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REPORT

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ON

NATIONAL AGRICULTURAL VALUE
CHAIN DEVELOPMENT PROJECT
CREDIT NO. IDA – 7064 – KE

FOR THE YEAR ENDED
30 JUNE, 2025

STATE DEPARTMENT FOR AGRICULTURE

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 24 FEB 2026	DAY: Tuesday
TABLED BY:	Deputy Leader Majority Party Hon. Owen Baya, MP
PREPARED BY:	Mr. Benson Inzofu



**PROJECT NAME: NATIONAL AGRICULTURAL VALUE CHAIN
DEVELOPMENT PROJECT
(NAVCDP)**

**IMPLEMENTING ENTITY: MINISTRY OF AGRICULTURE AND
LIVESTOCK DEVELOPMENT**

PROJECT CREDIT NUMBER: 7064 KE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2025

**Transitional IPSAS Financial Statements Method under the International Public Sector Accounting
Standards (IPSAS)**

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1. Acronyms and Definition of Terms

AIE	Authority to Incur Expenditure
CBK	Central Bank of Kenya
CGMC	County Grievance Management Committee
CIGs	Common Interest Groups
CoG	Council of Governors
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental Safety Management Plan
ESMF	Environmental Safety Management Framework
ESS	Environmental Social Safeguards
FAO	Food Agriculture Organization
FLID	Farmer Led Irrigation Development
FPOs	Farmer Producer Organizations
GoK	Government of Kenya
ICPAK	Institute of Certified Public Accountants
ICT	Information Communication Technology
IDA	International Development Association
IPF	Investment Project Financing
IP/SSAHUTLC	Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities
IPSAS	International Public Sector Accounting Standards
KALRO	Kenya Agricultural and Livestock Research Organization
LMP	Land Management Plan
MCI	Multi Community Investments
MDAs	Ministries, Departments and Agencies
M&E	Monitoring and Evaluation
NAVCDP	National Agricultural Value Chain Development Project
NGMC	National Grievance Management Committee
NVSP	National Value chain Support Program
OAG	Office of the Auditor General
OHS	Occupational Health Safety
PDO	Project Development Objective

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PFM Act	Public Finance Management Act
PPADA	Public Procurement and Asset Disposal Act
PPPs	Public-Private Partnerships
PSASB	Public Sector Accounting Standards Board
PSC	Public Service Commission
SACCO	Savings and Credit Cooperatives
SAIC	Social Accountability and Integrity Committees
SDA	Special Deposit Account
SDGs	Sustainable Development Goals
SEAH	Sexual Exploitation Abuse and Harassment
SMP	Soil Management Plan
TIMPs	Technologies Innovations and Management Practices
ToTs	Training of Trainers
VAC	Violence Against Children
VMGs	Vulnerable and Marginalized Groups

2. Project Information and Overall Performance

2.1 Name and registered office

Name

The project's official name is National Agricultural Value Chain Development Project (NAVCDP)

Objective

To increase market participation and value addition for targeted farmers in select value chains in project areas and in the event of an Eligible Crisis or Emergency, to provide immediate and effective response.”

Address

The project headquarters offices are at Capitol Hill Towers 5th Floor Nairobi, Kenya. The address of its registered office is: Capitol Hill Towers 5th Floor, Cathedral Road Next to Kilimo House.

Post office address: Box 8073 00200,
Nairobi – Kenya

The project also has offices in 33 participating Counties as follows: -

	Mt. Kenya	Lower Eastern	North Rift	Centra /South Rift	Nyanza	Western	Coast
1	Meru	1 Machakos	1 Trans Nzoia	1 Nakuru	1 Kisii	1 Kakamega	1 Kilifi
2	Muranga	2 Makueni	2 Nandi	2 Narok	2 Migori	2 Busia	2 Taita Taveta
3	Kiambu	3 Kitui	3 Uasin Gishu	3 Bomet	3 Homa Bay	3 Bungoma	3 Kwale
4	Kirinyaga			4 Kericho	4 Kisumu	4 Vihiga	4 Tana River
5	Embu			5 Nyandarua	5 Siaya		

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6	Nyeri				6	Kajiado	6	Nyamira		
7	Tharaka Nithi									

Contacts: Contacts: The following are the project contacts

Telephone: (254) 773206315

E-mail: info@navcdp.go.ke

Website: <https://navcdp.go.ke/>

Project information and overall performance (continued)

2.2 Project Information

Project Start Date:	The project start date is 23 September 2022
Project End Date:	The project end date is 31 December 2027
Project Manager:	The project manager is Dr. Samuel Guto
Project Sponsor:	The project sponsor is World Bank – IDA and the GOK

2.3 Project Overview

Line Ministry/State Department of the project	The project is under the supervision of the State Department for Agriculture, Ministry of Agriculture and Livestock Development
Project number	7064KE
Project Development Objective	To increase market participation and value addition for targeted farmers in select value chains in project areas and in the event of an Eligible Crisis or Emergency, to provide immediate and effective response.”
Summary of Project Strategies for Achievement of strategic goals	Upgrading of market infrastructure will support higher participation of small-holder farmers through new and revamped market touch points, facilities for value addition and storage, and improved logistics. Integrated value chain clusters in urban areas will support increased availability of safer food produce for the urban consumers. Co-investments into market infrastructure upgrading and consumer awareness initiatives will catalyse higher demand for safe food produce while enabling direct producer- consumer linkages delivering higher returns for smallholders.
Areas that the project was formed to intervene	The NAVCDP will build on the strong foundation laid by NARIGP and KCSAP and will mostly work with a subset

	<p>of the 1.1 million farmers that are part of the selected 16 value chains across 33 counties. The project will deepen investments in existing interventions around productivity enhancement, community led farmer extension, water management investments and data driven value chain services. Additionally, the project will introduce intensified infrastructure investments into select value chains to support aggregation and commercialization, scale up value addition and market linkages with agribusiness off-takers and SMEs, support FLID, enhance access to credit and financial services and develop proof of concept around Urban Food Systems and peri-urban agriculture in select clusters. The project will leverage the strong community level institutions comprising over 37000 farmer CIGs, trained Community Driven Development Committees (CDDCs), 500 FPOs and strong implementation capacity at national and county level. Project investments such as access to credit, climate information services, and development of irrigation and market infrastructure are envisaged to be value chain neutral and will universally support smallholder transition towards commercial agriculture</p>
<p>Project duration</p>	<p>The project started on 23 September 2022 and is expected to run until 31 December 2027</p>

Project Information and Overall Performance (Continued)

2.4 Bankers

The following are the bankers for the current year:

- (i) Central Bank of Kenya
- (ii) Kenya Commercial Bank

2.5 Independent Auditor

The project is audited by Office of the Auditor General (OAG).

Address:

**Office of the Auditor General,
P.o Box 30084-00100,
Nairobi, Kenya**

2.6 Roles and Responsibilities

The following is the list of the different people working for the project. The list includes the project manager and the key stakeholders who are involved with the project. Also included in the list is their role and their positions.

Names	Positions	Key Qualifications	Responsibilities
Samuel Guto, PhD	National Project Coordinator	Doctor of Science - Soil and water management in smallholder farming systems	Overall Coordination of the Project
Mary Maingi	National Community Institutions Development Lead	-Masters in Environmental Studies	Responsible for Community Institutions Development

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Samuel Kamura	National Agricultural Finance Lead	Msc in Entrepreneurship BBA Bachelor of Business Administration Diploma in Cooperative Mangement CPA Sec 2	Responsible for Agricultural Finance issues
Annastacia Kivuva	National Farmer Producer Organization Development Lead	-MSc. International Trade Policy and Trade Law	Responsible for Farmer Producer Organization Development
Eng. Isaac Ngugi Wakhu	National Agricultural Infrastructural Lead	B. Sc in Agricultural Engineering	Responsible for Agricultural Infrastructural Development
Isaac Simiyu Wangette	National Agriculture Infrastructure Lead (NAIL)	MSc Agricultural Engineering	Oversee the preparation of tender documents for the studies, supervision and construction/refurbishment of irrigation infrastructures, water reservoirs such as fish ponds, dams, aggregation centres, markets, pack houses, warehouses, as well other related civil works
Cosmas Omolo	Monitoring & Evaluation Lead	-MSc. Agriculture Production	Oversee the development and implementation of the NAVCDP

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		Chain Management	planning, monitoring and evaluation system
Maurice Mungai	National Planning, Monitoring and Evaluation Lead (NPM&EL)	Master of Science in Social Statistics	Coordinate the establishment and operation of an integrated project implementation system for NAVCDP. The system will link five functions: annual work planning; learning and adaptation for continuous improvement of performance; learning-oriented M&E; internal (NPCU/CPCU) and external (stakeholders) communication; innovation and experimentation; and information management
Benjamin Kibor	National Agriculture Extension Lead (NAEL)	PhD in Agroforestry	Provide effective leadership to project staff and other partners involved in implementation of activities related to agricultural extension and advisory services in the project Coordinate delivery of extension services to communities through the CIGs/VMGs/IPs/ CDDCs/IWUAs and Producer organizations
Peter N. Gitau	National Project Accountant (NPA)	- MSc Finance and Economics - CPA(K)	Responsible for managing project finances in accordance with the requirements of the Financing Agreement and related Project documents

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Japhlet Gikunda	National Procurement Officer	- BSc. Procurement and Logistics	Responsible for overseeing the preparation and execution of the project procurement plans to effectively support project operations, ensuring strict adherence to World Bank and GoK procurement guidelines
Stanley Maina	Project Internal Auditor	- MSc. Finance - CPAK	Responsible the controls system is in place and effective procurement and financial management of the project
David Olang	National Environmental Compliance Lead	-MSc. Environmental Science	Responsible for ensuring that all NAVCDP activities are implemented in accordance to the Environmental and Social Safeguard Frameworks laid out for the project
Judith Amadiva	National Information and Communication Lead	-BA. Economics, Community Development and Cooperation	Planning and execution of the project communications strategy for maintaining healthy internal and external relations
Francis Ndegwa	National Digital Agriculture Lead (NDAL)	BSC Information Technology	Provide leadership and guidance to project staff, at national and county, and other partners involved in the implementation of activities related to digital agriculture with the Agri-techs as key partners
Macdonald Biwott	Statistician	Bsc in Mathematics	Data Management & Quality Assurance

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		(Major in Statistics)	Data cleaning, analysis, Interpretation & reporting Data Visualizations Statistical Advisory & methodological support
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2.7 Funding summary

The Project is for a duration of 5 years from 2022 to 2027 with a total project cost of US\$ 275 million, of which the International Development Association (IDA) will finance US\$ 250 million under an Investment Project Financing (IPF) instrument. The estimated project cost takes into account GoK counterpart funds amounting to US\$ 25 million equivalent as detailed in the table below: -

Project Components	Project Cost (US\$ million)	IDA Financing (US\$ million)	IDA Financing (%)	Counterpart Contribution (US\$ million)	Counterpart Contribution (%)
1. Building Producer Capacity for Climate Resilient Stronger Value Chains	115	110	96%	5	4%
2. Climate Smart Value Chain Ecosystem Investments	100	90	90%	10	10%
3. Climate Smart Safer Urban Food Systems	35	30	86%	5	14%
4. Project Coordination and Management	25	20	80%	5	20%
Total Project Costs	275	250	91%	25	9%

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Project information and overall performance (continued)

Below is the funding summary:

A. Source of Funds

Source of funds	Donor Commitment-		Amount received to date – 30 June 2025		Undrawn balance to date 30 June 2025	
	<i>Donor currency</i>	<i>Kshs</i>	<i>Donor currency</i>	<i>Kshs</i>	<i>Donor currency</i>	<i>Kshs</i>
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
(i) Loan	Euro Million	Kshs Million	Euro Million	Kshs Million	Euro Million	Kshs Million
World Bank	223	26,760	134	16,033	89	10,727
(ii) Counterpart Funds						
County Governments	20	2,400	4	433	16	1,967
National Government	5	600	1	131	4	469
Total	248	29,760	138	16,596	110	13,164

B. Application of Funds

Application of funds	Amount received to date – 30 June 2025		Cumulative amount paid to date - 30th June 2025		Un utilized balance to 30 June 2025	
	<i>Donor currency</i>	<i>Kshs</i>	<i>Donor currency</i>	<i>Kshs</i>	<i>Donor currency</i>	<i>Kshs</i>
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
(i) Loan	Euro in Million	Kshs Million	Euro in Million	Kshs Million	Euro in Million	Kshs Million
World Bank	134	16,033	120	14,423	13	1,611
					-	-
(ii) Counterpart Funds						
County Governments	4	433	4	433	-	-
National Government	1	131	1	105	0	25
Total	138	16,596	125	14,960	14	1,636

Project information and overall performance (continued)

2.8 Summary of Overall Project Performance:

i) Budget performance against actual amounts for the current year and for cumulative to-date,

The project budget allocation for financial 2024/2025 was Kshs 3,927,626,876. The budget was 100% disbursed to the respective spending Units/agencies in line with approved budget estimates: Transfer to County Government was Kshs 2,180,732,914; National Project Coordination Unit (NPCU) Kshs 1,425,696,172; Kenya Agricultural and Livestock Research Organization (KALRO) Kshs 291,197,789 and Council of Governors (CoG) Kshs 30 million.

The project absorption of the disbursed funds as at 30th June, 2025 was 82% i.e. cumulative expenditure amounts to Kshs. 12,244,077,597 on the disbursed funds of Kshs. 14,992,887,151. The NPCU utilized Kshs. 4,153,225,380 of the disbursed funds of Kshs. 4,212,712,203 resulting to 99% funds absorption level. In the project counties, expenditure was Kshs. 8,090,852,217 on the disbursed funds of Kshs. 10,780,174,948 resulting to 75% absorption level. The project counties balances as at 30th June, 2025 was Kshs. 2,725,082,023. The variance was attributed to late disbursement of IDA allocated funds to project counties due to delayed passage of the County Additional Allocation Grant Bill/Finance framework by Parliament.

ii) Physical progress based on outputs and outcomes since project commencement,

The project outcomes are namely: enhanced access to market for farmers and enhanced value addition at on farm and off-farm. As described in table 2.8.1 on Outcomes and Outputs Project achievements, farmers selling more than 50% of their produce in the market increased by 38% since the inception of the project; and farmers selling produce in value added form (both off/on-farm) increased by 68% over the project period. This was occasioned by technical assistance and capita support by the project to 770 farmer producer organizations in project area. The project reached 1,688,565 farmers with agricultural assets and services during the FY 2024/25, with cumulative achievement of 2,316,250. The services included access to financial services from SACCOs supported by the project, dissemination of agricultural TIMPs for adoption, facilitation with e-voucher support, market access through Farmer Producer Organization, among others. The key project outputs achieved were namely: On building producer capacity and e-voucher support components: 5,806,325 farmers were profiled and digitized in the project counties; 5.3

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million farmers in project counties facilitated with e-voucher support where 786,979 redeemed the e-vouchers. In regard to Farmer Producer Organizations (FPOs) climate Smart Value Chain Investments, 770 FPOs supported by the project with grants, 908,068 FPOs memberships registered; 676 FPOs providing bundled services, 775,058 farmers in project area accessing bundled services from FPOs; 715,558 projects' farmers marketing collectively through the supported FPOs. To improve creditworthiness of CIGs and FPOs, 317,669 farmers in project areas accessed financial services in SACCOs supported by the project; 270,100 farmers in project areas undertaking regular savings; Kshs. 1,501 million share capital/savings and deposit was mobilized from SACCOs members; 79,928 farmers accessing loans/credit from project supported SACCOs; Kshs. 1,330 million cumulative loan disbursed by SACCOs supported by the project, where Kshs 1,232 million loan was repaid.

In building Climate Smart Value Chain Ecosystem Investments; 24 Farmer Lead Irrigation Development proposals for investment were approved for implementation, where 3 proposals were uploaded on the STEP for implementation; 6 market/process infrastructure investment proposal were developed and approved while 1 proposal was uploaded on STEP for implementation; 2,113 hectares land area was put under irrigation; 914 ha of land rehabilitated under SLM practices; 49,132 farmers accessed irrigation; 7,525 Agripreneurs recruited and paired to support counties teams to support extension leveraging on data and digital investments; 76 Agritech agencies partnered with counties; and 622,199 farmers accessed bundled services through partnerships with Agritech agencies; 430 agricultural TIMPs disseminated by KALRO for farmers' adoption; 284,574 farmers adopting at least one of disseminated TIMP; 11,962 soil sampled tested for development of national digital soil mapping; and diagnostic study on safer urban food system was conducted.

In regard to project coordination and management, quarterly project Interim Financial Reports (IFRs), an annual financial statement and project monitoring reports were prepared; internal audits conducted; and all grievances registered related to project were resolved. The project completion level was at 35% as at end of financial year 2024/25.

Table 2.8.1 on Outcomes and Outputs Project achievements

	Outcomes/ Outputs	Indicator	Project Target	FY 2024/25 Targets	FY 2024/2025 Achievement	Remarks
1.0	Outcomes					
1.1	Enhanced access to market for farmers	% increase in farmers selling more than 50% of the produce in market	100%	50%	38%	Under achievement was due incomplete development of markets infrastructure
1.2	Enhanced value addition at farm and off farm	% increase in farmers selling produce in value added form	30%	15%	41%	Overachievement was due to high off farm value addition by supported FPOs
1.3	Improved access to agricultural services and assets	No. of farmers reached with agricultural services and assets	4.5 million	1,350,000	1,688,565	Overachievement attributed to high uptake of project supported services
2.0	Outputs					
2.1	Access to improved inputs with e-vouchers	No. of farmers facilitated with e-vouchers support	4.5 million	4.5 million	5,347,482	Achievement associated to farmers registration that mainstreamed e-voucher system
2.2	Enhanced adoption of TIMPs	No. of farmers adopting improved	350,000	150,000	270,247	Achievement occasioned by farmers training

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	Outcomes/ Outputs	Indicator	Project Target	FY 2024/25 Targets	FY 2024/2025 Achievement	Remarks
		agricultural technologies				and 430 TIMPs dissemination
2.3	Enhanced aggregation & marketing thro' supported FPOs	Increase in average annual sales turnover of the FPOs	30%	15%	6.47%	Achievement based on FPOs annual audited accounts 2024
2.4	FPOs support farmers in value addition	No. of farmers undertake collectively marketing thro' supported FPOs	2.25 million	500,000	601,389	Achievement associated with farmer mobilized to join FPOs and SACCOs
2.5	Enhanced access to credit	No. of farmers under the project accessing credit	300,000	150,000	79,928	Most of the project supported SACCOs were in the forming stage
2.6	Enhanced access to irrigation	No. of farmers accessing irrigation	100,000	40,000	49,132	Achievement associated to access of irrigation facilities done by previous projects
		Area (Ha) under irrigation	20,000	10,000	1,861	Variance was due to on-going irrigation

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	Outcomes/ Outputs	Indicator	Project Target	FY 2024/25 Targets	FY 2024/2025 Achievement	Remarks
						infrastructure development
2.7	Higher availability of markets value addition and cold chain	% increase of farmers using markets infrastructure developed by project	50%	40%	-	Variance was due to on-going markets infrastructure development
2.8	Higher choice for farmers to sell produce	No. of Agritech agencies partnered with in the farmer platform	40	40	42	Variance attributed increase on project value chains implementation
2.9	Farmers access agritech and climate services	No. of farmers accessing services through Agritech agencies	250,000	200,000	474,453	Overachievement was due to increased project scope i.e. from 0.5 million to 4.5 million

iii) The absorption rate for each year since the commencement of the project.

Project cost in Kes	29,760,000,000	
Financial Year	Absorption in Kshs	% Absorption
FY 23	1,720,772,185	6%
FY 24	9,008,765,304	30%
FY 25	4,230,928,188	14%
Total	14,960,465,677	50%

iv) Challenges and recommended the next steps

A key challenge that faced the project during the period was delay in funds disbursements to Counties due to delayed approval of the County Governments Additional Allocations Act (CGAA) framework. This resulted in low project implementation rates. Additionally, the approved Annual Work Plan and Budget (AWPB) for FY 2024/25 amounting to Kshs. 6.086 billion was reduced/cut to Kshs. 4.04 billion during Budget supplementary III. These consist of Kes 2.18 billion for the counties level and the balance is for NPCU and grant transfer to the other government agencies. The performance was also significantly affected by other challenges highlighted in table 2.8.1 on Challenges and Mitigation measures.

Table 2.8.2: Challenges and Mitigation Measures

Challenge		Mitigation Measures
1.	Delayed passage of the County Additional Allocation Grant Bill by Parliament	i. Fast-tracking passage of the bill by Parliament or Explore alternative options for fund flow
2.	Budget cuts that reduced funding to Counties by 66% (Kshs. 12 billion to Kshs. 4.03 billion in FY 2024-25)	i. Lobby National Treasury to minimize the cuts
3.	Transfer of staff, especially CPC and Fiduciary by County Executive without following due process and staff doubling	i. Enforce Project Implementation guidelines and penalize non-compliant Counties
4.	Delayed transfer of funds from CRF and Counterpart funds by Counties	i. Follow up meetings with non-compliant Counties or Penalize non-compliant Counties
5.	Insufficient funding on some thematic areas attributed to wards saturation and universalization in the project counties	i. Restructuring of the project during Medium Term Review ii. Additional funding from the Development Partner and GoK

2.9 Summary of Project Compliance

NAVCDP projects operates within the World Bank project guidelines and as per the Kenyan Constitution. The project has been operating within the above guidelines and no non-compliance issues has been noted.

3. Statement of Performance against Project's Predetermined Objectives

Introduction

Section 81(2)(f) /Section 164 (2)(f) of the Public Finance Management Act, 2012, requires that the Accounting Officer include a statement of the national government entity's performance against predetermined objectives at the end of each financial year.

The key development objectives of the *project's agreement/* plan are to:

The Project Development Objective (PDO) is to "increase market participation and value addition for targeted farmers in select value chains in the project areas". The PDO indicators are: (i) 100% increase in farmers selling more than 50% of their produce in the market; (ii) 30% increase in farmers selling produce in value added form (both off/on-farm); (iii) 4.5 million Farmers reached with agricultural assets or services of which at least 50% are female.

- a) The percentage increase in farmers selling more than 50% of their produce in the market was 38% during the FY 2024/25.
- b) The farmers selling produce in value added form (both off/on-farm through the FPOs supported by the project increased from 424,762 in FY 2022/23 farmers to 600,342 during FY 2024/25. Cumulatively, 714,511 farmers are selling produce in value added form through FPOs resulting to 68% growth since FY 2022/2023.
- c) The project targets to support 4.5 million farmers/beneficiaries with agricultural assets and services, with a strong focus on inclusion of women farmers within the supported value chains. This include facilitation of farmers with e-voucher support, access to financial services from SACCOs supported by the project, market access through FPOs supported by the project. During the FY 2024/25, farmers reached with agricultural assets and services were 1,688,565 with cumulative achievement of 2,316,250 resulting to 51.5% of the project target of 4,500,000. Among the farmers reached, 783,094 female benefited during the FY 2024/25 and cumulatively 1,204,450 (52%) female benefited with agricultural services and assets.

Progress on the attainment of strategic development objectives

To implement and cascade the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic, and time-bound

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(SMART) and converted into development outcomes. Attendant indicators were identified to track progress and performance measurement.

Below, we provide the progress on attaining the stated objectives:

Project	Objective	Outcome	Indicator	Performance
National Agricultural Value Chain Development (NAVCDP)	To increase market participation and value addition for targeted farmers in select value chains in the project areas.	Enhanced access to market for farmers	% increase in farmers selling more than 50% of their produce in the market;	In FY 2024/25 farmers selling more than 50% of their produce in the market increased by 38%.
		Enhanced value addition at farm and off-farm	% increase in farmers selling produce in value added form (both off/on-farm)	In FY 2024/25 farmers selling produce in value added form (both off/on-farm) by 68% growth since FY 2022/2023. The achievement was through FPOs supported by the project increased from 424,762 in FY 2022/23 farmers to 600,342 during FY 2024/25. Cumulatively, 714,511 farmers were selling

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				produce in value added form through FPOs resulting to
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4. Environmental and Sustainability Reporting

1. Sustainability Strategy and Profile

Introduction

NAVCDP was designed after 2018 and aligned to the Environmental and Social Framework (ESF). The ESF recommends for the development of the Environmental and Social Commitment plan (ESCP), Stakeholder engagement plan (SEP) and the Environmental and Social Management Framework (ESMF). The ESMF also contains the Integrated Pest Management Plan (IPMP), Labour management procedures (LMPs), Gender based Violence and Sexual Exploitation & Abuse and Harassment prevention plan (GBV&SEA/H), Security management Procedures (SMP), Resettlement Policy Framework (RPF), Vulnerable and marginalized group Framework VMGF) and a Grievance Mechanism.

The Project is designed within the Country (National), International and World bank sustainability instruments. These instruments can be clustered as follows

- a) Environmental and Social Framework (ESF) and the Environmental and Social Standards
- b) Vision for Sustainability
- c) The Project (NAVCDP) Sustainability instruments.

Background

This ESF is a set of policies, standards, and procedures that help borrowers address environmental and social risks, aligning with the broader global vision of the Sustainable Development Goals (SDGs), a comprehensive plan to end poverty, protect the planet, and ensure prosperity for all by 2030. The ESF is the overarching policy in the project to support green resilient and inclusive development by strengthening protections for people and the environment in the projects. ESF sets out requirements that the WB borrowers must follow to address environmental and social risks and impacts that would impede sustainability focus such as conducting impact assessments and dialoguing with the communities. The ESF advances important aspects of sustainable development including climate change, biodiversity, community health and safety, gender equality, labour, inclusion, non-discrimination and stakeholder engagement.

NAVCDP developed and Environmental and Social Commitment Plan (ESCP) committing the borrower on the material measures to be undertaken on specific periods when implementing the investment projects.

From the above background, the environmental frameworks guiding the project are based on the following frameworks.

- a) Vision for sustainable development
- b) Environmental and Social Policy for Investment Project Financing
- c) Environmental and Social Standards (1-10)
- d) Directives and Procedures

The framework integrates all the aspects of The Agenda 2030 and other international goals)

a) Vision for Sustainable Development

This vision calls for ending poverty, hunger, and inequality, promoting good health and education, ensuring access to clean energy and water, and protecting the environment by addressing climate change, preserving oceans and land, and building peaceful, just societies through strong partner

The three pillars for sustainable development entail the following;

- i. Economic growth
- ii. Environmental protection
- iii. Sustainable development goals.

b) Environmental and Social Policy for Investment Project Financing

The reference document outlines environmental and social directives for investment project financing from the World Bank. It provides definitions for key terms related to environmental and social standards. It specifies that the directives apply to all World Bank investment projects using the Environmental and Social Framework, with some exceptions. It defines roles and responsibilities for World Bank staff in managing environmental and social risks and impacts of projects according to the directives.

c) Environmental and Social Standards (1-10)

- i. **ESS1 Assessment and Management of Environmental and Social Risks and Impacts** -sets out the responsibilities for assessing, managing and monitoring environmental and social risks and impacts associated with each sub project in the project life cycle.

- ii. **ESS2 Labor and Working Conditions-** recognizes the importance of employment creation and income generation in the pursuit of poverty reduction and inclusive economic growth.
- iii. **ESS3 Resource Efficiency and Pollution Prevention and Management** recognizes that economic activity and urbanization often generate pollution to air, water, and land, and consume finite resources that may threaten people, ecosystem services and the environment at the local, regional, and global levels.
- iv. **ESS4: Community Health and Safety** addresses the health, safety, and security risks and impacts on project-affected communities and the corresponding responsibility of Borrowers to avoid or minimize such risks and impacts, with particular attention to people who, because of their particular circumstances, may be vulnerable.
- v. **ESS5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement** - involuntary resettlement should be avoided and where unavoidable to be minimized and or compensated.
- vi. **ESS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources** recognizes that protecting and conserving biodiversity and sustainably managing living natural resources are fundamental to sustainable development and it recognizes the importance of maintaining core ecological functions of habitats, including forests, and the biodiversity they support.
- vii. **ESS7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities (IPs)** -ensures that the development process fosters full respect for the human rights, dignity, aspirations, identity, culture, and natural resource-based livelihoods of the Ips.
- viii. **ESS8: Cultural Heritage** - recognizes that cultural heritage provides continuity in tangible and intangible forms between the past, present and future. ESS8 sets out measures designed to protect cultural heritage throughout the project life-cycle.
- ix. **ESS10: Stakeholder Engagement and Information Disclosure** - recognize the importance of open and transparent engagement between the Borrower and project stakeholders as an essential element of good international practice

d) Directives and Procedures

World Bank directives and procedures govern its operations, providing frameworks for areas like financial management, procurement, and project cycles, with specific documents outlining rules and guidelines for borrowers and staff to ensure efficient and effective development financing.

Key areas of the Directive and Procedures include the areas of

- i. Procurement
- ii. Financial Management
- iii. Investment Project Financing
- iv. Disclosure of Information
- v. Personal data Privacy

On top of the above frameworks, and particularly the ESCP and the ESMF, the environmental risks mitigations are aligned to the following: -

(i) Environmental Management and Coordination Act, 1999 as amended in 2015.

The project investments will always screen and develop an ESMP after or undertake an ESIA study before implementations.

(ii) United Nations Framework Convention on Climate Change (1992).

The project will implement climate smart agriculture to limit emissions from the agricultural practices and also put in place carbon emissions accounting by training the ToTs who will also train the facilitators and the M&Es

(iii) International Plant Protection Convention of FAO (1952)

The project has put in place the integrated pest management plan where the CIGs using different pesticides will have to record the types and quantities used. Each investment will have a screening checklist at the period of the investment

On the political front, the sub projects at the County level are derived from a participatory integrated development plans (PICD) which is a consultative public participation where the community members give opinion and prioritize investments (Sub projects). These align to the County integrated development plans (CIDPs) and vice versa. On reference to the international practices, (refer- ESF and Vision to sustainable development above) as guiding frameworks.

2. Environmental performance

Based on the background given above, all the project activities are aligned to the ESCP, SEP and the ESMF these frameworks are used alongside the EMCA -1999 as *amended in 2015*. All the project activities are screened for environmental and social risks and impacts. Based on the degree of the risks, then instruments are recommended for development viz, Environmental and Social Management Plan (ESMP), Environmental and Social Impact assessment (ESIA), Strategic Environmental Assessment (SEA) and for the projects that are ongoing, an annual Environmental and Social Audit (ESA) must be carried out to mitigate on the identified risks.

In the development of the ESIA report, the project has an outline as follows, Introduction, Project description, Policy, Legal and policy frameworks, Baseline of the proposed sub project, Public and Stakeholder Consultation, Analysis of Project alternatives, Analysis of potential impacts and Mitigation Measures, Environmental and social Management plan and Conclusions and Recommendations.

The outline above gives an insight on how biodiversity, wastes management issues are managed both at the project alternatives, analysis of the potential impacts and mitigation measures and the ESMP level development. All that in the ESMP and or ESIA development cycle gives the insights on the reduction of the environmental impacts of NAVCDP actions and activities.

3. Employee welfare

Project staff are deployed from civil service mainstream through a competitive process. The civil service uses the Human resource policy and guidelines. The project staff both at the NPCU and CPCUs must adhere to the HR policy and Chapter 6 of the constitution. In cases where there are interview the rules on gender recruitment takes precedence as per the National policy on gender development. The positions are normally advertised and hiring done competitively as per the labour laws (prohibitions on discrimination and sexual harassment, mandatory paid leave for annual, maternity, and sick leave, defined working hours and overtime pay, and rights to freedom of association and collective bargaining for employees and unions) and in line with the ESS-10. The project developed a labour management plan (LMP) an annex of the ESMF to help identify the human resources necessary to address the labour issues associated with the project implementation. The LMP has helped to achieve the following:

- i. Promoting the safety and health at work for all the workers

- ii. Promoting fair treatment, non-discrimination and equal opportunities for all workers
- iii. Protecting all the project workers including the VMGs such as women, people with disabilities (DAPs), working age Children, migrant workers to medium and MCI sites, community and primary supply workers
- iv. Preventing use of all forms of forced, child labour and hazardous work
- v. Providing the project workers with accessible means to raise workplace concerns
- vi. The Project developed guidelines in the community grant manual that addresses the gender parity/gender rule in the formation of the Community institutions (CDDCs, SAIC, FSC, PSC etc)
- vii. The project is striving to ensure that all the workers including the contractors and sub-contractors undergo a pre - employment screening and regular health screening and trainings and including the voluntary screening for the STDs

The project through the grievance Mechanism Provides the project workers with accessible means to raise workplace concerns where they are addressed through the grievance mechanism. Protecting all the project workers including the VMGs such as women, people with disabilities (DAPs), working age Children, migrant workers to medium and MCI sites, community and primary supply workers and preventing use of all forms of forced, child labour and hazardous work

The project is committed to enhancing skills and Knowledge of the staff through offering skill upgrading, professional trainings, Workshops and seminars and encouraging staff to undertake mandatory courses like SLDP, SMC etc for career progression.

On appraisals, the project has developed a performance management system for the Staff based on the project workplans and budget. The project staff are appraised and subjected to reward schemes as individuals and or teams at the county level.

Through the project activities, jobs are created where by the contractor employ labourers. In this case, all the sites are normally licences by Directorate of Occupational Safety and Health under OSHA-2007. All the employees are also required to take insurance as per WIBA-2007.

4. Marketplace practices-

a) Responsible Supply chain and supplier relations-

NAVCDP implements its procurement activities in conformity with the various laws and regulations guiding procurement. This includes the Public Procurement and Asset Disposal

Act (PPADA), World Bank Procurement Guidelines. The Project strives to ensure that the supplier's contracts are honoured and respective payments made with the stipulated timelines

b) Responsible ethical practices

A number of ways have been put in place to maintain ethical and anti-corruption and responsible political involvement through the following:

- (i) The project sensitize and capacity build all the stakeholders on the environmental and social risks management for all the project activities. These will include the World Bank environmental and the social standards, GBV/SEAH, code of conduct, Occupational health and safety, grievance redress channels requirements and SEP.SMPs, SEAH
- (ii) All the tenders will always be publicly disclosed to the public and all the processes are above board.
- (iii) Several trainings will be carried out to enhance farmers and communities' awareness.
- (iv) All the investment in the project area will be geo- tagged and resources used are publicly disclosed (Costs, contractors details & beneficiaries)
- (v) All the grievances coming out as a result of the project implementations will be and continuously be timely redressed/managed.
- (vi) All the incidents including the corruption cases will be promptly reported through the established systems within 48 hours.
- (vii) All the project staff CVs were screened and the background checks done to check on the qualifications, equal and equitable opportunities

c) Regulatory impact assessment

i) Safeguard citizen and stakeholder's rights.

The project prepared and disclosed a stakeholder engagement plan which is also consistent with the ESS 10 and Article 27 of the Constitution that guarantees equal participation in decision making processes. The project will be able to update and implement the finalizations of the investments (Micro projects, medium & MCIs) plans for counties defining further details on the operational steps consistent with ESS10, in a manner acceptable to the donor.

In order to safeguard the citizens, throughout the project, NAVCDP will be able to implement the SEP consistent with ESS10, including the use of different, culturally appropriate communication approaches to ensure communication also with the most vulnerable, IP/SSAHUTLC, including illiterate, and people with disabilities. Further to above, the project will ensure the grievance management mechanisms are in place right from the Wards (SAIC), FPO (Supervisory committees, County (CGMC) and at the National level (NGMC). These committees will be able to receive the grievances/complaints and offer timely, cheap, effective and reliable redress to the grievances/complaints raised.

5. Community Engagements

- The communities will be involved in NAVCDP right from the inception of the project activities. The project has developed thematic implementation manuals that will guide the implementation of the various activities. The communities will be called upon to validate these manuals before adoption and project implementation.
- Further the communities will be sensitized and mobilized to plan, identify challenges that they face in agricultural development and to be part of the decision-making process on the kind of interventions required to improve agricultural development and commercialization of agriculture.

The project will inculcate a saving culture among community members who will be expected to make savings in SACCOs so that they can access credit to assist them borrow money to adopt TIMPs and increase their agricultural productivity for improved livelihoods.

To address the project objective of increasing the number of smallholders farmers accessing the market and in value addition, the project has employed the Participatory Integrated Community Development (PICD) process. This process has several steps/activities, each of which involves participation of various stakeholders, particularly at the grassroots level. Some of the activities carried out in FY 2024/25 are:

- Planning processes at the county level with various county departments representatives and other stakeholders
- Planning at the sub county and ward levels- Sub county staff and Stakeholders, Ward Administrators, Chiefs and assistant chiefs, Non-Governmental organizations (NGOs), Community-Based Organizations (CBOs), Faith-Based Organizations (FBOs, Government technical staff are involved among others

- Barazas at both the ward and zonal levels- Involving the farmers (beneficiaries), Local leaders, chiefs/ward administrator, CBOs, NGOs, etc
- Data collection and review- using several tools to ensure the participants mainly the farmers and local leaders at the grassroots level actively get involved in the decision-making process.
- The data collected through PICD process is used to develop Community Development Plans (CDPs) with identified gaps and suggested interventions on how to resolve the identified issues to bring development to the communities for improved livelihoods. These CDPs are developed by the local leaders guided by the technical staff at the ward level.

5. Statement of Project Management Responsibilities

The ***Principal Secretary State Department for Agriculture, Ministry of Agriculture and Livestock Development and the National Project Coordinator for NAVCDP project*** are responsible for the preparation and presentation of the Project's financial statements, which give a true and fair view of the state of affairs of the Project for the financial year ended June 30, 2025.

This responsibility includes (i) Maintaining adequate financial management arrangement and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the project; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the project; (v) Selecting and applying appropriate accounting policies; and (v) Making accounting estimates that are reasonable in the circumstances.

The ***Principal Secretary State Department for Agriculture, Ministry of Agriculture and Livestock Development and the National Project Coordinator for NAVCDP project*** accept responsibility for the Project's financial statements, which have been prepared on the accrual basis, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The ***Principal Secretary State Department for Agriculture, Ministry of Agriculture and Livestock Development and the National Project Coordinator for NAVCDP project*** are of the opinion that the Project's financial statements give a true and fair view of the state of Project's transactions during the financial year/period ended June 30, 2025, and of the Project's financial position as at that date. The ***Principal Secretary State Department for Agriculture, Ministry of Agriculture and Livestock Development and the National Project Coordinator for NAVCDP project*** further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements as well as the adequacy of the systems of internal financial control.


The ***Principal Secretary State Department for Agriculture, Ministry of Agriculture and Livestock Development and the National Project Coordinator for NAVCDP project*** confirm that the Project


National Agricultural Value Chain Development Project (NAVCDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

has complied fully with applicable Government Regulations and the terms of external financing covenants, and that Project funds received during the financial year/period under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Approval of the Project financial statements

The Project financial statements were approved by the ***Principal Secretary State Department for Agriculture, Ministry of Agriculture and Livestock Development and the National Project Coordinator for NAVCDP project*** on 26/9/ 2025 and signed by them.


.....
Name: Dr. Paul K. Rono, PhD
Principal Secretary


.....
Name: Samuel Guto, PhD
Project Coordinator

REPUBLIC OF KENYA



Telephone: +254-(20) 3214000
Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke

HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL AGRICULTURAL VALUE CHAIN DEVELOPMENT PROJECT CREDIT NO. IDA – 7064 - KE FOR THE YEAR ENDED 30 JUNE, 2025 - STATE DEPARTMENT FOR AGRICULTURE

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An Unmodified Opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management, and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying transitional IPSAS financial statements of National Agricultural Value Chain Development Project Credit No. IDA – 7064 - KE set out on pages 1 to 33, which comprise of the statement of financial position as at 30 June, 2025, and the statement of financial performance, statement of changes in

net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of National Agricultural Value Chain Development Project Credit No. IDA – 7064 - KE as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the Financing Agreement Credit No. 7064 - KE dated 23 September, 2022, between the International Development Association (IDA) and the Republic of Kenya and the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Agricultural Value Chain Development Project Credit No. IDA – 7064 - KE Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

1. Undisclosed Special Deposit Account Balances

The Project's special deposit accounts maintained at the Central Bank of Kenya reflect a closing balance of Kshs.6,298,173,656 (EUR 41,435,353), comprising EUR 27,264,613 in Designated Account No. 1000626151 and EUR 14,170,740 in Designated Account No. 1000632941. However, the Project did not disclose these balances in the financial statements as at 30 June, 2025 contrary to the requirement of International Public Sector Accounting Standard (IPSAS) No.23 – revenue from non-exchange transactions. In addition, amounts withdrawn not claimed totalled EUR 38,564,646, comprising EUR 2,735,387 (Kshs.413,043,437) for Designated Account No. 1000632941 and EUR 35,829,259 (Kshs.5,410,218,109) for Designated Account No. 1000626151, both held at the Central Bank of Kenya as at 30 June, 2025. These funds represent cumulative transfers to the local Project bank account for which expenditure returns had not been submitted to the National Treasury by the close of the financial year.

Delays in the submission of expenditure returns distorts the reported Projects expenditures for the year.

2. Delayed Request for Disbursement of Funds to the County Government

The statement of financial performance reflects revenue transfers of Kshs.5,461,466,532 as disclosed in Note 6 to the financial statements. Included in this amount is Kshs.3,784,261,318 which was withdrawn from designated account number 1000626151 to support county activities as per the approved Annual Workplan and Budget for the year under review. However, review of the exchequer requisitions indicates the amount was requested on 22 May, 2025 and disbursed to the State Department on 25 June, 2025. Further, the state department disbursed the amount to the County Government on 4 July, 2025.

The delayed disbursement affected the implementation of planned activities by the County Project Coordination Unit (CPCU).

My opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, management has neither resolved the issues nor provided any explanation for the failure to do so as detailed below;

1. Failure to transfer money to the commercial banks
2. Staff changes in the County project coordination unit - Kilifi county
3. Low implementation of component on climate smart value chain ecosystem investments.
4. Idle assets

Other Information

The Management is responsible for the Other Information set out on page iv to xxxiv which comprise of Project Information and Overall Performance, Statement of Performance against Project's Predetermined Objectives, Environmental and

Sustainability Reporting, and Statement of Project Management Responsibility. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Project's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Non-Remittance of Counterpart Funding by the County Governments

The statement of financial performance reports revenue transfers amounting to Kshs.5,461,466,532, as disclosed in Note 6 to the financial statements. This total includes the counties' counterpart funding of Kshs.303,301,313. Review of the schedule revealed that Kilifi, Meru, Tharaka Nithi, Machakos, Narok, Vihiga and Homa Bay counties did not remit their respective counterpart funding totalling Kshs.105,000,000. This was contrary to Chapter 6.1.3 of the National Agricultural Value Chain Development Project Implementation Manual November, 2023.

In the circumstances, Management was in breach of the Project Implementation Manual.

2. Undistributed Motor Cycles

The statement of financial performance reflects transfers to other government entities of Kshs.2,484,034,226 as disclosed in Note 9 to the financial statements. Included in the amount is Kshs.51,228,732 transferred to County Government of Nakuru which in turn includes Kshs.13,050,000 for supply of motor cycles. The motor cycles were delivered on 29 October, 2024 to the stores in Nakuru however, physical inspection in

July, 2025 at the stores revealed that the motor cycles had not been distributed to the users.

In the circumstances, value for money may not be realized for the money and the intended benefits may not have been achieved by the community.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The Standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

Delayed Implementation of Management Information System

The Ministry of Agriculture and Livestock Development through the State Department for Agriculture, signed a contract on 23 October, 2024 of Kshs.27,840,000 for the provision of consulting services to upgrade, customize, implement and manage the Management Information System (MIS) in support of the redesigned National Agricultural Value Chain Development Project (NAVCDP). However, a review conducted in June, 2025 revealed that the contract had not become effected as required and no formal notice of effectiveness had been issued or documented. Further, the contract had not been terminated in accordance with Section 12.1 of the Special Conditions. No justification or supporting documentation was provided to explain the delay in contract execution or the continued validity of the agreement.

This may adversely affect the achievement of the project's objective to establish an effective Management Information System.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall

governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Project's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

Management is responsible for overseeing the Project's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs

will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

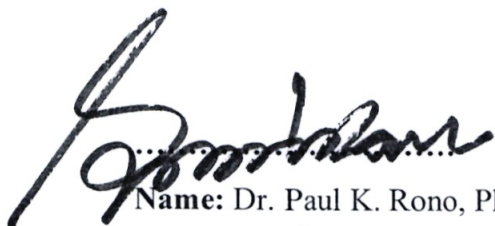
Nairobi

27 November, 2025

7. Statement of Financial Performance for the Year Ended 30th June 2025

	Notes	FY 2024/25 Kshs
Revenue		
Revenue Transfers	6	5,461,466,532
Total Revenue		5,461,466,532
Expenses		
Use of goods and services	7	1,425,696,173
Depreciation and amortization expense	8	-
Transfer to other Government Entities	9	2,484,034,226
Other Transfers/Subsidies/Grants	10	321,197,789
Total Expenses		4,230,928,188
Surplus/(Deficit)		1,230,538,343

The accounting policies and explanatory notes to these financial statements are an integral part of the financial statements.



Name: Dr. Paul K. Rono, PhD

Principal Secretary



Name: Samuel Guto, PhD

Project Coordinator



Name: Peter N. Gitau

Project Accountant


ICPAK Member No: 10338


*National Agricultural Value Chain Development Project (NAVCDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025*

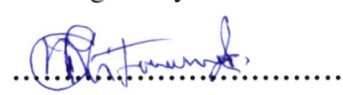
8. Statement of Financial Position as at 30th June 2025

	Note	FY 2024/25	
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	11	32,417,179	405,407,241
Receivables	12	1,603,528,405	-
Total Current Assets		1,635,945,585	405,407,241
Non Current Assets			
Property, Plant and Equipment	13	-	-
Total Non- Current Assets		-	-
Total Assets		1,635,945,585	405,407,241
Liabilities			
Current Liabilities			
Deferred Income	14	-	-
Total Current Liabilities		-	-
Total Liabilities		-	-
Net Assets (a-b)		1,635,945,585	405,407,241
Represented By:			
Accumulated Surplus		1,635,945,585	405,407,245
Total Net Assets		1,635,945,585	405,407,245

The financial statements were approved on 26/9/2025 2025 and signed by:


Name: Dr. Paul K. Rono, PhD
Principal Secretary


Name: Samuel Guto, PhD
Project Coordinator


Name: Peter N. Gitau
Project Accountant

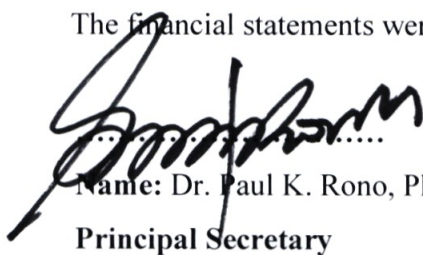
ICPAK Member No: 10338


9. Statement of Changes in Net Assets


Description	Accumulated Surplus Kshs
As at 30th June 2024 Cash Basis)	405,407,241
Adjustments:	
Asset recognition	-
Liabilities recognition	-
As at 1st July 2024	405,407,241
Surplus/(Deficit) for the year	1,230,538,343
As at 30th June 2025	1,635,945,585

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The financial statements were approved on 26/9 2025 and signed by:


Name: Dr. Paul K. Rono, PhD
Principal Secretary


Name: Samuel Guto, PhD
Project Coordinator


Name: Peter N. Gitau
Project Accountant
ICPAK Member No: 10338

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10. Statement of Cashflow for the year ended 30th June 2025

Description	Note	FY 2024/25 Kshs
Cashflow from operating activities		
Receipts		
Revenue Transfers		3,857,938,126
Total receipts		3,857,938,126
Payments		
Use of goods and services		1,425,696,173
Transfer to other Government Entities		2,484,034,226
Other Transfers/Subsidies/Grants		321,197,789
Total payments		4,230,928,188
Net cash flow from operating activities	12	(372,990,062)
Cashflow from investing activities		
Acquisition of non-financial assets		-
Proceeds from sale of Assets		-
Acquisition of Intangible assets		-
Net cash flows from investing activities		-
Cash flow from financing activities		
Net cash flow from financing activities		-
Net increase/Decrease in cash and cash equivalents		(372,990,062)
Cash and cash equivalent at 1st July 2024	10	405,407,241
Cash and cash equivalent at end June 2025		32,417,179

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11. Statement of Comparison of Budget and Actual Amounts for the Year ended 30th June 2025

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Budget Carry Overs from previous periods			-	405,407,241	- 405,407,241	
Receipts				-		
Revenue Transfers	6,389,193,093	(2,066,255,944)	4,322,937,149	3,857,938,126	464,999,023	89%
Total Revenue	6,389,193,093	(2,066,255,944)	4,322,937,149	4,263,345,367	59,591,782	99%
Payments						
Use of goods and services	876,000,000	574,000,000	1,450,000,000	1,425,696,173	24,303,827	98%
Transfer to other Government Entities	4,933,193,093	(2,400,255,944)	2,532,937,149	2,484,034,226	48,902,923	98%
Other Transfers/Subsidies/Grants	580,000,000	(240,000,000)	340,000,000	321,197,789	18,802,211	94%
Total Payments	6,389,193,093	(2,066,255,944)	4,322,937,149	4,230,928,188	92,008,961	98%
Surplus	-	-	-	32,417,179	(32,417,179)	

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	32,417,179
1	Reason for differences 1	-
	Closing Cash and Cash Equivalent as per the statement of Cash flows	32,417,179

12. Notes to the Financial Statements

1. General Information

NAVCDP is a project under the Ministry of Agriculture and Livestock Development and derives its authority and accountability from PFM Act, 2012. The Project is jointly funded by World Bank and the Government of Kenya and is domiciled in the State Department of Agriculture. The entity's principal activity is increasing market participation and value addition for targeted farmers in select value chains in project areas and in the event of an Eligible Crisis or Emergency, to provide immediate and effective response.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with the Public Finance Management Act, 2012 and with the International Public Sector Accounting Standards (IPSAS). The entity has taken advantage of the transitional provisions under IPSAS 33, and therefore these first year financial statements are transitional financial statements and the following elements of the financial statements have not been recognized as the entity has taken advantage of the transition provisions outlined in IPSAS 33

1. Assets

- Property, Plant and Equipment (IPSAS 17)
- Investment Property (IPSAS 16)
- Intangible Assets (IPSAS 31)
- Heritage Assets (IPSAS 17)
- Biological Assets (IPSAS 27)
- Certain Financial Instruments (IPSAS 28–30/41)

2. Liabilities

- Employee Benefits (IPSAS 39)
- Provisions, Contingent Liabilities and Contingent Assets (IPSAS 19)
- Service Concession Arrangements (IPSAS 32)

- Certain Financial Instruments liabilities

3. Disclosures

- Segment Reporting (IPSAS 18)
- Related Party Disclosures (IPSAS 20)
- Service Performance Information (RPG 3/IPSAS 39)

The project will progressively recognize and disclose these elements during the transitional period, and no later than the end of the three (3) year period as required by IPSAS 33.

Steps Taken Towards Full IPSAS Accrual Compliance

The Project has initiated a phased approach towards full compliance with accrual basis IPSAS in line with IPSAS 33 transitional provisions. The key steps undertaken include:

1. Capacity Building

- Training of finance and project staff on accrual accounting principles under IPSAS.
- Seeking technical advice and Engaging of Staff of PSAS Board to guide implementation.

2. Asset and Liability Identification

- Commenced preparation of a comprehensive **Fixed Asset Register** covering property, plant and equipment, and ICT infrastructure.
- Initiated data collection on potential liabilities such as outstanding obligations.

3. Systems and Processes

- Development of standard operating procedures (SOPs) aligned to accrual IPSAS.

4. Progressive Recognition of Elements

- Recognition of receivables, and payables on an accrual basis.
- Gradual preparation to recognize Property, Plant and Equipment (IPSAS 17) and Employee Benefits (IPSAS 39).

5. Disclosure Enhancements

- Introduced improved disclosures in line with IPSAS 24 (Budget vs. Actual) and IPSAS 20 (Related Party Disclosures) where data is available.

6. Governance and Oversight

- Establishment of an implementation roadmap, approved by the Project Steering Committee, with clear milestones toward full IPSAS compliance.

These financial statements were authorized for issue by the accounting officer on 26 September 2025

3. Adoption of New and Revised Standards

- i) **New and amended standards and interpretations in issue effective in the year ended 30 June 2025.**

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>
IPSAS 45- Property Plant and Equipment	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
IPSAS 46	<p><i>Applicable 1st January 2025</i></p>

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Standard	Effective date and impact:
Measurement	<p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>

ii) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025

Standard	Effective date and impact:
IPSAS 47- Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48- Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
IPSAS 49- Retirement Benefit Plans	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50: Exploration For &	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p>

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Standard	Effective date and impact:
Evaluation of Mineral Resources	<ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

iii) Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year.

Notes to the financial statements (Continued)

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that have been acquired using such funds.

ii) Revenue from exchange transactions

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

b) Budget information

The original budget for FY 2024/2025 was approved by the NTAC on 11th April 2024. Subsequent revisions were made to the approved budget in accordance with specific approvals from the appropriate authorities during supplementary III. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 6 under section *II* of these financial statements.

c) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition or construction of the item of property appropriately according to the acronyms you use in your financial statements plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus, or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

d) Leases

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

e) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the

period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

f) Research and development costs

The Entity expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Entity can demonstrate:

- The technical feasibility of completing the asset so that the asset will be available for use or sale.
- Its intention to complete and its ability to use or sell the asset.
- How the asset will generate future economic benefits or service potential
- The availability of resources to complete the asset.
- The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

g) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The Project does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Notes to the financial statements (Continued)

Financial assets

Classification

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity, or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made an irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Notes to the financial statements (Continued)

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year-end.

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date.

Financial liabilities

Classification

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

Notes to the financial statements (Continued)

h) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- Raw materials: purchase cost using the weighted average cost method.
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the project.

i) Provisions

Provisions are recognized when the project has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the project expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Notes to the financial statements (Continued)

Contingent liabilities

The project does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

Contingent assets

The project does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the project in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

j) Nature and purpose of reserves

The project creates and maintains reserves in terms of specific requirements.

k) Changes in accounting policies and estimates

The project recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

l) Employee benefits

Retirement benefit plans

The project provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution

plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation. (the entity to retain information relating to defined benefits or contributions, where both schemes are managed full policy applies)

m) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. At each reporting date, foreign currency monetary items are translated using the closing rate. Non-monetary items measured in historical cost are translated using the exchange rate at the date of the transaction, and those measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising from the settlement of monetary items or translation of monetary/non-monetary items at rates different from those at which they were initially reported are recognized in surplus or deficit in the period.

n) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

o) Related parties

The project regards a related party as a person or an entity with the ability to exert control individually or jointly or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the Principal and senior managers.

p) Service concession arrangements

The project analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the project recognizes that asset

when, and only when, it controls or regulates the services. The operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the project also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

q) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

r) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2025.

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the project financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may

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change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140.

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of experts employed by the project.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

6. Revenue Transfers

Description	FY
	2024/25
	KShs
Unconditional Transfers	
Gok Counterpart Funding Funding - Counties	303,301,313
Gok Counterpart Funding Funding - National	80,000,000
Total Unconditional Transfers (a)	383,301,313
Development Partner - IDA - Counties	2,180,732,913
Development Partner - IDA - Counties - NT	1,603,528,405
Development Partner - IDA - National	1,293,903,900
Total Conditional Transfers (b)	5,078,165,218
Total Transfers for the Year (a + b)	5,461,466,532

Details to Revenue Transfers

Name of The Entity Transferring	Amount recognized to Statement of Financial performance
	Kshs
Gok Counterpart Funding Funding - Counties	303,301,313
GOK Counterpart Funding - National	80,000,000
Development Partner - IDA - Counties	3,784,261,318
Development Partner - IDA - National	1,293,903,900
Subtotal	5,461,466,532
Deferred Income realized	
Total	5,461,466,532

7. Use of Goods and Services

Description	FY 2024/25
	Kshs
Communication, supplies and services	31,451,666
Domestic travel and subsistence	353,826,519
Foreign travel and subsistence	8,435,142
Office and general supplies and services	2,525,320
Printing, advertising, and information supplies	45,942,688
Training payments	750,401,034
Boards, Committees, Conferences and Seminars	195,998,152
Consultancy services: – Technical and Enviromental and Social Safeguards Professional services	24,787,021
Other operating payments(specify)	6,658,032
Routine maintenance – vehicles and other transport equipment	5,670,599
Total	1,425,696,173

8. Depreciation and Amortization Expenses

Description	FY
	2024/25
	KShs
Unconditional Transfers	
Depreciation and Amortization Expenses	80,000,000
Total	383,301,313

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9. Transfer to Other Government Entities

FY 2024/25				
No.	Counties	IDA	Counterpart	Total in Kes
		Kshs	Kshs	Kshs
1	Kwale	63,957,449	33,600,000	97,557,449
2	Kilifi	-	-	-
3	Tana River	-	5,000,000	5,000,000
4	Taita Taveta	100,088,623	15,000,000	115,088,623
5	Meru	65,031,923	-	65,031,923
6	Tharaka Nithi	77,251,060	-	77,251,060
7	Embu	39,281,206	506,975	39,788,181
8	Kitui	96,664,363	15,000,000	111,664,363
9	Machakos	49,138,072	-	49,138,072
10	Makueni	91,724,387	15,000,000	106,724,387
11	Nyandarua	41,960,821	5,000,000	46,960,821
12	Nyeri	49,768,881	10,000,000	59,768,881
13	Kirinyaga	43,125,742	10,500,000	53,625,742
14	Muranga	77,187,141	10,000,000	87,187,141
15	Kiambu	91,303,899	15,000,000	106,303,899
16	Trans Nzoia	82,637,549	15,000,000	97,637,549
17	Uasin Gishu	42,216,802	15,000,000	57,216,802
18	Nandi	100,499,619	15,000,000	115,499,619
19	Nakuru	51,228,732	11,422,038	62,650,770
20	Narok	85,188,002	-	85,188,002
21	Kajiado	65,034,723	5,000,000	70,034,723
22	Kericho	79,383,098	10,000,000	89,383,098
23	Bomet	49,944,470	5,000,000	54,944,470
24	Kakamega	107,706,293	5,000,000	112,706,293
25	Vihiga	29,305,638	-	29,305,638
26	Bungoma	78,038,678	10,000,000	88,038,678
27	Busia	84,575,472	5,000,000	89,575,472
28	Siaya	50,856,761	10,000,000	60,856,761

National Agricultural Value Chain Development Project (NAVCDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

29	Kisumu	68,473,624	12,122,100	80,595,724
30	Homabay	86,525,422	-	86,525,422
31	Migori	71,537,277	5,000,000	76,537,277
32	Kisii	71,253,967	5,000,000	76,253,967
33	Nyamira	89,843,219	40,150,200	129,993,419
Total		2,180,732,913	303,301,313	2,484,034,226

10. Other Transfers/Subsidies/Grants

Description	FY 2024/25
	Kshs
Kenya Agricultural and Livestock Research Organisation (KALRO)	291,197,789
Council of Governors (COG)	30,000,000
Total	321,197,789

11. Cash and Cash Equivalents

Description	FY 2024/25	1st July 2024
	Kshs	Kshs
Cash in Bank	32,340,087	405,036,282
Cash on hand	77,092	370,959
Total Cash and Cash Equivalents	32,417,179	405,407,241

11 (a). Project Bank Accounts

Details	FY 2024/25	1st July 2024
	Kshs	Kshs
Local Currency Accounts		
Central Bank of Kenya [A/c No. 1000653687] - National Government	25,318,582	19,317,320
Kenya Commercial Bank [A/c No. 1315002116] - National Government	7,021,505	385,718,962
Total bank account balances	32,340,087	405,036,282

12. Receivables

1st July 2024	FY 2024/25	
	Kshs	Kshs
Transfers from Development partners - NT	1,603,528,405	-
Total Receivables	1,603,528,405	-

The current receivables are funds being held by the National Treasury since they could not be disbursed to the counties due to budgetary limitations

Notes to the Financial Statements (Continued)

13. Cash Generated from Operations

Description	FY 2024/25
	Kshs
Surplus/Deficit for the year	1,230,538,343
Adjusted for:	
Depreciation	-
Working capital adjustments	
Increase in receivables	(1,603,528,405)
Net cash flow from operating activities	(372,990,062)

(The total of this statement should tie to the cash flow section on net cash flows from/ used in operations)

14. Special Deposit Accounts

The balances in the Project's Special Deposit Account(s) as of 30th June 2025 are not included in the Statement of Financial Assets since the line items are yet to be drawn into the Exchequer Account as a voted provision.

Below is the Special Deposit Account (SDA) movement schedule, which shows the flow of funds voted in the year. These funds have been reported as loans/grants received in the year under the Statement of Receipts and Payments.

15. Special Deposit Accounts Movement Schedule

Description	FY 2024/25	1st July 2024
	Kshs	Kshs
(i) A/C Name : Designated Account A [A/c No. 1000626151]		
Opening balance	4,818,547	8,258,060
Total amount deposited in the account	35,016,781	38,868,407
Total amount withdrawn	25,664,587	42,307,920
Closing Balance (as per SDA bank reconciliation attached)	14,170,741	4,818,547

National Value Chain Development Project (NAVCDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

Exchange rate Euro 1 to Kes	152	139
Equivalent Closing Balance in Kes	2,160,554,763	667,368,744
(ii) A/C Name : Designated Account B [A/c No. 1000632941]		
Opening balance (as per the SDA reconciliation)	17,479,761	8,149,995
Total amount deposited in the account	18,784,852	25,765,336
Total amount withdrawn	9,000,000	16,435,570
Closing balance (as per SDA bank account reconciliation attached)	27,264,613	17,479,761
Exchange rate Euro 1 to Kes	152	139
Equivalent Closing Balance in Kes	4,156,923,759	2,420,946,899

The Special Deposit Accounts reconciliation statements have been attached as Appendix 4 (i) to support these closing balance.

16. Events after the Reporting Period

There were no material adjusting and non-adjusting events after the reporting period.

17. Ultimate And Holding Entity

The Entity is a Development Project in the State Department of Agriculture under the Ministry of Agriculture and Livestock Development. Its ultimate parent is the Government of Kenya.

18. Currency

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.

*National Value Chain Development Project (NAVCDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025*

18. Annexes

Annex 1: Prior Year Auditor-General's Recommendations

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
NAVCDP Audit Report FY 2023/24	<p>1. Under Absorption of Funds by County Government of Kwale</p> <p>The statement of receipts and payments reflects transfers to the county government of Kshs.6,683,510,933 as disclosed in Note 12.6 to the financial statements. Included in this amount is Kshs.199,781,175 sent to Kwale County. Review of the cashbook revealed that the project had a cash book balance of Kshs.182,525,640.26 which reflects that the funds were unspent as at the close of the financial year. Further, review of the County revenue fund revealed that the amount of Kshs.195,079,224.10 was received in the County Revenue Fund on 30 May, 2024 and sent to the project account on 14 June 2024. In the circumstances, delayed disbursement of funds by the national government denies the project the opportunity to achieve its objectives.</p>	<p>The low/under absorption of funds was occasioned by later receipt of the project funds. The project funds for 2023/2024 financial year were received in the CRF on 30th May 2024 (item No. 20 of Annex 4.6.4a). The funds were moved to the SPA on 14th June 2024 (item No.1 of Annex 4.6.4b) and further to the operations account on 19th June 2024 (item No. 2 of Annex 4.6.4b). This made it impossible to spend all the funds in that financial year. However, we have embarked on a crash program to ensure all pending activities are completed without any further delays.</p>	Resolved	
NAVCDP Audit Report FY 2023/24	<p>2. Failure to Disburse County Counterpart Funds</p> <p>It was noted that 16 counties out of the 33 counties or 48% of the counties which benefit from the project did not transfer any funds to the project at the county government level namely; Kilifi, Meru, Kitui, Machakos, Makeni, Muranga, Kiambu, Trans Nzoia, Uasin Gishu, Nandi, Nakuru,</p>	<p>The management will continue making follow up with the participating counties to deposit their share of counterpart contribution to the project account. Counties that do not comply may face sanctions which may include suspensions of further IDA disbursements.</p>	Continuous	

**National Value Chain Development Project (NAVCDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Kajiado, Bomet, Kakamega, Kisumu and Homa Bay counties. Hence, the project was underfunded to the tune of county counterpart funds which have not been released as per the approved annual workplan and project budget for the financial year 2023-2024 which laid out that each of the counties benefiting from the project were required to remit Kshs.5 million during the year as counterpart funding for the project.</p>			
	<p>3. Delays in Counterpart Funding by the County Government</p> <p>Analysis of the Central bank statement for the project reflected that the county counterpart funding of Kshs.5,000,000 was received into the account on 8 July, 2024 after the closure of the financial year. In the circumstances, delays in disbursement may delay implementation of project activities</p>	<p>The County received its shareable revenue very late in the 2023/24 financial year. This is where the Counterpart fund is drawn. In future, the County will endeavour to provide the counterpart funding in good time</p>	<p>Continuous</p>	
<p>NAVCDP Audit Report FY 2023/24</p>	<p>4. Failure to Transfer Money to the Commercial Bank</p> <p>Analysis of the central bank Special Purpose Account statement for the period ending 9 June, 2024 revealed a bank balance of Kshs.9,701,951 which includes transfers from county government of Kshs.5,000,000 and transfers of donor funding of Kshs.4,701,951 received on 8 July 2024 and 3 September 2024 respectively. There was no evidence of transfers of the monies to the operations account as at the time of audit.</p>	<p>We acknowledge that the funds had not been moved to the operations account as at the time of audit. The funds were moved to the operations account and utilised in the implementation of project activities.</p>	<p>Resolved</p>	

**Naval Value Chain Development Project (NAVCDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
NAVCDP Audit Report FY 2023/24	<p>The circumstances, delayed transfer of funds to the operations account implies that the project may not be able to meet its strategic objectives.</p> <p>5. Staff Changes in the County Project Coordination Unit-Kilifi County A verification of project staff at the county in comparison to the list of project staff provided from the project head office in Nairobi revealed that there were changes in the County Project Coordination Unit for Kilifi County. It was noted that the County Agricultural Development Officer was changed from Sidi Ngumbao to Julius Mwananje, however, there was no documentation provided to support regularity of the changes in staff.</p> <p>In the circumstances, the auditor could not confirm the regularity of the change in the County Project Coordination Unit for Kilifi County.</p>	<p>The staff changes were necessitated by transfer of CADO (Sidi Ngumbao) to National Government and CDAL (Teddy Mrima) had recurring absenteeism to perform duties. Find relevant documents for review.</p>	Resolved	
NAVCDP Audit Report FY 2023/24	<p>6. Low Implementation of Component 2 on Climate Smart Value Chain Ecosystem Investments A review of the expenditure for the year revealed that there was only 17% of implementation of component 2 on Climate Smart Value Chain Ecosystem Investments</p>	<p>The component is majorly comprised of investment both under FLID – SLM and MA&ID. However, NAVCDP County Community-Led Value Chain Ecosystem Investments Identification and approval are subject to approved guidelines from the National Project Coordination Unit which allows the County Project Coordination Unit to allow kickstart the process. NAVCDP focused mainly on the laying foundations for the implementation of the investment projects. During the year under review the Participatory Integrated Community Development (PICD) was completed and this will accelerate the absorption under component 2.</p>	Resolved	

**National Value Chain Development Project (NAVCDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025**

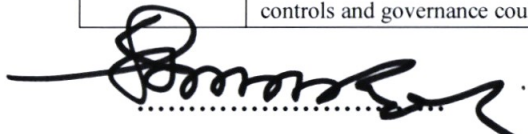
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
<p>NAVCDP Audit Report FY 2023/24</p>	<p>7. Procurement of Tablets Review of the payment voucher and the supporting documents revealed that the tablets were delivered on 14 June, 2024 and an inspection and acceptance report were done on 21 June, 2024. During the physical verification of assets, it was noted that all the 100 tablets were yet to be distributed and were stored at the CPCU offices. In the circumstances value for money may not have been realized for the money spent on procurement of tablets and the intended benefits may not have been achieved by the community.</p>	<p>The tablets were in the County Government of Kilifi CPCU stores awaiting contract signing between the county government and agripreneurs and onward distribution of the tablets.</p>	<p align="center">Resolved</p>	
<p>NAVCDP Audit Report FY 2023/24</p>	<p>8. Procurement of Motorbikes and Helmets Physical verification at the project store conducted on 13 September, 2024 revealed that there were 15 helmets in the store. However, review of the payment vouchers and the supporting documents revealed that 15 motorbikes and helmets were delivered on 24 June 2024 and Inspection and acceptance done on 25 June 2024 at a total sum of Kshs.7,798,200. At the time of audit, the helmets and motor bikes were yet to be distributed to the intended beneficiaries. In the circumstances value for money may not have been realized for the money spent on procurement of motorbikes and helmets and the intended benefits may not have been achieved by the community.</p>	<p>The motorbikes were awaiting for procurement of insurances which currently is complete and distribution is complete.</p>	<p align="center">Resolved</p>	

**National Value Chain Development Project (NAVCDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
<p>NAVCDP Audit Report FY 2023/24</p>	<p>9. Lack of a 3-year Internal Audit strategic plan</p> <p>During the year under review, internal audit documents submitted for audit revealed that the function did not have a three-year strategic plan on which to anchor its detailed audit planning and to set priorities, focus energy and resources, strengthen operations, ensure that employees and other stakeholders are working toward common goals, establish agreement around intended outcomes and assess and adjust the organization's direction in response to a changing audit environment. Further, the strategic plan will provide a long-range overview of budgetary needs that will ensure the audit function is adequately resourced to undertake its mandate.</p> <p>In the circumstances, the effectiveness of internal controls and governance could not be confirmed.</p>	<p>A draft internal audit strategic plan has been developed and is going through the approval process.</p>	<p>Continuous</p>	<p>31 December 2025</p>
<p>NAVCDP Audit Report FY 2023/24</p>	<p>10. Lack of a Risk Management Policy</p> <p>During the year under review, it was observed that the management of the project did not have a risk management policy contrary to Section 165 (1) of the Public Finance Management National Government Regulations, 2015 which requires each National government entity to develop risk management strategies and a system of risk management to enable the county to identify and develop appropriate risk strategies in order to</p>	<p>A draft Risk Management Policy has been developed and is going through the approval process.</p>	<p>Continuous</p>	<p>31 December 2025</p>

*National Value Chain Development Project (NAVCDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025*

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>improve on effective and efficient management of public resources. In light of this therefore risk assessments were not conducted.</p> <p>In circumstances, the effectiveness of the Project's risk management measures could not be confirmed</p>			
<p>NAVCDP Audit Report FY 2023/24</p>	<p>11. Lack of Internal Audit Charter</p> <p>During the year under review, a scrutiny of Internal Audit documents provided for audit revealed that the project does not have an internal audit charter that provides for an independent, objective assurance and consulting activity to improve the operations of the Project. The charter defines the nature of assurances and guide the day-to-day appraisals of performance and internal controls. Further It assists the project in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's governance, risk management and internal control. In the circumstances, the effectiveness of internal controls and governance could not be confirmed.</p>	<p>A draft Internal Audit Charter has been developed and is going through the approval process.</p>	<p>Continuous</p>	



Name: Dr. Paul K. Rono, PhD
Principal Secretary



Name: Samuel Guto, PhD
Project Coordinator

National Value Chain Development Project (NAVCDP)
Annual Report and Financial Statements for the financial year ended June 30, 2025

Annex 2: Reconciliation of inter-entity transfers


Project Name:		National Agricultural Value Chain Development Project (NAVCDP)		
Break down of transfers from the State Department of Agriculture				
A.	Government Counterpart funding			
		Bank Statement Date	Amount (Kshs)	Funds for FY
	MOALD	27-Sep-24	40,000,000	2024-25
	MOALD	13-Feb-25	40,000,000	2024-25
		Total	80,000,000	
B.	Direct payments			
		Bank Statement Date	Amount (Kshs)	
			-	
		Total	-	
C.	Others			
		Bank Statement Date	Amount (Kshs)	
			-	
		Total	-	
		Total (A+B+C)	80,000,000	

The above amounts have been communicated to and reconciled with the Parent Ministry/ State Department

Project Coordinator
 NAVCDP Project
 Agriculture

Head of Accounting Unit
 State Department of

Sign 

Sign 

Annex 3: Fixed Asset Register

Asset class	Historical Cost b/f	Additions during the year	Disposals during the year	Transfers in/(out) during the year	Historical Cost c/f
	(Kshs)	(Kshs)	(Kshs)		(Kshs)
	Previous Year				Current Year
Transport equipment	148,187,432	-	-	-	148,187,432
Total	148,187,432	-	-	-	148,187,432

Annex 4: Other Support Documents

- i. Special Deposit Accounts reconciliation statements

7981

**NATIONAL AGRICULTURAL VALUE CHAIN DEVELOPMENT PROJECT
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
FOR THE YEAR ENDED 30 JUNE 2025**

Credit No.: IDA LOAN CREDIT NO.70640-KE (DA-A)

Bank Account No.: 1000626151 Held with CENTRAL BANK OF KENYA

		NOTES	AMOUNT EUR	AMOUNT EUR
1	Amount advanced by IDA			93,885,233.00
	Less:			
2	Total amount documented			43,885,233.00
3	Outstanding amount to be documented			50,000,000.00
	Represented by:			
4	Ending Special account Balance as as 30 June 2025			14,170,740.89
5	Amounts claimed but not credited as at 30 June 2025			
6	Amounts withdrawn and not claimed			35,829,259.11
7	Service Charges (if not included in lines 5 and 6 above)			-
8	Interest earned (if included in Special Account)			-
9	Total advance to Special Account Year ended 30 June 2025			50,000,000.00

Discrepancy between total appearing on line 3 and 9

-

Notes:

- 1 Explain the discrepancy between totals appearing on lines 3 and 9 above (e.g amount due to be refunded to cover ineligible expenditures paid from the Special/Designated Account)
- 2 Indicate if amount appearing on line 6 is eligible for financing by IDA and provide reasons for not claiming the expenditures



**AUTHORISED REPRESENTATIVE
RESOURCE MOBILISATION DEPARTMENT
THE NATIONAL TREASURY**

DATE: 05-08-2025

SPECIAL ACCOUNT STATEMENT

For period ending	30th JUNE, 2025
Account No.	1000626151
Depository Bank	CENTRAL BANK OF KENYA.
Address	CENTRAL BANK OF KENYA.
Related Loan	NATIONAL AGRIC VALUE CHAIN DEV PROJ
Credit Agreement	
Currency	EUR

Part A - Account Activity

Beginning balance of 1st July, 2024 as per C.B.K. Ledger Account	4,818,546.89
---	--------------

Add:

Total Amount deposited by World Bank	35,016,781.00
--------------------------------------	---------------

Total Interest earnings if deposited in account	
---	--

Total amount refunded to cover ineligible expenditure	
---	--

Deduct:

Total amount withdrawn	25,664,587.00
------------------------	---------------

Total service charges if not included above in amount withdrawn	
---	--

Ending balance on 30th June, 2025	14,170,740.89
-----------------------------------	---------------

**AUTHORISED REPRESENTATIVE
CENTRAL BANK OF KENYA**

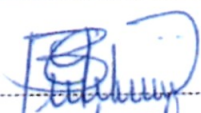
SIGNATURE: _____

DATE _____

**AUTHORISED REPRESENTATIVE
EXTERNAL RESOURCES
DEPARTMENT-TREASURY**

SIGNATURE: _____

DATE _____



 14/07/2025

 05-08-2025

NOTE: The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June, 2025 have been reconciled and a copy of the supporting Reconciliation Statement is attached.

Results 1 - 6 of 6

Run Date: 04/07/2025 Run Time: 09:29:37
 CENTRAL BANK OF KENYA
 BANKI KUU YA KENYA
 P.O.BOX 60000-0200
 NAIROBI
 STATEMENT PERIOD: From 01/07/2024 To

STATEMENT OF ACCOUNT

PAGE NO : 1

ACCOUNT NUMBER : 1000626151

ACCOUNT TITLE : NATIONAL AGRIC VALUE CHAIN DEV PROJ
 30/06/2025

NO.	DATE	REFERENCE NO	DETAILS	DEBIT	CREDIT BALANCE	
OPENING BAL :		4,818,546.89				
NO.	Value Date	Reference.No	Details	Debit	Credit	Balance
1	19/07/2024	FT242013PZ9W,1	PROJECT FUNDING	0.00	935,312.00	5753858.89
2	11/09/2024	FT24255RSJMP,1	PROJECT FUNDING	0.00	10,918,096.00	16671954.89
3	28/02/2025	FT25059Q7WN6,1	PROJECT FUNDING	0.00	7,116,361.00	23788315.89
4	15/04/2025	FT2510586K28,1	PROJECT FUNDING	0.00	8,590,574.00	32378889.89
5	05/06/2025	FT25156WFVBG,1	PA138416	-25,664,587.00	0.00	6714302.89
6	23/06/2025	FT25174TNBH6,1	PROJECT FUNDING	0.00	7,456,438.00	14170740.89
CLOSING BALANCE :				14170740.89		

END OF ACCOUNT STATEMENT

Favourites

TAM.E.STMT.OF.ACCT.EPRM

[More Options](#)
[Clear Selection](#)

Account

Statement From

Statement To

TAM.E.STMT.OF.ACCT.EPRM



Loan: IDA 70640 (IDA - IDA Credit) | **Status:** Disbursing | **Country:** Kenya |

Project: P176758 - NATIONAL AGRICULTURAL VALUE CHAIN DEVELOPMENT PROJECT (NAVCDP)

Loan Overview | Disbursements | History | Repayments | Amortization Schedule | Audit Submission | Disbursemer

Applications | eSignatorie(s) | Beneficiaries | Contracts | **Designated/UN Accounts** | Category Schedule |

Designated Account Detail- DA-A

Account Details

Account Holder	NATIONAL AGRICULTURAL VALUE CHAIN D	DA Currency	EUR
Account Holder's Bank	CENTRAL BANK OF KENYA HAILE SELASSIE AVENUE NAIROBI Swift: CBKEKENXXXX	Current Authorized Allocation	50,000,000.00
Account Number	XXXXXXXX51	Associated Categories	1 - (G,W,N/CS,O,T,RF,MG,FPO,SME)
Intermediary Bank	STANDARD CHARTERED BANK 1 BASINGHALL AVENUE LONDON Swift: SCBLGB2LXXX	Other Financing Sources	

Transaction Details

Currency (EUR) View Transaction List

Total Deposits Less Refunds	93,885,233.00
Documented	43,885,233.00
Outstanding Balance	50,000,000.00
Waived Documentation Amount	0.00
Transaction in Process	0.00

Loan: IDA 70640 (IDA - IDA Credit) | **Status:** Disbursing | **Country:** Kenya |

Project: P176753 - NATIONAL AGRICULTURAL VALUE CHAIN DEVELOPMENT PROJECT (NAVCDP)

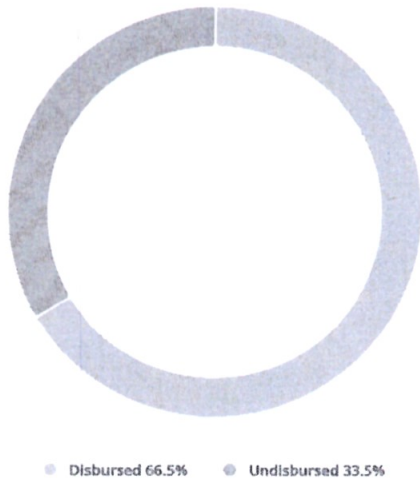
[Loan Overview](#) | [Disbursements](#) | [History](#) | [Repayments](#) | [Amortization Schedule](#) | [Audit Submission](#) | [Disbursen](#)

Important Dates

Approval	Signing	Commitment Charges Start Date	Effective	First Repayment	Closing	Application Deadline	Last Repayment
29-Mar-2022	10-Jun-2022	09-Aug-2022	23-Sep-2022	15-Jun-2027	31-Dec-2027	30-Apr-2028	15-Dec-2051

Currency of Commitment : EUR

Show amounts in



Loan Information (EUR)

Signed Amount	223,300,000.00
Cancelled	0.00
Disbursed	148,435,466.00
Undisbursed	74,864,534.00
Special Commitments	0.00
Funds Available	74,864,534.00

Funds Available (EUR)

Withdrawal Applications	0.00
Special Commitment Issuance Applications	0.00
Estimated Funds Available	74,864,534.00

Last Bill, IDA 70640, due on 15-Jun-2025

Borrower: The National Treasury and Planning

Date Payable	Currency	Amount Payable
16-Jun-2025	EUR	662,427.35

USD Equivalents

Original Approved Amount	250,000,000.00
Current Undisbursed	87,187,236.30
Historical Disbursed	162,176,558.15

148,435,466.00	1.06 %	0.00 %
Principal Outstanding	Total Charges	Net Commitment Fee

7/22/25, 11:27 AM

eBusiness

Disbursed	148,435,466.00	Service Charge	1.06 %	Commitment Fee	0.50 %
Repaid	0.00	Waiver	0.00 %	Waiver	0.00 %
Prepaid	0.00	Interest Waiver Status	Ineligible		
Regular Repayments	0.00	Rate Reset Date	10-Jun-2022		

Reference Information

Lending Instrument :	IPF - Investment Project Financing		
Loan Type :	IDA - IDA Credit		
Borrower of Record :	The National Treasury and Planning		
Guarantor :	Kenya	Maturity Type :	IDA5_30
Loan Term :	30 Years	Maturity Profile :	STANDARD
Grace Period :	5 Years		



Loan: IDA 70640 (IDA - IDA Credit) | **Status:** Disbursing | **Country:** Kenya |

Project: P176758 - NATIONAL AGRICULTURAL VALUE CHAIN DEVELOPMENT PROJECT (NAVCDP)

[Loan Overview](#) | [Disbursements](#) | [History](#) | [Repayments](#) | [Amortization Schedule](#) | [Audit Submission](#) | [Disbursemer](#)

[Applications](#) | [eSignatorie\(s\)](#) | [Beneficiaries](#) | [Contracts](#) | [Designated/UN Accounts](#) | [Category Schedule](#) |

Withdrawal Applications

Disbursement Milestone

Loan Approval Date 29-Mar-2022	Loan Signing Date 10-Jun-2022	Loan Made Effective 23-Sep-2022	Authorized Signatories Submitted to WB 19-Jun-2025	Authorized Signatories Approved 19-Jun-2025	Loan is Ready for Disbursing Online 22-Jul-2025
--	---	---	--	---	---

Submit Withdrawal Application

Transaction List

Showing results 1 - 0 of 20 entries

Filter by

Application						Paid					
Borrower Reference	Type	Status	Ccy	Amount	Category Summary	Ccy	Amount	Date received	Value Date	Logged by	Last Updated
NAVCDP C 010	DA-A	Completed	EUR	7,456,443.00	1	EUR	7,456,443.00	03-Jun-2025	20-Jun-2025	Borrower	20-Jun-2025
NAVCDP WAN 010	DA-B	Completed	EUR	3,386,844.00	1	EUR	3,386,844.00	03-Jun-2025	12-Jun-2025	Borrower	12-Jun-2025
NAVCDP WAN 009	DA-B	Completed	EUR	4,261,408.00	1	EUR	4,261,408.00	07-Apr-2025	14-Apr-2025	Borrower	14-Apr-2025
NAVCDP C 009	DA-A	Completed	EUR	8,590,579.00	1	EUR	8,590,579.00	07-Apr-2025	14-Apr-2025	Borrower	14-Apr-2025
NAVCDP C 008	DA-A	Completed	EUR	7,116,366.00	1	EUR	7,116,366.00	20-Feb-2025	27-Feb-2025	Borrower	27-Feb-2025
NAVCDP WAN 008	DA-B	Completed	EUR	3,156,868.00	1	EUR	3,156,868.00	20-Feb-2025	27-Feb-2025	Borrower	27-Feb-2025
NAVCDP WAN 007	DA-B	Completed	EUR	5,556,521.00	1	EUR	5,556,521.00	03-Sep-2024	10-Sep-2024	Borrower	10-Sep-2024
NAVCDP C 007	DA-A	Completed	EUR	10,918,101.00	1	EUR	10,918,101.00	03-Sep-2024	10-Sep-2024	Borrower	10-Sep-2024
NAVCDP C 006	DA-A	Completed	EUR	935,317.00	1	EUR	935,317.00	05-Jul-2024	18-Jul-2024	Borrower	18-Jul-2024
NAVCDP WAN 006	DA-B	Completed	EUR	2,423,236.00	1	EUR	2,423,236.00	05-Jul-2024	15-Jul-2024	Borrower	15-Jul-2024
NAVCDP C 005	DA-A	Completed	EUR	5,999,702.00	1	EUR	5,999,702.00	04-Apr-2024	15-Apr-2024	Borrower	15-Apr-2024
NAVCDP WAN 005	DA-B	Completed	EUR	3,379,771.00	1	EUR	3,379,771.00	04-Apr-2024	12-Apr-2024	Borrower	12-Apr-2024
NAVCDP WAN 004	DA-B	Completed by WB	EUR	20,000,000.00	DA-B		0.00	20-Feb-2024		Peter Gitau	29-Feb-2024
NAVCDP C 004	DA-A	Completed by WB	EUR	23,000,000.00	DA-A		0.00	20-Feb-2024		Peter Gitau	28-Feb-2024
NAVCDP WAN 003 RE	DA-B	Completed	EUR	2,288,171.00	1	EUR	2,288,171.00	11-Dec-2023	20-Dec-2023	Borrower	20-Dec-2023
NAVCDP C 003	DA-A	Completed	EUR	2,868,725.00	1	EUR	2,868,725.00	11-Dec-2023	20-Dec-2023	Borrower	20-Dec-2023

		Application					Paid					
NAVCDP WA N 002	DA-B	Completed	EUR	97,414.00	1	EUR	97,414.00	11-Dec-2023	20-Dec-2023	Borrower	20-Dec-2023	
NAVCDP WA N 003	DA-B	Deleted	EUR	2,868,725.00	1		0.00	08-Dec-2023		Peter Gitau	08-Dec-2023	
NAVCDP C 002	DA-A	Completed by WB	EUR	7,000,000.00	DA-A		0.00	25-Aug-2023		Peter Gitau	12-Sep-2023	
NAVCDP C 001	DA-A	Completed by WB	EUR	20,000,000.00	DA-A		0.00	13-Mar-2023		Peter Gitau	05-Apr-2023	
WA N 001	DA-B	Completed by WB	EUR	10,000,000.00	DA-B		0.00	13-Mar-2023		Peter Gitau	24-Mar-2023	

Application						Paid					
NAVCDP WA N 002	DA-B	Completed	EUR	97,414.00	1	EUR	97,414.00	11-Dec-2023	20-Dec-2023	Borrower	20-Dec-2023
NAVCDP C 002	DA-A	Completed	EUR	7,000,000.00	DA-A	EUR	7,000,000.00	05-Sep-2023	12-Sep-2023	Borrower	12-Sep-2023
NAVCDP C 001	DA-A	Completed	EUR	20,000,000.00	DA-A	EUR	20,000,000.00	16-Mar-2023	05-Apr-2023	Borrower	05-Apr-2023
WA N 001	DA-B	Completed	EUR	10,000,000.00	DA-B	EUR	10,000,000.00	15-Mar-2023	24-Mar-2023	Borrower	24-Mar-2023

**NATIONAL AGRICULTURAL VALUE CHAIN DEVELOPMENT PROJECT
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
FOR THE YEAR ENDED 30 JUNE 2024**

Credit No.: IDA LOAN CREDIT NO.70640-KE (DA-A)

Bank Account No.: 1000626151 Held with CENTRAL BANK OF KENYA

		NOTES	AMOUNT EUR	AMOUNT EUR
1	Amount advanced by IDA			59,803,744.00
	Less:			
2	Total amount documented			9,803,744.00
3	Outstanding amount to be documented			50,000,000.00
	Represented by:			
4	Ending Special account Balance as as 30 June 2024			4,818,546.89
5	Amounts claimed but not credited as at 30 June 2024			
6	Amounts withdrawn and not claimed			45,181,453.11
7	Service Charges (if not included in lines 5 and 6 above)			-
8	Interest earned (if included in Special Account)			-
9	Total advance to Special Account Year ended 30 June 2024			50,000,000.00

Discrepancy between total appearing on line 3 and 9

-

Notes:

- 1 Explain the discrepancy between totals appearing on lines 3 and 9 above (e.g amount due to be refunded to cover ineligible expenditures paid from the Special/Designated Account)
- 2 Indicate if amount appearing on line 6 is eligible for financing by IDA and provide reasons for not claiming the expenditures

**AUTHORISED REPRESENTATIVE
RESOURCE MOBILISATION DEPARTMENT
THE NATIONAL TREASURY**

DATE:

77 79

**NATIONAL AGRICULTURAL VALUE CHAIN DEVELOPMENT PROJECT
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
FOR THE YEAR ENDED 30 JUNE 2025**

Credit No.: IDA LOAN CREDIT NO.70640-KE (DA-B)

Bank Account No.: 1000632941 Held with CENTRAL BANK OF KENYA

		NOTES	AMOUNT EURO	AMOUNT EURO
1	Amount advanced by IDA			54,550,233.00
	Less:			
2	Total amount documented			24,550,233.00
3	Outstanding amount to be documented			30,000,000.00
	Represented by:			
4	Ending Special account Balance as as 30 June 2025			27,264,613.00
5	Amounts claimed but not credited as at 30 June 2025			
6	Amounts witdraen and not claimed			2,735,387.00
7	Service Charges (if not included in lines 5 and 6 above)			-
8	Interest earned (if included in Special Account)			-
9	Total advance to Special Account Year ended 30 June 2025			30,000,000.00

Discrepancy between total appearing on line 3 and 9

-

Notes:

- 1 Explain the discrepancy between totals appearing on lines 3 and 9 above (e.g amount due to be refunded to cover ineligible expenditures paid from the Special/Designated Account)
- 2 Indicate if amount appearing on line 6 is eligible for financing by IDA and provide reasons for not claiming the expenditures



**AUTHORISED REPRESENTATIVE
RESOURCE MOBILISATION DEPARTMENT
THE NATIONAL TREASURY**

DATE: 05-08-2025

SPECIAL ACCOUNT STATEMENT

For period ending	30th JUNE, 2025
Account No.	1000632941
Depository Bank	CENTRAL BANK OF KENYA.
Address	CENTRAL BANK OF KENYA.
Related Loan	NATIONAL AGRIC VALUE CHAIN DEV DAB
Credit Agreement	
Currency	EUR

Part A - Account Activity

Beginning balance of 1st July, 2024 as per C.B.K. Ledger Account	17,479,761.00
---	---------------

Add:

Total Amount deposited by World Bank	18,784,852.00
--------------------------------------	---------------

Total Interest earnings if deposited in account	-----
---	-------

Total amount refunded to cover ineligible expenditure	-----
--	-------

Deduct:

Total amount withdrawn	9,000,000.00
------------------------	--------------

Total service charges if not included above in amount withdrawn	-----
	27,264,613.00

Ending balance on 30th June,2025

**AUTHORISED REPRESENTATIVE
CENTRAL BANK OF KENYA**

SIGNATURE:

[Signature]

DATE

14/07/2025

**AUTHORISED REPRESENTATIVE
EXTERNAL RESOURCES
DEPARTMENT-TREASURY**

SIGNATURE:

[Signature]

DATE

05-08-2025

NOTE: The ending balance as per Central Bank of Kenya Ledger Account and the off-shore Special Account as at 30th June,2025 have been reconciled and a copy of the supporting Reconciliation Statement is attached.

Results 1 - 6 of 6

Run Date: 04/07/2025 Run Time: 09:29:08
 CENTRAL BANK OF KENYA
 BANKI KUI YA KENYA
 P.O.BOX 60000-0200
 NAIROBI
 STATEMENT PERIOD: From 01/07/2024 To

STATEMENT OF ACCOUNT PAGE NO : 1
 ACCOUNT NUMBER : 1000632941
 ACCOUNT TITLE : NATIONAL AGRIC VALUE CHAIN DEV DAB
 30/06/2025

NO.	DATE	REFERENCE NO	DETAILS	DEBIT	CREDIT BALANCE	
OPENING BAL :				17,479,761.00		
NO.	Value Date	Reference.No	Details	Debit	Credit	Balance
1	16/07/2024	FT24198ZGP4Q,1	PROJECT FUNDING	0.00	2,423,231.00	19902992
2	11/09/2024	FT24255K11TQ,1	PROJECT FUNDING	0.00	5,556,516.00	25459508
3	18/09/2024	FT24262ZHJG,1	PA136432	-9,000,000.00	0.00	16459508
4	28/02/2025	FT25059TS2F4,1	PROJECT FUNDING	0.00	3,156,863.00	19616271
5	15/04/2025	FT25105WRF80,1	PROJECT FUNDING	0.00	4,261,403.00	23877774
6	13/06/2025	FT25164K37LX,1	PROJECT FUNDING	0.00	3,386,339.00	27264613
				CLOSING BALANCE : 27264613		

END OF ACCOUNT STATEMENT

Favourites TAM.E.STMT.OF.ACCT.EPRM [More Options](#) [Clear Selection](#) Find

Account equals 1000632941

Statement From equals 20240701

Statement To equals 20250630

TAM.E.STMT.OF.ACCT.EPRM



Loan: IDA 70640 (IDA - IDA Credit) | **Status:** Disbursing | **Country:** Kenya |

Project: P176758 - NATIONAL AGRICULTURAL VALUE CHAIN DEVELOPMENT PROJECT (NAVCDP)

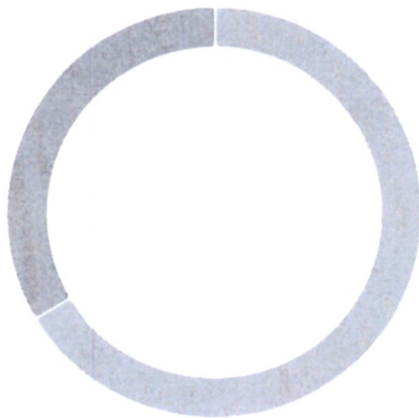
Loan Overview | Disbursements | History | Repayments | Amortization Schedule | Audit Submission | Disbursen

Important Dates

Approval	Signing	Commitment Charges Start Date	Effective	First Repayment	Closing	Application Deadline	Last Repayment
29-Mar-2022	10-Jun-2022	09-Aug-2022	23-Sep-2022	15-Jun-2027	31-Dec-2027	30-Apr-2028	15-Dec-2051

Currency of Commitment : EUR

Show amounts in EUR



● Disbursed 66.5% ● Undisbursed 33.5%

Loan Information (EUR)

Signed Amount	223,300,000.00
Cancelled	0.00
Disbursed	148,435,466.00
Undisbursed	74,864,534.00
Special Commitments	0.00
Funds Available	74,864,534.00

Funds Available (EUR)

Withdrawal Applications	0.00
Special Commitment Issuance Applications	0.00
Estimated Funds Available	74,864,534.00

Last Bill, IDA 70640, due on 15-Jun-2025

Borrower: The National Treasury and Planning

Date Payable	Currency	Amount Payable
16-Jun-2025	EUR	662,427.35

USD Equivalents

Original Approved Amount	250,000,000.00
Current Undisbursed	87,187,236.30
Historical Disbursed	162,176,558.15

148,435,466.00	1.06 %	0.00 %
Principal Outstanding	Total Charges	Net Commitment Fee

Disbursed	148,435,466.00	Service Charge	1.06 %	Commitment Fee	0.50 %
Repaid	0.00	Waiver	0.00 %	Waiver	0.00 %
Prepaid	0.00	Interest Waiver Status	Ineligible		
Regular Repayments	0.00	Rate Reset Date	10-Jun-2022		

Reference Information

Lending Instrument :	IPF - Investment Project Financing		
Loan Type :	IDA - IDA Credit		
Borrower of Record :	The National Treasury and Planning		
Guarantor :	Kenya	Maturity Type :	IDA5_30
Loan Term :	30 Years	Maturity Profile :	STANDARD
Grace Period :	5 Years		

Loan: IDA 70640 (IDA - IDA Credit) | **Status:** Disbursing | **Country:** Kenya |

Project: P176758 - NATIONAL AGRICULTURAL VALUE CHAIN DEVELOPMENT PROJECT (NAVCDP)

[Loan Overview](#) | [Disbursements](#) | [History](#) | [Repayments](#) | [Amortization Schedule](#) | [Audit Submission](#) | [Disbursemei](#)

[Applications](#) | [eSignatorie\(s\)](#) | [Beneficiaries](#) | [Contracts](#) | [Designated/UN Accounts](#) | [Category Schedule](#) |

Withdrawal Applications

Disbursement Milestone

Loan Approval Date 29-Mar-2022	Loan Signing Date 10-Jun-2022	Loan Made Effective 23-Sep-2022	Authorized Signatories Submitted to WB 19-Jun-2025	Authorized Signatories Approved 19-Jun-2025	Loan is Ready for Disbursing Online 22-Jul-2025
--	---	---	--	---	---

Submit Withdrawal Application

Transaction List

Showing results 1 - 20 of 20 entries

Filter by Type - All Paid Summary Value Date

Search

Application						Paid					
Borrower Reference	Type	Status	Ccy	Amount	Category Summary	Ccy	Amount	Date received	Value Date	Logged by	Last Updated
NAVCDP C 010	DA-A	Completed	EUR	7,456,443.00	1	EUR	7,456,443.00	03-Jun-2025	20-Jun-2025	Borrower	20-Jun-2025
NAVCDP WAN 010	DA-B	Completed	EUR	3,386,844.00	1	EUR	3,386,844.00	03-Jun-2025	12-Jun-2025	Borrower	12-Jun-2025
NAVCDP WAN 009	DA-B	Completed	EUR	4,261,408.00	1	EUR	4,261,408.00	07-Apr-2025	14-Apr-2025	Borrower	14-Apr-2025
NAVCDP C 009	DA-A	Completed	EUR	8,590,579.00	1	EUR	8,590,579.00	07-Apr-2025	14-Apr-2025	Borrower	14-Apr-2025
NAVCDP C 008	DA-A	Completed	EUR	7,116,366.00	1	EUR	7,116,366.00	20-Feb-2025	27-Feb-2025	Borrower	27-Feb-2025
NAVCDP WAN 008	DA-B	Completed	EUR	3,156,868.00	1	EUR	3,156,868.00	20-Feb-2025	27-Feb-2025	Borrower	27-Feb-2025
NAVCDP WAN 007	DA-B	Completed	EUR	5,556,521.00	1	EUR	5,556,521.00	03-Sep-2024	10-Sep-2024	Borrower	10-Sep-2024
NAVCDP C 007	DA-A	Completed	EUR	10,918,101.00	1	EUR	10,918,101.00	03-Sep-2024	10-Sep-2024	Borrower	10-Sep-2024
NAVCDP C 006	DA-A	Completed	EUR	935,317.00	1	EUR	935,317.00	05-Jul-2024	18-Jul-2024	Borrower	18-Jul-2024
NAVCDP WAN 006	DA-B	Completed	EUR	2,423,236.00	1	EUR	2,423,236.00	05-Jul-2024	15-Jul-2024	Borrower	15-Jul-2024
NAVCDP C 005	DA-A	Completed	EUR	5,999,702.00	1	EUR	5,999,702.00	04-Apr-2024	15-Apr-2024	Borrower	15-Apr-2024
NAVCDP WAN 005	DA-B	Completed	EUR	3,379,771.00	1	EUR	3,379,771.00	04-Apr-2024	12-Apr-2024	Borrower	12-Apr-2024
NAVCDP WAN 004	DA-B	Completed	EUR	20,000,000.00	DA-B	EUR	20,000,000.00	21-Feb-2024	29-Feb-2024	Borrower	29-Feb-2024
NAVCDP C 004	DA-A	Completed	EUR	23,000,000.00	DA-A	EUR	23,000,000.00	21-Feb-2024	28-Feb-2024	Borrower	28-Feb-2024
NAVCDP WAN 003 RE	DA-B	Completed	EUR	2,288,171.00	1	EUR	2,288,171.00	11-Dec-2023	20-Dec-2023	Borrower	20-Dec-2023
NAVCDP C 003	DA-A	Completed	EUR	2,868,725.00	1	EUR	2,868,725.00	11-Dec-2023	20-Dec-2023	Borrower	20-Dec-2023



Loan: IDA 70640 (IDA - IDA Credit) | **Status:** Disbursing | **Country:** Kenya |

Project: P176758 - NATIONAL AGRICULTURAL VALUE CHAIN DEVELOPMENT PROJECT (NAVCDP)

Loan Overview | Disbursements | History | Repayments | Amortization Schedule | Audit Submission | Disbursemei

Applications | eSignatorie(s) | Beneficiaries | Contracts | **Designated/UN Accounts** | Category Schedule |

Designated Account Detail- DA-B

Account Details

Account Holder	NATIONAL AGRICULTURAL VALUE CHAIN D	DA Currency	EUR
Account Holder's Bank	CENTRAL BANK OF KENYA HAILE SELASSIE AVENUE NAIROBI Swift: CBKEKENXXXX	Current Authorized Allocation	30,000,000.00
Account Number	XXXXXXXX41	Associated Categories	1 - (G,W,N/CS,O,T,RF,MG,FPO,SME)
Intermediary Bank	STANDARD CHARTERED BANK 1 BASINGHALL AVENUE LONDON Swift: SCBLGB2LXXX	Other Financing Sources	

Transaction Details

Currency (EUR) [View Transaction List](#)

Total Deposits Less Refunds	54,550,233.00
Documented	24,550,233.00
Outstanding Balance	30,000,000.00
Waived Documentation Amount	0.00
Transaction in Process	0.00

 Client Connection Christine Da...

Loan: IDA 70640 (IDA - IDA Credit) | **Status:** Disbursing | **Country:** Kenya |

Project: P176758 - NATIONAL AGRICULTURAL VALUE CHAIN DEVELOPMENT PROJECT (NAVCDP)

[Loan Overview](#) | [Disbursements](#) | [History](#) | [Repayments](#) | [Amortization Schedule](#) | [Audit Submission](#) | [Disburseme](#)

[Applications](#) | [eSignatorie\(s\)](#) | [Beneficiaries](#) | [Contracts](#) | [Designated/UN Accounts](#) | [Category Schedule](#) |

Withdrawal Applications

Disbursement Milestone

Loan Approval Date 29-Mar-2022	Loan Signing Date 10-Jun-2022	Loan Made Effective 23-Sep-2022	Authorized Signatories Submitted to WB 19-Jun-2025	Authorized Signatories Approved 19-Jun-2025	Loan is Ready for Disbursing Online 22-Jul-2025
--	---	---	--	---	---

Submit Withdrawal Application

Transaction List

Showing results 1 - 20 of 20 entries

Filter by Type - All Paid Summary Value Date

Search

Borrower Reference	Application					Paid						
	Type	Status	Ccy	Amount	Category Summary	Ccy	Amount	Date received	Value Date	Logged by	Last Updated	
NAVCDP C 010	DA-A	Completed	EUR	7,456,443.00	1	EUR	7,456,443.00	03-Jun-2025	20-Jun-2025	Borrower	20-Jun-2025	
NAVCDP WAN 010	DA-B	Completed	EUR	3,386,844.00	1	EUR	3,386,844.00	03-Jun-2025	12-Jun-2025	Borrower	12-Jun-2025	
NAVCDP WAN 009	DA-B	Completed	EUR	4,261,408.00	1	EUR	4,261,408.00	07-Apr-2025	14-Apr-2025	Borrower	14-Apr-2025	
NAVCDP C 009	DA-A	Completed	EUR	8,590,579.00	1	EUR	8,590,579.00	07-Apr-2025	14-Apr-2025	Borrower	14-Apr-2025	
NAVCDP C 008	DA-A	Completed	EUR	7,116,366.00	1	EUR	7,116,366.00	20-Feb-2025	27-Feb-2025	Borrower	27-Feb-2025	
NAVCDP WAN 008	DA-B	Completed	EUR	3,156,868.00	1	EUR	3,156,868.00	20-Feb-2025	27-Feb-2025	Borrower	27-Feb-2025	
NAVCDP WAN 007	DA-B	Completed	EUR	5,556,521.00	1	EUR	5,556,521.00	03-Sep-2024	10-Sep-2024	Borrower	10-Sep-2024	
NAVCDP C 007	DA-A	Completed	EUR	10,918,101.00	1	EUR	10,918,101.00	03-Sep-2024	10-Sep-2024	Borrower	10-Sep-2024	
NAVCDP C 006	DA-A	Completed	EUR	935,317.00	1	EUR	935,317.00	05-Jul-2024	18-Jul-2024	Borrower	18-Jul-2024	
NAVCDP WAN 006	DA-B	Completed	EUR	2,423,236.00	1	EUR	2,423,236.00	05-Jul-2024	15-Jul-2024	Borrower	15-Jul-2024	
NAVCDP C 005	DA-A	Completed	EUR	5,999,702.00	1	EUR	5,999,702.00	04-Apr-2024	15-Apr-2024	Borrower	15-Apr-2024	
NAVCDP WAN 005	DA-B	Completed	EUR	3,379,771.00	1	EUR	3,379,771.00	04-Apr-2024	12-Apr-2024	Borrower	12-Apr-2024	
NAVCDP WAN 004	DA-B	Completed	EUR	20,000,000.00	DA-B	EUR	20,000,000.00	21-Feb-2024	29-Feb-2024	Borrower	29-Feb-2024	
NAVCDP C 004	DA-A	Completed	EUR	23,000,000.00	DA-A	EUR	23,000,000.00	21-Feb-2024	28-Feb-2024	Borrower	28-Feb-2024	
NAVCDP WAN 003 RE	DA-B	Completed	EUR	2,288,171.00	1	EUR	2,288,171.00	11-Dec-2023	20-Dec-2023	Borrower	20-Dec-2023	
NAVCDP C 003	DA-A	Completed	EUR	2,868,725.00	1	EUR	2,868,725.00	11-Dec-2023	20-Dec-2023	Borrower	20-Dec-2023	

Application						Paid					
NAVCDP WA N 002	DA-B	Completed	EUR	97,414.00	1	EUR	97,414.00	11-Dec-2023	20-Dec-2023	Borrower	20-Dec-2023
NAVCDP C 002	DA-A	Completed	EUR	7,000,000.00	DA-A	EUR	7,000,000.00	05-Sep-2023	12-Sep-2023	Borrower	12-Sep-2023
NAVCDP C 001	DA-A	Completed	EUR	20,000,000.00	DA-A	EUR	20,000,000.00	16-Mar-2023	05-Apr-2023	Borrower	05-Apr-2023
WA N 001	DA-B	Completed	EUR	10,000,000.00	DA-B	EUR	10,000,000.00	15-Mar-2023	24-Mar-2023	Borrower	24-Mar-2023

Application						Paid					
NAVCDP WA N 002	DA-B	Completed	EUR	97,414.00	1	EUR	97,414.00	11-Dec-2023	20-Dec-2023	Borrower	20-Dec-2023
NAVCDP C 002	DA-A	Completed by WB	EUR	7,000,000.00	DA-A		0.00	25-Aug-2023		Peter Gitau	12-Sep-2023
NAVCDP C 001	DA-A	Completed by WB	EUR	20,000,000.00	DA-A		0.00	13-Mar-2023		Peter Gitau	05-Apr-2023
WA N 001	DA-B	Completed by WB	EUR	10,000,000.00	DA-B		0.00	13-Mar-2023		Peter Gitau	24-Mar-2023

**NATIONAL AGRICULTURAL VALUE CHAIN DEVELOPMENT PROJECT
STATEMENT OF SPECIAL (DESIGNATED) ACCOUNT RECONCILIATION
FOR THE YEAR ENDED 30 JUNE 2024**

Credit No.: IDA LOAN CREDIT NO.70640-KE (DA-B)

Bank Account No.: 1000632941 Held with CENTRAL BANK OF KENYA

		NOTES	AMOUNT EURO	AMOUNT EURO
1	Amount advanced by IDA			38,188,592.00
	Less:			
2	Total amount documented			8,188,592.00
3	Outstanding amount to be documented			30,000,000.00
	Represented by:			
4	Ending Special account Balance as as 30 June 2024			17,479,761.00
5	Amounts claimed but not credited as at 30 June 2024			
6	Amounts withdrawn and not claimed			12,520,239.00
7	Service Charges (if not included in lines 5 and 6 above)			-
8	Interest earned (if included in Special Account)			-
9	Total advance to Special Account Year ended 30 June 2024			30,000,000.00

Discrepancy between total appearing on line 3 and 9

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Notes:

- 1 Explain the discrepancy between totals appearing on lines 3 and 9 above (e.g amount due to be refunded to cover ineligible expenditures paid from the Special/Designated Account)
- 2 Indicate if amount appearing on line 6 is eligible for financing by IDA and provide reasons for not claiming the expenditures

**AUTHORISED REPRESENTATIVE
RESOURCE MOBILISATION DEPARTMENT
THE NATIONAL TREASURY**

DATE: