

Effective, Open and Accountable County Governance

Focus Areas:

1. Emergence of Main Political Formations
2. Public Procurement and State Pending Bills
3. Easing of Covid-19 Restrictions
4. Drought and High Food prices
5. Security

Introduction

The Act Change Transform led Consortium is currently implementing the Kenya Devolution Programme (KDP), a four year (2021 – 2025) national programme funded by the Foreign, Commonwealth and Development Office (FCDO). The programme aims to address some of the specific challenges facing devolution in selected counties in Kenya. The KDP has seeks to make a contribution in five Output Areas. These areas:

1. *Intergovernmental relations that supports devolution*
2. *Effective county planning, public finance management and staff performance*
3. *County government and citizens' engagement to improve service delivery and livelihoods*
4. *Evidence generation, digital technology and learning as enablers of public service delivery and reform*
5. *UK Government Portfolio in Kenya is better aligned with county government priorities*

Successful delivery of the KDP requires a deep understanding of the intervention context including the power dynamics. To enhance understanding of the implementation context, the Consortium committed to generate political economy analysis briefs on a monthly basis. The monthly briefs are to provide clear and succinct synthesis of key issues in the KDP implementation context with a focus on the five Output Areas. The bulk of the data that informs the brief report emanates from a close monitoring of the media in Kenya. Each *Monthly Briefing Note* should be no more than two pages. This *Monthly Briefing Note* provides a snapshot of main issues during the month of January 2022 in Kenya's political economy that may impact on the implementation of the Kenya Devolution Programme.

Political Economy Analysis: March 2022

Highlight of Key Issues

This section provides an overview of key happenings in the country and their implications for the implementation of the KDP and in particular the five Output Areas.



1.1. Emergence of Main Political Formations

As with every election year, the month under review was marked by heightened political mobilization in readiness for the August 9, 2022 general election. Two major political formations have emerged as front runners for the presidency in the coming elections. These are the *Azimio La Umoja* Coalition and the *Kenya Kwanza* Alliance. The former is campaigning on a platform of unity and cohesion and social security measures to cushion the vulnerable members of the society. The latter is campaigning on a platform of economic revival on the basis of they call bottom-up economics model.

Consistent with a key feature of Kenya's political economy, the main political formations are of an ethno-regional nature and are driven by ethno-elite interests. *Kenya Kwanza* Alliance is largely banking on support from Rift Valley and Central Kenya, while *Azimio La Umoja* Coalition has a strong following in Nyanza, Coast and Western Kenya. Each of these two formations have identified key ethnic elites to strengthen their support bases. In addition, these two major political formations revolve around Kenya's numerically large groups, who have since independence shaped power arrangements in the country.

The emerging consolidation of two main political formation is of interest to the Kenya Devolution Programme since either of these two formations has a greater likelihood of producing the next President of the Republic. It is also important because, a win for either portends greater support for devolution or lukewarm support for devolution with tendencies towards re-centralization. The *Azimio La Umoja* Coalition has been a bit vocal on support for devolution.

The on-going political mobilization has also highlighted the continued significance of the presidency in the country even in the context of devolution. However, given the diverse and vested interests by key ethno-elites in the leading political formations, there is a likelihood that post-August 9, 2022 Kenya will be characterized by a relatively unstable power arrangements as the key political leaders jostle for influence. This means, either of the likely leaders will further rely on politics of patronage for survival and running the country.

1.2. Public Procurement and State Pending Bills

Another significance highlight for the month of March 2022 is a documentation of the state of public procurement in the country and the challenge posed by the rising state pending bills. While the analysis of public procurement and pending bills related to the national government and state agencies under the central government, the issue highlighted are also relevant to the devolved governments. At stake is the issue of inefficient public procurement processes that in some instances take close to one year¹ hence leading to poor service delivery (e.g. shortage of drugs and health equipment in health facilities).

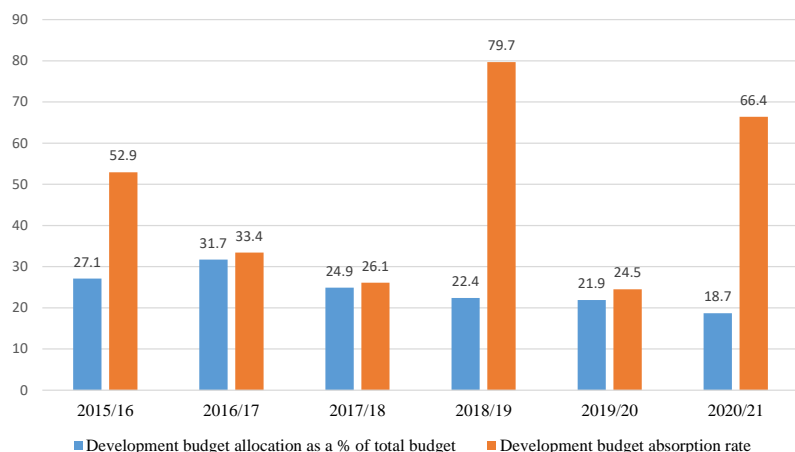
A report by the Global Fund show that the public procurement process is unbearable. For instance, from procurement initiation for supply of drugs, it takes 349 days for Covid-19 commodities, 406 days for malaria, 278 days for HIV and 348 days for tuberculosis drugs.² The lengthy and tedious public procurement procedures are also partly to blame to the relatively low absorption of development funds in the counties as compared to the absorption rates for recurrent expenditure. In some counties such as Nairobi, the absorption of development budget has been as low as 24.5% (Figure 1). Inefficient and weak public procurement systems remain a key constraint to service delivery at the county level. On the rising pending bills, state agencies are cited for weak budget controls, including unrealistic annual cash-flow plans, and introduction of new projects in the course of the financial year.

Figure 1: Trends in development budget allocation (%) and development absorption rate (%) for Nairobi County

¹ Saturday Nation March 19, 2022.

² Saturday Nation March 19, 2022.

Development budget allocation (%) and absorption rate (%)



Source: Controller of Budget, Budget Implementation Reports (various issues)

1.3. Easing of Covid-19 Restrictions

During the month under review, the government revised Covid-19 containment measures, including abolishing mandatory polymerase chain reaction (PCR) tests to fully vaccinated international tourists.³ This measure was taken against a sharp drop in Covid-19 cases in the country in the month of February 2022 and part of March 2022. The full re-opening of the economy eases some of the limitations that organizations have had to contend with, including on holding of public forums. While this decision was hailed by stakeholders especially in the hospitality industry, Covid-19 remains a highly unpredictable disease and a resurgence would easily erode gains that the country has made in fighting the pandemic.

1.4. Drought Situation and High Cost of Food in the Country

For the better part of first quarter of 2022, the drought situation worsened in parts of the country. A report by Oxfam leased in the month of March 2022 shows that nearly 3.1 million Kenyans as being in urgent need of food.⁴ The most affected counties include Baringo, Mandera, Marsabit, Turkana, West Pokot, Laikipia, Garissa and Wajir. The situation is also dire in a number of counties across the country. The drought situation has been exacerbated by the failure of the short rains, high cost of basic food items, low livestock price and general insecurity in the affected counties. Continued historical marginalization of these counties has undermined people's agency to provide for themselves. Prioritization of uptake of sustainable livelihoods among these communities would lessen suffering occasioned by persistent droughts, that have become more regular. The frequent droughts have become a clear indication of the potential of climate change in disrupting the livelihoods of the poor.

1.5. Security Situation

Like in the months of January and February 2022, insecurity has persisted in parts of the country and in particular in Baringo, Elgeyo Marakwet, Isiolo, and Isiolo-Meru border. In Baringo, criminal gangs have killed tens of people, disrupted learning as well as livelihoods of the people in the area. Areas like Kosile, Yatya, Chemoi, Chepkoi and Kagir have become key battlegrounds in Baringo county.⁵ Poverty in Baringo remains high while access to basic basic infrastructure (e.g. roads) is limited. Thus far, the state security apparatus seems unable to defeat the criminal gangs wreaking havoc in parts of the country and in particular in the Kerio Valley. Given the close connection between stability and the economy,⁶ it is good economics for the state to scale up the fight against the criminal groups operating in these areas.

4. Conclusion

The main happenings during the month of March 2022, are diverse and pose varied implications for the implementation of the Kenya Devolution Programme. Some of the lessons picked from the key happenings in the month of March 2022 include:

- Need to remain apolitical and be vigilant on the rapidly changing political landscape.
- Given the prevailing drought situation and high cost of basic food items, it is important to KDP implementation partners to be conscious of the safeguarding principles as they interact with the vulnerable populations as a result of drought.
- In spite of easing Covid-19 restrictions, it's important for partners to be cautious so as not to expose themselves to the virus.
- Study keenly and identify gaps in public procurement and county budget systems so as to strengthen these systems.

³ Daily Nation Monday, March 14, 2022

⁴ Daily Nation, March 25, 2022

⁵ Daily Nation, March 25, 2022

⁶ Sunday Standard, March 13, 2022