

An aerial night view of a city, likely a coastal or urban area, featuring several modern high-rise buildings and a winding road. The sky is dark blue with scattered clouds, and the city lights are visible in the background. The text "DRIVE PROJECT" is overlaid in the center in a bright, glowing, sans-serif font.

DRIVE PROJECT

DRIVE: a regional project being implemented in 4 Horn of Africa (HoA) countries as part of the HoA Initiative (HoAI) of building resilience to climatic shocks, facilitating trade and supporting Livestock value chains



Current DRIVE Countries:

Djibouti, Ethiopia, Kenya, Somalia



Project Objective

To enhance pastoralists' access to **financial services** for drought risk mitigation, include them in the **value chains**, and facilitate the **livestock trade** in the Horn of Africa

Project Financing

\$140 million total project cost

\$9 million Component 1 GRiF grant



Global Risk Financing Facility

Component Structure

1



Package of financial services for climate resilience (\$75 Million)

Support the provision of an integrated package of financial services to build climate resilience

implemented by:



2



Livestock Value Chains and Trade Facilitation (\$65 Million)

Better include pastoralists in the livestock value chain and facilitate trade in the Horn of Africa

implemented by:



Ministry of Agriculture & Livestock Development
State Department for Livestock Development



COMP. 1 & 2: COMPLIMENTARY IMPACTS



UNIQUENESS OF DRIVE

Building sustainable infrastructure for long term resilience

Financial Services

Investments

C1

FINANCIAL INCLUSION OF INDIVIDUALS

Financial inclusion



Savings account



Livestock insurance



RESILIENCE

Decreasing hardship

C2

INTEGRATION OF REGIONAL MARKETS

Quality Infrastructure



Trade facilitation



De-risk investment



Focus of C2 in KENYA

PROSPERITY

Increasing opportunities

SUCCESS = pastoralists getting better value for their animals and off-loading

more regularly



PASTORALISTS INSURED, ENROLMENT BONUSES, SUBSIDY & CLAIMS SUMMARY: 4 SEASONS (OND 2022, MAM 2023, OND 2023, MAM 2024)

County	Insured TLU	Pastoralist Contribution (KSh)	Premium Subsidy (KSh)	Total Enrolment Bonus (KSh)	Total Claims (KSh)	Total Benefits (KSh)	
1 Garissa	17,710	68,257	54,106,453	179,162,830	96,168,000	138,092,052	413,422,882
2 Isiolo	12,509	43,353	34,427,218	126,154,495	58,488,000	24,533,297	209,175,792
3 Kajiado	4,719	19,329	17,828,370	53,089,351	22,836,000	39,208,395	115,133,746
4 Laikipia	4,979	16,742	13,433,654	45,306,952	22,998,000	24,932,390	93,237,342
5 Lamu	2,114	6,332	4,536,116	18,143,124	11,736,000	0	29,879,124
6 Mandera	7,521	23,074	15,666,504	59,210,524	37,386,000	40,964	96,637,488
7 Marsabit	12,145	48,806	34,587,959	132,673,107	68,544,000	9,500,762	210,717,869
8 Narok	288	794	660,378	2,641,383	846,000	0	3,487,383
9 Samburu	20,108	67,188	59,429,008	174,310,611	92,988,000	136,039,236	403,337,847
10 Tana River	21,009	79,160	67,975,467	222,731,614	100,944,000	163,211,843	486,887,457
11 Turkana	16,190	59,217	41,239,240	145,903,740	85,344,000	12,084,609	243,332,349
12 Wajir	17,674	65,536	54,121,140	169,070,488	94,638,000	85,788,300	349,496,788
Unknown	1,713	5,681	3,846,303	14,557,985	828,000	9,027,685	24,413,670
Total	138,679	503,468	401,857,810	1,342,956,203	693,744,000	642,459,532	2,679,159,737

DRIVE PIPELINE

For the FY 2024/2025 KDC has received a total DRIVE pipeline of Kes 5.4 billion at various stages of the appraisal process as indicated below;

Project stage	Sum of Amount	No. of Projects
Approved	1,031,182,205	11
Appraisal	3,705,719,724	28
Screening	1,323,480,000	4
Declined	980,900,000	4
Pended	79,833,579	2
Grand Total	7,121,115,508	49

Pipeline Distribution by Livestock Value chains



From the illustration below, Feedlot has generated the highest demand in credit followed by ;

Sector	Amount (Kes)	No of projects
Animal feeds	180,000,000	1
Animal Genetics	91,665,000	1
Export	100,000,000	1
Feedlot	2,934,192,508	36
Feedlot & Fodder	818,000,000	3
Feeds Processing	135,540,000	1
Fodder	61,718,000	2
Wholesale	2,800,000,000	4
Grand Total	7,121,115,508	49

Pipeline Distribution by County



DRIVE PIPELINE CATEGORIZATION BY COUNTY

County	Investment amount (Kes)	No of Projects
Garissa County	190,000,000	2
Kajiado County	1,334,930,700	17
Kitui County	90,553,239	1
Kwale County	560,060,000	3
Laikipia County	660,859,260	6
Nairobi County	2,800,000,000	4
Narok County	548,782,309	8
Samburu County	150,000,000	1
Taita Taveta County	143,375,000	2
Wajir County	243,000,000	1
Makueni County	180,000,000	1
Tana River County	197,700,000	1
Marsabit County	21,855,000	2
Grand Total	7,121,115,508	49

Kajiado County has the highest number of applications while Nairobi County has the highest amount in applications which is due to the Wholesale financing product.

KDC has thus far received investment applications for 13 counties accounting for 61% coverage of the ASAL counties.

Sustainability: A Key Element of DRIVE

How do we ensure sustainability of the project?



Private Sector Led – Involvement of local insurers/MFIs and NGOs (KLIMC, WFP)



Regional Implementation by a single regional entity via local private sector players and international reinsurers

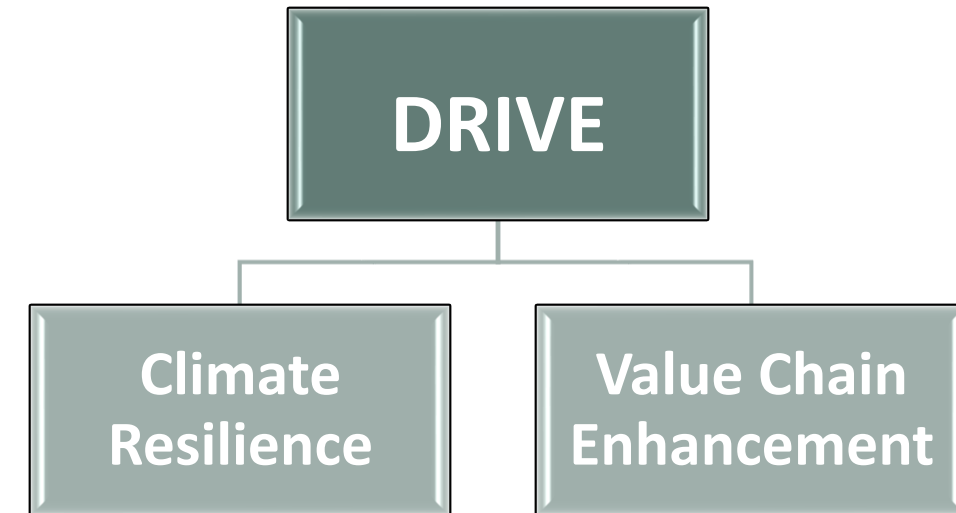


Ownership and Alignment - pastoralist groups that are constituted around economic activities have access to products and services.

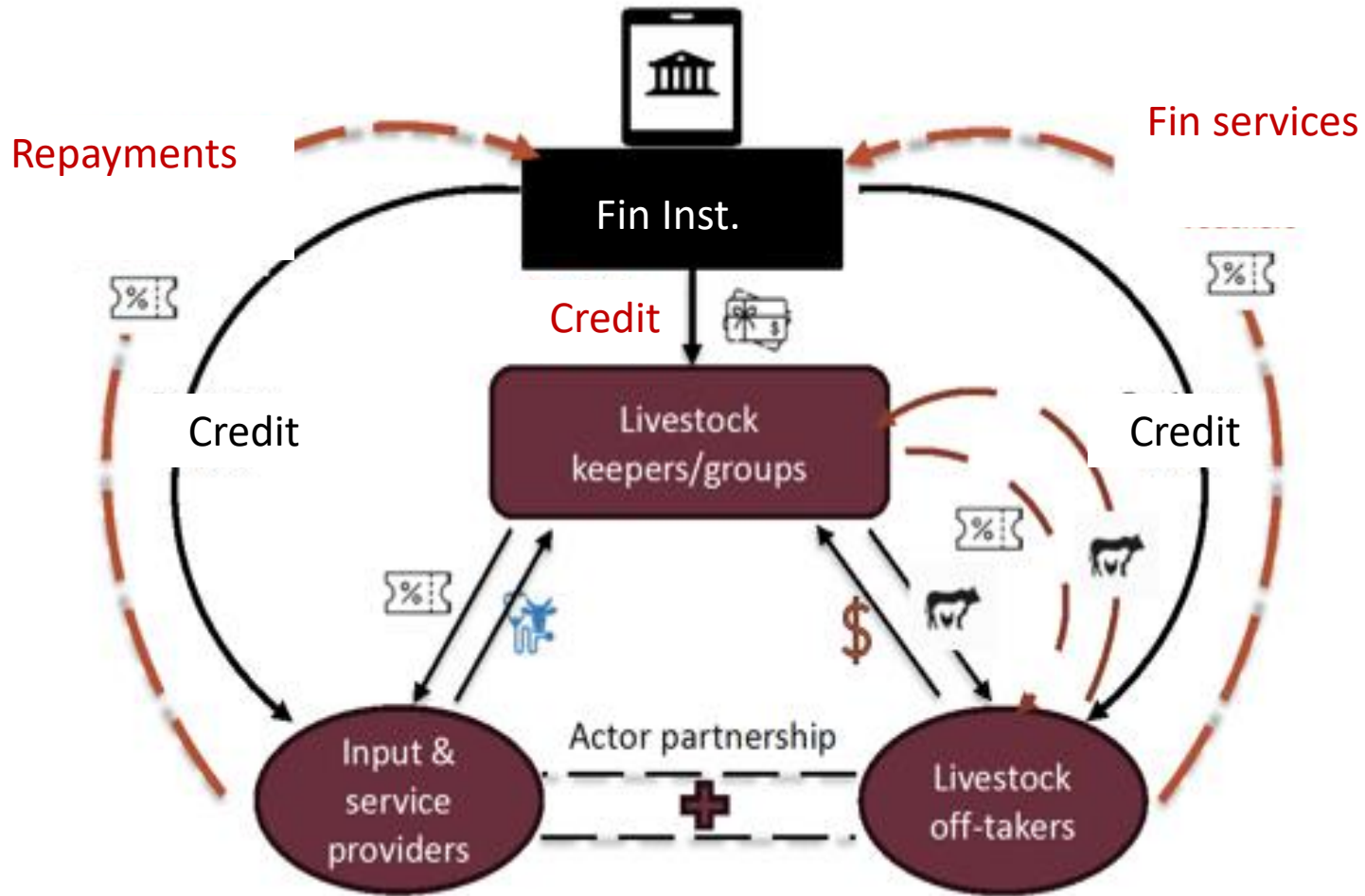


Extensive lessons learnt from current and previous drought schemes (KLIP and SIPE)

The project has two components which strongly linked. Each component ensures the well-functioning of the other.



Livestock value chain Ecosystem



Steps to operationalize this Ecosystem

DRIVE program is positioned to have appropriate financial products – insurance and credit. It is undertaking training for the community and service providers

1. **Sensitize actors on the financial products** and support them to access them
2. **Map actors for each node of the ecosystem** (Financial Institutions, offtakers, service providers, livestock producer groups)
3. **Socialize respective actors** on the principle of the ecosystem.
4. **Facilitate business-to-business forums** for actors to interact and strike deals.
5. **Monitor implementation** and evaluate impacts.

An aerial night view of a city, likely Singapore, showing illuminated buildings and roads. The sky is dark blue with some clouds. The text 'THANK YOU' is overlaid in the center in a bright, glowing, pinkish-purple font.

THANK YOU