

## DRIVE, a visionary leap for rural economies.



**Hon. Dr. Sakwa Bunyasi**  
Chairman of the KDC Board

The growing recognition of pastoralism as a valuable asset to the Kenyan economy is a significant development in the country's approach to sustainable development.

Over the past two decades, there has been a shift in perspective, with a realization that pastoralism holds immense potential for economic growth and environmental sustainability.

The launch of **De-Risking, Inclusion, and Value Enhancement for Rural Economies in the Horn of Africa (DRIVE)**, is perhaps the biggest step we have ever taken as a nation to create new opportunities, empower pastoralists communities and foster the resilient thriving economies of Arid and Semi-Arid Lands (ASAL) regions. This goes hand in hand with Kenya Kwanza's manifesto of the bottom-up approach which seeks to ensure no one, no community is left behind.

## Investing in the resilience of pastoral communities



**Norah Ratemo**  
Ag. Director General, KDC

For centuries, pastoralism has been a traditional way of life for many communities in Kenya. Long before colonialism and even independence, pastoralism had been the most viable production system in drylands.

Today, over 29 counties in Kenya are classified as Arid and Semi-Arid Land (ASAL) counties. And the mainstay in these counties is pastoralism, subsequently their contributions to the national economy cannot be underscored. These counties, however, continue to face perennial erratic weather including reduced amounts of rainfall, rise in temperature and prolonged and frequent periods of drought, and in some instance instances of flash-flood leading to the animals being drowned; while the occurrence of severe and recurring drought periods leads to a scarcity of both forage and water, which ultimately leads to starvation and malnutrition among the cattle.

Locally in Kenya, we are confident that the project will enable us to address the pressing challenges faced by the communities in the ASAL areas and foster inclusive and sustainable development. Therefore, we are happy to embark on this journey to bring about lasting change, uplift livelihoods, and empower our pastoralists, enabling them to contribute significantly to economic development and nation-building.

Across the country, we are blessed with abundant natural resources, fertile lands, and resilient communities. However, parts of the nation are faced with harsh climatic conditions. The communities living in those areas have endured the burden of poverty and limited opportunities for far too long. The launch of DRIVE Project marks a turning point in our collective efforts to unlock the true potential of these parts of the country and for the pastoralists and bridge the gaps that have hindered their progress for generations.

The key pillars of DRIVE encompass de-risking, inclusion, and value enhancement. We recognize that pastoral communities face many challenges, including limited access to finance, inadequate infrastructure, and a lack of market linkages. We aim to de-risk these economies through strategic partnerships and collaborative endeavors by providing targeted financial support, improving infrastructure connectivity, and promoting sustainable agricultural practices.

In essence, the negative impact of climate change has a converse relationship with production for the pastoralists. Considering the wide array of detrimental effects that climate change and extreme weather events have on cattle production, it is imperative to acknowledge the significance of climate change implications. This acknowledgment is crucial to safeguard the enduring survival and sustainable future of pastoralist communities in the long run.

Beyond vulnerability to climate change, pastoralists often experience cycles of poverty, food insecurity, and limited access to markets. This calls for a multi-dimensional approach to address these challenges holistically. The De-Risking, Inclusion, and Value Enhancement (DRIVE) project offers a viable way out for the pastoralists. The project supports the provision of financial de-risking in anticipation of drought (i.e., insurance and financial services) for the main asset of pastoralists livestock to allow them to invest in their herds. Furthermore, it will better connect pastoral production groups with markets, support trade infrastructure for cross-border and small-scale trade, and strengthen capacity to meet international standards requirements.

By investing in the resilience of these communities, we are confident that we can unlock their potential and create a sustainable pathway for their survival and also ensure their contribution to the broader economy.



Inclusivity lies at the heart of DRIVE. We firmly believe that every individual, regardless of their gender, age, or socio-economic background, deserves equal opportunities for growth and prosperity. Our initiative will actively promote gender equality, youth empowerment, and the inclusion of marginalized communities. We will ensure that no one is left behind by creating an enabling environment that fosters entrepreneurship, education, and skills development.

We will work hand in hand with pastoralists, cooperatives, and entrepreneurs within the livestock value chain to enhance productivity, improve value chains, and promote market access for our livestock and livestock products. By promoting value addition, we aim to unleash the true potential of the rural economies in Kenya.

It is worth noting that the success of DRIVE hinges upon collaboration and collective action. We are deeply committed to forging strong partnerships with the ASAL County governments, international organizations,

private sector entities, civil society organizations, and local communities. By pooling our resources, expertise, and ideas, we can create a synergy that will amplify the impact of our efforts and accelerate the pace of development.

Furthermore, our deepest gratitude goes out to His Excellency the President of the Republic of Kenya Dr. William Samoei Ruto for his blessing and facilitation of this programme. Further, I extend my acknowledgment to our esteemed partners including the State Department for Livestock Development, ZEP-RE (PTA Reinsurance Company), World Bank who have played a pivotal role in making this initiative a reality.

I call upon each of you to join hands with us on this transformative journey. Together, we can create a future where our pastoralists thrive, poverty is eradicated, and sustainable development is a reality. Let our shared vision, determination, and unwavering belief in the immense potential of our country drive us.



The project has two main components:

1. De-risking pastoral production through a package of financial services for climate resilience and
2. Promoting livestock chains through trade facilitation and private-sector support.

KDC which has a heritage of creating, nurturing, and growing commercial and industrial enterprises in Kenya for over 65 years will oversee component two of the Drive project which is about value chains and trade facilitation. This component aims to enhance the competitiveness of the livestock value chains and support

access to local and international markets by facilitating livestock trade across the HOA countries and mobilizing private investments.

This will be done through upgrading quality infrastructure, trade facilitation, and trade logistics, facility to de-risk private investment in the Livestock Value Chain and support local productive capacities.

As we launch this project, we are buoyant that by investing in pastoral communities and supporting their efforts to adapt to climate change and other challenges, Kenya can build a more resilient and inclusive economy. This will benefit not only pastoral communities but the entire country.