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DIRECTORATE OF SOCIAL DEVELOPMENT

KENYA ULTRA-POOR GRADUATION STRATEGY.

2025 - 2030

PROMOTING INCLUSIVE DEVELOPMENT IN KENYA



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Foreword

The Kenya Ultra-Poor Graduation Strategy (KUPGS) serves as an innovative answer to ultra-poverty, a critical social challenge of our times. The strategy targets 39.8% of the population living below the poverty line. It functions as an immediate response to support persons living in extreme poverty, who make up 7.1% of the population and survive on less than USD 2.15 a day. The strategy illustrates our commitment to inclusive and sustainable development.

KUPGS is anchored on the Kenya Vision 2030, the Bottom-Up Economic Transformation Agenda (BETA), and the Sustainable Development Goals (SDGs), in particular SDG 1 (No Poverty), SDG 2 (Zero Hunger), SDG 3 (Good Health and Well-being), SDG 5 (Gender Equality), and SDG 13 (Climate Action). It provides a comprehensive framework for ultra-poverty solutions, combining international best practices along with local solutions that tackle economic exclusion, vulnerability, and gender inequality.

To successfully mitigate extreme poverty in the country, the strategy provides a platform for collaborative efforts among all social sectors and development players. It promotes active involvement of national and county governments together with development partners, non-governmental organisations, private sector partners, and local communities. Our cumulative resources, along with capabilities and innovative methods, allow us to deliver comprehensive interventions, which provide ultra-poor households with enduring economic stability and shock resilience.

The Kenya Ultra-Poor Graduation Strategy envisions a future where all Kenyans can achieve prosperity with dignity and independence. It provides for the delivery of adaptive and gender-sensitive solutions aimed at eliminating intergenerational poverty cycles while building economic growth and promoting economic inclusion opportunities for the extreme poor.

Hon. Dr. Alfred Mutua
Cabinet Secretary
Ministry of Labor and Social Protection

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This document is a testament to the power of collaboration and shared commitment to addressing ultra-poverty in Kenya. Together, we can achieve sustainable and inclusive development for all.

Joseph M. Motari MBS.
Principal Secretary
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Acronyms

ASALs	Arid and Semi-Arid Lands
BETA	Bottom-Up Economic Transformation Agenda
BRAC	Bangladesh Rural Advancement Committee
CCTP-MIS	Consolidated Cash Transfer Programme Management Information System
CDMIS	Community Development Management Information System
CHASP	Capacity for Health and Social Policy
e-GCM	Enhanced Grievance and Case Management
ESR	Enhanced Single Registry
GALS	Gender Action Learning Systems
GBV	Gender Based Violence
HSNP	Hunger Safety Net Programme
IFAD	International Fund for Agricultural Development
KNBS	Kenya National Bureau of Statistics
KRA	Key Result Area
KSEIP	Kenya Social and Economic Inclusion Programme

KUPGS	Kenya Ultra-Poor Graduation Strategy
NDMA	National Drought Management Authority
NGO	Non-Governmental Organisation
NICHE	Nutrition Inclusion through Cash and Health Education
NSNP	National Safety Net Programme
PBO	Public Benefit Organization
PROFIT	Programme for Rural Outreach of Financial Innovations and Technologies
SDGs	Sustainable Development Goals
UN	United Nations
UPGP	Ultra-Poor Graduation Programme
VSLA	Village Savings and Loan Association
WFP	World Food Programme



Glossary of Technical Terms

Arid and Semi-Arid Lands	Regions characterised by low rainfall and elevated temperatures, making them vulnerable to drought and other climate-related challenges.
Bottom-Up Economic Transformation Agenda (BETA)	This is a Government blueprint aimed at promoting inclusive economic growth by prioritising investments in five key areas of agriculture, MSMEs, housing, healthcare, and digital infrastructure.
Enhanced Single Registry (ESR)	A Social Economic Database of poor and vulnerable households in Kenya that facilitates identification and selection of households to be enrolled into social protection interventions.
Food poverty	All individuals (or households if estimated at household level) whose food consumption per adult equivalent was less than the food poverty line of KES 2,668 per month in rural areas and KES 3,521 per month in urban areas were considered to be food poor or live in “food poverty”. (KNBS Poverty Report, 2022)
Graduation Approach	A holistic, time-bound, and sequenced set of interventions designed to empower ultra-poor households to build sustainable livelihoods, enhance resilience, and achieve long-term escape from poverty. This approach integrates social protection, livelihoods promotion, financial inclusion, and social empowerment to ensure a dignified and permanent transition out of extreme poverty.
Ultra/Extreme/Hardcore poverty	<p>Persons are considered to be in Ultra, Extreme, or Hardcore poverty:</p> <p>“All individuals (or households if estimated at household level) whose total consumption per adult equivalent is less than the food poverty line of KES 2,668 per month in rural areas and less than KES 3,520 per month in urban areas were considered to be hardcore poor or live in “hardcore poverty”. (KNBS Poverty Report, 2022).</p> <p>A condition defined by the World Bank as living on less than \$ 2.15 per day, characterised by severe deprivation of basic human needs, including food, safe drinking water, sanitation, health, shelter, and education.</p> <p>These terms will be used interchangeably in the document.</p>



Overall (Absolute) poverty	All individuals (or households if estimated at household level) whose total consumption per adult equivalent was less than the overall poverty line of KES 4,358 per month in rural areas and less than KES 8,006 per month in urban areas were considered to be overall poor or live in “overall poverty” (KNBS Poverty Report, 2022)
Project Participant	A participant refers to the selected persons (representative of the household) who is enrolled and participating in and benefiting from a poverty graduation programme.
Social Protection Floor	A nationally defined set of basic social security guarantees that ensure all people have access to essential health care and basic income security throughout their life, especially during periods of vulnerability such as childhood, old age, unemployment, or disability.
Sustainable Development Goals	A set of 17 global goals adopted by the United Nations to end poverty, protect the planet, and ensure peace and prosperity for all by 2030.
Sustainable Livelihood	The ability of an individual to cope with and recover from stresses and shocks, maintain or enhance their capabilities and assets, while not undermining the natural resource base.
Ultra-Poor Graduation	The process of determining and transitioning a household previously categorised as living in extreme poverty to have successfully met the set criteria for attaining sustainable livelihood and significantly reduced the risks of reverting to extreme poverty. These criteria include stable food security, diversified and resilient income sources, increased household savings and financial inclusion, as well as social empowerment.
Village Savings and Loan Associations	Community-based groups that provide members with a safe place to save money, access small loans, and obtain emergency insurance.

Executive

The Kenya Ultra-Poor Graduation Strategy (KUPGS) 2025–2030 is a national framework that aims to promote inclusive development as a means to reduce poverty, and in particular, to end extreme poverty in Kenya. The Strategy targets 39.8% of Kenya’s population that continue to live below the poverty line, especially the estimated 7.1% living in extreme poverty. Despite numerous poverty reduction initiatives since independence in 1963 and the current social protection measures, these households remain classified as extreme or ultra-poor.

The KUPGS outlines proposals that enable ultra or extremely poor households to transition to self-reliance through structured, multi-sectoral, and holistic interventions. These proposals incorporate best practices from successful global models, particularly the BRAC graduation approach, and learnings from regional and local level initiatives that have shown impressive results in participants’ incomes, savings, and assets, as well as improved food security and overall well-being. Evidence has demonstrated that graduation approaches can result in long-term impacts and contribute to increased consumption and almost a ten-fold increase in household savings long after the interventions end.

The Strategy is anchored on national priorities that include the Kenya Vision 2030 and the Bottom-Up Economic Transformation Agenda (BETA). It is grounded on regional and international commitments such as the African Union Agenda 2063 and the Sustainable Development Goals (SDGs) and takes cognizance of ongoing ultra-poor graduation initiatives by State and Non-State Actors, including the private sector. It builds on the Government’s poverty alleviation initiatives, in particular, relevant strategies and policies, including the Kenya Social Protection Policy, 2023. In addition, it leverages the country’s strengths and competitive advantages, notably the existing government implementation structures, budgetary investments, technological advancements and innovations, and the robust financial infrastructure to promote effective poverty alleviation.

KUPGS further builds on strategic partnerships and collaborations with development partners, the Public Benefit Organisations (PBOs), and the private sector for the achievement of better outcomes on ultra-poverty through impactful and scalable solutions. The Strategy lays a critical and strong foundation for the attainment of sustainable poverty alleviation among the extreme poor as it responds to the urgent need for a structured, sequenced, and holistic model that supports long-term economic and social transformation in the country.

Summary

The Vision of the KUPGS is “A Kenya free from extreme poverty” with a long-term outcome goal of transitioning ultra-poor households from extreme poverty to self-reliance through transformative social and economic inclusion interventions. Recognising that gaps remain in reaching and sustainably graduating ultra-poor households to self-reliance, the Strategy targets to address challenges that have impeded successful ultra-poor graduation. Key among these include fragmentation in implementation, compromised by inadequate support and limited coverage of ultra-poor households.

The Vision is built around three core pillars that include strengthened coordination among stakeholders implementing poverty graduation interventions, promotion of a standardised graduation model approach, and expanded coverage of ultra-poor populations. These will ensure the coordinated delivery of services, provision of a comprehensive graduation package, and adequate resources to enable graduation at scale across the country.

The Strategy provides for the establishment of effective governance structures and systems, a robust monitoring and evaluation framework, and stakeholder integration across national and county levels.

It provides for the establishment of multi-sectoral frameworks for coordinated, accountable implementation and effective service delivery. Implementation of the KUPGS will be through collaborative efforts involving the national and county governments, donors, PBOs, and the private sector.

The Strategy document is organised in six sections that outline an introduction and a background on ultra-poor graduation, a situation analysis, and the rationale for having in place a strategy for ultra-poor graduation. It then presents key issues that continue to drive extreme poverty and expected key result areas upon effective delivery. It further outlines frameworks for coordination and implementation of the strategy, monitoring, evaluation, reporting, and learning.

This Strategy document was developed through a consultative process that involved representatives from the State Department for Social Protection and Senior Citizen Affairs (SDSP&SCAs), UN agencies, and other Development Partners, PBOs implementing ultra-poor graduation interventions, including Village Enterprise, BOMA, World Vision, and Kenya Red Cross, among other agencies that continue to implement ultra-poor graduation interventions across the country.



Section 1.0: Introduction

The Kenya Ultra-Poor Graduation Strategy (KUPGS) is a national framework for delivering coordinated, integrated, and multi-sectoral interventions that address the multifaceted nature of extreme poverty. The KUPGS is aligned to Kenya's development priorities and policy frameworks and is anchored in global, regional, and national best practices on addressing ultra-poverty. It provides for proven poverty graduation approaches that are responsive to contextual realities in addressing extreme poverty.

Ultra or extreme poverty is the most severe form of poverty, where individuals or households are unable to meet minimum standards for survival and basic well-being. According to the Kenya Poverty Report, 2022, 7.1% of the population live in hardcore or extreme poverty, 31.7% live below the food poverty line, while 39.8% live below the overall poverty line. Arid and Semi-Arid Lands (ASAL) counties experience the highest levels of poverty ranging from 82.7% in Turkana and 64.7% in Wajir.

On the other hand, ten counties bear the highest brunt of extreme or hardcore poverty, between 42.6% in Turkana and 12.4% in Kwale.

Populations living in extreme poverty face the severest type of poverty, demonstrated in chronic deprivation of basic human needs, including food, healthcare, education, and shelter, social exclusion, and heightened vulnerability to shocks such as illness, conflict, or natural disasters.

Kenya has prioritised poverty reduction as a key development agenda, beginning with the Sessional Paper No. 10 of 1965, the Economic Recovery Strategy for Wealth and Employment Creation (ERS) 2003-2007, and the Kenya Vision 2030. This also includes the introduction of social protection measures in the mid-2000s that entailed the provision of cash transfers to the most vulnerable categories of the population, largely grouped among the ultra-poor.

In addition, the country has made several global and regional commitments aimed at promoting inclusive development and social justice for all toward ending poverty in all its forms. Some of these commitments include the SDGs ; ILO's Social Protection Floors Recommendation (No. 202); the African Union's Agenda 2063 ; and the Global Compact on Refugees 2018, as well as the East African Community (EAC) Social Protection Protocol.

Specifically, the ILO's Social Protection Floors Recommendation (No. 202) underscores the global consensus on guaranteeing a minimum level of social security for all, including access to essential healthcare and basic income security. At the regional level, the EAC Social Protection Protocol encourages member states to adopt a common approach to social protection that promotes the rights and well-being of vulnerable groups. Collectively, the frameworks provide a robust foundation for national Ultra-Poor Graduation Strategies aimed at breaking the intergenerational cycle of poverty.

Reportedly, strong economic growth periods were experienced, contributing to the overall decline in the poverty rate, although the pace of poverty reduction slowed down, failing to result in the direct reduction of extreme poverty in the country .

Poverty levels fluctuated over the years, with the highest poverty rates reported in 2020 at 42.9%, and hardcore poverty at 5.8%, and the highest extreme poverty at 8.3% in 2019. The Poverty Report of 2022 shows the highest food and hardcore poverty rates in the ASAL areas.

Poverty is also reported to be higher among households headed by the elderly aged 70+ in rural areas (46%), female-headed households (35.3%), and households with children (38%), with rural households at 41%, and even higher at 60% among households with 7 or more members. Persistent poverty and growing inequality, compounded by surging unemployment rates and consistent climate-related vulnerabilities, aggravate the fragilities of the extremely poor households.

This calls for embracing resilience and sustainable poverty measures, such as poverty graduation methodologies, to enable transitioning of the ultra-poor to self-reliance. Poverty graduation approaches have gained traction as methodologies to help alleviate poverty and build resilience among extremely poor populations. They consist of a set of carefully layered, sequenced, and integrated household-level time-bound interventions designed to address the multifaceted nature of extreme poverty holistically. Core components of graduation approaches entail consumption support, asset transfers, financial inclusion, and social empowerment. Interventions include the provision of cash transfers, food or in-kind assistance to meet immediate basic needs, productive assets to initiate income generation, facilitating access to savings and borrowing, financial literacy and life skills training, coaching, and mentorship to build confidence and community engagement.

Graduation interventions are implemented within defined periods that range between 9 and 36 months and are often tailored to the specific needs of participants to ensure lasting impact. As such, the graduation approach offers a holistic and adaptive framework to support individuals in overcoming barriers of extreme poverty by fostering long-term social and economic inclusion.

Implementation of ultra-poor graduation programmes in Kenya by both state and non-state actors has shown impressive results, increasing participants' income, savings, and assets, as well as improving food security and overall well-being. Recent findings from a longitudinal study by the Village Enterprise in 2021 on more than 400 entrepreneurs in Kenya and Uganda who graduated from extreme poverty established that the impact of the programme contributed to an 83% increase in consumption and a tenfold increase in household savings five years after the programme ended.



The programme had a lifetime of 5.34:1 cost-benefit ratio, meaning that for every dollar invested, the entrepreneur made USD 5.34 in return. On the other hand, the Programme for Rural Outreach of Financial Innovations and Technologies (PROFIT), implemented in Kitui and Samburu counties, demonstrated achievement of noticeable improvements in income (up to 75% increase in asset value), savings (on average USD 127), food security, and women's empowerment.

Building on these initiatives, and to promote implementation of the graduation approach at scale, the Government initiated the Kenya Social and Economic Inclusion Project (KSEIP) in 2019. The KSEIP supported the implementation of an Economic Inclusion Programme (EIP), anchored on the BRAC graduation model. The EIP was piloted in five counties targeting 15,000 participant households (58,500 individuals within the households).

The EIP, implemented over a fairly short period, recorded impressive achievements among participating households, showing a reduction in the prevalence of extreme poverty among programme participants by 17 percentage points across all four locations. In addition, the prevalence of severe food insecurity was shown to have been reduced in two of the four locations (Kisumu and Taveta), where severe food insecurity decreased by 13 and 20 percentage points, respectively. The EIP pilot led to an average increase of 0.5 income sources per household and an average annual net income increase of Kenya shillings (KES) 21,140. Evidence shows an increase in the number of income sources, total net income, and total savings in the pilot counties. Improvements in diversified income, assets, and savings suggest that participants are now better equipped for shocks.

The strategy draws on global evidence, local innovations, and lessons from ongoing social protection and economic inclusion interventions to enhance the impact, efficiency, and sustainability of extreme poverty eradication efforts. It outlines vital areas of coordination and expanded coverage of ultra-poor interventions that are necessary for the successful implementation of complex and multi-sectoral graduation approaches.

The strategy proposes implementation arrangements that are collaborative and that involve the national and county governments, donors, Public Benefit Organisations (PBOs), the private sector, media, citizens, and academia to enhance efficiency and effectiveness.

This will ensure ultra-poor households transition from extreme poverty to sustainable livelihoods and enhanced well-being through structured pathways rooted in principles of dignity, empowerment, and sustainability. By strengthening coordination, harmonising ultra-poor graduation approaches, and scaling up proven interventions, the strategy lays a strong foundation for inclusive and sustainable development. This thereby supports the building of resilience among ultra-poor households and guarantees transition to self-reliance.

The KUPGS is Kenya's first comprehensive initiative in the country to integrate ultra-poor graduation approaches into the government systems. Ultimately, it seeks to empower Kenya's ultra-poor to sustainably lift themselves out of extreme poverty and meaningfully contribute to national economic growth. To ensure operational efficiency and long-term effectiveness of proposals in the strategy, it is recommended that a review be undertaken periodically to incorporate evolving needs.

Section 1.1: Background

1.1.1: Context and Poverty Landscape

Poverty, defined as monetary and/or non-monetary inadequacy to meet life's basic needs, remains a persistent global challenge. It also refers to a state of not being able to meet basic needs and is a condition that is categorised by constrained choices, limited opportunities, and social exclusion (Kenya Poverty Report 2022). Individuals or communities living in poverty lack not just income, but the essential freedoms, resources, and resilience to shape their future and participate fully in society.

Beyond the sole lack of income, poverty bears socioeconomic dimensions that include the inability to access services and social protection measures, the power to negotiate, social exclusion, and limited access to opportunities and decent work.

Ultra or extreme poverty is the severest type of poverty, characterised by acute deprivation of basic human needs, including food, healthcare, education, and shelter.

Globally, 9% of the world's population (approximately 712 million people) live in extreme poverty. In 2020, the world's population living in extreme poverty rose from 8.9% to 9.7%, driven by poverty intensity in the low and middle-income countries. As of 2024, 67% of the population in sub-Saharan Africa, which accounts for 16% of the world population, lived in extreme poverty, with the highest levels reported in Burundi (81%) and South Sudan (80%).

The Covid-19 pandemic further deepened poverty levels, reversing the global progress of alleviating poverty by three years. Women, children, persons with disabilities, and marginalised and displaced populations are disproportionately affected by extreme poverty. This is attributed to systemic barriers hindering equitable access to quality education, economic opportunities, financial resources, and social inclusion. Growing inequalities present a threat to long-term sustainable social and economic development. Poverty denies those affected choices and opportunities, is a violation of human dignity, and undermines the sustainable development of nations.

The State of Social Protection Report 2025 highlights that while there has been significant progress in social protection coverage, a large gap remains, with 2 billion people inadequately covered. The report further shows that social protection programmes reach only 19.5% of the poorest quintile in low-income countries, whereas upper-middle-income countries achieve coverage of 61.9%. Several ultra-poor households lack access to adequate safety nets, making them highly vulnerable to shocks and crises.

The Covid-19 pandemic revealed that 1.3 billion children (two-thirds of the global total) lacked safety net protection, which worsened extreme poverty (UNICEF, 2021). The populations of the least-developed countries (LDCs) in sub-Saharan Africa remained without emergency cash transfers during crises, thus deepening food insecurity to 55% (UNDP, 2022). Some 137 million people from low-income countries fell into poverty in 2022 due to climate-related shocks and received social protection coverage from just 20% of available systems (World Food Programme, 2023).

This lack of protection limits their ability to meet basic needs, perpetuates poverty, and hinders their participation in economic activities. The Global Partnership for Universal Social Protection (2023) reports that women in ultra-poor households face a disproportionate 23% disadvantage in accessing safety nets as compared to men.

Poverty in Kenya remains a significant challenge, with notable disparities across regions and demographic groups. Measured as any person living below USD 2.15 (approximately KES 245) per day (or the population that cannot afford the basic basket of goods as measured by a predetermined threshold). The KNBS categorises poverty into various levels (Poverty Report 2024). These include food poverty, overall poverty, and hardcore or extreme poverty. As of 2022, the national poverty headcount rate stood at 39.8%, indicating that more than 20 million individuals were unable to meet the overall poverty line threshold and a multidimensional poverty measure of 38.0%. Rural areas experience higher poverty rates, with 42.9% of the rural population living below the poverty line, compared to 33.2% in urban areas . Hardcore or extreme poverty was at 7.1%, 9.3% in the rural areas, and 2.4% in the urban areas, with an estimated 3,607,000 persons living in conditions of extreme poverty.



The overall national poverty headcount index has fluctuated over the years in the country, with reports showing the highest numbers in 2020 at 42.9% and hardcore poverty at 5.8%. In particular, the food poverty rate was more than 50% in 2022, mainly in the ASALs, with Turkana highest at 64.3%.

Hardcore poverty rates were highest in the same areas, with Turkana at 42.6%. The report further shows that poverty was higher among households headed by the elderly aged 70+ in rural areas (46%), female-headed households (35.3%), and households with children (38%), with rural households at 41%, and even higher at 60% among households with 7 or more members. These populations are unable to afford the minimum required food consumption basket, even if they allocated all their food and non-food expenditures to food alone.

ASAL counties bear the highest burden, with Turkana County recording the highest poverty rate at 82.7%, followed by Mandera (72.9%), Samburu (71.9%), Garissa (67.8%), and Tana River (66.7%) (Poverty Report 2022). More importantly, other counties such as Bungoma, Nakuru, Kilifi, Turkana, and Kakamega contribute to the highest population of overall poor people, accounting for 24.4% of all the poor individuals in the country. Nairobi, for instance, has the fifth highest number of poor people due to its large population. Equally, gender and age play a significant role in poverty outcomes, with female-headed households having higher poverty rates (35.3%) than male-headed ones (32.6%).

Youths between the ages of 18-35 face a poverty headcount rate of 36.7%, with higher rates observed in rural areas due to limited employment opportunities and access to education. The youth face disproportionate economic exclusion, with unemployment and underemployment particularly high among young people, contributing to intergenerational poverty. The Kenya Poverty Assessment Report 2023 notes that youth poverty is exacerbated by low access to quality education, limited vocational opportunities, and exclusion from formal financial systems.

To mitigate poverty in the country, Kenya has prioritised poverty alleviation as a key development agenda since attaining independence. Development blueprints that have focused on poverty alleviation include the Sessional Paper No. 10 of 1965, the Economic Recovery Strategy for Wealth and Employment Creation (ERS) 2003-2007 and Kenya's Vision 2030.

While the sessional Paper No. 10 of 1965 focused on addressing poverty, ignorance, and disease, the ERS aimed to achieve rapid economic growth, strengthen governance, improve infrastructure, and invest in human capital, ultimately leading to reduced poverty and increased employment. Kenya's Vision 2030, on the other hand, emboldened through five-year medium-term plans, aims to build a just and cohesive society through equitable social development for improved quality of life by targeting a cross-section of human and social welfare projects and programmes. Despite the strong economic growth periods precipitated by these development initiatives and contributions to the overall decline in poverty rates, reportedly, the pace of poverty reduction remains slow.

In the mid-2000s, the country further introduced social protection measures that included the provision of cash transfers to the most vulnerable categories, including the elderly, vulnerable and orphaned children, persons with disabilities, and the food poor, largely categorised among the ultra-poor. The social protection programmes continue to play a pivotal role in the eradication of extreme poverty in the country by cushioning poor and vulnerable households from sinking further into poverty by addressing immediate consumption needs, coping and protection from covariate shocks, and building human capital of the ultra-poor households. Notwithstanding the impact of these development initiatives, evidence of persistent poverty demonstrates that interventions have not been effective in successfully transitioning the ultra-poor into self-sustenance by addressing the complex and multidimensional nature of poverty.

Additionally, coverage of social protection in Kenya remains low, with only 10.1% of the population having access to at least one social protection programme. Moreover, growing inequality continues to prejudice economic growth and suppress social cohesion, while surging unemployment rates and consistent climate-related vulnerabilities continue to aggravate the fragilities of the extremely poor households.

Kenya's inequality index stands at 39, as of 2023, with high-income social and gender inequalities that lead to social conflicts, violence, and crime, and further aggravate social instability, deprivation, and poverty. To ensure the eradication of hardcore or extreme poverty in the country, more resilience building and sustainable poverty measures, such as the poverty graduation methodologies that aim at transitioning the ultra-poor to self-reliance, need to be embraced.

1.1.2: Evolution of Poverty Alleviation Strategies, including UPG, in Kenya

Globally, the poverty graduation model has been lauded for its proven efficiency and effectiveness in sustainably lifting those living in extreme poverty to self-reliance. Initiated in 2002 under the Bangladesh Rural Advancement Committee (BRAC), the Ultra-Poor Graduation (UPG) model has been adopted and scaled up by over 100 organisations in 50 different countries, including integration into national government systems, impacting millions of the population. Some of the countries that have successfully implemented the BRAC model include Kenya, Myanmar, Tanzania, Uganda, Rwanda, Ethiopia, Sierra Leone, Liberia, Afghanistan, Pakistan, and South Sudan.

In Rwanda, the government adopted the Ultra-Poor Graduation model into its National Strategy for Sustainable Graduation (NSSG, 2022), and it has since integrated the approach into the government safety net, with graduation and shock-responsive components proving to be a sustainable pathway out of extreme poverty. Reports show that the BRAC model has proven to be successful in helping the extremely poor move toward sustainable livelihoods.

Evidence from Bangladesh shows 93% of participants recorded a 37% increase in earnings, a 9% in consumption, a nine-fold savings rate, and a twofold household asset. Participants also gained greater access to land for livelihoods, improved food security, financial inclusion and savings, as well as empowerment and social inclusion.

In Rwanda, the NSSG (2022) recorded increased job creation in the country with 1.3 million decent and productive jobs, labour force participation showed 59.3%, with financial inclusion moving from 89% in 2017 to 96% in 2024. Further, studies in Uganda and South Sudan have shown that UPG is more cost-effective, and it creates resilience and self-reliance. Programme evaluation and Randomised Control Trials (RCT) demonstrated positive impacts on consumption, assets, income, nutrition, and improved well-being.

In Ethiopia, a graduation approach that began as a pilot project in the Tigray province from 2010 to 2012 was included as an integral part of the National Productive Safety Net Programme (PSNP IV), a food security-focused programme, demonstrating a recognition of the effectiveness of the approach. A study by Village Enterprise in 2021 established the impact of a graduation programme implemented between 2017 and 2018 that led to an 83% increase in consumption and a tenfold increase in household savings five years after the programme had ended.

Kenya has adopted the ultra-poor graduation approach progressively to enable acceleration towards the eradication of extreme poverty. Some of the UPG initiatives implemented include the PROFIT Financial Graduation Programme (2016–2019) by BRAC UPGI, the Government of Kenya, IFAD, CARE Kenya, and the BOMA Project in Kitui and Samburu counties. The project components included asset transfers, technical training, consumption stipends, health support, savings facilitation, mentoring, and life skills training. The PROFIT Programme contributed to 75% of participants meeting economic and social milestones, indicative of readiness to graduate from extreme poverty.



Additionally, a 2023 Impact Research found that BOMA participants experienced a 509% increase in savings, bolstering their resilience in the face of crises like drought and empowering their households to invest in the future. Income increased by 32% while assets grew by 324%, providing participants with a foothold to begin growing generational wealth and upward mobility.

The study demonstrated that the Rural Entrepreneur Access Project (REAP) delivers a return on investment (ROI) of 3.1, meaning that every 1 USD invested in BOMA's programme delivers about 3 USD in benefits to the communities served. Further, Feed the Future researchers also found that enrolment in REAP had positive impacts on participants' aspirations and hopes for the future.

Earlier evidence from the REAP, by the BOMA, which focused on empowering women in Northern Kenya to establish sustainable livelihoods, resulted in the establishment of over 26,000 women-led businesses. In addition, BOMA's Green REAP initiative, implemented in Northern Kenya in 2013, with a focus on helping vulnerable women in Kenya's arid lands adapt to climate change by diversifying their livelihoods through small businesses, resulted in 32,000 women and children lifted out of extreme poverty, with monthly household spending on food increasing by 71%. One year after the programme ended, 99% of REAP businesses were still in operation, generating income and savings for the vulnerable women.

1.1.3: Limitations of Existing Interventions

Despite notable progress in mitigating extreme poverty, several challenges impede the successful implementation of the ultra-poor Graduation initiatives in Kenya. These include fragmented implementation approaches, inaccurate identification of ultra-poor households, technical and resource capacity constraints for coaching and mentorship in the rural and hard-to-reach areas, poor integration between existing cash transfer programmes and the ultra-poor graduation initiatives, lack of clearly defined UPG strategies and exit mechanisms, and heavy donor reliance.

These challenges mirror globally documented gaps in the implementation of the UPG approach, which include inadequate targeting and data limitations, insufficient sequencing and integration of interventions, exclusion of persons with disabilities, resource constraints to sustain the impact, and political instability. Others are inadequate and/or lack of monitoring and evaluation, affecting the generation of reliable evidence on UPG implementation and resulting impacts.

The result is inefficiency in service delivery, exclusion of eligible populations, low coverage, and overall ineffectiveness of the interventions, compromising the sustainability and scalability of UPG interventions.

Lessons from the implementation of UPG interventions in Kenya underpin the need to enhance stakeholder coordination, effectively integrate social protection systems with UPG interventions, provide comprehensive, harmonised, and sequenced UPG packages with clearly defined graduation metrics, and diversify funding to scale and sustain the impact.

1.1.4 Rationale for the Kenya Ultra-Poor Graduation Strategy

Poverty alleviation has been a central development objective of the Government with various strategic policies and programmes aimed at addressing the root causes of extreme poverty. While these policies and programmes have yielded positive results, appropriate poverty graduation pathways are yet to be fully embedded into national systems. Moreover, many of these initiatives are yet to target the ultra-poor effectively, consistently leaving them behind with the country continually grappling with the profound challenge of addressing ultra-poverty. The Kenya Ultra Poor Graduation Strategy presents the first deliberate pathway to sustainably transition the ultra-poor out of extreme poverty.

The Global Action to eradicate poverty in all its forms and dimensions as a requisite for sustainable development is outlined in the United Nations 2030 Agenda for Sustainable Development.

This agenda is operationalised through the 17 Sustainable Development Goals (SDGs), with SDG 1 focusing on eradicating poverty in all its forms. Other policies and legal frameworks on which the Ultra-Poor Graduation approach is anchored include the global Social Protection Floors (SPFs) promoted by the International Labour Organization (ILO) in a global consensus for states to implement inclusive social protection systems that enable poverty eradication.

The KUPGS aligns with the SPFs by providing immediate support through cash or food transfers, ensuring basic consumption needs are met while building pathways to sustainable livelihoods. Whereas global initiatives, including the BRAC's ultra-poor graduation approach, have achieved significant progress, the Covid-19 pandemic, widening income inequality, rising debts in developing countries, conflicts and political instability, as well as recurrent climatic shocks, have decelerated the 2030 SDG Agenda. This continues to exacerbate extreme poverty, calling for more extreme poverty-focused interventions.

The implementation of graduation interventions in Kenya has remained largely fragmented, with targeting mechanisms often excluding the most marginalised and further undermining their impact. Implementation approaches by stakeholders fall short of providing a comprehensive and holistic approach to enable promotion of sustainable livelihoods among ultra-poor households that is necessary for building resilience and effectively graduating from extreme poverty.

The KUPGS considers the effectiveness of the ultra-poor graduation approach and aligns with global, regional, and Kenya's national policy agendas and frameworks for the eradication of extreme poverty. It considers the multidimensional complexities of extreme poverty and the ineffectiveness of the conventional developmental and social protection interventions in transitioning the ultra-poor from extreme poverty. It also puts in place a harmonised strategy for the ultra-poor graduation and provides a holistic approach to transition the ultra-poor out of extreme poverty to sustainable and resilient livelihoods.

A national and coordinated strategy for the implementation of UPG interventions provides an opportunity to harness the full potential of the graduation approach as a basis for inclusive development aligned to the National Development Plans. The strategy lays the foundation for building robust UPG-centric monitoring and evaluation systems and promotes the mobilisation of resourcing for scalability, impact, and sustainability. It creates a platform for the harmonisation of UPG interventions and provides a framework for enhancing multi-stakeholder coordination and institutional capacity strengthening for the implementation of the Ultra-Poor Graduation approach.

The existing gaps in poverty alleviation initiatives, and specifically the ultra-poverty graduation approaches, call for a well-structured and comprehensive approach that provides an empowering and sustainable pathway out of extreme poverty. This approach will not only address the root causes of poverty but also equip extremely poor households with the necessary skills, tools, and resources they require for self-sustenance. On making growth more inclusive, the World Bank, in the Kenya Poverty Assessment, 2023, concludes that an inclusive growth strategy is needed for Kenya's economic growth, one that boosts economic opportunity and productivity among the poorest while maintaining focus on longer-term development objectives, as it has the potential to pull millions more out of poverty, even in challenging economic contexts. Reinforcing this recommendation, the Inequalities in Wellbeing in Kenya Report, 2023, proposes the adoption of social protection floors for all to address vulnerabilities across different stages of the lifecycle and protect against different contingencies.

This lays a basis to address inequalities and ensure "no one is left behind," recognising that inequalities often lead to negative social, economic, and political consequences and impede sustained growth over long periods among vulnerable populations. The KUPGS provides a platform for the implementation of integrated, comprehensive, holistic graduation approaches that enhance transition from extreme poverty for poor and vulnerable households.

Section 2.0: Situation Analysis

The section examines the current context of ultra-poverty in the country, assessing challenges and opportunities for implementing successful ultra-poor graduation programmes that ensure transition from extreme poverty. The situation analysis utilises PESTLE (Political, Economic, Social, Technological, Legal, and Environmental) to assess the external factors with the potential to influence the implementation of the KUPGS, and a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis to assess the operational and institutional environment.

It further maps and analyses key stakeholders, defining their roles and responsibilities, interests, and influence, which are essential for effective collaboration and successful implementation of the KUPGS.

2.1: Ultra-Poverty in Kenya

Over the past decade, Kenya has shown remarkable advancement in economic growth, maintaining an average annual GDP growth rate of 4–5%, social development, and political stability. However, poverty, income inequality, surging youth unemployment, and economic vulnerability remain persistent challenges. As of 2023, approximately 20 million Kenyans (39.8%) were categorised as poor, according to the Kenya Poverty Report, 2022, with 3.6 million people (7.1%) living in hardcore poverty. ASAL counties experienced substantially higher poverty rates, underpinning the acute levels of vulnerability in these areas.

The report further shows that 53% of the population (23.4 million Kenyans) experience multidimensional poverty, with 67% of these in rural areas and 27% in urban areas. As per the Inequalities in Wellbeing in Kenya Report, 2023, the ultra-poor population faces multifaceted deprivations driven by economic, social, and environmental dimensions. Affected households typically have little to no stable income, limited to no access to productive assets, limited access to healthcare, poor health and education outcomes, and are highly vulnerable to climatic shocks.

They are often concentrated in rural marginalised regions, informal urban settlements, and climate-affected areas. Their livelihoods depend on low-productivity activities such as subsistence farming or casual labour, and they are largely excluded from the formal financial ecosystem. Factors such as intergenerational poverty, displacement, gender inequalities, geographical disparities, and limited access to quality services contribute to the persistence of ultra-poverty. Climate change and environmental degradation increasingly compound these challenges, rolling back development gains and further entrenching inequality.

2.2: Ultra Poor Graduation (UPG) Interventions

State and non-state actors, including county governments, development partners, international and local NGOs, and communities, continue to implement various development and poverty-focused initiatives to mitigate ultra-poverty. Beyond overall development strategies, some of the key government initiatives focused on the ultra-poor include the National Government Affirmative Action Fund (NGAAF) and bursaries at national and county levels, including the Presidential Bursary Scheme. The government also implements the National Safety Net Programme (NSNP) and specifically targets the ultra-poor, reaching over 1.8 million (estimated 6.8 million indirect beneficiaries).

These include vulnerable and orphaned children, persons with severe disabilities, food-poor households in eight ASAL counties, and older persons 70 years of age and above. The government also initiated the Kenya Social and Economic Inclusion Project (KSEIP) in 2019, to introduce integrated social protection interventions that promote social and economic inclusion and enhance capacity for graduation among ultra-poor households. Through the KSEIP, the Economic Inclusion Programme (EIP), which was piloted in five counties and targeted 15,000 participant households, recorded impressive achievements.

The EIP endline evaluation report showed a 17 percentage points (OPM 2025) reduction in the prevalence of extreme poverty among programme participants across four sampled locations studied. In addition, the prevalence of severe food insecurity reduced in two of the four locations (Kisumu and Taveta) by 13 and 20 percentage points, respectively. The pilot led to an average increase of 0.5 income sources per household and an average annual net income increase of KES 21,140. Evidence showed that the number of income sources increased, as did total net income and total savings in the pilot counties. Improvements in diversified income, assets, and savings suggest that participants are now better equipped for shocks.

Further, development partners, international and local NGOs, and communities have and continue to implement ultra-poor interventions. The International Fund for Agricultural Development (IFAD), which, through the Rural Outreach of Financial Innovations and Technologies (PROFIT) between 2016-2019, achieved noticeable improvements of a 75% increase in asset value and increased annual savings among the smallholder farmers. Other stakeholders implementing graduation interventions include the BOMA project, World Vision Kenya, Innovations for Poverty Action, and CARE Kenya. In addition, the private sector, including Safaricom PLC Foundation, Kenya Commercial Bank's Foundation, and Equity Bank, continue to support ultra-poor households through educational bursaries aimed at complementing government initiatives in expanding access to education for students from disadvantaged socioeconomic backgrounds.



These initiatives notwithstanding, coverage of social protection in Kenya remains low, with only 10 % of the population having access to at least one social protection programme. Further, efforts by stakeholders remain fragmented, with limited integration across sectors and actors. Meanwhile, Kenya's SP system has largely remained cash assistance, providing immediate relief without addressing the underlying issues that perpetuate extreme poverty, thus impeding effective graduation of the ultra-poor.

Overall, the majority of initiatives fall short of providing a holistic approach to sustainable livelihoods as households often lack the skills, assets, and resilience needed to break free from the cycle of poverty permanently. While elements of the graduation approach exist across various programmes in the country, they are often applied inconsistently, lack coherence, and are rarely scaled with the depth and duration required to achieve sustainable impact. There is a pressing need for a nationally recognised, standardised, and context-responsive graduation model that aligns with existing government frameworks and local realities.

2.3: PESTLE Analysis of the KUPGS Implementation in Kenya

This section provides a structured examination of the external environment with the potential to influence implementation of the Ultra Poor Graduation Strategy. By analysing political, economic, social, technological, legal, and environmental factors, this section identifies key opportunities, constraints, and risks that shape how ultra-poverty can be effectively addressed. Understanding these external dynamics is critical for ensuring the strategy is context-responsive, aligned to existing policies, and adaptable to emerging trends.

2.3.1: Political Environment

Key political dynamics, including the existing development blueprints, significantly shape the KUPGS and its implementation. Existing National Development Plans represent strong political goodwill and an enabling landscape for resourcing and successful implementation of the KUPGS. These development blueprints include the Social Pillar under the Kenya Vision 2030, which seeks to improve the quality of life for all Kenyans through human and social welfare interventions. The Fourth Medium Term Plan (MTP IV) seeks to promote inclusive growth through increased income for improved citizens' living standards. The Bottom-Up Economic Transformation Agenda (BETA) whose objective is inclusive economic growth. It seeks to prioritise investments in five key areas of agriculture, Micro, Small and Medium Enterprises (MSMEs), housing, healthcare, and digital infrastructure.

However, political leadership and regime changes with associated political transitions often shift policy direction and can disrupt programme continuity and even funding. This has the potential to disrupt ongoing graduation programmes and poses risks to sustainability in implementation. Additionally, persistent political discord between leadership and the citizens entrenches public mistrust and has the potential to limit community ownership and participation, affecting the uptake of ultra-poor graduation initiatives. To mitigate these risks, it is essential to embed graduation initiatives into national development plans, policies, and legislative frameworks to safeguard long-term commitment through political transitions.

Policy frameworks and budgetary allocations constitute a significant influence on the implementation of the KUPGS. The country has demonstrated growing political goodwill through policies advocated in tax relief measures, the Kenya Social Protection Policy (2023), and the National Policy on Persons with Disabilities (2024). Such policies directly impact the sustainability of pro-poor initiatives and promote inclusion. For instance, targeted tax exemptions, particularly those focused on low-income households or social enterprises, can enhance the enabling environment for graduation through the affordability of basic goods and improved access to services.

This reduces the financial burden of extremely poor populations and acts as an incentive for private sector involvement in ultra-poor graduation programmes. On the other hand, the Kenya Social Protection Policy 2023 provides a foundation for inclusive and comprehensive support for extremely poor populations, policy incentives for public-private partnerships, and sustained political and donor support, thereby promoting expanded coverage of pro-poor interventions. The Disability Policy guides the implementation of disability-inclusive programming, aligning with the “leave no one behind” principle and strengthening legal accountability for inclusive development.

However, inconsistent relief measures may affect programme sustainability if not embedded in long-term fiscal planning. Meanwhile, limited policy coherence across sectors, worsened by inconsistent financial and institutional commitments, may lead to fragmented programming, weakening the holistic delivery of services required in UPG programmes. Likewise, weak enforcement and coordination mechanisms across sectors can also hinder policy effectiveness. Strengthening inter-sectoral policy alignment while enhancing integration into social protection systems and ensuring sustained budgetary support are essential for driving systemic and scalable UPG interventions.

The Constitution of Kenya empowers county governments to develop and implement social development policies that address local vulnerabilities. These provide an enabling framework for implementing the KUPGS through the development of county-specific ultra-poor graduation policy frameworks. These would enable counties to deliver interventions that leverage devolved functions, including agriculture, trade, water, health, and infrastructure, while aligning with national-level social protection policies. So far, the counties of Taita Taveta, Makueni, and West Pokot have formulated UPG policies, providing opportunities for tailored responses to ultra-poverty. The KUPGS provides a platform for promoting focused resource allocation for ultra-poor graduation interventions tailored to local contexts.

The lack of clear governance structures for programme implementation, in addition to limited skill capacity, presents potential risks to effective implementation of the KUPGS. A well-aligned policy environment from national to county will ensure the institutionalisation, scale-up, and long-term sustainability of UPG interventions in the country.

2.3.2: Economic Factors

Kenya’s economic landscape significantly influences the implementation and sustainability of Ultra-Poor Graduation initiatives. Kenya’s Gross Domestic Product (GDP) growth of 4% , which includes social development as per the statistical release in December 2024, reflects moderate economic performance amidst global and regional shocks. It presents an opportunity for the implementation of UPG interventions to promote inclusive development and accelerate the eradication of extreme poverty. The government continues to invest in poverty alleviation initiatives for the ultra-poor, with an allocation of KES 26.7 billion in the FY 2023/24 Budget towards social assistance cash transfer programmes aimed at cushioning the ultra-poor. In addition, the country benefits from collaborations with development partners and PBOs, including the private sector, who continue to implement small-scale ultra-poor graduation interventions.

While this growth presents opportunities for employment, entrepreneurship, and market expansion, it remains unevenly distributed, with high poverty and unemployment rates persisting in marginalised regions. Notably, in 2021, the GDP decelerated from a revised growth of 7.6% to 4.8% in 2022, with agriculture declining from a negative 0.3% in 2021 to negative 1.9% in 2022, attributed to adverse weather conditions experienced in the period. The rising cost of living, inflation, and currency depreciation have eroded household purchasing power, deepening vulnerability among ultra-poor populations. On the other hand, the large informal economy, high rates of unemployment and underemployment, particularly amongst the youth, women, and working-age adults, continue to perpetuate inequality and extreme poverty.

This entrenches poverty traps and compromises progress towards sustainable livelihoods. In addition, fluctuating currencies associated with cross-border trade policies and regulatory barriers play a significant role in shaping the economic environment in border counties such as Busia, Mandera, and Turkana. These regions often depend heavily on informal and formal trade with neighbouring countries for income generation, access to goods, and livelihood opportunities. Volatility in cross-border trade due to currency fluctuations, trade restrictions, weak infrastructure, or insecurity exposes ultra-poor households to unpredictable income streams and deepens economic vulnerability.

The foregoing calls for strategic resource mobilisation to expand and sustain UPG programming. Continuous policy harmonisation, infrastructure investment to sustain and enhance the benefits of cross-border trade in the region, in addition to supporting inclusive financial tools and strengthening intergovernmental trade agreements, can help stabilise economic activity and enhance the resilience of ultra-poor households. To optimise UPG outcomes, strategic alignment with national economic policies and ongoing efforts to stimulate inclusive growth is essential.

2.3.3: Social Factors

Social factors entail societal dynamics that have the potential to influence the sustainability and successful implementation of the KUPGS. These include social and cultural norms such as traditional beliefs and practices that reinforce gender inequality and entrench poverty. Exclusion, especially among women, youth, persons with disabilities (PWDs), and minority groups, exacerbates extreme poverty. Women and girls, for instance, face structural barriers to education, land ownership, financial access, and participation in decision-making, deepening poverty cycles, while religious beliefs such as Sharia law significantly influence economic behaviours and financial inclusion.

On the other hand, youth marginalisation, high youth unemployment, lack of mentorship, and limited access to skills development hinder their economic empowerment.

Equally, low education levels that limit uptake of economic opportunities and innovations, and refugee/displacement dynamics that add pressure to limited resources and social systems, all compound extreme poverty. The government continues to implement initiatives aimed at social inclusion by ensuring that all individuals have access to education, healthcare, employment, and other basic services. Increased investments in education, skills development, and job creation provide a long-term demographic dividend towards the eradication of extreme poverty. However, increasing poverty and vulnerability associated with geographical disparities owing to under-investments, covariate shocks, income and gender inequality driven by systemic barriers, compounded by retrogressive social-cultural norms and social exclusion, remain a challenge to the implementation of the KUPGS.

To enhance the effectiveness of graduation interventions, it is crucial to design culturally sensitive and faith-compliant initiatives that promote broader inclusion and sustainable economic empowerment. Enhanced community trust and engagement built through strong local social networks and community-based organisations provide an opportunity for the sustainable implementation of the KUPGS. Moreover, increased awareness of government services through effective feedback and accountability mechanisms establishes a supportive environment for implementing the KUPGS.

2.3.4: Technological Factors

Technological factors present both opportunities and challenges for Ultra Poor Graduation interventions in the country. Kenya is regarded as East Africa's major technical and innovation hub, with a digital and technological landscape that is vibrant and rapidly evolving, enabled by a combination of government initiatives, supportive policies, and a dynamic private sector. Kenya is considered the leading technological and innovation hub in East Africa, with mobile broadband connectivity, mobile financial services, and a robust ICT infrastructure.

The country has a strong and advanced ICT infrastructure with an internet penetration of 57% in the urban areas and 25% in the rural areas. Leveraging the mobile banking platforms the country has witnessed the widespread adoption of Digital Financial Services (DFS), enabling the expansion and inclusive access to financial services for vulnerable populations, including the extremely poor.

Government and Development Partners have invested in social protection delivery systems, including the Enhanced Single Registry (ESR-MIS), the Community Development Management Information Systems (CD-MIS), the Consolidated Cash Transfer Programme (CCTP-MIS), the Hunger Safety Net Programme (HSNP-MIS), the Nutrition Improvements through Cash and Health Education (NICHE-MIS), the enhanced Grievances and Case Management (e-GCM), and any other stakeholder programme MISs. Interoperability of these systems is a critical factor in implementing the KUPGS. This will ensure that data is collected, managed, and utilised responsibly, securely, and transparently. A centralised database for all organisations implementing UPG initiatives and utilising interoperable systems will enable seamless coordination among stakeholders, reduce duplication, and improve the accuracy of targeting, service delivery, and monitoring of UPG interventions.

Through a centralised database and interoperable UPG systems, integration into the broader social protection sector will support comprehensive coverage and ensure effective delivery and sustainability of UPG interventions. For instance, targeting beneficiaries would leverage the existing ESR-MIS, the CD-MIS would support all operations and activities supporting graduation interventions, while the CCTP-MIS and HSNP-MIS would provide payment platforms. Linking the UPG programme monitoring and evaluation to the existing social protection frameworks would enhance evidence generation and programme performance. Emerging technologies through innovations in Artificial Intelligence (AI) and machine learning would provide a platform for Agri-Tech innovations and e-commerce that enhance market access and widen market opportunities, presenting new possibilities to strengthen the sector and boost efficiency in delivering UPG interventions.

Notwithstanding existing technological developments, being aware of and addressing factors such as digital data breaches, cybersecurity threats, AI algorithmic bias, exclusion of low-digital-literacy ultra-poor populations, and limited infrastructure, including connectivity and power supply in hard-to-reach areas, is important as they present a hindrance to the implementation of the KUPGS. Strengthening cybersecurity measures through secure platforms, capacity building, ethical technology governance, and regulatory compliance aligned with Kenya's Data Protection Act, 2019 and global best practices are crucial for the implementation of the KUPGS.

In addition, challenges such as fragmented data systems, inconsistent standards, limited data-sharing agreements, and weak enforcement of privacy and protection frameworks pose risks to implementation. Strengthening data governance and promoting interoperability are therefore essential for ensuring equity, efficiency, and accountability in implementing the KUPGS.

2.3.5: Legal Factors

The Kenyan Constitution mandates the State to develop policies and legislation to achieve social and economic rights for all Kenyans as provided for under Articles 21 and 43. Article 21 obligates the State to progressively realise these rights and address the needs of vulnerable groups. Article 43 provides for the highest attainable standard of health, including the right to healthcare services, reproductive healthcare, accessible and adequate housing, reasonable standards of sanitation, freedom from hunger, adequate food of acceptable quality, clean and safe water in adequate quantity, education, and appropriate social security to persons who are unable to support themselves and their dependents. The legal framework provides a supportive environment for UPG implementation.

The Social Protection Act (2025) establishes a legal foundation for delivering social assistance and enhancing coordination for social security and health insurance for vulnerable populations, reinforcing the role of UPG in building resilience and reducing poverty.



The Persons with Disabilities Act (2025) mandates the inclusion, protection, and empowerment of PWDs, promoting their access to economic opportunities, education, and social protection measures critical in tailoring UPG interventions to meet their needs. Together, these instruments underscore the legal obligation to design and implement equitable and inclusive UPG interventions. The counties of Makueni, Taita Taveta and West Pokot have already put in place UPG policies, providing an opportunity for effective implementation of the KUPGS.

To ensure greater impact of the KUPGS, a national-level ultra-poor specific policy and legislation is needed. This will enhance the domestication of the ultra-poor specific policies and legislation in more counties, and the resourcing of more UPG-focused interventions. Strengthening legal enforcement and harmonising policies across counties can advance the scale and impact of graduation interventions.

2.3.6: Environmental Factors

Environmental factors play a critical role in shaping the outcomes of Ultra Poor Graduation interventions. The government of Kenya continues to implement policies that combat the effects of climate change and to foster sustainable economic development while tackling extreme poverty. These include the Kenya Climate Smart Agriculture Strategy (KCSAS) (2017–2026), National Climate Change Action Plan (NCCAP 2023–2027), and Kenya's Second Nationally Determined Contribution (NDC, 2031–2035).

The KCSAS provides a national framework to enhance agricultural productivity and resilience while reducing greenhouse gas emissions. It promotes sustainable land use, water management, and agro-ecological practices that align closely with UPG efforts, especially in climate-vulnerable regions. The NCCAP, on the other hand, aims to address climate change and support the implementation of Kenya's Second NDC, whose focus is climate mitigation and adaptation towards sustainable development in energy, agriculture, land use, and waste management sectors.

Together, these policies present an opportunity to implement climate-resilient and green building solutions informed by UPG interventions. For instance, utilisation of modern weather forecasting technologies can inform farmers of the current weather patterns for proactive decision-making in agricultural production, and initiatives that include solar panels for water harvesting can enhance sustainability and irrigation for food security among extremely poor households.

Despite the milestones, climate risks that include droughts, floods, and erratic weather patterns continue to disproportionately affect the ultra-poor, exacerbating extreme poverty and undermining progress on poverty alleviation. The widening income inequality driven by geographical and economic disparities and under-investments in rural and hard-to-reach areas makes these worse, particularly affecting the Arid and Semi-Arid Lands (ASALs). Notably, a large portion of Kenya's ultra-poor population lives in the ASALs, where livelihoods are directly tied to the environment. These include pastoralism, rain-fed agriculture, and natural resource-based micro-enterprises such as charcoal production and unsustainable agricultural practices.

These perpetuate environmental degradation, deforestation, soil depletion, and water scarcity, potentially leading to resource-based conflicts and undermining community cohesion and programme delivery, thus reversing progress made through graduation programmes.

Incorporating environmentally sustainable approaches into graduation programmes both supports livelihood improvements and safeguards natural resources, promoting long-term resilience.

2.3.7: Summary of the PESTLE Analysis

Based on the political, economic, social, technological, environmental, and legal analysis, the opportunities and threats that can influence the successful implementation of the KUPGS are summarised below.

Table 1: Summary of Opportunities and Threats

External Environmental Factors	Opportunities	Threats
Political	<ul style="list-style-type: none"> Political goodwill through policies provides an avenue for resource allocation to support implementation of UPG interventions. Existing Kenya Social Protection Policy 2023, & National Disability Policy 2025. Existing political development agenda (BETA) and the enabling policy landscape for the implementation of the KUPGS. Opportunity to scale UPG interventions through adaptation of the Kenya Ultra Poor Graduation Strategy (KUPGS) Social Protection Policy 2023 in county government policies. Alignment with National Development Blueprints such as Kenya Vision 2030. 	<ul style="list-style-type: none"> The lack of ultra-poor-specific policy and legislation. Political leadership/regime changes. Persistent political discord between the leadership and citizens. Limited skill capacity and lack of clear governance structures for programme implementation. Inconsistent relief measures that are not embedded in long-term fiscal planning. Inconsistent financial and institutional commitments Weak enforcement and coordination mechanisms across sectors. Inadequate UPG policies at national and county levels.
Economic	<ul style="list-style-type: none"> Improved GDP growth presents potential for inclusive economic growth. Continued Government investment in poverty alleviation initiatives for the ultra-poor. Collaborations with development partners, Public Benefit Organisations (PBOs), including the private sector. 	<ul style="list-style-type: none"> Economic vulnerability driven by high inflation, exchange rate and market volatility. Fluctuating currencies associated with cross-border trade. Increased social protection needs. Constrained government funding and reliance on dwindling donor funding. Large informal economy with high rates of unemployment and underemployment, particularly amongst the youth, women, and working-age adults.

External Environmental Factors	Opportunities	Threats
Social	<ul style="list-style-type: none"> Existing Government initiatives to enhance social inclusion. Existence of social protection delivery systems that promote inclusion and provide for a two-way community engagement mechanism. Increased investments in youth education, skills development, and job creation. Existing community networks, leadership, and informal support systems. 	<ul style="list-style-type: none"> Persistent gender inequality and social exclusion driven by retrogressive social-cultural norms. Geographical and economic disparities. Increasing poverty and vulnerability. Religious beliefs, including Sharia law, influence economic behaviours and financial inclusion.
Technological	<ul style="list-style-type: none"> Rapidly evolving and innovative digital and technology landscape. Supportive ICT policies and strong infrastructure. Expanding digital and mobile-based financial services, including M-PESA. Supportive Government initiatives and a dynamic private sector. Significant population (29%) with digital literacy. Existing social protection delivery systems. Emerging trends such as artificial intelligence (AI) in financial services, innovations in agriculture, and market access platforms. 	<ul style="list-style-type: none"> Digital literacy gaps. Cybersecurity threats. Unequal access to technology in remote or marginalised communities. Low network coverage in hard-to-reach areas. Lack of stable electricity. Low ownership of mobile phones. Fragmented data systems/lack of interoperability. Inconsistent system standards. Limited data-sharing agreements. Weak enforcement of the privacy and protection framework.
Legal	<ul style="list-style-type: none"> Constitutional provisions on social and economic rights to citizens. Social Protection Act (2025) & Persons with Disabilities Act (2025) County-based UPG policies and associated legislation in 3 counties. Kenya Ultra-Poor Graduation Strategy (KUPGS) in place. 	<ul style="list-style-type: none"> Lack of a specific National UPG policy and legislation. Majority of counties without UPG-specific policies and associated legislation. Low legal enforcement and harmonising policies across sectors and counties.

External Environmental Factors	Opportunities	Threats
Environmental	<ul style="list-style-type: none"> • Enabling policies that include National Climate Change Action Plan (NCCAP 2023–2027) to implement Kenya’s 2nd NDC (2031-2035). • Kenya Climate Smart Agriculture Strategy (2017-2026). • Climate-resilient and green-building solutions informed UPG interventions. • Utilisation of modern weather forecasting technologies. 	<ul style="list-style-type: none"> • Climate risks such as droughts, floods, and erratic weather patterns. • Widening income inequality. • Geographical and economic disparities driven by under-investments in the rural and hard-to-reach areas, in particular the Arid and Semi-Arid Lands. • Livelihoods/production activities that perpetuate environmental degradation. • Resource-based conflicts.

2.4: SWOT Analysis of the Ultra Poor Graduation Strategy Implementation in Kenya

2.4.1: Strengths in Internal Processes

2.4.1.1: Governance Structures, Systems and Institutional Capacity at National, County and Community Level

The government has rolled out various initiatives to address ultra-poverty in the country. The Reorganisation of Government under Executive Order No. 1 of 2025 outlines key mandates on social protection under the SDSP&SCAs. In particular, the department has launched the National Safety Net Programme (NSNP) as a pro-poor targeted intervention. The NSNP already covers more than 1.8 million vulnerable households and individuals.

To enhance programme effectiveness through the NSNP, foundational delivery information systems that include the ESR-MIS, the CDMIS, the CCTPMIS, the HSNP-MIS, the e-GCM and an M&E framework have already been established.

These support beneficiary and participant registration, enrolment, and updates management, alongside managing other programme operations, including a two-way citizen engagement platform, as well as monitoring for improved programme performance. Further, in 2019, the SDSP&SCAs rolled out the Economic Inclusion Programme (EIP) under the KSEIP. The EIP, anchored on the ultra-poor graduation model, was piloted in 5 counties and focused on strengthening the existing social protection delivery systems.

Lessons thereof provide a framework for the implementation of ultra-poor graduation interventions going forward. Leveraging on already existing government structures and systems, including the human resource capacity, lays a foundation for implementing the KUPGS through government ministries, departments, and agencies.

It provides pathways for integrating the implementation of UPG utilising social protection delivery systems, supporting capacity enhancement and coordination within and across the public sector, as well as promoting community-level structures to encourage ownership of UPG initiatives. This enhances the building of strong collaborative networks between national and county levels in the implementation of the KUPGS.



The country's public service system is decentralised with a relatively strong workforce in the social protection and community development sectors, along with foundational social protection information systems, although notable capacity gaps in graduation approaches exist. There is a need for capacity strengthening and systems enhancements. This will require stakeholder support for continuous needs and skills assessment to enable focused and regular needs-based capacity strengthening for effective implementation of UPG interventions.

A strengthened knowledge management system that builds on lessons and best practices while leveraging interoperability of systems will improve the overall implementation of UPG initiatives. Appropriate Standard Operating Procedures for systems interoperability to guide implementation of UPG initiatives with clear Gender Equality and Social Inclusion (GESI) considerations will ensure inclusive interventions and efficient and effective delivery, and promote resilience among ultra-poor households. Establishment of a coordination framework that brings together all stakeholders implementing UPG programmes, as well as lobbying more counties to put in place ultra-poor policies and legislation, can go a long way in expanding coverage of the ultra-poor populations.

2.4.1.2 Existing State and Non-State Actors in the Implementation of UPG

Several state and non-state agencies, including development partners, international and local PBOs, communities, and the private sector, continue to implement poverty graduation programmes in the country. The SDSD&SCAs is strategically positioned to provide a conducive environment for the coordination of all stakeholders. Enhancing collaborative efforts with stakeholders implementing UPG promotes coordination and harmonisation of efforts. It enables tapping into the existing scope of technical expertise and resources. This not only presents an opportunity for improved performance in implementation by learning from one another, but also supports the expansion of targeted extremely poor households.

Strengthening coordination among stakeholders provides an avenue for pooling of funding mechanisms to support the implementation and expansion of programmes. Furthermore, establishing a national coordination framework that includes all stakeholders ensures effectiveness in the implementation of UPG programmes. It provides an opportunity to strengthen knowledge management systems for lessons and best practices and enables the generation of evidence through centralised knowledge management platforms. This also enhances the standardisation of operational procedures for improved UPG outcomes.

2.4.2: Weaknesses in Internal Processes

2.4.2.1: UPG Interventions are Resource-Heavy

UPG Initiatives are resource-intensive in nature, as they require significant investments in financial, technical, and human resource capacities for a defined period to achieve effective ultra-poor graduation outcomes. Resource-heavy interventions significantly hinder effective implementation and compromise the delivery of desired results, owing to delays, reduced quality, and often incomplete execution of the interventions. The high cost of investment per project participant potentially limits the coverage and scalability and strains the resources of implementing organisations.

This increases the risk of providing limited UPG packages and compromises the quality of interventions. It undermines the effectiveness of graduation interventions, where even well-designed programmes can fail to achieve their intended goals, thus impeding the sustainability of UPG interventions. Consequently, the risks of excluding eligible ultra-poor populations increase, thereby undermining the overall objective and intended impact of ultra-poor graduation initiatives.

Promoting pooled funding mechanisms among stakeholders can enhance organisations' capacity to ensure the provision of comprehensive UPG packages and assure scalability of interventions.

Development of resource mobilisation strategies that build on cross-sectoral collaborations, public-private partnerships, and leverage existing social protection systems can promote synergy and mitigate implementation costs while enhancing complementarities. Building the financial capacity of implementers will ensure prudence in the use of meagre resources, reduce impropriety, and build donor confidence, sustaining long-term funding. This will also serve to expand the revenue sources from the government, development partners, and private sector actors for sustained and increased coverage.

2.4.2.2: Operational Challenges in Implementation of UPG Interventions

Implementing UPG interventions presents several operational challenges that hinder their efficiency, scalability, and long-term sustainability. One of the core challenges is the complexity of coordinating multi-sectoral components, including livelihoods, financial inclusion, social protection, and psychosocial support, which often involve different government departments, NGOs, and community-based actors. Weak stakeholder coordination and inadequate community involvement, compounded with a lack of well-defined roles, fragmented systems, and duplication of efforts, can lead to inefficiencies undermining programme effectiveness and resource wastage.

Additional operational constraints include capacity limitations, particularly at the county and community levels. Many implementers lack adequate human resources, technical skills, or tools required for effective delivery and monitoring of integrated UPG programmes. This is compounded by weak infrastructure, especially in remote and underserved areas, which limits outreach, data collection, and service delivery.

Targeting and identification of beneficiaries also remain major bottlenecks, often due to limited use of updated data, absence of interoperable social registries, or weak community validation mechanisms. This leads to exclusion and inclusion errors, undermining community trust and impact.

Meanwhile, information systems, while promising, face constraints associated with the digital divide, limited interoperability, and a lack of broadband infrastructure in rural areas. This, in addition to weak monitoring and evaluation frameworks that fail to adapt to dynamic local contexts, hinders real-time learning and adaptive management, and limits the effectiveness of interventions and their potential for scale.

As already observed, UPG interventions are resource-intensive and require sustained financial and technical investment. Constraint resource envelopes often lead to inconsistent or short-term funding, especially for pilot initiatives. This creates challenges for continuity and scale-up, while forcing agencies to handpick selected UPG elements aligned to organisational objectives and available resource capacity. This impedes the provision of a comprehensive UPG package and potentially undermines graduation outcomes.

Overcoming these operational challenges requires investment in local capacity and more synchronised implementation of UPG interventions. Strong stakeholder coordination and robust monitoring and evaluation systems, and flexible, data-driven, and inclusive implementation models are also required. The KUPGS seeks to ensure holistic delivery of UPG interventions through standardised UPG approaches that outline clear timelines and procedures of implementation, including exit, through the use of standardised tools and guidelines. To mitigate exclusion-related operational challenges, putting in place a gender equality and social inclusion strategy will ensure addressing social-cultural barriers and bringing on board women, youth, persons with disabilities, including marginalised and vulnerable groups.

2.4.2.3: Weak Stakeholder Coordination

Weak stakeholder coordination is a significant internal weakness that can severely undermine the effectiveness of an Ultra-Poor Graduation Strategy. UPG interventions are inherently multi-sectoral, requiring the active involvement and alignment of various actors across government departments, development partners, PBOs, private sector players, and community-based organisations.

However, in many cases, stakeholders operate in silos, leading to fragmented efforts, duplication of activities, unmet participant needs, and inefficient resource utilisation. Poor coordination entrenches fragmentation in the implementation of UPG initiatives and reduces the potential for leveraging complementary strengths, undermining their effectiveness. It hampers monitoring and learning as it limits data sharing, lessons, and best practices, inhibiting policy coherence. It reduces accountability owing to a lack of clarity on roles and responsibilities. Lack of proper stakeholder coordination risks burdening ultra-poor households with overlapping assessments or visits, in addition to inconsistent implementation, slowed progress, missed opportunities for synergy, compromised sustainability, and scalability of UPG interventions.

The KUPGS considers effective stakeholder coordination within and across the sectors as a critical component for implementing UPG initiatives. Leveraging existing governance structures and systems, having clear roles and responsibilities, and promoting harmonisation in implementation provides a foundation for enhancing UPG implementation coordination across relevant sectors and the counties. Moreover, the counties play a key role in planning and delivering integrated UPG interventions through localised community structures that can be built upon to enhance coordinated implementation within the counties.

It is, therefore, necessary to establish an inclusive national stakeholder coordination framework from national to community level, alongside Communities of Practice (CoP).

This will enable alignment of stakeholders around a shared vision, strengthen institutional linkages, and foster joint planning, resource mobilisation, and adaptive learning. This builds synergy and enables effective UPG implementation in the country.

2.4.3: Opportunities in Internal Processes

2.4.3.1: Broad Range of Stakeholders Implementing UPG Initiatives

A broad range of stakeholders, including government agencies, development partners, and community-based organisations, implement UPG interventions in the country. They present a key opportunity for synergy, complementarity, resource mobilisation, expertise, and knowledge sharing for improved implementation, as they ensure impact and sustainability. Collaboration among a wide range of stakeholders enables comprehensive support to participating ultra-poor households. It fosters innovation through cross-sector learning and increases programme legitimacy and ownership by building community trust.

The pool of diverse stakeholders provides a strong foundation for enhanced synergy in implementing UPG initiatives. Multiple stakeholders help in sharing funding and operational costs, allowing for comprehensive support to communities. This makes the programmes more scalable and resilient. It optimises diverse expertise, technical strengths, and resources for expanded coverage and ensures stronger advocacy and alignment with national policies and systems.

Expanding multi-sectoral collaboration and harnessing private sector linkages advances complementary UPG initiatives such as market linkages and access, supply chain integration, and enterprise development. Strengthening multi-sectoral collaborations and strategic engagements with a clear coordination framework, building communities of practice alongside robust M&E frameworks and knowledge management systems, will enhance the effectiveness of UPG implementation.

Involvement of multiple actors facilitates multi-sectoral integration, enabling UPG interventions to address the complex and multidimensional nature of poverty through coordinated delivery of services such as social protection, health, education, financial services, and livelihoods.

When effectively coordinated, this diversity of actors enhances coverage, provides opportunities for sustainable partnerships, strengthens community systems, and ensures a continuum of support for ultra-poor households, including pathways for graduation and long-term resilience. Furthermore, this broad stakeholder base fosters greater ownership, policy advocacy, and collective action, especially when aligned under a common framework or national strategy.

2.4.3.2: Existing SP Delivery Systems

Existing social protection delivery systems in the country present a valuable opportunity for the KUPGS implementation. Kenya has made notable progress in developing a comprehensive social protection framework, including information systems, policy instruments such as the Kenya Social Protection Policy (2011), the Social Protection Act (2013), and operational programmes like the National Safety Net Programme (NSNP), which cover cash transfer schemes for orphans and vulnerable children, older persons, persons with severe disabilities, and food poor households in ASAL counties.

Utilisation of established infrastructure for beneficiary targeting, data management, and service delivery enhances coordination, reduces duplication, and facilitates integration of UPG interventions into a broader national framework. For instance, the ESR MIS offers data infrastructure that can be leveraged for accurate targeting, beneficiary tracking, and coordination across actors and programmes.

The established delivery platform for payment and grievance redress systems reduces the need to build new systems from scratch, saving costs and enhancing scalability.

The existing SP MIS systems enable linkages to other complementary and administrative systems, such as Health Insurance, Births & Deaths, and Retirement Benefits Authority (RBA), to better augment UPG outcomes. Leveraging existing systems enhances seamless and efficient delivery of services, enables expanded coverage, and promotes sustainability of UPG interventions.

To maximise the systems' efficiency in the delivery of UPG programmes, the development and implementation of a strategy to expand integration into other critical government systems, such as the National Bureau of Registration, Registration of Births and Deaths, and Social Health Insurance, among others, is necessary.

In addition, Standard Operating Procedures (SoPs) that guide interoperability of existing systems for seamless operations and management enhance efficiency and effectiveness in service delivery. Further, strengthening stakeholder capacity in the utilisation of the SP MISs, enhancing the agility of the systems to embrace emerging trends such as Artificial Intelligence, alongside a strategy for data governance protocols and capacity building of users, portends to elevate the systems' efficiency in implementing the UPG initiatives.

Anchoring the KUPGS within the broader social protection ecosystem presents potential to enhance sustainability, policy alignment, and synergies with ongoing poverty reduction and resilience-building programmes. Strengthening linkages between social protection and graduation pathways ensures that ultra-poor households are not only cushioned against shocks but also supported to sustainably move out of poverty.



2.4.3.3: Mandate on addressing Vulnerable Populations, including the Extreme Poor

The State Department for Social Protection & Senior Citizen Affairs (SDSP&SCAs) holds a key mandate on policies and programmes targeting vulnerable and marginalised populations, including the extreme poor. The SDSP&SCAs has an opportunity to drive meaningful and lasting change for the most vulnerable members of society through the design of inclusive interventions and can push forward the Ultra-Poor Graduation (UPG) Strategy.

Existing government-led programmes, such as the Inua Jamii cash transfer, serve as foundational platforms that can be enhanced through integration of UPG components, such as livelihoods development, coaching, financial inclusion, and access to basic services. Systems supporting these programmes, including registration and targeting mechanisms through the ESR MIS, enrolment and operations through the CD MIS, and grievance and redress mechanisms through the CCTP MIS, offer infrastructure to scale UPG interventions efficiently and transparently.

The SDSP&SCAs' mandate offers a strong institutional anchor for implementing the KUPGS, while providing legitimacy for coordination and policy oversight. It provides an opportunity for alignment with national priorities for potential resource mobilisation and integration of UPG within broader social protection systems for scalability, accountability, and sustainability of interventions. The mandate pre-positions the SDSP&SCAs to drive policy and institutionalisation of UPG initiatives into government fiscal planning, resourcing, and long-term impact.

Building relevant coalitions through establishing collaborative networks with relevant ministries, departments, agencies, and county governments, and fostering active networking and stakeholder engagement are useful instruments for advancing the successful implementation of the KUPGS.

Government leadership legitimises UPG efforts and mobilises broader political and donor support, which is essential for sustainability. Development of national UPG policy and legislation, as well as the establishment of supportive UPG Communities of Practice, will enhance the effectiveness of UPG interventions.

2.4.4: Threats in Internal Processes

2.4.4.1: Political Interference and Governance Changes

Political interference and changes in governance significantly impact the successful implementation of UPG interventions. New political leaders often shift focus to satisfy their own campaign agendas, which creates anxiety among beneficiaries. Alteration of priorities by incoming governments causes uncertainty among funding agencies and potentially leads to termination of existing programmes/government resource reallocations, and/or reduced donor support. It also impedes the continuity of interventions.

Political interference undermines the delivery of interventions through the manipulation of targeting processes, where beneficiaries are selected based on political affiliations rather than vulnerability and need. It also compromises technical capacity based on loyalty appointments, impacting programme efficiency and effectiveness. Politicisation of participant enrolment builds mistrust and precipitates low community ownership. It undermines the integrity and equity of the UPG Strategy, thus impacting its credibility and potential impact. Inconsistency in policies without long-term planning stalls projects, affects stakeholder confidence, and undermines overall programme objectives.

Embedding the KUPGS into core national development policies, legislative and institutional frameworks, and aligning with national interests and public trust may make the implementation of UPG interventions more resilient to regime and policy shifts. Building an evidence base for performance supports confidence among funding organisations, while enhancing awareness for increased community participation and ownership ensures programme continuity.

To mitigate threats, the KUPGS seeks to strengthen legal and policy frameworks that anchor UPG interventions beyond political cycles and establish clear accountability structures. Building strong multi-stakeholder platforms, enhancing transparency in decision-making, and fostering political buy-in through evidence-based advocacy are also essential in safeguarding the Strategy from undue political influence and ensuring continuity amid governance changes.

2.4.4.2: Economic Instability/Volatility, Including Climate Shocks

Economic stability is critical for the successful implementation of UPG interventions. Any form of economic instability and volatility driven by inflation, currency devaluation, and job scarcity undermines the KUPGS implementation, impacting long-term progress. Fluctuations in inflation, exchange rates, fuel prices, and the cost of basic goods and services can directly erode the purchasing power of ultra-poor households, making it difficult for them to meet basic needs, save, invest in productive assets, or sustain livelihoods.

These macroeconomic shocks disproportionately affect the ultra-poor, who often lack buffers such as savings, insurance, or diversified income sources. Unstable economic conditions often disrupt markets, making it difficult for participating households to generate incomes consistently. It compromises participants' progress and the overall goal of long-term resilience desired for graduation out of extreme poverty. Economically unstable environments may call for more adaptive and flexible programming for UPGs.

On the other hand, climate shocks such as floods, droughts, and other extreme weather events pose challenges to UPG interventions as they also disrupt progress made by participating households. Shocks often destroy productive assets, affect agricultural produce, and potentially increase food insecurity while undermining income security and driving households into even deeper poverty.

In counties prone to arid and semi-arid conditions, climate shocks further deepen poverty and reverse gains made through graduation interventions. The unpredictability also increases dependency on social assistance and emergency relief, straining national resources and donor support. Ultimately, reduced household resilience resulting from climate shocks may push ultra-poor households back into poverty even after graduation.

In this regard, post-graduation mechanisms for enhanced resilience among ultra-poor households, such as market linkages, adaptive and shock-responsive safety nets, should be strengthened. Integration of climate adaptation strategies becomes critical in the design of graduation programmes. Incorporation of diversified livelihood opportunities, including flexibility that enables insurance access, becomes an important strategy. Policy engagements to advocate for pro-poor fiscal policies and social protection measures that insulate the ultra-poor from inflation and economic fluctuations become necessary. In addition, community-based social capital structures and networks, such as VSLAs for community-based support during periods of economic instability, also need strengthening.

2.4.4.3: Insecurity, including Cyber Security

Insecurity, both physical and digital, poses a significant threat to the effective implementation and sustainability of the KUPGS. The UPG interventions can be greatly impacted by general security if there is no assurance of personnel safety during implementation operations. Any shortfalls in these two critical areas lead to operational disruptions, negatively impacting overall delivery of services and the achievement of programme goals. The disruption of programme implementation constrains geographical coverage, excluding extremely poor and deserving populations, while compromised participant/beneficiary data disrupts service delivery.

In areas affected by conflict, intercommunal violence, cross-border tensions, cattle rustling, or political unrest, access to target populations is often restricted, disrupting service delivery, monitoring, and engagement with communities. These conditions may result in displacement of ultra-poor households, destruction of productive assets, and breakdown of trust between communities and service providers. Insecurity also limits mobility, market access, and investment in livelihoods, thereby weakening the impact and sustainability of graduation pathways.

Similarly, data breaches, identity theft, fraud, and unauthorised access to sensitive beneficiary information threaten not only the privacy and dignity of programme participants, but also the credibility and integrity of implementing agencies. Weak digital infrastructure, low digital literacy among ultra-poor populations, and insufficient safeguards in data systems heighten these vulnerabilities. These risks are compounded by limited regulation, low awareness of digital rights, and gaps in institutional capacity to monitor and respond to cyber threats.

To address these threats, the KUPGS must incorporate conflict-sensitive programming, localised risk assessments, and flexible implementation modalities in fragile areas. At the same time, strengthening digital security frameworks, ensuring compliance with data protection standards, promoting digital literacy, and building robust, interoperable information systems with strong access controls are critical to safeguarding programme beneficiaries and ensuring resilience of the system. Without these precautions, both physical and cyber insecurity could undermine the Strategy’s objectives and erode public and stakeholder trust. A need exists, therefore, to integrate robust security measures that ensure operations progress safely without disruption.

Having in place an operational strategy that strengthens community engagement can mitigate security risks. The foregoing presents a basis for the presentation of the Strengths, Weaknesses, Opportunities, and Threats that would affect implementation of the KUPGS as summarised in the matrix below:

Table 2: Summary of Strengths, Weaknesses, Opportunities, and Threats

Strengths	Implications	How to Maximise
<p>Governance Structures, Systems, and Institutional Capacity existing at national, county and community levels</p>	<ul style="list-style-type: none"> Leverage existing Ultra-Poor Graduation initiatives and build on lessons for enhanced implementation of the KUPGS. Build on existing implementation capacity (Human Resource) to steer the KUPGS implementation through, Government Ministries, Departments, and Agencies. Support capacity enhancement and coordination within and across the sectors. Utilise community-level structures to promote ownership of UPG initiatives. 	<ul style="list-style-type: none"> Lobby more counties to put in place Ultra-Poor policies and legislation. Put in place standard operating procedures for the implementation of Ultra-Poor Graduation initiatives that promote resilience, including delivery systems. Lobby for allocation of resources by stakeholders for continuous needs and skills assessment for capacity strengthening for UPG implementation.

Strengths	Implications	How to Maximise
	<ul style="list-style-type: none"> • Build strong networks between national and county levels in the implementation of the KUPGS. • Leverage existing social protection delivery systems to enhance the efficiency and effectiveness of UPG interventions. 	<ul style="list-style-type: none"> • Put in place a Strategy for Gender Equality and Social Inclusion (GESI) in the implementation of ultra-poor graduation initiatives. • Develop and implement a strategy for expanding integration into other critical Government systems such as the National Bureau of Registration, Registration of Births and Deaths, Social Health Insurance, etc.
Existing State and Non-State Actors in the implementation of UPG initiatives	<ul style="list-style-type: none"> • Tap into the existing scope of resources, technical expertise for improved implementation and expanded coverage of UPG interventions. • Leverage existing stakeholder technical and funding support in the implementation of UPG initiatives. • Enhance collaborative efforts with stakeholders implementing UPG interventions. • Enhance coordination and harmonisation of efforts during implementation. 	<ul style="list-style-type: none"> • Establish a national coordination framework that includes all stakeholders implementing UPG programmes. • Support generation of evidence through centralised knowledge management platforms. • Strengthen knowledge management systems for lessons and best practices for improved implementation of the KUPGS. • Standardise implementation of UPG interventions. • Promote pooled funding mechanisms for UPG implementation.

Weaknesses	Implications	Mitigation
UPG Interventions are Resource-Heavy.	<ul style="list-style-type: none"> • Compromised outcomes of UPG interventions undermining extreme poverty graduation. • Limited scalability of UPG interventions. • Limited range of UPG Packages. • Exclusion of the ultra-poor. • Conflicting approaches may apply inconsistent methodologies, undermining programme effectiveness. • Compromised graduation outcomes impeding sustainability of interventions. 	<ul style="list-style-type: none"> • Promote a pooled funding mechanism and cross-sectoral collaborations to scale up the coverage. • Promote public-private partnerships. • Promote synergy in implementation by leveraging existing SP systems to mitigate costs. • Enhance complementarities in the implementation of UPG initiatives. • Build financial capacity of implementers for prudence in the use of meagre resources, reduce impropriety, and build donor confidence, enhancing continued funding.

Weaknesses	Implications	Mitigation
<p>Operational Challenges in Implementation</p>	<ul style="list-style-type: none"> • Targeting challenges: Complexities in identifying the ultra-poor accurately. • Failure to adhere to implementation standards for UPG initiatives. • Inadequate budgets/resource allocation for UPG implementation. • Limited implementation capacity and skills. • Limited accountability in UPG implementation. • Low community involvement. • Poor feedback mechanisms. • Dependency risk: Initial cash/asset transfers may lead to short-term dependency if follow-up support is weak. • Monitoring and evaluation complexity: Multi-component interventions are difficult to measure and assess impact. 	<ul style="list-style-type: none"> • Leverage existing social protection delivery systems for operations. • Establish and implement clear mechanisms for effective community participation in programme operations. • Develop standard UPG operational manuals that outline clear timelines and procedures of implementation, including exit. Standardise Tools and Guidelines to guide implementation of UPG. • Operationalise implementation of a GESI strategy that brings on board women, youth, persons with disability, and marginalised and vulnerable groups. And address social-cultural barriers.
<p>Weak Stakeholder Coordination</p>	<ul style="list-style-type: none"> • Fragmented implementation of UPG interventions, impeding comprehensive and effective ultra-poor graduation. • Gaps in service delivery, resulting in unmet participant needs. • Weak Monitoring and Learning: Limiting data sharing, lessons, and best practices. • Reduced Accountability: Lack of clarity on roles and responsibilities weakens accountability mechanisms and performance tracking. • Beneficiary Fatigue: Poorly coordinated efforts may overburden ultra-poor households with overlapping assessments or visits. 	<ul style="list-style-type: none"> • Establishment of an inclusive national stakeholder coordination framework. • Promotion of Communities of Practice for improved UPG implementation.

Opportunities	Implications	How to Maximise
Broad range of stakeholders implementing the UPG initiatives	<ul style="list-style-type: none"> Enhanced synergy and complementarity in implementation of UPG initiatives. Leverage diverse expertise, technical strengths, and resources for expanded coverage and improved implementation. Promote stronger advocacy and alignment with national policies and systems. Private sector linkages: Opportunities for market access, supply chain integration, and enterprise development. 	<ul style="list-style-type: none"> Strengthen multi-sectoral collaborative engagements, networking, and build communities of practice. Have in place a clear Coordination Framework. Strengthen and automate M & E frameworks and knowledge management systems for improved programme implementation.
Existing SP Delivery Systems	<ul style="list-style-type: none"> Enhance interoperability of systems for efficient and effective UPG implementation. Enhance linkages to other complimentary and administrative systems for better graduation outcomes, such as Health Insurance, Births & Deaths, and Retirement Benefits Authority (RBA), etc. Support scalability of UPG interventions, including decision-making for programme performance. 	<ul style="list-style-type: none"> Enhance stakeholder capacity and utilisation of the SP MISs. Enhance the agility of the systems to embrace emerging trends as AI, for elevated efficiency. Have in place a strategy for data governance protocols and capacity building for users.
Mandate on addressing vulnerable populations, including the Extreme Poor	<ul style="list-style-type: none"> Build coalitions to establish a UPG Community of Practice (CoP). 	<ul style="list-style-type: none"> Establish collaborative networks with relevant ministries, departments, agencies, and county governments. Foster active networking and stakeholder engagement. Develop policy at national level on UPG.

Threats	Implications	Mitigation
<p>Political Interference and Governance Changes:</p>	<ul style="list-style-type: none"> • Politicisation of participant enrolment, lack of trust, and low community ownership. • Shift of policy direction associated with political/governance transitions impacting resource allocation and programme continuity. • Reduction of donor/partner support. 	<ul style="list-style-type: none"> • Embed the KUPGS into core national development policies, legislative and institutional frameworks, including alignment to national interests and public trust to make the KUPGS resilient to regime and policy shifts. • Enhance awareness for increased community participation and ownership. • Build an evidence base for the UPG funding.
<p>Economic Instability/ Volatility, including climate shocks</p>	<ul style="list-style-type: none"> • Unpredictable livelihood outcomes, impeding the achievement of desired UPG goals. • Reduced household resilience exacerbated by fluctuating prices, inflation, and exchange rate instability may push ultra-poor households back into poverty even after graduation. 	<ul style="list-style-type: none"> • Strengthen post-graduation mechanisms for enhanced resilience among ultra-poor households, such as market linkages, adaptive and shock-responsive safety nets. • Policy engagement to advocate for pro-poor fiscal policies and social protection measures that insulate the ultra-poor from inflation and economic fluctuations. • Leverage community-based social capital, such as VSLAs, for community-based support during periods of economic instability.
<p>Insecurity, including Cyber Security</p>	<ul style="list-style-type: none"> • Disruption of programme implementation and constrained geographical coverage, excluding extremely poor and deserving populations. • Compromised participant / beneficiary data and disruption of service delivery. 	<ul style="list-style-type: none"> • Develop and operationalise a strategy that strengthens community engagement and mitigates security. • Enforce data sharing protocols.

2.5: Stakeholder Analysis

Stakeholder engagement is central to the successful design and implementation of Ultra-Poor Graduation initiatives. This section outlines the key actors involved in the UPG ecosystem, including government institutions, development partners, civil society organisations, private sector actors, and community-based structures. It highlights their respective roles, levels of influence, capacities, and interest in supporting the graduation of ultra-poor households.

A clear understanding of stakeholder dynamics is essential for fostering coordination, leveraging existing strengths, avoiding duplication, and promoting collective ownership of UPG interventions across all levels. The SDSP&SCAs, through the Directorate for Social Development (DSD), will continue to work with various state and non-state actors in the implementation of the KUPGS. The Directorate will put in place strong and effective collaboration mechanisms with the various stakeholders to ensure effective delivery of the KUPGS in line with the roles as detailed below:

Table 3: Stakeholder Analysis

Stakeholder	Role	Stakeholder Expectations of the KUPGS	Level of Influence	KUPGS Expectation from the Stakeholder
Parliament (National Assembly & Senate)	<ul style="list-style-type: none"> Legislation, Funding, and Oversight for KUPGS 	<ul style="list-style-type: none"> KUPGS alignment to the National Development Plans and Policies. Legislate UPG initiatives. Effective and efficient implementation of the KUPGS. 	<ul style="list-style-type: none"> High 	<ul style="list-style-type: none"> Expedite legislative approvals. Support for funding approvals for UPG implementation.
National Treasury	<ul style="list-style-type: none"> Timely budget allocation for implementing and expanding UPG interventions. 	<ul style="list-style-type: none"> Prudent use of allocated funds/ resources in implementation of the UPG. Financial management and reporting. 	<ul style="list-style-type: none"> High 	<ul style="list-style-type: none"> Timely release of funds for KUPGS implementation. Create fiscal space for UPG interventions.

Stakeholder	Role	Stakeholder Expectations of the KUPGS	Level of Influence	KUPGS Expectation from the Stakeholder
SDSP & SCAs Directorate for Social Development	<ul style="list-style-type: none"> National Coordination and support for the KUPGS implementation. 	<ul style="list-style-type: none"> Resource mobilisation for the KUPGS. Lead State Stakeholder engagements. Support project implementation. Risk management. 	<ul style="list-style-type: none"> High 	<ul style="list-style-type: none"> Efficient implementation and effective delivery of project benefits.
Ministries, Departments, and Agencies (MDAs)	<ul style="list-style-type: none"> Collaboration and technical implementation support. Resourcing for expanded coverage. 	<ul style="list-style-type: none"> Successful attainment of the KUPGS Strategic Objectives. 	<ul style="list-style-type: none"> High 	<ul style="list-style-type: none"> Technical implementation support for the KUPGS. Complementarities in the implementation of UPG for resilience and expanded coverage.
County Governments	<ul style="list-style-type: none"> Implementation Support. Resources for expanding UPG coverage. 	<ul style="list-style-type: none"> Successful attainment of the KUPGS Strategic Objectives. 	<ul style="list-style-type: none"> High 	<ul style="list-style-type: none"> Support in expanding coverage of UPG interventions. Technical implementation support for the KUPGS.
Donor Organisations and Development Partners, including Public Benefit Organisations (PBOs)	<ul style="list-style-type: none"> Financial and Technical Support. Oversight on implementation. 	<ul style="list-style-type: none"> Efficient and accountable use of financial resources for the KUPGS. Submission of implementation reports on time. 	<ul style="list-style-type: none"> High 	<ul style="list-style-type: none"> Support the KUPGS implementation through funding. Collaborative resourcing or joint implementation of the KUPGS. Technical support for the KUPGS implementation.

Stakeholder	Role	Stakeholder Expectations of the KUPGS	Level of Influence	KUPGS Expectation from the Stakeholder
Civil Society Organisations and Faith Based Organisations (FBOs)	<ul style="list-style-type: none"> Support in the KUPGS roll-out. KUPGS performance assessment. Enhance community participation. 	<ul style="list-style-type: none"> Clear guidelines and policy support for the KUPGS roll-out. Create awareness of the KUPGS. 	<ul style="list-style-type: none"> Medium 	<ul style="list-style-type: none"> Participation in the KUPGS implementation. Enhance citizen engagement with the KUPGS.
Private Sector	<ul style="list-style-type: none"> Innovative strategies and co-creation. Support expansion of UPG interventions. 	<ul style="list-style-type: none"> Provide all necessary KUPGS information and implementation dynamics. Provide complementary funding or interventions leveraging public-private partnerships and Corporate Social Responsibility (CSR). Enable a conducive environment for implementation of UPG initiatives. Leverage technology for co-creation of innovative UPG solutions. 	<ul style="list-style-type: none"> Medium 	<ul style="list-style-type: none"> Share information on status of interventions managed by the private sector. Ensure efficient and sustainable implementation.

Stakeholder	Role	Stakeholder Expectations of the KUPGS	Level of Influence	KUPGS Expectation from the Stakeholder
Media	<ul style="list-style-type: none"> Communication/ Visibility of UPG interventions. 	<ul style="list-style-type: none"> Active engagement by State and Non-State Actors in the KUPGS implementation for accurate communication and media reporting. 	<ul style="list-style-type: none"> High 	<ul style="list-style-type: none"> Objective reporting of the KUPGS, including the verifiable project visibility. Enhance citizen awareness and understanding of the KUPGS through all media platforms.
Citizens	<ul style="list-style-type: none"> Active Participation, Ownership, and Accountability 	<ul style="list-style-type: none"> Clear understanding of the objectives, modalities, and roles of participation in the KUPGS implementation. Implicit and Explicit management of expectations. Timely address of their grievances and complaints. 	<ul style="list-style-type: none"> High 	<ul style="list-style-type: none"> Buy-in and ownership of the KUPGS interventions and active participation. Provide feedback on the KUPGS through all available channels.
Academia & Research Institutions	<ul style="list-style-type: none"> Research & Publication 	<ul style="list-style-type: none"> Provision of relevant project information and support to collect and analyse data for evidence generation. 	<ul style="list-style-type: none"> Medium 	<ul style="list-style-type: none"> Evidence building on the effectiveness of the KUPGS. Research on indigenous knowledge and its application to UPG implementation.

Section 3.0: Strategic Direction

This section presents the guiding framework for the KUPGS. It outlines the core purpose and operational approach, the vision, mission, long-term outcome, pillars, objectives, and guiding principles that underpin the strategy. The strategic direction is informed by analysis of the internal and external operational environments guiding the KUPGS implementation. It provides a focused framework for the design of interventions, policy decisions, implementation, and management of sustainable ultra-poor graduation initiatives, while addressing the evolving needs of the target population and stakeholders.

Considering the complexities of extreme poverty towards achieving inclusive, resilient, and sustainable outcomes for the ultra-poor, the strategy integrates the lessons learned, stakeholder expectations, and contextual dynamics to provide for a coherent multi-sectoral approach in poverty graduation.

3.1 Vision

The vision of the KUPGS is “A Kenya free from extreme poverty”.

3.2 Mission

The mission of the KUPGS is “To deliver sustainable graduation of the ultra-poor through integrated and responsive multi-sectoral social and economic inclusion interventions.”

3.3 Long-Term Outcome

The long-term outcome of the KUPGS is “Ultra-poor households transitioned from extreme poverty to self-reliance through transformative social and economic inclusion interventions.”

3.4 Guiding Principles

The implementation of this strategy is based on the Constitution, which guarantees rights of citizens, including economic and social rights, and also provides for appropriate social security to persons who are unable to support themselves and their dependents. In addition, implementation of the strategy will be guided by a set of core principles, namely:

Principle 1 - Upholding Human Dignity in all Interventions:

The strategy is anchored in a rights-based approach that recognises the inherent dignity, agency, and equality of all individuals. It commits to empowering ultra-poor households with respect and compassion, ensuring that interventions uphold their rights and voices while actively applying the Do-No-Harm principle. This includes safeguarding against exploitation, discrimination, or unintended negative consequences, and promoting inclusive, ethical, and person-centred practices throughout implementation.

Principle 2 - Equity and Inclusion:

The strategy is grounded on the commitment to equity and the universal principle of Leaving-No-One-Behind. It seeks to identify, reach, and empower the most marginalised and disadvantaged populations, particularly women, persons with disabilities, minority groups, and those in hard-to-reach areas.

Through deliberate inclusion measures, the strategy ensures fair access to opportunities and resources, addresses structural barriers, and promotes social justice, enabling every individual to participate in and benefit from the graduation process.

Principle 3 - Community Participation and Ownership:

The Strategy recognises that sustainable transformation is rooted in the active involvement of the communities it seeks to serve. It prioritises meaningful engagement of ultra-poor individuals, households, and communities in the design, implementation, monitoring, and evaluation of interventions. By fostering local ownership, building trust, and leveraging indigenous knowledge and leadership, the strategy ensures relevance, responsiveness, and accountability, empowering communities to drive their own pathways out of poverty.

Principle 4 – Holistic and Multidimensional UPG Design:

The strategy adopts a comprehensive, people-centred approach that addresses the interconnected drivers of extreme poverty. It integrates social protection, livelihoods, financial inclusion, and social empowerment interventions to respond to the multi-faceted needs of ultra-poor households. This principle ensures that solutions are not siloed but synergistic, tailored to individual and community contexts, and responsive to vulnerabilities across economic, social, and environmental dimensions.

Principle 5 - Evidence-Informed and Adaptive Graduation Approach:

The Strategy is grounded in data, research, and real-time learning to guide decision-making and improve outcomes. It promotes adaptive management by integrating continuous feedback, monitoring, and evaluation to refine interventions, respond to emerging needs, and ensure context-specific, effective, and scalable solutions.

Principle 6 - Multi-Sectoral Coordination and Integration:

The Strategy is anchored in the principle that no single sector can effectively address the complex, interlinked causes of ultra-poverty. It therefore promotes strong coordination, alignment, and integration across government sectors, development partners, civil society, and private actors. This collaborative approach ensures coherence in planning, resource mobilisation, and service delivery, maximising impact, reducing duplication, and enabling holistic support to ultra-poor households. Through institutional synergy and shared accountability, the Strategy fosters a unified response that drives systemic change and sustainable graduation outcomes.

Principle 7 - Transparency and Accountability:

The KUPGS shall uphold the highest standards of transparency and accountability across all levels of planning, implementation, and monitoring.

Principle 8 - Digital Transformation:

The KUPGS harnesses digital innovation to enhance service delivery, data-driven decision-making, financial inclusion, and access to information, bridging the digital divide and empowering ultra-poor communities with inclusive, tech-enabled solutions that leave no one behind and safeguard individual rights, data privacy, security, and ethical use of information.

Principle 9 - Sustainability and Scalability:

The KUPGS is anchored on the principle of sustainability and scalability by promoting interventions that are environmentally friendly, economically viable, socially inclusive, and that foster lasting impact. It promotes resource preservation and inclusive progress for ultra-poor communities to secure long-term well-being for individuals and communities while preserving resources for future generations.

3.5: Pillars

Experiences and lessons on UPG interventions in the country inform the KUPGS. It seeks to enhance the implementation of ultra-poor graduation interventions through three pillars that aim to improve coordination in implementation, standardise the UPG methodologies and approaches, and support the scalability, impact, and sustainability of interventions. These are Pillar 1: Coordination, Pillar 2: Ultra-Poor Graduation Model, and Pillar 3: Coverage and Expansion.

The pillars and associated strategic objectives and issues are outlined below:

1. Pillar 1: Coordination

Strategic Objective: Strengthen multi-sectoral coordination, institutional structures, and delivery systems for enhanced efficiency, inclusivity, and sustainability of ultra-poor graduation interventions.

Strategic Issues

- Weak Coordination and Governance Mechanisms
- Weak Monitoring and Evaluation Systems

2. Pillar 2: Ultra-Poor Graduation Model

Strategic Objective: Promote inclusive, productive, and sustainable livelihoods for enhanced resilience and better graduation outcomes for the ultra-poor.

Strategic Issues:

- Limited Livelihood Opportunities and Skills
- Climate Change Vulnerabilities and Environmental Degradation
- Fragmented Approaches in the Implementation of UPG Interventions

3. Pillar 3: Coverage and Expansion

Strategic Objective: Mobilise and optimise resources to scale up and expand the reach of ultra-poor graduation interventions for greater impact and inclusivity.

Strategic Issues:

- Gender Inequality and Social Exclusion
- Increasing Vulnerability Worsened by Inadequate UPG Interventions

3.5.1: Pillar 1: Coordination

The success of the Ultra Poor Graduation (UPG) Strategy hinges on the ability of diverse actors to work in a coordinated, transparent, and accountable manner. In Kenya, multiple government agencies, development partners, non-governmental organisations, and community-based actors are engaged in social protection and economic inclusion interventions that align with the graduation approach. However, these efforts are often fragmented, lacking a unified framework that ensures coherence, avoids duplication, and maximises collective impact. Pillar 1 addresses the critical need to strengthen stakeholder coordination and to establish an integrated monitoring and learning system. It seeks to institutionalise clear structures for collaboration across sectors and between different levels of government. A well-functioning, multi-stakeholder coordination mechanism with defined roles, shared objectives, and joint accountability for results is critical.

Weak coordination and governance mechanisms and structures among various levels of government and stakeholders have significantly impeded the effective implementation of Ultra-Poor Graduation interventions. Challenges herein include unclear roles and responsibilities, fragmented planning processes, misaligned priorities, and delays in decision-making. In some cases, a lack of harmonised policies and duplicated efforts across sectors has led to inefficient use of resources, exclusion of eligible participants, and inconsistent service delivery.

At both the national and county levels, a range of ministries, departments, and agencies (MDAs), development partners, civil society organisations, and private sector actors variously implement interventions aimed at alleviating extreme poverty. However, collaboration across the sectors is insufficient, as stakeholders operate in silos in the absence of harmonised strategic goals. This leads to inefficiency and the inability to scale UPG interventions that can sustainably transition the ultra-poor households out of extreme poverty. Integrated and adaptable frameworks that enhance collaboration among the diverse UPG stakeholders with clear accountability mechanisms are pertinent. These will enable the convergence of strategic objectives of State and Non-State Actors.

In addition to coordination, the pillar emphasises the importance of a robust monitoring and evaluation (M&E) system. This system will support real-time tracking of programme implementation, measure participant progress, and generate evidence to inform decision-making and policy refinement. The use of digital tools and a centralised Management Information System (MIS) will enable efficient data collection, case management, and cross-programme data sharing. To further enhance transparency and responsiveness, the pillar will promote community feedback mechanisms and ensure regular reporting across all implementing partners. It will also foster a strong learning agenda by encouraging the generation of evidence, sharing of best practices, and continuous programme adaptation.

This pillar aims to transform the UPG delivery environment into one that is collaborative, data-driven, and responsive to the evolving needs of ultra-poor households, laying the foundation for scalable and high-impact UPG programmes. Inadequate data on UPG interventions compromises comprehensive data analytics on programmes' performance, making it difficult to determine their efficiency and effectiveness, as well as draw lessons and best practices. It weakens policy and decision-making, impacting resourcing for the scalability of ultra-poor programmes. Lacking streamlined monitoring systems constrains comprehensive monitoring and the generation of disaggregated data for impact assessment and evidence documentation.

3.5.2: Pillar 2: Ultra-Poor Graduation Model

Given the complexity of ultra-poverty and the need for multi-sectoral and multidimensional interventions, Pillar 2 of the Ultra-Poor Graduation Model emphasises a comprehensive and sequenced strategy to promote self-reliance and improved livelihoods. It seeks to outline the core components necessary for the Graduation approach to achieve long-term gains and place ultra-poor households on a sustainable pathway out of extreme poverty. These components are based on the best global practice on UPG implementation. Identification of core graduation components will guide programme design to ensure UPG interventions can deliver long-term impact for participants and transition ultra-poor populations to self-sufficiency and sustainable livelihoods.

Having a standardised core ultra-poor graduation package enables the progress of graduation interventions to be tracked and measured. This pillar aims to institutionalise the ultra-poor graduation model by enabling the development of national implementation guidelines, standardising intervention packages, and sequencing support in logical progression. Special attention will be given to tailoring interventions to the needs of specific vulnerable groups, with emphasis on the importance of mentorship and coaching that are essential for accompanying participants through their graduation journey. It will enable embedding of the graduation model within UPG interventions, aligning it with broader social protection and economic inclusion policies.

Ultra-poor households often lack the necessary skills and resources or market connections to establish enduring economic stability. The World Bank (2021) reports that 65% of rural households in Sub-Saharan Africa (SSA) experience restricted market opportunities owing to inadequate infrastructure, exploitative middlemen, and digital exclusion. Reportedly, the majority of Kenya's workforce (83%) operates in the informal sector, which offers low wages, unstable employment, and minimal social benefits.

Limited financial inclusion forces ultra-poor households to engage in survivalist activities such as petty trade and subsistence farming that produce less than KES 5,000 monthly for 58% of rural families, falling below the national poverty line of KES 3,252 per adult (KNBS Poverty Report 2022).

Additionally, lack of access to formal financial credit remains unavailable to 73% Kenyan adults, while ultra-poor households in ASAL regions face exclusion owing to the lack of collateral and financial literacy. The combination of these challenges prevents income generation while maintaining cyclical poverty, which slows down Kenya's economic development. Ultra-poor households require programmes in financial inclusion and market linkages to break free from poverty and contribute meaningfully to Kenya's Development Agenda.

Ultra-poor households in the country disproportionately experience the devastating effects of climate change and environmental degradation. Kenya has faced five major droughts in the last twelve years, from 2011 to 2023. The 2022 drought was declared a national emergency as 4.3 million people from ASAL counties became food insecure. The drought impacted their main livelihood activities, which are largely climate sensitive. Recent droughts in the ASAL regions resulted in a decline in maize yields, from 42.1 million bags in 2020 to 36.7 million bags in 2021. This led to losses in investments in crop production, pushing families into extreme poverty.

Between 2010 and 2020, Kenya experienced annual economic losses equivalent to 3–5% of its gross domestic product (GDP) due to climate-related disruptions, with projections suggesting that these losses could escalate to as much as 9% by 2050 in the absence of robust adaptation strategies. The floods experienced in the Lake Victoria basin in 2020 and the resulting erratic rainfall patterns destroyed crops, killed livestock, damaged infrastructure, and caused economic losses. Climate and environmental shocks trap the ultra-poor population into self-reinforcing cycles of poverty. These environmental challenges exacerbate the vulnerability of the ultra-poor populations.

Globally, organisations have adopted the BRAC UPG Model. This entails consumption support for immediate needs, and longer-term investment through productive asset transfers, financial inclusion, and social empowerment to transition ultra-poor families into sustainable livelihoods. Through this approach, ultra-poor households gain knowledge and skills in maximising their productive assets to initiate and generate income, with enhanced access to social and formal financial services. The envisioned strategic impact is to lift the ultra-poor households out of extreme poverty sustainably.

In Kenya, while elements of the graduation approach exist across various programmes, they are often applied inconsistently, lack coherence, and are rarely scaled with the depth and duration required to achieve sustainable impact. The implementation of the Ultra-Poor Graduation model by various stakeholders in the country is not harmonised.

Agencies usually handpick selected UPG elements aligned to organisational objectives and available resource capacity, impeding the provision of comprehensive interventions. The lack of a unified UPG model and divergent priorities of implementing entities result in weakened overall effectiveness of the ultra-poor graduation approach that can eradicate extreme poverty. There is, therefore, a pressing need for a nationally recognised, standardised, and context-responsive ultra-poor graduation model that aligns with existing government frameworks and local realities.

3.5.2.1: Standard Ultra-Poor Graduation Package

The Standard Ultra-Poor Graduation (UPG) Package forms the backbone of the KUPGS, providing a structured and holistic framework to support individuals and households living in extreme poverty. Rooted in global best practices and adapted to Kenya's context, the package combines a set of sequenced and integrated interventions that address the multidimensional nature of poverty, including social protection, livelihoods, financial inclusion, access to services, and social empowerment.

This standard package ensures that UPG interventions are delivered consistently and effectively across implementing stakeholders and geographical areas. It is designed to promote sustained improvements in well-being, build resilience, and support the long-term transition of ultra-poor households to self-reliance. The package will be complemented by the development of Standard Operating Procedures (SOPs) for each core component of the UPG model, to guide implementation, strengthen coordination, and ensure quality, accountability, and scalability of graduation efforts at both national and county levels.

These SOPs will provide clear, step-by-step guidance for implementers, helping to harmonise interventions across stakeholders, ensure alignment with national systems, and facilitate monitoring and adaptive learning. They also support the institutionalisation of UPG within existing social protection systems, while enabling implementation based on feedback and evolving context. Once developed, the SOPs will serve as a foundational tool to operationalise the UPG Package, define institutional roles, strengthen coordination, and promote standardised delivery across counties and implementing partners.

By embedding development of SOPs into the standard Ultra-Poor Graduation package for the Kenyan context, the KUPGS ensures harmonised execution, minimises fragmentation, and strengthens monitoring, reporting, and learning. In line with a global benchmark, the contextualised Kenyan graduation model would consist of the following:

a) Consumption Support: This entails regular and time-bound cash or food support to enable targeted ultra-poor households to meet their basic needs. A major premise of the graduation model is that food insecurity causes significant stress that reduces the ability of poor people to take advantage of opportunities and plan for the future. Consumption support, therefore, provides the participating households with a basic safety net, thereby stabilising them and allowing room to invest in income-earning activities. Basic needs support continues until a new livelihood generates sufficient income to meet basic needs independently.

This should be disbursed to participating households upon enrolment into the programme, or target households that are already on a cash transfer or food assistance programme.

b) Productive Asset Transfer: This is a one-time transfer that serves as a "big push investment" in a livelihood or productive asset to initiate micro-enterprises for income generation or self-employment to support livelihoods. It is a grant that jump-starts an economic activity for enrolled participants and enables lasting change in household income. The investment should be accompanied by enterprise development and financial literacy skills to increase the likelihood of success of the targeted livelihood. The asset transfer must be informed by a market analysis that enables the determination of the asset transfer value commensurate with the selected enterprise.

c) Financial inclusion: This entails connecting enrolled participants with financial services that enable them to save as well as support access to formal and informal financial services. This would include access to credit, financial literacy training, digital financial services, insurance, and risk management. Enrolled participants need to be introduced to savings groups, mobile money platforms, and microfinance institutions, including an introduction to micro insurance (health, crop, or livestock). The financial literacy training is expected to help manage income, plan for expenses, and reduce reliance on harmful coping strategies. This will also ensure more resilience to shocks and increased ability to participate in economic opportunities.

d) Social Empowerment: This entails life skills training, with regular coaching and mentorship. Participants receive intensive coaching to increase their self-confidence and agency, know-how, and hope, so they can take control of their lives, engage in decision-making, and sustain progress beyond programme support. It builds a trusted relationship that helps participants stay engaged and motivated throughout their graduation journey. This is done through regular coaching sessions, mentorship, or peer-to-peer learning that supports individual participants to realise their goals and integrate more into their community.

It enables the development of a range of life skills like self-awareness, communication, and conflict resolution. Emotional resilience through practical sessions on household dynamics, parenting, time management, health-seeking behaviour, and civic participation and rights awareness builds soft skills that are critical for both personal development and business success. Social empowerment provides a continuous process of skills and attitude development, strengthening social capital and a sense of belonging, and is central to sustaining the gains of graduation. It transforms mindsets, enhances confidence, and builds the non-material capabilities that enable ultra-poor individuals to navigate systems, overcome barriers, and lead their own development journeys.

e) Linkages and Referrals to sustain Post Participant Graduation: Programme participants will be linked to services as part of the post participant graduation packages that ensure the sustainability of graduation outcomes and support long-term resilience and socio-economic integration of formerly ultra-poor households. Recognising that graduation is not a one-time event but a transitional process that requires reinforcement and follow-up, linkages and referrals provide a continuum of support beyond the core UPG intervention period. Programme participants will be linked to services through a dedicated focus on making referrals and linkages effective. This will cushion participants against risks associated with various vulnerabilities like economic instability, climate shocks, illnesses, disability, and old age, among others. Key components of the post participant graduation package would include:

- Systematic linkage to markets, local and regional value chains, with support for improving product quality, aggregation, and accessing competitive markets to enhance their income-generating options.

- Access to advanced livelihoods and financial services, including access to formal credit, savings groups, insurance products, and business development services to scale up livelihood/livelihood initiatives.
- Continuous Mentorship and Coaching through periodic follow-ups and refresher training to help reinforce gains, address emerging challenges, and encourage ongoing motivation and planning.
- Strengthening social capital through community-based organisations, self-help groups, and peer networks to foster social inclusion and collective action.
- Linkages to broader mainstream social protection schemes such as health protection, social security (e.g., Haba Haba), education support, and other complementary services, among others.
- Monitoring, evaluation, learning, and risk management throughout the programme to enhance linkages to sustain post-graduation for participants by monitoring feedback and its adaptation, feedback loops, and community-based accountability mechanisms to ensure timely response to risks of regression.

The Post-Participant Graduation Package enhances the resilience of graduated households to ensure they remain on a positive trajectory and supports their integration into inclusive and sustainable development processes.

3.5.2.1.1: Critical UPG Implementation Processes

Effective implementation of the Ultra Poor Graduation (UPG) approach requires a systematic, well-coordinated, and context-sensitive process that ensures consistency, quality, and accountability across all stages. The implementation journey involves a sequenced set of activities, from the identification and targeting of ultra-poor households to the delivery of integrated support packages, coaching, and graduation assessment. The Graduation approach is holistic and is designed to address the multidimensional needs of extreme poor households. The underlying rationale is that this mix of interventions offered through an appropriate sequence helps the ultra-poor out of extreme poverty within a defined time period .

This section outlines key implementation processes of the UPG model, emphasising the need for thorough planning and coordination, involving all relevant stakeholders. This is followed by rigorous identification and targeting processes that ensure the right beneficiaries are reached through transparent data-driven methods. It highlights the importance of building institutional capacities at national and local levels, leveraging existing systems, and aligning implementation with government policies and partner programmes. It is adaptive and allows for flexibility in response to diverse household needs and varying local contexts. By following these processes, actors can deliver impactful interventions that lead to sustainable transition out of extreme poverty for ultra-poor households. The processes include:

- **Sequencing to ensure the UPG core components provide a ladder of support for participants to move out of poverty.** Sequencing is a fundamental design principle of the Ultra Poor Graduation (UPG) approach. It ensures that interventions are delivered in a logical, phased manner that aligns with the evolving needs, capacities, and readiness of ultra-poor households. This structured progression enables participants to gradually stabilise, build resilience, and transition toward sustainable livelihoods. Sequencing builds both the foundation and the capacity for self-reliance. It

enables implementers to pace interventions based on household progress, ensuring support is relevant, manageable, and effective. Ultimately, sequencing increases the likelihood of sustainable graduation by addressing vulnerabilities step by step, while reinforcing learning and behaviour change. The sequencing is intentionally flexible, and households progress at different rates. Interventions are adjusted based on individual readiness and local context. This adaptive sequencing ensures that no household is rushed or left behind, and that each step builds naturally upon the last. Sequencing begins with social protection measures such as cash or food transfers, which help households meet basic needs, reduce immediate stress, and create a sense of security. This foundation is crucial, as it allows participants to focus on longer-term planning and participation in development activities rather than daily survival. The sequencing of the Ultra-Poor Graduation approach typically involves the following: Community-Based Targeting > Consumption Support > Skills Training > Productive Assets Transfer > Financial Inclusion > Mentorship & Coaching > Linkages & Referrals > Graduation & Transition.

- **Targeting for UPG intervention:** Targeting is a foundational element of the Ultra-Poor Graduation (UPG) approach. The goal of targeting in UPG is to identify ultra-poor households that face multidimensional deprivations (food insecurity, lack of assets, low education, and exclusion). This ensures that support reaches the most vulnerable and chronically poor households, who are typically excluded from mainstream social and economic development. Effective targeting enhances both impact and cost-efficiency, making it one of the most critical steps in the graduation process. It ensures fairness and transparency, thus building community trust and buy-in. Targeting needs to be inclusive, data-informed, community-validated, and transparent to lay a strong foundation for effective and equitable UPG implementation. A robust targeting process often combines multiple

methods, including geographic and community-based targeting. Targeting leverages household Surveys and Proxy Means Testing (PMT), coupled with verification and validation, utilising mechanisms for feedback, correction, and appeals to minimise exclusion or inclusion errors. Targeting needs to be guided by clear, agreed-upon SOPs. Under this Strategy, targeting beneficiaries will leverage the existing Enhanced Single Registry (ESR-MIS), the CD-MIS will support all operations and activities backing graduation interventions, while the CCTP-MIS and HSNP-MIS can be used as payment platforms.

- **Defined time period ranging from 12-36 months enables participating households to transition from ultra-poverty to self-reliance:** The UPG approach is not intended to be an indefinite safety net but a transformational journey. By establishing a clear start and end point, the model sets expectations for both the implementing agency and the participants. It emphasises that support is temporary and goal-oriented, focused on enabling households to gain the skills, confidence, and means to support themselves sustainably. A defined timeline encourages focused implementation, efficient resource use, and consistent monitoring. For participants, it creates a sense of momentum and responsibility, helping them work toward specific milestones. For implementers, it supports planning, budgeting, and coordination across partners. The time-bound nature aligns with the concept of "graduation," whereby households are supported only until they meet clearly defined criteria that signal improved well-being, economic

self-reliance, and reduced vulnerability. It also enables structured exit planning, where follow-up support may be linked to mainstream social protection or livelihood programmes through post-participant graduation packages.

- **UPG interventions that are adaptive and consistently improving to effectively address the multidimensional nature of extreme poverty for better outcomes for ultra-poor households:**

A core strength of the UPG approach is its high adaptability, which makes it effective across different geographic, social, institutional, and economic contexts. Interventions that provide a flexible framework, which allows for customisation based on geographical (rural/urban), socio-economic conditions, cultural norms, and existing systems, are necessary. This enables targeting methods, delivery modes, and intervention sequencing to be tailored to local needs, while ensuring inclusion of vulnerable groups. It also allows for alignment with national programmes and leveraging government systems. Adaptability enhances scalability, relevance, and long-term sustainability, enabling more ultra-poor households to transition from extreme poverty.

- **Contextualised criteria for graduation of the Ultra Poor that demonstrate sustainability and self-reliance among participating households.**

Ultra-Poor Graduation outcomes vary based on contextualised factors such as geographic location, socio-economic dynamics, and livelihood opportunities. Others include the level of access to supportive services and systems, as well as duration and intensity of support. The criteria to assess graduation need to constitute measurable indicators to determine when a household has transitioned from extreme poverty to self-reliance. Typically, they assess livelihoods, food security, asset ownership, financial inclusion, housing, health, education, and social empowerment. Graduation criteria are central to maintaining the integrity and effectiveness of the UPG model. They ensure that households exit the programme with genuine

improvements in wellbeing, economic capacity, and dignity, ready to sustain their progress without dependence on external support. The criteria are context-specific and applied flexibly, ensuring fairness while maintaining rigour. Graduation is assessed using tools like scorecards and household visits. The goal is to ensure that beneficiaries exit the programme with the ability to sustain their progress and live with dignity, without ongoing support. Graduation is assessed near the end of the intervention cycle.

3.5.3: Pillar 3: Coverage and Expansion

The Coverage and Expansion Pillar of the KUPGS attempts to address growing vulnerability, persistent gender inequality, and social exclusion that continue to marginalise the ultra-poor. Despite progress in poverty reduction, many households remain trapped in multidimensional deprivation, compounded by economic shocks, climate-related crises, and fragile livelihoods. These realities expose critical gaps in existing social protection interventions, which are often underfunded, fragmented, and insufficient. Many existing ultra-poor programmes are narrow in scope.

They are poorly coordinated, leaving significant populations unserved, more so women-headed households, persons with disabilities, youth, Vulnerable and Marginalised Groups, child and male-headed households. The rise in climate shocks, conflict, pandemics, and economic instability has further intensified vulnerability, exposing the limitations of traditional, one-dimensional poverty interventions and calling for the adoption of livelihood diversification and climate-smart innovations.

The Kenya Social Protection Sector Review (2017) highlights substantial coverage gaps, particularly among children, persons with disabilities, and working-age individuals. Across the population categories, an estimated 10.4% of the population is covered by at least one social protection benefit. The existing gaps demonstrate the urgency to scale up coverage while enhancing disaggregated data-driven targeting

methods and implementation of adaptive mechanisms. These would address systemic vulnerabilities, which prevent women, youth, ethnic minorities, and persons with disabilities from effectively participating in economic, social, and political life.

According to the World Bank Gender Equality Report (2023), women in Kenya comprise 32% of formal workers, with men making up 52%. Youth aged 18–34 experience 22% unemployment rates, surpassing the national average of 7.3% (KNBS, 2023). The KNBS 2023 shows that persons with disabilities face 75% unemployment rates, while the situation is worse amongst marginalised groups.

The UNDP Annual Report 2023 on Gender Equality indicates that the annual cost of gender inequality in Kenya reaches 15% of its GDP, with a significant economic impact of gender disparities on the Kenyan economy. The high cost of gender inequality underscores the importance of implementing policies and programmes that promote gender equality and empower women.

Addressing gender inequality and social exclusion is central to the effectiveness of the UPG approach. This ensures that the model not only reduces poverty but also challenges the structural barriers that keep vulnerable populations excluded and disempowered. Bridging the gender gap can unlock the full potential of the Kenyan economy, leading to increased productivity, innovation, and overall economic growth.

Pillar 3 emphasises the need to scale up the UPG approach to reach underserved populations, particularly in remote, conflict-affected, and marginalised regions. It focuses on enhancing geographic coverage, strengthening inclusion mechanisms, and promoting gender-responsive, disability-inclusive, and youth-sensitive programming.

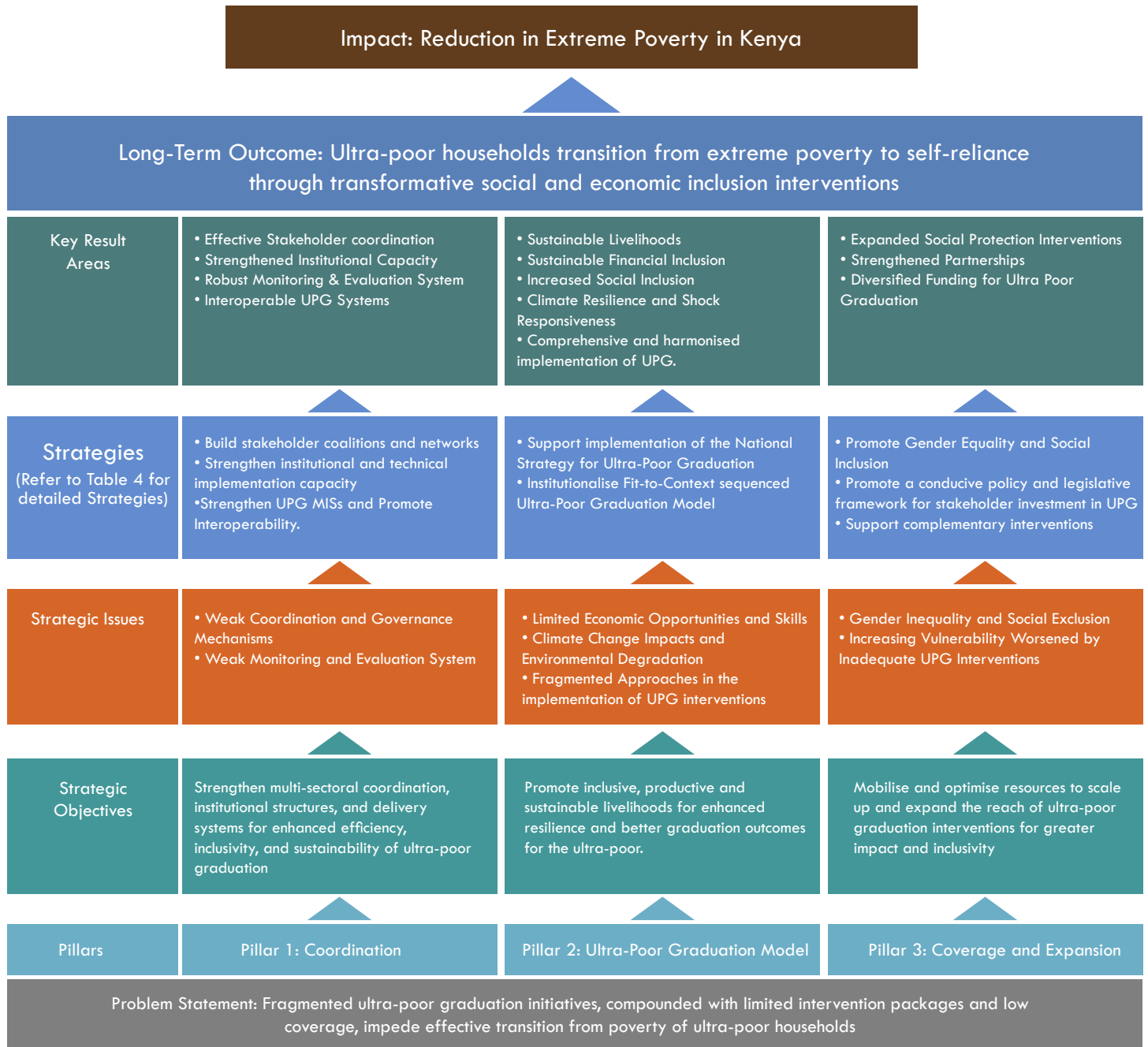
Expansion efforts will be data-driven and aligned with national systems to ensure coherence with broader social protection reforms. Strategic partnerships across government, civil society, and the private sector will be essential in extending reach and embedding the UPG approach within sustainable, system-wide solutions.

By addressing the intersecting challenges of limited coverage, inequity, and rising vulnerability, this pillar aims to ensure that the UPG approach delivers transformative impact at scale, reaching those furthest behind with dignity, empowerment, and resilience.

Adopting community-led identification and targeting the extreme poor in remote or fragile areas, encouraging replication and adoption of UPG techniques, skills, innovations, and best practices by the wider community, enhances inclusion. Introducing knowledge-sharing forums, both traditional and modern, such as peer-to-peer learning, social media platforms, and bulk short messaging, can ensure enhanced coverage of unserved ultra-poor households.

3.6: Theory of Change

The vision of the KUPGS is “A Kenya free from extreme poverty” through transformative social and economic inclusion interventions. The KUPGS will build on existing UPG initiatives and replicate best practices and lessons for evidence-based interventions. It will provide a cohesive framework to integrate consumption support, productive asset transfer, financial inclusion, and social empowerment into a comprehensive and sequenced pathway for the eradication of extreme poverty. The proposed theory of change guiding the strategy is elaborated below:



Assumptions: i) Strong Governance & Coordination Frameworks. ii) Comprehensive UPG Packages. iii) Sustainable Resources to implement the UPG interventions.

Figure 1: Theory of Change

3.7: Key Result Areas (KRAs)

The Key Result Areas of the KUPGS guide implementation and present measurable indicators to enable assessment of impact. The result areas provide a framework for coordinating efforts, aligning stakeholders, and monitoring progress toward the shared goal of transitioning ultra-poor households to self-reliance. The KRAs are aligned to each pillar, and define performance indicators that inform actions, ensuring that interventions are both impactful and scalable, ultimately fostering long-term resilience and improved quality of life for the ultra-poor.

3.7.1: KRAs under Pillar 1: Coordination

Pillar 1 seeks to strengthen stakeholder coordination and establish an integrated monitoring and learning system, while institutionalising clear structures for collaboration across sectors and between different levels of government. To achieve this, four result areas will be realised, namely:

1. **KRA 1:** Effective Stakeholder Coordination
2. **KRA 2:** Strengthened Institutional Capacity
3. **KRA 3:** Robust and Functional Monitoring & Evaluation System
4. **KRA 4:** Interoperable UPG Systems

To achieve the KRAs under Pillar 1, various strategies are proposed as elaborated below:

KRA 1: Effective Stakeholder Coordination

- Build stakeholder coalitions and networks for ultra-poor graduation at national and county levels.
- Promote conducive policy and legal frameworks.
- Establish and promote functional social accountability structures at all levels.

KRA 2: Strengthened Institutional Capacity

- Strengthen the institutional and technical implementation capacity at all levels for better service delivery.
- Promote sustainable resourcing mechanisms for implementation.

KRA 3: Robust and Functional Monitoring & Evaluation System

- Promote Research, Monitoring, Evaluation, and Learning among UPG interventions for enhanced accountability and transparency.
- Support automated centralised knowledge sharing platforms for enhanced data-driven decision-making and continuous programme improvement.

KRA 4: Interoperable UPG Systems

- Strengthen UPG MISs and promote interoperability and integration for greater efficiency.
- Support stakeholders' capacity strengthening on system use.

3.7.2: KRAs under Pillar 2: Ultra-Poor Graduation Model

Pillar 2 of the Ultra-Poor Graduation Model outlines the core components necessary for the graduation approach to deliver long-term gains and transition ultra-poor households to self-sustenance. The standardised core graduation package supports tracking and measuring the progress of participants along the graduation path.

The pillar provides for the development of national implementation guidelines, standardised intervention packages, and sequenced support for ultra-poor graduation while providing for the development of SOPs to guide implementation in the delivery of services.

The KRAs under pillar 2 include:

1. **KRA 5:** Sustainable Livelihoods
2. **KRA 6:** Sustainable Financial Inclusion
3. **KRA 7:** Increased Social Inclusion
4. **KRA 8:** Climate Resilience and Shock Responsiveness
5. **KRA 9:** Comprehensive and harmonised implementation package for UPG

To achieve KRAs under this pillar, various strategies are put forward and include the following:

KRA 5: Sustainable Livelihoods

- Support implementation of the National Strategy for Ultra-Poor Graduation
- Set and enforce standards for implementation of UPG at all levels by all stakeholders

KRA 6: Sustainable Financial Inclusion

- Promote a savings culture among ultra-poor households
- Promote sustainable financial inclusion capacity building for the ultra-poor

KRA 7: Increased Social Inclusion

- Support gender and social inclusion
- Promote robust ultra-poor targeting mechanisms and UPG implementing capacity for social integration

KRA 8: Climate Resilience and Shock Responsiveness

- Support the rollout of shock-responsive UPG interventions informed by climate risk assessments for enhanced resilience among ultra-poor households (e.g., cash transfers during shocks)
- Support community-led ecosystem restoration (e.g., reforestation, forest/mangrove conservation) to reduce disaster risks

KRA 9: Comprehensive and Harmonised Implementation Package for UPG

- Institutionalise the Fit-to-Context sequenced Ultra-Poor Graduation Model with Standard Operating guidelines and Procedures to standardise implementation
- Support the rollout of harmonised UPG interventions for better ultra-poor outcomes

3.7.3: KRAs under Pillar 3: Coverage and Expansion

Pillar 3 on coverage and expansion of the ultra-poor attempts to promote scale-up of the UPG approach to reach underserved and unserved populations, particularly in remote, conflict-affected, and marginalised regions. This will address the growing scale of vulnerability, persistent gender inequality, and social exclusion that continue to marginalise the ultra-poor. It focuses on enhancing geographical coverage, strengthening inclusion mechanisms, and promoting gender-responsive, disability-inclusive, and youth-sensitive programming. The KRAs under pillar 3 include:

- 1. KRA 10:** Expanded UPG Interventions
- 2. KRA 11:** Strengthened Partnerships
- 3. KRA 12:** Diversified Funding for Ultra-Poor Graduation

To achieve KRAs under this pillar, several strategies are outlined and include the following:

KRA 10: Expanded UPG Interventions

- Scale up existing and design UPG interventions through a last-mile and leave-no-one-behind approach
- Promote Gender Equality and Social Inclusion
- Operationalise communities of practice for UPG at all levels

KRA 11: Strengthened Partnerships

- Promote strategic partnerships for UPG implementation
- Promote a conducive policy and legislative framework for stakeholder investment in UPG

KRA 12: Diversified Funding for Ultra-Poor Graduation

- Establish and support public-private partnerships (PPPs) for UPG implementation
- Support complementary interventions to enable the provision of comprehensive UPG packages through collaborative approaches

3.8: Strategies

Strategies for the realisation of the Key Result Areas are summarised in the table below.

Table 4: Summary of Strategies:

Strategic Objective (SO)	Strategic Issues	KRAs	Strategies
SO 1: Strengthen coordination, structures, and systems for effective service delivery	Strategic Issue 1: Weak Coordination and Governance Mechanisms	KRA 1: Effective Stakeholder Coordination	Strategies 1.1 Build stakeholder coalitions and networks for ultra-poor graduation at national and county levels. 1.2 Promote conducive policy and legal frameworks 1.3 Establish and promote functional social accountability structures at all levels.
		KRA 2: Strengthened Institutional Capacity	1.4 Strengthen the institutional and technical implementation capacity at all levels for better service delivery. 1.5 Promote sustainable resourcing mechanisms for implementation.
	Strategic Issue 2: Weak Monitoring and Evaluation System	KRA 3: Robust and Functional Monitoring & Evaluation System	1.6 Promote Research, Monitoring, Evaluation, and Learning among UPG interventions for enhanced accountability and transparency. 1.7 Support automated centralised knowledge sharing platforms for enhanced data-driven decision-making and continuous programme improvement.
		KRA 4: Interoperable Social Protection Systems	1.8 Strengthen UPG MISs and promote interoperability and integration for greater efficiency. 1.9 Support stakeholders' capacity strengthening on systems use.



Strategic Objective (SO)	Strategic Issues	KRAs	Strategies
SO 2: Promote productive and sustainable livelihoods for better graduation outcomes for the ultra-poor	Strategic Issue 3: Limited Economic Opportunities and Skills	KRA 5: Sustainable Livelihoods	2.1 Support implementation of the National Strategy for Ultra-Poor Graduation. 2.2 Set and enforce standards for the implementation of UPG at all levels by all stakeholders.
		KRA 6: Sustainable Financial Inclusion	2.3 Promote a savings culture among ultra-poor households. 2.4 Sustainable financial inclusion capacity building for the ultra-poor.
	Strategic Issue 4: Climate Change Impacts and Environmental Degradation	KRA 7: Increased Social Inclusion	KRA 7: Increased Social Inclusion 2.5 Support gender and social inclusion. 2.6 Promote robust ultra-poor targeting mechanisms and UPG implementing capacity for social integration.
		KRA 8: Climate Resilience and Shock Responsiveness	2.7 Support rollout of shock-responsive UPG interventions informed by climate risk assessments for enhanced resilience among ultra-poor households (e.g., cash transfers during shocks). 2.8 Support community-led ecosystem restoration (e.g., reforestation, forest/mangrove conservation) to reduce disaster risks.
	Strategic Issue 5: Fragmented Approaches in the implementation of UPG interventions	KRA 9: Comprehensive and harmonised implementation package for UPG	2.9 Institutionalise the Fit-to-Context sequenced Ultra-Poor Graduation Model with operational guidelines to standardise implementation. 2.10 Support rollout of harmonised UPG interventions for better ultra-poor outcomes.
SO 3: Enhance resources for expanded coverage of ultra-poor graduation interventions.	Strategic Issue 7: Increasing Vulnerability worsened by Inadequate Social Protection interventions	KRA 10: Expanded UPG Interventions	3.1 Scale up existing or design of UPG interventions through a last-mile and leave-no-one-behind approach. 3.2 Promote Gender Equality and Social Inclusion. 3.3 Operationalise communities of practice for UPG at all levels.
		KRA 11: Strengthened Partnerships	3.4 Promote strategic partnerships for UPG implementation. 3.5 Promote a conducive policy and legislative framework for stakeholder investment in UPG.

Strategic Objective (SO)	Strategic Issues	KRAs	Strategies
		KRA 12: Diversified Funding for Ultra-Poor Graduation	3.6 Establish and support public-private partnerships (PPPs) for UPG implementation. 3.7 Support complementary interventions to enable the provision of comprehensive UPG packages through collaborative approaches.

3.9: Sustainability

Sustainability is central to the long-term success of the KUPGS. It ensures that UPG interventions generate long-term and transformative impact. The Strategy adopts a multi-pronged sustainability approach that centres on government and local community ownership, system integration, and community-driven solutions. It advocates for government ownership through institutionalisation of ultra-poor graduation interventions that align with national and county development plans and existing social protection systems.

Integration of initiatives into existing social protection frameworks, leveraging multi-sectoral collaboration and the wide range of stakeholders implementing UPG initiatives, forms a core component of sustainability. This would strengthen partnerships, improve implementation capacities, and advocate for budgetary allocations to progressively reduce dependency on external funding. Strengthening existing community structures, such as registered self-help groups, community-based organisations (CBOs), and local leadership, can help to foster local partnerships and thus support implementation and follow-up.

The establishment of resilience hubs will facilitate linkages, layering, and leveraging of existing investments for comprehensive support to participants in technical areas. These structures are instrumental in enhancing accountability and serve as avenues for knowledge sharing, peer-to-peer learning, and continued support to graduated households.

Further, sustainability will be achieved by building the capacity of implementing agencies and frontline workers, including mentors. The Strategy also emphasises the identification and nurturing of local champions as individuals who have successfully transitioned from extreme poverty and can inspire, coach, and guide others through the graduation process. These champions and role models not only reinforce community ownership but also foster a culture of resilience and self-reliance.

As part of its mandate and to enhance sustainability, the Directorate for Social Development will lead the coordination of the implementation of UPG initiatives, building on the already established national, county, and community level structures that support multi-sectoral and community-driven implementation.



Section 4.0: Implementation and Coordination Framework

This section outlines the implementation and coordination framework for the KUPGS. It presents the implementation plan matrix, discusses the institutional and coordination framework, staff establishment, skill set, and competence development. The section also presents the risk management framework.

An outline of institutions and their corresponding roles is presented to ensure the understanding of responsibilities for seamless and successful implementation of the strategy.

4.1 Implementation Framework

The successful delivery of the KUPGS relies on well-coordinated, multi-level implementation arrangements that leverage the strengths of State and Non-State Actors, including community structures.

This will aim to ensure effective planning, resource allocation, service delivery, monitoring, and accountability. Clear roles, institutional coordination mechanisms, and standard operating procedures will guide stakeholders in delivering a coherent and scalable graduation response tailored to diverse local contexts.

For effective coordination and clarity of roles among stakeholders, the KUPGS is supported by a structured implementation framework. The framework outlines the hierarchical and functional relationships among all stakeholders in planning, delivery, oversight, and reporting. It ensures streamlined reporting and communication, accountability, and information sharing across all levels, while fostering collaboration among stakeholders.

Guidelines on the establishment of multi-sectoral committees and an implementation plan that details stakeholder roles and responsibilities will be developed to guide the execution of the KUPGS. These will serve as a visual tool to enhance understanding of the governance and coordination mechanisms necessary for the successful implementation of KUPGS.

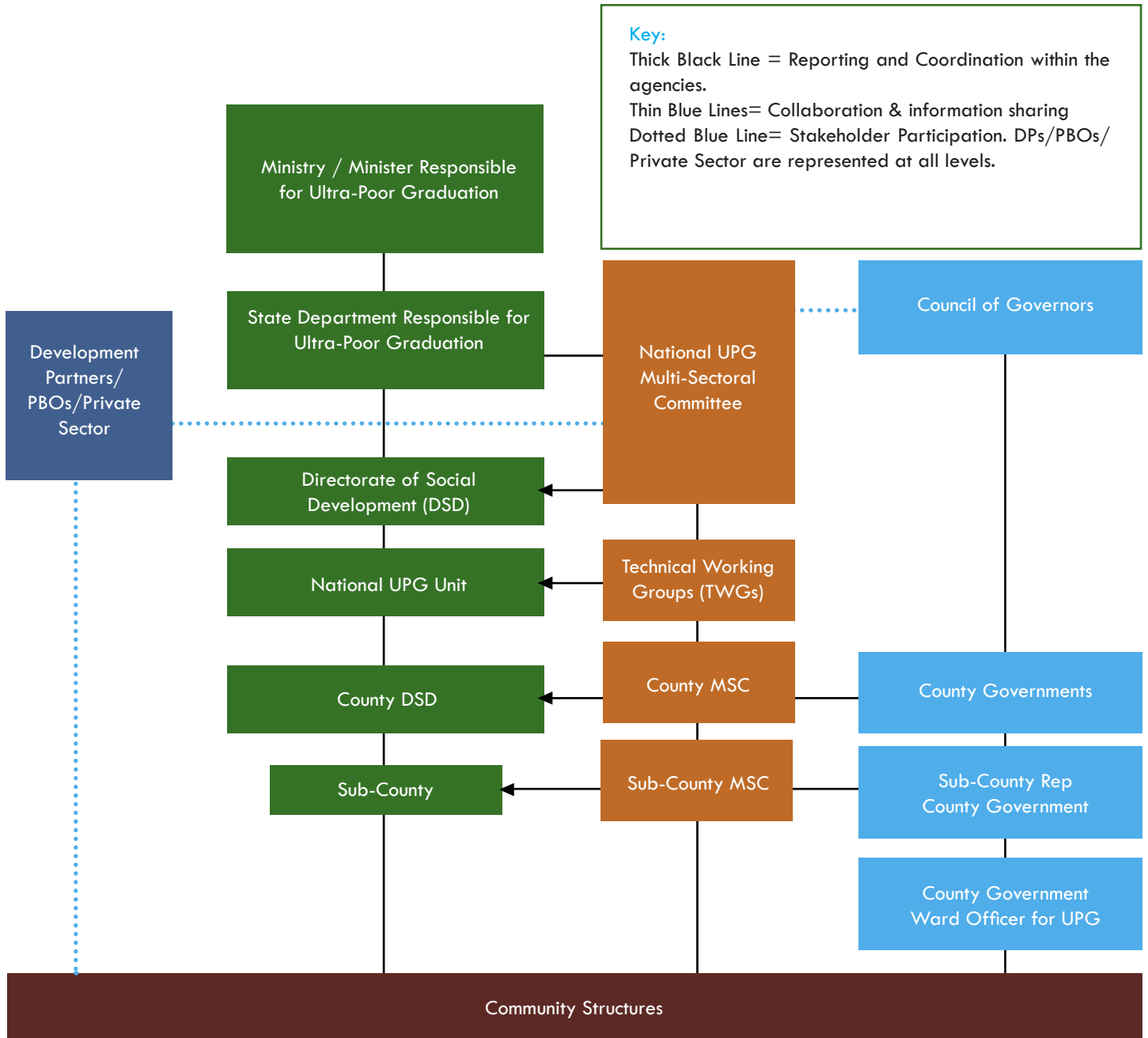


Figure 2: Implementation Framework



4.1.1: National Government's Strategic Role

The ministry responsible for ultra-poor graduation will be the lead agency for implementation of the KUPGS. It will be responsible for policy formulation, mobilisation of resources, and stakeholder coordination.

4.1.2: State Department Responsible for Ultra-Poor Graduation

The department responsible for ultra-poor graduation will provide oversight on policy, programme implementation, results management, and technical guidance.

4.1.3: Directorate for Social Development (DSD)

The directorate will be responsible for overall coordination and supervision in collaboration with the multi-stakeholder committees at the national, regional, county, and sub-county levels.

4.1.4: National UPG Unit

The unit will oversee the day-to-day management of UPG interventions, including implementation, coordination, and stakeholder engagement, grievance management, and development of operational documents, training and capacity building, and preparation of programme reports.

4.1.5: Technical Working Groups (TWGs)

The Technical Working Group (TWG) exists at the national level. This team will provide technical expertise and advice on the implementation of the KUPGS. The TWG will issue technical guidance by supporting the development of relevant guidelines for implementing the KUPGS. Key areas of support would include guidance on capacity building for implementers, provision of innovative solutions during implementation, supporting the design of a robust Monitoring and Evaluation Framework, and Innovation and Research.

The TWG will comprise subject matter specialists to ensure comprehensive and effective implementation of the KUPGS. Among these would be government technical officers from implementing agencies, as well as specialists from Development Partners, the private sector, Civil Society, and PBOs.

4.1.6: County Governments

Alleviation of extreme poverty is a key function at all levels of Government. At their level, county governments, with support from the sub-counties and wards, will provide an enabling environment for the delivery of ultra-poor graduation interventions beyond implementing various development and poverty-focused interventions.

They will domesticate the KUPGS to guide and coordinate the implementation of UPG programmes at the county level. Counties will mobilise resources for the implementation of the county UPG programmes, for scale-up and sustainability. They will also support capacity building of stakeholders, undertake Monitoring and Evaluation and Learning, and ensure overall governance and management of county UPG initiatives.

4.1.7: Development Partners/PBOs/ Civil Society and Private Sector

Development partners, PBOs, Civil Society, and the Private Sector will collaborate and support the National and County Governments in implementing the KUPGS. Key collaboration areas would be policy advocacy and resource mobilisation, including piloting UPG innovations that leverage technological solutions. Other partnerships include supporting the design of UPG initiatives tailored to the local context, skills training for stakeholders, access to financial services, market access and linkages, as well as promoting stakeholder engagement.

4.1.8: UPG Multi-Sectoral Coordination Committees

The Multi-Sectoral Coordination Committees (MSCCs) play a central role in the UPG initiatives as they ensure that the interventions are aligned, inclusive, and impactful. The committees shall be established at the National, County, and Sub-County levels. Roles of the MSCCs will support inter-governmental and inter-agency collaborative efforts with the Directorate in charge of UPG initiatives, and support institutional capacity building for their member agencies towards ensuring integrated UPG delivery. Specifically, the National Multi-Sectoral Coordination Committee (NMC) will provide technical advice on the implementation of the KUPGS. The MSCCs will contribute to high-level policy guidance to align the KUPGS with national development plans, policies, and sectoral strategies within their respective sectors, while championing integration of graduation approaches into broader development frameworks.

Additional roles will entail mobilisation and coordination of resources from government, donors, and partners to scale and sustain graduation interventions. To ensure that the UPG efforts are harmonised, inclusive, and responsive to the complex, multidimensional needs of the ultra-poor, the committees will provide expertise during implementation, ensuring accountability and guiding evidence-based decision-making through regular reviews and reporting.

The committees will comprise representatives from key State and Non-State Actors representing different sectors involved in the implementation of UPG initiatives, development partners, private sector actors, and civil society organisations. Key community representatives will be incorporated on a need-basis. At the national level, Principal Secretaries from relevant agencies implementing UPG interventions, representatives from the Council of Governors, development partners supporting UPG operations, PBOs, and private sector representatives implementing UPG will be members of the committees. These committees will support participation at all levels to ensure alignment with the national and county goals.

4.1.9: Community Structures

The community structures will foster local ownership of UPG initiatives by ensuring that interventions are contextually relevant, inclusive, and responsive to local needs. They will serve as the entry point for engagement with ultra-poor populations by supporting accountability and feedback mechanisms, flagging emerging issues, and contributing to real-time monitoring, adaptive solutions, and management. They will be leveraged upon to provide ongoing mentorship and psychosocial support through trained community mentors, peer groups, and local champions.

Through participatory community-based processes, existing community structures will support community mobilisation, awareness, and sensitisation on UPG programmes, transparent and participatory identification and targeting of ultra-poor households, grievance management and conflict resolution, and strengthen post-graduation support for community cohesion.

4.2: Required Skill Sets, Competencies, and Technical Resources

Implementation of the KUPGS will require skills, competencies, and technical resources to deliver positive outcomes for the ultra-poor. Table 5 outlines potential cross-cutting skills and competencies necessary to support the implementation of ultra-poor graduation interventions as outlined below.

Table 5: Summary of Skill Sets, Competencies & Technical Resources

Required Skill Sets	Core Competencies	Technical Resources
<ul style="list-style-type: none"> i. Financial Literacy/Inclusion and Life Skills. ii. Communication Skills. iii. Targeting and Vulnerability Assessment. iv. Livelihoods and Economic Empowerment v. Case Management and Coaching. vi. Monitoring, Evaluation, and Learning (MEL). vii. Community Engagement and Mobilisation. viii. Programme and Project Management, including Risk Management ix. Policy and Systems Strengthening. x. Gender and Social Inclusion (GESI). xi. Climate Resilience and Natural Resource Management. xii. Digital and Technological Innovation. xiii. Partnership and Coordination. 	<ul style="list-style-type: none"> i. Local and contextual understanding. ii. Community Mobiliser. iii. Communication. iv. Leadership and Adaptability. v. Teamwork and Collaboration. vi. Problem Solving. vii. Ethical Conduct and Integrity. viii. Technical Proficiency. ix. Critical Thinking. x. Partnership Management. xi. Quality Assurance. 	<ul style="list-style-type: none"> i. Financial. ii. Community facilitators, mentors/coaches. iii. Standard Operating Procedures (SOPs) iv. Graduation Training Curriculum & Manuals. v. Targeting and Assessment Tools. vi. Case Management System. vii. Monitoring, Evaluation, Accountability and Learning (MEAL) Framework. viii. Data Management Systems. ix. Digital Financial Services Platforms.

4.3: Management Information Systems (MISs)

An effective Management Information System (MIS) is central to the successful implementation of the UPG initiatives. The implementation of UPG interventions under the KUPGS will be managed under a centralised information platform that leverages existing social protection delivery system infrastructure to enable seamless, efficient, and effective implementation. Existing systems include the Enhanced Single Registry (ESR MIS); the Community Development Management Information Systems (CDMIS), the Consolidated Cash Transfer Programme (CCTP – MIS) and Hunger Safety Net Programme MIS (HNSP-MIS) and associated payment systems; the enhanced Grievances and Case Management system (e-GCM); and the Nutrition Improvements through Cash and Health Education (NICHE-MIS), including any other stakeholder programme MISs.

The centralised information platform would manage comprehensive beneficiary data across the graduation continuum, from identification and enrolment to graduation and post-graduation follow-up. To achieve the Strategies, Strategic Objectives, and KRAs, stakeholders will align their operations within the existing social protection systems and mechanisms for objective identification and enrolment of ultra-poor households, including the targeting of ultra-poor households/populations, as this will enhance harmony in the implementation of UPG interventions. The centralised information platform would support the integration of data from multiple sectors, including social protection, health, agriculture, livelihoods, education, and financial inclusion, ensuring a holistic and coordinated approach to service delivery.

Automation of the UPG monitoring and evaluation systems and interoperability within the existing MISs will be undertaken for improved coordination of UPG interventions.

This will enable digital identification and verification of targeted ultra-poor graduation participants through interoperability with the social protection delivery systems and other administrative civil registration databases. It will also facilitate real-time data collection, beneficiary tracking, progress monitoring, and decision-making across all components of the graduation pathway, and ensure data privacy and security. The system will also enable timely reporting, learning, and adaptive management, while supporting accountability to stakeholders and the broader community. Capacity building for MIS use and continuous system upgrades will be prioritised to enhance functionality and responsiveness.

Furthermore, to enhance data capacity, the harmonisation of MIS platforms for integrated service delivery, the incorporation of graduation indicators into national and sub-national monitoring systems, including community-level data systems, will be supported, along with capacity-building in data analysis and use for evidence-based decision-making.

To ensure a functional, dynamic, and outcome-focused data management system that supports seamless operations for all stakeholders, in particular targeting the ultra-poor, existing fragmented data systems across the various sectors will be harmonised to support its ability to track multidimensional outcomes such as resilience, income generation, and social empowerment. The MIS platforms will promote interoperability between national systems and those used by counties, NGOs, and private actors, and support the utilisation of real-time data for adaptive programming and accountability.



Section 5.0: Financial Resource Requirements and Mobilisation Strategies

The successful implementation of the KUPGS requires adequate and sustained financial, technical, and human resources. To mobilise these, the Strategy will leverage existing government financing frameworks, advocate for increased budgetary allocation, and engage development partners, the private sector, and philanthropic institutions.

Strategic partnerships and pooled funding mechanisms will be pursued, while alignment with national development priorities and global commitments will strengthen donor confidence. Additionally, community contributions, innovations, and integration with ongoing programmes will enhance cost-efficiency and sustainability. This section outlines the financial resource requirements and mobilisation strategies.

5.1: Financial Requirements

The table below provides a projection of the required financial resources for the implementation of the KUPGS.

Table 6: KUPGS Implementation Budget

Strategic Objectives	KRAs	BUDGET IN KES MN 2025/26	BUDGET IN KES MN 2027/28	BUDGET IN KES MN 2028/29
SO 1: Strengthen coordination, structures, and systems for effective service delivery	KRA 1: Effective Stakeholder Coordination	10	10	10
	KRA 2: Strengthened Institutional Capacity	50	50	50
	KRA 3: Robust and Functional Monitoring & Evaluation System	47	47	47
	KRA 4: Interoperable Social Protection Systems	47	47	47
SO 2: Promote productive and sustainable livelihoods for better graduation outcomes for the ultra-poor	KRA 5: Sustainable Livelihoods	70	70	70
	KRA 6: Sustainable Financial Inclusion	47	47	47
	KRA 7: Increased Social Inclusion	70	70	70
	KRA 8: Climate Resilience and Shock Responsiveness	70	70	70
	KRA 9: Comprehensive and harmonised implementation package for UPG	65	65	65
SO 3: Enhance resources for expanded coverage of ultra-poor graduation interventions	KRA 10: Expanded Social Protection Interventions	70	70	70
	KRA 11: Strengthened Partnerships	10	10	10
	KRA 12: Diversified Funding for Ultra-Poor Graduation	15	15	15

5.2: Resource Mobilisation Strategies

Adequate resources will enable seamless and effective implementation of the KUPGS. To achieve the strategic objectives of the KUPGS, planning, budgeting, and financial management systems will be put in place to optimise the use of the resources.



Resource mobilisation structures will be established to support the acquisition of financial and technical resources. Operational guidelines and principles will guide resource utilisation, while the acquisition of the resources will be achieved through the following strategies:

- a) Development of Resource Mobilisation Plans with funding targets, aligned to the KUPGS planning and implementation cycle, to mitigate any funding pitfalls or budget deficits, and allow for timely financial planning.
- b) Strategic Partnerships: Diversified funding sources through strategic partnerships with mutual interest stakeholders and collaborative engagements of relevant stakeholders for complementary interventions or integration of implementation.
- c) Public-Private Partnerships (PPPs): Leverage the public-private partnerships model for broadened resource mobilisation avenues.
- d) Co-Creation: Explore alternative sustainable resource mobilisation mechanisms such as co-creation for innovative financial solutions with the private sector that includes the financial and mobile money service providers.
- e) Invest in strategic visibility through shared knowledge repository, case studies, learning briefs, strategic UPGS communication and documentaries, to showcase impact and draw potential donors, partners and investors.
- f) Mapping and analysis of potential funding opportunities, donors and partners, as well as foundations, philanthropists and trusts.
- g) Participation in multi-country or multi-national funding platforms.

A Monitoring and Evaluation framework that outlines performance indicators and expected results under each of the KUPGS strategic objectives will be developed. It will take into consideration annual work plans and operations as part of the overall management process. The framework will establish robust systems for real-time tracking of KUPGS activities, outputs, and outcomes, enabling timely decision-making and required corrective measures, as well as providing clear roles and responsibilities for monitoring and evaluation.

Some of the systems that will be put in place include:

- i) **Bi-Annual Reviews and Analysis:** There will be bi-annual review meetings targeting the UPG implementation agencies on updates and progress on implementation.
- ii) **Annual Review meetings:** Representatives from the implementation agencies will hold annual review meetings from which comprehensive progress reports and plans for the following year will be shared.

Section 6.0: Monitoring, Evaluation, Reporting, and Learning (MERL)

iii) Internal Evaluations: Timely annual internal evaluations and programme audits will need to be conducted to support the strengthening of internal controls.

- A mid-term external evaluation of the activities in this plan will be carried out at the end of the second year of operation. This activity will assess the level of achievement of the outcomes as envisaged by this strategy.
- Towards the end of the planned five-year period, an evaluation of the strategy will be carried out, and the outcomes will inform the planning process and activities for the next strategy.

The Evaluation Framework will rigorously assess the outcomes and impact of KUPGS interventions, ensuring efficiency, effectiveness, and sustainability.

The evaluation methodology will emphasise the mixed-methods approach (quantitative and qualitative evaluations), including baseline assessments, mid-term reviews, and final evaluations. Some of the evaluation aspects that will be put in place include:

- **Feedback Integration:** Highlight the process for incorporating evaluation findings into programme improvements.
- **Impact Analysis:** Explain how evaluations will help gauge the effectiveness of interventions and inform any required adjustments.

6.1: Monitoring and Evaluation / Results Matrix

Under the Monitoring and Evaluation framework, four levels of results that will be monitored in all projects for feedback to the relevant audiences include:

Table 7: Monitoring & Evaluation - Key Results Matrix

Impact	Impact will be assessed for evaluation at the end of the strategy period. This will take cognizance of all implementation processes and assumptions.
Outcome	Outcomes will be measured during the mid-term review of the strategy.
Output	The output realisation is immediate and will be reported by the respective implementing agencies.
Inputs	Refers to all resources required to facilitate the implementation of all specific strategies and activities therein.

The reporting framework and feedback mechanism will ensure timely, transparent, and actionable reporting of progress, challenges, and lessons learned, while incorporating stakeholder feedback for adaptive management. Further, it will outline the following:

- **Frequency & Format:** Define the reporting frequency (monthly, quarterly, annual) and the format (dashboards, narrative reports).
- **Transparency & Accountability:** Discuss how reporting reinforces accountability among implementing partners and stakeholders.

- **Communication Channels:** Detail the channels (emails, meetings, dashboards) through which reports will be disseminated to ensure all parties are informed.
- **Knowledge Sharing:** Describe the mechanisms for capturing lessons learned, best practices, and areas needing improvement (e.g., workshops, debrief sessions).
- **Continuous Improvement:** Outline how insights from MERL activities will feed back into programme design, strategy adjustments, and operational changes.
- **Stakeholder Involvement:** Explain how various stakeholders (field teams, beneficiaries, decision-makers) will contribute to and benefit from the learning process.

6.2: Risk Management Framework

Effective risk management is essential to ensure the KUPGS achieves its intended results, and in particular, that ultra-poor households are sustainably transitioned from extreme poverty. Continuous identification, assessment, and planning for potential risks will ensure that risks impacting implementation are managed proactively. The matrix below summarises some of the potential risks in the implementation of the KUPGS.

Table 8: Risk Management Framework

Risk Factor	Risk Description	Likelihood	Risk Mitigation
Political Interference and Governance Transitions	<ul style="list-style-type: none"> Shift in policy direction associated with political and governance transitions impacting resource allocation and programme continuity or politicisation of programmes through political interference that creates mistrust, affecting programme implementation and ownership, as well as reduction of stakeholder support. 	High	<p>Embed the KUPGS in national policy and legislative frameworks and institutionalise operation.</p> <p>Enhance awareness among the communities.</p> <p>Enhance evidence generation through knowledge management.</p>
Fragmentation of UPG implementation	<ul style="list-style-type: none"> Poor coordination among State and Non-State Actors is causing fragmented implementation of the UPG interventions in Kenya, undermining their effectiveness and increasing duplication or gaps. 	High	Operationalisation of the KUPGS to implement a clear stakeholder coordination framework, with a lead coordination secretariat for the ultra-poor graduation initiatives in Kenya.
Ultra-Poor Graduation packages are not comprehensive/ holistic	<ul style="list-style-type: none"> Weakened overall effectiveness of the ultra-poor graduation initiatives owing to limited graduation packages. 	High	Set standards and enforce implementation of comprehensive UPG packages.
Low coverage of UPG interventions	<ul style="list-style-type: none"> Increasing vulnerability with limited resources, exacerbating extreme poverty in Kenya. 	High	Expand social protection systems for increased coverage.
Weak Monitoring and Evaluation Systems	<ul style="list-style-type: none"> Unreliable data affecting KUPGS programme continuity and policy decision-making. 	High	A robust Monitoring & Evaluation System for the KUPGS shall be developed and integrated into the national SP systems.
Climate-driven shocks such as floods and droughts	<ul style="list-style-type: none"> Environmental and Health Shocks that worsen vulnerability and undermine graduation of UPG participants. 	Medium	Integrate shock-response measures into the UPG interventions.
Exclusion of vulnerable and marginalised groups	<ul style="list-style-type: none"> Exclusion of vulnerable and marginalised groups will hinder the achievement of inclusive development and ultimately the eradication of extreme poverty. 	High	Integrate cross-cutting issues, such as Gender, in its implementation and address social risks.

Section 7.0: Annexes

Annex 1: Implementation Matrix

Strategies	Activities	Expected Output	Output Indicators	Annual Target	Annual Budget (KES Million)
Strategic Objective 1: Strengthen Coordination, Structures, and Systems for Effective Service Delivery					
1.1 Establish robust multi-stakeholder coordination platforms	1.1.1 Conduct stakeholder mapping to identify key actors and their roles.	Stakeholders identified and mapped	# of stakeholders engaged (Target: 50+); Satisfaction rate with coordination platform (Target: 80%)	50 stakeholders	5
	1.1.2 Establish National Steering Committee (NSC) and County Implementation Units (CIUs) with clear terms of reference.	NSC and CIUs are functional	NSC and CIUs are fully functional (Target: Yes); Frequency of meetings (Target: Quarterly); Action items completed (Target: 80%)	47 counties	5

Strategies	Activities	Expected Output	Output Indicators	Annual Target	Annual Budget (KES Million)
	1.1.3 Develop and implement inter-agency agreements and data-sharing protocols.	Inter-agency agreements signed	# of data-sharing agreements in place (Target: 10+); Timeliness (Target: 90%) and accuracy (Target: 95%) of data sharing	10 agreements	5
1.2 Institutionalise participatory co-design processes	1.2.1 Conduct community consultations and focus group discussions to gather input on programme design.	Community-informed programme designs	% of programmes co-designed with community input (Target: 70%); Community satisfaction with programme relevance (Target: 85%)	70% community input	5
	1.2.2 Establish mechanisms for feedback collection and incorporation into programme design.	Feedback systems established	% of feedback incorporated into programme improvements (Target: 60%); Responsiveness to community needs (Qualitative assessment)	60% feedback incorporated	5
1.3 Develop/ review / domesticate national policy and legal frameworks at the county levels.	1.3.1 Develop and operationalise county-specific ultra-poor graduation policies, tailored to the context.	County-specific UPG policies developed and implemented.	# of County-Based UPG policies developed	47 Counties	5

Strategies	Activities	Expected Output	Output Indicators	Annual Target	Annual Budget (KES Million)
2.1 Develop and reinforce governance and operational structures	2.1.1 Map existing social protection and economic development programmes at the county level.	County-level programme mapping	# of programmes mapped (Target: 100+); Overlap and gaps identified (Qualitative assessment)	100 programmes	5
	2.1.2 Integrate UPG interventions within existing government programmes and community structures.	Integrated UPG programmes	Degree of integration within government systems; Community ownership (Qualitative assessment)	Full integration	5
3.1 Enhance integrated systems for performance management, compliance	3.1.1 Develop a technology backbone for data-driven targeting, monitoring, and evaluation.	Integrated MIS system	% of beneficiaries tracked (Target: 90%); Accuracy of targeting (Target: 80%); Timeliness of data reporting (Target: 90%)	90% tracked	47
	3.1.2 Establish clear monitoring and evaluation indicators and targets for each strategic pillar.	M&E framework established	% of KPIs tracked (Target: 95%); Frequency of evaluations (Biannual); Utilisation of findings (Qualitative)	95% tracked	47

Strategies	Activities	Expected Output	Output Indicators	Annual Target	Annual Budget (KES Million)
4.1 Promote capacity development, ownership, and change management	4.1.1 Develop and implement training programmes for government staff, NGOs, and community leaders on UPG.	Trained personnel and stakeholders	% of staff trained (Target: 80%); Knowledge and skills acquired (Assessment scores); Service delivery improved (Qualitative)	80% trained	5
	4.1.2 Conduct sensitisation campaigns to promote community ownership and address cultural barriers.	Increased community awareness	% of community members aware (Target: 70%); Participation (Target: 60%); Reduction of cultural barriers (Qualitative)	70% awareness	5
Strategic Objective 2: Promote Productive and Sustainable Livelihoods to Enhance Graduation					
5.1 Strengthen foundational social protection mechanisms	5.1.1 Provide asset/cash transfers to ultra-poor households.	Households receiving cash transfers	% of ultra-poor households receiving cash (Target: 90%). Avg. transfer (\$1.90/day)	90% coverage	35
	5.1.2 Implement safety net programmes (e.g., food assistance, healthcare access).	Increased access to safety nets	% of households accessing programmes (Target: 80%); Healthcare utilisation (Target: 70%)	80% coverage	35



Strategies	Activities	Expected Output	Output Indicators	Annual Target	Annual Budget (KES Million)
6.1 Accelerate access to inclusive financial services and literacy	6.1.1 Facilitate access to microloans, savings, and insurance.	Financially included households	% of households accessing services (Target: 60%); Avg. loan size (\$500); Savings rate (Target: 20%)	60% access	20
	6.1.2 Provide financial literacy training and business skills development.	Households with financial skills	% completing training (Target: 75%); Financial management improvement (Assessment scores)	75% trained	27
7.1 Catalyse asset creation, technical skills, and entrepreneurship	7.1.1 Provide asset transfers (e.g., livestock, tools, equipment).	Asset-supported households	% receiving assets (Target: 70%); Value of assets	70% households	35
	7.1.2 Facilitate technical skills training and entrepreneurship development.	Skilled and entrepreneurial participants	% completing skills training (Target: 70%); New businesses (Target: 5000); Income increase (Target: 40%)	5000 businesses	35
7.2 Foster social and economic empowerment	7.2.1 Implement mentorship programmes.	Beneficiaries with mentorship support	% in mentorship programmes (Target: 60%); Business performance improvement (Assessment scores)	60% mentored	35

Strategies	Activities	Expected Output	Output Indicators	Annual Target	Annual Budget (KES Million)
	7.2.2 Promote social integration through support groups and activities.	Socially cohesive communities	% in social integration activities (Target: 50%); Social cohesion (Qualitative)	50% participation	35
8.1 Promote Climate-Resilient Livelihoods	8.1.1 Train households in agroforestry, beekeeping, and drought-resistant crops.	Households engaged in diversified climate-resilient income activities	% of trained households generating alternative income	5,000 households	20
8.2 Provide access to markets for climate-smart products	Increased household income from climate-resilient products.	% of households accessing markets	5,000 households	30	10
8.3 Promote climate-smart agriculture (e.g., water-efficient irrigation, soil conservation)	Adoption of climate-smart agricultural practices.	% of households using CSA techniques	4,000 households	50	10
8.4 Facilitate access to weather-indexed insurance and financial literacy training	Households financially protected against climate shocks.	% of households with insurance coverage	3,000 households	30	10
8.5 Enhance Community Disaster Preparedness	Establish community-based early warning systems with SMS alerts.	Functional early warning systems in place	Number of operational early warning systems	25 communities	10
8.6 Train community members on disaster response	Improved community capacity to respond to climate shocks.	Number of people trained in disaster response	2,500 individuals	30	10

Strategies	Activities	Expected Output	Output Indicators	Annual Target	Annual Budget (KES Million)
8.7 Construct or rehabilitate community shelters	Communities with safe spaces during disasters.	Number of shelters constructed or rehabilitated	25 shelters	80	10
8.8 Stock emergency supplies and train disaster response teams	Community disaster readiness enhanced.	Number of response teams formed and equipped	25 teams	50	10
8.9 Integrate Climate Risk Management	Link ultra-poor households to shock-responsive social protection programmes.	Poor households cushioned during climate shocks	Number of households linked to social protection	10,000 households	10
8.10 Promote ecosystem restoration (e.g., reforestation, mangrove conservation)	Degraded ecosystems restored.	Hectares of land under restoration	500 hectares	90	10
8.11 Conduct participatory climate risk assessments	Local adaptation plans informed by community-driven assessments.	Number of risk assessments conducted	25 assessments	50	10
8.12 Empower Women in Climate Action	Support women-led resource management committees and climate initiatives.	Women empowered in climate governance	Number of women-led groups supported	100 groups	10
8.13 Promote drought-tolerant, nutrient-rich crops	Improved household food and nutrition security.	Number of households growing nutrition-sensitive crops	3,000 households	30	5
8.14 Promote kitchen gardens for household nutrition	Access to nutritious food through home production.	Number of kitchen gardens established	3,000 gardens	30	5

Strategies	Activities	Expected Output	Output Indicators	Annual Target	Annual Budget (KES Million)
Strategic Objective 3: Enhance Resources for Graduation Interventions					
Cultivate strategic partnerships and alliances	Conduct partnership mapping.	Partnership opportunities identified	# of agreements signed (Target: 20+); Resources mobilised (\$5M)	20 partnerships	5
	Establish formal partnership agreements.	Effective partnerships	% of agreements implemented (Target: 75%); Partner satisfaction (Qualitative)	75% implementation	5
Strengthen communication and advocacy	Develop a comprehensive communication strategy.	UPG awareness raised	Reach of campaigns (Target: 5M+); Public awareness (Survey scores)	5M+ reach	40
	Conduct advocacy campaigns for policy and funding support.	Increased policy support	Policy changes; Increased budget (Target: 0.7% of GDP)	0.7% of GDP	30
Institutionalise resource mobilisation and tracking mechanisms	Develop a resource mobilisation strategy.	Resource strategy in place	Amount of funding secured (Govt, Donors, Private)	TBD funding	5
	Establish a system for tracking UPG expenditures and results.	Accountable UPG systems	Accuracy (95%) and timeliness (90%) of reports; Cost-benefit analysis	95% accuracy	10

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