

**COMPETITION
AUTHORITY
OF KENYA**

Creating efficient markets for consumers

STRATEGIC PLAN (2017/2018 – 2020/2021)



ISO 9001:2015 CERTIFIED

TABLE OF CONTENTS

FOREWORD.....	i
PREFACE.....	iii
EXECUTIVE SUMMARY	v
CHAPTER 1: INSTITUTIONAL REVIEW	1
1.1 Background.....	1
1.2 Rationale for Strategic Planning	1
1.3 Governance Structure	2
1.4 Management Structure	3
1.5 Current and Projected Staff Establishment	5
1.6 Preparation of the Strategic Plan	5
1.7 Organization of the Strategic Plan	6
CHAPTER 2: REVIEW OF THE PREVIOUS STRATEGIC PLAN	7
2.1 Introduction.....	7
2.2 Objectives of Previous Strategic Plan	7
2.3 Performance of the Previous Strategic Plan	7
CHAPTER 3: ENVIRONMENTAL REVIEW	10
3.1 Introduction.....	10
3.2 PESTEL Analysis	10
3.3 SWOT Analysis.....	14
3.4 Risk Analysis/Management	15
3.5 Stakeholder Analysis	16
CHAPTER 4: STRATEGIC THEMES, OBJECTIVES AND ACTIVITIES FOR THE PERIOD 2017/18 – 2020/2021	17
4.1 Introduction.....	17
4.2 THEME 1: DELIVER EFFECTIVE ENFORCEMENT	17
4.3 THEME 2: CONSUMER PROTECTION	18
4.4 THEME 3: PLANNING, RESEARCH AND QUALITY ASSURANCE	19
4.5 THEME 4: VISIBILITY AND CORPORATE IMAGE	21
4.6 THEME 5: ORGANIZATIONAL SUSTAINABILITY	21

CHAPTER 5: REVENUE SOURCES AND IMPLEMENTATION COST.....	23
5.1 Estimated Budget Expenditure	23
5.2 Projected Revenue Sources	24
CHAPTER 6: MONITORING AND EVALUATION	26
6.1 Performance Questions and Indicators	26
6.2 Baseline.....	30
6.3 Reporting.....	30
6.4 Results Evaluation	31
6.5 Review.....	31
APPENDIX I: RESULTS MATRIX	32
APPENDIX II: IMPLEMENTATION MATRIX	36
APPENDIX III: MONITORING & EVALUATION REPORTING TEMPLATE	
.....	49

LIST OF TABLES

Figure 1: Authority's Organizational Structure	4
Table 1: Staff establishment	5
Table 2: PESTEL Analysis	13
Table 3: SWOT Analysis	14
Table 4: Risk Analysis	15
Table 5: Stakeholder Analysis	16
Table 6: Budget Estimates	24
Table 7: Revenue Sources	24
Table 8: Performance Questions	30

ABBREVIATIONS

BCP	Business Continuity Plan.
BP	Buyer Power
CAATS	Computer Assisted Audit Tools.
CAK	Competition Authority of Kenya.
COMESA	Common Market for Eastern and Southern Africa.
CPD	Consumer Protection Department.
C&ER	Communications & External Relations.
CSR	Corporate Social Responsibility.
DRP	Disaster Recovery Plan.
EAC	East Africa Community.
E&C	Enforcement & Compliance.
ERP	Enterprise Resource Planning.
FDI	Foreign Direct Investments.
HR&A	Human Resource & Administration.
IA	Internal Audit.
ICT	Information & Communication Technology.
IPSAS	International Public Sector Accounting Standards.
ISO	International Standardization Organization.
LSK	Law Society of Kenya.
M&A	Mergers and Acquisitions.
M&E	Monitoring and Evaluation.
MOU	Memorandum of Understanding.
MTEF	Medium Term Expenditure Framework.
MTP	Medium Term Plan.
ODPP	Office of the Director of Public Prosecution.
REC	Regional Economic Communities.
RQA	Risk and Quality Assurance
RTP	Restrictive Trade Practices.
PFM	Public Financial Management.
PPR	Planning, Policy & Research.
PESTEL	Political, Economic, Social, Technological, Environment, and Legal.
PMR	Product Market Regulation.
QMS	Quality Management System.
SADC	Southern Africa Development Community.
SCAC	State Corporations Advisory Committee.
SDG	Sustainable Development Goals.
SMART	Specific, Measurable, Achievable, Realistic, and Time-bound.
SWOT	Strengths, Weaknesses, Opportunities, and Threats.
TOR	Terms of Reference.

FOREWORD

It is my pleasure and honour to present the Competition Authority of Kenya's ("the Authority") Strategic Plan 2017/18 – 2020/2021, laying down the organization's four-year plan. Strategic Plans are critical for organizations since they offer a reference point, based upon which activities can be undertaken systematically and pro-actively monitored and evaluated. The Authority's first Strategic Plan 2013/14-2016/17 was unveiled in November 2013. The Plan achieved a number of remarkable milestones aimed at realizing the Authority's Vision. These include; developing and implementing guidelines and toolkits on competition enforcement and compliance, conducting market inquiries and sector-specific research studies, handling of consumer cases, analysing and concluding numerous mergers and acquisitions, informing creation of national, regional and international networks, internal staff capacity development, among others.

The exemplary performance recorded by the Authority was as a result of the unwavering support from our stakeholders, especially our parent Ministry and development partners. The Board, Management and Staff were equally instrumental in enabling the Authority execute its mandate. During the life of the Strategic Plan 2013/14-2016/17, Kenya's economic and investment climate transformed significantly.

This growth is partly attributable to developments in the innovation and technology space, coupled with an increase in the bilateral and multilateral trade agreements between Kenya and other countries that have spurred investments locally. Evolution in the global business landscape has influenced application of competition law and policy in the Kenyan market as well as enforcement of consumers' rights.

To enable the Authority tackle emerging competition issues, the Competition Act No. 12 of 2010 was amended, enhancing the Authority's enforcement capacity. As a result, the Authority was empowered to undertake more effective market inquiries, exclude mergers with benign competition effect and investigate abuse of buyer power. Equally, the Authority's consumer protection mandate was augmented, giving the Authority the capacity to adequately address emerging consumer complaints.

Further, and in response to these emerging issues, the Authority has developed its second Strategic Plan covering the period 2017/18 – 2020/21. This Strategic Plan is anchored on Kenya's main development blueprints; the Constitution of Kenya 2010, Big Four Agenda, MTP III, Kenya Vision 2030 and the Sustainable Development Goals. These blueprints were taken into account in designing the Authority key

thematic areas for the next four years. The current Strategic Plan builds on the previous Plan's successes, factoring in the lessons learnt in its design and implementation plan, including strategies to overcome the identified potential challenges in the coming four years.

The Authority is committed to actualizing this Strategic Plan which envisions among others; deepening efficiency by monitoring and reviewing the requisite organizational policies and operational procedures to enable the staff to maximize their potential during the implementation period. The Authority will continue adhering to the principles of good governance and the core values of the organization, which fortify team spirit and enhance the working envi-

ronment necessary for delivering on the aspirations of the new Strategic Plan.

Finally, I would like to recognize the dedication and commitment of my fellow Board members, the Management Team and the entire Staff throughout the planning process, and for tirelessly working on, and delivering this document. I am persuaded that in the same manner that the team had myriads of success stories in the implementation of the first Strategic Plan, we shall successfully implement this Plan as we work towards our vision and fulfil our mission.

David Otieno Ong'olo, MBS
BOARD CHAIRMAN

PREFACE

The 2017/18 - 2020/21 Strategic Plan is anchored on the success and lessons of the previous Strategic Plan (2013/14-2016/17). The Plan sets out outcome-oriented goals and objectives which the Authority will endeavour to achieve and shall place greater emphasis on delivering effective enforcement and enhance the creation of efficient markets for consumers.

Specifically, the second Strategic Plan focuses on achievement of the Big 4 Economic Transformation Agenda. The Big 4 Agenda is four-pronged; enhancing manufacturing's share of GDP from 9.2% to 20% by 2022; achieving 100% food security and nutrition; availing affordable housing and universal health coverage.

To contribute to the achievement of the Big 4 Agenda, the Authority will conduct market inquiries to locate and extinguish anti-competitive practices impeding growth of the manufacturing sector. The Authority will also advise on the review of legislation on the provision of professional services in the country with the aim of increasing competition and spurring growth of the Big 4. Mortgage uptake in the country remains low. The Authority plans to review the terms and conditions of these house ownership contracts to ensure they are not prohibitive to consumers. To support SMEs leasing healthcare, agricultural and manufacturing equipment, the Authority will advise on the framework to support the

Leasing Sector. This intervention is expected to result in increased uptake of this sector especially among the SMEs. In addition, the Authority will conduct investigations into possible breaches of consumer rights in the food sector as part of its contribution to realisation of food security and nutrition.

The Strategic Plan also takes into consideration the Sustainable Development Goals, the Kenya Vision 2030, the Constitution of Kenya as well as sectoral blueprints aimed at promoting socio - economic and political development in the country.

The Plan is cognizant of the environmental factors under which the Authority operates in and has taken these into account while formulating the various strategies of achieving its objectives in the next four years. The process of developing the Strategic Plan involved extensive internal and external stakeholder participation and consultation. The Authority conducted various workshops, providing an opportunity for Staff, Management and Board to fully inform the development of this Plan. The degree of engagement in the process, and, the quality of contribution ensured that the Plan embedded the interests and focus of stakeholders in ensuring and generating the necessary ownership and commitment in its implementation. The Plan therefore, provides a credible cog for

the realization of the Vision of a Kenyan economy with globally efficient markets and enhanced consumer welfare.

The Authority recognizes that the onus is on the Management Team to ensure the successful implementation of the Plan. Management will play a vital role in guiding their respective Teams. To support this process, the Authority has institutionalized a Monitoring and Evaluation (M&E) framework that will ensure that progress on the implementing of the deliverables set out in the Plan is regularly tracked. As we embark on the journey of implementing the Plan and delivery of the highlighted strategic objectives, we value the

support, goodwill, and commitment of our stakeholders to ensure that we achieve its objectives.

Lastly, we would like to thank the Board members for their support in developing this Strategic Plan. In addition, we appreciate the commitment and input of colleagues in the development of the current Strategic Plan. We are confident that we shall successfully deliver on it as a team.

Wang'ombe Kariuki, MBS
DIRECTOR-GENERAL

EXECUTIVE SUMMARY

The Competition Authority of Kenya (“the Authority”) is a Statutory Agency established under the Competition Act No.12 of 2010 (“the Act”). The Authority's mandate is to enforce the Act with the aim of enhancing the welfare of the people of Kenya by promoting and protecting effective competition in markets and preventing misleading market conduct in Kenya.

The Authority's 1st Strategic Plan covered four (4) years (2013/2014 to 2016/2017). The review of the 1st Strategic Plan identified the successes secured and challenges faced during its implementation, lessons which were taken into account in preparation of this 2nd Strategic Plan.

This Plan sets out the vision, mission, the strategic themes, strategic objectives, and key activities to deliver output. In carrying out the institution's environmental analysis, a couple of strengths, weaknesses, opportunities, and threats were identified that the Authority should take cognisance of in the realisation of its mandate and achievement of its well-articulated vision. Further, the Authority has aligned its Strategic Plan to the Big 4 Economic Transformation Agenda.

The key strengths of the Authority include a clear mandate spelt out in the 2016 amendments to the Competition Act. Skilled staff with knowledge and experience, well established working networks with local and regional stakeholders, established credibility on competition matters, adequate

resources to execute mandate in line with international standards based on ISO 9001:2015 quality management systems.

Its key opportunities include; development of subsidiary legislations to facilitate the implementation of Competition Law, provision of advisory services to government, institutionalization of staff knowledge, better knowledge management practices, leveraging on technology to improve efficiency and effectiveness, expanding areas of focus such as Buyer Power and competition in public procurement, enhance investigation capacity, operationalization of the Competition Tribunal, a supportive Legislature, cooperative sector regulators, enhanced enforcement by coordinating with other Regional Economic Communities (RECs) and the Africa Competition Forum (ACF).

The threats that may constrain the operations of the Authority include: competing needs at the Exchequer negatively impacting on budgetary allocation, potential change in key stakeholders priorities during the implementation of the Strategic Plan, potential overlapping mandate with other Sector regulators and RECs, limited control over the timeliness in the performance of some tasks due to unreliable flow of critical information from external sources, potential change in government policy and related regulatory challenges presented by

emerging innovations. These include issues such as online payments, financial technology (FinTech) among others.

In this reviewed Strategic Plan period covering 2017/2018 to 2020/2021, the Authority will pursue five thematic areas to achieve its mandate. These are Deliver Effective Enforcement; Consumer Protection; Planning, Research and Quality Assurance, Visibility and Corporate Image and Organizational Sustainability.

To ensure the achievement of its objectives, a Monitoring and Evaluation (M&E) Framework has been

developed and forms part of this report. The M&E Framework contains activities to deliver the expected outputs with clear performance indicators. The projected cost of implementing activities in this Strategic Plan is Kshs.3, 186.95 million which will be funded primarily by the Exchequer, internally-generated funds and grants from Development Partners.

To deliver on its mandate, the Authority has a clear vision and mission statement, supported by well-articulated institutional core values and a quality policy as follows;

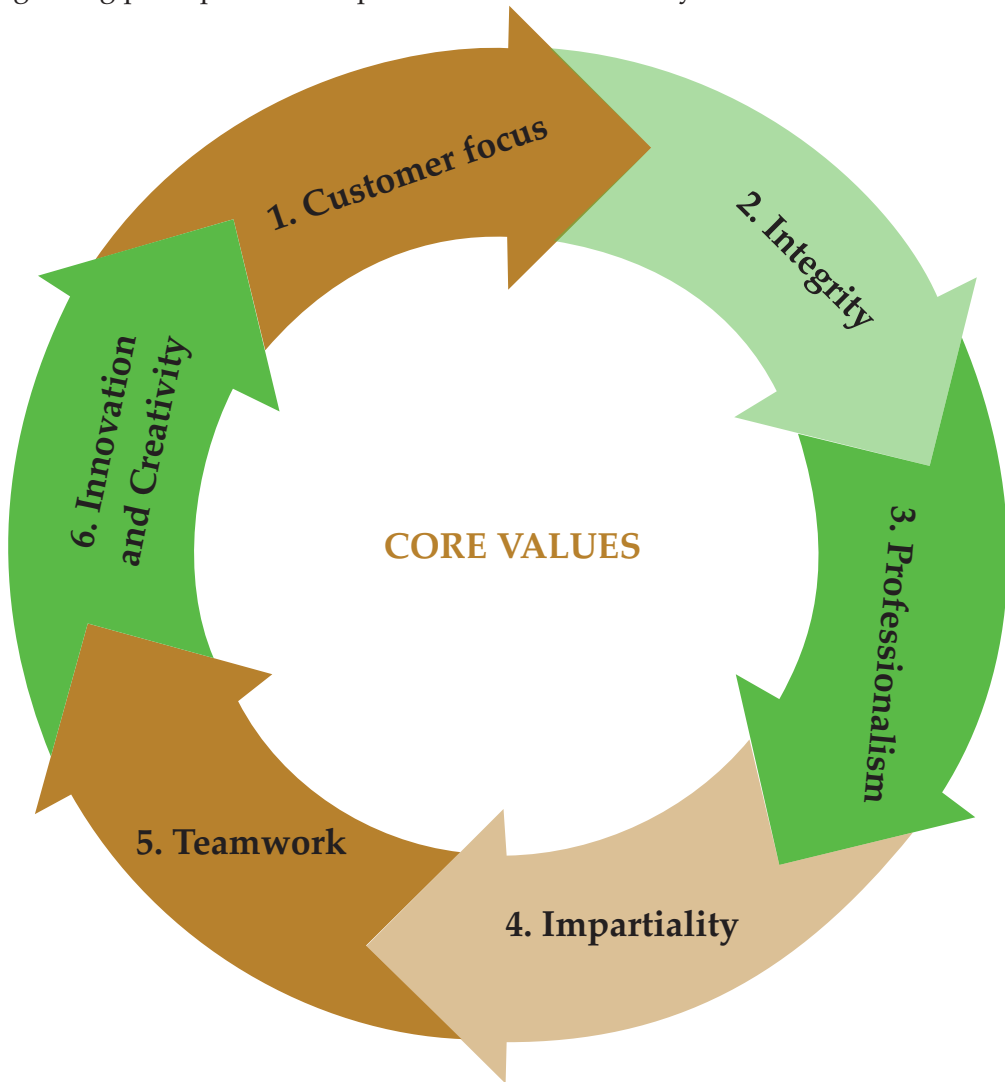
VISION

“A Kenyan economy with globally efficient markets and enhanced consumer welfare for shared prosperity.”

MISSION

“To enhance competition and consumer welfare in the Kenyan economy by regulating market structure and conduct in order to ensure efficient markets for sustainable growth and development.”

The guiding principles in the operations of the Authority are:



- i) commit to attain the highest standards in service delivery to all stakeholders in line with ISO 9001:2015.
- ii) commit to act in an honest, transparent and responsible manner while implementing our programmes.
- iii) are guided by professional ethics aimed at building an appropriate corporate culture and creating the rights corporate image.
- iv) uphold the highest levels of equity by treating all stakeholders without any discrimination whatsoever.
- v) adopt a participatory approach and work together at all levels in the conduct of its business.
- vi) are a learning organization that embraces change and continuously enhances creativity and innovation in its business processes.

MOTTO

“Creating efficient markets
for consumers.”

QUALITY POLICY

“The Competition Authority of Kenya is committed to enhance the welfare of the people of Kenya by promoting and protecting effective competition in markets and preventing unfair and misleading market conduct.

Towards this, the Authority commits to comply with all statutory and other applicable requirements and to continual improvement of its Quality Management System based on ISO 9001:2015 International Standard.

This Policy and the established quality objectives shall be reviewed to ensure their continual suitability and adequacy, shall be communicated, understood and applied throughout the organization and shall be available to relevant interested parties as appropriate.

CHAPTER 1

INSTITUTIONAL REVIEW

1.1 Background

The Authority is mandated to promote and safeguard competition in the national economy and to protect consumers from unfair and misleading market conduct throughout Kenya, in order to:

- i) Increase efficiency in the production, distribution and supply of goods and services;
- ii) Promote innovation;
- iii) Maximize the efficient allocation of resources;
- iv) Protect consumers;
- v) Create an environment conducive for both foreign and local investment;
- vi) Capture national obligations in competition matters with respect to regional integration initiatives;
- vii) Bring national competition law, policy and practice in line with the best international practices, and;
- viii) Promote the competitiveness of national undertakings in world markets.

1.2 Rationale for Strategic Planning

The process of strategic planning is aimed at identifying and selecting the most appropriate ways of utilising the organization's resources to achieve specified objectives, while taking into account the external environment in which the organization operates.

The Authority's 2nd Strategic Plan (2017/2018 - 2020/2021) which covers the period from 1st July 2017 to 30th June 2021, is also informed by the 1st Strategic Plan (2013/2014 - 2016/2017). This Plan sets out what the Authority intends to do in promoting efficient markets and enhancing consumer welfare in the broader Kenyan society through facilitating the government achieve its Big 4 Economic Transformation Agenda.

The Strategic themes outline the focus of the Authority for the next four (4) years. Activities under each strategic objective are linked to performance indicators and targets to assist the Authority assess progress in realizing its goals and objectives. The Plan is guided by the Constitution of Kenya 2010, Kenya Vision 2030, Big 4 Economic Transformation Agenda, the Global Sustainable Development Goals (SDGs), Medium Term Expenditure Framework III (MTEF) and the Competition Act.

Building on the foundation of the first Strategic Plan, this Strategic Plan emphasizes enforcement of competition, protecting consumer welfare, building capacity internally to address emerging competition issues and creating linkages with academia, regulators and other Competition Agencies regionally and internationally to enable the

Authority effectively deliver on its mandate.

This Plan focuses on the following key broad areas:

- i) Deepen enforcement of the competition law guided by Constitution of Kenya 2010, Kenya Vision 2030, Big 4 Agenda, the Global Sustainable Development Goals (SDGs), Medium Term Expenditure Framework III (MTEF) and the Competition Act.
- ii) Removal of regulatory obstacles in key sectors of the economy that have an impact on the larger population;
- iii) Increase deterrence in the abuse of Buyer Power in order to strengthen the SMEs;
- iv) Building capacity of consumer lobby groups to act as champions for consumer rights;
- v) Awareness creation on competition and consumer protection;
- vi) Carry out inquiries, studies and research into competition matters and consumer welfare;
- vii) Advise Government and Government agencies on competition and consumer welfare issues;
- viii) Innovations in managing internal resources to create a more self-sustaining organization;
- ix) Performance management; and;
- x) Succession management through institutionalizing the culture of recruiting, training and retaining the right personnel.

1.3 Governance Structure

The Authority is governed by a Board that is mandated to ensuring that the Authority's obligations, roles and responsibilities to its various stakeholders are fulfilled through sound corporate governance practices. The Board established under section 7 of the Competition Act comprises of the Chairman, representatives from The National Treasury, The Attorney General, The Ministry of Industry, Trade and Cooperatives, Five (5) independent non-executive members and the Director General, as an ex-officio member.

The Board has overall responsibility of ensuring that the Authority has in place policies, procedures, and values which support the organization in its long-term planning aimed at meeting its mission as well as carrying out the fiduciary duty of monitoring and overseeing the activities of Management. To effectively execute its role, the Board has constituted the following four (4) committees namely: Technical and Strategy, Human Resource, Audit and Finance.

1.4 Management Structure

The Management of the Authority comprises of the Director General (DG), three Directorates (Competition & Consumer Protection; Planning, Risk & Quality Assurance; and Corporate Services) and five units (Communications & External Relations, Supply Chain Management, Buyer Power, Legal and Internal Audit) that directly report to the Director General. The Director General is responsible for the day-to-day management of the Organization and reports to the Board.

The Competition Act Amendment in 2016 enhanced the statutory mandate and aligned the Act with international best practices; strengthened enforcement capacity and emboldened the Authority's ability to address emerging issues in the competition terrain such as those posed by abuse of buyer power. The amendments provide increased regulatory capacity for the Authority to better execute its consumer protection mandate, impose administrative penalties for Abuse of Dominance, among others.

This widened mandate will require more resources, both capital and human, in order to implement the new provisions while also aligning the organizational structure to enable the Authority deliver on its objectives.

The Authority's current organizational structure is shown below;

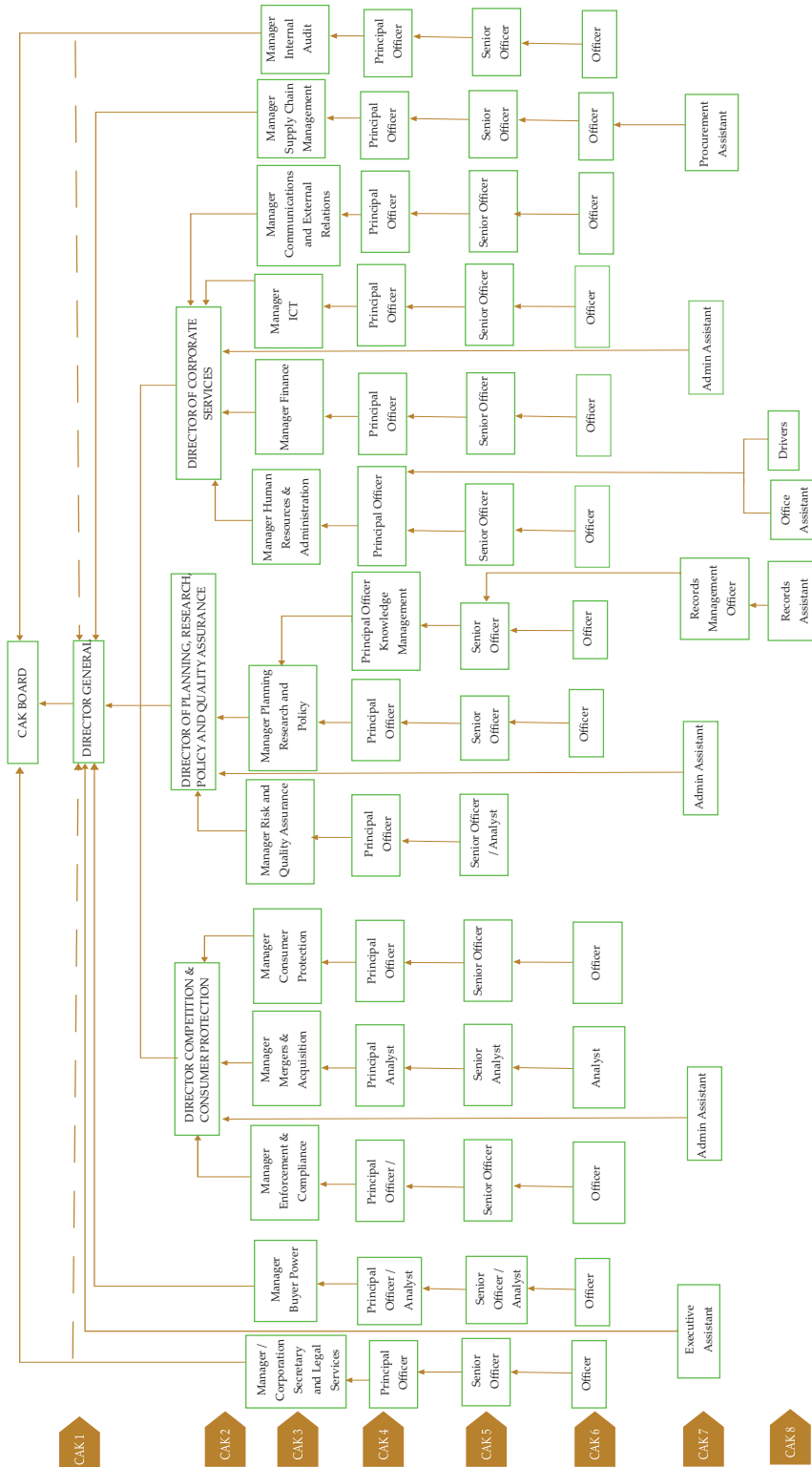


Figure 1: Authority's Organizational Structure

1.5 Current and Projected Staff Establishment

The approved staff establishment under the current Authority's organizational structure is ninety nine (99), with a ratio of seventy percent (70%) Technical and thirty percent (30%) Support staff. The Authority had a total of sixty two (62) staff as at November 2018.

The Table below highlights the recommended approved and actual staff establishment.

Position	Establishment	In-post
Director General	1	1
Division Directors	3	3
Department Managers	13	9
Principal Officers/Analysts	18	7
Senior Analyst/Officers	17	14
Analysts/Officers	37	19
Administrative staff	5	5
Drivers and support staff	5	4
TOTAL	99	62

Table 1: Staff establishment

1.6 Preparation of the Strategic Plan

The Authority carried out a consultative process to come up with this Plan. This involved:

- i) Preparation of plans from different thematic (working) areas;
- ii) Reviewing the Government's relevant policy documents and directives and incorporating the same in the Plan;
- iii) Carrying out an environmental scanning exercise through Political, Economic, Social, Technological, Environment and Legal (PESTEL) Analysis, Risk Assessment, as well as conducting a Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis; and
- iv) Obtaining valuable input from both the Board and Management.

1.7 Organization of the Strategic Plan

The Strategic plan is divided into the following chapters:

- i) Chapter 1 – Introduction, CAK organizational Governance structure and staff complement.
- ii) Chapter 2 - Review and Gap analysis of previous Strategic Plan.
- iii) Chapter 3 – Environmental Review that forms basis of the Strategic Plan.
- iv) Chapter 4 – Strategic Themes, Objectives and related activities for the Strategic Plan.
- v) Chapter 5 – Revenue Sources and Activities budget for the Strategic Plan.
- vi) Chapter 6 – Monitoring and Evaluation framework for assessing progress of implementing the Strategic Plan.
- vii) Annex – Results Framework.
- viii) Annex II – Strategic Plan Implementation Matrix.
- ix) Annex III – Monitoring and Evaluation (M&E) Reporting Template.

CHAPTER 2

REVIEW OF THE PREVIOUS STRATEGIC PLAN

2.1 Introduction

As indicated earlier, the Authority's 1st Strategic Plan covered four (4) years from 2013/2014 to 2016/2017. The objective of the review of the 1stPlan was to provide insights into the achievements, challenges and highlight lessons for the development of this Strategic Plan.

2.2 Objectives of Previous Strategic Plan

During the four year Plan period, the following strategic themes guided the operations of the Authority:

- i) Enforcement of Competition and Protection of Consumers;
- ii) Research, Advocacy and Awareness Creation;
- iii) Mobilization and Optimal Utilization of Resources;
- iv) Infrastructure and Human Capital Development, and;
- v) Visibility and Corporate Image.

These priority areas were further crystallized under the following five strategic objectives:

- i) To regulate anti-competitive practices and mergers, unwarranted concentration of economic power, and practices that affect consumer welfare;
- ii) To carry out market inquiries, advocacy and promote awareness;
- iii) To mobilize adequate financial resources and enforce optimal utilization to ensure financial sustainability of the Authority;
- iv) To build adequate infrastructure and human capital capacity to enable the Authority efficiently and effectively execute its mandate, and;
- v) To enhance corporate image and visibility of the Authority.

2.3 Performance of the Previous Strategic Plan

The performance of the 1st Strategic Plan was evaluated against the five strategic objectives above. A review of the implementation of the previous Strategic Plan indicated that the Authority achieved about 90% of its planned activities as at April 2017, which was earlier than the projected end of Plan's period.

2.3.1 *Milestones and Achievements*

Specifically, the key milestones achieved were:

- i) Establishment of the Authority following enactment of the Competition Act.
- ii) Development and operationalization of various guidelines, forms, toolkits and

templates for mergers, enforcement, and consumer protection.

- iii) Successfully analysed 497 mergers, handled over 180 consumer cases and investigated over 84 Restrictive Trade Practices (RTP) cases.
- iv) Completion of various research studies and market inquiries (Seed, Artificial Insemination, Tea, Fertilizer, Unstructured Supplementary Service Data (USSD), Banking Sector Phase I), and various advocacy initiatives.
- v) Removal of regulatory obstacles in key sectors of the economy including tea, Pyrethrum and Telecommunications sectors.
- vi) Signing of multiple cooperation frameworks locally (Communications Authority, Kenya Bureau of Standards, Central Bank of Kenya, Agriculture and Food Authority, Weights and Measures, Insurance Regulatory Authority), and regionally (Common Market of Eastern and Southern Africa, Competition Commission of South Africa) and internationally (Japan Fair Trade Commission).
- vii) Enhanced cooperation and collaboration with other stakeholders locally, regionally and internationally.
- viii) Development of frameworks for Risk Management, Knowledge Management, Impact Assessment, and Monitoring & Evaluation.
- ix) Development of various mechanisms of generating revenue internally such as Merger filing fees and penalties and sourced for some funding from development partners.
- x) Facilitation of several staff skill improvement initiatives.
- xi) Adoption of a Quality Management System (QMS) and attained ISO 9001:2008 certification.
- xii) Procurement of adequate physical infrastructure and services for the Authority's operations.

2.3.2 Challenge

During this period, the Authority faced a number of challenges including but not limited to the following:

- i) Low awareness of the mandate of the Authority amongst some stakeholders and the general public.
- ii) Information asymmetry—difficulty in access, cost of acquisition, and reliability of information gathered from stakeholders for analysis affected the efficiency and effectiveness in concluding some tasks.
- iii) Budgetary constraints – the Authority has not been able to secure adequate funding for some of its planned activities due to the emerging competing needs at the Exchequer.
- iv) Regional competition environment – lack of a nexus point between National competition agencies and Regional Economic Communities (RECs) has hampered effective cooperation.

- v) Inadequate Knowledge Management system for collection, analysis and dissemination of information.
- vi) Inadequate mechanisms to strengthen dialogue and advocacy at the County Governments.
- vii) Low automation levels of the Authority's core processes.
- viii) Staff skills – some departments do not have adequate specialized skills such as forensics, merger simulation and research analysis therefore hampering their ability to efficiently and effectively deliver on specific tasks.

2.3.3 Lessons Learned

The lessons learned from the 1st Strategic Plan point to the need to:

- i) Create and increase awareness amongst key stakeholders on competition matters.
- ii) Enhance cooperation with key stakeholders to improve tasks execution and information sharing.
- iii) Create awareness at County level on the Authority's mandate which is critical in entrenching Competition at the County levels.
- iv) Harmonize the law between National Agencies and RECs with clear engagement frameworks to enhance cooperation.
- v) Review the Competition Act to improve the effectiveness of competition administrative remedies.
- vi) Prioritize activities to be implemented through the Annual Work Plans.
- vii) Review and align guidelines, manuals, forms and toolkits to the changing market and legal environment.
- viii) Adopt the use of Information Technology (IT) to automate processes including but not limited to: Forensic Analysis, Merger Simulation, Econometrics, Research Analysis, Human Resource, Knowledge Management, Audit, Financial Management and Procurement.
- ix) Deepen capacity in resource mobilization for organizational sustainability.
- x) Develop career progression framework and operationalize the Succession and Talent Management guidelines.
- xi) Review the organization structure in the light of CAK's mandate and the scope of responsibilities envisaged.
- xii) Develop a Business Continuity Management Framework.
- xiii) Build staff capacity in research and various specialization areas.

CHAPTER 3

ENVIRONMENTAL REVIEW

3.1 Introduction

The Authority's Strategic Plan environmental review has been conducted within a global context which is experiencing protectionism in some economies and similarly a push for Regional Integration through Regional Economic Communities(RECs), mostly in developing countries. The Authority's environment is defined by a number of issues that include:

- Need to effectively undertake its mandate in a growing economy – there is need to build capacity for the Authority to pro actively gather intelligence that will inform its advocacy efforts, consumer protection activities and enforcement undertakings.
- Emergence of knowledge management and innovation as key strategic assets – exploring ways of managing and institutionalize knowledge gained as the institution grows and becoming innovative in executing its mandate within the available resource constraints.
- Enabling businesses – Governments globally are putting in place measures to attract investments and foster cross border trade. The Authority needs to execute its organization mandate in a manner that will not restrict investments through enforcement of rigid regulatory regime while ensuring consumer welfare is championed and protected.
- Rising Consumer expectations, the power of technology and social media – creating an agile organization that is in touch with consumer expectations, taps into the power of technology and new media frontiers to increase awareness of its mandate and continuously gather intelligence that enables the Authority to pro actively execute its mandate.

3.2 PESTEL Analysis

This section analyses the existing Authority's operating environment (Political, Economic, Social, Technological, Environmental and Legal) and how these would impact on the Authority's performance in the next Strategic Plan period. The PESTEL analysis is a simple and effective tool used in situation analysis to identify an organization's external (macro environment) forces that would affect its operations. These forces create both opportunities and threats. A brief description of these dimensions in relation to the Authority's mandate is as follows:

3.2.1 Political Environmental Analysis

The Authority has to execute its mandate in the devolved system of Government. Similarly the push for the integration of the East African Countries under a common market (East African Community) has resulted in formation of the East African Community Competition Authority (EACCA) to address cross-border and multi-jurisdictional competition cases. The Authority going forward has to seek ways of aligning its instruments to multi-RECs (COMESA and EAC) competition rules.

3.2.2 Economic Environmental Analysis

The Kenyan economy has continued to grow steadily at an annual rate of between 5 and 6% and is reported to be among the fastest growing economy in the EAC region. During the previous Plan's period, the World Economies were just beginning to recover from the global financial crisis whose negative impact was felt, though minimally, in the developing economies. At the national level, Kenya has registered positive growth in her economy and this has had a positive impact on the operation of the Authority, thus creating conducive investment for Foreign Direct Investments (FDIs). Any reduction in economic activities fundamentally affects the quantum of government revenue, constraining the exchequer budgetary allocations hence affecting the Authority's budgetary allocation and its operations, in turn. With the expansion in the operations of the regional blocs through the tripartite (EAC, COMESA and SADC), the Authority has an availed opportunity to integrate and operate within these established and expanded regional blocs.

3.2.3 Social – Cultural Environmental Analysis

The social – cultural environment is particularly important in determining the success of the Authority's operations in meeting its mandate. Stakeholder's opinion is a critical determinant of the external environment for compliance. The extent and level of awareness of the role and operation of the Authority to the key stakeholders is critical to achieve its overall mandate in the market regulations. The social perceptions towards the Authority significantly affect compliance. The Social-cultural dimension in the environment scanning process forms an integral part of the operations of the Authority, and these relate to the values, norms, customs, attitudes, cultures and societal beliefs. It is imperative for the Authority to continue researching how these changing values of its stakeholders and their expectations insofar as market regulation is concerned.

3.2.4 Technological Environmental Analysis

The technological environment covers the impact of new inventions, obsolescence of existing technology and technological innovations. Information and Communication Technology (ICT) has revolutionised the way business is transacted and this opens up opportunities and enhances the efficiency and operations of the Authority. In this Plan, the Authority will continue to implement modern processes and quality management systems that would lead to improved service delivery to the stakeholders. The Authority's use of technology for operational efficiency and effectiveness is paramount in the achievement of its mandate. Thus, the ICT environment sets the technological frontier in knowledge management, creating stakeholders awareness, building and strengthening local, regional and international networks; and monitoring market regulatory compliance. Rapid technological changes witnessed in the recent times, puts an expectation on the Authority to adapt and explore ways to harness opportunities presented to it to better and faster delivery on its mandate.

3.2.5 Environmental Analysis

The 21st century has witnessed increased recognition of the importance of the environment to economic development. The alarming rate of environmental destruction as a result of population pressure, serious soil erosion, pressure on natural resources, massive deforestation, climate change and global warming, pollution in its various forms among others, necessitated the Government of Kenya to establish the National Environmental Management Authority (NEMA) and Climate Change Directorate.

At the institutional level, environmental issues will continue to provide both opportunities and threats to the Authority during the Plan's period. The specific concerns may include but not limited to; the Authority's working environment, sector regulators with overlapping roles, waste disposal and e-waste will continue to be a major concern in the creation of a business environment conducive for attraction and retention of new business ventures.

3.2.6 Legal Environmental Analysis

Changes in Law and legislation have an impact on the operating environment of the Authority. The devolved system of governance and the amendments of the Competition Act have necessitated the need to review and realign the Authority's strategic activities. Other notable changes in the recent times that have impacted on the Authority's operations are; The Competition Act Amendment in 2016, Public

Procurement & Asset Disposal Act (PPDA 2015) and Public Financial Management (PFM) Act of 2012 which will require the Authority to be agile to adapt to legal provisions of various legislations within which it operates.

The table below summarizes PESTEL Analysis

POLITICAL FACTORS	ECONOMIC FACTORS
<ul style="list-style-type: none"> • Bureaucracy and red tape. • Corruption levels. 	<ul style="list-style-type: none"> • Investment climate. • Global economic changes and their influence on the local economy. • Economic growth rates. • Inflation rate. • Interest rates. • Exchange rates. • Unemployment trends. • Labour costs. • Credit availability. • Level of consumers' disposable income. • Monetary policies. • Fiscal policies. • Price fluctuations. • Stock market trends.
SOCIAL CULTURAL FACTORS	TECHNOLOGICAL FACTORS
<ul style="list-style-type: none"> • Health consciousness. • Education level. • Attitudes toward work, leisure, career and retirement. • Attitudes toward product quality and customer service. • Attitudes toward saving and investing. • Emphasis on safety. • Lifestyles. • Population growth rate. • Age distribution and life expectancy rates. • Gender distribution. • Ethnicity. • Family size and structure. 	<ul style="list-style-type: none"> • Rate of technological change. • Communication infrastructure. • Access to newest technology. • Mobile telephony. • Internet infrastructure and penetration. • Research Innovation. • Rate of adaptability to new technology.
ENVIRONMENTAL FACTORS	LEGAL FACTORS
<ul style="list-style-type: none"> • Climate change. • Laws regulating environment management. • Recycling. • Waste management. • Work environment. 	<ul style="list-style-type: none"> • Competition Regulatory Regime. • Government blueprints that impact on market development. • Employment law. • Health and Safety law. • Environmental Law.

Table 2: PESTEL Analysis

3.3 SWOT Analysis

The Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis appraises the status quo as a predicate to determining planning goals and developing developmental priorities. It involves specifying the objectives of the organization and identifying the internal factors (Strengths and Weaknesses) and external factors (Opportunities and Threats) that are favourable and unfavourable to achieve those objectives. The Authority's internal Strengths and Weaknesses and external Opportunities and Threats have been evaluated as tabled below;

INTERNAL		EXTERNAL	
STRENGTHS	<ul style="list-style-type: none"> • Authority's independence to implement and administer its own activities in line with the Act. • Modern Competition law in place. • Staff with good working knowledge and experience. • Good working relationship with local and regional stakeholders. • Credibility of the Authority on Competition matters. • Adequate resources to execute its mandate. • ISO 9001:2015 certification of the Authority. 	OPPORTUNITIES	<ul style="list-style-type: none"> • Opportunity to harmonize its Competition Law with other RECs. • Develop subsidiary competition legislations. • Provide advisory services to Government to facilitate integration with RECs. • Institutionalize staff knowledge by harnessing and storing tacit knowledge. • Leverage on technology to improve operational efficiency and effectiveness. • Expand areas of focus to include but not limited to buyer power, collusive tendering, enhance investigation capacity and resolution of complaints due to the dynamism of competition matters.
WEAKNESSES	<ul style="list-style-type: none"> • Over reliance on the Exchequer for budgetary support. • Lack of adequate officespace. • Inadequate use of information systems to increase efficiency and improve productivity. • Low visibility and awareness of the Authority's mandate. • Inadequate expertise in some technical areas (Forensic Analysis, Merger Simulation, Research Analysis, Econometrics). • Reliance on Director of Public Prosecution (DPP) office for prosecution. • Inadequate internal capacity to conduct research. 	THREATS	<ul style="list-style-type: none"> • Competing needs at the Exchequer may affect budgetary allocation. • Key stakeholders changing priorities. • Potential overlapping mandate with other Sector Regulators and RECs Competition Agencies. • No control over the timeliness and reliability of Information from external sources. • Potential change in Government Policy. • Regulatory challenges presented by innovations such as online commerce and digital payments. • Consumer apathy to the Authority's mandate due to low awareness levels. • Weak enforcement of standards and quality verification.

Table 3: SWOT Analysis

3.4 Risk Analysis/Management

A risk is a possible event or outcome that could lead to the Authority not being able to operate or fulfil its mandate. The risk analysis highlights key areas that can affect the implementation of the Strategic Plan. The contributing factors and mitigating actions form a basis of developing and implementing the broader risk management framework during the Strategic Plan's period. The Authority has developed an internal Risk Management Policy that is used to manage its risks. Emanating from this policy, the Authority has identified five major risk categories with specific contributing factors and mitigating actions as tabled below;

Risk Category	Contributing Factors	Mitigating Actions
Financial	<ul style="list-style-type: none"> • Limited donor pool for additional funding. • Low absorption of funds. • Inadequate financial management controls. 	<ul style="list-style-type: none"> • Widen scope of revenue streams. • Optimal use of resources through cost reduction and prioritization. • Enhance financial monitoring and adherence to International Public Sector Accounting Standards (IPSAS). • Automation.
Organization Capacity	<ul style="list-style-type: none"> • Loss of institutional memory due to inadequate harnessing of knowledge. • Resistance to change. • Staff turnover. • Inadequate skilled personnel in some specialized areas. 	<ul style="list-style-type: none"> • Strengthen Knowledge Management. • Succession planning. • Develop and Implement a Change Management Policy. • Review Retention Policy. • Capacity building. • Enhance performance contracting goals.
Business Continuity/Disaster Recovery/Data loss	<ul style="list-style-type: none"> • Inadequate IT infrastructure. • No Operational Disaster Recovery Plan. • No Business Continuity Plan. 	<ul style="list-style-type: none"> • Prioritize and procure IT systems. • Operationalize Disaster Recovery Plan (DRP) and Develop and Operationalize Business Continuity Plan (BCP). • Put in place a data security plan.
Stakeholder Management	<ul style="list-style-type: none"> • Information asymmetry. • Inability to effectively influence policy. • Inadequate response to radical changes in policy and regulation. • Negative media publicity. • Non-cooperation of relevant stakeholders. 	<ul style="list-style-type: none"> • Implement cooperation frameworks. • Closely monitor changes to policy and regulations and proactively identify advocacy measures. • Continuously assess stakeholders and come up with plans to engage them. • Proactively engage stakeholders, appealing to their sense of self interest and self-preservation.
Operational	<ul style="list-style-type: none"> • Ineffective planning. • Policy changes that result into emergence of unplanned activities. • Mismanagement of confidential information. • Litigation. 	<ul style="list-style-type: none"> • Enhance training of staff in planning. • Reprioritization of activities. • Review and create awareness of communication policy /Records policy. • Develop Information Management. Policy/Subsidiary legislation – rules to the Competition Act. • Ensure directives are in line with the law. • Prioritize negotiations and make provision for litigation costs.

Table 4: Risk Analysis

3.5 Stakeholder Analysis

A Stakeholder Analysis assists the Authority to analyse and manage the expectations of its stakeholders to effectively execute its mandate. The Authority's stakeholders listed below play a critical role in facilitating the effective implementation of its activities. The table below defines the role and type of interaction required with each stakeholder;

Stakeholder	Role	Interaction
Parliament	Enact laws, approve allocations and vet Board Members.	Advise, Consult and Enact / Amend Laws as appropriate.
National Treasury	Facilitate operations of the Authority.	Advise and Consult.
Board	Provide oversight, and strategic direction.	Advise, Consult & Sensitize.
Staff	Implementation of the Authority's Mandate.	
Consumers	Raise complaints and enquiries.	Inform, Consult & Sensitize.
Business Community	Adhere to law, regulations and guidelines.	
Judiciary	Interpret the law and make informed decisions.	Advise and Sensitize.
Competition Tribunal	Review Authority's decisions.	Inform & Representation.
The State Law Office	Provide legal advice.	Collaborate & Consult.
Office of the Director of Prosecution (ODPP)	Interpret and make informed decisions.	Collaborate.
Legal Firms	Provide legal advice to business community & consumers; Represent the Authority in terms of litigation.	Advise & Collaborate.
Sector Regulators	Ensuring consistent regulation outcome.	Inform, Consult & Collaborate.
Development Partners	Provide technical and financial support.	Consult & Collaborate.
Suppliers and Service Providers	Facilitate the Authority's operations	Inform, Consult, Sensitize & Collaborate.
County Governments	Formulate county wide law and regulations.	Inform, Consult, Sensitize & Collaborate.
Consumer Bodies	Partner with the Authority to champion consumer interests.	Inform, Consult, Sensitize & Collaborate.
Other Competition Agencies	Handling cross border infractions, Peer Review.	Inform, Consult & Collaborate.
Regional and International Networks	Share Best Practices, Inform Guidelines formulations.	Inform, Consult & Collaborate.
Institutions of Higher Learning	Develop curriculum focusing on Competition matters, Inform on Research, Awareness creation.	Inform, Consult & Collaborate.
Other Ministries and Government Agencies	Assist in formulating policies and creating conducive environment for trade and execution of the Authority's mandate.	Advise & Collaborate.
Media	Provide publicity.	Inform, Sensitize & Collaborate.

Table 5: Stakeholder Analysis

CHAPTER 4

STRATEGIC THEMES, OBJECTIVES AND ACTIVITIES FOR THE PERIOD 2017/18 – 2020/2021

4.1 INTRODUCTION

The strategic themes guiding the future direction of the Authority during the second Strategic Plan period are:

- i) Deliver Effective Enforcement
- ii) Consumer Protection.
- iii) Planning, Research and Quality Assurance
- iv) Visibility and Corporate Image.
- v) Organizational Sustainability.

4.2 THEME 1: DELIVER EFFECTIVE ENFORCEMENT

The Authority seeks to effectively use the law and subsidiary legislation to regulate mergers and acquisitions, investigate restrictive trade practices such as; Abuse of Dominance (AoD) and Buyer Power, cartels and provide remedies to enable growth of an inclusive economy with competitive markets.

Strategic objectives and activities under this theme include:

I) To increase deterrence on anti-competitive practices.

- a) Prioritize, evaluate, investigate and conclude anti-competitive complaints/cases.
- b) Regulate mergers and acquisitions.
- c) Develop and implement guidelines that prevent the emergence of market structures which impede effective competition.

ii) To enhance market surveillance.

- a) Conduct market compliance checks.
- b) Develop and implement interaction and intelligence frameworks.

iii) To enhance transparency, accountability and predictability of enforcement, compliance and merger issues.

- a) Review and align competition instruments(guidelines, procedures forms, templates) with market realities, evolving trends and changing economic and legal environment.
- b) Conduct stakeholder sensitization initiatives.
- c) Develop and operationalize Rules to the Act.

iv) To increase deterrence on Abuse of Buyer Power.

- a) Build capacity in terms of numbers and skills.
- b) Develop and implement Buyer Power guidelines.
- c) Prioritize, evaluate, investigate and conclude complaints/cases on Abuse of Buyer Power.
- d) Conduct stakeholder sensitization initiatives.

4.3 THEME 2: CONSUMER PROTECTION

The Authority's mandate of protecting consumers from unfair and misleading market conduct will be achieved by effective application of the law and subsidiary legislation to investigate and redress consumer related infractions, as well as sensitizing the consumers and Business Community regarding their rights and obligations. Collaboration with government agencies and consumer bodies is an important aspect in the pursuit of consumer protection for effective investigations and deterrence of infractions. Development and review of rules and guidelines used to assess practices that infringe on consumer rights will increase efficiency, effectiveness and predictability of the Authority's decisions resulting to increased consumer welfare.

Strategic objectives and activities under this strategic theme include:

i) To increase deterrence on unfair and misleading market practices.

- a) Investigate and conclude complaints on relevant consumer cases.
- b) Collaborate with sector regulators on consumer protection.
- c) Sensitize the Business Community on the Competition Act provisions relating to consumer protection.
- d) Conduct product compliance checks.

ii) To empower consumers to exercise choice through consumer awareness.

- a) Undertake initiatives on consumer awareness and emerging consumer issues.
- b) Collaborate with other stakeholders to increase consumer awareness.

iii) To enhance transparency, accountability and predictability of consumer matters.

- a) Review and develop consumer guidelines based on market conditions.
- b) Develop toolkits and templates on consumer protection.

iv) To promote creation and strengthening of consumer bodies.

- a) Develop and disseminate standards and rules.
- b) Promote creation, build capacity and collaborate with consumer protection bodies.

4.4 THEME 3: PLANNING, RESEARCH AND QUALITY ASSURANCE

In order to realize the objectives laid out in this Strategic Plan, economic analysis of the programs and projects planned is necessary to guide prioritization and resources allocation. In addition to this monitoring, evaluating and reviewing the implementation of the Authority's plans will ensure that the vision is realized. Market enquiries and research studies will guide the advocacy programs adopted by the Authority. Further, co-ordination of the risk management framework, establishment of standards, systems and procedures for quality assurance and business continuity management processes will be highlighted in order to support the realization of this strategic plan.

Strategic objectives and activities under this theme include:

i) To deepen integration regionally and internationally through expanding market frontiers.

- a) Carry out research studies in the prioritized sectors
- b) Dismantle anti-competitive regulatory obstacles in different sectors to unlock growth potential in Kenya.
- c) Establish suitable Advocacy and Communication Instruments for key stakeholders at the National and County levels.
- d) Develop and implement an analytical framework for advisory opinions and policy briefs.
- e) Prepare position papers on various proposed policies, Bills and legislations.
- f) Deepen capacity of stakeholders on competition law issues.
- g) Engage with Institutions of higher learning to develop curriculum on competition matters.
- h) Enhance surveillance and screening mechanisms on existing inefficient and non-competitive sectors.
- I) Develop and implement frameworks with RECs to facilitate harmonization of laws and regulations to address cross-border competition and consumer issues.
- j) Participate or organize advocacy initiatives for new Competition Agencies in the region.
- k) Participate in international fora and document lessons learnt to entrench international best practices at the Authority.
- l) Develop and implement Co-operation frameworks/Memorandum of Understanding (MOUs).
- m) Collaborate in the establishment of the Centre for Competition Law and Economic Policy (CCLEP).

ii) To deepen the Authority's understanding of sectoral markets.

- a) Develop market inquiry guidelines and carry out market Inquires/Research in the prioritized sectors.
- b) Engage with research firms to improve access to research material.

iii) To enhance Monitoring & Evaluation.

- a) Conduct impact assessment on the Authority's decisions on selected sectors.
- b) Evaluate achievements of the Authority's annual activities and Strategic Plan's outcomes.
- c) Monitor legislation (National and County) and provide advisory opinion on competition matters.

iv) To advance the Authority's Knowledge Management.

- a) Harness/Capture tacit and explicit knowledge from staff and other sources.
- b) Develop and implement a framework for storage, dissemination, application and retention of harnessed knowledge.

iv) To coordinate implementation of ISO standards

- a) Review adequacy of the system.
- b) Carry out regular audits.
- c) Maintain procedures and relevant documentation.

vi) To enhance institutional risk management practices and compliance of quality assurance

- a) Review and Implement the institutional risk management framework/policy based on ISO 9001:2015 and ISO 31000.
- b) Conduct periodic comprehensive assessment of institutional risks.

vii) To coordinate implementation of the Business Continuity Management

- a) Prepare policies and procedures to define the minimum levels of safety, availability and continuity of the Authority's operations.
- b) Identify potential impacts (risks and threats) that expose the Authority.
- c) Provide a framework for building effective responses to identified threats.

viii) To Oversee Implementation of the Anti-Fraud and Corruption Strategy

- a) Sensitize staff on issues related to fraud and corruption.
- b) Investigate and report on matters related to fraud.
- c) Review of the anti-corruption policy.

4.5 THEME 4: VISIBILITY AND CORPORATE IMAGE

The aim of this theme is to create a competition culture which is critical to the success of the Authority in executing its mandate. Creation of a competition culture involves improving awareness of the benefits accrued by having a fair competitive market. Competition culture has to therefore be fostered among consumers, businesses, and public institutions. The Authority aims to adopt an approach that partners with various stakeholders to create awareness of its role in fostering the competition culture.

Strategic objectives and activities within this theme include:

i) To increase outreach and awareness.

- a) Develop and implement the outreach strategy aligned to the communication policy.

ii) To enhance corporate visibility (locally, regionally, and internationally).

- a) Undertake Annual Corporate Social Responsibility (CSR) initiatives.
- b) Participate at and host regional and international workshops/conferences.
- c) Subject the Authority to a peer review process.
- d) Produce and disseminate Information, Education and Communication (IEC) materials.

iii) To strengthen media relations.

- a) Articulate the Authority's mandate through electronic and print media.
- b) Monitor and report on the coverage of the Authority in the print, electronic and social media in line with our mandate.

4.6 THEME 5: ORGANIZATIONAL SUSTAINABILITY

The Authority needs to deliver on its mandate through a cohesive, well-structured manner in which people, processes and systems perform optimally. New funding sources need to be established to provide much needed resources as well as implement cost control measures to derive maximum benefit from available resources.

Attracting, developing and retaining talent is essential to ensure a high performing organization. Harnessing ICT is also imperative to optimizing business processes and enabling secure sharing, storage, and management of data in a knowledge intensive environment.

Below are the strategic objectives and related activities for the theme:

i) To broaden revenue streams.

- a) Enhance collection of fees and penalties and continuously identify potential internal revenue streams.

- b) Budget and engage with the National Treasury for increased funding.
- c) Engage with development partners to increase the funding pool.

ii) To optimize use of resources.

- a) Implement cost reduction measures.
- b) Prioritize the Authority's annual activities.

iii) To improve productivity and efficiency.

- a) Harness technology to improve efficiency of internal processes, operations and procedures.
- b) Review and implement internal as well as statutory performance management and quality management systems.
- c) Inculcate a culture of self-assessment and continuous improvement of the various Directorates and Units within the Authority.
- d) Review operations and procedure manuals in line with ISO standards.

iv) To enhance institutional capacity.

- a) Develop, review and implement organizational policies.
- b) Implement initiatives that create conducive work environment.
- c) Review the Authority's Organization Structure and develop competency based job descriptions aligned to the structure.
- d) Actualize merit based recruitment to fill the vacant positions as per the approved organogram.
- e) Develop, review and implement human resource interventions, aimed at attracting, developing and retaining talent.

Appendix II contains the implementation matrix that outlines the Strategic themes, Objectives and Activities with associated baselines, output indicators, annual targets, budgets and responsible Authority's departments.

CHAPTER 5

REVENUE SOURCES AND IMPLEMENTATION COST

5.1 Estimated Budget Expenditure

To achieve the Authority's strategic objectives, various key activities have been identified for the reviewed Strategic Plan period (2017/18 – 2020/21). The budget estimates for each objective and related activities are detailed in the annexed implementation matrix(AppendixII). The total amount projected for the period is Kshs. 3,186.95 million financed through forecasted external and internal revenue sources. The table below illustrates the estimated budget for each strategic objective.

Theme	Objective	Actual Amount (Millions Kshs.)		Projected Amount (Millions Kshs.)		Total
		2017/18	2018/19	2019/20	2020/21	
Deliver Effective Enforcement	To increase prevention, detection, punishment and deterrence on anti-competitive practices	21	19.7	22	23	85.7
	To enhance market surveillance.	7	7	7	7	28
	To enhance transparency, accountability and predictability of enforcement, compliance and merger issues.	13.5	11.5	15.5	17.5	58
	To increase deterrence on Abuse of Buyer Power	0	5	10	12	27
Consumer Protection	To increase deterrence on unfair and misleading market practices.	20	20	25	30	95
	To empower consumers to exercise choice through consumer awareness.	14	11	11	11	47
	To enhance transparency, accountability and predictability of consumer matters.	1	0.75	0.75	0.5	3
	To promote creation and strengthening of consumer bodies.	3	2	3	3.5	11.5
Planning, Research and Quality Assurance	To deepen integration regionally and internationally through expanding market frontiers	48.75	47.75	44.25	45.75	186.5
	To deepen the Authority's understanding of sectoral markets.	27.5	27	22	25	101.5
	To enhance Monitoring & Evaluation.	23	8.5	7.7	8.0	47.2
	To advance the Authority's Knowledge Management.	5	4	4	4	17

Theme	Objective	Actual Amount (Millions Kshs.)		Projected Amount (Millions Kshs.)		Total
		2017/18	2018/19	2019/20	2020/21	
	To coordinate implementation of ISO standards	5	5	5	5	20
	To enhance institutional risk management practices and compliance of quality assurance	1	1	1.5	2	5.5
	To coordinate implementation of the Business Continuity		2	2	2	6
	To oversee implementation of the anti-fraud and corruption strategy		0.4	0.4	0.4	1.2
Visibility and Corporate Image	To increase outreach and awareness.	20.5	17	18.00	18.00	73.50
	To enhance corporate visibility (Locally, Regionally, and Internationally).	9.25	12.25	12.95	12.95	47.40
	To strengthen media relations.	5.7	7.4	4.2	4.2	21.50
Organizational Sustainability	To improve revenue streams.	0	0	0	0	0
	To enhance optimal use of resources.	0	0	0	0	0
	To improve productivity and efficiency.	24.25	23.25	20.25	19.25	87
	To enhance institutional capacity.	341.55	592.9	642	641	2,217.45
Total		591	825.4	878.5	892.05	3,186.95

Table 6: Budget Estimates

5.2 Projected Revenue Sources

The operations of the Authority will mostly be funded from external sources and supplemented by internal sources as illustrated below.

Source	Actual Amount (Millions Kshs.)		Projected Amount (Millions Kshs.)		Total
	2017/18	2018/19	2019/20	2020/21	
Exchequer – Recurrent	340	339	484.4	499.2	1,662.6
Exchequer – Development	41.25	259	150	150	600.25
Appropriation in Aid	179.75	193.7	201.1	190.85	765.4
Development Partners	30	33.7	43	52	158.7
Total	591	825.4	878.5	892.05	3,186.95

Table 7: Revenue Sources

The Exchequer recurrent budget is estimated to increase annually over the next two years of the reviewed Strategic Plan period. The development budget in the next two years is expected to reduce following the completion of the ICT projects. The indicated amounts are sufficient to maintain the existing ICT infrastructure and cater for the purchase of computers and furniture to ensure that the Authority's growing workforce has necessary tools to deliver on its mandate. Penalties are projected to increase due to the increased enforcement and compliance levels in the economy, while merger filing fees are expected to stagnate due to the revision of the Merger Threshold guidelines. Further, it is expected that the development partners shall continue supporting enforcement initiatives through various programs.

CHAPTER 6

MONITORING AND EVALUATION

The Authority needs to review progress against targets set in the implementation matrix on a quarterly, bi-annual and annual basis to inform planning and budgeting for the subsequent financial years. A Monitoring and Evaluation (M&E) Framework has been developed and is used to continuously measure the performance of the Authority. The M&E framework identifies routine indicators that are monitored and used together with the Impact Evaluation Framework to measure impact of the Authority's activities.

For the Strategic Plan's period the Results Matrix helps measure the outcomes of the Authority's activities. The Results Matrix is used to monitor and evaluate the broader performance and achievements of the Authority to meet its overall mandate with emphasis on the six strategic themes.

The annexed Implementation Matrix guides the development of Annual Work Plans and budgets. It is also used to track and monitor implementation of work-plan activities on a quarterly, semi-annual and annual basis.

6.1 Performance Questions and Indicators

Performance questions are used to assess whether the Authority is performing as planned and if not, analyse the reasons for performance shortfalls. Performance questions are guided by the strategic objectives and key outputs. The type of information required under each result guides the formulation of performance questions to be addressed. These questions are driven by the Authority's strategic objectives. For this strategic period the table below outlines the performance questions and outcome indicators to be monitored, evaluated and reported.

Theme	Result	Type of information	Performance Question	Outcome Indicator(s)
Deliver Effective Enforcement	Increased deterrence on anti-competitive practices.	<ul style="list-style-type: none"> • Anti-competitive cases concluded. • Leniency applications. • Exemptions applications. • Mergers finalized. 	<ul style="list-style-type: none"> • Have all the received cases been concluded? • Are cases concluded in a timely manner? 	<ul style="list-style-type: none"> • % of cases concluded. • Decrease in number of days concluding a merger application.
	Market surveillance enhanced.	<ul style="list-style-type: none"> • Compliance checks. • Intelligence findings. 	<ul style="list-style-type: none"> • Has compliance levels increased? • Has the number of detected cases increased or decreased? 	<ul style="list-style-type: none"> • % compliance level of cases surveyed/initiated.
	Enhanced transparency, accountability and predictability.	<ul style="list-style-type: none"> • Policies, forms and guidelines reviewed. 	<ul style="list-style-type: none"> • Have the forms and guidelines been aligned to current market dynamics? 	<ul style="list-style-type: none"> • Operational forms and guidelines adopted.
	Increase deterrence on Abuse of Buyer Power	<ul style="list-style-type: none"> • Guidelines on buyer power • Cases investigated • Cases concluded 	<ul style="list-style-type: none"> • Have guidelines been developed? • Have all the received cases been concluded? • Have the cases been concluded in a timely manner? 	<ul style="list-style-type: none"> • Guidelines formulated and adopted • % of cases concluded.
Consumer Protection	Increased deterrence on unfair and misleading market practices.	<ul style="list-style-type: none"> • Cases investigated. • Cases concluded. • Awareness levels. 	<ul style="list-style-type: none"> • Has the number of unfair and misleading market practices cases concluded increased? • Are cases concluded in a timely manner? • Has the business community awareness increased? 	<ul style="list-style-type: none"> • % of received cases concluded. • % increase in business community awareness.
	Consumers empowered to exercise choice.	<ul style="list-style-type: none"> • Awareness levels. • Campaigns conducted. 	<ul style="list-style-type: none"> • Has consumer awareness increased? 	<ul style="list-style-type: none"> • % increase in consumer awareness.
	Enhanced transparency, accountability and predictability.	<ul style="list-style-type: none"> • Policies, forms and guidelines reviewed. 	<ul style="list-style-type: none"> • Have the forms and guidelines been aligned to Competition Act and international best practices. 	<ul style="list-style-type: none"> • Operational forms and guidelines adopted.

Theme	Result	Type of information	Performance Question	Outcome Indicator(s)
	Creation and strengthening of consumer bodies promoted.	<ul style="list-style-type: none"> Standards and rules established. Capacity building undertaken. 	<ul style="list-style-type: none"> Has the environment been created for establishment of consumer bodies? 	<ul style="list-style-type: none"> Standards and Capacity established for creation of consumer bodies.
Planning, Research and Quality Assurance	Regional and international integration deepened through expanded market frontiers.	<ul style="list-style-type: none"> Advocacy initiatives. Advisory opinions. Position papers. 	<ul style="list-style-type: none"> Is there an increase in advisory opinions given? Is there an increase in the number of advisory opinions and position papers? 	<ul style="list-style-type: none"> No. of advisory opinions sought and given. % of sought opinions adopted. No. of position papers done.
		<ul style="list-style-type: none"> Partnerships formed. Sector studies. Advocacy initiatives. 	<ul style="list-style-type: none"> Have established partnerships improved cooperation? 	<ul style="list-style-type: none"> Harmonized REC laws. % reduction in inter-agency and cross-border cases. Increased regional and international cooperation.
	Authority's understanding of sectoral markets deepened.	<ul style="list-style-type: none"> Market inquiries. Subscribed information. 	<ul style="list-style-type: none"> Has the Authority's application of market information improved? 	<ul style="list-style-type: none"> % increase in the application of market information. % increase in the subscribed information. Improved timelines in offering informed advisory opinions.
	Monitoring & Evaluation enhanced	<ul style="list-style-type: none"> M&E indicators. Impact indicators. 	<ul style="list-style-type: none"> Is information generated through M&E being used to inform decision making and planning? 	<ul style="list-style-type: none"> % increase in meeting planned targets.
	Authority's Knowledge Management advanced	<ul style="list-style-type: none"> Knowledge categories. 	<ul style="list-style-type: none"> Has access and use of knowledge improved? 	<ul style="list-style-type: none"> Faster dissemination of information.
	Enhanced efficiency and adherence to timelines and improved service delivery	<ul style="list-style-type: none"> ISO Standard Procedures Documented information maintained and retained Documented risks and opportunities 	<ul style="list-style-type: none"> Has efficiency of our operations been enhanced Has service delivery been improved Has there been continual improvement of our processes 	<ul style="list-style-type: none"> Effective and efficient QMS Enhance service delivery Improved processes

Theme	Result	Type of information	Performance Question	Outcome Indicator(s)
	Institutional risk management practices enhanced.	<ul style="list-style-type: none"> Risks identified. Intervention undertaken. 	<ul style="list-style-type: none"> Are identified risks mitigated timely and adequately? 	<ul style="list-style-type: none"> Reduced risk on the Authority's operations.
	Business Continuity Plan implemented	<ul style="list-style-type: none"> Reviewed Business Impact Analysis reports Conduct periodic staff sensitization 	<ul style="list-style-type: none"> Does each department have a business continuity plan? Are all members of staff aware of the BCM? 	<ul style="list-style-type: none"> Number of Business continuity plans developed Number of staff sensitized
	Anti-fraud and corruption strategy developed	<ul style="list-style-type: none"> Quarterly corruption risk assessment Periodic sensitization of staff 	<ul style="list-style-type: none"> Was quarterly corruption risk assessment done? Have the staff been sensitized? 	<ul style="list-style-type: none"> Quarterly risk assessment report % of staff sensitized
Visibility and Corporate Image	Increased outreach and awareness.	<ul style="list-style-type: none"> Communication and awareness initiatives. Customer satisfaction. 	<ul style="list-style-type: none"> Has the awareness of the Authority's customers increased? 	<ul style="list-style-type: none"> % increase in customer satisfaction.
	Enhanced Corporate visibility.	<ul style="list-style-type: none"> CSR initiatives. Workshop deliberations. 	<ul style="list-style-type: none"> Are the Authority's activities more visible? 	<ul style="list-style-type: none"> % increase in corporate visibility.
	Media relations strengthened.	<ul style="list-style-type: none"> Coverage of the Authority in electronic, print and social media (hits). Conduct periodic media monitoring of the Authority's activities and events. Increase the number of TV, Print and Radio exposures 	<ul style="list-style-type: none"> Is reporting on the Authority more frequently and positive? Does CAK have a standardized way of collecting updated data on its coverage (the Authority's activities and decisions)? Is there an expanded geographical span of coverage? 	<ul style="list-style-type: none"> Increase of the Authority's positive coverage in the media. A standardized system of collecting updated data on the coverage of CAK. Timely response to consumer and competition issues raised.

Theme	Result	Type of information	Performance Question	Outcome Indicator(s)
Organizational Sustainability	Broadened revenue streams.	<ul style="list-style-type: none"> Funding sources and amounts. 	<ul style="list-style-type: none"> Have revenue streams been enhanced? 	<ul style="list-style-type: none"> Improved ability to fulfil budgetary requirements.
	Optimal use of resources.	<ul style="list-style-type: none"> Cost reduction measures. 	<ul style="list-style-type: none"> Have operational expenses reduced? 	<ul style="list-style-type: none"> % reduction of operational costs.
	Improved productivity and efficiency.	<ul style="list-style-type: none"> Automated processes. Systems implemented. 	<ul style="list-style-type: none"> Are performance management systems adopted and used? Has operational efficiency increased? 	<ul style="list-style-type: none"> Increased performance
	Institutional capacity enhanced.	<ul style="list-style-type: none"> Career progression guideline. Medical scheme. Remuneration and benefits. Promotions. Trainings undertaken/skills development. 	<ul style="list-style-type: none"> Are employees satisfied with the work environment? Has the capacity of staff to efficiently and effectively execute their work improved? 	<ul style="list-style-type: none"> % increase in employee satisfaction levels. Improved productivity.

Table 8: Performance Questions

6.2 Baseline

Baseline data across all the strategic objectives is required to reflect the situation before the Authority's interventions, to monitor progress, and for final impact evaluation at the end of the Strategic Plan period. To ensure the Results Matrix is effective, baseline information for the results indicators needs to be collected, analysed and reported.

Baseline data for the results indicators can be obtained from the review of Annual, Consultancy and Survey reports. This information should be documented before the start of the Strategic Plan period or at the beginning of the first year of the Strategic Plan.

6.3 Reporting

The Board, as the custodian of the Strategic Plan, will review progress on the implementation of the Strategic Plan's key activities. Quarterly review meetings will be held between the Management and the Board out of which the Board will receive and review progress reports from the Management, indicating overall progress made on key strategic objectives.

6.4 Results Evaluation

The Results Matrix evaluates the outcomes of the Authority's operations as it focuses on the 'so what' question in M&E. This will address the accountability concerns of stakeholders, informs Managers on progress towards stated objectives, and provides information on necessary remedial action required in policies and approaches. The matrix also includes the baseline or the present status relative to the outcome that the Authority strives to achieve. It sets the current condition against which future change can be tracked and assessed.

The assessment of outcomes based on the six thematic areas in the Results Matrix is illustrated in Appendix I. The method of assessment will help determine whether the results have been achieved. These methods will include:

- a) Stakeholder discussion groups to analyse information, identify lessons learnt, make recommendations and assess changes brought by the Authority.
- b) Surveys to assess satisfactions and awareness levels.
- c) If required, Thematic studies to provide further information will be undertaken through Consultancies or Partner institutions.
- d) Review and analyse data from secondary sources.

Results will be evaluated and reported annually to gauge efficiency, effectiveness, relevance and remedial alternatives.

6.5 Review

A mid-term review of the Strategic Plan informs the expenditure plans for the final implementation period, including any adjustments on activities that take account of changes in the environment. A review may be triggered by:

- a) Changes in Government policy and amendment to the Competition Act.
- b) Changes in the macro-economic environment.
- c) Organizational performance and progress of the implementation plan.

These factors can lead to refining or revising the strategic objectives, activities and budgets accordingly. An end-term review will evaluate the final performance of Authority in achieving the objectives of the Strategic Plan.

APPENDIX I: RESULTS MATRIX

Theme	Outcome Indicator(s)	Baseline	2017/18	2018/19	2019/20	2020/21	Assessment Method	
Delivering Effective Enforcement	% of received cases concluded.	90%	<ul style="list-style-type: none"> RTP cases - 77.7% Merger applications - 98.9% 				Document Review, field visit.	
	Decrease in no. of days concluding a merger application.	45 days	<ul style="list-style-type: none"> Notifiable merger – 40 Exclusions - 8 				Document Review, field visit.	
	% compliance level of cases surveyed.	0	4				Compliance visits.	
	Operational forms and guidelines adopted.	20	<ul style="list-style-type: none"> Merger Threshold Rules Block Exemption Guidelines Search and Seizure Guidelines Consolidated Guidelines on Substantive Assessment of mergers Competition Buyer Power Rules Merger application form revised Buyer Power Guidelines 				Document Review.	
	Buyer Power Guidelines formulated and adopted	0	1				Document Review.	
	% of Buyer Power cases concluded	0	3 cases on-going, none completed				Document Review.	

Theme	Outcome Indicator(s)	Baseline	2017/18	2018/19	2019/20	2020/21	Assessment Method
Consumer Protection	% of received cases concluded.	60%	66% of the cases concluded				Document Review, Surveys.
	% increase in Business Community awareness.	40%	CSS survey in FY 2018/19				Document Review, Surveys.
	% increase in consumer awareness.	40%	CSS survey in FY 2018/19				Document Review, Surveys.
Planning, Research Quality Assurance	Operational forms and guidelines adopted.	10	<ul style="list-style-type: none"> Consumer Protection Guidelines Guidelines on engaging with consumer organizations Consumer complaint form revised 				Document Review.
	Standards and Capacity established for creation of consumer bodies.	0	Consumer Bodies Engagement Framework developed				Document Review, field visit.
	Advisory opinions sought and given. % of advisory opinions adopted.	15 60%	6 advisory opinions given – Uber, Tea, Professional Services, Retail, Telecom and Anti-counterfeit goods				Document Review.
	Harmonized REC laws. Increased collaboration activities. Increased regional & international cooperation.	0	Harmonized our laws in line with those of EAC and COMESA to avoid incidences of dual notification of mergers amongst other provisions				Document Review.

Theme	Outcome Indicator(s)	Baseline	2017/18	2018/19	2019/20	2020/21	Assessment Method
Visibility and Corporate Image.	Improved timelines in offering informed advisory opinions.	14 days	Offered in less than 10 days				Document Review.
	Improved achievement of planned targets.	60%	62.6%				Document Review.
	Faster dissemination of information when requested.	14 days	Dissemination of USSD and Banking Phase II study done within the requisite time period				Document Review.
	Improved mitigation of the Authority's risks.	7 risks	4 strategic risks identified				Document review through audits.
	Improved recovery after implementation of the Business Continuity Plans	0	Business continuity management framework established and Business Impact Analysis plans developed for each functional area				Business Impact Analysis Templates
	Increased staff awareness of BCM	0	25 staff trained				Document Review.
	Improved corruption risk mitigation and	4	4 reports prepared				Document Review.
	% of staff sensitized on corruption and anti-fraud	100%	66 staff members sensitized by EACC				
	% increase in customer satisfaction.	71.1%	CSS survey in FY 2018/19				Surveys.
	% increase in corporate visibility geographically.	35%	CSS survey in FY 2018/19				Document Review.
Increase of the Authority's positive coverage in the media.	33 mentions/ Hits on Authority's stories in the media per annum.	9 TV adverts 13 Radio shows Print Media - approximately 38 instances					Media monitoring reports review.

Theme	Outcome Indicator(s)	Baseline	2017/18	2018/19	2019/20	2020/21	Assessment Method
Organizational Sustainability.	Improved ability to fulfil budgetary requirements.	340M	The absorption rate was 71%				Financial reports review.
	% Reduction of operational costs.	0	Full automation will be in FY2018/19				Financial reports review.
	Increased performance	80%	Reduced number of days in completing mergers from 42 to 38, Consumer protection cases from 120 to 90.				Annual reports review.
	% of targets achieved against Performance Contract. % Increase in employee satisfaction levels.	2.9103 74%	Achieved a weighted average score of 3.1341 Employee Satisfaction Survey to be done in 2018/2019				Performance Contract Weighted Average Score Performance survey.

APPENDIX II : IMPLEMENTATION MATRIXII

THEME 1: DELIVER EFFECTIVE ENFORCEMENT

Strategic Objective	Key Activities	Output Indicators	Baseline	Annual Target			Budget (Kshs. Million)	Responsibility
				18/19	19/20	20/21		
To increase prevention, detection, punishment and deterrence on anti competitive practices.	<ul style="list-style-type: none"> Prioritize, evaluate investigate and conclude anti-competitive cases on :- <ul style="list-style-type: none"> Manufacturing of PVC material for housing and agriculture (Pipes, tanks) for collusive behaviour(2019/2020) Screening and investigating the edible oils sector(2019/2020) Implement the recommendations from the Paints, Pharmaceuticals investigations (2019/2020) Screening and investigate the Agrochemical sector to establish existence of restrictive agreements and abuse of dominance Carry out joint investigations with PPRRA focusing on tendering processes regarding construction and pharmaceuticals Conduct investigations on the supply chain of the Iron & Steel Sector (2020/2021) 	Number of cases investigated. Number of cases concluded.	5	8	8	8	41	E&C, Legal.
				3	1	1		

Strategic Objective	Key Activities	Output Indicators	Baseline	Annual Target			Budget (Kshs. Million)	Responsibility
				18/19	19/20	20/21		
	<ul style="list-style-type: none"> Regulate Mergers and Acquisitions (Approval & exclusions of mergers and investigation of mergers consummated without approval). Inculcate economic analysis on mergers applications in liaison with Policy and Research Develop and implement rules and guidelines that facilitate enforcement of market structures which impede effective competition. Review merger guidelines, form and rules to incorporate Stage Two (II) investigations for mergers raising competition concerns. 	<p>Number of mergers received, analysed and concluded.</p> <p>Number of mergers finalized</p> <p>Percentage completion of cases as per statutory timelimes.</p> <p>100%</p>	497			15.5	M&A.	
	<ul style="list-style-type: none"> Review merger guidelines, form and rules to incorporate Stage Two (II) investigations for mergers raising competition concerns. 	Rules and guidelines approved and adopted (Block exemptions, mergers to be excluded, among others).	0			8.2	E&C, M&A.	
To enhance market surveillance	<ul style="list-style-type: none"> Conduct market compliance checks. Conduct joint review of BRS/CAK data for screening of mergers consummated without approval and investigations Initiate cartels investigations (<i>suo motto</i>) by deepening intelligence gathering resources 	Number of checks undertaken (Report).	4	4	4	4	M&A, E&C.	
	Enhance the number of RTP cases through intelligence and screening reports.	Number of reports	0	1	1	1	11	E&C, M&A, Legal.

Strategic Objective	Key Activities	Output Indicators	Baseline	Annual Target 18/19	Annual Target 19/20	Annual Target 20/21	Budget (Kshs. Million)	Responsibility
To enhance transparency, Accountability and predictability of enforcement, Compliance and merger issues.	Conduct joint review of BRS/CAK data for screening of mergers consummated without approval and investigations	Number of Mergers Implemented without approval investigated					6	
	Review and align competition instruments (Forms, procedures, guidelines template s) with market realities, evolving trends and changing economic and legal environment.	Reviewed and approved policy, forms, and procedures.	0	3			6	E&C, M&A, Legal.
	i. Develop guidelines on e-filing and e-complaints			1				E&C, M&A, Legal.
	ii. Develop guidelines on creeping mergers			1				
	iii. Develop and adopt Online merger filing fees calculator			1				
	Conduct stakeholder sensitization activities (New instruments such as Leniency Program among others)	Number of workshops held. Percentage of stakeholders reached. Areas sensitized.	1	1	1	1	6	All
	Develop competition and consumer Protection Journal and online content on topical Competition issues	Published Journal		1	1	1	6	All
	Develop and operationalize the Rules to the Act.	Enacted Rules.		0	1	1	3	Legal.
	Coordinate the Authority's representation before the Tribunal and Courts of Law.	Number of Rulings, Judgments and/or Consent Orders. Percentage success rate against total rulings.			1		17.5	Legal.

Strategic Objective	Key Activities	Output Indicators	Baseline	Annual Target 18/19	Annual Target 19/20	Annual Target 20/21	Budget (Kshs. Million)	Responsibility
To increase deterrence on Abuse of Buyer Power	Develop procedures on analysis of cross border mergers and enforcement in collaboration with CCC	Published procedures				1	3	M&A Legal
	Develop interaction/implementation framework between CAK and EACCA to cater for mergers and enforcement cases	Signed Implementation framework		1			3	M&A Legal
	Develop and implement Buyer Power guidelines	Guidelines approved and adopted		1			6	BP Legal
	Prioritize, evaluate, investigate and conclude complaints/cases on Abuse of Buyer Power.	% cases concluded		2	2	3	15	BP
	Conduct stakeholder sensitization initiatives	Number of forums held			2	2	6	BP PPR

THEME 2: CONSUMER PROTECTION

Strategic Objective	Key Activities	Output Indicators	Baseline	Annual Target			Budget (Kshs. Million)	Responsibility
				18/19	19/20	20/21		
To increase deterrence on unfair and misleading market practices.	<p>Investigate and conclude consumer related cases.</p> <ul style="list-style-type: none"> Conduct investigations relating to unconscionable conduct/disclosure of full information in housing contracts specifically for funding by banking institutions (mortgages) Initiate cases on product information standards regarding consumer products such as foodstuffs targeting children Investigate consumer issues relating to false or misleading representation in the juices, edible oils, wheat/maize flour and brown breads. 	<p>Number of days taken to finalize cases.</p> <p>Percentage of cases completed.</p>	120	90	100%	100%	47	CPD
					100%	100%		
	<p>Collaborate with sector regulators on consumer protection and information sharing.</p>	<ul style="list-style-type: none"> Number of finalized cases Percentage of cases completed. 	3		100%	100%	8	CPD, Legal, PPR
	<p>Collaborate with The National Treasury in developing and implementing a comprehensive consumer information sharing framework.</p>	<ul style="list-style-type: none"> Institutional framework established Strategy developed and approved 	0		100%	100%	6	CPD, Legal, PPR

Strategic Objective	Key Activities	Output Indicators	Baseline	Annual Target			Budget (Kshs. Million)	Responsibility
				18/19	19/20	20/21		
	<p>Sensitize Business Community on the Consumer Protection and provisions of the Act.</p> <ul style="list-style-type: none"> Sensitize Kenya Bankers Association (KBA) Sensitize Kenya Manufacturers Association (KMA) Sensitize associations in the insurance sector <p>Conduct Product Compliance checks.</p> <ul style="list-style-type: none"> Undertake mystery shopping on expiry dates of fast moving medicines Undertake mystery shopping on food products targeting children <p>Undertake initiatives on consumer awareness and emerging consumer issues (Campaigns, mobile clinics, exhibitions and trade fairs among others).</p> <ul style="list-style-type: none"> Sensitize consumers on e-filing of complaints via the mobile app <p>Collaborate with other stakeholders to increase consumer awareness.</p>	<p>Percentage increase of awareness (Awareness survey).</p> <p>Percentage of targeted business reached.</p> <p>Number of market screenings undertaken (Report).</p>	40%	75%	80%	90%	6	CPD
To empower consumers to exercise choice through consumer awareness.	<p>Quarterly Reports.</p> <p>Percentage increase of consumer awareness.</p>	4 40%	4 60%	4 70%	4 80%	26	CPD, C&ER, PPR	
To enhance transparency, accountability and predictability of consumer matters	<p>Review and develop consumer guidelines.</p> <ul style="list-style-type: none"> Review and revise consumer protection guidelines <p>Develop templates and toolkits on consumer protection.</p> <p>Develop and disseminate standards and Rules.</p>	Number of activities collaborated on	0	1	1	7	CPD, PPR	
To promote creation and strengthening of consumer bodies	<p>Promote creation, build capacity and collaborate with consumer bodies.</p>	Guidelines reviewed.	1	1	1	1	CPD, Legal.	
		<p>Toolkits and Templates approved.</p> <p>Standard and Rules approved.</p> <p>Number of reports on consumer bodies collaborations.</p>	0	1	1	1	CPD.	
			0	0	0	3	CPD, Legal.	
			1	1	1	5.5	CPD, PPR	

THEME 3: PLANNING, RESEARCH AND QUALITY ASSURANCE

Strategic Objective	Key Activities	Output Indicators	Baseline	Annual Target			Budget (Kshs. Million)	Responsibility
				18/19	19/20	20/21		
To deepen competition in the national markets and enhance integration regionally and Internationally.	Conduct studies in prioritized sectors including those identified in Product Market Regulations “Dismantling Regulatory Obstacles to Competition” Report such as; Agriculture, E-commerce, Electricity, Fintech, Professional Services, Procurement, Insurance and Transport and other sectors as identified by the Authority.	Sector study reports.	0	1	1	1	50	PPR
	Dismantle at least one anti-competitive regulatory obstacle annually in selected sectors to unlock growth potential in Kenya.	Number of advisory opinions sought and given.	0	1	1	1	4	PPR
	Establish suitable Advocacy and Communication instruments for key stakeholders at the National and County levels e.g. outreach strategy for anti-cartel sensitization; develop a network of market regulators, guidelines for developing pro-competitive regulations and evaluating the impact of county and national legislations.	Number of counties reached and participating. No. of regulators participating in network.	7	6	6	6	20	PPR
	Develop an analytical framework for preparing advisory opinions and developing policy briefs for various sectors.	Analytical Framework approved.	0	1			0.5	PPR, Legal.
Prepare Position Papers on various proposed policies, Bills and legislations.	Number of position papers/ Advisory opinions (Reports).	4	2	3	3	0.5	PPR	

Strategic Objective	Key Activities	Output Indicators	Baseline			Annual Target		Budget (K.shs. Million)	Responsibility
			18/19	19/20	20/21	18/19	19/20		
	Develop targeted programs and activities for capacity building of stakeholders on competition issues.	Number of sessions. Percentage of stakeholders sensitized as per plan.	0	1	1	1	9	PPR, Legal.	
	Engage with institutions of higher learning to develop curricula on competition matters.	Number of partnerships with institutions. Number of competition-related courses offered.	0	2	100%	100%	2	PPR	
	Enhance surveillance in various sector regulators in the economy for potential non-competitive regulations and policies.	Prepare briefing reports on sector regulations and policies.	0	1	1	1	1.5	PPR, CPD.	
	Develop and implement frameworks with RECs to facilitate harmonization of laws and regulations for cross border competition and consumer issues.	Number of cooperation frameworks signed.	1	1	1	1	5	PPR, M&A, E&C Legal.	
	Participate / undertake advocacy initiatives and inform rules and regulations of new competition agencies in the region.	Advocacy initiative reports. Advocacy and Communication Strategies implemented	3	1	1	1	15	PPR, M&A, E&C.	
	Participate in international forums and adopt lessons learnt to entrench international best practices at the Authority.	Number of toolkits developed Conference/ Workshop Reports.		1	1	1	40	PPR, C&ER.	
	Develop and Implement Co-operation frameworks/MOUs. (PPRA, KMA, KLRC& ERC, among others)	Number of MOUs signed. Percentage of work-plan activities implemented.	6	2	2	2	2	PPR, E&C, Legal, M&A.	
	Collaborate in the establishment of Centre for Competition Law and Economic Policy (CCLEP).	Centre established and operationalized.	0	100%	100%	100%	6.75	PPR.	
	Develop market inquiry guidelines.	Market inquiry guidelines adopted.	0			1	0.5	PPR, Legal.	
	Carry out prioritized market inquires/ research in the different sectors, e.g. Health, and Maritime	Market Inquiry reports.	7	1	1	1	48	PPR, M&A Legal.	
	Digital platforms such as Fintech and the sharing economy.								
	Engage with research firms and academia to improve access to research material for prioritized sectors.	Approved Purchase framework. Number of subscriptions.	2	1	1	1	8	PPR, M&A.	

Strategic Objective	Key Activities	Output Indicators	Baseline	Annual Target			Budget (Kshs. Million)	Responsibility
				18/19	19/20	20/21		
To enhance Monitoring & Evaluation.	Conduct impact assessment on the Authority's decisions on selected sectors.	Impact Assessment Report.	1	1	1	1	18.2	PPR.
	Evaluate achievements of the Authority's annual activities, Performance Contract and Strategic Plan's outcomes.	M&E reports.	1	1	1	1	5	PPR.
	Monitor legislation (National and County) and provide advisory opinion on competition matters.	M&E reports. Number of advisory opinions given.	0	1	1	1	1	Legal, PPR.
To advance the Authority's Internal and External Knowledge Management.	Harness/Capture tacit and explicit knowledge from staff and other sources.	Number of interviews conducted.	0	4	4	4	6	PPR.
		Number of video clips. Number of back to office reports. Number of plenary sessions held. Set up infrastructure to capture tacit knowledge. Avail data and information for sharing. Increased accessibility and utilization of stored data/information. Set up a reservoir of knowledge.	0					

Strategic Objective	Key Activities	Output Indicators	Baseline	Annual Target			Budget (Kshs. Million)	Responsibility
				18/19	19/20	20/21		
To enhance institutional risk management practices.	Develop and implement a framework for storage, dissemination, application and retention of harnessed knowledge.	Ease of Accessibility. Usage: No. of logs/requests.	0	1	1	1	6	PPR
	Review and Implement the institutional risk management framework/policy based on ISO 9001:2015 and ISO 31000.	Updated risk register. Approved risk framework. Risk assessment reports.	1	1	1	1	8.7	RQA, IA.
	Conduct periodic comprehensive assessments of institutional risks.	Risk reports.	1	1	1	1	2.5	IA.
	Prepare policies and procedures to define the minimum levels of safety, availability and continuity of the Authority's operations	Reviewed and approved policies and procedures.	1	1	1	1	2	RQA
	Identify potential impacts (risks and threats) that expose the Authority	Number of Business continuity plans developed	9	13			7	RQA
	Provide a framework for building effective responses to identified threats	Framework prepared and adopted		1			2.5	RQA
	Sensitize staff on issues related to fraud and corruption	Number of staff sensitized	62		99		3	RQA, IA.
	Investigate and report on matters related to fraud	% Cases investigated and concluded and reports submitted	100%	100%	100%		3	RQA, IA.
	Review of the anti-corruption policy	Reviewed and approved policy	1				3	RQA, IA.

THEME 4 : VISIBILITY AND CORPORATE IMAGE

Strategic Objective	Key Activities	Output Indicators	Baseline			Annual Target		Budget (Kshs. Million)	Responsibility
			18/19	19/20	20/21	18/19	19/20		
To increase and improve targeted outreach and awareness.	Implement the communication strategy. (Undertake awareness activities, generate IEC materials such as blogs, opinion pieces,	Communication reports blogs, press releases.	15	20	20	15	20	50	PPR C&ER, CPD.
		Interview opportunities in mass media, with a bias for local TV and radio stations.	0	10	10	10	10		
		Number of counties reached.	14	7	7	7	7		
To enhance corporate visibility (locally, regionally, and internationally).	Undertake Annual CSR initiatives. Participate in workshops & other industry, sector, regional and international conferences and entrench learnings in the Authority.	Percentage customer satisfaction.	71.12%	90		90			C&ER.
		Social media output growth.	0	50%	100%	100%	100%		
		Number of reports on CSR activities, Essay writing, Tree planting	2	3	3	3	3	4	
To strengthen media relations.	Produce and disseminate IEC material through traditional & new media channels with targeted messages about the Authority's mandate. Building capacity of journalists in competition law and policy by sponsoring them to participate in the Annual Capacity Building Workshop	Workshop/Conference Report.	1	0	1	0	1	10	PPR C&ER.
		Hold an International Competition Network conference in Kenya.							
		Number of opinion articles in key national papers and international publications.	0	5	6	6	6	19.95	
To strengthen media relations.	Building capacity of journalists in competition law and policy by sponsoring them to participate in the Annual Capacity Building Workshop	Dissemination of annual report.	1	1	1	1	1		C&ER.
		Number of Television & Radio Adverts	3	5	5	5	5		
		Newsletters	2	2	2	2	2		
To strengthen media relations.	Journalists' training workshop on competition law and policy Sponsor journalists to attend CAK annual symposium.	Number of journalists' trained	0	3	3	3	3	10	C&ER.
		Number of articles on competition law and policy published	0	30	40	40	50		
		Number of journalists attending the workshop	0	0	1	1	1	10	
To strengthen media relations.	Journalists' training workshop on competition law and policy Sponsor journalists to attend CAK annual symposium.	Number of journalists sponsored.	0	2	2	2	2	3	C&ER. PPR
			0	2	2	2	2		

THEME 5: ORGANIZATIONAL SUSTAINABILITY

Strategic Objective	Key Activities	Output Indicators	Baseline	Annual Target			Budget (Kshs. Million)	Responsibility
				18/19	19/20	20/21		
To broaden revenue streams	Enhance collection of fees and penalties and continuously identify potential revenue lines	% increase in amount collected	130M	(2017/18-160M) 10% Growth	20%	20%	0	Finance, M&A, E&C, CPD.
	Budget and lobby for increased funding from the National Treasury	% increase in funding	340M	(2017/18-380M) 10% Growth	10%	10%	0	Finance
To optimize use of resources	Engage with development partners to increase the funding pool	Funding proposals approved	1	2	2	2	0	Finance, PPR, M&A, CPD
	Implement cost reduction measures	Amount received/ Amount	0	5%	5%	5%	0	All
To improve productivity and efficiency	Leverage on ICT - Harness technology to improve efficiency of internal processes, operations and procedures (ERP, Case Management, Mobile Applications, Governance Risk Compliance – (CAATs and Work-papers), Forensic analysis, DRP, BCP among others)	% reduction in annual operational expenses	70%	80%	85%	90%	80	ICT, M&A,
		% reduction in Lead time	0	10%	10%	10%		PPR, IA, SCM, Finance

Strategic Objective	Key Activities	Output Indicators	Baseline			Annual Target		Budget (Kshs. Million)	Responsibility
			18/19	19/20	20/21	18/19	19/20		
To enhance institutional capacity	Improve on Research infrastructures for Data Analysis and sharing	% completion of Research and Analysis of cases	0	100%	100%	5	PPR, ICT		
	Review and implement internal as well as statutory performance management and quality management systems	% of targets achieved against planned % of performance achieved Internal and external audit reports	60%	70%	80%	2	HRA, PPR, IA		
	Inculcate a culture of self-assessment and continuous improvement of the various departments and units within the Authority	Audit reports % level of compliance	80%	100%	100%	1	DG, IA		
	Develop and review operational and procedure manuals in line the relevant ISO standard	External audit report Approved manuals (Finance, Procurement, Internal Audit) External Audit Certificate	3	9	3	1			
	Develop, review and implement organizational policies	Approved and implemented policies	9	100%	100%	4	Finance, Proc.		
	Implement initiatives that create a conducive work environment (Employee engagements, wellness, satisfaction surveys, Physical environment)	Engagement activities conducted/reports Satisfaction levels Own office accommodation	0	1	1	20	HR&A		
	Review the Authority's Organization Structure & develop competency based Jobs descriptions aligned to the structure and ensure merit based recruitment	Approved Organization Structure with clear reporting lines	1	3	3	689	HR&A		
	Develop, review and implement human resource interventions aimed at attracting, developing and retaining talent	Trainings implemented Capacity development reports Schemes and benefits	0	1	1	7.90	HR&A		
				1	1	1,180	HR&A		

