

Press release: International Development Secretary: “We need new ideas to future-proof against Africa’s biggest challenges”

Penny Mordaunt visiting a UNICEF supported clinic in drought-affected Northern Kenya. Picture: Anna Dubuis/DFID

Penny Mordaunt has hailed the “incredible power of technology to deliver aid in new ways” on her first official visit to Kenya as International Development Secretary.

During her visit, Ms Mordaunt saw how UK aid is supporting vulnerable communities in the north of the country devastated by East Africa’s drought. In Kenya’s capital Nairobi, Ms Mordaunt also heard how UK support for innovative programmes is helping to create jobs for a rising population.

Ms Mordaunt was also in the country to hear from British businesses about how new technology has helped them tap into the Kenyan market. The UK is the fifth largest exporter of goods to Kenya and trade between the two countries is worth over £1 billion annually.

Innovative technology, supported by DFID, is helping Kenya build resilience to climate challenges, including drought, and to build a modern economy for the future.

During her visit the International Development Secretary:

- Saw how UK aid-supported research is helping to power low-cost insurance for livestock herders in drought-prone parts of Kenya. The research makes use of already existing satellite technology by NASA to provide images of vegetation cover. This ensures timely insurance pay-outs are made correctly and quickly if cover levels drop. DFID both backs the research and supports private sector insurers to provide it to local herders.
- Set out further UK aid support to the Hunger Safety Net Programme – an innovative cash-transfer scheme bringing together biometric technology and mobile money. This is helping more vulnerable households and supporting the Government of Kenya to own, manage and ultimately fund the programme. Ms Mordaunt also met some of the 100,000 households benefiting from the programme, and saw how cash transfers get aid to those who need it when they need it, achieving value for money by cutting excessive bureaucracy, avoiding duplication by aid agencies and reducing waste.

- Launched the second phase of Trade Mark East Africa. The landmark UK aid programme helps enterprise and creates jobs by breaking down barriers to trade. In Nairobi Ms Mordaunt saw how the first phase of the programme has cut customs clearance times – from an average of nine to two days – and reduced the cost of trading across the region with new cargo-tracking technologies and improved infrastructure. Ms Mordaunt heard from British business about how this technology has helped them enter the Kenyan market. She also announced the launch of a partnership programme, to support the Government of Kenya on urban economic planning and investment.

International Development Secretary Penny Mordaunt said:

I have seen how, in the face of East Africa's devastating drought, UK aid works and is saving lives.

But 2018 will bring more desperate weather conditions to the region. This is a stark reminder that we need to back new ideas to future-proof against the biggest challenges in Africa.

Here in Kenya technology is delivering UK aid in new ways, from innovative cash transfers using biometrics, through to trade technologies that support economic growth, jobs and investment.

It is in all our interests that we harness the best of British innovation with African entrepreneurialism – to create jobs, defeat poverty, and support our future trading partners, as we work towards a shared prosperous future.

While in Kenya Ms Mordaunt also visited a UNICEF supported clinic and pledged further DFID support from the crisis reserve to provide urgent cash transfer assistance to 71,000 families in Northern Kenya with severely malnourished children and pregnant and breastfeeding women.

Ms Mordaunt's visit to Kenya comes ahead of the Commonwealth Heads of Government Meeting, taking place in London in April this year. The summit will bring together heads of government to discuss reforming and revitalising the Commonwealth, and establishing it as a modern organisation that is responsive to the global challenges we face today and in the future.

Notes to editors:

Trade Mark East Africa II

The UK is making major improvements to trade infrastructure through the next phase of the Trade Mark East Africa (TMEA) programme.

In East Africa, trade is constrained by the high cost of importing and exporting. High costs are caused by poor transport infrastructure, limited expertise in public and private sectors, and the persistence of non-tariff

barriers along the main trade routes.

During Phase 1 of TMEA:

- 6 border posts have been rebuilt and are now operational. Transit time at these border posts has been halved.
- Red tape has been cut through technology and simplifying paperwork. Tanzania food permits which used to take 65 hours now only take 2.
- Unnecessary bureaucracy has been reduced. 80 of the most traded locally-produced goods in the EAC now have harmonized standards. For example, maize traders can now sell across East Africa without costly re-testing. Consumers enjoy lower prices, and are assured of food safety.
- Infrastructure projects in Dar es Salaam and Mombasa ports are progressing, reducing time to clear and export goods by around half.
- Travel time along the major corridors, from Kigali to Mombasa port, and from Bujumbura to Dar es Salaam, has fallen by 16.5%, despite increased trade and traffic.

The UK is significantly scaling up its support to trade and regional integration across East Africa, now providing a total of £211 million to the second phase of TMEA. This will increase sustainable and shared prosperity in East Africa and specifically:

- invest in improving the efficiency and capacity of transport, logistics and trade infrastructure at key port and border points
- invest in systems to improve trading standards, reduce non-tariff barriers and enhance transparency in trade processes
- improve the regulatory and policy environment for trade
- support private sector advocacy for trade competitiveness, the export capacity of East African businesses and the greater participation of women and small and growing businesses in trade.

Hunger Safety Net Programme

Between 2007-2017 the UK committed £143 million to the Hunger Safety Net Programme (HSNP) to:

- deliver timely and predictable cash transfers to over 100,000 households (approximately 600,000 people) to help the most vulnerable households cope with shocks such as drought and floods, whilst reducing the need for expensive humanitarian responses.
- provide technical expertise and project management to strengthen the Government of Kenya's ability to fully own, manage and fund the HSNP.

Every two months approximately £40 is transferred to recipients' bank accounts. Per household, only one member can be registered as a HSNP recipient. Recipients, who have already been pre-assessed as vulnerable and qualifying for payments, go to their local payment agent to collect their payment. Payment agents scan the finger prints of recipients before payments can be withdrawn from their account, to ensure the right people are reached, and to protect against fraudulent collection of support, so that every penny of UK aid goes towards the vulnerable people that need help the most.

The announcement today is a one year £19.8 million extension (April 2018-March 2019) to the current phase.

The HSNP is co-financed by the Government of Kenya and implemented under by the National Drought Management Authority.

£10 million crisis reserve funding

This assistance is delivered by the UN World Food Programme (WFP) over a three-month period (Dec 2017 – Feb 2018) to about 71,000 families (425,000 individuals).

The intervention is intended to improve the nutrition status of malnourished children and pregnant and breastfeeding women by:

- reducing sharing of nutrition commodities meant for treatment of acutely malnourished members within families
- improving utilisation and coverage of nutrition services and the effectiveness of nutrition treatment
- stabilising and improving food and nutrition security of the most at-risk families.

Sustainable Urban Economic Development partnership programme

This £60 million programme will run until 2022, supporting up to ten rapidly urbanising towns in Kenya with urban economic planning, investment climate reforms and attracting private sector investment.

The UK has also invested £8 million through the World Bank to assist the Government of Kenya in the development of more Special Economic Zones, private-public partnerships and select counties on doing business reforms.

This programme will also support urban planning in response to the new Government of Kenya's focus on improving access to affordable housing.