



# Q1 E-bulletin 2021/22

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








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## SYMPTOM CHART: WHAT TO WATCH FOR

SOURCE: WORLD HEALTH ORGANISATION, CENTERS FOR DISEASE CONTROL AND PREVENTION

	<b>CORONAVIRUS</b> Symptoms range from mild to severe	<b>COLD</b> Gradual onset of symptoms	<b>FLU</b> Abrupt onset of symptoms
 <b>Fever</b>	Common	Rare	Common
 <b>Fatigue</b>	Sometimes	Sometimes	Common
 <b>Cough</b>	Common (usually dry)	Mild	Common (usually dry)
 <b>Sneezing</b>	No	Common	No
 <b>Aches &amp; Pains</b>	Sometimes	Common	Common
 <b>Runny or snuffy nose</b>	Rare	Common	Sometimes
 <b>Sore Throat</b>	Sometimes	Common	Sometimes
 <b>Diarrhea</b>	Rare	No	Sometimes for children
 <b>Headache</b>	Sometimes	Rare	Common
 <b>Shortness of breath</b>	Sometimes	No	No

**EXPRESS**

# The Economic Outlook

Despite turning out better than expected, growth in 2020 is estimated to be the worst on record, at -1.9 percent, leading to a large increase in poverty. In 2021, the region's economy is expected to resume expansion at 3.4 percent, weaker than the 6 percent for the rest of the world, amid a continued lack of access to vaccines and limited policy space to support the crisis response and recovery. Macroeconomic policies will in many countries entail some difficult choices.

Saving lives remains the first priority, which will require access to affordable vaccines, ensuring that the logistical and administrative prerequisites of a vaccination rollout are in place, targeted containment efforts, and added spending to strengthen local health systems. The next priority is to unlock the region's potential by creating more fiscal space and implementing transformative reforms. These include mobilizing domestic revenue, strengthening social protection, promoting digitalization, and improving transparency and governance. Countries will also have to consolidate their fiscal positions to bring debt back on a sustainable footing. Such measures will help lift longer-term growth and provide opportunities for the region's new job seekers.

The international community has a key role to play by ensuring more equitable and quicker access to vaccines and other medical products; and by providing low-income countries the external funding needed to pursue the policy priorities sketched above and avoid long-term scarring.

The world remains in the grip of the COVID-19 pandemic and a seemingly accelerating pace of climate change, both of which underscore the need for increased global cooperation and dialogue. Solutions to these global problems must involve all countries and all regions, especially sub-Saharan Africa, with the world's least vaccinated population, most promising renewable energy potential, and critical ecosystems. Sub-Saharan Africa's economy is set to expand by 3.7 percent in 2021 and 3.8 percent in 2022. This follows the sharp contraction in 2020 and is much welcome, but still represents the slowest recovery relative to other regions.

According to the African Development Bank, Kenya's economy is projected to grow by 5.0% in 2021 and 5.9% in 2022. The rebound assumes that economic activity will normalize due to a full reopening of the economy, the Economic Recovery Strategy being successfully implemented, and Kenya capitalizing on an expected improvement in external liquidity and benefiting from initiatives to meet its external financing needs. The external initiatives could include debt refinancing, restructuring and debt service relief, and additional concessional loans. Inflation is projected to remain within the Central Bank of Kenya's target range of 2.5% to 7.5%, and fiscal and current account deficits are forecast to narrow as a result of improved revenue collection and exports. Downside risks to the outlook could emanate from delays in the full reopening of the economy, failure to secure external financing to execute the budget, a slowdown in global growth, and disruptive social conditions during the run-up to the 2022 elections.

# Kenya`s Budget 2021/22 – Allocation to Agriculture Sector

Kenya`s 2021/22 budget has prioritized a stimulus for economic recovery and the implementation of the Big Four Agenda and the creation of a suitable environment for economic recovery.

The agriculture sector, which has received a slightly bigger share of the budget, remains vital to the country`s economic recovery strategy. The sector contributes thirty-four per cent to the GDP. It has also recorded a relatively stronger performance than other sectors of the economy that have been adversely affected by the pandemic.

According to the Economic Survey 2021, activities related to Agriculture sector were more vibrant in 2020 than in 2019 but the sector`s exports were negatively impacted on by contraction in global demand. Real gross value added of the sector grew by 4.8 per cent in 2020 compared to a revised growth of 2.6 per cent in 2019. This was mainly on account of favorable weather conditions in 2020 which improved production of food crops such as beans, rice, sorghum and millet. However, the output of some key food crops was notably lower than the projected production partly due to underperformance of the short rains as well as reduced demand from restaurants and learning institutions that remained closed for significant part of 2020.

The sector still faces challenges that call for increased investments by the government and private sectors. In 2020, widespread flooding damaged cropland and increased post-harvest losses. Also, desert locust infestations in arid and semi-arid areas destroyed about 175,000 hectares of crop and pastureland. This affected the livelihoods of nearly 164,000 households.

The budget has allocated 2.4 per cent to agriculture to be administered by the central government, an increase on last year`s 2.2 per cent allocation. In addition, due to the devolved governance system in Kenya, further public investments in the sector will be made by county governments.

The budget allocated to county governments is 12 per cent of the total budget. In the past, county governments have allocated an average of 6 per cent of their budget to agriculture. Therefore, the combined investment by the government in the sector is expected to be about 3.2 per cent of the total budget. The total funding is still below the commitment of various countries in the Maputo Declaration 2003. The Declaration contained several important decisions regarding agriculture, but prominent among them was the “commitment to the allocation of at least 10 percent of national budgetary resources to agriculture and rural development policy implementation within five years”.

This year`s agriculture budget has allocated funds more equitably across sub-sectors. Money will be provided for programmes that promote resilience against climate change and variability. There`s also funding to enhance productivity and incomes for smallholder farmers through provision of subsidized inputs.

The 2020/21 budget was constrained by a lack of liquidity as the government struggled to raise revenue amid the pandemic.

It is important to note that the government has in the past struggled to raise the taxes and we think that with the ongoing pandemic (COVID 19 - Omicron variant) these could be repeated this year.

## Digital device promises to save farmers millions

Kenya-based firm has invented a device that can detect crop diseases and pests early enough before it spread widely.

The invention is anticipated to save farmers millions of shillings used in diagnosis and preventions of such attacks.

The device leverages on data analytics, artificial intelligence and machine learning and has numerous small camera modules interfaced to a computer system.

The need to find a lasting solution to prevent prevalent destruction of crops by either pathogens, pests or delayed treatment of the disease is the main inspiration towards the innovation.

The camera system is programmed to capture imageries of crops in the field sporadically and process the images using advanced computer vision algorithms to determine the nature of infection or infestation of any pest.

The camera has a long footing usually put into the soil with the camera-ball interface over-looking the plants/farm to detect and predict crop diseases, pathogens and pests infections and sends an SMS alert to the farmers' phone

The device has a solar-powered camera that enables it operate even in rainy seasons. It possesses a power rotation capacity of 48 hours and it is capable of detecting crop pests and diseases at over 730 metres radius.

The camera has a long footing usually put into the soil with camera-ball interface overlooking the crop to detect and predict crop diseases, pests and pathogens infections and sends an SMS alert to the farmer's phone. This technology seeks to address the following problems:

- Delayed identification of crop diseases and pests' infestation
- Use of wrong chemicals and pesticides due to wrong identification of crop pests and diseases
- Application of wrong fertilizer due to incorrect prediction of diseases

Digital technology drives change on multiple fronts at accelerated rates by collecting, using, and analyzing massive amounts of machine-readable data about practically every aspect of the food system at nearly zero marginal cost. The data generated by the device will be circulated to government and non-government institutions to support in policy making. The device will also be sold to farmers or farmers groups and it is expected to start operating in 2022.

### Surveillance of coconut disease

The outbreak of coconut necrosis disease along Indian Ocean Coast has destroyed all the crops in Mozambique and continues to pose a great threat to the Kenyan coconut sector.

According to Theophilus Mutui, the managing director of Kenya Plant and Health Inspectorate Service (kephis), surveillance is ongoing to establish whether the deadly disease has arrived in the country.

The aim of the investigation is to stop and establish mitigation actions in the event of virus detection.

These measures put in place include uprooting and burning affected crops to curb the spread. Pests and disease invasion contributes to 40% crop losses thus affecting food security in the country.

Several crops are wasted through disease and pest attack and this can be lowered to 20% through putting into place various mitigation measures.

*Coconut plant attacked by necrosis virus*



### Kalro bets on quality potato seed to boost yield in Syngenta deal

Kenya Agriculture and Livestock Research Organization is liaising with Syngenta foundation to produce high quality and certified potato seeds to raise production five times to 10 million tonnes yearly.

The aim of the program is to increase availability and accessibility of high-quality certified potato seeds to small scale farmers by 25% through capacity building of commercial seed growers and increased seed field bulking.

For several years, many high-end chain restaurants in Kenya have been relying on imported potatoes from as far as Egypt and South Africa to meet their needs since the locally produced potatoes do not meet their standards.

Provision of certified seeds to potato farmers in Kenya will increase local production. The move targets to distribute 240, 000 high yielding potato tubers to small scale farmers in potato growing areas with the aim of increasing production from the current 2 million tonnes to 10 million tonnes.

The high breed potato variety has a potential to produce up to 180 bags of 50 kg per hectare compared to traditional variety which produces only up to 40 bags on average.

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