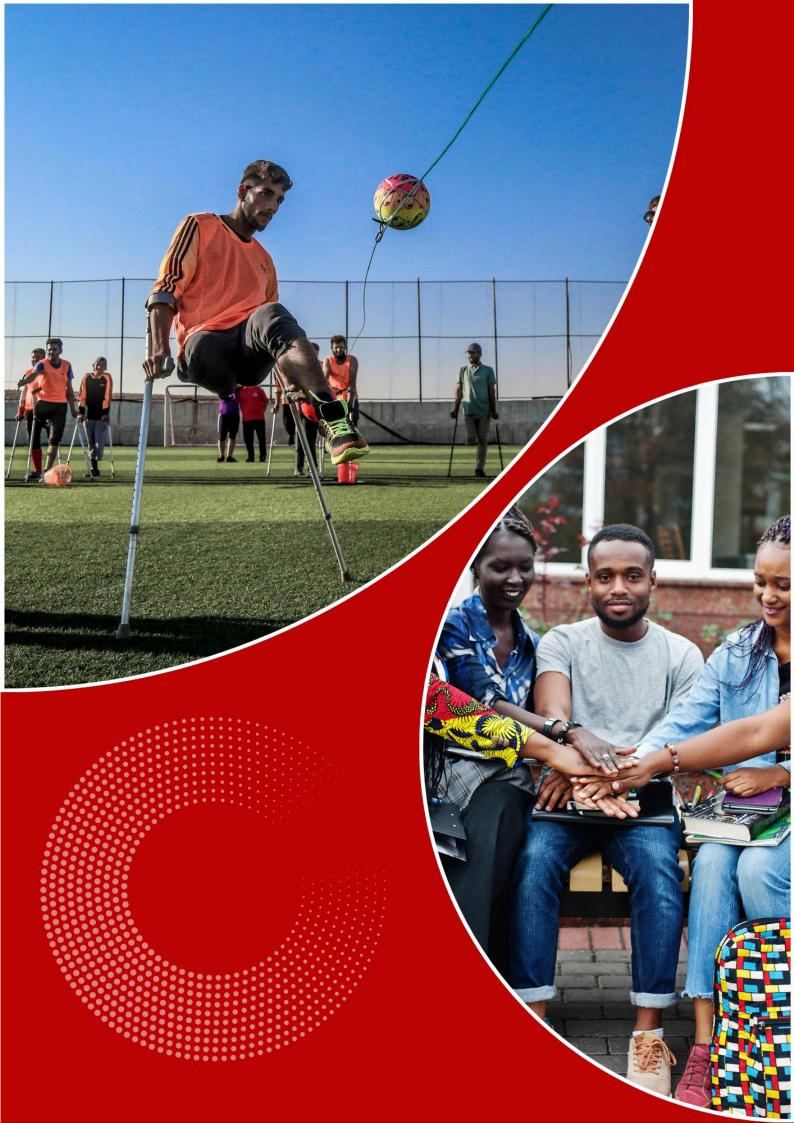


MINISTRY OF LABOUR AND SOCIAL PROTECTION

# NATIONAL SKILLS DEVELOPMENT POLICY





## NATIONAL SKILLS DEVELOPMENT POLICY



Ministry of Labour and Social Protection State Department for Labour and Skills Development Social Security House, Bishops Rd. P.O Box 40326 - 00100 Nairobi Email: info@labour.go.ke Website: https://www.labour.go.ke/



## **TABLE OF CONTENTS**

LIST OF TABLES	VII
LIST OF FIGURES	VII
LIST OF ABBREVIATIONS AND ACRONYMS	IX
EXECUTIVE SUMMARY	XIII

## **CHAPTER ONE: POLICY OVERVIEW AND CONTEXT ..... 1**

1.1	INTRODUCTION	1
1.2	PROBLEM STATEMENT	1
1.3	RATIONALE	1
1.4	GOAL, OBJECTIVES AND PRINCIPLES	3
1.5	POLICY APPROACH	4
1.6	SCOPE	4
1.7	POLICY CONTEXT	4
1.8	POLICY FORMULATION PROCESS	6

## CHAPTER TWO: SITUATIONAL ANALYSIS......7

2.0.	INTRODUCTION	7
2.1.	GOVERNANCE AND MANAGEMENT	7
2.2.	HUMAN CAPITAL DEVELOPMENT	11
2.3.	EDUCATION AND EMPLOYABILITY	17
2.4.	ENTREPRENUERSHIP	19
2.5.	LABOUR MARKET INFORMATION AND SKILLS ANTICIPATION	21
2.6.	TRANSITION FROM SCHOOL-TO-WORK	22
2.7.	SKILLS FOR NATIONAL DEVELOPMENT PRIORITIES	25
2.8.	SKILLS FOR THE ECONOMY	26
2.9.	SKILLS FOR NON-TRADITIONAL AND NEW OCCUPATIONS	29

CHA	<b>APTER THREE: POLICY PRIORITY ACTIONS</b>	
3.1	INTRODUCTION	
3.2	GOVERNANCE	
3.3	FINANCE	
3.4	INSTITUTIONAL SERVICE PROVIDERS	
3.5	TRAINERS	
3.6	KNOWLEDGE MANAGEMENT	
3.7	ACCESS	
3.8	GENDER EQUALITY	
3.9	EQUITY AND INCLUSIVITY	
3.10	CURRICULUM ALIGNMENT	
3.11	QUALITY STANDARDS	

3.12	QUALIFICATIONS AND CERTIFICATION	
3.13	EDUCATION AND EMPLOYABILITY	35
3.14	ENTREPRENEURSHIP EDUCATION AND TRAINING	36
3.15	COMMERCIALIZATION OF INNOVATIONS	36
3.16	COMMERCIALIZATION OF TALENTS	37
3.17	LABOUR MARKET INFORMATION	37
3.18	SKILLS ANTICIPATION	37
3.19	WORK BASED LEARNING	38
3.20	EMPLOYMENT SERVICES	38
3.21	CAREER GUIDANCE	38
3.22	SKILLS FOR THE BOTTOM-UP ECONOMIC TRANSFORMATION	
AGEN	NDA	39
3.23	SKILLS FOR BUY-KENYA-BUILD KENYA	39
3.24	SKILLS FOR THE FORMAL-MODERN ECONOMY	39
3.25	SKILLS FOR THE INFORMAL ECONOMY	40
3.26	SKILLS FOR THE GIG ECONOMY	40
3.27	SKILLS FOR NON-TRADITIONAL OCCUPATIONS	41
3.28	SKILLS FOR NEW OCCUPATIONS	41
CHA	<b>APTER FOUR: IMPLEMENTATION FRAMEWORK</b>	.43
4.1	INTRODUCTION	43
4.2	THE NATIONAL SKILLS DEVELOPMENT COUNCIL	43
4.3	NATIONAL SKILLS DEVELOPMENT PLAN	43
4.4	IMPLEMENTATION FRAMEWORK	43
4.5	RESOURCE MOBILIZATION	45
CHA	<b>APTER FIVE: MONITORING AND EVALUATION</b>	.47
5.1	INTRODUCTION	47
5.2	MONITORING AND EVALUATION	47
5.3	POLICY REVIEW	47
BIB	LIOGRAPHY	. 49
APP	ENDICES	. 55
	NDIX 1: DEFINITION OF KEY TERMS	
	NDIX 2: POLICY COORDINATION ACTION PLAN	



## **LIST OF TABLES**

Table 1: Public expenditure on education and training 2018–2023	8
Table 2: Number of education and training institutions	9
Table 3: Enrollment in the education sector 2017 - 2022	12
Table 4: Enrollment of learners by sex 2020- 2022	13
Table 5:Distribution of unemployed (15-64) by education and sex	17
Table 6: Number of Employment Offices (Public Employment Services)	23
Table 7:Wage employment by industry and sex	29

## **LIST OF FIGURES**

Figure 1: Public and Private Education and Training Institutions	9
Figure 2: No of Trainers in Education and Training Institutions	.10
Figure 3: No. of Teacher Training Institutions	.10
Figure 4: Pupil Completion Rate and Primary to Secondary Transition Rate, 2018-	
2022	.12
Figure 5: Percentage enrollment of learners by sex, 2022	.13
Figure 6: Number of registered patents	.20
Figure 7:Total Record Employment 2018 - 2022	.27







## LIST OF ABBREVIATIONS AND ACRONYMS

ABMT	Appropriate Building Materials and Technologies
ACE	Adult and Continuing Education
BETA	Bottom-Up Economic Transformation Agenda
BPO	Business Process Outsourcing
CAT	Credit Accumulation and Transfer System
CBET	Competency Based Education and Training
CIDP	County Integrated Development Plans
CUE	Commission for University Education
EAC	East African Community
EARC	Educational Assessment and Resource Center
EPS	Expandable Polystyrene Panels
FDSE	Free Day Secondary Education
FKE	Federation of Kenya Employers
FPE	Free Primary Education
GDP	Gross Domestic Product
HPT	Health Products and Technologies
ICT	Information Communication Technology
ISIC	International Standard Industrial Classification
ILO	International Labour Organization
JTWC	Joint Technical Working Committee
KLMIS	Kenya Labour Market Information System
KNEC	Kenya National Examination Council
KNOCS	Kenya National Occupational Classification Standards
KNQF	Kenya National Qualifications Framework
KUCCPS	Kenya Universities and Colleges Central Placement Service
LMI	Labour Market Information
M&E	Monitoring and Evaluation
МСР	Master Crafts Persons
MCDA	Ministries, Counties, Departments and Agencies



MDA	Ministries, Departments and Agencies
MOE	Ministry of Education
MSME	Micro, Small and Medium Enterprise
MTP	Medium Term Plan
NAP	National Apprenticeship Programme
NEET	Not in Employment, Education or Training
NGO	Non-Governmental Organization
NSDC	National Skills Development Council
NSD	National Skills Development
NOS	National Occupational Standards
PES	Public Employment Services
PrES	Private Employment Agencies
PSC	Public Service Commission
QP	Quality Packs
RPL	Recognition of Prior Learning
SDG	Sustainable Development Goals
STEM	Science, Technology, Engineering and Mathematics
ST&I	Science, Technology and Innovation
TVET	Technical Vocational Education and Training
UHC	Universal Health Coverage
UNESCO	United Nations Educational, Scientific and Cultural Organization
UPE	Universal Primary Education
WBL	Work Based Learning
WIPO	World Intellectual Property Organization
	· · · · · · · · · · · · · · · · · · ·



## FOREWORD



The Government in its efforts to fulfil the Constitutional provisions on relevant education and employment, has worked in collaboration with stakeholders, to develop the National Skills Development Policy.

The overall goal of this policy is to promote sustainable socio-economic development through the development of a skilled workforce that is employable, productive, enterprising, innovative, adaptive and competitive.

The policy has been developed in response to the skills mismatch which has contributed to

high youth unemployment in the country. The policy, therefore, provides a coordinated response to the skills mismatch towards developing an education and training system that is responsive to labour market demands.

The local and global labour markets are experiencing rapid changes. These changes have been brought about by developments such as digitization, globalization, demographic changes and climatic change including the green transition. New occupations are emerging while others are changing or becoming obsolete. It is imperative that education and training is aligned to the needs of these rapidly changing labour markets.

Kenya is a party to Agenda 2063, Treaty for the Establishment of the East African Community, 2030 Agenda for Sustainable Development and ILO conventions. Significant effort has been made to integrate the skills development considerations in these regional and international frameworks into the National Skills Development Policy. This will ensure that the skills development system in Kenya is aligned to regional and international obligations and benchmarks.

The policy framework covers the broad areas of governance and management, human capital development, education and employability, entrepreneurship education, labour market information and skills anticipation, school-to-work transition, skills for national development priorities, skills for the economy and skills for non-traditional and new occupations.

I call upon all stakeholders, including Government at all levels, the private sector, industry, social partners, development partners, youth organizations, the media and civil society to embrace this policy and work together to ensure that it is implemented successfully.

Hon. Florence K. Bore, EGH Cabinet Secretary, Ministry of Labour and Social Protection



## ACKNOWLEDGEMENTS



The State Department for Labour and Skills Development is mandated, under Executive Order No. 2 of 2023, to establish and manage the institutional framework for linking industry, skills development and training; and manage the skills and post training policy.

In line with this mandate, the Department has developed the National Skills Development Policy.

The policy has been developed with the invaluable input and support of various stakeholders, including Ministries, Counties, Departments and Agencies (MCDAs), private sector, industry, social partners, development

partners, civil society and youth groups.

The technical team that initiated the development of the policy comprised of members drawn from the Ministry of Labour and Social Protection, Ministry of Education, Central Organization of Trade Unions, Federation of Kenya Employers and the International Labour Organization.

The draft policy documents were presented to key stakeholders for feedback through several forums. The policy thus reflects the wide range of concrete actions that were proposed by the various stakeholders.

Gratitude is extended to all the stakeholders for their invaluable contributions. Special gratitude goes to the International Labour Organization for providing technical and financial support towards developing this policy.

My gratitude also goes to Dr. Wanjiru Kariuki, Secretary/Skills Development, and the technical committee for their commitment and tireless efforts in guiding the formulation of this policy.

Shadrack M. Mwadime, EBS Principal Secretary, State Department for Labour and Skills Development



## **EXECUTIVE SUMMARY**

The National Skills Development Policy is organized in five chapters. The first chapter provides the policy overview and context. The second chapter consists of the situational analysis of skills development. Chapter three presents the policy statements and options. The fourth chapter provides an overview of the implementation framework, and chapter five deals with the monitoring and evaluation framework of the policy. The appendix provides a list of definition of key terms used in the policy.

The goal of the National Skills Development Policy is to promote sustainable socioeconomic development through the development of a skilled workforce that is employable, productive, enterprising, innovative, adaptable and competitive.

The objectives of the policy are to:

- a). Strengthen the governance and management of skills development;
- b). Ensure access to equitable and quality education and training that is aligned to labour market needs;
- c). Improve the employability outcomes of education and training;
- d). Enhance access to entrepreneurship education and training for business growth and productivity;
- e). Ensure that education and training is responsive to labour market information and skills anticipation;
- f). Enhance a seamless school-to-work transition;
- g). Align skills development to national development priorities;
- h). Promote skills development for increased productivity in the economy;
- i). Strengthen skills development for enabling entry into non-traditional and new occupations.

The policy priority actions include:

- 1. The Government will ensure that a robust governance framework is established to improve skills.
- 2. The Government will ensure that skills development is adequately funded and that the financing mechanism is stable and sustainable.
- 3. The Government will ensure that institutional service providers are adequate, effective and linked to industry.
- 4. The Government will ensure that trainers are adequate and have the capacity to deliver quality education and training.
- 5. The Government will strengthen knowledge management in order to improve the quality and relevance of skills development.
- 6. The Government will increase the number of children, youth and adults accessing quality and relevant education and training.
- 7. The Government will ensure equal access to quality and relevant education and training at all levels for male and female children, youth and adults and eliminate gender disparities in education and training.
- 8. The Government will put in place measures to facilitate access to quality and relevant education and training for vulnerable groups including persons with disabilities.
- 9. The Government will ensure that the curriculum is aligned to labour market demands.



- 10. The Government will ensure that quality education and training is provided to meet industry standards.
- 11. The Government will ensure that qualifications and certification are recognized in the labour market as accurate and trustworthy.
- 12. The Government will ensure that education and training leads to improved employability outcomes.
- 13. The Government will strengthen entrepreneurship education and training to improve attitudes towards entrepreneurship, stimulate an entrepreneurial culture and enhance employability outcomes.
- 14. The Government will promote commercialization of innovations to enhance employability outcomes.
- 15. The Government will promote talent education and training to enhance employability outcomes.
- 16. The Government will strengthen the labour market information system and ensure that it informs education and training policies, plans and programmes.
- 17. The Government will strengthen the skills anticipation system to improve the linkage between skills development and the rapidly changing labour market.
- 18. The Government will strengthen the provision of work based learning to improve the school-to-work transition.
- 19. The Government will strengthen the capacity of employment services to improve the school-to-work transition.
- 20. The Government will strengthen career guidance to improve the school-to-work transition.
- 21. The Government will promote skills development to enhance the implementation of the Bottom-Up Economic Transformation Agenda.
- 22. The Government will promote skills development to enhance the production and consumption of local goods and services in the economy.
- 23. The Government will provide skills development to strengthen the productivity of the formal-modern economy.
- 24. The Government will provide skills development to strengthen productivity, sustainable livelihoods and the decent work agenda in the informal economy.
- 25. The Government will provide skills development to enhance labour participation in the gig economy.
- 26. The Government will strengthen skills development to enhance female labour participation in non-traditional occupations.
- 27. The Government will strengthen skills development for new occupations to enhance adaptability to the rapidly changing labour market.

This policy will be implemented by various actors including Ministries, Counties, Departments and Agencies (MCDAs), constitutional commissions, the private sector, industry, development partners and civil society among other key actors. A continuous programme for monitoring and evaluation will be developed; and the policy shall be reviewed within five years to assess its effectiveness and relevance in dealing with national, regional and global skills development issues.

## **CHAPTER ONE: POLICY OVERVIEW AND CONTEXT**

## **1.1 INTRODUCTION**

This chapter presents the problem statement, rationale, goals, objectives, principles, approach, scope and context of the National Skills Development Policy.

## **1.2 PROBLEM STATEMENT**

Kenya Vision 2030 aims at creating a globally competitive and adaptive human resource base to meet the requirements of a rapidly industrializing economy. However, the skills mismatch, that is the disconnect between the skills produced and those required by the labour market, if left unattended will impede the realization of this goal. The skills mismatch negatively affects labour market outcomes, productivity, competitiveness and economic growth. The National Skills Development Policy has been developed to support and facilitate a coordinated response to the skills mismatch to ensure that Kenya has an education and training system that is responsive to the needs of the labour market. This will enhance employability, realization of the full potential of human capital and socio-economic returns on human capital investment. The development of this policy has been informed by the Constitution of Kenya, which guarantees the right to relevant education and employment in Articles 55 and 56. In addition, the Third Medium Term Plan (2018-2022) of the Kenya Vision 2030, had stated that the National Skills Development Policy needed to be developed within the plan period.

## **1.3 RATIONALE**

The following factors provide the basis for the formulation of the National Skills Development Policy:

#### a). Skills mismatch - unemployment

The skills mismatch has contributed to the unemployment of educated people amidst skills shortages in the economy (Sessional Paper on Employment Policy and Strategy for Kenya, 2013). More recently, the Kenya Youth Development Policy (2019) indicated that the skills mismatch has contributed to long term unemployment among the youth. According to the Kenya National Bureau of Statistics (2021), the unemployment rate is 6.6 per cent. The age groups of 20-24 and 25-29 continued to record the highest proportion of the unemployed at 16.3 per cent and 9.1 per cent, respectively. In regard to the long term unemployment rate (continuous periods of unemployment extending for one year or longer) which was 3.9 per cent, youth aged 20-24 still have the highest rate of long-term unemployment which stood at 13.5 per cent. In addition, the percentage of youth Not in Employment, Education or Training (NEET) was recorded at 16.9 per cent. The NEET youths are particularly at risk as they are neither improving their employability through training nor gaining work experience through employment. This indicates that the potential of young people, to contribute to socio-economic development and foster increased prosperity for the country, is not fully harnessed.



#### Skills mismatch – demand side **b**).

For employers, the skills available are not adequately meeting the needs of the industry, creating a major barrier to productivity and competitiveness in the economy. A skills survey conducted by the Federation of Kenya Employers (2018), revealed that the mismatch between supply and demand for labour is a challenge, causing university graduates to operate below productive capacity. The survey reported that majority of the employers had hired university graduates as clerical officers, office secretaries and receptionists. A few employers had hired university graduates as casual staff, security staff, office messengers, office drivers and office cleaners. In addition, majority of the employers indicated that they preferred non-degree holders as employees. Similarly, the Employers and Skills Occupational Survey (2022), found that employers rated TVET institutions higher than universities in terms of producing employable graduates.

A more recent skill survey conducted by the Federation of Kenya Employers (2023), points out that the skills mismatch is a top priority policy concern, in view of the rapid technological changes and labour market dynamics. The survey puts emphasis on the need for stronger linkages between education and training, and industry. Furthermore, it recommends that employers should be involved in curriculum development and work based learning towards ensuring that skills developed are demand driven.

#### c). Skills mismatch – supply side

There is growing consensus in the education sector regarding the importance of aligning the supply of skills to demand in order to address the skills mismatch. Early education taskforce reports recommended that education and training should be reformed to enhance the schoolto-work transition. These reports included: The Report of the Kenya Education Commission (1964), also known as the Ominde Report; the Report of the National Committee on Educational Objectives and Policies (1976), known as the Gachathi Report; and the Report of the Commission on the establishment of the Second University (1981), also known as the Mackay Report.

More recently, the Report of the Presidential Working Party on Education Reform (2023), noted that there is a mismatch between the knowledge, skills, values and competencies imparted through education and training, and the needs of the labour market. In this respect, the report recommends that the linkages between education and training, and industry should be strengthened to ensure that education and training is aligned with labour market demands.

#### Skills mismatch - education and employment policies **d**).

The Sessional Paper on Employment Policy and Strategy for Kenya (2013) points out that the weak linkage between education and training, and industry has contributed to the skills mismatch. The policy framework recommends that this linkage should be strengthened in order to provide labour market oriented skills and enhance the employability of the labour force.

Likewise, the Sessional Paper on Reforming Education and Training for Sustainable Development in Kenya (2019), attributes the skills mismatch to the weak industry-education and training linkage. The policy framework recommends that this linkage should be strengthened towards aligning education and training to the needs of industry.



## **1.4 GOAL, OBJECTIVES AND PRINCIPLES**

#### 1.4.1 Policy goal

The overall policy goal is to promote sustainable socio-economic growth through the development of a skilled workforce that is employable, productive, enterprising, innovative, adaptable and competitive.

#### 1.4.2 Policy objectives

The objectives of the policy are to:

- a). Strengthen the governance and management of skills development;
- b). Ensure access to equitable and quality education and training that is aligned to labour market needs;
- c). Improve the employability outcomes of education and training;
- d). Enhance access to entrepreneurship education and training for business growth and productivity;
- e). Ensure that education and training is responsive to labour market information and skills anticipation;
- f). Enhance a seamless school-to-work transition;
- g). Align skills development to national development priorities;
- h). Promote skills development for increased productivity in the economy;
- i). Strengthen skills development for enabling entry into non-traditional and new occupations.

#### **1.4.3** Policy guiding principles

The policy guiding principles include: -

Principle	Explanation
Transparency and accountability	Enhance good governance, information sharing, monitoring and evaluation.
Equal access and opportunity	Facilitate equitable access to skills development opportunities.
Relevance	Enhance skills development that is relevant to labour market demands.
Quality	Provide quality and globally aligned skills development.
Effectiveness	Align skills development resources to national development priorities.
Lifelong learning	Promote a culture of lifelong learning.
Linkages	Promote partnerships and collaborations in skills development.
Volunteerism	Support volunteerism and active citizenship.
Youth empowerment	Equipping young people with the skills and resources they need to become value driven, morally upright, ethical, patriotic, peaceful, transformative, environmental stewards and law abiding citizens.



## **1.5 POLICY APPROACH**

The following approaches will be used in realizing the objectives of this policy:

- a). Rights based approach to ensure access to skills development;
- b). Affirmative action to address inequalities in access to skills development;
- c). Quality integration in all skills development interventions;
- d). Good governance and accountability;
- e). Institutional and human capacity development;
- f). Multi-stakeholder collaborations and partnerships;
- g). Information sharing;
- h). Monitoring and evaluation.

## **1.6 SCOPE**

The National Skills Development Policy applies to the National Government, County Governments and Non-State actors.

## **1.7 POLICY CONTEXT**

Various laws and policies make reference to skills development, and will, therefore inform and affect the implementation of this Policy.

**The Constitution of Kenya**: The policy is well-aligned to the provisions of the Constitution and takes into account the constitutional provisions on education and employment. The Constitution affirms the right to education, in Article 43; the right of the youth to access relevant education and employment, in Article 55; the right of minorities and marginalized groups to access special opportunities in educational and employment, in Article 56; the right of persons living with disabilities to access educational institutions and facilities that are integrated into society to the extent compatible with the interests of the person, in Article 54; and the right of women and men to equal opportunities in political, social, economic and cultural spheres including affirmative action to address gender inequalities, in Article 27.

Kenya Vision 2030 and its Medium Term Plan – Kenya Vision 2030 recognizes the importance of addressing skills shortages, encouraging innovation and linking skills development to industry. Under the fourth Medium Term Plan (2023 - 2027), the Government is committed to supporting skills development as a strategy in order to deliver sustained economic growth to generate employment opportunities.

**Bottom Up Economic Transformation Agenda 2022** – **2027** – presents the key priority areas that the Government will focus on. These include: Agriculture; Micro, Small and Medium Enterprise (MSME) economy; Housing and Settlement; Healthcare; and the Digital Superhighway and Creative Economy.

Sessional Paper on Reforming Education and Training for Sustainable Development in Kenya, 2019 - presents the framework for delivery of inclusive, equitable, quality and relevant education, training and research that promotes life-long opportunities for all.

**National Curriculum Policy, 2018** – presents a framework for guiding the curriculum reform process at all levels of education and training. It outlines provisions for access and transition of all learners through interdisciplinary and flexible curriculum pathways that develop their



abilities and talents; and improving efficiency in provision of education and reducing wastage at all levels.

Competency Based Education and Training Policy, 2018 – presents a framework for the delivery and implementation of a Competence Based Education and Training (CBET) system in the Technical and Vocational Education and Training sector.

Internship Policy and Guidelines for the Public Service, 2016 - provides a framework for engagement and management of internship programmes in the public service. It outlines the various provisions and requirements of the programme, selection procedures and roles and responsibilities of various stakeholders in the internship programme.

Kenya Youth Development Policy, 2019 – provides a framework for empowering the youth and harnessing their potential for realization of sustainable development. It outlines the priority areas aimed at improving the quality of life of the youth in Kenya through by enhancing their participation in economic and democratic processes as well as in community and civic affairs.

National Education Sector Strategic Plan, 2018-2022 - outlines the education sector reform implementation agenda in five thematic areas. These thematic areas include access and participation; equity and inclusiveness; quality and relevance; sector governance and accountability; and pertinent and contemporary issues and values.

County Integrated Development Plans (CIDPs) - present an opportunity to identify skills development priorities and actions at the county level, and to integrate these actions in programmes and initiatives. Under the County Governments Act (2012), CIDPs must have clear outcomes, monitoring and evaluation, and reporting mechanisms. In addition, CIDPs must set out a resource mobilization and management structure. The mandatory requirement for development of sectoral plans allows room for detailed analysis of skills development priorities and investment needs at the county level.

National regulatory legislation - The Industrial Training Act (2012) provides for the coordination and regulation of industrial training; the TVET Act (2013) provides for regulation and coordination of Technical and Vocational Education and Training (TVET); the Kenya National Qualification Act (2014) provides for the establishment of an accreditation system on qualifications; the Science, Technology and Innovation Act (2013) provides for regulation of the science, technology and innovation sector; the Universities Act (2012) provides for regulation and coordination of university education; the Basic Education Act (2012) provides for the coordination and regulation of basic education; and the Kenya National Examination Council Act (2012) provides for regulation and coordination of national examinations at basic and tertiary levels of education.

African Union Agenda 2063 - This is Africa's long-term vision designed to achieve the collective aspirations of the continent-The Africa We Want. It guarantees full access of the youth to education, training, skills and technology, fostering greater links between skills development and industry, closing the skills gap and elimination of youth unemployment.

Treaty for the Establishment of the East African Community (2007) – provides a framework for partner states to co-ordinate their human resource development policies and programmes; strengthen existing and where necessary establish new common research and training institutions; co-operate in industrial training; develop common educational programmes; harmonize curricula, examination, certification and accreditation of education and training institutions; revive and enhance the activities of the Inter-University Council for



East Africa; encourage and support the mobility of students and teachers within the Community; and exchange information and experience on issues common to the educational systems of the Partner States.

2030 Agenda for Sustainable Development – this framework was adopted by all United Nations Member States in 2015. It provides a shared blueprint for access to equitable, quality and relevant education. SDG 4 provides for inclusive and equitable quality education and promotion of lifelong learning opportunities for all. Other SDGs that require skills development include: poverty reduction (SDG1), end hunger, achieve food security and improved nutrition and promote sustainable agriculture (SDG2), ensure access to affordable, reliable, sustainable and modern energy for all (SDG7), promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all (SDG8), build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation (SDG9), take urgent action to combat climate change and its impacts (SDG13).

ILO Future of Work Declaration: Abidjan Declaration, 2019 - provides a framework for strengthening the capacities of all people to benefit from the opportunities of a changing world of work through investing in human capital by strengthening education, skilling, reskilling, upskilling and lifelong learning to leverage technology and the new types of jobs it helps create.

ILO Human Resources Development Recommendation, No. 195 of 2004 - provides a framework for the development and implementation of education and training policies; preemployment training; development of competencies; training for decent work and social inclusion; recognition and certification of skills; training providers; career guidance and training support services; research in human resource development, education, training and lifelong learning; and international and technical cooperation.

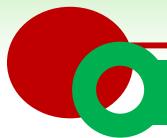
ILO Conclusions on Skills for Improved Productivity, Employment Growth and Development, 2008 - provides practical guidance for strengthening education, vocational training and lifelong learning as central pillars of employability for workers and sustainability for enterprises within the decent work agenda. The conclusions aim to: help countries use skills development to maximize opportunities and mitigate the negative impact of global drivers of change such as technology, trade and climate change; integrate skills development into national and sectoral development strategies; build seamless pathways of education; and extend access to education and training for those who are disadvantaged in society.

ILO Paid Educational Leave Convention, No. 140 of 1974 – presents a framework for the acquisition, improvement and adaptation of occupational and functional skills, and the promotion of employment and job security in conditions of scientific and technological development and economic and structural change.

## **1.8 POLICY FORMULATION PROCESS**

The formulation of the National Skills Development Policy was undertaken through a consultative and participatory approach. The process involved various stakeholders both at national and county levels. These included the public sector, private sector, industry, Non-Governmental Organizations, civil society, social partners, development partners and youth groups.





## CHAPTER TWO: SITUATIONAL ANALYSIS

## 2.0. INTRODUCTION

This section provides a broad sectoral overview of the critical issues that impact on Kenya's progress towards achieving a skills development system that is relevant to labour market needs. The situational analysis focuses on key development sectors that are thematically sequenced. A range of key issues have been identified in each thematic area.

## **2.1. GOVERNANCE AND MANAGEMENT**

Resources play a critical role in driving the transformation of skills development. Hence, effective and efficient management of resources is expected to be one of the major foundations of the skills development system in Kenya.

#### 2.1.1. Governance

The Government has established multiple legal and regulatory frameworks to deliver various mandates in skills development. The pursuit of these mandates by each of the skills development entities has led to a set of overlapping skills development programmes. These programmes are spread across several Ministries, Counties, Departments and Agencies (MCDAs) without any robust coordination and monitoring mechanism to ensure convergence. This has resulted in institutions performing similar roles, providing the same services, and addressing the same issues, often without consultation with each other; failure to maximize synergies to address national priorities in a coherent manner; and competing with each other to gain funding for similar programmes. In practice, navigating the fragmented and overlapping institutional context is a governance and coordination challenge.

There are six broad types of inter-ministerial mechanisms used by a range of countries around the world to coordinate skills development (ILO, 2018). These include:

- Skills development led by the Ministry of Education or an equivalent body, as in the Russian Federation and Turkey;
- Skills development led by the Ministry of Labour or an equivalent body, as in Malawi and Tunisia;
- Skills development led by a dedicated skills development Ministry, as in India and Burkina Faso;
- Skills development led by a skills development-focused government agency or nondepartmental public body, as in Jamaica and the Philippines;
- Skills development overseen by a coordinating council or similar body placed higher than the relevant departments, as in France and Bangladesh; and
- Skills development disaggregated across line ministries without a permanent centralized coordination mechanism, as in the Republic of Korea and Canada.

With the increased emphasis on inter-sectoral coordination, the Third Medium Term Plan (2018-2022) recommended that the Kenya National Skills Development Council should be established to facilitate coordination of skills development.



- a). Overlapping mandates;
- b). Organizational duplications, fragmentation and competition;
- c). The establishment of a National Skills Development Council is necessary;
- d). Weak inter-sectoral linkages;
- e). Weak monitoring, evaluation and reporting systems.

#### 2.1.2. Financing

Public financing for education and training includes: Capitation grants for basic education, TVET, post training and skills development, and university education; Funds such as the Higher Education Loans Board (HELB), National Industrial Training Levy, Constituency Development Fund (CDF) and county government bursary schemes; and Budgetary allocations for work based learning. Private financing of education and training is undertaken by households, sponsors, alumni, donors and Non-Governmental Organisations (NGOs).

For the period 2018 to 2022, there has been high government spending on early learning and basic education, teacher management and university education, while the lowest expenditure has been on TVET, and post training and skills development (see table 1). As a result, there are financing gaps in TVET, and post training and skills development.

According to the African Union Continental Strategy for TVET (2018), TVET is a means of addressing the critical challenge of youth unemployment. Yet, only a few African governments currently finance TVET at a level that can sustain quality training. The strategy notes that TVET is generally expensive in terms of cost per student. However, this is not reflected in the budget allocations for TVET.

Department	2018/19	2019/20	2020/21	2021/22	2022/23
Early Learning & Basic Education	95,429.03	98,225.87	94,509.62	102,284.07	119,888.74
Teacher Service Commission	240,754.99	253,596.67	274,379.93	274,608.66	298,687.45
University	101,816.67	117,958.3	83,058.57	92,287.91	106,899.55
TVET	17,022.99	26,888	20,341.65	16,681.29	22,586.68
Post Training & Skills Development	56.16	123.40	122.40	201.00	187.25
Total	455,079.8	496,792.2	472,412.17	486,062.93	548,249.67

Table 1: Public expenditure on education and training 2018–2023

(Economic Survey, 2023)

## \*Note: Kshs. Million

#### Key issues:

- a). Low budgetary allocation for TVET, and post training and skills development;
- b). Low private financing for education and training;
- c). Funding for education and training for disadvantaged groups, including persons with disabilities, needs to be enhanced;
- d). Weak financial accountability, monitoring and tracking systems;
- e). Weak public-private sector funding collaborations.



#### 2.1.3. Institutional training providers

Education and training institutions in basic, TVET and university education are managed by the national government, while those in pre-primary, vocational and home craft education are managed by county governments. These institutions have a degree of operational autonomy as they have delegated authority which is vested in entities such as: boards of management, boards of governors, governing councils, and boards of trustees. However, industry is not adequately represented on these boards.

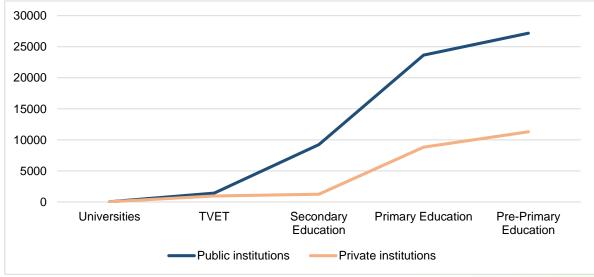
Public education and training institutions account for the largest share (73 per cent) of education and training institutions (see table 2). In addition, pre-primary, primary and secondary schools make up the bulk of education and training institutions. However, TVET institutions and universities have the least share of education and training institutions, yet they are required to enhance the employability of trainees (see figure 1). Over the next few years, the high completion and transition rates at basic education, will demand for tertiary education and training institutions to increase exponentially.

Sector	Public institutions	Private institutions	Total
University Education	35	33	68
TVET	1,423	973	2,396
Secondary Education	9,247	1,255	10,502
Primary Education	23,631	8,838	32,469
Pre-Primary Education	27,174	11,309	38,483
Total	61,510	22,408	83,918

#### Table 2: Number of education and training institutions

Economic Survey (2023)

#### Figure 1: Public and Private Education and Training Institutions



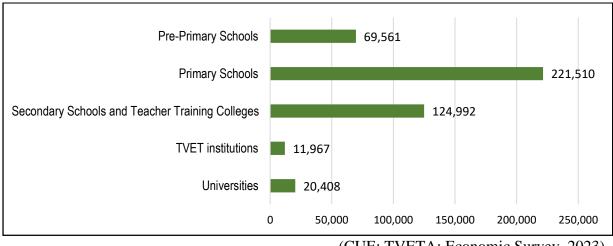
Economic Survey (2023)



- a). Industry needs to be represented in the management of education and training institutions;
- b). Low number of universities and TVET institutions;
- c). Low private sector provision of education and training;
- d). Inadequate data on the number of non-formal learning centers.

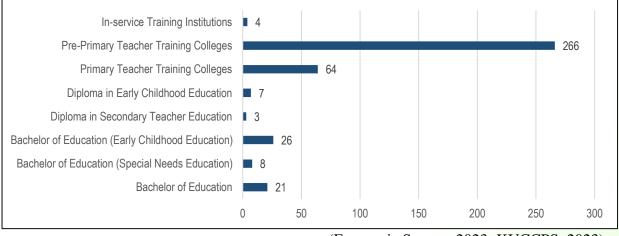
#### 2.1.4. Trainers

The Government ensures that skills development is delivered through competent and qualified trainers<sup>1</sup>. However, the shortage of trainers, particularly in tertiary education and training, could weaken the quality of education and training at a time when the need for new skills is growing rapidly. While, primary schools, secondary schools and teacher training colleges have the highest share of trainers. TVET institutions and universities have the least number of trainers (see figure 2). Furthermore, the pre-service and in-service teacher training institutions which are required to build and strengthen the capacity of trainers to deliver skills development are inadequate (see figure 3).



**Figure 2: No of Trainers in Education and Training Institutions** 

#### **Figure 3: No. of Teacher Training Institutions**



<sup>(</sup>Economic Survey, 2023: KUCCPS, 2023)

<sup>(</sup>CUE; TVETA; Economic Survey, 2023)

<sup>&</sup>lt;sup>1</sup> Trainers is used in this policy to refer to teachers, tutors, facilitators, MCPs and lecturers.

- a). Inadequate trainers in universities and TVET institutions;
- b). TVET courses introduced under the CBC require trainers;
- c). Inadequate use of MCPs as trainers;
- d). Inadequate TVET pre-service teacher training institutions;
- e). Inadequate in-service training institutions for trainers including MCPs;
- f). Workplace learning opportunities are required for trainers;
- g). Limited involvement of industry in the capacity development of trainers;
- h). Low motivation of trainers;
- i). Lack of professional organizations for trainers.

#### 2.1.5. Knowledge management

Kenya Vision 2030 envisages a knowledge-driven economy where knowledge sharing steers the economy toward rapid growth and competitiveness. Furthermore, the national knowledge management policy (2022) seeks to institutionalize knowledge management in the public sector. At the regional level, the EAC treaty (2002) seeks to promote co-operation in the fields of research and exchange of information; while Agenda 2063 seeks to elevate Africa's role in global research, innovation, technology development and technology transfer. At the international level, the ILO Human Resources Development Recommendation, No.195 of 2004, provides for the sharing of experiences on international best practices. Despite having a strong policy and legal framework on knowledge management, there is a weak culture of knowledge sharing.

#### Key issues:

- a). Weak dissemination of knowledge;
- b). Weak sharing of knowledge between industry and education and training institutions;
- c). Weak capacity of MSMEs to identify and assimilate new and existing knowledge and technologies;
- d). Inadequate communities of practice in skills development;
- e). Exchange programmes for trainers and learners, which enhance knowledge sharing, are inadequate;
- f). National skills competitions, World Youth Skills Day and open source knowledge repositories present opportunities for knowledge sharing;
- g). Weak inter-sectoral linkages.

## **2.2. HUMAN CAPITAL DEVELOPMENT**

An education and training system that supplies the skills that are in demand for the labour market is essential for economic growth. Hence, an analysis of the trends in human capital development is critical.

#### 2.2.1. Access

The Government has made progress towards improving access to education and training, yet significant work remains to be done to increase enrolment in secondary, tertiary education and training and Adult and Continuing Education (ACE). According to ILO (2014), the attainment of the highest level of education (tertiary education and training) serves as a fairly dependable guarantee towards securing decent work (or non-vulnerable jobs).



For the period 2017 to 2022, primary education has continually had the highest share of enrolment of learners, while university education, TVET and Adult and Continuing Education (ACE) have lagged behind. In 2022, the total enrolment in primary and secondary schools stood at 10.3 million and 3.8 million respectively. In contrast, the enrollment of learners in university education and TVET stood at 562,925 and 562,499 respectively; while the lowest enrolment of learners (138,628) was registered in ACE (see table 3).

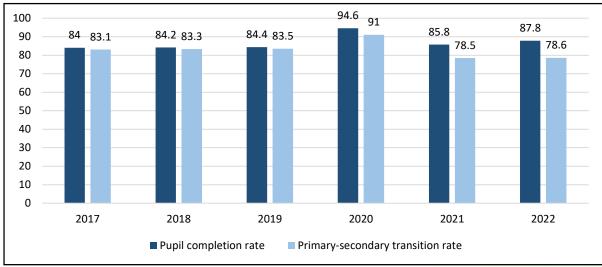
During the six-year period, 2017–2022, the pupil completion rate and primary-secondary transition rates were over 70 per cent. These rates have been increasing over the years with the exception of 2021 when there was a decline. Since, 100 per cent primary-secondary transition was not attained over the six-year period (2017-2022), it means that a number of learners (early school leavers) have transited from primary education to non-formal or informal learning (see figure 4).

Sector	No. of learners enrolled							
	2017	2018	2019	2020	2021	2022		
University Education	522,059	519,462	509,473	546,699	562,066	562,925		
TVET	267,365	359,852	430,598	451,205	498,326	562,499		
Adult and Continuing Education	206,224	212,441	209,082	180,395	128,878	138,628		
Secondary Education*	2, 830.9	2942.7	3,260.0	3,520.4	3,692.0	3,858.0		
Primary Education*	10,403.7	10,542.5	10,072.0	10,170.1	10,285.1	10,364.2		

#### Table 3: Enrollment in the education sector 2017 - 2022

\*Number '000'

(Economic Survey, 2020; 2023)



#### Figure 4: Pupil Completion Rate and Primary to Secondary Transition Rate, 2018-2022

(Economic Survey, 2023)

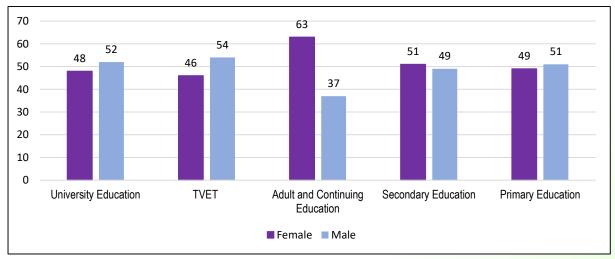
- a). Low access to university education and TVET, yet these levels of education are gateways towards securing decent work;
- b). Low access to Adult and Continuing Education (ACE);
- c). Inadequate capacity of secondary schools to cope with the high primary-secondary transition including learners joining junior secondary education;
- d). Inadequate capacity of TVET institutions and universities to cope with the large number of learners exiting secondary education on account of the high primary-secondary transition;
- e). Recognition of Prior Learning (RPL) is required for early school leavers that transited from primary education to non-formal and informal learning;
- f). Lack of data on non-formal and informal learning.

#### 2.2.2. Gender equality

The Government has made good progress towards achieving gender parity in the enrollment of students in education and training institutions over the years (see table 4). In 2022, near gender parity, or equal numbers and proportions of female and male students, was achieved at all levels of education and training, with the exception of Adult and Continuing Education (ACE) (see figure 5). However, it is important to note that regional gender disparities have been identified in North Eastern region where there is low enrollment of girls in schools; and Nyanza, Rift Valley and Western regions where there is low enrollment of boys in schools (Kenya National Examination Council, 2019).

Institutions	2020		2021		2022	
	Male	Female	Male	Female	Male	Female
<b>University Education*</b>	275,614	176,475	271,901	176,581	263,926	240,166
TVET	258,084	193,121	284,918	213,408	241,689	207,197
Adult and Continuing Education	59,458	120,937	44,762	84,116	51,766	86,862
Secondary Education**	1,751.5	1,768.9	1,822.7	1,869.3	1,893.5	1,964.6
Primary Education**	5,191.4	4,978.7	5,243.5	5,041.7	5,248.2	5,116.0
*Public universities **Number '000' (Economic Survey, 2023)						

#### Table 4: Enrollment of learners by sex 2020- 2022



#### Figure 5: Percentage enrollment of learners by sex, 2022

(Economic Survey, 2023)

- a). There is near gender parity at all levels of education and training, with the exception of Adult and Continuing Education (ACE);
- b). Male adult education learners are outnumbered by female adult education learners;
- c). Gender disparities in basic education enrollment exist in some regions;
- d). Lack of data on access to non-formal education, by sex.

#### 2.2.3. Equity and inclusivity

The Government has developed policies aimed at promoting equity and inclusivity in accessing education and training such as the Sessional Paper on Educational Objectives and Policies (1978) which advocates for non-formal education; Policy Framework on Nomadic Education in Kenya (2008) which aims at enabling nomadic learners to access basic education; and Sessional Paper on Reforming Education and Training for Sustainable Development in Kenya (2019) which addresses special needs education and training; and Adult and Continuing Education (ACE) for adults learners and out of school youth, aged fifteen years and above who are not in the formal education system.

Despite this progress, the number of individuals that left school before completion stands at 6.9 million; while those that have never been to school stands at 7.1 million (Kenya Population and Housing Census Vol. IV, 2019).

The barriers to equitable access to education and training have been identified as poverty; indirect costs of education; weak school re-entry strategy; negative socio-cultural practices; inadequate facilities and equipment; poor nutrition; orphan-hood; shortage of teachers particularly in Arid and Semi-Arid Lands (ASALs); inadequate Educational Assessment and Resource Centers (EARCs) required for early identification and placement of learners with special needs and disabilities; and the long walking distance from home to school where 40 percent of pupils in rural areas travel over 2 kilometers to school, with 17 percent travelling over 4 kilometers, every day. The highest percentages of pupils travelling over 4 kilometers are in North Eastern, Nyanza and Coast regions (Kenya Youth Development Policy, 2019; Kenya National Examination Council, 2016; Kenya National Examination Council, 2019).

#### Key issues:

- a). High population of individuals that left school before completion; and individuals that have never been to school;
- b). Low access to skills development among vulnerable groups including: orphans, over-age children, youth, women, persons with disabilities, pastoralist communities, refugees, incarcerated people and people living in pockets of poverty, Arid and Semi-Arid Lands (ASALs), rural areas, hard-to-reach areas, informal settlements and streets;
- c). Weak enforcement of the re-entry to school strategy;
- d). Inadequate Educational Assessment and Resource Centers (EARCs) required for early identification and placement of learners with special needs and disabilities;
- e). Learning environments for vulnerable groups, including persons with disabilities, need to be user-friendly;
- f). Inadequate capacity building for guides of persons with disabilities;
- g). Inadequate skills data on vulnerable groups including persons with disabilities.

#### 2.2.4. Curriculum alignment

The Government has recently introduced reforms aimed at ensuring that the curriculum in education and training is competence based and aligned to the needs of industry, though there are challenges that still exist. The Competence Based Curriculum (CBC) Policy (2019) provides a framework for competence based education in basic education and provides for flexible curriculum delivery pathways, new learning approaches and incorporation of public-private partnerships in curriculum development. It also integrates life skills such as creativity, innovation and critical thinking in the curriculum.

At the TVET level, the Competence Based Education and Training (CBET) Policy (2018) provides a framework for an industry and business demand-led TVET model that is informed by established, approved and industry-validated occupational standards. The policy provides for industry engagement in setting national occupational standards, monitoring standards, developing and acquiring training materials, participating in the assessment of trainees, evaluation of the TVET systems and providing training opportunities.

In addition, sector skills committees comprising of industry experts have been established to develop National Occupational Standards (NOS) and Qualification Packs (QPs) to ensure that TVET and industrial education curricula is aligned to labour market demands.

At the university level of education, the Curriculum Guidelines for Designing Curriculum for University Academic Programmes (2009) are yet to be reviewed and aligned to labour market needs.

From the labour market side, employers have called for the curricula of academic institutions to be reviewed and aligned to the needs of industry. In addition, employers suggest that graduates should be equipped with soft skills (Federation of Kenya Employers, 2018; Federation of Kenya Employers, 2023).

#### Key issues:

- a). Harmonization of curriculum policies is required;
- b). Employers need the curricula of academic institutions to be reviewed and aligned to the needs of the labour market;
- c). Employers need learners to be equipped with soft skills;
- d). Curricula is not aligned to labour market needs at all levels of education and training;
- e). The curriculum for pre-service teacher training needs to reviewed to incorporate competence based education and industry involvement in the learning process;
- f). Industry involvement in curriculum design, delivery, assessment and support services needs to be enhanced;
- g). Labour market information and skills anticipation assessments need to inform curriculum development;
- h). Tracer studies need to be utilized to assess and improve the relevance of curricula to the labour market;
- i). Dual learning, which combines learning and working within training programmes, needs to be enhanced;
- j). Weak coordination framework for sector skills committees;
- k). Weak multi-sectoral linkages.



#### 2.2.5. Quality standards

The Government has developed a comprehensive legal framework on quality assurance for education and training, which includes: The Universities Act (2012), TVET Act (2013), Basic Education Act (2013), Industrial Training Act (2012), Accountants Act (2008), Certified Public Secretaries of Kenya Act (1988), Investment and Financial Analysts Act (2015) and Engineers Act (2011). These legal frameworks have enabled various government agencies and professional bodies to undertake quality assurance in relation to their specific mandates. However, the pursuit of these mandates has led to quality standards that have different parameters, guidelines and monitoring and tracking mechanisms. Inter-agency mechanisms have not been effectively promoted to enhance coordination or coherence. Furthermore, employers have indicated that the skills developed by educational and training institutions do not conform to industry standards (Federation of Kenya Employers, 2018). This is not ideal for instilling the desired credibility, reliability and trust required to enhance employability outcomes in the labour market.

#### Key issues:

- a). Employers require skills developed to conform to industry standards;
- b). Quality standards are implemented by multiple agencies with different parameters, guidelines and monitoring and tracking mechanisms;
- c). Weak linkages among the accreditation agencies;
- d). Inadequate involvement of industry, professional bodies and social partners in quality assurance;
- e). Lack of independent assessments to verify compliance of education and training to quality standards.

#### 2.2.6. Qualifications and certification

The Government has developed a robust policy and legal framework for regulating qualifications and certification which includes: The Kenya National Qualifications Framework Act (2014), Kenya National Examinations Council Act (2012), Accountants Act (2008), Universities Act (2012), TVET Act (2013), Industrial Training Act (2012), Policy on Recognition of Prior Learning (RPL) (2023), Kenya Credit Accumulation and Transfer System Guidelines (2018) and the Guidelines for Equation of Foreign Qualifications (2020).

Despite these efforts, there are challenges confronting qualification and certification in Kenya, which include:

- There are education and training institutions that are yet to align their qualifications to the Kenya National Qualification Framework (KNQF);
- The KNQF is not aligned to the African Continental Qualifications Framework (ACQF) which limits the portability of Kenyan qualifications within Africa;
- Lack of a learners' qualification records database system makes it difficult for employers to verify the qualifications of labour market entrants and employees;
- Verification of certificates is done manually which is slow and time-consuming;
- Equation and verification of foreign qualifications is provided by various government agencies resulting in duplications and overlaps;
- According to the Informal Sectors Skills and Occupations Survey (2020), majority (33 per cent) of the informal sector owners were found to have skills that were not certified.



- a). Weak compliance to KNQF;
- b). Alignment of KNQF to regional and international qualification frameworks is required;
- c). Lack of a learners' qualification records database;
- d). Manual verification of certificates is inefficient;
- e). Duplications and overlaps in equation and verification of foreign qualifications;
- f). Majority of informal sector owners have uncertified skills.

## **2.3. EDUCATION AND EMPLOYABILITY**

The negative socio-economic impact of unemployment and underemployment is poverty, inequality, dependency, loss of self-esteem, social and political unrest; and vulnerability to drug and substance abuse, human trafficking, criminal behavior, radicalization and violent extremism (Sessional Paper on Employment Policy and Strategy for Kenya, 2013; Kenya Youth Development Policy, 2019).

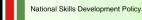
Having relevant skills is, therefore, essential for young people to easily access the labour market and to retain employment in high quality and stable jobs. Table 5 presents data on unemployment in relation to education attainment.

Education level	Male	%	Female	%	Total	%
Pre-primary	1.6	0.3	5.2	0.6	6.8	0.5
Primary	139.9	27.4	294.0	31.7	433.9	30.2
Post primary/vocational	4.7	0.9	6.6	0.7	11.3	0.8
Secondary	192.0	37.7	312.5	33.7	504.5	35.1
College (middle level)	51.3	10.1	107.8	11.6	159.1	11.1
University (undergraduate)	63.4	12.4	67.6	7.3	131.0	9.1
University (post graduate)	-	-	0.9	0.1	0.9	0.1
Madarasa	3.2	0.6	4.1	0.4	7.3	0.5
Other	-	-	0.2	-	0.2	0.0
None	48.9	9.6	125.5	13.6	174.4	12.1
Not stated	4.7	0.9	1.8	0.2	6.5	0.5
Total	509.7	100	926.1	100	1,435.8	100

Table 5:Distribution of unemployed (15-64) by education and sex

\*000

(Kenya National Bureau of Statistics, 2018)



The data in table 5 indicates that there is relationship between education attainment and employability depending on the level of skills acquired, as indicated below:

- TVET is strongly aligned to labour market demands. The data indicates that postprimary/vocational education graduates form a very small proportion of the unemployed population (0.8%). Hence, TVET graduates have high employability.
- University and college (middle level) education is not adequately aligned to labour market demands. The data indicates that a substantial proportion of the unemployed population are college (middle-level) graduates (11.1 per cent) and university undergraduates (9.1 per cent).
- Failure to transit to tertiary education and training has a negative impact on one's employment prospects. The data indicates that majority of the unemployed population are secondary school leavers (35.1 per cent) followed by primary school leavers (30.2 per cent). This is because primary and secondary education does not provide occupational qualifications that enhance employability.
- Having no education has a negative impact on employability. The data indicates that the third highest unemployed population is among individuals that have no education (12.1%). It is imperative that these individuals participate in Adult and Continuing Education (ACE).
- Women with low levels of education are vulnerable to unemployment compared to their male counterparts. The data indicates that women with primary education comprise of 68 per cent of the unemployed population against 32 per cent of unemployed men with primary education.

#### Key issues:

- a). TVET graduates have high employability which points to a strong linkage between TVET and labour market demands;
- b). University (bachelor level) and college (middle level) education have low employability outcomes which points to a weak linkage between these levels of education and training and labour market demands;
- c). Unemployed university (bachelor level) and college (middle level) graduates need upskilling and retraining to become employable;
- d). Failure to transit into tertiary education has a negative impact on one's employment prospects;
- e). Majority of the unemployed population have secondary education and below which can be attributed to lack of micro credentials for occupational courses in basic education.
- f). Individuals with no education have low employability and need Adult and Continuing Education (ACE) that integrates occupational courses to enhance their employability;
- g). Women with low levels of education are more vulnerable to unemployment than their male counterparts.



## 2.4. ENTREPRENUERSHIP

Entrepreneurship strengthens economic growth and plays a crucial role in spurring sustainable development and generating decent jobs. Entrepreneurs are able to create self-employment and earn a livelihood for themselves. Furthermore, they are able to grow their businesses and generate employment for others. To foster an entrepreneurial, creative and innovative workforce, there is need for investment in skills development for entrepreneurship.

#### 2.4.1. Entrepreneurship education and training

Although entrepreneurship plays a critical role in generating employment, the youth in Kenya have a negative perception towards entrepreneurship and self-employment (Kenya Youth Development Policy, 2019). The mindset of majority of job seekers is fixed on paid employment, yet the rate of creation of formal jobs has reduced over time. There is a deep rooted culture of job-seeking instead of job creation and self-employment amongst most job seekers (Sessional Paper on Employment Policy and Strategy for Kenya, 2013).

Efforts need to be made towards entrenching entrepreneurship into the educational system as a way of developing entrepreneurial skills and mind-sets. The Sessional Paper No. 5 of 2020 on Kenya Micro and Small Enterprises Policy for Promoting Micro and Small Enterprises (MSEs) for Wealth and Employment Creation recommends that entrepreneurship skills should be inculcated at all levels of the education and training system, as a compulsory subject with a practical orientation. Furthermore, the ILO Recommendation No. 189 of 1998 emphasizes that entrepreneurship education and training that is linked to the job market should be undertaken towards developing entrepreneurial attitudes.

#### Key issues:

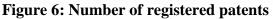
- a). Lack of an entrepreneurship policy;
- b). Entrepreneurship skills need to be inculcated at all levels of education and training;
- c). Financial literacy needs to be strengthened;
- d). Entrepreneurship hubs need to be established;
- e). Information sharing on best practices in entrepreneurship is required;
- f). Weak inter-sectoral linkages.

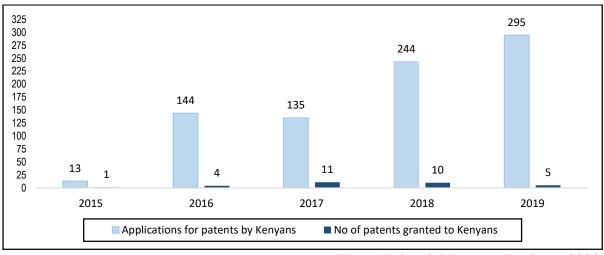
#### 2.4.2. Commercialization of innovations

Accelerating innovation-driven entrepreneurship through skills development is crucial for large-scale employment generation. Kenya has a robust legal framework that promotes innovation, which includes the: Science, Technology and Innovation Act (2013), Industrial Property Act (2001), Universities Act (2012) and TVET Act (2013). In addition, Kenya has over 280 innovation hubs established by various entities, including the national government, county governments, education and training institutions, research institutions, private sector and development partners. Inter-sectoral mechanisms have not been effectively promoted to enhance coordination of these innovation hubs.

Despite this progress, the commercialization of innovations in Kenya is weak (Kenya National Innovation Agency, 2018). According to the Global Innovation Index (GDI), which captures the innovation ecosystem performance of 132 economies, Kenya is lagging behind other countries. In 2022, Kenya was ranked 11<sup>th</sup> in Africa and 100<sup>th</sup> among the 132 economies ranked under the GDI (Cornell University/WIPO, 2023). Furthermore, the registration of patents (which gives owners of inventions exclusive legal rights to their inventions) in Kenya is low. For the period 2015 to 2019, only 31 patents were granted to Kenyans (see figure 6).







(Kenya Industrial Property Institute, 2020)

- a). Low commercialization of innovations;
- b). Lack of a Science, Technology and Innovation (ST&I) policy;
- c). Lack of a well-coordinated national innovation agenda;
- d). Innovation hubs established by the multiple implementing entities require a coordination mechanism;
- e). Few registered patents;
- f). Low awareness of intellectual property rights;
- g). Inadequate funding and support for innovations;
- h). Inadequate data on innovations;
- i). Multi-sectoral linkages are needed to enhance commercialization of innovations.

#### 2.4.3. Commercialization of talents

The Government is committed to the development and commercialization of talents in a bid to increase full and productive employment in the country (Bottom Up Economic Transformation Agenda 2022 - 2027). The National Policy on Culture and Heritage (2009) notes that a well-developed performance arts industry can create employment and wealth in Kenya. Hence, performance artists need to be nurtured so that they can make an important contribution to economic growth. Furthermore, sport was officially recognized as a tool for addressing decent work and economic growth, following the UNESCO sixth international conference of ministers and senior officials responsible for physical education and sport (UNESCO Kazan Action Plan, 2017).

Efforts have been made to develop talents through the introduction of the arts and sports science pathway within the Competence Based Curriculum (Basic Education Curriculum Framework, 2019). In addition, national programmes have been established to develop talents among the youth. One such programme is the Studio Mashinani dubbed 'Talent ni Kazi', which was developed to empower the youth with skills required to build and operate independent audio music recording and creative production studios for recording quality audio music, commercials and jingle pieces. As a result, five studios were set up in the Kenya Broadcasting Corporation (KBC) offices in Nairobi, Kisumu, Machakos and Mombasa to enable the youth record music free of charge (Third Medium Term Plan, 2018-2022). Kenya has also established two public talent academies, namely, the Kenya Academy of Sports and the National Youth Talent Academy.



Despite this progress, the Kenya Youth Development Policy (2019) notes that the youth constitute a huge pool of untapped talent potential in sports and performing arts and recommends that this creativity potential should be tapped and nurtured to enable them earn a livelihood.

#### Key issues:

- a). Weak talent identification, nurturing and promotion;
- b). Inadequate mentorship programmes for nurturing talent;
- c). Low awareness of intellectual property rights related to talents;
- d). Talent academies need to be increased and devolved to the counties;
- e). Inadequate data on talent education and training;
- f). Weak linkages between artists and existing funding mechanisms.

## 2.5. LABOUR MARKET INFORMATION AND SKILLS ANTICIPATION

A comprehensive labour market information and skills anticipation system is the backbone of any education and employment strategy. It is of paramount importance in supporting better matching of skills supply with demand. Education policy makers and practitioners need to be provided with labour market information in order to translate it into relevant policy actions, plans and programmes.

#### 2.5.1. Labour market information

The Government established the Kenya Labour Market Information System (KLMIS) in 2017 to provide labour market information and periodic reports on labour market indicators. In this context, job opportunity analyses are carried out and job opportunity indices computed annually to provide insights on the number of vacancies, skill requirements and location of jobs in different sectors.

National surveys have also been conducted to determine skills needs and gaps. These include the National Manpower Survey (2012), Skills Gap Analysis for Graduates of Youth Polytechnics, Vocational Training Centers and Out-Of-School Youth (2012), Survey on Training in Local Institutions (2017), Informal Sectors Skills and Occupations Survey (2020), and the Skills Profile in the Energy Sector in Kenya (2020). Furthermore, universities have begun to undertake tracer studies (CUE, 2014).

Despite this progress, education and training programmes are not well aligned to Labour Market Information (LMI).

#### Key issues:

- a). Lack of a policy on LMI management;
- b). Inadequate use of LMI in education and training;
- c). Lack of up-to-date LMI;
- d). Inadequate and irregular skills surveys and tracer studies;
- e). Lack of quality standards for labour market information;
- f). Weak linkage between the KLMIS and other databases containing skills and labour market information.



#### 2.5.2. Skills anticipation

Skills anticipation is a strategic and systematic process through which labour market actors identify and prepare to meet future skills needs, thus helping to avoid potential gaps between skills demand and supply. Anticipating and building skills for the future is essential in rapidly changing labour markets.

The ILO Human Resources Development Recommendation, No.195 of 2004 recommends that forecasting of trends in supply and demand for competencies and qualifications in the labour market should be undertaken.

However, the Human Resource Planning and Succession Management Strategy for the Public Service (2017) reports that skills anticipation (which is key to identifying and preparing to meet future skills needs) in Kenya is deficient. In addition, the linkage between skills anticipation and education and training is weak.

#### Key issues:

- a). Weak skills anticipation system;
- b). Inadequate use of skills anticipation in education and training;
- c). Inadequate research on future skills needs;
- d). Weak technical capacity to undertake skills anticipation;
- e). Lack of quality standards for skills anticipation;
- f). Weak inter-sectoral linkages.

## 2.6. TRANSITION FROM SCHOOL-TO-WORK

The school-to-work transition is a critical stage for individuals entering the labour market as it has consequences for future employment. The first years on the labour market have an impact on future employment and earning prospects. It is, therefore, important to provide opportunities for productive and decent work to enable individuals enter the labour market seamlessly.

#### 2.6.1. Work based learning

The national policy and legal framework that addresses work based learning includes: the TVET Act (2013); Industrial Training Act (2012); Sessional Paper on Employment Policy and Strategy for Kenya (2013); Sessional Paper No. 2 of 2013 on Industrial Training and Attachment Policy; Internship Policy and Guidelines for the Public Service (2016); and National Guidelines for Internship Training of Medical and Dental Officer Interns (2019).

Work based learning programmes are coordinated by education and training institutions; departments and agencies in the ministries of labour, youth, health, ICT; commissions and county governments. Examples of national work based learning programmes include the: Presidential Digital Talent Programme, Public Service Commission (PSC) Internship Programme, Kenya Youth Employment and Opportunities Project (KYEOP), Kenya Youth Empowerment Project (KYEP), National Apprenticeship Programme (NAP) and National Volunteers Programme (G-United). Work based learning programmes are also provided through public-private collaborations, private companies, faith based organizations, NGOs and the informal sector. In addition, industry-led academies such as Toyota Academy and Kenya Manufacturing Academy provide work based learning programmes.

Since work based learning programmes are implemented by various MCDAs and private sector entities, there tends to be excessive fragmentation and poor coordination among the implementing agencies. In addition, the quality of these programmes has been found to be low.



According to the Sessional Paper on Employment Policy and Strategy for Kenya (2013), industrial attachments lack quality standards in curricula, assessments, certification and supervision.

More recently, the BUSY Project/ILO (2019) found that apprenticeship programmes in Kenya lacked a framework of social dialogue, sound regulatory framework, robust financial models and inbuilt frameworks to ensure labour market relevance and inclusivity thresholds. Informal apprenticeships were found to have inadequate data on enrollment and employability; use of oral contractual arrangements between apprentices and employers; and failed to pay wages and other statutory obligations for apprentices.

#### Key issues:

- a). Lack of an overarching work based learning policy;
- b). Weak coordination of entities implementing work based learning;
- c). Inadequate work based learning opportunities;
- d). Lack of quality standards for work based learning;
- e). Work based learning qualifications are not included in the KNQF;
- f). Lack of a robust financial model for work based learning;
- g). Weak integration of the decent work agenda in informal apprenticeship;
- h). Inadequate data on work based learning;
- i). Weak multi-sectoral linkages.

#### **2.6.2.** Employment services

The ILO Employment Services Convention (1948) requires employment services to register applicants for employment and link them to job vacancies; take appropriate measures to facilitate occupational and geographical mobility; cooperate in the administration of unemployment insurance, assistance and relief measures; and assist in social and economic planning designed to ensure a favourable employment situation.

In this respect, the National Employment Authority Act (2016) provides a framework for employment services that seeks to enhance employment for youth, minorities and marginalized groups through employment promotion interventions.

Currently, the National Employment Authority has registered 518 Private Employment Agencies (PrES) and established 30 Employment Offices that offer Public Employment Services (PES) in 28 counties (see table 6).

Region	No. of Counties	No. of Employment Offices (PES)	Counties with Employment Offices (PES)		
Coast	6	3	Mombasa, Kilifi, Taita Taveta		
North Eastern	5	1	Garissa		
Eastern	6	3	Embu, Meru, Isiolo		
Central	6	5	Nyeri, Kirinyaga, Muranga, Kiambu, Laikipia		
Nairobi	3	4	Nairobi (Industrial Area, Kasarani,		
			Embakasi), Machakos		
South Rift	4	2	Nakuru, Kericho		
North Rift	7	4	Uasin Gishu, Nandi, Baringo, Trans Nzoia		
Nyanza	6	5	Kisumu, Migori, Siaya, Kisii, Homa Bay		
Western	4	3	Kakamega, Bungoma, Busia		
Total	47	30			

#### Table 6: Number of Employment Offices (Public Employment Services)



Although employment services play a critical role in promoting the linkage between job seekers and employers, they are grappling with a complex range of issues which include:

- Kenya continues to face a high unemployment rate (6.6 per cent) which disproportionately affects the youth (Kenya National Bureau of Statistics, May 2021);
- Employment services are not readily available to the youth (Kenya Youth Development Policy, 2019);
- Low use of public and private employment services due to limited outreach and awareness of these services and real or perceived infectiveness of these services as a job search model (Sessional Paper on Employment Policy and Strategy for Kenya, 2013);
- Lack of a legal framework to regulate private employment agencies in line with the ILO Private Employment Agencies Convention (1997); and Guide to Private Employment Agencies: Regulation, Monitoring and Enforcement (2007);
- Inadequate framework to regulate and manage labour migration (Third Medium Term Plan, 2018-2022).

#### Key issues:

a). High youth unemployment;

- b). Public Employment Services (PES) are lacking in 19 counties;
- c). Lack of a legal framework for regulation of private employment services;
- d). Low access to employment services among the youth;
- e). Skills development interventions are required to enhance job creation and labour migration;
- f). Inadequate training programmes for prospective and returnee migrants;
- g). Low number of labour migration agreements;
- h). Weak integration of skills development in labour migration agreements;
- i). Weak linkage between skills development and international labour markets.

#### 2.6.3. Career guidance

Career guidance is important in promoting the school-to-work transition, reducing skill mismatches, improving employability and labour mobility, combating early school leaving, and promoting reintegration of excluded, marginalized and at risk groups into education and labour market services (ILO, 2006).

In this respect, the National Employment Authority Act (2016) provides for job counselling targeting the unemployed. The Universities Act (2012) provides for the development of career guidance programmes for the benefit of students. The National Guidelines for the establishment of Office of Career Services in tertiary educational institutions (2018), require all tertiary education and training institutions to establish Offices of Career Services (OCS).

However, less than 3 per cent of tertiary education and training institutions have established Offices of Career Services (OCSs) to date; while basic education and employment agencies are yet to establish Offices of Career Services (OCSs). As a result, the provision of career guidance remains weak. Accordingly, young people still face difficulties transitioning from school to the labour market (Kenya Youth Development Policy, 2019).



#### Key issues:

- a). A national policy on career guidance is required;
- b). Lack of an overarching coordination mechanism for career guidance;
- c). Low access to career education, career counselling and career information;
- d). Inadequate use of career information, including labour market information and skills anticipation, in career education and career counselling;
- e). Low number of OCSs established in tertiary education and training institutions;
- f). OCSs have not yet been established in basic education and employment offices (Public Employment Services);
- g). Career counselling needs to be integrated in employment services;
- h). Lack of skills development programmes for career counsellors;
- i). Weak linkages between employment centers and education and training institutions.

# 2.7. SKILLS FOR NATIONAL DEVELOPMENT PRIORITIES

Skills development is a key lever of sustainable development. It is thus important to address skills development within the framework of the national development agenda towards accelerating social-economic transformation.

#### 2.7.1. Skills for the Bottom-Up Economic Transformation Agenda

The Bottom-Up Economic Transformation Agenda (BETA) is based on the following pillars: Agriculture; Micro, Small and Medium Enterprise (MSME) economy; Housing and Settlement; Healthcare; and the Digital Superhighway and Creative Economy (Bottom Up Economic Transformation Agenda 2022 – 2027).

However, there are skills gaps in these priority areas as indicated below.

- Agriculture: Skills are required for agriculture extension and the blue economy, innovation and value addition. Furthermore, inadequate entrepreneurial skills were noted to inhibit commercialization of agriculture (Third Medium Term Plan, 2018-2022; Agricultural Policy, 2021);
- MSME economy: There is a limited skills base for technology upgrading especially those related to STEM. In addition, there is a weak link between the curricula and the practical skill set required in the MSME economy (Kenya Economic Report, 2022);
- Housing: Skills are required for new construction technologies such as Appropriate Building Materials and Technologies (ABMT) and production of Expandable Polystyrene Panels (EPS); in addition to new and existing construction processes and maintenance (Third Medium Term Plan, 2018-2022; Sessional Paper No. 3 of 2016);
- Healthcare: The capacity to achieve Universal Health Coverage (UHC) is hampered by skills gaps related to: prevention, detection and response to health emergencies; and forecasting and quantification of Health Products and Technologies (HPT) (Kenya Universal Health Coverage Policy 2020 2030; Third Medium Term Plan, 2018-2022);
- Digital Superhighway and Creative Economy: There is lack of a critical mass of the workforce with intermediate and advanced digital skills. There are skills gaps in Business Process Outsourcing (BPO); cyber-security; and software development. In addition, the ICT academic curricula and graduate skill sets are not well-aligned to industry needs (Kenya Economic Report, 2022; National ICT Policy, 2016). In addition, the creative industries experience insufficient technical skills due to weaknesses in the linkage between the education and training system and the creative industry sector.



#### Key issues:

- a). Lack of a strategy on the development of priority skills required to effectively implement the Bottom-Up Economic Transformation Agenda;
- b). Skills gaps within the priority areas of the Bottom-Up Economic Transformation Agenda need to be addressed;
- c). Inadequate technological skills and capacities needed to develop innovations, value additions in products, new technologies and digital products envisioned in the Bottom-Up Economic Transformation Agenda;
- d). There is need for a multi-stakeholder mechanism to coordinate the development of skills aligned to the Bottom-Up Economic Transformation Agenda.

#### 2.7.2. Skills for Buy-Kenya-Build-Kenya

The Government has put in place measures to promote the production and consumption of local goods and services in the economy. The Public Procurement and Asset Disposal Act (2015) provides for preferential treatment for locally manufactured goods and services. The Buy-Kenya-Build-Kenya strategy (2017) which seeks to promote the production and consumption of locally produced goods and services, recommends that capacity building should be provided for local producers and suppliers on: quality standards, value addition, production of high-value-low-volume products, utilization of local materials, innovation, niche marketing, supermarket requirements such as bar-coding packaging, business registration and standard certification. To further enhance the capacity of local producers and suppliers, the strategy recommends that technology transfer is facilitated.

#### Key issues:

- a). Local producers and manufacturers need skills development to enhance the quality of their good and services;
- b). Skills development priorities for local producers and manufacturers include: value addition, production of high-value-low-volume products, utilization of local materials, innovation, niche marketing, bar-code packaging, business registration and standard certification;
- c). Procuring entities in the public and private sector require to be trained on preferential purchasing of locally produced goods and services;
- d). Technology transfer is needed to enhance the capacity of local producers and suppliers.

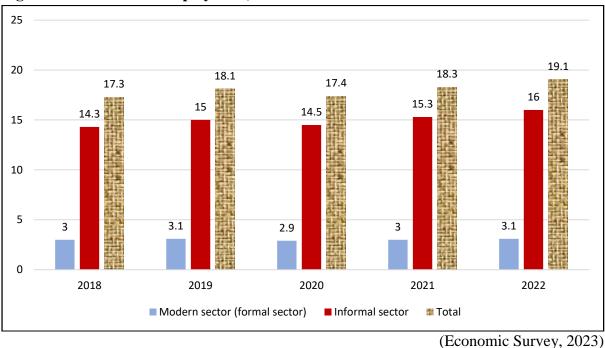
### **2.8. SKILLS FOR THE ECONOMY**

The formal-modern, informal and gig economies play an important role in employment creation. Skills development is fundamental for improving the productivity of these economies towards advancing sustainable livelihoods and the decent work agenda in Kenya.

#### 2.8.1. Skills for the formal-modern economy

The formal-modern sector is not creating as many jobs as the informal sector, which implies that majority of the youth who exit from education and training institutions are joining the informal sector. For the period 2018 to 2022, the workforce in the formal-modern economy has been less than 20 per cent of the total workforce. In contrast, the informal sector employs over 80 per cent of the total workforce. In 2022, the share of employment of the formal-modern sector to the total employment stood at 16.2 per cent compared to 83.8 per cent of the wage employment recorded in the informal sector (see figure 7).





#### Figure 7:Total Record Employment, 2018 - 2022

#### Key issues:

- a). Low job creation within the formal-modern economy;
- b). Skills development interventions are needed to stimulate job creation in the formal modern economy;
- c). Skills development needs to be aligned to sectors and industries in the formal modern economy that generate high wage employment;
- d). Weak linkages between the formal modern sector and ST&I research and development.

#### 2.8.2. Skills for the informal economy

The informal economy in Kenya covers mainly small-scale activities that are semi organized, unregulated and use low and simple technologies. The jobs in the economy are precarious in nature and are characterized by job insecurity, poor wages and terms and conditions of employment, low job tenure, absence of institutionalized social protection mechanisms and weak workplace safety and health standards (Sessional Paper on Employment Policy and Strategy for Kenya, 2013).

The main constraints facing the informal economy emanate from the regulatory environment which is characterized by multiple, expensive and cumbersome licenses, interference from authorities, high and crippling taxes, and hectic and restrictive multiple procedures for applying for business registration. Other constraints include lack of capital, expensive loans, lack of markets, stiff local competition, poor infrastructure, insecurity, inadequate business training, anti-entrepreneurial culture and technological barriers (Micro, Small and Medium Establishment Survey, 2016).

In spite of these constraints, the informal sector makes a significant contribution to employment creation. The total wage employment in the informal sector in Kenya accounted for 83.8 per cent of the total wage employment in 2022 (Economic Survey, 2023).

Various government policies and reports have called for skills development interventions geared at transforming and upgrading the informal economy. Critical areas for such



interventions include training programmes, technology services and linkages to support the formalization of the large number of informal enterprises and support their growth into medium enterprises and eventually into large firms (Informal Sectors Skills and Occupations Survey, 2020; Micro and Small Enterprises Act, 2012; Third Medium Term Plan: 2018-2022; Bottom Up Economic Transformation Agenda 2022 – 2027).

#### Key issues:

- a). The informal economy comprises 83.7 per cent of the labour force in Kenya;
- b). The informal sector requires training programmes, technology services and supportive linkages that are delivered using flexible methodologies;
- c). Priority areas for skills development in the informal sector include: entrepreneurship; crafts/vocational trades; productivity, value addition and quality improvement of products; branding and market access of products; and intellectual property rights registration;
- d). Priority technology requirements required in the informal sector include: technology itself; incubation, innovation and technology transfer; business development centers; industrial parks; and business incubation centers;
- e). Linking informal enterprises to larger enterprises, funding mechanisms, labour market information, and formal training institutions is a priority;
- f). Skills development programmes for the informal economy need to be competence based and certified including RPL certification.

#### 2.8.3. Skills for the gig economy

The gig economy refers to the labour market that is based on a fixed-term contract or that is paid per project by a company, third party, or online marketplace. It is characterized by the prevalence of short-term contracts or freelance work as opposed to permanent jobs. The scarcity of permanent jobs encourages the unemployed to join the gig economy as 'independent workers', 'gig workers' or 'freelancers'.

The major employers in the gig economy are online start-ups, small and medium enterprises, solo entrepreneurs, and big corporations who recruit gig workers on short and long-term assignments. Digital platforms make it easy for freelancers to find jobs/projects online. Examples of digital platforms that are used to provide online work include: Upwork, Guru, Fiverr, Toloka, and Timebucks.

To take advantage of the gig economy, there is need to enhance skills development and foster an innovation and start-up ecosystem that is able to lead on a global scale. An example of a programme in Kenya that is supporting skills development for enhancing access to online work, is Ajira (National ICT Policy, 2019; Third Medium Term Plan: 2018-2022; Roy and Shrivastava, 2020).

#### Key issues:

- a). Lack of a policy on the gig economy;
- b). Weak skills capacity to participate in the gig economy;
- c). Gig workers require skills for long term sustenance in the gig occupations;
- d). Skills development needs to be aligned to the demands of global clients in the gig economy;
- e). Low digital literacy levels reduce uptake of online work.



# 2.9. SKILLS FOR NON-TRADITIONAL AND NEW OCCUPATIONS

It is important to adapt education and training to the changing labour markets. Hence, skills for non-traditional occupations are important in view of the changing gendered labour market. Likewise, skills for new occupations are critical towards enhancing resilience in the rapidly changing labour market.

#### 2.9.1. Skills for non-traditional occupations

Male dominated occupations are those that comprise 70 per cent of males, while female dominated occupations are those that constitute 70 per cent of females. Hence, male dominated occupations are non-traditional occupations for women and vice versa. Table 1 presents the wage employment of top job creating industries by sex.

In top job creating industries, such as the manufacturing industry, men accounted for 72 per cent of the labour force in 2021 and 74 per cent in 2022. Likewise, in the wholesale and retail trade, repair of motor vehicles and motorcycles industry, men accounted for 71 per cent of the labour force in 2021 and 69.4 per cent in 2022.

In addition, men continued to dominate the construction industry as they accounted for 63 per cent of the labour force in 2021 and 67.2 per cent in 2022.

In the emerging industries, such as the mining and quarrying industry, men accounted for 85 per cent of the labour force in 2021 and 2022; while in the electricity, gas, steam and air conditioning supply industry, men accounted for 79 per cent of the labour force in 2021 and 2022.

Among these industries, the manufacturing; electricity, gas, steam and air conditioning supply and construction are high wage industries.

Industry	Male		Female		Total	
	2021	2022	2021	2022	2021	2022
Manufacturing	242.5	259.8	94.3	92.8	336.8	352.6
Wholesale and retail trade, repair of motor vehicles and motorcycles	183.2	185.9	75.3	82.0	258.5	267.9
Mining and quarrying	12.5	12.8	2.2	2.2	14.7	15.0
Electricity, gas, steam and air conditioning supply	17.4	17.0	4.7	4.5	22.1	21.5
Construction	144.8	155.8	81.7	75.9	226.5	231.7

#### Table 7:Wage employment by industry and sex

**'**000

(Economic Survey, 2023)



#### Key issues:

- a). Women account for less than 30 per cent of the labour force in the manufacturing; trade and mechanics; mining and quarrying; and electricity, gas, steam and air conditioning supply industries; which henceforth constitute non-traditional occupations for women;
- b). Women occupy less than 33 per cent of the labour force in high employment generating industries such as manufacturing; trade and mechanics; and construction;
- c). Women make up less than 33 per cent of the labour force in high wage industries, such as manufacturing; electricity, gas, steam and air conditioning supply; and construction;
- d). Women account for less than 15 per cent of the labour force in the mining and quarrying industry, which is an emerging industry in the economy.

#### 2.9.2. Skills for new occupations

The nature of work is changing leading to the emergence of new occupations which will raise the demand for new skills. As Kenya prepares to take advantage of the 'fourth industrial revolution' that brings together digital, biological and physical technologies, new jobs and job losses will demand changing skills requirements.

Increased globalization offers Kenya new opportunities and the potential for participating in regional and global value chains, but also poses transition challenges for domestic industries which will raise the demand for new skills.

Demographic changes present an opportunity for Kenya to provide skilled labour to fill the expected shortfall in labour in developed countries as a result of their ageing population. Hence, young people will need to acquire the skills needed to work in these economies.

The future of work in Kenya will also be affected by climate change which will alter patterns of energy use, impacting on how industries conduct their operations and raise demand for new skills across a broad range of agricultural, transportation, manufacturing and construction industries. Regulatory reforms and emission targets will bring about downsizing and restructuring in high carbon (brown) industries, whereas employment growth can be expected in low carbon (green) industries.

In addition, the COVID-19 pandemic created changes in the labour market giving rise to new occupations as a result of increased demand for certain products and services; and innovative ways of working.

#### Key issues:

- a). Mapping of new occupations and new skills is required;
- b). Lack of a strategy on skills development for new occupations;
- c). Inadequate training centers for reskilling, upskilling, portable skilling and multi-skilling;
- d). Multi-skilling, portable skilling and ICT literacy need to be integrated in all levels of education and training;
- e). Global firms need to provide skills and technology transfer to local suppliers in the global value chain;
- f). Weak inter-sectoral linkages.



# CHAPTER THREE: POLICY PRIORITY ACTIONS

# 3.1 INTRODUCTION

This chapter outlines the policy priority areas of the National Skills Development Policy. The policy commitments are anchored on the situational analysis outlined in the previous chapter. Policy actions taken on each priority area are expected to guide skills development. This chapter therefore outlines the specific policy priority areas and the policy actions.

# **3.2 GOVERNANCE**

#### **Policy statement:**

The Government will ensure that a robust governance framework is established to improve skills development.

#### **Policy actions:**

- a). Review and amend laws related to skills development that have overlaps;
- b). Review and clarify the mandates and functional responsibilities of different actors engaging in skills development;
- c). Adopt good practices on effective governance;
- d). Establish the National Skills Development Council;
- e). Develop a National Skills Development Action Plan;
- f). Develop a strategy on education-industry linkages;
- g). Strengthen monitoring, evaluation and reporting systems in skills development.

### 3.3 FINANCE

#### **Policy statement:**

The Government will ensure that skills development is adequately funded and that the financing mechanism is stable and sustainable.

- a). Develop and implement a national strategy on innovative financing of education and training;
- b). Develop an incentive framework for the private sector to finance education and training;
- c). Increase public expenditure on TVET, and post training and skills development;
- d). Develop a strategy for targeted funding for disadvantaged groups, including persons with disabilities, to enhance equitable access to education and training;
- e). Strengthen financial accountability, monitoring and tracking systems;
- f). Facilitate multi-sectoral financing collaborations that support education and training.



# **3.4 INSTITUTIONAL SERVICE PROVIDERS**

#### **Policy statement:**

The Government will ensure that institutional service providers are adequate, effective and linked to industry.

#### **Policy actions:**

- a). Put in place a mechanism and criteria to ensure that industry is represented in governing boards of education and training institutions;
- b). Develop a strategy to increase the number of TVET institutions and universities;
- c). Develop an incentive framework for the private sector to establish education and training institutions;
- d). Establish and maintain a database of non-formal learning centers.

### 3.5 TRAINERS

#### **Policy statement:**

The Government will ensure that trainers are adequate and have the capacity to deliver quality education and training.

#### **Policy actions:**

- a). Develop a national strategy on capacity development of trainers;
- b). Ensure that education and training institutions have adequate trainers;
- c). Increase the number of TVET and university trainers;
- d). Ensure that basic education has adequate trainers to teach the CBC/TVET courses;
- e). Establish a national pool of certified MCPs to become trainers;
- f). Increase the number of TVET pre-service teacher training institutions;
- g). Provide adequate in-service training institutions for trainers including MCPs;
- h). Facilitate the provision of workplace learning opportunities for trainers;
- i). Promote industry involvement in the capacity development of trainers;
- j). Develop an incentive framework to increase trainer motivation;
- k). Promote the establishment of professional organizations for trainers.

# **3.6 KNOWLEDGE MANAGEMENT**

#### **Policy statement:**

The Government will strengthen knowledge management in order to improve the quality and relevance of skills development.

- a). Strengthen the dissemination of knowledge;
- b). Promote knowledge sharing between industry and education and training institutions to facilitate the development of demand driven skills;



- c). Strengthen the capacity of MSMEs to identify and assimilate new and existing knowledge and technologies to increase their competitiveness;
- d). Establish communities of practice in skills development;
- e). Facilitate exchange programmes for trainers and learners;
- f). Conduct national skills competitions;
- g). Ensure that the World Youth Skills Day is commemorated annually and used to share best practices in skills development;
- h). Develop open source knowledge repositories;
- i). Strengthen collaborations for knowledge sharing at the national, regional and international levels.

# 3.7 ACCESS

#### **Policy statement:**

The Government will increase the number of children, youth and adults accessing quality and relevant education and training.

#### **Policy actions:**

- a). Strengthen access to university education, TVET and Adult and Continuing Education (ACE);
- b). Develop a strategy to strengthen the secondary-tertiary education and training transition;
- c). Expand the capacity of secondary schools, TVET institutions and universities to cope with the high primary-secondary education transition;
- d). Promote Recognition of Prior Learning (RPL) for early school leavers that transited from formal to non-formal or informal learning;
- e). Create and maintain a database on access to non-formal education and Recognition of Prior Learning (RPL).

# **3.8 GENDER EQUALITY**

#### **Policy statement:**

The Government will ensure equal access to quality and relevant education and training at all levels for male and female children, youth and adults and eliminate gender disparities in education and training.

- a) Develop a strategy to address gender disparities in education and training;
- b) Promote affirmative action to improve access of male adults and out-of-school youth to Adult and Continuing Education (ACE);
- c) Promote affirmative action to address the regional gender disparities in basic education;
- d) Ensure that data on access to non-formal education and Recognition of Prior Learning (RPL) is disaggregated by sex.



# 3.9 EQUITY AND INCLUSIVITY

#### **Policy statement:**

The Government will put in place measures to facilitate access to quality and relevant education and training for vulnerable groups including persons with disabilities.

#### **Policy actions:**

- a). Review and implement the strategy on re-entry to formal education;
- b). Promote skills development for adult learners and out-of-school youth that have not completed basic education;
- c). Establish affirmative interventions aimed at providing skills development and post training support for vulnerable groups including: orphans, over-age children, youth, women, persons with disabilities, pastoralist communities, refugees, incarcerated people; and people living in pockets of poverty, Arid and Semi-Arid Lands (ASALs), rural areas, hard-to-reach areas, informal settlements and streets;
- d). Promote skills development programmes that are aimed at creating self-employment for vulnerable groups including persons with disabilities;
- e). Promote the use of mobile learning; and open, distance and flexible methodologies;
- f). Provide adequate Educational Assessment and Resource Centers for early identification and placement of learners with special needs and disabilities;
- g). Ensure that learning environments for vulnerable groups including persons with disabilities are user-friendly;
- h). Develop and strengthen the capacity of guides for persons with disabilities;
- i). Ensure that data on skills development is disaggregated by age, gender, disability and socioeconomic status.

# 3.10 CURRICULUM ALIGNMENT

#### **Policy Statement:**

The Government will ensure that the curriculum is aligned to labour market demands.

- a). Review and harmonize the national curriculum policies;
- b). Ensure that the curriculum is aligned to labour market demands at all levels of education and training;
- c). Review the curriculum for pre-service teacher training to incorporate competence based education and industry involvement in curriculum implementation;
- d). Promote industry involvement in curriculum development, delivery, assessment and support services;
- e). Ensure that labour market information and skills anticipation assessments inform curriculum development;
- f). Promote the use of tracer surveys in assessing and improving the relevance of curricula to the labour market;
- g). Promote dual learning, which combines learning and working within training programmes;
- h). Ensure that life skills are taught at all levels of education and training;
- i). Establish National Sector Skills Councils;
- j). Strengthen multi-sectoral linkages that support curriculum alignment to labour market demands.

# 3.11 QUALITY STANDARDS

#### **Policy statement:**

The Government will ensure that quality education and training is provided to meet industry standards.

#### **Policy actions:**

- a). Ensure that skills developed conform to industry standards;
- b). Develop national quality standards (one-nation-one-standard) for all levels of education and training;
- c). Facilitate collaboration among accreditation agencies;
- d). Strengthen involvement of industry, professional bodies and social partners in quality assurance.
- e). Promote the use of independent assessments to verify compliance of education and training to quality standards.

# 3.12 QUALIFICATIONS AND CERTIFICATION

#### **Policy statement:**

The Government will ensure that qualifications and certification are recognized in the labour market as accurate and trustworthy.

#### **Policy actions:**

- a). Enforce the Kenya National Qualification Framework (KNQF);
- b). Align the KNQF to regional and international qualification frameworks;
- c). Establish and maintain a learners' qualification records database;
- d). Ensure that verification of certificates is automated;
- e). Harmonize the equation and verification of foreign qualifications;
- f). Promote Recognition of Prior Learning (RPL) certification;
- g). Encourage employers to hire individuals with certified skills.

# **3.13 EDUCATION AND EMPLOYABILITY**

#### **Policy statement:**

The Government will ensure that education and training leads to improved employability outcomes.

- a). Integrate the graduate employability index in tertiary education and training institutions;
- b). Ensure that education and training is labour market oriented towards enhancing employability;
- c). Scale-up the transition from secondary to tertiary education and training towards enhancing employability;
- d). Develop upskilling and reskilling programmes for unemployed graduates to enhance their employability;



- e). Develop and implement micro credentials at all levels of education and training to enhance employability;
- f). Develop and implement occupational courses for unemployed secondary and primary school leavers to enhance their employability;
- g). Integrate occupational courses in Adult and Continuing Education (ACE) to enhance employability of ACE graduates;
- h). Promote affirmative action to expand the skills of women with low levels of education in order to enhance their employability.

# 3.14 ENTREPRENEURSHIP EDUCATION AND TRAINING

#### **Policy statement:**

The Government will strengthen entrepreneurship education and training to improve attitudes towards entrepreneurship, stimulate an entrepreneurial culture and enhance employability outcomes.

#### **Policy actions:**

- a). Develop an entrepreneurship policy;
- b). Ensure that entrepreneurship skills are inculcated at all levels of the education and training system;
- c). Enhance financial literacy;
- d). Establish entrepreneurship hubs;
- e). Promote information sharing on best practices in entrepreneurship;
- f). Facilitate inter-sectoral linkages that enhance entrepreneurship education and training.

# 3.15 COMMERCIALIZATION OF INNOVATIONS

#### **Policy statement:**

The Government will promote commercialization of innovations to enhance employability outcomes.

- a). Develop the National Science, Technology and Innovation Policy;
- b). Develop a strategy on the National Innovation Agenda;
- c). Establish a multi-stakeholder mechanism to coordinate innovation hubs established by the multiple implementing entities;
- d). Promote the development and commercialization of innovations;
- e). Build skills capacity on registration of patents;
- f). Create awareness of intellectual property rights;
- g). Create and maintain a database on innovations;
- h). Strengthen linkages between innovation start-ups and investors;
- i). Strengthen multi-sectoral linkages to support commercialization of innovations.

# **3.16 COMMERCIALIZATION OF TALENTS**

#### **Policy statement:**

The Government will promote talent education and training to enhance employability outcomes.

#### **Policy actions:**

- a). Develop a strategy to promote talent education and training;
- b). Increase and devolve talent academies to the counties;
- c). Strengthen talent identification, nurturing and promotion;
- d). Develop robust and flexible mentorship programmes for nurturing talent;
- e). Establish a network of mentors to nurture talents;
- f). Create awareness of intellectual property rights related to talents;
- g). Establish and maintain a database on talent education and training;
- h). Strengthen linkages that enhance commercialisation of talents.

# 3.17 LABOUR MARKET INFORMATION

#### **Policy Statement:**

The Government will strengthen the labour market information system and ensure that it informs education and training policies, plans and programmes.

#### **Policy actions:**

- a). Develop a policy framework on labour market information management;
- b). Generate and disseminate timely, relevant, and reliable labour market information;
- c). Strengthen the capacity to analyze labour market trends towards matching skills supply to demand;
- d). Conduct adequate and timely skills surveys;
- e). Institutionalize tracer studies in tertiary education and training institutions;
- f). Develop quality standards for labour market information;
- g). Strengthen the linkage between the KLMIS and other databases containing skills and labour market information.

# 3.18 SKILLS ANTICIPATION

#### **Policy Statement:**

The Government will strengthen the skills anticipation system to improve the linkage between skills development and the rapidly changing labour market.

- a). Develop a strategy to strengthen the skills anticipation system;
- b). Ensure that skills anticipation informs the development of policies, plans and programmes in education and training;
- c). Strengthen research on future skills needs;
- d). Build technical capacity to effectively undertake skills anticipation;
- e). Develop quality standards for skills anticipation;
- f). Facilitate inter-sectoral collaborations that enhance skills anticipation.

# 3.19 WORK BASED LEARNING

#### **Policy Statement:**

The Government will strengthen the provision of work based learning to improve the school-to-work transition.

#### **Policy actions:**

- a). Develop an overarching work based learning policy;
- b). Develop a national coordination mechanism for work based learning;
- c). Enhance access to work based learning opportunities;
- d). Develop quality standards for work based learning;
- e). Ensure that work based learning qualifications are included in the KNQF;
- f). Develop a robust financial model for work based learning;
- j). Integrate the decent work agenda in work based learning;
- g). Establish and maintain a database on work based learning;
- h). Strengthen multi-sectoral linkages to enhance work based learning.

# 3.20 EMPLOYMENT SERVICES

#### **Policy Statement:**

The Government will strengthen the capacity of employment services to improve the school-to-work transition.

#### **Policy actions:**

- a). Establish Employment Offices (Public Employment Services) in all counties;
- b). Develop a legal framework for regulation of private employment services;
- c). Enhance access to employment services among the youth;
- d). Promote skills development interventions that enhance job creation and labour migration;
- e). Enhance access to training programmes for prospective and returnee migrant workers;
- j). Increase the number of labour migration agreements;
- k). Ensure that skills development is integrated in labour migration agreements;
- 1). Strengthen the linkage between skills development and international labour markets.

### 3.21 CAREER GUIDANCE

#### **Policy Statement:**

The Government will strengthen career guidance to improve the school-to-work transition.

- a). Develop the national career guidance policy;
- b). Establish a national coordination mechanism to coordinate career guidance;
- c). Strengthen access to career education, career counselling and career information;
- d). Ensure that career information, including labour market information and skills anticipation, informs career education and career counselling;
- e). Ensure that all education and training institutions, and employment offices (Public Employment Services) establish Office of Career Services;
- f). Integrate career counselling in employment services;
- g). Promote the development of skills development programmes for career counsellors;
- h). Enhance linkages between employment services and education and training institutions to enhance the delivery of career guidance.

# 3.22 SKILLS FOR THE BOTTOM-UP ECONOMIC TRANSFORMATION AGENDA

#### **Policy Statement:**

The Government will promote skills development to enhance the implementation of the Bottom-Up Economic Transformation Agenda.

#### **Policy actions:**

- a). Develop a strategy on the development of priority skills required to effectively implement the Bottom-Up Economic Transformation Agenda;
- b). Establish a multi-stakeholder mechanism to coordinate skills development for the Bottom-Up Economic Transformation Agenda;
- c). Ensure that education and training institutions develop the skills required to deliver the Bottom-Up Economic Transformation Agenda effectively;
- d). Establish and maintain a database on skills development for the Bottom-Up Economic Transformation Agenda.

# 3.23 SKILLS FOR BUY-KENYA-BUILD KENYA

#### **Policy Statement:**

The Government will promote skills development to enhance the production and consumption of local goods and services in the economy.

#### **Policy actions:**

- a). Provide skills development programmes for local producers and manufacturers to enhance the quality of their goods and services;
- b). Promote skills development in priority areas such as: value addition, production of highvalue-low-volume products, utilization of local materials, innovation, niche marketing, barcode packaging, business registration and standard certification;
- c). Build the skills of procuring entities on preferential purchasing of local goods and services;
- d). Enhance technology transfer to enhance the capacity of local producers and suppliers to be competitive.

### 3.24 SKILLS FOR THE FORMAL-MODERN ECONOMY

#### **Policy Statement:**

The Government will provide skills development to strengthen the productivity of the formalmodern economy.

- a). Promote skills development interventions that enable the formal-modern economy to generate high employment;
- b). Provide skills development programmes that enhance innovation, investment, technological change, enterprise development, economic diversification and competitiveness in the formal-modern economy;



- c). Align skills development to the fastest employment generating economic sectors and industries in the formal-modern economy;
- d). Strengthen linkages between the formal-modern sector and ST&I research and development.

# 3.25 SKILLS FOR THE INFORMAL ECONOMY

#### **Policy Statement:**

The Government will provide skills development to strengthen productivity, sustainable livelihoods and the decent work agenda in the informal economy.

#### **Policy actions:**

- a). Provide the informal sector with skills development that includes training programmes, technology services and supportive linkages;
- b). Promote flexible delivery of skills development for the informal sector in order to reach informal workers in rural and hard-to-reach areas;
- c). Prioritize skills development programmes for the informal sector that focus on entrepreneurship; TVET; productivity, value addition and quality improvement of products; branding and marketing; and intellectual property rights registration;
- d). Facilitate informal enterprises with technological capacities and infrastructure including technology, incubation, innovation and technology transfer;
- e). Establish MSME business development centers in every ward;
- f). Establish an industrial park and business incubation center in every TVET institution;
- g). Strengthen inter-sectoral linkages that support the transformation of the informal sector;
- h). Ensure that skills development programmes for the informal economy are competence based and certified including RPL certification.

### 3.26 SKILLS FOR THE GIG ECONOMY

#### **Policy Statement:**

The Government will provide skills development to enhance labour participation in the gig economy.

- a). Develop a policy on the gig economy;
- b). Develop a strategy on skills development for the gig economy;
- c). Provide skills development programmes that enhance greater participation in the global supply chain of workforce in the gig economy; and long term sustenance in gig occupations;
- d). Ensure that skills development is aligned to the demands of global clients in the gig economy;
- e). Promote digital literacy to increase the uptake of work in the online market place.



# 3.27 SKILLS FOR NON-TRADITIONAL OCCUPATIONS

#### **Policy Statement:**

The Government will strengthen skills development to enhance female labour participation in non-traditional occupations.

#### **Policy actions:**

- a). Increase and strengthen access of women to non-traditional occupations, that generate high employment and wages, through affirmative action initiatives in skills development;
- b). Prioritize skills development in manufacturing; trade and mechanics; mining and quarrying; electricity, gas, steam and air conditioning supply and construction, targeting girls and women;
- c). Establish centers for training girls and women in non-traditional occupational courses, that generate high employment and wages;
- d). Ensure that the learning environment for girls and women pursuing training programmes in non-traditional occupations is gender-sensitive;
- e). Promote career counselling, mentoring and role modelling to enhance girls and women's transition into non-traditional occupations, that generate high employment and wages.

# 3.28 SKILLS FOR NEW OCCUPATIONS

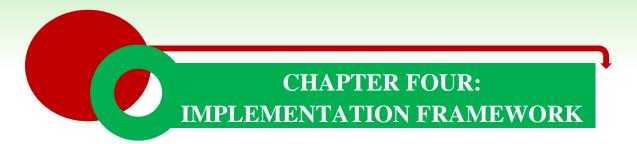
#### **Policy Statement:**

The Government will strengthen skills development for new occupations to enhance adaptability to the rapidly changing labour market.

- a). Undertake rapid assessments of new occupations and new skills;
- b). Develop a strategy on training for new occupations;
- c). Establish training centers, with appropriate infrastructure and equipment, for reskilling, upskilling, portable skilling and multi-skilling;
- d). Ensure that multi-skilling, portable skilling and ICT literacy are integrated in education and training programmes;
- e). Encourage global firms to provide skills development and technology transfer to local suppliers in the global value chain.







# 4.1 INTRODUCTION

This chapter presents the implementation framework of the National Skills Development Policy. A multi-sectoral approach will be used in the implementation of this policy. Hence, various institutions have been identified to facilitate implementation of skills development initiatives within the existing legal frameworks.

# 4.2 NATIONAL SKILLS DEVELOPMENT COUNCIL

The National Skills Development Council shall be a high level body. Its mandate shall be to facilitate coordination, strengthen stakeholder participation and mobilize resources for implementation of this policy. Its membership shall include representatives of MCDAs and the private sector including industry, informal sector, employers, workers, organizations for persons with disabilities, development partners, civil society and youth organizations.

### 4.3 NATIONAL SKILLS DEVELOPMENT PLAN

To operationalize the National Skills Development Policy, a five-year National Skills Development Plan shall be developed. This plan shall guide the annual costed work plans of the various implementing entities. It will cover the period 2024/25 - 2028/29.

### 4.4 INSTITUTIONAL IMPLEMENTATION FRAMEWORK

This policy will be implemented by various actors including Ministries, Counties, Departments and Agencies (MCDAs), constitutional commissions, private sector, development partners, civil society organizations among other key actors as indicated below:

- **4.4.1. Ministry of Labour and Social Protection** shall be responsible for the overall implementation of this policy.
- **4.4.2. Ministry of Education** Shall provide technical support on matters related to education and training within this policy.
- **4.4.3. Ministry of Foreign and Diaspora Affairs -** Shall provide technical support on matters related to knowledge management within this policy.
- **4.4.4. Ministry of East African Community, the ASALs and Regional Development** Shall provide technical support on matters related to knowledge management within this policy.



- **4.4.5. Ministry of Youth Affairs, Creative Economy and Sports** Shall provide technical support on matters related to skills development and youth affairs, creative economy and sports, within this policy.
- **4.4.6. Ministry of Gender, Culture, the Arts & Heritage** Shall provide technical support on matters related to skills development, and gender, culture, the arts and heritage, within this policy.
- **4.4.7. Ministry of Agriculture and Livestock Development** Shall provide technical support on matters related to skills development, and agriculture and livestock development, within this policy.
- **4.4.8. Ministry of Mining, Blue Economy and Maritime Affairs** Shall provide technical support on matters related to skills development, and mining, blue economy and maritime affairs, within this policy.
- **4.4.9. Ministry of Investments, Trade and Industry** Shall provide technical support on matters related to skills development, and investments, trade and industry, within this policy.
- **4.4.10. Ministry of Housing and Urban Development;** Shall provide technical support on matters related to skills development, and housing and urban development, within this policy.
- **4.4.11. Ministry of Heath;** Shall provide technical support on matters related to skills development and health within this policy.
- **4.4.12. Ministry of Co-operatives and Micro, Small and Medium Enterprises (MSMEs) Development** - Shall provide technical support on matters related to skills development and MSMEs within this policy.
- **4.4.13.** Commissions: Public Service Commission; Teachers Service Commission; Commission for University Education Shall provide technical support on matters related to skills development within this policy.
- **4.4.14.** National Treasury and Economic Planning Shall avail adequate budgetary resources for implementation of this policy.
- **4.4.15. State Law Office and Kenya Law Reform Commission** Shall provide technical support on all matters related to drafting and amending legislation required to implement this policy.
- **4.4.16.** Council of Governors Shall provide technical matters related to skills development relevant to the Counties, within this policy.
- **4.4.17. Research, education and training institutions** Shall provide technical support on matters related to skills development within this policy.
- **4.4.18. Development partners** Shall provide technical and financial support at various levels to support the implementation of this policy.



- **4.4.19.** Employers/industry/private sector/social partners Shall provide technical and financial support for all aspects of skills development within this policy.
- **4.4.20.** Civil society organizations Shall provide technical support on monitoring and evaluation of this policy.
- **4.4.21.** Media Shall provide support to enhance awareness about this policy.
- **4.4.22. Individual citizens including the youth** Shall participate in skills development and provide relevant support for designing, implementing and monitoring skills development.

### 4.5 **RESOURCE MOBILIZATION**

The successful implementation of this policy will require adequate financial, human and technical resources to ensure effective and efficient implementation for desired policy outcomes. The primary funding mechanisms for the policy shall be:

- a). Budgetary allocation from the National Treasury;
- b). Support from the private sector, development partners, industry, civil society, philanthropic bodies, individuals and other funding agencies;
- c). Public-Private sector partnerships;
- d). Fundraising activities.





# CHAPTER FIVE: MONITORING AND EVALUATION

# **5.1 INTRODUCTION**

A monitoring and evaluation framework shall be developed to ensure that this policy is implemented effectively. This framework shall be anchored on results based management and aligned to the national performance management system. It will form the basis for continuous improvement and act as an important accountability mechanism for funding agencies and stakeholders.

# **5.2 MONITORING AND EVALUATION**

#### **Policy statement:**

The Government will establish a monitoring and evaluation framework to ensure that the policy interventions are monitored, tracked and evaluated.

#### **Policy actions**

- a). Develop a national monitoring and evaluation framework;
- b). Develop a risk management framework;
- c). Establish baselines upon which to measure outputs and outcomes;
- d). Develop and implement a score card system based on key targets;
- e). Develop a budget for monitoring and evaluation;
- f). Build capacity to undertake monitoring and evaluation;
- g). Conduct mid-term and end-term evaluation;
- h). Conduct rapid annual assessments.

# **5.3 POLICY REVIEW**

This Policy shall be reviewed within five years to assess its effectiveness and relevance in dealing with national, regional and global skills development issues.





### **BIBILIOGRAPHY**

African Union Commission (1980) *Lagos Plan of Action for the Economic Development of Africa*. Addis Ababa: African Union Commission.

African Union (2015) African Union Agenda 2063. Addis Ababa: African Union Commission.

African Union (2018) *African Union Continental Strategy for TVET*. Addis Ababa: African Union Commission.

Aggarwal A. and Vladimir G. (2013) Comparative Analysis of National Skills Development Policies: A Guide for Policy Makers. Geneva: ILO.

BUSY Project/ILO (2019) Report of a Synthesis of Interagency Research and Knowledge on Workplace Based Training to Identify International Best Practices Applicable to Skill Development of Vulnerable and Marginalized Youth in Kenya. Nairobi: BUSY Project/ILO.

BUSY Project/ILO (2019) Rapid Review of Local Workplace Based Training Initiatives for Vulnerable and Marginalized Youth in Kenya. Nairobi: BUSY Project/ILO.

Commission for University Education (2009) *Curriculum Guidelines for Designing Curriculum for University Academic Programmes.* Nairobi: CUE.

Commission for University Education (2014) Strategic Plan. Nairobi: CUE.

Commission for University Education (2014) Universities Standards and Guidelines. Nairobi: CUE.

Cornell University/World Intellectual Property Organization (2023) *Global Innovation Index*. Geneva: WIPO.

East African Community (2007) *Treaty for the Establishment of the East African Community*. Arusha: EAC.

Federation of Kenya Employers (2018) Skills Survey. Nairobi: FKE.

Federation of Kenya Employers (2023) Skills Needs Survey. Nairobi: FKE

International Labour Organization (1948) ILO *Employment Services Convention* - Article 6 Geneva: ILO.

International Labour Organization (1997) ILO Convention No. 181 - Private Employment Agencies Convention. Geneva: ILO.

International Labour Organization (1998) ILO Recommendation No. 189. Geneva: ILO

International Labour Organization (2006) Career Guidance. Geneva: ILO.

International Labour Organization (2007) *Guide to Private Employment Agencies: Regulation, Monitoring and Enforcement.* Geneva: ILO.



International Labour Organization (2010) A Skilled Workforce for Strong, Sustainable and Balanced Growth. Geneva: ILO.

International Labour Organization (2014) Is education the solution to decent work for youth in developing economies? Geneva: ILO.

International Labour Organization (2016) Using Labour Marking Information. Geneva: ILO.

International Labour Organization (2018) *Taking a Whole of Government Approach to Skills Development*. Geneva: ILO

Institute of Economic Affairs (2010) *The Dynamics and Trends of Employment in Kenya*. Nairobi: Institute of Economic Affairs.

Kenya National Bureau of Statistics (2016) *Micro, Small and Medium Establishment Survey*. Nairobi: Kenya National Bureau of Statistics.

Kenya National Bureau of Statistics (2018) *The 2015/16 Kenya Integrated Household Budget Survey: Labour Force Basic Report.* Nairobi: Kenya National Bureau of Statistics.

Kenya National Bureau of Statistics (2021) *Quarterly Labour Force Report*. Nairobi: Kenya National Bureau of Statistics.

Kenya National Examination Council (2016) *Monitoring Learner Achievement at Class 3 in Literacy and Numeracy in Kenya*. Nairobi: Kenya National Examination Council.

Kenya National Examinations Council (2019) SACMEQ IV. Nairobi: Kenya National Examination Council.

Kenya National Examinations Council (2020) *Guidelines for Equation of Foreign Qualifications*. Nairobi: Kenya National Examination Council.

Kenya National Innovation Agency (2018) *Strategic Plan 2018 – 2022*. Nairobi: Kenya National Innovation Agency.

Kenya National Qualification Authority (2018) Kenya Credit Accumulation and Transfer System Guidelines. Nairobi: KNQA.

Kenya Institute for Public Policy Research and Analysis (2020) *Kenya Economic Report 2022*. Nairobi: KIPPRA.

Republic of Kenya (1964). *Report of the Kenya Education Commission*. Nairobi: English Press Ltd.

Republic of Kenya (1976). *Report of the National Committee on Educational Objectives and Policies*. Nairobi: Government Press.

Republic of Kenya (GOK) (1981) *The Presidential Working Party on the Establishment of the Second University* (Mackay Report). Nairobi: Government Printer.

Republic of Kenya (1988). *Report of the Presidential Working Party on Education and Manpower Training for the Next Decade and Beyond*. Nairobi: Government Printer.



Republic of Kenya (2000) Kenya National Occupational Classification Standard. Nairobi: Government Printer.

Republic of Kenya (2001) Industrial Property Act. Nairobi: Government Printer.

Republic of Kenya (2007) Employment Act. Nairobi: Government Printer.

Republic of Kenya (2007) Kenya Vision 2030. Nairobi: Government Printer.

Republic of Kenya (2008) *Policy Framework on Nomadic Education in Kenya*. Nairobi: Ministry of Education.

Republic of Kenya (2009) Labour Relations Act. Nairobi: Government Printer.

Republic of Kenya (2009) National Policy on Culture and Heritage. Nairobi: Government Printer.

Republic of Kenya (2010) Constitution of Kenya. Nairobi: Government Printer.

Republic of Kenya (2010). Task Force Report on the Re-alignment of the Education Sector to the Constitution of Kenya 2010: Towards a Globally Competitive Quality Education for Sustainable Development. Nairobi: Government Press.

Republic of Kenya (2011) National Social Protection Policy. Nairobi: Government Printer.

Republic of Kenya (2012) Basic Education Act. Nairobi: Government Printer.

Republic of Kenya (2012) Certified Public Secretaries of Kenya Act. Nairobi: Government Printer.

Republic of Kenya (2012) County Governments Act. Nairobi: Government Printer.

Republic of Kenya (2012) Engineers Act. Nairobi: Government Printer.

Republic of Kenya (2012) Industrial Training Act. Nairobi: Government Printer.

Republic of Kenya (2012) Investment and Financial Analysts Act. Nairobi: Government Printer.

Republic of Kenya (2012) Kenya National Examination Council Act. Nairobi: Government Printer.

Republic of Kenya (2012) Micro and Small Enterprises Act. Nairobi: Government Printer.

Republic of Kenya (2012) National Manpower Survey. Nairobi: Government Printer.

Republic of Kenya (2012) Sessional Paper on the National Industrialization Policy Framework for Kenya. Nairobi: Government Printer.

Republic of Kenya (2012) *Skills Gap Analysis for Graduates of Youth Polytechnics, Vocational Training Centers and Out-Of-School Youth.* Nairobi: Ministry of Youth Affairs and Sports.



Republic of Kenya (2012) University Act. Nairobi: Government Printer.

Republic of Kenya (2013) Kenya Diaspora Policy. Nairobi: Government Printer.

Republic of Kenya (2013) Science, Technology and Innovation Act. Nairobi: Government Printer.

Republic of Kenya (2013) Sessional Paper No. 4 of 2013 on Employment Policy and Strategy for Kenya. Nairobi: Government Printer.

Republic of Kenya (2013) Sports Act. Nairobi: Government Printer.

Republic of Kenya (2013) TVET Act. Nairobi: Government Printer.

Republic of Kenya (2014) Kenya Foreign Policy. Nairobi: Government Printer

Republic of Kenya (2014) Kenya National Qualifications Framework Act. Nairobi: Government Printer.

Republic of Kenya (2015) National Volunteerism Policy. Nairobi: Government Press.

Republic of Kenya (2016) Internship Policy and Guidelines for the Public Service. Nairobi: Government Printer.

Republic of Kenya (2016) Kenya Integrated Household Budget Survey - Labour Force Basic Report. Nairobi: Government Printer.

Republic of Kenya (2016) Mentorship Policy on Early Learning and Basic Education. Nairobi: Ministry of Education.

Republic of Kenya (2016) National Employment Authority Act. Nairobi.

Republic of Kenya (2017 *Human Resource Planning and Succession Management Strategy for the Public Service*. Nairobi: Government Printer.

Republic of Kenya (2017) *Survey on Training in Local Institutions*. Nairobi: State Department for Labour.

Republic of Kenya (2018) *Competency Based Education and Training Policy*. Nairobi: Government Printer.

Republic of Kenya (2018) National Career Guidelines 2018-2022. Nairobi: Government Printer.

Republic of Kenya (2018) National Curriculum Policy. Nairobi: Government Printer.

Republic of Kenya (2018) National Education Sector Strategic Plan 2018-2022. Nairobi: Government Printer.

Republic of Kenya (2018) National Guidelines for the establishment of Office of Career Services in tertiary educational institutions. Nairobi: Ministry of Education.



Republic of Kenya (2018) Third Medium Term Plan (2018-2022). Nairobi: Government Printer.

Republic of Kenya (2019) Basic Education Curriculum Framework. Nairobi: Government Printer.

Republic of Kenya (2019) Kenya Population and Housing Census Vol. IV. Nairobi: Government Printer.

Republic of Kenya (2019) Kenya Youth Development Policy. Nairobi: Government Printer.

Republic of Kenya (2019) Sessional Paper No 1 of 2019 on Reforming Education and Training for Sustainable Development in Kenya. Nairobi: Government Printer.

Republic of Kenya (2020) Economic Survey. Nairobi: Government Printer.

Republic of Kenya (2020) Informal Sectors Skills and Occupations Survey. Nairobi: Government Printer.

Republic of Kenya (2020) Kenya Universal Health Coverage Policy 2020 – 2030. Nairobi: Government Printer.

Republic of Kenya (2020) *Recognition of Prior Learning Policy Framework*. Nairobi: Government Printer.

Republic of Kenya (2020 Sessional Paper No. 05 of 2020 on Kenya Micro and Small Enterprises Policy for Promoting Micro and Small Enterprises (MSEs) for Wealth and Employment Creation. Nairobi: Government Printer.

Republic of Kenya (2020) *Skills Profile in the Energy Sector in Kenya*. Nairobi: Government Printer.

Republic of Kenya (2021) Agricultural Policy. Nairobi: Government Printer.

Republic of Kenya (2022) Economic Survey. Nairobi: Government Printer.

Republic of Kenya (2022) *Bottom Up Economic Transformation Agenda* 2022 – 2027. Nairobi: Government Printer.

Republic of Kenya (2023) Economic Survey. Nairobi: Government Printer

Republic of Kenya (2023) *Report of the Presidential Working Party on Education Reform.* Nairobi: Government Printer.

Roy G. and Shrivastava A. K. (2020) Future of Gig Economy: Opportunities and Challenges. *IMI Konnect* Volume 9 (1).

Schonburg, H. (2016). *Guide to Skills Anticipation and Matching – Volume 6: Carrying out Tracer Studies*. Luxembourg: Publications Office. Geneva: ILO.

UNESCO and ILO (2002) *Technical and Vocational Education for the 21st Century:* UNESCO and ILO Recommendations. Paris and Geneva: UNESCO and ILO.



UNESCO (2017) UNESCO Kazan Action Plan Paris: UNESCO.

United Nations (2015) *Transforming our World: The 2030 Agenda for Sustainable Development*. New York: United Nations.

Wilson R., Tarjáni H. and Rihova H. (2016) Working at Sectoral Level: Guide to Anticipating and Matching Skills and Jobs. Geneva: ILO.

World Bank (2015) Kenya – Jobs for Youth. New York: World Bank.

World Bank (2015) The Effects of Technology on Employment and Implications for Public Employment Services. New York: World Bank.



### **APPENDICES**

### **Appendix 1: Definition of key terms**

- Assessment Wide variety of methods and tools that educators use to evaluate, measure and document the academic readiness progress, skills acquisition or educational needs of students.
- Accreditation: Process of validation in which colleges, universities and other institutions of higher learning are evaluated.
- **Blue economy** The sustainable use of aquatic and marine spaces including oceans, seas, coasts, lakes, rivers, and underground water. It encompasses a range of productive sectors, including fisheries, aquaculture, tourism, transport, shipbuilding, energy, bio prospecting and underwater mining and related activities.
- **Brown economy** Economic development that relies heavily on fossil fuels and does not consider the negative side effects that economic production and consumption have on the environment.
- **Gig economy** It is a web-based platform, where work is outsourced through an open call to a geographically dispersed crowd ('crowd work'), and location-based applications (apps) which allocate work to individuals in a specific geographical area.
- **Credit accumulation** Totalling of credits required to complete a qualification or part qualification.
- **Credit** A unit of academic measurement of educational value.
- **Credit transfer** Vertical, horizontal or diagonal relocation of credits towards a qualification or part qualification in the same or different levels, programmes, departments or institutions.
- Dual model ofA dual education system combines learning in the industry and educationlearningat an education and training institution within one course.
- **Employment** This term is used to measure the number of persons employed, and includes persons at work during a short reference period, and also persons temporarily absent from work but holding a job.
- **Employability** Possession of portable competencies and qualifications that enhance an individual's capacity to make use of the education and training opportunities available in order to secure and retain decent work, to progress within the enterprise and between jobs, and to cope with changing technology and labour market conditions.
- **Formal learning** This is teaching and learning activities and experiences organized around defined content areas, topics, and resources, the objectives of which are



assessed in various ways including examinations and various types of assignments, laboratory sessions, and other practical activities.

- **Green economy** It is defined as the low carbon and resource efficient economy.
- **Globalization** The development of an increasingly integrated global economy marked especially by free trade, free flow of capital, and the tapping of cheaper foreign labour markets.
- **Human capital** Sum of the individual congenital and acquired skills, knowledge, and experiences of individuals.
- **Informal learning** Informal learning is the process by which people acquire and accumulate knowledge, skills, attitudes and insights from daily experiences and exposure to the environment. It is referred to as learning by experience. It is unorganized and unsystematic. It has no set objective in terms of learning outcomes and is never intentional from the learner's standpoint.
- **Knowledge** Knowledge management is the capacity of organizations to create, classify, store, analyse, share, transfer, protect and utilize knowledge to improve performance.
- Labour market Any information concerning the size and composition of the labour market or any part of the labour market; the way it or any part of it functions, its problems, the opportunities which may be available to it, and the employment-related intentions or aspirations of those who are part of it.
- **Labour market information system information system** Systems, mechanisms or processes for gathering, organizing, providing and analyzing information about the state of the labour market, occupations and jobs, including key changes taking place within the employment, jobs and the occupations.
- **Labour** The labour underutilization rate includes in the numerator the unemployed, time-related under-employed and potential labour force expressed as a ratio of the labour force.
- Non-formal This is any organised and systematic learning activity conducted outside education the framework of the formal education system to provide selected types of learning to particular subgroups in the population, adults as well as children. The defining characteristic of non-formal education is that it is an addition, alternative and/or a complement to formal education within the process of the lifelong learning of individuals.
- **Occupational labor mobility** The mobility, or movement, of labour from one type of productive activity to another type of productive activity. It is the ability of workers to switch career fields in order to find gainful employment or meet labor needs.
- **Portable skills** Skills which can be introduced in a different socio-cultural or technical environment, or which can be used in other occupations.



Re-skilling	Learning new skills so that you are able to do a different job or transition to an altogether different field.
Skill	Ability to carry out a manual or mental activity, acquired through learning and practice. It is knowledge, competence and experience needed to perform a specific task or job.
Skills development	Practical proficiencies, competencies and abilities which an individual acquires as a result of undergoing training, either formally or informally.
Skills mismatch	Skill gaps and imbalances such as over-education, under-education, over-qualification, under-qualification, over-skilling, skills shortages, skills surpluses and skills obsolescence.
Skill needs anticipation	Any forward looking diagnostics of skill needs expected on future labour markets performed by means of any type of method, be it quantitative or qualitative, including interaction, exchange and signaling between labour market actors.
Up-skilling	This refers to refining the skills one already has or adding new ones to keep relevant in doing the same job or to do it better; similar to layering on to a base of skills that are in place.
Technical and Vocational Education	Education, training and skills development relating to a wide range of occupational fields, production, services and livelihoods.
Tracer studies	This is a survey that aims at collecting information on the links between education and subsequent employment of graduates. It measures the employability of graduates.
Unemployment	People who do not have a job, have actively been looking for work, and are currently available for work.
Work based learning	This refers to all forms of learning that takes place in a real work environment. It provides opportunities to achieve employment-related competencies in the workplace.



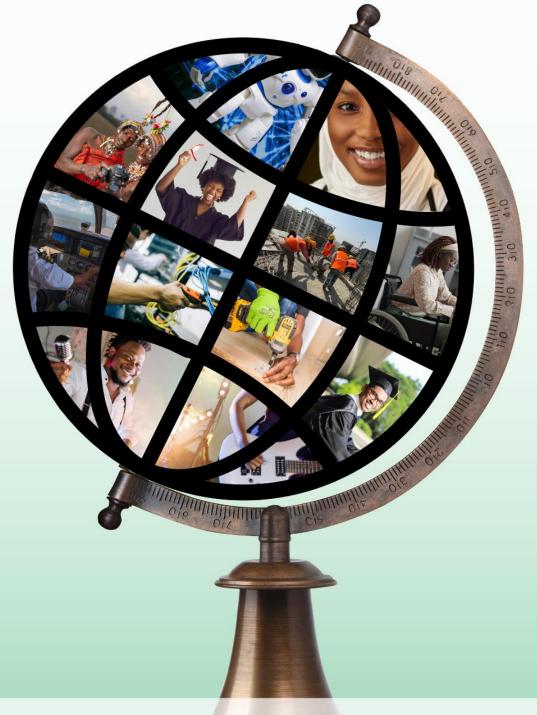
# **Appendix 2: Policy Coordination Action Plan**

	Component	Activity Indicator	Indicator	Responsi ble	Timeline				
					2024/25	2025/26	2026/27	2027/28	2028/29
1.	Public awareness of the National Skills Development Policy	Undertake public education and sensitization of the Policy	Capacity Building Report	SDL&SD JTWC	√				
2.	National Skills Development Action Plan	Develop the National Skills Development Action Plan	National Skills Development Action Plan	SDL&SD JTWC	V	V			
		Develop the M&E framework	M&E framework	SDL&SD JTWC	1	√			
		Implement and monitor the NSDP Plan	Quarterly & annual progress and M&E reports	SDL&SD JTWC	1	√	V	V	1
3.	National Skills Development Act	Develop the National Skills Development Bill and table it in Parliament	National Skills Development Act	SDL&SD JTWC	V	V			
	Review the National Skills Development Policy and Action Plan	Review the National Skills Development Policy	National Skills Development Policy	SDL&SD JTWC					1
		Review the National Skills Development Action Plan	Reviewed National Skills Development Action Plan	SDL&SD JTWC					V
		Review the M&E framework	Reviewed M&E framework	SDL&SD JTWC					√





# NATIONAL SKILLS DEVELOPMENT POLICY



STATE DEPARTMENT FOR LABOUR AND SKILLS DEVELOPMENT SOCIAL SECURITY HOUSE, BISHOPS RD. P.O BOX 40326 – 00100 NAIROBI Email: info@labour.go.ke Website: www.labour.go.ke