Annual Report to Parliament

on the

State of National Security

by

His Excellency Hon. Uhuru Kenyatta, C.G.H.
President of the Republic of Kenya and Commander-in-Chief
of the Defence Forces

May, 2018

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LIST OF ABBREVIATIONS

AML/CTF	Anti Money Laundering/Combating Financing of Terrorism
ARCS	Agreement on Resolution of Conflict in South Sudan
AU	African Union
AMISOM	African Mission on Somali
ASF	African Standby Force
BCOCC	Border Control and Operations Coordination Committee
BMC	Border Management Committees
BMS	Border Management Secretariat
CBA	Collective Bargaining Agreement
CBRN	Chemical, Biological, Radiological and Nuclear Attacks
CCTV	Crossed Circuit Television
CGPCS	Contact Group of Piracy off the Coast of Somalia
CT	Counter Terrorism
CTP	Cash Transfer Programme
CTR	Cash Transaction Reports
CVE	Countering Violent Extremism
EACC	Ethics and anti-Corruption Commission
EEZ	Exclusive Economic Zone
FNMS	Foreign National Management System
FRC	Financial Reporting Centre
GSU	General Service Unit
ICGLR	International Conference in Great Lakes Region
ICJ	International Court of Justice
ICT	Information, Communication and Technology
IEDS	Improvised Explosive Devices
IGAD	Inter-Governmental Authority on Development
IOC	Indian Ocean Commission
IOM	International Organization for Immigration
ISIS	Islamic State in Iraq and Syria
ISS	Integrated Security System
ISPS	International Ship and Port Facility Security
JKIA	Jomo Kenyatta International Airport
JOC	Joint Operation Centre
KDF	Kenya Defence Forces
KMC	Kenya Meat Commission

KRA	Kenya Revenue Authority
KPA	Kenya Port Authority
KWS	Kenya Wildlife Service
LEA	Law Enforcement Agencies
MANPADS	Man-Portable Air Defence System
MOD	Ministry of Defence
MRC	Mombasa Republican Council
NAVSEC	National Aviation Security Committee
NCPB	National Cereals and Produce Board
NCSS	National Cyber Security Strategy
NCTC	National Counter Terrorism Centre
NDMA	National Disaster Management Authority
NGOs	Non-Governmental Organization(s)
NIS	National Intelligence Service
NSCVE	National Strategy for Countering Violent Extremist
NYS	National Youth Service
ODPP	Office of Director of Public Prosecution
OSBP `	One Stop Border Post
PISCES	Personal Identification Secure Comparison Evaluation System
POCAMLA	Proceeds of Crime and Anti-Money Laundering Act
POE	Point Of Entry
POI	Persons of Interest
PSSM	Physical Security and Stockpile Management
RADAR	Risk Assessment and Decision making and Response
RPM	Radioactive Portal Monitors
RSD	Refugee Status Determination
RTA	Road Traffic Accidents
SGI	Security Governance Initiatives
SLDF	Sabaot Land Defense Forces
SOPs	Standard Operating Procedures
UNHCR	United Nations High Commission for Refugees
UNSCR	United Nations Security Council Resolution

EXECUTIVE SUMMARY

Kenya continues to make commendable strides in national development guided by our national values and principles of governance which are anchored in Article 10 of the Constitution. This has impacted on the social, political and economic lives of our population. Our aspiration remains to achieve a strong socio-political and economic environment for a stable and cohesive society. Integral to this, is our ability to protect Kenya's sovereignty and territorial integrity.

The commitment of the Government to provide a secure environment remains our core obligation. In the year under review, the country experienced relative calm as a result of appropriate and timely mitigation measures, multi-agency approach to security and enhanced citizen participation.

Successes were witnessed in many areas, key among them overseeing peaceful general elections, meeting regional and international security obligations, ensuring national security and territorial integrity. However, a number of internal and external challenges were experienced, which included terrorism, food shortage, cyber-crimes and road traffic accidents.

Terrorism is a global concern and overcoming it requires cumulative efforts of the state and other stakeholders. To address this threat, the Government put in place several counter measures which have consequently made significant progress in the fight against terrorism, radicalization and countering violent extremism.

On food security, the drought and army worm invasion experienced during the period under review diminished our strategic food reserves. This was compounded by the over reliance on maize as a staple food. Kenya has for a long time relied on rain-fed agriculture which is vulnerable to erratic weather patterns. In a bid to address resultant food shortage the Government continued to invest heavily in irrigation projects with Thiba and Thwake dams being set up to compliment other programmes such as the Galana-Kulalu project. In the short term the Government introduced maize flour subsidy programme to cushion citizens from effects of rising food prices.

With regard to cyber security the increasing adoption of ICT in the era of globalization has brought with it attendant opportunities and challenges. The Government, the private sector and corporate bodies, in particular financial institutions have increasingly moved their operations to ICT platforms. Even as the Government and other stakeholders partner to review and enhance policies and guidelines, cyber threats and cyber-

related crimes were witnessed denying the country financial opportunities and resources.

Transport safety remained a key concern for Government as people and goods move through transport networks and systems to drive the economy. During the year under review the country saw a slight reduction in incidents and fatalities arising from traffic road accidents. Analysis showed that human error remained the main cause of these accidents and as such the Government has put in place measures among them enhanced training for drivers and redesigning the country's road network starting with sections that were identified as black spots.

In relation to labour issues, the protracted labour disputes affected the economy and denied Kenyans the much needed services in the aviation, health, education and tea sectors. The signing of Collective Bargaining Agreements and their subsequent implementation in some of the affected sectors helped avert further crises. The Government supported the initiatives by devolved Government units and relevant stakeholders to address the labour disputes. The Government will continue to review labour relation policies in line with best practices to avert future disputes

Going forward the Government will build on the successes achieved while optimizing on lessons learnt to guarantee a safer and cohesive society. This will be achieved by enhancing capacities of security agencies; strengthening regulatory procedures through reviews and alignment with best practices while at the same time augmenting citizen resilience.

INTRODUCTION

1. Article 240 (7) of the Constitution of Kenya and Section 16 of the National Security Council Act, 2012 requires that an annual report on the state of National Security be presented to Parliament. It is against this backdrop that this 5thAnnual State of National Security report is presented.

2. In ensuring sustainable security, the responsibility lies not only with state security agencies but also with all Kenyans. This is because National Security is a sum product of individual and collective participation of all internal and external stakeholders. The high state of preparedness by security agencies; the enhanced multi-agency collaboration and the vigilance of all Kenyans in the year 2017 mitigated against external and internal security threats. This happened at the backdrop of the evolving global threat of terrorism; the electioneering period; resource-based conflicts, as well as the uncertain global and regional socio-political and economic environment.

3. During the period under review, the Government put in place dynamic measures to forestall internal security challenges emanating from isolated incidences of lawlessness, terrorism, inter-communal conflicts, organized crimes, cross border incursions as well as politically related violence. On the external fronts, the instability in some countries in the Horn of Africa region, the disruptive geo-political events in some parts of the world and the ongoing crisis in Middle East had attendant spillover effects on Kenya.

4. These measures included enhancing synergies amongst security agencies; reviewing of policies and regulations; leveraging on ICT; and, the participation of citizens in security management. This approach was aimed at holistic provision of human security to Kenyans. The success has so far been enormous and that the country together with the community of nations will continue cooperating in the fight against terrorism particularly emanating from Al-Shabaab and Islamic State in Iraq and Syria (ISIS) threat.

5. The Government acknowledges the direct support by citizens and other actors in addressing these challenges that faced the country during the period under review. These challenges revolved around the protracted electioneering period, incidences of terrorist attacks targeting security personnel and vital installations and traffic road accidents.

6. The Government reiterates its commitment to fulfill its constitutional mandate to provide Kenyans with a secure environment. This will largely be achieved through rallying all Kenyans towards nation building, patriotism and eternal vigilance. This will go a long way in the attainment of Vision 2030 and Sustainable Development Goals. Further, this will consequently support the key priority areas in the next five years namely: expansion of manufacturing; affordable housing; affordable healthcare; and, food security.

TERRORISM

7. Terrorism and violent extremism remained key security threats to Kenya's National Security. This is largely attributed to the country's proximity to Somalia, our strategic position as regards to global fight against terrorism and Western interests in the country. It emanates from the Al-Shabaab and the Islamic State in Iraq and Syria (ISIS) have heightened their hostile operations in the region. These activities are geared towards undermining Kenya's economic development, inter-faith harmony, social cohesion and political stability, particularly in parts of North Eastern and Coastal regions. At the same time, some few elements of Jaysh Ayman (Al Shaabab affiliate) heightened its activities within Boni forest in Lamu.

8. Some of the manifestations of the threat include: continued mobilization, deployment and concentration of Al-Shabaab militants along the Kenya-Somalia border as they seek to infiltrate the country for attacks. Furthermore, they remain keen on recruitment and radicalization of youth into the terror groups, through internet platforms, among others, while utilizing returnees (sleeper cells) to perpetrate attacks in the country. The threat is also manifested in the growing inter-linkages between terrorism, organized crime and criminal groups thus undermining the war on terrorism and fuelling general insecurity in the country. Of concern is the focused targeting of security personnel and civilian populations, and communication infrastructure.

9. Terrorism continues to pose a major threat to our country's peace and security and seeks to undermine the core values of our Nation and our way of life. However, security agents have been deployed countrywide to detect, disrupt, deter and defeat terror threats. As security personnel track and pursue terrorists, the Government salutes the fallen heroes who died in the line of duty and recognizes the sacrifice our officers have borne in their endeavour to protect the motherland.

10. During the period under review, 80 cases of terrorism incidences were recorded, resulting to the overall death of 82 persons while 118 others were injured. In order to win the war against terror, all citizens are encouraged to continue sharing information with security agencies in confidence.

Counter-Terrorism Interventions

11. The sustained disruption of terror activities by the Government has managed to contain terrorist activities to only a few isolated and less populated areas. In addition to the efforts to dismantle terrorists' operational capabilities, the Government has increased its focus on prevention and reduction of the incentives of radicalization and violent extremism. In this regard, the Government has put in place a number of interventions that are multi-dimensional and multi-sectoral in nature in a bid to stem the threat of terrorism. These include;

(a) Intensifying public sensitization on counter-terrorism measures and the rule of law.

(b) Enhancing the implementation of Citizen Participation in Security through "Nyumba Kumi" initiative,

(c) Enhancing deliberate efforts to encourage Kenyans to positively engage in Counter Terrorism (CT) and Counter Violent Extremism (CVE) as owners and participants in protecting their families and the country, which includes;

    (i) Conducted nationwide CVE media outreach including live broadcasts, truck road shows.

    (ii) Engaging political and religious leadership on support for CT programmes,

(d) Co-ordination of national CT efforts through;

    i. Development of Standard Operating Procedures (SOPs) for Joint Inter-Operability amongst CT multi-agency stakeholders that is operational particularly in the Boni Enclave Campaign amongst other theatres of operation in the North Eastern and more recently during the *Operation Ondoa Ugaidi*.

    ii. Development of Risk Assessment and Decision making and Response (RADAR) tool to assist relevant Ministries Departments and Agencies (MDAs) to effectively and efficiently receive, process and assess

incoming Persons of Interest (POI) and violent extremist suspects

iii. Development of a database whose initial focus will be on case management system for risk assessments, disengagements, rehabilitation and aftercare.

iv. The Disengagement and Rehabilitation programme is ongoing and closely coordinated through multi-agency and stakeholders' collaboration to effectively disengage and rehabilitate POI and returnees.

v. Participating in regional and international initiatives under IGAD, ICGLR and the AU to reinforce other National and multilateral efforts to counter national, regional and global security threats.

vi. The United States Government through Security Governance Initiative (SGI) provided initial support to the Government to counter violent extremism. In December 2017 the Government participated in SGI partners meeting of six African Countries in Accra, Ghana which was aimed at strengthening collaboration among partner states in combating terrorism.

vii. Continues to engage in stabilization operations in Somalia through AMISOM. The operations are meant to contain terrorism activities and enhance the country's self-governance and by extension enhance Kenya's national security.

viii. Sustained disruption of the terror networks operating within Boni forest under *Operation Linda Boni* which has now been scaled up into the long term *Boni Enclave Campaign*. Out of these efforts, suspects from different nationalities have been arrested and some of their equipment intercepted.

ix. Enhancing the physical border security between Kenya and Somalia through the ongoing border fence construction and continuous surveillance to deter entry of terrorists and contraband goods.

x. Sustaining programmes, projects, initiatives and reforms aimed at addressing the underlying factors and conditions that breed terrorism, radicalism and general criminal activities.

xi. Civilian-Military Cooperation (CIMIC) activities and projects to win hearts and minds of the population in the affected areas.

xii. Deployment of extra security personnel along the border counties as well as recruitment of additional National Police Reserves (NPRs) who are well versed with the local terrain.

xiii. Enhancing youth employment programs targeting areas where youth are vulnerable to radicalization.

xiv. The National Strategy for Countering Violent Extremism (NSCVE) is undergoing review to identify gaps therein. The cardinal objective is to produce a nimble and more coherent edition that includes monitoring and evaluation tool.

ORGANIZED CRIMINAL GROUPS

12. Security agencies have continued to contain the activities of organized criminal groups that are a threat to national security. Majority of these groups operate within the urban environment while others operate in rural settings. In Nairobi, criminal groups like 40 Brothers, Gaza, Super Power, remnants of Mungiki, among others engage in extortions, muggings, control of bus termini and peddling of drugs. In Mombasa groups like Wakali Wao and Wakali Kwanza were a cause of insecurity in the area. In Kisumu, the Marine and China boys continue to undermine security while in Bungoma, remnants of Sabaot Land Defense Forces (SLDF) showed slight re-emergence.

13. During the 2017 General Elections, some politicians sourced the services of some criminal gangs to target their rivals. Some criminal elements have infiltrated *Bodaboda* business particularly in urban settings taking advantage of the versatility of *Bodaboda* as a mode of transport. However, the Government security agents have contained these criminal groups. The Government identified and proscribed 105 Organized Criminal groups across the country.

CYBER CRIME

14. The rising use of computer applications in virtually every aspect of life has increasingly exposed individuals and organisations to cyber threats and cyber-related crimes. These security threats include hacking of technical infrastructure, fraud, espionage, cyber bullying and/or stalking, cyber terrorism, identity theft, malicious software,

hate speech and incitement through social media, theft of information and piracy.

15. The dynamic nature of technology and lack of adequate cybercrime legislation amidst the thriving growth of Information Communication Technology (ICT) sector makes the country a susceptible target to local and international cyber threats. These emerging technologies in ICT such as Internet of Things (IoT), Big Data, Machine to Machine Communications and Cloud Computing present a challenge in cyber security that requires heavy investment to secure. Currently, the sector has witnessed an exponential growth as follows:

(a)   37.4 million mobile phone subscribers, representing a mobile penetration of 89 per cent;

(b)   90.2 per cent of enterprises use internet while 88.4 per cent of employees use it for official purposes;

(c)   Over 68,000 registered Dot KE Domain Names;

(d)   Tremendous increase in the use of e-commerce platforms, with 62.9 per cent of enterprises engaging in the same.

16. Kenya has been a victim of various cyber-attacks targeting private and public sector financial infrastructure. The following were measures put in place;

(a)   Strengthening of multi-agency collaboration to enhance cyber security.

(b)   Implementing the National Cyber Security Framework to tame the constantly evolving cyberspace attacks.

(c)   Establishing the National Computer Incident Response Team and Coordination Centre which coordinates information flow and response to cyber-attacks.

(d)   Establishing National Public Key Infrastructure, a system for the creation, storage and distribution of digital certificates.

(e)   Developed the National Cyber Security Master Plan and Strategy, National ICT Master Plan, National ICT Standards and reviewed the Information and Communications Regulation Guidelines (2010).

(f)   Developed the Computer and Cyber Crimes Bill, 2017.

BORDER SECURITY

17. The porous land borders and the expansive coastline pose a security challenge to our territorial integrity. This has contributed to, among others, proliferation of small arms and light weapons, smuggling of contraband goods, piracy and illegal fishing on our territorial waters. Further, this has exacerbated movement of illegal immigrants and influx of refugees.

18. The Government has put in place the following measures;

   (a) Established more registration centers and vetting committees at border Counties and sub-counties to bring services closer to the citizens.

   (b) Continued digitization of personal records for ease of retrieval and facilitating linkages and real time access from any registration point and other user agencies.

   (c) An integrated perimeter security control of the airports through upgrading to include Intruder Detection Systems and Access Control.

   (d) Enhanced Inter-agency cooperation through such forums as Mitigation Steering Committee, Airport Aviation Security Committees, NAVSEC and Border Security Management Committees.

   (e) Operationalized Border Management Committees (BMC) at 31 Ports of Entry (POEs) as well as Joint Operations Centers (JOCs) at JKIA, Namanga and Kilindini.

   (f) Trained officers on issues of Human Trafficking prevention and Fraud Document Detection in partnership with International Organization on Migration (IOM).

   (g) Disbursed KSh. 60 million for development of Suam border point in Mt. Elgon and Lokiriama border point in Turkana.

   (h) Operationalization of the One Stop Border Posts (OSBPs) at Taveta, Lungalunga, Namanga, Busia, Malaba, Isebania and Moyale for a seamless clearance of persons and goods.

   (i) The development of the Integrated Border Management Strategy through SGI program in partnership with the US government.

(j)   Upgraded the Personal Identification, Secure Comparison, and Evaluation System (PISCES) for passenger clearance and management of watch list and prohibited immigrants.

(k)   Launched the Foreign National Management System (FNMS), a plat form for receiving and processing application for citizenship, permanent residency and passes, E-citizen passports, temporary permits and automation of visa application. The System has not only enhanced security but improved accountability in revenue collection and data integrity.

(l)   In September, 2017 launched the Passport Management Information System for processing and issuance of e-passports which has enhanced security features in our documents and mitigated against document/identity fraud.

(m)   Engaged neighboring countries through the Joint Border Commissioners/Administrators Committee to enhance cross border peace and security.

(n)   Established County and Sub- county ODPP offices in border counties to ensure expeditious prosecution of border related matters. The ODPP has also established a Prosecution Office at JKIA to prosecute all cases arising from criminal incidents/matters that occur at the airport.

(o)   Installed the Integrated Security System (ISS) in the Port of Mombasa in compliance with the International Ship and Port Facility Security (ISPS) Code which has boosted security and personnel capacity, access control, human and vehicle traffic management has become easier and more accountable.

(p)   Installed Radioactive Portal Monitors (RPMs) within Port of Mombasa and JKIA to ensure that they are free from smuggling of any radioactive material.

MARITIME SAFETY AND SECURITY

19.   Kenya has a long coastline which comes with its various opportunities and challenges. On the one hand it presents a huge potential for the development of the blue economy. On the other hand, terrorists, drug traffickers, pirates, illegal traders and illegal fishermen may take advantage of the numerous landing sites thus posing threat to maritime safety and security.

20. The measures undertaken by the Government to enhance maritime safety and security include;

(a) In its effort to protect the blue economy, the Government has adopted various initiatives including increased cooperation with international partners to boost and modernize its Maritime capabilities to be able to effectively dominate the Exclusive Economic Zones (EEZ). This is consistent with the AU Agenda 2063 on sustainable Development. The Government has strengthened and enhanced patrols and surveillance on a 24 hour basis to prevent illegal exploitation of resources and illegal trade while providing security along the Kenyan coast.

(b) Being a member of the Contact Group on Piracy off the Coast of Somalia (CGPCS) the Government will continue engaging in the regional maritime security programmes as well as cooperating with the Indian Ocean Commission (IOC) and networking with the international community through planning, coordination and steering the fight against piracy.

FOOD SECURITY

21. During the period under review, the country experienced erratic weather patterns occasioning prolonged drought in most parts of the country including the traditional food basket. Crop production was further affected by the Army Worm invasion resulting to an estimated 30per cent loss on maize harvest. As a consequence, the country depleted its strategic grain reserves leading to shortage and spiraling food prices.

22. The population estimated to be at risk increased from 1.2 Million people in July 2016, to 2.5 Million people in February 2017 and 3.5 Million people in September 2017 in most of the 23 ASAL Counties. In 2018 January to March the estimated population at risk is 2 Million people, a reduction from the 2017 figure of 3.5 Million. This is attributed to some slight improvements in local economies in Counties that received normal short rains in 2017.

23. Following the declaration of drought as a National Disaster, an Inter-governmental committee on drought and food security was formed to coordinate drought response activities both at the national and county levels. The Government implemented the drought response activities as tabulated below:

S/No.	IMPLEMENTATION PERIOD	FUNDING (KSh.)	INTERVENTION ACTIVITY
1.	Feb – Apr 2017	7.4B	Food, water, livestock support, health, nutrition, Peace and Security programmes
2.	Sept – Dec 2017	4.2B	
3.	Jan – Mar 2018	4.3B	

24. The Government put in place several other mitigation measures as follows;

    (a) Commissioned the construction of irrigation projects including the Thiba Dam in Kirinyaga County, and Thwake Dam in Makueni, Machakos and Kitui Counties aimed at alleviating the food security situation.

    (b) Disbursed funds from the Drought Contingency Fund (DCF) to all affected Counties amounting to KSh. 1.1 billion to support the livestock, water and nutrition sectors; Ksh. 6 billion for maize flour subsidy programme and KSh. 300 million to subsidize the cost of pesticides to combat the army worms invasion.

    (c) Availed subsidized fertilizers to farmers to lower production cost and boost yields.

    (d) Implemented the livestock off-take programme in Arid and Semi-Arid Lands (ASALs) through relevant stakeholders such as the Kenya Meat Commission (KMC).

    (e) Continued collaboration with other stakeholders in supporting the Communities affected by drought through a Cash Transfer Programme (CTP) to meet their immediate food, non-food, and income needs.

25. In addition, the Government will continue to build resilience among the communities through introduction of crops that are drought resistant and use of irrigation as one of the primary coping strategies. The Government is also encouraging sustainable use of ASALs such as keeping fewer but healthier livestock. Further, the Government is committed to fast tracking the completion of the above stated irrigation projects, establishing an effective pest and disease surveillance and response mechanisms; besides strengthening the strategic food reserves mechanisms to anticipate and respond effectively to the country's food requirements. The government, through the Ministry of Defence, is investing in a dry vegetable

factory to be located at Gilgil which will not only save farmers of vegetables from post-harvest losses that occur when they produce in excess of demand but will also contribute towards food security.

REFUGEES

26. Kenya hosts over 488,000 refugees mainly from Somalia, Ethiopia and Southern Sudan at Dadaab and Kakuma refugee camps and urban areas. Influx of refugees in the country is posing various security challenges which include terrorist recruitment, radicalization and proliferation of Small Arms and Light Weapons (SALW), human trafficking, and smuggling of contraband goods, abuse of asylum process, environmental degradation and double registration.

27. The Government has taken various measures to address refugee related challenges. The Government has taken over the Refugee Status Determination (RSD) and is in the process of taking over the handling of the database and the process from UNHCR. So far 76,000 refugees mainly from Somalia have been voluntarily repatriated while another 23,000 have been resettled in third countries.

28. Going forward, the Government intends to;

    (a) Embark on environmental rehabilitation in collaboration with the various County Governments.

    (b) Vet all double registered persons with a view of deleting them from either NRB or UNHCR data bases.

    (c) Deport all asylum seekers who have been rejected by RSD and refugees involved in criminal activities.

HUMAN TRAFFICKING AND SMUGGLING

29. Kenya has thirty-five (35) Gazetted Entry and Exit Border Points and is a hub in the region that attracts a large flow of mixed migration. Kenya is predominantly a country of source, destination and transit for human trafficking and smuggled migrants. The large presence of refugees also predisposes the country to human trafficking.

30. The following are measures taken by the Government to address human trafficking and smuggling:

    (a) Enhanced coordination of migration management and governance following the introduction of Global Compact on Migration.

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(b)   In partnership with the International Organization for Migration (IOM) established a National Coordination Mechanism on Migration (NCM) to coordinate the activities of all relevant stakeholders in the country.

(c)   Mapped key migration stakeholders among them non-state actors including the civil society, (NGOs, Faith Based Organizations (FBOs), academia and private institutions including schools that could add value to the global compact on migration.

(d)   Continues to be committed and engaged at the regional and international level to address the effects of human trafficking and smuggling.

(e)   Is finalizing the development of Kenya National Migration Policy aimed at harmonizing national migration governance regime.

(f)   Is working with private employment bureaus to educate labour migrants on the conditions of labour markets in the destination countries- mainly the Middle East.

(g)   Through the National Employment Agency the Government gazetted 45 employment agencies registered as per Section 35 of the Labour and Institutions Act.

(h)   Deployed labour attaches to its Embassies in the Middle East countries where domestic workers from Kenya have reportedly been abused and tortured.

(i)   Contributes to the Khartoum Process which is a platform for political cooperation amongst the countries along the migration route between the Horn of Africa and Europe which aims at:

    (a)   Establishing a continuous dialogue for enhanced cooperation on migration and mobility

    (b)   Identifying and implementing concrete projects to address trafficking in human beings and the smuggling of migrants.

    (c)   Giving a new impetus to the regional collaboration between countries of origin, transit and destination regarding the migration route between the Horn of Africa and Europe.

31. Cognizant of the reality that human trafficking and smuggling is a transnational organized crime, it is imperative that Kenya continues to co-operate and collaborate with the international community in addressing this problem especially the root causes. This calls for partnership with all stakeholders at the national, regional and international level. Towards these efforts the Government advocates for free movement of persons in the African continent and this has partly been realized through the use of identification cards and interstate passes in East Africa.

TRANSPORT SAFETY

Road Traffic Accidents

32. During the year under review, Road Traffic Accidents (RTA) continued to be a challenge in the country. Most of these accidents were attributed to human error notably speeding, lane indiscipline, reckless driving and driving under the influence of alcohol and other substances

33. Although there was a decrease in number of fatalities in the year under review as compared to the previous year, more efforts are still being implemented to reduce RTA. The tables below illustrate the comparative data on categories of traffic accidents and the gravity of injuries/fatalities in the years 2016 and 2017.

Table 1:   Category of Traffic Accident Victims in 2016 and 2017

SER	VICTIM	2016	2017	VAR	per cent VAR
(a)	(b)	(c)	(d)	(e)	(f)
1.	Pedestrians	1,097	1,060	-37	-3.4
2.	Drivers	351	314	-37	-10.5
3.	Passengers	723	773	50	6.9
4.	Motor Cyclists	722	715	-7	-1.0
5.	Pedal Cyclists	72	57	-15	-20.8
Totals		2,965	2,919	-46	-1.6

Table 2: Gravity of Injuries from Traffic Accidents in 2016 and 2017

SER	Intensity	2016	2017	VAR	per cent VAR
(a)	(b)	(c)	(d)	(e)	(f)
1.	Fatalities	2,965	2,919	-46	-1.6
2.	Serious Injuries	4,661	3,943	-718	-15.4
3.	Slightly Injuries	5,533	4,353	-1,180	-21.3
Totals		13,159	11,215	-1,944	-14.8

34. The figure below provides graphical represents the comparative monthly rates of traffic accidents in the years 2016 and 2017

Figure 1: Graphical Representation of Monthly traffic Accident Figures

	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
2016	488	588	489	485	453	444	407	406	362	365	368	442
2017	429	393	443	375	389	292	338	347	317	335	373	425
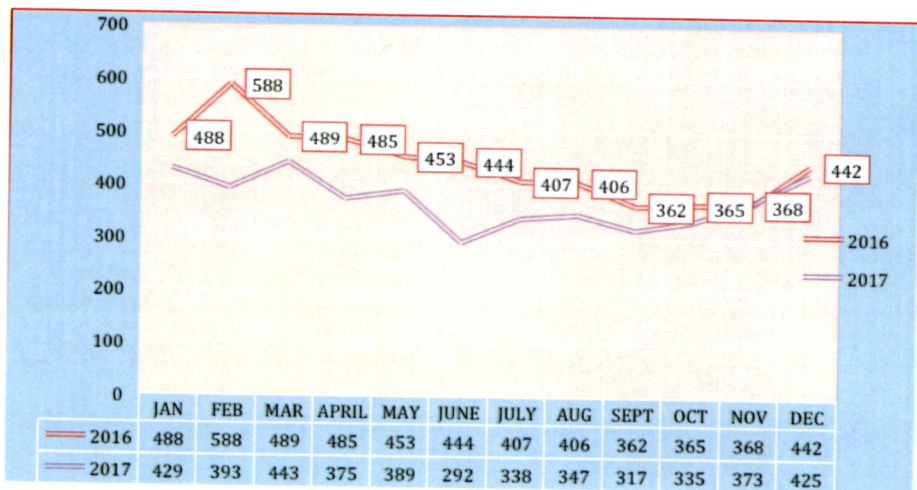
35. The stretch of road between Salgaa and Mau Summit has witnessed a significant number of crashes despite a number of interventions being undertaken. To enhance road safety along this particular section, the Government is undertaking the following measures;

(a) **Short Term:** Installing additional standard humps and rumble strips including road marking and signage.

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(b) **Mid Term:** Construction of three (3) Emergency Runaway Truck Rump, construction of lorry brakes temperature checking point and holding yard in Kibunja, construction of dual carriageway at the 10Km climbing lane section, widening of Nyanja/Kamarabridge, road marking with reflective cat-eyes and signage and repair and installation of guardrails.

(c) **Long Term:** Dualling of Nairobi — Nakuru — Mau Summit highway under Public Private Partnership Contract.

36. In addition, the Government has given a particular attention to the following RTA hotspots; Salgaa, Sachangwan, Migaa and Soysambu area in Nakuru County; Bonje area in Kilifi County; Manyani area in TaitaTaveta County; Lukenya and Maanzoni in Machakos County; KiimaKiu/Salama and Konza area in Makueni County; Ntulele and DukaMoja Market centre in Narok County; and Kenol to Sagana and Kenol to Muranga section in Muranga and Kirinyaga counties.

37. The Government will continue to enforce the traffic laws and to appeal to all road users to play their rightful role in enhancing road safety by adhering to traffic rules and speaking out against reckless road use.

Aviation Security

38. The main threats facing airports worldwide include terrorism related through use of different attack methods such as MANPADS, armed assaults (storming), Improvised Explosive Devices (IEDs), hijacking, cyber-attacks, and Chemical, Biological, Radiological and Nuclear (CBRN) attacks. These are compounded by the existence of insider threats and technological advancement (e.g. use of drones). Other threats to air traffic safety include high-rise buildings, birds and other flying objects along the flight paths.

39. The Government has adopted a multi-agency approach to address challenges facing the aviation sector in the country. This approach has seen JKIA granted 'Category 1' Status following an assessment audit by the Federal Aviation Administration (FAA) which included a successful appreciation of the standards of security attained by the airport. This categorization will allow direct flights between the US and Kenya.

Chemical, Biological, Radiological and Nuclear (CBRN) Security

(a) The Government is also committed to address threats of Weapons of Mass Destruction (WMD) in the CBRN spectrum. In this regard the Government in partnership with the EU and

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other stakeholders is establishing CBRN Centres of excellence (CoEs).

(b) CBRN CoEs is a program meant to create regional initiatives dedicated to improving national policies and international cooperation in the area of risk mitigation. The initiative has established Centers in eight regions including East and Central Africa CoEs hosted in Nairobi. The Centre in Kenya has created a platform for CBRN experts to network and collectively address security and safety concerns posed by CBRN materials, devices and associated facilities. The Government has established a CBRN National Response Plan besides approving a memorandum on the establishment of a regional secretariat.

(c) Going forward, the government is currently developing a strategic Trade Management Bill to control Dual Use CBRN materials.

COUNTERFEITING AND ILLICIT TRADE

40. Kenya's geopolitical position and robust economic environment makes it attractive both as a transit route and destination for counterfeits and illicit trade. Illicit trade not only poses a serious socio-economic challenge to Kenya, its neighbors and the world at large but also undermines the concept of a free trade and economic cooperation. The impact of counterfeits spans a very broad scope ranging from consumer goods, cosmetics, automotive parts and pharmaceutical products, among others. The adverse effects of brand counterfeiting to the nation include;

(a) **Loss of Government revenue**: Tax evasion, counterfeit and unlicensed products like alcoholic and illicit brews in circulation in Kenya is denying the economy over KSh. 30 billion in annual revenue.

(b) **Loss of jobs and reduced investments**: Counterfeiting affects employment, leads to loss of jobs and lowers foreign direct investment. It also leads to unfair competition, collapse and relocation of legitimate companies due to heavy losses incurred.

(c) **Consumer health risks**: It is estimated that 5per cent of all world trade in branded goods is counterfeit. These counterfeits include health, pharmaceutical, food products and beverages among others which present a health risk.

(d) **Loss of Creativity and Innovation**: Innovation has long been recognized as a main driver of economic growth through the

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development and exploitation of ideas for new products and processes. Innovators protect these ideas through patents, copyrights, design rights and trademarks. Without adequate protection of these intellectual property rights, the incentive to develop new ideas and products would be reduced, thereby weakening the innovation process.

(e) **Support for other crimes**: The proceeds from counterfeiting and illicit trade provide financial support to other illegal activities, including terrorism financing and drug trafficking.

41. In dealing with this menace, the Government through the Anti-Counterfeit agency has established regional offices which cover majority of the entry points into the country as well as major towns. This includes Kilindini port, JKIA, Eldoret Airport, Garissa and Kisumu. This has led to the seizure of goods worth over ksh.1.7 Billion, and the destruction of counterfeit goods worth over ksh.700million.In addition, the Government has enhanced inter-agency collaboration in sharing of intelligence, joint operations, inspections as well as prosecution of counterfeit cases.

42. Further to this, the Government initiated the Pre-shipment Verification of Conformity program to enforce safety and quality standards on imports into the country.

43. Moving forward, the Government is committed to:

(a) Combating counterfeiting in all fronts by impressing upon all players: international organizations, business associations, legislators, manufacturers/industries, companies, enforcement agencies, regional authorities and the consumers to support the initiative.

(b) Strengthening national laws and measures against counterfeiting.

(c) Initiating the process of harmonizing the anti-counterfeit legislation across the East African Community states.

MONEY LAUNDERING

44. With increasing sophistication and globalization of crime, the financial systems have more been used as conduits for moving illicitly obtained wealth exposing the financial sector and the economy to vulnerable risks of money laundering and its contiguous effects. While money laundering was associated with drug trafficking and organized crime in the past, it has expanded to become a source of funding for and from terrorism and corruption.

45. To deal with this, the Government through the Financial Reporting Centre (FRC) has continued to enhance information collection and sharing among the stakeholders for effective enforcement of the law.

46. During the year under review, the FRC received a total of 2,662 Suspicious Transaction Reports (STRs). This is double the number of STRs received in 2016 and more than half of the total number of STRs received by the FRC since its inception. The increase in the number of STRs may be attributed to increased awareness initiatives by FRC to reporting institutions of their reporting requirements and stepping up the oversight and supervision of these institutions on Anti-Money Laundering/Combating Financing of Terrorism (AML/CFT).

47. In the period under review, the FRC received 3,335 Cash Transaction Reports (CTRs) which brings the total CTRs reported since inception to13, 035. It also FRC disseminated 94 intelligence reports to Law Enforcement Agencies (LEAs) for further action. The reports covered various suspected crimes which were deemed to be a threat to security of the country. Of the 94 cases so far disseminated by the FRC, 27 involved suspected terrorism or terrorism financing. In this regard, Terrorism and Terrorism Financing cases continue to be treated with high priority at the FRC.

48. The Government continues to invest in training of FRC staff in relevant areas. This has in turn led to an improvement in the quality of reports disseminated by the FRC to law enforcement agencies on terrorism financing related issues. In the year under review and in line with its international obligations, the Government continued to communicate decisions made pursuant to United Nations Security Council Resolution (UNSCR) 1267 to reporting institutions.

49. Over 90 prosecutors have been trained on prosecuting complex crimes, including money laundering and terrorism in order to build the country's capacity in handling such cases. In order to ensure FRC's powers are enhanced to impose civil monetary penalties on reporting institutions, the Proceeds of Crime and Anti-Money Laundering (Amendment) Act, 2017 came into operation in March 2017. FRC has powers to impose monetary penalties of up to a maximum of KSh. 5M for individual offenders and KSh. 25M for corporate bodies. The amended Act also gives the FRC powers to recommend administrative action against an individual or a reporting institution for failure to comply with directions given by the Centre. These additional powers will enable FRC to enhance its oversight over reporting institutions.

50. The FRC is in the process of installing a new IT infrastructure. The updated IT infrastructure will enable the FRC to integrate its information with that received from reporting institutions, other Government agencies and the public sources thus enabling the FRC to be more effective in carrying out its mandate.

51. Going forward, there is need to bring lawyers under the ambit of POCAMLA as lawyers are currently omitted from the provisions that require members' of professional bodies and entities involved in financial dealings to report unusual and suspicious transactions to the FRC. This will require lawyers, like other reporting institutions, to put in place necessary measures to combat money laundering and terrorism financing.

52. The Government is also looking forward to expanding the dispute resolution framework to include alternative dispute resolution mechanisms.

ENVIRONMENTAL THREATS

53. In the year under review, there were isolated incidents of environmental degradation and related insecurity. These incidents were related to illegal occupation of forest land, destruction of forests, illegal grazing and clashes between communities living around forest areas.

54. In a bid to minimize the effects of climate change, to protecting the environment and the major water towers and to attain the requisite 10per cent forest cover, the Government has enhanced the reforestation programme through concerted effort. For instance, the Ministry of Defence has been able to plant over half a million tree seedlings and targets to increase the number to One Million seedlings in the current Financial Year 17/18.

55. The Government implemented Gazette notice no. 2356 dated 28th February, 2017 on the Environment Management and Coordination Act to ban the use, manufacture and importation of plastic bags as a radical and sustainable measure to mitigate on environmental degradation.

56. Further, the Government has invested in research and development among other efforts with a view to reduce reliance on wood as a source of energy, thus contributing towards environmental protection for instance the Defense Mobile Field Kitchen innovation (DEFKITCH). Further research and design continues in order to diversify the use of DEFKITCH to include electric generation and to miniaturize it for possible ordinary domestic use.

WILDLIFE CRIME

57. The wildlife resource is the backbone of the tourism industry and accounts for 21 per cent of total foreign exchange earnings and 12per cent of the country's GDP. Seventy percent (70 per cent) of tourism earnings in Kenya is wildlife based and it is the second largest contributor to the country's economy. It is also a key contributor in achieving the goals of the country's Vision 2030. Kenya has a population of over 30,000 elephants (the fourth largest in the world) and a rhino population of over 1,100 (the third largest in the world) as at the end of 2016.

58. Wildlife crime has evolved over time and the situation is presenting increased challenges to wildlife conservation in the country. Locally, shifting of poaching hotspot areas and the evasive *modus operandi* of poachers and smugglers is posing a new challenge. Kenya has been a major link on the trade routes to international destinations for illicit consignments of wildlife products particularly ivory, rhino horns and lately pangolin scales.

59. Livestock incursion into parks and reserves is another serious challenge to wildlife security. As a result of the prolonged drought there was pressure from herders encroaching into wildlife protected areas leading to displacement of wildlife, degradation of parks and reserves as well as reduction of touristic appeal of the country's parks and reserves.

60. The Government continues to ensure that local and international laws on wildlife crimes are enforced. The Government has with great success put in place policies and measures to combat poaching and to conserve wildlife. The measures put in place include:

    (a) Embracing the Multi-Agency approach in dealing with threats to wildlife and to curtail human-wildlife conflict. The measures also include stepping up of collaboration between the security agencies, the Judiciary and other local, regional and international stakeholders.

    (b) Adoption of technology in major exit points, including air and sea ports to detect illegal trafficking of wildlife and wildlife products.

    (c) Enhanced intelligence collection and information sharing, investigation to detect and arrest poachers and smugglers of wildlife products.

(d) Use of Bi-lateral and multi-lateral cooperation on wildlife conservation and protection.

(e) Establishment of a wildlife forensic laboratory (the first one in the Eastern and Central African region). The laboratory played a significant role in the use of DNA in wildlife crime investigation and prosecution.

61. Following the Government's investment in wildlife conservation there has been 10per cent reduction in rhino poaching and 7per cent reduction in elephant poaching in 2017 as compared to 2016. This is an improvement from the period between 2008 and 2012 when there was an upward trend. Cases of elephant poaching in 2017 were the *lowest since 2007* while rhino poaching cases for 2017 were the *lowest since 2008* as illustrated below:
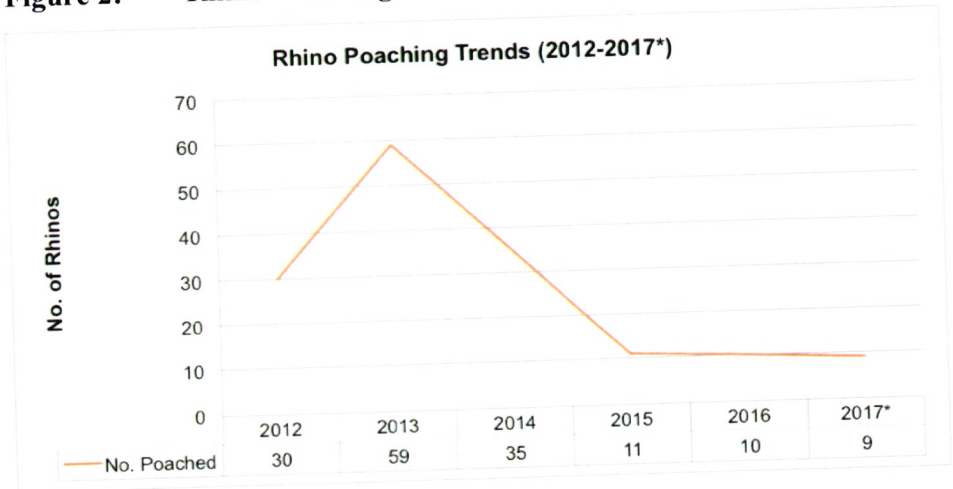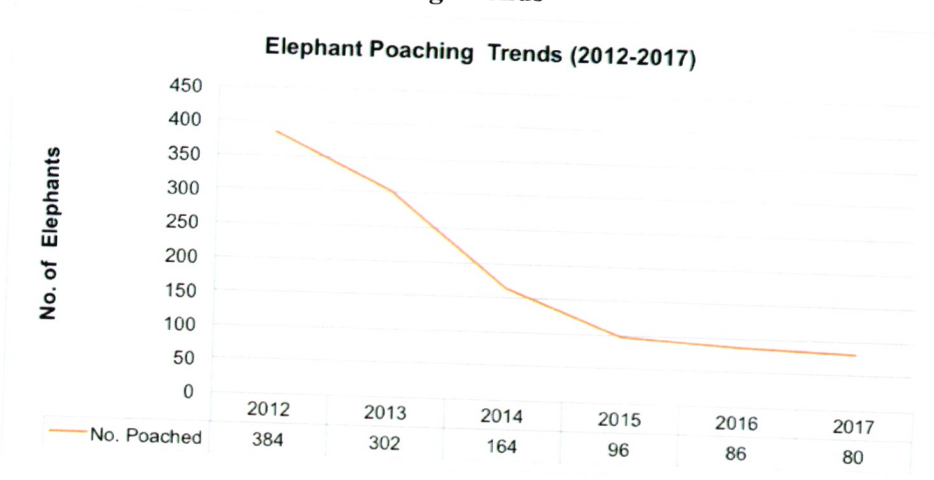
Figure 2:   Rhino Poaching Trends

Rhino Poaching Trends (2012-2017*)

	2012	2013	2014	2015	2016	2017*
No. Poached	30	59	35	11	10	9

Figure 3: **Elephant Poaching Trends**

Elephant Poaching Trends (2012-2017)

	2012	2013	2014	2015	2016	2017
No. Poached	384	302	164	96	86	80

62. Going forward, the Government intends to reintroduce amendments to the Wildlife Conservation and Management Act, 2013 in order to address a number of shortcomings identified in the Act.

BETTING RELATED CRIMES

63. Unchecked betting has led to loss of huge sums of money and deprivation of livelihoods. Unscrupulous operators have been importing slot machines and other gaming devices across the common borders for illegal gambling operations thus fleecing citizens of their hard earned cash.

64. To address this menace, the Government is regulating the importation of slot machines and other gambling devices. It is now mandatory for all gambling operators to apply for authority before importing any gaming device.

GENERAL CRIME

65. Between January and December 2017, a total of 77,992 cases of crime were reported to the police as compared to 76,986 cases in 2016, an increase of 1.3 per cent. This was a result of enhanced reporting mechanisms: increased capacity to security agencies, adopting of technology, awareness creation to the citizenry that empowered them to report cases, among others. Crime increased under the categories of Stealing by 1,295 cases (12.5 per cent increase from 2016), Theft of Stock by 218 (11.4 per cent), Breakings by 510 (9.1 per cent), Theft by Servant by 192(7.9per cent) and Economic Crimes by 192 (5.5 per cent). Major decreases were however reported in the following categories: Offences against

Morality by 736 (11.8 per cent), Dangerous Drugs by 595 (9.7 per cent) and Other Penal Code Offences by 275 (3.9 per cent.)

66. The categories of offences that accounted for the highest number of cases reported to police were; Other Offences against Persons with 22,515 (29 per cent), Stealing 11,656 (15 per cent), Other Penal Code Offences 6,772 (9 per cent), Breakings 6131 (8 per cent), Dangerous Drugs 5,565 (7 per cent) and Offences against Morality 5,492 (7 per cent). The least recorded cases includes offences involving tourists, traffic offences, corruption and offences involving police officers all accounting for less than 1per cent of the total cases reported.

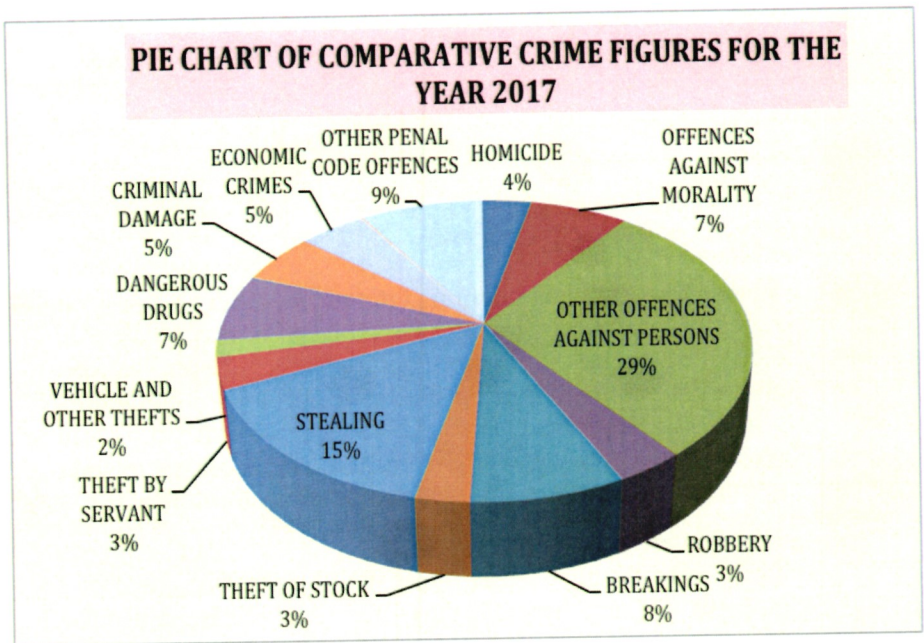**Figure 4:   Comparative Crime Figures**

PIE CHART OF COMPARATIVE CRIME FIGURES FOR THE YEAR 2017

- OTHER PENAL CODE OFFENCES 9%
- ECONOMIC CRIMES 5%
- CRIMINAL DAMAGE 5%
- DANGEROUS DRUGS 7%
- VEHICLE AND OTHER THEFTS 2%
- THEFT BY SERVANT 3%
- THEFT OF STOCK 3%
- STEALING 15%
- HOMICIDE 4%
- OFFENCES AGAINST MORALITY 7%
- OTHER OFFENCES AGAINST PERSONS 29%
- ROBBERY 3%
- BREAKINGS 8%

Figure 5:   **Monthly Crime Figures Line Graph**

LINE GRAPH OF COMPARATIVE CRIME FIGURES FOR 3RD QUARTER 2015/2016/2017
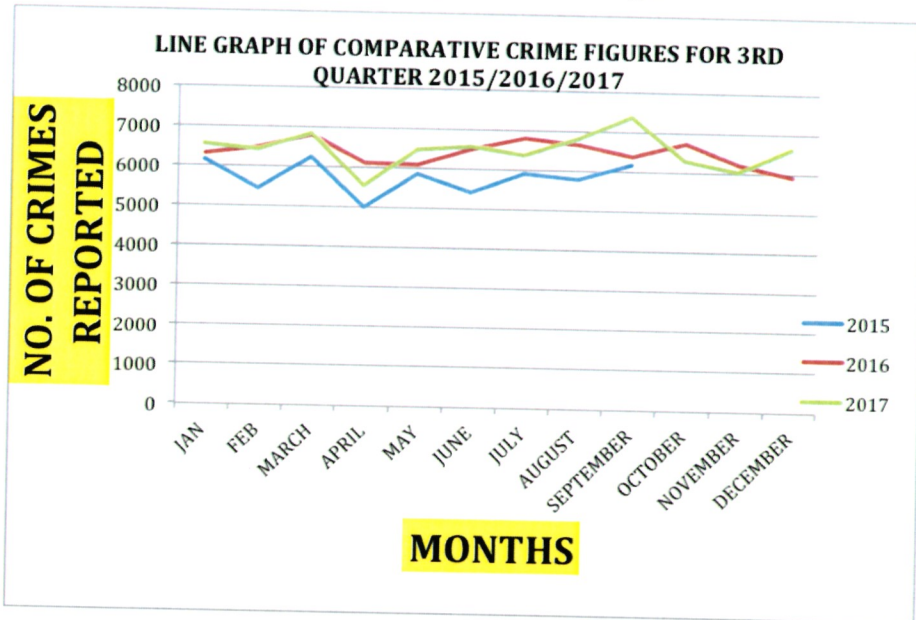
USE OF SPACE TECHNOLOGY

67. Space remains an integral component that impacts peace and peaceful activities globally in regard to its exploitation in enabling data movement, navigation and timing, satellite communication, environmental monitoring and meteorological functions, among others. These elements of cyberspace are critical to our national security and transmission of routine services which include seamless financial transactions, internet and phone communication integrity.

68. The Government recently launched the National Space Centre to boost security, healthcare, mineral and natural resources exploration, land survey, meteorology and other areas of research. The Ministry of Defence intends to continue building capacity and creating awareness with the global space community, academic and research community and other relevant stakeholders.

69. In this respect, the Government has so far entered into mutual partnership with the Government of Italy towards building capacity on use of space technology. Similarly, the Government hosted the African Mission Residents workshop in 2017 that focused on use of space derived data in decision making.

RESOURCE-BASED INTER-COMMUNAL CONFLICTS

70. Kenya is endowed with a variety of resources that have however not been fully harnessed to benefit the communities. These resources include land, pasture, water and minerals. Inter-communal conflicts in parts of the country have been frustrating efforts to maintain peace and security in the affected areas particularly in some counties. Security operations notwithstanding as well as inter-communal peace and reconciliation meetings, conflicts among pastoral communities continued due to be reported and most of them result from competition for water, pasture and grazing land.

71. Subsequently, livestock raids, revenge attacks and counter attacks have created cyclic conflicts leading to loss of lives, destruction of property and displacement of people. Equally, proliferation of small arms, longstanding land and boundary disputes exacerbated violence amongst the communities.

    Through the National Steering Committee on Peace Building and Conflict Management the Government has funded County peace forums and supported conflict management initiatives.

Cattle Rustling

72. The North Rift region continues to experience incidents of cattle rustling that have negatively impacted on the security situation among the various communities living in the area. Key among contributory factors for this vice include: periodic scarcity of water and pasture for animals, boundary disputes, political incitement and retrogressive cultural practices. The situation is further aggravated by proliferation of small arms and light weapons.

73. In addressing these challenges, the Government took several measures including:

    (a) Multi-agency security operations to recover stolen livestock and illegal firearms;

    (b) Engagement of neighboring countries to conduct cross border joint security and disarmament operations with a view to restore normalcy in the affected areas;

    (c) Scaled up peace building and conflict prevention mechanisms through County and Sub County Peace Committees up to sub locations;

(d) Promoting tolerance and cultural diversity through sporting activities and promoting cultural exchange initiatives among communities;

(e) Establishing joint projects to encourage resource sharing;

(f) Sensitization of the communities towards alternative means of livelihood;

(g) Convening regular leaders meetings to discuss mechanisms of dealing with cattle rustling;

(h) Delocalization of institutions in the region to embrace national diversity;

(i) Encouraging and supporting religious groups to set up institutions e.g. schools, vocational training centres to diversify economic activities;

(j) At the regional level, the Government is in the process of ratifying the Mifugo Protocol under the umbrella of IGAD; and,

(k) Continue with implementation of programs geared towards economic empowerment of pastoral communities such as the construction of the Isiolo—Marsabit highway.

Land invasions

74. Land and property encroachment on both public and private land were witnessed in some parts of North Rift and Coastal regions. The invasion led to conflict between private land owners and squatters and among herders, ranchers and conservationists. These have led to loss of lives and livelihood, negative publicity, scaring away of investors and tourists.

75. To mitigate these challenges, the Government carried out security operations to restore normalcy in addition to engaging communities in finding sustainable solutions to these challenges. Further, the Government recruited more National Police Reserve officers to beef up security.

Mineral exploration and exploitation

76. The exploration and exploitation of mineral and oil resources alongside the commencement of major infrastructure projects in some regions is compounding pre-existing conflicts as the communities living in these areas compete to benefit exclusively from the discoveries and exploitation of the resources. For instance, in Lomelo, Kapedo, Lokichar and Ngamia complex where oil

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prospecting is ongoing, communities have clashed with a view to displacing each other. The situation is almost similar in Kerio Valley where communities are disputing over compensation rights and other benefits accruing from oil exploration and construction of dams.

77. In addressing the above resource based conflicts, the Government has enhanced grass root peace building initiatives and the capacity of security committees in the affected areas. It has also continued infrastructural developments and scaled up regional disarmament programmes.

PROLIFERATION OF SMALL ARMS AND LIGHT WEAPONS

78. Proliferation of Small Arms and Light Weapons (SALW) from countries in the region experiencing internal strife continues to adversely affect our internal security. Non-state actors who have come into possession of illicit firearms have mainly used them to perpetuate crime in both urban and rural areas. The proliferation has mainly been occasioned by porous borders, inter-ethnic conflict amongst pastoral communities and conflicts in neighbouring countries.

79. The Government has put in place the following measures:

   (a) Reviewed policies and legislations on SALW;

   (b) Commenced the process of ratification of the Arms Trade Treaty;

   (c) Continued to support regional disarmament efforts;

   (d) Carried out arms and ordnance destruction exercise in which 5260 arms and over 200,000 ordnances were destroyed. It also forwarded 13,417 obsolete firearms for destruction;

   (e) Developed a policy on SALW;

   (f) Conducted public sensitization and awareness on proliferation of SALW in Marsabit, Isiolo, Turkana, West Pokot, Trans Nzoia, Lamu and Tana River Counties;

   (g) Conducted Physical Security and Stockpile Management (PSSM) training for security personnel on the best practices of security armouries.

LABOUR DISPUTES

80. Labour disputes were witnessed in several sectors of the economy including health, agriculture, education and aviation. These affected

service delivery, production, disruption of operations occasioning direct losses to the economy. The doctors and nurses strikes, which were most protracted in the country's history, were resolved by the National Government in conjunction with the Council of Governors through a Collective Bargaining Agreement (CBA).

81. Going forward, the Government is committed to resolving labour disputes through the laid down labour dispute mechanism besides improving the terms and conditions of service.

REGIONAL INITIATIVES

Regional Conflicts

82. The Horn of Africa (HoA), East and Central Africa region continues to face protracted conflicts owing to longstanding and emerging challenges including political fragility, corruption, internal conflicts and failure to manage diversity in the region. These challenges continue to impact at each level of governance and are exacerbated by lack of a shared regional vision and deepening external influence. The immediate security concern is the prevailing security situation in Somalia and South Sudan where Kenya is committed to the stabilization process. In regard to South Sudan, Kenya remains resolute to revitalizing the Agreement on Resolution of Conflict in South Sudan (ARCSS) through a number of peace initiatives that include:

(a) IGAD High-Level Revitalization Forum where Kenya continued to play a pivotal role in the IGAD High Level Revitalization Forum (HLRF) with the convening of HLRF in December 2017 which gave the process the requisite momentum to restore the dialogue process pursuant to the initial meetings held in Nyahururu Kenya as from 16th to 18th October 2017.

(b) Kenya has pledged to deploy troops and police component to assist in capacity building and peace keeping under the Regional Protection Force (RPF).

(c) Provision of humanitarian assistance in which an assortment of 600 metric tons of aid comprising food items, water, essential medical supplies were distributed and blood donated. The Government also continued to assist South Sudanese refugees in Kenya.

83. In regard to the Somalia situation, Kenya played a significant role in the Somalia peace processes from the very beginning of the conflict. During the period under review, it was also instrumental in the

stabilization process by contributing troops to the integrated African Union Mission in Somalia (AMISOM) who are still in the military offensive against Al-Shabaab terror group. In the recent past, there has been an upsurge of insecurity in Somalia as depicted by frequency and magnitude of attacks carried out by Al-Shabaab. The planned AMISOM drawdown is likely to further complicate the situation since the Al-Shabaab could fill the gaps.

84. Kenya continued to be a frontline host for Somali refugees with Dadaab Refugee camps comprising the largest refugee complex in the world. The camps have a population of over 400,000 refugees mostly from Somalia.

85. During the period under review, Kenya hosted Somalia's President in March, 2017 where he held bilateral discussions with H.E. President Uhuru Kenyatta. The two leaders agreed to re-activate and hold regular sessions of the Joint Commission for Co-operation (JCC) and agreed on:

   (a) The establishment of two (2) border posts at Mandera/Bula Hawa and Liboi/Doble towns;

   (b) The resumption of direct flights between Mogadishu and Nairobi, which commenced in March, 2017;

   (c) The abolition of visa requirement for holders of Diplomatic and Service Passports;

   (d) Training staff on behalf of the Government of Somalia whereby Some 200 teachers, 200 nurses and 100 administrators have been trained.

   (e) Establishment of a Technical Training Institute at Dadaab Refugee Camp, for the benefit of refugees and Kenyan nationals.

86. Kenya played a crucial role in the initiation of the Burundi Peace Process under the auspices of the EAC.

Implications of the protracted Regional conflicts to Kenya

87. The persisting regional conflicts in the region have had far-reaching implications on Kenya. These include;

   (a) Influx of thousands of refugees from South Sudan and Somalia. The Dadaab Refugee complex at its height hosted over 400 000 refugees mostly from Somalia. The complex mutated to be a centre of terrorist recruitment and radicalization;

(b) The proliferation of small arms and light weapons fuelling instability especially in parts of Kenya that are prone to banditry and inter-ethnic clashes;

(c) Transfer of terrorism, violent extremism and radicalization into Kenya arising from the state of insecurity in parts of Somalia that are deemed to be havens for terrorists;

(d) Adverse effect to Kenya's economy particularly the deepening conflict in South Sudan where Kenyan companies including banks are down-sizing;

88. The Government will continue to pursue regional peace, security and stability as follows:

(a) Engage in the regional peace and security efforts to sustain the momentum particularly in the state building process and consolidation of security in Somalia while also finding a lasting solution to the South Sudan crisis.

(b) Ensure that the international community remains seized of the situation in the region and the need to honour pledges towards ameliorating humanitarian challenges especially the plight of refugees in the region.

(c) Pursue the strengthening of regional Peace Keeping Missions particularly AMISOM to secure Somalia and significantly degrade the threat posed by Al-Shabaab and to prepare the Somali Security Agencies to assume full responsibility.

(d) Promote Post- Conflict Reconstruction and Development in Somalia and South Sudan by enhancing Kenya's technical cooperation particularly in capacity building and experience sharing with the two countries;

(e) Apply all the necessary leverage on the South Sudanese Parties to conflict to agree to negotiate an amicable settlement of the conflict through IGAD-led peace process.

CORRUPTION

89. Corruption remains a major contributor to crime and insecurity. It also undermines Government's efforts to respond to those security threats and thus complicating maintenance of law and order. Corruption continues to erode public confidence in public institutions. Over the period under review, EACC has carried out a number of measures that included:

(a) Intelligence profiling, tracking and analysis of information that has facilitated the arrest of individuals involved in illegal trade and dealings in wildlife trophies. The most recent, was an operation that led to the seizure of 21.6 Kgs. of Ivory worth KSh. 21.6M at Utawala, Nairobi. This promotes security since proceeds of wildlife crimes are used to fund terrorism and other trans-national crimes.

(b) Enhancing the investigation of corruption cases as well as surveillance activities at the border points.

(c) Sharing information on real-time, joint investigations and coordinated approach to issues of corruption, money laundering and security under the Multi-Agency Platform (MAT) which comprises: EACC, KRA, NIS, Asset Recovery Agency (ARA), Financial Reporting Centre (FRC), ODPP and DCI. This coordinated approach has greatly enhanced law enforcement operations and security in the Country.

(d) Ensuring that ethics and integrity is institutionalized in all public institution at the National and the County Level. It also carried out vetting for state and public officers for both elective and appointive positions in the public sector and for those officers that are already in the service. In addition the commission sensitized public officers including enforcement agencies on integrity. This is pursuant to Chapter Six of the on Leadership and Integrity requirements in Chapter Six of the Constitution and the Leadership and Integrity Act, 2012.

Table 3: Activities on Ethics and Integrity

S/ No.	Activities	2017
1.	Integrity verification (Vetting) requests processed	20,164
2.	Leadership and integrity codes for state officers	18
3.	Codes for public entities	49

(a) Conducted an examination into the PoE systems, policies, procedures and practices of service delivery at the PoE with the aim of sealing gaps. The examination report covered the service delivery functions at some airports and land border points. Findings and recommendations of the examination addressed eleven (11) organizations which have roles at the PoEs. These are: Kenya Airports Authority, Kenya Revenue Authority, Department of Immigration, Kenya Airport Police Unit, Kenya

Civil Aviation Authority, Kenya Bureau of Standards, Kenya Plant Health Inspectorate Service, Department of Refugee Affairs, Ministry of Transport and Infrastructure, Ministry of Agriculture, Livestock and Fisheries, and Kenya Port Health. The PoEs are key in ensuring that the safety of the County because of the movement of people, goods and services.

(b) Investigating cases in twenty six (26) County Governments some of which have already been taken to court. So far 26 procurement managers/officers, 39 County Assembly members, 15 County Executive Committee members and a County Speaker have been arraigned in court. The tables below provide a summary of activities carried out by the commission during the period under review;

Table 4: Reports

S/No.	Report	Summary
(a)	(b)	(c)
1.	Total complaints received and processed	7,109
2.	Reports within mandate	3,302
3.	Corruption Cases before court	441
4.	Ongoing investigations	2,408

Table 5: Comparative analysis of matters concluded in court in 2017

Convictions	Acquittals	Withdrawals	Total	per cent Conviction Rate
25	19	18	62	40.3

Table 6: Monetary value of the cases

Ser	Activities	Jan- Dec 2017
(a)	(b)	(c)
1.	Civil court cases	804
2.	Value of asset recovered (KSh.)	249M
3.	Value of asset preserved (KSh.)	347M
4.	Value of asset traced (KSh.)	5.0B
5.	Value of loss averted through disruption of corruption (KSh.).	7.9B

ELECTION RELATED VIOLENCE

(a) For the first time in Kenya's history, our country conducted a General election and a repeat Presidential Election in the same year successfully. However, there were isolated cases of election related violence which unfortunately occasioned some loss of life and damage to property. Despite these cases of violence the Government managed to contain the situation.

(b) In addressing security challenges related to elections the Government undertook several measures including:

   i.   Enhancement of the capacity of security officers in the enforcement of the law on hate speech and related offences, and laws relating to ethnic discrimination.

   ii.   Carried out a complaints awareness campaign through the Integrated Public Complaints and Referral Mechanism (IPCRM) partner agencies to educate the public on the complaints reporting mechanism. This resulted to an increased understanding of the public on hate speech complaints procedures among other issues.

   iii.   Partnered with Media Council of Kenya (MCK) to train journalists on sensitive election reporting and sharing of information.

   iv.   Through CAK, the Government ensured that mobile telephone network operators did not distribute hate bulky messages that may incite violence among Kenyans.

   v.   The Government conducted the national conflict and electoral risk assessment that informed development of intervention strategies and response by various partners. The assessment indicated that various parts of the country have and are still experiencing ethnic and inter-communal conflicts, partly fueled by political differences, incitement, and competition for resources such as land, water and pasture. These conflicts undermine development. For this the Government has continued to facilitate community dialogues that have resulted into signing of social agreements.

   vi.   Enhanced coordination of conflict and election violence reduction interventions through the Uwiano Platform for Peace that contributed to the successful elections. This platform mobilized stakeholders at the national, county and community levels to promote peace before, during and after elections.

vii. Continued to implement the national conflict early warning and response system whose main objective is to collect, analyze and disseminate information to response agents. This was achieved through facilitation and capacity building of 322 sub-county peace committees countrywide. These are structures that work closely with other existing *Nyumba Kumi* committees to maintain peace and security in the counties.

viii. Held 47 county peace forums in preparation for peaceful elections. This saw establishment of county coordinating committees on peaceful election. In addition, women and youth forums were held to sensitize them on peaceful elections.

ix. Engaged with political parties and the political parties Liaison Committee, as well as Political Parties Disputes Tribunal in facilitating dialogue and dispute resolution.

x. Supported mediation efforts at the national level and established 35 County Mediation Panels which engaged in community confidence building measures and dialogue.

CONCLUSION

The Government recorded remarkable progress in providing the required environment of peace and security during the period under review amidst some challenges. The Government now remains focused and will make all efforts while exploiting the opportunities available towards achievement of a strong socio-political and economic environment for a stable and cohesive Kenyan society. The Government will continue tirelessly to protect Kenya's sovereignty and territorial integrity and will be ready to counter any threats to National Peace and Security while synergizing the Multi-Agency approach and citizen participation. It will continue to support initiatives at all levels of representation that are geared towards bringing about peace, security and development.

The Government will continue to co-operate fully with the neighbouring countries, the Regional and Continental mechanisms as well as the international community for peace, security and development.

ANNEX

List of Ministries, Departments and Agencies which contributed to the development of this report

1. Ministry of Interior and Co-ordination of National Government
2. Ministry of Foreign Affairs and International Trade
3. State Law Office
4. State Department of Planning
5. National Police Service
6. Kenya Defence Forces
7. National Intelligence Service
8. Kenya Revenue Authority
9. Directorate of Immigration Services
10. Kenya Prison Services
11. National Counter Terrorism Centre
12. Refugee Affairs Secretariat
13. Kenya Wildlife Service
14. Kenya Forest Service
15. Peace Building and Conflict Management Division
16. Kenya Focal Point on Small Arms and Light Weapons
17. Citizen Participation in Security
18. National Disaster Operation Centre
19. Office of the Directorate of Public Prosecution
20. Kenya International Boundaries Office
21. Anti-Counterfeit Agency
22. Finance Reporting Centre
23. National Environment Management Authority
24. Kenya Airports Authority
25. Kenya Civil Aviation Authority
26. Kenya Ports Authority
27. Kenya Maritime Authority