

REPUBLIC OF KENYA



*Enhancing Accountability*

THE NATIONAL ASSEMBLY PAPERS LTD.	
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REPORT BY: Hon. Owen Bayo, MP Deputy leader of Majority Party	
CLERK-AT-THE-TABLE:	A. Shubuto

**OF**

**THE AUDITOR-GENERAL**

**ON**

**KENYA INSTITUTE FOR PUBLIC POLICY  
RESEARCH AND ANALYSIS (KIPPRA)**

**FOR THE YEAR ENDED  
30 JUNE, 2022**







**KENYA INSTITUTE FOR PUBLIC POLICY RESEARCH  
AND ANALYSIS**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**30<sup>TH</sup> JUNE 2022**





## **Vision**

*An international centre of excellence in public policy research and analysis*

## **Mission**

*To provide quality public policy advice to the Government of Kenya and other stakeholders by conducting objective research and capacity building towards the achievement of national development goals*

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## 1. KEY INSTITUTE INFORMATION AND MANAGEMENT

### (b) Background information

The Kenya Institute for Public Policy Research and Analysis (KIPPRA) was formed through an Act of Parliament, the KIPPRA Act No. 15 of 2006. At Cabinet level, the Institute is represented by the Cabinet Secretary for The National Treasury and Planning, who is responsible for the general policy and strategic direction.

### (c) Principal activities

The principal activity of the Institute is to develop human and institutional capacities for the Government of Kenya and other stakeholders by conducting objective research and analysis and through capacity building to contribute to the achievement of national development goals.

#### Vision

An international centre of excellence in public policy research and analysis

#### Mission

To provide quality public policy advice to the Government of Kenya and other stakeholders by conducting objective research and capacity building towards the achievement of national development goals

#### Core Values

The Institute's core values and principles are;

- (i) Professionalism and ethics in service delivery.
- (ii) Fair competition and merit in appointments and promotion.
- (iii) Good governance, transparency and accountability;
- (iv) Efficiency and effectiveness;
- (v) Responsive, prompt, impartial and equitable service;
- (vi) Provisioning for diversity; and
- (vii) Upholding of human rights in the public service.

#### Mandate

Under the KIPPRA Act, the Institute is mandated to:

1. Develop capacities in public policy research and analysis and assist the Government in the process of policy formulation and implementation;
2. Identify and undertake independent and objective programmes of research and analysis, including macroeconomic, inter-disciplinary and sectoral studies on topics affecting public policy in areas such as human resource development, social welfare, environment and natural resources, agriculture and rural development, trade and industry, public finance, money and finance, and macroeconomic and microeconomic modeling;
3. Provide advisory and technical services on public policy issues to the Government and other agencies of the Government;
4. Communicate the findings and recommendations of the Institute's research programmes to the agencies of the Government concerned with the implementation of public policy;



5. Serve as a point of communication and encourage the exchange of views between the Government, the private sector and other bodies or agencies of the Government on matters relating to public policy research and analysis;
6. Collect and analyze relevant data on public policy issues and disseminate the Institute's research findings to persons it deems appropriate to publish such research findings;
7. Develop and maintain a reservoir of research resources on public policy and related issues and make these available to the Government, the private sector and learning institutions in Kenya;
8. Undertake public policy research and analysis for the Government and for clients in the private and public sectors;
9. Control the publication and use of the Institute's research findings;
10. Organize symposia, conferences, workshops and other meetings to promote the exchange of views on issues relating to public policy research and analysis;
11. Undertake public policy research relevant to governance and its implications to development; and
12. Undertake any other business which is incidental to the performance of any of the foregoing functions.

**(c) Key management**

The Institute's day-to-day management is under the following key organs:

- Board of Directors;
- Executive Director; and
- Management.

**(d) Fiduciary management**

The key management personnel who held office during the financial year ended 30th June 2022 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Executive Director	Dr Rose Ngugi
2.	Senior Policy Analyst, Macroeconomics Department	Benson Kiriga
3.	Principal Policy Analyst, Social Sector Department	Dr Eldah Onsomu
4.	Principal Policy Analyst, Private Sector Development Department	Dr Moses Njenga
5.	Senior Policy Analyst, Infrastructure & Economic Services Department	Dr Humphrey Njogu
6.	Principal Policy Analyst, Capacity Building Department	Dr Nancy Nafula
7.	Senior Policy Analyst, Partnerships Department	Dr Eliud Moyi
8.	Policy Analyst, Productive Sector Department	Joshua Laichena
9.	Policy Analyst, Governance Department	Paul Lutta
10.	Senior Policy Analyst, Trade and Foreign Policy Department	Dr John Karanja
11.	Senior Planning and Strategy Officer, Strategy and Planning Department	Nahashon Mwongera
12.	Principal Publications Editor, Knowledge Management Department	Felix Murithi

13.	Senior Librarian, Knowledge Management Department	Ms Winnie Nguyu
14.	Senior Communication Officer, Corporate Services Department	Jane Kenda
15.	Senior ICT Officer, ICT Division	Benson Itere
16.	Principal HR & Admin Officer, HR Department	Ms Martha Wanjuki
17.	Deputy Director, Finance - Finance Department	Teddy Bett
18.	Principal Supply Chain Manager, Supply Chain Management Department	Dr Peter Munene
19.	Senior Internal Auditor, Internal Audit Department	Samuel Githinji
20.	Ag. Corporation Secretary	Ms Caroline Mukiira
21.	Ag. Senior Assistant Records Management Officer, Records Unit	Ms Alice Alima

## e) Fiduciary oversight arrangements

The oversight role of KIPPRA is vested in the Board of Directors. The Board operates through four committees (Finance, Audit, Programmes, and Human Resource and General Purpose) and is guided by a Board Charter.

The KIPPRA Board Charter was revised and approved in December 2020 and came into assent on 5<sup>th</sup> May 2021. It sets out the roles, functions, obligations, rights, responsibilities and powers of the Board, and the policies and practices of the Board in respect of its duties, functions and responsibilities. It guides and clarifies the roles of the Chairman, Directors, Executive Director; their powers; and their involvement in the day-to-day running of the Institute; and to be a point of reference. The Charter is also aimed at improving and enhancing the level of performance and effectiveness of the Board, including provision of strategic leadership and observance of high standards of corporate governance. It provides guidelines that help the Board ensure that strong leadership is in place at Board level.

**Finance Committee:** This is an advisory body with no executive powers. Its broad function is to assist the Audit Committee and Board in ensuring that the Institute meets the highest standards of financial management and accountability in the use of its financial resources. The Chairman of the Finance Committee shall be a person with financial background and experience. The committee is authorized to carry out its mandate in line with its terms of reference, which are to: Approve the Institute's accounting policies and principles (and any changes thereof) that are required to be reported in the notes to the annual financial statements; Review and assess the appropriateness of accounting policies and principles, including conformance with relevant accounting and reporting standards; Review annual budgets, and make recommendations to the Board; Receive and consider quarterly financial, procurement and investment reports; Review annual financial statements and recommend them to the Board for approval; Review the use of financial resources, ensuring that value for money is achieved; Review the periodic financial reports and projections, paying particular attention to critical financial and budgetary control issues, financial strategy decisions requiring a major element of judgment, making recommendations to the Board as appropriate; Provide oversight over procurement in line with the procurement law; Advise the Board on resource mobilization, and; Ensure that the finance function is appropriately resourced and meets, or exceeds, best professional practice.

**Audit Committee:** The duties and responsibilities of the Audit Committee are to assist, and where relevant, make recommendations to the Board on the discharge of Board's responsibilities as they relate to external financial reporting; external and internal audits; effective systems of internal control comprising financial and operational controls and compliance; and risk management.

**Programmes Committee:** The overall purpose of the Committee is to advise the Board on technical issues; that is, on how to continuously improve the research and capacity building outputs of the Institute.

The Programmes Committee reviews annual work plans and quarterly implementation progress reports, and recommends them for Board approval; monitors implementation of the strategic plan, annual performance contracts, and timely publication of the Kenya Economic Report and other statutory reports; assesses periodically the quality and effectiveness of the Institute's technical outputs, and advises the Board on the achievement of global benchmarks; assists the General Purposes Committee in recruiting senior technical staff; and attends to other matters assigned by the Board, including matters that may be assigned to two or more Board Committees.

**Human Resource and General Purposes Committee:** The Committee, which is non-executive, advises the Board on organizational structure, administration, human resource policy and capacity enhancement; reviews salaries, benefit packages and service contracts; reviews performance management policies and procedures and makes recommendations to the Board; recruits senior staff and recommends them for Board approval; presides over disciplinary hearings/interviews for senior staff; and makes recommendations on broad guidelines that promote operational efficiency.



**(f) Institute Headquarters**

P.O. Box 56445-00200  
Bishops Garden Towers  
2nd Floor, Bishops Road  
Nairobi, KENYA

**(g) Institute Contacts**

Telephone: (254) 2719933/4  
E-mail: [admin@kippra.or.ke](mailto:admin@kippra.or.ke)  
Website: [www.kippra.or.ke](http://www.kippra.or.ke)  
Twitter: @kipprakenya

**(h) Institute Bankers**

NCBA Bank  
Mama Ngina Street  
P.O. Box 30437-00100  
Nairobi, Kenya

Kenya Commercial Bank  
Milimani Branch  
P.O. Box 69695-00400  
Nairobi, Kenya

**(i) Independent Auditor**

Auditor General  
Office of the Auditor General  
Anniversary Towers,  
University Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya

**(j) Principal Legal Advisor**

The Attorney General  
State Law Office  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
Nairobi, Kenya.

## 2. THE BOARD OF DIRECTORS

BOARD MEMBER	PROFILE
 <p data-bbox="129 801 603 837"><b>Dr Benson A Ateng' - Chairperson</b></p>	<p data-bbox="655 349 1474 479">Dr Benson A. Ateng' (born in 1949) is an Economist by profession and is currently a senior lecturer at the Technical University of Kenya. He has over 30 years of professional engagement as a lecturer and as an Economist.</p> <p data-bbox="655 479 1474 707">Dr Benson A. Ateng' holds a Ph.D in Economics from the University of Nairobi and A Masters in Economics from University of Nairobi. He has previously served in the World Bank in his capacity as an Economist with his key roles mainly being managing World Bank's country policy dialogue, country performance portfolio review and donor coordination among others.</p> <p data-bbox="655 707 1474 801">He is an author of various journal publications and peer-reviewed reports and has over the years provided consultancy services to both local and International Organizations.</p>
 <p data-bbox="129 1211 644 1272"><b>Mrs Christine Wanjala - Vice Chairperson</b></p>	<p data-bbox="655 853 1474 1043">Mrs Christine Wanjala (born in 1968) is a Lecturer at Kenya College of Accountancy University. She does part time lecturing at Masters Level with the main focus being Corporate Management and Human Resource Management, among others in her capacity as a part time lecturer in Undergraduate level.</p> <p data-bbox="655 1043 1474 1211">She holds an MBA in Project Management and Evaluation from Kenyatta University and has over 10 years of experience in this field in addition to over 20 years of experience in her profession as a Teacher. Mrs. Wanjala is an Independent Director and serves as the current Vice Chairperson.</p>
 <p data-bbox="129 1666 564 1727"><b>Dr Rose Ngugi, Executive Director/Secretary to the Board</b></p>	<p data-bbox="655 1272 1474 1854">Dr Rose Ngugi (born in 1966) is the Executive Director of the Kenya Institute for Public Policy Research and Analysis (KIPPRA) and serves as the Secretary to the Board. She is involved in providing technical guidance and capacity building on policy and strategy formulation to the Government of Kenya and other stakeholders, with the overall aim of contributing to the achievement of national development goals. Before then, she was a Senior Advisor in the Office of Executive Director, Africa Group 1, International Monetary Fund, in Washington DC. Dr Ngugi has been a member of Central Bank of Kenya Monetary Policy Committee and has vast teaching experience at the University of Nairobi, School of Economics. She has published widely, and her research interests are in public policy, financial sector, investments, reforms and institutional issues. She holds a PhD from Business School Birmingham University, UK specializing in Financial Markets, and a Master's and Bachelor's degree in Economics from the University of Nairobi, Kenya.</p>





**Dr Phoebe Josiah**

Dr Phoebe Josiah (born in 1950) represents Research Institutes and received her education at Makerere University Kampala Uganda, where she graduated with BSc (Hons) in Zoology, Botany and Chemistry and later obtained her MSc and PhD in Medical Parasitology, Entomology, Public Health and Epidemiology. She is a Chevening Scholar, following successful completion of her PhD while on Chevening Scholars Fellowship from 1987 to 1991.

Between July 2002 and August 2015, she worked at KEMRI as a Chief Research Officer in various capacities. She played a pivotal role, while heading the Corporate Affairs and Partnerships Department, in enhancing the corporate image of KEMRI and strengthening collaborative research initiatives with partner institutions, donor agencies, the private sector and communities. Previously, she has also worked for the Ministry of Health as a Researcher and Trainer, and various UN agencies and NGOs as a Technical Advisor and a Research Consultant. She has been a Trainer, an Honorary Lecturer and a visiting Scholar at several institutions locally, regionally and globally. She has authored and co-authored several publications including policy papers. Dr Josiah is an Independent Director and the chairperson of the Board Audit Committee.



**Ms Phoebe Nkaabu**

Ms. Phoebe Nkaabu (born in 1981) is a communications specialist with 11 years' experience in the communication sector. Her expertise includes public relations, public speaking, creative writing, media relations, print media content development, personal and organizational branding, community mobilization and advocacy. She has previously served as the Meru County First lady (2013-2017) and as a senior corporate affairs and communications expert at Kenya Nuclear Electricity Board (2011- 2015). She holds a Bachelor of Arts in Communications (Public Relations) and a Diploma of Communications Arts (Print Media) both from Daystar University. Ms. Nkaabu is an Independent Director.






**Dr. Chris Galgallo**

Dr Chris Galgallo (born in 1959) is an educationist with extensive experience in educational management, research and curriculum design especially for the pastoralist communities. He has significant experience in documentation (publications) and leadership, ensuring flexible responses which adapt to the needs of people in complex dynamic lifestyles or environments.

He is a PhD holder in Sociology of Education from Jawaharlal Nehru University, India. He has previously served as a member of the Agricultural Industry and Wages Council as well as the Chairman of Educational Standards and Quality Assurance Council, National Council for Nomadic Education in Kenya and Community Wildlife Conservancy and Compensation Committee, Marsabit County. He has also served as a lecturer, administrator and counsellor at various teachers' training colleges and high schools. Dr. Ali has also made various



	<p>presentations at conferences and in research publications. He is an Independent Director.</p>
 <p><b>Mr. Samuel Wambugu</b></p>	<p>Mr Samuel Wambugu (born in 1969) is the Alternate Director to the Cabinet Secretary, National Treasury and Planning in the KIPPRA Board. He is a Chief Economist in Macro and Fiscal Department of the National Treasury. He currently represents the Cabinet Secretary, the National Treasury and Planning at Kenya National Bureau of Statistics (KNBS), Jomo Kenyatta Foundation (JKF) and at Betting Control and Licensing (BCL) Boards.</p> <p>He holds an M.A in Economic Policy Management degree from Makerere University, Uganda and B.A in Economics from University of Nairobi. He has attended Strategic Leadership Development Programme (SLDP) at the Kenya School of Government and several courses in Financial and Strategic Management, Leadership and Policy Formulation organized locally and abroad. He has further undertaken a training on Corporate Governance under Mwongozo facilitated by ICS and SCAC.</p>
 <p><b>Dr Fred Simiyu, HSC</b></p>	<p>Dr Fred Simiyu, HSC (born in 1968) is the Alternate Director to the Principal Secretary, State Department of Trade in the KIPPRA Board. He is a committed civil service management professional with over 26 years of experience chronicled with diversity industry experience in the field of nurturing Trade and Industrial entrepreneurship, Ministry of Industry, Trade and Cooperatives at National, regional and sub-national levels for income generation, employment creation and poverty reduction in the Republic of Kenya.</p> <p>He has hands on experience and abundant international entrepreneurial exposure gained through study tours of several industrial parks, shopping malls/supermarkets and international exhibitions in over 20 cities across China, India, United Arab Emirates, Qatar and East Africa to internalize their salient success strategies.</p>
 <p><b>Mr Zachary Mwangi, EBS</b></p>	<p>Mr Zachary Mwangi, EBS (born in 1966) is the Alternate Director to the Principal Secretary, State Department for Planning in the KIPPRA Board. He is an Economist and Head of Macro Economic Planning Division, State Department of Planning.</p> <p>He holds a M.A. in Economic Policy Management from Makerere University, Uganda and has over 25 years of experience in his field. He has been involved in the coordination of various publications such as Socio-Economic Atlas of Kenya-Depicting the National Population Census by County and Sub Location, 2014, 2019 Population and Housing Census Reports, Various Annual Economic Survey Reports, Various Annual Statistical abstract Reports, among others.</p>





**Mr. Koitamet Olekina, HSC**

Mr Koitamet Olekina, HSC (born in 1964) represents the business sector and holds an Executive Master's in Public Policy and Administration and a Bachelor's degree in Philosophy and Literature from Kenyatta University. He is trained in Corporate Governance and Non-profit Leadership (Florida, USA) and is involved in private consultancy and contracts in the construction industry. In July 2013, he coordinated the preparation of the National Plan of Action for Floods Control and Management. From August 2009, he worked as a logistics and Liaison Consultant for the National Crisis Response Centre and was appointed Deputy Coordinator from 23 March 2010. He has represented Kenya in various IGAD-led processes resulting in production of the regional Hazard Map and Atlas and the Regional Disaster fund. He has previously served in various Boards, including Kenya Tourist Board, Organization for Intercultural Education, Maasai Education Discovery, NGO Council's Regulatory Committee, Casafare and Pandora Construction Company. He served in various capacities and community and national level towards promulgation of the Constitution of Kenya 2010. He has also been a member of the National Pastoralist Development Network and has been involved in the rescue of Maasai girls from forced marriage, and organized sponsorship of their education. He has also worked as an advocate of Early Child Education, Cultural Studies and Rural Development volunteer projects.

Mr. Olekina is an Independent Director and the chairperson of the Board Human Resources and General Purposes Committee.



**Prof. Harrison M. K. Maithya**

Prof. Harrison M. K. Maithya (born in 1963) is a Lecturer and currently a Director at South Eastern Kenya University, Wote Campus. He is also an Associate Professor, Department of Sociology, Anthropology and Community Development, South Eastern Kenya University, Kitui with over 27 years of Professional engagement in university teaching, Research, Consultancy and Community service.

Prof. Maithya holds a PhD. in Social Anthropology from the University of London with a specialization in Medical Anthropology and Masters in Anthropology from The University of Nairobi. He has over the years provided consultancy and research services to both National and International Organizations.

He is an Independent Director and chairperson of the Board Programs Committee.



**Ms. Fatuma A. Hussein**

Ms. Fatuma A. Hussein (born in 1972) is currently the Managing Director at Vision Quest, a leading regional research and capacity development advisory firm that provides evidence-based solutions for humanitarian and development actors, operating in Kenya, Somalia, South Sudan, Ethiopia, and Uganda. She holds a Masters in Community Health and Development, Great Lakes University, Nairobi.

She has over twenty years' experience in the multi-sectoral work at African and devolved units in Kenya. She has continued to bring on board cumulative, multi-disciplinary expertise with professional, intuitive knowledge, passion and practical experience in investment and financial inclusion, development of PPPs, governance and social inclusion, water and environment, local economic development, agriculture, livestock and rural development in both humanitarian and development assistance contexts in various countries.

As the current Vice President Eastern Africa for WAELE Foundation, she had an opportunity of working with several Heads of States and governments across Africa in women economic and leadership empowerment as well as peace building and conflict management. Fatuma oversees WAELE activities in more than fourteen countries of the Eastern Africa region.

Ms. Fatuma Hussein is an Independent Director.



**Dr. Kevin Ongeti Wangwe**

Dr. Kevin Ongeti Wangwe (born in 1983) is a Medical Professional with over 10 years of experience. He is a medical Officer at African International University, Nairobi. He is an Orthopedic Surgeon at Mother and child Hospital Nairobi as well as St Teresa Hospital.

He holds a Master of Medicine in Orthopedic surgery as well as a Master of Science in Anatomy from The University of Nairobi. He has reviewed over 80 peer publications among other presentations made in scientific conferences.

Dr. Ongeti is an Independent Director.





**Ms Caroline Saroni**

Ms Caroline Saroni (born in 1981) is the Chairperson of the Advocates Complaints Commission. She is the designated representative of the Hon. Attorney General in the KIPPRA Board. She has over sixteen years' experience in the practice of law and over twelve years' experience in academia. She has published and presented papers on professional ethics, public participation, regional integration, extractives law and trade and investments law.

She holds a Bachelor of Laws (LLB) degree from the University of Nairobi and a Master of Laws (LLM) from the University of the Western Cape, South Africa. She is currently a PhD in Law candidate at the University of Cologne, Germany.

She has a vast experience in public governance and is a member of the Leading in Public Life: Women, Influence Power Programme (WIPP) Alumni Network under the Nelson Mandela School of Public Governance, University of Cape Town. She is also an alumni of the McCabbe Centre for Law and Cancer (Melbourne, Australia) International Alumni Network.



**Ms Caroline Mukiira**

CS. Caroline Mukiira (born in 1981) is the acting Corporation Secretary and a member of the Institute of Certified Secretaries. She is a holder of LLM, Masters in Law University of Nairobi; LLB, Bachelors in Law University of Nairobi and postgraduate diploma in Law from Kenya School of Law with experience spanning 15 years. She is also an Advocate of the High Court of Kenya and member of the Law Society of Kenya.



### 3. MANAGEMENT TEAM

The Board is supported in its functions by the management team which has been set up pursuant to Section 193 (5) of the PFM Act, 2012. The Management provides administrative and technical support to the Board in the execution of its mandate and functions. During the period from 1<sup>st</sup> July 2021 to 30<sup>th</sup> June 2022, the Management team played an instrumental role to ensure implementation of the Board's mandate. This was achieved through effective and efficient allocation and use of resources.




The composition of the management team during the year was as follows: -

MANAGEMENT TEAM	QUALIFICATIONS & RESPONSIBILITY AREA
	<p><b>Dr Rose Ngugi</b></p> <p>PhD in Finance (Financial Markets) Masters in Economics Executive Director</p>
	<p><b>Mr. Benson Kiriga</b></p> <p>MA in Economics Senior Policy Analyst Macroeconomics Department</p>
	<p><b>Dr Eldah Onsomu</b></p> <p>PhD in Economics; Masters in Economics Principal Policy Analyst Social Sector Department</p>
	<p><b>Dr Moses Njenga</b></p> <p>PhD in Economics Principal Policy Analyst Private Sector Development Department</p>

	<p><b>Dr Humphrey Njogu</b></p> <p>PhD in Computer Science Senior Policy Analyst Infrastructure and Economic Services Department</p>
	<p><b>Dr Nancy Nafula</b></p> <p>PhD Economics; M.A (Economics) Principal Policy Analyst Capacity Building Department</p>
	<p><b>Dr Eliud Moyi</b></p> <p>PhD Economics; M.A (Economics) Senior Policy Analyst Partnerships Department</p>
	<p><b>Mr Joshua Laichena</b></p> <p>MPhil (Economics); B. A. (Economics and Sociology) Policy Analyst Productive Sector Department</p>
	<p><b>Mr Paul Lutta</b></p> <p>MA Political Science and Public Administration ; BA Political Science and Sociology Policy Analyst Governance Department</p>

	<p><b>Dr John G Karanja</b></p> <p>PhD Finance; MBA (Finance) Senior Policy Analyst Trade and Foreign Policy Department</p>
	<p><b>Mr Nahashon M. Mwongera</b></p> <p>M. A. (Economics); B. A. (Economics and Mathematics) Senior Planning and Strategy Officer Strategy and Planning Department</p>
	<p><b>Mr. Felix Murithi</b></p> <p>MPhil in Publishing Studies Principal Publications Editor Knowledge Management Department.</p>
	<p><b>Ms. Winnie Nguyu</b></p> <p>M.A (Communication Studies); B.Tech: Bachelors in Library and Information Studies Senior Librarian Knowledge Management Department</p>
	<p><b>Ms. Jane Kenda</b></p> <p>MA Communication Studies; BA Languages and Literary Studies Senior Corporate Communications Officer Corporate Communication and Media Division</p>



	<p><b>Mr. Benson Itere</b></p> <p>MSc Information Systems Senior ICT Officer Information and Communication Technology Division</p>
	<p><b>Ms Martha Wanjuki</b></p> <p>Master of Arts (Development Studies), Bachelor of Arts Post Graduate Diploma in Human Resource Management. Principal Human Resource and Administration Officer Human Resource and Administration Department</p>
	<p><b>Mr. Teddy Bett</b></p> <p>MBA Finance, CPA(K) Deputy Director, Finance Finance Department</p>
	<p><b>Dr Peter M. Munene</b></p> <p>PhD Business Administration Principal Supply Chain Management Officer Supply Chain Management Department</p>
	<p><b>Mr. Samuel Githinji</b></p> <p>MSc Finance, CPA (K), CIA, CRMA Senior Internal auditor Internal Audit Department</p>





**Ms Caroline Mukiira**

LLM, Masters in Law; LLB, Bachelors in Law, Certified Secretary (CS)  
Ag. Corporation Secretary  
Corporation Secretary and Legal Services Department



**Ms Alice Alima**

BSC in Human Resource Management  
Diploma in Records and Archives  
Ag. Senior Assistant Records Management Officer  
Records Unit

## 4. CHAIRPERSON'S STATEMENT

The 2021-22 Financial Year was yet another year of growth for the Institute. I and the entire Board of Directors continue to work towards supporting the Institute, through the Executive Director, in achieving KIPPRA's strategic objectives to produce evidence-based research that informs public policy decision making, engage strategic stakeholders to debate policy issues and build capacity of professionals in the public policy making process. Through the 2021-22 work plan these objectives and their targets were surpassed, which is commendable.

KIPPRA continued to pursue diversification of its sources of funding and this year it generated KSh.99 million through research conducted on behalf of local and international organizations and government agencies such as the Brookings Institution, African Economic Research Consortium, United Nations Children's Emergency Fund (UNICEF), Partnership for Economic Policy (PEP), Fairtrade Africa, UN-Women, National Social Security Fund, The Council of Governors, Kenya Leather Development Council, Kenya Association of Manufacturers, Energy and Petroleum Regulatory Authority, and Kenya Dairy Board among others. The Institute finalized collaborative research work supported by the RISA Fund on "Research Ecosystem Strengthening through the Development of a Public Affairs Index to Support the Devolved System of Government in Kenya".

The quality and rigour of our research continues to inform policy debate. This year the Institute completed 171 research papers in thematic areas with significant focus on addressing emerging policy issues brought about by the COVID-19 pandemic, sustaining human capital development, improving business environment for microenterprises, and promoting governance. KIPPRA's capacity building programmes continued to expand with increased demand from county governments. Over 2900 officers were capacity-built through 3 broad programmes namely, the Young Professionals Programme, the KIPPRA Mentorship Programme for Universities, and the Commercialized capacity building programme. The Institute has also continued to provide policy advisory and technical services by providing support to 45 institutions.

Our achievements must be acknowledged in the context of those that supported us through the year. The government of Kenya, our parent Ministry, the National Treasury and Planning, the County Governments other development partners and most importantly recognizing the staff that continue to rise to the challenge of making KIPPRA a centre of excellence.

**Dr Benson A Ateng'**  
Chairperson  
Board of Directors

Date: 07/02/2023

## 5. REPORT OF THE EXECUTIVE DIRECTOR

The Kenya Institute for Public Policy Research and Analysis (KIPPRA) was established to support the government in strengthening the public policy process by developing human and institutional capacity and providing evidence-based policy advice through objective research and analysis. This is in recognition that objective policy formulation, implementation and evaluation plays a critical role in achievement of the national long-term development agenda.

During the year under review, there was increased engagement and demand from the County governments which advanced the Institute's mandate to provide capacities for public policy formulation for the county governments alongside the national Government. KIPPRA continued to implement the "EASIER" business model by in its current strategic plan that embraces Efficiency, Accountability, Sustainability, Innovation, Effectiveness, Responsiveness and Relevance in undertaking its activities. With one year to go in implementing the current plan, the Institute commenced the process of developing the next strategic plan that will propel it to even greater achievements over the next five years.

Following decline in incidences of the COVID-19 pandemic, and relaxation in restrictions on movement, near normal working conditions were witnessed during the year. This enabled the Institute to exceed its targets in capacity building programs, research outputs, dissemination of research findings, and convening forums for exchange of views on policy issues. The Institute continues to explore and implement various innovations in usage of Information and Communication Technology to improve service delivery and support business continuity in achieving its mandate.

KIPPRA research activity is guided by the prevailing government development agenda and emerging domestic, regional and international phenomenon. In the year under review, the Institute's thematic research work focused on food security and nutrition; improving business environment for microenterprises; Sustaining Human Capital Development amidst COVID-19 pandemic; democracy and participation of the people in relation to policy responsiveness; Trade policy environment on Kenya's competitiveness. The focus of interdisciplinary research was building a resilient economy for a sustainable future in Kenya; and foundations for economic transformation. The Institute also conducted impact evaluation for selected Vision 2030 flagship projects, with a the aim of providing evidence-based policy advice to both national and county governments on building momentum towards achievement of the Vision 2030. Given that the social-economic impacts of the pandemics are still being felt in the economy, the Institute's policy surveillance and analysis focused on unlocking Economic Growth and opportunities for Post-COVID-19 recovery process and sustainability.

To bolster Institutional development and sustainability, during the year, the Institute continued implementing the approved resource mobilization policy aimed at attracting both financial and non-financial resources from strategic partners. This is becoming increasingly important owing to rapid growth in demand for the Institute's products and programmes. Hence Government support, new partners, competent staff, prudent use of resources and expanding the Institute's activities have been instrumental in ensuring sustainability of the Institute. To effective delivery of its mandate, the institute will continue to recruit more staff within the approved establishment; and in addition, to automate various workflows to enhance efficiency and effectiveness in service delivery.



**Dr Rose Ngugi**  
**Executive Director, KIPPRA**

Date:..... 6/2/23



## 6. STATEMENT OF THE INSTITUTE'S PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR FY 2021/2022

### 6.1 Introduction

The mandate of the Kenya Institute for Public Policy Research and Analysis (KIPPRA) is to develop capacities for policy formulation, implementation and evaluation within Government (National and Counties); undertake relevant and timely policy research and analysis; serve as a point of policy engagement and communication on public policy; and develop and maintain a reservoir of knowledge on public policy in contributing to the achievement of national development goals. The Institute's vision is to be an international center of excellence in public policy research and analysis; while its mission is to provide quality public policy advice to the Government of Kenya and other stakeholders by conducting objective research and through capacity building in order to contribute to the achievement of national development goals.

KIPPRA has 5 strategic pillars/ themes/issues and objectives within the current Strategic Plan for the FY2018/19 – FY2022/23. These strategic pillars/ themes/ issues are as follows:

- (i) To enhance capacity development for an efficient and accountable public policy making process
- (ii) To improve quality, relevance and responsiveness of policy research and analysis
- (iii) To strengthen effectiveness in policy engagement, outreach and impact
- (iv) To bolster financial and institutional sustainability
- (v) To enhance leadership and integrity

The Institute's annual work plan for FY2020/21 was based on the above 5 pillars/Themes/Issues and aimed at achieving the objectives indicated in the table below:

**Table 1: KIPPRA Strategic Pillars, Objectives and Key Performance Indicators, FY2021/22**

Strategic Pillar / Theme / Issues	Objective	Key Performance Indicators
To enhance capacity development for an efficient and accountable public policy making process	Increase the capacity Development activities to widen the coverage of stakeholders	<ul style="list-style-type: none"> <li>• % of implementation of capacity development strategy</li> <li>• No. of programmes implemented</li> <li>• No. of training manuals developed</li> <li>• No. of people trained</li> <li>• No. of Young professionals enrolled from national and county governments, private sector and the region.</li> <li>• No. of capacity needs assessment reports</li> </ul>
	Improve capabilities to expand and deepen policy analysis tools	<ul style="list-style-type: none"> <li>• KTMM operational supply side module</li> <li>• No. of policy analysis tools developed and utilized.</li> <li>• % of technical staff trained on policy analysis tools</li> <li>• % of technical staff accessing and utilizing statistical and analytical packages</li> </ul>
To improve quality, relevance and responsiveness of policy research and analysis	Deepen policy research and analysis to comprehensively Inform public policy	<ul style="list-style-type: none"> <li>• No. of interdisciplinary research projects (including KIPPRA-Wide Survey)</li> <li>• No. of thematic research reports (including YP papers)</li> </ul>
	Strengthen data collection and management to	<ul style="list-style-type: none"> <li>• No. of news update reports</li> <li>• No. of policy seminars</li> <li>• No. of policy surveys</li> <li>• No. of quarterly market analysis reports</li> </ul>

	support policy research and analysis	<ul style="list-style-type: none"> <li>• No. of reviews of data management policy</li> <li>• % of data manuals developed for datasets</li> </ul>
	Establish a public policy repository	<ul style="list-style-type: none"> <li>• % of establishment of the repository centre</li> <li>• Annual national bibliography of government policies</li> </ul>
To strengthen effectiveness in policy engagement, outreach and impact	Expand and strengthen strategic networks and partnerships	<ul style="list-style-type: none"> <li>• % of implementation of the partnerships and networking policy</li> <li>• No. of strategic partnerships at national and county level</li> <li>• No. of strategic partnerships at regional and international level</li> <li>• No. of international conferences and debates participated in</li> <li>• Annual KIPPRA regional conferences organized</li> <li>• No. of programmes / conferences organized or implemented with other think tanks</li> <li>• No. of Articles published in peer reviewed journals</li> <li>• No. of research papers downloaded from KIPPRA website</li> <li>• No. of KIPPRA media citations</li> <li>• No. of forums with local and international Think Tanks</li> </ul>
	Boost the Institute profile and accessibility as a center for public policy research and analysis	<ul style="list-style-type: none"> <li>• No. of reviews of KIPPRA mentorship and associates' policy</li> <li>• No. of research associates engaged</li> <li>• No. of KIPPRA alumni members</li> <li>• % of implementation of the communication strategy and branding manual.</li> <li>• No. of customer satisfaction survey</li> <li>• No. visits to website (and repository)</li> <li>• No. of publications distributed</li> <li>• No. of policy dialogue events (roundtables and policy seminars).</li> </ul>
	Strengthen knowledge management and communication	<ul style="list-style-type: none"> <li>• % of technical research staff trained in writing and communication skills and techniques.</li> <li>• % of products reviewed</li> <li>• No. of dissemination forums</li> <li>• No. of dissemination reports</li> <li>• No. of knowledge management Infrastructure implemented</li> <li>• % of reporting tools / standardized templates utilized</li> <li>• Proportion of implementation of KIPPRA brand strategy.</li> </ul>
To bolster financial and institutional sustainability	Increase productivity through human capacity development and welfare improvement	<ul style="list-style-type: none"> <li>• No. of performance management reviews</li> <li>• % of staff by category (gender, ethnicity, disability mainstreaming).</li> <li>• Proportion of staff trained in relevant skills</li> <li>• No. of employee satisfaction surveys undertaken</li> </ul>
	Enhance financial sustainability	<ul style="list-style-type: none"> <li>• % of implementation of the resource mobilization strategy and policy</li> <li>• % of policies and procedures reviewed</li> <li>• % of establishment of KIPPRA campus</li> <li>• Enacted KIPPRA Act Amendment Bill (%)</li> </ul>
	Entrench risk management	<ul style="list-style-type: none"> <li>• No. of risk assessment reports</li> </ul>

		<ul style="list-style-type: none"> <li>No. of risk management framework reviews / % of implementation of the Integrated Risk Management System (IRMS)</li> </ul>
	Enhance efficiency in planning and service delivery	<ul style="list-style-type: none"> <li>No. of M&amp;E framework developed.</li> <li>% level of implementation of the M&amp;E framework</li> <li>No. of impact assessment evaluations undertaken</li> </ul>
To enhance leadership and integrity	Promote governance in institutional development	<ul style="list-style-type: none"> <li>Full Board in place</li> <li>% of compliance to statutory requirements</li> <li>Full implementation of the amended KIPPRA Act</li> </ul>
	Entrench national values and principles of governance within and outside the Institute	<ul style="list-style-type: none"> <li>% of staff sensitized on national values and principles of governance</li> <li>No. of promotional materials on national values and principles of governance published and disseminated</li> <li>% of research and capacity building activities promoting National Values and Principles of governance</li> </ul>

The following sub-sections highlight the Institute's performance in FY2021/22 against the strategic objectives and ties the achievements to the performance contract for the year.

## 6.2 Enhancing Capacity Development for an Efficient and Accountable Public Policy Making Process

KIPPRA Act No. 15, 2006 section 5 mandates the Institute to develop human and institutional capacities that help in undertaking economic forecasting, policy analysis and research, contribute to the formulation of medium- and long-term strategic perspective for the economic and social development of Kenya in accordance with the provisions of the Act. In delivering on the mandate, the Institute employs three (3) broad dimensions of capacity building, i.e. building awareness, building analytical capacity and building policy decision making capacity. Three key programmes are undertaken including Young Professionals Programme; Mentorship; and Commercialised Programme. The Institute is currently discussing with the state department for planning capacity building programme for Economists under CPPMUs.

The Capacity Building work plan targets for FY2021/22 were delivered in three broad programmes namely:

- Young Professionals;
- KIPPRA Mentorship Programme for Universities (KMPUs); and
- Commercialized capacity building programmes.

In FY2021/22, the Institute targeted to implement 7 capacity development programs namely: Public Policy Making Process (PPMP); Governance Structures in a Devolved System of Government (GSDSG); Applied Research Methods (ARM); Tools for Policy Analysis (TPA); KIPPRA -Treasury Macroeconomic Model (KTMM); Child, Youth and Women Sensitive Planning and Budgeting (CYWSPB); Creating an Enabling Environment for Private Sector (CEEP); and Revenue Forecasting and Macroeconomic Modelling (RFMM). The capacity building programmes were to be delivered through 38 sessions to a diverse range of stakeholders, within KIPPRA's Young Professionals Programme; the KIPPRA Mentorship Program for Universities (KMPUS); and through the commercialized capacity building programmes.

The Institute surpassed targets in number of persons capacity built during the year, i.e., 2960 against target of 1005 (294.5%). In addition, the Institute achieved 52 capacity building sessions, surpassing the target of 38 sessions (136.8%) planned. Majority of the participants (80.8%) are those attending the KMPUS events, while commercialized programmes account for 18.2% of the participants. The Institute will focus on improving delivery of commercialized capacity building programmes in FY2022/23.



**Table 2: Summary of Achievements in Capacity Building Programmes, FY2021/22**

	FY2021/22 Target	Achievement in FY2021/22				
		Q1	Q2	Q3	Q4	Total (Q1 to Q4)
No. of training sessions done	38	5	17	13	17	52
Number of persons capacity built	1005	149	824	1646	398	2960 (100.0%)
	YP	0	29	30	28	30 (1.0%)
	KMPUS	0	659	1534	199	2392 (80.8%)
	Commercialized	149	136	82	171	538 (18.2%)

### **Young Professionals Programme**

The KIPPRA Young Professionals (YP) Programme started in 2003 and by FY2020/21 over a hundred and fifty (150) public and private sector officers had graduated from the programme. It is a 12-month programme targeting officers at an early stage of their professional career in the public and private sector. The recruitment process is highly competitive focusing on candidates below 35 years of age.

Every year, the Institute advertises for recruitment to the programme. At least ten officers are enlisted with the Institute, during this period they undertake rigorous course work and prepare a research paper towards the end of the programme to graduate. Its popularity has grown over the years, with over 300 applications received every year.

During FY2021/22, the Institute enrolled 30 participants in the Young Professionals (YP) Programme, who were taken through the capacity building calendar as detailed in table below. KSh. 68 million was availed through GOK funding for implementing the programme. During the year, the YPs were taken through 7 capacity building modules.

**Table 3: Activities for the Young Professionals Programme**

Quarter	Training modules delivered	Other Programme Activities Undertaken
Quarter 1	None.	<ul style="list-style-type: none"> <li>Placed an advert for 30 KIPPRA sponsored YPs and 10 self-sponsored applicants.</li> <li>The YP cohort joined in October 2021.</li> </ul>
Quarter 2	<ul style="list-style-type: none"> <li>Governance Structures in a Devolved System of Government, on 14th to 20th Dec 2021</li> </ul>	<ul style="list-style-type: none"> <li>Induction for the 2021/22 YP group completed</li> <li>Career Development seminar on 5th November 2021</li> </ul>
Quarter 3	<ul style="list-style-type: none"> <li>Public Policy Making Process held on 7th to 14th February 2022</li> <li>KIPPRA-Treasury Macroeconomic Model held on 28th to 30th March 2022</li> <li>Research Ethics training held on 21st February 2022</li> <li>E-learning Platform training in Machakos from 23rd to 26th February 2022</li> </ul>	<ul style="list-style-type: none"> <li>Training on conceptualization and Development of Blogs held on 5th January 2022</li> <li>21 YPs participated in the KMPUs events at Turkana University, Kabarak University and University of Embu KMPUs event.</li> <li>YPs participated in a lecture on Institutions and Development by Prof. Kunal the Director UNU-WIDDER on 21st March 2022.</li> <li>Blog development: first and second submission of bog topics done</li> </ul>

		<ul style="list-style-type: none"> <li>• 5 weekly Policy Surveillance forums conducted on Fridays.</li> <li>• 5 YPs were involved in planning and organizing KIPPRA Annual Regional Conference (KARC) 2022</li> <li>• YPs prepared and presented 6 information notes on 10th and 11 March to all staff. In total, 24 drafts of the YP information notes prepared and reviewed.</li> <li>• Drafting of information notes on <i>Effective Planning and Budgeting for County Government (2018- 2022)</i> in preparation for validation workshop to 47 county executives and 47 county assemblies</li> </ul>
<b>Quarter 4</b>	<ul style="list-style-type: none"> <li>• Applied Policy Research Methods and Tools for Policy Analysis held from 25th April to 14th June 2022</li> <li>• Tools for Policy analysis: Gender training by IFPRI held on 10th and 12th May 2022</li> <li>• Tools for Policy Analysis: Impact Evaluation training by IFPRI held on 19th May 2022</li> </ul>	<ul style="list-style-type: none"> <li>• YPs prepared 47 information notes on Effective Planning and Budgeting for County Government (2018- 2022).</li> <li>• YPs prepared 20 blogs; 10 Policy Briefs</li> <li>• YPs carried out policy surveillance forums on Fridays.</li> <li>• The YPs prepared 15 draft Discussion Papers and presented to KIPPRA staff on 24th June 2022</li> </ul>

On 21<sup>st</sup> December 2021, the Institute conducted graduation ceremony for 20 YPs enrolled in the FY2020/21 cohort. The group completed 10 co-authored discussion papers.

Going forward, in FY2022/23, the Institute plans to enroll 43 Young Professionals, of which 33 will be KIPPRA-sponsored and 10 will be self-sponsored. During Quarter 4 of FY2021/22 an advert was placed. Shortlisting has been finalized. The Institute is in the process of organizing for conduct interviews to be followed by invitation to successful applicants.

***KIPPRA Mentorship Programme for Universities:***

The KIPPRA Mentorship Programme for Universities (KMPUS) was relaunched in 2018 with the objective of creating awareness and developing capacity of the University Community in understanding the public policy making process and revamp the intellectual exchange between university community and policy makers. More specifically, the programme aims to: Enlighten the university community on policies the government is implementing in pursuit of the development agenda; Provide an information resource for students seeking career experience in public policy research and analysis; Strengthen skills of students aspiring to build a career in public policy process; Provide a platform to discuss emerging policy issues that have the potential to shape research and analysis activity; Share with the university community on governance aspects that influence the way we engage in building the economy, including the national values.

The programme is delivered in two (2) days sessions, hosted by the universities. These sessions involve face to face interaction with guest speakers, panel discussions with experts, experience-sharing with career practitioners, open fairs, and specialized training programs. The programme has also incorporated national mainstreaming agenda like youth empowerment, gender, disability, and national values and principles of governance, among others. During FY2021/22 the following achievements were made under the programme:

**Table 4: Activities for the KMPUs Programme**

Quarter	KMPUS Events Held	Other Programme Activities Undertaken	Number of Participants
Quarter 1	No KMPUS event held	<ul style="list-style-type: none"> <li>The Institute held 4 meetings with 3 Universities, namely Dedan Kimathi, Karatina and Embu Universities to discuss areas for collaboration, including joining capacity building activity for lecturers.</li> </ul>	None
Quarter 2	Jaramogi Oginga Odinga University for Science and Technology (JOOUST) held on 2nd and 3rd December 2021	Held sessions with 5 KMPUS constituted research and publication clubs in the Universities on: <ul style="list-style-type: none"> <li>Public policy making process (490 Pax) – JOOUST (KMPUS event)</li> <li>Understanding governance structures: 4 sessions (Session 1: 19 pax on 4th Nov 2021; session 2: 17pax on 5th Nov 2021; session 3: 19 pax on 19th Nov 2021; session 4: 24pax on 25th Nov 2021)</li> <li>Public Financial Management held virtually-2 sessions (Session 1: 22pax on 11th Nov 2021; session 2: 29 pax on 12th Nov 2021)</li> <li>Other sessions: 39 pax</li> </ul>	659
Quarter 3	Turkana University College held on 13th and 14th January 2022	<ul style="list-style-type: none"> <li>Career development talk</li> <li>Public Policy Making process sensitization</li> </ul>	210
	Kabarak University held on 17th to 21st January 2022	<ul style="list-style-type: none"> <li>Career development talk</li> <li>Public Policy Making process sensitization</li> </ul>	848
	Embu held on 30th March to 1st April 2022	<ul style="list-style-type: none"> <li>Career development talk</li> <li>Public Policy Making process sensitization</li> </ul>	476
Quarter 4	Youth side event at the 5th KIPPRA Annual Regional Conference on 15th June 2022	<ul style="list-style-type: none"> <li>Career development talk</li> <li>Public Policy Making process sensitization</li> </ul>	199
	<b>Total</b>		<b>2392</b>

**Commercialized Capacity Building Programmes:**

During FY2021/22, the Institute delivered 5 demand-driven programmes (Revenue & Forecasting Model; Public Policy Making Process; Effective Planning and Budgeting by County Governments; Applied Policy Research Methods; Monitoring And Evaluation) to 5 Institutions namely NSSF, Bungoma County Government, IGRTC, KeNHA and KeRRA. The Institute will upscale delivery of commercialized capacity building programmes in FY2022/23.



**Table 5: Activities for the Commercialized Programme**

Quarter	Training Modules Delivered / Capacity Building Activities Conducted	No. of Officers Capacity Built
<b>Quarter 1</b>	<ul style="list-style-type: none"> <li>• Delivered Phase 2 of capacity building for NSSF officers on "Revenue &amp; Forecasting Model" on 14th to 22nd July 2021.</li> <li>• Sensitized MDAs on Public Policy Making Process during Capacity Building Needs Assessment held on 21st to 31st July 2021; in which 55 Institutions participated.</li> <li>• Delivered Phase 2 of capacity building for NSSF officers on "Revenue &amp; Forecasting Model" on 26th to 31st July 2021.</li> <li>• Delivered Open Data Kit (ODK) Training to Bungoma County Government Officers on 13th to 17th September 2021.</li> <li>• Delivered Phase 3 of capacity building for NSSF officers on "Revenue &amp; Forecasting Model" on 20th-24th September 2021</li> </ul>	149
<b>Quarter 2</b>	• Public Policy Making Process: delivered to IGRTC-20pax on 29th Nov to 3rd Dec 2021)	20
	Revenue forecasting and macroeconomic modelling to NSSF Staff (5 sessions) <ul style="list-style-type: none"> <li>• Session 1: 21st to 30th June 2021 in Naivasha</li> <li>• Session 2: 14th July to 22nd July 2021 in Machakos</li> <li>• Session 3: 26th July to 31st July 2021 in Naivasha</li> <li>• Session 4: 20th to 24th Sept 2021 in Naivasha</li> <li>• Session 5: 29th Nov to 3rd Dec 2021 in Naivasha</li> </ul>	114
	Business Registration Session (BRS) capacity building session on developing a research strategy on 22nd to 24th Dec 2021 in Machakos	2
<b>Quarter 3</b>	<ul style="list-style-type: none"> <li>• Capacity building and technical support for KeNHA on 28th February to 4th March 2022 in Naivasha</li> <li>• Delivery of Public Policy Making Process module</li> </ul>	46
	• Public Policy Making Process held on 14th to 25th March in Kisumu	36
<b>Quarter 4</b>	<ul style="list-style-type: none"> <li>• Capacity building and technical support for KeRRA from 25th to 27th April 2022 in Naivasha</li> <li>• Public Policy Making Process module delivered</li> </ul>	40
	• Regional Consultative and Dissemination Workshops on Effective Planning and Budgeting by County Governments held from 19th to 22nd April	94
	• Applied Policy Research Methods 20th to 30th June 2022	16
	• Tools for Policy Analysis 20 <sup>th</sup> to 30 <sup>th</sup> June 2022	12
	• Monitoring And Evaluation training held from 6th to 17th June 2022	9
	<b>Total</b>	<b>538</b>

### 6.3 Improving Quality, Relevance and Responsiveness of Policy Research and Analysis

#### **Thematic Research**

KIPPRA research activity is guided by the prevailing government development agenda and is conducted within the Institute's 7 research departments. The output from thematic research, include Discussion Papers, Working Papers, Special Papers, Occasional Papers, and Policy Briefs. The research outputs are published in various series, all of which are now available for download on the Institute's Public Policy Repository<sup>1</sup>.

<sup>1</sup> <http://repository.kippira.or.ke/>

During FY2021/22, the Institute focused on producing 120 thematic research outputs based on the following themes:

- Food and nutrition security – to assess factors affecting adoption of market-oriented crops and food and nutrition security of smallholders.
- Improving the business environment for micro and small enterprises in Kenya – to analysis of the effect of institutional variables such as corruption, ease of doing business, human capital indicator, and economic stability indicators on entrepreneurship culture.
- Sustaining Human Capital Development amidst COVID-19 with specific focus on effects of COVID 19 on the labour market (labor force participation and productivity); and understanding causes of morbidities in Kenya and interventions to reduce health inequalities
- Democracy and participation of the people in relation to policy responsiveness – to establish if increased representation of women in political power leads to increased uptake of women related policies in childcare and education; and to what extent are the political institutions responsive to public policy implementation?
- Trade policy environment on Kenya’s competitiveness – to analyze trade competitiveness diagnostics for Kenya; to establish trade competitiveness and innovation of the Kenyan firms; and to analyze effect of economic diplomacy on product diversification in Kenya.
- Exploring the potential of nuclear energy in driving the clean energy agenda in Kenya – to review all the policies, regulations and laws that support the development of nuclear programme in Kenya, and to assess the contribution of nuclear energy to the energy optima mix in driving industrialization in Kenya.

During the FY2021/22, the Institute published 171 thematic research output comprising of 110 Policy Briefs, 53 Discussion Papers, 3 Journal articles, 2 Special Papers, 2 manuals, 1 Conference Proceedings Report.

**Table 6: Thematic Research Outputs**

Quarter	Thematic Research Outputs Published
Quarter 1	<p><b>Discussion papers:</b></p> <ol style="list-style-type: none"> <li>1. Optimization of Public Debt and Its Impact on Kenya’s Economic Growth-DP245</li> <li>2. Assessing the Impact of Private Sector Credit on Economic Growth-DP239</li> <li>3. Review excise tax paper in readiness for final publication – DP241</li> <li>4. Access to Agricultural Markets: Gender Considerations Towards Improved Households’ Dietary Diversity in Kenya-DP246</li> <li>5. Prerequisites for Enhancing Local Content in the Energy Sector in Kenya - DP242</li> <li>6. Reducing Health Emergencies of Drought and Floods in Kenya-DP247</li> <li>7. Enhancing spatial equity in location planning for affordable housing: The case of Nairobi City County - DP</li> <li>8. Has Kenyan growth been inclusive? Examining employment intensity of sectoral output - DP</li> <li>9. Implications of drought and floods on household food and nutrition security in the arid and semi-arid lands in Kenya - DP</li> </ol> <p><b>Policy Briefs:</b></p> <ol style="list-style-type: none"> <li>10. Reversing stunting of under 5 children in Kenya (PB05 - 2020/21)</li> <li>11. Enhancing effectiveness of Kenya's excisable goods management system (PB07 - 2020/21)</li> <li>12. Exploiting job creation potential for youth in the horticulture industry in Kenya (PB08 - 2020/21)</li> <li>13. Exploiting job creation potential for youth in the ICT sector in Kenya (PB09 - 2020/21)</li> <li>14. Exploiting job creation potential for youth in industries without smokestacks in Kenya (PB10 - 2020/21)</li> <li>15. Exploiting job creation potential for youth in the tourism sector in Kenya (PB11 - 2020/21)</li> </ol>

	<ol style="list-style-type: none"> <li>16. Managing learning in the COVID-19 Period: Effects, challenges and options (PB12 - 2020/21)</li> <li>17. Market access and dietary diversity: The potential role of women in improving household nutrition in Kenya (PB13 - 2020/21)</li> <li>18. Constraints along the cotton textile and apparel value chain in Kenya (PB15 - 2020/21)</li> <li>19. Unlocking Kenya's tea sector's potential for jobs creation for the youth (PB18 - 2020/21)</li> <li>20. Interlinkages between solar PV industry and job creation (PB19 - 2020/21)</li> <li>21. Tapping the dairy industry's potential to create jobs for the youth in Kenya (PB17 - 2020/21)</li> <li>22. Employment creation opportunities for youths in the fisheries sector value chain (PB16 - 2020/21)</li> <li>23. Addressing constraints facing the pharmaceutical industry in Kenya for employment creation for the youth (PB14 - 2020/21)</li> <li>24. Youth employment potential along motorized two and three-wheeler transport value chain in Kenya (PB20 - 2020/21)</li> </ol>
<p><b>Quarter 2</b></p>	<p><b>Conference proceedings report:</b></p> <ol style="list-style-type: none"> <li>1. Proceeding Report of the 4th KARC: Science, technology, and innovation in enhancing delivery of the big four development agenda</li> </ol> <p><b>Discussion papers:</b></p> <ol style="list-style-type: none"> <li>2. Gender – based Leadership Inequality and Economic Development in Kenya - DP</li> <li>3. Gender and Health: An Assessment of the Burden of Gender-Based Violence on Health and Implications for Attainment of Universal Healthcare in Kenya - DP</li> <li>4. The Influence of Pedagogy on Self Efficacy of University Students in Kenya across Gender - DP</li> <li>5. Gendered Access to Energy and Water and its Implications on Well-being in Kenya - DP</li> <li>6. Assessment of Factors Influencing Participation In Domestic Trade By Female-And Male-Owned Firms In Kenya - DP</li> <li>7. Gendered Effects of Government Credit Programs on Entrepreneurship in Kenya - DP</li> <li>8. Status of Children in Kenya: Linking Budgets to Performance Outcomes - DP</li> <li>9. Gender, Access to Agricultural Resources and Food Security in Kenya - DP</li> <li>10. The effect of E-government on Government Effectiveness and control of corruption among UN member countries – DP</li> <li>11. The Nexus Between Innovation Gap and Firm Ownership in Kenya: A Gender Approach – DP</li> <li>12. The Effect of Drought Early Warning Systems On Vulnerability Of Kenyans Living In The Asals: A Before And After Analysis Using Interrupted Time Series - DP</li> <li>13. Assessing the Efficiency of National Innovation Systems in Selected African Countries – DP</li> <li>14. Effects of Finance Sources on Innovation Activities in Manufacturing Sector in Kenya – DP</li> <li>15. Effect of Innovation on Employment Among Manufacturing Firms in Kenya – DP</li> <li>16. Assessment of Institutional Structures Governing Science Technology and Innovation in Kenya – DP</li> <li>17. The interplay between Intellectual Property Rights and Total Factor Productivity in Kenya – DP</li> <li>18. Factors Influencing Service Firms' Investment in Research and Development in Kenya – DP</li> <li>19. The Effect of Science, Technology, Engineering and Mathematics (STEM) skills on youth employment in Kenya – DP</li> </ol>



	<p><b>Policy Briefs:</b> 20. Strengthening Primary Health Care (PHC) for Equitable Access to Vaccinations in Africa</p>
<p><b>Quarter 3</b></p>	<p><b>Discussion papers:</b></p> <ol style="list-style-type: none"> <li>1. Determinants of manufacturing firms' Research and Development (R&amp;D) investments in Kenya (DP251)</li> <li>2. Appraisal of Kenya's excisable goods management system: A case of cigarettes and cigars excise revenues (Forthcoming as DP 252)</li> <li>3. Constraints and opportunities in the Kenyan cotton-textile-apparel sub-sector: A value chain approach (Forthcoming as DP 253)</li> <li>4. Entrenching entrepreneurship and industrial culture (DP254)</li> <li>5. An assessment of the Kenya's regulatory framework on growth of wholesale and retail firms (Forthcoming as DP 256)</li> <li>6. What works, what doesn't and Why: Assessing the Efficacy of Anti-Corruption Strategies in Kenya (Forthcoming as DP 258)</li> <li>7. Financing models for affordable and adequate housing in Kenya (Forthcoming as DP 259)</li> <li>8. Status of children in Kenya: Linking budgets to performance outcomes (forthcoming as DP 260)</li> <li>9. Gender and Health: An assessment of the burden of gender-based violence on health and implications for attainment of universal healthcare in Kenya (forthcoming as DP 261)</li> <li>10. Gendered access to energy and water and its implications on well-being in Kenya (forthcoming as DP 262)</li> <li>11. Gendered effects of government credit programmes on entrepreneurship in Kenya (forthcoming as DP 263)</li> <li>12. Gender, access to agricultural resources and food security in Kenya (forthcoming as DP 267)</li> </ol> <p><b>Special papers:</b></p> <ol style="list-style-type: none"> <li>13. Research Ecosystem Strengthening through the Development of a Public Affairs Index to Support the Devolved System of Government in Kenya SP No. 30</li> <li>14. Research Ecosystem Strengthening through the Development of a Framework for County Business Environment for Micro and Small Enterprises in Kenya SP No. 31</li> </ol> <p><b>Manuals:</b></p> <ol style="list-style-type: none"> <li>15. Manual prepared under the County Business Environment for Microenterprises (CBEM) project</li> <li>16. Manual prepared under the Public Affairs Project (PAI) project</li> </ol> <p><b>Policy Briefs:</b></p> <ol style="list-style-type: none"> <li>17. Research Ecosystem Strengthening through the Development of a Public Affairs Index to Support the Devolved System of Government in Kenya – 47 county policy briefs</li> <li>18. Research Ecosystem Strengthening through the Development of a Framework for County Business Environment for Micro and Small Enterprises in Kenya – 47 county policy briefs</li> </ol> <p><b>Journal articles and book chapters published:</b></p> <ol style="list-style-type: none"> <li>19. Nechifor V., Boysen, O., Ferrari, E., Simola, A.M., Nandelenga, M., <b>Laichena, J.</b> and Malot, K. (2022). The impacts of the Africa Continental Free Trade Area on the Kenyan economy; Joint Research Centre, European commission; <a href="https://publications.jrc.ec.europa.eu/repository/handle/JRC126957">https://publications.jrc.ec.europa.eu/repository/handle/JRC126957</a></li> <li>20. Adan Shibia (2022). Determinants of Manufacturing Firms' Research and Development Investments: Evidence from Kenya; Journal of Business and Socio-Economic Development; <a href="https://www.emerald.com/insight/content/doi/10.1108/JBSED-07-2021-0089/full/html">https://www.emerald.com/insight/content/doi/10.1108/JBSED-07-2021-0089/full/html</a></li> </ol>



	21. Kemal Türkcan, Socrates Majune Kraido, Eliud Moyi (2022). Export margins and survival: A firm-level analysis using Kenyan data; South African Journal of Economics; <a href="https://onlinelibrary.wiley.com/doi/epdf/10.1111/saje.12314">https://onlinelibrary.wiley.com/doi/epdf/10.1111/saje.12314</a>
<b>Quarter 4</b>	<p><b>Discussion papers:</b></p> <ol style="list-style-type: none"> <li>1. Assessment of Factors Influencing Participation in Domestic Trade by Female- and Male-Owned Firms in Kenya (DP264)</li> <li>2. The Influence of Pedagogy on Self Efficacy of University Students in Kenya across Gender (DP265)</li> <li>3. Gender – Based Leadership Inequality And Economic Development In Kenya (DP266)</li> <li>4. Analyses of the housing status and access to basic infrastructure in Nairobi City County: Disparities and level of deprivation (Forthcoming DP269)</li> <li>5. The Effect of E-Government on Government Effectiveness and Control of Corruption among UN Member Countries (DP270)</li> <li>6. The Nexus Between Innovation Gap and Firm Ownership in Kenya: A Gender Approach (DP271)</li> <li>7. The Effect of Drought Early Warning Systems on Vulnerability of Kenyans Living in the ASALs: A Before and After Analysis Using Interrupted Time Series (DP272)</li> <li>8. Assessing the Efficiency of National Innovation Systems in Selected African Countries (DP273)</li> <li>9. Effects of Finance Sources on Innovation Activities in Manufacturing Sector in Kenya (DP274)</li> <li>10. Effect of innovation on employment among manufacturing firms in Kenya (DP275)</li> <li>11. Assessment of Institutional Structures Governing Science Technology and Innovation in Kenya (DP276)</li> <li>12. The interplay between Intellectual Property Rights and Total Factor Productivity in Kenya (DP277)</li> <li>13. Factors Influencing Service Firms' Investment in Research and Development in Kenya (DP278)</li> <li>14. The Effect of Science, Technology, Engineering and Mathematics (STEM) skills on youth employment in Kenya (DP).</li> </ol>

### **Kenya Economic Report**

The Kenya Economic Report (KER) is KIPPRA's flagship publication which is prepared in fulfillment of a statutory requirement (under the KIPPRA Act No.15 of 2006). The report, which is produced annually and presented to Parliament by the Minister in charge of Planning, analyses Kenya's economic performance for the previous year, prospects for the next three years, and benchmarks the performance against comparator and selected countries. Since the inaugural report published in 2009, the Institute has published 14 editions. All the editions of KER are available for download on the Institute's website at: <https://kippra.or.ke/kenya-economic-report>.

During FY2021/22, the Institute published and launched the KER2021 whose theme was "*Kenya in COVID-19 Era: Fast-Tracking Recovery and Delivery of the 'Big Four' Agenda*". In the same year, by 31<sup>st</sup> Marc 2022, the Institute completed preparation of the KER2022 whose theme is "*Building a Resilient Economy for a Sustainable Future in Kenya*". The report is currently undergoing publication process at KIPPRA.

### **Interdisciplinary Research Programme**

In FY2021/22, the Institute conducted the KIPPRA-Wide Survey (KWS-2022), whose theme was "*Foundations for Economic Transformation in Kenya*". Following completion of the concept a call for abstracts was done in quarter 2. An extension was made at the beginning of Quarter 3 in order to increase response. The Institute



conducted a stakeholder forum on 4th May 2022 to review the full papers received, whose findings contribute to presentations made during the KIPPRA Annual Regional Conference (KARC) that was conducted on 15 – 17 June 2022. The Communique from the KARC was prepared and distributed. Development of the proceedings report is ongoing to be completed in July 2022. Preparation of 7 research papers on the KARC-2021 theme of Science Technology and Innovation is ongoing,

The Institute is also on course in developing the Vision 2030 Phase II report on review of the impact of selected flagship projects. A working session with experts was conducted in Quarter 4 to sharpen the draft report. Revision of the report is ongoing to be completed in July 2022.

### **Macro Modelling**

In FY2021/22, Macro-modelling for policy analysis focused on modelling of KTMM supply-side framework; updating and extending KTMM to include county statistics; a documentation on county framework extension and developing a county budget analysis framework. The Institute constituted a technical team on Computable General Equilibrium (CGE) modeling, whose activities were supported by the Joint Research Centre (JRC) of the European Commission. During Quarter 4 of the year, the team held several knowledge sharing sessions on CGE modelling and conducted a dissemination on “CGE Static experiment applied to AfCFTA case study: Knowledge sharing session”.

### **Policy Surveillance**

The Institute has institutionalized a policy surveillance mechanism which entails collating weekly policy updates from departments and supporting the YP weekly discussion forum, whose output is published blogs, media articles, policy monitor (newsletter) articles, and the monthly e-newsletter. A quarterly report on market analysis (growth performance, financial sector, fiscal and external sectors, etc.) is produced; and monthly internal policy seminars conducted on emerging policy issues that provide indicative research areas, capacity building and other and interventions. During the policy seminar, experts from diverse sectors are invited to participate in order to enrich the dialogue that supports KIPPRA researchers to articulate a policy problem with the aim of contributing to the policy debate. During FY2021/22, the Institute produced 4 quarterly policy monitors; 4 quarterly market analysis reports and convened 27 monthly policy seminars against a target of 20 (135%) for the year.

**Table 7: Policy Monitor Issues and Articles Published and Policy Seminars Held, FY2021/22**

Quarter	Theme of Quarterly Policy Monitor	Key Policy Monitor Articles Published	Key Topics Debated in Monthly Policy Seminars
Quarter 1	Unlocking Economic Growth: Opportunities for Post-COVID-19 Recovery Process and Sustainability	<ul style="list-style-type: none"> <li>• Recent Economic Developments</li> <li>• Closing digital divide in trade to build economic resilience in the COVID-19 Era and beyond</li> <li>• Administration of Justice in the Face of COVID-19: Trends and Lessons</li> <li>• Unlocking the Potential of Micro and Small Enterprises</li> <li>• Building Digital Essentials to unlock the potential for E-commerce in Kenya</li> </ul>	<ul style="list-style-type: none"> <li>• Local Content in the Energy Sectors.</li> <li>• Adoption of Alternative Sources of Energy in Kenya</li> <li>• Strengthened Primary Health Care by Vaccination and Integrated Information Systems</li> <li>• Interventions to Reduce Health Inequalities In Kenya</li> <li>• How Kenya Can Position Itself to Gain from New Kenya-UK Trade Agreement in Post-Brexit Era</li> <li>• Selection of Strategic Locations for Nuclear Reactors: Global Lessons</li> </ul>



<b>Quarter 2</b>	Unlocking the Economic Growth: Opportunities for Post COVID-19 Recovery Process and Sustainability – <i>Perspectives on Trade and Health Systems</i>	<ul style="list-style-type: none"> <li>• Recent Economic Developments</li> <li>• Unlocking the Potential of Domestic Trade in Post COVID-19 Recovery Process in Kenya</li> <li>• Resilience in Public Service: Opportunities in a Post COVID-19 Pandemic</li> <li>• Safety for the Health Workforce in the COVID-19 era: Key Pillar for Building Resilient Health Systems</li> </ul>	<ul style="list-style-type: none"> <li>• Impacts of the COVID-19 Pandemic on Poverty, Inequality and its Measurement</li> <li>• Getting the Political Finance System Right. Overview of the Elections Campaign Finance Act</li> <li>• Highlights from the IMF-World Economic Outlook Report</li> <li>• Budget Analysis</li> <li>• A synthesis of the Global Competitive Report</li> <li>• Interventions to Support the Recovery of Kenya Wholesale and Retail Trade Post COVID-19</li> </ul>
<b>Quarter 3</b>	Sustaining Development Momentum in the Electioneering Year and Beyond	<ul style="list-style-type: none"> <li>• Recent Economic Developments</li> <li>• Sustaining private sector growth during electioneering Period in Kenya</li> <li>• Drought and Conflicts in Pastoral Systems in Kenya: Mitigation activities to foster sustainable production systems and livelihoods</li> <li>• Powering the Economy: Pathways to Sustainable and Efficient Electricity Services in Kenya</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding Causes of Morbidities in Kenya</li> <li>• Lecture on Institutions and Development</li> <li>• Challenges and Opportunities for Women and Persons Living with Disability in the Public Transport Sector in Kenya</li> </ul>
<b>Quarter 4</b>	Sustaining Development Momentum in the Electioneering Year and Beyond - <i>Perspectives on Trade, National Unity and Youth Employment</i>	<ul style="list-style-type: none"> <li>• Implications of DR Congo joining the East African Community</li> <li>• Recent economic developments</li> <li>• Economic sectors with greatest potential for creating decent work for the youth in Kenya (2019-2025)</li> <li>• Promoting National unity in electioneering period and beyond</li> </ul>	<ul style="list-style-type: none"> <li>• Doing Business Indicators</li> <li>• Taking Stock of the 12th Parliament</li> <li>• Innovation Indicators</li> <li>• Implication of DR Congo joining the East African Community</li> </ul>

In addition, four issues of the KIPPRA quarterly market analysis report were published on the Institute's website. This report is one of the Institute's policy intelligence publications that focuses on reviewing trends in performance in the real sector (gross domestic product, price movements, production, consumption); international markets (commodity markets, exchange rates, remittances); money market (interbank, treasury securities, banking sector performance, monetary policy); fiscal performance; capital markets; and risk-related factors in Kenya's economy and selected global markets in each quarter, with a view to identifying policy-related dimensions.

## 6.4 Strengthening Effectiveness in Policy Engagement, Outreach and Impact

KIPPRA Organizes Roundtable meetings, symposia, conferences, workshops and other meetings to promote the exchange of views on issues relating to public policy research and analysis. These act as avenues for sharing information, reviewing methodologies, communicating findings from thematic, interdisciplinary and demand-driven research conducted and rationalizing policy recommendations on critical matters informing public policies. Apart from forums convened, the institute also disseminates research findings through distributing publication various stakeholders. The Institute also provides advisory and technical services through participating in appointed policy taskforces and working groups organized by Ministries, Departments and Agencies.

### 6.4.1 Kenya Think Tank Forum

In convening this workshop, the Institute fulfils its mandate of providing a platform for policy dialogue by bringing together Think Tanks to engage in a discussion on matters relating to public policy research and analysis in supporting implementation of the Big Four Agenda. The inaugural symposium themed “*Policy Makers and Think Tanks Engagement for Evidence Informed Decision Making*” was held on 27<sup>th</sup> November 2019 while the second one themed “*Building Back Better: The Role of Think Tanks in Supporting Recovery from COVID-19*” was held online on 15<sup>th</sup> April 2021. The 2019 symposium attracted 136 participants while the 2021 event attracted 269 participants. The third symposium was held on 15<sup>th</sup> April 2022. It focused on the theme “*Building Back Better: The Role of Think Tanks in Supporting Recovery from COVID-19*”. The virtual symposium brought together 120 participants representing more than 50 Kenyan think tanks, government officials and representatives from research and learning institutions.

Among the topics of discussions at the symposium were: conducting adaptive policy research in times of crises; capacity development and knowledge management in the COVID-19 era; communication, lobbying and advocacy during COVID-19 era; and reforming public policy and legislation during COVID-19 era. During the event, a book was launched titled: *The Future of Think Tanks and Policy Advice Around the World*, published by the University of Pennsylvania, in which KIPPRA contributed a chapter to the book.

### 6.4.2 KIPPRA Annual Regional Conference and other Dissemination Events

During the year, the Institute achieved 150% on planned dissemination workshops (i.e., 42 against a target of 28). The KIPPRA Annual Regional Conference was held on 15<sup>th</sup> to 17<sup>th</sup> June 2022 in which an average of 400 delegates participated each day.

**Table 8: Number of Dissemination forums**

	FY2021/22 Target	Achievements in July 2021 to June 2022					% Achieved on Annual Target
		Q1	Q2	Q3	Q4	Total	
No. of Dissemination Workshops	28	9	8	6	19	42	150.0
No. of KARC*	1					1	100.0

\* KARC = KIPPRA Annual Regional Conference

Since FY2017/18, the Institute has organized five Kenya Annual Regional Conference (KARC) bringing together state and non-state actors to exchange views on emerging socio-economic issues, in fulfilment of the Institute’s mandate to provide a platform for policy dialogue among stakeholders in the public policy space.

The 5th KARC whose theme was “*Foundations for a Sustainable Economic Transformation in Kenya*” was held on 15<sup>th</sup> to 17<sup>th</sup> June 2022. Stakeholders explored and discussed potential areas and opportunities to exploit in forging a common front to accelerate achievement of a sustainable inclusive development. In addition, the

conference hosted a youth event that brought together university students to focus on their transition to the world of work.

The key areas of discussions during the conference included the following: Creative Economy; Green Economy; Trade Competitiveness and Frontier Products; Gig Economy and Digital Innovation; Financial Inclusion; Values and Economic Transformation in Kenya; Human Capital; Making Markets Work; and Youth Event.

**Table 9: Dissemination Forums Convened by KIPPRA in FY2021/22:**

	Event Title / details	Venue	Date
<b>Quarter 1: July – September 2021</b>			
1.	NIPN policy question framing workshop		14th -16th July
2.	Assessing the Scope of Industries Without Smokestacks to Create Jobs: Kenya Case Study to Brookings	Virtual	27 <sup>th</sup> July 2021
3.	Presentation to the Finance and Planning Committee of Parliament on Poverty Eradication Bill on 28th July 2021 at Hilton Garden Inn Hotel.	Hilton Garden Inn Hotel.	28th July 2021
4.	Presentation to selected stakeholders on “Analysis of KDB data for processors, vending machine retailers and other stakeholders” on 20 <sup>th</sup> September 2021	Virtual	20 <sup>th</sup> September 2021
5.	Dissemination Workshop on Assessing the Extent of Implementation of Electoral Reforms in Kenya Under the New Constitutional Dispensation and the Effect of General Elections on Economic Activities	Virtual	15 <sup>th</sup> September 2021
6.	Validation Workshop on the Role of Science, Technology and Innovation in Accelerating Economic Transformation in Kenya	Virtual	17 <sup>th</sup> September 2021
7.	Convened and moderated the FSNet stakeholder consultative meeting with fellows – 24th Aug 2021	Virtual	24th Aug 2021
8.	Convened and attended plenary session of the FSNet stakeholder consultative meeting with fellows – 27th Aug 2021	Virtual	27th Aug 2021
9.	Dissemination workshop on A review of the impact of general election on macro indicators in Kenya	Virtual	15 <sup>th</sup> September 2021
<b>Quarter 2: October – December 2021</b>			
10.	HCA Stakeholder workshop	Virtual	25 <sup>th</sup> October 2021
11.	KIPPRA Repository Stakeholders Forum	Kisumu Town	1 - 2 November
12.	KIPPRA Repository Stakeholders Forum	Turkan Hotel, Kitale	4 - 5 November
13.	KIPPRA Repository Stakeholders Forum	Sun Africa Hotel, Mombasa	15 – 16 November
14.	KIPPRA Repository Stakeholders Forum	Kyaka Hotel, Mombasa	18 – 19 November
15.	Stakeholder workshop on evaluation of socio-economic impact of vision 2030	Virtual	19 <sup>th</sup> November 2021
16.	Organized and presented at validation workshop of the draft Kenya Leather Development Policy, 2021	Physical	2 <sup>nd</sup> December 2021
17.	KER 2022 Stakeholder Consultative Workshop	Physical and virtual	8-9 December 2021



<b>Quarter 3: January – March 2022</b>			
18.	launch of KER 2021 Report scheduled for 10 <sup>th</sup> February 2022.	Hilton Hotel (hybrid)	10 <sup>th</sup> February 2022
19.	Validation workshop for KER2022	Virtual	23 <sup>rd</sup> February 2022
20.	Workshop on domestic savings shortfall in Sub-Saharan Africa and measures to remedy the shortfall (KIPPRA 0 UNU WIDER)	KIPPRA / Hybrid	16-17 March 2022
21.	Workshop to disseminate findings from the study on employment creation for youth (KIPPRA, AERC, Brookings Institution)	Hybrid	18 <sup>th</sup> March 2022
22.	Dissemination workshop for <i>Research Ecosystem Strengthening through the Development of a Public Affairs Index to Support the Devolved System of Government in Kenya</i> (KIPPRA, RISA fund, UKaid)	Kenya School of Monetary Studies (KSMS) Nairobi	28 <sup>th</sup> March 2022
23.	Dissemination workshop for <i>Research Ecosystem Strengthening through the Development of a Framework for County Business Environment for Micro and Small Enterprises in Kenya</i>	Kenya School of Monetary Studies (KSMS) Nairobi	29 <sup>th</sup> March 2022
<b>Quarter 4: April – June 2022</b>			
24.	5th KIPPRA Annual Regional Conference Theme: Foundations for Economic Transformation in Kenya	Kenya School of Government, Nairobi	15-17 June 2022
25.	The 3rd Kenya Think Tanks Symposium. Themed "Empowering Africa for Climate Change Action" the symposium discussed the impact of climate change in Africa on food security, deliberate on the viable options for climate change financing in Africa and stimulate discourse on Africa-centered solutions to climate change	Virtual	28 <sup>th</sup> April 2022
26.	9 <sup>th</sup> Africities Summit (KIPPRA-UN Habitat)	Kisumu County	17-21 May 2022
27.	KIPPRA-AERC Dissemination Workshop on "COVID-19: Livelihoods in Africa", "Climate Change and Economic Development in Africa (CCEDA)" and "Towards UHC in Kenya" studies	Utalii Hotel, Nairobi	24 <sup>th</sup> June 2022
28.	Informal sector employment; and Job search and sector of employment	Utalii Hotel, Nairobi	13/3/2022
29.	Towards UHC in Kenya and Role of Water in Health Outcomes	Utalii Hotel, Nairobi	24/6/2022
30.	Health Systems Study(KIPPRA-AERC)	Virtual	09/05/2022
31.	Review of Youth Employment Policies in Kenya (KIPPRA & PEP)	Virtual	09/05/2022
32.	Dissemination Workshop on technical reports on County Socio-economic recovery from impacts of COVID-19 – Kilifi	Kilifi County	18th-22 <sup>nd</sup> April 2022
33.	Dissemination Workshop on technical reports on County Socio-economic recovery from impacts of COVID- Kakamega	Kakamega County	18th-22 <sup>nd</sup> April 2022
34.	Dissemination Workshop on technical reports on County Socio-economic recovery from impacts of COVID- Garissa	Garissa County	18th-22 <sup>nd</sup> April 2022
35.	Dissemination Workshop on technical reports on County Socio-economic recovery from impacts of COVID-Nakuru	Nakuru County	18th-22 <sup>nd</sup> April 2022

36.	Dissemination Workshop on technical reports on County Socio-economic recovery from impacts of COVID-Eldoret	Eldoret County	18th-22 <sup>nd</sup> April 2022
37.	Dissemination Workshop on technical reports on County Socio-economic recovery from impacts of COVID-Machakos	Machakos County	18th-22 <sup>nd</sup> April 2022
38.	Dissemination Workshop on technical reports on County Socio-economic recovery from impacts of COVID-Kisumu	Kisumu County	18th-22 <sup>nd</sup> April 2022
39.	Workshop to Discuss a Concept Note on "Foundations for A Sustainable Economic Transformation In Kenya" - KIPPRA Review of Vision 2030	Virtual	14 <sup>th</sup> May 2022
40.	Stakeholder consultation workshop on KIPPRA Wide Survey concept	Virtual/ Hybrid	4 <sup>th</sup> May 2022
41.	LED validation workshop	Virtual	11 <sup>th</sup> May 2022
42.	CGE Static experiment applied to AfCFTA case study: Knowledge sharing session (KIPPRA-JRC)	Virtual	27 <sup>th</sup> June 2022

### 6.4.3 Advisory and Technical Services

The Institute participates in invited policy taskforce and workings groups as one way of influencing public policy making process through providing technical input. On average, KIPPRA participates in about 40 engagements every year. Cumulatively, in FY2020/21, the Institute had participated in 44 taskforces and working groups. In quarter 2, the Institute participated in 15 sector working groups organized by the State Department for Planning to collect views from all counties aimed at informing development of the fourth Medium Term Plan (MTP IV).

Other key engagements included: the Macro Working Group; Own Source Revenue; SRC Wage Bill Taskforce; Tea Price stabilization Technical Committee; Technical Working Group Development of Vaccines in Kenya; Technical Working Group to Review National Population Policy; Education Sector Evidence for Action (EE4A) Technical Working Group; Taskforce on development of National Public Communication Policy; Working committee to review and standardize the legislative and regulatory instruments establishing state corporations; Data Protection Taskforce; National ICT Advisory Committee; Technical Committee on TVET Financing Policy and Strategy; Taskforce on County Tariffs and Pricing Policy; and taskforce on Ending Hospital Detention for Non-Payment of Bills in Kenya.

**Table 10: Summary of Participation in Taskforces and Working Groups**

	Participation in Taskforces and Working Groups in FY2021/22	Ministry / Department / Agency Supported
1.	Macro Working Group	The National Treasury and Planning
2.	Own Source Revenue	The National Treasury and Planning
3.	SRC Wage Bill Taskforce	Salaries and Remuneration Commission
4.	Millennium Challenge Corporation (MMC) Secretariat	State Department for Planning, The National Treasury and Planning
5.	Green Fiscal Incentives Policy Taskforce	The National Treasury and Planning
6.	Tea Price stabilization technical committee	Ministry of Agriculture, Livestock, Fisheries and Cooperatives
7.	Review of the National AfCFTA implementation strategy	State Department for Trade, Ministry of Industrialization, Trade and Enterprise Development
8.	Kenya-USFTA	State Department for Trade, Ministry of Industrialization, Trade and Enterprise Development



9.	5 <sup>th</sup> Technical steering committee for National Quality Policy	State Department for Industrialization, Ministry of Industrialization, Trade and Enterprise Development
10.	Meeting of Committee on Trade in Services	State Department for trade
11.	Technical Working Group on TFTA - NTB	State Department of Trade
12.	Transparency and Information TWG (National Trade Facilitation Committee, NTFC)	Kenya Trade Network Agency (KENTRADE)
13.	The nineteenth meeting of the Tripartite trade negotiation forum	State Department for Trade in partnership with COMESA secretariat
14.	AfCFTA national preparatory meeting on Rules of origin and EAC tariff offers	State Department for Trade in partnership with EAC and AU
15.	Technical Committee on Research for Health	Ministry of Health
16.	Technical Working Group Development of Vaccines in Kenya.	Ministry of Health
17.	Technical Working Group to Review National Population Policy	National Council for Population and Development
18.	Multi-Agency Technical Committee – to Cushion job losses in the country due to COVID-19 Pandemic	Ministry of Labour and Social Protection
19.	Tourism Satellite Account working Group.	Ministry of Tourism and Wildlife
20.	Education Sector Evidence for Action (EE4A) Technical Working Group	Ministry of Education
21.	Inter-Agency Technical Committee on preparation of the Devolution Index	State Department for Devolution, Ministry of Devolution and ASALs
22.	Taskforce on development of National Public Communication Policy	Office of Government Spokesman
23.	Working committee to review and standardize the legislative and regulatory instruments establishing state corporations	State Corporations Advisory Committee (SCAC)
24.	Data Protection Taskforce	Ministry of ICT, Innovation and Youth Affairs: Office of the Data Commissioner
25.	National ICT Advisory Committee	Ministry of ICT, Innovation and Youth Affairs
26.	Coast Region Water Resources Management Technical Working Group	Kenya Water and Sanitation Civil Society Network (KEWASNET) and the Centre for Social Planning and Administrative Development (CESPAD)
27.	Road Sector Investment Programme Taskforce	Ministry of Transport, Infrastructure Housing, Urban Development and Public Works
28.	Road Inventory and Condition Survey Steering Committee	Ministry of Transport, Infrastructure Housing, Urban Development and Public Works
29.	National Quality Infrastructure Taskforce	Ministry of Industrialization, Trade and Enterprise Development
30.	Inter-Agency Technical Committee on Gender Statistics	National Council for Population and Development
31.	Maritime Education and Training Policy	State Department for Maritime and Shipping Affairs
32.	Bandari Maritime Academy Students Academic and Welfare Policy Working Group	State Department for Maritime and Shipping Affairs
33.	AU Agenda 2063 first 10 years of implementation	The National Treasury and Planning
34.	Working group to develop Government-Wide Risk Policy	Public Sector Accounting Standards Board (PSASB)



35.	Taskforce on National Addressing System of Kenya	Ministry of ICT, Innovation and Youth Affairs
36.	Technical Committee on TVET Financing Policy and Strategy	Ministry of Education
37.	UNCTAD Working Group on Cross Border Cartels	State Department for Trade, Ministry of Trade and Industrialization
38.	3rd Biennial Review Report on CAADP	Ministry of Agriculture, Livestock, Fisheries and Cooperatives
39.	Technical and Advisory Committee on the Development of the Coffee and Sugar Industry Price Stabilization Framework	Ministry of Agriculture, Livestock, Fisheries and Cooperatives
40.	Agricultural Marketing Strategy meeting for reviewing report from public participation.	Ministry of Agriculture, Livestock, Fisheries and Cooperatives
41.	Taskforce on County Tariffs and Pricing Policy	Commission on Revenue Allocation
42.	National Committee on AGOA	State Department for Trade, Ministry of Industrialization, Trade and Enterprise Development
43.	Agriculture Monitoring and Evaluation Technical Committee	Ministry of Agriculture, Livestock, Fisheries and Cooperatives
44.	Ending Hospital Detention for Non-Payment of Bills in Kenya	Ministry of Health
45.	Fourth Medium Term Plan 2023-2027 Sector Working Groups	State Department for Planning

#### 6.4.4 Roundtables

Each year, the Institute holds small group discussions (roundtables) with invited sector-specific experts to discuss and explore on specific topics, where everybody has an equal right to participate. Through roundtables, the Institute generates ideas to improve focus on either upcoming or ongoing research. Roundtables are used as one-off events, as series, as a tool within broader participatory processes, and as established, ongoing meetings. During FY2021/22, the Institute the Institute achieved 58 out of the targeted 60 (96.7%) roundtable meetings.

**Table 11: Number of Roundtable Meetings Held in FY2021/22**

	FY2021/22 Target	Achievements in July 2021 to June 2022					% Achieved on Annual Target
		Q1	Q2	Q3	Q4	Total	
No. of Roundtable Meetings Held	60	20	9	16	13	58	96.7

Of the 58 meetings, 44 (76%) were held through virtual platforms.

#### **List of Roundtables Organized by KIPPRA in July – September 2021:**

1. Meeting with IDRC Canada on debt research work
2. Roundtable on KTMM Forecasting Analysis Estimation
3. Progress meeting with African Growth Initiative on the study on Study on Urban Economic Growth in Africa: A Case Study of Nairobi City, Kenya
4. Held a meeting to discuss potential research collaboration with FAO/Min of Agriculture on "Linkages to resilience and Livelihoods in agriculture in the context of cash plus"
5. Roundtable meeting with Brookings on the upcoming work on Workforce of the Future
6. Held a meeting with UN-Habitat on implementation of the Kisumu Local Economic Development Plan
7. Held a meeting with Kenya National Qualifications Authority (KNQA) to discuss areas that KNQA wanted to be trained on

8. Meeting with HSRC to discuss workplan of activities for implementation of MOU on Wednesday
9. Meeting with BIDPA – Botswana to discuss areas of collaboration
10. Meeting with KASNEB to discuss research collaboration
11. Meeting with LAPPSET Team to discuss resource mobilization strategy
12. Meeting with Karatina University to discuss postgraduate diploma
13. Meeting with Karatina University to discuss 1 day training on Political Economy Analysis
14. Meeting Brookings experts on the upcoming work on Workforce of the Future
15. Roundtable with KRA and JRC to discuss the results on the impact of AfCFTA on the Kenyan economy
16. Held several meetings with Human Sciences Research Council (HSRC) to discuss Call for Application for Grant for Creative and Culture Sector
17. Roundtable meeting on the next steps on AfCFTA and how to incorporate the KRA needs and interest in the research
18. Meeting held between Embu university and KIPPRA on KMPUS and areas for collaboration
19. Meeting with Columbia Global Centers to enlist KIPPRA to partner with them in the development of a theory of change for a USAID project on Kenya Inclusive Governance, Accountability, Performance and Participation (Kenya-IGAPP).
20. KIPPRA and i-Hub-PAUSTI meeting

**List of Roundtables Organized by KIPPRA in October – December 2021:**

1. Meeting with Centre for Global Finance, SOAS University of London to discussion funding opportunity on Strengthening National Research System and developed a concept note on CGE as part of the project for funding and submitted.
2. Meeting with IMF on Economic developments and Outlook
3. Meeting with Samuel Hall to sign MOU
4. Meeting with IDinsight for MOU signing
5. Meeting with NIPFN to Monitor the Progress of NIPFN Policy Special Papers - Drafting Committee
6. Meeting with KRA Commissioner of Domestic Tax to Discuss areas of collaboration
7. Meeting for the review of the KIPPRA-Treasury Macroeconomic Model (KTMM)
8. Consultative meeting on the IDRC Project
9. Meeting on County Business Environment for Microenterprises (CBEM)

**List of Roundtables Organized by KIPPRA in January – March 2022:**

1. Kisumu Local Economic Development Plan (FY2021/22 client work) – roundtable with study partners (UCLG Africa and UN-Habitat) and KIPPRA Team of progress in the study and way forward
2. Meeting with CEO Agriluxe Marketing to agree on the development of a stakeholder consultation concept for the project
3. Roundtable meeting with KMFRI, TOBEO and State department for fisheries to agree on the way forward for the three requests on Marine fisheries strategy and masterplan
4. Meeting on Research Ecosystem Strengthening through the Development of a Public Affairs Index to Support the Devolved System of Government in Kenya
5. Meeting on Research Ecosystem Strengthening through the Development of a Framework for County Business Environment for Micro and Small Enterprises in Kenya
6. Introductory meeting with World Resources Institute (WRI) and the New Climate Economy on analyzing existing economic models used by the government in assessing green transitions in agriculture, energy and climate change.
7. KIPPRA – IFPRI/ONE CGIAR collaboration - Planning Meeting
8. Collaboration in and Partnership on Blue Economy Matters and Development of Blue Economy Masterplan
9. Inception meeting to introduce the Kenya Development Corporation (KDC) to KIPPRA and Collaboration on the project DRIVE
10. IFPRI-KIPPRA Technical meeting for Work Package 1
11. New Climate Economy Kenya Multistakeholder Taskforce Kickoff Meeting
12. Meeting to discuss the NCE/WRI Kenya project with KIPPRA's Director and the shared documents



13. Stakeholder Consultation meeting on the project – Driving Food System Transformation in Kenya Via Agritourism
14. KIPPRA CGE Modelling – knowledge sharing session 1
15. KIPPRA CGE Modelling – knowledge sharing session 2
16. IFPRI/KIPPRA collaboration on CGE

**List of Roundtables Organized by KIPPRA in April – June 2022:**

1. KIPPRA and Communications Authority meeting on ICT programmes
2. Stakeholder consultations workshop to discuss the KIPPRA-Wide Survey 2021/22 Concept
3. Transition to an inclusive green economy roundtable to introduce the WRI TWG members to KIPPRA CGE and project implementing team
4. Held roundtable consultation with AgriLuxe Marketing, FAO, TRI, Kenya Utalii College, Tourism Federation to agree on the way forward for the research on agritourism
5. ONE CGIAR Climate security project potential partnership roundtable meeting
6. Roundtable meeting to monitor the progress of drafting NIPFN Policy Special Papers
7. JRC/KIPPRA CGE Knowledge sharing roundtable meeting to discuss the knowledge sharing sessions and the research on Russia-Ukraine war on the Kenyan Economy
8. KIPPRA/ACET roundtable meeting to explore a new project Country Economic Transformation for Kenya
9. MOU between KIPPRA and Human Sciences Research Council (HSRC): - Held meeting with HSRC to coordinate and plan logistics and review workplan of activities
10. Meeting with Brookings Institution on the Youth Dashboard
11. End-term evaluation of beyond zero campaign
12. Meeting with UNDP on review and preparation of CIDPs
13. Assessment of Health Financing Capacity by the Clinton Health Access Initiative (CHAI)

**6.4.5 Knowledge Management**

Knowledge Management and Communications infrastructure comprises the KIPPRA information and Documentation Centre; public policy repository; publications; communications; and Information and Communications Technology (ICT). Knowledge management facilitates the Institute in conducting objective research and policy analysis and communicating findings and recommendations by capturing, developing and storing individual and institutional knowledge, and by putting in place framework for sharing knowledge, experiences and lessons learnt for integration and continuous improvement, and for future reference.

**Reservoir of Research Resources on Public Policy**

The Institute is mandated in the KIPPRA Act to develop a reservoir of research resources on public policy. In March 2021, KIPPRA launched a Public Policy Repository (PPR) that provides its stakeholders with a one stop shop for national and county government policy documents and KIPPRA publications. The goal of the repository is to strengthen the research-to-policy linkage, through availing to both internal and external customers, an open access platform for all the national and relevant county policies organized by sectors for ease of retrieval. The government policy documents date back to 1963, including Policy Papers, Sessional Papers, Development Plans, Presidential Speeches and County Governments Policy Documents. As at the end of June 2022, the PPR hosted 2,624 documents. The PPR is accessible through the following portal: <http://repository.kippira.or.ke/>

**Table 12: Publications in the KIPPRA Public Policy Repository**

	31 <sup>st</sup> December 2021	31 <sup>st</sup> March 2022	28 <sup>th</sup> June 2022	No. of Documents Added in 2022
National Government Policy Documents	742	747	750	8
County Government Policy Documents	1095	1137	1175	80



KIPPRA Research Publications	590	597	699	109
<b>TOTAL</b>	<b>2427</b>	<b>2481</b>	<b>2624</b>	<b>197</b>

From the statistics analyzed, during the January – June 2022 period, a total of 159,625 documents were downloaded from the repository. Top five countries by number of downloads were Kenya, USA, Netherlands and Tanzania. Of these, 80209 users are new users while the difference are the repeat users. A bounce rate of about 21.86% which is quite good by industry standards. In terms of channels utilized, visitors mainly get to know about the repository through direct means. Most users of the repository are on Desktop computers (57%), mobile phones (42%) and tablets (0.74%).

#### **KIPPRA Website Usage Analytics**

In FY2021/22, the highest number of visitors to the KIPPRA website came from Kenya, China, United States, Nigeria, United Kingdom, Netherlands, South Africa, Canada, France and India.

**Table 13: Visitors to KIPPRA Website and Country of Origin, FY2021/22**

Country of Origin of Visitors	% of visits and Downloads by Country
Kenya	76.51
China	10.43
United States	3.62
Nigeria	2.39
United Kingdom	0.69
Netherlands	0.58
South Africa	0.44
Canada	0.42
France	0.40
India	0.38
<b>Total</b>	<b>100.00</b>

During the year, 137,233 downloads were recorded on the Institute’s website. The most downloaded content were Advert for KIPPRA Vacant Positions, 20<sup>th</sup> July,2021; Advert for KIPPRA Vacant Positions, March 2022; Advert for KIPPRA Young Professionals 2021-2022 and 2022-2023; KIPPRA Employment Application Form; Personal Data Form; KIPPRA Service Charter – English and Kiswahili; KIPPRA Product Catalogue 2020; National Values Booklet; 2022 KIPPRA Annual Regional Conference concept; 2021 KIPPRA Annual Regional Conference Communique; and Personal Data Form for Young Professionals Programme.

**Table 14: Top-ten Downloads Per Quarter, FY2021/22**

	Content Downloaded	Downloads	% of Total
	<b>Quarter 1 (July – September 2021)</b>		
1	Vacant Positions at KIPPRA; 20th July,2021	5483	19.10
2	KIPPRA Young Professionals (2021-2022) Advert	2538	8.84
3	Employment Application Form	2245	7.82
4	Personal Data Form	1018	3.55
5	Kenya Economic Report 2020	905	3.15
6	Catalogue 2020	891	3.10
7	National Values Booklet	771	2.69
8	KIPPRA Service Charter Kiswahili	689	2.40

9	Quality policy	663	2.31
1	Science, Technology and Innovation in Enhancing Delivery of Big Four Agenda: 4th	601	2.09
0	KIPPRA Annual Regional Conference Communique		
	Others	12904	44.95
	<b>Total Downloads</b>	<b>28,708</b>	<b>100.0</b> 0
<b>Quarter 2 (October – December 2021)</b>			
1	KIPPRA Service Charter - English	2688	11.80
2	Catalogue 2020	1654	7.26
3	National Values Booklet	1538	6.75
4	Science, Technology, Innovation in Enhancing Delivery of the Big Four Agenda: 4th KIPPRA Annual Regional Conference Communique	1503	6.60
5	Quality policy	1160	5.09
6	KIPPRA Service Charter - Kiswahili	1117	4.90
7	2022 Annual Regional Conference – call for papers	623	2.73
8	Kenya Economic Report 2020	600	2.63
9	Public Policy Formulation in Kenya	476	2.09
1	Public Policy Making Process (PPMP) Course	426	1.87
0			
	Others	10999	48.28
	<b>Total Downloads</b>	<b>22,784</b>	<b>100.0</b> 0
<b>Quarter 3 (January – March 2022)</b>			
1	Job Vacancies-March 2022	15985	35.41
2	Job Application Form	7047	15.61
3	2022 Annual Regional Conference	1966	4.36
4	Science, Technology, and Innovation in Enhancing Delivery of the Big Four Development Agenda: 4th KIPPRA Annual Regional Conference 2021	1764	3.91
5	Catalogue 2020	1574	3.49
6	National Values Booklet	1472	3.26
7	KIPPRA Service Charter	1442	3.19
8	Kenya Economic Report 2021	1387	3.07
9	Science, Technology and Innovation in Enhancing Delivery Of Big Four Agenda: 4th KIPPRA Annual Regional Conference Communique	1245	2.76
1	Quality policy	1161	2.57
0			
	Others	10096	22.37
	<b>Total Downloads</b>	<b>45,139</b>	<b>100.0</b> 0
<b>Quarter 4 (April – June 2022)</b>			
1	Recruitment of KIPPRA Young Professionals (2022-2023)	5767	14.20
2	2022 Annual Regional Conference	3368	8.30
3	Personal Data Form; Young Professionals	2769	6.82
4	KIPPRA Service Charter	2735	6.74
5	Science, Technology, and Innovation in Enhancing Delivery of the Big Four Development Agenda: 4th KIPPRA Annual Regional Conference 2021	2445	6.02
6	Kenya Economic Report 2021	1895	4.67
7	Quality Policy	1536	3.78
8	Catalogue 2020	1447	3.56
9	KIPPRA Service Charter Kiswahili	1392	3.43

10	National Values Booklet	1368	3.37
	Others	15880	39.11
	<b>Total Downloads</b>	<b>40,602</b>	<b>100.00</b>
	<b>Total (Quarter 1 to 4)</b>	<b>137,233</b>	

### Publications

During the year, the Institute achieved 78/6% on the targeted number of hard-copy publications distributed to various stakeholders in the Institute's distribution database. Distribution points also included book fairs and University career weeks.

**Table 15: Publications Distributed in FY2021/22**

	FY2021/22 Target	Achievements in July 2021 to June 2022					% Achieved on Annual Target
		Q1	Q2	Q3	Q4	Total	
No. of publications distributed to stakeholders	50,000	3,314	9,628	11894	14,442	39,278	<b>78.6</b>

As at the end of FY2021/22, 17 Discussion Papers, 47 County Special Reports (on social-economic recovery from impacts of COVID-19) and 9 policy briefs were at various stages of processing for publication at KIPPRA.

**Table 16: List of Pending Publications as at 30th June 2022**

	Title	Status
1.	Analyses of the housing status and access to basic infrastructure in Nairobi City County: Disparities and deprivation index	First editing – Discussion Paper
2.	Gender wage differentials between public and private sectors in Kenya	First editing – Discussion Paper
3.	Tracing the effectiveness of Kenya's continuum of anti-corruption strategies	First editing – Discussion Paper
4.	Financing models for affordable and adequate housing in Kenya	First editing – Discussion Paper
5.	Sustaining momentum for achieving Vision 2030: A review of the status of implementation of the flagship projects	First editing - Special Report
6.	Assessment of factors influencing participation in domestic trade by female-and male-owned firms in Kenya	Second editing – Discussion Paper
7.	Determinants of manufacturing firms' Research and Development (R&D) investments in Kenya	Second editing – Discussion paper
8.	Appraisal of Kenya's excisable goods management system: A case of cigarettes and cigars excise revenues	Second editing – Discussion Paper
9.	Constraints and opportunities in the Kenyan cotton-textile-apparel sub-sector: A value chain approach	Second editing – Discussion Paper
10.	Enhancing entrepreneurship in Kenya	Second editing – Discussion Paper
11.	Assessing the effect of Kenya's institutional framework on export trade	Second editing – Discussion Paper
12.	An assessment of the Kenya's regulatory framework on growth of wholesale and retail firms	Second editing – Discussion Paper



13.	Gendered effects of government credit programmes on entrepreneurship in Kenya	Second editing – Discussion Papers
14.	Policy Brief - Analyses of the housing status and access to basic infrastructure in Nairobi City County: Disparities and deprivation index	Typesetting – Policy Briefs
15.	Policy Brief - Efficacy Of anti - corruption institutional structure in Kenya	Typesetting – Policy Briefs
16.	Policy Brief - Strengthening primary health care for equitable access to vaccinations in Africa	Typesetting - Policy Briefs
17.	Policy Brief - Towards effective regulation of wholesale and retail firms in Kenya	Typesetting – Policy Briefs
18.	47 County Special Reports- Socio-Economic Status under COVID	Typesetting – Special Reports

**Table 17: List of Policy Briefs Undergoing Publication Process in Quarter 4**

	Title	Author Department	Stage
1.	Sustaining Kenya's economic recovery amidst uncertainty of COVID-19	Trade & Foreign Policy	Publication
2.	Towards Effective Regulation of Wholesale and Retail Trade Sector in Kenya	Trade & Foreign Policy	Publication
3.	Reducing Health Effects of Droughts and floods in Kenya – Policy Brief	Social Sector	Under review
4.	Addressing Effects of COVID 19 on essential health systems	Social Sector	1 <sup>st</sup> Draft
5.	Role of WASH on health outcomes	Social Sector	1 <sup>st</sup> Draft
6.	Non-cognitive and cognitive Skills and their Labour Market Relevance	Social Sector	1 <sup>st</sup> Draft
7.	Gender Policies in Kenya: Women Empowerment through Enterprise Development	Social Sector	1 <sup>st</sup> Draft
8.	Informal sector employment	Social Sector	1 <sup>st</sup> Draft
9.	Job Search and Employment Sector	Social Sector	1 <sup>st</sup> Draft

### **Publications Quality Control**

The institute will continue to remain relevant and visible by offering innovative products and services to its clients through consulting its stakeholders in research process; steady policy engagement (research-to-policy link); conduct customer satisfaction surveys and capacity assessments; stakeholder mapping; continued ISO certification; and adhering to international best standards and practices. In FY2021/22, the Institute commenced the process of reviewing its existing publications series with a view to making them clearer and justifying their continuation or discontinuation; identifying new publication series with a view to diversifying outputs; revising the current peer review process to align to the existing standard operating procedures; and benchmarking KIPPRA publications series and peer review process with similar institutions. The process will be completed in FY2022/23.

As part of the peer review process aimed at improving quality of research publications produced, the Institute conducts weekly internal seminars (KWIS) in two levels: KWIS-0 is aimed at providing comments to authors on their initial draft papers, which is followed by KWIS-1 whereby internal and external reviewers are invited to discuss the papers. During FY2021/22, the Institute conducted 59 weekly peer review seminars against target of 30 (196.7%), namely 24 KWIS-0 and 35 KWIS-1. This is an increase of 29% from 42 events held in FY2020/21 (i.e. 18 KWIS-0 and 24 KWIS-1)

**Table 18: List of KWIS-0 Events Conducted in FY2021/22**

No.	Title of Research Paper / Report Presented and Discussed	Department
<b>Quarter 1 (July – September 2021)</b>		
1.	Unlocking East Africa Community Market Potential Within the African Continent	TFPD
2.	Cognitive and Non-cognitive Skills: Labour Market Relevance and their Development in Education and Training in Kenya	SSD
3.	The role of water on health outcome among children under the age of 5 years in Kenya	SSD
4.	Kenya's High Employment Generating Sectors: Input-Output Approach	SSD
5.	Sector Choice and Job Search in Kenya	SSD
6.	Experience with Interest Rate Capping in the Post Liberalization Period	OED
7.	Informal Sector Employment	SSD
8.	Identifying Labour Market Skills Needs and Gaps in Kenya in Context of CBC and CBET	SSD
9.	KTMM Review	Macro
10.	Strengthening Motor Vehicle Industry Value Chain in Kenya	PSDD
11.	Assessing the Effect of Trade Digitization on Kenya's Market Access in the African Continental Free Trade Area	T&FP
<b>Quarter 2 (October – December 2021)</b>		
12.	Empowering Youth through Education, Innovation and Entrepreneurship	SSD
13.	A Spatial Analysis of Status of Secondary Education in Kenya	SSD
14.	Restorative Justice and Retributive Justice	Governance
15.	Food Systems in Kenya: Opportunities, Challenges and Prospects	PSD
16.	Policies to Address Key Gender Issues Facing Kenya	SSD
<b>Quarter 3 (January – March 2022)</b>		
17.	Presentation on revised chapters of the Kenya Economic 2022 Report whose theme is "Building Resilience and Sustainable Economic Development in Kenya	KER2022 Committee
18.	Review of Vision 2030: Impact Evaluation of Selected Vision 2030 Projects	V2030 Review Committee
19.	Presentation on the Public Affairs Index and CBEM index	Governance
20.	Presentation of Young Professionals Information Notes	CBD
21.	Presentation of Young Professionals Information Notes	CBD
<b>Quarter 4 (April – July 2022)</b>		
22.	Sustainable Benefit Sharing of Nile Water Resources: Implications for Kenya's National Interests	T&FP
23.	Presentation on County Technical Reports on Socio-economic Effects of COVID-19 and Proposed Interventions	SSD; T&FP
24.	The Implications of the African Continental Free Trade Area (AfCFTA) in Kenya	T&FP

**Table 19: List of KWIS-1 Events Conducted in FY2021/22**

No.	Title of Research Paper / Report Presented and Discussed	Department
<b>Quarter 1 (July – September 2021)</b>		
1.	Firms' Access to Long-term Finance in Kenya: Issues and Policy Options	PSDD
2.	An Assessment of Kenya's Regulatory Framework on Growth of Wholesale and Retail Trade Sector	TFPD
3.	Gender Equality in Leadership and Decision-making - Towards a Shared Prosperity	CBD/SSD
4.	An Assessment of Effectiveness of Kenya's Institutional and Regulatory Framework in Promoting Export Trade	TFPD



5.	Market Access, Food Prices and Food Security: The effect of transport infrastructure on Market Prices of Agricultural Commodities in Kenya	PSD
6.	Gender Equality and Utilization of Maternal Health Services in Kenya	CBD
7.	Gender and Policies, Laws, Administrative Practices And Regulations In Kenya: Status And Attainments	CBD (External Author)
8.	Effect of Innovation on Employment Among Manufacturing Firms in Kenya	CBD (YP)
9.	The interplay Between Intellectual Property Rights and Total Factor Productivity in Kenya	CBD (YP)
10.	Analysis of Access to Finance Sources and Innovation Activities in Manufacturing Sector in Kenya	CBD (YP)
11.	Gender Innovation Gap for Firms in Kenya	CBD (YP)
12.	Assessing Efficiency of Innovation Systems of African Countries	CBD (YP)
13.	The Role of E-government on Government Effectiveness in Kenya	CBD (YP)
14.	Analyzing factors that Influence Service Firms' Decision and Extent to Invest in Research and Development in Kenya	CBD (YP)
15.	Assessment of Institutional Structures Governing Science Technology and Innovation in Kenya	CBD (YP)
16.	The Impact of Drought Early Warning Systems (DEWS) On Drought Severity in Kenya: A Before and After Analysis Using Interrupted Time Series	CBD (YP)
17.	The role of Science, Technology, Engineering and Mathematics skills on youth employment in Kenya	CBD
18.	A Critical Review of Public Participation Legal Framework Initiatives at National and County Level	Governance
19.	Risks and Effects of Drought and Floods on Communities and Schooling in Prone areas of Kenya	SSD
20.	Assessing Infrastructure Inadequacies Impeding Kenya's Economic Growth	CBD
21.	The Drivers of Under 5 Malnutrition in Kenya	PSD
22.	Kenya's High Employment Sectors: Input-Output Approach	SSD
<b>Quarter 2 (October – December 2021)</b>		
23.	Experience with Interest Rate Capping in the Post Liberalization Period	OED
24.	Drivers of Firms' Innovation In Kenya	PSDD
25.	Analyzing Kenya's Electricity Sector and Financing: Vision 2030	IESD
<b>Quarter 3 (January – March 2022)</b>		
26.	Assessing the Effect of Trade Digitization on Kenya's Market Access in The African Continental Free Trade Area	T&FP
27.	Unlocking East Africa Community (EAC) Market Potential Within the African Continent	T&FP
<b>Quarter 4 (April – July 2022)</b>		
28.	Strengthening Motor Vehicle Industry Value Chain in Kenya	PSDD
29.	Restorative Vs Retributive Justice	Governance
30.	Analyzing the Structure of Informal Sector Employment and Opportunities for Decent Work in Kenya	SSD
31.	Job Search and Sector Choice in Kenya	SSD
32.	Review of Policies to Address Key Gender Issues Facing Kenya	SSD
33.	Role of Water in Health Outcomes	SSD
34.	Non-cognitive and Cognitive Skills: Labour Market Relevance and their Development in Education and Training in Kenya	SSD
35.	Enhancing rainwater harvesting for water security in Kenya	CBD



### **Enhancing Communication Channels**

During the year, the Institute continued to develop multimedia content for communicating the Institute's outputs through various platforms (such as online video streaming), including videos supported by sign language interpretation to benefit stakeholders with hearing impairment. Online streaming done on KIPPRA YouTube channel, facebook, twitter, Instagram was enhanced, through development of short video clips on dissemination events, and development of a detailed KIPPRA video to showcase how the Institute is implementing its mandate. A number of staff were trained on Kenya sign language interpretation while 26 staff were trained on how to develop and use infographics in communicating research findings to diverse stakeholders and consumers. To take care of persons with hearing impairment, sign language interpretation was engaged in major events including the 5<sup>th</sup> KIPPRA Annual Regional Conference held on 15<sup>th</sup> to 17<sup>th</sup> June 2022. During the year, the Institute translated Both the English and Kiswahili Citizen's Service Delivery Charters into video incorporating audio, infographics and sign language interpretation.

#### **6.4.6 Collaborative Work**

In Quarter 3, the Institute finalized conducting collaborative research work supported by the RISA Fund on "Research Ecosystem Strengthening through the Development of a Public Affairs Index to Support the Devolved System of Government in Kenya". Out of the work, 1 manual and 47 county policy briefs were published at KIPPRA. In addition, during the year, the Institute completed conducted the second wave survey of the County Business Environment for Micro and Small Enterprises (CBEM), out of which one manual and 47 county policy briefs were published. In FY2022/23, the Institute will conduct dissemination events in the Counties for the CBEM study.

#### **6.4.7 Demand-driven Work**

Among the Institute's mandates is to undertake public policy research and analysis for the Government and for clients in the private and public sectors; and to prepare research reports on various policy issues for specific clients in government and private sector. Some of these reports are available to the public, while others are for limited circulation.

During the first Quarter of FY2021/22, two client reports were finalized namely: Study Report on Assessing the Scope of Industries Without Smokestacks to Create Jobs: Kenya Case Study to Brookings; and Effects of power outages on the industries (Kenya Association of Manufacturers). In Quarter 2, four client reports were finalized, namely: Capacity building on EPRA macro model for forecasting demand for petroleum products; Construction of NSSF contribution forecasting model; Country and Regional Advocacy and Policy Influencing Priorities for Fairtrade Core Products in Eastern and Central Africa Network; and the study report on Kenya-US Free Trade Agreement. In Quarter 4, 15 demand-driven projects had achieved various milestones as per their contracts. In total, during the year, the Institute achieved KSh.99 million in Appropriation in Aid (A-I-A), accounting for 70% of the annual target.

**Table 20: Summary on Demand-Driven Research Outputs in FY2021/22**

	FY2021/22 Target	Achievement in July 2021 – June 2022					% Achieve on Annual Target
		Q1	Q2	Q3	Q4	Total	
Demand-driven research outputs	15	2	4	0	15	21	140.0
A – I – A (KSh. Million)	141	16	13	34	33	99	70.0

The following 15 projects were at various stages as at end of June 2022:

1. Cost-Benefit Analysis of Nuclear Reactor – Nuclear Power and Energy Agency (NUPEA)
2. National Leather Policy (Kenya Leather Development Council)
3. Social protection and education - African Economic Research Consortium (AERC)

4. Youth Employment Dashboard - (Presidential Advisory Service Delivery Unit)
5. What Works for Youth Employment in Africa: A review of existing youth policies and empirical analysis in Kenya – Partnership for Economic Policy (PEP)
6. Development of the National Quality Policy (State Dept for Industrialization)
7. Contribution of school and non-school environment on pupil performance - African Economic Research Consortium (AERC).
8. Kisumu County Local Economic Development Project (UCLGA Kisumu County)
9. Greening Kenya's Economy: Towards Nature-Positive Based Economies that Work for People and Nature (ACODE-Uganda)
10. The Domestic Savings Shortfall in Sub-Saharan Africa: What Can Be Done About It? Kenya Case study – UN-WIDER
11. Capital Markets in Sub-Saharan Africa – UN- WIDER
12. Urban Economic Growth: A Case of Nairobi City (Africa Growth Initiative – Brookings Institution)
13. Child sensitive planning and budgeting, public finance for children (PF4C): from evidence to policy project - (UNICEF)
14. Making agri-tourism markets work for sustainable food systems in Sub-Saharan Africa (Agriluxe Marketing PTY)
15. Factors influencing uptake of 30 percent procurement spend by youth, women and Persons with Disabilities (PPRA)

#### **6.4.8 County Related Work**

During FY2020/21, the Institute collaborated with the Council of Governors to conduct a study on impacts of COVID-19 pandemic which culminated in production of 55 strategy reports (47 County, 7 regional Bloc and 1 National) on socio-economic recovery from impacts of the COVID-19 pandemic. The National Strategy was launched by H. E. The President of the Republic of Kenya on 4<sup>th</sup> December 2020. Following completion of the strategies, the Institute has completed production of 47 technical reports on Socio-economic status of counties with COVID-19 pandemic. The reports are undergoing publication process.

In the 2<sup>nd</sup> Quarter of FY2021/22, the Institute participated in the 7<sup>th</sup> Devolution Conference held at Makueni County on 23<sup>rd</sup> to 26<sup>th</sup> November 2021. The Institute participated in the panel discussions on Trade and Manufacturing sectors.

### **6.5 Bolstering Financial and Institutional Sustainability**

#### **6.5.1 ISO 9001:2015**

During the year, the Institute continued to implement the ISO 9001:2015 Quality Management System, aimed at ensuring high quality and timely delivery of all its products and services. Internal ISO audits were conducted in August 2021 and in February 2022 for all functions followed by management review meetings. All identified non-conformities were closed within the year under review. In Quarter 3 a training on the ISO 9001:2015 was delivered to the Institute's internal ISO auditors by an external facilitator. The Institute will continue to adhere to the tenets of the ISO 9001:2015 standard in order to maintain the certification status while at the same time ensuring quality and efficient service delivery to its customers.

#### **6.5.2 Partnerships**

The Institute continued to strengthen policy engagement with key stakeholders with a view to understanding their needs and addressing demand-driven responses/activities for policy engagement. A number of Memoranda of Understanding (MOU) were signed with various institutions, aimed at strengthening collaboration. In quarter 1, the Institute conducted a Capacity Building Needs Assessment (CBNA) which sought to identify areas for further collaborations with various stakeholders of the Institute in relation to delivery of capacity building programmes. Implementation of the findings will continue in FY2022/23.

The third Kenya Think Tank Symposium was held on 15<sup>th</sup> April 2022. It focused on the theme "*Building Back Better: The Role of Think Tanks in Supporting Recovery from COVID-19*". The virtual symposium brought

together 120 participants representing more than 50 Kenyan think tanks, government officials and representatives from research and learning institutions.

The Institute is working towards actualizing staff exchange programme and engaging mentors, and research associates in FY2022/23. The Institute will continue to implement the resource mobilization policy in FY2022/23.

### 6.5.3 Performance Contract

The Government of Kenya has used Performance contracting as a key accountability framework in its endeavour to improve service delivery in the public service since 2003. Performance contracting is part of the broader public sector reforms aimed at improving efficiency and effectiveness in the management of public service. The Institute implemented its Performance Contract (PC) for FY2021/22, signed between the Board of KIPPRA and the National Treasury and Planning, aimed at improving efficiency and effectiveness in delivery of the Institute's mandate.

During the year, the Institute constituted and facilitated the required PC implementation committees including Disability mainstreaming; Gender mainstreaming; Alcohol and Drug Abuse prevention; Health and Safety; Environment and Corporate Social Responsibility; National values mainstreaming; Road Safety mainstreaming; Science, Technology and Innovation; and ISMS committees. The Institute submitted 4 quarterly reports to the Public Service Management and Monitoring Unit (PSPMMU) – mandated to coordinate performance contracting for Ministries, Departments and Agencies, through the Government Performance Contracting Information System (GPCIS) portal as required in the Performance Contracting guidelines for the year.

The Institute also participated in evaluation of the FY2020/21 Performance Contract by the PSPMMU on 15<sup>th</sup> October 2021, in which a composite score of 3.0666 was achieved, which was better than scores of previous 3 years. This illustrates the Institute's progress in improving efficiency and effectiveness in delivery of workplan and PC targets. The Institute will participate in the evaluation of the PC for FY2021/22 in the first Quarter of FY2022/23 in which it anticipates attaining an even better (excellent) score.

**Table 21: KIPPRA PC Evaluation Composite Scores, FY2017/18 – 2020/21**

Year	Composite Score	In percentage (%)	Grade
2017/18	3.0894	95.5322	Good
2018/19	3.0725	96.3745	Good
2019/20	3.1454	92.7307	Good
2020/21	3.0666	96.6711	Good

### 6.5.4 Innovations in Service Delivery

Innovations in service delivery refers to an organisation's openness to new ideas and propensity to change through adopting new technologies, resources, skills and administrative systems. To enhance efficiency in service delivery to both internal and external customers, during the year under review, the Institute continued implementing innovations that are meant to improve operations and workflow efficiency, among them, the second phase of the e-procurement system (includes leave management, imprest management, project management, e-recruitment, e-registration for suppliers, all on the Business Central Enterprise Resource Management System); the electronic document management system (EDMS); and the Integrated Risk Management System (IRMS) which will support the Institute in monitoring risks in various functions and taking appropriate mitigation strategies. In FY2022/23 the Institute will develop and implement an ICT based system for monitoring and reporting on implementation of workplan activities.



**Table 22: Ongoing Innovations as at 30<sup>th</sup> June 2022**

Innovation	Purpose	Status
E-procurement System	To support user departments to make requisitions remotely	<ul style="list-style-type: none"> <li>Phase two modules include: Imprest management; Contract management; Supplier portal; project management, and Online Leave System</li> <li>The imprest management module was completed rolled out for use by staff in Quarter 3.</li> <li>ICT is working with the service provider to address issues raised in the leave management system, performance management system</li> </ul>
Electronic Document Management System (EDMS)	To enhance efficiency and effectiveness in management of records within the institute	<ul style="list-style-type: none"> <li>Two servers were created to host the EDMS</li> <li>Scanning / digitization of documents is ongoing. 800,000 documents were scanned out of targeted 1 million</li> </ul>
E-Recruitment portal	To enable applicants for various advertised positions to apply online; reduce paperwork and enhance efficiency	Working with the developer of recruitment module on integration of the system with ERP system
Online Registration Portal	To enable applicants for capacity building programmes to apply online and receive an invoice	Development completed, including testing by user departments (i.e., capacity building and finance departments).
E-Learning Portal	A system to support delivery of capacity building programmes through online platforms	ICT and Capacity Building Department are working with a service provider / web developer to finalize the portal.
Integrated Risk Management System (IRMS)	To minimize exposure to reputational, compliance and financial risks whilst accepting and encouraging an acceptable degree of risk in pursuit of the Institute's mandate.	<ul style="list-style-type: none"> <li>Consultants on board since January 2021.</li> <li>Revision of the Risk register (indicators, tolerance limits and appetite) Integrated Risk Management Framework and Policy ongoing, to be finalized in July 2022.</li> <li>Deployment of the IRMS on KIPPRA servers is ongoing, to be completed in July 2022, following by launch / going live on the system.</li> <li>Institute to work with UNES to tighten contractual arrangements on transfer of the source code, and implementation of the SLA.</li> </ul>
Human Resources Department sub website for all the departmental functions	To improve management of HR & Admin information flow and processes	<ul style="list-style-type: none"> <li>At planning stage.</li> <li>Showcasing of different solutions for Human Resources sub website solutions by supplier was carried out.</li> </ul>
KIPPRA Data Management Centre	Put in place a system for efficient management of datasets	<ul style="list-style-type: none"> <li>At conceptualization stage</li> <li>To be implemented in FY2022/23</li> </ul>
Automation of publications control process	To automate the flow of approvals in the publication process, which is currently manual	Reviewing the Terms of Reference with the developer on the automation process

Automation of staff clearance process	To support seamless handover by exiting staff	At planning stage
Monitoring, Reporting and Evaluation	To increase efficiency and effectiveness in monitoring and reporting on implementation of workplan activities	<ul style="list-style-type: none"> <li>• Conducting benchmarking with MDAs on available systems.</li> <li>• ICT and SPD departments to work with experts from MDAs in Q1 of FY2022/23 to develop the Monitoring and reporting system.</li> </ul>

### 6.5.5 Development of Internal Policies and Strategies

During FY2020/21 the Institute finalized 38 internal policies and strategies aimed at strengthening the institutional structure, to improve efficiency and effectiveness in operations at KIPPRA, which were approved by the Board for implementation, namely: 23 Policies<sup>2</sup>; 7 Strategies<sup>3</sup>; 4 Manuals<sup>4</sup>; and 4 other operational documents<sup>5</sup>. In FY2021/22, the Institute continued implementing the approved policies and strategies; and is currently developing 11 others. In FY2022/23, the Institute will use a framework / template to monitor implementation of the approved internal policies and strategies. A monitoring report will be generated each quarter.

**Table 23: Development of Internal Policy Documents**

	Title	Status
1	Information Security Management System (ISMS) policies and procedures	<ul style="list-style-type: none"> <li>• 14 drafts developed;</li> <li>• The ISMS committee held a working retreat in Quarter 4 to finalize the pending policies. These will be presented to management and staff in Quarter 1 and to the BPC in Quarter 2. To be presented again to Board Programme Committee (BPC) for approval.</li> </ul>
2	Knowledge management policy and strategy	<ul style="list-style-type: none"> <li>• Drafts were presented to the Management and the BPC. They will be presented to staff for input before a second presentation to BPC in October 2022</li> </ul>
3	Corporate Social Responsibility policy (CSR)	
4	Records Disaster Management Plan	
5	Social media strategy	<ul style="list-style-type: none"> <li>• Presented to management, staff and BPC for input</li> <li>• To finalize addressing comments from the BPC</li> </ul>
6	KIPPRA Public Participation Guidelines	<ul style="list-style-type: none"> <li>• Presented to management, staff and BPC for input</li> <li>• Approved by the Board</li> </ul>
7	KIPPRA Amendment Bill	<ul style="list-style-type: none"> <li>• Drafting</li> </ul>
8	Human Resource Instruments (Structure, Career Guidelines and Manual)	<ul style="list-style-type: none"> <li>• Under review by a committee</li> </ul>
9	Concept for KIPPRA Journal	<ul style="list-style-type: none"> <li>• Committee conducting benchmarking with other relevant Journals</li> </ul>
10	Talent Management Policy	<ul style="list-style-type: none"> <li>• Drafting</li> </ul>
11	Work from Home Policy.	<ul style="list-style-type: none"> <li>• Drafting</li> </ul>

<sup>2</sup> Gender Mainstreaming Policy; Gender Based Violence Workplace Policy; Disability Mainstreaming Policy; Records Management Policy; KIPPRA Physical Security Policy; First Come First Served Policy; Research Data Management Policy; Resource Mobilization Policy; Internship and Industrial Attachment Policy; Credit Policy; Young Professionals Programme Policy (Revised); KIPPRA Institutional Repository Policy; Conflict of Interest Policy; Corruption Prevention Policy; Gift Policy; Whistle Blower Policy; Alcohol and Drug Abuse Workplace Policy; Road Safety Policy; Reward, Recognition and Sanctions Policy; Project Management Policy and Guidelines; Staff Mortgage Policy and Procedures; Staff Car Loan Policy and Procedures; and Research Fellows and Staff Exchange Concept.

<sup>3</sup> Capacity Development Strategy; Strategy For KMPUS; Communication Strategy; ICT Strategy; Research Strategy; Staff Recreation Strategy; Monitoring and Evaluation Framework

<sup>4</sup> Records Management Manual; Brand Manual; Induction Manual; Research Fellows and Staff Exchange Manual

<sup>5</sup> Staff Pension Scheme; Recognition for Trade Unions; Revised Citizens Service Delivery Charter; and Revised Staff Appraisal Tool.



**6.5.6 Enhancing Financial Sustainability**

During the year, the Institute raised KSh.99 million through Appropriation in Aid from contracted research projects against a target of KSh.141 million (70% achieved). Given the Institute’s expanding engagement with various stakeholders at both national and county levels, KIPPRA will continue to implement the approved resource mobilization policy and to forge strategic partnerships with diverse stakeholders in order to realise achievement of its mandate.

**6.5.7 Enhancing Staff Development, Productivity and Welfare**

Staff welfare is in the interest of employee, employer and the society as a whole. It enables workers to perform their work in healthy and favourable environment. Hence, it improves efficiency of workers and keeps them content, thereby contributing to high employee morale. During the year under review, the Institute continued to liaise with the parent Ministry in the process of transition from contract to pensionable employment terms. The Institute received a go-ahead from the National Treasury and Planning and will endeavour to complete the process in FY2022/23. The Institute will also work towards actualizing the staff mortgage and car loan revolving funds.

During the year, the Institute continued to facilitate staff to work from home in adherence to the government directives and circulars aimed at containing the spread of the COVID-19 pandemic. This included providing all staff with face masks; internet bundles to facilitate working from home; improved sanitation at the office premises and regular fumigation; provision of protective clothing for office support staff. All management and staff meetings were conducted through virtual platform.

During the year, the Institute continued to implement its Internship and Industrial Attachment programme in collaboration with the Public Service Commission. Institute offers industrial attachment and internship programmes designed to help students undertaking their undergraduate courses and those who have just completed, respectively, understand the Institute’s mandate, programmes, and operations. These programmes also enable students to apply what they learn in class by undertaking relevant work assignments. This equips them with practical skills they can apply in their future careers. Just like in the previous year, in FY2021/22 the Institute exceeded the target for engagement of interns but had a shortfall in engagement of industrial attachees. However, there was an increase in the numbers engaged in the year under review. The interns and attachees were placed in various functions of the Institute where they were exposed to aspects of implementation of KIPPRA’s mandate. The Institute will continue to target engagement of the interns and attachees depending on availability of working space and other resources.

**Table 24: Engagement of Interns and Industrial Attachees in FY2020/21 and FY2021/22**

	FY2020/21		FY2021/22	
	Target	Achieved	Target	Achieved
Interns Engaged	15	21	19	23
Industrial Attachees Engaged	5	3	5	5

The Institute has an approved staff establishment of 171 and endeavours to fill vacant positions in the staff establishment as per the planned staff projections. During the year, 8 new staff joined the Institute in Quarter 3. namely: 1 Senior Supply Chain Management Assistant; 1 Senior Human Resource and Admin Officer; 1 Senior Policy Analyst; 1 Planning and Strategy Officer; 2 Policy Analyst; 1 Senior Human Resource Assistant; and 1 Senior Office Assistant

The Institute staff establishment had 67 Staff in- post as at June 2022 with a staff variance of one hundred and four (104). The Institute is currently operating at 39.18% staff establishment.

To bridge shortfalls in staffing in various departments and functions, the Institute engaged 50 research assistants and temporary staff, with contracts ranging between 1 month and 12 months to support in delivery



of workplan activities. The Institute advertised for 11 positions in June 2022. The recruitment process will be finalized in FY2022/23.

The Institute continued to ensure that all staff participate in at least one relevant training to improve productivity in their areas of work, to enhance staff and professional development. During the year, the Institute facilitated training for 11 in Quarter 1, 25 in Quarter 2, 27 in Quarter 3, and 15 in Quarter 4. Some of the trainings involved committees while others supported individual staff. Staff were sensitized on various topics, including those required in implementation of the Performance Contract for the year.

**Table 25: Staff Sensitizations Conducted in FY2021/22**

	<b>Staff Sensitizations Conducted</b>
Quarter 1	<ul style="list-style-type: none"> <li>• Disability mainstreaming</li> <li>• Prevention of Alcohol and Drug Abuse</li> <li>• Mental Health (work-life balance, stress management, building resilience in the wake of COVID 19)</li> <li>• National Cohesion and Values</li> <li>• Bank MOUs with KIPPRA: Staff loan benefits</li> <li>• Public service values and principles</li> <li>• Staff awareness impress/ surrender process and mandatory requirements</li> <li>• Complaints handling</li> </ul>
Quarter 2	<ul style="list-style-type: none"> <li>• Knowledge management</li> <li>• Disability mainstreaming</li> <li>• First Aid and Fire Marshalling</li> </ul>
Quarter 3	<ul style="list-style-type: none"> <li>• Business Central ERP</li> <li>• KIPPRA Pension scheme</li> <li>• Emotional Intelligence</li> <li>• Non-Communicable Diseases</li> <li>• KIPPRA Guidelines on Public Participation</li> <li>• ISO 9001:2015</li> <li>• Inclusion and Disability</li> <li>• Road and Safety;</li> </ul>
Quarter 4	<ul style="list-style-type: none"> <li>• Disability mainstreaming</li> <li>• Prevention of Non-Communicable Diseases</li> <li>• Corruption prevention</li> <li>• Financial wellness</li> </ul>

#### **6.5.8 KIPPRA Premises and Campus Project**

During the year, the Board of KIPPRA continued to explore various options for realizing the Institute's dream to own a campus. This has become increasingly important as the Institute's projects and programmes expand, requiring additional office space to accommodate the optimal, approved staff establishment of 171 persons, in addition to expansion of the Young Professionals Programme.

#### **6.5.9 Internal Networking**

During the year, the Institute established over 30 internal committees to support in coordinating and undertaking cross-cutting issues relevant to achievement of the Institute's mandate. These included: Health and safety; National Values; Publication and media; KIPPRA-Wide Survey 2022; Kenya Economic Report 2022; Alcohol and Drug Abuse Prevention; Gender and Disability Mainstreaming; Integrated risk management system (IRMS) contract implementation team; Risk Management; Review of Vision 2030; Inspection and Acceptance; ISO 9001:2015 internal Auditors; QMS; Staff Welfare and Recreation; Public Finance Management; HRMAC; ISMS; Environment and Corporate Social Responsibility; Branding; Records Management; Computerized General

Equilibrium and Macro-modelling; Security; Publication series and peer review process; Corruption Prevention; KIPPRA Journal; Policy Survey; Knowledge Management Champions; Risk Management Champions; Performance Management; Performance Contracting; Strategic Planning; and Road Safety Committee.

#### **6.5.10 Risk Management**

Risk management is important in an organisation because without it, the organization cannot possibly define its objectives for the future. Hence risk management ensures that an organization only takes the risks that will enable it achieve its mandate and strategic objectives while keeping all other risks under control.

To achieve this, from January 2021, the Institute contracted a firm to facilitate implementation of the Integrated Risk management System (IRMS). During FY2021/22, the following was completed: conduct of Institute-wide risk maturity and gap assessment and report and generating the report in Quarter 1; appointment of 16 risk champions who represent various departments / functions; training for the risk champions and the management staff on risk in Quarter 2; development of the 16 functional risk registers in Quarter 2 and 3; Development of the Integrated Risk Management Framework and Policy – which was completed in Quarter 4; conduct of a Board risk management workshop in Quarter 4 on the Integrated Risk Management framework; customisation of the system based on the developed IRMF, risk registers and risk appetite in Quarter 4; and conducting user acceptance testing and sign off.

In the first Quarter of FY2022/23, the service provider will migrate relevant electronic data to the system, followed by deployment and migration of the system on KIPPRA's hosting infrastructure, development of the IRMS manual, full system roll-out and sign off (going 'Live' on the system) and one year post implementation support on the IRMS. In FY2022/23, the Institute will implement the IRMS and generate quarterly risk management reports for discussion at management and Board level, following by decision making on remedial actions to manage emerging risks in various functions.

### **6.6 Enhancing Leadership and Integrity**

During the year under review, the Institute had a full Board in place that ensured the Institute upheld best practices in corporate governance – the structure and system of rules, practices and processes by which the Institute is directed, controlled and held accountable. This is also important in balancing the interests of the Institute's many stakeholders – both internal and external. The Institute complied with all statutory requirements and circulars pertaining to KIPPRA.

In FY2021/22, the Board, in consultation with the oversight office, conducted Governance Audit through a service provider regulated by the Institute of Certified Public Secretaries of Kenya (ICPSK) as required. The report was completed and presented to the Board and Management. Implementation of the findings thereof will continue in FY2022/23. In addition to the governance audit, and in adherence to the year's Performance Contracting Guidelines, the year the Institute undertook a Corruption Risk Assessment (CRA) – which generated two reports (internal and external CRA) – and developed a Corruption Risk Mitigation Plan (CRMP). Implementation of the findings from the CRA commenced in Quarter 4, to continue in FY2022/23.

During the year under review, the Institute implemented 5 commitments under mainstreaming of National Cohesion and Values as per the Performance Contract namely: All the Institute's FY2021/22 workplan activities were aligned to fast-tracking implementation of programmes, projects, and activities for the realization of the "Big Four" agenda; implementation of the Ministry of Health COVID-19 guidelines and protocols including other sector-driven protocols to facilitate continuity in the execution of Government policies, programmes, projects, activities and public service; leveraging on and enhance use of Information and Communications Technology (ICT) and other innovations in service delivery (done through automation of various workflows in the Institute); enhancing the capacity of public institutions and the public to adhere to the provisions of Article 10 of the constitution through civic education, training and sensitization on national values and principles of governance; and enhancing the collaboration between the two levels of government to entrench sharing and devolution of power.

The Institute continued to promote mainstreaming of National values and Principles of Governance through production and dissemination of various Informational, Educational and Communication (IEC) materials, shared with all staff and during the Institutes dissemination forums. During the year, the Institute organized sensitization on National Values and Principles of Governance to all 67 staff; 30 Young Professionals and also to over 2300 members of the University communities who participated in four KIPPRA Mentorship Programmes for Universities (KMPUS) held in the second and third Quarters



## 7. CORPORATE GOVERNANCE STATEMENT

KIPPRA practices good corporate governance to achieve the best possible level of organizational performance. Effective governance is the most fundamental among imperatives for successful, effective and sustainable think tanks. It was recognized from the onset of KIPPRA's establishment that for the Institute to support policy formulation within the Government of Kenya, both operational autonomy and an effective governance framework were requisite for the Institute to effectively achieve its mandate. The Institute adhered to the Mwongozo Code of Governance for State Corporations in its use of public resources. The Institute relied on the leadership and guidance of the Board, who gave the Institute's strategic direction, safeguarded the Institute's resources, and monitored corporate performance.

### Board charter

The Board Charter was reviewed and aligned to the Mwongozo Code of Governance and approved by the Board in December 2020. The conduct of the Board is governed by the terms of a Board Charter ensuring that its role is independent from that of Management and that there is no conflict of interest affecting the duties of the Directors to the Institute. The Board has delegated the responsibility for the day-to-day business of the company to the Executive Director.

### Process of appointment and removal of Directors

During the financial period 2021/2022, the KIPPRA Board was fully constituted. The Board Chair was appointed on 4th October, 2021 and five Board members appointed on 6th October 2021. Subsequently another Board chair was appointed on 8th April, 2022. The members of the Board of Directors who served during the year are shown on page ix to xv. During the year Mr. Samuel Wambugu replaced Mr. Samuel Gitau as Alternate to the PS, National Treasury with effect from 9th March 2022. Ms. Caroline Saroni was appointment as the designated representative of the Office of the Attorney General to the Board effective 4th January, 2022.

**Table vi (1): Composition of Full Board and Board Committees.**

S/No.	Members	Full Board	Programs Committee	Human Resource Committee	Finance Committee	Audit Committee
1.	Dr Benson A Ateng'	✓ *				
2.	Ms Christine Wanjala	✓	✓			✓
3.	Mr Koitamet Olekina	✓		✓ *	✓	
4.	Dr Phoebe Josiah	✓	✓			✓ *
5.	Prof Harrison Maithya	✓	✓ *	✓		
6.	Ms Fatuma Hussein	✓	✓	✓		
7.	Dr Chris Galgallo	✓	✓		✓	
8.	Ms. Phoebe Nkaabu	✓		✓	✓	

9.	Mr. Zachary Mwangi, EBS	✓			✓	✓
10.	Mr. Samuel Wambugu	✓			✓	✓
11.	Dr Kevin Ongeti	✓		✓	✓ *	
12.	Dr Fred Simiyu, HSC	✓	✓			✓
13.	Ms Caroline Saroni	✓		✓		✓

\* Chairperson to the committee

### Roles and Responsibilities of the Directors.

The roles and responsibilities of members are outlined in section 194 of the PFM Act, 2012. Organizational goals and values of the Institute are stated and articulated in the Institute's Strategic Plan, Annual Work Plans, and Service Charter. The Institute is running a five-year strategic plan that is implemented through annual work plans. The Strategic Plan is reviewed mid-way, while annual work plans are reviewed on a quarterly basis. Implementation of the Strategic Plan, Work Plan, and Service Charter is monitored through the annual Performance Contract agreement signed between the Board and the Government (parent Ministry), between the Executive Director and the Board, and between the Executive Director and Heads of Departments.

**Table vi (2): Number of Board meetings held**

S/No.	Description	No. of meetings held
1	Full Board	8
2	Human Resource & General-Purpose Committee	4
3	Programs Committee	5
4	Finance Committee	4
5	Audit Committee	4
<b>Total</b>		<b>25</b>

### Board and member performance

The Board has four (4) standing Committees which are required to meet at least quarterly or as required. The Committees have been set up with clear terms of reference to facilitate efficient and effective decision making of the Board in discharging its duties, powers and authorities.

#### a) Programmes committee

The Programmes Committee is charged with the review of annual and quarterly work plans, and Performance Contracts.

S/No.	Name	No. of meetings During the year	No. of meetings attended
1.	Prof Harrison Maithya	5	4 out of 5
2.	Ms Christine Wanjala	5	4 out of 5
3.	Dr Phoebe Josiah	5	5 out of 5
4.	Dr Chris Galgallo	5	5 out of 5



5.	Ms Fatuma Hussein	5	2 out of 5
6.	Dr Fred Simiyu	5	5 out of 5

#### b) Human Resource and General-Purpose Committee

The Human Resource and General-Purpose Committee advises the Board on organizational structure, administration, human resource policy and capacity enhancement/ building, reviews the salaries, benefit packages and service contracts, recruitment of senior staff ensuring that these are competitively structured and linked to performance. The Committee also makes recommendations for broad guidelines that promote operational efficiency.

S/No.	Name	No. of meetings During the year	No. of meetings attended
1.	Mr. Koitamet Olekina	4	4 out of 4
2.	Prof. Harrison Maithya	4	3 out of 4
3.	Ms Phoebe Nkaabu	4	2 out of 4
4.	Dr Kevin Ongeti	4	3 out of 4
5.	Ms Fatuma Hussein	4	2 out of 4
6.	Ms Caroline Saroni	4	0 out of 4

*Ms Caroline Saroni was appointed to the Human Resource Committee in the last full board meeting held on 10<sup>th</sup> May 2022 hence no meetings attended as per the schedule as she was not part of the committee.*

#### c) Finance Committee

The Finance Committee reviews annual budgets and procurement plans, quarterly and annual financial reports.

S/No.	Name	No. of meetings During the year	No. of meetings attended
1.	Dr Kevin Ongeti	4	2 out of 4
2.	Mr Zachary Mwangi	4	4 out of 4
3.	Mr Samuel Wambugu	4	0 out of 4
4.	Mr. Koitamet Olekina	4	4 out of 4
5.	Dr Chris Galgallo	4	4 out of 4
6.	Ms Phoebe Nkaabu	4	1 out of 4

*Mr Samuel Wambugu replaced Mr Samuel Gitau in the Committee following his appointment as the Alternate to the PS, National Treasury.*

#### d) Audit Committee

The Audit Committee works closely with the internal audit unit and plays a critical role in reviewing financial information and ensuring that the system of internal controls is effectively administered. It considers significant audit findings identified by the Institute's internal and external auditors. The Committee maintains oversight on internal controls, and makes recommendations on financial information, risk management, policies and audit issues.

S/No.	Name	No. of meetings During the year	No. of meetings attended
1.	Dr Phoebe Josiah	4	4 out of 4
2.	Ms Christine Wanjala	4	2 out of 4
3.	Mr. Samuel Wambugu	4	1 out of 4
4.	Dr Fred Simiyu	4	4 out of 4



5.	Mr Zachary Mwangi	4	2 out of 4
6.	Ms Caroline Saroni	4	0 out of 4

*Mr Samuel Wambugu replaced Mr Samuel Gitau in the Committee following his appointment as the Alternate to the PS, National Treasury.*

*Ms Caroline Saroni was appointed to the Audit Committee in the last full board meeting held on 10<sup>th</sup> May 2022 hence no meetings attended as per the schedule as she was not part of the committee.*

#### **e) Ad-hoc Committees**

No Ad-hoc committee was constituted during the Financial Year under review.

#### **Induction and training**

The newly appointed Directors underwent an Induction Programme by Management from 1<sup>st</sup> to 4<sup>th</sup> of February 2022 and were also trained by Kenya School of Government from 14<sup>th</sup> to 16<sup>th</sup> February 2022.

The newly appointed Board Chair along with Mr Samuel Wambugu and Ms Caroline Saroni underwent an Induction by Management on 25<sup>th</sup> April 2022.

#### **Succession plan**

The Board reviewed, evaluated, and approved the overall Institute structure, the assignment of senior management responsibilities and plans for senior management development and succession.

#### **Board Performance**

The Board undertakes an annual evaluation of its performance and effectiveness to identify the areas for improvement and addresses them. Performance evaluation is conducted with the assistance of SCAC, an independent party.

#### **Conflict of interest, board remuneration, ethics, and governance audit**

A conflict-of-interest register was maintained and filled before start of all Board meetings.

Board members were remunerated for their services in accordance with the prevailing relevant legislative provisions and/or guidance from the relevant authority.

A governance Audit was conducted, and results presented to the Board during Board Induction by management.

The Board adopted, implemented, and monitored compliance with the Institute's Code of Conduct and Ethics.

## 8. MANAGEMENT DISCUSSION AND ANALYSIS

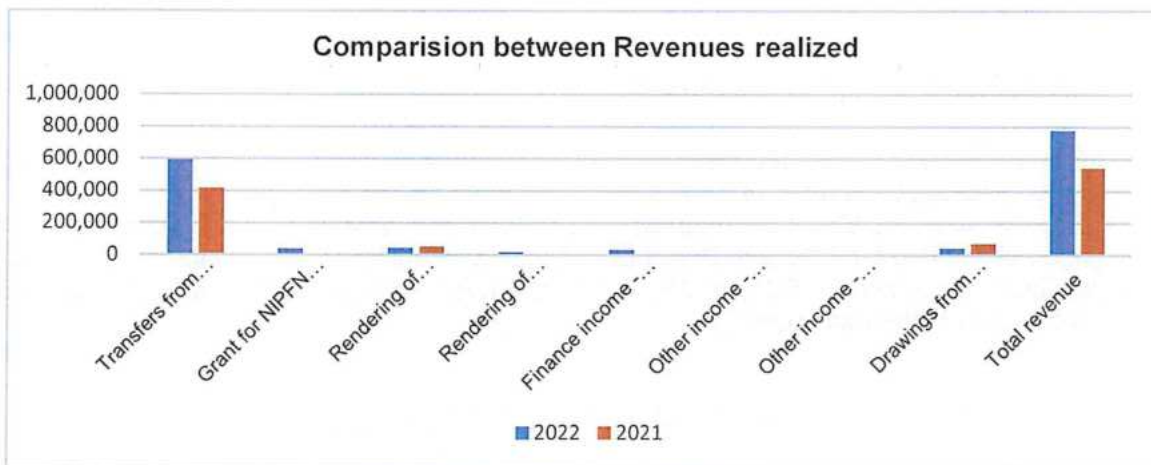
### SECTION A

#### KIPPRA's operational and financial performance

KIPPRA is supported by the National Government through the National Treasury by way of transfer of funds for operational use. These funds are channelled to the Institute through its bank account after this has been budgeted for and approved by the Board of Management. During the year, the State Department for Planning transferred a total of Ksh 593.78 million. The Institute also earned Ksh 99 million as A.I.A from contracted research work- rendering of services and interest income. Other Incomes (gain on disposal of motor vehicles, reimbursements from ACBF) accounted for Ksh 1.6 million.

#### Summary of financial results;

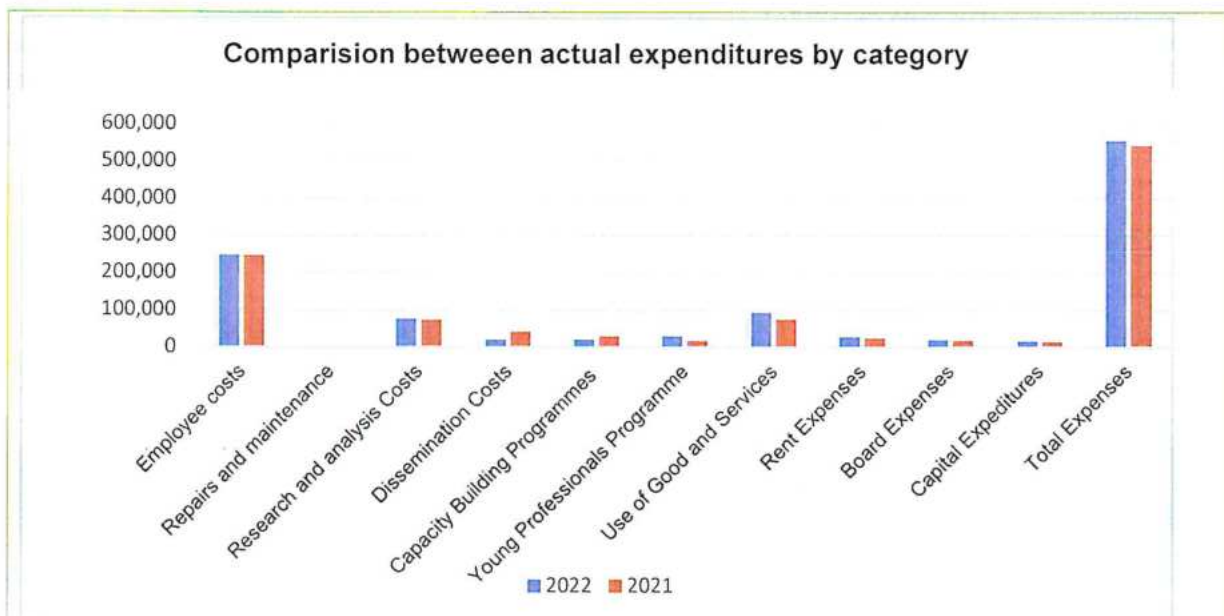
##### i. Revenue



The graph above provides a comparison between revenues realized in FY 2020/21 and FY 2021/22. From the graph there was a 43% increase in the realized revenues in FY 2021/22, attributable to increase in Recurrent grant allocation and Capital grant of Ksh 116.5 million and Ksh 63 million respectively. Increase in allocation was meant for recruitment and implementation of the expanded Young Professionals programme.

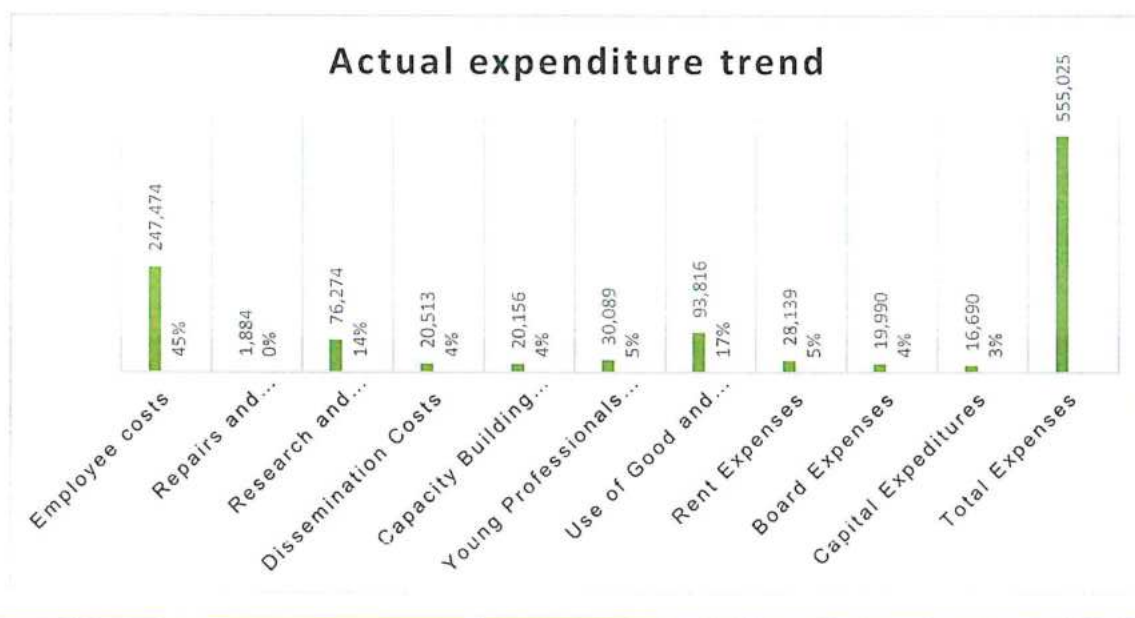
##### ii. Expenditure

The Graph below provides a comparison between expenditures incurred in FY 2020/21 and FY 2021/22. From the graph there was an overall 3% increases in spending in FY 2021/22.



#### FY 2021/2022 Actual expenditure Trend

In fulfilment of its mandate, the Institute incurred expenses on various line items. Research and Analysis costs accounted for 14%, dissemination costs 4%, capacity building programmes costs 4% and rent expense 5% of the total expenses. Personnel emoluments accounted for 45%, use of goods accounted for 17% with Board allowances accounting for 4% of total expenses. Capital expenditure accounted for 5% and 3%, in Young Professionals programme costs and purchase of fixed assets of the total expenses.





## SECTION B

### Entity's compliance with statutory requirements

The Institute has complied with PFMA 2012. It has also complied with other legal requirements such as submission of statutory deductions i.e. timely remittance of NHIF, NSSF, PAYE, NITA, HELB, VAT withholding and Income tax withholding.

### Access to Government Procurement Opportunities (AGPO)

As provided by PPAD Act 2015, in the FY 2021/22, the Institute awarded a total of Ksh 45,282,567.24 to the AGPO in line with 30% AGPO allocation. Women were awarded 51 contracts amounting to Ksh 17,049,760, the Youth 48 contracts amounting to Ksh 23,523,009 and 16 contracts were awarded to PWDs amounting to Ksh 4,709,789.24 which surpassed the 2% target. The Institute also in compliance to awarding at least 40% of the total value of the procurement budget to goods and services produced locally awarded Ksh 163,372,321 against an annual target of Ksh 148,783,892.80.

## SECTION C

### Key projects and investment decisions the entity is planning/implementing

The Institute's key projects during the year were;

1. Young Professionals Programme
2. National Information Platform for Food and Nutrition in Kenya (NIPFN) funded by EU through KNBS
3. Local Economic Development analysis of Kisumu County under Covid-19 Pandemic – UN Habitat
4. Identifying Country and Regional Advocacy and Policy Influencing Priorities for Fairtrade Products – Fairtrade
5. Analysing constraints to urban related growth in Africa MMC – Brookings Institution
6. Development of the Kenya National Leather Development Policy – Submitted to the Kenya Leather Development Council
7. Impact of power outages on industries in Kenya – submitted to the Kenya Association of Manufacturers
8. Capital Markets in Sub-saharan Africa – UNU-WIDER
9. Human Capital Development – AERC
10. Social protection and education – AERC
11. Child sensitive planning and budgeting, public finance for children (PF4C): from evidence to policy project - (UNICEF)
12. What Works for Youth Employment in Africa: A review of existing youth policies and empirical analysis in Kenya – Partnership for Economic Policy (PEP)
13. An Assessment of Cash- Plus Option for Social Protection for Agriculture-dependent households and training Government Officers on Applied Research Methods - FAO
14. Cost Benefit Analysis of a research reactor project in Kenya – NUPEA
15. Strengthening Research to Support the Devolved System Of Government In Kenya – Funded by RISA
16. Making agri-tourism markets work for sustainable food systems in Sub-Saharan Africa (Agriluxe Marketing PTY)
17. Convening an East African Green Economy Hub: Towards Natural Capital Based Economies
18. Study on empirical review of youth employment policies and their impact in Kenya – Mastercard - PEP



19. Design and Development of an Integrated Demand Forecasting Tool for Petroleum Products (EPRA)
20. Study on assessment of structures and the profitability of the distribution and retailing of processed dairy products in Kenya (Kenya Dairy Board)

**Other Projects include:**

1. Capacity building on EPRA macro model for forecasting demand for petroleum products
2. Construction of NSSF contribution forecasting model
3. ACODE-Green economy in MSMEs operations
4. Development of the National Quality Policy
5. Development of a Resource Mobilization Strategy for LAPPSET

## SECTION D

### Major risks facing the entity

The Institute has adopted a robust risk management approach and practices aimed at ensuring achievement of its set objectives through continuous mitigation of risks that may hinder performance. The Institute is enhancing this through the introduction of an Integrated Risk Management Framework (IRMF). The Institute is in the process of strengthening the risk management infrastructure through the Consultancy Services for Development and Implementation of An Integrated Risk Management Framework which was awarded to University of Nairobi Enterprises and Services (UNES) Ltd in December 2020. The framework will enhance coordinated approach in reporting, monitoring and mitigating risks. In operationalising this, the Institute has identified and trained risk champions, revamped the risk register and risk management policy. KIPPRA Board and management have also received training to inform effective implementation of the IRMF. During this year the draft policy has been presented to Staff and Management and comments incorporated into the revised draft. In the new year, the revised Risk management policy and the revised risk register will be presented to the Board for adoption.

During the year, as the revisions on the IRMF has been ongoing, the Institute has continuously monitored risks presented in the existing risk register by the strategy and planning department with support from the Institute's Risk Management Committee. The risk management committee reviews the Institute's risk management environment on a quarterly basis and reports to management. The Board provides oversight over risk management through the Board Audit Committee. The Institutional risk register which classifies, risks as minor, moderate or high. The Institute's monitor's risks classified as high and mitigation measures are developed and implemented in a timely manner.

**Major operational risks in the Institute:** The operational risks identified as major touch on key functions which include human resource, finance, information communication and technology (ICT), research and strategy and planning.

A strategic objective of the Institute is to ensure financial and institutional sustainability by mainstreaming risk management. The Institute therefore applies risk management consistently in Institute operations. The Institute also observes all government circulars and complies to all its statutory requirements that inform its implementation of finance, human resource, procurement and audit activities. The Institute further continuously renews relevant software including antivirus to ensure operational efficiency.

**Addressing the risks:** During the 2021/22 financial year, the Institute engaged over 25 interns and 37 temporary staff and Research Assistants to support in delivery of workplan activities. To further address human resource management, the Institute introduced a revised performance appraisal tool to set work targets for FY2021/22; initialised the digitalization of



Human Resource Documentations and creation of the database; and automated the Performance Management Process. To strengthen Institutional sustainability, the Institute is implementing of the approved resource mobilization policy and continuously building the sustainability fund. To strengthen planning and coordination of Institute's activities, the Institute in this year recruited a Planning officer and conducted M&E benchmarking with MDAs. The Institute is further implementation of the calendar for the Institutional seminars. Service delivery is further being enhanced through implementation of the customer satisfaction survey conducted during the year and implementation of various innovations to enhance efficiency which include; e-procurement; Electronic Document Management System (EDMS), E-Recruitment portal; online registration portal, e-learning portal, IRMF; Portal for Sale of KIPPRA Publications; Human Resources Department sub website for all the departmental functions; KIPPRA Data Management Centre; automation in publications & staff clearance; M&E. A total of thirty-eight policies have been approved by the Board. The Institute received appointment letters for the Board Chairperson and five other Board members. Staff sensitization on Institutional policies and other topics is convened on a regular basis.

Further risk mitigation measures adopted during this year include strengthening of the Partnerships Department through culminating in a total 17 additional Memorandum of Understanding (MOUs). The Institute's contract register is continuously updated, monitored and presented to management. During the Capacity Building Department delivered a number of capacity building programmes including Young Professionals programmes, Public Policy Making Process (PPMP), KIPPRA Mentorship Programme for Universities and Governance Structures in a Devolved System of Government.

The KIPPRA Public Policy Repository (PPR) is fully operational with an additional 491 resources uploaded. This is a strategic intervention aimed at addressing the risk of conflicting and uninformed policy recommendations, strengthening Institute's visibility whilst also leveraging on innovation, effectiveness and responsiveness in achieving the Institute's mandate and further inform implementation of the research workplan. The Institute has further organized additional roundtables, seminars, workshops nationally and regional forums including the second Kenya Think Tank Forum held on 28<sup>th</sup> April 2022 and the 5th KIPPRA Annual Regional Conference Theme: Foundations for a Sustainable Economic Transformation in Kenya held on 15<sup>th</sup> to 17<sup>th</sup> June 2022. These events are aimed at disseminating research findings and facilitate the exchange of views on issues relating to public policy research and analysis. The Institute observes COVID-19 Protocols and Guidelines aimed at addressing associated risks including hosting the forums.

The Institute will continue supporting the development of an Integrated Risk Management Framework aimed at inculcating risk-based decision making which will also strengthen the Institute's M&E framework.

## SECTION E

### Material arrears in statutory and Other financial obligations

KIPPRA does not have loan default, pending bills, tax default, outstanding staff & pension obligations/actuarial deficit on pension schemes and non-payment of dividends & loan redemption to the National Exchequer.



**SECTION F**

**The Institute's Financial probity and serious governance issues**

There is no financial improbity reported by internal audit/Board audit committee, external auditors, or other National Government Agencies providing oversight and there are no governance issues among the Board or member of the Board and top management including conflict of interest.

**SECTION G**

**Future Developments and other information**

KIPPRA intends to construct it's own headquarters once the land is acquired. This will also host the KIPPRA Campus where capacity building of young professionals and public officers shall be carried out.

## 9. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

KIPPRA exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/Citizen first, delivering relevant products and services, and improving operational excellence.

### Sustainability strategy and profile

The Institute's Strategy Plan 2018-2023 is embedded on the following pillars: efficiency, accountability, sustainability, innovation, effectiveness, relevance, and responsiveness. The Institute's activities as presented in the Strategic Plan are guided by national commitments to the global development agenda such as the Sustainable Development Goals (SDGs), East African Development Agenda (2050) and African Union Agenda 2063 on the Africa we Want. At national level, the Institute is guided by the Kenya Vision 2030 and its Medium-Term Plans, and the 2010 Constitution of Kenya. This together with the SWOT and PESTAL analysis, the evaluation of the political, economic, social, technological and legal factors that may affect the Institute's operations, informed the establishment of the Institute's 5 key results areas. These include; (1) Capacity Development for an Efficient and Accountable Public Policy Making Process (2) Quality, Relevance and Responsiveness of Policy Research and Analysis, (3) Policy Engagement, Outreach, and Impact (4) Financial and Institutional Sustainability; and (5) Leadership and Integrity. The institute undertook ISO re-certification during the year and the Standard Operating procedures were updated.

### Environmental performance

Towards environmental sustainability, KIPPRA has been implementing recommendations from the environmental Impact Assessment Report.

- Submit quarterly reports to the National Environmental Management Authority (NEMA)
- Waste bins provided and are well labelled and segregated for the different types of waste using colour coded dustbins, enabling easy recycling and a means of protecting the environment
- The lights and water taps are switched off when not in use, since staff at the institute and other occupants in the entire building are reminded of the importance of conserving energy, water and maintaining a clean environment by use of reminder stickers found within the offices, corridors and the cloak rooms
- Fire extinguishers have been installed in most section within the premises and all these are serviced annually.
- NEMA organized a capacity building on Environmental sustainability mainstreaming to which one committee member attended.

### Employee welfare

The Institute in supporting employee welfare established a KIPPRA Staff Welfare Committee who during the period in review undertook the following activities aimed at enhancing employee welfare;

- (i) Development the staff mortgage and car loan policy informed by benchmarking exercises to selected state agencies and staff survey undertaken the previous year. This was presented to the Management and approved by the Board during the year.
- (ii) Reviewed and revised the Rewards and Recognition Policy making reference to Public Service Commission, Human Resource Policies and Procedures Manual for the Public Service (May 2016), Public Service Commission, Guidelines for implementation of Performance Rewards and Sanctions

- in the Public Service (December 2016) and the Public Service Commission, Performance Rewards and Sanctions Framework for Public Service (May 2016). Rewards and Recognition Policy was approved during the year.
- (iii) The Committee also received guidelines from a third party on the Requirements and procedure for the establishment of Staff Retirement Benefit Scheme (RBS) to inform the initiation of the development of a KIPPRA Staff Retirement Benefit Scheme. The board approved the conversion of staff to permanent and pensionable terms.
  - (iv) The Institute under the guideline of State Corporations Advisory Committee developed Job descriptions for Job evaluation purposes during the year.
  - (v) The Human Resource Policy and Procedure Manual January 2020 section 2.15.10 has the provision of principles of affirmative action, gender and persons living with disability and national values will apply. The Institute observes gender mainstreaming, balance on appointment, promotion and ensure that a minimum of a third (1/3) are of either gender in recruitment process.

Further, the Institute through it's KIPPRA Health and Safety Committee undertook the following activities aimed at enhancing employee welfare;

- a. Promoted condom use through requisition from National Aids Control Program as well as distribution of condoms at KIPPRA premises and also sensitized staff on HIV and Aids
- b. Ensured supplies and replenishing of the First Aid boxes.
- c. COVID-19 prevention awareness – email communication to KIPPRA staff (use of masks; office place guidelines)
- d. KIPPRA first aid and fire marshalls were trained in compliance with the Occupational Safety and Health Act of 2007, (OSHA, 2007).
- e. Ensured provision of a screening package for HIV, Cancer, Blood pressure, Blood sugar and BMI in the KIPPRA medical health package.

The Institute further undertook a skills gap analysis which was to be implemented in a span of five (5) years. The skills gaps analysis ensured that the Institute identifies existing staff competencies against required Knowledge, skills and Abilities needed for effective implementation of the Institute's mandates/functions. The specific objective for the skills gap analysis was to identify the priority competencies and learning needs of the employees; help refine and define skills required in the Institute, now and in the future; help employees know what critical skills they need to grow; help in recruitment efforts when current employees do not have the skills or the interest; facilitate talent management within the organization; and equip management to better understand and address employee needs.

In undertaking the gap analysis, consideration was given to upcoming statutory or structural changes on the work and a list of competencies that most clearly and accurately describe what is needed to do the work. Given KIPPRA's mandate and new organizational structure, the critical skills and competencies identified in the Institute can be broadly grouped into four groups, namely: Managerial Skills, Continuous Professional Development, Entrepreneurial Skills; and Behavioural Skills. The analysis of skills gaps is to be done at two levels. The first level of analysis is done in terms of overall or broad mandates or functions, including 1). Research & Analysis, 2). Capacity building, 3). Networking & Partnerships and 4). Communication, Dissemination & Advocacy and the second level is carried out at job levels taking into account the new organizational structure and the specific functional area.



## **Market place practices**

### **a) Responsible Supply chain and supplier relations**

KIPPRA ensures that the suppliers are accorded opportunities without discrimination. This is done through rotation in requesting for quotations as well as ensuring that procurement that are done through open tender are advertised through medium with wide coverage. Suppliers are given feedback after the procurement process is finalized through notification of award or regret letters stating reasons why they did not succeed in the tendering process. Suppliers are also sensitized on Public Procurement and Asset Disposal Act and Regulations in order to offer them capacity building on the legal framework guiding procurement in public sector. Suppliers' payments are processed without delay once delivery and inspection of goods is concluded. This is done through coordination between Supply Chain Management and Finance departments.

### **b) Product stewardship**

KIPPRA which is ISO certified has in place policies and Procedures on Control of Nonconforming Outputs which covers the detection of non-conforming products and services within KIPPRA's operations and taking the necessary corrective or preventive actions to avoid unintended use or delivery. The non-confirming outputs may be identified during production, inspection, testing, verification, or outputs returned by customers, during service delivery, during internal and external quality audits, after service delivery, and through customer feedback.

KIPPRA ensures that outputs (both products and services) that do not conform to requirements of the customers are identified and controlled to prevent their unintended use or delivery. Where non-conformity is detected during processing, it is suspended until action is taken to eliminate the detected non-conformity.

## **Corporate Social Responsibility / Community Engagements**

### **Sustainability of trees planted in Kenya Wildlife Services Game farm in Naivasha**

Between the 16<sup>th</sup> and 18<sup>th</sup> December 2021, three CSR committee members visited Kenya Wildlife Service Training Institute in Naivasha. The purpose of the visit was to do a follow up on the sustainability of trees planted in Kenya Wildlife Services Game farm in Naivasha by KIPPRA CSR committee in 2020. Out of the 1000 trees planted at the land allocated to KIPPRA for development, 900 were Acacia trees and 10 exotic trees were planted. About 100 trees withered off and need replacement in the next rainy season. All the exotic trees planted by the executives survived (The designated area was hedged to block the wild animals from feeding on the trees)

### **Plant new trees**

To contribute towards increasing the countries forest coverage and restore the water catchment areas essential for supporting livelihoods and balancing the ecosystems, KIPPRA planted a total of 1500 trees for the period under review. 500 trees were planted during the CSR activities including the Kereita Forest Run Challenge, Standard Chartered National Marathon and Machakos school for the deaf. Whereas the 1,000 trees were planted on 27<sup>th</sup> May, 2022 during the forest challenge event at Kinale Forest, Old Kijabe. The objective of the tree planting event was to raise funds to rehabilitate at least 600 hectares (equivalent to planting at least 600,000 trees) of the country's key water towers between the year 2021 and 2030. Specifically, the Forest

Challenge also aims at empowering local communities by purchasing seedlings from them and creating employment for members of communities that live adjacent to woodlands under restoration.

### Photo Gallery



KIPPRA staff at Standard Chartered Nairobi Marathon



Participants ready for the Kereita Forest challenge





After completion of the Kereita Forest challenge. KIPPRA was position four out of 15 Organizations







KIPPRA staff at the tree planting event in Old Kijabe

#### **Visit to Machakos School for the Deaf**

The Machakos school for the deaf visit was organised by the corporate and social responsibility (CSR) committee in collaboration with the National Values and Principles of Governance and Gender and disability committee on 14<sup>th</sup> October 2021. The event was graced by KIPPRA Executive Director, Dr. Rose Ngugi; KIPPRA staff representatives from CSR, National Values and Principles of Governance and Gender and disability committees; Board chair Machakos school for the deaf; the head teacher; teachers; and the pupils of Machakos primary school for the deaf. The main objective of the visit to Machakos school for the deaf was to celebrate the international day for the sign language with the Machakos school for the deaf fraternity. Specifically, the other objectives were to: Sensitize the staff and the pupils on national values and principles of governance, plant trees and give some donations to the school as part of the CSR activity. The Institute donated 500 masks; 250 sanitizers; 1 white board; 1 projector, 100 pieces of sanitary pads; 250 bottles of water and



250 loaves of bread; and 250 packets of milk to Machakos Primary School for the Deaf. In addition, staff and pupils were sensitized on national values and principles of governance.

The Executive Director giving her remarks during the sign language event



### **Uhai Festival**

To attempt to alleviate some of the challenges faced by PWDs, KIPPRA sponsored 300 PWDs all over the country to participate in the UHAI festival event held in Machakos county. The Uhai Festival offers a platform that not only celebrates people with disabilities but also offers them inclusion, networking and visibility through sporting and entertainment activities. Some of the activities at the event included: Roll Ball for the blind, sitting volleyball, wheelchair racing, amputee football, deaf football, and blind football. The Institute promoted the event by sponsoring water, glucose, and food to the 300 participants during the event. The Executive Director was the Chief Guest at the Event.





KIPPRA ED at Uhai festival



#### **Registration of Physically Challenged Pupils of Kipsaina Primary School**

KIPPRA facilitated registration of 25 physically challenged pupils of Kipsaina Primary school as persons with disability with the NCPWD. In addition to the 25 cards to be issued to the physically challenged learners at Kipsaina primary school, the Institute has purchased sanitary towels (147), Assorted food items, Projector (1), whiteboard 6 by 4 ft (1) and a laptop. The Institute will also distribute cards to the physically challenged pupils.

#### **Development of the Institutes CSR policy**

To explore how to maximise the development potential of the CSR agenda, the CSR Committee has developed a CSR policy for the Institute for policy guidance. The non-existence of the CSR policy had denied the institute a structured way of executing its CSR activities. This policy therefore provides a framework for the Institute to implement its CSR activities and provide guidance for decision-making. The policy is in line with the Guidelines

under the Mwongozo Code of Governance for State Corporations which provides guidance on development, implementation, and financing of CSR activities. The policy sets a broad framework and gives direction for implementing CSR activities by focusing on community engagement, capacity building, environmental sustainability, and staff involvement among others.



## 10. REPORT OF THE DIRECTORS

The Board of Directors submit their report together with the financial statements for the year ended 30 June 2022, which show the state of the Institute's affairs.

### Principal Activities

The principal activity of the Institute is to provide quality public policy advice to the Government of Kenya and other stakeholders by conducting objective research and analysis and through capacity building to contribute to the achievement of national development goals.

### Results

The results of the Institute's Financial Performance for the year ended 30<sup>th</sup> June 2022 are set out on page 1.

### Directors

The members of the Board of Directors who served during the year are shown on page ix to xv with five newly appointed members being appointed with effect from 6<sup>th</sup> October to replace Former Board members whose terms had come to an end. During the year Dr Benson A Ateng' replaced Prof Ben Sihanya as the Board Chairperson, Mr. Samuel Wambugu replaced Mr. Samuel Gitau as Alternate to the PS, National Treasury effective 9<sup>th</sup> March 2022. Ms. Caroline Saroni was appointment as the designated representative of the Office of the Attorney General to the Board effective 4<sup>th</sup> January 2022.

### Auditors

The Auditor General is responsible for the statutory audit of the Institute in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015

By Order of the Board



Dr Rose Ngugi  
Executive Director/Secretary to the Board,

Date: ... 

## 11. STATEMENT OF DIRECTORS' RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012 and the State Corporations Act, Section 14 require the Directors to prepare financial statements in respect of the Institute, which give true and fair view of the state of affairs and the operating results of the Institute for the year ended 30 June 2022. The Directors are also required to ensure that the Institute keeps proper accounting records which disclose with reasonable accuracy the financial position of the Institute. The Directors are also responsible for safeguarding the assets of the Institute.

The Directors are responsible for the preparation and presentation of the Institute's financial statements, which give a true and fair view of the state of affairs of the Institute for and as at the end of the financial year ended on 30 June 2022. This responsibility includes:

- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Institute;
- (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
- (iv) Safeguarding the assets of the Institute;
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the Institute's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public-Sector Accounting Standards (IPSAS), and in the manner required by the Public Finance Management Act and the State Corporations Act. The Directors are of the opinion that the Institute's financial statements give a true and fair view of the state of entity's transactions during the financial year ended 30 June 2021 and of the Institute's financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for the entity, which have been relied upon in the preparation of the Institute's financial statements as well as the adequacy of the systems of internal financial control.


Nothing has come to the attention of the Directors to indicate that the Institute will not remain a going concern for at least the next twelve months from the date of this statement.

### Approval of the financial statements

The Institute's financial statements were approved by the Board on 30<sup>th</sup> August 2022 and signed on its behalf by:

  
Dr Benson A Ateng'  
Chairperson  
Board of Directors

Date: 07/02/2023

  
Dr Rose Ngugi  
Executive Director,  
Secretary to the Board

Date: 06/2/23





# REPUBLIC OF KENYA

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NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON KENYA INSTITUTE FOR PUBLIC POLICY RESEARCH AND ANALYSIS (KIPPRA) FOR THE YEAR ENDED 30 JUNE, 2022

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### PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in use of public resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of Kenya Institute for Public Policy Research and Analysis (KIPPRA) set out on pages 1 to 44, which comprise of



the statement of financial position as at 30 June, 2022, and the statement of financial performance, the statement of changes in net assets, the statement of cash flows, and the statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion Section of my report, the financial statements present fairly, in all material respects, the financial position of Kenya Institute for Public Policy Research and Analysis as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Accrual Basis) and comply with the Kenya Institute for Public Policy Research and Analysis Act, 2006 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Misstatement of Property, Plant and Equipment**

The statement of financial position and as disclosed in Note 21 to the financial statements reflects property, plant and equipment balance of Kshs.65,759,000. As previously reported, this balance excludes Government land measuring 2.57 hectares in Upper Kabete allocated to the Institute and issued with a title deed. The land was meant for construction of the Institute's Headquarters and the parcel was valued at Kshs.64 Million on 26 October, 2011 and later revalued at Kshs.250 Million as at 24 August, 2016. However, the Director of Veterinary Services (DVS) wrote to the KIPPRA Management informing them that the land was among other irregularly allocated parcels of land which were hived off from the veterinary land at Kabete and its development would curtail the operations of Central Veterinary Laboratories. The issue was referred to the National Land Commission and the DVS disallowed any development thereon.

In 2016, the Institute initiated the construction of offices on the land but the State Department for Livestock proposed an alternative piece of land on the basis that the current land was not ideal as it is within the Kabete Veterinary Bio-facilities and drainage. The construction project was therefore suspended. However, as at 30 June, 2022, the Institute had not been allocated an alternative piece of land and could not also access its land since the Department of Veterinary Services had fenced off the land.

In the circumstances, the accuracy and ownership of property, plant and equipment balance of Kshs.65,759,000 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kenya Institute for Public Policy Research and Analysis Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial



statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

### **Basis for Conclusion**

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of Management and the Board of Directors**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free



from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Institute's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of the services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Institute or to cease operations.

The Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

The Board of Directors is responsible for overseeing the financial reporting process, reviewing the effectiveness of how the Institute monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act,

2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.


As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Institute to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Institute to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.



I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

28 February, 2023


### 13. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30TH JUNE 2022

		Notes	2021-2022	2020-2021 Restated
<b>Revenue from non - exchange transactions</b>			<b>Shs'000'</b>	<b>Shs'000'</b>
Transfers from government – gifts and services-in-kind		6	633,607	414,280
<b>Revenue from exchange transactions</b>				
Rendering of services	Research Consultancy Services	8 (a)	45,158	53,838
	Capacity Building Programmes	8 (b)	18,734	2,778
Finance income – Bank Interest		9	34,433	22
Other income		8 (c)	1,559	758
			<b>99,884</b>	<b>57,396</b>
Drawings from reserves		7	43,769	71,624
<b>Total revenue</b>			<b>777,260</b>	<b>543,300</b>
<b>Expenses</b>				
Employee costs		12	(249,053)	(245,349)
Depreciation and amortization expense		14	(20,974)	(18,513)
Repairs and maintenance		15	(1,884)	(3,312)
Research and Capacity Building Costs		16 (a)	(119,962)	(143,764)
Use of Good and Services		11	(120,328)	(112,245)
Board Expenses		13	(19,384)	(17,761)
<b>Total Expenses</b>			<b>(531,585)</b>	<b>(540,944)</b>
<b>Other gains</b>				
Gain on foreign exchange transactions		10 (a)	3,924	1,702
Gain on sale of assets			0	474
			<b>3,924</b>	<b>2,176</b>
<b>Surplus / (Deficit) for the year</b>			<b>249,599</b>	<b>4,532</b>

The notes set out on pages 8 to 43 form an integral part of these financial statements.

  
Dr Rose Ngugi  
Executive Director  
Date: 6/2/23

  
CPA Teddy Bett  
Deputy Director, Finance  
ICPAK M/No. 11702  
Date: 31/01/2023

  
Dr Benson A Ateng'  
Board Chairperson  
Date: 07/02/2023




#### 14. STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2022

	Notes	2021-2022	2020-2021 Restated
<b>ASSETS</b>		<b>Shs'000'</b>	<b>Shs'000'</b>
<b>Current assets</b>			
Cash and cash equivalents	18	916,455	727,605
Receivables from exchange transactions	19	13,093	16,562
Inventories	20	3,793	3,009
EFD-Kenya Account	18 (b)	4,825	4,504
		<b>938,166</b>	<b>751,680</b>
<b>Non - current assets</b>			
Property and equipment	21	65,759	77,865
Intangible assets	22	8,841	1,150
		<b>74,600</b>	<b>79,015</b>
<b>Total Assets</b>		<b>1,012,766</b>	<b>830,695</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables from exchange Transactions/Accruals	23	29,147	19,085
Deferred income	25	220,133	311,763
EFD-Kenya Account	18 (b)	4,825	4,504
Other accrued liabilities	27	4,810	4,584
<b>Total Current Liabilities</b>		<b>258,915</b>	<b>339,936</b>
<b>Non-Current Liabilities</b>			
Retirement benefit obligations	26	63,853	60,142
<b>Total Non- Current Liabilities</b>		<b>63,853</b>	<b>60,142</b>
<b>Total Liabilities</b>		<b>322,768</b>	<b>400,078</b>
<b>Net Assets</b>			
Reserves		0	0
Accumulated Surplus		689,998	430,617
Capital Funds		0	0
<b>Total Net Assets</b>		<b>689,998</b>	<b>430,617</b>
<b>Total Net Assets and Liabilities</b>		<b>1,012,766</b>	<b>830,695</b>

The Financial Statements set out on pages 1 to 6 were signed on behalf of the Board of Directors by:

  
Dr Rose Ngugi  
Executive Director  
Date: 06/07/23

  
CPA Teddy Bett  
Deputy Director, Finance  
ICPAK M/No. 11702  
Date: 31/01/2023

  
Dr Benson A Ateng'  
Board Chairperson  
Date: 07/02/2023

### 15. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30TH JUNE 2022

	Notes	Ordinary Share Capital	Revaluation Reserve	Fair value Adjustment Reserve	Retained Earnings	Proposed Dividends	Capital / Development Grant	Total
		Shs'000'	Shs'000'	Shs'000'	Shs'000'	Shs'000'	Shs'000'	Shs'000'
As of July 1, 2021		-	-	-	430,617	-	-	430,617
Issued New Capital		0	-	-	-	-	-	0
Revaluation Gain	21(c)	-	(10,081)	-	-	-	-	(10,081)
Deferred Tax on excess depreciation		-	0	-	-	-	-	0
Fair value adjustment on quoted Investments		-	-	0	-	-	-	0
Surplus / (Deficit) for the Year		-	-	-	249,599	-	-	249,599
Drawing from Reserves		-	-	-	(43,769)	-	-	(43,769)
Capital Development grants received during the year		-	-	-	-	-	68,000	68,000
Transfer of Depreciation / amortization from capital fund to retained earnings		-	-	-	(4,368)	-	0	(4,368)
Dividends paid – 2021		-	-	-	0	0	-	0
Interim Dividends paid - 2022		-	-	-	0	-	-	0
Proposed final Dividends		-	-	-	0	-	-	0
<b>As of June 30, 2022</b>		<b>0</b>	<b>(10,081)</b>	<b>0</b>	<b>632,079</b>	<b>0</b>	<b>68,000</b>	<b>689,998</b>

**Note:**

Transfer of depreciation from capital fund to retained earnings represent depreciation in excess due to valuation of the Institute's motor vehicles disclosed in note 21 (c)



## 15. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2022


	Notes	2021-2022	2020-2021
<b>Cash flow from operating activities</b>		Shs'000'	Shs'000'
Receipts			
Government grants	6	593,780	414,280
Development partners grants	6	39,827	0
Appropriations In Aid (A.I.A)	8(a, b &c)	65,451	57,374
<b>Total Receipts</b>		<b>699,058</b>	<b>471,654</b>
Payments			
Compensation of employees	12(b)	246,573	241,294
Research Costs	16(b&c)	130,932	137,417
Use of Goods and services	11(b)	88,792	86,278
Board Expenses	13	19,384	17,354
Rent paid	17	27,303	25,228
<b>Total Payments</b>		<b>512,984</b>	<b>507,571</b>
<b>Net cash from operating activities</b>		<b>186,074</b>	<b>(35,917)</b>
Cash flow from investing activities			
Cash paid for purchase of property and equipment	21	(6,858)	(14,384)
Cash paid for purchase of Intangible Assets	22	(9,832)	0
Interest received	9	34,433	22
<b>Net cash (used in) investing activities</b>		<b>17,743</b>	<b>(14,362)</b>
Cash flows from financing activities			
Accumulated funds used to financing activities		(14,967)	(26,338)
<b>Net cash flows from / (used in) financing activities</b>		<b>(14,967)</b>	<b>(26,338)</b>
<b>Increase/Decrease in cash and cash equivalents</b>		<b>188,850</b>	<b>(76,617)</b>
<b>Movement in cash and cash equivalents</b>			
At start of year		727,605	804,222
Increase/Decrease		188,850	(76,617)
At end of year		<b>916,455</b>	<b>727,605</b>

**Note:**

S/No.	Accumulated funds used to finance activities	Shs
1.	NIPFN – Project expenses	11,592,171.00
	<b>Commitments</b>	
2.	E- Procurement system expenses	3,374,967.00
	<b>Total Financing</b>	<b>14,967,138.00</b>

  
Dr Rose Ngugi  
Executive Director

Date: 6/2/23

  
CPA Teddy Bett  
Deputy Director, Finance  
ICPAK M/No. 11702  
Date: 31/01/2023

  
Dr Benson A Ateng'  
Board Chairperson

Date: 07/02/2023

### 17. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2022

	Original budget 2021-2022	Adjustment 2021-2022	Final budget 2021-2022	Actual on comparable basis 2021-2022	Performance difference 2021-2022	Variations %
	Shs '000'	Shs '000'	Shs '000'	Shs '000'	Shs '000'	
<b>Revenue</b>						
European Union (NIPFN)	23,000	0	23,000	39,827	(16,827)	73%
GOK Grant and Subsidies	419,280	179,500	598,780	593,780	5,000	1%
Rendering Service	111,308	0	111,308	65,451	45,857	41%
Finance Income	30,200	0	30,200	34,433	(4,233)	14%
Spending from Retained Earnings	130,472	0	130,472	43,769	86,703	66%
<b>Total Income</b>	<b>714,260</b>	<b>179,500</b>	<b>893,760</b>	<b>777,260</b>	<b>116,500</b>	
<b>Expenses</b>						
<b>Operating Costs</b>						
Compensation of Employees	263,860	116,500	380,360	242,881	137,479	36%
Compensation to Employees (NIPFN)	9,102	0	9,102	6,172	2,930	32%
Research Costs	232,152	0	232,152	137,136	95,016	41%
Goods & Services	78,822	0	78,822	71,882	6,940	9%
Board Expenses	19,550	0	19,550	19,384	166	1%
Finance Costs	6,500	0	6,500	5,797	703	11%
Rent Paid	38,000	0	38,000	27,359	10,641	28%
Other Payments (Capital)	66,274	63,000	129,274	46,808	82,466	64%
<b>Total Expenditure</b>	<b>714,260</b>	<b>179,500</b>	<b>893,760</b>	<b>557,419</b>	<b>336,341</b>	
<b>Surplus for the Period</b>				<b>219,841</b>	<b>(219,841)</b>	



**17(b) Reconciliation of comprehensive income and Surplus for the period**

	Shs'000'
<b>Comprehensive income (Statement of financial performance)</b>	<b>249,599</b>
<b>Add:</b> Provision for Depreciation	20,974
<b>Less:</b> Capital Costs	
i) Young Professional Programme costs	(30,118)
ii) Capital Expenditures (Purchase of fixed assets)	(16,690)
iii) Foreign Gain	(3,924)
<b>Surplus for the period (Statement of comparison of budget and actual amounts)</b>	<b>219,841</b>
<b>Representing:</b>	
i) Recruitment allocation	(116,500)
ii) Young Professionals Programme (to 31 <sup>st</sup> Dec 2022)	(37,882)
iii) NIPFN - No-cost extension Phase	(40,751)
iv) Commitments	(24,708)
	<b>(219,841)</b>

## Notes to the Statement of Comparison of Budget and Actual Amount

### a. Revenue

- European Union (NIPFN): The Institute received disbursement of Ksh 39.827 million to facilitate implementation of the no-cost extension phase ending in December 2022.
- Rendering of Services: The variance represents unmet projected revenue from contracted research work and capacity building programmes offered by the Institute. Realization of the anticipated target was majorly affected by the restriction of movements and observance of protocols in place due to the Covid-19 pandemic; this resulted in scaling down on consultancy work thus could not realize the budgeted revenue.
- Finance Income: The projected revenue was realized from bank interests projected to be earned from account operated by the Institute.

### b. Operating Costs.

- Compensation to Employees (NIPFN): The staff under the project remained low during the year, costs provided for other staff was not utilized
- Compensation to Employees (NIPFN): The underutilization of the projected staff costs was due to the impending recruitments planned to be carried out during the year.
- Research Costs: Variance was a result of scaling down of operation due to the Covid-19 pandemic restrictions.
- Capital Expenditures: The variance was meant to facilitate procurement of office furniture's, equipment's, and computers for newly furnished office space. Supply of most of the items were awarded during the year and forms part of the commitments disclosed in note 33(b).



## 18. NOTES TO THE FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

Kenya Institute for Public Policy Research and Analysis (KIPPRA) is established by and derives its authority and accountability from KIPPRA Act No 15 of 2006. The Institute is wholly owned by the Government of Kenya and is domiciled in Kenya. The Institute's principal activity is to develop human and institutional capacities for the Government of Kenya and other stakeholders by conducting objective research and analysis and through capacity building to contribute to the achievement of national development goals.

### 2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION - IPSAS 1

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Institute's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Institute.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

### 3. Adoption of New and Revised Standards

*i.* **New and amended standards and interpretations in issue effective in the year ended 30 June 2022.**

IPSASB deferred the application date of standards from 1st January 2022 owing to Covid 19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1st January 2023.

*ii.* **New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2022.**

Standard	Effective date and impact:
<p><b>IPSAS 41:</b> Financial Instruments</p>	<p><b>Applicable: 1<sup>st</sup> January 2023:</b></p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> <li>• Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;</li> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul> <p><b><i>The standard is relevant, however in the current year, the Institute does not have a financial instrument.</i></b></p>
<p><b>IPSAS 42:</b> Social Benefits</p>	<p><b>Applicable: 1<sup>st</sup> January 2023</b></p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ol style="list-style-type: none"> <li>(a) The nature of such social benefits provided by the Entity.</li> <li>(b) The key features of the operation of those social benefit schemes; and</li> <li>(c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.</li> </ol>



Standard	Effective date and impact:
	<b><i>The Institute operates a gratuity scheme where its staff are engaged on contract earning gratuity at 31% of basic pay and disability benefit is provided for in the staff insurance cover.</i></b>
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	<p><b>Applicable: 1st January 2023:</b></p> <ul style="list-style-type: none"> <li>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</li> <li>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</li> <li>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</li> </ul> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p> <p><b><i>The standard shall not have an impact on the Institute (in the current year) since the Institute does not have financial instruments</i></b></p>
Other improvements to IPSAS	<p><b>Applicable 1<sup>st</sup> January 2023</b></p> <ul style="list-style-type: none"> <li>• <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i></li> </ul> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> <li>• <i>IPSAS 39: Employee Benefits</i></li> </ul> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> <li>• <b>IPSAS 29: Financial instruments: Recognition and Measurement</b></li> </ul> <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1<sup>st</sup> January 2023.</p> <p><b><i>No impact to the Institute since it operates a gratuity scheme where its staff are engaged on contract earning gratuity at 31% of basic pay and disability benefit is provided for in the staff insurance cover. Further the Institute does not have any Financial Instrument.</i></b></p>
IPSAS 43	<b>Applicable 1<sup>st</sup> January 2025</b>

Standard	Effective date and impact:
	<p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><b><i>The Institute have lease for it's rental premises. The standard will have an impact in reporting the same going forward.</i></b></p>
<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p><b><i>The Institute does not have Non- Current Assets Held for Sale hence the standard does not have an impact to the Institute.</i></b></p>

iii. **Early adoption of standards**

The Entity did not early – adopt any new or amended standards in year 2021/2022.



#### **4. Summary of Significant Accounting Policies**

##### **a. Revenue recognition**

##### **i) Revenue from non-exchange transactions – IPSAS 23**

###### **Fees, taxes and fines**

The Institute recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the Institute and the fair value of the asset can be measured reliably.

###### **Transfers from other government entities**

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Institute and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds.

###### **Rendering of services**

The Institute recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

###### **Sale of goods**

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the Institute.

**Interest income**

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

**ii) Revenue from exchange transactions – IPSAS 9**

**Dividends**

Dividends or similar distributions must be recognized when the shareholder's or the Institute's right to receive payments is established.

**Rental income**

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

**b. Budget information - IPSAS 24**

The original budget for FY 2021-2022 was approved by the National Assembly on March 2022. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Institute upon receiving the respective approvals to conclude the final budget. Accordingly, the Institute did not record additional appropriations on the 2021-2022 budget following the governing body's approval.

The Institute's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.



A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section 17 of these financial statements.

### **c. Taxes**

#### **Current income tax**

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the area where the Institute operates and generates taxable income. Current income tax relating to items recognized directly in net assets is recognized in net assets and not in the statement of financial performance. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### **Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in controlled entities, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except in respect of deductible temporary differences associated with investments in controlled entities, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each

reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside surplus or deficit is recognized outside surplus or deficit. Deferred tax items are recognized in correlation to the underlying transaction in net assets. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### **Sales tax**

Expenses and assets are recognized net of the amount of sales tax, except:

- i) When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- ii) When receivables and payables are stated with the amount of sales tax included  
The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

#### **d. Investment property**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 30-year period.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition.



Transfers are made to or from investment property only when there is a change in use.

**e. Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Institute recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Depreciation on other assets is calculated on the straight-line balance basis to write down the cost of each asset, or the re-valued amount, to its residual value over its estimated useful life using the following annual rates:

S/No.	Description	Rate %
1.	Computers	33.3
2.	Motor vehicles	25.0
3.	Office Furniture and Fittings	12.5
4.	Office Equipment's	12.5

**f. Leases**

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Institute. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Institute also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the

useful life of the asset. However, if there is no reasonable certainty that the Institute will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Institute. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

**g. Intangible assets**

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The useful life of the intangible assets is assessed as either finite or indefinite.

**h. Research and development costs**

The Institute expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Institute can demonstrate:

- i) The technical feasibility of completing the asset so that the asset will be available for use or sale
- ii) Its intention to complete and its ability to use or sell the asset
- iii) How the asset will generate future economic benefits or service potential
- iv) The availability of resources to complete the asset
- v) The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

## **i. Financial instruments**

### **a) Financial assets**

#### **Initial recognition and measurement**

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Institute determines the classification of its financial assets at initial recognition.

#### **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

#### **Held-to-maturity.**

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Institute has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

#### **Impairment of financial assets**

The Institute assesses at each reporting date whether there is objective evidence that a financial asset or an entity of financial assets is impaired. A financial asset or a entity of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the entity of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

- i) The debtors or an entity of debtors are experiencing significant financial difficulty.
- ii) Default or delinquency in interest or principal payments



- iii) The probability that debtors will enter bankruptcy or other financial reorganization.
- iv) Observable data indicates a measurable decrease in estimated future cash flows (e.g., changes in arrears or economic conditions that correlate with defaults)

## **b) Financial liabilities**

### **Initial recognition and measurement**

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Institute determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

### **Loans and borrowing**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

## **j. Inventories**

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- i) Raw materials: purchase cost using the weighted average cost method.
- ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Institute.

#### **k. Provisions**

Provisions are recognized when the Institute has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Institute expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

#### **l. Contingent liabilities**

The Institute does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

#### **m. Contingent assets**

The Institute does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Institute in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

#### **n. Nature and purpose of reserves**

The Institute creates and maintains revenue reserves in terms of specific requirements for its sustainability. The Institute retains reserves meant to be utilized to fund its mandate.

**o. Changes in accounting policies and estimates**

The Institute recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

**p. Employee benefits**

**Retirement benefit plans**

The Institute operates a gratuity scheme for its qualifying staff. Under the plan, the employees are entitled to 31% of their monthly basic salary for every month of service. This scheme is classified as a defined benefit retirement scheme and is accounted for under the projected unit credit method with valuations being internally carried out by the Institute annually. Re-measurements relating to actuarial gains and losses are recognised in the statement of comprehensive income and current service costs as well as net interest expense/income are recognised in profit or loss.

The Institute and its employees contribute to the National Social Security Fund (NSSF), a statutory defined contribution scheme registered under the NSSF Act. The company's contributions to the defined contribution scheme are charged to profit or loss in the year to which they relate.

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

**q. Foreign currency transactions**

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of



creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

**r. Borrowing costs**

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

**s. Related parties**

The Institute regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Institute, or vice versa. Members of key management are regarded as related parties and comprise the Board of Directors, the Executive Director and Senior managers.

**t. Service concession arrangements**

The Institute analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the Institute recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price.

In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the Institute also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

**u. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the NCBA Bank and Kenya Commercial Bank (KCB) at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**v. Comparative figures**

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

**w. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2022.

**5. Significant Judgments and Sources of Estimation Uncertainty**

The preparation of the Institute's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Institute based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Institute. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

**Useful Lives and residual values**

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- a) The condition of the asset based on the assessment of experts employed by the Institute.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

## Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 24.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

In the process of applying the Institute's accounting policies, management has made judgments in determining:

- Whether assets are impaired
- The classification of financial assets and leases
- Provisions and contingent liabilities

### 6. a) Transfers from Other Government Entities

Description	2021-2022	2020-2021
	Kshs'000'	Kshs'000'
<b>Unconditional grants</b>		
Operational grant	593,780	414,280
Other grants	39,827	-
<b>Total Unconditional Grants</b>	<b>633,607</b>	<b>414,280</b>
<b>Conditional grants</b>	-	-
<b>Total government grants and subsidies</b>	<b>633,607</b>	<b>414,280</b>

### b) Transfers from Ministries, Departments and Agencies (MDAs)

Name of the Entity sending the grant	Amount recognized to Statement of Financial performance Kshs'000'	Amount deferred under deferred income Kshs'000'	Amount recognised in capital fund. Kshs'000'	Total transfers 2021/22 Kshs'000'	Prior year 2020/2021 Kshs'000'
National Treasury & Planning/State Department for Planning	593,780	-	-	593,780	414,280
<b>Total</b>	<b>593,780</b>	<b>-</b>	<b>-</b>	<b>593,780</b>	<b>414,280</b>

The details of the reconciliation have been included under appendix III

### 7. Drawings from Reserves

Description	2021-2022	2020-2021
	Kshs'000'	Kshs'000'
Sourced from retained earnings	43,769	71,624
<b>Total Drawings from Reserves</b>	<b>43,769</b>	<b>71,624</b>



## 8. Appropriations In Aid (A.I.A)

### 8 (a) Rendering of Services - Research Consultancy

Description	2021-2022	2020-2021
	Kshs'000'	Kshs'000'
State Department for Industrialization - Review of Micro & Small Enterprises Policy	-	7,544
UNDP - Assessment of the Gendered Effect of Covid - 19 on women and girls in Kenya	-	939
OXFAM - Assessment of the Gendered Effect of Covid - 19 on women and girls in Kenya	-	1,900
UNDP – CoG - County Covid-19 Social Economic Re-engineering Recovery Strategy	-	7,500
KLDA - Formulation of the Kenya National Leather Policy	-	3,209
UNICEF – Child sensitive budgeting	-	17,928
AFC - Baseline Survey on Access to Agricultural Finance by Youth & Women in Kenya	-	1,376
UN-Habitat-Local Economic Development analysis of Kisumu County under Covid-19 Pandemic	1,076	-
AERC - Addressing Health Financing gaps & Vulnerabilities in Africa project	307	547
Revisiting Growth, Poverty, Inequality, and redistribution relationship in Africa (AERC)		1,243
Brookings - IWOSS case study	1,743	1,088
EPRA - Design and develop an integrated demand forecasting tool for petroleum products	4,195	2,651
AERC - GPIR Grant	409	-
MSEA -Assessment of the uptake of 30% procurement spend set aside for YWP	-	1,506
CARE Kenya- Assessment of the Gendered Effect of Covid -19 on women and girls in Kenya	-	945
BRSB - Operationalization of Research Function through Development of Research Policy and Procedures, and e-repository strategy	-	442
Fairtrade - Identifying Country and Regional Advocacy and Policy Influencing Priorities for Fairtrade Products	1,558	668
Brookings - Analysing constraints to urban related growth in Africa MMC	3,179	-
KAM - Power outages in Industries and its Impact on production costs	3,349	-
UN-Wider - Savings Book Project	1,435	-
RISA - Strengthening Research to Support the Devolved System Of Government In Kenya	11,492	-
Convening an East African Green Economy Hub: Towards Natural Capital Based Economies	129	-

Mastercard - PEP study on empirical review of youth employment policies and their impact in Kenya.	3,573	-
Assessment of Structures and Profitability of milk distribution & re	3,544	2,363
AERC – Human Capital Development	1,785	1,989
NuPEA - Cost Benefit Analysis of a research reactor project in Kenya	2,125	-
GRADE - Preparation of a policy brief "Our Common agenda"	513	-
FAO - An Assessment of Cash- Plus Option for Social Protection for Agriculture-dependent households and training Government Officers on Applied Research Methods.	2,245	-
Kenya Leather Development Authority	1,373	-
AERC- Covid-19 paper	1,128	-
<b>Total revenue from research consultancy</b>	<b>45,158</b>	<b>53,838</b>

#### 8. (b) Rendering of Services - Capacity Building Programmes

Description	2021-2022	2020-2021
	Kshs'000'	Kshs'000'
Capacity Building Programmes – Training Fees	18,734	2,778
<b>Total Income</b>	<b>18,734</b>	<b>2,778</b>

#### 8. (c) Other Income

Description	2021-2022	2020-2021
	Kshs'000'	Kshs'000'
Sale of KIPPRA Publications	61	74
KIPPRA Regional Conference	120	-
Disposal of Assets	0	389
Other income (Gain on Disposal of Motor vehicles; ACBF Reimbursements)	1,378	295
<b>Total other Income</b>	<b>1,559</b>	<b>758</b>

#### 9. Finance Income

Description	2021-2022	2020-2021
	Kshs'000'	Kshs'000'
Cash investments and fixed deposits	-	-
Interest income from Treasury Bills	-	-
Interest income from Treasury Bonds	-	-
Interest from Bank deposits	34,433	22
<b>Total finance income</b>	<b>34,433</b>	<b>22</b>



**10. (a) Other Gains**

Description	2021-2022	2020-2021
	Kshs'000'	Kshs'000'
Foreign exchange gain	3,924	1,702
Gain on sale of assets	0	474
<b>Total other Income</b>	<b>3,924</b>	<b>2,176</b>

**10. (b) Computation of foreign exchange gain**

Description	Rate @115	Rate @102.5	2022 Shs'000'
Exchange Rate Adjustment of USD 313,855.36	36,096,816.40	32,173,249.40	3,923,567.00
<b>Total Gains</b>	<b>36,096,816.40</b>	<b>32,173,249.40</b>	<b>3,923,567.00</b>

**11. Use of Goods and Services**

**11. (a) Use of Goods and Services**

Description	2021-2022	2020-2021
	Kshs'000'	Kshs'000'
Motor vehicle expenses	1,848	1,500
Postage & courier	576	208
Telephone	1,048	1,897
Internet	1,948	2,914
Stationery	3,396	2,713
Library	4,246	4,206
Legal fees	493	1,000
Audit fees	1,257	900
M & E Costs	6,095	7,828
Professional fees	10,785	7,544
Travel	17,174	21,350
Staff Training	18,517	23,455
Other general expenses	18,268	11,415
Bank Charges	634	829
Withholding tax - Bank Interest	5,163	-
Rent – Ref Note 17	27,359	23,817
Insurance	1,521	669
<b>Total of Use of Good &amp; Services</b>	<b>120,328</b>	<b>112,245</b>

	2022 Kshs'000'	2021 Kshs'000'
<b>11(b) Use of Goods and Services Reconciliation</b>		
Total of Use of Good & Services	120,328	112,245
Rent	(27,359)	(23,817)
Accrued/Prepaid Costs	(4,177)	(2,150)
<b>Actual Payment for Use of Goods &amp; Services</b>	<b>88,792</b>	<b>86,278</b>



## 12. Employee Costs

### 12. (a) Employee Costs

	2021-2022	2020-2021
	Kshs'000'	Kshs'000'
Salaries and wages (Inclusive of NIPFN)	179,452	181,021
Employer contribution to health insurance schemes	20,918	20,200
Employer contribution to pension schemes	-	-
Travel, motor car, accommodation, subsistence, and other allowances	-	-
Housing benefits and allowances	-	-
Overtime payments	-	-
Performance and other bonuses	-	-
Recruitment Costs	1,577	-
Gratuity	35,540	32,971
Group Life Assurance	556	1,299
Other employee related costs	11,010	9,858
<b>Employee costs</b>	<b>249,053</b>	<b>245,349</b>

	2022	2021
	Kshs'000'	Kshs'000'
<b>12. (b) Employment Costs Reconciliation</b>		
Total Employment Costs	249,053	245,349
Accrued costs	(2,480)	(4,055)
<b>Actual Payment for Employment Costs</b>	<b>246,573</b>	<b>241,294</b>

## 13. Board /Council Expenses

### 13.(a) Board /Council Expenses

Description	2021-2022	2020-2021
	Kshs'000'	Kshs'000'
Chairman/Directors' Honoraria	927	1,141
Sitting allowances	6,730	9,869
Medical Insurance	554	665
Other allowances (Other Board related expenses e.g., Mileage claims, Per diems)	11,173	6,087
<b>Total</b>	<b>19,384</b>	<b>17,762</b>

### 13.(b) Board Expenses Reconciliation

	2022	2021
	Kshs '000'	Kshs '000'
Total Board Expenses	19,384	17,762
Accrued Expenses	(0)	(408)
<b>Actual Payment for Board Expense</b>	<b>19,384</b>	<b>17,354</b>

#### 14. Depreciation and Amortization Expense

Description	2021-2022	2020-2021
	Kshs'000'	Kshs'000's
Property, plant and equipment	18,833	16,320
Intangible assets	2,141	2,193
Investment property carried at cost	-	-
<b>Total depreciation and amortization</b>	<b>20,974</b>	<b>18,513</b>

#### 15. Repairs and Maintenance

Description	2021-2022	2020-2021
	Kshs'000'	Kshs'000'
Property & Equipment	74	2,220
Other repairs and maintenance	1,810	1,092
<b>Total repairs and maintenance</b>	<b>1,884</b>	<b>3,312</b>

#### 16. Research and Capacity Building Costs

##### 16.(a) Research and Capacity Building Costs

Description	2021-2022	2020-2021
	Kshs'000'	Kshs'000'
Research and analysis	69,789	54,593
Dissemination Workshops	20,993	41,769
Capacity Building Programs	20,190	29,143
Research Publications	8,990	18,259
<b>Total Research Costs</b>	<b>119,962</b>	<b>143,764</b>

##### 16 b) Research and Capacity Building Costs

###### Reconciliation

Total Research Costs

Accrued Costs

**Actual Research & Capacity Building Costs**

2022

Shs'000'

119,962

(19,148)

**100,814**

2021

Shs'000'

143,764

(6,347)

**137,417**

##### 16 (c) Young Professionals Programme

Description	2021-2022	2020-2021
	Kshs'000'	Kshs'000'
Monthly Allowances	20,240	13,440
Medical	2,907	1,308
Research and operating costs	6,971	1,629
<b>Total Young Professionals Program costs</b>	<b>30,118</b>	<b>16,377</b>

### 17. Rent Expenses

Description	2021-2022	2020-2021
	Kshs'000'	Kshs'000'
Prepaid rent b/f	4,200	2,789
Rent paid during the year (c/flow)	27,303	25,228
Prepaid rent c/f	(4,147)	(4,200)
<b>Rent expense for the year</b>	<b>27,356</b>	<b>23,817</b>

### 18. Cash and Cash Equivalents

Description	2021-2022	2020-2021
	Kshs'000'	Kshs'000'
Current account	916,455	727,605
Savings account	-	-
On - call deposits	-	-
Fixed deposits account	-	-
Staff car loan/ mortgage	-	-
Others – Cash in hand	-	-
<b>Total cash and cash equivalents</b>	<b>916,455</b>	<b>727,605</b>

#### 18. (a) Detailed Analysis of the Cash and Cash Equivalents

Financial institution	Account number	2021-2022	2020-2021
		Kshs'000'	Kshs'000'
<b>a) Current account</b>			
1) NCBA Bank (USD)	6433060047	36,097	11,688
2) NCBA Bank	6433060052	62,404	52,671
3) NCBA Bank	6433060073	1,034	1,012
4) NCBA Bank	6433060094	122,240	83,045
5) NCBA Bank	6433060115	590,075	507,459
6) NCBA Bank	6433060107	63,853	60,142
7) Kenya Commercial bank	1254842756	40,752	11,588
<b>Sub- total</b>		<b>916,455</b>	<b>727,605</b>
<b>b) On - call deposits</b>	-	-	-
<b>Sub- total</b>	-	-	-
<b>c) Fixed deposits account</b>	-	-	-
<b>Sub- total</b>	-	-	-
<b>d) Staff car loan/ mortgage</b>	-	-	-
<b>Sub- total</b>	-	-	-
<b>e) Others(specify)</b>	-	-	-
Cash in transit	-	-	-
Cash in hand	-	-	-
Mobile money accounts	-	-	-
<b>Sub- total</b>	-	-	-
<b>Grand total</b>		<b>916,455</b>	<b>727,605</b>



**N/B: Conversion of USD to KES**

Account Name	Account No.	Currency	Amount	Exchange Rate	2022 Shs'000'
KIPPRA -Projects	6433060047	USD	313,885.36	115	36,097
Account Name	Account No.	Currency	Amount	Exchange Rate	2021 Shs'000'
KIPPRA -Projects	6433060047	USD	114,034	102.5	11,688

Not included within cash and cash equivalents are funds designated for the EFD liability (note 18 (b)).

**18. (b) Environment for Development (EFD - Kenya Account)**

The Institute entered an MoU with the United Nations Economic Commission for Africa (UNECA) in 2013 for research consultancy "Regional Assessment of Agricultural Production, Climate change, Agricultural trade and Food Security". Funds received from UNECA were to support specific annual budgeted activities. Surplus funds at the end of each year were carried forward to the following year and remain a liability to UNECA. The Institute charges the Unit a nominal rent and proportionate level of overheads. The outstanding UNECA funds are held in the EFD account and the balance as at 30 June 2022 was Shs. 4.8 million (2021: Shs. 4.5 million). The Institute is holding the same amount in a separate bank account for repayment of this liability, which is presented separately from cash and cash equivalents.

Account Name	Account No.	Currency	Amount	Exchange Rate	2022 Shs'000'
KIPPRA -EFD	6433060136	USD	21,673.50	115	2,487
KIPPRA -EFD	6433060128	Ksh			2,338
<b>Total</b>					<b>4,825</b>
Account Name	Account No.	Currency	Amount	Exchange Rate	2021 Shs'000'
KIPPRA -EFD	6433060136	USD	21,673.50	102.5	2,223
KIPPRA -EFD	6433060128	Ksh			2,281
<b>Total</b>					<b>4,504</b>

**18. (c) Accumulated funds used to finance activities**

S/No.	Descriptions	2022 Shs'000'	2021 Shs'000'
1.	NIPFN – Project expenses	9,713	10,604
	<b>Commitments</b>		
2.	6th Floor Partitioning	-	7,052
3.	6th floor Workstations & Equipment's	-	5,438
4.	Annual Regional Conference - Dissemination	1,480	3,243
5.	YP Costs	3,774	-
	<b>Total Financing</b>	<b>14,967</b>	<b>26,338</b>

**19. Receivables from Exchange Transactions**

**19.(a) Receivables from Exchange Transactions (Current)**

	2021-2022	2020-2021
	Kshs'000'	Kshs'000'
<b>Current receivables</b>		
Project Income receivable	5,036	5,036
Training fees receivable	398	2,774
Disposal of motor vehicles	0	510
Rent deposit	3,017	3,017
ACBF Receivables	130	503
Prepaid Rent	4,147	4,200
Car park deposits	332	332
Security Bid – Ministry of Culture & National Heritage	0	182
Salary Advance	33	8
<b>Total current receivables</b>	<b>13,093</b>	<b>16,562</b>

**20. Inventories**

Description	2021-2022	2020-2021
	Kshs'000'	Kshs'000'
Consumable stores	3,793	3,009
Medical supplies	-	-
Spare parts and meters	-	-
Other goods held for resale (Library)	-	-
Less: Allowance for impairment	(-)	(-)
<b>Total inventories at the lower of cost and net realizable value</b>	<b>3,793</b>	<b>3,009</b>

21. (a) Property, Plant and Equipment

Cost	Motor Vehicles Ksh'000'	Furniture & Fittings Ksh'000'	Office Equipment Ksh'000'	Computer Equipment Ksh'000'	Total Ksh'000'
<b>Year ended 30 June 2022</b>					
At start of year / Carrying Amount	17,472	59,947	31,088	24,972	133,479
Additions	0	4,954	1,269	635	6,858
Disposal	0	0	0	0	0
At end of year / Fair value	<b>17,472</b>	<b>64,901</b>	<b>32,357</b>	<b>25,607</b>	<b>140,337</b>
<b>Depreciation</b>					
At start of year	1,953	19,435	16,083	18,274	55,745
Charge for the year (FY 2021/22)	4,368	7,117	3,232	4,116	18,833
Depreciation on Disposal	0	0	0	0	0
At end of year	6,321	26,552	19,315	22,390	74,578
<b>Net book value</b>	<b>11,151</b>	<b>38,349</b>	<b>13,042</b>	<b>3,217</b>	<b>65,759</b>
<b>Year ended 30 June 2021</b>					
<b>Cost</b>					
At start of year	32,100	51,375	29,203	25,777	137,965
Additions	0	8,713	3,202	2,469	14,384
Disposal	(2,358)	(141)	(1,317)	(3,274)	(7,090)
At end of year / Fair value	<b>29,742</b>	<b>59,947</b>	<b>31,088</b>	<b>24,972</b>	<b>145,259</b>
<b>Depreciation</b>					
At start of year	24,671	13,460	13,749	16,457	67,847
Charge for the year (FY 2020/21)	1,860	6,107	3,262	5,091	16,320
Depreciation on Disposal	(2,358)	(132)	(928)	(3,274)	(6,692)
At end of year	24,173	19,435	16,083	18,274	77,475
<b>Net book value</b>	<b>5,569</b>	<b>40,512</b>	<b>15,005</b>	<b>6,698</b>	<b>67,784</b>



## 21. (b) Land

KIPPRA was allocated land measuring 2.570 hectares by Government of Kenya in August 2010 situated in Kabete – Kangemi. In October 2011 the parcel of Land was valued at Ksh 64 million by Ministry of Lands. The land's ownership was disputed by Ministry of Agriculture, Livestock & Fisheries and proposed an alternative.

## 21 (c) Valuation

KIPPRA Motor Vehicles were valued by Ministry of Transport, Infrastructure, Housing, Urban Development and Public Works, State Department of Infrastructure valuers on 7<sup>th</sup> July 2021 on market basis of valuation. These amounts were adopted as of July 2021.

Reg NO	Description	Net Book Value (30.06.21)	Fair Value	Revaluation Gain	Carrying Amount (07.07.21)	Depreciation Charge for the year
KBJ 560U	Toyota Corolla	0	800,000	800,000	800,000	200,000
KBL 463G	Toyota Corolla	0	700,000	700,000	700,000	175,000
KBN 725E	Toyota Van	0	1,250,000	1,250,000	1,250,000	312,500
KBU 290T	Toyota Prado	0	3,500,000	3,500,000	3,500,000	875,000
KBW 670V	Toyota Hilux	0	3,700,000	3,700,000	3,700,000	925,000
KCT 722Y	Toyota Landcruiser	7,391,420	7,522,140	130,720	7,522,140	1,880,536
		<b>7,391,420</b>	<b>17,472,140</b>	<b>10,080,720</b>	<b>17,472,140</b>	<b>4,368,036</b>

## 22 Intangible Assets - Software Costs

Description	2021-2022	2020-2021
	Kshs'000'	Kshs'000'
<b>Cost</b>		
<b>At beginning of the year</b>	14,412	14,412
Additions	9,832	-
<b>At end of the year</b>	24,244	14,412
Additions—internal development	-	-
<b>At end of the year</b>	24,244	14,412
<b>Amortization and impairment</b>		
<b>At beginning of the year</b>	13,262	11,069
Amortization	2,141	2,193
<b>At end of the year</b>	15,403	13,262
Impairment loss	-	-
<b>At end of the year</b>	15,403	13,262
<b>NBV</b>	<b>8,841</b>	<b>1,150</b>

### 23 Trade and Other Payables

Description	2021-2022	2020-2021
	Kshs'000'	Kshs'000'
Trade payables – Project's Payable	4,677	-
- GoK Payable	24,470	19,085
Payments received in advance		
Employee payables	-	-
Third-party payments	-	-
Other payables	-	-
<b>Total trade and other payables</b>	<b>29,147</b>	<b>19,085</b>

Trade payables represent expenses incurred as of 30<sup>th</sup> June 2022 as follows;

- Research Expenses Ksh 20,704,189
- General expenses Ksh 6,689,145
- Personnel Emoluments Ksh 1,753,854

### 24 Current Provisions (statement of financial position balances)

Description	Leave provision	Bonus provision	Gratuity Provision	Other provision	Total
	Ksh'000'	Ksh'000'	Ksh'000'	Ksh'000'	Ksh'000'
<b>Balance b/d (1.07.2021)</b>	<b>4,584</b>	<b>-</b>	<b>60,142</b>	<b>19,085</b>	<b>83,811</b>
Additional Provisions	361	-	35,540	11,104	47,005
Provision utilised	(135)	(-)	(31,829)	(0)	(31,964)
Change due to discount and time value for money	(-)	(-)	(-)	(-)	0
Transfers from non -current provisions	-	-	-	-	0
<b>Total provisions as at 30.6.2022</b>	<b>4,810</b>	<b>-</b>	<b>63,853</b>	<b>30,189</b>	<b>98,852</b>

### 25 Deferred Income

Description	2021-2022	2020-2021
	Ksh'000'	Ksh'000'
National government (GoK)	220,133	311,763
International funders	-	-
Public contributions and donations	-	-
<b>Total deferred income</b>	<b>220,133</b>	<b>311,763</b>

The deferred income movement is as follows:

	National government	International funders	Public contributions and donations	Total
Balance brought forward	311,763	-	-	306,243
Additions	(91,630)	-	-	5,520
Transfers to Capital fund	-	-	-	-
Transfers to income statement	-	-	-	-
Other transfers	-	-	-	-
<b>Balance carried forward</b>	<b>220,133</b>	<b>-</b>	<b>-</b>	<b>311,763</b>



## 26 Employee Benefit Obligations

### Retirement benefit Asset/ Liability

The Institute operates a gratuity scheme for qualifying employees which qualifies as a defined benefit scheme. Under the plan, the employees are entitled to 31% of their monthly basic salary for every month of service. The monthly gratuity is paid to a separate gratuity bank account maintained internally by the Institute from where gratuity is paid out from whenever a staff contract comes to an end or whenever an employee leaves employment. Interest earned from the fund is retained in the account for the period. The staff gratuity fund (see non - current asset section of the balance sheet) represents the total funds held with respect of gratuity. This amount is represented by the gratuity bank account balance amounting to Shs.63,853,452

As the funds designated for settlement of the obligation are not independently held by a separate scheme, such funds have been presented on a gross basis in the assets of Institute.

### Recognition of Retirement Benefit Asset/ Liability

The Institute also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Institute's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Ksh. 200 per employee per month. Other than NSSF the entity also operates a gratuity scheme where an employee earns 31% of basic salary; however, the Institute is in the process of converting to a defined contribution scheme operated by an Umbrella Pension Fund. Employees shall contribute 10% while employer shall contribute 20% of basic salary. Employer contributions shall be recognised as expenses in the statement of financial performance within the period they are incurred.

Description	Defined benefit plan (Gratuity)	Post-employment medical benefits	Other Benefits:	2021-2022	2020-2021
	Ksh'000'	Ksh'000'	Ksh'000'	Ksh'000'	Ksh'000'
Current benefit obligation	63,853	-	-	63,853	60,142
Non-current benefit obligation	-	-	-	-	-
<b>Total employee benefits obligation</b>	<b>63,853</b>	<b>-</b>	<b>-</b>	<b>63,853</b>	<b>60,142</b>



In the opinion of the Directors, the carrying amount of gratuity approximate to its fair value. The amounts recognized in the profit or loss for the year were as follows:

	2022 Shs'000'	2021 Shs'000'
Present value of internally funded obligations	63,853	60,142
The movement in the defined benefit obligation over the year was as follows:		
At start of year	60,142	63,662
Utilized during the year	(31,829)	(36,491)
Charge to profit or loss	35,540	32,971
At end of year	63,853	60,142

#### 27. Non-Current Provisions

Description	Long service leave	Bonus Provision	Gratuity provisions	Other Provisions	Total
	Ksh'000'	Ksh'000'	Ksh'000'	Ksh'000'	Ksh'000'
Balance at the beginning of the year	-	-	-	4,584	4,584
Additional Provisions	-	-	-	361	361
Provision utilised	(-)	(-)	-	(135)	(135)
Change due to discount and time value for money	-	-	-	-	-
Less: Current portion	(-)	(-)	-	(-)	(-)
Balance at the end of the year	-	-	-	4,810	4,810

#### 28. Cash Generated from Operations

	2021-2022	2020-2021
	Ksh'000'	Ksh'000'
<b>Surplus for the year before tax</b>	<b>249,599</b>	<b>2,356</b>
<b>Adjusted for:</b>		
Depreciation	18,833	16,320
Non-cash grants received	(-)	(-)
Contributed assets	(-)	(-)
Impairment	2,141	2,193
Gains and losses on disposal of assets	(0)	(474)
Contribution to provisions	-	-
Contribution to impairment allowance	-	-
Finance income	(34,433)	(22)
Finance cost	5,797	829
<b>Working Capital adjustments</b>		
Increase in inventory	(784)	(3,009)

	2021-2022	2020-2021
	Ksh'000'	Ksh'000'
Increase in receivables	3,193	(742)
Increase in deferred income	(91,630)	72
Increase in payables	11,033	(11,038)
Increase in payments received in advance	-	-
<b>Net cash flow from operating activities</b>	<b>163,749</b>	<b>6,485</b>

## 29. Financial Risk Management

The Institute's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Institute's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Institute does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The Institute's financial risk management objectives and policies are detailed below:

### i) Credit risk

The Institute has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the Board. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Institute's management based on prior experience and their assessment of the current economic environment.

The carrying amount of financial assets recorded in the financial statements representing the Institute's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

	Total amount Ksh'000'	Fully performing Ksh'000'	Past due Ksh'000'	Impaired Ksh'000'
<b>As at 30 June 2022</b>				
Receivables from exchange transactions	13,093	-	-	-
Receivables from non-exchange transactions	0	-	-	-
Bank balances	916,455	-	-	-
<b>Total</b>	<b>929,548</b>	-	-	-
<b>As at 30 June 2021</b>				
Receivables from exchange transactions	16,582	-	-	-
Receivables from non-exchange transactions	0	-	-	-
Bank balances	727,605	-	-	-
<b>Total</b>	<b>744,187</b>	-	-	-



The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

The board of directors sets the Institute's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

## ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Institute's Board, who have built an appropriate liquidity risk management framework for the management of the Institute's short, medium and long-term funding and liquidity management requirements. The Institute manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the Institute under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Ksh'000'	Ksh'000'	Ksh'000'	Ksh'000'
<b>As at 30 June 2022</b>				
Trade payables	29,147	-	-	29,147
Current portion of borrowings	-	-	-	-
Provisions	-	-	4,810	4,810
Deferred income	-	-	220,133	220,133
Employee benefit obligation	-	-	63,853	63,853
<b>Total</b>	<b>29,147</b>	<b>-</b>	<b>288,796</b>	<b>317,943</b>
<b>As at 30 June 2021</b>				
Trade payables	19,085	-	-	19,085
Current portion of borrowings	-	-	-	-
Provisions	-	-	4,584	4,584
Deferred income	-	-	306,315	306,315
Employee benefit obligation	-	-	60,142	60,142
<b>Total</b>	<b>19,085</b>	<b>-</b>	<b>371,041</b>	<b>390,126</b>

## iii) Market risk

The Institute has put in place an internal audit function to assist it in assessing the risk faced by the Institute on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the Institute's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Board Audit Committee.

The Institute's Finance Department together with the Risk Management Committee is responsible for the development of detailed risk management policies (subject to review and approval by



Board Audit Committee) and for the day-to-day implementation of those policies. There has been no change to the Institute's exposure to market risks or the manner in which it manages and measures the risk.

**a) Foreign currency risk**

The Institute has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

The Institute manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments

The institute has managed this risk through holding of a US Dollar account. This account is used to settle invoices that are denominated in foreign currencies.

**b) Interest rate risk**

Interest rate risk is the risk that the Institute's financial condition may be adversely affected as a result of changes in interest rate levels. The Institute's interest rate risk arises from bank deposits. This exposes the Institute to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Institute's deposits.

**Management of interest rate risk**

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

**Fair value of financial assets and liabilities**

**a) Financial instruments measured at fair value.**

**Determination of fair value and fair values hierarchy**

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Institute's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The Institute considers relevant and observable market prices in its valuations where possible.

The following table shows an analysis of financial and non- financial instruments recorded at fair value by level of the fair value hierarchy:

As of 30 <sup>th</sup> June 2022	Level 1 Ksh'000'	Level 2 Ksh'000'	Level 3 Ksh'000'	Total Ksh'000'
<b>Financial Assets</b>				
Quoted equity investments	-	-	-	-
<b>Non- financial Assets</b>				
Investment property	-	-	-	-
Land and buildings	64,000	-	-	64,000
	<b>64,000</b>	-	-	<b>64,000</b>
<b>As of 30<sup>th</sup> June 2021</b>				
<b>Financial Assets</b>				
Quoted equity investments	-	-	-	-
<b>Non- financial Assets</b>				
Investment property	-	-	-	-
Land and buildings	64,000	-	-	64,000
	<u>64,000</u>	-	-	<u>64,000</u>
	<b>64,000</b>	-	-	<b>64,000</b>

There were no transfers between levels 1, 2 and 3 during the year. Disclosures of fair values of financial instruments not measured at fair value have not been made because the carrying amounts are a reasonable approximation of their fair values.

#### iv) Capital Risk Management

The objective of the Institute's capital risk management is to safeguard the Institute's ability to continue as a going concern. The Institute capital structure comprises of the following funds:

	2021-2022 Ksh'000'	2020-2021 Ksh'000'
Revaluation reserve	10,081	411,408
Retained earnings– realized during the year	245,675	2,356
Capital reserve	-	-
<b>Total funds</b>	<b>255,756</b>	<b>413,764</b>
Total borrowings	-	-
Less: cash and bank balances	916,455	727,605
Net debt/ (excess cash and cash equivalents)	(660,699)	(313,841)
<b>Gearing</b>	-	-

### 30. Related party Disclosures

#### Nature of related party relationships

Entities and other parties related to the Institute include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

#### Government of Kenya

The Government of Kenya is the principal shareholder of KIPPRA, holding 100% of the Institute's equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Institute, both domestic and external, where required.



**Other related parties include:**

- i) The Parent Ministry; The National Treasury & Planning, State Department for Planning
- ii) County Governments
- iii) Other SCs and SAGAs
- iv) Key management.
- v) Board of directors;

The following transactions were carried out with related parties.

a)	Grants from the Government	2021-2022	2020-2021
		Ksh'000'	Ksh'000'
i.	Grant from GoK- State Department for planning	593,780	414,280
b)	Key Management Compensation		
iii.	Board of Directors allowances	19,384	17,207
iv.	Senior Management Emoluments	78,780	90,699
	<b>Total</b>	<b>691,944</b>	<b>522,186</b>

**31. Contingent Liabilities**

Contingent liabilities	2021-2022	2020-2021
	Kshs	Kshs
Court case Dr. John Moturi Omiti's against KIPPRA	-	-
Court case Mr. Nicholas Ogola's against KIPPRA	21,794,904	21,794,904
Court case Prof. Mwangi Kimenyi's against KIPPRA	45,000,000	45,000,000
Tectura International Limited – Professional services costs	6,589,918	6,589,918
<b>Total</b>	<b>73,384,822</b>	<b>73,384,822</b>

N/B:

- (i) The court case are all Employment and Labour related.
- (ii) For Tectura International Limited, this is the fee note raised for Professional services on the KIPPRA Campus project. Although Public Works assessment gave an amount of Ksh 3.3 Million. This is yet to be resolved and agreed upon; and the fate of the contracts determined.

**32. Capital Commitments**

**a) Operating lease commitments IPSAS 13 - as a lessee**

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Entity. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term

The future minimum lease payments payable under non-cancellable operating leases are as follows:

	2022	2021
	Shs'000'	Shs'000'
Not later than 1 year	2,387	5,062
Later than 1 year and not later than 5 years	25,752	14,889
	<u>28,139</u>	<u>19,951</u>

**b) Other Capital Commitments**



Capital commitments	2021-2022	2020-2021
	Ksh'000'	Ksh'000'
Authorized for and contracted	32,210	28,382
Authorized for and not contracted	0	0
<b>Total</b>	<b>32,210</b>	<b>28,382</b>

As at the end of the year, the Institute had contracted for the following services: Integrated Risk Management Information System; Knowledge Management Strategy, E-Procurement system; supply of capital items and implementation of the Young professional programme from which a commitment of Ksh 27 million had not been incurred by 30<sup>th</sup> June 2022 and will therefore be paid in FY 2022/2023.

### 33. Events after the Reporting Period

There were no material adjusting and non- adjusting events after the reporting period.

### 34. Ultimate and Holding Entity

The Kenya Institute of Public Policy Research and Analysis is a State Corporation under the National Treasury and Planning, State Department for Planning.

### 35. Currency


The financial statements are presented in Kenya Shillings (Kshs).

## APPENDIX

### Appendix I: Progress on follow up of Auditor Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	KIPPRA Land	This is being pursued through the PS Planning	Not Resolved	February 2023

  
 \_\_\_\_\_  
 Executive Director  
 Date: .....6/2/23.....

**Appendix II: Projects Implemented by the Institute**

Projects implemented by the State Corporation/ SAGA Funded by development partners and/ or the Government.

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
KIPPRA Young Professional Programme		N/A	One year Program – Continuous in Cohorts	N/A	No	Yes

**Status of Projects completion**

S/No.	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1	KIPPRA Young Professional Programme	68,000	30,118	44%	37,882	615,742	GoK



**Appendix III: Inter-Entity Transfers**

<b>Entity Name:</b>		Kenya Institute for Public Policy Research and Analysis (KIPPRA).		
<b>Breakdown of Transfers from the State Department for Planning for FY 2021/2022</b>				
a.	<b>Recurrent Grants</b>			
	<b>Quarter 1</b>	<b>Bank Statement Date</b>	<b>Amount (Ksh)</b>	<b>Indicate the FY to which the amounts relate</b>
		02.08.2021	43,815,000	FY 2021/22
		03.09.2021	43,815,000	FY 2021/22
		<b>Sub-Total</b>	<b>87,630,000</b>	
	<b>Quarter 2</b>	04.10.2021	43,815,000	FY 2021/22
		28.10.2021	43,815,000	FY 2021/22
		12.01.2021	43,815,000	FY 2021/22
		28.12.2021	43,815,000	FY 2021/22
		<b>Sub-Total</b>	<b>175,260,000</b>	
	<b>Quarter 3</b>	01.02.2022	43,815,000	FY 2021/22
		01.03.2022	43,815,000	FY 2021/22
		<b>Sub-Total</b>	<b>87,630,000</b>	
	<b>Quarter 4</b>	01.04.2022	43,815,000	FY 2021/22
		28.04.2022	43,815,000	FY 2021/22
		02.06.2022	43,815,000	FY 2021/22
		28.06.2022	43,815,000	FY 2021/22
		<b>Sub-Total</b>	<b>175,260,000</b>	
		<b>Total</b>	<b>525,780,000</b>	
b.	<b>Development Grants</b>			
		<b>Bank Statement Date</b>	<b>Amount (Ksh)</b>	<b>Indicate the FY to which the amounts relate</b>
	Quarter 1	24.08.2021	17,000,000	FY 2021/22
	Quarter 2	12.01.2022	17,000,000	FY 2021/22
	Quarter 3	14.04.2022	17,000,000	FY 2021/22
	Quarter 4	25.04.2022	17,000,000	FY 2021/22
		<b>Total</b>	<b>68,000,000</b>	

The above amounts have been communicated to and reconciled with the parent Ministry



**CPA TEDDY BETT**  
Head of Finance  
KIPPRA



**Head of Accounting Unit**  
State Department for Planning

**Appendix IV: Recording of Transfers from other Government Entities**

Name of the MDA/ Donor Transferring the Funds	Date Received		Nature: Recurrent/ Development/ Others	Total Amount - KES	Where Recorded / recognized						Total Transfers during the Year	
	As per bank statement				Statement of Financial Performance	Capital Fund	Deferred Income	Receivables	Others- must be specific			
State Department for Planning	Various as Appendix III		Recurrent	525,780,000	525,780,000	-	-	-	-	-	-	525,780,000
State Department for Planning	Various as Appendix III		Development	68,000,000	68,000,000	-	-	-	-	-	-	68,000,000
<b>Total</b>				<b>593,780,000</b>	<b>593,780,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>593,780,000</b>

**Appendix V: Reporting of Climate Relevant Expenditures**

– The Institute did not have any expenditure on Climate.

**Name of the Organization**  
**Telephone Number**  
**Email Address**  
**Name of CEO/MD/Head**

**Name and contact details of contact person (in case of any clarifications) .....**

Project Name	Project Description	Project Objectives	Project Activities	Source Of Funds				Implementing Partners
				Q1	Q2	Q3	Q4	



**Appendix VI: Disaster Expenditure Reporting Template**

- The Institute did not have any expenditure on disaster to report on.

Date:						
Entity						
Period to which this report refers (FY)	Year:					Quarter
	FY 2021/2022					
Name of Reporting Officer						
Contact details of the reporting officer:	Email					Telephone
Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments

