



Laikipia

The official newsletter of the County Government of Laikipia

**WEEKLY
BULLETIN**

Embracing Innovative Financing of Development



A public participation forum for Kinamba Smart Town. Laikipia infrastructure bond issue will fund development 11 more towns

By Muriithi John

On November 22, the Intergovernmental Budget and Economic Council approved an infrastructure bond issue by the County Government of Laikipia.

Although municipal bonds are common in developed economies, this is a first by any county government in Kenya. It demonstrates how far we can go if we embrace innovation as we strive to position Kenya as a middle-income industrializing country by year 2030.

In his leadership of the county, Governor Muriithi has always insisted on innovative solutions to challenges slackening the development pace of the country. Key to achieving the desired development momentum is availability and time financial resources. As many counties would confess that synchronizing their project cycles with Exchequer releases has been the greatest hindrance to development. To surmount this challenge, Laikipia has embraced a number of innovative financing alternatives among them equipment releasing, issuing of the infrastructure bond, invoice discounting, economic stimulus fund, among others. All these will ensure that government development programmes continue even when the release of equitable share allocation delay. It will ensure that citizens enjoy the full benefits of the projects early enough.

For instance, the tempo of road improvement in Laikipia has increased over the last two years since the county government is able to have many sets of road construction equipment, which it won't be able to purchase directly. Laikipia's strategy is to grow the county's economy from Kshs100 billion to Kshs400 billion in the medium term by support at least 5,000 SMEs through its enterprise development programme, tripling agricultural production by providing water for production, well-planned urbanization through the smart towns initiative, five-fold increase in manufacturing and processing – growth and new developments, starting and mining electricity reticulation and exercising of all powers as defined in the Constitution of Kenya 2010.

The infrastructure bond issue approved by IBEC last week is instrumental in achieving this. The proceeds will go towards the development of 11 smart towns, development of several dams and improvement of road infrastructure to ensure seamless flow of goods and services. Citizens will enjoy fruits of these projects early. These are meant to increase the living standards of Laikipians through production of farm produce and providing markets and their accessibility as well. Already, the leasing programme has opened various roads deep in the villages. This has minimized

the cost of transportation of the produce to the market. Smart towns will attract more people, investments and establish industries that will process the farm produce. This urbanization will lead to consumption of local good, create jobs and grow the economy. It means more businesses opening up which will employ locals and thus improve their standards of living. Investors usually look for places with better infrastructure and street lighting for extended working hours and security, and of course water. Water will enable livestock farmers practice zero-grazing and feedlot systems which is economical and uses a small area for dairy and beef production. Already, residents are actively participating in planning of their respective towns. "I'm glad that the road improvement in our town is making it easier for customers to access my business. A few months ago, they were not flowing to this business, especially when it rained," said Mr Simon Kimunya who operates a chemist from Ol jabet town which is undergoing a full makeover. Ms Veronicah Kaguru a shopkeeper in Oljabet town has developed ideas of upgrading her business to become a supermarket, following the improvement of the town's status. "We really appreciate this noble idea. More customers are visiting our business," she said. As it is happening in Ol jabet, so will it be in the 11 others that the infrastructure bond is funding.

Citizens Roped in the Process of Infrastructure Bond Issue



DG John Mwaniki leading a public participation for Oljabet town

By Nahshon Maina

County Government of Laikipia has been making efforts of ensuring citizen involvement in decision-making.

When it started focusing on innovative financing of transformative projects through a municipal bond, the county government has been giving the input of citizens the full consideration.

The bond issue will avail financial resources to the county for development purpose. Due to the limited money to implement these development projects, the county is resulting to innovative financing.

The public participation was intended to inform citizens of the intention of the county government to float the bond and of its economic impacts.

Input

Through a series of public participation, county was able to incorporate the input of the citizens in identify the most impactful projects to implement. The participation proved to provide meaningful

involvement and inclusion of citizens views. The first process was to identify projects where county team identified more than 50 projects that needed financing to transform the livelihood of citizens. The second step that the county government took was to involve citizens in the first public participation where projects were narrowed down to about 16.

The second public participation brought the projects down to 8 which were also retained in the next rounds of public participation.

The eight projects cover infrastructure and agricultural sector that will improve the livelihood of the citizens. Water for production and smart towns' projects will be funded by the funds from the bond which will enable to county to implement them in a short period of time.

"We then did the economic analysis, and we went back to the citizens. Afterwards we did the cash flow analysis and went back to pub-

lic participation. When we documented all the items, we carried another public participation to tell citizens,"

Here is what you said, this is what we have done, the pricing, repayment and the entire flow of the payment," CECM Finance Murungi Ndai said.

After finalizing on the public participation, the infrastructure bond was tabled before the county executive committee for approval.

"I presented the projects to the county cabinet, they passed after proving and show that public participation was done and what was the payment plan," CECM Ndai said.

Approved

The next step was the county assembly and after debated critically by considering the economic analysis, cash flow, payment period and interest to be accrued the bond was approved.

The county also engaged the Public Debt Management Office (PDMO) team from the national treasury for technical assistance for the infrastructure bond.

"After passage of the bond by the county assembly we presented the bond to CS Treasury who gave it a big nod," CECM said.

On Monday 22nd Nov 2021, the infrastructure bond was presented to the Intergovernmental Budget Committee (IBEC) where it got approved. The bond is awaiting to be presented to the national assembly for final deliberation before it is floated at Nairobi Stock Exchange (NSE).



Urbanizing Laikipia to Create New Jobs, Drive Consumption



Solar street lights at Pesi shopping centre in Salama ward—one of those earmarked as smart town

By Vivian Wachira

The county Government of Laikipia through the smart town initiative planned urbanization, that is, through growing of trading centers and under-developed towns and zones into business zones.

The planned urbanization is set to be achieved through installation of lighting for businesses for safety and also allow businesses to open for longer hours, improvement of paved roads, walkways and cyclist paths, proper connection of water and sewerage and also offering of urban development fund to plot owners in order to develop higher density units.

Having limited resources to improve some trading centres into a vibrant urban centres has made Laikipia source for extra funds, away from the usual yearly budget. The county now has the infrastructure bond as the source of money to realize this transformation.

GCP

A total of 11 trading centres are set to have a new look following if the bond injects of over Ksh. 1.24 billion into this year's budget. These are Naibor, Nanyuki, Doldol, Kalalu, Pesi, Matanya, Wiyumiririe, Nyahururu, Karuga, Kinamba, and Mugwarak.

The projects to be improved will focus on future projection of expansion of the centres, having in mind that more people are bound to flock there.

The aim of improving these towns is to improve the business environment in these areas by making the towns be more attractive especially so that people can invest both local people and also from other parts of the country.

Development of these smart towns will create 31,698 new businesses leading to the creation of a total of 74,166 jobs in the county.

This includes both direct and indirect employment.

Economy

Economically, the smart towns will lead to a rise in the Gross County Product (GCP). The economy of the said towns will improve and thus raise the living standards of the residents. It is projected that with improvement of these towns, 31,698 new businesses will come up which will create 74,166 jobs in the county.

Small towns are an important aspect of rural landscape and food systems. They perform several essential functions, from market nodes of food producers to service providers. The benefits of innovation in every town leads to improvement of lives of inhabitants by becoming more efficient and sustainable.

Smart town initiative also seeks to establish a friendly environment to accommodate the predictable increase in the urban population. As more investors draw towards these developing towns, the

demand for good houses will also be on demand for both commercial and residential purposes.

The availability of goods and services will be readily available to people around the developed areas as people will not have to travel far to acquire the goods or service they need. Ease of accessing services like the health facilities, schools and market places and also other interior places through the infrastructure development. Dol-dol town for example, will benefit from the bridge and road construction initially access to a health facility was a huge problem especially to expectant women due to poor roads.

Planning

The development of infrastructure and proper planning will make areas like Matanya, Karuga, Naibor and Dol-dol to develop commercially through extended trading hours and early mornings. Mud and dust will no longer be a hindrance as streets and markets will be using all weather roads improving the hygienic conditions in those areas.

Land value will also shoot and provide the locals with higher value for their property and better the living standards when they invest, lease or sell.

Similarly, the income from the developed towns, once complete will be high and improve the total income for the county. It is projected that in seven years to come when all the towns will be fully complete and in operation, there will be a daily cumulative income of Ksh 63,395,535 daily. This translates to over Kshs 23 billion every year.

This means that the government is now investing Ksh 1.24 billion courtesy of the infrastructure bond, to realize Ksh. 23 billion every year! The Ksh. 23 billion will facilitate funding of more development in Laikipia.



Wiyumiririe town, one of the 11 trading centres to be improved through the infrastructure bond

Increasing Laikipia's Productivity by Providing Water for Production



Drip irrigation at Kianugu, Igwamiti Ward

By Nahashon Maina

The County Government of Laikipia will invest Kshs 166.2 million of the funds raised through infrastructure bond issue in water for production. Wangwaci dam will take Kshs 97.7 million while work on Il polei dam will be undertaken at a cost of Kshs 67.5 million. The two projects will focus on ensuring that efficient irrigation methods are implemented in Laikipia including scheduled maintenance, governance and cost recovery.

Currently, Laikipia has 236 water pans and now seeks to increase that number. The aim is to increase the area under irrigation from 9,000 acres to 50,000 acres. The project will also provide market linkages to off-takers and processors.

The project will help Laikipia to move from low productivity to high productivity in livestock production by providing enough water for rearing. In the long run, county government seeks to encourage adoption of feedlot system in Laikipia. Key milestones have already been realized towards provision of water-for-production. The rollout in Solio and Makurian-Osirua is already

proving a success. Underway is the Kariunga-Mutirithia-Naibor (KAMUNA) Integrated Irrigation Project which aims at increasing the production of high-value crops such as tomatoes, avocado, French beans, capsicum, onion, cabbages, among others.

Farmers will be trained on good agronomic practices, value addition, and marketing. There will be introduction of fish farming in both Kariunga and Naibor dams. Water is an economic enabler and water for production initiative aims to transform the lives of many households by increasing their agricultural productivity. This project will embrace centralized pump house for water reticulation enabling farmers to access water efficiently. It will enable farmers to raise production from open production to greenhouses and diversification. The project is essential in ensuring achievement of processing through value addition enabling framers to move from roadside sales to packaging for local and export market through value addition. From the bond fund, water storage

capacity in Wangwaci Dam will be increased to 312,376 M3 the current 100,000 M3. This will increase the number of farmers to 600 from the current 300.

Funding of Il Polei Dam will support its expansion in its capacity from 5,000 M3 to the 92,000M3. This will lead to 20 additional acres under irrigation creating 900 new employment opportunities.

Tomato production around the locality of the dam will more than double to 7,680 tonnes from 3,000 tonnes produced currently. The earning of the farmers from sale of their produce will double from Ksh 153.6 million to Ksh 307.2 million.

Laikipia is determined to grow the county economy four-fold from Ksh 100 billion to Ksh 400 billion per year in the medium term. This will be achieved through enterprise development which will involve tripling agriculture production and well-planned urbanization.

Marble Mining in Laikipia County

By Vivian wachira

Raw materials are the indispensable foundation for everything and will remain so even in future. Laikipia county has mineral wealth that is enough to transform Kenya into an industrialized country if exploited.

Marble mining in Laikipia county which stretches from Kimanjo area to the Laikipia-Isiolo border consists of metamorphosed sedimentary limestone. It is potentially a source of rock for cement..

Marble is used for its beauty in building, sculptures and construction aggregates such as floor tiles, facing stone, stair treads, win-

dow sills, benches, paving and dimension stones. It is also used in pharmaceuticals, cosmetics, soil treatment, whiting that is brighter and filler in paint and paper, agricultural soil treatment to reduce acidity of soil, cemetery makers.

According to the statistical abstract 2021 on the gravel and ballast extractions, the number of licensed quarries increased from 15 in 2019 to 16 in 2020 while the quarries extractions has increased by 3,566 from 4,215 in 2019 to 7,781 in 2020, meaning mining activities in Laikipia County is gradually increasing which is a positive indicator to the County's economy.

The mining of the marble, limestone, in the county

creates a pool of that can be relied on by the county government for socio-economic development and the creation of wealth as it employs people in the proximity where the mineral is being exploited.



Irrigation to Bring More Farmers, Processors on Board

By Wanjiku Wambaki

The Laikipia County Government is opening doors for more farmers and investors in the county through establishment and maintenance of irrigation systems.

Most popular irrigation technology used in the farms is water pumps. Some of these dams include Lobere, Nyakinyua, Njorua, Warero, Kamunju, Mbogoini and Ndindika in Githiga ward, Olmoran ward has Karungubii, Leleshwa, Wangwaci and Wangwaci B dams, Gatirima and Majani dams in Marmanet and Matuiku dam in Umande ward. Solio watershed (water pans) in Tigithi uses drip irrigation.

The county also has a number of water pans used for agricultural benefit in places like Ngobit, Tigithi, Segera, Mukogondo East and West, Rumuruti, Thingithi, Olmoran, Salama, Nanyuki, Marmanet, Umande, and Sossian. All these households except those in Mukogondo West and Thigithi wards use drip method of irrigation.

Irrigation in the county will contribute to more food production. This is because more land will be cultivatable especially in the arid and semi-arid areas.

This being an activity that takes place throughout all seasons will ensure that there is consistency in agricultural production. Crop yields have increased significantly under irrigation, such as tomatoes, onions, cabbages, snow peas, spinach, melons, sweet pepper, French beans, butter nuts and chillies.

Irrigation also helps in maintaining landscapes and in revegetation of disturbed soils in areas that experience less than average rainfall.



Irrigation has acted as an employer for Laikipia residents. As more lands get cultivated through irrigation, more Laikipia farmers acquire jobs to sustain their livelihoods. For instance, Wagwaci Dam has created job for 16,425 people with over 300 farmers.

Through the on-going smart town projects and leasing program, rural roads have been upgraded hence ensuring that farmers can transport their products to the market easily and on time.

For perishable products, farmers do not have to worry about their yields going to

waste because of delayed distribution. The County Government of Laikipia has also provided market linkages to off-takers and processors in the county. The farmers have also added value to their products through transitioning from roadside sales to packaging for local and export market.

There are scheduled maintenance projects for the irrigation dams to guarantee productivity; de-silting of the dams. Some beneficiaries of the de-siltation are those using Kariunga Dam and Wangwaci Dam.

In order to prevent these short-comings, the county officials are educating farmers on efficient methods of irrigation such as use of drip irrigation instead of flood irrigation which may result to siltation.

Laikipia County has brought centralized pump houses for water reticulation enabling farmers to access water efficiently. With approximately 226 water pans and 9000 acres of land in 2019.

The devolved unit wants to increase small holder agriculture to 50,000 acres. Through the vision of increased agricultural productivity from Wangwaci and Ilpolei dams, more revenue is set to stream in from the cess and water tariffs.

Some major key players in the supply of irrigation technologies in the county are Amiran, Irrico, Doshi Agro-Irrigation and Davis and shirtliff. Simlaw seeds, Elgon Kenya, Sygenta, Twiga Chemicals, Osho Chemicals and Bayer EA. MEA are among the companies that have contributed to irrigation success stories as agro-input suppliers.



Economic Impact of Water for Production in Laikipia



By Jackline Mariga

Governor Ndiritu Muriithi in his 12-point election manifesto focused on water for production.

Laikipia is a semi-arid area and thus water shortage has been a menace in the county which prompted the governor to address the situation during 2017 general election.

As such the devolved unit sort to look for extra funds to go towards realization of the same, the Laikipia County Infrastructure bond.

This is an innovative way of funding county projects, because the county equitable share and own source cannot sustain many projects. This fund will facilitate Wangwaci and Ilpolei dams to provide enough water for domestic and irrigation purposes to bring about positive impact.

By the year 2027 the county government of Laikipia targets great economic yields after implementing the targeted water for production. It is through the infrastructure bond that the county will achieve this projection.

Tomatoes

Around Wangwaci dam, known for production of tomatoes around the area, will increase by double the size it is right now in the area under irrigation.

To date, 300 acres of land are using this dam for irrigation but in the near future the number will rise to 600 by mid-2027. The number of tomatoes produced will be more than double what is being produced right now. This year 3000 tonnes of tomatoes have been produced and the government targets 7,680 tonnes.

An expansion will lead to an increase in the capacity of water the dam can hold. It will hold a triple capacity of water it can hold right now. The dam can only hold 100,000 m³ of water. A change of more than 200000 m³ will be experienced.

In Laikipia, rain is seasonal and quite a number of times farmers do not harvest due to lack of enough water.

Create jobs

There is no enough water for people during the drought. Farmers have trouble growing food without enough irrigation water. Water harvested during the rainy season will be of much help to farmers when there is rain shortage.

In a country where unemployment is a real threat, construction of Wangwaci dam will create at least 40,000 job opportunities compared to now which are less than 17,000. Job security is a key element in every work.

This will be guaranteed since it is a long-term employment. Revenues earned by farmers are what they use to run their lives financially.

In the year 2020-2021 farmers in this area earned a revenue of Ksh. 153,600,000. By the year 2026 they will be earning Kshs. 307,200,000 annually.

Ilpolei dam which right now has no economic activities taking place is expected to create more than 900 job opportunities once the project is implemented through the infrastructure bond.

This dam will help farmers with water for production since its capacity will increase from 5000 m³ of water to 92000m³.

Almost 20 acres of land will have water for irrigation.

Farmers around this area will have an annual income of almost two million.

Since there have been no economic activity around this dam there is currently no income witnessed.

There will be an increase in gross domestic products of almost two billion around these two dams; Ilpolei and Wangwaci.

Investors Already Pitching Tent in Rumuruti after Major Facelift

By Jackline Mariga

Rumuruti has a mixed economy based mainly on trade, agriculture, transport, and services with livestock as the town's economic mainstay. Rumuruti town has received total transformation in terms of its look.

Previously the town was not that attractive due to poor infrastructure especially poor road networks within the town centre.

The main aim is to improve the livelihood of Rumuruti residents by providing quality and substantial services, creating and enabling environment for business investment and promoting equity and cohesion. This has been achieved through the Smart Town Initiative.

County governments have limited funds to undertake many projects at the same time hence slow development. This is not the case in Laikipia because H.E Ndiritu Muriithi understood the problem and came up with a solution, infrastructure bond. The change has brought attractiveness in this town.

Every investor is willing to invest in a place where there is good infrastructure. After the transformation Rumuruti town is receiving many investors.

This in turn helps in the growing of the economy of these emerging towns as investments increase.

It was hard for Rumuruti residents to operate their business due to poor roads and sewage systems. Right now Rumuruti is one of the towns with the best drainage systems. Initially during the rainy seasons Rumuruti traders did not open their businesses.

Market street which is about 135 metres is one of the most commonly used roads has been gravelled and constructed with cobble stones. More connection roads worked on under this program in this town are; Solomon Kiguru street and Kihika Kimani road. More have received transformation, for example Govern-



Market day in Rumuruti town

ment Road (parking), Nyamakima street, Market street, Buffalo street

The population is increasing at a high rate in this town. The good thing is that the increase is positive since there are more businesses around this place. Job insecurity has been a challenge nationwide. It has been noted that after the transformation more investments have taken place in this area creating more than 2,000 business opportunities.

The building of a market in this town has been of great help to business people and farmers. There have been complaints of produce losses in this place. Rumuruti town is at the central point of Laikipia county, initially there was no market but right now the results of a good market are being felt. People move from different locations to go to Rumuruti Market, where there

is a lot of business going on.

There are roads in this town that were not only in a poor condition but inaccessible, Buffalo road is one of them. Today it is one of the best roads here after being tarmacked. More than 600 metres have been tarmacked under this project.

Streets lights have been installed in this town, people can continue with their business even at late hours hence more production hours. Lighting is an important aspect and relates with security. It is now more secure for people who own businesses in this area to operate at night. There were cases of theft before the installation, a thing now of the past.



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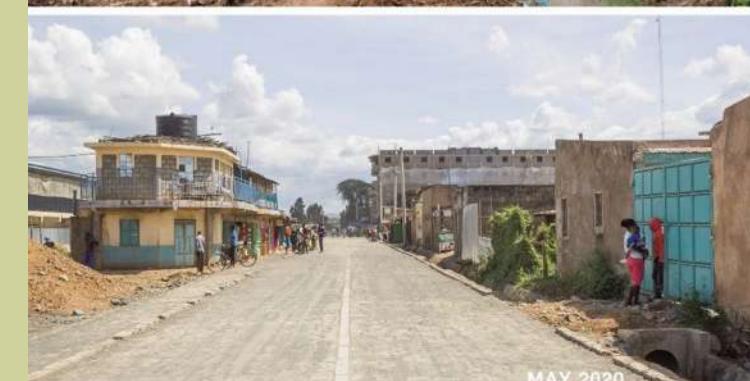
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From Fresh Milk Vending, Nina Yoghurt Boasts wide Products Range



By Janet Wambaki

Kiama Enterprises is a dairy processor based in Nanyuki, Laikipia that specializes in yoghurt production.

Its yoghurt products are in various flavours like fruit yoghurt, chia yoghurt, Greek yoghurt and pro biotic yoghurt, lemon grass and rosemary.

It also produces other dairy products such as ghee, sour cream, fresh cream, double cream, mozzarella, cream cheese and butter.

The company which was launched in 2009 initially started as a dairy- selling fresh milk. It acquired its name from the company's director, Peninah Wangeci.

The firm was a small-scale enterprise distributing milk in small cups around Nanyuki. The decision to expand to other milk products came about because they wanted to add value to the milk they were selling to consumers.

Fresh milk market was deteriorating and so the director has to devise a new way of staying relevant in the competitive dairy market.

"Thinking beyond selling milk by adding value to the milk, thinking of what more you can make from the milk, was a wise move. That's how we came up with skimming the milk to make other products like milk, butter and other milk products," says Ms Vivian Muteithia, the company's Administrator.

The company's base of operations is in Nanyuki because the officials felt the need to grow the region through employment and introduction of manufacturing company to promote industrialization.

They have their roots in Nanyuki hence a way

of giving back to the community.

The business has created 25 job opportunities for people from all parts of the country, especially in Laikipia and neighboring counties such as Nyeri, Isiolo and Meru.

What makes Nina's unique from all other dairy processors in the region is that they make their products preservatives-free and natural.

Kiama joined Laikipia County Innovation Programme in March 2019, a step that helped break even after venturing into new markets beyond Laikipia.

Their marketing strategies include attendance of symposiums and expeditions such as the annual African Industrialization Week 2021, social media sites and sales people located vastly around the country. Their target market is mainly retail shops, bakeries, those who have milk products prescribed to them by doctors.

Nina's has worked with Kenya Industrial Estate which helps them market their products, introducing them to expeditions and financial aid when needed.

The fully registered enterprise boasts of good working conditions for their employees who are taken for medical check-ups every six months. Their products are tested biannually to en-

sure healthy consumption.

The venture is proud to say that milk vendors and farmers in th county have become more responsive in both production and distribution of milk to private businesses.

Packaging materials have been a hindrance to their business because of high taxation and high energy costs during production.

Ms. Muteithia defined a thriving business as one that sustains its products' quality over time despite competition pressures.

In Nanyuki, you can find Nina's at High Gate Building.

