



STRATEGIC PLAN (2017/2018 – 2020/2021)

Final Draft

13th July, 2017

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ABBREVIATIONS

| | |
|--------|--|
| BCP | Business Continuity Plan |
| 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 |
| RTP | Restrictive Trade Practices |
| PFM | Public Financial Management |
| PRA | Policy, Research and Advocacy |
| 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 |
| WBG | World Bank Group |

FOREWORD

The Competition Authority of Kenya (the Authority) unveiled its first Strategic Plan (2013/14 - 2016/17) in November 2013 based on a review of the Authority's performance and experiences. An assessment undertaken as at 30th May 2017 revealed that the Authority achieved more than 90% of its planned activities under the Strategic Plan. This performance could not have been achieved in the absence of the enormous support that the Authority has received from Government Ministries, State Agencies and Development Partners. I wish to particularly appreciate the special contribution of the National Treasury, which has been very forthcoming in spite of the challenging and ever increasing demand for resources from other entities at both National and County levels. I would like to express my sincere gratitude to our Development Partners specifically the World Bank Group (WBG), Financial Sector Deepening (FSD) Kenya and the Common Markets for Eastern and Southern Africa (COMESA) Regional Integration Implementation Programme (RIIP) for their support this far. We look forward to our continued partnership as we implement this new Strategic Plan.

The trade and investment climate in Kenya has dynamically transformed in the past five years. This has been induced by the developments in innovation and technology, coupled with the bilateral and multilateral trade agreements between Kenya and other countries. The changing international business environment has also influenced the Kenyan market's competition and consumer protection regulatory dynamics. I am glad to note that following the recent amendment to the Competition Act No. 12 of 2010, the Authority's enforcement capacity has been enhanced to undertake more effective market inquiries, investigate abuse of buyer power among others. Equally, the Authority's consumer protection mandate has now been deepened, which will enable it to adequately address all consumer complaints in the entire economy. This new Strategic Plan, covering the period 2017/18 – 2020/21, is geared towards addressing the emerging issues in the competition and consumer protection environment.

It is indeed an honor to present this Strategic Plan 2017/2018 – 2020/2021, anchored on Kenya's main development blueprints; the Constitution of Kenya 2010, Kenya Vision 2030 and the Sustainable Development Goals. The current Strategic Plan is preceded by the 2013/14 -2016/17 Strategic Plan, which focused on five thematic areas to operationalize the Authority's vision of: *A Kenyan economy with globally efficient markets and enhanced consumer welfare for shared prosperity.*

Notably, the previous Strategic Plan achieved a number of remarkable milestones aimed at realizing the Authority's Vision. These include creating transparency and predictability through developing and implementing of guidelines and toolkits on competition enforcement and compliance; opening up of markets and dismantling of other regulatory obstacles as a result of conducting market inquiries and sector-specific research studies, **protecting consumers** through investigation of cases, improving the investment climate by analyzing and concluding numerous mergers and acquisitions, deepening regional integration and enhancing regional trade by informing creation of national, regional and international networks, internal staff capacity development, among others. It is against this backdrop that the Second Strategic Plan is formulated specifically on the success, lessons and experiences.

I am confident that the CAK team will actualize this Strategic Plan. The Plan envisions among others; provision of a conducive work environment by monitoring and keeping under review the requisite organizational policies and operational procedures to enable the staff to maximize their potential during the implementation period. I urge the Authority's fraternity to continue adhering to the principles of good governance and the core values of the organization, which fortify team spirit and enhance the working environment necessary for delivering the aspirations of the new Strategic Plan.

Finally, I would like to invite the usual dedication and commitment of my fellow Board Members, the Management Team and the entire Staff throughout the implementation period. 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.

David Otieno Ong'olo
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 endeavor to achieve. The plan places greater

emphasis on delivering effective enforcement to support the creation of efficient markets for consumers.

The Plan is cognizant of the environmental factors under which the Authority is operating in and has taken these into account while formulating the various strategies of achieving the Authority's objectives in the next four years.

The process of developing the Strategic Plan involved extensive internal and external stakeholder participation and consultation. We conducted various workshops which included; technical and Board levels, all providing an opportunity for Staff, Management and Board to fully inform the development of the Strategic Plan. We also conducted a perception and awareness survey that included a range of external stakeholders – the results of this survey will be an important input to allow us to design and implement targeted and more effective interventions. 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, in ensuring the successful implementation of the Plan. The Managers will therefore be expected to play a vital role in guiding their respective teams to actualize this Plan. Towards this, the Authority has institutionalized a regular Monitoring and Evaluation (M&E) framework that will guide assessment of the Plan's implementation during its four year period.

As we embark on the journey of implementing the Strategic Plan and delivery of the highlighted strategic objectives, we value the support, goodwill, and commitment of our stakeholders to ensure that the Plan is we actualized.

Finally, I would like to thank the Board members for their continued support in developing this Strategic Plan. I believe that they will continue to support the Authority in ensuring the Plan's successful implementation for the benefit of all Kenyans. I would also like to appreciate the commitment of the Management Team in implementing the previous Plan and in the development of the current Strategic Plan. I am confident that we shall successfully deliver on it as a team.

Wang'ombe Kariuki
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 inaugural Strategic Plan covered four (4) years (2013/2014 to 2016/2017). During this period, the Authority achieved over 90% of the planned activities as at May 2017. The review of the Strategic Plan not only identified the successes but also challenges and lessons learnt which have been taken into account in preparation of this Second Strategic Plan.

A realistic Strategic Plan is required to guide the Authority to effectively implement its functions. Therefore, 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, strengths, opportunities, weaknesses and threats were identified. The Authority shall take into cognisance the factors in order to realise its mandate and Vision.

Some of the identified strengths include enhanced capacity through various amendments to the Competition Act in the last three years. Relatively well skilled staff with knowledge and experience; established working networks with local and regional stakeholders, visible credibility on competition matters, adequate resources to execute mandate in line with international standards based on ISO 9001:2015 Quality Management Systems and generally strong attitudes towards building a competition culture among most stakeholders including; businesses, law firms, consumers and Government.

The key opportunities include; to benchmark Competition Law with other Regional Economic Communities (RECs), development of subsidiary legislations to facilitate the implementation of Competition Law, provision of advisory services to government, institutionalization of staff knowledge through better knowledge management practices, leveraging on technology to improve efficiency and effectiveness, expanding areas of focus such as abuse of Buyer Power and collusive tendering, enhance investigation capacity and resolution of complaints due to the

dynamism of competition matters, collaborate with learning and research institutions to increase capacity and research in competition, and active engagement with targeted stakeholders to increase compliance, awareness and create demand for competition.

On the other hand, the key Internal weaknesses include: over-reliance on the Exchequer for budgetary support, poor presence on digital platforms, poorly resourced communications and outreach structures within the Authority, low interaction with some stakeholders and inadequate expertise in some specialized technical areas.

The threats that may constrain the operations of the Authority include: political uncertainty occasioned by election cycles, competing needs at the Exchequer negatively impacting on budgetary allocation, potential change in key stakeholders priorities during the Strategic Plan period, 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 or intervention on competition matters and related regulatory challenges presented by emerging innovations such as online commerce and digital payments.

The Strategic Plan focuses on five thematic areas to achieve its mandate. These are Enforcement of Competition and Regulation of Mergers; Consumer Protection; Research and Advocacy; 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 Plan. 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.3,364 million which will be funded primarily by the Exchequer and supported by other Internally Generated Revenues (IGR's) and grants from Development Partners.

To deliver on its mandate, The Authority shall be guided by its Vision and Mission statement, supported by well-articulated institutional core values and a Quality Policy as follows;

OUR VISION

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

OUR 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.”

OUR CORE VALUES

The guiding principles in the operations of the Authority are:

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

OUR MOTTO

“Creating efficient markets for consumers”

OUR QUALITY POLICY

“The Competition Authority of Kenya is committed to enhancing 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 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 Second Strategic Plan 2017/2018 - 2020/2021 which covers the period from 1st July 2017 to 30th June 2021, is informed by the First 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.

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

Building on the foundation of the first Strategic Plan, the Strategic Plan emphasizes on 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 to effectively deliver on its mandate.

This Plan focuses on the following key broad areas:

- i. Deepening Enforcement of the competition law guided by the Constitution, SDGs, Vision 2030 and the Act;
- ii. Removal of regulatory obstacles in key sectors of the economy that have an impact on the larger population;
- iii. Building capacity of consumer lobby groups to act as champions for consumer rights;
- iv. Carrying out inquiries, studies and research into competition matters and consumer welfare;
- v. Advising Government Institutions on competition and consumer welfare issues;
- vi. Innovations in managing internal resources to create a more self-sustaining organization, and;
- vii. Succession management through integrating a 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 four (4) committees: Technical and Strategy, Human Resource, Audit and Finance.

1.4 Management Structure

The Executive Management of the Authority comprises of the Director General (DG), three Directorates (Competition and Consumer Protection, Policy Research and Advocacy, and Corporate Services) and three units (Communications and External Relations, 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 Amendment of the Competition Act in December 2016 has widened the mandate of the Authority on enforcement and consumer protection.

The Competition Amendment Act 2016 has enhanced the statutory mandate of the Authority aimed at aligning the Act with international best practice; strengthen enforcement capacity for example providing for introduction of a leniency program and embolden the Authority's ability to address dynamic issues in the competition terrain such as those posed by abuse of buyer power.

The amendments came at a time when the new Plan is being developed and will significantly bolster the Authority's enforcement capacity with regard to both its competition and consumer protection mandates which are complementary and mutually reinforcing. For example, the amendments will empower the Authority to impose administrative penalties for Abuse of Dominance under Section 36 of the Competition Act No. 12 of 2010 ("the Act"). The new provision has introduced the aspect of abuse of buyer power, where an undertaking in the position of a purchaser imposes unfavourable purchase terms on a supplier.

The Authority is currently developing abuse of buyer power guidelines in consultation with the Cabinet Secretary (The National Treasury) and relevant government agencies that will strengthen the execution of its mandate. The Consumer Protection mandate was strengthened through an amendment to Section 70 of the Act to enable the Authority to; initiate investigations on its own motion (*Suo Moto*), carry out hearing conferences, impose remedies under Section 36, 37 and 38 of the Act. This is a shot in the arm for the Authority in so far as the implementation of this Second Strategic Plan is concerned. However, this widened mandate may require more capacity in order to implement the new provisions. As such, in light of these and other amendments to the Act, there is need to review and align the organization structure to enable the Authority deliver its objectives more effectively.

The current organizational structure for the Authority is shown below;

CAK Organization Structure

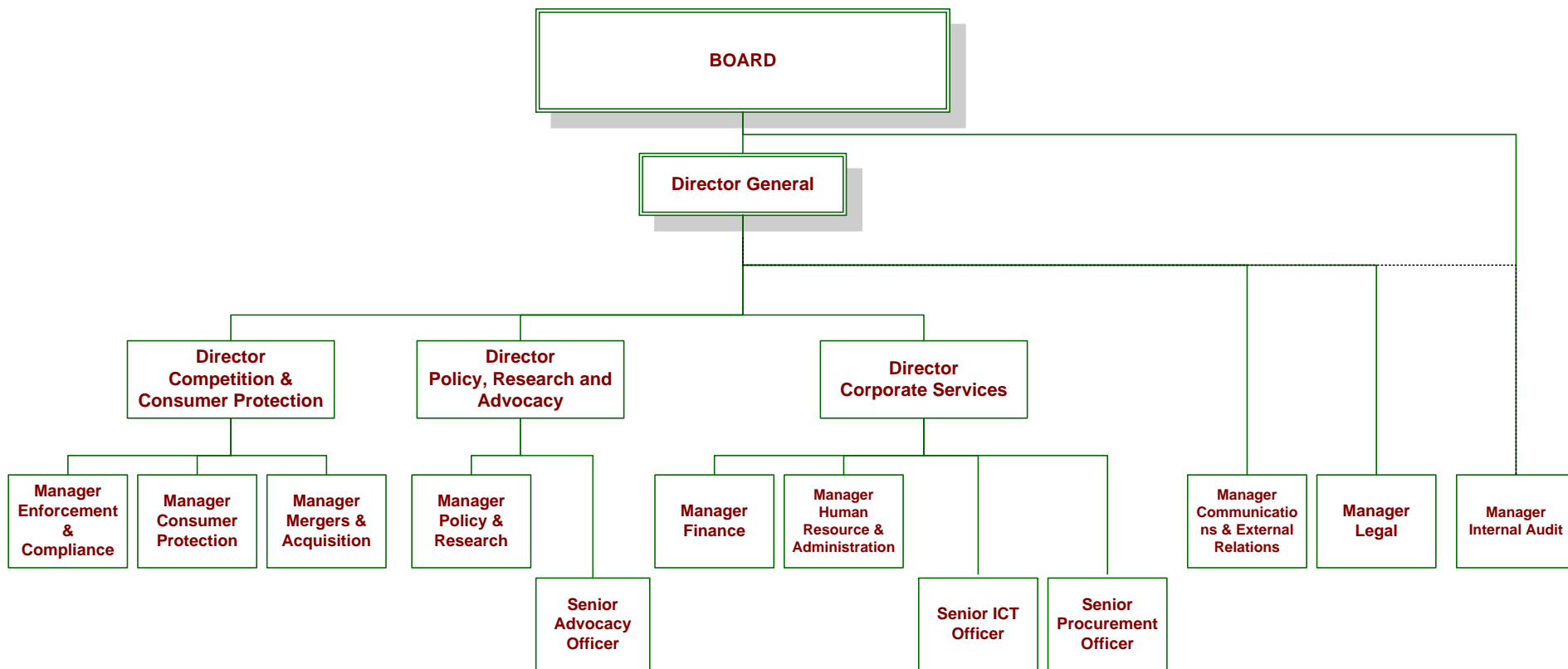


Figure 1: Organizational Structure

1.5 Current and Projected Staff Establishment

The approved staff establishment is seventy (70), with a ratio of seventy (70%) percent Technical and thirty (30%) percent Support staff. The Authority had a total of sixty (60) staff as at June 2017.

Below is the recommended approved and actual staff establishment;

| Position | Planned/Approved | Actual |
|-------------------------------|------------------|-----------|
| Director General | 1 | 1 |
| Division Directors | 3 | 0 |
| Department Managers | 9 | 7 |
| Senior Analyst/Officers | 10 | 7 |
| Analysts/Officers | 22 | 16 |
| Junior Analysts/Assistants | 15 | 20 |
| Operatives (Admin Assistants) | 6 | 5 |
| Entry Level Operatives | 4 | 4 |
| TOTAL | 70 | 60 |

Table 1: Staff establishment

1.6 Preparation of the Strategic Plan

The Authority carried out an internal consultative process to develop the Plan. This involved:

- i. Preparation of plans from different CAK working areas.
- ii. Reviewing Government of Kenya policy documents and directives and incorporating the same in the Plan.
- iii. Carrying out an environmental scanning exercise through PESTEL Analysis (Political, Economic, Social, Technological, Environment and Legal), Risk Assessment, as well as conducting a SWOT Analysis (Strengths, Weaknesses, Opportunities and Threats).
- iv. Obtaining valuable input from both the Board and Management.
- v. Conducting a stakeholder perception and awareness survey of competition in Kenya that included businesses, business and trade associations, law firms, Government (Regulators, Ministries, Counties), and consumer associations.
- vi. Undertaking an internal communications e-survey of the Authority's staff.

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 I – Results Framework.
- viii. Annex II – Strategic Plan Implementation Matrix.
- ix. Annex III – M&E Reporting Template.

CHAPTER 2: REVIEW OF THE PREVIOUS STRATEGIC PLAN

2.1 Introduction

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

The performance of the first Strategic Plan has been evaluated against the five strategic objectives above. A review of the implementation of the previous Strategic Plan indicated that the Authority achieved over 90% of its planned activities as at May 2017.

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 concluded 497 mergers, handled over 180 consumer cases and investigated over 84 Restrictive Trade Practices (RTP) cases.
- iv. Implemented the “Special Compliance Process (SCP)” resulting in 10 industry associations, in the financial and agriculture sectors, now in compliance with the Act, and generating over USD\$200,000 in cost savings for the Authority.
- v. Completion of various research studies and market inquiries (Seed, Artificial Insemination, Tea, Fertilizer, Unstructured Supplementary Service Data (USSD), Banking Sector Phase I) and the Banking Phase II at an advanced stage of completion. Various advocacy initiatives were also undertaken; notably in the agriculture and financial services sector.
- vi. Development and implementation of various cooperation frameworks locally (Communications Authority, Kenya Bureau of Standards, Central Bank of Kenya, Agriculture and Food Authority, Weights and Measures, Insurance Regulatory Authority), 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 and Evaluation.
- ix. Development of various mechanisms of generating revenue internally such as Merger filing fees and penalties and managed to attract funding from Development Partners.
- x. Facilitation of several staff skills 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.
- xiii. Finally, the Authority has been strengthened as an institution. More than 75% of businesses agree or strongly agree that they are confident in the Authority’s

ability to ensure effective implementation of the Competition Law in Kenya and that its decisions are grounded on sound legal and economic analysis.

2.3.2 Challenges

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

- i. Limited awareness of the Authority's mandate and limited knowledge of the Competition Act among some stakeholders.
- 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. Fragmented regional competition environment – lack of a nexus point between National competition agencies and Regional Economic Communities (RECs) has hampered effective cooperation.
- v. Knowledge Management system for collection, analysis and dissemination of information is inadequate.
- 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, sector-specific expertise 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 first Strategic Plan shows that there is need to:

- i. Create and increase awareness and knowledge amongst key stakeholders on competition matters in particular on cartels, collusive tendering and anti-cartel enforcement.
- ii. Enhance cooperation with key stakeholders to improve mandate execution, compliance with the Act 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 to eliminate regulatory obstacles to competition in key sectors and the wide economy.
- v. Continuously review the Competition Act to improve enforcement, taking cognisance of the market dynamics.
- vi. Prioritize and sequence 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 that include but are not limited to: Case Management, Research Analysis, Human Resource, Knowledge Management, Audit, Internal and External Communications, Financial Management and Procurement.
- ix. Deepen capacity in resource mobilization for organizational sustainability.
 - x. Deepen implementation of 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. Build staff capacity in research and other specialised areas.

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 and rapidly evolving economy** – there is need to build capacity for the Authority to proactively gather intelligence and feedback from a range of stakeholders that will inform its advocacy efforts, consumer protection activities and enforcement undertakings. In addition continually develop a competition culture among the key stakeholders.
- Emergence of **knowledge management and innovation** as key strategic assets – exploring ways of effectively and efficiently managing and institutionalizing knowledge gained as the institution grows and becoming innovative in executing its mandate within the available resource constraints.
- **Enabling businesses and strengthening Kenya's investment climate** – 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, leverages the power of technology and new media frontiers to increase awareness of its mandate and continuously gather intelligence and feedback from a range of stakeholders that enables the Authority to proactively 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 is as follows:

3.2.1 Political Environmental Analysis

Kenya witnessed the promulgation of the new Constitutional dispensation in August 2010, creating a devolved system of governance. The Authority has to execute its mandate in the new devolved system of Government. Similarly the push for the integration of the East African Countries under a common market (East African Community) has resulted into 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 as a whole has continued to grow steadily at a rate between 5% and 6% and is reported to be among the fastest growing economies in the EAC region. During the previous Plan's period, the global 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 a conducive investment destination for Foreign Direct Investments (FDIs). Any reduction in economic activities fundamentally affects the quantum of government revenue, constraining the Exchequer allocations hence affecting the Authority's budget. With the expansion in the operations of the regional blocs through the tripartite (EAC, COMESA and SADC), the Authority has availed opportunities to integrate, operate within and benefit from 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 for the Authority 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, societal beliefs and others. The perception and awareness survey revealed that attitudes towards competition in general are strongly positive among all external

stakeholders; however attitudes are mixed on price regulation and price fixing, and the degree of support for regulation. Most external stakeholders are aware of the Authority, and have a positive perception of it. Knowledge of the Act is generally fair among some stakeholders, but low among others. It is imperative for the Authority to continue researching on how these changing values of stakeholders and their expectations as far as market regulation and anti-competitive conduct are 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 Strategic Plan, the Authority will continue to implement modern processes and quality management systems that would lead to improved service delivery to the stakeholders. In the case of the Authority, 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 internal and external knowledge management, creating stakeholders' awareness, building and strengthening local, regional and international networks; and monitoring market regulatory compliance. Technology also provides effective and relatively cost-effective outreach and feedback mechanisms the Authority can leverage to deliver on its mandate. 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 deliver 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).

At the institutional level, environmental issues will continue to provide both opportunities and threats to the Authority during the Plan period. The specific concerns may include but not limited to; the Authority's working environment, sector regulators with duplicate 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 in the operating environment of the Authority. The devolved system of governance and amendments to the Competition Act has necessitated the need to review and realign the Authority’s strategic activities. Other notable recent changes that have impacted on the Authority’s operations are; The Competition Amendment Act 2016, Public Procurement & Asset Disposal Act (PPDA 2015) and Public Financial Management (PFM 2012) Act which will require the Authority to rapidly 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"> • Political uncertainties. • Bureaucracy and red tape. • Corruption levels. • Lack of autonomy leading to interference. | <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. • Labor 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"> • Attitude to competition. • 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 Policy. • 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 Threat (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 favorable and unfavorable to achieve those objectives. The Authority's internal Strengths and Weaknesses and external Opportunities and Threats have been evaluated below;

| INTERNAL | | EXTERNAL | |
|------------------|---|----------------------|--|
| STRENGTHS | <ul style="list-style-type: none"> • Authority independency to implement and administer its own activities in line with the Act. • Goodwill and support from Government. • Modern Competition law generally aligned to global standards. • Staff with good working knowledge and experience. • Existing MoU and partnerships with sector regulators. • Good working relationship with local and regional stakeholders. • Credibility of the Authority on Competition matters. • Adequate resources to execute its mandate. • ISO 9001:2008 certification of the Authority. | OPPORTUNITIES | <ul style="list-style-type: none"> • Opportunity to harmonize the Competition Act with other RECs. • Develop subsidiary competition legislations. • Provide advisory services to Government to facilitate integration with RECs. • Partnerships with business, professional and consumer organizations • Partnerships with Development Partners. • 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 anti-cartel enforcements (Leniency program), buyer power, collusive tendering/bid-rigging • Enhance investigation capacity and resolution of complaints due to the dynamism of competition matters. • Transition to ISO 9001:2015 Standard. |

| | | | |
|-------------------|---|----------------|---|
| WEAKNESSES | <ul style="list-style-type: none"> • Over reliance on the Exchequer for budgetary support. • Lack of adequate office accommodation. • Inadequate provisions for career progression and succession management plans. • Inadequate use of information systems to increase efficiency and improve productivity. • Poor presence on digital platforms. • Poorly resourced communications feedback and outreach structures. • Limited awareness of the Authority’s mandate and activities among some stakeholders • Inadequate expertise in some technical areas (Forensic Analysis, Merger Simulation, Research Analysis, sector-specific expertise, Econometrics). • Limited interaction and outreach to some stakeholders. • Reliance on Director of Public Prosecution (DPP) office for prosecution. • Some operational processes are not fully mapped. • Relatively low compliance with Competition Act particularly with anti-cartel provisions. • Delay in appointment of Board members. | THREATS | <ul style="list-style-type: none"> • Political uncertainties. • 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. • Weak advocacy and consumer organizations. • 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 fulfill 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"> • Over reliance on Exchequer for budgetary support. • 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. • Utilize a wider range of lending/financing instruments from development partners. • 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. • Develop and implement a comprehensive Outreach, Communications and Media Strategy to proactively engage targeted stakeholders. |
| 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 internal and external 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, mediation and make provision for litigation costs. |

Table 4: Risk Analysis

3.5 Stakeholder Analysis

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

Table 5: Stakeholder Analysis

CHAPTER 4: STRATEGIC THEMES, OBJECTIVES AND ACTIVITIES FOR THE PERIOD 2017/2018 – 2020/2021

4.1 Introduction

The Strategic Objectives for the Strategic Plan have been developed, taking into consideration that the Authority is in the process of adopting and operationalizing the Balance Score Card (BSC) management tool in its performance management/contracting process.

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

- i. Enforcement of Competition and Regulation of Mergers.
- ii. Consumer Protection.
- iii. Research and Advocacy.
- iv. Visibility and Corporate Image.
- v. Organizational Sustainability.

4.2 Theme 1: Enforcement of Competition and Regulation of Mergers

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), cartels, abuse of buyer power and provide remedies to enable growth of an inclusive economy with competitive markets.

Strategic objectives and activities under this theme include:

- i. To increase prevention detection, punishment and deterrence on anti-competitive practices.**
 - a. Prioritize, evaluate, investigate and conclude cartels, collusive tendering 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.

4.3 Theme 2: Consumer Protection

The Authority's mandate of protecting consumers from unfair and misleading market conduct will be achieved by effective use 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: Research and Advocacy

Advocacy of competition culture focuses on increasing understanding and demand for competition and its benefits among a range of stakeholders including consumers, the media, Government, law firms, academia and the business community. Pro-competition sector regulation, competitive markets and compliance to competition law are enabled by effective advocacy initiatives. The Authority strives to adopt best practices by continuously conducting research and driving an advocacy agenda that is responsive to market dynamics. The Authority also strives to build linkages with other competition bodies, universities, researchers and associations regionally and internationally.

Strategic objectives and activities under this theme include:

- i. To deepen competition in the national markets and enhance integration regionally and internationally.**
 - a. Carry out research studies in the prioritized sectors in collaboration with appropriate partners.
 - b. Dismantle anti-competitive regulatory obstacles in different sectors to unlock growth potential in Kenya in collaboration with key regulators.
 - c. Establish targeted and sustained Outreach, Advocacy and Communication Strategies for key stakeholders at the National and County level, including mechanisms to strengthen media engagement.
 - 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. Develop targeted programs and activities for capacity building of stakeholders on competition law issues.
 - g. Engage with Institutions of higher learning to develop and improve curricula on competition law, policy and economics.
 - 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 practice 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 enhance Monitoring & Evaluation.**
- a. Regularly conduct and publicize/disseminate impact assessment on the Authority's decisions on selected sectors.
 - b. Develop and implement an evaluation framework to evaluate the effectiveness of the Authority's annual activities and how far they contribute to the Strategic Plan's outcomes.
 - c. Monitor legislation (National and County) and provide advisory opinion on competition matters.
- iii. To advance the Authority's Internal and External Knowledge Management.**
- a. Harness/Capture knowledge from staff and other sources by developing and strengthening internal and external feedback mechanisms.
 - b. Develop and implement a framework for storage, dissemination, application and retention of harnessed knowledge.
- iv. To enhance institutional risk management practices.**
- 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.

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 and demand for the benefits accrued by having a fair competitive market. Competition culture has to therefore be fostered among consumers, business, 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 and improve targeted outreach and awareness.**
 - a. Develop and implement an outreach strategy that includes targeted messages for each stakeholder group, communication tools and channels, and evaluation mechanisms aligned to the Authority's Advocacy Strategy and Communication Policy.
- ii. To enhance corporate visibility (locally, regionally, and internationally).**
 - a. Undertake Annual Corporate Social Responsibility (CSR) initiatives.
 - b. Host and participate in industry, sector, regional and international workshops/conferences.
 - c. Subject the Authority to a peer review process by a reputable international organization.
 - d. Produce and disseminate targeted and multi-media Information, Education and Communication (IEC) materials to stakeholders that include targeted messages.
- iii. To strengthen media relations.**
 - a. Develop and implement a Media Strategy that includes traditional and new media channels, that articulates the Authority's mandate.
 - b. Recognize journalists for reporting on competition law and policy.
 - c. Monitor and report on the coverage, quality, length and frequency 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 organization 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. Engage the National Treasury for sustained budgetary allocation.
 - c. Engage with development partners to deepen the funding pool.
- ii. To optimize use of resources.**
 - a. Implement cost reduction measures.
 - b. Prioritize and sequence 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 the relevant 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. 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 CAK 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 Strategic Plan period (2017/18 – 2020/21). The budget estimates for each objective and related activities are detailed in the annexed implementation matrix (Appendix II). The total amount projected for the period is Kshs. 3,364 million financed through forecasted external and internal revenue sources. The table below illustrates the estimated budget for each strategic objective;

| Theme | Objective | Projected Amount (Millions Kshs.) | | | | |
|---------------------------------------|--|-----------------------------------|---------|---------|---------|-------|
| | | 2017/18 | 2018/19 | 2019/20 | 2020/21 | Total |
| Enforcement and Regulation of Mergers | To increase detection, punishment and deterrence on cartels, abuse of buyer power, collusive tendering. | 21 | 21 | 18 | 18 | 78 |
| | 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 | 12 | 12 | 49 |
| Consumer Protection | To increase deterrence on unfair and misleading market practices. | 20 | 20 | 16 | 14 | 70 |
| | 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 | 2 | 2 | 9 |
| Research and Advocacy | To deepen competition in the national markets and enhance integration regionally and internationally. | 76.25 | 74.75 | 66.25 | 45.75 | 263 |
| | To enhance Monitoring & Evaluation. | 1 | 8.5 | 1 | 8.5 | 19 |
| | To advance the Authority's Internal and External Knowledge Management. | 5 | 4 | 4 | 4 | 17 |
| | To enhance institutional risk management practices. | 1 | 1 | 1 | 1 | 4 |

| Theme | Objective | Projected Amount (Millions Kshs.) | | | | |
|--------------------------------|---|-----------------------------------|--------------|--------------|---------------|--------------|
| | | 2017/18 | 2018/19 | 2019/20 | 2020/21 | Total |
| Visibility and Corporate Image | To increase and improve targeted outreach and awareness. | 20.5 | 17 | 24.5 | 28 | 90 |
| | To enhance corporate visibility (Locally, Regionally, and Internationally). | 9.25 | 12.25 | 24.25 | 9.25 | 55 |
| | To strengthen media relations. | 5.7 | 7.4 | 9.5 | 12.5 | 35.2 |
| 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 | 15.25 | 13.25 | 76 |
| | To enhance institutional capacity. | 628 | 610 | 642 | 641 | 2,521 |
| Total | | 850.45 | 831.4 | 854.5 | 827.65 | 3,364 |

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 | Projected Amount (Millions Kshs.) | | | | |
|-------------------------|-----------------------------------|--------------|--------------|---------------|--------------|
| | 2017/18 | 2018/19 | 2019/20 | 2020/21 | Total |
| Exchequer – Recurrent | 450.45 | 465.4 | 481.5 | 495.65 | 1,893 |
| Exchequer – Development | 200 | 150 | 150 | 100 | 600 |
| Fees and Penalties | 170 | 180 | 180 | 180 | 710 |
| Development Partners | 30 | 36 | 43 | 52 | 161 |
| Total | 850.45 | 831.4 | 854.5 | 827.65 | 3,364 |

Table 7: Revenue Sources

The Exchequer recurrent budget is estimated to grow progressively on an annual basis over the four year Strategic Plan period. The development budget caters for the Capital Expenditure to enable the Authority acquire its own office space. Fees are projected to moderately increase due to increased economic activities and mergers filed.

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 five 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, analyze 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 asked. 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) |
|--|---|---|--|--|
| Enforcement and Regulation of Mergers. | Increased detection, punishment and 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"> • Percentage of cases concluded. • Decrease in number of days concluding a merger application. • Consumer savings as result of |

| Theme | Result | Type of information | Performance Question | Outcome Indicator(s) |
|-----------------------|---|--|---|---|
| | | | | enforcement and merger regulation. |
| | 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"> • Percentage compliance level of cases surveyed. |
| | 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? • Has the quality of submissions improved | <ul style="list-style-type: none"> • Operational forms and guidelines adopted. • Quality of applications and submission improved. |
| 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"> • Percentage of received cases concluded. • Percentage 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"> • Percentage 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 practice. | <ul style="list-style-type: none"> • Operational forms and guidelines adopted. |
| | 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. |
| Research and Advocacy | Regional and international integration deepened through | <ul style="list-style-type: none"> • Advocacy initiatives. • Advisory opinions. | <ul style="list-style-type: none"> • Is there an increase in advisory opinions given? | <ul style="list-style-type: none"> • No. of advisory opinions sought and given. |

| Theme | Result | Type of information | Performance Question | Outcome Indicator(s) |
|-------|---|--|---|---|
| | expanded market frontiers. | <ul style="list-style-type: none"> Position papers. | <ul style="list-style-type: none"> Is there an increase in the number of advisory opinions and position papers? | <ul style="list-style-type: none"> Percentage 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. Percentage reduction in inter-agency and cross-border cases. Increased regional and international cooperation. |
| | Authority's understanding and expertise 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"> Percentage increase in the application of market information. Percentage 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"> Percentage increase in meeting planned targets. |
| | Authority's Internal and External 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 internal and external dissemination of information. |
| | 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. |

| Theme | Result | Type of information | Performance Question | Outcome Indicator(s) |
|--------------------------------|--|--|--|---|
| Visibility and Corporate Image | Increased and improved outreach and awareness. | <ul style="list-style-type: none"> • Communication and awareness initiatives. • Customer satisfaction. • Feedback mechanisms | <ul style="list-style-type: none"> • Has the awareness of the Authority's customers increased? • Is the Authority receiving more feedback from a wider range of stakeholders? | <ul style="list-style-type: none"> • Percentage increase in customer satisfaction. • Quantity and quality of feedback received. |
| | 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"> • Percentage increase in corporate visibility. |
| | Media relations strengthened. | <ul style="list-style-type: none"> • Coverage of the Authority in electronic, print and social media (hits). • Recognizing journalists covering Competition Policy and Law in Kenya through an Annual Journalists Awards event. • Conduct periodic media monitoring of the Authority's activities and events. | <ul style="list-style-type: none"> • Is reporting on the Authority more frequently and positive? • Are the journalists covering Competition Policy and Law in Kenya recognized? • Does the Authority have a standardized way of collecting updated data on its coverage (the Authority's activities and decisions)? | <ul style="list-style-type: none"> • Increased accuracy, quality, frequency and length of media coverage • Informed, encouraged /motivated journalists to cover competition issues. • A standardized system of collecting updated data on the coverage of the Authority. |
| 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 fulfill 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"> • Percentage reduction of operational costs. |

| Theme | Result | Type of information | Performance Question | Outcome Indicator(s) |
|-------|---------------------------------------|---|---|--|
| | 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"> Percentage 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, analyzed and reported.

Baseline data for the results indicators can be obtained from the review of Annual, Consultancy and Perception and Awareness 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 Director General, indicating overall progress made on key strategic objectives.

The routine Monitoring and Evaluation which involves data collection, analysis and reporting is to be carried out by the Monitoring & Evaluation (M&E) Committee. The

Committee will comprise of all Departmental Managers and Chaired by the Director General. The Committee will continuously monitor and on a quarterly basis evaluate and report on all strategies, outcomes and activities with a view to advising the Management on the implementation status as well as offer any remedial or alternative strategies. Appendix III illustrates an M&E reporting template for capturing, tracking and reporting activities defined in the annual work-plans.

6.4 Results Evaluation

The Results Matrix evaluates the outcomes of the Authority 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.

The assessment of outcomes based on the five thematic areas in the Results Matrix is illustrated in Appendix I. The method of assessment will help determine if 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 analysis of secondary sources of data.

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 |
|--|---|----------|---------|---------|---------|---------|-------------------------------|
| Enforcement and Regulation of Mergers. | Percentage of received cases concluded. | 90% | | | | | Document Review, field visit. |
| | Decrease in no of days concluding a merger application. | 45 days | | | | | Document Review, field visit. |
| | Percentage compliance level of cases surveyed. | 0 | | | | | Compliance visits. |
| | Consumer savings as result of enforcement and merger regulation | | | | | | Document Review, field visit. |
| | Operational forms and guidelines adopted. | 20 | | | | | Document Review. |
| Consumer Protection. | Percentage of received cases concluded. | 60% | | | | | Document Review, Surveys. |
| | Percentage increase in Business Community awareness. | 40% | | | | | Document Review, Surveys. |
| | Percentage increase in consumer awareness. | 40% | | | | | Surveys. |
| | Operational forms and guidelines adopted. | 10 | | | | | Document Review. |
| | Standards and Capacity established for creation of consumer bodies. | 0 | | | | | Document Review, field visit. |
| Research and Advocacy. | Advisory opinions sought and given. | 15 | | | | | Document Review. |
| | Percentage of advisory opinions adopted. | 60% | | | | | |
| | Harmonized REC laws. Reduced inter-agency and cross-border cases. Increased regional & international cooperation. | 0 | | | | | Document Review. |
| | Improved timelines in offering informed advisory opinions. | 14 days | | | | | Document Review. |
| | Improved achievement of planned targets. | 60% | | | | | Document Review. |
| | Faster dissemination of information. | 14 days | | | | | Document Review. |
| | Mitigate risks on the Authority's operations. | 7 risks | | | | | Audits. |

| Theme | Outcome Indicator(s) | Baseline | 2017/18 | 2018/19 | 2019/20 | 2020/21 | Assessment Method |
|---------------------------------|---|---|---------|---------|---------|---------|---|
| Visibility and Corporate Image. | Percentage increase in customer satisfaction. | 71.1% | | | | | Surveys. |
| | Percentage increase in corporate visibility geographically. | 35% | | | | | Document Review. |
| | Increase in frequency, quality, accuracy and length of the Authority's coverage in the media. | 33 mentions/hits on Authority's stories | | | | | Media monitoring reports review. |
| Organizational Sustainability. | Improved ability to fulfill budgetary requirements. | 340M | | | | | Financial reports review. |
| | Percentage reduction of operational costs. | 0 | | | | | Financial reports review. |
| | Increased performance. | 80% | | | | | Annual reports review. |
| | Percentage of targets achieved against Performance Contract. | 2.9103 | | | | | Performance Contract Weighted Average Score |
| | Percentage increase in employee satisfaction levels. | 74% | | | | | Performance survey. |

APPENDIXII: IMPLEMENTATION MATRIX

THEME 1: ENFORCEMENT OF COMPETITION AND REGULATION OF MERGERS

| Strategic Objective | Key Activities | Output Indicators | Baseline | Annual Target | | | | Budget (Kshs. Million) | Respon sibility |
|--|---|---|-----------------|---------------|-------|-------|-------|------------------------------|--------------------|
| | | | | 17/18 | 18/19 | 19/20 | 20/21 | | |
| To increase prevention, detection, punishment and deterrence on anti-competitive practices. | Prioritize, evaluate investigate and conclude anti-competitive cases (Cartels, Abuse of dominance, Exemptions, Leniency, Unwarranted concentration of economic power, Buyer power, Bid rigging among others). | Number of cases investigated. Number of cases concluded. Number of leniency applications received and granted. Number of inter-agency joint investigations into cartels. | 5 3 | | | | | 52 | E&C, Legal. |
| | Regulate Mergers and Acquisitions (Approval & exclusions of mergers and investigation of mergers consummated without approval). | Number of mergers received, analyzed and concluded. Number of mergers finalized Percentage completion of cases as per statutory timelines. | 497 100% | | | | | 20 | M&A. |
| | Develop and implement rules and guidelines that prevent the emergence of market structures which impede effective competition. | Rules and guidelines approved and adopted (Block exemptions, mergers to be excluded, among others). | 0 | 1 | 1 | | | 6 | E&C, M&A. |
| To enhance market surveillance. | Conduct market compliance checks. | Number of checks undertaken | 4 | 5 | 5 | 5 | 5 | 8 | M&A, E&C. |

| Strategic Objective | Key Activities | Output Indicators | Baseline | Annual Target | | | | Budget (Kshs. Million) | Responsibility |
|---|--|---|----------|---------------|----------|-------|-----------|------------------------|------------------|
| | | | | 17/18 | 18/19 | 19/20 | 20/21 | | |
| | | (Report). | | | | | | | |
| | Develop and implement interaction and intelligence frameworks with relevant government agencies. | Number of reports as per the approved template/format. | 0 | 12 | 12 | 12 | 12 | 20 | E&C, M&A, Legal. |
| To enhance transparency, Accountability and predictability of enforcement, Compliance and merger issues. | Review and align competition instruments (Forms, procedures, guidelines templates) with market realities, evolving trends and changing economic and legal environment. | Reviewed and approved policy, forms, and procedures. | 0 | 2 | | 2 | | 2 | E&C, M&A, Legal. |
| | Conduct stakeholder sensitization activities. (New instruments such as Leniency Program among others) | Number of workshops held. Percentage of stakeholders reached. Areas sensitized. | 1 | | 1 90% | | 1 100% | 5 | All |
| | Develop and operationalize the Rules to the Act. | Enacted Rules. | 0 | 1 | 0 | 0 | 1 | 2 | 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. | | | | | | 40 | Legal. |

THEME 2: CONSUMER PROTECTION

| Strategic Objective | Key Activities | Output Indicators | Baseline | Annual Target | | | | Budget (Kshs. Million) | Responsibility |
|--|---|--|----------------|---------------|------------|------------|-------------|------------------------|------------------------|
| | | | | 17/18 | 18/19 | 19/20 | 20/21 | | |
| To increase deterrence on unfair and misleading market practices. | Investigate and conclude consumer related cases (both Suo Moto cases and reported complaints). | Number of cases handled. Percentage of cases completed. | 34 60% | 100% | 100% | 100% | 100% | 54 | CPD. |
| | Collaborate with sector regulators on consumer protection and information sharing. | Cooperation Framework developed and implemented. Number of solved cases Percentage of cases completed. | 2 3 100% | 1 100% | | | | 2 | CPD, Legal, PRA. |
| | Sensitize Business Community on the Consumer Protection and provisions of the Act. | Percentage increase of awareness (Awareness survey). Percentage of targeted business reached. | 40% 0 | 50% 70% | 75% 80% | 80% 90% | 90% 100% | 6 | CPD. |
| | Conduct Product Compliance checks. | Number of market screenings undertaken (Report). | 0 | 2 | 3 | 3 | 3 | 8 | CPD, E&C. |
| To empower consumers to exercise choice through consumer awareness. | Undertake initiatives on consumer awareness and emerging consumer issues (Campaigns, mobile clinics, exhibitions and trade fairs among others). | Quarterly Reports. Percentage increase of consumer awareness. | 4 40% | 4 50% | 4 60% | 4 70% | 4 80% | 43 | CPD, C&ER, PRA. |
| | Collaborate with other stakeholders to increase consumer awareness. | Number of activities collaborated on. | 0 | | | | | 4 | CPD PRA. |
| To enhance transparency, accountability and | Review and develop consumer guidelines. | Guidelines reviewed. | 1 | 2 | 2 | 0 | 0 | 2 | CPD, Legal. |
| | Develop templates and toolkits on consumer protection. | Toolkits and Templates approved. | 0 | 3 | 1 | 1 | 1 | 1 | CPD. |

| Strategic Objective | Key Activities | Output Indicators | Baseline | Annual Target | | | | Budget (Kshs. Million) | Responsibility |
|--|--|--|----------|---------------|-------|-------|-------|------------------------|----------------|
| | | | | 17/18 | 18/19 | 19/20 | 20/21 | | |
| predictability of consumer matters | | | | | | | | | |
| To promote creation and strengthening of consumer bodies | Develop and disseminate standards and Rules. | Standard and Rules approved. | 0 | 1 | 0 | 0 | 1 | 0.5 | CPD, Legal. |
| | Promote creation, build capacity and collaborate with consumer bodies. | Number of reports on consumer bodies collaborations. | 1 | 1 | 1 | 1 | 1 | 8.5 | CPD, PR&A. |

THEME 3: RESEARCH AND ADVOCACY

| Strategic Objective | Key Activities | Output Indicators | Baseline | Annual Target | | | | Budget (Kshs. Million) | Responsibility |
|--|---|---|----------|---------------|-------|-------|-------|------------------------|----------------|
| | | | | 17/18 | 18/19 | 19/20 | 20/21 | | |
| To deepen competition in the national markets and enhance integration regionally and Internationally. | Carry out research studies in prioritized sectors as identified in Product Market Regulations “Dismantling Regulatory Obstacles to Competition” Report such as; Agriculture, Electronic Communications, Electricity, Renewable Energy, Professional Services, Insurance and Air Transport and other sectors as identified by the Authority. | Sector study reports. | 0 | 1 | | 1 | | 50 | PRA. |
| | 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 | 1 | 8 | PRA. |
| | Establish suitable Advocacy and Communication instruments for key stakeholders at the National and County level 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 | 6 | 20 | PRA. |
| | Develop an analytical framework for preparing advisory opinions and | Analytical Framework approved. | 0 | 1 | | | | 0.5 | PRA, Legal. |

| Strategic Objective | Key Activities | Output Indicators | Baseline | Annual Target | | | | Budget (Kshs. Million) | Responsibility |
|---------------------|--|---|----------|---------------|-----------|-----------|-----------|------------------------|--------------------------------|
| | | | | 17/18 | 18/19 | 19/20 | 20/21 | | |
| | developing policy briefs for various sectors. | | | | | | | | |
| | Prepare Position Papers on various proposed policies, Bills and legislations. | Number of position papers/ Advisory opinions (Reports). | 4 | 2 | 2 | 3 | 3 | 0.5 | PRA. |
| | Develop targeted programs and activities for capacity building of stakeholders on competition issues. | Number of sessions. Percentage of stakeholders sensitized as per plan. | 0 | 1 100% | 1 100% | 1 100% | 1 100% | 14 | PRA, 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 | 2 | | | 2 | PRA. |
| | 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 | 1.5 | PRA, 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 | | 2 | PRA, 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 | 1 | 14 | PRA, M&A, E&C. |
| | Participate in international forums and adopt lessons learnt to entrench | Number of toolkits developed Conference/ Workshop Reports. | | 1 | | 1 | | 30 | PRA, C&ER. |

| Strategic Objective | Key Activities | Output Indicators | Baseline | Annual Target | | | | Budget (Kshs. Million) | Responsibility |
|--|---|--|----------|---------------|-----------|-----------|-----------|------------------------|-----------------------|
| | | | | 17/18 | 18/19 | 19/20 | 20/21 | | |
| | international best practice at the Authority. | | | | | | | | |
| | Develop and Implement Co-operation frameworks/MOUs. (PPRA, KMA & ERC among others) | Number of MOUs signed. Percentage of work-plan activities implemented. | 6 | 2 100% | 2 100% | 2 100% | 2 100% | 2 | PRA, E&C, Legal, M&A. |
| | Collaborate in the establishment of Centre for Competition Law and Economic Policy (CCLEP). | Centre established and operationalized. | 0 | | 1 | | | 20 | PRA. |
| | Develop market inquiry guidelines. | Market inquiry guidelines adopted. | 0 | 1 | | | | 0.5 | PRA, Legal. |
| | Carry out prioritized market inquiries/ research in the different sectors e.g. Health, and Maritime. | Market Inquiry reports. | 7 | 1 | | 1 | | 90 | PRA, M&A Legal. |
| | Engage with research firms and academia to improve access to research material for prioritized sectors. | Approved Purchase framework. Number of subscriptions. | 2 | 2 | 2 | 2 | 2 | 8 | PRA, M&A. |
| To enhance Monitoring & Evaluation. | Conduct impact assessment on the Authority's decisions on selected sectors. | Impact Assessment Report. | 1 | | 1 | | 1 | 15 | PRA. |
| | Evaluate achievements of the Authority's annual activities and Strategic Plan's outcomes. | M&E reports. | 1 | 1 | 1 | 1 | 1 | 0 | PRA. |
| | 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 | 4 | Legal, PRA. |

| Strategic Objective | Key Activities | Output Indicators | Baseline | Annual Target | | | | Budget (Kshs. Million) | Responsibility |
|---|---|---|----------|---------------|-------|-------|-------|------------------------|----------------|
| | | | | 17/18 | 18/19 | 19/20 | 20/21 | | |
| 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. 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 0 | 4 | 4 | 4 | 4 | 12 | PRA. |
| | Develop and implement a framework for storage, dissemination, application and retention of harnessed knowledge. | Ease of Accessibility. Usage: - No. of logs/requests. | 0 | 1 | | | | 5 | PRA. |
| To enhance institutional risk management practices. | 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 | 1 | 4 | PRA, IA. |
| | Conduct periodic comprehensive assessments of institutional risks. | Risk reports. | 1 | 1 | 1 | 1 | 1 | 0 | IA. |

THEME 4: VISIBILITY AND CORPORATE IMAGE

| Strategic Objective | Key Activities | Output Indicators | Baseline | Annual Target | | | | Budget Kshs. Million | Responsibility |
|--|--|--|----------|---------------|-------|-------|-------|----------------------|-----------------|
| | | | | 17/18 | 18/19 | 19/20 | 20/21 | | |
| To increase and improve targeted outreach and awareness. | Develop and implement the outreach strategy aligned to the communication policy (Develop Communication Strategy, Undertake awareness activities, satisfaction surveys, electronic materials, infomercials, production & dissemination, symposiums, competition day/week, world consumer day, technology driven outreach initiatives such as mobile apps among others). | Reviewed and aligned outreach strategy. | 0 | 1 | | | | 90 | PRA, C&ER, CPD. |
| | | Percentage customer satisfaction. | 71.1% | | 75% | 80% | | | |
| | | Communication reports. | 1 | 4 | 4 | 4 | 4 | | |
| | | Number of counties reached. | 7 | 8 | 8 | 8 | 8 | | |
| To enhance corporate visibility (locally, regionally, and internationally). | Undertake Annual CSR initiatives. | CSR strategy and activities report. | 1 | 1 | 1 | 1 | 1 | 7 | C&ER. |
| | Hold ICN Workshop and other industry, sector, regional and international workshop/conference. | Workshop reports. | 1 | 1 | 0 | 1 | 0 | 15 | PRA, C&ER. |
| | Subject the Authority to a Peer Review process. | Review Report. | 0 | 0 | 1 | 0 | 0 | 3 | PRA, C&ER. |
| | Produce and distribute Information, Education and Communication (IEC) materials to stakeholders that include targeted messages. | Number and type of materials. Annual and financial reports. | 1 | 1 | 1 | 1 | 1 | 30 | C&ER. |
| To strengthen media relations. | Develop and implement a Media Strategy that includes traditional and new media channels, that articulates the Authority's mandate. | Number of shows. Number of print articles. | 4 | 4 | 4 | 4 | 4 | 18.5 | C&ER. |

| Strategic Objective | Key Activities | Output Indicators | Baseline | Annual Target | | | | Budget Kshs. Million | Respon sibility |
|---------------------|---|---|----------|---------------|-------|-------|-------|----------------------------|--------------------|
| | | | | 17/18 | 18/19 | 19/20 | 20/21 | | |
| | Reward journalists for reporting on competition law and policy. | Number of Reports. Journalist Awards | 0 | 1 | 1 | 1 | 1 | 8 | C&ER. |
| | Monitor and report on the coverage of the Authority in the print, electronic and social media in line with our mandate. | Monitoring reports. | 0 | 4 | 4 | 4 | 4 | 8.6 | C&ER. |

THEME 5: ORGANIZATIONAL SUSTAINABILITY

| Strategic Objective | Key Activities | Output Indicators | Baseline | Annual Target | | | | Budget (Kshs. Million) | Responsibility |
|--|---|---|-----------------|-----------------|-----------------|------------------|------------------|------------------------|--|
| | | | | 17/18 | 18/19 | 19/20 | 20/21 | | |
| To broaden revenue streams. | Enhance collection of fees and penalties and continuously identify potential revenue lines. | Percentage increase in amount collected. | 130M | 10% | 10% | 10% | 10% | 0 | Finance, M&A, E&C. |
| | Budget and engage with the National Treasury for increased funding. | Percentage increase in funding. | 340M | 20% | 10% | 10% | 10% | 0 | Finance. |
| | Engage with development partners to increase the funding pool. | Funding proposals approved. Amount received. | 1 | 2 | 2 | 2 | 2 | 0 | Finance, PRA, M&A, CPD. |
| To optimize use of resources. | Implement cost reduction measures. | Percentage reduction in annual operational expenses. | 0 | 5% | 5% | 5% | 5% | 0 | All. |
| | Prioritize and sequence the Authority's annual activities | Reviewed, aligned and approved work-plan | 1 | 1 | 1 | 1 | 1 | 0 | All |
| To improve productivity and efficiency. | Harness technology to improve efficiency of internal processes, operations and procedures (ERP, Case Management, Internal Control System, Working-papers, Merger simulation, Forensic analysis, DRP, BCP among others). | Percentage of automated processes. Percentage reduction in Lead time. | 70% 0 | 75% 5% | 80% 5% | 85% 10% | 90% 10% | 65 | ICT, M&A, PRA, IA, Procurement, Finance. |
| | Review and implement internal as well as Statutory Performance Management and Quality Management Systems. | Percentage of targets achieved against planned. Percentage of performance achieved Internal and external audit reports. | 60% 80% 3 | 70% 90% 3 | 70% 95% 3 | 80% 100% 3 | 80% 100% 3 | 2 | HRA, PRA, IA. |

| Strategic Objective | Key Activities | Output Indicators | Baseline | Annual Target | | | | Budget (Kshs. Million) | Responsibility |
|---|--|--|---------------------|---------------|-----------|----------------|-----------|------------------------|------------------------------|
| | | | | 17/18 | 18/19 | 19/20 | 20/21 | | |
| | Inculcate a culture of self-assessment and continuous improvement of the various Departments and Units within the Authority. | Audit reports. Percentage level of compliance. External audit report. | 9 | 9 100% | 9 100% | 9 100% 1 | 9 | 1 | DG, IA. |
| | Develop and review operational and procedure manuals in line with the relevant ISO Standard 9001:2015. | Approved manuals (Finance, Procurement, Internal Audit). External Audit Certificate. QMS audits. | 0 1 | 3 1 | 1 | 1 | 1 | 8 | Finance , Procurement. |
| To enhance institutional capacity. | Develop, review and implement organizational policies. | Approved and implemented policies. | 26 | | | | | 30 | HR&A. |
| | Implement initiatives that create conducive work environment (Employee engagements, wellness, satisfaction surveys, Physical environment). | Engagement activities conducted/reports. Satisfaction levels. Own office accommodation. | 2 73.7% 0 | 3 | 3 | 3 1 | 3 | 988 | HR&A. |
| | Review the Authority's Organization Structure & develop competency based Jobs descriptions aligned to the structure. | Approved Organization Structure with clear Reporting lines. | 1 | | 1 | | | 7 | HR&A. |
| | Develop, review and implement human resource interventions aimed at attracting, developing and retaining talent. | Trainings implemented. Capacity development reports. Schemes and benefits. | | 1 | 1 | 1 | 1 | 1,496 | HR&A. |

