related operations	X	X	X	X				50,000
	2.1.2 Technical support for decentralized anti-corruption coordination sub-structures	X	X	X	X				50,000
	2.1.3 Support towards development of a database for anticorruption cases	X	X	X	X				50,000
	2.1.4 Capacity development for anti-corruption court judges and the State Corporations Review Committee.	X	X	X	X				50,000
SUB TOTAL									200,000
Project Output 3: Citizen engagement and participation of civil society, faith-based	3.1.1 CSOs and private sector monitoring, research, documentation and advocacy	X	X	X	X				300,000

¹⁴ Maximum 18 months

organizations, media, and private sector to inform public, monitor service delivery and promote public accountability strengthened.	3.1.2 Media training and challenge on transparency and accountability	X	X	X	X				50,000
	3.1.3 Convening of accountability policy dialogue series with civil society, media and private sector	X	X	X	X				50,000
	3.1.4 Community driven governance and service delivery audits and report cards	X	X	X	X				50,000
	3.1.5 Support to the National Anti-Corruption Steering Committee to scale up its public education campaign.	X	X	X	X				50,000
<i>SUB TOTAL</i>									500,000
Project Output 4: Project Management – Capacity development and coordination mechanisms	Project Management and Monitoring	X	X	X	X				50,000
TOTAL									50,000
Grand Total									850,000