
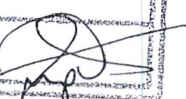


Approved for tabling

8/6/2021
SN/A



PARLIAMENT
OF KENYA
LIBRARY

 THE NATIONAL ASSEMBLY PAPERS LAID	
REPUBLIC OF KENYA	
DATE: 08 JUN 2021	DAY: TUE
TABLED BY: THE NATIONAL ASSEMBLY CLERK AT THE TABLE:	CHAIRPERSON, BAC F. MURIUKI 

TWELFTH PARLIAMENT

FIFTH SESSION

THE BUDGET AND APPROPRIATIONS COMMITTEE REPORT ON THE
ESTIMATES OF REVENUE AND EXPENDITURE FOR THE FINANCIAL YEAR

2021/2022

JUNE 2021

TABLE OF CONTENTS

CHAIRPERSON'S FOREWORD.....	ii
1.0. PREFACE	1
2.0. INTRODUCTION.....	3
3.0. THE MACROECONOMIC FRAMEWORK UNDERPINNING THE 2021/2022 BUDGET.....	4
4.0. KEY HIGHLIGHTS OF THE 2021/2022 BUDGET.....	4
5.0. FINANCING OF THE 2021/2022 BUDGET.....	6
6.0. CONSOLIDATED FUND SERVICES (CFS)	7
7.0. SUBMISSIONS FROM DEPARTMENTAL COMMITTEES	8
8.0. RESOLUTIONS FROM THE PUBLIC HEARINGS.....	17
9.0. COMMITTEE OBSERVATIONS.....	17
10.0. COMMITTEE RECOMMENDATIONS	19

CHAIRPERSON'S FOREWORD

On behalf of the Members of the Budget and Appropriations Committee and as mandated by Article 221 of the Constitution, section 39(2) of the Public Finance Management Act and Standing Orders 235(5); it is my pleasure to present to this House the Committee's report on the Estimates of Revenue and Expenditure for Financial Year 2021/2022 and the medium term - hereinafter referred to as the 2021/2022 budget estimates - for the National Government, Parliament and the Judiciary.

The 2021/2022 budget estimates were submitted to Parliament on Thursday 29th April 2021. Equally, the Parliamentary Service Commission and the Judiciary independently tabled their budget estimates in line with Article 127(6)(c) and 173(3) of the Constitution respectively. Pursuant to Article 221(4) of the Constitution, the 2021/2022 budget estimates were committed to the Budget and Appropriations committee (BAC) as well as the Departmental Committees of the National Assembly for review in line with their respective mandates. After reviewing the budgets of the various Ministries, Departments and Agencies within their purview, the Departmental Committees are required to submit their recommendations to the Budget and Appropriations Committee for consideration and inclusion in this report.

Examination of the Budget Estimates for Financial Year 2021/2022

In reviewing the 2021/2022 Budget Estimates, the Committee held fourteen (14) Sittings including two (2) meetings with the National Treasury where extensive deliberations were held. The committee also held discussions with the Parliamentary Service Commission and the Office of the Auditor General and critically reviewed their budgets. The outcome of these deliberations has informed the various recommendations which are contained in this report.

The committee also received submissions from the Departmental Committees highlighting significant policy and financial recommendations on the budgets of the various Ministries, Departments and Agencies within their purview. If approved by the House, these recommendations will form the basis for the passage of the Appropriation Bill for financial year 2021/2022. The consolidated report of the departmental committees as well as a summary of their observations and policy recommendations is contained in Annex I and II of this report.

Article 221(5) of the constitution requires the Budget and Appropriations Committee to seek the views of the public on the budget and take their recommendations into account

when finalizing this report. Due to the ongoing COVID-19 pandemic and the need to limit in-person public gatherings, for the second year running, the committee held a virtual public participation exercise whereby the public were required to submit their views through written memoranda highlighting their areas of concern and key expenditure priorities.

In line with an already established tradition of addressing key expenditure priorities for twelve (12) select counties in each financial year, the committee specifically sought the views of the public on the key expenditure priorities for the following counties: **Kilifi, Mandera, Meru, Machakos, Nyandarua, Kiambu, Elgeyo-Marakwet, Nandi, Baringo, Vihiga, Siaya and Nairobi City County**. Notably, submissions were also received from the following: Mbugua, Mureithi & Co Advocates; and the Clean Cooking Association of Kenya highlighting various concerns on matters of public finance. The summary of public hearing submissions is in Annex III of this report.

Committee observations

Arising from these deliberations, the committee made the following observations:

- i. **Pending bills:** Despite the presidential directive in June 2019 that all pending bills by government agencies be cleared immediately, they continue to present a significant challenge in almost all sectors of the budget. It is noted that the veracity of some of these pending bills is in doubt.
- ii. **Stalled projects:** this has become a permanent feature of our budget. There is no adherence to the project guidelines issued by the National Treasury including the introduction of new projects before completion of existing ones despite the thin spread of resources. A policy must be implemented to ensure enforcement of PFM and Treasury guidelines. Sanctions should be instituted to MDAs that introduce new projects before completion of existing projects.
- iii. **Duplication of functions:** there is observed an overlap of functions between some spending agencies as well as between some programmes. Streamlining of functions will be crucial to eliminate duplication and reduce resource wastage.
- iv. **Failure of the MTEF process:** there appears to be very little focus on the medium term budget despite the MTEF process requiring budgeting to focus on a three year

rolling plan in order to ensure predictability of the budget. Poor performance of the MTEF is partly attributed to the failure to adapt to initially weak budget systems as well as limited institutional capacity especially in the National Treasury. The situation is made worse by inadequate support and agency buy-in for this mode of budgeting.

- v. **Mainstreaming the (Sustainable Development Goals (SDGs) in the Budget process:** there is no evidence that the Sustainable Development Goals (SDGs) have been mainstreamed in the budget process despite being instrumental in poverty reduction and sustainable economic development.

- vi. **Transfer of functions between ministries:** in the 2021/2022 budget, seemingly highly performing ministries are expected to implement certain key projects/programmes not necessarily under their purview. Notably, in the next financial year, the National Treasury will become an implementing agency for some infrastructure projects. The committee is concerned that the National Treasury may find it difficult to strike the balance between being the implementer of public finance and being a sectoral implementer of these infrastructure projects.

- vii. **Policy on providing capitation for government sponsored students in private universities:** This policy has not been managed well as government sponsored students enrolled in private universities do not receive adequate capitation. These students receive an average of Ksh. 40,000 per year. There is need therefore to critically re-look this policy in order to ensure that the policy's objective is adequately met.

Committee Recommendations

Having considered the above matters, the committee recommends as follows:

a. Policy Recommendations

- (i) That, the National Treasury sets up a fund that may be financed through a long-term bond for the payment of the existing verified pending bills and court awards. The fund should be in place by 1st October, 2021.

- (ii) That, the State Department for University Education and the Ministry of Environment and Forestry under the Kenya Forest Service, should sign an MoU

with the Kenya Revenue Authority on how the non-remitted tax dues will be paid. A report on this should be submitted to the National Assembly by 1st October, 2021.

- (iii) That, to facilitate the expansion of exports and facilitate growth, an export management office (EMO) be established which will have representation from all agencies that deal with the entire export value chain of Kenyan products. The office should be domiciled in the State Department for Trade. A status report on the establishment of the Office should be submitted to the National Assembly by 30th September, 2021.
- (iv) That, the State Department for Trade conducts a study on the need to establish trade offices or logistical centres in key existing and potential markets within the various regional economic blocks and countries which have established bilateral relationships with Kenya. This is in order to focus on international export opportunities that match Kenya's current/potential business capability. The study should be completed by 31st December, 2021.
- (v) That, the Ministry of Petroleum and Mining enhances its Monitoring and Evaluation Framework in oil and gas exploration and submits a report on it to the National Assembly by 1st October, 2021.
- (vi) That, the State Department for ICT and Innovation institutes a robust Monitoring and Evaluation framework on the maintenance and rehabilitation works of the existing ICT Infrastructure (NOFBI II Cable and Last Mile County Connectivity Networks). A report on the framework should be submitted to the National Assembly by 1st September, 2021.
- (vii) That, the government logistics be interlinked and provided for by government institutions such as Kenya Railways Corporation, Kenya Ports Authority, Posta Corporation and Kenya Airways. This should be in place by end of FY 2021/22 and managed by the seemingly efficient MDAs.
- (viii) That, the Ministry of Lands and Physical Planning commences the use of a cashless revenue collection system by 30th May, 2021.
- (ix) That, the National Treasury, the State Department for Social Protection and the State Department for ASAL consolidates all the existing cash transfer programs under one umbrella. A report on this exercise should be submitted to the National Assembly by 1st January, 2022.

- (x) That, the State Department for University Education and the University Funding Board completes the review of the University funding formula by 1st October, 2021, to ensure it supports recently established universities which seem to be disadvantaged with the current formula in place. The amended formula should also be applied in the allocation of infrastructure funds to various universities.
- (xi) That, the Ministry of Health the National Treasury, the Ministry of Labour and Social Protection, the Ministry of Education and NHIF actualizes the amalgamation of EduAfy Medical Insurance, Linda Mama, Health Insurance Subsidy Programme (HISP), Orphans and Vulnerable Children Cash Transfers (OVC-CT) to form one UHC scheme for the indigents through National Hospital Insurance Fund (NHIF). A report should be submitted to the National Assembly by 1st October, 2021.

b. Financial Recommendations: Committee Recommendations arising from the Public Hearings

After extensive deliberations, the Committee recommends that **Ksh. 1.2 billion** be set aside to fund projects arising from public hearings. This expenditure should be domiciled under the specific ministries.

c. Financial Recommendations: Committee Recommendations on the National Budget 2021/2022

The Budget and Appropriations Committee received substantial additional requests from Departmental Committees amounting to **Ksh. 85.7 billion** to meet various expenditure shortfalls. However, due to prevailing resource constraints and the need to contain the fiscal deficit within a certain limit, the Committee could not finance most of these requests.

The Committee therefore resolves as follows:

a) Reductions

That, the reduction of **Ksh. 20,413,508,823** be effected from the votes and programmes as shown in Schedule I and II as per the justifications provided.

b) Additions

That, the amount of **Ksh. Ksh. 24,076,168,823** be increased to the votes and programmes as shown in Schedule I and II as per the justifications provided.

c) **Allocation for Parliament**

That, the budget allocation for the Parliament for FY 2021/2022 be **Ksh. 37,882,700,000.**

d) **Allocation for the Judiciary**

That, the budget allocation for the Judiciary for FY 2021/2022 be **Ksh. 17,833,200,000.**

Further, the committee recommends that this House resolves to:

- a. Approve the Report and the recommendations of the Budget and Appropriations Committee on the Budget Estimates for the National Government, the Judiciary and Parliament for Financial Year 2021/2022.
- b. Approve that Schedule I and II attached to this report forms the basis of the Appropriation Bill 2021/2022.
- c. Approve that the National Treasury finalizes the required budget documents as per the Public Finance Management Act on the detailed estimates.

Acknowledgements

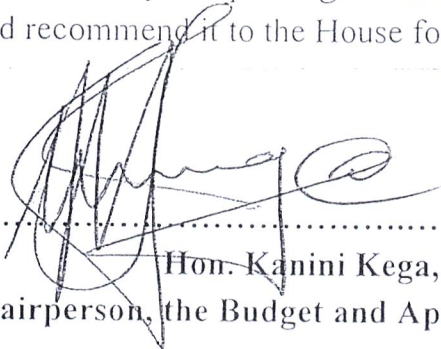
The Budget and Appropriations Committee is grateful to the Departmental Committees for their continuous oversight efforts over the Ministries, Departments and Agencies (MDAs) which has enabled the National Assembly to effectively execute its budgetary oversight role.

The Committee is also grateful to the members of the public and organizations who took their time to review the proposed budget and present submissions to the committee for inclusion in this report. In particular, the Committee would like to express its gratitude to the Mbugua, Mureithi & Co Advocates; the Clean Cooking Association of Kenya as well as the residents of **Kilifi, Mandera, Meru, Machakos, Nyandarua, Kiambu, Elgeyo-Marakwet, Nandi, Baringo, Vihiga, Siaya and Nairobi City** Counties for their contributions which have enabled the committee to realign the budget in a more responsive manner.

Lastly, the Committee is grateful to the Office of the Speaker of the National Assembly, the Office of the Clerk of the National Assembly, the Clerks to the Departmental Committees and the Parliamentary Budget Office for their invaluable support to the

members of parliament as they discharged their mandate of reviewing the Budget Estimates for the Financial Year 2021/2022.

On behalf of the Budget and Appropriations Committee, and pursuant to Standing Order 235(5), it is my pleasant duty and privilege to table the Report on the Budget Estimates for FY 2021/2022 and recommend it to the House for adoption.


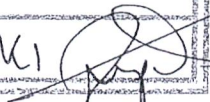


Signed:

Hon. Kanini Kega, CBS, M.P
Chairperson, the Budget and Appropriations Committee

Date:

08/06/2021

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 08 JUN 2021	DAY: TUE
TABLED BY:	CHAIR, BAC
CLERK AT THE TABLE:	F. MURUKI 

1.0. PREFACE

1.1: Establishment and Mandate of the Committee

Article 221 (4 and 5) of the Constitution and Section 7 of the Public Finance Management Act, 2012 provide for the establishment of a Committee of the National Assembly whose main role is to take the lead in budgetary oversight. Pursuant to this constitutional provision, Standing Order 207 established the Budget and Appropriations Committee with specific mandates among which is to:

- i. Investigate, inquire into and report on all matters relating to coordination, control and monitoring of the national budget;
- ii. Discuss and review the Estimates and make recommendations to the House;
- iii. Examine the Budget Policy Statement, the Medium Term Debt Strategy Paper and the Division of Revenue Bill (DoRB) presented to the House;
- iv. Examine Bills related to the national budget, including the Appropriations Bill; and
- v. Evaluate tax estimates, economic and budgetary policies and programmes with direct budget outlays.

1.2. Membership of the Committee

Mr. Speaker, the Budget and Appropriations Committee as currently constituted comprises of the following Honourable Members of Parliament:

Member	Constituency	Party
1. Hon. Kanini Kega, CBS, M.P. – Chairperson	Kieni	Jubilee
2. Hon. Benard Masaka Shinali, M.P. – Vice Chairperson	Ikolomani	Jubilee
3. Hon. CPA John Mbadi, EGH, CBS, M.P.	Suba South	ODM
4. Hon. Emmanuel Wangwe, CBS, M.P.	Navakholo	Jubilee
5. Hon. Fatuma Gedi Ali, CBS, M.P.	Wajir County	PDR
6. Hon. Wangari Mwaniki, OGW, M.P.	Kigumo	Jubilee
7. Hon. CPA Moses K. Lessonet, CBS, M.P.	Eldama Ravine	Jubilee
8. Hon. Samwel Moroto, M.P.	Kapenguria	Jubilee
9. Hon. Millie Odhiambo, M.P.	Suba North	ODM
10. Hon. Richard Onyonka, M.P.	Kitutu Chache South	Ford Kenya
11. Hon. (Dr.) Makali Mulu Benson, M.P.	Kitui Central	Wiper
12. Hon. Twalib Bady, M.P.	Jomvu	ODM
13. Hon. Jude Njomo, M.P.	Kiambu Town	Jubilee
14. Hon. Sarah Paulata Korere, M.P.	Laikipia North	Jubilee
15. Hon. Josephine Naisula Lesuuda, OGW, M.P.	Samburu West	KANU
16. Hon. Alfred Kiptoo Keter, M.P.	Nandi Hills	Jubilee
17. Hon. Sakwa Bunyasi, M.P.	Nambale	ANC

18. Hon. Florence Chepng'etich Koskey Bore, M.P.	Kericho County	Jubilee
19. Hon. James Gichuki Mugambi, M.P.	Othaya	Jubilee
20. Hon. Danson Mwashako, M.P.	Wundanyi	Wiper
21. Hon. (Eng.) Mark Nyamita, M.P.	Uriri	ODM
22. Hon. Paul Abuor, M.P	Rongo	ODM
23. Hon. Mercy Wanjiku Gakuya, M.P.	Kasarani	Jubilee
24. Hon. CPA Francis Kuria Kimani, M.P	Molo	Jubilee
25. Hon. Samuel Atandi, M.P	Alego Usonga	ODM
26. Hon. Joseph Manje, M.P	Kajiado North	Jubilee
27. Hon. Marselino Arbelle, M.P	Laisamis	Jubilee

1.3 Parliamentary Budget Office and Committee Secretariat

The Committee is facilitated by the following officers from the Parliamentary Budget Office:

- | | |
|---------------------------|---|
| 1. Ms. Phyllis Makau, OGW | Director, Parliamentary Budget Office |
| 2. Dr. Martin Masinde | Senior Deputy Director, Parliamentary Budget Office |
| 5. Ms. Millicent Makina | Fiscal Analyst I |
| 7. Dr. Abel Nyagwachi | Fiscal Analyst I |
| 6. Ms. Julie Mwithiga | Fiscal Analyst I |
| 7. Mr. Chacha Machage | Fiscal Analyst I |

The Committee Secretariat comprises of the following officers:

- | | |
|------------------------|--|
| 1. Mr. Joseph Ndirangu | Fiscal Analyst I/ Clerk of the Budget and Appropriations Committee |
| 2. Mr. Danson Kachumbo | Fiscal Analyst I/ Clerk of the Budget and Appropriations Committee |
| 3. Ms. Winfred Kizia | Media Relations |
| 4. Mr. Benard Omondi | Serjeant-at-arms |
| 5. Mr. Stephen Nyakuti | Audio Officer |
| 6. Mr. George Mbaluka | Office Assistant |

2.0. INTRODUCTION

1. The 2021/2022 budget has been prepared against the background of significant resource constraints due to the adverse effects of the covid-19 pandemic on the economy. There is a limited resource envelope on account of economic underperformance and this has resulted in severe budget constraints. Now, more than ever, the country must tighten its belt and limit its spending to high priority areas in order to ensure that the citizen's most urgent needs are being met in an efficient and cost-effective manner.
2. In order to effectively manage its budget and correct its macroeconomic imbalances, the country has entered a 38-month IMF programme under the Extended Credit Facility (ECF) and Extended Fund Facility (EFF) arrangements for approximately US\$ 2.4 billion. Consequently, the country has to be in line with certain prescribed fiscal and monetary performance benchmarks including specific targets on the budget deficit, tax revenue, stock of central bank net international reserves and public debt. Furthermore, as part of the programme benchmarks, some reforms are expected under revenue administration, the government procurement process, containment of the public wage bill, restructuring of State Owned Enterprises (SoEs) and rationalization of public investment projects.
3. In terms of adherence to legal provisions, the 2021/2022 budget is broadly in line with expectations and has been submitted in both programme based format and itemized format with information provided on key performance indicators, targets as well as expected output and outcome. However, there are some gaps observed. Firstly, there is no review of KPI performance in the previous year, making it difficult to determine the status of ongoing projects/programmes and therefore, whether the resource allocations are adequate or being effectively utilized. Secondly, the Equalization fund estimates was not provided contrary to legal provisions (Constitution Article 216(4); PFM section 38(b)(ii). Thirdly, the Citizens budget was not availed to facilitate citizen participation (Constitution Article 201(a); PFM regulation 6(2)).

3.0. THE MACROECONOMIC FRAMEWORK UNDERPINNING THE 2021/2022 BUDGET

4. The proposed budget is anchored on a GDP growth projection of 6.3 percent in FY 2021/2022, and 6.1 percent over the medium term. The key drivers of this growth are: a stable macroeconomic environment; improved domestic consumption; and improved external demand. Further, export demand is expected to increase due to the reopening of economies globally as global vaccination continues to gain traction.
5. Even though this economic growth projection is plausible, the committee is concerned that some of the growth fundamentals are potentially weak. For instance, given the current economic conditions, private consumption has reduced considerably due to increased unemployment and income losses and this may persist through 2021. A prolonged pandemic will also delay the full recovery of tourism.
6. Further, there are concerns that budget allocations are not really addressing supply side constraints pertaining to exports and this has severely constrained the country's export earnings potential. Kenya's export quality has largely remained unchanged with the country exporting mostly raw, primary products as opposed to manufactured goods.
7. Other risks to the macroeconomic outlook include rising fuel prices, foreign exchange rate fluctuation, political uncertainty as the country approaches the general elections and the possibility of reintroduction of strict covid containment measures in the second quarter of 2021. If these risks materialize, then economic growth may be lower than projected and this will further constrain the resource envelope.

4.0. KEY HIGHLIGHTS OF THE 2021/2022 BUDGET

8. The overall budget for FY 2021/2022 is estimated at Ksh. 3.66 Trillion; with recurrent expenditure amounting to Ksh. 1.29 Trillion and development expenditure estimated at Ksh. 666.5 Billion. In terms of the budget for the three arms of Government; the budget for the Executive is estimated at Ksh. 1,895.14 Billion; Parliament at Ksh. 46.61 Billion and the Judiciary at Ksh.17.92 Billion.
9. The committee observed that the overall budget estimates for FY 2021/2022 has exceeded the approved 2021/2022 Budget Policy Statement (BPS) ceiling by Ksh. 14.11 billion. This is mostly on account of increased Consolidated Fund Services (CFS)

spending by Ksh. 20.83 billion as well as the Parliament budget which is higher by Ksh. 8.7 billion from the BPS ceiling. For most of the sectors however, the net changes do not differ significantly from the approved BPS ceilings. This is a notable departure from the past whereby BPS ceilings were routinely flouted and the budget increased in total disregard of the approved budget framework. The committee commends the National Treasury for this effort.

10. With regard to the policy direction of the 2021/2022 budget, the committee noted that despite the government implementing a Post Covid-19 Economic Recovery Strategy (ERS), the key performance indicators and targets for the next financial year have not been clearly articulated and specified in the proposed 2021/2022 budget. This makes it difficult for the government to monitor the projects/programmes being implemented under the Post-Covid ERS.
11. Indeed, there is no evidence that broad policy objectives particularly with regard to sustainable development goals (SDGs) have been factored into the budget. Implementation of the SDGs is crucial as they are designed to end poverty and enhance sustainable development.
12. Furthermore, this being the final year of implementation for the Big Four agenda under the current administration, the committee is concerned that the full benefits of the Big 4 agenda will not be achieved by 2022. It is therefore important for the strategies that will be implemented beyond 2022, notably the Fourth Medium Term Plan (MTP 4) of the Vision 2030, to include full completion of the programmes/projects under the Big 4 agenda.
13. It is observed that the format of presentation of the 2021/2022 budget and the medium term is such that there is no effective budget challenge function taking place. Specifically, the review of ongoing programmes/projects has not been provided thereby making the budget simply incremental. The committee notes that poor management of capital projects has led to some projects being permanent in the budget.
14. Pending bills and stalled projects continue to present a significant challenge in almost all sectors of the budget. For the most part, this is the outcome of poor planning, budget cuts and expenditure adjustments during the supplementary budget process. No clear road map has been provided by the National Treasury on how to effectively conclude these matters.

15. While the committee appreciates the need to place certain key projects/programmes under seemingly highly performing ministries, there is concern that the major problem is the flow of exchequer on a timely basis. It is noted that in the next financial year, the National Treasury will become an implementing agency for projects such as the Dongo-Kundu Special Economic Zone, SGR Nairobi- Naivasha Mombasa Port Development Project, LAPSSET Project and Kenya Mortgage Refinance Company (KMRC). The National Treasury will find it difficult to strike the balance between being the implementer of public finance and being a sectoral implementer of these infrastructure projects.
16. The Committee notes with concern that after tabling of the budget in Parliament, the National Treasury has formed a perpetual habit of submitting additional changes to a budget which is already under scrutiny by the legislature hence creating difficulties in arriving at the final budget. This raises serious capacity issues in the National Treasury and points to a laxity in preparing the budget. The net effect of the proposed changes to the 2021/2022 budget by the National Treasury has resulted in an overall reduction of the budget by Ksh. 8.9 billion.

5.0. FINANCING OF THE 2021/2022 BUDGET

17. The National Treasury projects a total revenue collection of **Ksh. 2,039 billion** in 2021/2022, **an increase by approximately Ksh. 210 billion** from the 2020/2021 level. Of this amount, ordinary revenue will constitute **Ksh. 1,776 billion compared to Ksh. 1,574 billion** in the current financial year. Income tax, which accounts for approximately 50 percent of tax revenue, is projected to increase by Ksh. 102 billion and amount to **Ksh. 835 billion** in FY 2021/2022. On the other hand, VAT is projected at **Ksh. 473 billion**, Excise Duty at **Ksh. 241 billion** and Import duty at **Ksh. 119 billion**; compared to Ksh. 395 billion, Ksh. 209 billion and Ksh.96 billion respectively in 2020/2021.
18. Though the revenue projections appear to be conservative and have complied with the IMF benchmarks, it should be noted that the expected revenue performance is based on sustained recovery in economic performance. Should the risks to the growth outlook highlighted in section 3.0 materialize, it may lead to significantly lower-than-projected tax revenue collection.

19. The committee notes with concern that the tax enhancement measures contained in the Budget Policy Statement (BPS) 2021 such as strengthening the audit function in the Domestic Tax Department, enhanced scanning, resolution of tax disputes through alternative dispute resolution and fast-tracking the conclusion of cases before the Tax Appeal Tribunal do not address the structural issues that have contributed to the decline in revenue as a share of economic activity. Further, the proposals contained in the Finance bill 2021 are unlikely to significantly contribute to an increase in revenue as a share of GDP. If revenue underperforms, it will lead to an expansion of the fiscal deficit and a likely increase in the public debt levels.
20. Going forward, the National Treasury projects a significantly higher growth in all the major revenue categories in FY 2022/23 and the medium-term. Consequently, the fiscal deficit as a share of GDP excluding grants (including grants) is expected to improve from -8.2 percent (-7.7 percent) in 2021/22 to -4.5 percent (-4.2 percent) in 2023/24. However, the committee notes that without a comprehensive strategy by the National Treasury to enhance revenue collection, it is unlikely that the fiscal deficit target for the medium-term will be attained. Notably, continuous expansion of the fiscal deficit has put the country off the trajectory towards the EAC convergence criteria which targets, among other criteria, a ceiling on fiscal deficit including grants of 3% of GDP by 2021.

6.0. CONSOLIDATED FUND SERVICES (CFS)

21. CFS expenditures will amount to Ksh. 1.33 trillion in FY 2021/2022. This is a 24% increase (by Ksh. 253.5 billion) from the FY 2020/21 level and is primarily on account of increased public debt service expenses which presently constitute approximately 88% of CFS expenses. By end of March 2021, the Public and Publicly Guaranteed Stock of debt amounted to Ksh. 7.34 trillion; representing 82% of the Ksh. 9 trillion national debt ceiling. The committee is concerned that FY 2021/22 budget may not be implementable if the debt ceiling is not adjusted.
22. The committee is concerned that the increase in CFS expenditure is contributing to growing budget inflexibility. In FY 2021/2022, it is estimated that the CFS will account for 43% of the total annual budget and 65% of total revenue collected with the fiscal constraint worsening in the outer years. Indeed, a five-year review indicates that by FY 2021/2022, the CFS will have increased by over 150%, in absolute terms, since FY

2016/2017. The annualized growth rate is 20%, which is much higher than the nominal GDP growth rate for the same period.

23. There is concern over the growing pension obligations which is attributed to many years of non-implementation of contributory pension plans. In FY 2021/2022, pension obligations are estimated at Ksh. 153.6 billion; a Ksh. 42.5 billion increase from the 2020/2021 level mostly due to new allocation for the Public Service Superannuation Scheme (PSSS). Furthermore, Salaries and Allowances (for Constitutional commissions and independent offices) and other expenditures such as Miscellaneous Services, Subscriptions to international organizations among others will amount to Ksh. 4.4 billion in FY 2021/2022. This is an increase by Ksh. 248 million from the 2020/2021 level.

7.0. SUBMISSIONS FROM DEPARTMENTAL COMMITTEES

24. This section highlights key observations from the departmental committees:

i. Defence and Foreign Relations

25. With regard to the state department for East African Community, it was observed that there were historical pending bills amounting to Ksh. 4.5 million which could not be settled due to lack of supportive documents. Further, the state department has not been allocated funds (Ksh. 150 million) for hosting of the 22nd summit of EAC Heads of State; a function that also appears to be duplicated by the Ministry of Foreign Affairs. The proposed budget has also not factored in Ksh. 36 million for facilitating members of EALA-Kenya chapter while in Nairobi.

26. For the state department for regional and northern corridor development, there are pending bills amounting to Ksh. 6.3 billion. This includes Ksh. 2.9 billion relating to the Lake Basin Development Authority mall which has accumulated interest amounting to Ksh. 1 billion as at the end of the third quarter of FY 2020/2021. Further, the state department has 24 stalled projects.

27. The Ministry of Defence has accumulated pending bills amounting to Ksh. 8.1 billion.

ii. Administration and National Security

28. Under the State department for Interior and Citizen Services, the committee observed that the state department had utilized more than 100% of its development expenditure under Kenya policing services due to budget cuts which were effected on expenditure that had already been incurred. Further, no resources have been allocated for the operationalization of sub-county headquarters.
29. For the state department for correctional services, the committee noted that the department had historical pending bill claims amounting to Ksh. 6.2 billion. Furthermore, of the verified and processed pending bill claims worth Ksh. 3.5 billion, only 1.7 billion had been paid.
30. With regard to the public service commission, it was observed that even though the commission had been allocated Ksh. 1 billion for the internship programme, there was no funding to cater for administrative costs for the recruitment of interns, induction and payroll management and monitoring and evaluation of the internship programme.

iii. Justice and Legal Affairs

31. With regard to the Judiciary and the Judicial Service Commission, it was noted that failure to operationalize the Judiciary Fund has compelled the Judiciary to surrender funds collected every year in terms of court fees and fines to the National Treasury. This is despite the Judiciary Fund Act, 2016 allowing for the Judiciary to retain monies that may accrue from investments, fees and levies.
32. For the Office of the Attorney General and Department of Justice, the committee observed that there are suits against the government with financial risks to the tune of Ksh. 1.2 trillion. In addition, the awards against the government pending payment stand at approximately Ksh. 160 million. These range from awards to victims of torture as well as business litigants against the state.
33. With regard to the Independent Electoral and Boundaries Commission, it was noted that the commission has pending bills amounting to Ksh. 2.9 billion of which non-legal suppliers account for Ksh. 1.2 billion whereas Ksh. 1.7 billion is on account of legal fees.
34. For the Registrar of Political Parties, it was observed that the allocation to the Political Parties Fund is not in compliance with the provision of the section 24 of the Registrar of Political Parties Act as well as the ruling of Justice Aburili on implementation of section 24 of the Act.
35. With regard to the Witness Protection Agency, the committee was concerned that the witness protection programme has been consistently unfunded despite its critical role in the protection of witnesses in crucial cases. This has hampered the ability of the

agency to protect witnesses under the programme. The programme is estimated to have a deficit of Ksh. 56.7 million.

iv. Parliamentary Service Commission

36. In its submission, the Parliamentary Service Commission requested the Budget and Appropriations Committee to approve the resource requirement of Ksh. 46.61 billion as presented in order to ensure completion of critical development projects and implementation of essential parliamentary programmes. Critical projects include completion of the Office block; completion of Integrated Security Management System for Parliament; Refurbishment of buildings and development of CPST; Compensation to employees on account of the expanded Parliament and the normal wage drift; and Capacity building for Members and Staff of Parliament.
37. Further, an additional allocation of KES. 1 billion was sought over and above the submitted estimates to be apportioned as follows: Ksh. 500 Million towards automation of parliamentary processes and Ksh. 500 Million being additional allocation for development of the Centre for Parliamentary Studies and Training (CPST).

v. Office of the Auditor General

38. The office of the Auditor General submitted that, adequate resourcing of the OAG is critical. Whereas the Auditor General should do more with little, the resources allocated to the office cannot be the same as in the previous years when the Office audited the National Government only. The Constitution of Kenya, 2010 created two levels of Government – one national and 47 county governments. All these consume public resources and are required to be audited as distinct units. To function effectively, the office therefore requires an additional allocation of Ksh. **2.4 Billion**.

vi. Labour and Social Welfare

39. With regard to the state department for Labour, the committee observed that the construction of the occupational safety and health institute and the National Employment Promotion Centre had dragged on for more than eight financial years leading to high costs.
40. For the state department for social protection, it was noted that the consolidated Cash Transfer Programme was underfunded by Ksh. 4.7 billion and this will continue to disadvantage the 142,000 eligible Kenyans. Furthermore, the Intergrated Child and Family Centres in Bungoma, Joska, Muranga, Nanyuki and Isiolo under the Child

Welfare Society of Kenya have not been funded for the last two financial years yet they were almost complete. To finalize, Ksh. 1.5 billion is required.

41. With regard to the state department for gender, the committee observed that the National Treasury has not allocated counter-part funding of Ksh. 64 million to unlock Ksh. 320 million funding from the Finnish Government for the program – strengthening prevention and response to Gender Based Violence in Kenya in the 2021/2022 Financial Year.
42. With regard to the state department for Arid and Semi-Arid Lands, it was noted that there is a duplication of functions between the Hunger Safety Net Programme in the state department and the National Safety Net Programme under the state department for Social Protection.
43. For the National Youth Service, it was observed that the Service owes suppliers over Ksh. 15 billion dating as far back as the 2010/2022 financial year.

vii. Sports, Culture and Tourism

44. The state department for Sports has two stalled projects; Kamariny and Wote Stadiums. It is noted that the State department has a recurrent pending bill of Ksh. 56.5 million whereas Sports Kenya has a recurrent pending bill of Ksh. 151.6 million. There are also development pending bills in the state department estimated at Ksh. 1.1 billion. The Kenya Academy of Sports also has development pending bills estimated at Ksh. 153 million.
45. Further, the National Treasury has failed to avail Ksh. 7 billion to the Sports, Arts and Social Development Fund given AiA underperformance. Out of these funds, Ksh. 2 billion was to cater for the construction of Constituency Academies.
46. Under the State Department of Culture and Heritage, verified and unpaid pending bills amount to Ksh. 3.45 million. It is further noted that the National Museums of Kenya's AiA collection has been adversely affected by the Covid-19 pandemic due to closure of museums to the public. The museum requires Ksh. 398.96 million to clear outstanding pending bills and other mandatory obligations that will be required in the next financial year.
47. The Institute of Primate Research which has been involved in covid testing and research has accumulated pending bills worth Ksh. 88.8 million related to suppliers and import taxes. The institute further requires an additional Ksh. 109.03 million for continued purchase of testing kits, reagents and vaccine cages. Phase II funding is estimated at Ksh. 250 million for covid-19 research and development of diagnostics.
48. For the State department of Tourism, it is estimated that there will be significant shortfall in AiA collection leading to a funding deficit. Also, the State Department for

Tourism has a pending bill amounting to Ksh. 82 million owed to Tele News Africa and Atlantic Region that dates back to 2004.

viii. Health

49. The committee noted that the UHC scheme identified to cover one million poor and vulnerable (indigents) households at a cost of Ksh. 6 billion annually has not been operationalized despite the National Assembly providing budgetary allocation in FY 2020/2021. This is because some counties have not submitted data of the identified households to the Ministry of Health. Furthermore, there is overlap of functions between the UHC scheme covering indigent households and the Linda Mama Programme, the Health Insurance Subsidy Programme (HISP) and Edu Afya.
50. The committee observed that the Ministry of Health has unpaid court awards amounting to Ksh. 39.5 billion. Also, the Kenyatta National Hospital and Moi Teaching and Referral Hospital have accumulated unpaid patient bills, mostly from indigents, amounting to Ksh. 8.6 billion and Ksh. 7.2 billion respectively.
51. With regard to the Mathari National Teaching and Referral Hospital, the committee expressed concern on the state of the hospital which is said to be dilapidated and lacking in essential facilities. Further, the hospital has accumulated a bill of Ksh. 849 million partly due to catering for a huge number of capital offenders/ remandees.
52. The National Hospital Insurance Fund has an outstanding medical reimbursement of Ksh. 190 million and Ksh. 308 million to the Mathari National Teaching and Referral Hospital and the Kenyatta National Hospital. This has significantly strained the two facilities.

ix. Education and Research

53. With regard to the state department for early learning and basic education, the committee was concerned that despite resource allocations for infrastructure improvement, infrastructural challenges still persist in public schools. Further, there is no allocation for the Competency Based Curriculum (CBC) schools based assessment for grades 4,5 and 6.
54. With regard to the state department for Vocational and Technical Training, the committee noted that funds are required for the equipping of 34 TVCs under construction and the 29 TVCs that did not get equipment under the GoK/ China project. The China project will end in June 30th 2021 and 63 institutions will not have training equipment.

55. For the State department for University Education and Research, it was observed that additional funding was required for university capitation; from the current Ksh. 41 billion to Ksh. 61 billion for public universities and from Ksh. 2.4 billion to Ksh. 5.6 billion for private universities. It was further noted that ongoing projects in the universities are at risk of stalling due to underfunding. Indeed, critical institutions such as the Commission for University Education, the National Research Fund, the University Funding Board and the Higher Education Loans Board are not well funded and this has crippled their operations.

x. Lands

56. With regard to the Ministry of Lands and Physical Planning, it was observed that there were pending bills amounting to Ksh. 7.2 billion arising from court and arbitration awards. It was noted however that these pending bills were not reflected in the previous financial years despite the cases dating back to 2005. This casts doubt on the authenticity of the pending bills and will necessitate thorough investigation.
57. It was further observed that the National Land Commission has not been allocated funds for the development expenditure despite presenting proposals including a proposal for vesting of land compulsorily acquired by government agencies for the development of infrastructural projects to safeguard the land from grabbing.

xi. Agriculture and Livestock

58. The committee observed that due to low budgetary allocations and frequent extensive budget cuts, the sector has accumulated numerous pending bills and stalled projects. Indeed, in the current financial year, as at end of the third quarter, the actual expenditure for the sector was above the revised 2020/2021 budget. This was occasioned by an extensive reduction of the budget during the supplementary budget process to below the actual commitments and expenditure already incurred. In the proposed budget for FY 2021/22, the sector is underfunded by approximately Ksh. 25.8 billion.
59. Under the state department for livestock, the committee observed that the project for the development of a Livestock Master Plan is allocated Ksh. 270 million in form of donor support but requires counterpart funding from the government for it to proceed. Additionally, the state department has accumulated pending bills amounting to Ksh. 114.64 million as well as historical pending bills worth Ksh. 4,025.9 million relating to Halal Meat Products Ltd (Ksh. 4 billion) and Associate Architects (Ksh. 25.9 Million).

60. Under the state department for crop development and agricultural research, the committee noted with concern that the E-voucher system which is expected to provide subsidized farm inputs to over 235,000 registered farmers has been allocated Ksh. 1.5 billion against a resource requirement of Ksh. 3.6 billion implying that only 50,000 farmers are likely to benefit from this programme.

xii. Environment and Natural Resources

61. With regard to the Ministry of Water, Sanitation and Irrigation, it is noted that the Ministry has accumulated pending bills worth Ksh. 7.08 billion. Most of these are historical pending bills mainly due to unremitted statutory deductions as a result of exchequer under-issues in the 2019/2020 financial year. Other pending bills have been occasioned by uncleared dues for supply of goods and services. It is further noted that the Ministry has four stalled projects, namely: the Rongo Water Supply project, Itare Dam, Kiserian Sewerage Project and Awendo Water Supply project.

62. The committee further observed that most of the development projects under the Ministry of Water, Sanitation and Irrigation are donor funded and this has posed a big challenge to project implementation. This is because donors prefer to support water projects in more populous regions like urban areas and this has greatly disadvantaged rural areas.

63. With regard to the Ministry of Environment and Forestry, the Committee noted that there was a pending bill worth Ksh. 4.7 billion comprising of Ksh. 4 billion for recurrent expenditure by the Kenya Forest Service (KFS) due to unpaid tax arrears generated from the sale of mature trees; Ksh. 627 million in respect of court judgements issued against the Ministry; Ksh, 57.5 million for the development expenditure of Kenya Forest Research Institute (KEFRI); and Ksh. 36.8 million for the recurrent expenditures in the headquarters.

xiii. Energy

64. With regard to the State Department for Energy, it was observed that there exists huge pending bills within the SAGAs in the ministry. Further, the incidence of contract termination is high among the capital projects within this sub-sector. Indeed, the Auditor General's report for the financial year ending June 2020 raised audit queries on the terminated contracts due to the ensuing cost overruns and delays in service delivery.

65. With regard to the Ministry of Petroleum and Mining, the committee observed that projects within this sub-sector are implemented too slowly and are unlikely to be finalized within the stipulated timeframes. For instance, the early monetization of first

oil project whose planned period of execution was 2011 – 2022 is at 1% completion as at 31st May 2021. Further, the sub-sector lacks a robust monitoring and evaluation framework for effective evaluation of projects.

xiv. Communication, Information and Innovation

66. With regard to the State Department for ICT and Innovation, it is noted that there is a historical pending bill amounting to Ksh. 771 million owed by ICTA to Oracle, Microsoft and IBM for supply and licenses of software for a World Bank project that was closed in 2016. Further, the committee observed that the status of some ongoing projects indicates a likelihood that they will not be completed within the stipulated timelines and this may lead to cost overruns.
67. For the State department for Broadcasting and Telecommunication, the committee was concerned that the Postal Corporation of Kenya (PCK) is struggling financially and reportedly requires Ksh. 1 billion to stay afloat. Notably, the State Department and other stakeholders including the National Treasury are working on the restructuring process of the PCK. It was noted however that these financial struggles are partly due to non-settlement of bills owed by other government entities such as the Ministry of Public Service to the Postal Corporation.
68. The committee further observed that the Kenya Broadcasting Cooperation is facing a lawsuit estimated at Ksh. 40 billion in London UK for termination of a contract it had with Amjan TV which later incorporated British Virgin Islands. Further, some targets and Key Performance Indicators for the KBC are noted to be neither realistic, nor pragmatic.

xv. Transport, Public Works and Housing

69. With regard to the state department for infrastructure, the committee observed that as at April 2021, the state department had accumulated pending bills worth Ksh. 99 billion, of which Ksh. 31 billion is for land compensation.
70. For the state department of Transport, the committee was concerned with an apparent policy bias in the application of airstrips in the country. It was noted that despite the state department having abandoned plans for construction and rehabilitation of some airstrips ostensibly due to the county governments not having provided land, there are plans to purchase land from a private owner for the construction of Angama airstrip.

xvi. Trade, Industry and Cooperatives

71. For the State Department for cooperatives, the committee observed that the key performers indicators and output do not correspond with the proposed financial allocations in the estimates. In particular, the completion of Luanda cooperative cotton ginnery has not been allocated resources even though there are allocations for the purchase of specialized plant, equipments and machinery for the same ginnery.
72. The State Department for Trade and Enterprise Developments is **underfunded by approximately Ksh. 8,460.1 Million** and may not be able to meet its priority objectives. It is noted that there has been no initiative(s) to support exporters who are incredibly important to the economy as they offer market for our products. Our export volumes have remained below potential mainly due to failure to meet the market phytosanitary requirements and quality standards.
73. The committee further observed that Kenya is unacceptably underrepresented in terms of trade representative offices in key existing and potential export markets. The proposal for the posting of twenty-two (22) trade attachés in our various missions abroad is not adequate. Indeed, Kenya is expected to take part in the Expo 2020 in Dubai from 1st October 2021 to 31st March, 2022 yet there is no budgetary allocation in the 2021/22 budget to facilitate the country's participation.
74. With regard to the state department for industrialization the committee observed that there is duplication of functions across various State Departments such as Cotton Industry Projects which are funded in State Departments for Agriculture, Cooperatives and Industrialization. Additionally, funds for infrastructure projects under the SEZ are under the State Departments for Industrialization, Infrastructure and The National Treasury. In addition, funds for Small and Medium Enterprises (SMEs) particularly for capacity building is funded in the State Departments for Industrialization, and Trade and Enterprise Development.

xvii. Finance and National Planning

75. For the State Department for Planning, the committee observed that the allocation of KSh. 41.714 to NG-CDF for the FY 2021/22 complies with the minimum of 2.5% required by NG-CDF Act. However, it is noted that there are other outstanding arrears of KSh. 4.97 billion owed to NG-CDF for Fiscal Years 2008/2009, 2009/2010 and 2010/2011.

76. For the State Department for devolution, it is observed that the World Bank disbursed KSh. 4.6 billion for the Kenya Devolution Support Programme Level II in May 2020. By this time, the County Allocation of Revenue Act (CARA) had already been prepared and the amount was therefore not captured in the CARA. If counterpart funding by the Government is not provided by September 2021, the World Bank will recall the funds.
77. The committee is also concerned that the Commission on Revenue Allocation (CRA) and the Controller of Budget (CoB) are grossly underfunded and may not be able to achieve their targets.

8.0. RESOLUTIONS FROM THE PUBLIC HEARINGS

78. As earlier indicated, pursuant to Article 221(5) of the constitution, the Budget and Appropriations Committee organized public participation virtually through submission of written memoranda, while still maintaining the previously adopted framework whereby a minimum of twelve (12) counties host public hearings in each financial year.
79. In this regard, the Budget and Appropriations Committee identified the following twelve (12) counties in which to carry out the public hearings exercise on the proposed 2021/2022 budget: **Kilifi, Mandera, Meru, Machakos, Nyandarua, Kiambu, Elgeyo-Marakwet, Nandi, Baringo, Vihiga, Siaya and Nairobi City County**. As at the time of finalization of this report, the committee had received submissions from four (4) counties on their key expenditure priorities. Submissions from the rest of the counties are awaited.
80. The submissions received from the public covered a broad range of concerns; from water issues and flooding to road infrastructure and the business environment. A detailed summary of public hearing submissions can be found in Annex III of this report.

9.0. COMMITTEE OBSERVATIONS

81. **Arising from these deliberations, the committee made the following observations:**
- a. **Pending bills:** Despite the presidential directive in June 2019 that all pending bills by government agencies be cleared immediately, they continue to present a significant challenge in almost all sectors of the budget. It is noted that the veracity of some of these pending bills is in doubt.

- b. **Stalled projects:** this has become a permanent feature of our budget. There is no adherence to the project guidelines issued by the National Treasury including the introduction of new projects before completion of existing ones despite the thin spread of resources. A policy must be implemented to ensure enforcement of PFM and Treasury guidelines. Sanctions should be instituted to MDAs that introduce new projects before completion of existing projects.
- c. **Duplication of functions:** there is observed an overlap of functions between some spending agencies as well as between some programmes. Streamlining of functions will be crucial to eliminate duplication and reduce resource wastage.
- d. **Failure of the MTEF process:** there appears to be very little focus on the medium term budget despite the MTEF process requiring budgeting to focus on a three year rolling plan in order to ensure predictability of the budget. Poor performance of the MTEF is partly attributed to the failure to adapt to initially weak budget systems as well as limited institutional capacity especially in the National Treasury. The situation is made worse by inadequate support and agency buy-in for this mode of budgeting.
- e. **Mainstreaming the (Sustainable Development Goals (SDGs) in the Budget process:** there is no evidence that the Sustainable Development Goals (SDGs) have been mainstreamed in the budget process despite being instrumental in poverty reduction and sustainable economic development.
- f. **Transfer of functions between ministries:** in the 2021/2022 budget, seemingly highly performing ministries are expected to implement certain key projects/programmes not necessarily under their purview. Notably, in the next financial year, the National Treasury will become an implementing agency for some infrastructure projects. The committee is concerned that the National Treasury may find it difficult to strike the balance between being the implementer of public finance and being a sectoral implementer of these infrastructure projects.
- g. **Policy on providing capitation for government sponsored students in private universities:** This policy has not been managed well as government sponsored students enrolled in private universities do not receive adequate

capitation. These students receive an average of Ksh. 40,000 per year. There is need therefore to critically re-look this policy in order to ensure that the policy's objective is adequately met.

10.0. COMMITTEE RECOMMENDATIONS

82. Having considered the above matters, the committee recommends as follows:

a. Policy Recommendations

- i) That, the National Treasury sets up a fund that may be financed through a long-term bond for the payment of the existing verified pending bills and court awards. The fund should be in place by 1st October, 2021.
- ii) That, the State Department for University Education and the Ministry of Environment and Forestry under the Kenya Forest Service, should sign an MoU with the Kenya Revenue Authority on how the non-remitted tax dues will be paid. A report on this should be submitted to the National Assembly by 1st October, 2021.
- iii) That, to facilitate the expansion of exports and facilitate growth, an export management office (EMO) be established which will have representation from all agencies that deal with the entire export value chain of Kenyan products. The office should be domiciled in the State Department for Trade. A status report on the establishment of the Office should be submitted to the National Assembly by 30th September, 2021.
- iv) That, the State Department for Trade conducts a study on the need to establish trade offices or logistical centres in key existing and potential markets within the various regional economic blocks and countries which have established bilateral relationships with Kenya. This is in order to focus on international export opportunities that match Kenya's current/potential business capability. The study should be completed by 31st December, 2021.
- v) That, the Ministry of Petroleum and Mining enhances its Monitoring and Evaluation Framework in oil and gas exploration and submits a report on it to the National Assembly by 1st October, 2021.
- vi) That, the State Department for ICT and Innovation institutes a robust Monitoring and Evaluation framework on the maintenance and rehabilitation works of the existing ICT Infrastructure (NOFBI II Cable and Last Mile County Connectivity Networks). A report on the framework should be submitted to the National Assembly by 1st September, 2021.
- vii) That, the government logistics be interlinked and provided for by government institutions such as Kenya Railways Corporation, Kenya Ports Authority, Posta Corporation and Kenya Airways. This should be in place by end of FY 2021/22 and managed by the seemingly efficient MDAs.

- viii) That, the Ministry of Lands and Physical Planning commences the use of a cashless revenue collection system by 30th May, 2021.
- ix) That, the National Treasury, the State Department for Social Protection and the State Department for ASAL consolidates all the existing cash transfer programs under one umbrella. A report on this exercise should be submitted to the National Assembly by 1st January, 2022.
- x) That, the State Department for University Education and the University Funding Board completes the review of the University funding formula by 1st October, 2021, to ensure it supports recently established universities which seem to be disadvantaged with the current formula in place. The amended formula should also be applied in the allocation of infrastructure funds to various universities.
- xi) That, the Ministry of Health the National Treasury, the Ministry of Labour and Social Protection, the Ministry of Education and NHIF actualizes the amalgamation of EduAfya Medical Insurance, Linda Mama, Health Insurance Subsidy Programme (HISP), Orphans and Vulnerable Children Cash Transfers (OVC-CT) to form one UHC scheme for the indigents through National Hospital Insurance Fund (NHIF). A report should be submitted to the National Assembly by 1st October, 2021.

b. Financial Recommendations: Committee Recommendations arising from the Public Hearings

83. After extensive deliberations, the Committee recommends that **Ksh. 1.2 billion** be set aside to fund projects arising from public hearings. This expenditure should be domiciled under the specific ministries.

c. Financial Recommendations: Committee Recommendations on the National Budget 2021/2022

84. The Budget and Appropriations Committee received substantial additional requests from Departmental Committees amounting to **Ksh. 85.7 billion** to meet various expenditure shortfalls. However, due to prevailing resource constraints and the need to contain the fiscal deficit within a certain limit, the Committee could not finance most of these requests.

85. The Committee therefore resolves as follows:

a) **Reductions**

That, the reduction of **Ksh. 20,413,508,823** be effected from the votes and programmes as shown in Schedule I and II as per the justifications provided.

b) **Additions**

That, the amount of **Ksh. 24,076,168,823** be increased to the votes and programmes as shown in Schedule I and II as per the justifications provided.

c) **Allocation for Parliament**

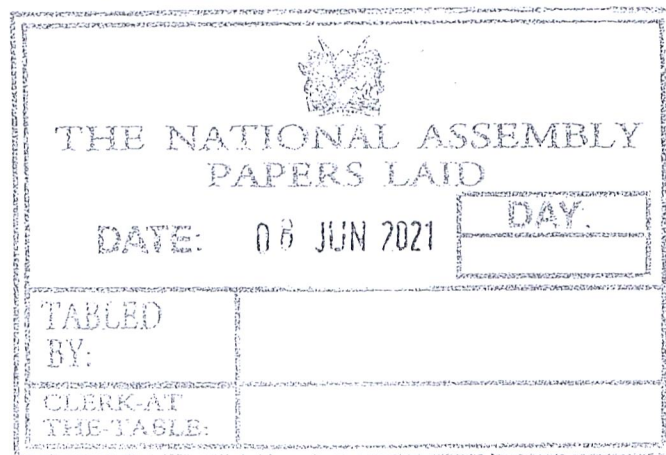
That, the budget allocation for the Parliament for FY 2021/2022 be **Ksh. 37,882,700,000**.

d) **Allocation for the Judiciary**

That, the budget allocation for the Judiciary for FY 2021/2022 be **Ksh. 17,833,200,000**.

86. Further, the committee recommends that this House resolves to:

- a) Approve the Report and the recommendations of the Budget and Appropriations Committee on the Budget Estimates for the National Executive, the Judiciary and Parliament for Financial Year 2021/2022.
- b) Approve that Schedule I and II attached to this report forms the basis of the Appropriation Bill, 2021
- c) Approve that the National Treasury finalizes the required budget documents as per the Public Finance Management Act, 2012 on the detailed estimates.



SCHEDULE I				
VOTE CODE	VOTE/PROGRAMME CODES & TITLE	FY 2021/22 BUDGET ESTIMATES		
		GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES
1011	Executive Office of the President	25,267,713,596	9,327,249,383	34,594,962,979
	0702000 Cabinet Affairs	1,301,748,758	245,100,000	1,546,848,758
	0703000 Government Advisory Services	617,557,028	71,109,443	688,666,471
	0704000 State House Affairs	3,908,385,985	73,409,940	3,981,795,925
	0734000 Deputy President Services	1,400,594,532	17,630,000	1,418,224,532
	0745000 Nairobi Metropolitan Services	18,039,427,293	8,920,000,000	26,959,427,293
1021	State Department for Interior and Citizen Services	130,856,049,106	7,693,055,015	138,549,104,121
	0601000 Policing Services	98,902,945,708	1,689,000,000	100,591,945,708
	0603000 Government Printing Services	694,265,604	50,000,000	744,265,604
	0605000 Migration & Citizen Services Management	2,037,089,656	852,152,400	2,889,242,056
	0625000 Road Safety	2,204,400,000	520,865,215	2,725,265,215
	0625600 Population Management Services	3,817,719,070	1,025,500,000	4,843,219,070
	629000 General Administration and Support Services	22,237,029,068	3,455,537,400	25,692,566,468
	063000 Policy Coordination Services	962,600,000	100,000,000	1,062,600,000
1023	State Department for Correctional Services	28,749,156,901	909,068,467	29,658,225,368
	0623000 General Administration, Planning and Support Services	354,483,885	8,868,467	363,352,352
	0627000 Prison Services	26,529,120,000	693,200,000	27,222,320,000
	0628000 Probation & After Care Services	1,865,553,016	207,000,000	2,072,553,016
1032	State Department for Devolution	3,372,162,706	2,059,688,414	5,431,851,120
	0712000 Devolution Services	1,303,239,634	1,354,688,414	2,657,928,048
	0732000 General Administration, Planning and Support Services	417,407,478	-	417,407,478
	0713000 Special Initiatives	1,651,515,594	705,000,000	2,356,515,594

SCHEDULE I				
<u>VOTE CODE</u>	<u>VOTE/PROGRAMME CODES & TITLE</u>	<u>FY 2021/22 BUDGET ESTIMATES</u>		
		<u>GROSS CURRENT ESTIMATES</u>	<u>GROSS CAPITAL ESTIMATES</u>	<u>GROSS TOTAL ESTIMATES</u>
1035	State Department for Development of the ASAL	1,061,151,347	9,080,065,116	10,141,216,463
	0733000 Accelerated ASAL Development	1,061,151,347	9,080,065,116	10,141,216,463
1041	Ministry of Defence	114,771,705,987	5,080,000,000	119,851,705,987
	0801000 Defence	111,886,498,176	5,080,000,000	116,966,498,176
	0802000 Civil Aid	700,000,000	-	700,000,000
	0803000 General Administration, Planning and Support Services	1,985,207,811	-	1,985,207,811
	0805000000 National Space Management	200,000,000	-	200,000,000
1052	Ministry of Foreign Affairs	17,023,874,380	1,796,122,798	18,819,997,178
	0714000 General Administration Planning and Support Services	2,056,343,640	176,482,798	2,232,826,438
	0715000 Foreign Relation and Diplomacy	14,775,292,180	1,499,640,000	16,274,932,180
	0741000 Economic and Commercial Diplomacy	51,823,239	-	51,823,239
	0742000 Foreign Policy Research, Capacity Development and Technical Cooperation	140,415,321	120,000,000	260,415,321
	1064	State Department for Vocational and Technical Training	18,677,469,071	4,658,436,000
	0505000 Technical Vocational Education and Training	18,496,236,268	4,648,436,000	23,144,672,268
	0507000 Youth Training and Development	38,666,389	10,000,000	48,666,389
	0508000 General Administration, Planning and Support Services	142,566,414	-	142,566,414
1065	State Department for University Education	91,012,215,304	4,565,600,000	95,577,815,304
	0504000 University Education	89,868,249,632	4,525,600,000	94,393,849,632
	0506000 Research, Science, Technology and Innovation	900,995,156	40,000,000	940,995,156

SCHEDULE I				
VOTE CODE	VOTE/PROGRAMME CODES & TITLE	FY 2021/22 BUDGET ESTIMATES		
		GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES
	0508000 General Administration, Planning and Support Services	242,970,516	-	242,970,516
1066	State Department for Early Learning & Basic Education	91,448,708,240	10,966,600,000	102,415,308,240
	0501000 Primary Education	16,736,153,177	2,161,200,000	18,897,353,177
	0502000 Secondary Education	66,389,444,764	8,080,400,000	74,469,844,764
	0503000 Quality Assurance and Standards	3,701,012,495	650,000,000	4,351,012,495
	0508000 General Administration, Planning and Support Services	4,622,097,804	75,000,000	4,697,097,804
1068	State Department for Post Training and Skills Development	268,000,000	-	268,000,000
	0508000 General Administration, Planning and Support Services	135,961,333	-	135,961,333
	0512000 Work Place Readiness Services	85,017,951	-	85,017,951
	0513000 Post Training Information Management	47,020,716	-	47,020,716
1071	The National Treasury	52,409,488,083	102,755,945,886	155,165,433,969
	0203000 Rail Transport	-	34,794,000,000	34,794,000,000
	0204000 Marine Transport	-	23,314,000,000	23,314,000,000
	0717000 General Administration Planning and Support Services	43,135,652,127	13,524,527,000	56,660,179,127
	0718000 Public Financial Management	7,737,065,408	30,664,603,886	38,401,669,294
	0719000 Economic and Financial Policy Formulation and Management	1,159,910,995	428,815,000	1,588,725,995
	0720000 Market Competition	302,100,000	30,000,000	332,100,000
	0740000 Government Clearing services	74,759,553	-	74,759,553
1072	State Department for Planning	4,312,765,950	46,098,656,216	50,411,422,166
	0706000 Economic Policy and National Planning	2,355,781,110	45,331,543,216	47,687,324,326

<u>SCHEDULE I</u>				
<u>VOTE CODE</u>	<u>VOTE/PROGRAMME CODES & TITLE</u>	<u>FY 2021/22 BUDGET ESTIMATES</u>		
		<u>GROSS CURRENT ESTIMATES</u>	<u>GROSS CAPITAL ESTIMATES</u>	<u>GROSS TOTAL ESTIMATES</u>
	0707000 National Statistical Information Services	1,317,620,000	609,355,000	1,926,975,000
	0708000 Public Investment Management Monitoring and Evaluation Services	184,954,648	157,758,000	342,712,648
	0709000 General Administration Planning and Support Services	454,410,192	-	454,410,192
1081	Ministry of Health	64,870,742,503	56,259,522,127	121,130,264,630
	0401000 Preventive, Promotive & Reproductive Health	3,020,736,859	22,498,282,514	25,519,019,373
	0402000 National Referral & Specialized Services	36,103,560,722	11,595,242,623	47,698,803,345
	0403000 Health Research and Development	9,665,500,000	827,500,000	10,493,000,000
	0404000 General Administration, Planning & Support Services	5,938,224,324	1,060,000,000	6,998,224,324
	0405000 Health Policy, Standards and Regulations	10,142,720,598	20,278,496,990	30,421,217,588
1091	State Department of Infrastructure	57,169,918,367	135,975,687,987	193,145,606,354
	0202000 Road Transport	57,169,918,367	135,975,687,987	193,145,606,354
1092	State Department of Transport	9,428,200,336	1,346,300,000	10,774,500,336
	0201000 General Administration, Planning and Support Services	271,768,567	70,000,000	341,768,567
	0204000 Marine Transport	801,705,287	327,000,000	1,128,705,287
	0205000 Air Transport	8,342,347,789	603,000,000	8,945,347,789
	0216000 Road Safety	12,378,693	346,300,000	358,678,693
1093	State Department for Shipping and Maritime	2,037,305,572	750,200,000	2,787,505,572
	0220000 Shipping and Maritime Affairs	2,037,305,572	750,200,000	2,787,505,572
1094	State Department for Housing and Urban Development	1,233,607,313	14,054,600,000	15,288,207,313
	0102000 Housing Development and Human Settlement	632,561,525	8,178,000,000	8,810,561,525

SCHEDULE I				
VOTE CODE	VOTE /PROGRAMME CODES & TITLE	FY 2021/22 BUDGET ESTIMATES		
		GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES
	0105000 Urban and Metropolitan Development	223,947,762	5,876,600,000	6,100,547,762
	0106000 General Administration Planning and Support Services	377,098,026		377,098,026
1095	State for Public Works	3,111,710,821	1,127,800,000	4,239,510,821
	0103000 Government Buildings	515,958,500	598,309,300	1,114,267,800
	0104000 Coastline Infrastructure and Pedestrian Access	159,522,728	158,490,700	318,013,428
	0106000 General Administration Planning and Support Services	308,977,163	14,000,000	322,977,163
	0218000 Regulation and Development of the Construction Industry	2,127,252,430	357,000,000	2,484,252,430
1108	Ministry of Environment and Forestry	10,481,631,505	4,245,400,000	14,727,031,505
	1002000 Environment Management and Protection	1,949,900,000	1,368,100,000	3,318,000,000
	1010000 General Administration, Planning and Support Services	421,731,505	-	421,731,505
	1012000 Meteorological Services	1,032,000,000	403,000,000	1,435,000,000
	1018000 Forests and Water Towers Conservation	7,078,000,000	2,474,300,000	9,552,300,000
1109	Ministry of Water, Sanitation and Irrigation	6,395,728,930	71,083,000,000	77,478,728,930
	1001000 General Administration, Planning and Support Services	761,773,283	150,000,000	911,773,283
	1004000 Water Resources Management	1,663,850,560	14,667,000,000	16,330,850,560
	1017000 Water and Sewerage Infrastructure Development	3,227,254,245	33,404,000,000	36,631,254,245
	1014000 Irrigation and Land Reclamation	712,536,298	9,649,000,000	10,361,536,298
	1015000 Water Storage and Flood Control	-	10,783,000,000	10,783,000,000
	1022000 Water Harvesting and Storage for Irrigation	30,314,544	2,430,000,000	2,460,314,544

<u>SCHEDULE I</u>				
<u>VOTE CODE</u>	<u>VOTE/PROGRAMME CODES & TITLE</u>	<u>FY 2021/22 BUDGET ESTIMATES</u>		
		<u>GROSS CURRENT ESTIMATES</u>	<u>GROSS CAPITAL ESTIMATES</u>	<u>GROSS TOTAL ESTIMATES</u>
1112	Ministry of Lands and Physical Planning	3,044,973,103	2,431,148,393	5,476,121,496
	0101000 Land Policy and Planning	3,044,973,103	2,431,148,393	5,476,121,496
1122	State Department for Information Communication and Technology & Innovation	1,585,387,615	21,203,977,790	22,789,365,405
	0207000 General Administration Planning and Support Services	259,756,418	-	259,756,418
	0210000 ICT Infrastructure Development	535,501,658	19,947,515,522	20,483,017,180
	0217000 E-Government Services	790,129,539	1,256,462,268	2,046,591,807
1123	State Department for Broadcasting & Telecommunications	6,456,916,225	496,900,000	6,953,816,225
	0207000 General Administration Planning and Support Services	197,771,168	-	197,771,168
	0208000 Information and Communication Services	5,143,859,377	271,400,000	5,415,259,377
	0209000 Mass Media Skills Development	224,500,000	120,500,000	345,000,000
	0221000 Film Development Services Programme	890,785,680	105,000,000	995,785,680
1132	State Department for Sports	1,338,850,782	15,147,791,399	16,486,642,181
	0901000 Sports	1,338,850,782	15,147,791,399	16,486,642,181
1134	State Department for Culture and Heritage	3,350,148,547	95,896,560	3,446,045,107
	0902000 Culture / Heritage	2,299,185,273	83,600,000	2,382,785,273
	0903000 The Arts	142,285,698	-	142,285,698
	0904000 Library Services	791,518,439	11,000,000	802,518,439
	0905000 General Administration, Planning and Support Services	117,159,137	1,296,560	118,455,697
1152	State Department for Energy	6,636,000,000	67,247,000,000	73,883,000,000

<u>SCHEDULE I</u>				
<u>VOTE CODE</u>	<u>VOTE/PROGRAMME CODES & TITLE</u>	<u>FY 2021/22 BUDGET ESTIMATES</u>		
		<u>GROSS CURRENT ESTIMATES</u>	<u>GROSS CAPITAL ESTIMATES</u>	<u>GROSS TOTAL ESTIMATES</u>
	0211000 General Administration Planning and Support Services	413,000,000	130,000,000	543,000,000
	0212000 Power Generation	2,267,000,000	9,588,000,000	11,855,000,000
	0213000 Power Transmission and Distribution	3,744,000,000	55,191,000,000	58,935,000,000
	0214000 Alternative Energy Technologies	212,000,000	2,338,000,000	2,550,000,000
1162	State Department for Livestock	3,308,178,143	5,821,076,726	9,129,254,869
	0112000 Livestock Resources Management and Development	3,308,178,143	5,821,076,726	9,129,254,869
1166	State Department for Fisheries, Aquaculture & the Blue Economy	2,267,372,675	10,656,200,000	12,923,572,675
	0111000 Fisheries Development and Management	1,963,266,794	7,352,572,580	9,315,839,374
	0117000 General Administration, Planning and Support Services	187,905,881	70,000,000	257,905,881
	0118000 Development and Coordination of the Blue Economy	116,200,000	3,233,627,420	3,349,827,420
1169	State Department for Crop Development & Agricultural Research	13,436,419,328	31,526,699,987	44,963,119,315
	0107000 General Administration Planning and Support Services	4,803,770,114	1,870,407,997	6,674,178,111
	0108000 Crop Development and Management	2,911,708,075	27,248,291,990	30,160,000,065
	0109000 Agribusiness and Information Management	118,875,579	1,485,000,000	1,603,875,579
	0120000 Agricultural Research & Development	5,602,065,560	923,000,000	6,525,065,560
1173	State Department for Cooperatives	1,221,290,884	404,600,000	1,625,890,884
	0304000 Cooperative Development and Management	1,221,290,884	404,600,000	1,625,890,884

<u>SCHEDULE I</u>				
<u>VOTE CODE</u>	<u>VOTE/PROGRAMME CODES & TITLE</u>	<u>FY 2021/22 BUDGET ESTIMATES</u>		
		<u>GROSS CURRENT ESTIMATES</u>	<u>GROSS CAPITAL ESTIMATES</u>	<u>GROSS TOTAL ESTIMATES</u>
1174	State Department for Trade and Enterprise Development	2,436,129,067	1,739,017,429	4,175,146,496
	0307000 Trade Development and Promotion	2,436,129,067	1,739,017,429	4,175,146,496
1175	State Department for Industrialization	3,112,433,120	3,296,600,000	6,409,033,120
	0301000 General Administration Planning and Support Services	426,452,721	-	426,452,721
	0302000 Industrial Development and Investments	1,439,176,689	863,966,000	2,303,142,689
	0303000 Standards and Business Incubation	1,246,803,710	2,432,634,000	3,679,437,710
1184	State Department for Labour	2,782,769,908	2,560,718,482	5,343,488,390
	0910000 General Administration Planning and Support Services	442,886,022	337,105	443,223,127
	0906000 Promotion of the Best Labour Practice	669,101,128	63,811,177	732,912,305
	0907000 Manpower Development, Employment and Productivity Management	1,670,782,758	2,496,570,200	4,167,352,958
1185	State Department for Social Protection, Pensions & Senior Citizen Affairs	30,485,432,498	3,082,638,823	33,568,071,321
	0908000 Social Development and Children Services	3,870,926,619	263,333,823	4,134,260,442
	0909000 National Social Safety Net	26,394,323,516	2,819,305,000	29,213,628,516
	0914000 General Administration, Planning and Support Services	220,182,363	-	220,182,363
1194	State Department for Petroleum and Mining	965,601,695	2,926,138,073	3,891,739,768
	0215000 Exploration and Distribution of Oil and Gas	336,000,000	2,649,400,001	2,985,400,001

SCHEDULE I

FY 2021/22 BUDGET ESTIMATES


VOTE CODE	VOTE/PROGRAMME CODES & TITLE	FY 2021/22 BUDGET ESTIMATES		
		GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES
	1007000 General Administration Planning and Support Services	275,601,695	23,338,072	298,939,767
	1009000 Mineral Resources Management	292,800,000	126,200,000	419,000,000
	1021000 Geological Surveys and Geo Information	61,200,000	127,200,000	188,400,000
1202	State Department for Tourism	5,207,319,152	475,000,000	5,682,319,152
	0306000 Tourism Development and Promotion	5,207,319,152	475,000,000	5,682,319,152
1203	State Department for Wildlife	7,611,813,774	632,810,000	8,244,623,774
	1019000 Wildlife Conservation and Management	7,611,813,774	632,810,000	8,244,623,774
1212	State Department for Gender	1,035,807,321	2,632,000,000	3,667,807,321
	0911000 Community Development	-	2,130,000,000	2,130,000,000
	0912000 Gender Empowerment	729,915,304	502,000,000	1,231,915,304
	0913000 General Administration, Planning and Support Services	305,892,017	-	305,892,017
1213	State Department for Public Service	18,325,020,000	568,012,066	18,893,032,066
	0710000 Public Service Transformation	7,859,013,166	410,170,000	8,269,183,166
	0709000 General Administration Planning and Support Services	492,210,161	107,842,066	600,052,227
	0747000 National Youth Service	9,973,796,673	50,000,000	10,023,796,673
1214	State Department for Youth Affairs	1,439,989,789	3,210,491,076	4,650,480,865
	0711000 Youth Empowerment	1,439,989,789	3,210,491,076	4,650,480,865
1221	State Department for East African Community	609,846,603	-	609,846,603
	0305000 East African Affairs and Regional Integration	609,846,603	-	609,846,603

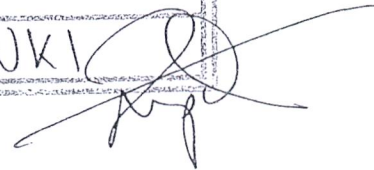
SCHEDULE I				
VOTE CODE	VOTE/PROGRAMME CODES & TITLE	FY 2021/22 BUDGET ESTIMATES		
		GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES
1222	State Department for Regional & Northern Corridor Development	2,785,000,000	1,315,500,000	4,100,500,000
	1013000 Integrated Regional Development	2,785,000,000	1,315,500,000	4,100,500,000
1252	State Law Office and Department of Justice	4,978,349,801	181,301,535	5,159,651,336
	0606000 Legal Services	2,395,179,956	-	2,395,179,956
	0607000 Governance, Legal Training and Constitutional Affairs	1,876,200,000	90,500,000	1,966,700,000
	0609000 General Administration, Planning and Support Services	706,969,845	90,801,535	797,771,380
1271	Ethics and Anti-Corruption Commission	3,258,530,000	67,493,119	3,326,023,119
	0611000 Ethics and Anti-Corruption	3,258,530,000	67,493,119	3,326,023,119
1281	National Intelligence Service	42,451,000,000	-	42,451,000,000
	0804000 National Security Intelligence	42,451,000,000	-	42,451,000,000
1291	Office of the Director of Public Prosecutions	3,125,952,706	150,286,238	3,276,238,944
	0612000 Public Prosecution Services	3,125,952,706	150,286,238	3,276,238,944
1311	Office of the Registrar of Political Parties	1,961,696,750	-	1,961,696,750
	0614000 Registration, Regulation and Funding of Political Parties	1,961,696,750	-	1,961,696,750
1321	Witness Protection Agency	489,042,929	-	489,042,929
	0615000 Witness Protection	489,042,929	-	489,042,929
2011	Kenya National Commission on Human Rights	408,711,517	-	408,711,517
	0616000 Protection and Promotion of Human Rights	408,711,517	-	408,711,517
2021	National Land Commission	1,444,003,829	38,896,786	1,482,900,615

<u>SCHEDULE I</u>				
<u>VOTE CODE</u>	<u>VOTE/PROGRAMME CODES & TITLE</u>	<u>FY 2021/22 BUDGET ESTIMATES</u>		
		<u>GROSS CURRENT ESTIMATES</u>	<u>GROSS CAPITAL ESTIMATES</u>	<u>GROSS TOTAL ESTIMATES</u>
	0116000 Land Administration and Management	1,444,003,829	38,896,786	1,482,900,615
2031	Independent Electoral and Boundaries Commission	15,226,688,218	125,000,000	15,351,688,218
	0617000 Management of Electoral Processes	15,124,691,611	125,000,000	15,249,691,611
	0618000 Delimitation of Electoral Boundaries	101,996,607	-	101,996,607
2061	The Commission on Revenue Allocation	485,616,016	-	485,616,016
	0737000 Inter-Governmental Transfers and Financial Matters	485,616,016	-	485,616,016
2071	Public Service Commission	2,372,171,009	19,300,000	2,391,471,009
	0725000 General Administration, Planning and Support Services	772,794,422	19,300,000	792,094,422
	0726000 Human Resource Management and Development	1,419,259,243	-	1,419,259,243
	0727000 Governance and National Values	145,691,191	-	145,691,191
	0744000 Performance and Productivity Management	34,426,153	-	34,426,153
2081	Salaries and Remuneration Commission	621,380,000	-	621,380,000
	0728000 Salaries and Remuneration Management	621,380,000	-	621,380,000
2091	Teachers Service Commission	281,809,000,000	645,100,000	282,454,100,000
	0509000 Teacher Resource Management	273,384,269,141	600,000,000	273,984,269,141
	0510000 Governance and Standards	1,012,523,418	-	1,012,523,418
	0511000 General Administration, Planning and Support Services	7,412,207,441	45,100,000	7,457,307,441
2101	National Police Service Commission	794,089,102	-	794,089,102

<u>SCHEDULE I</u>				
<u>VOTE CODE</u>	<u>VOTE/PROGRAMME CODES & TITLE</u>	<u>FY 2021/22 BUDGET ESTIMATES</u>		
		<u>GROSS CURRENT ESTIMATES</u>	<u>GROSS CAPITAL ESTIMATES</u>	<u>GROSS TOTAL ESTIMATES</u>
	0620000 National Police Service Human Resource Management	794,089,102	-	794,089,102
2111	Auditor General	5,706,450,390	200,000,000	5,906,450,390
	0729000 Audit Services	5,706,450,390	200,000,000	5,906,450,390
2121	Office of the Controller of Budget	689,122,143	-	689,122,143
	0730000 Control and Management of Public finances	689,122,143	-	689,122,143
2131	Commission on Administrative Justice	614,821,608	-	614,821,608
	0731000 Promotion of Administrative Justice	614,821,608	-	614,821,608
2141	National Gender and Equality Commission	436,592,581	-	436,592,581
	0621000 Promotion of Gender Equality and Freedom from Discrimination	436,592,581	-	436,592,581
2151	Independent Policing Oversight Authority	949,758,146	-	949,758,146
	0622000 Policing Oversight Services	949,758,146	-	949,758,146
-	Sub-Total: Budget Estimates for the Executive	<u>1,221,224,982,992</u>	<u>668,730,591,891</u>	<u>1,889,955,574,883</u>
1261	The Judiciary	15,003,000,000	2,248,400,000	17,251,400,000
	0610000 Dispensation of Justice	15,003,000,000	2,248,400,000	17,251,400,000
2051	Judicial Service Commission	581,800,000	-	581,800,000
	0619000 General Administration, Planning and Support Services	581,800,000	-	581,800,000
-	Sub-Total: Budget Estimates for the Judiciary	<u>15,584,800,000</u>	<u>2,248,400,000</u>	<u>17,833,200,000</u>
2041	Parliamentary Service Commission	6,612,314,228	-	6,612,314,228

SCHEDULE I				
VOTE CODE	VOTE/PROGRAMME CODES & TITLE	FY 2021/22 GROSS BUDGET ESTIMATES		
		GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES
	0722000 Senate Affairs	6,612,314,228	-	6,612,314,228
2042	National Assembly	23,502,082,199	-	23,502,082,199
	0721000 National Legislation, Representation and Oversight	23,502,082,199	-	23,502,082,199
2043	Parliamentary Joint Services	5,702,753,573	2,065,550,000	7,768,303,573
	0723000 General Administration, Planning and Support Services	5,544,772,323	2,065,550,000	7,610,322,323
	0746000 Legislative Training Research & Knowledge Management	157,981,250	-	157,981,250
	<u>Sub-Total: Budget Estimates for Parliament</u>	<u>35,817,150,000</u>	<u>2,065,550,000</u>	<u>37,882,700,000</u>
	<u>FY 2021/22 GROSS BUDGET ESTIMATES</u>	<u>1,272,626,932,992</u>	<u>673,044,541,891</u>	<u>1,945,671,474,883</u>

 THE NATIONAL ASSEMBLY PAPERS LAID			
DATE: 08 JUN 2021	<table border="1" style="width: 100%;"> <tr> <td style="padding: 2px;">DAY:</td> <td style="padding: 2px;">TUE</td> </tr> </table>	DAY:	TUE
DAY:	TUE		
TABLED BY:	CHAIR, BAC		
CLEAN AT THE TABLE:	F. MORIUKI		





SCHEDULE II: REALLOCATIONS

Vote Code	Departmental Committee	VOTE PROGRAMME CODES & TITLE	Departmental Committee		Net Change	Comment		
			Recurrent	Development				
			Reduction	Increase	Reduction	Increase		
1109	ENVIRONMENT AND NATURAL RESOURCES	Ministry of Water, Sanitation and Irrigation			(920,000,000)	920,000,000	0	
1109		1001000 General Administration, Planning and Support Services			(920,000,000)	920,000,000	0	
1109		1004000 Water Resources Management			(90,000,000)			Reduce Ksh. 40 million from Kenya water security and climate resilience
					(40,000,000)			Reduce Ksh. 50 million from Upper Tana Natural Resource management Project
1109		1017000 Water and Sewerage Infrastructure Development			(580,000,000)			
					(150,000,000)			Reduce Ksh. 150 million from chemususu Dam water Supply Project
					(40,000,000)			Reduce Ksh. 40 million from Kisumu water Supply
					(50,000,000)			Reduce Ksh. 50 million from Kenya Towns Sustainable Water Supply and Sanitation Development Project
					(40,000,000)			Reduce Ksh. 40 million from Ending Drought Emergencies Support to Drought Risk Management
					(40,000,000)			Reduce Ksh. 40 million from Water and Sanitation Development Project
					(50,000,000)			Reduce Ksh. 50 million from the Nairobi Metro Area Bulk Water Sources-Ruru II Dam
					(210,000,000)			Reduce Ksh. 210 million from Nairobi City Regeneration Programme
1109		1014000 Irrigation and Land Reclamation			(120,000,000)			Reduce Ksh. 120 million from community based Irrigation Projects
1109		1015000 Water Storage and Flood Control			(30,000,000)			Reduce Ksh. 30 Million from the Water for Schools Project
1109		1022000 Water Harvesting and Storage for Irrigation			(100,000,000)		920,000,000	Reduce Ksh. 100 million from Household Water Harvesting Project. Increase Ksh. 920 million for the Rehabilitation of Strategic Water Facilities National Irrigation Authority
1112	DEPARTMENTAL COMMITTEE ON LANDS	Ministry of Lands and Physical Planning			(500,000,000)	500,000,000	0	
		0101000 Land Policy and Planning			(500,000,000)	500,000,000	0	

SCHEDULE II REALLOCATIONS

Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Departmental Committee				Net Change	Comment
			Recurrent		Development			
			Reduction	Increase	Reduction	Increase		
2021						100,000,000	Reduce Ksh. 500 million from processing and registration of title deeds. Increase Ksh. 100 million to facilitate operations of the State Department of Physical Planning by implementing the activities of the Physical Planning Project	
						250,000,000	Increase Ksh. 250 million for the resettlement of landless project through purchase of Land owned by Talia Taveta Teachers Cooperative in Junda Ward Kisauni Constituency	
						100,000,000	Increase Ksh. 100 million to digitization process	
						50,000,000	Increase Ksh. 50 million for the construction of land registries in Wajir County, Mulomo and Lungu Lungu.	
						0		
						0		
						640,000,000		
1162						170,000,000		
1162						170,000,000		
						170,000,000	Reduce Ksh 100 million from Disease Free Zone. Bachuma. Increase Ksh. 170 million as co-interpart funding for the development of a Livestock Master Plan (LMP)	
							Reduce Ksh. 40 million from Modernizing Foot & Mouth Disease Laboratory for GMP Standards-KE VEVAPI.	
							Reduce Ksh. 30 million from Construction and equipping of Bio Safety Level 3 Laboratory- Kabele	
1166						110,000,000		
1166						40,000,000		
						40,000,000	Reduce Ksh. 110 million from construction of Shimoni Mariculture Center. Increase Ksh. 40 million for Aquaponics development.	
1166						70,000,000	Increase Ksh 70 million for establishment of regional offices	
1166								

SCHEDULE II: REALLOCATIONS

Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Departmental Committee				Net Change	Comment
			Reduction	Increase	Reduction	Increase		
1169		State Department for Crop Development & Agricultural Research			(250,000,000)	360,000,000	(100,000,000)	
1169		0107000 General Administration Planning and Support Services			(110,000,000)	30,000,000	(80,000,000)	Reduce Ksh 25 million from Cotton Industry Revitalization Project, Increase Ksh. 30 million for sugar reforms support project
					(25,000,000)	30,000,000		
					(60,000,000)			Reduce Ksh. 60 million construction of Residual Laboratory at PCPB
					(25,000,000)			Reduce Ksh 25 million from Pyrethrum Industry Recovery Project
1169		0108000 Crop Development and Management			(150,000,000)	330,000,000	180,000,000	
					(150,000,000)	170,000,000		Reduce Ksh 150 million from fall army worm mitigation, Increase Ksh. 170 million to Development of Agriculture Technology Innovation Centers
						80,000,000		Increase Ksh. 80 million for Construction of Headquarters and Satellite Campuses for KSA
1169		0109000 Agribusiness and Information Management				80,000,000		
1169		0120000 Agricultural Research & Development						Increase Ksh. 80 million for National Value Chain Support Programme
		EDUCATION AND RESEARCH	(1,235,000,000)	2,030,000,000	(2,175,000,000)	1,520,000,000	140,000,000	
1064		State Department for Vocational and Technical Training	(250,000,000)	100,000,000		200,000,000	50,000,000	
1064		0505000 Technical Vocational Education and Training	(250,000,000)	100,000,000		200,000,000		
			(50,000,000)	100,000,000				Reduce Ksh. 50 million from current transfers, Increase Ksh. 100 million from current grants to Kenya National Qualification Authority (KNQA)
			(50,000,000)			200,000,000		Reduce Ksh. 50 million from National Polytechnics current grants, Increase Ksh. 180 million for infrastructure support to the following TTIs: Butua, Bunyore, Kituru masaba, Emuliu, Keni, Bushiangala, and Mahara. (Ksh. 20 Million Each) Sirali TTI- Ksh 40 million
			(50,000,000)					Reduce Ksh. 50 million from Kenya Technical College (KTC) current grants
			(50,000,000)					Reduce Ksh. 50 million from Curriculum Development Accreditation and Certification Council current transfers

SCHEDULE II REALLOCATIONS

Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Departmental Committee						Comment
			Recurrent		Development		Net Change		
			Reduction	Increase	Reduction	Increase			
1064		0507000 Youth Training and Development							
1064		0508000 General Administration, Planning and Support Services							
1065		State Department for University Education		900,000,000	(700,000,000)	690,000,000	890,000,000		
1065		0504000 University Education		0	(700,000,000)	690,000,000	890,000,000		Reduce Ksh. 700 million from public universities special transfers. Increase Ksh. 850 million for capitation grants to Government sponsored students in Private Universities
1065		0506000 Research, Science, Technology and Innovation		50,000,000		690,000,000			Increase Ksh. 540 million for the following Universities. Alupe (Admin block-Ksh. 150M), Kaimosi University College (Tuition block Ksh. 20M), Jaramogi (Tuition block Ksh. 100M), Tharaka University (Admin block 30M, Rongo University (Library-Ksh. 20M, and Masinde Muliro (Engineering complex Ksh. 100M, Ksh. 20M for Butula Center for research), Tom Mboya 50 million, South Eastern Kenya University -50 million Taika Taveta 50 million Increase Ksh. 50 million to University Funding Board current grants.
1065		0508000 General Administration, Planning and Support Services							
1066		State Department for Early Learning & Basic Education	(985,000,000)	280,000,000	(1,475,000,000)	630,000,000	(1,550,000,000)		
1066		0501000 Primary Education	(285,000,000)	110,000,000	(310,000,000)	130,000,000	(355,000,000)		Reduce Ksh. 135 million from low cost boarding schools capitation meant for infrastructure. Increase Ksh. 70 million for current grants to support Kenya Institute of Special Needs. Increase Ksh. 30 million for equipping of National Psycho-Education Assessment Center

SCHEDULE II REALLOCATIONS

Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TIT_E	Departmental Committee				Net Change	Comment
			Recurrent		Development			
			Reduction	Increase	Reduction	Increase		
1041		08010000 Defence	(1,000,000,000)	500,000,000			(500,000,000)	Reduce Ksh. 500 million from defence programme O&M. Reallocate Ksh. 500 million from Kenya Somalia Border securitization project to humanitarian civil aid under the same project.
1041		08020000 Civil Aid		500,000,000			500,000,000	Increase Ksh. 500 million towards civil aid programme
1041		08030000 General Administration, Planning and Support Services					0	
1041		0805000000 National Space Management					0	
1221		State Department for East African Community	0	0			0	
1221		03050000 East African Affairs and Regional Integration						
1222		State Department for Regional & International Development	0	0	0	320,000,000	320,000,000	
1222		10130000 Integrated Regional Development				320,000,000		Increase Ksh. 320 million to LBDA for drilling of boreholes
	DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING		(6,000,000,000)	2,916,520,000	(5,626,020,000)	6,354,500,000	(2,355,000,000)	
1032		State Department for Devolution	0	1,887,300,000		0	1,887,300,000	
1032		07120000 Devolution Services	0	205,000,000		0	205,000,000	
				180,000,000				Increase Ksh. 180 million for coordination of valuation and transfer of land and other equipment of the defunct local authorities
				25,000,000				Increase Ksh. 25 million for finalization of identification and valuation of assets and liabilities of 14 devolved functions in 21 counties
1032		07320000 General Administration, Planning and Support Services		64,000,000				
1032		07130000 Special Initiatives	0	1,618,300,000		600,000,000	2,218,300,000	
				1,618,300,000				Increase Ksh. 1.6 billion for emergency relief funds
						600,000,000		Increase Ksh. 600 million for construction of convention center in Kisumu
1071		The National Treasury	(6,000,000,000)	50,000,000	(5,626,020,000)	1,980,000,000	(9,596,020,000)	
1071		02030000 Rail Transport				300,000,000		Increase Ksh. 300 million for track recording system
1071		02040000 Marine Transport			(600,000,000)			Reduce Ksh. 600 million from construction of road along the LAPSET corridor. Increase Ksh. 700 million for construction of interchange road and parking at Malaba OSBP
1071		07170000 General Administration Planning and Support Services	(6,000,000,000)				(6,000,000,000)	Reduce Ksh. 6 billion

SCHEDULE II: REALLOCATIONS

Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Departmental Committee		Net Change	Comment					
			Reduction	Recurrent Increase			Reduction	Increase			
1071		0718000 Public Financial Management		50,000,000	(5,025,020,000)						Reduce Ksh 498 billion. Increase Ksh. 20 million Kenya Institute of Supplies Examination Board (KISEB) to facilitate implementation of procurement reforms in Kenya
1071		0719000 Economic and Financial Policy Formulation and Management									
1071		0720000 Market Competition									
1071		0740000 Government Cleaning Services									
1072		State Department for Planning		831,220,000	0	3,774,500,000	4,605,720,000				
1072		0708000 Economic Policy and National Planning		668,220,000		3,299,000,000	3,967,220,000.0				Increase Ksh. 31.6 million gratuity for Vision Delivery secretariat staff. Increase Ksh. 116.5 million recruitment of new KIPPRRA staff. Increase Ksh. 25.12 million recruitment of 2 directors and accountant at NEPAD Kenya secretariat. Ksh. 63 million for KIPPRRA young professionals programme
				173,220,000.0		63,000,000					
				100,000,000		100,000,000					Increase Ksh. 50 million for running secretariat support to HE at macro department. Increase Ksh. 50 million for comprehensive review of ERS implementation by macro department. Ksh. 100 million for preparation of fourth MTP
				185,000,000		136,000,000					Increase Ksh. 100 million for SDG coordination. Increase Ksh. 50 million for finalization and implementation of knowledge management framework. Increase Ksh. 35 million for strengthening CPPMUS. Increase Ksh. 110 million for 6th preparatory poverty assessment. Ksh. 28 million for 9th Kenya Human Development Report
				80,000,000							Increase for NEPAD/PRM
				30,000,000							Increase Ksh. 30 million for National council for population development
				100,000,000							Increase Ksh. 100 million for Vision Delivery Secretariat
1072		0707000 National Statistical Information Services				3,000,000,000					Increase Ksh. 3 billion for NS-CDF
						400,000,000					Ksh. 400 million for KNBS arrears

SCHEDULE II REALLOCATIONS

Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TIT .E	Departmental Committee						Comment
			Recurrent		Development		Net Change		
			Reduction	Increase	Reduction	Increase			
1072		0708000 Monitoring and Evaluation Services		13,000,000			75,500,000		In-rease Ksh. 13 million for tracking implementation of government programmes. Ksh. 75 million for rolling out e-NIMES and E-Ches in MDAs and counties
1072		0709000 General Administration Planning and Support Services		150,000,000.0					In-rease Ksh. 100 million for motor vehicle purchase. Increase Ksh. 20 million for training. In-rease Ksh. 20 million for induction of 200 economists recruited in January 2021
2061		The Commission on Revenue Allocation							
2061		0737000 Inter-Governmental Transfers and Financial Matters		100,000,000				100,000,000	
				49,000,000					In-rease Ksh. 32 million for assessment of county governance performance. Increase Ksh. 17 million for comprehensive study of county own source revenue
				51,000,000					In-rease Ksh. 202 million for purchase of motor vehicles. Increase Ksh. 15 million for car and mortgage scheme. Increase Ksh. 14 million for insurance and other O&M
2121		Office of the Controller of Budget		48,000,000				48,000,000	
2121		0730000 Control and Management of Public finances		48,000,000					In-rease Ksh 8 million for staff gratuity. In-rease Ksh. 10 million for medical insurance for new staff
				30,000,000					In-rease Ksh. 10 million for printing of budget implementation reports. Increase Ksh. 20 million for M&E and public participation for a
	DEPARTMENTAL COMMITTEE ON TRANSPORT, PUBLIC WORKS AND HOUSING								
1091		State Department of Infrastructure					3,325,000,000	2,725,000,000	
1091		0202000 Road Transport					3,305,000,000	2,705,000,000	
							3,305,000,000	2,705,000,000	
									Amend item to reflect the right location i.e. replace 1091161988 Mungai - Kiru replace with Munzalsi-Kiru
									In-rease Ksh. 3.3 billion for rehabilitation of roads. Reduce Ksh. 600 million from Marsabit-Segel (B7)

SCHEDULE II REALLOCATIONS

Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Departmental Committee				Net Change	Comment
			Recurrent		Development			
			Reduction	Increase	Reduction	Increase		
1261		The Judiciary	0	0	(310,000,000)	225,000,000	(85,000,000)	Increase Ksh. 5 million for African ombudsman & magistrates
1261		0610000 Dispensation of Justice	0	0	(310,000,000)	225,000,000	(85,000,000)	
					(310,000,000)			Reduce Ksh. 310 million meant for initiation of new projects
						105,000,000		Increase Ksh. 105 million for ongoing projects
						100,000,000		Increase Ksh. 100 million for digital strategy under ICT
						20,000,000		Increase Ksh. 20 million for initiation of a court in Mwindera West(Takaba)
	DEPARTMENTAL COMMITTEE ON COMMUNICATION, INFORMATION AND INNOVATION							
1122		State Department for Information Communication and Technology & Innovation	704,000,000		(700,000,000)	246,000,000	250,000,000	
1122		0207000 General Administration Planning and Support Services	200,000,000		(700,000,000)	200,000,000	(300,000,000)	
1122		0210000 ICT Infrastructure Development			(700,000,000)	200,000,000	(500,000,000)	
					(600,000,000)	75,000,000	(525,000,000)	Reduce Ksh. 600 million from the Digital Literacy Programme, Increase Ksh. 75 million Hotel Facility at Konza Complex phase 1 B
					(100,000,000)	75,000,000	(25,000,000)	Reduce Ksh 100 million from the Konza Technopolis Masterplan Consultancy-MDP2, Increase Ksh. 75 million for Supervision of streetscape & Waste Water Reclamation Facilities
						50,000,000	50,000,000	Increase Ksh. 50 million to HQ Directorate of ICT being payment for undersea cable for enrichment of Djibouti Kenya partnership
1122		0217000 E-Government Services	200,000,000				200,000,000	Increase Ksh. 200 million to the office of data protection commissioner to cater for staff enrolment, office rent, office fitting purchase of 3 mc for vehicles and other office supplies
1123		State Department for Broadcasting & Telecommunications	504,000,000			46,000,000	(550,000,000)	
1123		0207000 General Administration Planning and Support Services						
1123		0208000 Information and Communication Services	504,000,000				504,000,000	

SCHEDULE II REALLOCATIONS

Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Recurrent		Departmental Committee		Net Change	Comment	
			Reduction	Increase	Reduction	Increase			
1123		0209000 Mass Media Skills Development		50,000,000			46,000,000	46,000,000	Increase Ksh. 50 million to the office of the Government Spokesman to cater for strategic communication as the heightened political season approaches
1123		0221000 Film Development Services							Increase Ksh. 46 million to Kenya Yearbook Editorial Board to cater for expansion of space to facilitate adherence to social distancing protocol
1011	DEPARTMENTAL COMMITTEE ON ADMINISTRATION & NATIONAL SECURITY	Executive Office of the President	(850,000,000)	400,000,000	(450,000,000)	1,900,000,000	0		
1011		0702000 Cabinet Affairs							
1011		0703000 Government Advisory Services							
1011		0704000 State House Affairs							
1011		0734000 Deputy President Services							
1011		0745000 Nairobi Metropolitan Services			(300,000,000)				
1021		State Department for Interior and Citizen Services	(950,000,000)	200,000,000	(700,000,000)	700,000,000	50,000,000		
1021		0601000 Policing Services	0	150,000,000	0	40,000,000		Increase KSh. 150 million towards the Directorate of Criminal Investigations. Increase KSh. 40 million to facilitate the completion of the construction of Kanyonyo Border Patrol Unit Hospital.	
1021		0603000 Government Printing Services							
1021		0605000 Migration & Citizen Services Management							
1021		0625000 Road Safety	(50,000,000)					Reduce KSh. 50 million under the programme Road Safety- Recurrent Expenditure.	
1021		06256000 Population Management Services							
1021		0629000 General Administration and Support Services	(800,000,000)				610,000,000		

SCHEDULE II REALLOCATIONS

Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Departmental Committee				Net Change	Comment
			Recurrent		Development			
			Reduction	Increase	Reduction	Increase		
			(800,000,000)			610,000,000		Increase Ksh. 300 million for other operating expenses. Reduce Ksh. 500 million from National Secure Communication and Surveillance System. Increase Ksh. 610 million to Development Expenditure to facilitate the construction of sub-county Headquarters and operationalization of newly gazetted sub-counties
		06330000 Policy Coordination Services		50,000,000	0	50,000,000		Increase Ksh. 50 million to facilitate the ongoing construction of Miritini Rehabilitation Centre. Development Expenditure. Increase Ksh. 50 million recurrent for office operations (NACADA)
1023		State Department for Correctional Services			(150,000,000)		(150,000,000)	
1023		06230000 General Administration, Planning and Support Services						
1023		06270000 Prison Services	0	0	(150,000,000)	0		Reduce the allocation towards the State Department for Correctional Services by KSh. 150 Million
1023		06280000 Probation & After Care Services						
1213		State Department for Public Service	0	0	0	200,000,000	200,000,000	
1213		07100000 Public Service Transformation	0	0	0	200,000,000	200,000,000	Increase Ksh. 200 million to facilitate the completion of Kenya School of Government, Mombasa.
1213		07090000 General Administration Planning and Support Services						
1213		07470000 National Youth Service						
2071		Public Service Commission	0	0	100,000,000	0	100,000,000	
2071		07250000 General Administration, Planning and Support Services						
2071		07260000 Human Resource Management and Development	0	0	100,000,000	0	0	
						100,000,000		Increase Ksh. 100 million to facilitate the administration and monitoring of the internship programme.
2071		07270000 Governance and National Values						
2071		07440000 Performance and Productivity Management						
2101		National Police Service Commission	0	0	70,000,000	0	70,000,000	
2101		06200000 National Police Service Human Resource Management	0	0	70,000,000	0	0	

SCHEDULE II: REALLOCATIONS

Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Recurrent		Departmental Committee Development		Net Change	Comment
			Reduction	Increase	Reduction	Increase		
2151		Independent Policing Oversight Authority	0	30,000,000	0	0	30,000,000	Increase Ksh. 40 million to facilitate decentralization of counselling services.
2151		0822000 Policing Oversight Services	0	30,000,000	0	0	30,000,000	Increase Ksh. 30 million to operationalize the Staff Mortgage Scheme.
								Increase Ksh. 30 million to operationalize the Staff Mortgage Scheme.
	DEPARTMENTAL COMMITTEE ON TRADE, INDUSTRY AND COOPERATIVES							
1173		State Department for Cooperatives	0	300,000,000	(700,000,000)	803,700,000	403,700,000	
1173		0304000 Cooperative Development and Management	0	300,000,000	(50,000,000)	80,000,000	30,000,000	Reduce Ksh. 50 million from acquisition of equipment and machinery NKCC. Increase Ksh. 50 Million to Warehousing KNTC.
					(50,000,000)	80,000,000	30,000,000	
					(50,000,000)	50,000,000	0	
1174		State Department for Trade and Enterprise Development	0	300,000,000		30,000,000	30,000,000	Increase Ksh. 30 million to completion of Luanda Cotton Ginnery
1174		0307000 Trade Development and Promotion		300,000,000		500,000,000	800,000,000	Increase Ksh. 300 million to World Expo 2020 Dubai KEPROBA. Increase Ksh. 500 million to development of Various SMEs
1175		State Department for Industrialisation	0	0	(650,000,000)	223,700,000	(426,300,000)	
1175		0301000 General Administration Planning and Support Services					0	
1175		0302000 Industrial Development and Investments			(150,000,000)	223,700,000	73,700,000	
					(40,000,000)		(40,000,000)	Reduced from Develop a Freeport and Industrial parks SEZs Mombasa
					(60,000,000)		(60,000,000)	Reduced from Development of SEZ Textile park Naivasha
					(50,000,000)		(50,000,000)	Reduced from Cotton Development subsidy and extension support Rivalex
						50,000,000	50,000,000	Increase Ksh. 50 million to Ahihi River Textile Hub EPZA
						173,700,000	173,700,000	Ksh. 120.7 million to kieni and Ksh. 53 million to Nyando (to cater for the full establishment of Nyando and Kieni apparatus and value addition centers under Rivalex East Africa ltd)
1175		0303000 Standards and Business Incubation			(500,000,000)		(500,000,000)	Reduced from Development of various SMEs. Resources to be moved to State Department of Trade and Enterprise Development

SCHEDULE II REALLOCATIONS

Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TIT.E	Departmental Committee						Net Change	Comment
			Recurrent		Development					
			Reduction	Increase	Reduction	Increase				
1081	Departmental Committee ON HEALTH	Ministry of Health	(560,000,000)	370,000,000	(160,000,000)	390,000,000	40,000,000			
1081		0401000 Preventive, Promotive & Reproductive Health	(560,000,000)	370,000,000	(160,000,000)	390,000,000	40,000,000			
1081		0402000 National Referral & Specialized Services			(160,000,000)	100,000,000	(60,000,000)		Reduce Ksh. 100 million from procurement of cyber radiotherapy knife. Increase Ksh 100 million for Mathare Referral Hospital-capital grants to modernize wards	
					(100,000,000)	100,000,000			Reduce Ksh. 100 million from procurement of cyber radiotherapy knife. Increase Ksh 100 million for Mathare Referral Hospital-capital grants to modernize wards	
1081		0403000 Health Research and Development	(110,000,000)	150,000,000	(60,000,000)		280,000,000		Reduce Ksh. 60 million from National Commodity Warehousing for KEMSA	
			(110,000,000)	150,000,000		240,000,000			Reduce Ksh. 110 million from KMTC-Current transfers. Increase Ksh. 150 million for Kennis current grants. (Ksh 100 Million to support medical research activities at the headquarters and Ksh 50 Million to support research activities (trial) at Kombeo Children Research Ward.)	
1081		0404000 General Administration, Planning & Support Services	(150,000,000)	220,000,000			70,000,000		Increase Ksh 200 million for KMTC capital grants (infrastructure support to KMTC campuses). Ksh. 20 million for KMTC- Maralal campus. Ksh. 20 million for Othoro KMTC	
			(150,000,000)	10,000,000					Reduce Ksh. 150 million from Headquarters Administration and Technical Services. Increase Ksh. 10 million for Kenya Health Professional Oversight Authority (KHFOA) Current grants	
				10,000,000					Increase Ksh. 10 million for Kenya Human Resource Advisory Council (KHRAC)-current grants	
				200,000,000					Increase Ksh. 200 million for Kenya Medical Practitioners and Dentist Council (KMPDC) current grants	
1081		0405000 Health Policy, Standards and Regulations	(300,000,000)			50,000,000	(250,000,000)			
			(300,000,000)			50,000,000			Reduce Ksh. 300 million from JHC coordination management unit-current transfers. Increase Ksh. 50 million for Infrastructure support to Diff Hospital in Wajir	
	DEPARTMENTAL COMMITTEE ON ENERGY				(2,011,000,000)	2,011,000,000		0		

SCHEDULE II: REALLOCATIONS

Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Departmental Committee				Net Change	Comment
			Reduction	Recurrent Increase	Development Increase	Reduction		
1152	Departmental Committee	State Department for Energy	(198,000,000)		1,864,000,000		0	
1152		0211000 General Administration Planning and Support Services						
1152		0212000 Power Generation	(800,000,000)		100,000,000		(700,000,000)	Reduce Ksh. 100 million from Geothermal Exploration and Development in Rift Valley. Increase Ksh. 100 million for public advocacy
			(100,000,000)		100,000,000			Reduced from Coal exploration and development in coast
			(100,000,000)					Reduced from Nuclear fuel resources exploration and development
			(500,000,000)					Reduced from Geothermal Development Company Bogoria-Siale
1152		0213000 Power Transmission and Distribution	(762,000,000)		1,761,000,000		999,000,000	Reduce Ksh. 150 million from 132Kv Sardu Homabay-Ndhiwa-Awendo Transmission line. Increase Ksh. 537 million for Electrification of public facilities
			(150,000,000)		537,000,000			
			(205,000,000)		100,000,000			Reduce Ksh. 205 million from Interconnection project of Electric Grids Nile Equatorial Lakes Co. 400kv Lessos Tororo Interconnector. Increase Ksh. 100 million to street lighting
			(407,000,000)		200,000,000			Reduce Ksh. 407 million from Turkwel-Ortum-Khiale. Increase Ksh. 200 million for Gilgit-Thika Kona 400 kv Transmission line
					200,000,000			Increase Ksh. 200 million to Loiyangalani-Marsabit 400 kv Transmission line
					200,000,000			Increase Ksh. 200 million to 220 kv Marsabit-Isiolo Transmission line
					504,000,000			Increase Ksh. 504 million for Last Mile Electric connectivity
					20,000,000			Increase 20 million for Navakhoio subcounty GPIL Last mile scheme
1152		0214000 Alternative Energy Technologies	(299,000,000,0)		0		(299,000,000)	Reduce Ksh.72 million from Hydro dams water catchment reforestation.
			(72,000,000)					Reduce Ksh. 80 million from solar PV installation on institutions and or community boreholes.
			(20,000,000)					Reduce Ksh. 20 million from development of community small hydro power projects.

SCHEDULE II REALLOCATIONS

Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Departmental Committee						Net Change	Comment
			Recurrent		Development		Increase			
			Reduction	Increase	Reduction	Increase				
1194		Ministry of Petroleum and Mining			(150,000,000)	150,000,000	0	0	Reduce Ksh. 30 million from installation of wind mills and data loggers and rehabilitation.	
1194		0215000 Exploration and Distribution of Oil and Gas			(150,000,000)	150,000,000	0	0	Reduce Ksh. 20 million from construction of institutional biogas plants.	
					(7,000,000)				Reduce Ksh. 70 million from pilot programme or domestic household biogas digesters.	
					(150,000,000)	150,000,000	0	0	Reduce Ksh. 7 million from Biofuel value chain development	
	COMMITTEE ON LABOUR AND SOCIAL WELFARE				(46,088,823)	46,088,823	0	0	Reduce Ksh. 150 million allocated for Oil exploration and monitoring project placed under Headquarters delivery unit be reallocated to Block 14T Delivery unit which has outputs related to oil exploration and monitoring	
1184		State Department for Labour	(20,000,000)	20,000,000	(46,088,823)	46,088,823	0	0		
1184		0910000 General Administration Planning and Support Services	(10,000,000)	20,000,000	(26,088,823)		(10,000,000)		Reduce Ksh. 10 million from Hqs Admin services	
1184		0906000 Promotion of the Best Labour Practice			(9,548,823)		(9,548,823)		Reduce Ksh. 5 million from construction of Meru County Labour Offices	
1184		0907000 Manpower Development, Employment and Productivity Management		20,000,000	(16,540,000)		3,460,000		Reduce Ksh.4.5 million from construction of occupational safety & health OSH-institute	
					(2,000,000)				Reduce Ksh. 2 million from upgrading of Kisumu Industrial Training Center	
				20,000,000	(14,540,000)				Reduce Ksh. 14.5 million from construction of National Employment Center Kabele. Increase Ksh. 20 million to National Employment Authority to finalize ongoing negotiations on bilateral labour agreements with Bahrain, Kuwait and Jordan	
1185		State Department for Social Protection, Pensions & Senior Citizen Affairs	(10,000,000)			46,088,823	36,088,823			
1185		0908000 Social Development and Children Services				46,088,823	46,088,823			
						46,088,823			Increase Ksh. 46 million to child welfare society of Kenya JOSKA foster care center	

SCHEDULE II: REALLOCATIONS

Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Departmental Committee		Net Change	Comment	
			Reduction	Increase			
1185	Departmental Committee	VOTE/PROGRAMME CODES & TITLE 0909000 National Social Safety Net	(10,000,000)		(10,000,000)		
1185		0914000 General Administration, Planning and Support Services				0	
1214		State Department for Youth	0		(20,000,000)		
1214		0711000 Youth Empowerment			(20,000,000)	Reduce Ksh. 20 Million from Youth empowerment centers	
2141		National Gender and Equality Commission	0		0		
2141		0621000 Promotion of Gender Equality and Freedom from Discrimination			0		
1039		State Department for Development of the ASAL	0		0		
1039		0733000 Accelerated ASAL Development			0		
1132	COMMITTEE ON SPORTS, CULTURE AND TOURISM	State Department for Sports	(100,900,000)	724,960,000	(55,000,000)	638,960,000	
1132		0901000 Sports	0	0	(30,000,000)	30,000,000	0
1134		State Department for Heritage	(18,900,000)	617,960,000	0	638,960,000	
1134		0902000 Culture / Heritage		598,960,000	40,000,000	638,960,000	Increase 40 million for Natural Products Industry. Increase Ksh 498 million for museums of Kenya to settle pending. Increase Ksh. 100 million to Institute of Primate Research for purchase of vaccines and serums
1134		0903000 The Arts	0	0	0	0	
1134		0904000 Library Services	0	18,900,000		18,900,000	Reallocate 18.9 million from General Admin to library services for shortfall in housing and hardship allowances for Kenya National Library Services
1134		0905000 General Administration, Planning and Support Services	(18,900,000)	0		(18,900,000)	Reallocated to library services
1202		State Department for Tourism	(82,000,000)	107,000,000	(25,000,000)	0	
1202		0306000 Tourism Development and Promotion	(82,000,000)	107,000,000	(25,000,000)	0	0
				25,000,000	(25,000,000)	0	Reallocate 25 million from Kenya Tourism Board (Development) to Kenya Uelii College (Recurrent) to support 20 Zambian students who were awarded scholarships by the Kenyan Government
			(42,000,000)	42,000,000		0	Reallocate 42 million from Kenya Tourism Board (Recurrent) to State Department HQ Administration. To settle an outstanding pending bill to Tele News Africa and Atlantic Region

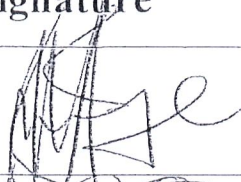
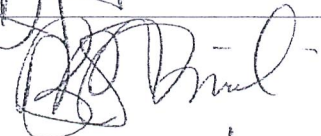
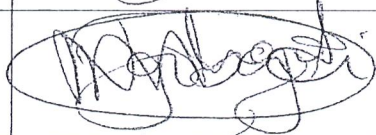
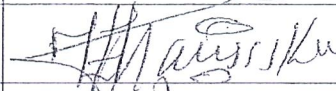
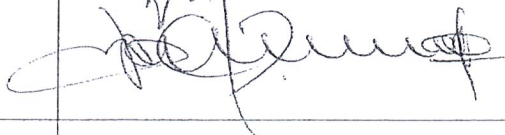

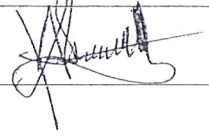
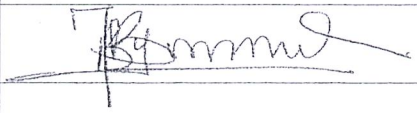
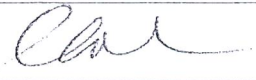

SCHEDULE II REALLOCATIONS


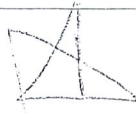


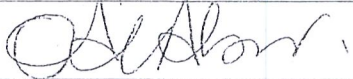
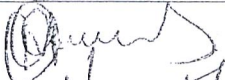




Vote Code	Departmental Committee	VOTE PROGRAMME CODES & T TLE	Departmental Committee				Net Change	Comment	
			Recurrent		Development				
			Reduction	Increase	Reduction	Increase			
			(40,000,000)	40,000,000				0	Reallocate 40 million from KICC (recurrent) to State Department HQ Administration To settle an outstanding pending bill to Tele News Africa and Atlantic Region
		TOTAL Reallocations	(9,425,400,000)	9,563,380,000	(14,893,108,823)	18,317,788,823		3,662,660,000	

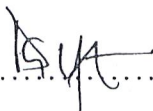
ADOPTION SCHEDULE

Budget and Appropriations Committee

Date 07.06.2021 Time..... Sitting:

Name	Signature
1. The Hon. Kanini Kega, CBS, M.P.- Chairperson	
2. The Hon. Benard Masaka Shinali, M.P.- Vice Chairperson	
3. The Hon. (CPA) John Mbadi, EGH, CBS, M.P.	
4. The Hon. Emmanuel Wangwe, CBS, M.P.	
5. The Hon. (CPA) Moses K. Lessonet, CBS, M.P.	
6. The Hon. Samwel Moroto, M.P.	
7. The Hon. Millie Odhiambo, M.P.	
8. The Hon. Alfred Kiptoo Keter, M.P.	
9. The Hon. Richard Onyonka, M.P.	
10. The Hon. (Dr.) Makali Mulu, M.P.	
11. The Hon. Badi Twalib, M.P.	
12. The Hon. Jude Njomo, M.P.	
13. The Hon. Sarah Paulata Korere, M.P.	
14. The Hon. Fatuma Gedi Ali, CBS, M.P.	
15. The Hon. Wangari Mwaniki, OGW, M.P.	
16. The Hon. Josephine Naisula Lesuuda, OGW, M.P.	
17. The Hon. Sakwa Bunyasi, M.P.	

Name	Signature
18. The Hon. Florence C. K. Bore, M.P.	
19. The Hon. James Gichuki Mugambi, MBS, M.P.	
20. The Hon. Danson Mwashako, MP	
21. The Hon. (Eng.) Mark Nyamita, MP	
22. The Hon. Paul Abuor, MP	
23. The Hon. Mercy Wanjiku Gakuya, M.P.	
24. The Hon. (CPA) Francis Kuria Kimani, M.P.	
25. The Hon. Samuel Atandi, M.P.	
26. The Hon. Joseph Manje, M.P.	
27. The Hon. Masalino Arbelle, M.P.	

Signed..... Danson Kachumbi 

Date..... 07/06/2021

Committee Clerk

Signed.....

Date.....

Director of Audit, Appropriations & Other Select Committees