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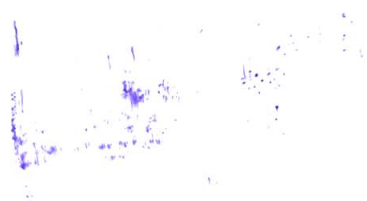


**Office of the
Controller of Budget**
Budget Oversight for Transparency

NATIONAL GOVERNMENT BUDGET IMPLEMENTATION REVIEW REPORT

**FIRST NINE MONTHS
FY 2025/26**

MAY, 2026





Office of the Controller of Budget

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NATIONAL GOVERNMENT BUDGET IMPLEMENTATION REVIEW REPORT

FIRST NINE MONTHS

FY 2025/26

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May, 2026

FOREWORD

The Office of the Controller of the Budget is established under Article 228 of the Constitution of Kenya and enacted by the Controller of Budget Act, Cap 429, to oversee the implementation of budgets for the national and county governments by approving withdrawals of public funds and reporting to each House of Parliament on the budget's performance. Article 228(6) of the Constitution requires that I submit to each house of Parliament a report on the implementation of the budget of the national and county governments.

It is against this background that I present the National Government Budget Implementation Review Report for the first nine months of FY 2025/26, covering the period from 1 July 2025 to 31 March 2026. The report is aligned with Section 9(5) of the Controller of Budget Act, Cap 429, which states that, despite the first quarterly report, each subsequent report should contain cumulative amounts from the beginning of that year.

This report presents the budget implementation of the National Government in line with Section 9(2) of the Controller of Budget Act, Cap 429, which outlines the information to be contained in the report. This includes the approved budget for FY 2025/26; funds received into the Consolidated Fund; exchequer releases and actual expenditures. Exchequer releases consist of funds released for Ministerial recurrent and development votes, Consolidated Fund Services (CFS) and to County governments' equitable shareable revenue. National government expenditure comprises the Consolidated Fund Services and Ministries, Departments, and Agencies (MDAs). Spending is further disaggregated into development and recurrent votes. Consolidated Fund Services includes payments on public debt on both interest and principal amounts, pensions and gratuities, salary and allowances for Constitutional Office Holders, and Miscellaneous Services. In addition, expenditure is reported on an accrual basis of accounting, in line with the three-year phased implementation approach to the transition from the Cash to the Accrual basis of Accounting, as approved by Cabinet on 7 March 2024.

It is worth noting that under the accrual basis of accounting, revenue is recognized when earned and expenditure when incurred, whereas the cash basis of accounting recognizes revenue when received and expenditure when paid.

The data used in preparing this report were obtained from the approved budget and government statistical data annexed to the budget for FY 2025/26, financial and non-financial budget data submitted by Ministries, Departments, and Agencies and the report for the Consolidated Fund Services (CFS) as submitted by the National Treasury.

The report also highlights the key issues that hindered the seamless implementation of the budget in the first nine months of FY 2025/26 and offers recommendations to address them. The recommendations are appropriate for the Legislature in its oversight role and for the Executive in its policy-making related to budget execution. Furthermore, the report provides the public with information on the budget performance for the national government during the first nine months of FY 2025/26, in line with Section 39(8) of the PFM Act, Cap 412A.

My appreciation to all those who have contributed to the publication of this report. These include my staff at the Office of the Controller of Budget and Accounting Officers from respective Ministries, Departments and Agencies for the timely submission of budget performance reports for the first nine months of FY 2025/26. The report is also available on the Office of the Controller of Budget Website: <https://cob.go.ke>



FCPA Dr. Margaret Nyakang'o, CBS
CONTROLLER OF BUDGET

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LIST OF ABBREVIATIONS AND ACRONYMS

AfDB -	African Development Bank Group
A-I-A -	Appropriations- in- Aid
ARUD -	Agriculture Rural and Urban Development
ASALs -	Arid and Semi-Arid Lands
BETA -	Bottom-Up Economic Agenda
Bn -	Billion
BPO -	Business Process Outsourcing
CARA -	County Allocation Revenue Act
CBK -	Central Bank of Kenya
CF -	Consolidated Fund
CFS -	Consolidated Fund Services
CoB -	Controller of Budget
COFOG -	Classification of Functions of Government
COVID-19 -	Coronavirus Disease
CS -	Cabinet Secretary
DSSI -	Debt Service Suspension Initiative
EA -	East Africa
EACC -	Ethics and Anti-Corruption Commission
EIICT -	Energy Infrastructure and Information Communications Technology
EPWNR -	Environment Protection, Water and Natural Resources
FY -	Financial Year
GECA -	General Economic and Commercial Affairs
GJLO -	Governance, Justice, Law and Order
GoK -	Government of Kenya
HIV -	Human Immunodeficiency Virus
IDA -	International Development Association
IEBC -	Independent Electoral and Boundaries Commission

IFMIS -	Integrated Financial Management Information System
IMF -	International Monetary Fund
IPOA -	Independent Policing Oversight Authority
JSC -	Judicial Service Commission
KeNHA -	Kenya National Highways Authority
KIRDI -	Kenya Industrial Research and Development Institute
KNH -	Kenyatta National Hospital
Kshs-	Kenya Shillings
KSG-	Kenya School of Government
MDAs -	Ministries, Departments and Agencies
MDACs-	Ministries, Departments, Agencies and Counties
MPARD -	Mombasa Port Area Road Development
MSME -	Micro, Small, and Medium Enterprises
MTEF -	Medium Term Expenditure Framework
MTP -	Medium Term Plan
NCPB -	National Cereals and Produce Board
NGBIRR -	National Government Budget Implementation Review Report
NGEC -	National Gender and Equality Commission
NIS -	National Intelligence Service
NLC -	National Land Commission
NMS -	Nairobi Metropolitan Services
NPSC -	National Police Service Commission
OCOB -	Office of the Controller of Budget
ODPP -	Office of the Director of Public Prosecutions
ORPP -	Office of the Registrar of Political Parties
PAIR -	Public Administration and International Relations
PDF -	Portable Document Format
PE -	Personnel Emoluments
PFM -	Public Finance Management

PPG -	Public and Publicly Guaranteed
PS -	Public Service Superannuation Scheme
RIVATEX -	Rift Valley Textile
RMNCAH -	Reproductive, Maternal, Newborn Child, and Adolescent Health
SACCO -	Savings and Credit Cooperative Organisation or Society
SAGAs -	Semi-Autonomous Government Agencies
SAM -	Salaries, Allowances, and Miscellaneous
SC -	State Corporation
SDR -	Special Drawing Rights
SME -	Small and Medium Enterprises
SOE -	State-Owned Enterprise
SPCR -	Social Protection, Culture and Recreation
Tn -	Trillion
TSC -	Teachers Service Commission
TVET -	Technical Vocational and Education Training
USA -	United States of America

EXECUTIVE SUMMARY

The first nine months National Government Budget Implementation Review Report covers 1st July 2025 to 31st March 2026 and is the third quarterly report for FY 2025/26. The report has been prepared in compliance with Article 228(6) of the Constitution and Section 9 of the Controller of Budget Act, Cap 429, which requires the Controller of Budget to submit quarterly budget implementation reports to Parliament for the National and County governments.

The FY 2025/26 budget is the third under the Kenya Kwanza Administration. It is anchored in the fourth Medium-Term Plan (MTP) (2023-2027) of the Kenya Vision 2030 and is being implemented under the Bottom-up Economic Transformation Agenda (BETA) framework. Under this framework, the government aims to achieve an economic turnaround and inclusive growth by increasing investments in at least five sectors that significantly affect the economy and household welfare. These sectors include Agricultural Transformation, Micro, Small, and Medium Enterprises (MSME), Housing and Settlement, Healthcare, Digital Superhighway, and Creative Industry. The agenda also focuses on increasing employment, promoting equitable income distribution and social security, while expanding the tax base and boosting foreign exchange earnings.

The National Government's original gross budget for FY 2025/26 amounts to Kshs. 4.69 trillion, compared to Kshs.4.37 trillion in the FY 2024/25 after Supplementary III Estimates. This comprises Kshs.744.84 billion for ministerial development expenditure, which was 16 per cent of the original gross national budget and 29 per cent of the original gross ministerial budget of Kshs.2.55 trillion. Recurrent vote allocation amounts to Kshs.3.95 trillion, comprising the ministerial recurrent allocation of Kshs.1.80 trillion (38 per cent of the original gross national budget) and Consolidated Fund Services (CFS) at Kshs. 2.14 trillion (46 per cent of the original gross national budget), with CFS recording the highest proportion of the gross budget. The Education Sector received the highest budget allocation of Kshs.703.07 billion, followed by Energy, Infrastructure and Information Communication Technology Kshs.534.63 billion, reflecting their key role in the economy.

To finance the budget, the government, through the National Treasury, targeted funds from various revenue sources, including Tax and Non-Tax Revenue, Borrowing (both external and domestic), grants, other domestic financing, and ministerial Appropriations-in-Aid (A-IA). During the reporting period, receipts into the Consolidated Fund amounted to Kshs. 3.21 trillion, representing 72 per cent of the original net estimates of Kshs.4.43 trillion, compared to the Kshs.2.75 trillion (62 per cent) received in the same period in FY 2024/25. The Tax revenue stream contributed the highest proportion of receipts, recording 54 per cent (Kshs.1.72 trillion), while proceeds from Domestic borrowing recorded the highest performance at 88 per cent (Kshs.965.87 billion).

The total exchequer issues from the Consolidated Fund to Ministries, Departments and Agencies, Consolidated Fund Services, and the County Governments amounted to Kshs.3.21 trillion, representing 72 per cent of the original net estimates of Kshs.4.43 trillion, compared to 59 per cent (Kshs.2.64 trillion) recorded in a similar period in FY 2024/25. The exchequer issues comprised ministerial development expenditure, Kshs.262.63 billion, representing 65 per cent of the annual net estimates, ministerial recurrent expenditure, Kshs.1.17 trillion, representing 80 per cent of the net annual estimates, Consolidated Fund Services, Kshs.1.50 trillion, representing 70 per cent of the annual net estimates and to

County governments Kshs.275.98 billion, representing 67 per cent of the annual net estimates as Equitable shareable revenue as per the County Allocation of Revenue Act, 2025. The Consolidated Fund Services comprise public debt (Kshs.1.36 trillion representing 72 per cent of the annual estimates), Pensions and Gratuities (Kshs.129.22 billion representing 55 per cent of the annual net estimates), and Salaries, Allowances to Constitutional Office Holders, and Miscellaneous Services (Kshs.2.80 billion representing 59 per cent of the annual estimates).

The National Government's gross expenditure for the first nine months of FY 2025/26 amounted to Kshs.3.36 trillion, representing 72 per cent of the National Government's original gross estimates of Kshs.4.69 trillion compared to 62 per cent (Kshs.2.86 trillion) recorded in a similar FY 2024/25 period. This expenditure comprises ministerial development expenditure of Kshs.507.90 billion (with an absorption rate of 68 per cent), recurrent ministerial expenditure at Kshs.1.36 trillion (absorption rate of 75 per cent) and CFS expenditure at Kshs.1.50 trillion (an absorption rate of 70 per cent).

Analysis of Ministries, Departments and Agencies (MDAs) development expenditure by economic classification indicates that Capital Transfers to Semi-Autonomous Government Agencies (SAGAs) accounted for the largest share of spending at Kshs.347.31 billion, representing 70 per cent of total development expenditure. Construction and Civil Works was the second-highest expenditure category at Kshs.93.20 billion, accounting for 13 per cent of total development expenditure, with the State Department for Housing and Urban Development recording the highest expenditure under this category at Kshs.75.75 billion, attributed to the government's affordable housing project.

A review of the recurrent expenditure shows that Kshs.516.97 billion was spent on Compensation to Employees, representing 39 per cent of the gross recurrent expenditure by MDAs and 23 per cent of the national government's equitable share of the revenue raised nationally, which is in line with the Regulation 26(1) (a) of the Public Finance Management (National Government) Regulations 2015 which set a limit that compensation to employees shall not exceed 35 per cent of the national government's equitable share of the revenue raised nationally and other revenues generated by the national government pursuant to Article 209(4) of the Constitution. Total Current transfers to other government institutions were Kshs.587.58 billion and subsidies of Kshs.61.77 billion, representing 43 per cent and 5 per cent of the gross recurrent expenditure, respectively. Other budget items with significant expenditures included Insurance costs at Kshs.23.27 billion, Travel expenditure, Kshs.17.38 billion, comprising domestic travel at Kshs.10.88 billion and foreign travel at Kshs.6.51 billion. Other expenses amounted to Kshs.61.28 billion in the period under review, representing 5 per cent of the gross recurrent expenditure, with the State Department for Internal Security and National Administration recording the highest expenditure of Kshs.13.15 billion towards security operations in the country.

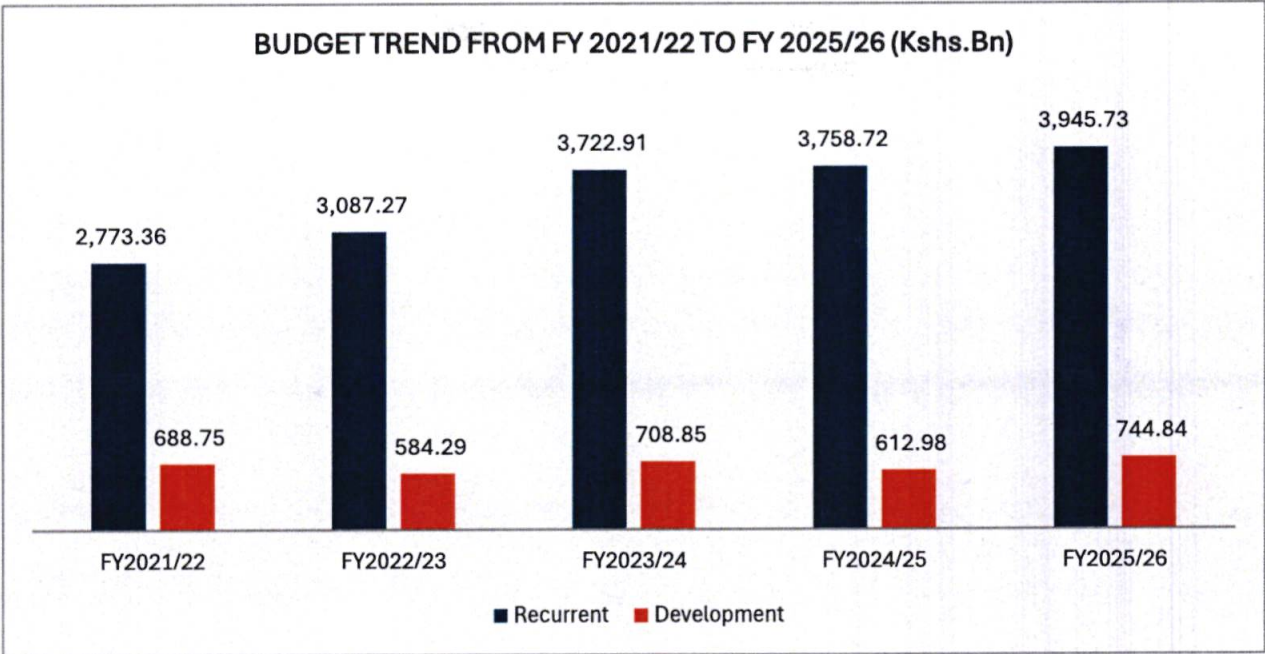
As of 31st March 2026, the Public debt stock stood at Kshs.12.82 trillion, comprising Kshs. 5.68 trillion owed to external lenders (44 per cent) and Kshs.7.14 trillion due to domestic lenders (56 per cent). The public debt stock increased by 9 per cent from Kshs.11.80 trillion as of 30th June 2025, equivalent to 69.9 per cent of GDP, exceeding the 55 per cent threshold approved by Parliament. External debt increased by 4 per cent due to the issuance of new Eurobonds in 7-year and 12-year tranches of blended yield at 8.7 per cent following buy-backs of two Eurobonds of Kshs.86.29 billion and Kshs.58.13 billion floated in October 2025 and February 2026, respectively. Domestic debt recorded 13 per cent growth, attributable to increased borrowing through Treasury bills and bonds in the domestic market. Total ex-

penditure on public debt in the first nine months of FY 2025/26 amounted to Kshs.1.35 trillion, representing 72 per cent of the approved estimates, compared to Kshs.1.20 trillion (59 per cent) recorded in a similar period of FY 2024/25. The increase is mainly attributed to the settlement of principal payments for external debt at Kshs.419.70 billion, compared to Kshs.295.27 billion paid in a similar period in FY 2024/25.

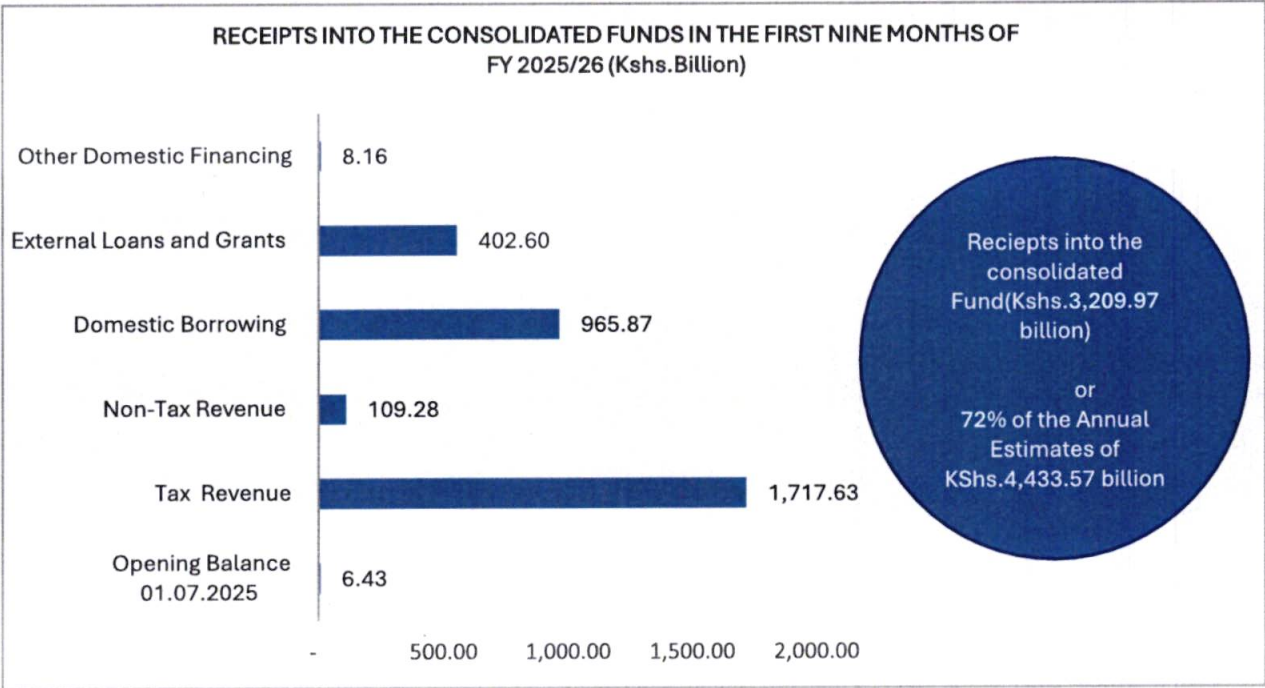
During the reporting period, budget implementation faced several challenges, hindering the timely execution of planned government activities. Key issues identified by the Controller of Budget included delays in procuring goods and services, accumulation of trade payables (pending bills), and increased reliance on supplementary expenditure under Article 223 of the Constitution. Procurement delays were largely attributed to challenges during the rollout of the Electronic Government Procurement (e-GP) system, including limited technical capacity, integration gaps, delayed approvals, low supplier responsiveness, and intermittent technical issues. Additionally, the stock of pending bills remained high while approvals under Article 223 increased significantly compared to a similar period in the previous financial year.

To address the challenges, the Controller of Budget recommended strengthening user capacity through targeted training and supplier sensitization to improve the implementation of the e-GP system and enhance procurement efficiency. Further, verified pending bills should be settled on a First-In-First-Out basis and adequately budgeted for within the annual and medium-term budget framework, while accounting officers should ensure timely remittance of statutory deductions. Additionally, expenditure under Article 223 should be strictly limited to unforeseen and emergency expenditures, alongside a review of the legislative framework and strengthened control mechanisms to safeguard fiscal discipline and enhance budget transparency.

KEY HIGHLIGHTS

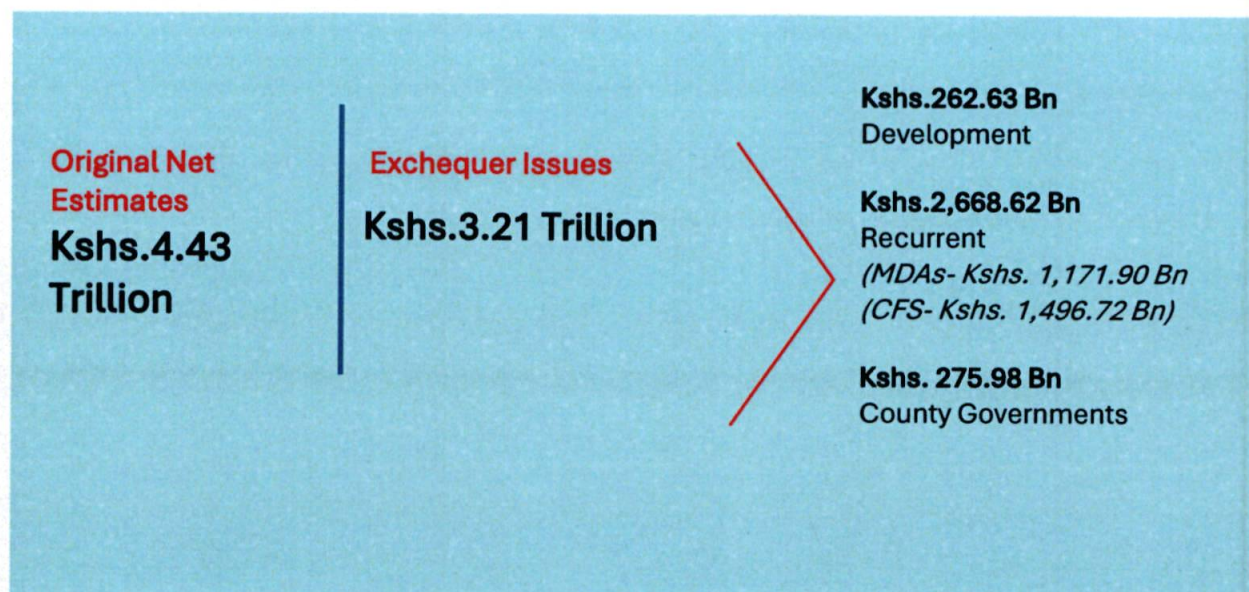


Source: National Treasury



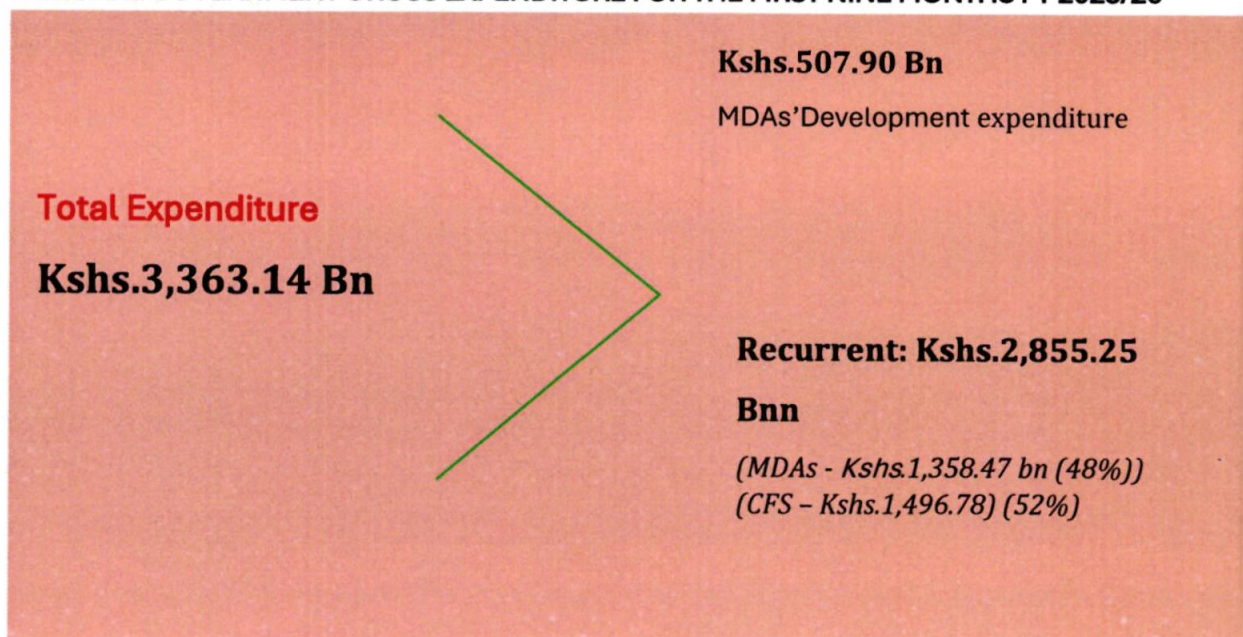
Source: National Treasury

EXCHEQUER ISSUES APPROVED FROM THE CONSOLIDATED FUND IN THE FIRST NINE MONTHS OF FY 2025/26



Source: National Treasury

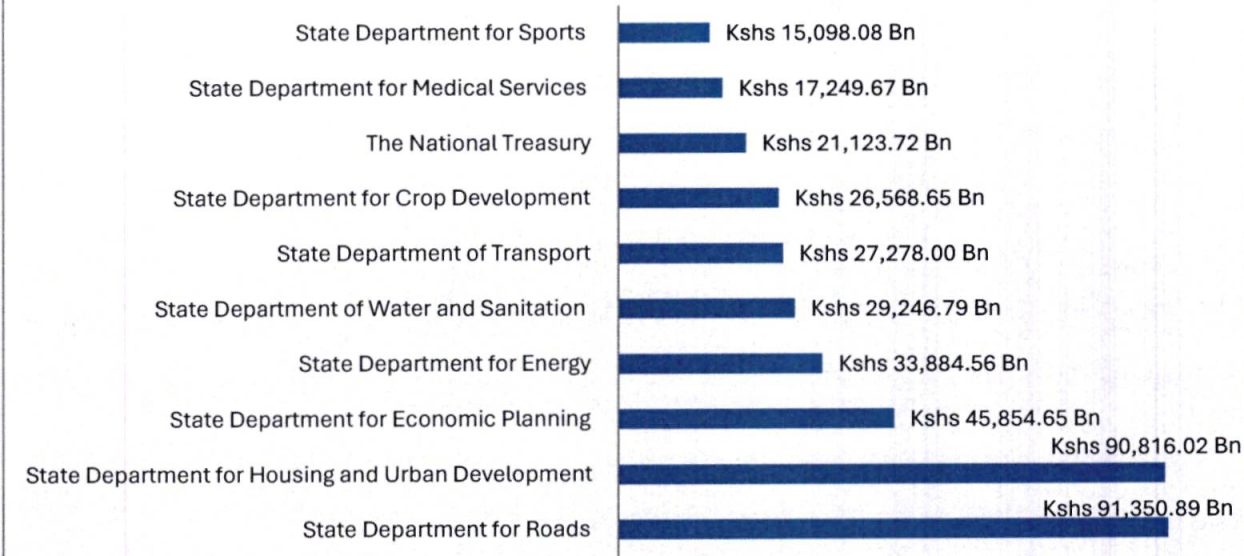
NATIONAL GOVERNMENT GROSS EXPENDITURE FOR THE FIRST NINE MONTHS FY 2025/26



Source: Ministries, Departments and Agencies

Expenditure exceeds the amount issued by the exchequer, which is due to Appropriations-in-Aid by MDAs not from the Consolidated Fund.

TOP 10 MDAs ON DEVELOPMENT EXPENDITURE THE FIRST NINE MONTHS OF FY 2025/26

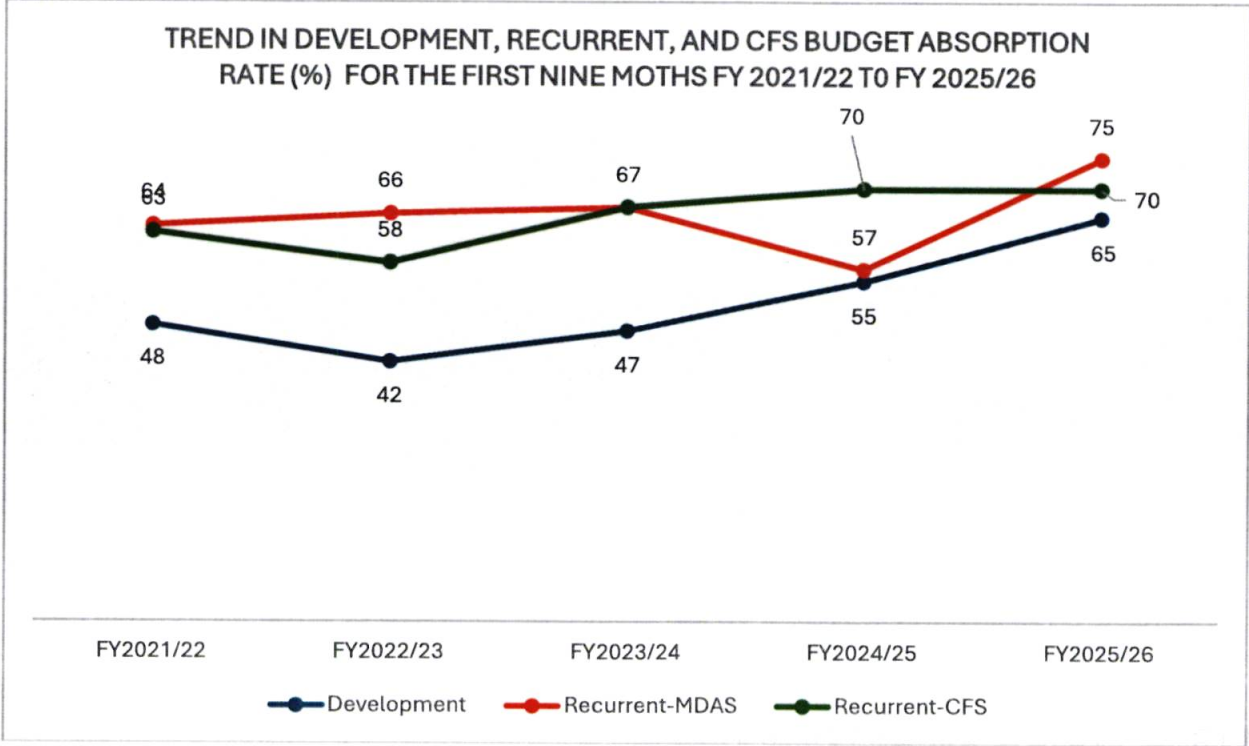
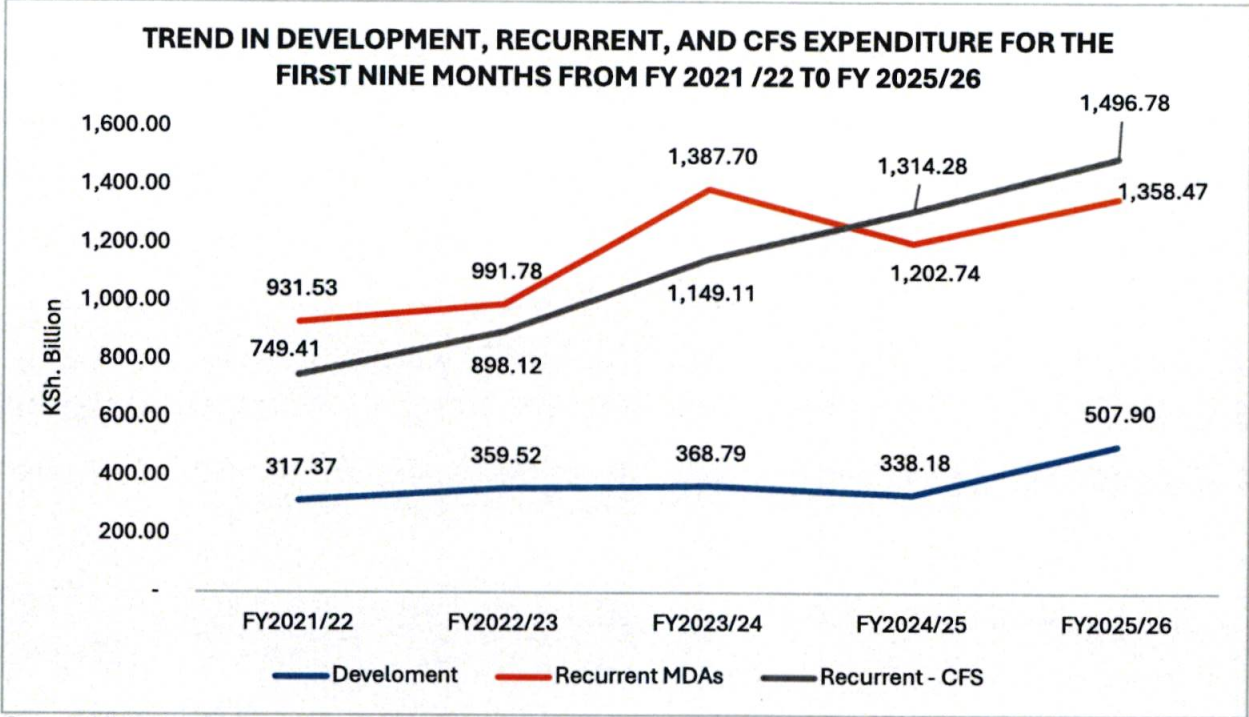


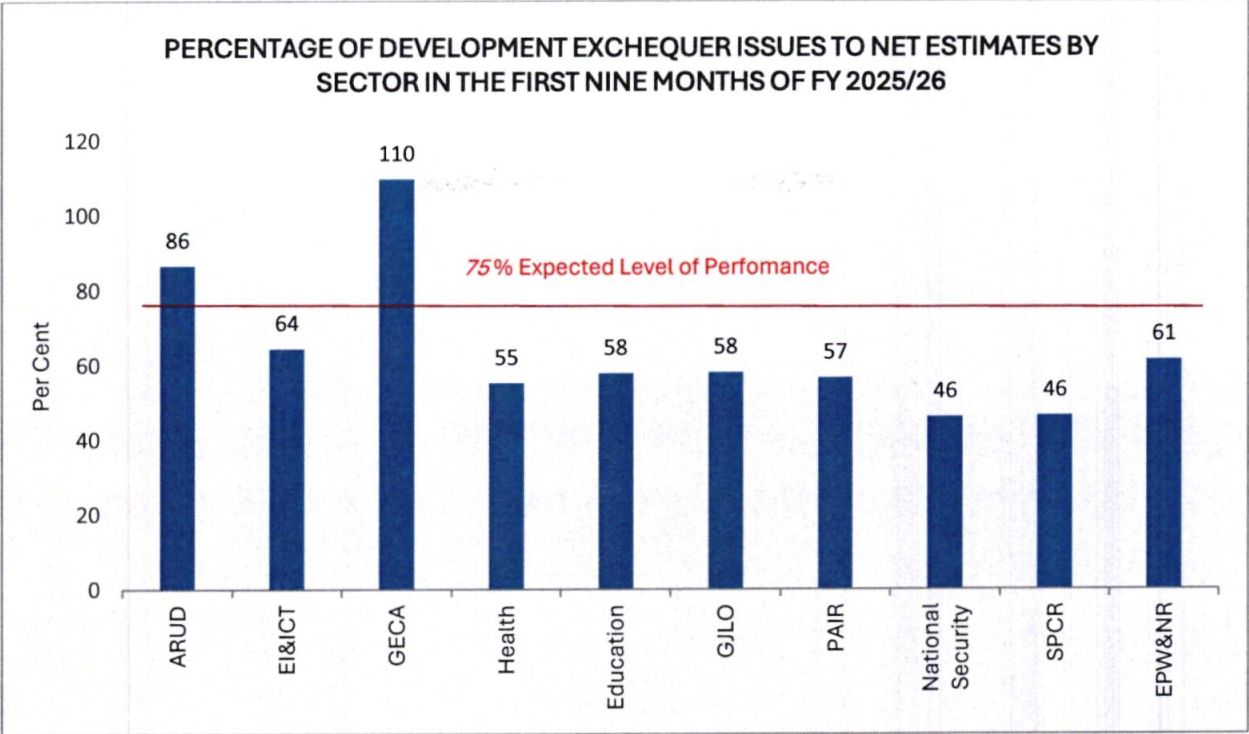
Source: Ministries, Departments and Agencies

TOP 10 MDAs ON RECURRENT EXPENDITURE THE FIRST NINE MONTHS OF FY 2025/26 (Kshs.Billion)

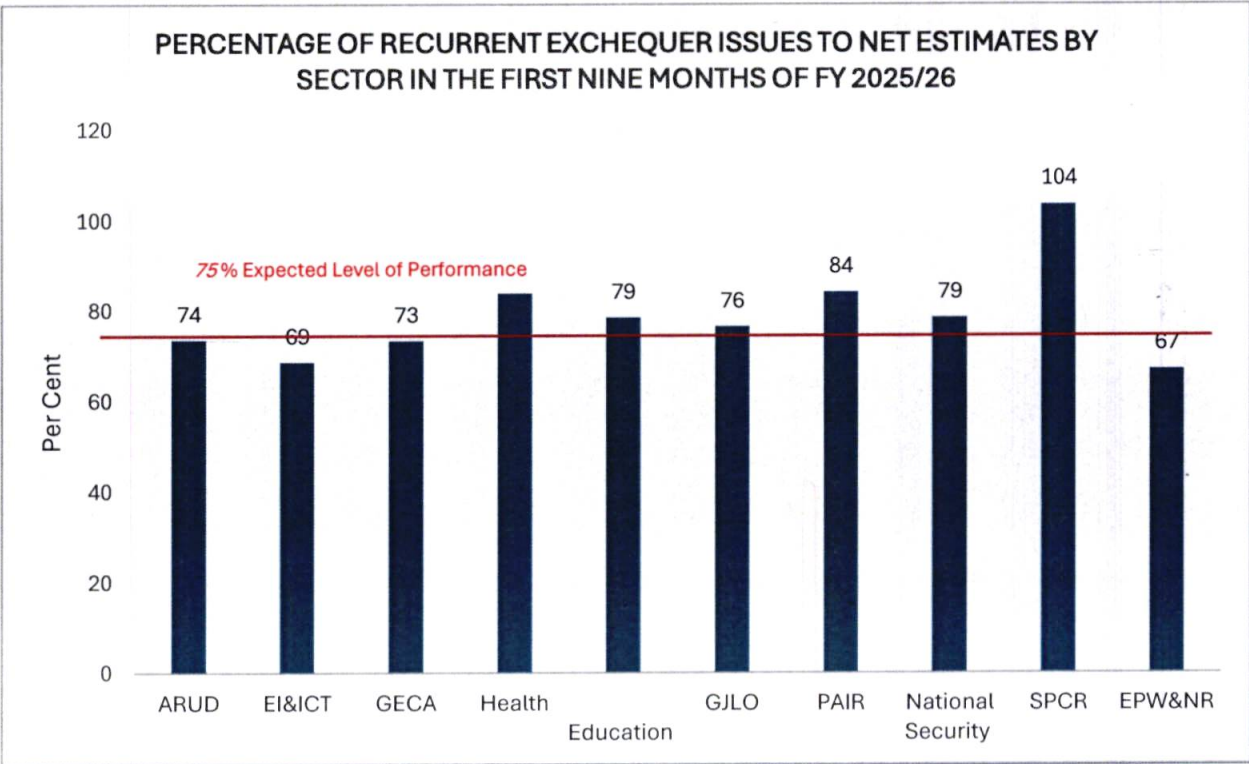


Source: Ministries, Departments and Agencies

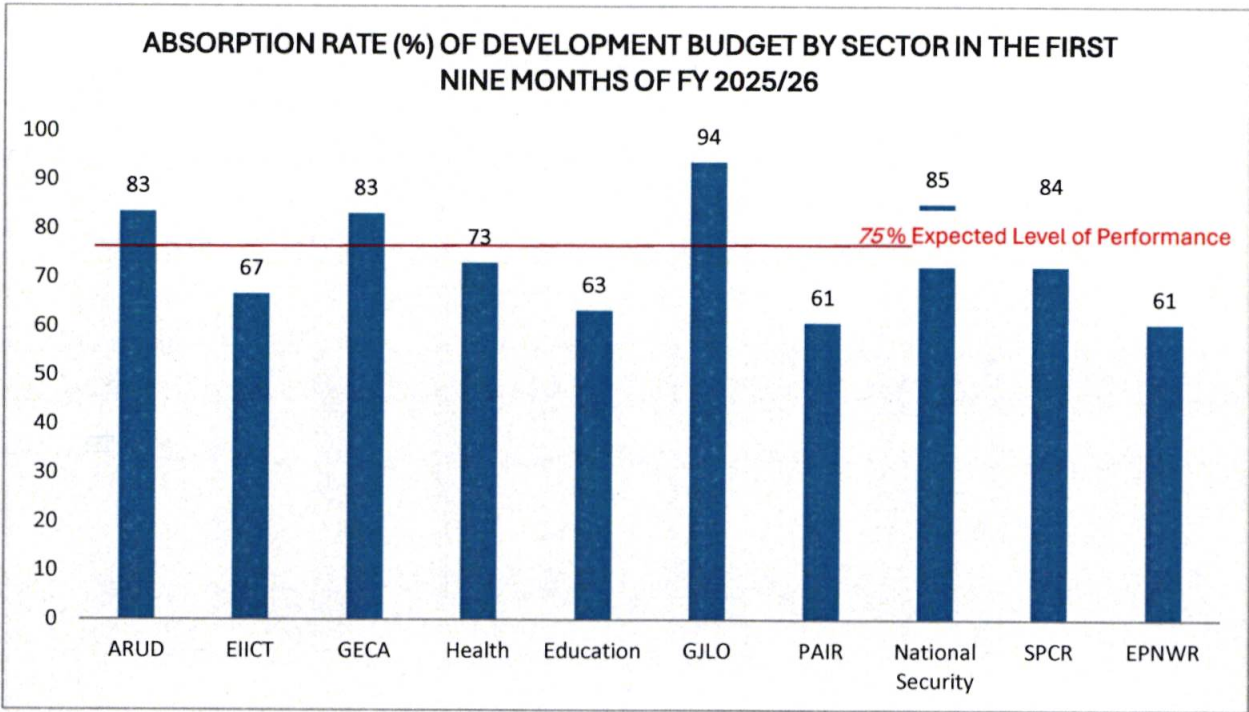




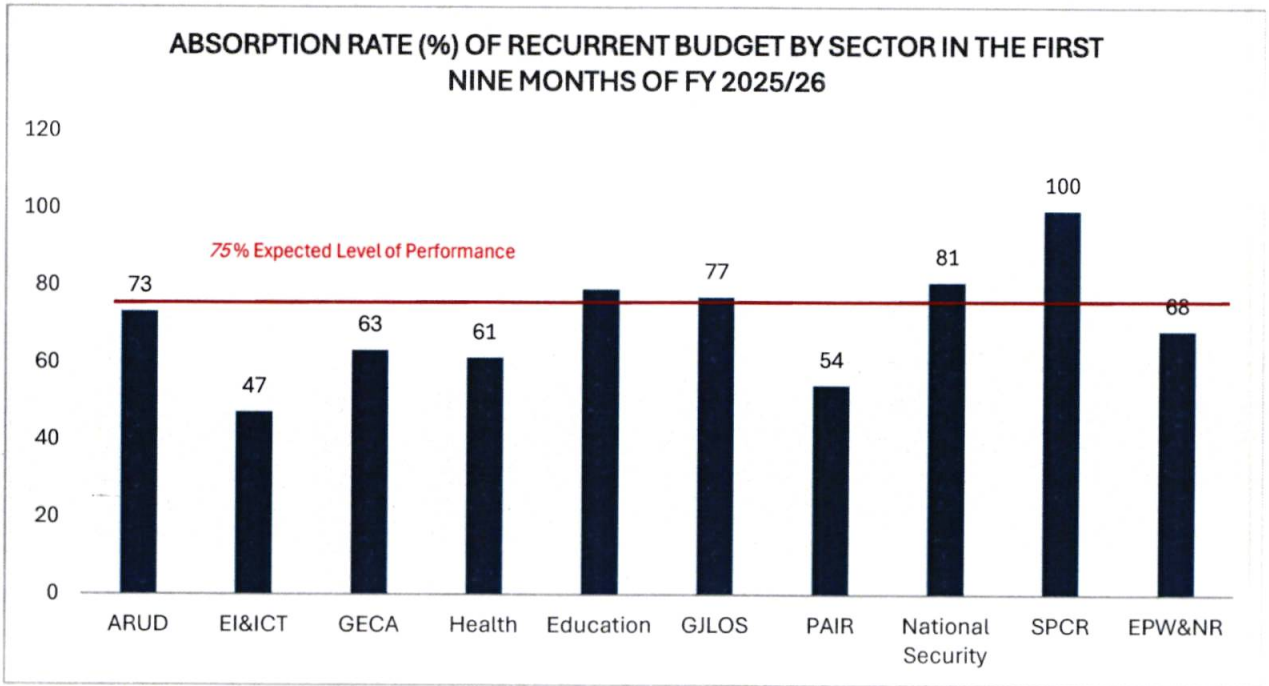
Source: Ministries, Departments and Agencies



Source: Ministries, Departments and Agencies

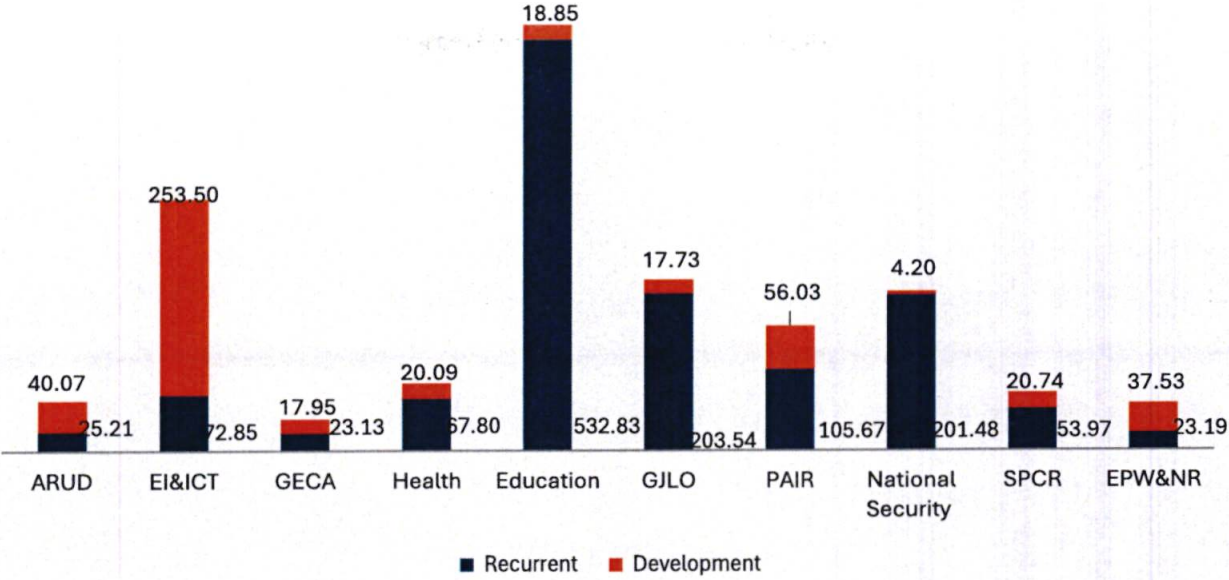


Source: Ministries, Departments and Agencies



Source: Ministries, Departments and Agencies

RECURRENT AND DEVELOPMENT EXPENDITURE BY SECTOR IN THE FIRST NINE MONTHS OF FY 2025/26 (Kshs.Billion)



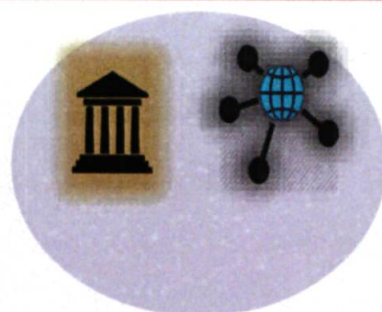
FY 2025/26 GROSS BUDGET BY SECTORS



Agriculture, Rural and Urban
Development ***Kshs.82.41 Bn***



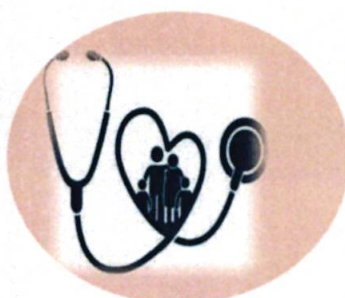
Energy, Infrastructure and ICT
Kshs. 534.63 Bn



Public Administration and International
Relations ***Kshs.321.50 Bn***



General Economics and Commercial
Affairs ***Kshs.58.16 Bn***



Health
Kshs. 138.11 Bn



Education
Kshs.703.07 Bn



National Security
Kshs.253.77 Bn



Governance, Justice, Law and Order
Kshs.283.04 Bn



Social Protection, Culture
and Recreation – ***Kshs.78.99***



Environmental Protection, Water and
Natural Resources – ***Kshs. 95.87 Bn***

1. INTRODUCTION

This report has been prepared in fulfilment of Article 228(6) of the Constitution of Kenya and Section 9 of the Controller of Budget Act, Cap 429, which requires the Controller of Budget to submit to each House of Parliament a report on the implementation of the budgets of the national and county governments every four months.

The report is presented in seven chapters. It is prepared in line with Section 9(2) of the Controller of Budget Act, Cap 429, which outlines the information the Controller of Budget must report in the quarterly budget implementation reports. To evaluate budget performance in the first nine months, the analysis assumes a linear relationship with projected performance at 75 per cent. Chapter one is the introduction. Chapter two presents the receipts into the Consolidated Fund and Exchequer releases to Ministries, Departments and Agencies, Consolidated Fund Services and the County Revenue Fund for the forty-seven counties. Exchequer issues performance is expressed as a percentage of the annual net estimates.

Chapter Three presents an overview of the national government budget implementation in the first nine months of FY 2025/26, performance of the Consolidated Fund Services, Ministerial expenditure by economic classification and the status of trade payables/pending bills for the National Government. The trade payables comprise of pending payments from MDAs and other government entities (Semi-Autonomous Government Agencies/State Corporation/State Owned Enterprises). Chapter Four presents the budget performance for the MDAs clustered into ten Sectors. The Sectors are classified in accordance with the United Nations Classification of Functions of Government, planned to support fiscal analysis by breaking down government fiscal statistics for comparability. The approved budget is referred to as the gross estimates while cumulative expenditure comprises paid and accrued expenses, disaggregated by programme, sub-programme, and project implementation by MDAs. Performance is assessed using the absorption rate, which is an expression of the expenditure relative to the annual budget.

A notable development during the reporting period was the creation of additional MDAs through Executive Order No. 1 of 2025, which repealed Executive Order No. 2 of 2023 and dissolved the State Department for Performance and Delivery Management, and established an additional seven State Departments. These include the State Department for National Government Coordination, Science Research and Innovation, Public Investments and Assets Management, Special Programmes, Aviation and Aerospace Development, Children Services and Justice, Human Rights and Constitutional Affairs. Their mandates are expanded in their respective sectors.

Chapter Five presents the key issues identified by the Controller of Budget as hindering effective budget implementation and provides recommendations to address them. Chapter six presents an emerging issue on Public Debt, specifically external debt and makes necessary recommendations for the government in debt management. Chapter Seven is the conclusion.

Annexes support the chapters. Annex I shows major foreign currencies exchange rates to Kenya Shillings, Annex II presents Exchequer issues under Article 223 of the Constitution, Annex III recurrent Vote Budget Performance, Annex IV details the MDAs' Recurrent Performance by Economic Classification, Annex V presents MDAs Development Expenditure, Annex VI shows Current Transfer to SAGAs, Annex VII shows Capital Transfers, Annex VIII and IX show MDAs' and State Corporations/State Owned Enterprises/SAGAs Trade Payables (over 270 days), Annexes X, XI and XII show sectors' budget performance for ministerial Development, Recurrent and for the both votes respectively.

2. ANALYSIS OF RECEIPTS AND EXCHEQUER ISSUES

2.1. Introduction

This chapter presents receipts into the Consolidated Fund and exchequer releases by the National Treasury for the first nine months of FY 2025/26. The funds released were used to fund Consolidated Fund Services, ministerial development expenditure, recurrent expenditure, and transfers to the forty-seven counties as an equitable share as per the County Allocation Revenue Act, 2025.

2.2. Revenue Estimates and Receipts into the Consolidated Fund

The Consolidated Fund is established under Article 206(1) of the Constitution of Kenya and refers to the account into which all money raised or received by or on behalf of the national government is paid. It excludes monies reasonably exempted by an Act of Parliament and payable into other public funds established for a specific purpose, or is retained by the State organ that received it to defray its expenses. Notably, at the beginning of FY 2023/24, the government directed that all fees collected by national government entities for services be deposited into the e-citizen account under Paybill number 222222.

To finance the budget, the government, through the National Treasury, targeted various revenue sources to raise revenue. The sources include Tax Revenue (Kshs.2.63 trillion), Non-Tax Revenue (Kshs.127.65 billion), Domestic borrowing (Kshs.1.10 trillion - comprising net domestic borrowing of Kshs.634.75 billion and internal debt redemption/roll-over of Kshs.463.51 billion), External Loans and Grants (Kshs.561.81 billion), and other domestic financing (Kshs.10.80 billion). The Government also targeted to raise Kshs.672 billion from Appropriations in Aid (A-I-A) comprising Kshs.334.26 billion recurrent A-I-A and Kshs.337.74 billion development A-I-A.

2.2.1 Receipts into the Consolidated Fund

In the first nine months of FY 2025/26, receipts into the Consolidated Fund amounted to Kshs.3.21 trillion, representing 72 per cent of the net annual target, an increase compared to Kshs.2.75 trillion (62 per cent of the annual target) recorded in the first nine months of FY 2024/25. The receipts comprised balance from the previous financial year (FY 2024/25), Tax and Non-Tax Revenue, Domestic borrowing, External Loans and Grants, and Other Domestic Financing. **Table 2.1** presents the statement of receipts for the Consolidated Fund in the first nine months of FY 2025/26.

Table 2.1: Statement of Receipts into the Consolidated Fund

Receipts Category	Original Estimates FY 2025/26 (Kshs.)	Receipts as of 31 st March 2026 (Kshs.)	Performance Against Annual Target (%)	Contribution by Category (%)	Receipts as of 31 st March 2025 (Kshs.)	Change over Receipts as of 31 st March 2026	Movement in (%)
Opening Balance 01.07.2024		6,427,596,936.91		-	1,165,472,645.45	5,262,124,291.46	82
Tax Revenue	2,627,062,211,976.26	1,717,632,657,365.50	65	54	1,579,435,426,664.20	138,197,230,701.30	8
Non-Tax Revenue	127,646,334,082.98	109,279,064,739.30	86	3	122,307,729,295.21	-13,028,664,555.91	(12)
Domestic Borrowing	1,098,261,888,821.11	965,873,747,167.15	88	30	731,598,268,573.30	234,275,478,593.85	24
External Loans and Grants	569,809,081,748.00	402,602,164,357.20	71	13	314,079,983,182.60	88,522,181,174.60	22

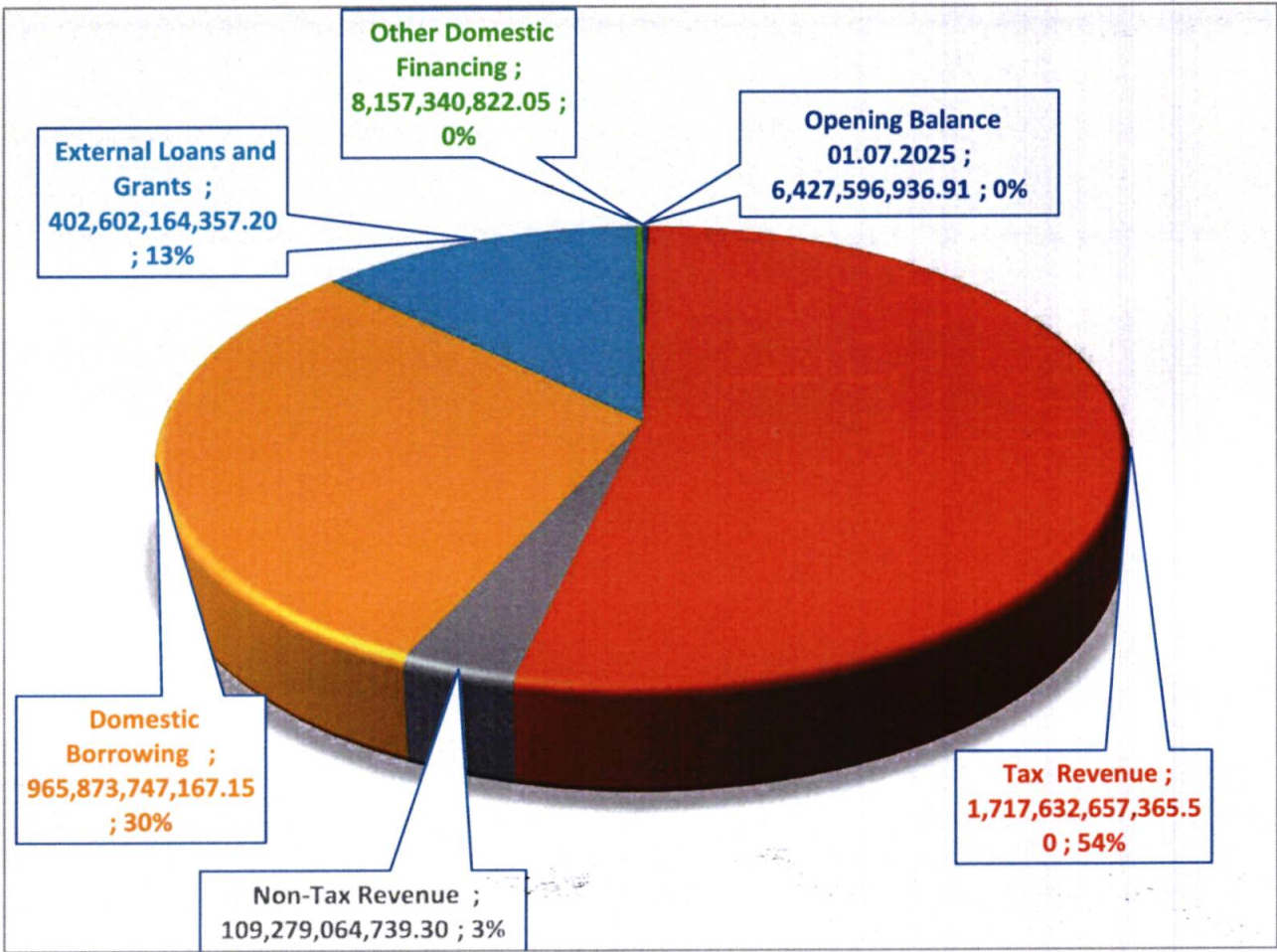
Receipts Category	Original Estimates FY 2025/26 (Kshs.)	Receipts as of 31 st March 2026 (Kshs.)	Performance Against Annual Target (%)	Contribution by Category (%)	Receipts as of 31 st March 2025 (Kshs.)	Change over Receipts as of 31 st March 2026	Movement in (%)
Other Domestic Financing	10,795,343,839.00	8,157,340,822.05	76	-	4,442,840,654.70	3,714,500,167.35	46
Total	4,433,574,860,467.35	3,209,972,571,388.11*	72	100	2,753,029,721,015.46	456,942,850,372.65	14

Source: National Treasury

*Includes Opening Balance

As shown in **Figure 2.1** tax revenue contributed the highest proportion of total receipts, at 54 per cent.

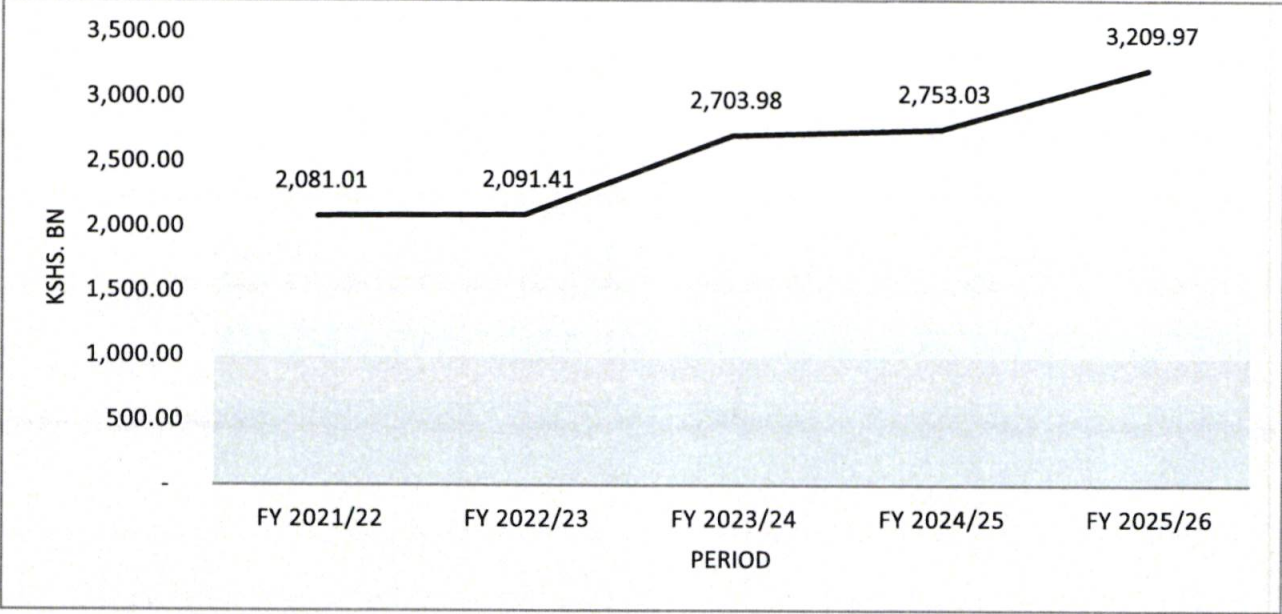
Figure 2.1: Contribution by Source into the Consolidated Fund (Kshs.)



Source: National Treasury

Figure 2.2 shows the trend of receipts into the Consolidated Fund in the first nine months of the financial years from FY 2021/2022 to FY 2025/26.

Figure 2.2: Receipts into the Consolidated Fund in the first nine months of the financial years from FY 2021/22 to FY 2025/26



Source: National Treasury

Figure 2.2 indicates that receipts into the consolidated fund grew by 14 per cent in the first nine months of FY 2025/26 compared with the same period in FY 2024/25. This was attributed to increased Domestic borrowing, which grew by 24 per cent.

2.3. Exchequer Releases

This section presents exchequer issues by the National Treasury as approved for withdrawal from the Consolidated Fund by the Controller of Budget in the first nine months of FY 2025/26. This is the amount the National Treasury issues from the Consolidated Fund and applies towards supply granted for services during the financial year to support budget expenditure excluding Appropriations in Aid.

In the first nine months of FY 2025/26, net exchequer issues to National and County governments amounted to Kshs.3.21 trillion, representing 72 per cent of the annual net estimates, compared to Kshs.2.64 trillion (59 per cent) issued in a similar period of FY 2024/25.

Table 2.2 summarises exchequer issues by the National Treasury in the first nine months of FY 2025/26.

Table 2.2: Summary of Exchequer Issues

Vote	First Nine Months of FY 2025/26				First Nine Months of FY 2024/25			
	Original Net Estimates (Kshs. Bn)	Exchequer Issues (Kshs. Bn)	% of Exch. Issues to Original Net Estimates	% of Exchequer issues to total Issues	Revised Net Estimates (Kshs. Bn)	Exchequer Issues (Kshs. Bn)	% of Exch. Issues to Revised Net Estimates	% of Exchequer issues to Total Issues
Recurrent	3,611.48	2,668.62	74	83	3,701.70	2,215.06	60	84
: MDAs	1,470.45	1,171.90	80	36	1,412.67	991.75	70	38
: CFS	2,141.03	1,496.72	70	47	2,289.03	1,223.30	53	46

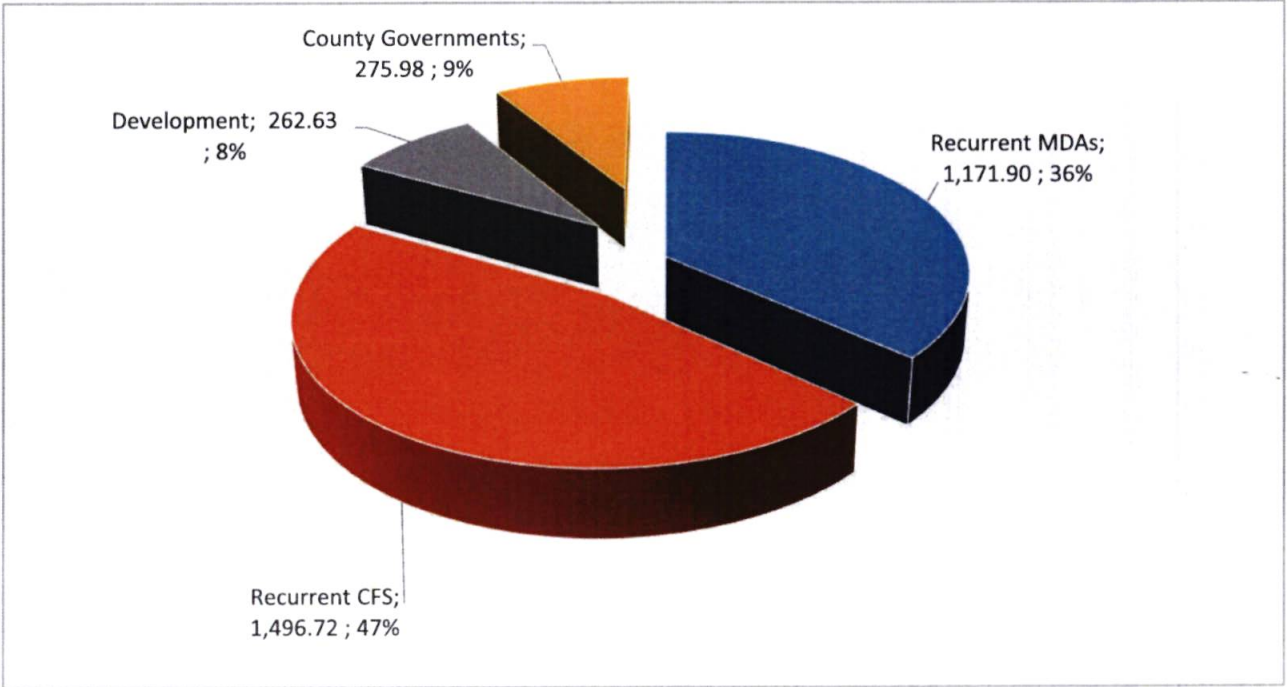
Vote	First Nine Months of FY 2025/26				First Nine Months of FY 2024/25			
	Original Net Estimates (Kshs. Bn)	Exchequer Issues (Kshs. Bn)	% of Exch. Issues to Original Net Estimates	% of Exchequer issues to total Issues	Revised Net Estimates (Kshs. Bn)	Exchequer Issues (Kshs. Bn)	% of Exch. Issues to Revised Net Estimates	% of Exchequer issues to Total Issues
Development (MDAs)	407.10	262.63	65	8	354.93	170.83	48	6
Sub-Total	4,018.57	2,931.25	73	91	4,056.64	2,385.89	59	90
County Governments*	415.00	275.98	67	9	418.26	255.54	61	10
Total	4,433.57	3,207.22	72	-	4,474.89	2,641.43	59	-

Source: National Treasury and OCOB

Table 2.2 shows that the Recurrent vote (MDAs and CFS budget) recorded the highest percentages of exchequer issues to net estimates, at 74 per cent, while the Ministerial Development vote recorded the lowest, at 65 per cent of the annual net estimates. The Consolidated Fund Services under the recurrent vote received the highest proportion of total exchequer issues, recording 47 per cent (Kshs. 1,496.72 billion), indicating it accounted for the largest portion of the receipts into the consolidated fund, while the Ministerial Development vote received the smallest portion at 8 per cent (Kshs.262.63 billion).

Figure 2.3 illustrates the proportion of exchequer issues by major category in the first nine months of FY 2025/26.

Figure 2.3: Proportion of Exchequer Issues by Vote (Kshs. Billion)



Source: National Treasury

2.4. Exchequer Issues by Sector

MDAs are classified into ten sectors according to the United Nations developed framework on Classification of Functions of Government (COFOG), which is designed to support fiscal analysis by breaking down Government Fiscal Statistics for comparability across sectors.

The ten sectors are (i) Agriculture, Rural and Urban Development, (ii) Education (iii) Energy, Infrastructure, and Information Communications Technology, (iv) Environment Protection, Water and Natural Resources (v) General Economic and Commercial Affairs (vi) Governance, Justice, Law and Order (vii) Health (viii) National Security (ix) Public Administration and International Relations and (x) Social Protection, Culture and Recreation.

In the first nine months of FY 2025/26, exchequer issues to the ten sectors (MDAs) amounted to Kshs.1.43 trillion, representing 76 per cent of the original annual net estimates of Kshs.1.88 trillion, compared to 66 per cent (Kshs.1.16 trillion) recorded in a similar period of FY 2024/25. Table 2.3 summarises the sector's exchequer issues in the first nine months of FY 2025/26.

Table 2.3: Exchequer Issues by Sector

Sector	First Nine Months of FY 2025/26			First Nine Months of FY 2024/25		
	Original Net Estimates (Kshs. Bn)	Exchequer Issues (Kshs. Bn)	Exchequer Issues as % of Original Net Estimates	Revised Net Estimates (Kshs. Bn)	Exchequer Issues (Kshs. Bn)	Exchequer Issues as % of Revised Net Estimates
ARUD	59.13	48.85	83	58.16	39.95	69
EIICT	147.05	95.39	65	121.78	54.90	45
GECA	36.25	32.40	89	40.04	19.46	49
Health	93.55	74.44	80	94.04	51.64	55
Education	624.74	485.58	78	604.27	440.82	73
GJLO	269.34	204.38	76	245.05	164.83	67
PAIR	291.45	213.13	73	280.88	164.58	59
National Security	242.01	189.69	78	227.87	160.59	70
SPCR	57.50	55.17	96	48.71	40.85	84
EPWNR	56.54	35.50	63	46.81	24.96	53
Total	1,877.56	1,434.53	76	1,767.60	1,162.59	66

Source: National Treasury

The Social Protection, Culture and Recreation Sector received the highest proportion of exchequer issues to revised net estimates at 96 per cent, which is attributed to high proportions of exchequer transfers to the State Department for Sports and the State Department for Social Protection and Senior Citizen Affairs at 410 per cent and 104 per cent, respectively, which were due to exchequer issues under Article 223 of the Constitution in the period under review.

2.4.1 Ministerial Development Exchequer Issues by Sector

In FY 2025/26, gross allocation to the development budget was Kshs.744.84 billion, representing 29 per cent of the gross ministerial budget of Kshs.2.55 trillion, compared to Kshs.641.17 billion allocated in FY 2024/25 following revision of the budget in Supplementary Estimates. Further analysis shows that the development ministerial expenditure allocation was 16 per cent of the gross national budget of Kshs.4.69 trillion. Table 2.4 shows sectoral development gross estimates and exchequer issues in the first nine months of FY 2025/26.

Table 2.4: Sectoral Development Estimates and Exchequer Issues

Sector	First Nine Months of FY 2025/26			First Nine Months of FY 2024/25		
	Net Estimates (Kshs. Bn)	Exchequer Issues (Kshs. Bn)	Exchequer Issues as % of Net Estimates	Revised Net Estimates (Kshs. Bn)	Exchequer Issues (Kshs. Bn)	Exchequer Issues as % of Revised Net Estimates
ARUD	41.46	35.85	86	39.42	27.62	70
EIICT	130.80	84.23	64	104.77	44.23	42
GECA	15.99	17.55	110	17.41	10.68	61
Health	18.78	10.35	55	23.76	8.78	37
Education	23.70	13.68	58	23.25	12.72	55
GJLO	8.91	5.16	58	5.79	5.27	91
PAIR	116.98	66.16	57	103.41	42.35	41
National Security	1.00	0.46	46	-	-	-
SPCR	7.66	3.55	46	6.28	3.66	58
EPWNR	41.82	25.64	61	30.86	15.53	50
Total	407.10	262.63	65	354.93	170.83	48

Source: National Treasury

Total development exchequer issues in the period under review amount to Kshs.262 billion, representing 65 per cent of the annual net estimates, compared to 48 per cent (Kshs.170.83 billion) in a similar period of FY 2024/25. Analysis of exchequer issues towards ministerial development expenditure by sector shows that the GECA sector received the highest proportion of exchequer issues to net estimates at 110 per cent, attributed to the State Department for the Cooperatives and the State Department for Micro, Small and Medium Enterprises Development, which received 186 and 165 per cent of their net development estimates under Article 223 of the Constitution. In comparison, the National Security and SPCR sectors received the lowest at 46 per cent.

Table 2.5 presents development issues for the MDAs across each of the ten sectors during the first nine months of FY 2025/26.

Table 2.5: Development Excheque Issues to MDAs by Sectors

Sector and Respective Votes	Net Estimates (Kshs.Million)	Exchequer Issues (Kshs. Million)	% Exchequer Issues Net Estimates (Kshs. Million)
Agriculture, Rural and Urban Development			
State Department for Lands and Physical Planning	3,505.39	3,200.39	91
State Department for Livestock Development	4,076.06	2,746.14	67
State Department for Agriculture	29,114.81	25,383.32	87
State Department for the Blue Economy and Fisheries	4,206.73	4,193.58	100
National Land Commission	556.10	326.71	59
Sub-Total	41,459.09	35,850.14	86
Energy, Infrastructure and Information Communication Technology			
State Department for Roads	76,244.24	48,915.63	64
State Department of Transport	4,322.24	3,769.26	87
State Department for Shipping and Maritime Affairs	165.60	165.60	100
State Department for Housing and Urban Development	20,890.36	8,029.28	38
State Department for Public Works	703.00	51.05	7
State Department for Aviation and Aerospace Development	358.81	165.60	46
State Department for Information Communications Technology & Digital Economy	6,485.20	4,196.00	65
State Department for Broadcasting & Telecommunications	356.05	190.46	53
State Department for Energy	21,120.89	18,749.07	89
State Department for Petroleum	150.00	1.10	1
Sub-Total	130,796.38	84,233.07	64
General Economics and Commercial Affairs			
State Department for Trade	369.85	285.60	77
State Department for the ASALs and Regional Development	3,508.69	2,439.00	70
State Department for Industry	5,822.25	5,485.29	94
State Department for Micro, Small and Medium Enterprises Development	2,761.78	4,546.49	165
State Department for Investment Promotion	2,061.03	2,057.50	100
State Department for Cooperatives	1,471.38	2,732.22	186
Sub-Total	15,994.97	17,546.11	110
Health			
State Department for Medical Services	13,615.07	7,649.11	56
State Department for Public Health and Professional Standards	5,161.19	2,697.94	52
Sub-Total	18,776.26	10,347.05	55
Education			
State Department for Vocational and Technical Training	2,109.62	1,916.45	91
State Department for Higher Education and Research	2,741.97	2,574.18	94
State Department for Basic Education	18,180.45	8,976.48	49

Sector and Respective Votes	Net Estimates (Kshs.Million)	Exchequer Issues (Kshs. Million)	% Exchequer Issues Net Estimates (Kshs. Million)
Teachers Service Commission	671.00	217.47	32
Sub-Total	23,703.05	13,684.58	58
Governance, Justice, Law, and Order (GJLOS)			
State Department for Correctional Services	309.00	181.88	59
State Department for Immigration and Citizen Services	1,670.27	345.62	21
National Police Service	1,212.81	651.52	54
State Department for Internal Security and National Administration	3,965.78	3,582.64	90
The State Law Office	300.00	159.09	53
The Judiciary	1,152.94	179.83	16
Ethics and Anti-Corruption Commission	180.00	63.40	35
Sub-Total	8,906.81	5,163.97	58
Public Administration and International Relations			
The Executive Office of the President	1,034.00	547.09	53
Office of the Deputy President	100.00	19.16	19
State House	894.91	617.86	69
State Department for National Government Coordination	22.00	21.36	97
State Department for Devolution	15,915.12	2,053.53	13
State Department for Special Programmes	165.60	82.80	50
State Department for Economic Planning	59,300.11	40,545.05	68
State Department for Public Investments and Assets Management	736.00	398.79	54
State Department for Foreign Affairs	2,346.40	1,154.15	49
The National Treasury	33,060.49	17,934.04	54
State Department for Public Service	1,511.41	1,219.72	81
Parliamentary Joint Services	1,565.00	1,544.26	99
Auditor General	330.00	17.31	5
Sub-Total	116,981.04	66,155.12	57
National Security			
Ministry of Defence	1,000.00	460.39	46
Sub-Total	1,000.00	460.39	46
Social Protection, Culture and Recreation			
State Department for Youth Affairs and Creative Economy	2,172.43	880.61	41
State Department for Sports	100.00	80.00	80
State Department for Culture and Heritage	56.98	25.00	44
State Department for Labour and Skills Development	768.60	311.05	40
State Department for Social Protection and Senior Citizen Affairs	187.13	133.20	71
State Department for Children Welfare Services	244.00	71.34	29

Sector and Respective Votes	Net Estimates (Kshs.Million)	Exchequer Issues (Kshs. Million)	% Exchequer Issues Net Es- timates (Kshs. Million)
State Department for Gender and Affirmative Action	4,128.95	2,049.86	50
Sub-Total	7,658.09	3,551.06	46
Environment Protection, Water, and Natural Resources			
State Department of Water and Sanitation	31,016.98	18,606.65	60
State Department for Irrigation	4,963.18	3,122.83	63
State Department for Environment and Climate Change	1,864.70	981.89	53
State Department for Forestry	2,336.04	1,898.78	81
State Department for Mining	267.17	5.12	2
State Department for Wildlife	1,376.08	1,020.26	74
Sub-Total	41,824.15	25,635.53	61
Grand Total	407,099.84	262,627.03	65

Source: National Treasury

2.4.2 Ministerial Recurrent Exchequer Issues by Sector

In FY 2025/26, the gross ministerial recurrent budget amounted to Kshs.1.80 trillion, representing 71 per cent of the ministerial expenditure allocation, compared to the revised allocation of Kshs.1.73 trillion in the first nine months of FY 2024/25. Further analysis shows that recurrent ministerial expenditure allocation was 38 per cent of the gross national budget of Kshs.4.69 trillion. Table.2.6 shows the sectoral recurrent estimates and exchequer issues in the first nine months of FY 2025/26.

Table 2.6: Sectoral Recurrent Estimates and Exchequer Issues

Name of the Sector	First nine months of FY 2025/26			First nine months of FY 2024/25		
	Net Estimates (Kshs. Bn)	Exchequer Issues (Kshs. Bn)	Exchequer Issues as % of Net Estimates	Revised Net Estimates	Exchequer Issues (Kshs. Bn)	Exchequer Issues as % of Revised Net Estimates
ARUD	17.67	13.00	74	18.74	12.33	66
EIICT	16.25	11.15	69	17.01	10.67	63
GECA	20.26	14.86	73	22.63	8.78	39
Health	74.78	64.10	86	70.28	42.86	61
Education	601.03	471.89	79	581.01	428.10	74
GJLO	260.43	199.21	76	239.26	159.57	67
PAIR	174.46	146.97	84	177.48	122.23	69
National Security	241.01	189.23	79	227.87	160.59	70
SPCR	49.84	51.62	104	42.44	37.19	88
EPWNR	14.71	9.87	67	15.95	9.43	59
Total	1,470.45	1,171.90	80	1,412.67	991.75	70

Source: National Treasury and OCOB

Total exchequer issues for recurrent ministerial expenditure in the first nine months of FY 2025/26 amount to Kshs.1.17 trillion, representing 80 per cent of the annual net estimates, compared to 70 per cent (Kshs.991.75 billion) recorded in a similar period of FY 2024/25.

A review of Ministerial recurrent exchequer issues shows that the SPCR sector accounted for the highest percentage of exchequer issues to annual net estimates at 104 per cent, attributed to the disbursement of Kshs.4.67 billion (441 per cent of net annual estimates) for the State Department for Sports and Kshs. 30.28 billion (104 per cent of net annual estimates) to the State Department for Social Protection and Senior Citizen Affairs, which received funding under Article 223 of the Constitution. In comparison, the Environment Protection, Water and Natural Resources (EPWNR), sector received the lowest proportion at 67 per cent. Table 2.7 shows recurrent exchequer issues to the MDAs in each of the ten sectors during the first nine months of FY 2025/26.

Table 2.7: Recurrent Issues to the MDAs in each of the ten sectors

Sector and Respective Votes	Original Net Estimates (Kshs. Million)	Exchequer Issues (Kshs. Million)	% Exchequer Issues to Net Estimates
Agriculture, Rural and Urban Development			
State Department for Lands and Physical Planning	3,252.17	2,279.44	70
State Department for Livestock Development	2,728.71	2,047.22	75
State Department for Agriculture	6,006.31	4,466.49	74
State Department for the Blue Economy and Fisheries	2,877.20	2,138.67	74
National Land Commission	2,803.23	2,067.37	74
Sub-Total	17,667.62	12,999.18	74
Energy, Infrastructure and Information Communication Technology			
State Department for Roads	1,325.04	975.94	74
State Department of Transport	2,468.79	1,668.85	68
State Department for Shipping and Maritime Affairs	470.78	306.57	65
State Department of Housing and Urban Development	1,813.44	1,109.00	61
State Department for Public Works	2,153.32	1,454.93	68
State Department for Aviation and Aerospace Development	230.36	104.87	46
State Department for Information Communications Technology & Digital Economy	3,130.59	2,241.41	72
State Department for Broadcasting & Telecommunications	3,482.16	2,382.25	68
State Department for Energy	879.88	659.61	75
State Department for Petroleum	295.00	250.27	85
Sub-Total	16,249.36	11,153.72	69
General Economics and Commercial Affairs			
State Department for Trade	2,342.47	1,723.00	74
State Department for the ASALs and Regional Development	6,595.08	5,408.76	82
State Department for Industry	2,711.77	1,919.60	71
State Department for Micro, Small and Medium Enterprises Development	1,437.21	1,205.12	84

Sector and Respective Votes	Original Net Estimates (Kshs. Million)	Exchequer Issues (Kshs. Million)	% Exchequer Issues to Net Estimates
State Department for Investment Promotion	709.44	673.94	95
State Department for the East African Community	1,034.73	549.54	53
State Department for Cooperatives	4,664.38	2,833.28	61
State Department for Tourism	760.96	545.45	72
Sub-Total	20,256.03	14,858.68	73
Health			
State Department for Medical Services	57,204.61	43,319.20	76
State Department for Public Health and Professional Standards	17,573.68	20,778.48	118
Sub-Total	74,778.29	64,097.68	86
Education			
State Department for Vocational and Technical Training	20,430.11	17,114.64	84
State Department for Higher Education and Research	86,164.03	76,088.94	88
State Department for Basic Education	108,054.10	81,743.33	76
State Department for Science, Innovation and Research	832.87	531.46	64
Teachers Service Commission	385,552.36	296,415.09	77
Sub-Total	601,033.47	471,893.46	79
Governance, Justice, Law, and Order			
State Department for Correctional Services	37,832.70	27,055.53	72
State Department for Immigration and Citizen Services	9,180.03	7,268.46	79
National Police Service	125,312.63	92,236.56	74
State Department for Internal Security and National Administration	31,734.47	33,263.33	105
The State Law Office	4,522.22	3,051.90	67
The State Department for Justice, Human Rights, and Constitutional Affairs	1,020.34	510.91	50
The Judiciary	24,871.35	18,653.52	75
Ethics and Anti-Corruption Commission	4,306.26	2,860.19	66
Office of the Director of Public Prosecutions	4,388.13	3,953.82	90
Office of the Registrar of Political Parties	2,486.99	2,027.61	82
Witness Protection Agency	841.21	607.10	72
Kenya National Commission on Human Rights	530.33	318.61	60
Independent Electoral and Boundaries Commission	9,302.35	4,553.64	49
Judicial Service Commission	842.41	628.44	75
National Police Service Commission	1,390.84	871.85	63
National Gender and Equality Commission	556.49	426.56	77
Independent Policing Oversight Authority	1,315.88	925.29	70
Sub-Total	260,434.65	199,213.31	76
Public Administration and International Relations			

Sector and Respective Votes	Original Net Estimates (Kshs. Million)	Exchequer Issues (Kshs. Million)	% Exchequer Issues to Net Estimates
The Executive Office of the President	4,520.30	3,750.32	77
Office of the Deputy President	2,968.83	3,531.64	129
Office of the Prime Cabinet Secretary	356.64	331.95	93
State Department for Parliamentary Affairs	363.51	225.06	62
State Department for Cabinet Affairs	228.72	129.97	57
State House	7,681.90	12,333.08	161
State Department for National Government Coordination	1,022.34	529.85	52
State Department for Devolution	1,331.23	1,055.87	79
State Department for Special Programmes	488.08	6,926.32	1,419
State Department for Economic Planning	3,393.42	2,442.17	72
State Department for Public Investments and Assets Management	2,832.40	1,600.20	56
State Department for Foreign Affairs	22,734.81	15,400.02	68
State Department for Diaspora Affairs	717.83	449.55	63
The National Treasury	48,499.59	44,202.88	91
State Department for Public Service	16,802.84	12,142.72	72
Parliamentary Service Commission	2,839.87	2,311.71	81
National Assembly	28,568.56	19,354.84	68
Parliamentary Joint Services	6,794.11	4,689.83	69
Senate	8,199.17	6,230.56	76
The Commission on Revenue Allocation	370.01	216.30	58
Public Service Commission	3,546.68	2,312.62	65
Salaries and Remuneration Commission	751.72	460.67	61
Auditor General	7,952.03	5,414.77	68
Controller of Budget	826.09	460.61	56
The Commission on Administrative Justice	674.21	468.41	69
Sub-Total	174,464.89	146,971.95	88
National Security			
Ministry of Defence	189,561.65	138,422.91	73
National Intelligence Service	51,447.23	50,807.19	99
Sub-Total	241,008.88	189,230.11	79
Social Protection, Culture and Recreation			
State Department for Youth Affairs and Creative Economy	2,048.04	1,753.21	86
State Department for Sports	1,058.46	4,670.45	441
State Department for Culture and Heritage	2,137.87	1,819.12	85
State Department for Labour and Skills Development	1,615.11	1,322.12	82
State Department for Social Protection and Senior Citizen Affairs	29,029.75	30,276.27	104

Sector and Respective Votes	Original Net Estimates (Kshs. Million)	Exchequer Issues (Kshs. Million)	% Exchequer Issues to Net Estimates
State Department for Children Welfare Services	12,073.12	10,661.52	88
State Department for Gender and Affirmative Action	1,880.15	1,115.52	59
Sub-Total	49,842.49	51,618.21	104
Environment Protection, Water and Natural Resources			
State Department of Water and Sanitation	3,119.94	2,222.55	71
State Department for Irrigation	647.22	455.79	70
State Department for Environment and Climate Change	2,551.99	1,722.36	67
State Department for Forestry	3,982.17	3,005.47	75
State Department for Mining	613.41	540.48	88
State Department for Wildlife	3,799.50	1,920.28	51
Sub-Total	14,714.24	9,866.93	67
Grand Total	1,470,449.92	1,171,903.23	80

Source: National Treasury and OCOB

2.4.3 Exchequer Issues to the Consolidated Fund Services

The Consolidated Fund Services (CFS) comprises funds allocated towards (i) Repayment of Public Debt (domestic and foreign) and government-guaranteed loans to parastatals, (ii) Pensions and Gratuities, (iii) Salaries and Allowances to Constitutional Officeholders and Miscellaneous Services, and (iv) Subscriptions to International Organizations.

The allocation to CFS in FY 2025/26 amounted to Kshs.2.14 trillion, representing 46 per cent of the gross national budget, compared to Kshs.1.99 trillion allocated in FY 2024/25 as revised in Supplementary Estimates III from Kshs.2.29 trillion revised in Supplementary Estimates II and I from the original estimates of Kshs.211 trillion. Table 2.8 shows the exchequer issues to CFS in the first nine months of FY 2025/26.

Table 2.8: CFS Budgetary Allocation and Exchequer Issues

CFS Category	First Nine Months of FY 2025/26			First Nine Months of FY 2024/25		
	Original Net Estimates (Kshs. Billion)	Exchequer Issues (Kshs. Billion)	% of Exchequer to Net estimates	Revised Net Estimates (Kshs. Billion)	Exchequer Issues (Kshs. Billion)	% of Exchequer to Revised Net Estimates
Public Debt	1,901.39	1,364.69	72	2,042.06	1,085.81	53
Pensions and Gratuities	234.90	129.22	55	223.15	115.14	52
Salaries, Allowances & Miscellaneous Services	4.74	2.80	59	23.82	22.36	94
Total	2,141.03	1,496.72	70	2,289.03	1,223.30	53

Source: National Treasury and OCOB

In the first nine months of FY 2025/26, exchequer issues to CFS amounted to Kshs.1.50 trillion, representing 70 per cent of the annual net estimates, compared to 53 per cent (Kshs.1.22 trillion), issued in

a similar period of FY 2024/25. Public debt received the highest proportion of exchequer issues to approved net estimates at 72 per cent, while Pension and Gratuities had the lowest at 55 per cent.

2.4.4 Exchequer Issues from Consolidated Fund to County Revenue Fund

In FY 2025/26, the Equitable Shareable Allocations to County Governments as per the County Allocation of Revenue Act, 2025 totals Kshs.415 billion. Total exchequer issues from the Consolidated Fund to the County Revenue Fund amount to Kshs. 275.98 billion, representing 67 per cent of the Equitable Share Allocation. Table 2.9 shows exchequer issues to county governments in the first nine months of FY 2025/26 from the Consolidated Fund to the forty-seven County Revenue Fund accounts.

Table 2.9: Exchequer Issues to County Revenue Fund

CODE	COUNTY GOVERNMENTS	EQUITABLE SHARE NATIONAL Kshs.	Exchequer Issues as at 31 st March 2026 Kshs.	% of Exchequer Issues Equitable Share
		A	B	
4460	BARINGO	7,083,683,384.00	4,710,649,450.00	66
4760	BOMET	7,447,200,499.00	4,952,388,331.00	66
4910	BUNGOMA	11,838,054,666.00	7,872,306,354.00	67
4960	BUSIA	7,956,564,058.00	5,291,115,098.00	66
4360	ELGEYO/MARAKWET	5,515,146,712.00	3,667,572,564.00	67
3660	EMBU	6,077,441,672.00	4,041,498,711.00	66
3310	GARISSA	8,877,784,676.00	5,903,726,810.00	67
5110	HOMA BAY	8,646,376,063.00	5,749,840,082.00	67
3510	ISIOLO	5,631,357,298.00	3,744,852,603.00	66
4660	KAJIADO	8,894,254,886.00	5,914,679,499.00	66
4810	KAKAMEGA	13,674,848,566.00	9,093,774,297.00	67
4710	KERICHO	7,178,668,356.00	4,773,814,458.00	67
4060	KIAMBU	13,071,817,986.00	8,692,758,960.00	66
3110	KILIFI	12,813,396,770.00	8,520,908,852.00	66
3960	KIRINYAGA	6,151,661,892.00	4,090,855,159.00	67
5210	KISII	9,819,721,768.00	6,530,114,976.00	67
5060	KISUMU	8,902,026,938.00	5,919,847,914.00	67
3710	KITUI	11,503,907,837.00	7,650,098,712.00	67
3060	KWALE	9,078,699,643.00	6,037,335,263.00	67
4510	LAIKIPIA	6,104,082,008.00	4,059,214,534.00	66
3210	LAMU	3,857,621,205.00	2,565,318,102.00	67
3760	MACHAKOS	10,179,132,681.00	6,769,123,234.00	67
3810	MAKUENI	8,976,335,654.00	5,969,263,210.00	67
3410	MANDERA	12,265,064,993.00	8,156,268,221.00	67
3460	MARSABIT	8,105,669,078.00	5,390,269,937.00	67
3560	MERU	10,553,946,059.00	7,018,374,129.00	66
5160	MIGORI	8,883,939,719.00	5,907,819,912.00	66
3010	MOMBASA	8,383,385,281.00	5,574,951,213.00	67

CODE	COUNTY GOVERNMENTS	EQUITABLE SHARE NATIONAL Kshs.	Exchequer Issues as at 31 st March 2026 Kshs.	% of Exchequer Issues Equitable Share
		A	B	
4010	MURANG'A	7,969,464,876.00	5,299,694,143.00	67
5310	NAIROBI	21,417,128,397.00	14,242,390,384.00	66
4560	NAKURU	14,455,147,658.00	9,612,673,193.00	67
4410	NANDI	7,771,778,066.00	5,168,232,414.00	67
4610	NAROK	9,770,317,146.00	6,497,260,902.00	66
5260	NYAMIRA	6,073,434,356.00	4,038,833,848.00	67
3860	NYANDARUA	6,662,675,631.00	4,430,679,295.00	67
3910	NYERI	6,896,132,673.00	4,585,928,227.00	66
4210	SAMBURU	6,336,970,364.00	4,214,085,292.00	66
5010	SIAYA	7,754,478,885.00	5,156,728,458.00	66
3260	TAITA TAVETA	5,760,449,685.00	3,830,699,040.00	66
3160	TANA RIVER	7,222,474,730.00	4,802,945,696.00	67
3610	THARAKA NITHI	5,058,286,293.00	3,363,760,385.00	67
4260	TRANS-NZOIA	7,991,120,837.00	5,314,095,356.00	66
4110	TURKANA	13,892,577,371.00	9,238,563,949.00	66
4310	UASIN GISHU	8,977,014,770.00	5,969,714,822.00	66
4860	VIHIGA	6,008,751,224.00	3,995,819,564.00	67
3360	WAJIR	10,507,580,683.00	6,987,541,154.00	66
4160	WEST POKOT	7,002,426,007.00	4,656,613,293.00	66
Total		415,000,000,000.00	275,975,000,000.00	67

Source: National Treasury

2.4.5 Exchequer Issues Under Article 223 of the Constitution

Article 223 of the Constitution allows the national government to access additional funding during the budget implementation by spending money that has not been appropriated if the amount appropriated for any purpose under the Appropriation Act is insufficient or a need for unbudgeted expenditure arises for which no amount has been appropriated, or money has been withdrawn from the Contingencies Fund.

The total approved additional funding under Article 223 of the Constitution by the Cabinet Secretary, National Treasury, amounted to Kshs.276.76 billion, comprising Kshs.68.77 billion for development expenditure and Kshs.207.99 billion for recurrent expenditure, representing 6 per cent of the gross national budget. This was within the Constitutional threshold of ten per cent of the sum appropriated by Parliament in any particular financial year (Kshs.4.69 trillion for FY 2025/26) in line with Article 223(5) of the Constitution.

In the first nine months of FY 2025/26, exchequer issues pursuant to Article 223 of the Constitution of Kenya was Kshs. 206.81 billion, comprising Kshs.19.47 billion for development expenditure and Kshs.185.34 billion for recurrent expenditure, representing 4 per cent of the gross estimates, compared to 2 per cent (Kshs.42.22 billion), issued in a similar period of FY2024/25.

Table 2.10 shows exchequer issues under Article 223 of the Constitution of Kenya during the first nine months of FY2025/26.

Table 2.10: Exchequer Issues Under Article 223 of the Constitution of Kenya

Ministry/ Department/ Agency	Category	Gross Estimates (Kshs. 'Million')	Approved by Cabinet Secretary (CS) 0National Treasury (Kshs.' Million')	Requests for Withdrawals Approved by Controller of Budget (Kshs. 'Million')	Percentage (%) of Approved Requisitions to Gross Estimates
National Treasury	Recurrent	64,379.79	4,845.20	1,927.49	3
	Development	42,499.59	1,875.17	1,875.17	4
	CFS – Public Debt	2,141,025.10	144,417.38	144,401.05	7
	Sub-total	2,247,904.48	151,137.75	148,203.71	7
State Department for Internal Security and National Administration	Recurrent	31,864.54	8,901.62	6,121.90	19
	Development	3,965.78	1,842.00	-	-
	Sub-total	35,830.31	10,743.62	6,121.90	17
State Department for Roads	Recurrent	71,541.30	-	-	-
	Development	150,253.22	23,513.11	4,093.11	3
	Sub-total	221,794.52	23,513.11	4,093.11	2
State Department for Higher Education and Research	Recurrent	140,953.02	3,880.97	3,880.97	3
	Development	2,781.97	150.00	150.00	5
	Sub-total	143,735.00	4,030.97	4,030.97	3
State Department for Social Protection and Senior Citizens Affairs	Recurrent	29,132.89	3,710.00	3,560.00	12
	Development	187.13	-	-	-
	Sub-total	29,320.02	3,710.00	3,560.00	12
State Department for Economic Planning	Recurrent	3,679.52	-	-	-
	Development	59,360.11	2,629.99	2,629.99	4
	Sub-total	63,039.63	2,629.99	2,629.99	4
State Department for Special Programmes	Recurrent	488.08	9,000.00	5,605.84	1149
	Development	165.6	-	-	-
	Sub-total	653.69	9,000.00	5,605.84	858
State House	Recurrent	7,684.00	5,800.00	4,451.93	58
	Development	894.91	-	-	-
	Sub-total	8,578.91	5,800.00	4,451.93	52
State Department for Early Learning & Basic Education	Recurrent	109,421.77	3,100.00	3,100.00	3
	Development	18,490.45	1,656.48	-	-
	Sub-total	127,912.22	4,756.48	3,100.00	2
State Department for Cooperatives	Recurrent	5,877.61	-	-	-
	Development	1,471.38	2,000.00	2,000.00	136
	Sub-total	7348.99	2,000.00	2,000.00	27
Executive Office of the President	Recurrent	4,535.30	318.51	252.36	6
	Development	1,034.00	-	66.15	6
	Sub-total	5,569.31	318.51	318.51	6

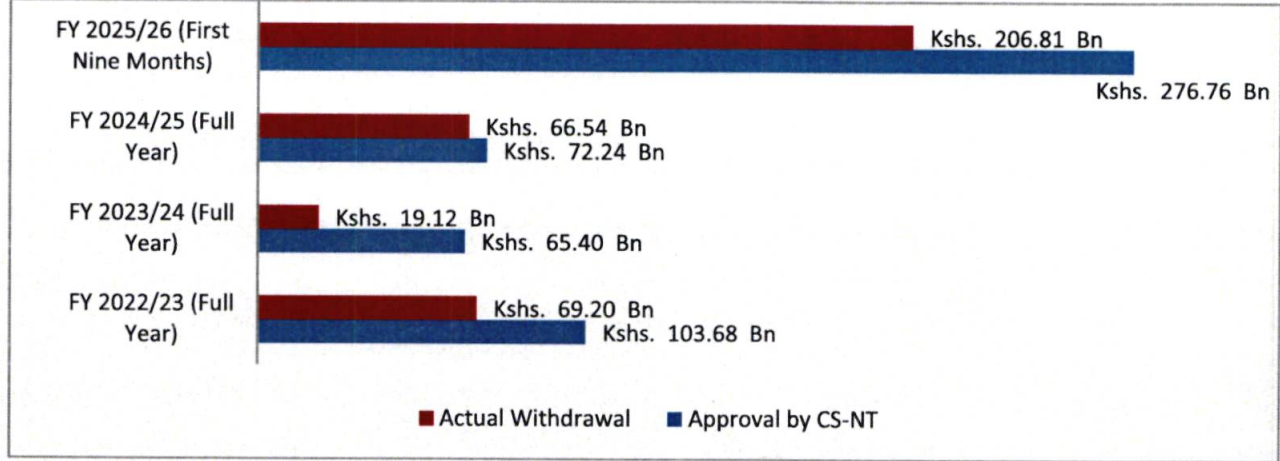
Ministry/ Department/ Agency	Category	Gross Estimates (Kshs. 'Million')	Approved by Cabinet Secretary (CS) 0 National Treasury (Kshs. 'Million')	Requests for Withdrawals Approved by Controller of Budget (Kshs. 'Million')	Percentage (%) of Approved Requisitions to Gross Estimates
Office of the Registrar of Political Parties	Recurrent	2,486.99	200.00	200.00	8
	Development	-	-	-	-
	Sub-total	2,486.99	200.00	200.00	8
State Department for Devolution	Recurrent	1,331.23	60.00	60.00	5
	Development	15,915.12	-	-	-
	Sub-total	17,246.35	60.00	60.00	-
State Department for Transport	Recurrent	7,121.79	2,060.94	-	-
	Development	40,334.24	6,300.00	-	-
	Sub-total	47,456.02	8,360.94	-	-
State Department for Agriculture	Recurrent	17,792.71	3,065.00	-	-
	Development	32,151.81	5,000.00	5,000.00	16
	Sub-total	49,944.52	8,065.00	5,000.00	10
State Department for MSMEs	Recurrent	2,031.71	-	213.47	11
	Development	3,061.78	3,577.81	1,758.53	57
	Sub-total	5,093.49	3,577.81	1,972.00	39
National Police Service	Recurrent	125,378.56	2,600.00	2,077.54	2
	Development	1,712.81	-	-	-
	Sub-total	127,091.37	2,600.00	2,077.54	2
National Intelligence Services	Recurrent	51,447.23	1,000.00	-	-
	Development	-	-	-	-
	Sub-total	51,447.23	1,000.00	-	-
Office of the Deputy President	Recurrent	2,972.13	1,050.00	507.84	17
	Development	100	-	-	-
	Sub-total	3,072.13	1,050.00	507.84	17
State Department for Medical Services	Recurrent	84,017.29	-	-	-
	Development	21,936.07	8,149.97	-	-
	Sub-total	105,953.36	8,149.97	-	-
State Department for Water and Sanitation	Recurrent	6,777.94	-	-	-
	Development	47,176.38	600.00	-	-
	Sub-total	53,954.32	600.00	-	-
State Department for Technical and Vocational Education and Training	Recurrent	35,408.43	120.00	-	-
	Development	7,836.32	3,967.97	-	-
	Sub-total	43,244.75	4,087.97	-	-
State Department for Public Health and Professional Standards	Recurrent	26,590.98	5,630.00	1,720.68	6
	Development	5,561.19	-	-	-
	Sub-total	32,152.17	5,630.00	1,720.68	5
Prime Cabinet Secretary	Recurrent	356.64	80.00	-	-
	Development	-	-	-	-
	Sub-total	356.64	80.00	-	-

Ministry/ Department/ Agency	Category	Gross Estimates (Kshs. 'Million')	Approved by Cabinet Secretary (CS) 0National Treasury (Kshs.' Million')	Requests for Withdrawals Approved by Controller of Budget (Kshs. 'Million')	Percentage (%) of Approved Requisitions to Gross Estimates
State Department for Culture, the Arts and Heritage	Recurrent	2,772.60	268.97	105.00	4
	Development	812.98	-	-	-
	Sub-total	3,585.58	268.97	105.00	3
State Department for Irrigation	Recurrent	955.22	38.75	-	-
	Development	6,593.18	-	-	-
	Sub-total	7,548.39	38.75	-	-
State Department for Energy	Recurrent	11,987.88	-	-	-
	Development	51,485.91	3,611.00	-	-
	Sub-total	63,473.80	3,611.00	-	-
State Department for Sports	Recurrent	1,626.76	-	-	-
	Development	15,835.00	3,900.00	3,900.00	25
	Sub-total	17,461.76	3,900.00	3,900.00	22
State Department for Correctional Services	Recurrent	37,844.20	300.00	-	-
	Development	309.00	-	-	-
	Sub-total	38,153.21	300.00	-	-
Teacher Service Commission	Recurrent	386,510.36	7,000.00	7,000.00	2
	Development	671.00	-	-	-
	Sub-total	387,181.36	7,000.00	7,000.00	2
State Department for Investment Promotion	Recurrent	1,451.44	150.00	150.00	10
	Development	2,061.03	-	-	-
	Sub-total	3,512.47	150.00	150.00	4
State Department for Youth Affairs and Creative Economy	Recurrent	2,228.61	390.00	-	-
	Development	2,672.43	-	-	-
	Sub-total	4,901.04	390.00	-	-
Total		3,957,004.03	276,760.85	206,809.01	5
Total Gross Budget Estimates		4,690,569.08			
Percentage of approved Requisitions to Gross Budget Estimates			4		

Source: The National Treasury and OCOB

The trends in withdrawals from the Consolidated Fund under Article 223 of the Constitution from FY 2022/23 to FY 2025/26 is presented in Figure 2.4.

Figure 2.4: Trends in Withdrawals under Article 223 of the Constitution



Source: OCOB and National Treasury

The affected additional funding is to be regularised in the Supplementary I budget estimates submitted to Parliament for approval. Details of exchequer issues under Article 223 for the period under review is provided in Annex II of this report.

2.4.6 Approval for Withdrawals from the Equalization Fund

The Equalisation Fund is established under Article 204 (1) of the Constitution of Kenya, which requires that half per cent (0.5 per cent) of all the revenue collected by the National government each year, calculated based on the most recent audited revenue received, as approved by the National Assembly, be paid into the Fund. Article 204(2) of the Constitution provides that the National Government shall use the Equalisation Fund to provide only essential services, including Water, Roads, Health Facilities, and Electricity to marginalised areas to the extent necessary to bring the quality of those services in those areas to the level generally enjoyed by the rest of the nation, so far as is possible.

In the first nine months of FY 2025/26, the Controller of Budget authorised 23 requests amounting to Kshs.2.84 billion from the Equalization Fund. The amount comprised Kshs.190.82 million for Policy 1 development pending bills in favour of the Ministry of Water and Sanitation and Kshs.1.99 billion for the Second Policy development projects in 19 County Governments.

Table 2.11 shows the movement of funds in the Equalisation Fund in the first nine months of FY 2025/26.

Table 2.11: Movement of funds in the Equalisation Fund

Date/ S/no.	Details	Budget (Kshs.)	Amount / Fund- ing in the first nine months of FY 2025/26	Cumulative Fund- ing to date (Kshs.)	% of Cu- mulative Funding to the Budget
1/7/2025	Cash balance from FY 2024/25		338,388,379.35		
24/10/2025	Receipts from the National Treasury		800,000,000.00		
13/11/2025	Receipts from the National Treasury		1,700,000,000.00		
23/3/2026	Receipts from the National Treasury		2,301,085,212.00		

Date/ S/no.	Details	Budget (Kshs.)	Amount / Fund- ing in the first nine months of FY 2025/26	Cumulative Fund- ing to date (Kshs.)	% of Cu- mulative Funding to the Budget
A: Total Cash that was Available for Use in the Fund			4,801,085,212.00		
	LESS: EXCHEQUER ISSUES				
Implementation of the First Marginalization Policy					
9/8/2025	Development Request - Pending Bill for Ministry of Water and Sanitation EQ. Fund	11,870,636,937.59	15,463,758.00	9,810,413,284.74	83
9/18/2025	Development Request - Pending Bill for Ministry of Water and Sanitation EQ. Fund		52,697,724.00		
1/16/2026	Development Request - Pending Bill for Ministry of Water and Sanitation EQ. Fund		95,394,995.10		
2/19/2026	Development Request - Pending Bill for Ministry of Water and Sanitation EQ. Fund		27,259,126.50		
B: Total Exchequer Issues on the First Policy		11,870,636,937.59	190,815,603.60	9,810,413,284.74	83
Implementation of the Second Marginalization Policy					
1	Baringo	595,027,100	77,112,590.80	140,030,581.35	24
2	Bomet	19,215,175	-	-	0
3	Bungoma	58,779,836	47,414,988.25	47,414,988.25	81
4	Busia	17,979,656	-	-	-
5	Elgeyo Marakwet	65,114,751	-	-	-
6	Garissa	630,912,260	-	-	-
7	Homa Bay	131,603,304	-	123,569,224.65	94
8	Isiolo	166,157,751	70,946,532.50	160,938,163.20	97
9	Kajiado	414,765,595	154,186,198.50	226,972,003.30	55
10	Kericho	60,882,122	-	-	-
11	Kilifi	539,901,714	77,983,662.00	191,125,736.90	35
12	Kisumu	24,333,610	-	22,774,183.75	94
13	Kitui	397,477,349	118,562,504.45	118,562,504.45	30
14	Kwale	292,590,513	49,460,240.00	49,460,240.00	17
15	Laikipia	119,303,227	36,817,307.00	67,454,044.00	57
16	Lamu	57,614,460	-	-	-
17	Machakos	12,923,347	9,283,822.00	9,283,822.00	72
18	Mandera	753,408,998	-	693,457,164.70	92
19	Marsabit	469,644,478	176,792,155.70	389,099,471.60	83
20	Meru	29,927,013	28,619,959.20	28,619,959.20	96
21	Migori	177,764,414	73,731,115.20	73,731,115.20	41
22	Murang'a	5,679,579	5,679,579.00	5,679,579.00	100
23	Nakuru	6,435,119	-	3,046,902.40	47
24	Nandi	116,745,012	6,303,020.00	110,716,056.60	95
25	Narok	771,670,228	152,360,780.00	152,360,780.00	20
26	Samburu	649,686,536	201,691,948.00	472,640,753.00	73

Date/ S/no.	Details	Budget (Kshs.)	Amount / Fund- ing in the first nine months of FY 2025/26	Cumulative Fund- ing to date (Kshs.)	% of Cu- mulative Funding to the Budget
27	Siaya	31,973,185	-	-	-
28	Taita Taveta	13,335,187	13,036,663.25	13,036,663.25	98
29	Tana River	442,122,368	29,730,587.80	173,062,036.80	39
30	Tharaka Nithi	44,005,716	-	-	-
31	Trans Nzoia	7,478,246	-	-	-
32	Turkana	1,144,091,494	613,213,068.00	851,304,963.30	74
33	Wajir	730,167,615	333,335,432.00	333,335,432.00	46
34	West Pokot	1,021,690,952	192,049,609.40	778,611,350.55	76
	Total for Development Projects under the Second Policy	10,020,407,910	2,468,311,763.05	5,522,187,719.45	53
	Recurrent Expenditure for Equaliza- tion Fund Secretariat	309,909,523.00	179,000,000.00	285,900,000.00	92
	C: Total for the Second Policy	10,330,317,433.00	2,647,311,763.05	5,808,087,719.45	56
	Grand Total (B + C)	22,200,954,370.59	2,838,127,366.65	15,618,501,004.19	70
	Balance carried forward to Q3 of FY 2025/26 (A – B – C)				2,770,465,520.90

Source: Office of the Controller of Budget

2.4.7 Approval for Withdrawals from the Judiciary Fund

The Judiciary Fund is established under Article 173 of the Constitution. The Judiciary Fund had a budget of Kshs.26.92 billion comprising of Kshs.24.87 billion for recurrent expenditure and Kshs. 1.15 billion for development expenditure.

Table 2.12 shows the withdrawal from the Judiciary Fund to Judiciary Operational Accounts in the first nine months of FY 2025/26.

Table 2.12: Withdrawal from the Judiciary Fund

JUDICIARY FUND STATUS AS AT 31 st MARCH 2026		
	Recurrent	Development
Budget	24,871,354,027.00	1,152,938,473.00
Cumulative Receipts from National Treasury	18,771,208,916.45	179,829,039.00
Cumulative Issues for Various Activities	17,905,244,890.00	696,660,734.00
Budget Balance	6,966,109,137.00	456,277,739.00
Percentage Issues	72	60

Source: The National Treasury and OCOB

In the first nine months of FY 2025/26, the Controller of Budget authorised the withdrawal of Ksh.18.60 billion from the Judiciary Fund to the Judiciary Operational Accounts, comprising Kshs.17.91 billion for recurrent activities and Kshs.696.66 million for development activities, representing 74 per cent and 75 per cent of the recurrent and development estimates, respectively.

3. OVERALL BUDGET PERFORMANCE

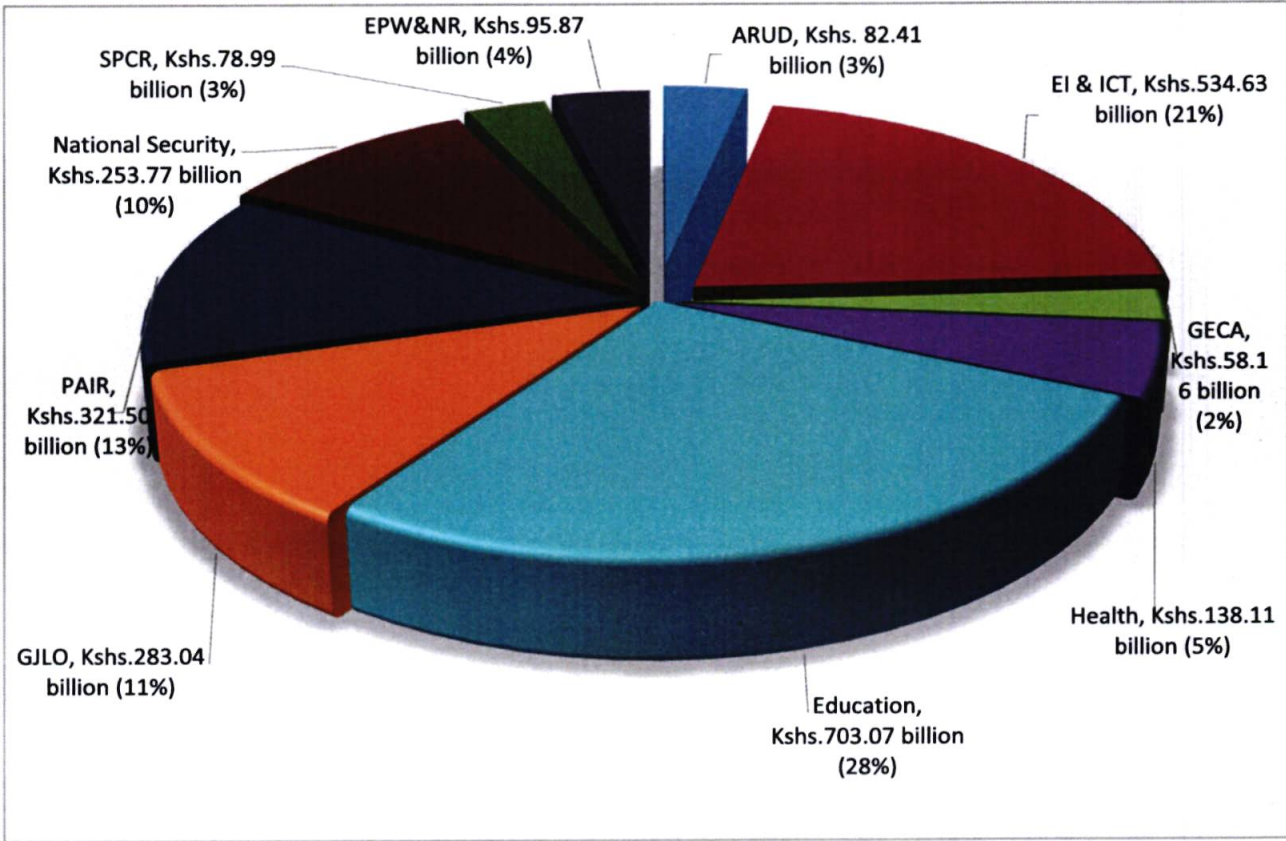
3.1. Introduction

This chapter presents an overview of the National Government budget implementation in the first nine months of FY 2025/26. It also presents the budget performance of the Consolidated Fund Services (classified as recurrent expenditure), which contains information on Public debt, Pensions and gratuities, Salaries and Allowances to Constitutional officeholders, and Miscellaneous services. The chapter further disaggregates spending by MDAs under the economic classifications of ministerial development and recurrent expenditure. Additionally, it presents the status of payables for the National government as of 31 March 2026.

3.2. FY 2025/26 Overall Budget

The approved gross national government budget for FY 2025/26 amounted to Kshs.4.69 trillion, representing a 7 per cent increase from Kshs.4.37 trillion in FY 2024/25. The budget comprises Kshs.744.84 billion for ministerial development expenditure, Kshs.1.80 trillion for ministerial recurrent spending, and Kshs.2.14 trillion for CFS. Ministerial development expenditure is funded through the net supply (from the government exchequer) of Kshs.407.10 billion and Appropriation-in-Aid (AIA) Kshs.337.74 billion. Ministerial recurrent expenditure is to be funded by the government through the exchequer, amounting to Kshs.1,470.45 billion and AIA of Kshs.334.26 billion. In FY 2025/26, the Equitable share of revenue to County governments amounted to Kshs.415 billion. Figure 3.1 presents the budget allocation by Sector.

Figure 3.1: Budget Allocation by Sector, FY 2025/26



Source: National Treasury Budget I Books for FY 2025/26

A review of budget allocations by sector shows that the Education sector received the highest allocation, accounting for 28 per cent of the gross national government budget.

To finance the budget, the government targeted to raise funds from various sources. The sources include Tax Revenue (Kshs.2.63 trillion), Non-Tax Revenue (Kshs.127.65 billion), Domestic borrowing (Kshs.1.10 trillion - comprising net domestic borrowing of Kshs.634.75 billion and internal debt redemption/roll-over of Kshs.463.51 billion), External Loans and Grants (Kshs.569.81 billion), and other Domestic financing (Kshs.10.80 billion). The Government also targeted to raise Kshs.672 billion from A-I-A, comprising Kshs.334.26 billion recurrent A-I-A and Kshs.337.74 billion development A-I-A. Table 3.1 shows the overall budget performance in the first nine months of FY 2025/26.

Table 3.1: Overall Budget Performance

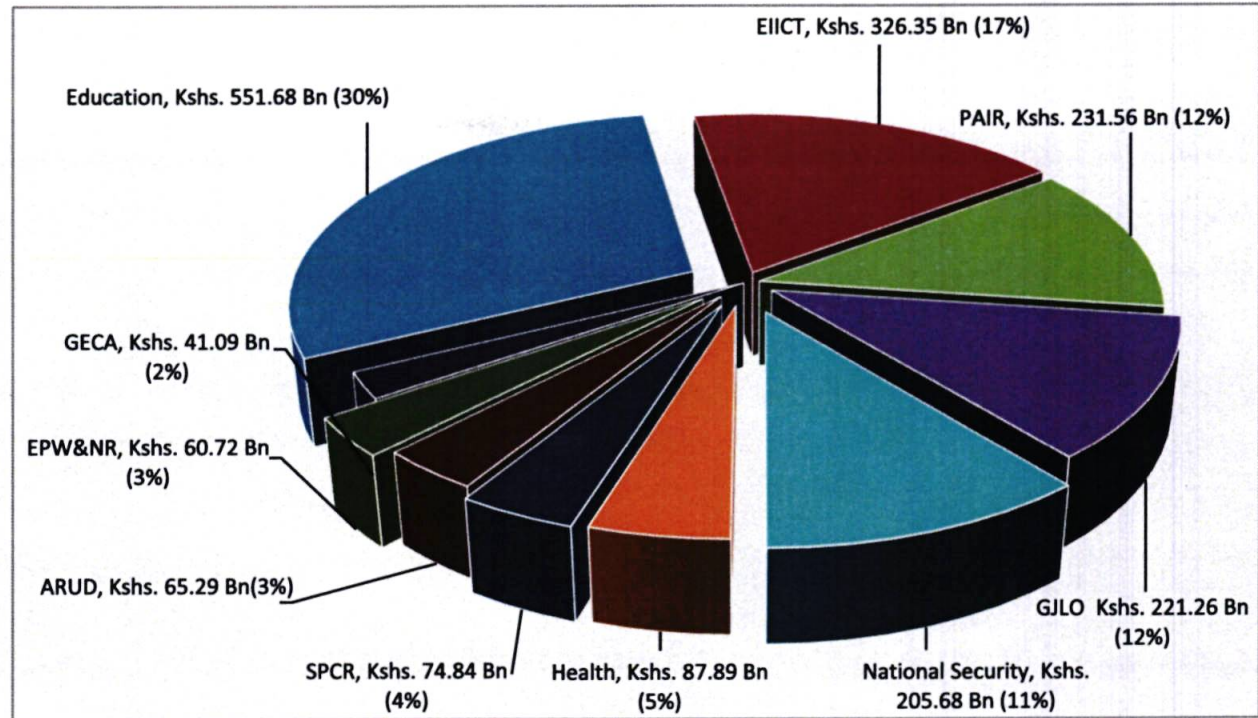
VOTE	First Nine Months of FY 2025/26 (Kshs. Bn)						First Nine Months of FY 2024/25 (Kshs. Bn)					
	Original Gross estimates	Original Net estimates	Cumulative Exchequer Issues	Cumulative Expenditure	% of Exchequer to Net Estimates	Absorption Rate (%)	Revised Gross estimates	Revised Net estimates	Exchequer Issues	Cumulative Expenditure	% Exchequer to Revised Net estimates	Absorption rate (%)
Recurrent	3,945.73	3,611.48	2,668.61	2,855.24	74	72	3,758.72	3,437.35	2,215.06	2,536.70	64	67
: MDAs	1,804.71	1,470.45	1,171.90	1,358.47	80	75	1,769.96	1,448.60	991.75	1,202.73	68	68
: CFS	2,141.03	2,141.03	1,496.71	1,496.77	70	70	1,988.75	1,988.75	1,223.31	1,333.97	62	68
Development	744.84	407.10	262.63	507.90	65	68	612.98	351.34	170.83	338.18	49	55
Total	4,690.57	4,018.58	2,931.24	3,363.14	73	72	4,371.70	3,788.69	2,385.89	2,874.88	63	66

Source: National Treasury, OCOB and MDAs

The total exchequer issued by the National Treasury to fund budgeted activities for the national government in the first nine months of FY 2025/26 was Kshs.2.93 trillion, representing 73 per cent of the original net estimates, compared to 63 per cent (Kshs.2.39 trillion) recorded in a similar period of FY 2024/25. The exchequer issues comprised Kshs.262.63 billion (65 per cent) for ministerial development expenditure, Kshs.1.17 trillion for ministerial recurrent expenditure (80 per cent), and Kshs.1.50 trillion to CFS (70 per cent).

The gross expenditure for the National Government amounted to Kshs.3.36 trillion, recording an absorption rate of 72 per cent, compared to 66 per cent (Kshs.2.87 trillion) recorded in a similar period of FY 2024/25. Expenditure comprises ministerial development expenditure at Kshs.507.90 billion (absorption rate of 68 per cent), ministerial recurrent expenditure at Kshs.1.36 trillion (absorption rate of 75 per cent), and Consolidated Fund Services at Kshs.1.50 trillion (absorption rate of 70 per cent). Figure 3.2 shows expenditure by Sector in the first nine months of FY 2025/26.

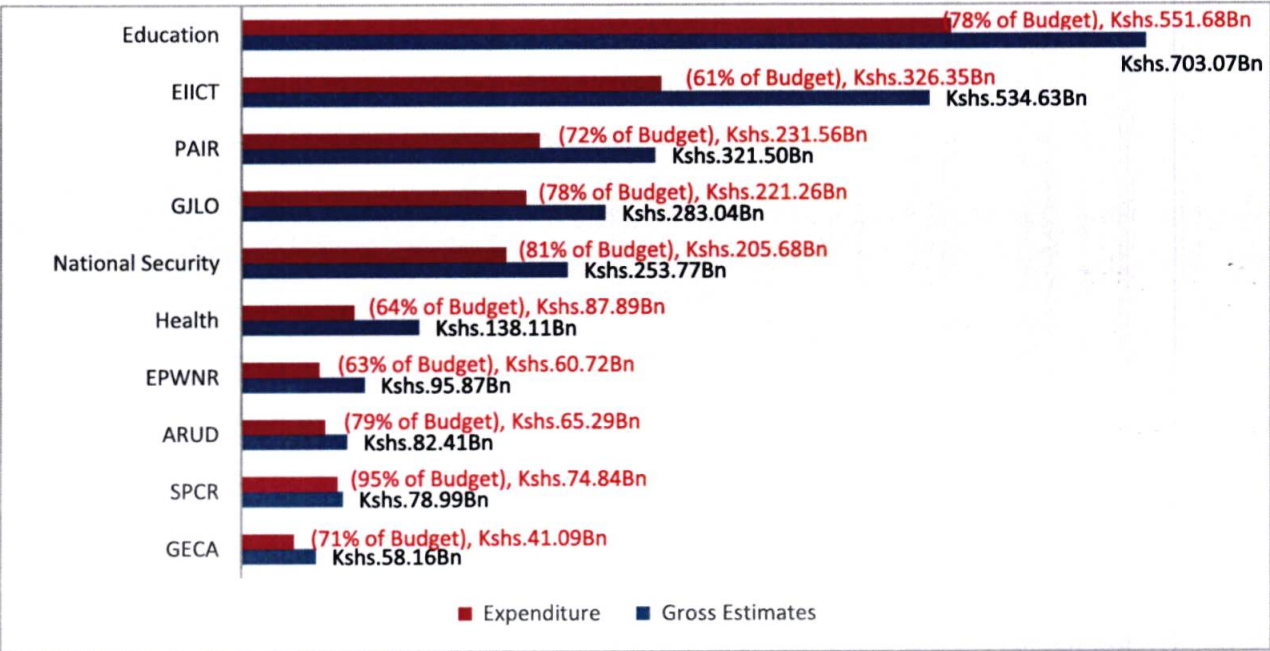
Figure 3.2: Expenditure by Sector



Source: MDAs

During the period under review, the Social Protection, Culture and Recreation (SPCR) sector recorded the highest absorption rate at 95 per cent, while the Energy, Infrastructure and ICT (EIICT) Sector recorded the lowest at 61 per cent. **Figure 3.3** shows the proportion of expenditure to budget by Sector in the first nine months of FY 2025/26.

Figure 3.3: Proportion of Expenditure to Budget by Sector



Source: MDAs and National Treasury

3.3. Consolidated Fund Services Budget Performance

Budget allocation to the CFS in the FY 2025/26 amounted to Kshs.2.14 trillion, compared to Kshs.1.99 trillion allocated in the FY 2024/25 as revised in Supplementary Estimates III. Table 3.2 summarises CFS implementation status in the first nine months of FY 2025/26.

Table 3.2: CFS Budget Performance

CFS Category	First Nine Months of FY 2025/26					First Nine Months of FY 2024/25			
	Original Estimates (Kshs. Bn)	Exchequer Issues (Kshs. Bn)	Expenditure (Kshs. Bn)	Exchequer Issues as % of Revised Estimates	Expenditure as % of Estimates	Revised Estimates I * (Kshs. Bn)	Exchequer Issues (Kshs. Bn)	Expenditure (Kshs. Bn)	Expenditure as % of Estimates
Public Debt	1,901.39	1,364.69	1,352.05	72	71	1,741.79	1,085.81	1,196.17	67
Pensions and Gratuities	234.90	129.22	141.92	55	60	223.15	115.14	124.25	56
Salaries & Allowances and Miscellaneous Services (including Guranteed Debt)	4.74	2.80	2.80	59	59	23.82	22.36	22.66	95
Total	2,141.03	1,496.71	1,496.77	70	70	1,988.75	1,223.31	1,343.08	68

Source: National Treasury

Total CFS expenditure in the period under review amounted to Kshs.1.50 trillion, representing 70 per cent of the CFS estimates, compared to 68 per cent (Kshs.1.22 trillion) recorded in a similar period FY 2024/25. There was overall growth in CFS payments over the period, mainly due to an increase in principal and interest payments on both external and domestic debt, amounting to Kshs.1.35 trillion in the first nine months of FY 2025/26, up from Kshs.1.20 trillion in the similar period of FY 2024/25.

3.3.1 Public Debt

As of 31 March 2026, the Public debt stock stood at Kshs.12.82 trillion, comprising Kshs.5.68 trillion (44 per cent) owed to external lenders and Kshs.7.14 trillion (56 per cent) due to domestic lenders. Table 3.3 represents the public debt position as of 31st March 2026.

Table 3.3: Public and Publicly Guaranteed Debt Position

Category	As of 30 June, 2025 (Kshs. Bn)	First Nine Months of FY 2025/26						
		Loans disbursed (Kshs. Bn)	Loans Principal Paid (Kshs. Bn)	Loans Interest Paid -Including Overdraft (Kshs. Bn)	Loans Commitment fees, Penalties & Other Charges Paid (Kshs. Bn)	As of 31 st March, 2026 (Kshs. Bn)	Percentage Change (%)	Composition (%) of Loan Portfolio
External Debt								
Bilateral	1,032.81	26.01	118.92	36.64	2.52	969.56	(6)	8
Multilateral	3,045.39	81.55	48.18	26.71	11.38	3,067.94	Less than 1	24

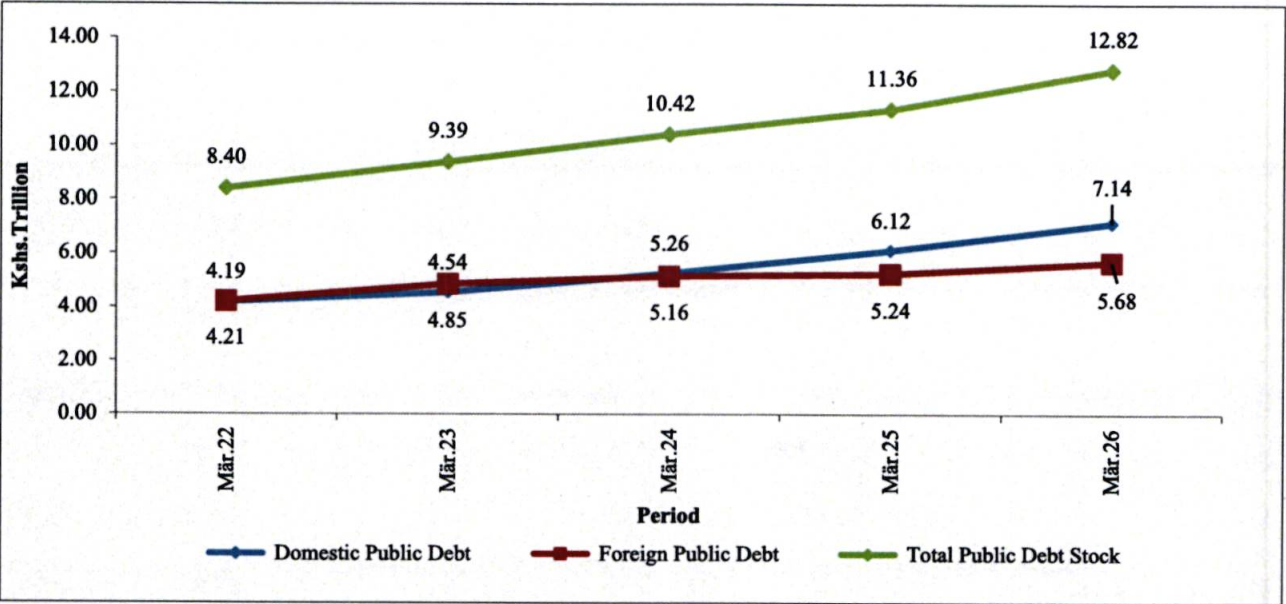
Category	As of 30 June, 2025 (Kshs. Bn)	First Nine Months of FY 2025/26						
		Loans dis-bursed (Kshs. Bn)	Loans Princi-pal Paid (Kshs. Bn)	Loans Interest Paid -In-cluding Over-draft (Kshs. Bn)	Loans Com-mitment fees, Penalties & Other Charges Paid (Kshs. Bn)	As of 31 st March, 2026 (Kshs. Bn)	Percentage Change (%)	Compositi on (%) of Loan Port-folio
Commercial Banks	289.90	4.72	109.92	16.70	0.01	180.04	(38)	1
International Sovereign Bond	1,022.70	485.63	142.68	75.19	0.003	1,379.82	35	11
Guaranteed Debt	83.24	-	-	-	-	71.53	(14)	1
Suppliers Credit	14.42	-	-	-	-	14.33	(1)	Less than 1
Sub-Total External Debt	5,488.46	597.91	419.70	155.24	13.91	5,683.22	4	44
Domestic Debt		Net Change						
Treasury Bills	1,036.87	155.52				1,192.39	15	9
Treasury bonds	5,110.01	688.21				5,798.22	13	45
Pre-1997 Government Overdraft	16.12	(0.55)				15.57	(3)	Less than 1
Central Bank of Kenya Overdraft	67.63	(14.47)				53.16	(21)	Less than 1
IMF SDR* Funds On-Lent to Government	80.56	(1.03)				79.53	(1)	1
Sub-Total Domestic Debt	6,311.19	827.68				7,138.87	13	56
Total	11,799.65					12,822.09	9	100

Source: National Treasury

The public debt stock increased by 9 per cent from Kshs.11.80 trillion as of 30th June 2025 to Kshs.12.82 trillion as of 31st March 2026. External debt increased by 4 per cent due to the issuance of new Eurobond in a 7-year and 12-year tranches of blended yield at 8.7 per cent to facilitate buy-backs of three Euro-bonds of Kshs.78.32 billion, Kshs.86.29 billion and Kshs.58.13 billion offered in March 2025, October 2025, and February 2026, respectively. Similarly, domestic debt recorded 13 per cent growth attribut-able to increased borrowing through Treasury bills and bonds in the domestic market.

Figure 3.4 illustrates the trend in public debt stock from 31st March 2022 to 31st March 2026.

Figure 3.4: Trend in Public Debt Stock



Source: National Treasury

The allocation towards servicing the public debt in FY 2025/26 amounted to Kshs.1.90 trillion, representing 89 per cent of the CFS budgetary allocation, compared to revised estimates of Kshs.1.74 trillion allocated in the FY 2024/25. This comprised Kshs.803.70 billion for principal redemption and Kshs.1.10 trillion for interest payments. Table 3.4 shows the public debt budget performance in the first nine months of FY 2025/26.

Table 3.4: Public Debt Budget Performance

Debt Category	Original Estimates (Kshs. Bn)			Exchequer Issues (Kshs. Bn)	Loan Expenditure in the First Nine Months of FY 2025/26 (Kshs. Bn)			Exchequer Issues as % of Original Estimates	Expenditure as % of Estimates
	Loan Principal	Loan Interest	Total		Principal	Interest & other charges -Including Overdraft (Kshs. Bn)	Total		
External Debt	340.19	246.27	586.46	588.85	419.70	169.15	588.85	100	100
Bilateral	340.19	246.27	586.46	588.85	118.92	39.16	158.08	100	100
Multilateral					48.18	38.09	86.27		
Commercial Banks					109.92	16.71	126.63		
International Sovereign Bond					142.68	75.19	217.87		
Guaranteed Debt	-	-	-	-	-	-	-	0	0
Domestic Debt	463.51	851.42	1,314.93	763.20	200.61	562.59	763.20	58	58

Debt Category	Original Estimates (Kshs. Bn)				Loan Expenditure in the First Nine Months of FY 2025/26 (Kshs. Bn)			Exchequer Issues as % of Original Estimates	Expenditure as % of Estimates
	Loan Principal	Loan Interest	Total		Principal	Interest & other charges -Including Overdraft (Kshs. Bn)	Total		
Treasury Bills)	200.00	90.22	290.22	-	-	-	-	0	0
Treasury Bonds	252.40	744.79	997.19	745.44	185.32	560.12	745.44	75	75
Central Bank of Kenya Overdraft	-	12.83	12.83	2.12	-	2.12	2.12	17	17
Commission to CBK	-	3.00	3.00	-	-	-	-	0	0
Pre-1997 Government Overdraft	1.11	0.58	1.69	0.90	0.55	0.35	0.90	53	53
IMF On-lent loan(s)	10.00	-	10.00	14.74	14.74	-	14.74	147	147
Total	803.70	1,097.69	1,901.39	1,352.05	620.31	731.74	1,352.05	71	71

Source: National Treasury

Total expenditure on public debt in the first nine months of FY 2025/26 amounted to Kshs.1.35 trillion, representing 71 per cent of the approved estimates, compared to Kshs.1.20 trillion (59 per cent) recorded in a similar period of FY 2024/25. The increase is mainly attributed to the settlement of principal payments for external debt that amounted to Kshs.419.70 billion, compared to Kshs.295.27 billion paid in a similar period in FY 2024/25.

External debt servicing amounted to Kshs.588.85 billion, comprising Kshs.419.70 billion on principal payments, Kshs.155.24 billion on interest payments, Kshs.1.01 billion on commitment fees, and Kshs.12.91 billion on other charges. The total domestic debt payment was Kshs.763.20 billion, consisting of Kshs.200.61 billion and Kshs.562.59 billion for principal and interest payments, respectively.

3.3.2 Overdraft Facility

The overdraft facility is a short-term borrowing facility for the Government to cover temporary cash shortfalls. It is repayable within twelve months. Kenya’s Government overdraft is administered by the Central Bank of Kenya (CBK). It is restricted to a maximum of five percent of the most recently audited revenues and is expected to be paid off by the end of the financial year as specified in Section 15 (3) of the PFM Act.

In the period under review, the overdraft limit stood at Kshs.97.05 billion and was charged an average interest rate of 8.75 per cent per annum on the amount outstanding at the end of each month. In the first nine months of FY 2025/26, the total charge on the overdraft facility was Kshs.2.12 billion, as shown in table 3.5.

Table 3.5: Charges on Overdraft Facility

Month	First Nine Months of FY 2025/26, (Kshs.)	First Nine Months of FY 2024/25, (Kshs.)	Variance in Per Cent
	a	b	c=(a-b)/b*100
July 2025	431,302,964	758,402,998	(43)
August 2025	215,587,707	596,320,149	(64)
September 2025	50,576,192	569,797,563	(91)
October 2025	173,337,989	488,108,426	(64)
November 2025	309,428,744	591,928,539	(48)
December 2025	396,988,684	479,333,516	(17)
January 2026	203,537,315	501,703,924	(59)
February 2026	196,600,332	490,118,861	(60)
March 2026	144,190,090	735,338,036	(80)
Total	2,121,550,017	5,211,052,012	(59)

Source: National Treasury

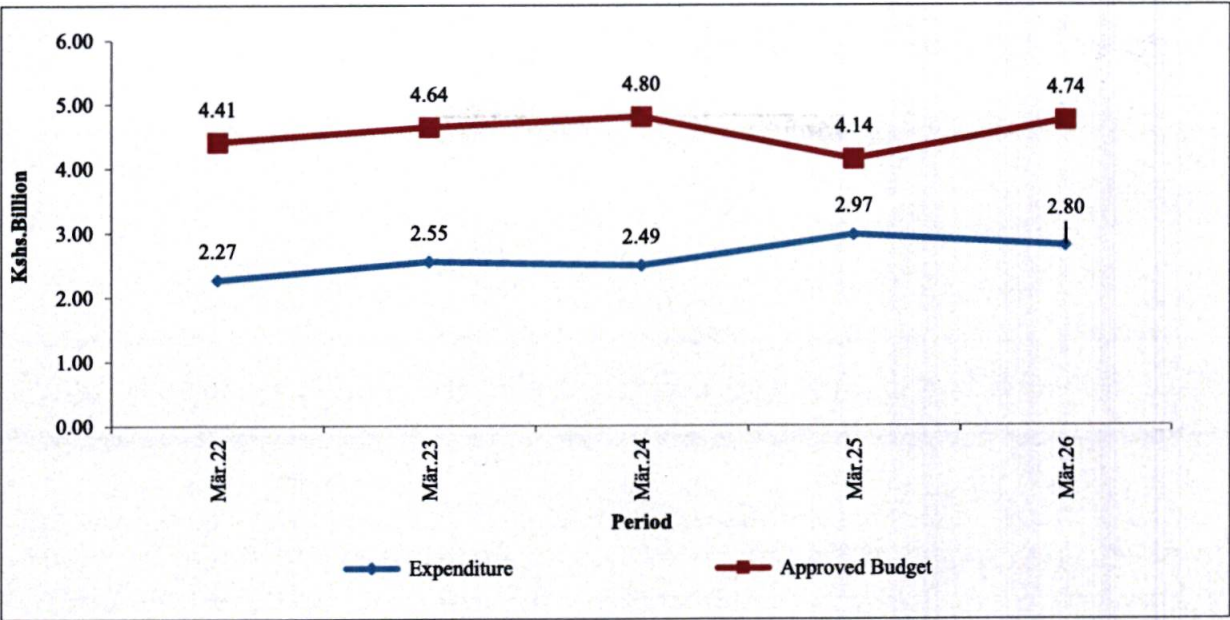
The decline in overdraft interest payments during the reporting period, compared to a similar period in FY 2024/25, was primarily due to a drop in CBK’s interest rates, which stood at 8.75 per cent in March 2026, down from 10.75 per cent in March 2025 and the implementation of the Treasury Single Account System that commenced in July 2025.

3.3.3 Salaries, Allowances, and Miscellaneous Services

The allocations for Salaries and allowances and Miscellaneous Services (SAM) in the FY 2025/26 amounted to Kshs.4.74 billion, compared to Kshs.4.21 billion allocated in the FY 2024/25 in Supplementary Estimates I approved in August 2024 and later revised to Kshs.23.82 billion in Supplementary Estimates III in June 2025.

The total expenditure on SAM in the first nine months of FY 2025/26 was Kshs.2.80 billion, representing 59 per cent of the annual estimates, compared to Kshs.2.97 billion (72 per cent) recorded in the same period of FY 2024/25. **Figure 3.5** shows the budgetary allocations and expenditure trends for Salaries, Allowances, and Miscellaneous Services in the first nine months from FY 2021/2022 to FY 2025/26.

Figure 3.5: Trend in Salaries, Allowances, and Miscellaneous Services



Source: National Treasury

Table 3.6 presents the SAM budget performance in the first nine months of FY 2025/26.

Table 3.6: Salaries, Allowances, and Miscellaneous Budget Performance

Name of the Office	First Nine Months of FY 2025/26				First Nine Months of FY 2024/25		
	Original Estimates (Kshs.)	Exchequer (Kshs.)	Expenditure (Kshs.)	Budget Performance (%)	Revised Estimates (Kshs.)	Expenditure (Kshs.)	Budget Performance (%)
Salaries & Allowances							
Office of the Attorney General	11,574,400	9,285,771	9,285,771	80	17,324,400	11,678,269	67
Director of Public Prosecutions	9,510,132	7,783,821	7,783,821	82	9,510,132	7,032,671	74
The Judicial Service Commission	3,656,204,200	2,079,936,833	2,079,936,833	57	3,113,064,590	2,317,627,343	74
Auditor General	11,588,800	9,389,0000	9,389,000	81	11,586,400	8,663,000	75
Public Service Commission	76,514,228	58,260,882	58,260,882	76	120,514,228	90,879,980	75
Teachers Service Commission	96,725,530	61,266,114	61,266,421	63	78,014,228	56,335,671	72
Ethics and Anti-Corruption Commission	19,990,000	15,055,000	15,055,000	75	19,995,200	15,055,000	75
Kenya National Commission on Human Rights	70,879,241	36,960,490	36,960,490	52	50,886,542	29,494,114	58
Commission on Administrative Justice	27,986,228	21,087,780	21,087,780	75	43,251,330	38,084,656	88

Name of the Office	First Nine Months of FY 2025/26				First Nine Months of FY 2024/25		
	Original Estimates (Kshs.)	Exchequer (Kshs.)	Expenditure (Kshs.)	Budget Performance (%)	Revised Estimates (Kshs.)	Expenditure (Kshs.)	Budget Performance (%)
National Gender & Equality Commission	42,662,228	35,173,385	35,173,385	82	62,443,470	45,270,939	72
National Cohesion & Integration Commission	123,158,882	88,138,803	88,138,803	72	58,815,296	43,878,671	75
Commission on Revenue Allocation	67,426,228	54,609,221	54,609,221	81	67,426,228	50,219,671	74
Salaries & Remuneration Commission	93,670,128	70,011,242	70,011,242	75	102,364,994	76,106,938	
National Land Commission	140,224,882	81,459,034	81,459,034	58	75,454,228	56,270,671	75
Controller of Budget	9,560,232	7,783,821	7,783,821	81	9,560,232	7,182,671	75
National Police Service Commission	54,250,228	37,051,213	37,051,213	68	137,794,108	38,081,022	28
Independent Electoral & Boundaries Commission	88,661,824	51,939,811	51,939,811	59	44,330,913	-	0
Sub-Total	4,600,587,391	2,725,192,528	2,725,192,528	59	4,022,336,519	2,891,861,287	72
Office of the President / Deputy President:		12,993,750	12,993,750	57	36,051,256	12,993,750	63
(a) President	42,439,881						
(b) Deputy President		11,044,692	11,044,692			9,817,504	
(a) Former Presidents	22,679,127	9,875,250	9,875,250	65	22,679,127	9,875,250	65
(b) Former First Lady		4,937,625	4,937,625			4,937,625	
Sub-Total	65,119,008	38,851,317	38,851,317	60	58,730,383	37,624,129	64
Total Salaries and Allowances	4,665,706,399	2,764,043,845	2,764,043,845	59	4,081,066,902	2,929,485,416	72
Employer Contribution to Housing Levy	68,000,000	38,808,874	38,808,874	57	53,000,000	40,682,070	77
Employer Contribution to N.S.S. F	3,000,000	1,508,330	1,508,330	50	3,000,000	1,376,640	46
Total Miscellaneous Services	71,000,000	40,317,204	40,317,204	57	56,000,000	42,058,710	75
Grand Total	4,736,706,399	2,804,361,049	2,804,361,049	59	4,137,066,902	2,971,544,126	72

Source: National Treasury

Analysis of the SAM performance shows that the Kenya National Commission on Human Rights, the Judicial Service Commission, and the National Land Commission utilized 52 per cent, 57 per cent, and

58 per cent, respectively, of their budgets in the first nine months of FY 2025/26, which was below the reporting period’s target of 75 per cent on a linear assumption. Besides, the employer contribution to NSSF also recorded low performance at 50 per cent. This was primarily occasioned by vacant offices that took a while to be filled following the expiry of the term of the chairpersons and/ or members of the affected Commissions and the delayed recruitment of Judges by the Judiciary. The newly appointed judges were expected to be integrated into the UHR payroll system in June 2026.

3.3.4 Guaranteed Debt

As of 31st March 2026, the guaranteed debt stock stood at Kshs.71.53 billion, compared to Kshs.83.24 billion as of 30th June 2025. The change in guaranteed debt was due to repayments by the Kenya Electricity Generating (KenGen) Company and the Kenya Ports Authority (KPA), and movements in the exchange rate. Table 3.7 lists guaranteed loans as of 31st March 2026.

Table 3.7: List of Guaranteed Loans as of 31st March 2026

Classification				Loan portfolio as of 30 th June 2025 (Kshs. Mn)	First Nine Months of FY 2025/26		Loan portfolio as of 31 st March 2026 (Kshs. Mn)
Agency	Year	Purpose of the loan	Creditor		Loan Disburse- ments (Kshs. Mn)	Expenditure on Loans (Principal) (Kshs. Mn)	
Kenya Airways	2017	Kenya Airways Guarantee (for Local Banks)	MTC Trust & Corporate Services Ltd (Security Agent for Local Banks)	9,689.61	-	-	9,741.78
Kenya Electricity Generating Company	1997	Sondu Miriu Hydro-power Project	Government of Japan	607.69	-	-	275.58
	2004	Sondu Miriu Hydro-power II		5,906.77	-	-	5,075.29
	2007	Sondu Miriu Hydro-power Project Sango Power Plant		2,798.23	-	-	2,422.54
	2010	Olkaria 1 Unit 4 and 5 Geothermal Power Plant Olkaria		16,107.44	-	-	13,399.71
	2011	Rehabilitation and Upgrade of the Geothermal Plant Olkaria	Government of the Federal Republic of Germany -GIZ	791.31	-	-	388.21
	2021	DSSI Japan for Ken-Gen Loans Phase I	Government of Japan	526.08	-	-	357.86
	2021	DSSI Japan for Ken-Gen Loans Phase II		654.66	-	-	475.01
Kenya Ports Authority	2007	Mombasa Port Development Programme	Government of Japan	17,445.73	-	-	15,187.74
	2015	Kenya Port Development Project- Phase II		28,347.24	-	-	23,945.55
	2021	DSSI Japan -Kenya Ports Authority) – Phase I		162.63	-	-	110.62
	2021	DSSI Japan -Kenya Ports Authority- Phase II		203.27	-	-	147.49
Total				83,240.67	-	-	71,527.36

Source: National Treasury

Notably, the increase in guaranteed debt for Kenya Airways was as result of movements in exchange rate of Kenya Shillings to the U.S dollar that varied from Kshs.129.23 in June 2025 to Kshs.129.93 in March 2026. Further, there was no budget allocation for settling guaranteed loans in FY 2025/26.

3.3.5 Pensions and Gratuities

The allocation for Pensions and gratuities for FY 2025/26 amounted to Kshs.234.90 billion, compared to Kshs.223.15 billion allocated in FY 2024/25. It comprised Ordinary Pensions of Kshs.100.32 billion, Commuted Pensions and Gratuities of Kshs.93.50 billion, Other Pension Schemes of Kshs.6.63 billion, and the Public Service Superannuation Scheme at Kshs.34.44 billion.

Total expenditure towards Pensions and Gratuities in the first nine months of FY 2025/26 stood at Kshs.141.92 billion, representing 60 per cent of the annual gross estimates, compared to 56 per cent (Kshs.124.25 billion), recorded in a similar period of FY 2024/25. **Table 3.8** shows performance for various pension categories in the first nine months of FY 2025/26.

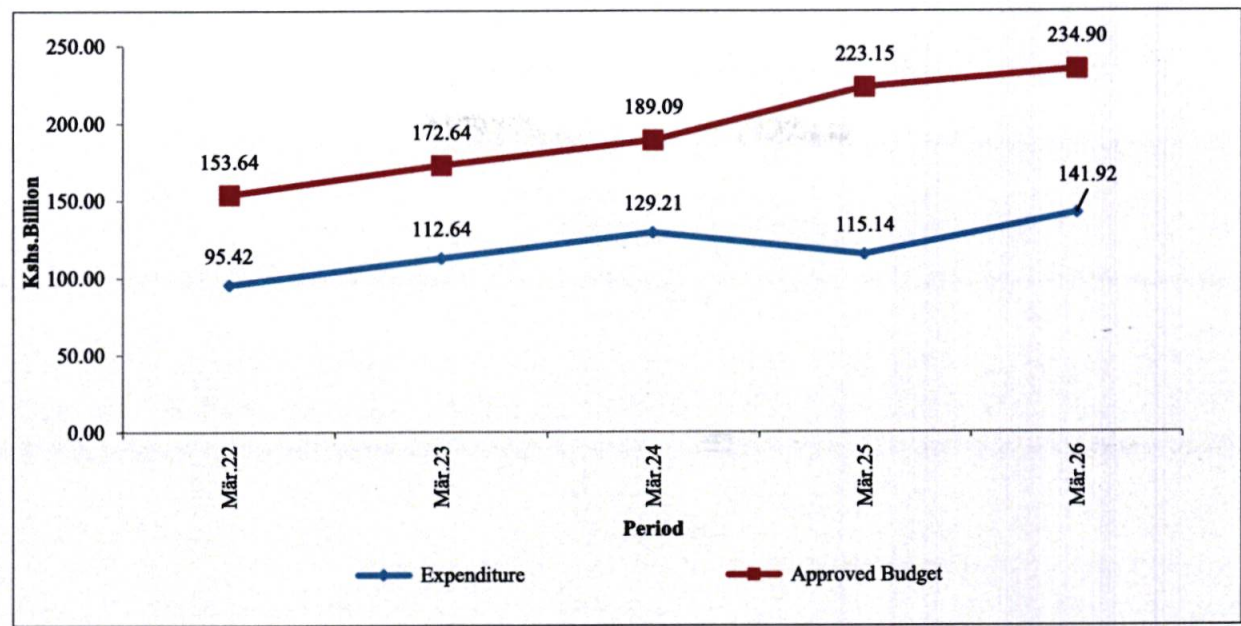
Table 3.8: Pension and Gratuities Budget Performance

Category for Pensions and Gratuities	First Nine Months of FY 2025/26				First Nine Months of FY 2024/25			
	Original Estimates (Kshs. Mn)	Exchequer Issued (Kshs. Mn)	Expenditure (Kshs. Mn)	Budget Performance %	Revised Net Estimates (Kshs. Mn)	Exchequer Issued (Kshs. Mn)	Expenditure (Kshs. Mn)	Budget Performance %
Ordinary Pension	100,323.79	63,481.56	74,139.90	74	93,776.15	60,744.68	66,888.32	65
Commuted Pension	93,501.29	35,978.67	38,018.86	38	85,761.82	41,012.77	43,980.87	48
Other Pension Schemes	6,631.10				6,632.10			
Public Service Superannuation Scheme	34,442.26	29,758.47	29,758.47	86	36,976.71	13,381.32	13,381.32	39
Total	234,898.45	129,218.70	141,917.24	60	223,146.78	115,138.77	124,250.52	56

Source: National Treasury

Figure 3.6 shows the pensions and gratuities budget performance trend from 31st March 2022 to 31st March 2026.

Figure 3.6: Trend in Pensions and Gratuities Budget Performance



Source: National Treasury

Analysis of pensions and gratuities allocation shows growth in budgetary allocation over the five years, implying additional resource requirements from the Consolidated Fund, further increasing pressure on the tight fiscal space.

3.4. Ministries, Departments, and Agencies Expenditure by Economic Classification

3.4.1 Introduction

This section presents an analysis of MDAs’ expenditure by economic classification for the first nine months of FY 2025/26, covering both development and recurrent expenditure. The development expenditure is disaggregated into major economic items, including: Capital Transfers to Semi-Autonomous Government Agencies (SAGAs), Civil Works and Construction of Residential and Non-Residential Buildings, Refurbishment of Buildings and Infrastructure, Purchase of Specialised Plant, Equipment, and Machinery, and Pre-Feasibility Studies.

Equally, the major economic items for recurrent expenditure include: Compensation to Employees, Use of Goods and Services, and Current Transfer to SAGAs. The use of goods and services is further disaggregated into specific expenditure items, including: Travelling, Printing and Advertising; Rentals and Rates for non-residential buildings; Training; Hospitality; Maintenance expenses for motor vehicles and other assets.

3.4.2 Ministries, Departments, and Agencies Development Expenditure Analysis

In FY 2025/26, the gross allocations towards Ministerial development activities amounted to Kshs.744.84 billion, compared to Kshs.612.98 billion allocated in FY 2024/25. Gross ministerial development expenditure in the first nine months of FY 2025/26 amounted to Kshs.507.90 billion, recording an absorption rate of 68 per cent, comprising Kshs.495.12 billion paid expenditures and Kshs. 12.77 billion accrued expenses, compared to 55 per cent (Kshs.338.18 billion) recorded in a similar period of FY 2024/25. Table 3.9 shows the development expenditure breakdown by MDAs for the reporting period.

Table 3.9: Breakdown of Development Expenditure by MDAs (Kshs. Million)

MINISTRY/STATE DEPARTMENT/AGENCY	Capital Transfers	Construction of Non-Residential Buildings	Refurbishment of Buildings/ Infrastructure	Construction of Residential Buildings (Including Hostels.)	Construction and Civil Works	Purchase of Specialised Plant, Equipment and Machinery	Pre-Feasibility and Appraisal Studies	Other Expenses	Paid Expenses	Accrued Expenses	Gross Expenditure	(A-I-A)	Net Expenditure
Executive Office of the President	-	-	3.56	-	110.00	0.66	9.95	683.64	807.82	320.83	1,128.65	-	1,128.65
Office of the Deputy President	-	-	-	11.53	-	-	-	-	11.53	16.97	28.50	-	28.50
State House	-	9.67	595.93	-	-	1.10	-	28.03	634.73	253.72	888.45	-	888.45
State Department for National Government Coordination	-	-	-	-	-	-	15.32	-	15.32	2.78	18.09	-	18.09
State Department for Correctional Services	-	138.07	5.19	-	37.55	11.09	-	-	191.90	10.66	202.57	-	202.57
State Department for Immigration and Citizen services	-	117.58	156.86	-	-	244.65	-	9,268.75	9,787.85	2,566.93	12,354.77	8,046.63	4,308.14
National Police Service	-	79.04	-	-	-	541.78	-	27.55	648.37	238.70	887.07	466.99	420.08
State Department for Internal Security and National Administration	-	-	-	242.79	-	3,400.00	-	-	3,642.79	-	3,642.79	-	3,642.79
State Department for Devolution	1,949.59	-	2.12	-	-	-	-	32.38	1,984.10	107.33	2,091.43	-	2,091.43
State Department for Special Programmes	-	-	-	-	-	-	-	-	-	165.60	165.60	-	165.60
State Department for ASALs and Regional Development	2,266.17	-	-	-	-	-	-	20.91	2,287.07	-	2,287.07	-	2,287.07
Ministry of Defence	4,202.37	-	-	-	-	-	-	-	4,202.37	-	4,202.37	3,462.24	740.13
State Department for Foreign Affairs	93.10	-	-	-	-	-	-	2,253.30	2,346.40	-	2,346.40	-	2,346.40
State Department for Vocational and Technical Training	4,625.71	-	-	-	-	-	-	345.38	4,971.08	58.09	5,029.18	3,012.96	2,016.22

MINISTRY/STATE DEPARTMENT/AGENCY	Capital Transfers	Construction of Non-Residential Buildings	Refurbishment of Buildings/ Infrastructure	Construction of Residential Buildings (Including Hostels.)	Construction and Civil Works	Purchase of Specialised Plant, Equipment and Machinery	Pre-Feasibility and Appraisal Studies	Other Expenses	Paid Expenses	Accrued Expenses	Gross Expenditure	(A-I-A)	Net Expenditure
State Department for Higher Education and Research	2,574.18	-	-	-	-	-	-	-	2,574.18	-	2,574.18	16.28	2,557.90
State Department for Basic Education	8,667.99	-	-	-	-	-	-	212.95	8,880.93	2,146.42	11,027.36	580.16	10,447.20
The National Treasury	17,131.74	-	-	-	-	52.36	-	3,500.88	20,684.98	438.75	21,123.72	9,439.10	11,684.62
State Department of Economic Planning	45,849.48	-	-	-	-	-	5.17	-	45,854.65	-	45,854.65	-	45,854.65
State Department for Public Investments and Assets Management	-	-	-	-	-	-	-	474.32	474.32	155.36	629.68	-	629.68
State Department for Medical Services	12,402.90	-	354.79	416.29	-	1,498.14	900.00	1,369.15	16,941.28	308.39	17,249.67	-	17,249.67
State Department for Public Health and Professional Standards	2,665.08	-	-	-	-	-	-	59.44	2,724.52	111.16	2,835.68	-	2,835.68
State Department of Roads	88,125.74	38.88	94.95	-	-	14.14	612.26	571.27	89,457.24	1,893.65	91,350.89	34,760.48	56,590.41
State Department of Transport	27,069.79	-	31.94	-	-	-	20.57	122.66	27,244.96	33.04	27,278.00	25,364.40	1,913.60
State Department for shipping and Maritime Affairs	153.89	-	-	-	-	-	-	-	153.89	-	153.89	-	153.89
State Department for Housing & Urban Development	5,533.47	-	261.18	-	75,752.51	-	3,029.33	5,729.18	90,305.68	510.35	90,816.02	-	90,816.02
State Department for Public Works	-	-	-	-	54.09	-	3.37	-	57.46	9.34	66.79	-	66.79
State Department for Aviation and Aerospace Development	331.20	-	-	-	-	-	-	-	331.20	-	331.20	-	331.20

MINISTRY/STATE DEPARTMENT/AGENCY	Capital Transfers	Construction of Non-Residential Buildings	Refurbishment of Buildings/Infrastructure	Construction of Residential Buildings (Including Hostels.)	Construction and Civil Works	Purchase of Specialised Plant, Equipment and Machinery	Pre-Feasibility and Appraisal Studies	Other Expenses	Paid Expenses	Accrued Expenses	Gross Expenditure	(A-I-A)	Net Expenditure
State Department for Irrigation	3,532.50	-	-	-	-	-	-	-	3,532.50	64.38	3,596.88	493.90	3,102.97
State Department for Water and Sanitation	28,319.52	-	7.12	-	227.28	-	-	-	28,553.92	692.87	29,246.79	-	29,246.79
State Department for Lands and Physical Planning	3,755.61	55.64	10.00	-	-	-	-	167.88	3,989.13	-	3,989.13	788.74	3,200.39
State Department for Information Communications, Technology & Digital Economy	5,408.16	-	-	-	-	1.86	-	1,013.01	6,423.03	206.07	6,629.09	2,182.81	4,446.28
State Department for Broadcasting & Telecommunications	173.88	-	-	-	-	-	-	17.93	191.81	9.37	201.17	-	201.17
State Department for Sports	15,098.08	-	-	-	-	-	-	-	15,098.08	-	15,098.08	13,408.12	1,689.96
State Department for Culture and Heritage	-	-	20.00	-	-	-	-	-	20.00	-	20.00	-	20.00
State Department for Youth Affairs and the Arts	16.80	0.78	7.50	-	-	-	-	703.60	728.68	92.56	821.24	75.88	745.36
State Department for Energy	16,748.10	-	24.29	-	16,454.63	-	486.08	54.00	33,767.10	117.47	33,884.56	26,980.59	6,903.98
State Department for Livestock Development	2,300.60	-	-	-	-	277.97	-	1,322.38	3,900.95	476.64	4,377.59	1,000.00	3,377.59
State Department for Blue Economy and Fisheries	-	-	4,578.41	218.66	-	-	-	-	4,797.07	-	4,797.07	603.50	4,193.58
State Department for Crop Development	22,422.25	116.76	437.11	-	476.01	0.10	11.09	2,430.58	25,893.89	674.76	26,568.65	-	26,568.65
State Department for Cooperatives	2,693.12	-	-	-	-	-	-	0.53	2,693.65	3.84	2,697.49	-	2,697.49
State Department for Trade	284.85	-	-	-	-	-	-	-	284.85	-	284.85	-	284.85

MINISTRY/STATE DEPARTMENT/AGENCY	Capital Transfers	Construction of Non-Residential Buildings	Refurbishment of Buildings/ Infrastructure	Construction of Residential Buildings (Including Hostels.)	Construction and Civil Works	Purchase of Specialised Plant, Equipment and Machinery	Pre-Feasibility and Appraisal Studies	Other Expenses	Paid Expenses	Accrued Expenses	Gross Expenditure	(A-I-A)	Net Expenditure
State Department for Industry	5,248.00	-	-	-	-	-	92.72	91.28	5,431.99	-	5,431.99	-	5,431.99
State Department for Micro, Small and Medium Enterprises Development	4,077.17	-	-	-	-	-	249.00	-	4,326.17	-	4,326.17	-	4,326.17
State Department for Investment Promotion	1,959.48	-	-	-	-	-	29.27	37.89	2,026.64	11.87	2,038.51	-	2,038.51
State Department for Labour and Skills Development	462.86	36.45	-	-	-	2.51	-	160.15	661.96	-	661.96	-	661.96
State Department for Social Protection and Senior Citizen Affairs	-	-	-	-	-	-	-	124.49	124.49	1.10	125.58	-	125.58
State Department for Children Services	-	-	-	-	28.28	-	-	-	28.28	-	28.28	-	28.28
State Department for Mining	-	-	-	-	-	-	-	5.12	5.12	-	5.12	-	5.12
State Department for Petroleum	421.30	-	-	-	7.58	171.13	653.81	979.91	2,233.72	557.31	2,791.02	2,789.83	1.20
State Department for Tourism	852.28	-	-	-	28.92	2.18	-	3.65	887.03	-	887.03	-	887.03
State Department for Wildlife	980.15	-	-	-	-	-	-	44.23	1,024.38	42.69	1,067.07	-	1,067.07
State Department for Gender and Affirmative Action	4,000.00	-	-	-	-	-	-	24.51	4,024.51	33.56	4,058.08	-	4,058.08
State Department for Public Service	1,149.41	27.11	-	-	-	26.90	1.22	35.29	1,239.92	77.84	1,317.77	28.50	1,289.26
The State Law Office	50.00	-	49.44	-	-	47.22	-	-	146.66	40.46	187.12	-	187.12
The Judiciary	2.97	12.59	10.22	-	-	-	141.12	89.05	255.95	-	255.95	-	255.95

MINISTRY/STATE DEPARTMENT/AGENCY	Capital Transfers	Construction of Non-Residential Buildings	Refurbishment of Buildings/ Infrastructure	Construction of Residential Buildings (Including Hostels.)	Construction and Civil Works	Purchase of Specialised Plant, Equipment and Machinery	Pre-Feasibility and Appraisal Studies	Other Expenses	Paid Expenses	Accrued Expenses	Gross Expenditure	(A-I-A)	Net Expenditure
Ethics and Anti-Corruption Commission	-	-	143.54	-	-	-	-	-	143.54	-	143.54	-	143.54
Office of the Director of Public Prosecutions	-	-	-	-	-	-	-	4.03	4.03	47.31	51.34	-	51.34
State Department for Environment and Climate Change	448.03	-	-	-	18.67	-	-	133.46	600.15	132.07	732.22	-	732.22
State Department for Forestry	2,739.26	-	-	-	-	-	-	-	2,739.26	144.15	2,883.41	-	2,883.41
National Land Commission	300.00	-	-	-	-	-	-	39.80	339.80	0.00	339.80	-	339.80
Parliamentary Joint Services	-	354.98	98.35	-	-	490.94	-	599.99	1,544.26	-	1,544.26	-	1,544.26
Teachers Service Commission	221.54	-	-	-	-	-	-	-	221.54	-	221.54	-	221.54
Auditor General	-	-	-	-	-	-	-	20.93	20.93	-	20.93	-	20.93
Total	347,308.30	987.55	6,892.53	889.27	93,195.51	6,784.73	6,260.27	32,803.46	495,121.61	12,774.38	507,895.99	133,501.12	374,394.88

Source: MDAs and National Treasury

Analysis of MDAs' development expenditure by economic classification shows that the highest spending category was Capital Transfers to SAGAs at Kshs.347.31 billion, representing 70 per cent of the gross development expenditure. Capital Transfers may take the form of subsidies, grants, or direct transfers to SAGAs, intended to complement activities and mandates executed on behalf of parent ministries. A summary of the Capital Transfers is annexed to this report.

Construction and Civil Works recorded Kshs.93.20 billion, the second-highest spending category, representing 13 per cent, with the State Department for Housing and Urban Development recording the highest at Kshs.75.75 billion. Other budget items with significant expenses include the Refurbishment of Buildings/Infrastructure and Civil Works, at Kshs. 6.89 billion (1 per cent).

Further analysis shows that the State Department for Roads recorded the highest Capital Transfers at Kshs.88.13 billion, representing 25 percent and the State Department for Economic Planning recorded Kshs.45.85 billion, representing 13 percent of the total Capital Transfers.

Other expenses category recorded Kshs.32.80 representing 7 per cent of the total gross development expenditure. MDAs that recorded the highest expenditure under the "Other Expenses" Category include:

State Department for Immigration and Citizen Services – includes Supplies for Production for Identity Card Material at Kshs.4.29 billion, Purchase of e-passport books Kshs.2.04 billion, and e-citizen contracted services Kshs.2.87 billion

State Department for Foreign Affairs – includes Kshs.1.11 billion for the acquisition of assets.

State Department for Medical Services – majorly Kshs.855 million for the acquisition of other intangible assets.

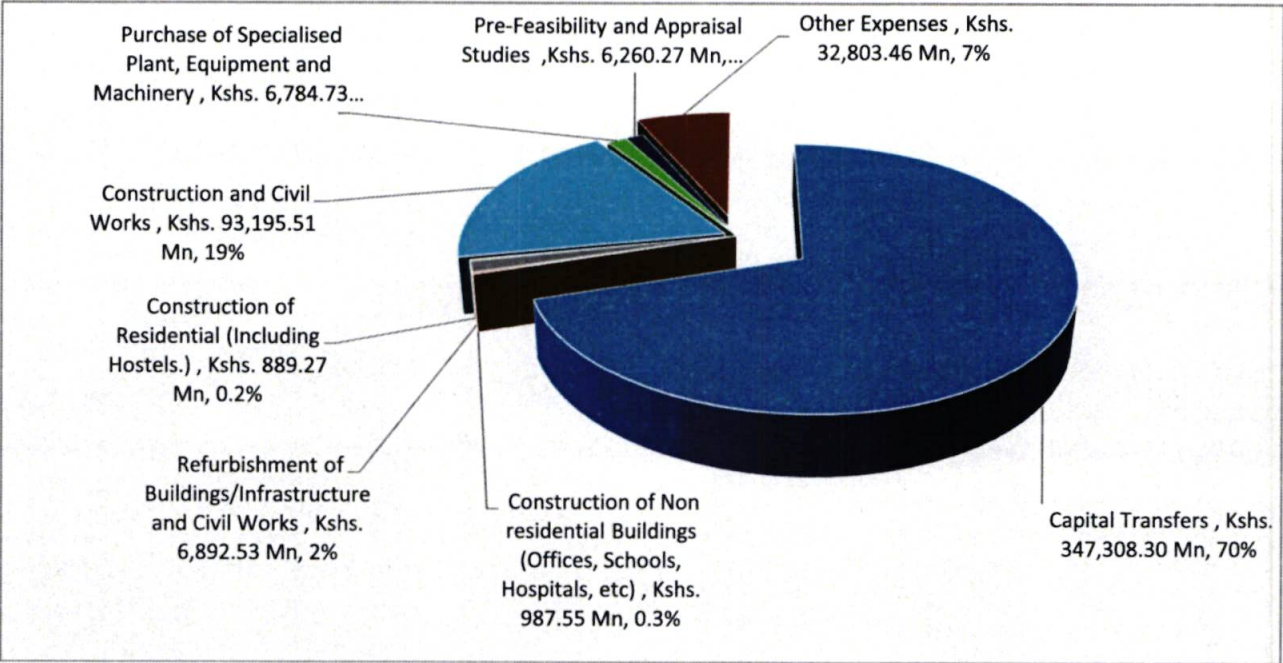
National Treasury – includes Kshs.3.44 billion on the use of goods and services.

State Department for Crop Development– Major items include Contracted professional and Technical services, monitoring expenses, Agricultural Materials and Supplies at Kshs.919.77 million and Specialised Materials and Supplies at Kshs.954.31 million.

State Department for Housing and Urban Development- includes Kshs.4.91 billion for contracted professional services.

Figure 3.7 shows the composition of MDAs' development expenditure in the first nine months of FY 2025/26.

Figure 3.7: Breakdown Summary of MDAs’ Development Expenditure



Source: MDAs

3.4.3 Ministries, Departments, and Agencies: Recurrent Expenditure Analysis

In FY 2025/26, the gross allocation to ministerial recurrent expenditure amounts to Kshs.1.80 trillion, compared to Kshs.1.77 trillion allocated in FY 2024/25. Expenditure in the first nine months of FY 2025/26 totals Kshs.1.36 trillion, representing 75 per cent of the annual gross recurrent estimates (comprising Kshs.1.34 trillion as paid and Kshs.16.54 billion as accrued expenses), compared to 70 per cent (Kshs.1.20 trillion), recorded in a similar period of FY 2024/25.

A breakdown of the MDAs’ total recurrent expenditure for the reporting period is presented in Table 3.10

Table 3.10: Breakdown of Recurrent Expenditure by MDAs (Kshs. Million)

Ministries/ Departments/ Agencies	Compensation to Employees	Use of Goods and Services															Subsidies		Social Security Benefits	Current Transfers	Acquisition of Financial Assets	Acquisition of Non-Financial Assets	Paid Expenditure	Accrued Expenditure	Gross Expenditure	(A1-A)	Net Expenditure
		Utilities, Supplies and Services	Communication, supplies and Services	Domestic Travel	Foreign Travel	Printing and Advertising	Rentals of produced Assets	Training	Hospitality	Specialised Materials and Supplies	Routine Maintenance Motor Vehicles	Maintenance Expenditures-Other Assets	Insurance Cost	Office and General Supplies and Services	Fuel Oil and Lubricants	Other Expenses	Subsidies to Public Corporations	Subsidies to Private enterprises									
Executive Office of the President	1,457.88	8.71	23.45	137.32	17.29	8.28	190.30	34.82	129.16	101.48	20.29	153.16	-	6.00	41.93	1,004.24	-	-	-	-	-	100.87	3,435.17	367.47	3,802.64	11.61	3,791.03
Office of the Deputy President	759.36	24.10	18.12	222.60	76.73	26.30	202.33	7.54	552.78	8.46	68.87	36.20	-	48.89	84.23	1,076.68	-	-	-	-	-	78.11	3,291.32	173.12	3,464.44	-	3,464.44
Office of the Prime Cabinet Secretary	87.50	-	5.26	98.51	7.98	0.41	-	0.29	14.20	-	9.96	-	-	5.35	13.15	87.43	-	-	-	-	-	11.39	341.42	-	341.42	-	341.42
State Department for Parliamentary Affairs	143.75	-	4.71	30.69	2.34	2.10	-	8.50	19.46	-	0.51	-	-	0.98	1.50	0.41	-	-	-	-	-	0.87	215.81	3.08	218.89	-	218.89
State Department for Cabinet Affairs	62.14	-	2.03	20.65	5.51	0.40	7.05	7.05	15.43	0.09	1.38	0.07	-	0.15	3.78	6.95	-	-	-	-	-	-	132.68	-	132.68	-	132.68
State House	2,589.47	112.69	82.94	69.00	1,273.83	24.82	12.66	103.31	22.52	16.56	245.65	24.17	60.50	31.96	317.51	5,363.29	-	-	-	-	-	69.85	10,420.71	369.76	10,790.47	-	10,790.47
State Department for National Government Coordination	232.83	-	7.45	58.72	2.53	0.73	98.33	9.31	27.44	0.36	2.81	0.06	-	0.81	26.11	38.81	-	-	-	-	-	56.60	562.90	109.81	672.72	-	672.72
State Department for Correctional Services	21,419.28	361.70	5.90	175.22	-	1.14	65.56	125.80	39.77	3,870.76	62.70	1.13	375.00	23.86	251.64	294.74	-	-	-	8.72	-	81.41	27,164.33	800.93	27,965.26	3.48	27,961.78
State Department for Immigration and Citizen services	5,793.77	104.08	90.96	576.51	45.87	7.99	316.04	105.29	105.82	532.51	34.50	37.06	-	54.75	92.41	1,190.13	-	-	-	-	-	41.76	9,129.45	1,146.27	10,275.72	1,155.87	9,119.85
National Police Service	68,531.65	937.61	34.61	165.65	-	10.70	39.80	286.42	2.02	2,893.30	206.94	34.04	10,732.70	2.81	642.98	8,268.30	-	-	-	117.89	-	295.19	93,202.60	3,172.30	96,374.90	-	96,374.90
State Department for Internal Security and National Administration	12,690.04	191.51	2.39	482.93	-	0.04	15.34	16.58	378.54	253.83	43.70	14.14	-	2.22	112.05	13,151.09	-	-	-	1,926.00	-	8.16	29,288.57	699.43	29,988.00	28.71	29,959.28
State Department for Devolution	137.95	0.07	17.87	21.34	-	25.98	90.06	4.67	67.72	2.73	2.70	1.34	-	4.45	6.37	582.95	-	-	-	-	-	-	966.20	30.90	997.10	-	997.10

Ministries/ Departments/ Agencies	Compensation to Employees	Use of Goods and Services													Subsidies		Social Security Benefits	Current Transfers	Acquisition of Financial Assets	Acquisition of Non-Financial Assets	Paid Expenditure	Accrued Expenditure	Gross Expenditure	(A-I-A)	Net Expenditure
		Utilities, Supplies and Services	Communication, supplies and Services	Domestic Travel	Foreign Travel	Printing and Advertising	Rentals of produced Assets	Training	Hospitality	Specialised Materials and Supplies	Routine Maintenance Motor Vehicles	Maintenance Expenses-Other Assets	Insurance Cost	Office and General Supplies and Services	Fuel Oil and Lubricants	Other Expenses									
State Department for Special Programmes	10.06	0.09	1.35	18.50	-	0.46	-	0.46	7.88	-	0.01	0.05	0.83	3.13	664.51	-	-	-	9,233.36	-	9,940.73	-	9,940.73	-	9,940.73
State Department for the ASALs and Regional Development	183.08	-	0.30	11.73	-	0.34	68.73	4.89	8.97	-	0.11	-	0.24	3.20	10.03	-	-	-	5,118.74	-	5,410.34	-	5,410.34	-	5,410.34
Ministry of Defence	1,799.83	-	4.60	21.61	13.82	6.01	-	29.27	15.00	21.26	9.38	3.71	13.18	15.67	200.25	-	-	-	145,390.29	-	147,544.51	-	147,544.51	5,015.34	142,529.17
State Department for Foreign Affairs	6,220.75	211.47	112.20	113.18	1,690.69	5.71	1,557.34	4.89	198.05	7.66	35.54	66.59	29.87	39.59	598.32	-	-	-	230.51	-	11,280.28	-	11,280.28	90.84	11,189.44
State Department for Disposition Affairs	185.16	1.22	3.36	8.44	66.55	1.73	52.35	14.88	13.34	-	2.03	0.05	3.15	3.97	13.98	-	-	-	-	-	379.90	101.75	481.65	-	481.65
State Department for Vocational and Technical Training	8,687.21	(0.18)	0.11	30.45	-	2.70	45.54	64.47	29.69	-	0.31	0.40	1.49	8.65	44.73	-	-	-	13,733.87	-	22,649.45	87.97	22,737.41	0.00	22,737.41
State Department for Higher Education and Research	159.27	2.89	3.61	9.36	-	0.98	26.82	9.17	3.43	-	0.18	0.06	0.30	3.13	14.51	-	-	-	89,127.78	-	125,781.36	6.94	125,788.30	49,614.23	76,174.07
State Department for Basic Education	3,656.07	13.47	1.28	21.94	-	1.18	7.15	0.58	43.55	2.03	60.79	2.12	22.09	54.63	9,019.98	58,749.50	-	-	11,823.61	-	83,479.96	36.59	83,516.55	19.50	83,497.05
State Department for Science, Innovation and Research	31.33	-	0.04	7.89	1.56	-	0.11	3.35	2.85	-	0.34	-	0.18	1.75	1.54	-	-	-	483.53	-	534.48	66.43	600.91	-	600.91
The National Treasury	2,702.06	33.77	39.62	181.51	116.49	7.01	101.92	163.68	187.61	0.51	4.56	83.36	6.75	97.45	9,905.92	-	-	-	34,721.68	-	48,370.15	358.60	48,728.75	9,782.96	38,945.77
State Department for Economic Planning	335.43	0.30	8.27	43.19	22.43	5.22	32.17	129.93	29.94	0.74	4.03	0.64	-	0.76	40.53	-	-	-	1,821.46	-	2,509.57	19.79	2,529.36	53.43	2,475.93
State Department for Economic Planning	204.01	1.01	4.07	13.57	3.29	1.54	13.03	2.56	9.93	-	0.05	-	-	2.87	48.76	-	-	-	1,277.49	-	1,597.52	70.04	1,667.57	-	1,667.57

Ministries/ Departments/ Agencies	Compensation to Employees	Use of Goods and Services													Subsidies		Current Transfers	Acqui- sition of Financial Assets	Acqui- sition of Non-Fi- nancial Assets	Paid Expen- diture	Accrued Expendi- ture	Gross Expenditure	(A+A)	Net Expen- diture
		Utili- ties, Sup- plies and Ser- vices	Communi- cation, supplies and Services	Domestic Travel	Foreign Travel	Printing and Adver- tising	Rentals of pro- duced Assets	Training	Hospi- tality	Spe- cialised Materi- als and Supplies	Routine Mainte- nance Motor Vehicles	Mainte- nance Ex- pens- es-Oth- er Assets	Insur- ance Cost	Office and General Sup- plies and Services	Fuel Oil and Lubri- cants	Other Expenses	Subsi- dies to Public Corpora- tions	Subsi- dies to Private enter- prise						
State Depart- ment for Medical Services	8,275.71	15.56	1.90	26.43	1.80	0.25	2.71	121.66	4.24	145.37	6.32	0.83	-	6.41	7.77	53.54	-	-	38,142.28	394.81	46,844.62	47,238.43	10,807.64	36,631.79
State Depart- ment for Public Health and Professional Standards	8,261.77	0.71	1.74	35.45	0.65	7.99	-	116.21	15.19	29.49	3.71	1.57	-	6.41	7.77	58.18	-	-	11,933.97	83.11	20,482.33	20,565.44	3,457.14	17,108.30
State Depart- ment for Roads	864.23	18.99	4.06	7.06	0.92	1.20	-	0.28	2.96	3.90	2.87	2.25	2.02	2.49	6.22	10.29	-	-	42,636.18	22.00	43,567.03	43,588.04	42,636.18	952.85
State Department for Transport	135.94	7.05	0.69	8.30	-	0.63	0.30	4.09	3.02	0.37	0.87	1.75	-	3.86	5.93	26.14	-	-	4,526.01	29.68	4,726.47	4,756.15	3,070.69	1,685.46
State Department for Shipping and Maritime Affairs	101.45	-	2.74	15.92	6.87	1.96	26.44	12.34	4.83	#REF:	0.62	0.02	-	0.85	3.05	9.31	-	-	1,930.80	12.43	2,117.36	2,128.79	1,793.74	338.05
State Department for Housing & Urban Development	900.45	4.96	0.21	17.73	5.02	2.61	136.81	14.77	16.81	0.38	2.22	0.41	-	2.92	2.00	179.39	-	-	1,500.00	256.13	2,806.55	3,065.67	1,895.97	1,188.70
State Depart- ment for Public Works	671.32	11.23	1.43	19.32	0.08	0.15	57.77	2.88	5.28	1.35	0.82	1.20	-	2.66	4.04	33.91	-	-	709.93	21.91	1,523.41	1,545.32	0.46	1,544.86
State Depart- ment for Aviation and Aerospace Development	40.80	-	1.52	14.98	8.31	0.16	0.53	1.04	14.12	0.17	-	-	-	0.59	4.72	9.88	-	-	96.83	10.77	107.60	107.60	-	107.60
State Department for Irrigation	210.05	-	0.58	6.29	-	2.03	-	6.63	3.70	-	4.34	0.09	-	2.92	5.80	0.91	-	-	475.36	6.80	720.23	727.03	475.36	251.67
State Depart- ment for Water & Sanitation	373.83	7.12	0.68	7.62	0.12	0.35	-	1.77	11.69	-	0.79	1.62	-	2.17	4.92	18.40	-	-	2,007.10	191.03	2,439.36	2,530.40	25.66	2,504.74
State Depart- ment for Lands and Physical Planning	2,359.84	37.76	22.46	391.76	1.41	112.67	144.94	40.00	126.16	133.64	10.29	4.28	-	63.31	86.60	184.83	-	-	3,781.79	-	3,781.79	3,781.79	1,246.78	2,535.00
State Depart- ment for Informa- tions, Technology & Digital Econ- omy	350.37	-	3.85	19.09	10.17	0.10	91.97	41.77	7.65	-	4.05	0.31	-	0.71	9.50	4.81	-	-	2,020.91	20.55	2,567.71	2,588.26	327.64	2,260.63

Ministries/ Departments/ Agencies	Compensation to Employees	Use of Goods and Services													Subsidies		Social Se- curity Bene- fits	Current Transfers	Acqui- sition of Financial Assets	Acqui- sition of Non-Fi- nancial Assets	Paid Expen- diture	Accrued Expendi- ture	Gross Expenditure	(A-I-I)	Net Expen- diture
		Utili- ties, Sup- plies and Ser- vices	Commu- nication, supplies and Services	Domestic Travel	Foreign Travel	Printing and Adver- tising	Rentals of pro- duced Assets	Training	Hospita- lity	Spe- cialised Materi- als and Supplies	Routine Main- tenance Motor Vehicles	Main- tenance Ex- ces-Qui- es-Other Assets	Insur- ance Cost	Office and General Sup- plies and Services	Fuel Oil and Lubri- cants	Other Expenses									
State Department for Broadcasting & Telecommunications	323.96	1.96	3.24	43.90	2.36	372.59	8.68	0.03	16.55	0.27	1.08	0.02	-	1.16	8.71	11.39	-	-	1,864.38	-	2,687.04	-	2,687.04		
State Depart- ment for Sports	170.62	-	0.48	4.36	1.41	0.68	49.75	0.48	1.32	1.35	-	-	-	0.97	0.08	1.27	-	-	4,671.77	-	4,908.96	4.36	4,905.22		
State Depart- ment for Culture and Heritage	200.31	1.50	0.94	21.58	1.89	2.81	32.44	5.60	256.76	13.36	0.69	1.02	-	1.18	6.44	10.23	-	-	1,612.44	-	2,163.19	47.91	1,906.37		
State Depart- ment for Youth Affairs and the Arts	578.14	2.36	4.38	136.80	-	17.40	51.49	47.04	71.11	0.36	0.49	1.45	-	21.88	18.55	23.77	-	-	851.35	-	1,827.86	96.35	1,818.20		
State Depart- ment for Energy	254.91	16.83	2.30	16.75	-	-	-	1.02	9.53	-	1.50	2.64	-	2.26	18.15	5.99	-	-	8,679.26	-	9,044.93	46.20	8,634.47		
State Department for Livestock Development.	1,238.74	10.75	0.82	32.64	-	1.31	29.15	8.55	4.70	147.06	1.58	1.16	-	7.81	14.97	35.44	-	-	1,738.25	-	3,343.44	390.10	2,174.46		
State Depart- ment for Blue Economy and Fisheries	194.96	-	0.17	12.26	-	0.05	10.31	2.55	3.42	19.56	0.75	-	-	0.74	1.01	16.51	-	-	1,956.50	-	2,218.78	-	2,133.58		
State Depart- ment for Crop Development	550.02	10.93	0.56	1.44	-	0.71	13.62	0.46	0.78	3.93	0.13	-	0.75	0.79	0.12	40.53	-	-	12,551.36	-	13,176.73	19.07	4,405.17		
State Department for Cooperatives	248.11	-	1.72	24.60	0.96	18.24	57.09	8.28	15.90	0.50	0.72	0.27	-	0.65	10.44	9.87	-	-	5,272.32	-	5,669.67	29.63	4,612.68		
State Depart- ment for Trade	426.49	1.70	2.07	55.28	23.30	38.50	143.27	17.01	55.01	2.25	1.79	0.50	-	2.98	10.61	38.09	-	-	1,121.04	-	1,940.78	97.44	1,815.73		
State Depart- ment for Industry	425.69	-	10.77	72.35	11.61	0.72	57.97	11.71	14.97	0.01	0.59	(0.01)	-	0.13	12.87	243.17	-	-	834.01	-	1,698.77	-	1,698.77		
State Depart- ment for Micro, Small and Medi- um Enterprises Development	173.88	1.03	4.20	44.18	4.87	1.49	29.76	19.33	10.96	0.20	0.24	0.14	-	2.74	2.80	1.22	-	-	917.52	-	1,214.58	-	127.96		
State Department for Investment Promotion	98.00	-	0.08	13.82	5.02	0.61	16.48	1.91	2.24	-	0.05	0.06	-	0.49	3.30	0.69	-	-	1,240.12	-	1,382.87	11.25	1,384.12		

Ministries/ Departments/ Agencies	Compen- sation to Employ- ees	Use of Goods and Services											Subsidies		Social Se- curity Bene- fits	Current Transfers	Acqui- sition of Financial Assets	Acqui- sition of Non-Fi- nancial Assets	Paid Expen- diture	Accrued Expendi- ture	Gross Expenditure	(A+A)	Net Expen- diture
		Utili- ties, Sup- plies and Ser- vices	Communi- cation, supplies and Services	Domestic Travel	Foreign Travel	Printing and Adver- tising	Rentals of pro- duced Assets	Training	Hospi- tality	Spe- cialised Materi- als and Supplies	Routine Mainte- nance Motor Vehicles	Mainte- nance Ex- pens- es- Other Assets	Office and General Sup- plies and Services	Fuel Oil and Lubri- cants	Other Expenses	Subsi- dies to Public Corpora- tions	Subsi- dies to Private enter- prise						
State Department for Labour and Skills Development	861.24	7.71	4.95	41.58	36.98	1.09	177.47	3.63	22.54	1.84	1.77	1.19	1.63	4.78	5.95	13.35	-	2.12	3,241.93	-	3,241.93	2,102.76	1,139.17
State Depart- ment for Social Protection and Senior Citizens Affairs	1,225.31	-	9.68	125.82	-	38.25	6.49	33.48	71.22	3.06	1.47	0.09	3,560.00	6.45	7.76	353.52	-	4.80	30,103.10	50.41	30,153.51	97.74	30,055.77
State Depart- ment for Children Services	507.79	2.85	-	14.77	4.81	0.24	12.09	4.14	6.26	0.34	-	-	-	0.90	3.27	95.59	-	8.13	10,325.32	137.16	10,462.48	-	10,462.48
State Depart- ment for Mining	455.53	3.77	12.14	148.52	33.38	3.40	2.00	26.31	15.03	0.08	14.24	0.48	-	14.01	39.70	35.23	-	-	863.89	109.61	973.49	457.53	515.96
State Department for Petroleum	201.80	2.21	0.51	5.85	0.95	0.04	37.69	-	2.06	-	0.58	2.89	-	0.47	0.68	11.76	-	0.20	3,283.66	2.61	3,286.27	3,043.29	242.97
State Depart- ment for Tourism	165.49	2.00	0.07	32.68	14.19	0.23	36.29	0.62	31.76	9.39	4.73	0.10	-	1.43	9.33	2.80	-	-	5,106.80	17.34	5,124.14	4,520.41	603.73
State Depart- ment for Wildlife	137.61	-	0.14	8.27	2.26	-	42.87	5.39	1.54	0.28	0.17	0.06	332.45	0.15	2.33	727.00	-	0.76	11,316.47	48.27	11,364.74	8,911.17	2,453.58
State Depart- ment for Gender and Affirmative Action	197.71	-	0.26	21.08	4.41	0.57	32.18	9.00	22.11	0.29	1.05	0.14	-	0.88	5.03	6.03	-	-	1,074.60	43.81	1,118.41	-	1,118.41
State Depart- ment for Public Service	683.21	40.04	68.18	67.27	6.24	12.37	203.93	24.75	24.38	2.63	5.02	16.99	4,198.12	26.28	12.30	73.59	-	81.62	14,427.96	1,560.73	15,988.69	2,294.73	13,693.96
State Depart- ment for the East African Community	239.47	-	3.40	44.14	56.43	6.83	100.24	22.50	35.19	-	9.88	0.18	-	10.66	14.66	3.47	-	7.14	554.19	-	554.19	-	554.19
The State Law Office	1,579.02	15.19	2.70	70.78	19.07	1.47	107.21	4.43	7.06	1.85	6.75	2.23	-	56.27	14.09	201.45	-	12.02	2,964.86	159.54	3,124.40	-	3,124.40
State Depart- ment for Justice, Human Rights, and Constitu- tional Affairs	-	-	-	5.67	1.59	0.89	0.04	0.11	4.84	0.06	-	-	-	1.71	1.08	32.74	-	48.36	503.36	70.12	573.47	-	573.47
The Judiciary	12,052.64	86.95	272.62	778.19	83.85	29.50	324.57	13.51	431.60	67.54	124.00	42.90	1,498.16	155.91	218.07	647.87	-	33.54	17,443.93	-	17,443.93	-	17,443.93

Ministries/ Departments/ Agencies	Compensation to Employees	Use of Goods and Services															Subsidies		Social Security Benefits	Current Transfers	Acqui- sition of Financial Assets	Acqui- sition of Non-Fi- nancial Assets	Paid Expen- diture	Accrued Expendi- ture	Gross Expenditure	(A-I-I)	Net Expen- diture
		Utili- ties, Sup- plies and Ser- vices	Communi- cation, supplies and Services	Domestic Travel	Foreign Travel	Printing and Adver- tising	Rentals of pro- duced Assets	Training	Hospi- tality	Spe- cialised Materi- als and Supplies	Routine Main- tenance Motor Vehicles	Mainte- nance Ex- pens- es- Other Assets	Insur- ance Cost	Office and General Sup- plies and Services	Fuel Oil and Lubri- cants	Other Expenses	Subsi- dies to Public Corpora- tions	Subsi- dies to Private enter- prise									
Ethics and Anti-Corruption Commission	1,886.80	12.90	76.70	246.22	42.60	19.93	70.00	99.48	77.93	1.16	21.31	13.01	278.26	11.82	31.84	168.59	-	-	-	-	4.55	3,177.05	4.55	3,181.60	4.55	3,177.05	
National Intelli- gence Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	51,554.07	2,380.12	53,934.19	-	53,934.19	-	53,934.19		
Office of the Director of Public Prosecutions	2,724.34	9.16	44.62	229.11	44.73	4.92	136.83	34.77	151.26	0.38	25.34	2.11	419.46	35.27	26.11	118.11	-	-	-	43.74	4,008.46	43.74	4,052.20	-	4,052.20		
Office of the Registrar of Political Parties	269.76	2.97	2.61	25.10	0.79	1.74	39.89	11.97	10.89	0.34	0.02	1.19	40.68	3.24	2.28	(73.21)	-	-	1,883.73	10.67	2,024.64	10.67	2,035.31	-	2,035.31		
Witness Protec- tion Agency	324.92	1.70	1.57	0.07	-	0.14	25.63	0.12	1.73	-	1.70	0.53	27.82	0.50	1.18	188.84	-	-	-	609.15	609.15	-	609.15	-	609.15		
State Depart- ment for Environ- ment & Climate Change	918.15	28.20	1.48	7.17	1.02	2.05	39.35	10.84	80.59	49.62	2.72	2.18	-	2.90	5.96	42.95	-	-	452.66	124.18	1,649.64	124.18	1,773.82	-	1,773.82		
State Depart- ment for Forestry	137.70	-	0.06	5.02	-	0.11	15.45	2.18	2.15	-	2.09	0.38	-	1.28	5.47	4.75	-	-	5,542.21	3.08	5,718.93	3.08	5,722.01	2,718.46	3,003.54		
Kenya National Commission on Human Rights	256.49	1.08	4.43	18.83	-	0.39	0.11	0.28	33.83	33.88	3.88	0.74	2.47	2.47	-	0.32	-	-	-	-	360.26	-	360.26	-	360.26		
National Land Commission	1,035.83	1.05	3.68	30.33	2.89	2.37	92.29	5.53	580.89	-	6.37	40.00	159.59	-	9.59	225.00	-	-	17.13	70.61	2,214.37	70.61	2,284.98	-	2,284.98		
Independent Electoral and Boundaries Commission	2,056.37	5.07	49.39	384.82	11.90	72.07	545.60	274.36	184.01	68.11	16.72	-	235.17	34.47	46.43	681.08	-	-	-	-	4,670.41	-	4,670.41	-	4,670.41		
Parliamentary Service Com- mission	576.26	0.01	0.47	70.62	89.63	5.74	4.97	73.40	32.22	0.55	11.70	-	-	6.26	9.45	26.50	-	3.05	1,146.00	112.64	2,137.34	112.64	2,249.98	-	2,249.98		
National Assembly	10,391.49	-	1.40	2,780.93	1,479.50	60.21	67.56	172.45	179.90	17.15	29.45	194.09	-	23.22	28.11	3,018.20	-	83.06	393.51	425.60	18,943.01	425.60	19,368.61	-	19,368.61		
Parliamentary Joint Services	1,985.78	120.55	13.48	133.04	189.01	11.54	179.51	157.47	42.56	24.12	2.49	57.62	566.19	96.91	34.05	963.59	-	3.71	-	112.26	4,632.26	112.26	4,744.53	0.14	4,744.39		
Senate	3,151.82	-	1.49	1,014.10	815.26	37.13	2.80	265.12	103.05	19.05	26.46	61.70	-	38.38	13.10	771.10	-	30.65	34.55	47.66	6,432.14	47.66	6,479.80	-	6,479.80		
Judicial Service Commission	259.65	-	11.89	52.13	14.48	9.89	27.12	156.83	54.43	0.00	6.49	0.20	-	3.00	6.16	16.94	-	-	-	625.68	-	625.68	-	625.68	-	625.68	

Ministries/ Departments/ Agencies	Compensation to Employees	Use of Goods and Services															Subsidies		Acquisition of Financial Assets	Acquisition of Non-Financial Assets	Paid Expenditure	Accrued Expenditure	Gross Expenditure	(A-I-A)	Net Expenditure
		Utilities, Supplies and Services	Communication, supplies and Services	Domestic Travel	Foreign Travel	Printing and Advertising	Rentals of produced Assets	Training	Hospitality	Specialised Materials and Supplies	Routine Maintenance Motor Vehicles	Maintenance Expenditure-Other Assets	Insurance Cost	Office and General Supplies and Services	Fuel Oil and Lubricants	Other Expenses	Subsidies to Public Corporations	Subsidies to Private enterprise							
Commission on Revenue Allocation	137.24	1.13	2.15	10.43	-	1.45	38.59	1.59	2.60	-	4.06	0.19	26.37	1.15	7.30	11.10	-	-	259.15	-	259.15	-	259.15		
Public Service Commission	2,044.36	7.12	11.80	37.42	3.50	28.27	5.44	25.79	24.85	0.61	3.32	0.17	86.69	4.36	3.80	17.00	-	-	2,309.40	42.43	2,351.84	7.85	2,343.99		
Salaries and Remuneration Commission	233.69	23.48	5.76	38.06	24.84	2.53	27.67	44.15	18.91	-	6.53	4.03	5.36	1.89	10.77	(19.54)	-	-	431.46	27.29	458.75	-	458.75		
Teachers Service Commission	299,694.03	15.89	25.29	40.13	3.61	7.17	17.11	660.68	24.22	0.40	18.93	17.32	102.87	9.24	24.52	28.98	-	-	299,722.80	464.49	300,187.28	68.50	300,118.78		
National Police Service Commission	465.36	1.51	0.76	25.00	-	14.92	66.59	2.47	7.14	0.01	1.50	3.09	62.80	1.49	10.13	124.74	-	1.03	806.09	46.59	852.68	-	852.68		
Auditor General	3,919.47	5.92	58.53	709.23	74.87	5.86	119.80	30.56	27.59	-	25.61	41.76	287.89	12.11	61.14	18.05	-	-	5,465.22	935.64	6,400.86	-	6,400.86		
Office of the Controller of Budget	440.64	-	2.43	19.50	-	18.55	12.46	7.93	5.83	4.44	0.87	0.86	-	1.95	2.21	45.08	-	-	563.25	11.22	574.46	-	574.46		
The Commission on Administrative Justice	346.66	2.27	7.30	7.41	4.81	0.67	48.30	3.94	5.53	0.23	2.76	0.86	30.98	2.94	3.62	5.37	-	-	473.77	-	473.77	-	473.77		
National Gender and Equality Commission	233.66	1.06	2.50	8.72	1.75	0.51	31.51	38.38	2.27	-	1.55	0.30	41.42	2.27	4.15	0.86	-	2.95	424.99	-	424.99	-	424.99		
Independent Policing Oversight Authority	664.58	1.76	6.85	28.14	5.22	0.94	51.80	4.85	6.84	-	12.03	1.77	71.81	3.54	23.49	33.15	-	-	920.17	61.34	981.51	-	981.51		
Total	516,971.34	2,558.53	1,259.32	10,876.51	6,508.26	1,130.95	6,653.59	3,658.13	4,940.79	8,543.24	1,267.42	991.31	23,265.88	1,117.52	2,674.54	61,277.81	58,749.50	3,015.98	163.97	587,830.31	36,623.60	1,900.55	1,181,365.35		

Source: MDAs and National Treasury

The recurrent expenditure for MDAs is further disaggregated into Compensation to Employees, Use of Goods and Services and Current Transfers to SAGAs. This report annexes the current expenditure performance for Semi-Autonomous Government Agencies/State-Owned Enterprises/State Corporations under Annex VI.

3.4.3.1 Compensation to Employees

Compensation to employees comprises basic salaries for permanent employees, basic wages for temporary employees, personal allowances paid on reimbursement and provided in kind and other social benefits paid as part of the salary. Table 3.11 summarises Compensation to Employees aggregated by each of the ten sectors in the first nine months of FY 2025/26.

Table 3.11: Compensation to Employees Expenditure by Sector

Sector	Compensation to Employees' Performance in the first nine months of FY 2025/26		
	Gross Estimates (Kshs. Million)	Expenditure (Kshs. Million)	Expenditure as % of Gross Estimates
ARUD	82,407.81	5,379.39	7
EIICT	534,627.81	3,845.21	1
GECA	58,159.86	1,960.22	3
Health	138,105.53	16,537.49	12
Education	703,066.20	311,227.91	44
GJLO	284,086.68	131,208.34	46
PAIR	320,190.39	39,038.97	12
National Security*	253,770.18	1,799.83	1
SPCR	78,994.38	3,741.12	5
EPWNR	95,866.69	2,232.86	2
Total	2,549,275.55	516,971.34	20
Ordinary Revenue plus A.I.A as per the National Treasury Quarter III Economic and Budgetary Review Report FY 2025/26 (excluding disbursements of the Equitable share of the revenue raised nationally to County Governments)		2,292,522.02	
Expenditure on Compensation to Employees as % of Ordinary Revenue plus A.I.A (Less disbursements to County Governments)		23	

Source: National Treasury and MDAs

**Total Compensation to Employees does not include compensation to employees of the National Intelligence Service and the Kenya Defence Forces.*

In the first nine months of FY 2025/26, compensation to employees was Kshs. 516.97 billion, representing 23 per cent of the ministerial gross estimates, excluding payments for the National Intelligence Service and the Kenya Defence Forces under the National Security Sector, and for Semi-Autonomous Government Agencies/ State Corporations/ State Owned Corporations.

Considering the stated exclusions, MDA’s compensation to employees accounted for 23 per cent of the national government’s equitable share of the revenue raised nationally and Appropriations-in-Aid. This complies with the requirement of Paragraph 26 (1) (a) of the PFM (National Government) Regulations 2015, which states that the national government’s expenditure on the compensation of employees (in-

cluding benefits and allowances) should not exceed 35 per cent of the national government's equitable share of revenue raised nationally, plus other revenues generated by the national government under Article 209(4) of the Constitution. Detailed ministerial compensation to employees is provided in Annex IV of this report.

3.4.3.2 Use of Goods and Services

In the 2025 Budget Policy Statement, the government aimed to strengthen expenditure control and improve efficiency and effectiveness in public spending by rationalizing and reducing non-essential expenditure; roll out an end-to-end e-procurement system to maximise value for money and increase transparency in procurement. Some of the budget items under this category include: Travel, Printing and advertising, Rent and rates for non-residential buildings, Training, Hospitality, Legal fees, Insurance, Maintenance expenses for motor vehicles and other assets.

In the first nine months of FY 2025/26, travel expenditure amounted to Kshs.17.38 billion, comprising Domestic Travel at Kshs.10.88 billion and Foreign Travel at Kshs. 6.51 billion. Insurance expenditure recorded Kshs.23.27 billion, specialised materials and supplies Kshs.8.54 billion, rent and rates on non-residential buildings Kshs.6.65 billion and Hospitality Kshs.4.94 billion.

3.4.3.3 Current Transfers

Current transfers are intended to complement activities and mandates carried out on behalf of the parent ministry by Semi-Autonomous Government Agencies, State Corporations, or State-Owned Enterprises. In the first nine months of FY 2025/26, the total current transfers reported by MDAs amounted to Kshs.587.58 billion, representing 43 per cent of the MDAs' gross recurrent expenditure. These comprised of:

- i. **Grants and Other Transfers-** The total expenditure reported by MDAs was Kshs. 152.75 billion, with the Ministry of Defence reporting the highest transfers of Kshs. 145.39 billion.
- ii. **Grants and Other Trasfers to International Organizations-** The total expenditure reported by MDAs was Kshs.18.04 billion, with the State Department for Energy reporting the highest transfers of Kshs.8.68 billion.
- iii. **Current transfers to other Government Units -** Total expenditure by the MDAs was Kshs.362.07 billion, with the State Department for Higher Education reporting the highest expenditure at Kshs.76.26 billion, followed by the National Intelligence Services at Kshs.51.55 billion.
- iv. **Other transfers and Emergency Relief-** The total expenditure by MDAs amounted to Kshs.54.72 billion. The State Department for Social Protection and Senior Citizen Affairs reported the highest transfer of Kshs.24.20 billion, while the State Department for Higher Education followed with Kshs. 12.87 billion.

3.4.3.4 Subsidies

This category includes Subsidies to Private enterprises and Subsidies to Public Corporations. In the first nine months of FY 2025/26, the total Subsidies reported by MDAs amounted to Kshs.61.77 billion,

with the State Department for Basic Education recording the highest subsidies to Public Corporation of Kshs.58.75 billion to support Board of Governors maintained schools (for free secondary education).

3.4.3.5 Social Benefits

This category includes government pensions and retirement benefits, Social Security benefits, Employer social benefits, and Gratuities. MDAs reported total expenditure of Kshs.163.97 million in the first nine months of FY 2025/26.

3.4.3.6 Acquisition of Financial Assets

This category includes domestic loans to other levels of government, Domestic loans to Financial Institutions, Domestic loans to Individuals and households and Domestic Lending and on-lending. MDAs reported a total expenditure of Kshs.36.62 billion in the first nine months of FY 2025/26. The State Department for Higher Education and Research recorded the highest spending in this category, Kshs.36.42 billion.

3.4.3.7 Acquisition of Non-Financial Assets

This category includes refurbishing buildings, purchasing vehicles and other transport equipment, furniture and general equipment, and purchasing specialised plant equipment and machinery. MDAs reported a total expenditure of Kshs.1.90 billion under the category. The National Police Service recorded the highest at Kshs.295.19 million, followed by the Ethics and Anti-Corruption Commission at Kshs.118.50 million.

3.4.3.8 Other Expenses

Other expenses amounted to Kshs.61.28 billion in the period under review, representing 5 per cent of the gross recurrent expenditure. The MDAs that recorded the highest expenditure under this category were:

State Department for Internal Security and National Administration - Kshs.13.15 billion, mainly for security operations.

National Treasury -Kshs. 9.91 billion majority for security operations.

State Department for Basic Education - Kshs.9.02 billion for school examinations and invigilation.

National Police Service -Kshs. 8.27 billion for security operations.

State House -Kshs.5.36 billion majority for other operations.

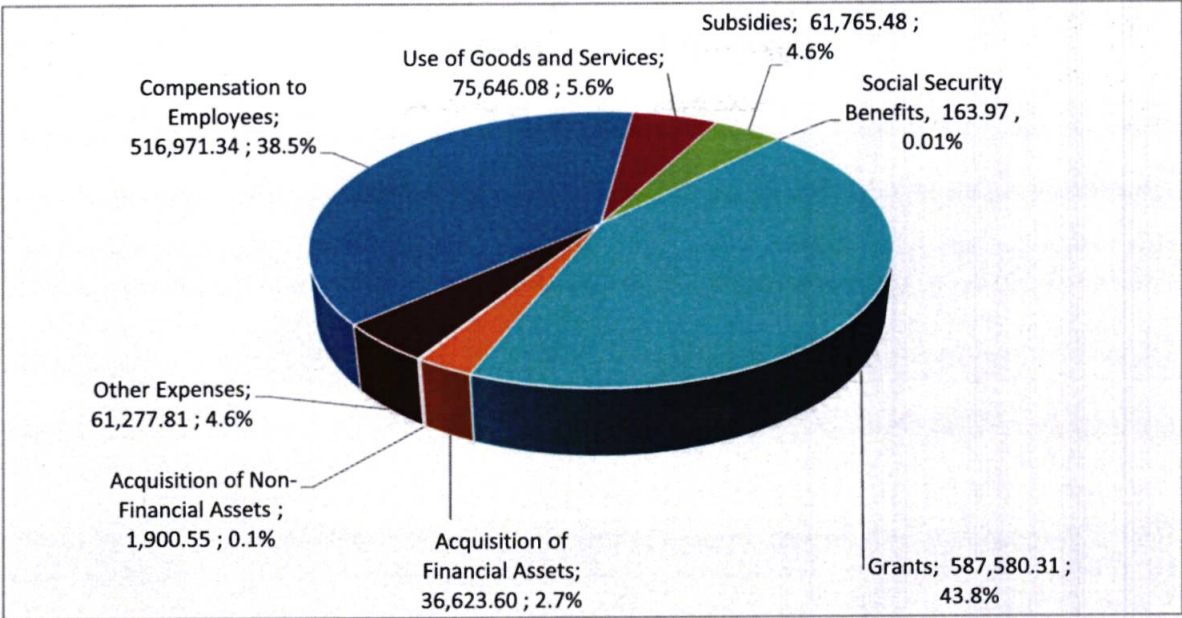
National Assembly – Kshs.3.02 billion for Constituency office expenses.

State Department for Immigration and Citizen Services- Kshs. 1.19 billion for security operations.

Office of the Deputy President-Kshs.1.08 billion under confidential expenses.

Figure 3.8 shows the composition of MDAs’ recurrent expenditure in the first nine months of FY 2025/26.

Figure 3.8: Summary Analysis of Ministerial Recurrent Expenditure (Kshs. Million)



Source: MDAs and National Treasury

3.5. Payables for the National Government

The total National Government Trade payables as of 31st March 2026 amounted to Kshs. 471.68 billion, comprised Kshs. 378.78 billion (80 per cent) for State Corporations and Kshs. 92.90 billion (20 per cent) for Ministries, Departments, and Agencies. This recorded a decline of 8 per cent (Kshs.40.07 billion) compared to Kshs. 511.75 billion reported as of 31st March 2025, which comprised Kshs. 421.63 billion and Kshs. 90.12 billion for State Corporations and Ministries, Departments and Agencies, respectively.

Table 3.12 presents a breakdown of the trade payable as of 31st March 2025 and 31st March 2026

Table 3.12: Trade Payables for the National Government

CATEGORY	Trade Payables as of 31 st March 2026 (Kshs.) (A)	Trade Payables as of 31 st March 2025(Kshs.) (B)	Per cent of MDA or SAGA Sub-To-tal (%)	Percentage (%) Change from 31 st March 2025 ((A-B)/B *100)
a) MDAs				
Recurrent	63,354,269,101	67,129,892,560	68	(6)
Development	29,549,257,135	22,993,208,665	32	29
Sub-Total*	92,903,526,236	90,123,101,225	100	3
b) State Corporations/State Owned Enterprises/SAGAs				
Recurrent				
Pay as You Earn (PAYE)	26,496,910,816	21,472,660,361	7%	23
National Social Security Fund	926,928,426	923,262,261	0%	-
National Hospital Insurance Fund	39,637,099,172	190,383,790	10%	20720
HELB Deductions	26,411,864	-	0%	-

CATEGORY	Trade Payables as of 31 st March 2026 (Kshs.) (A)	Trade Payables as of 31 st March 2025(Kshs.) (B)	Per cent of MDA or SAGA Sub-Total (%)	Percentage (%) Change from 31 st March 2025 ((A-B)/B *100)
Unremitted Sacco Deductions	9,217,362,028	-	2%	-
Unremitted Staff Loan Deductions	2,388,277,710	2,466,539,732	1%	(3)
Pension Arrears	2,538,797,438	2,098,603,833	1%	21
Personnel Emoluments Arrears	40,209,705,323	35,535,764,938	11%	13
Others	41,144,557,096	59,248,687,988	11%	(31)
Consumables and General Supplies	47,366,947,414	40,020,273,503	13%	18
Sub-total (Recurrent)	209,952,997,287	161,956,176,406	55%	30
Contractors/Projects (Development)	168,826,649,136	259,673,826,941	45%	(35)
Sub-Total SCs /SAGAs /SOEs	378,779,646,423	421,630,003,347	100%	(10)
Total	471,683,172,659	511,753,104,572		(8)

Source: National Treasury

**MDAs' pending bills do not include bills under litigation, which are handled by the Office of the Attorney General*

Further analysis of MDAs payables in the period under review recorded a decline of Kshs.33.33 billion, attributed to payments and some payables declared ineligible for both recurrent and development expenditures. This comprised MDAs recurrent vote at Kshs.23.55 billion (Kshs.20.94 billion paid and Kshs.2.61 billion declared ineligible) and MDAs development vote at Kshs.9.78 billion (Kshs.9.75 billion paid and Kshs.23.40 million). In addition, the National Youth Service under the State Department for Public Service recorded the highest trade payables at Kshs. 14.27 billion, followed by Nairobi Metropolitan Services, under the Executive Office of the President, at Kshs. 13.07 billion. The stock of payables for MDAs as at 31 March 2026 is referenced in Annex VIII of this report.

The over nine months trade payables of the State Corporations included payments due to contractors/projects, suppliers, unremitted statutory and other deductions, and pension arrears for the Local Authorities Pension Trust. The highest percentage was for Contractors/Projects (Kshs. 168.82 billion), at 45 per cent, followed by Consumables and General Supplies (Kshs.47.37 billion), at 13 per cent and National Hospital Insurance Fund (Kshs. 39.64 billion), at 11 per cent. The stock of payables for State Corporations/State Owned Enterprises/SAGAs as at 31 March 2026 is referenced in Annex X of this report.

The Controller of Budget recommends payment of verified pending bills on a First in First Out basis by the Accounting Officers of the respective MDAs. The payment will unlock cash flow into the economy, both to business enterprises and to the government through tax remittances, therefore supporting economic growth.

4. BUDGET PERFORMANCE BY SECTOR

4.1. Introduction

MDAs are classified into ten sectors according to the United Nations Classification of Functions of Government, designed to support fiscal analysis by breaking down Government Fiscal Statistics for comparability. The chapter presents the performance of MDAs by sector in the first nine months of FY 2025/26. It provides budget allocations per sector detailing specific MDAs' exchequer issues, expenditures, and absorption on the budget. The chapter also presents the performance of MDAs' programmes and sub-programmes and spending on development projects in the first nine months of FY 2025/26. A summary of sectors' performance for development and recurrent expenditure is referenced in Annexes X, XI and XII of this report.

Sector performance is presented in alphabetical order as follows; (i) Agriculture, Rural and Urban Development (ARUD), (ii) Education, (iii) Energy, Infrastructure and Information Communications Technology (EIICT), (iv) Environment Protection, Water and Natural Resources (EWNR) (v) General Economic and Commercial Affairs (GECA) (vi) Governance, Justice, Law and Order (GJLO) (vii) Health (viii) National Security (ix) Public Administration and International Relations (PAIR) (x) Social Protection, Culture and Recreation (SPCR) Sectors.

In FY 2025/26, the Education Sector was allocated Kshs.703.07 billion, recording the highest budget allocation, attributed to its broad mandate, including primary schools, secondary schools, special education, tertiary education, university education, examinations and curriculum development, and reforms in the education sector. Conversely, the General Economic and Commercial Affairs Sector received Kshs.58.16 billion, representing the lowest budgetary allocation.

4.2. Agriculture, Rural and Urban Development Sector

4.2.1 Introduction

Agriculture is a devolved function under the Fourth Schedule of the Constitution of Kenya. It is a critical sector in the economic pillar of the Kenya Vision 2030. The ARUD Sector comprises five sub-sectors, namely: The State Department for Lands and Physical Planning; the State Department for Livestock Development; the State Department for the Blue Economy and Fisheries; the State Department for Agriculture; and the National Land Commission (NLC), together with affiliated Semi-Autonomous Government Agencies (SAGAs) and Training Institutions.

The Sector is a significant player in the delivery of national development agendas, namely, Kenya Vision 2030, the government plan –the Bottom-Up Economic Transformation Agenda (2022-27), the Sustainable Development Goals, and the Agricultural Sector Transformation and Growth Strategy, among other national and international policies and obligations. During the MTEF period 2025/26-2027/28, the Sector plans to implement programmes that facilitate food and nutrition security, agro-processing, employment creation, and the utilisation of the blue economy.

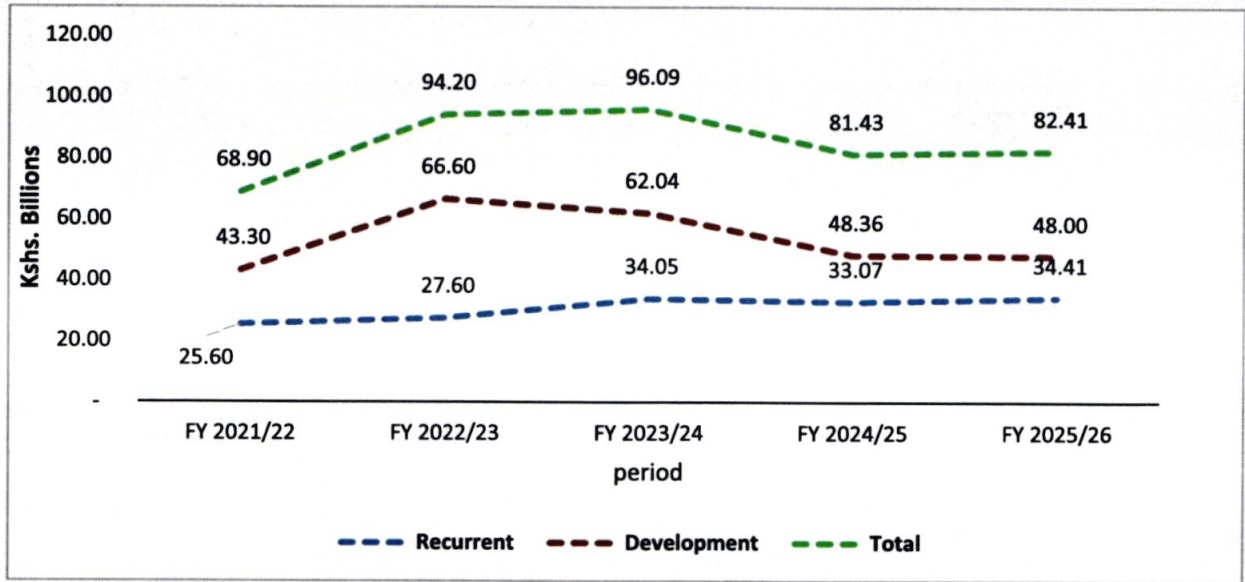
4.2.2 Budget Performance for the ARUD Sector

The budget allocation to ARUD in FY 2025/26 amounted to Kshs.82.41 billion, compared to Kshs.81.43 billion allocated in FY 2024/25. This amount represents 2 per cent of the gross national budget of Kshs.4.69 trillion and 3 per cent of the MDAs’ budget of Kshs.2.55 trillion. The allocation included Kshs.48.00 billion (58 per cent) for development activities and Kshs.34.41 billion (42 per cent) for recurrent expenditure. The State Department for Agriculture received the highest budgetary allocation of Kshs.49.94 billion (61 per cent of the Sector’s budget), while the National Land Commission had the lowest budgetary allocation of Kshs.3.36 billion (4 per cent of the ARUD Sector allocation).

The high allocation to the State Department for Agriculture is due to its vital role in Agricultural Policy and Research Management, National Food Policy, Strategic Food Reserves, Crop Development, Phytosanitary Services, International Compliance, Agricultural Farmers’ Training, and Agricultural Land Resource Inventory Management.

Figure 4.1 shows the budgetary allocation trends of the ARUD Sector from FY 2021/22 to FY 2025/26.

Figure 4.1: Budgetary Allocation Trend for the ARUD Sector



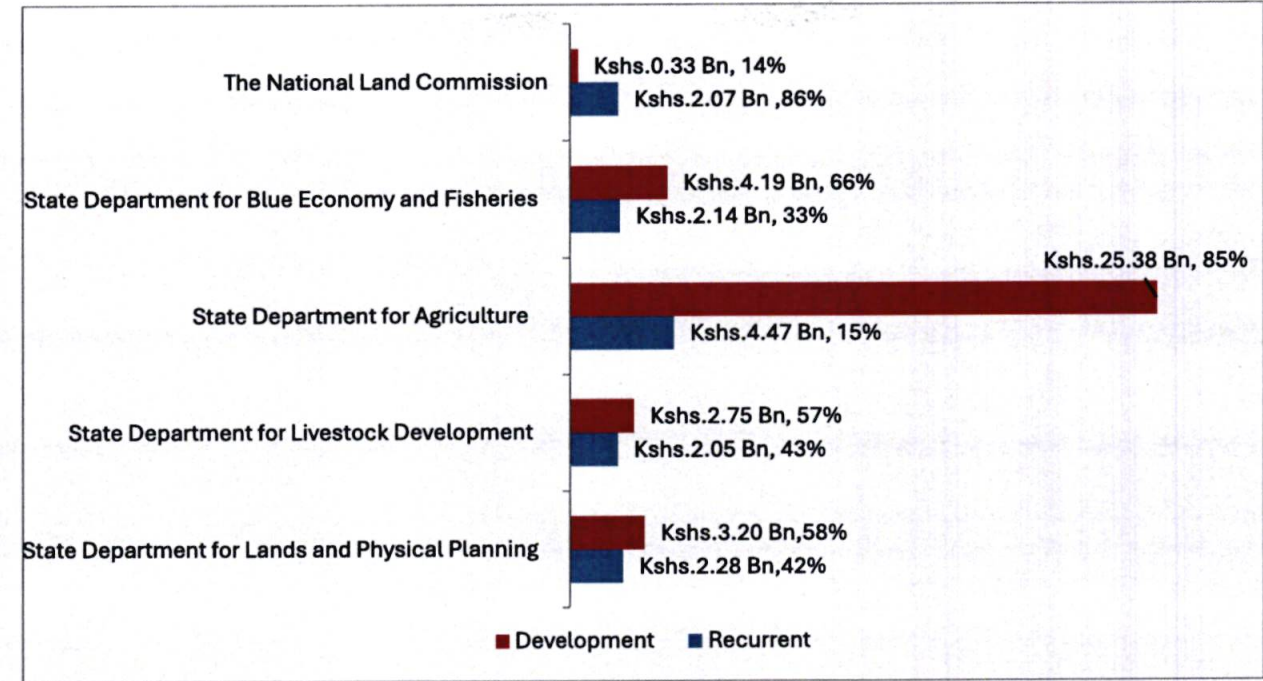
Source: National Treasury

The total exchequer issues to the ARUD Sector amounted to Kshs.48.85 billion, representing 83 per cent of the Sector’s annual net estimates. This amount comprised Kshs.35.85 billion for development expenditure, representing 87 per cent of the annual net development estimates, and Kshs.13.00 billion for recurrent activities, representing 74 per cent of the annual net recurrent estimates.

In the first nine months of FY 2025/26, the State Department for Blue Economies and Fisheries recorded the highest proportion of development exchequer issues to development net estimates at 100 per cent, while the National Land Commission recorded the lowest at 59 per cent. The State Department for Livestock Development recorded the highest proportion of recurrent exchequer issues to recurrent net estimates of 75 per cent each. The State Department for Lands and Physical Planning recorded the lowest ratio of 70 per cent.

Figure 4.2 shows the proportion of recurrent and development exchequer issues to Net Estimates in the ARUD Sector in the first nine months of FY 2025/26.

Figure 4.2: Exchequer Issues to the ARUD Sector



Source: National Treasury

The total expenditure for the ARUD Sector amounted to Kshs.65.29 billion, representing 79 per cent of the annual gross estimates, compared to Kshs.48.29 billion (60 per cent) recorded in a similar period of FY 2024/25. This amount comprised Kshs.40.07 billion for the development budget, representing an absorption rate of 83 per cent, compared to 63 per cent recorded in a similar period of FY 2024/25, and Kshs.25.21 billion for recurrent expenditure, representing 73 per cent of the recurrent gross estimates, compared to 56 per cent recorded in a similar period of FY 2024/25.

Table 4.1 shows the ARUD sector analysis of exchequer issues and expenditures in the first nine months of FY 2025/26.

Table 4.1: ARUD Sector-Analysis of Exchequer Issues and Expenditure

VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross Estimates	Net Estimates	Exchequer Issues	Expenditure	% of Exchequer to Net Estimates	% of Expenditure to Gross Estimates	Gross Estimates	Net Estimates	Exchequer Issues	Expenditure	% of Exchequer to Net Estimates	% of Expenditure to Gross Estimates
State Department for Lands and Physical Planning	4.98	3.51	3.20	3.99	91	80	5.78	3.25	2.28	3.78	70	65
State Department for Livestock Development	5.08	4.08	2.75	4.38	67	86	5.04	2.73	2.05	3.73	75	74
State Department for Agriculture	32.15	29.11	25.38	26.57	87	83	17.79	6.01	4.47	13.20	74	74

VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross Estimates	Net Estimates	Exchequer Issues	Expenditure	% of Exchequer to Net Estimates	% of Expenditure to Gross Estimates	Gross Estimates	Net Estimates	Exchequer Issues	Expenditure	% of Exchequer to Net Estimates	% of Expenditure to Gross Estimates
State Department for the Blue Economy and Fisheries	5.23	4.21	4.19	4.80	100	92	3.00	2.88	2.14	2.22	74	74
National Land Commission	0.56	0.56	0.33	0.34	59	61	2.80	2.80	2.07	2.28	74	82
Total	48.00	41.46	35.85	40.07	86	83	34.41	17.67	13.00	25.21	74	73
Sector Summary												
	Gross Estimates		Net Estimates	Exchequer Issues	Expenditure		% of Exchequer to Net Estimates		% of Expenditure to Gross Estimates			
Development	48.00		41.46	35.85	40.07		86		83			
Recurrent	34.41		17.67	13.00	25.21		74		73			
Total	82.41		59.13	48.85	65.29		83		79			

Source: MDAs and National Treasury

The State Department for Blue Economy and Fisheries recorded the highest absorption of the development budget at 92 per cent, while the National Land Commission recorded the lowest at 61 per cent. The National Land Commission recorded the highest recurrent expenditure to gross estimates at 82 per cent, while the State Department for Lands and Physical Planning recorded the lowest recurrent expenditure to gross estimates ratio at 65 per cent.

4.2.3 The State Department for Lands and Physical Planning

The State Department for Lands and Physical Planning is mandated to manage national land policy, physical planning of land use, land transactions, surveying and mapping, land adjudication, land registration, national spatial infrastructure, land and property valuation services administration, land information systems, maintenance of a public land bank, administration of public land as designated by the Constitution, Land Settlement Policy and Management, Land Settlement Matters and Rural Settlement Planning.

4.2.3.1 Budget Performance by the State Department for Lands and Physical Planning

The budget allocation to the State Department for Lands and Physical Planning in FY 2025/26 amounted to Kshs.10.76 billion, compared to Kshs. 9.69 billion allocated in FY 2024/25.

4.2.3.2 State Department for Lands and Physical Planning Programmes and Sub-Programme Performance

The budget allocation was to fund three programmes. Table 4.2 shows budget execution by programmes and sub-programmes under the State Department for Lands and Physical Planning in the first nine months of FY 2025/26

Table 4.2: The State Department for Lands and Physical Planning Programme and Sub-Programme Performance

Programmes	Sub-Programmes	Gross Approved Estimates (Kshs. Millions)			Expenditure (Kshs. Millions)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Land Policy and Planning	Development Planning and Land Reforms	2,251.49	50.00	2,301.49	1,286.42	28.00	1,314.43	57
	Land Settlement	489.38	3,810.09	4,299.47	480.11	3,314.66	3,794.77	88
	Land Use	212.99	-	212.99	105.31	-	105.31	49
	Land Survey	1,414.57	100.00	1,514.57	1,038.10	31.29	1,069.39	71
Land Information Management	Digitisation of Land Records and Processes	71.01	712.00	783.01	44.49	549.54	594.03	76
	Infrastructure Development	-	310.30	310.30	-	65.64	65.64	21
General Administration, Planning and Support Services	General Administration, Planning and Support Services	1,340.73	-	1,340.73	827.36	-	827.36	62
TOTAL		5,780.17	4,982.39	10,762.56	3,781.79	3,989.13	7,770.92	72

Source: The State Department for Lands and Physical Planning

An analysis of programmes and sub-programmes showed that the Land settlement sub-programme under the Land Policy and Planning programme recorded the highest absorption rate at 88 per cent. On the other hand, the Land use sub-programme under the same programme recorded the lowest absorption rate at 49 per cent. The low absorption of the budget on the land use subprogramme was due to underperformance in Appropriation-In-Aid (AIA) collections, which limited available funding for expenditure, and the transition to the new e-GP system, which slowed procurement processes. Notably, the state department for Land and Physical Planning recorded an overall absorption rate of 72 against the target of 75 by the end of the first nine months of FY 2025/26.

4.2.3.3 Non-financial Performance by the State Department for Lands and Physical Planning

The achievements against the State Department for Lands and Physical Planning’s Key Performance Indicators for the first nine months of FY 2025/26 are presented in Table 4.3.

Table 4.3: Non-Financial Performance by the State Department for Lands and Physical Planning

Name of Programme	Sub-Programme	Key Output	Key Performance Indicator	Annual Target(s)	Achieved As of 31 st March 2026	Variance
Land policy and planning	Development Planning and Land Reforms	Title deeds issued	Number of title deeds issued	420,000	190,700	(229,300)
	Land Settlement	Landless/ Squatters settled	Number of households settled	14,000	5,721	(8,279)
	Land Survey	Land parcels geo-referenced	Number of land parcels geo-referenced	100,000	11,107	(88,893)

Name of Programme	Sub-Programme	Key Output	Key Performance Indicator	Annual Target(s)	Achieved As of 31 st March 2026	Variance
Land Information Management	Digitisation of land records and processes	land offices digitised	Number of land offices digitised	3	-	(3)
		Land offices constructed	Number of land offices constructed	4	-	(4)

Source: The State Department for Lands and Physical Planning

Non-financial performance analysis by the state department for Lands and Physical Planning showed that budget execution for all key outputs was behind schedule as of the end of the first nine months of FY 2025/26. Notably, the Digitisation of land records and processes sub-programme under the land information management programme did not record any achievement during the period under review. However, the digitisation of land records and processes is ongoing in Baringo, Machakos and Kajiado South. Land records for Marsabit and Mombasa were scanned, and the information was stored in the Electronic Data Management system (EDMS).

4.2.3.4 Project Implementation for the State Department for Lands and Physical Planning

Table 4.4 summarises development projects undertaken by the State Department for Lands and Physical Planning.

Table 4.4: State Department for Lands and Physical Planning Projects Implementation Status

Project Name (a)	Project commencement date (b)	Expected Project End Date (c)	Source of Funds (d)	Value of the Project (Kshs. Million) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expenditure in the first nine months of FY2025/26 (Kshs. Million) (g)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million) (h)	Percentage (%) of completion
Development of the National Land Value Index-BETA	1.2.18	30.6.28	GoK	1,200.00	50.00	28.00	530.60	44
Settlement of the Landless - BETA	1.7.13	30.6.28	GoK	25,000.00	3,805.09	3,314.66	13,015.50	52
Construction of Land Registries	1.7.13	30.6.27	GoK	1,120	220.30	55.64	357.76	32
Renovation of Land Offices	1.7.14	30.6.28	GoK	1000.00	90.00	10.00	381.06	38
Digitisation of land registries -BETA	1.7.2014	30.6.26	GoK	20,000.00	712.00	549.54	8,781.29	44
Infrastructure Improvements at the Kenya Institute of Survey and Mapping	1.7.13	30.6.26	GoK	1,200.00	100.00	31.29	360.29	30

Source: The State Department for Lands and Physical Planning

An analysis of the State Department for Lands and Physical Planning's project implementation status revealed delays in some projects. For instance, the construction of Land Registries (32 per cent complete) and Infrastructure Improvements at the Kenya Institute of Survey and Registration Mapping (30 per cent complete) recorded moderate progress, despite both projects commencing in July 2013. The projects delay was mainly attributable to challenges related to the rollout of the e-GP system.

4.2.4 The State Department for Livestock Development

The State Department for Livestock Development’s mandate includes Livestock policy management; Development of the livestock industry; Veterinary services and disease control policy; Range development and management; Livestock marketing; Promotion of dairy industry; Livestock insurance policy; Livestock branding; Promotion of bee keeping and apiculture; Promotion of quality of hides and skins; Leather sector development and promotion of value chain; Livestock research and development; Animal genetic research; and Tsetse fly and Trypanosomiasis research and control. The State Department oversees 8 Semi-Autonomous Government Agencies (SAGAs) under its purview.

4.2.4.1 Budget Performance by the State Department for Livestock Development

The budget allocation to the State Department for Livestock Development in FY 2025/26 amounted to Kshs.10.11 billion, compared to Kshs.11.01 billion allocated in FY 2024/ 25.

4.2.4.2 State Department for Livestock Development Programmes and Sub-Programme Performance

The budget allocated is to fund one programme. Table 4.5 shows budget execution by programme and sub-programmes under the State Department for Livestock Development in the first nine months of FY 2025/26.

Table 4.5: The State Department for Livestock Development Programme and Sub-Programme Performance

Pro-grammes	Sub-Programmes	Gross Approved Estimates (Kshs. Millions)			Expenditure (Kshs. Millions)			Ab-sorp-tion Rate (%)
		Recurrent	Develop-ment	Total	Recur-rent	Devel-opment	Total	
Livestock Resource Management and Development	Livestock Policy Development and Capacity Building Programme	2,298.01	2,680.00	4,978.01	1,734.97	2,465.80	4,200.77	84
	Livestock Production and Management	467.09	2,313.06	2,780.15	344.25	1,849.29	2,193.54	79
	Livestock Products Value Addition and Marketing	743.78	-	743.78	520.33	-	520.33	70
	Food Safety and Animal Products Development	321.67	8.00	329.67	237.48	-	237.48	72
	Livestock Diseases Management and Control	1,204.86	75.00	1,279.86	896.51	62.50	959.01	75
Total		5,035.41	5,076.06	10,111.47	3,733.54	4,377.59	8,111.13	80

Source: The State Department for Livestock Development

The State Department for Livestock Development recorded an average absorption of 80 per cent in the first nine months of FY 2025/26, which implies proper budget execution.

4.2.4.3 Non-financial Performance by the State Department for Livestock Development

Table 4.6 presents achievements against the annual targets for the State Department for Livestock Development in the first nine months of FY 2025/26.

Table 4.6: Non-Financial Performance by the State Department for Livestock Development

Name of Programme	Sub-Programme	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
Livestock Resource Management and Development	Livestock policy development and capacity building programme	Improve Compliance with Quality and Safety Requirements of Marketed Dairy Produce	Number of milk handling premises inspected for quality and safety assurance	9,000	6,925	(2,075)
			Number of milk quality and safety tests conducted.	80,000	61,234	(18,766)
	Livestock production and management	Pastoralist covered by financial services and capacity building (drive project)	The number of pastoralists covered by livestock insurance at a minimum of 5 Tropical Livestock Units (TLUs) per pastoralist.	200,000	73,066	(126,934)
		Animal breeding services	Number of breeding piglets availed to farmers	500	341	(159)
			Number of breeding rabbits availed to farmers	85,000	77,000	(8,000)
		Livestock Restocking in ASALs	Number of Livestock	10,208	17,111	6,903
			Number of Counties	16	16	-
	Livestock Disease management and control	Enhanced Disease Surveillance	Number of active surveillance missions on Peste des Petits Ruminants (PPR), Rift Valley Fever (RVF) and other priority trans boundary animal diseases	1	5	4
		Reduced animal disease incidences	% of disease outbreaks investigated	100	100	-

Source: The State Department for Livestock Development

Analysis of non-financial performance by the State Department for Livestock production revealed that most of the key performance indicators had achieved their targets except for pastoralists covered by Livestock Insurance (73,066 pastoralists covered by livestock insurance out of a target of 200,000 pastoralists) as at the end of the first nine months of FY 2025/26. The insurance of pastoralists in the event of livestock loss was an ongoing activity and was intended to be fully realised in the fourth quarter of FY 2025/26.

4.2.4.4 Project Implementation for the State Department for Livestock Development

Table 4.7 summarises some of the projects undertaken by the State Department for Livestock Development.

Table 4.7: State Department for Livestock Development Projects Implementation Status

Project Name (a)	Project commence date (b)	Expected Project End Date (c)	Source of Funds) (d)	Value of the Project (Kshs. Million) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million) (g)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million) (h)	Percentage (%) of completion
Establishment of Liquid Nitrogen Plants KAGRC	01.07.2015	30.06.2025	GoK	1,320.00	69.30	69.28	1,320.03	97
Towards Ending Drought Emergencies in Kenya	10.10.2021	30.06.2026	GoK/ Donor	16,940.00	318.00	117.77	930.61	5
Livestock Training Institute Mogotio	01.07.2024	30.06.2029	GoK	500.00	30.00	30.00	79.98	10
Livestock Value Chain Support Programme, phase II	01.07.2022	30.06.2027	GoK/ Donor	16,940.00	280.00	279.79	3,707.28	22
National Bee-keeping Institute	15.08.2013	30.06.2026	GoK	159.00	8.00	-	150.90	95
De-risking, Inclusion & Value Enhancement of Pastoral Economies	27.10.2022	26.10.2027	Donor	16,093.00	2,300.00	2,135.80	8,406.73	49
Kenya Livestock Commercialization Programme (KELCOP)	10.03.2021	10.03.2027	GoK/ Donor	6,200.00	1,571.00	1,307.700	3,702.05	48
Sustainable Tsetse and Trypanosomiasis-free areas in Kenya -KENTTEC.	01.08.2014	30.06.2028	GoK	1,960.00	50.00	50.00	1,428.75	72
Construct &Re-furbish Facilities – Meat Training Institute -Athi Rivrer	20. 9.2012	30.12.2026	GoK	160.00	12.50	12.50	147.80	85
Construction of Awendo Animal Health Clinic	01.07.2025	31.07.2029	GoK	500.00	150.00	100.00	100.00	1

Source: The State Department for Livestock Development

4.2.5 The State Department for Agriculture

The State Department for Agriculture’s mandate is to create an enabling environment for sustainable food and nutrition security and economic growth by leading in policy formulation, research, and resource allocation for the agricultural sector. This is achieved through overseeing the implementation of National Agricultural Policy; National Food Policy; Strategic Food Reserves; Agricultural Crops Development, Regulation and Development; Agriculture Financing; Phytosanitary Services and International Standards Compliance; Policy on Agricultural Training; Agricultural Land Resources Inventory and Management; Agricultural Mechanization Policy Management; Policy on Land Consolidation for agricultural benefit; Agricultural Insurance Policy; Agricultural Extension Policy and Services Standards; Capacity Building Policy for Agricultural Staff; Crop Research and Development; Support in administration of Irri-

gation Schemes; Agriculture Seed Research and Development; Crop Genetic Research; and Bio-safety Management.

4.2.5.1 Budget Performance by the State Department for Agriculture

The budgetary allocation to the State Department for Agriculture in FY 2025/26 amounts to Kshs.49.94 billion, compared to Kshs.46.63 billion allocated in FY 2024/25.

4.2.5.2 State Department for Agriculture Programmes and Sub-Programme Performance

The budgetary allocation is to fund four programmes. Table 4.8 shows budget implementation by programmes and sub-programmes under the State Department for Agriculture in the first nine months of FY 2025/26.

Table 4.8: The State Department for Agriculture Programme and Sub-Programme Performance

Programmes	Sub-Programmes	Gross Approved Estimates (Kshs. Millions)			Expenditure (Kshs. Millions)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
General Administration, Planning and Support Services	Agricultural Policy and Regulatory Frameworks	8,576.86	11,035.00	19,611.86	7,226.57	16,642.97	23,869.54	122
	Agricultural Planning and Financial Management	67.03	-	67.03	47.01	-	47.01	70
Crop Development and Management	Land and Crops Development	3,215.37	10,879.00	14,094.37	1,404.56	4,947.32	6,351.88	45
	Food Security Initiatives	300.00	9,178.81	9,478.81	105.36	4,375.85	4,481.21	47
	Quality Assurance and Monitoring	571.82	259.00	830.82	446.13	207.85	653.98	79
Agribusiness and Information Management	Agribusiness and Market Development	82.25	800.00	882.25	42.22	394.66	436.88	50
	Agricultural Information Management	50.91	-	50.91	-	20.99	20.99	41
Agricultural Research and Development	Crop Research and Development	4,928.48	-	4,928.48	3,902.95	-	3,902.95	79
TOTAL		17,792.71	32,151.81	49,944.52	13,174.80	26,589.64	39,764.45	80

Source: The State Department for Agriculture

Analysis of Programmes and sub-programmes indicated that, on average, the State Department for Agriculture recorded an absorption rate of 80 per cent in the first nine months of FY 2025/26. The Agricultural Policy and Regulatory Frameworks sub-programme recorded the highest absorption rate at 122 per cent, while the Land and Crops Development and Agricultural Information Management sub-programmes recorded the lowest at 41 per cent. The high absorption rate of 122 per cent by the Agricultural Policy and Regulatory Frameworks sub-programme was necessitated by additional funding under Arti-

cle 223 of the Constitution, amounting to Kshs.5 billion for the Fertiliser Subsidy Programme and Kshs.2 billion to support Sugar Sector Reforms for unpaid salaries and redundancy payments.

4.2.5.3 Non-financial Performance by the State Department for Agriculture

Table 4.9 presents the achievements against the State Department for Agriculture’s key performance indicators in the first nine months of FY 2025/26.

Table 4.9: Non-Financial Performance by State Department for Agriculture

Name of Programme	Sub-Programme	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
Agricultural Research & Development	Crop Research and Development	Soil Health Services	Number of soil sample testing reports (nutrient recommendation)	5,000	-	(5,000)
		Crop varieties	Number of promising lines of different crops submitted to KEPHIS for NPT evaluation	90	30	(60)
General Administration, Planning and Support Services	Agricultural policy, legal and regulatory frameworks	Compliance with standards and regulations	percentage level of compliance with scheduled crop regulations.	100	100	-
		Bio-safety testing services	number of counties assessed for compliance	45	36	(9)
		Bio-safety Arbitration Services	Number of public awareness programmes on Biosafety Appeals Board thematic areas	6	2	(4)
		Cotton Production and Productivity	Area under cotton (Acres)	34,762	15,000	(19,762)
Crop Development and Management	Land and crop development	Value chain support services	Number of farmers trained on TIMPS	350,000	763,278	413,278
			Number of farmers facilitated for re-voucher support	750,000	576,057	(182,943)
	Food Security Initiatives	Food and industrial crops production	Metric tons of rice seed availed	82.5	-	(82.5)
			No. of assorted seedlings distributed (Millions)	0.33	0.18	0.15
	Quality assurance and monitoring of the outreach of services	Skills development and training services	Number of students trained in a certificate in the General Agriculture Program	56	93	37
			Number of students trained in the Diploma in General Agriculture Program	173	229	56
Agribusiness and Market Information	Agribusiness and Market Development	Agricultural market information services	Daily market information packages disseminated	316	70	(246)
	Agricultural information and management	Agricultural information services	Number of agricultural radio programmes developed and disseminated	52	-	(52)

Source: The State Department for Agriculture

Key performance areas that recorded nil output in the first nine months of FY 2025/26 included soil health services, agricultural information services and provision of rice seeds, most likely due to fiscal constraints.

4.2.5.4 Projects Implementation Status for the State Department of Agriculture

Table 4.10 summarises projects undertaken by the State Department for Agriculture.

Table 4.10: State Department for Agriculture Project Implementation

Project Name (a)	Project Commence date (b)	Expected Project End Date (c)	Source of Funds) (d)	Value of the Project (Kshs. Mil-lion) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Mil-lion) (f)	Expenditure in the first nine months of FY 2025/26 (Kshs. Mil-lion) (g)	Cumulative Expendi-ture as of 31 st March 2026 (Kshs. Million) (h)	Percent-age of comple-tion
Food Systems Resil-ience Project	7/1/2024	30/6/2028	GoK/ Donor	19,800.00	5,759.74	2,366.66	4,039.24	20
Kenya Agricultural Business Development Programme (KABDP)	7/1/2024	30/11/2028	GoK/ Donor	4,910.00	30.00	-	42.00	1
Pyrethrum industry recovery	1/7/2014	30/6/2030	GoK	3,480.00	35.00	35.00	1,045.00	30
National Edible Oil Crops Promotion Project	1/7/2023	30/6/2030	GoK	1,241.00	300.00	25.48	50.11	4
Food security and crop diversification	1/7/2014	30/6/2030	GoK	9,012.00.00	1,193.47	1,150.31	6,462.18	72
Sugar Reforms Projects	1/7/2010	30/6/2030	GoK	9,000.00	3,470.00	3,446.55	7,662.00	85
Fertiliser Subsidy Pro-gramme	1/4/2021	30/6/2030	GoK	100,000.00	13,000.00	13,000.00	50,363.00	50
Crop Post-Harvest Management	1/7/2023	30/6/2030	GoK	3,244.40	150.00	103.10	2,502.81	77
National Agricultural Value Chain Develop-ment Project (NAVCDP)	21/9/2022	30/6/2027	GoK/ Donor	31,350.000	10,241.00	4,514.91	18,948.71	60
Kenya Cereals Enhancement Programme-Climate Resilient Agricultural Livelihoods Window (KCEP-CRAL)	10/1/2023	31/3/2029	GoK/ Donor	1,653.00	556.00	100.95	249.90	15

Source: The State Department for Agriculture

An analysis of the State Department for Agriculture’s project implementation status showed low budget uptake for some projects. Examples of the affected projects included the Kenya Agricultural Business Development Programme (1 per cent), the National Edible Oil Crops Promotion Project (4 per cent), the Food Systems Resilience Project (20 per cent), and the Kenya Cereals Enhancement Programme-Cli-mate Resilient Agricultural Livelihoods Window project (15 per cent). Further, the Pyrethrum industry recovery project was at a 30 per cent level of completion, despite commencing in 2014. The slow prog-ress of these projects was a result of a limited budget for the department, which led to a thin spread of funds among projects in an effort to continue delivering on the department’s mandate.

4.2.6 The State Department for the Blue Economy and Fisheries

The State Department for the Blue Economy and Fisheries is mandated to coordinate the development of national oceans and blue economy strategies and policies, including Fisheries and Aquaculture Policy, as well as the Legal, Regulatory, and Institutional Framework for the Fisheries Industry and the Blue Economy. It plays a key role in driving sustainable transformation and diversification of the ocean’s economy by promoting research and innovation, increasing local participation and investment in the blue economy through private sector engagement and partnerships, as well as Fisheries Marketing Policy, Fishing Licensing, and Management and Licensing of Local and Foreign Fishing Trawlers in Kenyan waters.

4.2.6.1 Budget Performance by the State Department for the Blue Economy and Fisheries

The budget allocation to the State Department for the Blue Economy and Fisheries in FY 2025/26 amounts to Kshs.8.23 billion, compared to Kshs.11.85 billion allocated in FY 2024/25.

4.2.6.2 State Department for the Blue Economy and Fisheries Programmes and Sub-Programme Performance

The budgetary allocation was to fund three programmes. Table 4.11 shows budget execution by programmes and sub-programmes under the State Department for the Blue Economy and Fisheries in the first nine months of FY 2025/26.

Table 4.11: The State Department for the Blue Economy and Fisheries Programme and Sub-Programmed Performance

Programmes	Sub-Programmes	Gross Approved Estimates (Kshs. Millions)			Expenditure (Kshs.Millions)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Fisheries Development and Management	Fisheries Policy, Strategy and Capacity Building	1,083.69	-	1,083.69	2,218.78	-	672.25	62
	Aquaculture Development	-	2,831.73	2,831.73	-	2,330.84	2,330.84	82
	Management and Development of Capture Fisheries	43.69	-	43.69	14.30	-	14.30	33
	Marine and Fisheries Research	1,614.00	2,400.00	4,014.00	1,371.67	2,466.23	3,837.90	96
General Administration, Planning and Support Services	General Administration, Planning and Support Services	199.69	-	199.69	133.26	-	133.26	67
Development and Coordination of the Blue Economy	Blue Economy Policy, Strategy and Coordination	57.12	-	57.12	27.30	-	27.30	48
TOTAL		2,998.20	5,231.73	8,229.93	2,218.78	4,797.07	7,015.86	85

Source: The State Department for the Blue Economy and Fisheries

The analysis of Programmes and sub-programmes showed that the State Department for Blue Economy and Fisheries recorded an overall absorption rate of 85 per cent in the first nine months of FY 2025/26.

The Marine and Fisheries sub-programme recorded the highest absorption rate at 96 per cent, while the Management and Development of Capture Fisheries sub-programme had the lowest absorption rate of 33 per cent. However, no reason was provided for the mixed performance across the sub-programmes.

4.2.6.3 Non-financial Performance by the State Department for the Blue Economy and Fisheries

The achievements against the State Department’s Key Performance Indicators for Blue Economy and Fisheries in the first nine months of FY 2025/26 are presented in Table 4.12.

Table 4.12: Non-Financial Performance by the State Department for Blue Economy and Fisheries

Name of Pro-gramme	Sub-Pro-gramme	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
Fisheries Develop-ment and Manage-ment	Fisheries Pol-icy, Strategy and Capacity Building.	Fisheries and Aquaculture Governance Instruments	Number of Fisheries and aquaculture governance instruments developed	2	-	(2)
		National fish marketing strategy	National fish marketing strate-gy developed	1	-	(1)
	Aquaculture Development	Fisheries and Aquaculture Services	Number of fish farmers mapped and capacity built.	2,000	200	(1,800)
		Sagana aquaculture complex	Percentage level of comple-tion of Sagana Aquaculture Complex.	80	-	(80)
	Management and Devel-opment of Capture Fisheries	Fisheries and Aquaculture Services	The number of catch assess-ment surveys conducted	4	1	(3)
		Monitoring, Control and Surveillance Services	Number of Monitoring, Con-trol and Surveillance Officers Trained.	105	-	(105)
			Number of Monitoring, Con-trol and Surveillance Patrols conducted	25	10	(15)
			Number of Monitoring, Con-trol and Surveillance Com-mand Centres established.	2	-	(2)
		Marine Spatial Plan	% Completion of Spatial Plan.	40	-	(40)
Develop-ment and Coordi-nation of the Blue Economy	Marine spa-tial planning and coastal zone man-agement					
	Management of Fish Ports and associat-ed infrastruc-ture	Liwatoni Fish Port Services	Number of modern fish han-dling equipment acquired.	7	-	(7)
		Semi-in-dustrial and Industrial Fish-ing Support Services.	Number of deep-sea fishing vessels refurbished.	2	1	(1)

Name of Pro-gramme	Sub-Pro-gramme	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
	Promotion of Krenya as a Centre for Agro-Busi-ness Blue Economy	Kabonyo Regional Fisheries and Aquaculture Services and Training Centre of Excellence	level of completion (%)	60	30	(30)

Source: The State Department for the Blue Economy and Fisheries

Non-financial performance analysis revealed slow service delivery by the State Department of Blue Economy and Fisheries, despite an overall budget absorption rate of 85 per cent in the period under review. Key activities that were yet to commence included completing the Sagana aquaculture complex (target completion rate of 80 per cent), acquiring modern fish-handling equipment for Liwatoni Fish Port (target of 7 equipment), developing a marine spatial plan (target of completion rate of 40 per cent), developing aquaculture governance instruments (target of 2 governance instruments), and developing a fish marketing strategy (target of 1 strategy). The State Department for Blue Economy stated that most of the targets will be achieved in the fourth quarter of FY 2025/26.

4.2.6.4 Project Implementation for the State Department for the Blue Economy and Fisheries

Table 4.13 summarises some of the projects undertaken by the State Department for the Blue Economy and Fisheries in the first nine months of the FY 2025/26.

**Table 4.13: State Department for the Blue Economy and Fisheries Project Implemen-
tation**

Project Name (a)	Project com-mence date (b)	Expected Project End Date (c)	Source of Funds) (d)	Value of the Project (Kshs. Mil-lion) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Mil-lion) (f)	Expendi-ture In the first nine months of FY 2025/26 (Kshs. Mil-lion) (g)	Cumulative Expendi-ture as of 31 st March 2026 (Kshs. Million) (h)	Per-cent-age (%) of Com-ple-tion
Kabonyo Fisheries and Aquaculture Training Centre	1/7/2024	30/6/2027	Donor	1,800.00	500.00	218.00	475.00	30
Kenya Marine Fisheries & So-cio-Economic Development Project	1/3/2018	30/6/2026	Donor	11,983.00	2,400.00	2,248.00	9,597.00	80
Aquaculture Business Development Project (ABDP)	1/1/2018	31/3/2026	Donor	14,373.00	2,331.00	2,331.00	11,419.00	79

Source: The State Department for the Blue Economy and Fisheries.

Analysis of the state department’s project implementation for Blue Economy and Fisheries revealed delays in budget execution. For instance, the Aquaculture Business Development Project recorded a completion rate of 79 per cent despite its completion date that lapsed in March 2026. Besides, the Ka-

bonyo Fisheries and Aquaculture Training Centre project was 30 per cent complete, despite its timeline ending in June 2027.

4.2.7 The National Land Commission

The National Land Commission’s mandate as per the Constitution of Kenya 2010 Article 62 (2) and 67 (2) (3) is to manage and administer public land on behalf of the national and county governments, recommend a national land policy to the national government, advise the national government on a comprehensive programme for the registration of titles in the land throughout Kenya and to Initiate investigations, on its own initiative or a complaint, into present or historical land injustices, and recommend appropriate redress.

4.2.7.1 Budget Performance by the National Land Commission

The budget allocation to the National Land Commission for FY 2025/26 was Kshs.3.36 billion, compared to Kshs.2.26 billion allocated in FY 2024/25.

4.2.7.2 National Land Commission Programmes and Sub-Programme Performance

The budgetary allocation was to fund one programme. Table 4.14 shows budget execution by programmes and sub-programmes under the National Land Commission in the first nine months of FY 2025/26.

Table 4.14: The National Land Commission Programme and Sub-Programme Performance

Programmes	Sub-Programmes	Gross Approved Estimates (Kshs. Millions)			Expenditure (Kshs. Millions)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Land Administration and Management	General Administration, Planning and Support Services	1,392.31	-	1,392.31	1,005.20	19.25	1,024.45	74
	Land Administration and Management	419.05	200.00	619.05	330.80	307.24	638.04	103
	Public Land Information Management	1.30	34.08	35.39	0.64	13.32	13.96	39
	Land Dispute and Conflict Resolution	990.57	322.02	1,312.59	948.34	-	948.34	72
Total		2,803.23	556.10	3,359.33	2,284.98	339.80	2,624.79	78

Source: The National Land Commission

On average, the National Land Commission recorded an absorption rate of 78 per cent in the first nine months of FY 2025/26. The Land Administration and Management sub-programme recorded the highest absorption rate of 103 per cent. No reason was provided for the overexpenditure. On the other hand, Public Land Information Management recorded the lowest absorption rate at 39 per cent, attributable to non-commitment of procurable items as a result of e-GP system implementation challenges.

4.2.7.3 Non-financial Performance by the National Land Commission

The achievements against Key Performance Indicators of the National Land Commission in the first nine months of FY 2025/26 are presented in table 4.15.

Table 4.15: Non-Financial Performance by the National Land Commission

Name of Programme	Sub-Programme	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
Land Administration and Management	Land Administration and Management Services	Land Use, Planning and Research Services	Number of advisories on land use planning prepared and issued.	4	17	13
			Percentage of guidelines for preparing land use and management plans for land held by public agencies developed.	4	2	(2)
		Natural Resources Management	Number of advisories issued on natural resources management.	4	10	6
			No. of counties with Ecologically Sensitive Areas mapped and inventoried	7	-	(7)
			No. of climate-smart land sessions held with stakeholders	2	3	1
		Land Administration and Management Services	Number of letters of allotments issued on public land	2,500	13,647	11,147
			Number of consents to lease public institutional land	400	99	(301)
			No. of public notices published on extension and renewal of leases, regularisation, formalisation, new allocation, and reservation for settlement schemes prepared.	224	257	33
			Reviewed the Handbook on Land Administration processes and procedures developed	1	0.8	0.2
		Survey services	Number of final survey projects supervised and administered (reports)	8	5	(3)
	Public Land Information Management	Survey services	Number of georeferenced PIDs, RIMs on public land, survey plans and development plans	500	400	(100)
			Number of digitised public land parcels	1,000	400	(600)
	Land Disputes and Conflict Resolution	Historical Land Injustices & Disputes Resolution Services	Percentage of litigation cases attended in court and in the land acquisition tribunal	100	50	(50)

Name of Programme	Sub-Programme	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
			Number of historical land injustice claims investigated / No. of investigative	300	22	(278)
			Number of historical land injustice determinations made/ Recommendation made	800	407	(393)

Source: The National Land Commission

The non-financial performance analysis showed strong performance in the core functions of the National Land Commission during the period under review. Areas that recorded outstanding performance included advisories on natural resource management (10 advisories issued out of annual target of 4 advisories), issuing of letters of allotment on public lands (13,647 allotment letters issued out of annual target of 2,500 allotment letters), publication of extension and renewal of leases (257 notices published out of annual target of 224 notices), and survey services on public land (400 georeferenced PID, RIMS on public land, survey plans and development plans out of annual target of 500). The extraordinary achievement in issuing allotment letters on public land could be attributed to increased requests from public institutions that met the laid-out allotment criteria. However, areas that recorded low performance included mapped and inventoried ecologically sensitive areas in the Counties (recorded nil output) and historical land injustice claims (only 22 claims were investigated out of the annual target of 300).

4.2.7.4 Projects Implementation for the National Land Commission

Table 4.16 summarises projects undertaken by the National Land Commission.

Table 4.16: National Land Commission Project Implementation Status

Project Name (a)	Project commence date (b)	Expected Project End Date (c)	Source of Funds (d)	Value of the Project (Kshs. Million) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million) (g)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million) (h)	Percentage (%) of Completion
Public Land Information Management	15/1/2015	30.12.2028	GoK	1,500.00	34.08	13.32	449.72	30
ICT Networking	15/1/2015	30/12/2028	GoK	552.00	22.02	19.25	394.52	71
Final survey and vesting of compulsorily acquired land	01-07-2025	30-6-2027	GoK	450.00	200.00	7.24	14.47	3
Nairobi Southern Bypass, Nairobi Eastern Bypass, Dongo Kundu compensation fund	01-07-2024	30-6-2026	GoK	900.00	300.00	300.00	300.00	33

Source: The National Land Commission

The project implementation status reflected uneven progress as at 31st March 2026, with some projects demonstrating steady advancement while others remain significantly behind schedule despite substantial funding allocations. Notably, projects such as ICT Networking showed relatively high completion levels, whereas others, particularly newly initiated surveys and the vesting of compulsorily acquired land and the establishment of a compensation fund for Nairobi Eastern Bypass, Nairobi Southern Bypass, and Dongo Kundu road, recorded minimal progress relative to funds disbursed. Overall, the trends suggest challenges with timely execution and absorption of funds, highlighting the need for strengthened project management and closer monitoring to improve project implementation efficiency.

4.3. Education Sector

4.3.1 Introduction

The Education Sector comprises five MDAs: The State Department for Vocational and Technical Training, the State Department for Higher Education, the State Department for Science, Innovation and Research, the State Department for Basic Education, and the Teachers Service Commission (TSC), and their affiliated Agencies and Institutions.

The Sector envisions attaining “*Quality and inclusive education, training and research for sustainable development*” in Kenya. The Sector’s strategic objectives include enhancing access, equity, quality and relevance in education, training and research; establishing, maintaining and managing professional teaching and learning services for all early learning centres, primary, secondary and tertiary institutions; enhancing development capacities for Science Technology and Innovations; enhance mechanisms for dissemination and commercialisation of research findings; improve data quality and sharing in education, training, research and labour market; promote vibrant industry - institutional linkages in the area of skilling for employability; and integrate ICT in Education, Training and Research for management, teaching and learning at all levels.

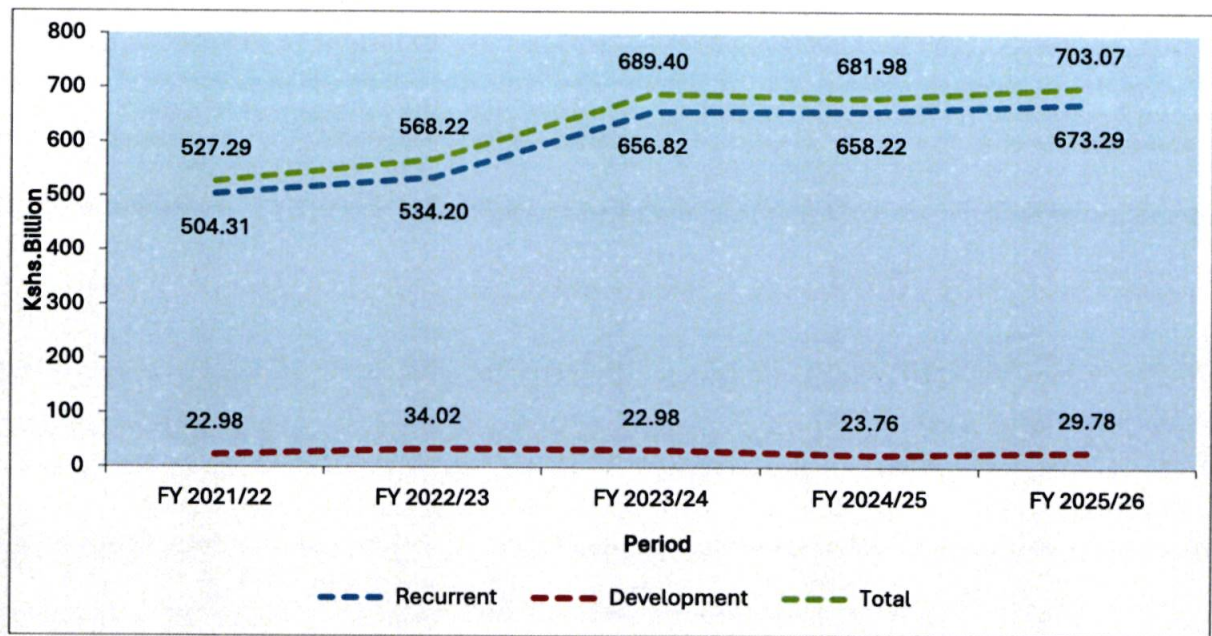
It is worth noting that the 2-6-3-3 system requires substantial infrastructure, equipment, and human capital in the medium term, from 2025/26 to 2027/28.

4.3.2 Budget Performance for the Education Sector

The budgetary allocation to Education in FY 2025/26 amounted to Kshs.703.07 billion, compared to Kshs.681.98 billion allocated in FY 2024/25. This amount represents 15 per cent of the gross national budget of Kshs.4.69 trillion and 28 per cent of the MDAs’ budget of Kshs.2.55 trillion. The allocation included Kshs.29.78 billion (4 per cent) for development activities and Kshs.673.29 billion (96 per cent) for recurrent expenditure. The Teachers Service Commission received the highest budgetary allocation of Kshs.387.18 billion (55 per cent of the Education Sector’s budget), while the State Department for Science, Innovation and Research had the lowest budgetary allocation of Kshs. 0.99 billion (0.1 per cent of the Education Sector allocation).

The high allocation to the Teachers Service Commission is attributed to its vital role in the Teacher Resource Management programme. Figure 4.3 shows the budgetary allocation trends of the Education Sector from FY 2021/22 to FY 2025/26.

Figure 4.3: Budgetary Allocation Trend for the Education Sector



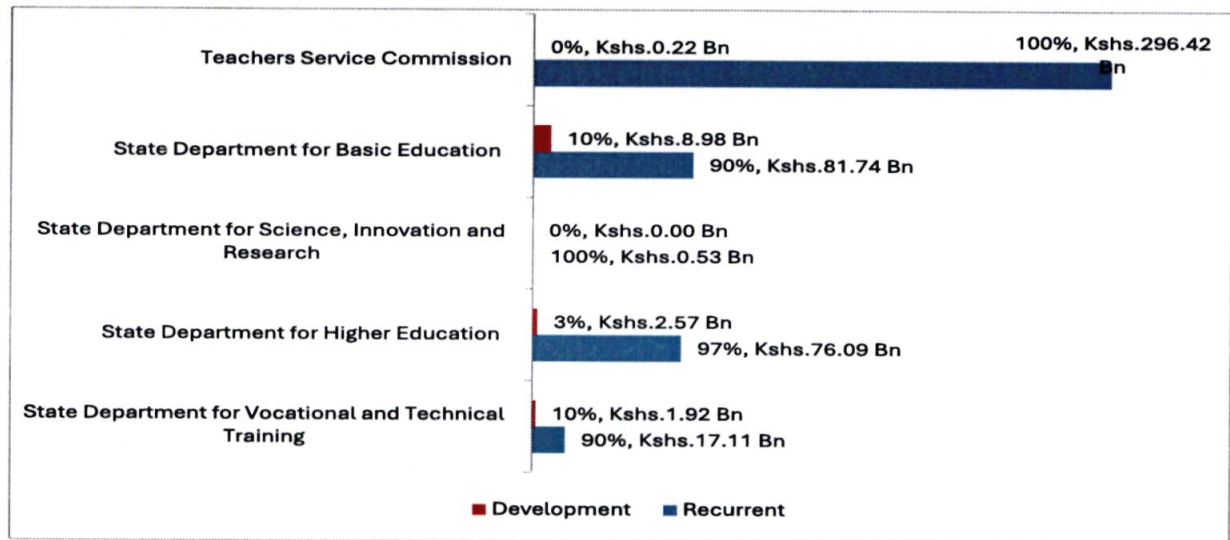
Source: National Treasury

The total exchequer issues to the Education Sector amounted to Kshs. 485.58 billion, representing 78 per cent of the Sector’s annual net estimates. This amount comprised Kshs.13.68 billion for development expenditure, representing 58 per cent of the annual development net estimates, and Kshs.471.89 billion for recurrent activities, representing 79 per cent of the annual recurrent net estimates.

In the first nine months of FY 2025/26, the State Department for Higher Education received the highest proportion of development exchequer issues to development net estimates at 94 per cent, while the Teachers Service Commission received 32 per cent. Similarly, the State Department for Higher Education recorded the highest proportion of recurrent exchequer issues to recurrent revised net estimates at 88 per cent, while the State Department for Science, Research and Innovation recorded the lowest at 64 per cent.

Figure 4.4 shows the exchequer issues in the Education Sector during the first nine months of FY 2025/26.

Figure 4.4: Exchequer Issues to the Education Sector



Source: National Treasury

The total expenditure for the Education Sector amounts to Kshs.551.68 billion, representing 79 per cent of the annual gross estimates, compared to 76 per cent (Kshs.512.83 billion) recorded in the first nine months of FY 2024/25. This amount comprised Kshs.18.85 billion for the development budget representing an absorption rate of 63 per cent, compared to 54 per cent (Kshs.14.22 billion) recorded in the first nine months of FY 2024/25, and Kshs.532.83 billion for recurrent expenditure representing 79 per cent of the recurrent gross estimates, compared to 77 per cent (Kshs.498.60 billion) recorded in the first nine months of FY 2024/25.

Table 4.17 shows the Education sector analysis of exchequer issues and expenditures in the first nine months of FY 2024/25.

Table 4.17: Education Sector-Analysis of Exchequer Issues and Expenditure

VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross Estimates	Net Estimates	Exchequer Issues	Expenditure	% of Exchequer to Net Estimates	% of Expenditure to Gross Budget	Gross Estimates	Net Estimates	Exchequer Issues	Expenditure	% of Exchequer to Net Estimates	% of Expenditure to Gross Estimates
State Department for Vocational and Technical Training	7.84	2.11	1.92	5.03	91	64	35.41	20.43	17.11	22.74	84	64
State Department for Higher Education	2.78	2.74	2.57	2.57	94	93	140.95	86.16	76.09	125.79	88	89
State Department for Science, Innovation and Research	-	-	-	-	-	-	0.99	0.83	0.53	0.60	64	61
State Department for Basic Education	18.49	18.18	8.98	11.03	49	60	109.42	108.05	81.74	83.52	76	76
Teachers Service Commission	0.67	0.67	0.22	0.22	32	33	386.51	385.55	296.42	300.19	77	78
Total	29.78	23.70	13.68	18.85	58	63	673.29	601.03	471.89	532.83	79	79
Sector Summary												
	Gross Estimates		Net Estimates		Exchequer Issues		Expenditure		% of Exchequer to Net Estimates		% of Expenditure to Gross Estimates	
Development	29.78		23.70		13.68		18.85		58		63	
Recurrent	673.29		601.03		471.89		532.83		79		79	
Total	703.07		624.74		485.58		551.68		78		78	

Source: MDAs and National Treasury

The State Department for Higher Education recorded the highest absorption of development budget at 93 per cent, while the Teachers Service Commission recorded the lowest at 33 per cent. The State Department for Higher Education recorded the highest recurrent expenditure as a percentage of annual gross estimates at 89 per cent. In contrast, the State Department for Science, Innovation and Research recorded the lowest ratio at 61 per cent.

4.3.3 The State Department for Vocational and Technical Training

The mandate of the State Department for Vocational and Technical Training (TVET) is to provide a skilled workforce that supports socio-economic development and fully participates in the global economy. TVET implements key programmes, including institution-based training, apprenticeships, Recognition of Prior Learning, and Entrepreneurship. It improves productivity, competitiveness, and prosperity for individuals, enterprises and the nation.

4.3.3.1 Budget Performance by the State Department for Vocational and Technical Training

The budget allocation to the State Department for Vocational and Technical Training in FY 2025/26 amounted to Kshs.43.24 billion, compared to Kshs.35.99 billion allocated in FY 2024/25.

4.3.3.2 State Department for Vocational and Technical Training Programmes and Sub-Programme Performance

The budget allocation in FY 2025/26 is to fund three programmes. Table 4.18 shows budget execution by programmes and sub-programmes under the State Department for Vocational and Technical Training in the first nine months of FY 2025/26.

Table 4.18: The State Department for Vocational and Technical Programme and Sub-Programme Performance

Programmes	Sub-Pro-grammes	Gross Approved Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Ab-sorption Rate (%)
		Recur-rent	Develop-ment	Total	Recurrent	Develop-ment	Total	
Technical Voca-tional Education and Training	Technical Ac-creditation and Quality Assur-ance	2,238.76	-	2,238.76	1,446.53	-	1,446.53	65
	Special Needs in Technical and Vocational Education	207.14	-	207.14	155.36	-	155.36	75
	Technical Train-ers and Instruc-tors Services	32,082.88	-	32,082.88	20,685.02	-	20,685.02	64
	Infrastructure Development and Expansion	-	7,836.32	7,836.32	-	5,029.18	5,029.18	64
Youth Training and Develop-ment	Revitalisation of Youth Polytech-nic	54.07	-	54.07	25.98	-	25.98	48
	Headquarters and Administra-tive Services	825.58	-	825.58	424.53	-	424.53	51
TOTAL		35,408.43	7,836.32	43,244.75	22,737.41	5,029.18	27,766.59	64

Source: The State Department for Vocational and Technical Training

The State Department’s Programme and sub-programmes analysis showed that the Special Needs in Technical and Vocational Education sub-programme had the highest absorption rate of 75 per cent. In comparison, the Revitalisation of Youth Polytechnic sub-programme recorded the lowest at 48 per cent. This was due to funds allocated to the PE component under this sub-programme not being utilised, which reduced the programme’s overall absorption rate.

The State Department for Vocational and Technical Training’s overall performance was 64 per cent by the end of the first nine months of FY 2025/26 against a target of 75 per cent.

4.3.3.3 Non-financial Performance by the State Department for Vocational and Technical Training

This section presents achievements against Key Performance Indicators for the State Department for Vocational and Technical Training in the first nine months of FY 2025/26, as shown in Table 4.19.

Table 4.19: Non-Financial Performance by the State Department for Vocational and Technical Training

Programme	Sub-Pro-gramme	Key Output	Key Performance Indi-cator	Annual Target(s)	Achieved As of 31 st March 2026	Variance
Technical Vocational Education and Training	Technical Accreditation and Quality Assurance	Trainees enrolled in TVET	Number of trainees enrolled in national poly-technics.	235,134	214,322	(20,802)
			Number of trainees en-rolled in TVCs	370,806	282,002	(88,804)
		Trainees financed	The number of TVET train-ees receiving Capitation.	202,039	62,563	(139,476)
		Adoption of Com-petency-Based Assessment (CBA)	Number of Compe-tence-Based Assessment Centres Registered	70	104	34
			Number of CBET Candi-dates assessed	170,000	354,102	184,102
General Ad-ministration, Planning and Support Ser-vices	Planning Administrative Services	Financial Services Reports Prepared	Quarterly Expenditure Analysis Reports	4	3	(1)
			Monthly Expenditure Reports	12	9	(3)
		Monitoring and Evaluation frame-work developed / reviewed.	Monitoring & evaluation framework developed/ reviewed.	1	1	-
		Performance con-tracting implement-ed.	Number of institutions on performance contracting.	175	181	6
Youth Training and Develop-ment	Curriculum Development	CBET curricula im-plemented in VTCs	Number of CBET curricu-la implemented in VTCs	45	79	34
			Number of counties sensitised on curriculum reforms in VTCs	20	20	-

Source: The State Department for Vocational and Technical Training

*SNE- Special Needs Education
 *CBET- Curriculum-Based Education and Training
 *VTCs- Vocation Training Centres

Non-financial performance analysis indicated that service delivery from the execution of programmes and sub-programmes was on target at the end of the period under review.

4.3.3.4 Projects Implementation for the State Department for Vocational and Technical Training

Table 4.20 summarises some of the projects undertaken by the State Department for Vocational and Technical Training.

Table 4.20: State Department for Vocational and Technical Training Projects Implementation Status

Name of the Project/ Programme (a)	Project com- mence date (b)	Expected Project End Date (c)	Source of Funds) (d)	Value of the Project (Kshs. Million) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expendi- ture in the first nine months of FY 2025/26 (Kshs. Mil- lion) (g)	Cumulative Expendi- ture as of 31 st March 2026 (Kshs. Million) (h)	Percent- age (%) of Comple- tion
Uriri Technical Train- ing Institute -Migori	24/7/2025	24/7/2027	GoK	46.00	10.00	10.00	10.00	11
Tarbaj TTI	22/7/2025	22/7/2028	GoK	45.00	15.00	15.00	15.00	17
GoK-AfDB Technical, Vocational Project	11/1/2021	30/06/2026	GoK/Donor	9,261.71	4,002.95	294.11	2,049.87	56
East Africa Skills Transformation and Regional Integration.	16/9/2019	31/12/2026	Foreign Bor- rowing	6,006.36	600.00	560.61	4,351.97	81
Construction of Kwanza Constituency TTI	1/7/2024	30/06/2027	GoK	52.00	12.14	12.14	23.25	33
Kenya School of TVET-Tinderet	1/7/2023	1/6/2028	GoK	50.00	20.00	20.00	20.00	25
Promotion of Youth Employment through scholarships, Phase 2- Wings to Fly IV	1/7/2023	30/06/2028	Donor	1,931.00	462.00	119.39	194.11	42
Keneth Matiba Techni- cal Training Institute	1/7/2024	30/06/2027	GoK	52.00	12.14	12.14	23.25	33
Rabai TVC	1/7/2017	1/6/2028	GoK	80.00	5.00	5.00	5.00	4
Ndhiwa TVET	1/5/2023	01/06/2029	GoK	85.50	5.00	5.00	5.00	3

Source: The State Department for Vocational and Technical Training

An analysis of the State Department for Vocational and Technical Training’s project implementation reveals that projects exhibited low implementation levels, with the likelihood that the AfDB Technical project (56 per cent complete) could overstretch its target timeline. The slow progress recorded in project implementation was due to the GOK projects’ updated status not being provided by the respective Vocational Technical Training Institutions, the project implementers, as of the end of the reporting period. This indicated a possible lapse in monitoring of GOK projects, which needed to be tracked to ensure strategic goals are met on time, within budget, and to the expected quality.

4.3.4 The State Department for Higher Education

The State Department for Higher Education and Research is responsible for University Education Policies and Standards, Management, Management of Continuing Education (excluding TVETS), Public University Management, Education Research and Policy, and Standards on Science and Technology. Its mandate is carried out in collaboration with its Agencies and accredited universities.

4.3.4.1 Budget Performance by the State Department for Higher Education

The budget allocation to the State Department for Higher Education in FY 2025/26 amounted to Kshs.143.73 billion, compared to Kshs.139.65 billion allocated in FY 2024/25.

4.3.4.2 State Department for Higher Education Programmes and Sub-Programme Performance

The budget allocated in FY 2025/26 is to fund two programmes. Table 4.21 shows budget execution by programmes and sub-programmes under the State Department for Higher Education and Research in the first nine months of FY 2025/26

Table 4.21: The State Department for Higher Education Programme and Sub-Programme Performance

Programmes	Sub-Pro-grammes	Gross Approved Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Ab-sorp-tion Rate (%)
		Recurrent	Develop-ment	Total	Recurrent	Develop-ment	Total	
University Edu-cation	University Education	79,507.93	2,781.97	82,289.90	74,767.38	2,574.18	77,341.55	94
	Quality Assurance	444.44	-	444.44	164.58	-	164.58	37
	Higher Education Support Services	60,700.06	-	60,700.06	50,616.19	-	50,616.19	83
General Ad-ministration, Planning and Support Ser-vices	General Ad-ministration, Planning and Support	300.60	-	300.60	240.15	-	240.15	80
TOTAL		140,953.02	2,781.97	143,735.00	125,788.30	2,574.18	128,362.48	89

Source: The State Department for Higher Education

Analysis of the Programme and sub-programmes showed that the state department recorded an overall absorption rate of 89 per cent, which implies effective budget execution by the end of the period under review. However, the Quality Assurance sub-programme recorded the least absorption rate at 37 per cent, and the reason for underperformance during the period under review was not provided.

4.3.4.3 Non-financial Performance by the State Department for Higher Education

Key Performance Indicators for the State Department for Higher Education in the first nine months of FY 2025/26 are presented in Table 4.22.

Table 4.22: Non-Financial Performance by the State Department for Higher Education

Name of Programme	Sub-Programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
Higher Education	University Education	Student Enrolment	Number of students enrolled in Public Universities	640,876	642,187	1,311
		Student Graduation	Number of PhD students graduated from Public Universities	791	810	19
	Quality Assurance and Standard	Quality Assurance and Accreditation	Percentage of Programme applications evaluated for accreditation.	80	80	-
	Higher Education Support Services	Student Financing Services	Number of GoK-sponsored students in public universities financed	154,789	-	(154,789)
			Number of GoK-sponsored students in private universities financed	48,430	47,211	(1,219)
			Number of students placed in universities	173,322	182,438	9,116
			Number of secondary schools guided on career choices	8,715	2,068	(6,647)
			No. of secondary school teachers sensitised on career guidance	13,411	2,891	(10,520)
General Administration, Planning and Support Services	General Administration, Planning and Support Services	Planning services	Number of downstream institutions on the performance contract	47	48	1
			Number of policies for university education formulated.	3	3	-

Source: The State Department for Higher Education

4.3.4.4 Projects Implementation Status for the State Department for Higher Education

Table 4.23 summarises some of the projects undertaken by the State Department for Higher Education and Research.

Table 4.23: State Department for Higher Education Project Implementation Status.

Project Name (a)	Project commencement date (b)	Expected Project End Date (c)	Source of Funds (d)	Value of the Project (Kshs. Million) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million) (g)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million) (h)	Percentage (%) of Completion
Construction of Administration and Tuition Block, Technical University of Kenya	12/7/2015	12/6/2026	GoK	450.00	25.00	25.00	153.00	34
Engineering Complex - University of Nairobi	1/12/2023	30/6/2026	Foreign	3,958.00.00	300.00	150.00	730.00	18
Construction of the Administration Block and the Lecture Theatre, Tom Mboya University College	1/7/2017	10/7/2027	GoK	1,548.00	75.00	75.00	640.00	41

Project Name (a)	Project commence date (b)	Expected Project End Date (c)	Source of Funds (d)	Value of the Project (Kshs. Million) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million) (g)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million) (h)	Percentage (%) of Completion
Construction of College of Engineering -Tuition Block – Jomo Kenyatta University of Agriculture and Technology	1/7/20217	30/12/2025	GoK	530.00	60.00	60.00	308.00	58
Construction of Administration Block and Lecture Theatre- Gatundu University College	1/7/2017	10/7/2028	GoK	1,455.00	40.00	40.00	365.00	25
Construction of Modern Students’ Hostel and Administration Block -Garissa University College	4/4/2023	6/6/2026	GoK	450.00	80.00	80.00	231.00	51
Construction of Tuition Block- Murang’a University College	1/1/2023	30/6/2026	GoK	535.00	19.00	19.00	119.00	22
Construction of Administration Block and Lecture Theatre- Bom-et University College	1/7/2017	10/7/2026	GoK	1,392.00	40.00	40.00	875.00	63
Construction of Ultra Modern Library-Maasai Mara University	1/7/2023	30/6/2026	GoK	520.00	15.00	15.00	40.00	8
Construction of A Library -Tharaka University College	30/5/2018	30/5/2026	GoK	500.00	45.00	45.00	178.00	36

Source: State Department for Higher Education and Research

A review of the implementation status of projects under the State Department for Higher Education indicates delays in project execution. For instance, the construction of the Engineering Tuition block at Jomo Kenyatta University of Agriculture and Technology (58 per cent complete) had already exceeded its planned completion date of 30th December, 2025, while most of the other projects were at risk of timeline overrun. The project’s delay was due to budget constraints.

4.3.5 The State Department for Science, Innovation and Research

The State Department for Science, Innovation, and Research is responsible for promoting and regulating the national Science, Technology, and Innovation (STI) system to drive economic development. It was created by Executive Order No. 1 of 2025 following the government’s reorganisation.

4.3.5.1 Budget Performance by the State Department for Science, Innovation and Research

The budget allocation to the State Department for Science, Innovation and Research in FY 2025/26 amounted to Kshs.992.87 million.

4.3.5.2 State Department for Science, Innovation and Research Programmes and Sub-Programme Performance

The budgetary allocation was to fund one programme. Table 4.24 shows budget execution by programme and sub-programmes under the State Department for Science, Innovation and Research in the first nine months of FY 2025/26.

Table 4.24: The State Department for Science, Innovation and Research Programme and Sub-Programme Performance

Programmes	Sub-Programmes	Gross Approved Estimates (Kshs. Million)			Expenditure (Kshs. Mil-lion)			Absorp-tion Rate (%)
		Recurrent	Devel-opment	Total	Recur-rent	De-velop-ment	Total	
Research, Sci-ence, Technology and Innovation	Research Management and Development	283.86	-	283.86	194.83	-	194.83	69
	Knowledge and Inno-vation Development & Commercialization	272.67	-	272.67	152.00	-	152.00	56
	Science & Technology Development & Promo-tion	313.34	-	313.34	167.51	-	167.51	53
	General Administration, Planning and Support	122.99	-	122.99	86.57	-	86.57	70
TOTAL		992.87	-	992.87	600.91	-	600.91	61

Source: The State Department for Science, Innovation and Research

Analysis of the Programme and sub-programmes shows that the State Department for Science, Innova-tion and Research recorded an overall absorption rate of 61 per cent against a target of 75 per cent for the period under review.

4.3.5.3 Non-financial Performance by the State Department for Science, Innovation and Research

Achievements against some Key Performance Indicators for the State Department for Science, Innova-tion and Research in the first nine months of FY 2025/26 are presented in Table 4.25.

Table 4.25: Non-Financial Performance by the State Department for Science, Innovation and Research

Name of Pro-gramme	SUB-PROGRAMME	Key Output	Key Performance Indica-tor	Annual Target(s)	Achieved as of 31 st March 2026	Variance
Research, Science, Technology, and Innova-tion	Research manage-ment and develop-ment	Research Ser-vices	Number of bilateral MoUs on research and develop-ment signed and imple-mented	3	3	-
		Research funding	Number of research confer-ences supported	40	18	(22)
	Knowledge and Innovation Del-velopment and Com-mercialisation	Capacity building conducted	No. of Innovators trained.	430	465	35
		Research Output Disseminated	Number of research outputs uploaded into the Nation-al Research Fund (NRF) repository	200	206	6
	Science and Tech-nology Develop-ment and Promo-tion	Science, technolo-gy and inno-vation quality assurance and standards	Number of Institutions' re-search projects monitored and evaluated	23	19	(4)
			Number of Research Insti-tutes registered	3	1	(2)

Source: The State Department for Science, Innovation and Research

Non-financial performance analysis indicated that key activities, namely, the implementation of bilateral MOUs on research and development, uploading research outputs into the National Research Fund repository, training of innovators, and the monitoring of Institutions’ research projects, recorded impressive achievements by the end of the first nine months of FY 2025/26. However, funding for research lagged behind the target for the period (only 18 research conferences were supported out of the annual target of 40) due to budget constraints.

4.3.6 The State Department for Basic Education

The State Department for Basic Education’s mandate is to provide Basic Early Childhood, Primary and Secondary Education, Teacher Education and Management, and Basic (Early Childhood, Primary and Secondary) Education Policy Management. The mandate is executed by the State Department for Basic Education, its Agencies, Teachers’ Training Colleges, Schools, and other stakeholders.

4.3.6.1 Budget Performance by the State Department for Basic Education

The budget allocated to the State Department for Basic Education in FY 2025/26 amounts to Kshs.127.91 billion, compared to Kshs.136.76 billion allocated in FY 2024/25, representing a decline of Kshs.8.85 billion. The sub-programmes with significant declines include Free Secondary Education (Kshs.3.88 billion), Free Primary Education (Kshs.2.59 billion), and Examination and Certification (Kshs.2.13 billion).

4.3.6.2 State Department for Basic Education Programmes and Sub-Programme Performance

The budget allocation is to fund four programmes. Table 4.26 shows budget execution by programmes and sub-programmes under the State Department for Basic Education in the first nine months of FY 2025/26.

Table 4.26: The State Department for Basic Education Programme and Sub-Programme Performance

Pro-grammes	Sub-Pro-grammes	Gross Approved Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorp-tion Rate (%)
		Recurrent	Develop-ment	Total	Recurrent	Develop-ment	Total	
Primary Education	Free Primary Education	7,370.53	14,052.60	21,423.13	5,784.64	7,400.31	13,184.95	62
	Special Needs Education	749.03	218.20	967.23	448.12	218.20	666.32	69
	Early Child Development and Educa-tion	19.21	-	19.21	13.63	-	13.63	71
	Primary Teachers Training and In-Service Training	353.81	100.00	453.81	182.53	-	182.53	40
	Alternative Basic Adult and Continu-ing Education	59.01	-	59.01	31.95	-	31.95	54

Pro-grammes	Sub-Pro-grammes	Gross Approved Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorp-tion Rate (%)
	School Health, Nutrition and Meals	3,000.00	-	3,000.00	3,000.00	-	3,000.00	100
	Expanding opportunities to ASALs	740.00	-	740.00	555.00	-	555.00	75
Secondary Education	Free Day Secondary Education	81,027.49	4,094.65	85,122.14	58,719.70	3,408.84	62,128.54	73
	Secondary Teachers Education Services	408.52	-	408.52	306.39	-	306.39	75
	Secondary Teachers In-Service	230.82	-	230.82	146.87	-	146.87	64
	Special Needs Education	280.00	-	280.00	-	-	-	-
Quality As-surance and Standards	Curriculum Development	995.40	-	995.40	694.05	-	694.05	70
	Examination and Certifica-tion	7,618.51	25.00	7,643.51	9,483.76	-	9,483.76	124
	Co-Curricu-lum Activities	1,335.76	-	1,335.76	902.27	-	902.27	68
General Ad-ministration, Planning and Support Services	Headquar-ters and Administrative Services	1,690.23	-	1,690.23	1,058.52	-	1,058.52	63
	County Administrative Services	3,543.44	-	3,543.44	2,189.12	-	2,189.12	62
TOTAL		109,421.77	18,490.45	127,912.22	83,516.55	11,027.36	94,543.90	74

Source: The State Department for Basic Education

The overall performance of the State Department for Basic Education was 74 per cent, indicating that budget implementation was on track. Further, analysis of the Programme and sub-programmes showed that expenditure on the Examination and Certification sub-programme surpassed the budget by 24 per cent, occasioned by additional funding under Article 223 of the Constitution to facilitate the Year 2025 National assessment and examination administration. Besides, the budget for the School Health Nutrition and Meals sub-programme was fully depleted (absorption rate of 100 per cent) as a result of full access to the annual budget, thereby increasing the risk of accumulation of trade payables for school feeding for the remaining period of FY 2025/26. On the other hand, the Special Needs Education sub-programme under the Secondary Education Programme did not incur any expenditure. We recommend that the State Department for Basic Education seek reallocation or additional budgetary support for the exhausted sub-programmes' budget.

4.3.6.3 Non-financial Performance by the State Department for Basic Education

Table 4.27 presents achievements against selected Key Performance Indicators for the State Department for Basic Education in the first nine months of FY 2025/26.

Table 4.27: Non-Financial Performance by the State Department for Basic Education

Programme	Sub-Programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
Primary Education	Free Primary Education	Public Primary school enrolment	Number of learners enrolled in public primary schools	6,971,542	4,948,958	(2,022,583)
			Number of learners enrolled in Low-Cost Boarding public primary schools	156,649	158,286	(1,637)
		Infrastructure and Equipment for Public Primary Schools	Number of schools with renovated infrastructures	200	67	(133)
	Primary SNE	Special Needs Education (SNE) Services	Number of Persons with special needs and disabilities assessed	16,095	-	(16,095)
			Number of books transcribed into Braille	11,000	1,149	(9,851)
			Number of newly blind-ed persons rehabilitated	47	11	(36)
			Number of SNE personnel trained	2,536	-	(2,536)
	Early Childhood Education	Pre-Primary Education Services	Number of champion teachers trained in ICT for curriculum delivery	2,000	-	(2,000)
Free secondary education	Free day secondary education	Enrolment in Public Junior Education	Number of learners enrolled in public junior school	3,552,530	2,952,950	(599,580)
	Secondary Teachers in-service	Capacity building services	Number of education managers trained	15,600	-	(15,600)
			No. of bursars trained in financial management	4,500	-	(4500)
Quality assurance standards	Curriculum development	Curriculum development services	Number of electronic and non-electronic curriculum support materials provided	1,200	263	(937)
General administration and support services	Headquarters administrative services	Capacity building services	No. of officers sensitised on National Values and governance -service charter, road safety and asset management	3,200	-	(3,200)

Source: State Department for Basic Education

Several key performance areas recorded no output during the period under review, including officers sensitised on national values and governance, training of champion teachers in ICT for curriculum delivery, capacity building of education managers and schools’ bursars, assessment of persons with special needs and disabilities and training of SNE personnel due to budget constraints, and targeted to be achieved in the fourth quarter of FY 2025/26.

4.3.6.4 Project Implementation for the State Department for Basic Education

Table 4.28 summarises progress on some of the projects undertaken by the State Department for Basic Education.

Table 4.28: State Department for Basic Education Project Implementation Status

Project Name (a)	Project commence date (b)	Expected Project End Date (c)	Source of Funds) (d)	Value of the Project (Kshs. Million) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million) (g)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million) (h)	Percentage of Completion
ICT Infrastructure to support Competency-Based Assessment	Jan-21	Jun-26	GoK	148.00	25.00	-	123.00	83
Primary school infrastructure improvement	Jul-10	Jun-28	GoK	12,200.00	612.00	465.92	3,339.00	27
Kenya Primary Equity in Learning Programme	Jan-22	Jun-27	GoK/Donor	45,377.00	13,329.00	6,375.58	33,753.00	74
Secondary Infrastructure Improvement	Jul-12	Jun-28	GoK	59,559.00	1,320.65	779.99	19,502.00	33
ICT Integration in Secondary Schools	Aug-09	Jun-28	GoK	5,000.00	50.00	212.95	3,352.00	67
Establishment of Kibabii Diploma Teachers Training College	Aug-12	Jun-28	GoK	1,588.00	-	-	1,279.00	81
Construction of 10 New TTCS	Jan-11	Jun-27	GoK	2,500.00	-	-	19.00	1
Assembly of Assistive Devices -KISE	Jun-24	Jun-26	GoK	1,500.00	218.00	218.20	432.00	29
Promotion of Youth Employment through Scholarship Ph 2-Wings to Fly	Jan-22	Jun-26	Donor	700.00	250.00	115.95	318.00	45
Establishment of Lugari Diploma Teachers Training College (TTCs)	Aug-15	Jun-28	GoK	500.00	-	-	322.00	64

Source: The State Department for Basic Education

*KISE-Kenya Institute of Special Education

An assessment of the project implementation status by the State Department for Basic Education revealed delays in project completion. Notably, the construction of 10 New Teachers Training Colleges, which was 1 per cent complete, commenced in January 2011 and was scheduled for completion in June 2027. Similarly, the Primary School Infrastructure Improvement Project, currently at 27 per cent completion, began in July 2010 and has a target completion date of June 2028. The general delays in project implementation were attributed to budget constraints.

4.3.7 The Teachers Service Commission

The Teachers Service Commission is mandated to formulate policies that regulate the teaching profession and guide teacher management functions, thereby ensuring compliance with the teaching standards prescribed from time to time. It also facilitates teachers’ career progression and professional development, and monitors their conduct and performance during curriculum implementation. TSC registers trained teachers and recruits, employs, and assigns teachers employed by the commission. It further exercises disciplinary controls over registered teachers, terminates the employment of teachers, reviews the standards of education and training for persons entering the teaching service, reviews the demand for and supply of teachers, and advises the national government on matters related to the teaching profession.

4.3.7.1 Budget Performance by the Teachers Service Commission

The budget allocation to the Teachers Service Commission in FY 2025/26 amounted to Kshs.387.18 billion, compared to Kshs.369.59 billion allocated in FY 2024/25.

4.3.7.2 Teachers Service Commission Programmes and Sub-Programme Performance

The budget allocation was to fund three programmes. Table 4.29 shows budget execution by programmes and sub-programmes under the Teachers Service Commission in the first nine months of FY 2025/26.

Table 4.29: The Teachers Service Commission Programme and Sub-Programme Performance

Programmes	Sub-Pro-grammes	Gross Approved Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorp- tion Rate (%)
		Recurrent	Develop- ment	Total	Recurrent	Develop- ment	Total	
Teacher Research Management	Teacher Re- source Planning -Primary	202,430.93	423.00	202,853.93	162,226.93	51.51	162,278.44	80
	Teacher Re- source Planning -Secondary	172,416.02	206.00	172,622.02	129,312.01	170.03	129,482.04	75
	Teacher Re- source Plan- ning-Tertiary	2,042.54	-	2,042.54	1,531.91	-	1,531.91	75
Governance and Teaching Stan- dards	Quality As- surance and Standards	53.75	-	53.75	26.56	-	26.56	49
	Teacher Profes- sional Develop- ment	30.09	-	30.09	21.04	-	21.04	70
	Teacher Capac- ity Development	980.39	-	980.39	977.74	-	977.74	100
General Adminis- tration, Planning and Support Services	Policy Planning and Support Services	8,117.74	42.00	8,159.74	5,888.92	-	5,888.92	72
	Field Administra- tive Services	199.19	-	199.19	130.39	-	130.39	65
	Automation of TSC Operations	239.71	-	239.71	71.78	-	71.78	30
TOTAL		386,510.36	671.00	387,181.36	300,187.28	221.54	300,408.82	78

Source: The Teachers Service Commission

Overall, the Programme and sub-programmes analysis showed that the Teachers Service Commission’s budget execution was on target. The Teacher Capacity Development sub-programme under the Governance and Teaching Standards programme recorded the highest absorption rate at 100 per cent. The high absorption was due to the National Treasury’s authority to access the full-year allocation to facilitate teacher training on Competency-Based Education (CBE) during the August and December school holidays, leading to full utilisation of the allocated budget. On the other hand, the Automation of TSC Operations sub-programme, under the General Administration, Planning, and Support Services programme, recorded the lowest absorption rate at 30 per cent, occasioned by challenges encountered during the e-GP system rollout, which have caused delays in the procurement process due to non-responsive tenders in the procurement of ICT equipment.

4.3.7.3 Non-financial Performance by the Teachers Service Commission

Table 4.30 presents some of the Key Performance Indicators of the Teachers Service Commission in the first nine months of FY 2025/26.

Table 4.30: Non-Financial Performance by the Teachers Service Commission

Name of Programme	Sub-programme	Key Output	Key Performance Indicator	Annual Target(s)	Achieved As of 31 st March 2026	Variance
Teacher Resource Management	Teacher Management Primary	Teaching Services	Number of teachers trained on ICT integration	50,000	50,214	214
			Number of Teachers trained on Remote Learning Methodologies	50,000	50,021	21
			Number of schools lives-streaming lessons	30	30	-
Governance and Standards	Quality Assurance and Standards	Teaching services	Number of teachers trained on Performance Contract (PC) and Teacher Performance Appraisal on Development (TPAD)	52,000	-	(52,000)
			Percentage of Teachers appraised on TPAD	100	97	(3)
			Percentage of performance contract implementations by learning institutions.	100	100	-
			Number of field officers sensitised on the revised TPAD	100	55	(45)
	Teacher Professional Development	Teaching Services	Number of field officers trained on the management of disciplinary cases	150	156	6
			Percentage of registered discipline cases determined and finalised within three months.	100	47	(53)
	Teacher Capacity Development	Teaching Services	Number of tutors trained on CBC	1,100	1,348	248

Name of Programme	Sub-programme	Key Output	Key Performance Indicator	Annual Target(s)	Achieved As of 31 st March 2026	Variance
			Number of Teachers trained in Competency-Based Curriculum/ Education (CBC/E)	75,000	83,278	8,278
General Administration, Planning and Support Services	Policy, Planning and Support Services	Administrative Services	Number of secretariat staff trained	600	652	52
	Automation of the Teachers Service Commission operation	Administrative Services	Number of employee records digitised	20,000	13,405	(6,595)

Source: Teachers Service Commission

Key performance areas that surpassed their annual targets included; training of tutors on Competency Based Curriculum (1,348 tutors trained against a target of 1,100), teachers trained on Competency Based Education (83,278 teachers against the annual target of 75,000) and training of teachers on ICT integration (50,214 teachers out of the target of 50,000). The high performance was made possible by private school teachers who attended the training and by tutors from teachers’ training colleges, who also underwent retooling through the smart cascade training model. Training of ToTs was later rolled out to many other teachers at the field levels.

In contrast, training of teachers on performance contracting and performance appraisal development did not record any achievement (target of 52,000 teachers) by the end of the first nine months of FY2025/26, due to budget constraints.

4.3.7.4 Projects Implementation Status for the Teachers Service Commission

Table 4.31 summarises some of the projects undertaken by the Teachers Service Commission in the period under review.

Table 4.31: Teachers Service Commission Projects Implementation Status

Project Name (a)	Project com-mence date (b)	Expected Project End Date (c)	Source of Funds) (d)	Value of the Project (Kshs. Million) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expendi-ture in the first nine months of FY 2025/26 (Kshs. Mil-lion) (g)	Cumu-lative Expendi-ture as of 31 st March 2026 (Kshs. Mil-lion) (h)	Per-cent-age of Com-pletion (%)
Kenya Primary Educa-tion Equity in Learning Program	31-Mar-22	31-Dec-26	Donor/ GoK	1,113.00	423.00	51.51	336.51	30
Kenya Secondary Equity in Learning	3-Sept-25	3-Sept-29	Donor	1,000.00	206.00	170.03	170.03	17
Construction of TSC County office accom-modation -Kwale	1-Jul-25	1-Jun-27	GoK	42.00	15.75	-	-	1
Construction of TSC County office accom-modation -Kitui	1-Jul-25	1-Jun-27	GoK	42.00	15.75	-	-	1

Source: Teachers Service Commission

Analysis of the project’s implementation by the Teachers Service Commission indicated dismal performance across all projects. This was attributable to delays in the State Department for Public Works’ approval of building designs and challenges in securing contractors due to issues with the e-GP system rollout, thereby risking overrun of project timelines.

4.4. Energy, Infrastructure and Information Communications Technology (EIICT) Sector

4.4.1 Introduction

This Sector consists of ten MDAs which comprise of the State Department for Roads; the State Department for Transport; the State Department for Shipping and Maritime Affairs; the State Department for Housing and Urban Development; the State Department for Public Works; the State Department for Information, Communications Technology and Digital Economy; the State Department for Broadcasting and Telecommunications; the State Department for Aviation and Aerospace Development; the State Department for Energy; and the State Department for Petroleum.

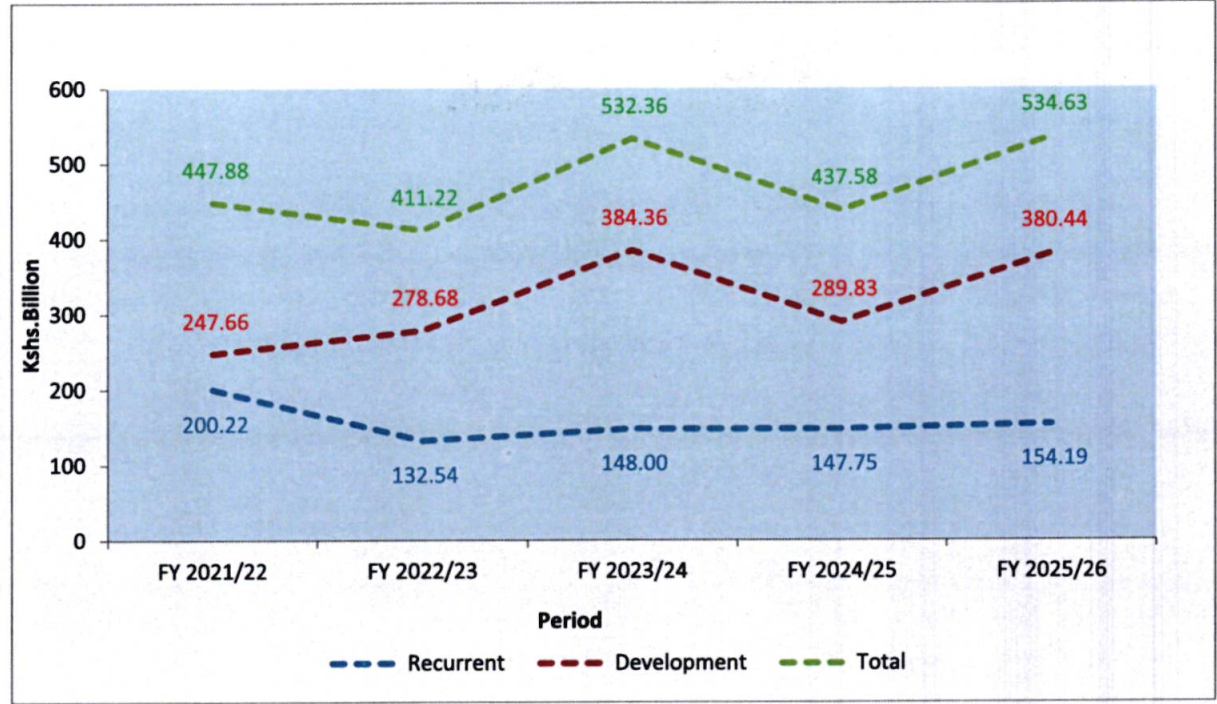
The EIICT sector aims to provide sustainable infrastructure development, a vibrant shipping and maritime industry, universal access to Information and Communication Technology (ICT), Transport, and built environment services, facilitate access to adequate, decent and affordable housing, promote sustainable urban development and accessible, affordable, quality, and competitive energy and petroleum products. This Sector is also responsible for the administration of aviation policies, the development of airports and the promotion of safety and growth in civil aviation.

The EI&ICT Sector plays a vital role as an enabler of the country’s socio-economic development. It is a crucial sector in realising Vision 2030 and the BETA Agenda.

4.4.2 Budget Performance for EIICT Sector

The budget allocation to EIICT in FY 2026/26 amounted to Kshs. 534.63 billion, compared to Kshs.435.86 billion allocated in FY 2024/25. This amount represents 11 per cent of the gross national budget of Kshs.4.69 trillion and 21 per cent of the MDAs’ budget of Kshs.2.55 trillion. The allocation included Kshs. 380.44 billion (71 per cent) for development activities and Kshs. 154.19 billion (29 per cent) for recurrent expenditure. The State Department for Roads received the highest budgetary allocation of Kshs.221.79 billion (42 per cent of the Sector’s budget), while the State Department for Public Works had the lowest budgetary allocation of Kshs.4.44 billion (1 per cent of the EIICT Sector allocation). Figure 4.5 shows the budgetary allocation trends of the EIICT Sector from FY 2021/2022 to FY 2026/26.

Figure 4.5: Budgetary Allocation Trend for the EI&ICT Sector

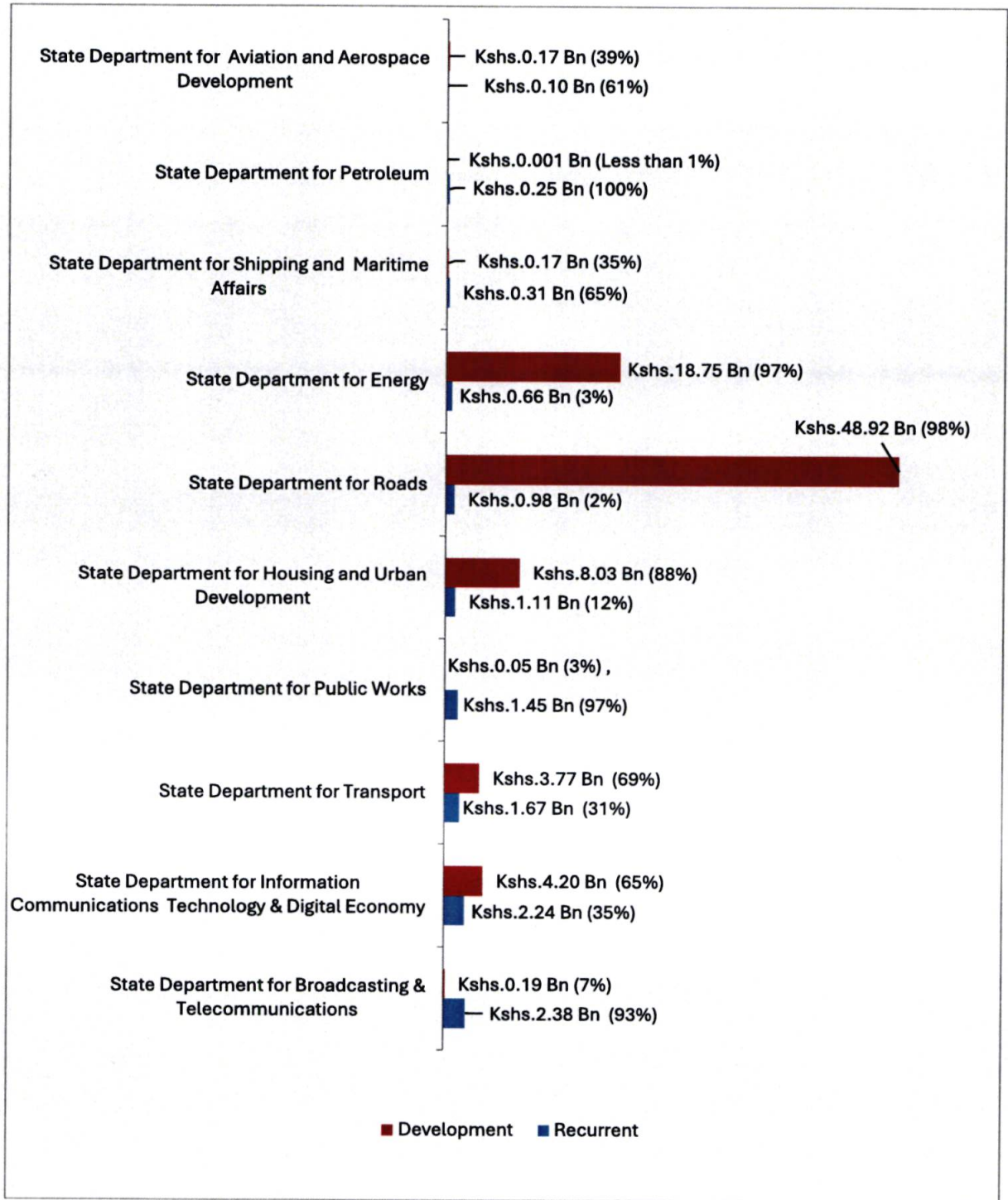


Source: National Treasury

The total exchequer issues to the EI&ICT Sector amounted to Kshs.95.39 billion, representing 65 per cent of the Sector’s net estimates. This amount comprised Kshs.84.23 billion for development expenditure, representing 64 per cent of development net estimates, and Kshs.11.15 billion for recurrent activities, representing 69 per cent of recurrent net estimates.

In the first nine months of FY 2026/26, the State Department for Shipping and Maritime Affairs recorded the highest proportion of development exchequer issues to development net estimates at 100 per cent, while the State Department for Petroleum recorded the lowest at 1 per cent. The State Department for Petroleum recorded the highest proportion of recurrent exchequer issues to recurrent net estimates of 85 per cent. The State Department for Aviation and Aerospace Development recorded the lowest recurrent exchequer issues to recurrent net estimates ratio at 46 per cent. Figure 4.6 shows the exchequer issues in the EI&ICT Sector in the first nine months of FY 2026/26.

Figure 4.6: Exchequer Issues to the EIICT Sector



Source: National Treasury

The total expenditure for the EIICT Sector amounted to Kshs. 326.35 billion, representing 61 per cent of the gross estimates, compared to Kshs. 202.32 billion (46 per cent) recorded in the first nine months of FY 2024/25. This amount comprised Kshs.253.50 billion for the development budget, representing an absorption rate of 67 per cent, compared to 51 per cent recorded in the first nine months of FY 2024/25, and Kshs. 72.85 billion for recurrent expenditure, representing 47 per cent of the recurrent gross estimates, compared to 38 per cent recorded in the first nine months of FY 2024/25. Table 4.32 shows an EIICT sector analysis of exchequer issues and expenditures in the first nine months of FY 2026/26.

Table 4.32: EIICT- Analysis of Exchequer Issues and Expenditure

VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross Estimates	Net Estimates	Exchequer Issues	Expenditure	% of Exchequer Net Budget	% of Expenditure to Gross Estimates	Gross Estimates	Net Estimates	Exchequer Issues	Expenditure	% of Exchequer to Net Estimates	% of Expenditure to Gross Estimates
State Department for Roads	150.25	76.24	48.92	91.35	64	61	71.54	1.33	0.98	43.59	74	61
State Department of Transport	40.33	4.32	3.77	27.28	87	68	7.12	2.47	1.67	4.76	68	67
State Department for Shipping and Maritime Affairs	2.22	0.17	0.17	0.15	100	7	3.46	0.47	0.31	2.13	65	62
State Department for Housing and Urban Development	116.73	20.89	8.03	90.82	38	78	7.10	1.81	1.11	3.07	61	43
State Department for Public Works	0.75	0.70	0.05	0.07	7	9	3.69	2.15	1.45	1.55	68	42
State Department for Aviation and Aerospace Development	0.36	0.36	0.17	0.33	46	92	14.16	0.23	0.10	0.11	46	1
State Department for Information Communications Technology & Digital Economy	12.64	6.49	4.20	6.63	65	52	3.55	3.13	2.24	2.59	72	73
State Department for Broadcasting & Telecommunications	0.36	0.36	0.19	0.20	53	57	6.20	3.48	2.38	2.69	68	43
State Department for Energy	51.49	21.12	18.75	33.88	89	66	11.99	0.88	0.66	9.09	75	76
State Department for Petroleum	5.31	0.15	0.001	2.79	1	53	25.38	0.30	0.25	3.29	85	13
Total	380.44	130.80	84.23	253.50	64	67	154.19	16.25	11.15	72.85	69	47
Sector Summary												
	Gross Estimates	Net Estimates	Exchequer Issues	Expenditure	% of Exchequer to Net Estimates		% of Expenditure to Gross Estimates					
Development	380.44	130.80	84.23	253.50	64		67					
Recurrent	154.19	16.25	11.15	72.85	69		47					
Total	534.63	147.05	95.39	326.35	65		61					

Source: MDAs and National Treasury

The State Department for Aviation and Aerospace Development recorded the highest absorption of the development budget at 92 per cent, while the State Department for Shipping and Maritime Affairs recorded the lowest absorption rate at 7 per cent. The State Department for Energy recorded the highest recurrent expenditure-to-gross estimates at 76 per cent. In comparison, the State Department for Aviation and Aerospace Development recorded an absorption rate of 1 per cent, spending Kshs.107.60 million of the allocated Kshs.14.16 billion on recurrent activities.

4.4.3 The State Department for Roads

The State Department for Roads oversees the development, rehabilitation, maintenance, and overall management of the public road network. It promotes the development of national road development policy; develops, standardises, and maintains roads; materials testing and advice on usage; protects road reserves; ensures the road network is safe; administers mechanical and transport funds; registers engineers; provides mechanical and transport services; and enforces axle load control. The mandate is carried out by the State Department for Roads and its agencies: the Kenya Roads Board, the Kenya National Highway Authority (KeNHA), the Kenya Urban Road Authority (KURA), the Kenya Rural Road Authority (KeRRA), the Engineering Board of Kenya, and the Kenya Engineering Technology Registration Board.

4.4.3.1 Budget Performance by the State Department for Roads

The original budget allocation to the State Department for Roads in FY 2026/26 amounted to Kshs.221.79 billion, compared to Kshs.191.98 billion allocated in FY 2024/25.

4.4.3.2 State Department for Roads Programmes and Sub-Programme Performance

The budget allocation was to fund one programme and four sub-programmes. Table 4.33 shows budget execution by programmes and sub-programmes under the State Department for Roads in the first nine months of FY 2026/26.

Table 4.33: The State Department for Roads Programme and Sub-Programme Performance

Programmes	Sub-Programmes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Road Transport	General Administration, Planning, and Support Services	2,341.04	2,543.22	4,884.26	952.85	216.70	1,169.55	24
	Construction of Roads and Bridges	-	35,544.98	35,544.98	-	22,091.32	22,091.32	62
	Rehabilitation of Roads and Bridges	-	65,783.01	65,783.01	-	38,088.67	38,088.67	58
	Maintenance of Roads and Bridges	69,200.27	46,382.00	115,582.27	42,636.18	30,954.21	73,590.39	64
Total		71,541.30	150,253.22	221,794.52	43,589.04	91,350.89	134,939.93	61

Source: State Department for Roads

The State Department of Roads recorded an overall absorption rate of 61 per cent in the first nine months of FY 2025/26, slightly below the projected 75 per cent. The Construction and Maintenance of Roads and Bridges sub-programmes recorded 62 per cent and 64 per cent, respectively, while General Administration recorded the lowest at 24 per cent, implying low utilisation of funds. The low absorption is due to the exchequer delays and delays in procurement using the E-GP system.

4.4.3.3 Non-financial Performance by the State Department for Roads

Some of the achievements against the State Department for Roads’ Key Performance Indicators in the first nine months of FY 2026/26 are presented in table 4.34.

Table 4.34: Non-Financial Performance by the State Department for Roads

Programme	Sub-Programme	Key Output	Key Performance Indicator	Annual Target	Achieved as of 31 st March 2026	Variance
Road Transport	General Administration, Planning and Support Services	Road Construction Skills	Number of Contractors Trained	1,300	868	(432)
	Construction of Roads and Bridges	Roads and Bridges	Number of Bridges Constructed	20	-	(20)
		Roads	Number of Kilometres (Km) Constructed	348.93	569.28	220.35
	Rehabilitation of Roads and Bridges	Roads and Bridges	Number of Km of roads rehabilitated	210	25	(185)
	Maintenance of Roads and Bridges	Roads and Bridges	Number of Km maintained under routine maintenance	480	105.89	(374)

Source: The State Department for Roads

The non-financial performance revealed that the State Department for Roads recorded mixed performance in the first nine months of FY 2025/26. We noted impressive progress in road construction (569.28 kilometers completed against the target of 348 kilometers). Further, 868 contractors were trained on road construction skills out of 1,300 contractors targeted, representing 67 per cent achievement. The number of kilometres of roads rehabilitated and maintained stood at 25 km and 105.89 km, respectively. This performance is reported to be lower than expected due to the fact that contractors are already on site but are still awaiting completion of ongoing works on the respective road projects.

4.4.3.4 Projects Implementation Status for the State Department for Roads

Table 4.35 present a summary of projects undertaken by the State Department for Roads.

Table 4.35: State Department for Roads Project Implementation Status

Project Name (a)	Project commence date (b)	Expected Project End Date (c)	Source of Funds) (d)	Estimated Value of the Project (Kshs. Million) (e)	Fund- ing in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expen- diture in the first nine months of FY 2025/26 (Kshs. Million) (g)	Cumula- tive Expen- diture as of 31 st March 2026 (Kshs. Mil- lion) (h)	Per- centage (%) of completion
Konyu - Kairuthi Ravunguti/ Kagicha -Kiriaini/ Giathenge - Thuti/ Junction C513 Gwa Karuri - Kagumo (Phase 1)	8-May-22	24/2/2026	Gok	3,232.78	114.78	114.78	181.37	6
Eldas Township Road	20-01-22	20-09-25	GoK/ Donor	516.83	36.37	36.37	364.83	71
Dualling of Mombasa - Mariakani Road (Lot 1: Msa - Kwa Jomvu)	04/02/2017	02/11/2024	Gok/ Donor	12,393.23	542.70	579.97	12,797.87	103
Nyaburu (Jnc C20)- Oboke-Rangwe Road	25/8/2021	16-Aug-25	Gok	983.69	32.13	-	152.68	29
Kipsaraman - Kinyach - Arror Road (LOT 1)	12-Jun-24	12-Jun-27	Gok	4,375.75	162.93	-	-	-
Sagana - Katha- ka-Thiguku/Muru- ri-Mahigaini -Nyamin- di- Kiumbun	24/8/2021	11-Aug-26	Gok	2,162.44	15.48	-	767.50	35
Chobe - Kambi George- Weru - Ma- tundura & Muti-ini - Thindi (Phase 2)	1-Jul-24	30-Jun-26	Gok	3,080.00	123.33	-	150.00	5
Mlango-Benon-State Lodge-Sach 3-No. 4 – Riwo Pri – Store – Mto Mbili Road	28-May-24	28-May-26	Gok	821.38	132.09	-	201.21	24
Jnct C513 Kwa Meja -Gathaithi-C515 Muthinga	27/07/2021	20-Sep-25	Gok	675.21	24.27	10.01	575.32	85

Source: The State Department for Roads

The Dualling of Mombasa – Mariakani Road (Lot 1: Msa–Kwa Jomvu) has exceeded its projected project cost by Kshs.404.63 million, resulting in an absorption rate of 103 per cent. The overexpenditure is due to interest on late payment and accumulated claims. Besides, five road projects had overstretched their completion timelines as summarised in the table. The poor performance of the projects is due to inadequate budgetary provisions.

4.4.4 The State Department for Transport

The State Department for Transport promotes the management of transport policy; manage rail transport and infrastructure; fast track identified northern and Lamu South Sudan Ethiopia Transit (LAPPSET) transport corridor projects; oversight and coordinate northern corridor transport and implement (LAPS-SET) programmes; registration and insurance of motor vehicles; motor vehicles inspection; national transport safety; national road safety management; national roads transport policy; axle load control

policy and standards; and oversee the establishment of an integrated, efficient, effective and sustainable urban public transport system within the Nairobi metropolitan area. The mandate is carried out by the State Department of Transport and its agencies, namely, Kenya Railways Corporation (KRC), LAPS-SET Corridor Development Authority (LCDA), Kenya Ports Authority (KPA), National Transport and Safety Authority (NTSA), and the Nairobi Metropolitan Area Transport Authority (NaMATA)

4.4.4.1 Budget Performance by the State Department for Transport

The budget allocation to the State Department for Transport in FY 2026/26 amounted to Kshs.47.46 billion, compared to Kshs.48.04 billion allocated in FY 2024/25.

4.4.4.2 State Department for Transport Programmes and Sub-Programme Performance

The budget allocation was to fund four programmes. Table 4.36 shows budget execution by programmes and sub-programmes under the State Department for Transport in the first nine months of FY 2026/26.

Table 4.36: The State Department for Transport Programme and Sub-Programmed Performance

Pro-grammes	Sub-Pro-grammes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorp-tion Rate (%)
		Recurrent	Develop-ment	Total	Recurrent	Develop-ment	Total	
General Admin-istration, Planning and Support Services	Financial Management Services	6.42	-	6.42	2.58	-	2.58	40
	General Administra-tion, Planning and Support Services	1,428.14	2,404.33	3,832.46	1,019.24	1,758.00	2,777.24	72
Road Transport Safety and Regulation	Road Trans-port Safety and Regula-tion	4,870.75	970.47	5,841.22	3,232.73	313.00	3,545.73	61
Rail Trans-port	Rail Trans-port	607.09	36,509.44	37,116.53	451.79	18,347.00	18,798.79	51
Marine Transport	Marine Trans-port	15.88	450.00	465.88	10.88	6,860.00	6,870.88	
Total		7,121.79	40,334.24	47,456.02	4756.15	27278.00	32034.15	68

Source: State Department for Transport

The Marine Transport sub-programme under the Marine Programme recorded an absorption rate of more than 100 per cent, attributed to the issuance of funds under Article 223 of the Constitution, amounting to Kshs.6.3 billion for the Special Economic Zone Development Project at Dongo Kundu. The Financial Management Services sub-programme recorded the lowest absorption rate at 40 per cent, due to the delay in implementing the E-GP system.

4.4.4.3 Non-financial Performance by the State Department of Transport

Table 4.37 presents some of the Key Performance Indicators for the State Department for Transport in the first nine months of FY 2026/26.

Table 4.37: Non-Financial Performance by the State Department for Transport

Programme	Sub-Programme	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
General Administration, Planning and Support Services	General Administration, Planning and Support Services	Nairobi Metropolitan Area Transport Services	% Completion of Construction of BRT Line 2 and associated facilities	70	59	(11)
			Number of Bus Rapid Transport (BRT) designs	2	3	1
			No. of Strategies (communication and multi-modal integration)	2	2	-
			Transit-oriented development plan for BRT line 3	1	-	(1)
		LAPSSET Corridor Corporate Social Responsibility Programme	Number of LAPSSET Corridor Development Plans	3	2	(1)
			Number of LAPSSET Corridor Development Strategies developed	4	3	(1)
		LAPSSET Corridor Coordination Services	Number of Students Enrolled Under the LAPSSET Presidential Youth Scholarship Programme	20	-	(20)
			Number of LAPSSET Corridor Planning and Coordination Reports	16	12	(4)
Rail Transport	Rail Transport	Rail Transport Services	% completion of Nairobi Railway City Phase I	80	89	9
			% completion of MGR line rehabilitated (973Km Longonot-Malaba Phase 1; Voi-Taveta; Leseru-Kitale; Gilgil-Nyahururu; Kisumu-Butere)	95	90	(5)
			% Completion of MGR line rehabilitated 465Km Longonot-Malaba Phase II;	100	77	(23)
Marine Transport	Dongo Kundu Special Economic Zone - BETA	Berth 1 of Dongo Kundu Special Economic Zone (SEZ)	% completion of construction of Berth 1 of Dongo Kundu SEZ	20	13	(7)
	Dredging of Lake Victoria	Deepened water depth in Lake Victoria	% Completion of Dredging of Lake Victoria	30	20	(10)

Programme	Sub-Programme	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
	Ferry ramps for Likoni, Mombasa	Functional ferry ramps	% Completion of ramps	10	-	(10)
Road Safety	Road Safety	Road Safety Services	Number of Road Safety Campaigns Conducted	23	17	(6)
		Road Safety	% of Smart Driving License applications processed	100%	87%	(13%)
		Road Safety Services	Number of Road Safety Audit Reports	20	27	7
		Road Safety Services	% of Commercial Vehicle Inspection applications processed	100	100	-
		Road Safety Services	Number of NTSA service points at Huduma Centres operationalised	5	3	(2)

Source: The State Department for Transport

The non-financial performance of the State Department of Transport was mixed. The designs for bus rapid transport and the communication and multi-modal integration strategies for the Nairobi Metropolitan Area Transport Services met their targets, respectively. However, the LAPSET Presidential Youth Scholarship enrolment has yet to commence, while stakeholder engagement is ongoing.

The negative variance in the number of driving licences not processed is due to exogenous factors, including clients who have not yet presented them for biometric capture and photo recapturing.

4.4.4.4 Projects Implementation Status for the State Department of Transport

Table 4.38 summarises projects undertaken by the State Department of Transport.

Table 4.38: State Department of Transport Projects Implementation Status

Project Name	Project commence date	Expected Project End Date	Source of Funds	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2025/26 (Kshs. Million)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million)	Percentage (%) of Completion
Special Economic Zone Development Project Dongo Kundu	1/7/2020	06/30/2026	GoK/ Foreign Borrowing	58,227	-	6,300	8,429	14
Rehabilitation of the Longonot-Malaba MGR Line	7/1/2024	6/30/2027	GoK	3,717	2,043	2,043	2,921	43

Project Name	Project commence date	Expected Project End Date	Source of Funds	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2025/26 (Kshs. Million)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million)	Percentage (%) of Completion
Nairobi Bus Rapid Transport BRT Line 2 (Simba Line)	8/1/2020	6/14/2025	GoK	5,575	331	331	3,053	59
Standard Gauge Railway: Land acquisition & Construction of Public institutions and land acquisition under Phases 1 and 2A	11/28/2013	6/30/2026	GoK	68,337	2,400	2,166	58,503	86
Standard Gauge Railway: Operations and Maintenance	7/1/2022	6/30/2024	GoK	14,629	51	51	775	-
Construction of the SGR Overhaul Workshop	1/7/2024	30/06/2028	GoK	7,844	2,315	-	-	-
Mombasa SGR-Miritini MGR & railway bridge across Makupa causeway	7/1/2022	6/30/2024	GoK	5,613	5,613	681	-	-
Horn of Africa Gateway Development Project	9/8/2020	22/01/2028	GoK/ Foreign Borrowing	1,586	160	128	47,758	30
Safe Roads/Usalama Barabarani Programme (NTSA)	1/3/2020	31/08/2025	GoK/ Donor	672	106	6	603	89
Promotion of E-Mobility Project	10/1/2023	10/1/2026	GoK/ Donor	1,130	299	24	51	5

Source: State Department of Transport

The State Department for Transport recorded varied project performance as at 31st March 2026. SGR-related projects and the Safe Roads Programme showed strong progress at 86 per cent and 89 per cent, respectively, while Nairobi BRT Line 2 and Longonot–Malaba MGR stood at 59 per cent and 43 per cent. However, key projects such as Dongo Kundu SEZ (14 per cent), Horn of Africa Gateway (30 per cent), and Promotion of E-Mobility (5 per cent) recorded low performance. Additionally, four projects were facing timeline overruns including Mombasa SGR-Miritini MGR & railway bridge across Makupa causeway (completion rate not indicated), Standard Gauge Railway: Operations and Maintenance (completion rate not indicated), Nairobi Bus Rapid Transport BRT Line 2 (Simba Line) (59 per cent complete), Safe Roads/Usalama Barabarani Programme (NTSA) (89 per cent complete) and Promotion of E-Mobility Project (5 per cent complete), indicating widespread delays in actualising the intended projects' outcomes to the public.

4.4.5 The State Department for Shipping and Maritime Affairs

The State Department for Shipping and Maritime Affairs promotes the maritime and shipping industry; manages maritime transport; ship registration; marine cargo insurance; human resource development,

management and research in support of Kenya’s shipping industry; establish an effective admiralty jurisdiction; develop a central data and information centre; coordinate maritime spatial planning and integrated coastal zone management; protect and regulate marine ecosystems; develop national capacity for Kenya’s maritime sector; promote and facilitate placement of Kenyans in the global maritime labour market; protect the aquatic resources in Exclusive Economic Zone (EEZ); monitor and advising on usage of Kenya’s Exclusive Economic Zone; ocean governance and marine management; and government clearing and forwarding services. The mandate is carried out by the State Department for Shipping and Maritime Affairs and its agencies, namely the Kenya Maritime Authority (KMA), the Bandari Maritime Academy (BMA), and the Kenya National Shipping Line (KNSL).

4.4.5.1 Budget Performance by the State Department for Shipping and Maritime Affairs

The budget allocation to the State Department for Shipping and Maritime Affairs in FY 2026/26 amounted to Kshs.5.68 billion, compared to Kshs.2.97 billion in FY 2024/25.

4.4.5.2 State Department for Shipping and Maritime Affairs Programmes and Sub-Programme Performance

The budget allocation was to fund one programme. Table 4.39 shows budget execution by programmes and sub-programmes under the State Department for Shipping and Maritime Affairs in the first nine months of FY 2026/26.

Table 4.39: The State Department for Shipping and Maritime Affairs Programme and Sub-Programme Performance.

Programmes	Sub-Programmes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Shipping and Maritime Affairs	Administrative Services	240.17	-	240.17	150.62	-	150.62	63
	Shipping Affairs	242.01	-	242.01	129.85	-	129.85	54
	Maritime Affairs	2,976.61	2,224.60	5,201.21	1,849.00	153.89	2,002.89	39
Total		3,458.78	2,224.60	5,683.38	2,129.79	153.89	2,283.36	40

Source: State Department for Shipping and Maritime Affairs

The State Department for Shipping and Maritime Affairs recorded an overall absorption rate of 40 per cent in the first nine months of FY 2025/26, against the period’s target of 75 per cent. Administrative Services and Shipping Affairs posted relatively better performance at 63 per cent and 54 per cent, respectively, while Maritime Affairs recorded the lowest absorption at 39 per cent, mainly due to low A-i-A collection and inadequate funding.

4.4.5.3 Non-financial Performance by the State Department for Shipping and Maritime Affairs

Table 4.40 presents some Key Performance Indicators achievements for the State Department for Shipping and Maritime Affairs in the first nine months of FY 2026/26.

Table 4.40: Non-Financial Performance by the State Department of Shipping and Maritime Affairs.

Programme	Sub-pro-grammes	Key Output	Key Perfor- mance Indi- cator	Annual Tar- get(s)	Achieved As of 31 st March 2026	Variance
Shipping and Maritime Affairs	Administrative, Planning, and Support Services	Monitoring and evaluation of pro-grammes and Projects	Number of Monitoring and Evaluation Reports	4	3	(1)
	Shipping Affairs	TEUs* and Metric Tonnes Volume growth.	Number of TEUs Cleared (Sea Cargo)	200	155	(45)
	Maritime Affairs	Youths trained on mandatory courses	No. of youths trained on mandatory courses	3,000	1,973	(1,027)
		Presidential Directive on Tree Planting implemented	Number of trees planted per annum	74,563,825	644,034	(73,919,791)
		Approved Recruitment and place-ment agencies audited	% of Approved recruitment and place-ment agencies audited	100	100	-

Source: State Department for Shipping and Maritime Affairs

*TEUs- Twenty-foot Equivalent Unit

The State Department for Shipping and Maritime Affairs underperformed across most indicators as of 31st March 2026. Three (3) monitoring and evaluation exercises were conducted and reports prepared against the target of 4 reports. 155 metric tonnes of sea cargo were cleared compared to the target of 200 metric tonnes, and 1,973 youths were trained out of the target of 3,000 youths. However, the auditing of recruitment and placement agencies achieved 100 per cent of the annual target. The remaining trees are planned to be planted in the fourth quarter, which coincides with the expected high-rainfall season, providing favourable conditions for planting and improved survival rates.

4.4.5.4 Projects Implementation Status for the State Department for Shipping and Maritime Affairs

Table 4.41 summarises the projects undertaken by the State Department for Shipping and Maritime Affairs.

Table 4.41: State Department for Shipping and Maritime Affairs Projects Implementation Status

Project Name	Project commence date	Expected Project End Date	Source of Funds)	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2025/26 (Kshs. Million)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million)	Percentage (%) of Completion
Maritime Survival Training and Certification Centre	01st May 2025	31st December 2027	Gok	2,402.23	165.61	141.01	840.36	35
Kenya Lake Victoria Maritime Communication and Transport (KLVMCT) Project	01st July 2023	30th June 2027	GoK / PPP	3,615.00	926	186	764	21
Kenya Maritime Data Bank (Blue Economy Data System)	01st July 2022	30th June 2025	GoK	332.00	4	4	50	15

Source: State Department for Shipping and Maritime Affairs

The State Department for Shipping and Maritime Affairs projects recorded slow to moderate progress as of the end of the first nine months of FY 2025/26. The Maritime Survival Training and Certification Centre recorded 35 per cent completion, while the Kenya Lake Victoria Maritime Communication and Transport Project recorded 21 per cent. The Kenya Maritime Data Bank recorded a 15 per cent completion rate, with a completion date of 30th June 2025, indicating generally slow implementation across projects, and the State Department did not provide the reason for the delay.

4.4.6 The State Department for Housing and Urban Development

The State Department for Housing and Urban Development promotes the management of housing policy; manages civil servants’ housing scheme; develops and manages affordable housing; national secretariat for human settlement; promotes low-cost house building and construction technologies; develops and manages government pool housing; shelter and slum upgrading; public office accommodation lease and management; maintain inventory of government housing property; urban planning policy; and townships, municipalities and cities policy. The mandate is carried out by the State Department for Housing and Urban Development and its agencies, the National Housing Corporation (NHC) and the Estate Agents Registration Board (EARB)

4.4.6.1 Budget Performance by the State Department for Housing and Urban Development

The budget allocation to the State Department for Housing and Urban Development in FY 2025/26 amounted to Kshs. 123.83 billion, compared to Kshs. 86.50 billion allocated in FY 2024/25.

4.4.6.2 State Department for Housing and Urban Development Programmes and Sub-Programme Performance

The budget allocation was to fund three programmes. Table 4.42 shows budget execution by programmes and sub-programmes under the State Department for Housing and Urban Development in the first nine months of FY 2026/26.

Table 4.42: The State Department for Housing and Urban Development Programme and Sub-Programme Performance.

Programmes	Sub-Programmes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Human Development and Urban Settlement	Housing Development	2,211.02	7,241.40	9,452.43	379.01	1,921.78	2,300.79	24
	Estate Management	523.07	820.30	1,343.37	356.27	452.73	809.00	60
	Affordable Housing	2,000.00	95,000.20	97,000.20	1,500.00	82,233.37	83,733.37	86
Urban and Metropolitan Development	Metropolitan Planning	967.21	-	967.21	287.07	-	287.07	30
	Urban Development	806.55	13,667.45	14,474.00	127.27	6,208.14	6,335.40	44
General Administration Planning and Support Services	General Administration, Planning & Support Services	591.58	-	591.58	416.06	-	416.06	70
Total		7,099.44	116,729.36	123,828.80	3,065.67	90,816.02	93,881.70	76

Source: The State Department for Housing and Urban Development

The Affordable Housing sub-programme under the Human Development and Urban Settlement Programme recorded the highest absorption rate of 86 per cent during the period under review. This reflects the Government’s strong commitment to delivering affordable housing as a key pillar of the Bottom-Up Economic Transformation Agenda (BETA).

The relatively low absorption rate of 24 per cent observed in the Housing Development sub-programme is mainly attributed to the fact that a significant number of housing units (approximately 52,054 projects) are at different stages of implementation. These stages range from notification of intention to award, contract signing, and site handover to preliminary works, indicating that most projects are still in early phases of execution.

4.4.6.3 Non-financial Performance by the State Department for Housing and Urban Development

Table 4.43 presents the achievements against the State Department for Housing and Urban Development’s key performance indicators in the first nine months of FY 2026/26.

Table 4.43: Non-Financial Performance by the State Department for Housing and Urban Development

Programmes	Sub-Programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved As of 31 st March 2026	Variance
Housing Development and Human Settlement	Housing Development	Affordable Housing	% completion works of 217,654 housing units	52	20	(32)
	Second Kenya Informal Settlement Improvement Project (KISIP II)	Security of land tenure in selected informal settlements	Number of Local Physical Development and Land Use Plans (LPDP) prepared	20	20	-

Programmes	Sub-Programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved As of 31 st March 2026	Variance
	Estate Management	Refurbished gov-ernment houses	Number of housing units refurbished	500	220	(280)
Urban and Metropolitan Development	Urban Develop-ment and Planning Services	Kenya Urban Sup-port Programme II	Number of Coun-ties receiving Urban Institutional Grants (UIG)	45	-	(45)
		Implementation of Kenya Infor-mal Settlement Redevelopment Programme (KIS-RP), Siaya, Kilifi and Kajiado	Number of Settle-ments surveyed / Resurveyed	3	-	(3)

Source: The State Department for Housing and Urban Development

The State Department for Housing and Urban Development recorded mixed performance in the first nine months of FY 2025/26. Notably, no output was recorded on the number of counties listed to receive Urban Institutional Grants (target of 45 counties) and on the survey of informal settlements under the Kenya Informal Settlements Redevelopment Programme (KISRP) in Siaya, Kilifi, and Kajiado counties, respectively.

The annual assessment for the Kenya Urban Support Programme II (KUSP II), which informs the performance evaluation for Urban Institutional Grant (UIG) disbursement, is currently ongoing and awaiting disbursement.

Further, planned construction of dispensaries under the Kenya Informal Settlements Redevelopment Programme (KISRP) in Siaya, Kajiado, and Kilifi counties could not proceed, as the respective counties revised their priorities and redirected resources to road infrastructure projects.

4.4.6.4 Projects Implementation Status for the State Department for Housing and Urban Development

Table 4.44 presents some of the projects undertaken by the State Department for Housing and Urban Development in the FY 2025/26.

Table 4.44: State Department for Housing and Urban Development Project Implementation status

Project Name	Project commence date	Ex-pected Proj-ect End Date	Source of Funds)	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2025/26 (Kshs. Million)	Expendi-ture in the first nine months of FY 2025/26 (Kshs. Million)	Cumula-tive Ex-penditure as of 31 st March 2026 (Kshs. Million)	Per-cent-age (%) of Com-pletion
Affordable Housing Fund	Jul-18	Jun-32	GoK	627,000	95,000	82,233	150,406	24
Kenya Urban Support Programme II (KUSP II)	Jul-23	Jul-28	Gok/ Donor	48,972	13,382	6,010.99	8,526	17

Project Name	Project commence date	Expected Project End Date	Source of Funds)	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2025/26 (Kshs. Million)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million)	Percentage (%) of Completion
Civil Servants Tenant Purchase Development Fund – BETA	Jun-17	Jun-32	GoK	20,620	19	-	5,363	26
Building Climate Resilience of the Urban Poor Program (BCRUP)	Jul-24	Jun-34	GoK	3,000	140	99	105	4
Kenya Informal Settlement Redevelopment Project (KISRIP)	Jul-24	Jun-29	Donor	936	100	98	198	21
Public Participation Projects	Jul-24	Jun-26	Gok	56	25	-	-	-
Refurbishment of Government pool housing units	Jul-14	Jun-32	Gok	16,053	820	452.73	8,966	56
Kenya Informal Settlement Improvement Project (KISIP) II	Feb-21	Dec-26	Donor/ GoK	28,500	7,243	1,921.93	21,084	74

Source: The State Department for Housing and Urban Development

The project’s implementation status with the State Department of Housing and Urban Development showed varied progress across key initiatives. The Kenya Informal Settlement Improvement Project (KISIP II) recorded the highest progress at 74 per cent, followed by the Refurbishment of Government Pool Housing Units at 56 per cent. The flagship Affordable Housing Fund achieved 24 per cent completion, while the Building Climate Resilience of the Urban Poor (BCRUP) Programme was still at an early implementation stage (4 per cent complete).

4.4.7 The State Department for Public Works

The State Department for Public Works promotes the development of public works policy and planning; national building inspection services; sets and manages building and construction standards and codes; coordinate procurement of common user items by government ministries; registers and regulates contractors, consultants for buildings, civil works and material suppliers; register architects and quantity surveyors; provide mechanical and electrical building services; building research services; register and regulate civil, building and electromechanical contractors; develop and manage public buildings; building research services; and other public works. The mandate is carried out by the State Department of Public Works and its agencies, the National Construction Authority (NCA), the Board of Registration of Architects and Quantity Surveyors (BORAQS), and the Building Surveyors Registration Board.

4.4.7.1 Budget Performance by the State Department for Public Works

The budget allocation to the State Department for Public Works in FY 2026/26 amounted to Kshs.4.44 billion, compared to Kshs.3.91 billion allocated in FY 2024/25.

4.4.7.2 State Department for Public Works Programmes and Sub-Programme Performance

The budgetary allocation was to fund four programmes. Table 4.45 shows budget execution by pro-

grammes and sub-programmes under the State Department for Public Works in the first nine months of FY 2024/25.

Table 4.45: The State Department for Public Works Programme and Sub-Programme Performance

Programmes	Sub-Programmes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Government Buildings	Stalled and New Government Building	645.33	454.00	1,099.33	465.68	3.45	469.13	43
Coastline Infrastructure Development	Coastline Infrastructure Development	102.82	-	102.82	75.34	-	75.34	73
	Pedestrian Access	-	249.00	249.00	-	63.35	63.35	25
General Administration, Planning and Support Services	Administration, Planning and Support Services	355.11	-	355.11	251.14	-	251.14	71
Regulation and Development of the Construction Industry	Regulation of the Construction Industry	2,478.70	50.00	2,528.70	706.80	-	706.80	28
	Research Services	18.36	-	18.36	7.84	-	7.84	43
	Building Standards	91.40	-	91.40	38.52	-	38.52	42
Total		3,691.72	753.00	4,444.72	1,545.32	66.79	1,612.11	36

Source: The State Department for Public Works

An analysis of financial performance shows that the State Department for Public Works recorded an overall absorption rate of 36 per cent in the first nine months of FY 2025/26. The highest absorption was achieved under the Coastline Infrastructure Development subprogramme at 73 per cent, reflecting the target budget utilisation. The lowest performance was recorded for the Pedestrian Access sub-programme at 25 per cent, indicating minimal activity during the period.

Under the government building programme, the State Department was implementing the construction of 5 county headquarters. However, the department signed a transfer deed with the Intergovernmental Relations Technical Committee (IGRTC), where the department was to transfer funds to the respective counties, but during budget preparation, an expenditure item towards this was wrongly captured, which is to be corrected through supplementary I Estimates for FY 2025/26 and funds transferred in quarter four. Under the Regulation of the Construction Industry programme, the National Construction Authority has an Approved Inter-Agency allocation of Kshs.1.5 billion. The under-expenditure recorded is attributed to low revenue collection, which has constrained the implementation of planned activities. Under the Research and Building programme, the Department had planned for staff recruitment, which was initially delayed. However, recruitment has since been undertaken, and officers have already reported. The observed under-absorption is therefore mainly due to the salary component being reflected later in the implementation cycle.

4.4.7.3 Non-financial Performance by the State Department for Public Works

Table 4.46 presents the achievements against the State Department for Public Works’ key performance indicators in the first nine months of FY 2026/26.

Table 4.46: Non-Financial Performance by the State Department for Public Works

Programmes	Sub-Programmes	Key Outputs	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
Coastline Infrastructure and Pedestrian Access	Pedestrian Access	Footbridges constructed	% of Footbridges constructed	100	100	-
General Administration, Planning & Support Services	Administration, Planning and Support Services	Construction industry policies, Bills, Regulations, Standards, Specifications and Guidelines	Number of Policies developed	1	1	-
Regulation and Development of the Construction Industry	Building standards	Buildings/ Structures inspected and audited	Number of buildings/ structures inspected and audited	600	213	(387)

Source: The State Department for Public Works

The State Department for Public Works recorded mixed performance by 31st March 2026. Targets for footbridge construction and policy development were fully achieved at 100 per cent. However, inspections and audits of buildings significantly underperformed, with only 213 buildings/structures audited out of 600 structures inspected, indicating implementation gaps in enforcement activities.

4.4.7.4 Projects Implementation Status for the State Department for Public Works

Table 4.47 summarises projects undertaken by the State Department for Public Works.

Table 4.47: State Department for Public Works Projects Implementation Status

Project/ Programme Name	Project commence date	Expected Project End Date	Source of Funds	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2025/26 (Kshs. Million)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million)	Percentage (%) of Completion
Ombo Bridge	18/9/2025	19/02/2026	GoK	109.30	30	3.28	3.28	10
Adole Foot-bridge	19/02/2025	19/02/2027	GoK	126.20	25	12.5	72.48	33
Gatono Nazareth Footbridge	24/02/2025	24/08/2026	GoK	65.55	35	16.60	45.73	80
Isiolo County Government Headquarters	01/09/2019	15/1/2023	GoK	389.30	60	0.89	185.07	-
Lamu County Government Headquarters	01/01/2020	15/03/2025	GoK	416.50	121	0.99	79.98	-
Nyandarua County Government Headquarters	01/09/2017	15/03/2025	GoK	575.00	121	0.50	276.89	-

Project/ Programme Name	Project commence date	Expected Project End Date	Source of Funds	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2025/26 (Kshs. Million)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million)	Percentage (%) of Completion
Tana River County Government	01/09/2016	15/12/2023	GoK	346.69	121	0.49	201.23	-
Handaraku Footbridge	19/2/2025	19/2/2027	GoK	125.47	25	24.98	77.09	49

Source: The State Department for Public Works

Gatono Nazareth Footbridge recorded an 80 per cent completion rate, while Handaraku Footbridge recorded a 49 per cent completion rate, indicating that the projects’ implementation is generally on track. However, Ombo Footbridge recorded a low completion rate of 10 per cent, largely because the project was at the feasibility study stage during the first three quarters of the FY 2025/26. In addition, the contractor procurement process was affected by the rollout of the e-GP system, which delayed the commencement of works.

Further, Adole Bridge recorded an absorption rate of 33 per cent at the time of monitoring. The low absorption was attributed to heavy rains, which reduced access to the project site and slowed implementation.

The State Department didn’t provide implementation status on the Construction of the County Government Headquarters projects. However, the funds will be transferred to County Governments, and the State Department for Planning is yet to visit the respective counties to ascertain the status of the projects. Additionally, implementation progress for the Handaraku Footbridge was affected by budget cuts, which constrained the pace of project execution.

4.4.8 The State Department for Information Communications Technology and Digital Economy

The State Department for Information Communications Technology (ICT) and Digital Economy facilitates the development of the information and communications sector (including broadcasting multimedia); data protection policy and regulation of personal data services; national ICT policy; promotes ICT innovation and digital economy; promotes e-government; promote software development industry; provide ICT technical support to MDAs; policy on automation of government services; develop national communication capacity and infrastructure; and manage national fibre optic infrastructure. The mandate is carried out by the State Department for Information Communications and Technology and Digital Economy and its agencies, the Kenya Information Communications Technology Authority (ICTA), the Konza Technopolis Development Authority (KoTDA), the Office of the Data Protection Commissioner (ODPC), the East African Marine Cable System Limited “TEAMS” and the Kenya Advanced Institute of Science and Technology (KAIST).

4.4.8.1 Budget Performance by the State Department for Information Communications Technology and Digital Economy

The budget allocation to the State Department for Information Communications Technology and Digital Economy in FY 2026/26 amounted to Kshs.16.19 billion, compared to Kshs.20 billion allocated in FY 2024/25.

4.4.8.2 State Department for Information Communications Technology and Digital Economy Programmes and Sub-Programme Performance

The budget allocation was to fund three programmes. Table 4.48 shows budget execution by programmes and sub-programmes under the State Department for Information Communications Technology and Digital Economy in the first nine months of FY 2026/26.

Table 4.48: The State Department for Information Communications Technology and Digital Economy Programme and Sub-Programme Performance

Programmes	Sub-Pro-grammes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Ab-sorp-tion Rate (%)
		Recurrent	Develop-ment	Total	Recur-rent	Develop-ment	Total	
General Ad-ministration, Planning and Support Ser-vices	General Administra-tion, Planning, and Support Services	403.43	-	403.43	286.22	-	286.22	71
ICT infrastruc-ture Develop-ment	ICT Infrastruc-ture Connec-tivity	-	8,623.31	8,623.31	-	5,880.19	5,880.19	68
	ICT and Busi-ness Process Outsourcing Development	1,171.33	3,296.70	4,468.03	850.74	438.52	1,289.27	29
E-Government	E-Government Services	1,978.83	715.19	2,694.02	1,451.30	310.38	1,761.68	65
Total		3,553.59	12,635.20	16,188.79	2,588.26	6,629.09	9,217.36	57

Source: The State Department for Information Communications Technology and Digital Economy

The State Department for ICT and Digital Economy recorded an overall absorption rate of 57 per cent in the first nine months of FY 2025/26. The highest absorption was in General Administration, Planning, and Support Services (71 per cent), followed by ICT Infrastructure Connectivity (68 per cent), while ICT and BPO Development had the lowest performance at 29 per cent, due to low AIA collections.

4.4.8.3 Non-financial Performance by the State Department for Information Communications Technology & Digital Economy

Table 4.49 presents the achievements against the State Department for Information, Communications Technology, and Digital Economy’s key performance indicators in the first nine months of FY 2026/26.

Table 4.49: Non-Financial Performance by the State Department for Information, Communications Technology, and Digital Economy

Programmes	Sub-Programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
General Administration, Planning and Support Services	General Administration, Planning and Support Services	Financial Management Services	Number of Quarterly and annual reports	5	3	(2)
ICT Infrastructure Connectivity	ICT Infrastructure Connectivity	Last Mile County Connectivity	No. of sites Maintained	850	850	-
	ICT and BPO development	Konza Complex	% Recovery Centres Established	100	98	(2)
	Digital Learning	Digital Skills	No. of innovators incubated, trained and mentored	200	566	366

Source: The State Department for Information Communications Technology & Digital Economy

The Digital Learning sub-programme surpassed its target, training and mentoring 566 innovators, exceeding the target of 200. The ICT Infrastructure Connectivity sub-programme recorded good performance, maintaining all 850 last connectivity sites.

4.4.8.4 Projects Implementation Status for the State Department for Information Communications Technology and Digital Economy

Table 4.50 summarises some of the projects undertaken by the State Department for Information Communications Technology and Digital Economy in the FY 2025/26.

Table 4.50: State Department for Information Communications Technology & Digital Economy Projects Implementation Status

Project Name	Project commencement date	Expected Project Duration	Source of Funds)	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2025/26 (Kshs. Million)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million)	Percentage (%) of completion
E-Government Support and Maintenance	01-07-18	30-11-2028	GoK	10,500	173.89	80.64	2,003.68	19
Maintenance and Rehabilitation of NOFBI Phase II Expansion	06-01-11	30-09-30	GOK	14,536.13	750	514.05	11,130.79	77
Horizontal Infrastructure Phase 1 – EPCF*	03-08-29	31-12-24	GoK/ Italy	59,227.00	27.60	27.60	43,997.21	100
Connectivity to Leather Industrial Park- Kenaine	01-12-19	30-03-28	GoK	60	2.76	-	40.57	68

Project Name	Project commence date	Expected Project Duration	Source of Funds)	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2025/26 (Kshs. Million)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million)	Percentage (%) of completion
Horn of Africa Gateway Development Project	01-07-20	01-06-28	GoK/IDA	2,600.00	472.63	22.63	710.12	27
Implementation of Last Mile County Connectivity Network Phases IV and V	7-1-22	6-30-28	GoK/Belgium	7,800	127.60	29.27	554.24	7
Maintenance and Rehabilitation of NOFBI Phase II Cable	1-6-16	30-09-30	GoK/China	12,401.40	110.40	91.04	5,766.60	47
Konza Data Centre and Smart City	7-01-19	22-6-28	GoK/China	27,217	3,110.40	252.22	20,843.62	100
Construction of Konza Complex Phase 1B	8/8/16	30-06-28	GoK	5,850	110.40	110.40	2,739.01	47
Kenya Digital Economy Acceleration Project	15-9-23	31-10-28	GoK/IDA	53,325.52	3,688.00	2,708.14	3,404.31	6

Source: The State Department for Information Communications Technology and Digital Economy

EPCF*-Engineering, Procurement, Construction, and Financing (EPCF) project, delivering crucial smart city, roads, and utility systems.

The Implementation of the Kenya Digital Economy Acceleration Project recorded the lowest absorption rate at 6 per cent, while the Last Mile County Connectivity Network, Phases IV and V, recorded an absorption rate of 7 per cent, indicating slow project implementation given the project's commencement date. The low absorption rates are due to delays in fund disbursements and budget cuts, as reported by the State Department.

4.4.9 The State Department for Broadcasting and Telecommunications

The State Department for Broadcasting and Telecommunications promotes the development of telecommunications policy and coordinates national government advertising services, public communications, postal and courier services, policy on the development of local content, t and electronic commerce and government telecommunications services. The mandate is carried out by the State Department for Broadcasting and Telecommunications and its agencies, Kenya Broadcasting Corporation (KBC), Communications Authority of Kenya (CA), Postal Corporation of Kenya (PCK), Media Council of Kenya (MCK), Kenya Yearbook Editorial Board (KYEB), Kenya Institute of Mass Communication (KIMC), National Communications Secretariat (NCS), Universal Service Fund Advisory Council (USFAC) and Media Complaints Commission (MCC).

4.4.9.1 Budget Performance by the State Department for Broadcasting and Telecommunications

The budget allocation to the State Department for Broadcasting and Telecommunications in FY 2026/26 amounted to Kshs.6.55 billion, compared to Kshs.5.71 billion in FY 2024/25.

4.4.9.2 State Department for Broadcasting and Telecommunications Programmes and Sub-Programme Performance

The budgetary allocation was to fund three programmes. Table 4.51 shows budget execution by programmes and sub-programmes under the State Department for Broadcasting and Telecommunications in the first nine months of FY 2026/26.

Table 4.51: The State Department for Broadcasting & Telecommunications Programme Performance

Programmes	Sub-Programmes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Ab-sorption Rate (%)
		Recurrent	Develop-ment	Total	Recur-rent	Develop-ment	Total	
General Ad-ministration Planning and Support Ser-vices	General Adminis-tration, Planning and Support Services	238.69	-	238.69	156.75	-	156.75	66
Information and Communication Services	News and Infor-mation	4,416.78	322.37	4,739.16	1,435.28	167.50	1,602.78	34
	Kenya Year Book Initiative	170.00	-	170.00	98.05	-	98.05	58
	ICT and Media Regulatory Ser-vices	1,095.30	-	1,095.30	791.54	-	791.54	72
Mass Media Skills Develop-ment	Mass Media Skills Development	276.39	33.67	310.06	205.42	33.67	239.10	77
Total		6,197.16	356.05	6,553.21	2,687.04	201.17	2,888.21	44

Source: The State Department for Broadcasting and Telecommunications

The State Department for Broadcasting and Telecommunications recorded an overall absorption rate of 44 per cent in the first nine months of FY 2025/26, against the reporting period’s target of 75 per cent, occasioned by low collection of Appropriation in Aid. The highest absorption was in Mass Media Skills Development (77 per cent), followed by ICT and Media Regulatory Services (72 per cent) and General Administration, Planning and Support Services (66 per cent). The lowest performance was in the News and Information (34 per cent) and Kenya Year Book Initiative (58 per cent).

4.4.9.3 Non-financial Performance by the State Department for Broadcasting and Telecommuni-cations

Some of the Key Performance Indicators for the State Department for Broadcasting and Telecommuni-cations in the first nine months of FY 2026/26 are presented in Table 4.52.

Table 4.52: Non-Financial Performance by the State Department for Broadcasting and Telecommunications

Programmes	Sub-Programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
General Administration Planning and Support Services	General Administration Planning and Support Services	Policies, legal and institutional frameworks	Number of policies developed	3	2	(1)
Information and Communication Services	News and Information Services	Public News and information services	Number of News items produced and disseminated	25,000	21,007	(3,993)
	Media Regulatory Services	Media Regulation Services	Number of on-job Journalists trained	3,200	1,677	(1,523)
Mass Media Skills Development	Media Skills Development	Mass Media skills	Number of Trained media practitioners	624	83	(541)

Source: The State Department for Broadcasting and Telecommunications

An analysis of the programmes and sub-programmes shows moderate achievement and in course. However, the media skills development sub-programme recorded a significant shortfall, with only 83 of the 641 targeted media practitioners trained.

4.4.9.4 Projects Implementation Status for the State Department for Broadcasting

Table 4.53 presents a summary of some of the projects undertaken by the State Department for Information Communications Technology and Digital Economy.

Table 4.53: State Department for Information Communications Technology & Digital Economy Projects Implementation Status

Project Name	Project Commencement Date	Expected Project End Date	Source of Fund	Estimated Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2026/26 (Kshs. Millions)	Expenditure in the first nine months of FY 2025/26 (Kshs. Millions)	Cumulative project expenditure as of 31 st March 2026 (Kshs. Millions)	Percentage (%) of Completion
Modernisation of KIMC Film School	01st July 2013	30th June 2028	GoK	437.50	33.67	33.67	114.35	26
KBC Analogue to Digital TV Migration	01st July 2014	30th June 2027	GoK	6,000.00	101.57	101.57	5,999.14	100
KBC Rollout of Studio Mashinani	01st July 2016	30th June 2029	GoK	1,410.00	38.64	38.64	286.78	20
Modernisation of KNA National Desk and Offices	01st July 2017	30th June 2029	GoK	3,106.60	182.16	27.29	252.67	8

Source: State Department for Broadcasting

From the sampled ongoing projects, KBC Analogue to Digital TV Migration recorded the highest completion rate at 100 per cent, while the modernisation of KNA National Desk and Offices showed the lowest

progress at a completion rate of 8 per cent as at 31st March 2026. The projects recorded low absorption rates occasioned by delays in exchequer releases.

4.4.10 The State Department for Energy

The State Department for Energy develops and manages national energy policy, thermal power development, rural electrification programme, energy regulation, security and conservation, hydropower development, geothermal exploration and development, and promotes renewable energy.

The mandate is carried out by the State Department for Energy and its agencies, the Energy and Petroleum Regulatory Authority (EPRA), Kenya Power and Lighting Company (KPLC), Kenya Electricity Generating Company (KenGen), Rural Electrification and Renewable Energy Corporation (REREC), Geothermal Development Company Limited (GDC), Kenya Electricity Transmission Company Limited (KET-RACO), and Nuclear Power and Energy Agency (NuPEA).

4.4.10.1 Budget Performance by the State Department for Energy

The budget allocation to the State Department for Energy in FY 2026/26 amounted to Kshs. 63.47 billion, compared to Kshs.54.06 billion allocated in FY 2024/25.

4.4.10.2 State Department for Energy Programmes and Sub-Programme Performance

The budget allocation was to fund four programmes. Table 4.54 shows budget execution by programmes and sub-programmes under the State Department for Energy in the first nine months of FY 2026/26.

Table 4.54: The State Department for Energy Programme and Sub-Programme Performance

Programmes	Sub-Programmes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
General Administration, Planning and Support Services	Administrative services	233.51	90.00	323.51	172.53	-	172.53	53
	Financial services	112.79	190.00	302.79	79.90	188.75	268.65	89
	Planning and project monitoring	23.39	-	23.39	16.44	-	16.44	70
Power Generation	Development of Nuclear Energy	491.40	252.43	743.83	441.60	190.00	631.60	85
	Coal Exploration and Mining	-	553.00	553.00	-	308.87	308.87	56
	Geothermal generation	1,846.10	9,702.47	11,548.57	1,312.72	7,037.77	8,350.49	72
Power Transmission and Distribution	National Grid System	5,388.42	25,559.00	30,947.42	3,851.31	15,893.24	19,744.55	64
	Rural Electrification	3,832.00	13,100.36	16,932.36	3,173.19	9,368.01	12,541.20	74

Programmes	Sub-Programmes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Alternative Energy Technology	Alternative Energy Technologies	60.28	2,038.66	2,098.94	43.43	897.92	941.36	45
Total		11,987.88	51,485.91	63,473.80	9,091.12	33,884.56	42,975.69	68

Source: The State Department for Energy

The State Department for Energy recorded an absorption rate of 68 per cent as of 31st March 2026. The highest absorption was recorded by the Financial Services Sub-Programme (89 per cent), while the lowest absorption rate was in the Alternative Energy Technologies sub-programme (45 per cent). The low absorption rate was due to delays in transferring funds required to support the implementation of the activities.

4.4.10.3 Non-financial Performance by the State Department for Energy

Table 4.55 presents the achievements against the State Department for Energy's key performance indicators in the first nine months of FY 2026/26.

Table 4.55: Non-Financial Performance by the State Department for Energy

Programmes	Sub-Programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
Power Generation	Geothermal Development	Geothermal skills and human resource capacity	% Completion of KenGen Geothermal Training Centre	98	96	(2)
	Coal Exploration and Mining	Coal power generation information	Cumulative % completion of Mui Basin Block A, B, C & D concession	80	75	(5)
Power Transmission and Distribution	National Grid System	Power transmission infrastructure	Kilometres of Electricity Transmission lines constructed	237	330	93
Alternative Energy Technologies	Alternative Energy Technologies	Domestic household biogas digesters	Number of domestic household biogas digesters constructed	600	353	(247)

Source: The State Department for Energy.

Analysis of Key Performance Indicators shows progress by the State Department for Energy for the period under review. Power transmission infrastructure exceeded the target by 93 per cent (330 km of electricity transmission lines constructed against the target of 237 km). In comparison, the KenGen Geothermal Training Centre recorded a completion rate of 96 per cent against the target of 98 per cent.

4.4.10.4 Projects Implementation Status for the State Department of Energy

Table 4.56 summarises some of the projects undertaken by the State Department for Energy.

Table 4.56: State Department for Energy Projects Implementation Status

Project Name	Project commence date	Expected Project Duration	Source of Funds) (d)	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2025/26 (Kshs. Mil-lion)	Expendi-ture in the first nine months of FY 2025/26 (Kshs. Mil-lion)	Cumu-lative Expendi-ture as of 31 st March 2026 (Kshs. Million)	Per-cent-age (%) of Com-ple-tion
Kenya Green and Resilient Expansion of Energy (Green II Bess) 200mwh Battery Energy Storage System	15th May 2025	30th April 2029	Donor	10,270	150.00	65.00	65.00	2
Reinforcement of Transmis-sion Network (RETNET) Na-tional System Control Centre & Makindu SubStation	Jul-21	Jun-25	GoK, AFD	13,510	-	1,363.03	4,827	11
63MW Olkaria 1 Rehabilita-tion	12-Jun-23	31-Dec-27	JICA-(On-lent) KenGen	15,785	4,505.00	3,371.84	9,725.84	88
East Africa Skills for Transformation & Regional Integration Project	01-Dec-22	31-Dec-26	World Bank (IDA)	1,509	212.00	0.20	1,297.00	90
Bogoria Silali Geothermal Projects	Jun - 2010	Jun-28	GOK, LO-CAL AIA, DONOR	78,029	775.87	1,660.03	23,323.17	30
Menengai Geothermal Development Project.	Jan - 2010	Aug-27	GOK, LO-CAL AIA, DONOR	115,926	1,460.46	1,835.47	78,877.49	68
300MW Suswa geothermal project	Jan - 2014	Mar-29	GOK, LO-CAL AIA	78,029	140.59	104.10	1,201.75	2
Nuclear Power Plant Siting	Jul-15	Jun-28	Gok	4,000.00	104.07	74.29	940.29	24
Rural Electrifi-cation Scheme	01/01/2020	31/07/2028	GOK	41,760.00	120.34	120.34	8,860.34	21

Source: The State Department for Energy

The implementation of the 1152109700 Rural Electrification Scheme project is ongoing, with inadequate funding affecting the timely execution of activities. The Bogoria Silali Geothermal Projects faced challenges, including complexity in the acquisition of wayleaves and land, vandalism of infrastructure, inadequate budgetary allocation to operate at full capacity, insecurity within the project area, and delays in securing county government support for the project. Similarly, the 300MW Suswa Geothermal Project experienced inadequate financial allocations, which affected its ability to operate at full capacity.

4.4.11 The State Department for Petroleum

The State Department for Petroleum promotes the development of petroleum policy; strategic petroleum stock management; management of upstream petroleum products marketing; development of oil and gas exploration policy; development of capacity in the oil/gas sector; petroleum products import/export marketing policy management; licensing of petroleum marketing and handling; and quality control of petroleum products. The mandate is carried out by the State Department for Petroleum and its agencies, the Kenya Pipeline Company (KPC), the National Oil Corporation of Kenya (NOCK) and the Kenya Petroleum Refineries Limited (KPRL).

4.4.11.1 Budget Performance by the State Department for Petroleum

The budget allocation to the State Department for Petroleum in FY 2026/26 amounted to Kshs.30.69 billion, compared to Kshs.30.82 billion allocated in FY 2024/25.

4.4.11.2 State Department for Petroleum Programmes and Sub-Programme Performance

The budget allocation was to fund one programme. Table 4.57 shows budget execution by programmes and sub-programmes under the State Department for Petroleum in the first nine months of FY 2026/26.

Table 4.57: The State Department for Petroleum Programme and Sub-Programme Performance

Programme	Sub-Programmes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Exploration and Distribution of Oil and Gas	Exploration of Oil and Gas	58.43	3,647.00	3,705.43	42.34	2,030.89	2,073.23	56
	Distribution of Oil and Gas	-	1,664.00	1,664.00	-	760.13	760.13	46
	General Administration, Planning, and Support Services	25,319.97	-	25,319.97	3,243.93	-	3,243.93	13
Total		25,378.40	5,311.00	30,689.40	3,286.27	2,791.02	6,077.29	20

Source: The State Department for Petroleum

The low absorption of the Budget under Oil and Gas Exploration (56 per cent) and Distribution of oil and gas (46 per cent) is attributable to a change in Government Policy on LPG reticulation under the Affordable Housing Programme and Clean Cooking Gas for Public Learning Institutions, which the Private Sector spearheads. At the same time, the State Department provides overall oversight, supervision, monitoring and evaluation. This has slowed the utilisation of the budgetary allocation for the purchase of specialised plant and equipment and for the provision of civil works for their installation. The low absorption rate (13 per cent) under the General Administration and Support Service Programme is attributable to stable fuel pump prices over the three quarters under the Government-to-Government Framework, thereby reducing the utilisation of funds earmarked for Oil Market Price Stabilisation. An amount of Kshs.3,015,978,797.00 has been utilised to stabilise fuel pump prices against high landed costs as at 30th March, 2026.

4.4.11.3 Non-financial Performance by the State Department for Petroleum

Table 4.58 presents some of the key performance indicators for the State Department for Petroleum in the first nine months of FY 2026/26.

Table 4.58: Non-Financial Performance by the State Department for Petroleum

Programmes	Sub-Pro-gramme	Key Output	Key Performance Indicator	Annual Tar-get(s)	Achieved as of 31 st March, 2026	Variance
Exploration and Distribution of Oil and Gas	Oil and gas exploration	South Lokichar Oil Field	% of the preliminary activities for the make-up water pipeline undertaken	80	60	(20)
	Distribution of oil and gas	Petroleum Products	Metric Tons of Petroleum Products Distributed (000’)	7,240	4,328	(2,912)
General Ad-ministration and Support Services	General Administration and Support Services	Fuel Prices Stabilised	Number of fuel price hike incidents reviewed and stabi-lised	12	8	(4)

Source: The State Department for Petroleum

The State Department for Petroleum recorded below-target performance as of 31st March 2026. Prelim-inary activities for the South Lokichar Oil Field pipeline recorded a 60 per cent completion rate against the target of 80 per cent, while petroleum distribution stood at 4,328,000 metric tonnes against the target of 7,240,000 metric tonnes.

4.4.11.4 Projects Implementation Status for the State Department for Petroleum

Table 4.59 summarises some of the projects implemented by the State Department for Petroleum.

Table 4.59: State Department for Petroleum Projects Implementation Status

Project Name	Project com-mence date	Expected Project End Date	Source of Funds	Value of the Project (Kshs. Mil-lion)	Funding in the first nine months of FY 2025/26 (Kshs. Million)	Expendi-ture In the first nine months of FY 2025/26 (Kshs. Million)	Cumula-tive Ex-penditure as of 31 st March 2026 (Kshs. Million)	Percent-age (%) of Com-pletion
Petroleum Explora-tion in Block 14T	01st Janu-ary 2014	01st July 2028	GOK	6,600.00	230.00	230.00	3,960.00	60
Lokichar - Lamu Crude Oil Pipeline	01st July 2015	30th June 2030	GOK	10,000.00	940.00	409.41	3,773.41	38
South-Lokichar Oil Field Development	01st Janu-ary 2011	30th June 2030	GOK	234,861.00	1,130.00	568.87	1,858.87	1
Upstream Oil and Gas Exploration	01st July 2016	30th June 2030	GOK	10,283.00	1,347.00	822.61	7,961.61	77
Midstream and Downstream Petro-leum Distribution	01st June 2015	30th June 2030	GOK	1,410.00	255.00	215.78	696.78	49
Liquidfied Petro-leum Gas Distribu-tion and Infrastruc-ture- BETA	01st July 2014	30th June 2030	GOK	8,200.00	838.00	280.37	2,731.37	33

Project Name	Project commence date	Expected Project End Date	Source of Funds	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2025/26 (Kshs. Million)	Expenditure In the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million)	Percentage (%) of Completion
Clean Cooking Gas for Public Learning Institutions	01st July 2023	30th June 2030	GOK	3,165.38	571.00	263.98	722.98	23

Source: The State Department for Petroleum

Most projects implemented by the State Department for Petroleum were long-term and at varying stages of completion. Upstream Oil and Gas Exploration recorded the highest completion rate at 77 per cent, followed by Petroleum Exploration in Block 14T at 60 per cent. The low completion rates were occasioned by delays in the disbursement of funds.

4.4.12 The State Department for Aviation and Aerospace Development

The State Department for Aviation and Aerospace Development is responsible for ensuring safety, security and growth in air transport. Its mandate includes formulating and implementing policies, overseeing airports and air traffic control, promoting the growth of civil aviation, and coordinating space programs. Key functions involve regulating air transport, fostering international agreements, conducting air accident investigations, and establishing Kenya as an African aviation hub. The mandate is performed by the Department and its Agencies, namely, Kenya Civil Aviation Authority (KCAA), Kenya Airports Authority (KAA), Aircraft Accident Investigation Department (AAID) and the East Africa School of Aviation (EASA).

4.4.12.1 Budget Performance by the State Department for Aviation and Aerospace Development

The budget allocation to the State Department for Aviation and Aerospace Development in FY 2026/26 amounted to Kshs.14.52 billion. It was established under the Executive Order No.1 of 2025 and therefore no budget allocation in FY 2024/25.

4.4.12.2 State Department for Aviation and Aerospace Development Programmes and Sub-Programme Performance

The budget allocation was to fund one programme. Table 4.60 shows budget execution by programmes and sub-programmes under the State Department for Aviation and Aerospace Development in the first nine months of FY 2026/26.

Table 4.60: The State Department for Aviation and Aerospace Development Programme and Sub-Programmed Performance

Programmes	Sub-Programmes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Air Transport	Air Transport	14,032.48	358.81	14,391.29	64.17	331.20	395.38	3
	Administration and Support Services	123.87	-	123.87	43.43	-	43.43	35
Total		14,156.36	358.81	14,515.16	107.60	331.20	438.80	3

Source: The State Department for Transport

Financial performance across the two sub-programmes was below target in the first nine months of FY2025/26, recording absorption rates of 3 per cent and 35 per cent for Air Transport sub-programme- and 35 Administration and Support Services sub-programme respectively. The low absorption rates for air transport was as a result of grants that were not not transferred.

4.4.12.3 Non-financial Performance by the State Department for Aviation and Aerospace Development

Table 4.61 presents the achievements against the State Department for Aviation and Aerospace Development’s key performance indicators in the first nine months of FY 2026/26.

Table 4.61: Non-Financial Performance by the State Department for Aviation and Aerospace Development

Programme	Sub-Pro-gramme	Key Output	Key Performance Indicator	Annual Tar- get(s)	Achieved as of 31 st March 2026	Vari- ance
Air Transport	Air transport services and infrastruc- ture	Air Transport Policies, Bills, Regulations, Plans and Agreements	Number of New Bilateral Air Services Agreements (BASAs) signed	1	3	1
			Number of BASAs Reviewed	8	9	1
		Air transport services and infrastructure	Number of students enrolled in aviation and other related short courses	3,298	2,957	(341)
			% compliance with International Civil Aviation Organisation Security Standards	75	75	-

Source: The State Department for Transport

The Air Transport programme showed strong performance in policy and regulatory outputs, with signed or reviewed Bilateral Air Services Agreements exceeding the annual targets, indicating improved inter- national engagement. Student enrolment in aviation and other related courses also indicated remark- able performance (2,957 enrolments out of the target of 3,296 enrolments), while International Civil Aviation Organization (ICAO) security compliance remained on target at 75 per cent.

4.4.12.4 Projects Implementation Status for the State Department for Aviation and Aerospace Development

Table 4.62 summarises some of the projects undertaken by the State Department for Aviation and Aero- space Development.

Table 4.62: State Department of Transport Projects Implementation Status

Project Name	Project commence date	Expected Project End Date	Source of Funds	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2025/26 (Kshs. Million)	Expenditure in the first nine months of FY 2025/26 (Kshs. Mil- lion)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Mil- lion)	Per- centage (%) of Com- pletion
Kakamega Airstrip	7/1/2018	6/30/2024	GOK	550.00	131.38	131.38	131.38	24

Project Name	Project commence date	Expected Project End Date	Source of Funds	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2025/26 (Kshs. Million)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million)	Percentage (%) of Completion
Kabunde Airstrip	7/1/2016	6/30/2025	GOK	600.00	69.00	69.00	69.00	12
Migori Airstrip	7/1/2018	6/30/2027	GOK	1,500	130.83	130.83	130.83	9
Purchase of Aircraft Accident Investigation Equipment	12th July 2020	continuous	GOK	300	27.60	-	-	-

Source: The State Department for Aviation and Aerospace Development

Kakamega Airstrip (24 per cent complete) and Kabunde Airstrip (12 per cent complete) had over-stretched their planned completion dates of June 2024 and June 2024, respectively. Conversely, the aircraft investigation equipment project recorded no progress despite funding of Kshs. 27.60 million during the period under review. The low absorption rates were mainly caused by delays in exchequer releases.

4.5. Environment Protection, Water, and Natural Resources Sector

4.5.1 Introduction

The Environment Protection, Water, and Natural Resources (EPWNR) Sector comprises six MDAs: State Departments for Environment and Climate Change; Forestry; Water and Sanitation; Irrigation; Wildlife; and Mining. The Sector also includes 21 autonomous and semi-autonomous government agencies. In addition, it comprises the following entities: the National Environment Complaint Committee, the National Environment Tribunal, the Hydrologists Registration Board, and the Wildlife Clubs of Kenya.

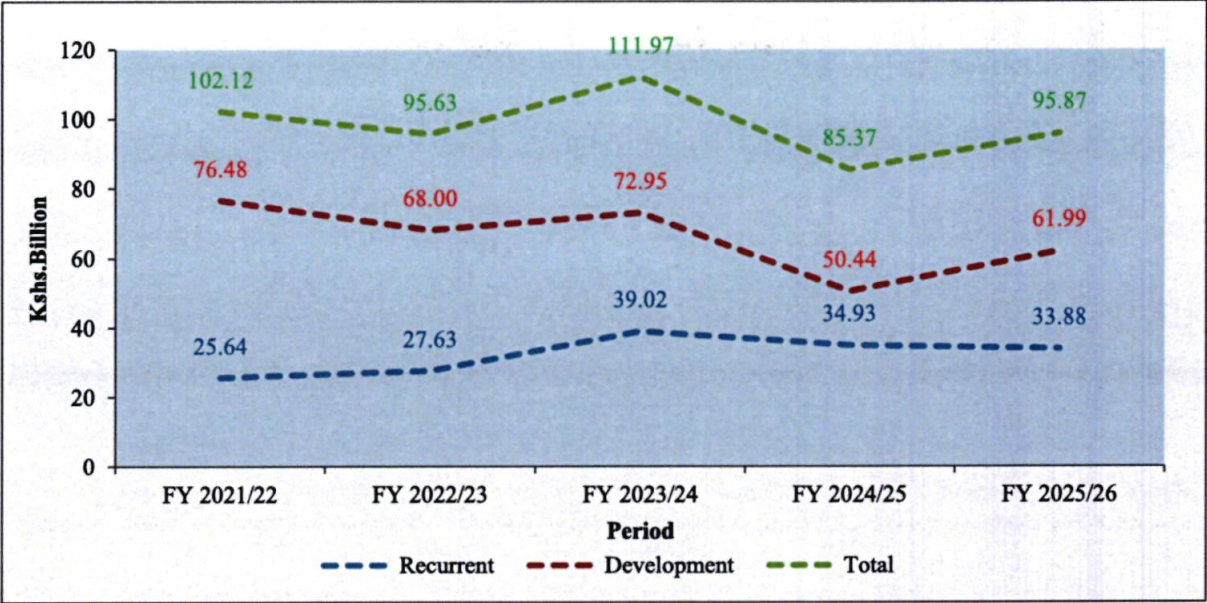
The goal of the Sector is to ensure sustainable development in a clean and secure environment, with various objectives, including enhancing climate change resilience and reducing carbon emissions, improving the utilisation of land through irrigation and land reclamation, and promoting equitable and sustainable use of wildlife resources. The Sector plays a pivotal role in securing, stewarding, and sustaining the environment as Kenya's natural capital, providing water and generating foreign exchange for the country.

4.5.2 Budget Performance for EPWNR Sector

The budget allocation to the EPWNR Sector in FY 2025/26 amounted to Kshs.95.87 billion, compared to Kshs.85.37 billion allocated in FY 2024/25. This amount represents 2 per cent of the annual gross national budget of Kshs.4.69 trillion and 4 per cent of the MDAs' budget of Kshs.2.55 trillion. The allocation comprises Kshs.61.99 billion (65 per cent) for development activities and Kshs.33.88 billion (35 per cent) for recurrent expenditure. The State Department for Water and Sanitation received the highest budgetary allocation of Kshs.53.95 billion (56 per cent of the Sector's budget), while the State Department for Mining had the lowest budgetary allocation of Kshs.1.63 billion (2 per cent of the Sector's allocation).

Figure 4.7 shows the budgetary allocation trends of the EPWNR Sector from FY 2021/22 to FY 2025/26.

Figure 4.7: Budgetary Allocation Trend for the EPWNR Sector



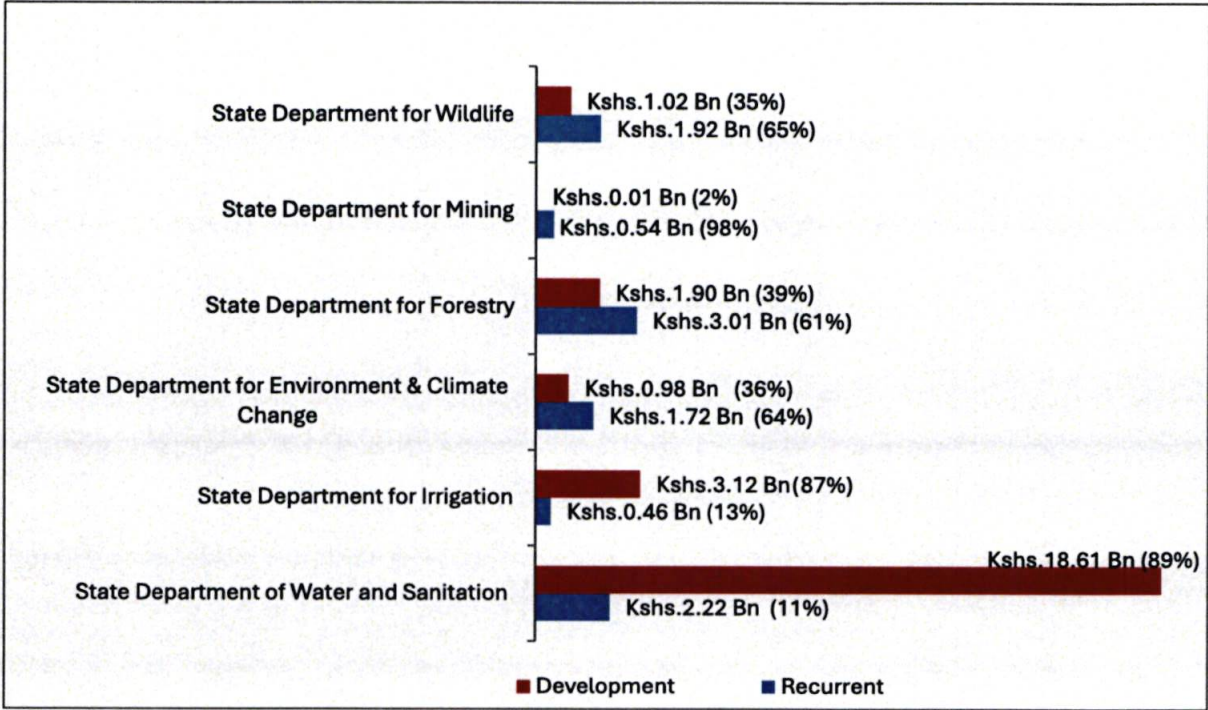
Source: National Treasury

The total exchequer issues to the sector amount to Kshs. 35.50 billion, representing 63 per cent of the sector’s annual net estimates. This amount comprises Kshs. 25.64 billion for development expenditure, representing 61 per cent of the development expenditure net estimates, and Kshs.9.87 billion for recurrent activities, representing 67 per cent of the recurrent net estimates.

In the first nine months of FY 2025/26, the State Department for Forestry received the highest proportion of development exchequer issues to development net estimates at 81 per cent, while the State Department for Mining received the lowest at 2 per cent. The State Department for Mining recorded the highest proportion of recurrent exchequer issues to recurrent net estimates at 88 per cent, and the State Department for Wildlife recorded the lowest at 51 per cent.

Figure 4.8 shows the exchequer issues in the EPWNR Sector in the first nine months of FY 2025/26.

Figure 4.8: Exchequer Issues to the EPWNR Sector



Source: National Treasury

The total expenditure for the EPWNR Sector amounted to Kshs.60.72 billion, representing 63 per cent of the gross estimates, compared to 61 per cent (Kshs.50.82 billion) recorded in the first nine months of FY 2024/25. This amount comprised Kshs.37.53 billion for the development budget representing an absorption rate of 61 per cent, compared to 61 per cent (Kshs.29.89 billion) recorded in a similar period FY 2024/25, and Kshs.23.19 billion for recurrent expenditure representing 69 per cent of the gross recurrent estimates, compared to 61 per cent (Kshs.20.92 billion) recorded in the first nine months of FY 2024/25.

Table 4.63 shows the EPWNR Sector analysis of exchequer issues and expenditure in the first nine months of FY 2025/26.

Table 4.63: EPWNR Sector-Analysis of Exchequer Issues and Expenditure

VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross Estimates	Net Estimates	Exchequer Issues	Expenditure	% of Exchequer to Net Estimates	% of Expenditure to Gross Estimates	Gross Estimates	Net Estimates	Exchequer Issues	Expenditure	% of Exchequer to Net Estimates	% of Expenditure to Gross Estimates
State Department of Water and Sanitation	47.18	31.02	18.61	29.25	60	62	6.78	3.12	2.22	2.63	71	39
State Department for Irrigation	6.59	4.96	3.12	3.60	63	55	0.96	0.65	0.46	0.73	70	76

VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross Estimates	Net Estimates	Exchequer Issues	Expenditure	% of Exchequer to Net Estimates	% of Expenditure to Gross Estimates	Gross Estimates	Net Estimates	Exchequer Issues	Expenditure	% of Exchequer to Net Estimates	% of Expenditure to Gross Estimates
State Department for Environment and Climate Change	1.93	1.86	0.98	0.73	53	38	3.89	2.55	1.72	1.77	67	46
State Department for Forestry	3.61	2.34	1.90	2.88	81	80	8.93	3.98	3.01	5.72	75	64
State Department for Mining	0.27	0.27	0.01	0.01	2	2	1.36	0.61	0.54	0.97	88	71
State Department for Wildlife	2.40	1.38	1.02	1.07	74	44	11.96	3.80	1.92	11.36	51	95
Total	61.99	41.82	25.64	37.53	61	61	33.88	14.71	9.87	23.19	67	68

Sector Summary						
	Gross Estimates (Kshs. Bn)	Net Estimates (Kshs. Bn)	Exchequer Issues (Kshs. Bn)	Expenditure (Kshs. Bn)	% of Exchequer to Net Estimates (Kshs. Bn)	% of Expenditure to Gross Estimates (Kshs. Bn)
Development	61.99	41.82	25.64	37.53	61	61
Recurrent	33.88	14.71	9.87	23.19	67	68
Total	95.87	56.54	35.50	60.72	63	63

Source: MDAs and National Treasury

The State Department for Forestry recorded the highest absorption of development budget at 80 per cent, while the State Department for Mining recorded the lowest at 2 per cent. According to the State Department for Mining, the low absorption of the development budget is attributable to challenges encountered during the ongoing onboarding and operationalisation of the new Electronic Government Procurement System (e-GPs), which is in line with the National Treasury’s directive requiring all procurement processes undertaken through the e-GPs platform. The State Department for Wildlife recorded the highest recurrent expenditure-to-gross estimate at 95 per cent. In comparison, the State Department for Environment and Climate Change recorded the lowest at 46 per cent.

4.5.3 The State Department for Water and Sanitation

The State Department of Water and Sanitation is mandated to protect, conserve, manage and increase access to clean and safe water for socio-economic development. The mandate is carried out by the Department and its Agencies, namely, the Water Services Regulatory Board (WASREB), Water Resources Authority (WRA), Water Sector Trust Fund (WSTF), Water Works Development Agencies (WWDAs), Kenya Water Institute (KEWI), Regional Centre on Ground Water Resources Education, Training and Research in East Africa and the Hydrologists Registration Board (HRB).

4.5.3.1 Budget Performance by the State Department of Water and Sanitation

The budget allocation to the State Department of Water and Sanitation in FY 2025/26 amounts to Kshs.53.95 billion, compared to Kshs.33.27 billion allocated in FY 2024/25.

4.5.3.2 State Department of Water and Sanitation Programmes and Sub-Programme Performance

The budget allocated to the State Department for Water and Sanitation is to fund four programmes. Table 4.64 shows budget execution by programmes and sub-programmes under the State Department of Water and Sanitation in the first nine months of FY 2025/26.

Table 4.64: The State Department for Water and Sanitation Programme and Sub-Programme Performance

Pro-grammes	Sub-Pro-grammes	Gross Estimates (Kshs.Millions)			Expenditure (Kshs.Millions)			Ab-sorption Rate (%)
		Recurrent	Develop-ment	Total	Recurrent	Develop-ment	Total	
General Admin-istration, Planning and Support Services	Water Poli-cy Manage-ment	723.85	115.00	838.85	340.56	238.89	579.45	69
Water Resources Manage-ment	Water Resources Conserva-tion and Protection	2,041.15	14,417.00	16,458.15	350.35	4,876.81	5,227.16	32
	Trans-boundary Waters	-	20.00	20.00	-	13.15	13.15	66
Water and Sewerage Infrastruc-ture Develop-ment	Sewerage Infrastruc-ture Develop-ment	3,640.74	27,343.48	30,984.21	1,670.99	21,106.02	22,777.01	74
	Sanitation Infrastruc-ture Develop-ment and Manage-ment	-	3,737.00	3,737.00	-	1,835.10	1,835.10	49
Water Storage and Flood Control	Water Storage and Flood Control	372.20	1,543.90	1,916.10	268.50	1,176.83	1,445.33	75
Total		6,777.94	47,176.38	53,954.32	2,630.40	29,246.79	31,877.19	59

Source: State Department for Water and Sanitation

The State Department for Water and Sanitation recorded an overall absorption rate of 59 per cent against a 75 per cent target during the period under review based on linear analysis. The Water Resources Conservation and Protection sub-programme recorded the lowest budget absorption rate at 32 per cent. This is because the fund is to be transferred to County Governments for implementation, and there was

a delay in the approval of the County Governments Additional Allocation Act and the gazettelement of the specific amounts to be transferred to each County after verification of results, since the project is a performance-based project.

4.5.3.3 Non-financial Performance by the State Department of Water and Sanitation

Some Key Performance Indicators for the State Department for Water and Sanitation for the first nine months of FY 2025/26 are presented in Table 4.65.

Table 4.65: Non-Financial Performance by the State Department of Water and Sanitation

Programmes	Sub-Programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March, 2026	Variance
General Administration, Planning and Support Services	Water Policy Management	New infrastructure	% completion of the project	30	7	(23)
Water Resources Management	Water Resources Conservation and Protection	Water Quality Determined	Number of water sources sampled	50	20	(30)
	Trans-boundary Waters	Integrated watershed management of Malaba River Basin and construction of Angololo multipurpose dam	Project percentage of completion of the Angololo multipurpose dam	5	5	-
Water and Sewerage Infrastructure Development	National Water and Sanitation Investment	Water supply and sewerage services	% completion of project	45	41	(4)
	Sanitation Infrastructure Development and Management	Improved Water services to Eldoret	% completion of the Kipkarren Dam Water Supply project	100	72	(28)

Source: The State Department for Water and Sanitation

An analysis of the non-financial performance in the first nine months of FY2025/26 revealed that the budget execution for programmes and sub-programmes was on track

4.5.3.4 Projects Implementation for the State Department of Water and Sanitation

Table 4.66 summarises some of the projects undertaken by the State Department of Water and Sanitation.

Table 4.66: State Department of Water and Sanitation Project Implementation

Project/Programme Name	Project commencement date	Expected Project End Date	Source of Funds	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2024/25 (Kshs. Million)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million)	Percentage of completion
Infrastructure Development at Kenya Water Institute	Jul-2021	Oct-2030	GoK	31,700.00	100.00	75.00	1,070.00	6

Project/Programme Name	Project commencement date	Expected Project End Date	Source of Funds	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2024/25 (Kshs. Million)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million)	Percentage of completion
Water Security and Climate Resilience -Lower Nzoia	Jul-2015	Jul-2030	GoK and Foreign Borrowing	19,170.00	1,800.00	229.09	17,129.00	80
Kenya Towns Sustainable Water Supply and Sanitation Programme -Athi (BETA)	Mar-2017	Dec-2027	GoK and Foreign Borrowing	11,863.00	730.00	641.11	11,366.11	89
Nairobi River Restoration Basin Programme - Phase 2	July-2019	Dec-2026	GoK/AfDB	9,075.00	950.00	872.35	7,247.35	95
Homabay Water Supply	Jul-2017	Dec-2027	GoK	1,312.00	20.00	14.80	1,271.80	97
Horn of Africa Ground Water for Resilience Programme -WSTF	Jan-2023	Dec-2028	GoK/Donor	9,087.00	696.00	229.50	966.00	21
Sustainable Management and Access to Water and Sanitation in the ASALs	Jul-2021	Dec-2027	GoK/Donor	1,920.00	530.00	107.01	1,394.01	85
Ending Drought Emergencies Support to Drought Risk Management	Jun-2016	Aug-2027	GoK/Donor	2,825.00	60.00	43.50	1,457.50	91
Siyoi-Muruny Water Project	Mar-2015	Mar-2027	GoK	12,986.00	600.00	469.48	11,389.00	90
Athi River Restoration Projects	Jul-2015	Dec-2030	GoK	2,500.00	35.00	244.25	279.00	17

Source: The State Department of Water and Sanitation

**WSTF- Water Sector Trust Fund*

Project implementation status revealed that Infrastructure Development at Kenya Water Institute recorded slow progress (6 per cent complete) despite commencing in July 2021 due to reduced exchequer funding.

4.5.4 The State Department for Irrigation

The State Department for Irrigation is mandated to promote National Irrigation Policy and Management; Water Harvesting and Storage for Irrigation, Management of Irrigation Schemes; Water Storage and Flood Control Management; Mapping, Designating and Developing Areas ideal for Irrigation Schemes; Development of Irrigation infrastructure, and Land Reclamation. The mandate is carried out together with its agencies, the National Irrigation Authority and the National Water Harvesting and Storage Authority.

4.5.4.1 Budget Performance by the State Department for Irrigation

The budget allocation to the State Department for Irrigation in FY 2025/26 amounted to Kshs. 7.55 billion, compared to Kshs.19.64 billion allocated in FY 2024/25. The decline is attributed to a reduction in budget allocation to the irrigation and drainage sub-programme, which was allocated Kshs.15.26 billion

in FY 2024/25.

4.5.4.2 State Department for Irrigation Programmes and Sub-Programme Performance

The budget allocated is to fund four programmes. Table 4.67 shows budget execution by programmes and sub-programmes under the State Department for Irrigation in the first nine months of FY 2025/26.

Table 4.67: The State Department for Irrigation Programme and Sub-Programme Performance

Pro-grammes	Sub-Pro-grammes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Ab-sorp-tion Rate (%)
		Recurrent	Develop-ment	Total	Recurrent	Develop-ment	Total	
Irrigation and Land Reclama-tion	Land Reclama-tion	39.64	90.00	129.64	34.74	89.73	124.48	96
	Irrigation and Drainage	691.57	6,108.18	6,799.74	504.74	3,186.24	3,690.97	54
	Irrigation Water Manage-ment	30.24	150.00	180.24	26.39	131.85	158.25	88
Water Har-vesting and Storage for Irrigation	Water Storage for Irrigation	20.86	215.00	235.86	14.80	159.05	173.85	74
	Water Harvest-ing for Irrigation	-	30.00	30.00	-	30.00	30.00	100
Water Har-vesting and Storage for Irrigation	Administrative Services	172.91	-	172.91	146.36	-	146.36	85
Total		955.22	6,593.18	7,548.39	727.03	3,596.88	4,323.91	57

Source: State Department for Irrigation

The programme and sub-programmes analysis show the State Department for Irrigation recorded an overall absorption rate of 57 per cent in the first nine months of FY 2025/26. The Water Harvesting for Irrigation sub-programme recorded the highest absorption rate at 100 per cent, followed by the Land Reclamation sub-programme at 96 per cent.

4.5.4.3 Non-financial Performance by the State Department for Irrigation

Table 4.68 presents key performance indicators for the State Department for Irrigation for the first nine months of FY 2025/26.

Table 4.68: Non-Financial Performance by the State Department for Irrigation

Programmes	Sub-Pro-grammes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
Irrigation and Land Reclama-tion	Land Reclama-tion	Land Reclamation Policy and Legal Framework	Land Reclamation Act	1	0	(1)
	Irrigation and Drainage	Irrigation services	Number of com-munity water pans	25	11	(14)
	Irrigation Water Management	Irrigation services	Number of schemes installed with master and block metres	6	4	(2)

Programmes	Sub-Programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
Water Harvesting and Storage for Irrigation	Water Storage for Irrigation	Irrigation Infrastructure Services	Number of projects pipelined	8	1	(7)
	Water Harvesting for Irrigation	Water storage services	Volume in cubic metres of water pans excavated	4,000,000	107,735	(3,891,265)

Source: State Department for Irrigation

The review of the sampled Key Performance Indicators shows that some sub-programme budgeted activities lagged behind their annual targets by the end of the first nine months of FY 2025/26, which is inconsistent with the sub-programmes' financial performance.

4.5.4.4 Projects Implementation Status for the State Department for Irrigation

Table 4.69 summarises some of the projects implemented by the State Department for Irrigation in the first nine months of FY 2025/26.

Table 4.69: State Department for Irrigation Project Implementation Status

Project/ Programme Name	Project commencement date	Expected Project End Date	Source of Funds	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2025/26 (Kshs. Million)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million)	Percentage of completion
Small holder irrigation programme	Feb-2016	Dec-2026	GoK/Foreign	1,383.00	257.00	185.14	1,195.04	98
Turkana irrigation development project	Jun-2016	Jun-2030	GoK	9,197.00	80.00	80.00	1,279.00	28
Drought resilience programme in Northern Kenya	Jul-2019	Dec-2027	GoK/Foreign	3,901.00	1,551.00	92.00	1,309.75	39
National Irrigation Authority Irrigation Project	Jul-2024	Jun-2030	GoK	20,000.00	470.00	388.00	688.02	2
Mwea Irrigation Development Project (Thiba Dam and Irrigation Area)	Feb-2011	December 2030	GoK/ Foreign	23,765.00	150.00	150.00	20,684.30	82
Land reclamation and restoration for the climate resilience and livelihood enhancement programme	Jul-2024	Jun-2034	GoK	8,500.00	90.00	90.00	150.00	2

Project/ Programme Name	Project com- mence date	Expecte- Project End Date	Source of Funds	Value of the Proj- ect (Kshs. Million)	Funding in the first nine months of FY 2025/26 (Kshs. Million)	Expenditure In the first nine months of FY 2025/26 (Kshs. Mil- lion)	Cumula- tive Expen- diture as of 31 st March 2026 (Kshs. Million)	Percent- age of comple- tion
Balich-Abdis- amet Water Supply Project	Jul-2024	Jun-2027	GoK	500.00	100.00	99.00	318.38	80
Household Irrigation Wa- ter Harvesting Project	Jul-2019	Jun-2030	GoK	30,000.00	30.00	30.00	7,215.90	25
Upgrading of Ahero Development Projects	Jul-2023	Jun-2027	GoK/Do- nor	770.00	400.00	48.00	255.93	40
Irrigation Sector Reform Programme	Jul-2023	Jun-2030	GoK	900.00	30.00	20.00	76.90	30

Source: The State Department for Irrigation

Analysis of the State Department for Irrigation’s project implementation revealed that the projects are at different completion levels and are multi-year in nature due to budget constraints. Continuous monitoring of multi-year projects is recommended, ensuring they are funded in accordance with the approved plans to achieve the establishment objective.

4.5.5 The State Department for Environment and Climate Change

The State Department for Environment and Climate Change is mandated to undertake National Environment Policy and Management; Climate Change/Action Policy; Promotion of low carbon technologies to reduce emissions; Restoration and Protection of Strategic Water Towers; Protection and Conservation of the Natural Environment; Pollution Control; Lake Victoria Environmental Management Programme; Restoration of Lake Naivasha Basin; Meteorological Services, Conservation and Protection of wetlands. The mandate is carried out by the State Department and its agencies, including the National Environment Management Authority (NEMA), the National Environment Trust Fund, and the Kenya Water Towers Agency.

4.5.5.1 Budget Performance by the State Department for Environment and Climate Change

The budget allocation to the State Department for Environment and Climate Change in FY 2025/26 amounted to Kshs.5.83 billion, compared to Kshs.5.42 billion allocated in FY 2024/25.

4.5.5.2 State Department for Environment and Climate Change Programmes and Sub-Programme Performance

The budget allocation was to fund three programmes. Table 4.70 shows budget execution by programmes and sub-programmes under the State Department for Environment and Climate Change in the first nine months of FY 2025/26.

Table 4.70: The State Department for Environment and Climate Change Programme and Sub-Programme Performance

Programmes	Sub-Programmes	Gross Estimates (Kshs. Millions)			Expenditure (Kshs. Millions)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Environment Management and Protection	Climate Change Adaptation and Mitigation	-	304.91	304.91	-	207.56	207.56	68
	National Environment Management	1,871.38	1,400.80	3,272.18	452.66	344.17	796.82	24
	Policy and Governance in Environment Management	164.79	-	164.79	125.76	-	125.76	76
General Administration, Planning and Support Services	General Administration, Planning and Support Services	486.17	-	486.17	360.62	-	360.62	74
Modernisation of Meteorological Services	Modernisation of Meteorological Services	1,372.55	135.00	1,507.55	834.78	109.80	944.58	63
	Advertent Weather Modification	-	94.00	94.00	-	70.69	70.69	75
Total		3,894.89	1,934.70	5,829.60	1,773.82	732.22	2,506.04	43

Source: State Department for Environment and Climate Change

The programme and sub-programmes analysis show that the State Department for Environment and Climate Change recorded an overall absorption rate of 43 per cent, below the 75 per cent target for the first nine months of FY 2025/26, with the National Environment Management sub-programme recording the lowest at 24 per cent as a result of a delay in the disbursement of donor funds.

4.5.5.3 Key Performance Indicators by the State Department for Environment and Climate Change

Table 4.71 presents some of the State Department for Environment and Climate Change’s key outputs against the annual targets in the first nine months of FY 2025/26.

Table 4.71: Non-Financial Performance by the State Department for Environment and Climate Change

Programmes	Sub-Programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
General Administration, Planning and Support Services	General Administration, Planning and Support Services	Environment and Climate Change policies, strategies, bills, regulations, and guidelines developed and reviewed	Number of policies developed	1	1	
Environment Management and Protection	Policy and Governance in Environment Management	Small-scale gold miners trained in mercury-free gold mining ASGM* technologies developed and rolled out.	Number of small-scale miners trained	400	111	(289)
	National Environmental Management	Stakeholders sensitised on environmental management and conservation	Number of stakeholders sensitised	70	215	145
		Environmental enforcement enhanced	% of environmental crimes investigated and prosecution files registered in various courts	100	75	(15)
Meteorological Services	Modernisation of Meteorological Services	Weather forecast issued	Number of weather forecasts	3,581	2,686	(895)
Water Towers Conservation	Water Towers Rehabilitation and Conservation	Bamboo stock increased	Hectares of Bamboo stock established within the water towers ecosystem	200	-	(200)

Source: The State Department for Environment and Climate Change

*ASGM - Artisanal and Small-scale Gold Mining

Non-financial performance analysis by the state department shows that programmes and sub-programmes were on target except for the Water Towers Conservation programme, which recorded nil during the period under review, however, the procurement for seedlings is in progress.

4.5.5.4 Projects Implementation for the State Department for Environment and Climate Change

Table 4.72 summarises some of the projects undertaken by the State Department for Environment and Climate Change.

Table 4.72: Project Implementation for the State Department for Environment and Climate Change

Project /Programme Name	Project commence date	Expected Project End Date	Source of Funds)	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2025/26 (Kshs. Million)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million)	Percentage of completion
The Global Development, Review and Update of National Implementation Plans (NIPS) under the Stockholm Convention on Persistent Organic Pollutants (POPs)	01-July, 2023	31 st -Dec, 2026	Donor	48.00	23.00	8.36	8.36	17
Kenya's Enhanced Transparency Programme (ETP) Reporting to the UNFCCC	01-July, 2023	June, 2026	Donor	667.00	100.00	68.11	267.11	40
Lake Victoria Climate Resilience and Environmental Management Project	01-July 2022	June 20230	GoK	6,600.00	10.00	9.47	19.47	0
Plastic waste management and pollution control	01-July 2018	30-Jun-2030	GoK	1,410.00	15.00	15.00	560.00	40
Increasing Global Implementation of GHS*	01-July 2024	30-June 2027	Donor	60.00	10.00	4.35	14.35	24
Africa Environment, Health, and Pollution Management - Kenya.	01-Au-2020	30th June 2026	Donor	1,085.00	173.00	47.42	482.42	44
Kenya Gold Mercury Free ASGM Project	01-Dec 2019	30-June 2028	GoK/Donor	787.00	80.00	19.46	586.46	75
Lake Naivasha Basin Ecosystem-Based Management	01-Apr, 2024	30-June 2028	GoK/Donor	270.00	70.00	35.00	66.00	24
Agroforestry and Commercial Forestry	July 2024	June 2028	GoK/Donor	900.00	171.00	-	170.00	19
Implementation of the National Climate Action Plan	01-Jul-2019	30-Jun-2030	GoK	2,000.00	35.00	35.00	908.00	45

Source: State Department for Environment and Climate Change

*GHS -Globally Harmonised System

* ASGM - Artisanal and Small-scale Gold Mining

*UNFCCC- United Nations Framework Convention on Climate Change

An analysis of project implementation by the State Department for Environment and Climate Change shows delays, based on commencement dates, completion rates, and expected completion timelines. The State Department indicated that low implementation was due to delays in the release of donor funds and to low budget allocations for the multi-year projects.

4.5.6 The State Department for Forestry

The State Department for Forestry is mandated to promote Forestry Development policy; Forestry Management; Support in Climate Change/Action Policy; Re-afforestation, and Agro-forestry; Administration of forestry research to realise ecological balance within forests; Administration of the regulations on timber harvesting and trade of timber and timber products; Collaboration with local communities and indigenous groups in forest management; decisions in promoting sustainable livelihoods; and Public

education on forest conservation for sustainable development. The mandate is carried out in collaboration with its agencies, the Kenya Forest Service and Kenya Forest Research Institute.

4.5.6.1 Budget Performance by the State Department for Forestry

The budget allocation to the State Department for Forestry in FY 2025/26 amounted to Kshs.12.54 billion, compared to Kshs.12.22 billion allocated in FY 2024/25.

4.5.6.2 State Department for Forestry Programmes and Sub-Programme Performance

The budget allocated was to fund three programmes. Table 4.73 shows budget execution by programmes and sub-programmes under the State Department for Forestry in the first nine months of FY 2025/26.

Table 4.73: The State Department for Forestry Programme and Sub-Programme Performance

Pro-grammes	Sub-Pro-grammes	Gross Estimates (Kshs. Millions)			Expenditure (Kshs. Millions)			Ab-sorp-tion Rate (%)
		Recurrent	Develop-ment	Total	Recurrent	Develop-ment	Total	
Forestry De-velopment, Manage-ment and Conserva-tion	Forest Resources Conserva-tion Man-agement	7,290.12	3,440.04	10,730.17	4,474.54	2,773.56	7,248.10	68
	Forest Re-search and Develop-ment	1,461.40	122.00	1,583.40	1,099.75	102.00	1,201.75	76
	Ecological Restoration	10.22	50.00	60.22	9.52	7.85	17.37	29
Agroforestry and Com-mercial Forestry	Commer-cial Forest-ry Services	7.36	-	7.36	8.12	-	8.12	110
	Agroforest-ry Services	7.93	-	7.93	6.23	-	6.23	79
General Adminis-tration and Planning	General adminis-tration and planning	155.13	-	155.13	123.85	-	123.85	80
TOTAL		8,932.17	3,612.04	12,544.1	5,722.01	2,883.41	8,605.42	69

Source: The State Department for Forestry

The State Department for Forestry recorded an overall budget absorption rate of 69 per cent, which was below the 75 per cent target for the first nine months of FY 2025/26. Further analysis shows the Commercial Forestry Services sub-programme under the Agroforestry and Commercial Forestry programme recorded the highest absorption rate at 110 per cent. No reason was provided for the overexpenditure. In contrast, the Ecological Restoration sub-programme recorded at 29 per cent, due to challenges in procuring items through the e-GPs platform.

4.5.6.3 Key Performance Indicators by the State Department for Forestry

Table 4.74 presents some of the State Department for Forestry’s Key Performance Indicators in the first nine months of FY 2025/26.

Table 4.74: Non-Financial Performance by the State Department for Forestry

Programme	Sub-Programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
Forestry Development, Management and Conservation	Forest Conservation and Management	Production of Tree Seeds	Kilograms of Tree seeds produced	100,000	52,178	(47,822)
		Distribution of Tree Seeds	Kilograms of Tree seeds distributed	100,000	32,286	(67,714)
	Forest Research and Development	Forest Research Technologies	Number of technologies for silvicultural management of indigenous tree species	1	1	-
			Number of technologies on forest pests, diseases and fires	1	1	-
General Administration and Planning Services	General Administration, Planning and Support Services	Financial reports prepared	Number of financial reports.	4	3	(1)
		Forestry regulations developed	Number of regulations developed	8	0	(8)

Source: The State Department for Forestry

Analysis of the Key Performance Indicators by the state department for Forestry revealed that while most of the key outputs recorded steady progress, development of forestry regulation output recorded no achievement by the end of the first nine months of FY 2025/26. However, the development of regulations is ongoing. A regulatory impact assessment was conducted for 2 regulations, while 6 regulations are undergoing procurement for consultancy services.

4.5.6.4 Projects Implementation for the State Department of Forestry

Table 4.75 summarises some of the projects implemented by the State Department for Forestry.

Table 4.75: State Department for Forestry Projects Implementation

Project/ Programme Name	Project commence date	Expected Project End Date	Source of Funds	Value of the Project (Kshs. Mil- lion)	Funding in the first nine months of FY 2025/26 (Kshs. Mil- lion)	Expendi- ture in the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expendi- ture as of 31 st March 2026 (Kshs. Million)	Per- centage of com- pletion
Tree Grow- ing Cam- paign and Rangeland Restoration Headquar- ters	01-Jul-2019	30-Jun-2032		300,000	610.00	435.45	3,624.82	1

Project/ Programme Name	Project commence date	Expected Project End Date	Source of Funds	Value of the Project (Kshs. Mil- lion)	Funding in the first nine months of FY 2025/26 (Kshs. Mil- lion)	Expendi- ture in the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expendi- ture as of 31 st March 2026 (Kshs. Million)	Per- cent- age of com- ple- tion
Establish- ment of Nurseries, Water Supply Systems, and Water Desali- nation to support the Seedlings Project	01-Jul-2022	30-Jun-2032		1,027.90	-	-	40.85	4
Construc- tion of tree seed processing units	01-Jan- 2017	30-Jun-2030		2,155	-	-	699.60	32
Capacity Devel- opment Project for Technol- ogies in Forest Fire Manage- ment in Kenya	01-Jul-2022	01-Jun-2027		3,339.00	800.00	611.23	3,055.13	91
KFS-Tree Growing Cam- paign and Rangeland Restoration	01-Jul-2019	30-Jun-2032		200,000	373.04	373.04	1,704.39	1
Forest Roads and Bridges Im- provements	01-Jul-2014	30-Jun-2032		2,721	200.00	200.00	805.60	30
Installation of a water hydrant in Muguga and Kitui Centre	01-Jan- 2014	30-Jun-2030		105	2.00	2.00	88.25	84
Forest Irrigation Climate and Green Ener- gy Project (FICCGE)	01-Jul-2016	31-Dec- 2032		8,051	-	-	182.20	2
Forest Fire Prevention and Man- agement Project	01-Jul-2017	30-Jun-2032		1,200	-	-	106.30	9

Project/ Programme Name	Project commence date	Expected Project End Date	Source of Funds	Value of the Project (Kshs. Mil- lion)	Funding in the first nine months of FY 2025/26 (Kshs. Mil- lion)	Expendi- ture in the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expendi- ture as of 31 st March 2026 (Kshs. Million)	Per- cent- age of com- ple- tion
Forest Plan- tation Man- agement Project	01-Jul-2016	30-Jun-2032		21,586	65.00	65.00	603.10	3

Source: State Department for Forestry

An analysis of the State Department for Forestry's project implementation indicates low uptake in some projects due to inadequate budget provision. Further review also revealed that the State Department did not disclose the sources of funds for the projects, suggesting gaps in reporting.

4.5.7 The State Department for Mining

The State Department for Mining is mandated to develop policy on extractive industry; Conduct mineral exploration and develop mining policy management; Prepare inventory and mapping of mineral resources; Coordinate mining and minerals development policy; Develop policies on the management of quarrying of rocks and industrial minerals; Ensure management of health conditions and health and safety in mines; Conduct mining capacity development and value addition; and Maintain geological data (research, collection, collation, analysis). The mandate is carried out in collaboration with its agencies, the National Mining Corporation, the Geologists Registration Board and the Mineral Rights Board.

4.5.7.1 Budget Performance by the State Department for Mining

The budget allocation to the State Department for Mining in FY 2025/26 amounted to Kshs.1.63 billion, compared to Kshs.1.90 billion allocated in FY 2024/25.

4.5.7.2 State Department for Mining Programmes and Sub-Programmes Performance

The budget allocated is to fund three programmes. Table 4.76 shows budget execution by programmes and sub-programmes under the State Department for Mining in the first nine months of FY 2025/26.

Table 4.76: The State Department for Mining Programme and Sub-Programme Performance

Programmes	Sub-Pro- grammes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Ab- sorp- tion Rate (%)
		Recurrent	Develop- ment	Total	Recurrent	Develop- ment	Total	
General Adminis- tration, Planning and Support Services	General Adminis- tration, Planning and Support Services	375.10	-	375.10	282.60	-	282.60	75

Programmes	Sub-Programmes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Mineral Resources Management	Mineral Licensing, Compliance and Enforcement	298.01	71.19	369.20	202.32	5.12	207.44	56
	Commercial Explosives Regulation and Management	86.99	-	86.99	60.33	-	60.33	69
	Mineral Value Addition and Artisanal Mining Promotion Services	232.76	-	232.76	175.19	-	175.19	75
Geological Survey and Geo-information Management	Geological Survey and Research	176.53	92.17	268.70	141.79	-	141.79	53
	Mineral Exploration and Evaluation	155.15	83.81	238.96	84.06	-	84.06	35
	Environmental and Engineering Geology	38.88	20.00	58.88	27.20	-	27.20	46
Total		1,363.41	267.17	1,630.59	973.49	5.12	978.61	60

Source: State Department for Mining

The programme and sub-programme analysis showed that the State Department for Mining recorded an absorption rate of 60 per cent, below the 75 per cent target for the first nine months of FY 2025/26. The low absorption on sub-programmes was mainly attributable to challenges encountered during the ongoing onboarding and operationalisation of the new Electronic Government Procurement System in line with the National Treasury's directive requiring all procurement processes to be undertaken through the e-GPs platform.

4.5.7.3 Non-financial Performance by the State Department for Mining

Table 4.77 presents some of the Key outputs against targets of the State Department for Mining in the first nine months of FY 2025/26.

Table 4.77: Non-Financial Performance by the State Department for Mining

Programmes	Sub-Programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
Geological Surveys and Geo-information Management	Geological Surveys and Research	Geological maps digitalised and vectorised	Number of Geological maps digitised and vectorised	30	25	(5)

Programmes	Sub-Programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
Mineral Resource Management	Licensing, Compliance and Enforcement	Mineral Dealing Rights Granted	Number of Mineral Dealing Rights Granted	60	151	91
	Commercial explosives regulations	Commercial explosives regulated	Number of commercial explosives and licenses issued.	1,000	2,991	1,991
General Administration and Support Services	Administrative and Support Services	Monitoring and Evaluation conducted	Number of Monitoring and Evaluation Reports	4	2	(2)

Source: State Department for Mining

Review of some of the non-financial performance by the state department for mining revealed that implementation of programmes and sub-programmes was on target by the end of the first nine months of FY 2025/26.

4.5.7.4 Projects Implementation for the State Department for Mining

Table 4.78 summarises some of the State Department’s mining projects/programmes.

Table 4.78: State Department for Mining Projects Implementation

Project/ Programme Name	Project commence date	Expected Project End Date	Source of Funds	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2025/26 (Kshs. Million)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million)	Percentage of Completion (%)
Geological Data Bank Project-BETA	01-7-2015	30-6-2028	-	400	20.38	-	202.29	51
Online Transactional Mining Cadastre Portal-BETA	01-7-2016	30-6-2028	-	380	26.25	5.12	164.60	42
Mineral Audit Support -BETA	01-7-2016	30-6-2028	-	445	22.50	-	262.00	59
Rehabilitation of Madini House	01-7-2017	30-6-2027	-	300	12.74	-	101.70	34
Mineral Certification Laboratory - BETA	01-7-2015	30-6-2028	-	1,326	48.75	-	417.51	31
Geological Mapping and Mineral Exploration - BETA	01-7-2015	30-6-2027	-	1,861	54.75	-	595.44	32
Geotechnical Site Investigations	01-7-2019	30-6-2032	-	694	15.00	-	22.90	3

Source: State Department for Mining

An assessment of the State Department for mining project implementation status shows low uptake for some projects, which was occasioned by delays in finalising procurement processes and contracts for the commitment of funds under the new platform, which affected the implementation of development projects. The State Department should strengthen performance monitoring and implement corrective measures to ensure budget execution is on track, while also ensuring complete reporting by disclosing the project funding source.

4.5.8 The State Department for Wildlife

The State Department for Wildlife is mandated to undertake Wildlife Conservation and Protection Policy; Protection of Wildlife Heritage; Management of National Parks, Reserves and Marine Parks; Wildlife Biodiversity Management and Protection; Sustainable Wildlife Biodiversity Economy; Collaboration with Wildlife Clubs of Kenya; Management of Wildlife Dispersal Areas in collaboration with Partners; Wildlife Conservation Training and Research; Wildlife Conservation Education and Awareness; Wildlife Biodiversity International Obligations and Multilateral Agreements; Human-Wildlife Conflict Mitigation and Response Policy; and Wildlife Sector Governance and Coordination. The mandate is carried out in collaboration with its agencies, the Kenya Wildlife Service (KWS), the Kenya Wildlife Research and Training Institute, and the Wildlife Conservation Trust Fund.

4.5.8.1 Budget Performance by the State Department for Wildlife

The budget allocation to the State Department for Wildlife in FY 2025/26 amounted to Kshs. 14.36 billion, compared to Kshs.12.91 billion allocated in FY 2024/25.

4.5.8.2 State Department for Wildlife Programmes and Sub-Programme Performance

The budget allocation was to fund one programme. Table 4.79 shows budget execution by programme and sub-programmes under the State Department for Wildlife in the first nine months of FY 2025/26.

Table 4.79: The State Department for Wildlife Programme and Sub-Programme Performance

Pro-grammes	Sub-Pro-grammes	Gross Estimates (Kshs.Million)			Expenditure (Kshs. Million)			Ab-sorp-tion Rate (%)
		Recurrent	Develop-ment	Total	Recurrent	Develop-ment	Total	
Wildlife Conserva-tion and Manage-ment	Wildlife Security, Conserva-tion and Manage-ment	11,102.59	2,063.08	13,165.67	10,708.47	818.82	11,527.29	88
	Wildlife Re-search and Develop-ment	611.60	341.00	952.60	503.11	248.25	751.36	79
	Admin-istrative Services	241.32	-	241.32	153.17	-	153.17	63
Total		11,955.50	2,404.08	14,359.59	11,364.74	1,067.07	12,431.81	87

Source: State Department for Wildlife

The State Department recorded the overall absorption rate of 87 per cent, with the Wildlife Security, Conservation and Management sub-programme recording the highest at 88 per cent, while Administrative Services had the lowest at 63 per cent.

4.5.8.3 Non-financial Performance by the State Department for Wildlife

Table 4.80 shows some of the State Department for Wildlife Key Performance Indicators in the first nine months of FY 2025/26.

Table 4.80: Non-Financial Performance by the State Department for Wildlife

Programme	Sub-Programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved As of 31 st March 2026	Variance
Wildlife Conservation and Management	Wildlife Security, Conservation and Management	Wildlife conservation services	Number of park visitors in millions	3.5	2.1	(1.4)
			Increase in Revenue (Kshs. Millions)	7,922.00	6,018.00	(1,904.00)
	Wildlife Research Development	Wildlife Research and Training Services	Number of wildlife population count reports developed.	10	5	(5)
			Percentage of Exhibit Deoxyribonucleic Acid (DNA) samples submitted and analysed	100	99	(1)
			Number of disease surveillance and outbreak reports	4	2	(2)
		Information, Communication and Technology Services	Percentage of the National Integrated Wildlife Database Developed.	100	50	(50)

Source: The State Department for Wildlife

Non-financial performance analysis of the State Department for Wildlife revealed that most of the sampled key performance indicators were on target during the first nine months of FY 2025/26.

4.5.8.4 Projects Implementation for the State Department for Wildlife

Table 4.81 summarises some of the projects under the State Department for Wildlife.

Table 4.81: State Department for Wildlife Projects Implementation Status

Project/ Programme Name	Project commence date	Expected Project End Date	Source of Funds	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2025/26 (Kshs. Million)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million)	Percentage of completion
Modernisation of the anti-poaching Technology -HQ*	1-7-2013	30-6-2028	GoK	2,760.00	30.00	30.00	1,442.00	52

Project/ Programme Name	Project commence date	Expected Project End Date	Source of Funds	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2025/26 (Kshs. Million)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million)	Percentage of completion
Construction and Equip- ping of Four Research and Training Centres	1-7- 2023	30-6- 2030	GoK	1,275.00	100.00	100.00	175.00	14
Combating Poaching and Illegal Wildlife Trafficking International Approach (IWT)	1-7- 2020	30-8- 2028	GoK and Donor	502.00	35.08	30.09	366.09	73
Rehabilitation of Research and Training Facili- ties in Naivasha HQ	1-7-2022	30-6- 2030	GoK	1,045.00	69.00	67.25	195.30	19
National Inte- grated Wildlife Data Portal	1-7-2023	30-8-2026	GoK	85.00	62.00	31.00	54.00	64
Maintenance of Access Roads and Airstrips in Parks	1-7-2008	30-8- 2034	GoK	100,000.00	150.00	150.00	3,698.00	37
Human Wildlife Mitigation Pro- gramme-HQ	1-7-2008	30-8-2029	GoK	2,650.00	150.00	150.00	1,168.00	44
Habitat restoration pro- gramme-KWS	1-7-2023	30-6-2032	GoK	1,100.00	150.00	150.00	150.00	14
Water for Wild- life in Conser- vancies	1-7-2021	30-6-2031	GoK	885.00	57.00	1.73	115.73	13
Ranger Housing Programme-HQ	1-7-2008	30-8-2032	GoK	8,750.00	100.00	100.00	1,039.00	12

Source: State Department for Wildlife

HQ*-Headquarters

The projects implementation status analysis of the State Department for Wildlife showed that Maintenance of Access Roads and Airstrips in Parks (44 per cent complete) and Ranger Housing Programme-HQ (12 per cent) recorded low implementation levels, attributed to the multi-year projects as at the end of the first nine months of FY 2025/26.

4.6. General Economic and Commercial Affairs Sector

4.6.1 Introduction

The General Economic and Commercial Affairs (GECA) sector consists of eight MDAs, namely the State Departments for Trade, Arid and Semi-arid Lands (ASALs) and Regional Development, Cooperatives; In-

dustry; Micro, Small and Medium Enterprises Development; Investment Promotion; East African Community; and Tourism, together with their affiliated Agencies and Institutions.

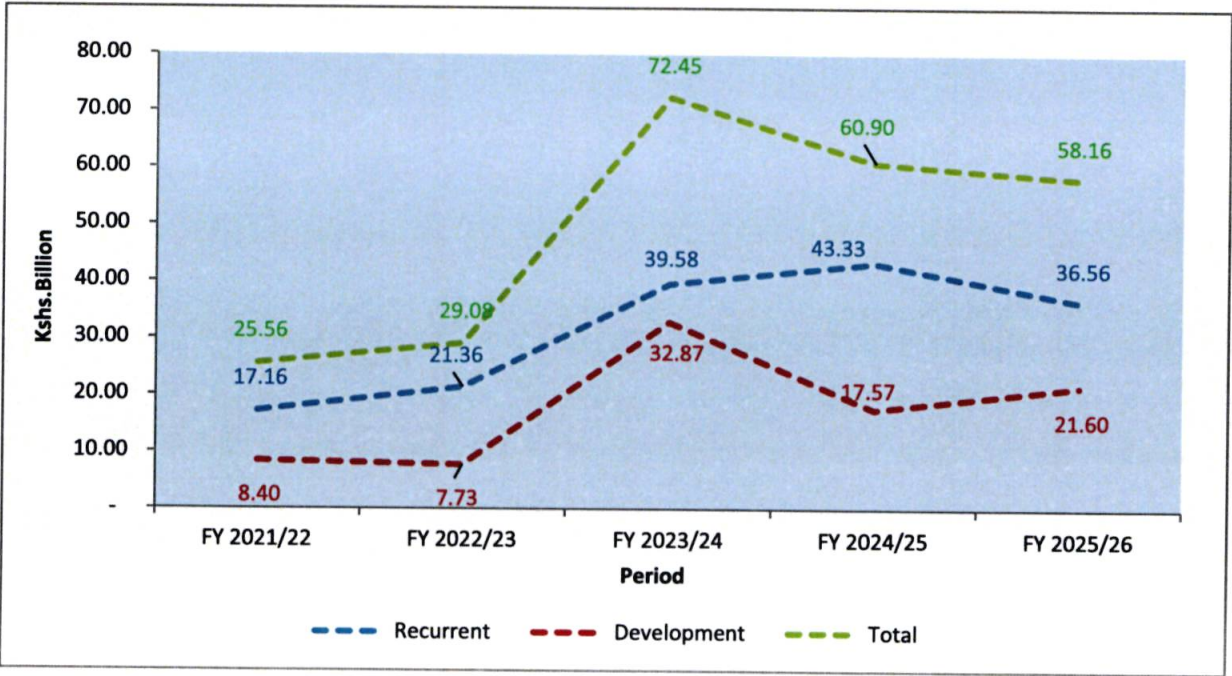
The objectives of the Sector over the MTEF period are to transform Micro, Small, and Medium Enterprises (MSMEs), promote and sustain tourism, promote industrial development investments, enhance trade and ease of doing business, promote growth and development of cooperatives and the MSMEs Sector, promote regional integration, and promote equitable and sustainable ASAL and regional development.

4.6.2 Budget Performance for GECA Sector

The budget allocation to GECA in FY 2025/26 amounted to Kshs.58.16 billion, compared to Kshs.60.90 billion allocated in FY 2024/25. This amount represents 1 per cent of the gross national budget of Kshs.4.69 trillion and 2 per cent of the MDAs’ budget of Kshs.2.55 trillion. The allocation included Kshs.21.60 billion (37 per cent) for development activities and Kshs.36.56 billion (63 per cent) for recurrent expenditure. The State Department for Tourism received the highest budgetary allocation of Kshs.16.54 billion (28 per cent of the Sector’s budget), while the State Department for the East African Community had the lowest budgetary allocation of Kshs.1.03 billion (2 per cent of the GECA Sector allocation).

Figure 4.9 shows the budgetary allocation trends of the GECA Sector from FY 2021/22 to FY 2025/26.

Figure 4.9: Budgetary Allocation Trend for the GECA Sector



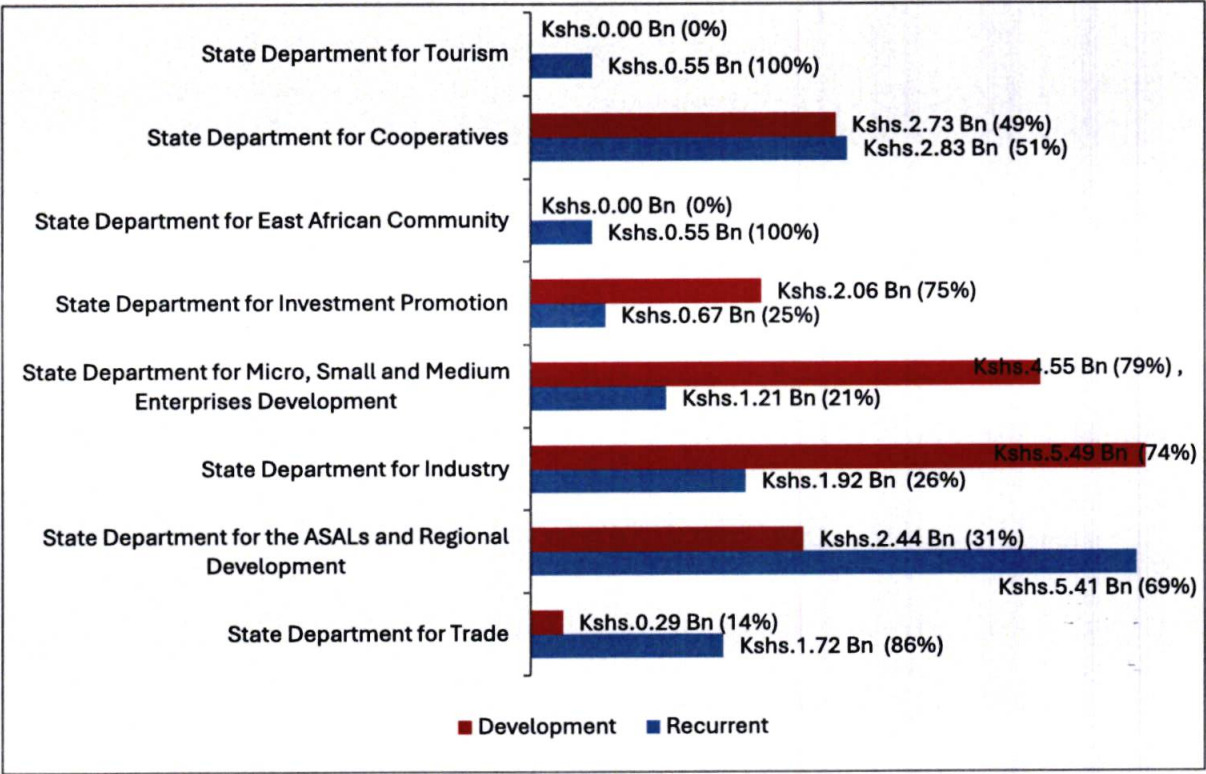
Source: National Treasury

The total exchequer issues to the GECA Sector amounted to Kshs.32.40 billion, representing 89 per cent of the Sector’s annual net estimates. This amount comprised Kshs.17.55 billion for development expenditure, representing 110 per cent of the annual development net estimates, and Kshs.14.86 billion for recurrent activities, representing 73 per cent of recurrent net estimates. The excess exchequer issues for development activities over development net estimates was mainly due to additional funding

of Kshs. 2 billion and 1.76 billion under Article 223 of the Constitution in favour of the State Department for Co-operatives for milk mop-up of excess milk and the State Department for Micro, Small and Medium Enterprises for donor receipts under the National Youth Opportunities Towards Advancement (NYOTA) project, respectively.

In the first nine months of FY 2025/26, the State Department for Cooperatives recorded the highest proportion of development exchequer issues to development net estimates at 186 per cent, while the State Department for ASAL and regional development recorded the lowest development exchequer issues to development net estimates ratio at 70 per cent. The State Departments for Tourism and the East African Community did not report receipt of exchequer issues for development expenditure. The State Department for Investment Promotion recorded the highest proportion of recurrent exchequer issues to recurrent net estimates at 95 per cent, attributable to additional funding of Kshs.150 million under Article 223 for hosting the March 2026 Kenya International Investment Conference, while the State Department for East African Community recorded the lowest at 53 per cent. Figure 4.10 shows the exchequer issues in the GECA Sector in the first nine months of FY 2025/26.

Figure 4.10: Exchequer Issues to the GECA Sector



Source: National Treasury

The total expenditure for the GECA Sector amounted to Kshs.41.09 billion, representing 71 per cent of the gross estimates, compared to Kshs.38.63 billion (64 per cent) recorded in the first nine months of FY 2024/25. This amount comprised Kshs. 17.95 billion for the development budget, representing an absorption rate of 83 per cent, compared to 66 per cent recorded in the first nine months of FY 2024/25, and Kshs.23.13 billion for recurrent expenditure, representing 63 per cent of the recurrent gross estimates, compared to 62 per cent recorded in the first nine months of FY 2024/25. Table 4.82 analyses exchequer issues and expenditures to the GECA sector in the first nine months of FY 2025/26.

Table 4.82: GECA Sector-Analysis of Exchequer Issues and Expenditure

VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross Estimates	Net Estimates	Exchequer Issues	Expenditure	% of Exchequer to Net Estimates	% of Expenditure to Gross Estimates	Gross Estimates	Net Estimates	Exchequer Issues	Expenditure	% of Exchequer Net Estimates	% of Expenditure to Gross Estimates
State Department for Trade	0.37	0.37	0.29	0.28	77	77	3.98	2.34	1.72	2.04	74	51
State Department for the ASALs and Regional Development	3.81	3.51	2.44	2.29	70	60	7.07	6.60	5.41	5.41	82	76
State Department for Industry	5.82	5.82	5.49	5.43	94	93	3.58	2.71	1.92	1.70	71	47
State Department for Micro, Small and Medium Enterprises Development	3.06	2.76	4.55	4.33	165	141	2.03	1.44	1.21	1.21	84	60
State Department for Investment Promotion	2.06	2.06	2.06	2.04	100	99	1.45	0.71	0.67	1.39	95	96
State Department for the East African Community	-	-	-	-			1.03	1.03	0.55	0.55	53	54
State Department for Cooperatives	1.47	1.47	2.73	2.70	186	183	5.88	4.66	2.83	5.70	61	97
State Department for Tourism	5.01	-	-	0.89		18	11.53	0.76	0.55	5.12	72	44
Total	21.60	15.99	17.55	17.95	110	83	36.56	20.26	14.86	23.13	73	63
Sector Summary												
				Gross Estimates	Net Estimates		Exchequer Issues	Expenditure		% of Exchequer to Net Estimates	% of Expenditure to Gross Estimates	
Development				21.60	15.99		17.55	17.95		110	83	
Recurrent				36.56	20.26		14.86	23.13		73	63	
Total				58.16	36.25		32.40	41.09		89	71	

Source: MDAs and National Treasury

The State Department for Cooperatives recorded the highest absorption of the development budget at 183 per cent, while the State Department for Tourism recorded the lowest at 18 per cent. The high budget absorption by the State Department for Cooperatives was attributed to additional funding of Kshs.2 billion under Article 223 for mop-up of excess milk and stabilisation of raw milk prices in the period under review. The State Department for Cooperatives recorded the highest recurrent expenditure-to-gross estimates at 97 per cent, while the State Department for Tourism recorded the lowest at 44 per cent, attributed most likely to non-reporting of expenditure under Appropriation-in-Aid (A-I-A).

4.6.3 The State Department for Trade

The State Department for Trade promotes Trade Policy; Export Development and Promotion; Promote E-Commerce; Trade Negotiations and Advisory Services; Champion Trade Integration in the Common Market for Eastern and Southern Africa (COMESA), Continental Free Trade Area (CFTA), Economic Partnership Agreement (EPA) etc.; Liaising and Coordinating with (UNCTAD) and World Trade Organisation (WTO) on Trade Matters; Enforcement of International Trade Laws, Negotiations and Agreements; Protection of Kenyan Goods against Dumping and Subsidised Imports and recommending Countervailing Measures; Coordination of multi-Agency Task Force on the Elimination of Illicit Trade and Counterfeits; Liaison with International Trade bodies for National Development; Management of weight and measurement in Trade; Promotion and Regulation of the Wholesale and Retail Trade; and Promotion of Fair-Trade Practices and Consumer Protection. The State Department for Trade is assisted by its agencies, including the Kenya National Trading Corporation, the Kenya Export Promotion and Branding Agency, the Warehouse Receipt System Council, the Kenya Trade Remedies Agency, the Kenya Consumer Protection Advisory Committee, and the Kenya National Multi Commodities Exchange Limited.

4.6.3.1 Budget Performance by the State Department for Trade

The budget allocation to the State Department for Trade in FY 2025/26 amounted to Kshs.4.35 billion, compared to Kshs.5.58 billion allocated in FY 2024/25.

4.6.3.2 State Department for Trade Programmes and Sub-Programme Performance

The budget allocation was to fund four programmes. Table 4.83 shows budget execution by programmes and sub-programmes under the State Department for Trade in the first nine months of FY 2025/26.

Table 4.83: The State Department for Trade Programme and Sub-Programme Performance

Programmes	Sub-Programmes	Gross Estimates (Kshs.Millions)			Expenditure (Kshs. Millions)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Domestic Trade and Enterprise Development	Promotion of Local Content	68.69	-	68.69	43.21	-	43.21	63
	Development and Promotion of BETA Priorities Value Chains	88.42	-	88.42	76.84	-	76.84	87
	Development Promotion and Regulation of Wholesale and Retail Trade	1,866.76	299.85	2,166.61	477.49	284.85	762.33	35

Programmes	Sub-Programmes	Gross Estimates (Kshs. Millions)			Expenditure (Kshs. Millions)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Fair Trade Practices and Compliance Standards	Enforcement of Intellectual Property Rights and Trade Remedies Measures	75.16	-	75.16	56.37	-	56.37	75
	Enforcement of Legal Metrology	97.20	70.00	167.20	52.64	-	52.64	31
	Consumer Protection	19.98	-	19.98	14.99	-	14.99	75
International Trade Development and Promotion	Market Diversification and Access	684.63	-	684.63	539.22	-	539.22	79
	Export Trade Development, Promotion and National Branding	720.82	-	720.82	535.85	-	535.85	74
General Administration, Support Services and Planning	General Administration, Support Services and Planning	362.40	-	362.40	241.61	-	241.61	67
TOTAL		3,984.06	369.85	4,353.90	2,038.21	284.85	2,323.06	53

Source: The State Department for Trade

The State Department for Trade's overall programmes and sub-programmes performance was 53 per cent against the target of 75 per cent at the end of the first nine months of FY 2025/26. The Enforcement of Legal Metrology sub-programme recorded the lowest absorption rate (31 per cent), followed by the Development Promotion and Regulation of Wholesale and Retail Trade (35 per cent), due to downtime in the e-GP system and roll-out challenges.

4.6.3.3 Non-financial Performance by the State Department for Trade

The achievements against some State Department trade targets for the first nine months of FY 2025/26 are presented in Table 4.84.

Table 4.84: Non-Financial Performance by the State Department for Trade

Programme	Sub-Programme	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
Trade Development and Market Interventions	Enabling environment for business growth	Trade Development Bill	% finalisation of the Kenya Trade Development Bill	50	80	30
		Improved coordination with the private sector on trade matters (Bi-annual Presidential trade round tables)	Number of engagements with the private sector	6	6	-

Programme	Sub-Pro-gramme	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
	Development, Promotion and Regulation of the Wholesale and Retail Trade	Warehouse Receipt System Services	Number of financial institutions' capacity built	10	13	3
			Number of Counties sensitised and trained on Warehouse Receipt System	10	21	11
	Development and Promotion of BETA Priority Value Chains	Exporters' capacity built on opportunities for fresh produce to meet the destination markets' requirements	Number of exporters' capacity built	70	50	(20)
Fair Trade Practices and Compliance with Standards.	Enforcement of Trade Remedies Measures	Trade Remedies Measures implemented	Number of investigations conducted on unfair import trade practices affecting identified BETA priority value chain products.	3	4	1
	Enforcement of Legal Metrology	Compliance and Standards enhanced	Number of weighing and measuring equipment verified at strategic national installations.	130	47	(83)
	Consumer Protection	Consumer Protection enhanced	Number of traders/manufacturers sensitised on consumer protection	200	240	40
	Export Trade Development, Promotion and National Branding	Kenyan Export Products Diversified	Number of exporters trained on exporting	200	358	158
General Administration, Support Services, and Planning	General Administration, Support Services, and Planning	Asset management	% of Assets captured in the asset register	100	55	(45)

Source: The State Department for Trade

Non-financial performance analysis showed that most outputs were on target in the first nine months of FY 2025/26. Key performance areas that recorded low output compared to the annual target included verification of weighing and measurement equipment at Strategic National Installations (47 equipment verifications conducted out of the target of 130). According to the State Department for Trade, the target for weighing and measurement equipment was earmarked for review to address the issue of KeNHA weighbridges.

4.6.3.4 Projects Implementation Status for the State Department for Trade

Table 4.85 summarises some of the projects undertaken by the State Department for Trade.

Table 4.85: State Department for Trade Projects Implementation Status

Project Name (a)	Project commence date (b)	Expected Project End Date (c)	Source of Funds) (d)	Value of the Project (Kshs. Million) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expenditure in the first nine months FY 2025/26 (Kshs. Million) (g)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million) (h)	Percentage (%) of Completion
Warehouse Receipt System Council/ Development of Warehouse Receipt System	7 th January 2020	30 th June 2028	GoK	1,200.00	134.85	67.42	267.42	22
Establishment of Commodities Exchange Platform (KOMEX)	1st July 2023	30 th June 2028	GoK	5,060.00	135.00	67.50	780.08	15
Warehouse Refurbishment (KNTC)	7th April 2020	7 th March 2025	GoK	1,170.00	30.00	15.00	247.20	21
Modernisation of standards laboratory (legal metrology project)	1 st July-2020	30 th Jun-2026	GoK	900.00	70.00	0.75	9.45	1

Source: The State Department for Trade

An analysis of the State Department for Trade’s project implementation status indicated low project implementation performance across all projects, occasioned by inadequate funding and Budget cuts. The Warehouse Refurbishment Project is 21 per cent complete despite its March 2025 completion date having lapsed, while the Modernisation of Standards Laboratory Project is 1 per cent complete, yet the expected completion date is 30th June 2026.

4.6.4 The State Department for the ASALs and Regional Development

The State Department for the ASALs and Regional Development promotes Arid and Semi-Arid Lands Policy; Coordination of Planning, and Development for Arid and Semi-Arid Lands; Implementation of Special Programmes for the Development of Arid and Semi-Arid Areas; Implementation of Arid and Semi-Arid Lands Programmes; Coordinating Research for sustainable Arid and Semi-Arid Lands Resource Management, Development and Livelihoods; Promotion of Livestock Development, Marketing and Value addition of Resources within Arid and Semi-Arid Areas; Enhancing Livelihood Resilience of Pastoral and Agro Pastoral Communities; Coordinating Responses Against Drought and Desertification; Special Programmes; Food Relief Management and Humanitarian Emergency Response; Peace Building and Conflict Management within Arid and Semi-Arid Area; Management and Promotion of Integrated Cross-border Activities in Identified ASAL Counties; Regional Development Policy Implementation, Oversight and Management; Coordination of Regional Development Authorities; and Projects in Response to Displacement Impacts. The mandate is carried out in collaboration with its agencies, which include the National Drought Management Authority, the Coast Development Authority, the Lake Basin

Development Authority, the Ewaso Ngiro North Development Authority, the Ewaso Ngiro South Development Authority, the Tana River Development Authority, and the Kerio Valley Development Authority.

4.6.4.1 Budget Performance by the State Department for the ASALs and Regional Development

The budget allocation to the State Department for the ASALs and Regional Development in FY 2025/26 amounts to Kshs.10.88 billion, compared to Kshs.14.85 billion allocated in FY 2024/25.

4.6.4.2 State Department for the ASALs and Regional Development Programmes and Sub-Programme Performance

The budget allocation was to fund three programmes. Table 4.86 shows budget execution by programmes and sub-programmes under the State Department for the ASALs and Regional Development in the first nine months of FY 2025/26.

Table 4.86: The State Department for the ASALs and Regional Development Programme and Sub-Programme Performance

Programmes	Sub-Programmes	Gross Estimates (Kshs.Millions)			Expenditure (Kshs. Millions)			Ab-sorp-tion Rate (%)
		Recurrent	Develop-ment	Total	Recurrent	Develop-ment	Total	
Accelerated ASALs Devel-opment	ASALs Devel-opment	104.84	26.66	131.50	69.25	20.91	90.15	69
	Drought Management	4,668.64	2,029.09	6,697.73	3,851.48	747.78	4,599.25	69
	Peace Building and Conflict Management	28.52	-	28.52	16.33	-	16.33	57
Integrated Regional De-velopment	Integrated Basin-Based Development	1,992.21	1,749.50	3,741.71	1,286.10	1,518.39	2,804.49	75
General Administration and Support Services	Financial Management Services	11.45	-	11.45	-	-	-	
	General Ad-ministration, Planning and Support Services	267.91	-	267.91	187.18	-	187.18	70
TOTAL		7,073.58	3,805.25	10,878.83	5,410.34	2,287.07	7,697.42	71

Source: The State Department for the ASALs and Regional Development

The State Department for ASALs and Regional Development’s overall programme and sub-programme performance was 71 per cent in the first nine months of FY 2025/26, against the target of 75 per cent.

4.6.4.3 Non-financial Performance by the State Department for the ASALs and Regional Development

Table 4.87 presents achievements against the State Department’s targets for the ASALs and Regional Development in the first nine months of FY 2025/26.

Table 4.87: Non-Financial Performance by the State Department of ASALs and Regional Development

Programmes	Sub-Programmes	Key Output	Key Performance Indicator	Annual Target	Achieved as of 31 st March 2026	Variance
Accelerated Asals development	Drought Management	Drought contingency plans	Number of drought coordination forums held (National / County level)	110	48	(62)
		Drought and food security information	Number of Drought Early Warning Bulletins produced and disseminated	288	144	(144)
		Vulnerable and drought-affected households supported through cash transfers	Number of beneficiary households under regular programmes	133,800	132,780	(1,020)
Integrated regional development	Integrated Basin-based Development	Tana Delta Rice Irrigation Project (TDIP) Rehabilitated.	Tons of white rice produced	3,150	2,100	(1,050)
		Npuu irrigation project implemented	No. of farmers trained and supported	100	120	20
General administration and support services	General Administration & Support Services	Funds utilised	% utilisation of funds	100	50	(50)

Source: The State Department for the ASALs and Regional Development

During the period under review, the State Department for the ASALs and Regional Development recorded remarkable progress towards realising its service delivery targets.

4.6.4.4 Projects Implementation Status for the State Department for the ASALs and Regional Development

Table 4.88 summarises some of the projects undertaken by the State Department for the ASALs and Regional Development.

Table 4.88: State Department for the ASALs and Regional Development Projects Implementation Status

Project Name (a)	Project commence date (b)	Expected Project End Date (c)	Source of Funds) (d)	Value of the Project (Kshs. Million) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million) (g)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million) (h)	Percentage (%) of Completion
Dry Land Climate Action for Community Drought Resilience	3/1/2023	6/30/2028	GoK/Donor	555.00	555.00	552.78	-	100
Integrated Resilience for Sustainable Food Systems	7/1/2020	6/30/2026	GoK/Donor	111.22	111.22	12.16	-	83

Project Name (a)	Project commence date (b)	Expected Project End Date (c)	Source of Funds (d)	Value of the Project (Kshs. Million) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million) (g)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million) (h)	Percentage (%) of Completion
Tana Delta Rice Irrigation Project (TDIP)-Headquarters	01/08/2009	6/30/2027	GoK	3,901.00	21.00	21.00	-	1
Malindi Integrated Social Health Development Programme (MISHDP)-BETA	7/1/2019	6/30/2026	Donor	780.00	300.00	298.89	-	38
Ewaso Ngiro Leather Factory- Headquarters	7/1/2013	6/30/2026	GoK	1,590.00	20.00	20.00	-	84
Sustainable Food System and Resilience Livelihood Activities.	1/5/2021	6/30/2026	GoK	12.00	12.00	8.74	-	73
Drought Mitigation Interventions - KVDA.	7/1/2023	6/30/2026	GoK	350.00	120.00	120.00	-	34
Construction of Dykes in Muhoroni and Nyan-do constituencies, Kisumu	7/1/2024	6/30/2026	GoK	150.00	150.00	100.00	-	67
Drought Mitigation Interventions - ENSDA.	7/1/2023	6/30/2026	GoK	100.00	70.00	70.00	-	70
Ewaso Ngiro North Integrated Water Drought & Food Security Dev Project	8/1/2010	6/30/2029	GoK	5,000.00	100.00	100.00	-	2

Source: State Department for the ASALs and Regional Development

The analysis indicates that several projects scheduled for completion by June 2026 are at risk of timeline overruns due to low to moderate implementation progress. Additionally, some long-standing projects that commenced over a decade ago continue to make minimal progress, indicating persistent implementation challenges. The slow progress in implementing projects could be attributed to budget constraints. Further, cumulative expenditure for projects was not provided, indicating incomplete project reporting.

4.6.5 The State Department for Industry

The State Department for Industry promotes and facilitates domestic and Foreign Investments; Investment policy and attraction; Industrial Policy and Planning; Buy Kenya - Build Kenya Policy and Strategy; promotes standardisation in Industry and Quality Control; Kenya Property Rights Policy (Patents, Trade Marks, Service Marks, and Innovation); Promotion of Value Addition and Agro Processing; Promotion, Development and Oversight of Aggregation and Industrial Parks; Textile Sector Development; Leather Sector Development and Promotion of Value Chain; Oversight and Regulation of the Scrap Metal Industry; Industrial Training and Capacity Development; To Combat Counterfeiting, Trade and Other Dealings

in Counterfeit Goods; and Oversight, Administration and Enforcement of the Local Content Policy. The mandate is carried out in collaboration with its Agencies, including the Kenya National Accreditation Services (KENAS), Anti-Counterfeit Authority (ACA), Numerical Machining Complex (NMC), Rivatex East Africa Ltd, Kenya Industrial Research and Development Institute (KIRDI), and Scrap Metal Council (SMC).

4.6.5.1 Budget Performance by the State Department for Industry

The budget allocation to the State Department for Industry in FY 2025/26 amounts to Kshs.9.40 billion, compared to Kshs.7.59 billion allocated in FY 2024/25.

4.6.5.2 State Department for Industry Programmes and Sub-Programme Performance

The budget allocation was to fund three programmes. Table 4.89 shows budget execution by programmes and sub-programmes under the State Department for Industry in the first nine months of FY 2025/26.

Table 4.89: The State Department for Industry Programme and Sub-Programme Performance

Programmes	Sub-Pro-grammes	Gross Estimates (Kshs.Millions)			Expenditure (Kshs. Millions)			Ab-sorption Rate (%)
		Recur-rent	Develop-ment	Total	Recurrent	Develop-ment	Total	
General Administra-tion, Support Services and Planning	General Ad-ministration, Planning and Support Ser-vices	752.57	-	752.57	520.87	-	520.87	69
Industrial De-velopment and Development	Promotion of Industrial Devel-opment	1,331.76	4,835.00	6,166.76	492.64	4,739.28	5,231.92	85
	Industrial Train-ing and Capac-ity Development	438.97	57.25	496.22	110.41	-	110.41	22
Standards, Quality Infra-structure and Research	Standards, Metrology and Conformity	413.81	100.00	513.81	115.36	100.00	215.36	42
	Business Financing and Incubation	-	330.00	330.00	-	92.72	92.72	28
	Industrial Research, De-velopment and Innovation	642.66	500.00	1,142.66	459.49	500.00	959.49	84
TOTAL		3,579.77	5,822.25	9,402.03	1,698.77	5,431.99	7,130.77	76

Source: The State Department for Industry

The State Department for Industry’s overall absorption of the budget was 76 per cent by the end of the first nine months of FY 2025/26, against a target of 75 per cent, implying progressive budget execu-tion. However, the implementation of three sub-programmes, namely, Industrial Training and Capacity Development (22 per cent) and Business Financing and Incubation (28 per cent) lagged behind the period’s target because returns for AIE (Authority to Incur Expenditure) issued to the Kenya Industrial Training Institute had not been captured as part of the expenditure for the period. Conversely, for Busi-

ness Financing and Incubation (28 per cent), the project ended on 30th October, 2025, and the ongoing post-closure activities were expected to terminate on 30th June 2026.

4.6.5.3 Non-financial Performance by the State Department for Industry

Some of the achievements against the State Department for Industry’s Key Performance Indicators in the first three months of FY 2025/26 are presented in Table 4.90.

Table 4.90: Non-Financial Performance by the State Department for Industry

Programmes	Sub-Pro-grammes	Key Output	Key Performance Indicator	Annual Target (s)	Achieved as of 31 st March 2026	Variance
Industrial Promotion and Development	Promotion of Industrial Development	The scrap metal industry is regulated and controlled.	Number of licenses issued to scrap metal dealers	1,100	743	(357)
	Industrial Training and Capacity Development	Industrial skills developed	Number of Industrial Partnerships for reskilling and upskilling of workers created	50	37	(13)
Standards and Quality Infrastructure and Research	Standards, Conformity Assessment and Industrial Property Administration	Standards developed and products certified	Number of products certified under small and large firms	22,156	29,685	7,529
		Industrial Property Rights Registered	Number of patents, utility models and industrial designs registered	770	608	(162)
	Industrial Performance and Improvement	County Aggregation and Industrial Parks (CAIPs) establishment	Number of CAIP's Established	25	34	9
		County investment profiles developed	Number of County investment profiles developed	5	5	-
General Administration, Planning and Support Services	General Administration, Planning and Support Services	Sub-Sector Budget reports	Number of Medium-Term Expenditure Framework (MTEF) reports	3	3	-

Source: The State Department for Industry

Performance as at 31st March 2026 generally exhibited strong outcomes. Output areas that exceeded their targets in the period under review were on development of standards and certification of products (29,685 products certified out of target 22,156 products) and establishment of County Aggregation and Industrial Parks (CAIPs) (34 CAIPs established against 25 CAIPs targeted). The overachievement on CAIPs could be attributed to funding of nine (9) CAIPs that commenced in FY 2023/24 and FY 2024/25 and did not receive the allocation of Kshs.250 million from the National Government in the respective financial years due to underperformance.

4.6.5.4 Projects Implementation Status for the State Department for Industry

Table 4.91 summarises some of the projects undertaken by the State Department for Industry.

Table 4.91: State Department for Industry Projects Implementation Status

Project Name (a)	Project commence date (b)	Expected Project End Date (c)	Source of Funds (d)	Value of the Project (Kshs. Million) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million) (g)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million) (h)	Percentage (%) of Completion
Construction and Equipping of Industrial Research and Laboratories, Nairobi -KIRDI SOUTH B	25-2-213	30-6-28	GoK	9,357.86	375.00	256.00	4,950.79	53
Fencing of 600 Acres of NMC Land	1-7-23	30-6-28	GoK	300.00	-	-	8.00	3
Cotton Development Subsidy and Extension Support (RIVATEX)	1-7-2018	30-6-2028	GOK	1,187.00	-	-	496.89	42
Kenya Industry and Entrepreneurship Project	1-7-2018	30-6-2026	GoK / Donor	3,488.40	247.50	92.72	2,640.94	76
Infrastructure Civil Works Development	01-07-2016	30-6-2028	GoK	860.00	42.94	-	420.69	49
Establishment of County Integrated Agro-Industrial Parks (CAIPs)	1-7-23	30-6-28	GoK	22,325.00	3,450.00	4,539.28	8,714.76	39
Development of Leather Industrial Park- Kenanie KLDC	01-07-2016	30-6-2027	GoK	4,809.00	150.00	153.00	3,249.70	69
Acquisition of the Regional Anti-Counterfeit Agency Exhibit Warehouse- ACA	01-07-2016	24-6-2027	GoK	212.50	-	-	112.50	53
Enhancement of the Accreditation Programme in Kenya (KENAS)	7-1-23	30-6-28	GoK	427.26	75.00	41.20	141.20	33
Development of Nyando Apparel and Value Addition Centres	1-7-21	30-06-26	GoK	210.08	18.75	-	185.08	88
Development of Lussigeti Apparel and Value Addition Centre	1-7-23	30-6-2027	GOK	156.00	7.50	-	25.00	16

Source: State Department for Industry

An analysis of the State Department for Industry's project implementation status revealed that the Development of Nyando Apparel and Value Addition Centres and the Kenya Industry and Entrepreneurship project were likely to overrun their completion timelines. The Kenya Industry and Entrepreneurship proj-

ect (World Bank Project) ended on 30th October 2025, and post-closure activities were being undertaken, while the Development of Nyando Apparel and Value Addition Centres project was still ongoing.

4.6.6 The State Department for Micro, Small and Medium Enterprises Development

The State Department for Micro, Small and Medium Enterprises(MSMEs) Development Promotes MSMEs Policy; Develop SME Financing Policy to facilitate adequate flow of credit from financial institutions; Administration of the “Hustler Fund” for the promotion, development and enhancing competitiveness of MSMEs; Capacity Development for Entrepreneurship including access to modern management practices; Support for technology upgradation and modernisation; Establishment of integrated infrastructural facilities; Promotion and Development of Micro and Small Enterprise and enhance their competitiveness; Promote Progressive credit policies and practices targeting MSMEs; Business Innovation and Incubation; Administer Preference in Government procurements to products and services of the MSMEs; Champion subcontracting arrangements between SMEs and Large Enterprises; Market development for MSME products and services (better access to domestic and export markets); Support for product development, design intervention and packaging; Promotion of establishment of Production clusters; and Promotion and Development of the Cottage Industry. The mandate is carried out in collaboration with its agencies, including the Uwezo Fund, the Micro and Small Enterprises Authority (MSEA), and the Kenya Industrial Estate (KIE).

4.6.6.1 Budget Performance by the State Department for Micro, Small and Medium Enterprises Development

The budget allocation to the State Department for Micro, Small and Medium Enterprises Development in FY 2025/26 amounted to Kshs.5.09 billion, compared to Kshs.6.42 billion allocated in FY 2024/25.

4.6.6.2 State Department for Micro, Small and Medium Enterprises Development Programmes and Sub-Programme Performance

The budgetary allocation was to fund four programmes. Table 4.92 shows budget execution by programmes and sub-programmes under the State Department for Micro, Small and Medium Enterprises Development in the first nine months of FY 2025/26.

Table 4.92: The State Department for Micro, Small and Medium Enterprises Development Programme and Sub-Programme Performance

Programmes	Sub-Programmes	Gross Estimates (Kshs.Millions)			Expenditure (Kshs. Millions)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Promotion and Development of MSMEs	MSMEs Development and Promotion	807.76	2,671.78	3,479.54	777.59	4,001.17	4,778.76	137
	Entrepreneurship and Business Development Services	72.83	40.00	112.83	46.17	-	46.17	41

Programmes	Sub-Programmes	Gross Estimates (Kshs. Millions)			Expenditure (Kshs. Millions)			Absorption Rate (%)
Product and Market Development MSMEs	Market Linkages for MSMEs	20.43	-	20.43	10.54	-	10.54	52
	Value Addition, Innovation and Incubation for MSMEs	492.99	-	492.99	77.24	-	77.24	16
Digitization and Financial Inclusion for MSMEs	Financial Inclusion	209.00	300.00	509.00	6.75	300.00	306.75	60
	Youth, Women and PWDs Empowerment	126.63	50.00	176.63	94.97	25.00	119.97	68
General Administration, Planning and Support Services	General Administration, Planning and Support Services	302.07	-	302.07	201.32	-	201.32	67
Total		2,031.71	3,061.78	5,093.49	1,214.58	4,326.17	5,540.75	109

Source: The State Department for Micro, Small and Medium Enterprises Development

Programmes and sub-programmes analysis indicated that budget execution by the State Departments for Micro, Small and Medium Enterprises Development was above target, at 109 per cent by the end of the first nine months of FY 2025/26. The MSMEs Development and Promotion sub-programme recorded the highest absorption rate of 137 per cent, which was occasioned by additional funding of kshs.1.97 billion under Article 223 of the Constitution for NYOTA Project

4.6.6.3 Non-financial Performance by the State Department for Small, Micro and Medium Enterprises Development

Table 4.93 presents the achievements against the State Department for Small, Micro, and Medium Enterprises Development’s key performance indicators in the first nine months of FY 2025/26.

Table 4.93: Non-Financial Performance by the State Department for Small, Micro and Medium Enterprises

Programmes	Sub-Programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March, 2026	Variance
Development, Promotion and Regulation of Micro, Small and Medium Enterprises	Micro, Small and Medium Enterprises Development and Promotion	MSEs Facilitation to Market Access Increased	Number of MSEs facilitated to access markets	1,700	2,445	745
		National Youth Towards Advancement (NYOTA) Project	No. of Youth MSEs benefiting from Business Development Services/ mentorship	54,000	91,253	37,253
			No. of Youth MSEs undertaking Entrepreneurship Aptitude Test (EAT)	54,000	491,619	437,619
			No. of youth MSEs awarded start-up capital and grants	54,000	91,253	37,253

Programmes	Sub-Programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March, 2026	Variance
Product and market development for MSMEs	Value addition, Innovation and Incubation for MSMEs	Industrial Credit Provided	Amount of credit disbursed. (Kshs. Billion)	1.2	0.98	(0.22)
		Entrepreneurship skills enhanced	Number of new MSMEs trained on business skills.	90,000	97,972	7,972
Digitization and Financial Inclusion for MSMEs	Financial Inclusion	Cummulative Credit disbursed	Cummulative No. of persons accessing credit (Millions)	26.5	27	0.5
	Youth, Women and PWDs Empowerment	Economic empowerment of Youth, Women and PWDs enhanced	Amount disbursed to Youth, Women and PWDs Groups (Kshs. Million)	600.00	179.14	(420.86)
General Administration, Planning and Support Services	General Administration, Planning and Support Services	Monitoring and Evaluation undertaken	Number of quarterly M & E annual reports	4	3	(1)

Source: The State Department for Micro, Small and Medium Enterprises Development

Analysis of non-financial performance revealed good progress in realising the set targets. The key performance areas that recorded the most remarkable performance were on the enhancement of entrepreneurial skills and the National Youth Opportunity Towards Advancement (NYOTA) Project. Notably, 91,253 youths benefited from business development services/ mentorship and were awarded start-up capital and grants under the NYOTA project out of the annual target of 54,000 youths, while 97,972 new SMEs were trained in entrepreneurship skills compared to a target of 90,000 SMEs. This was facilitated by exchequer issues under Article 223 of the Constitution amounting to Kshs.1.97 billion.

4.6.6.4 Projects Implementation Status for the State Department for Micro, Small and Medium Enterprises Development

Table 4.94 summarises some of the projects undertaken by the State Department for Micro, Small and Medium Enterprises Development.

Table 4.94: State Department for Micro, Small and Medium Enterprises Development Project Implementation Status

Project Name	Project Commencement Date	Expected Project End Date	Source of Funds (GoK/ Donor/ Foreign Borrowings/ Commercial Borrowings)	Estimated Value of the Project (Kshs. Million)	Total Funding in the first nine months of FY 2025/26 (Kshs. Millions)	Expenditure in the first nine months of FY 2025/26 (Kshs. Millions)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Millions)	Percentage of completion (%)
Uwezo Fund	2013/2014	Continuous	GoK	11,000.00	50.00	50.00	7,009.00	664
Equipping and Operationalization of Cold Storage Facilities	2/1/2020	30/6/2028	GoK	222.00	40.00	40.00	115.00	452

Project Name	Project Commencement Date	Expected Project End Date	Source of Funds (GoK/ Donor/ Foreign Borrowings/ Commercial Borrowings)	Estimated Value of the Project (Kshs. Million)	Total Funding in the first nine months of FY 2025/26 (Kshs. Millions)	Expenditure in the first nine months of FY 2025/26 (Kshs. Millions)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Millions)	Percentage of completion (%)
Construction and Equipping Centres of Excellence	1/1/2025	6/30/2028	GoK	330.00	25.00	25.00	100.00	30
National Youth Opportunities Towards Advancement (NYOTA)	1/7/2024	12/31/2028	Donor	11,010.00	4,977.81	3,576.49	7,775.57	71
Kenya Jobs Economic Transformation	9/7/2024	12/31/2028	Donor	11,050.00	548.00	220.83	40831	4
Construction / Refurbishment Constituency Industrial Development	7/1/2016	30/6/2028	GOK	2,000.00	108.78	108.78	1,887.68	94
Center for Entrepreneurship	7/1/2023	6/30/2027	GOK and Donor	3,171.70	550.00	30.08	62.58	2
KIBT Parklands Building Partitioning	1/3/2009	30/6/2026	GoK	495.00	40.00	-	414.30	84
Financial Inclusion Fund	1/11/2022	Continuous	GOK	50,000.00	300.00	300.00	13,325.00	27

Source: State Department for Small, Micro and Medium Enterprises Development

Notably, the Uwezo Fund project (64 per cent complete), the Kenya Jobs Economic Transformation (4 per cent complete), and the Centre for Entrepreneurship (2 per cent complete) have experienced delays in implementation, thereby risking a timeline overrun. The low completion rates were occasioned by delayed payments due to the validation process for the legal framework for the Co-Investment Model that was ongoing in collaboration with the World Bank and other relevant stakeholders for the Kenya Jobs Economic Transformation project, and an incomplete implementation framework between the donor and the State department in relation to the Center for Entrepreneurship Project.

4.6.7 The State Department for Investment Promotion

The State Department for Investment Promotion is mandated to undertake Investment policy and strategy; Promote both locally and internationally the opportunities for Investment in Kenya; Promote and

Oversight the Development of Special Economic Zones; Coordinating the transformation of the eco-system supporting private sector development; Development of a business reform agenda across the entirety of Government; Championing automation and re-engineering Government business and services processes. The mandate is carried out by the State Department for Investment Promotion and its agencies, the Kenya Investment Authority (Ken-Invest), Special Economic Zone Authority (SEZA), and Export Processing Zones Authority (EPZA).

4.6.7.1 Budget Performance by the State Department for Investment Promotion

The budget allocation to the State Department for Investment Promotion in FY 2025/26 amounted to Kshs. 3.51 billion, compared to Kshs.2.81 billion allocated in FY 2024/25.

4.6.7.2 State Department for Investment Promotion Programmes and Sub-Programme Performance

The budget allocation is to fund one programme. Table 4.95 shows budget execution by programmes and sub-programmes under the State Department for Investment Promotion in the first nine months of FY 2025/26.

Table 4.95: The State Department for Investment Promotion Programme and Sub-Programme Performance

Programmes	Sub-Programmes	Gross Estimates (Kshs.Millions)			Expenditure (Kshs. Millions)			Ab-sorp-tion Rate (%)
		Recurrent	Develop-ment	Total	Recurrent	Develop-ment	Total	
Investment De-velopment and Promotion	Business Environ-ment and Investment Promotion	1,020.77	2,061.03	3,081.79	897.51	2,038.51	2,936.03	95
	Investments Profiling and Development	242.29	-	242.29	372.29	-	372.29	154
	General Administra-tion, Planning and Support Services	188.38	-	188.38	124.31	-	124.31	66
Total		1,451.44	2,061.03	3,512.46	1,394.12	2,038.51	3,432.63	98

Source: The State Department for Investment Promotion

Programmes and sub-programmes analysis indicated that budget execution by the state departments for Investment Promotion was below the 75 per cent target by the end of the first nine months of FY 2025/26. However, spending on Investment profiling and Development sub-programme exceeded its budget by 54 per cent, occasioned by additional funding under Article 223 of the Constitution to the tune of Kshs.150 million that was utilised to host the Kenya International Investment Conference in Nairobi.

4.6.7.3 Non-financial Performance by the State Department for Investment Promotion

The achievements against the State Department for Investment Promotion’s Key Performance Indicators in the first nine months of FY 2025/26 are presented in Table 4.96.

Table 4.96: Non-Financial Performance by the State Department for Investment Promotion

Programme	Sub-Programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
Investment Development and Promotion	Business Environment and Investment Promotion	Export Processing Zone (EPZ) Gazetted Zones	No. of Newly gazetted zones	8	9	1
		EPZ Investments, exports and local purchases	Value of Exports (Kshs. billion)	136.40	105.58	(30.82)
	Investment Profiling and Development	Investments attracted and employment opportunities generated.	Value of investments attracted (in kshs. billion)	130.00	46.27	(83.73)
		One Stop Centre (OSC) operationalised	% of completion rate	38	38	-
	General Administration, Planning and Support Services	Monitoring and evaluation conducted	No. of monitoring reports	4	2	(2)

Source: The State Department for Investment Promotion

During the period under review, the service delivery under the Investment Development and Promotion programme appeared on target except for the value of investments attracted, which stood at Kshs.46.27 billion (36 per cent) compared to the annual target of Kshs.130 billion. The process was on target, and the remaining output was to be achieved in the subsequent quarter of FY 2025/26.

4.6.7.4 Projects Implementation Status for the State Department for Investment Promotion

Table 4.97 summarises some of the projects undertaken by the State Department for Investment Promotion.

Table 4.97: State Department for Investment Promotion Projects Implementation Status

Project Name (a)	Project commence date (b)	Expected Project End Date (c)	Source of Funds (d)	Value of the Project (Kshs. Million) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million) (g)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million) (h)	Percentage (%) of Completion
Construction of Investors’ Sheds EPZA	1-7-2022	30-06-26	GoK	12,900	600.00	82 .42	427.42	3
Central Repository & Complaint Handling single window KENINVEST	1-7-23	1-8-27	GoK	260.50	-	-	40.00	15

Project Name (a)	Project commence date (b)	Expected Project End Date (c)	Source of Funds) (d)	Value of the Project (Kshs. Million) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million) (g)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million) (h)	Percentage (%) of Completion
Development of Flagship Export Processing Zones Hub, Sagana, Kirinyaga	1-7-23	30-06-27	GoK	500.00	175.00	135.46	427.77	9
Development of Flagship Export Processing Zones Hub, ICDC, Eldoret	1-7-23	30-06-27	GoK	500.00	175.00	52.33	335.79	7
Development of Flagship Export Processing Zones Hub, Delmonte (Murang'a)	1-7-23	30-06-27	GoK	500.00	175.00	38.62	275.32	6
Development of Flagship Export Processing Zones Hub, Nasewa, Busia	1-7-23	30-06-27	GoK	500.00	175.00	27.97	366.42	7
Development of Industrial Park	1-7-19	30-6-30	GoK	8,938.00	504.00	56.19	872.73	10
Development of Athi River Textile Hub EPZ	1-7-14	30-6-26	GoK	8,240.00	-	-	5,413.82	66
Establishment of a one-stop shop centre for investment and office part KENINVEST	1-7-16	30-06-27	GoK	500.00	-	-	200.00	40
Kenya Jobs and Economic Transformation (KJET)	1-7-24	30-12-29	Foreign	13,500.00	250.00	49.76	49.76	20

Source: The State Department for Investment Promotion

The project implementation status by the state department indicated that three projects were not funded as of the end of the first nine months of FY 2025/26; namely, the central repository & complaint handling single window KENINVEST, development of Athi River Textile Hub EPZ and Establishment of a one-stop shop centre for investment and office part KENINVEST. Further analysis revealed that the slow implementation of projects was due to budget constraints, delays in resolving the land compensation disputes by the National Land Commission, and low Expenditures for development activities, thereby resulting in a timeline overrun.

4.6.8 The State Department for the East African Community

The State Department for East African Community promotes Policy on East African Community; Implementation of the Treaty for the Establishment of the East African Community; Negotiation and Implementation of EAC protocols; Develop and Implement policies and programmes to fast-track regional integration; Coordination of Implementation of EAC Regional Programmes and Projects; Coordination of Government’s Participation in East African Community Affairs; Domestication of regional agreements in all areas; Monitor Implementation of Summit and Council Directives/Decisions; Sustainable development of Lake Victoria Basin and other shared resources; East African Community Organs and Institutions; Create awareness on the aspiration of East African Community Integration; Promote public par-

ticipation in the EAC Integration Process; Monitoring and Evaluation of the Implementation of Northern Corridor Development; and Provide Secretariat Services during Ministerial and Head of States Summit Meeting.

4.6.8.1 Budget Performance by the State Department for the East African Community

The budget allocation to the State Department for the East African Community in FY 2025/26 amounted to Kshs.1.03 billion, compared to Kshs.843.71 million allocated in FY 2024/25.

4.6.8.2 State Department for East African Community Programmes and Sub-Programme Performance

The budget allocation is to fund one programme. Table 4.98 shows budget execution by programmes and sub-programmes under the State Department for the East African Community in the first nine months of FY 2025/26.

Table 4.98: The State Department for East African Community Programme Performance

Programmes	Sub-Programmes	Gross Estimates (Kshs.Millions)			Expenditure (Kshs. Millions)			Ab-sorption Rate (%)
		Recurrent	Develop-ment	Total	Recurrent	Develop-ment	Total	
East African Affairs and Regional Inte-gration	East African Customs Union	16.47	-	16.47	9.67	-	9.67	59
	East African Common Market	904.34	-	904.34	473.05	-	473.05	52
	EAC Monetary Union	23.23	-	23.23	14.96	-	14.96	64
	Management of Northern Corri-dor Integration	32.40	-	32.40	20.73	-	20.73	64
	General Ad-ministration, Planning and Support Ser-vices	58.29	-	58.29	35.78	-	35.78	61
Total		1,034.73	-	1,034.73	554.19	-	554.19	54

Source: The State Department for the East African Community

Programmes and sub-programmes analysis indicated that budget absorption by the State Department for the East African Community was well below the first nine months of FY 2025/26 target of 75 per cent, at 54per cent. This was mainly driven by unutilised funds of Kshs.200 million for partitioning and equipping of offices acquired at Hazina Trade Centre, as at the end of the period under review, allocated under the East Africa Common Market su-programme.

4.6.8.3 Non-financial Performance by the State Department for the East African Community

The achievements against the State Department’s Key Performance Indicators for the East African Community in FY 2025/26 are presented in Table 4.99.

Table 4.99: Non-Financial Performance by the State Department for the East African Community

Programme	Sub-Programme	Key Output	Key Performance Indicator	Annual Target (s)	Achieved as of 31 st March 2026	Variance
East African Affairs and Regional Integration	East African Customs Union	The East African Community developed guidelines to harmonise digital taxation.	% level of completion.	30	25	(5)
	East African Common (EAC) Markets	Bilateral negotiations with Tanzania, DRC, Uganda, and Rwanda, with a view to increasing access to Kenya's exports conducted.	Number of bilateral negotiations.	4	3	(1)
	EAC Monetary Union	Domestic taxes within the EAC harmonised	% level of completion.	50	40	(10)
	Management of Northern Corridor Integration	Convening and hosting five regional meetings for the chair clusters coordinated	Number of M&E reports.	5	1	(4)
	General Administration, Planning and Support Services	Planning & M&E services	Annual Work Plans	1	1	-
		Financial services	Number of budget implementation reports.	4	3	(1)

Source: The State Department for the East African Community

4.6.9 The State Department for Cooperatives

The State Department for Cooperatives mandate includes: Co-operative Policy; Standards and Implementation; Promotion of Co-operative Ventures; Co-operative Production and Marketing; Supervision and oversight over Co-operative Societies; Co-operative Savings, Credit and other Financial Services Policy; Co-operative Legislation and Support Services; Co-operative Education and Training; Co-operative Audit Services; and Co-operative Financing Policy. The mandate is carried out by the State Department for Cooperatives and its agencies, including the Sacco Societies Regulatory Authority (SASRA), the New Kenya Planters Cooperative Union (NKPCU), and the New Kenya Cooperative Creameries (NKCC).

4.6.9.1 Budget Performance by the State Department for Cooperatives

The budget allocation to the State Department for Cooperatives in FY 2025/26 amounted to Kshs. 7.35 billion, compared to Kshs.8.34 billion allocated in FY 2024/25.

4.6.9.2 State Department for Cooperatives Programmes and Sub-Programme Performance

The budget allocation is to fund one programme. Table 4.100 shows budget execution by programmes and sub-programmes under the State Department for Cooperatives in the first nine months of FY 2025/26.

Table 4.100: The State Department for Cooperatives Programme Performance

Pro-grammes	Sub-Programmes	Gross Estimates (Kshs. Millions)			Expenditure (Kshs. Millions)			Absorp- tion Rate (%)
		Recurrent	Develop- ment	Total	Recur- rent	Develop- ment	Total	
Coop- erative Develop- ment and Manage- ment	Governance and Accountability	93.40	-	93.40	51.58	-	51.58	55
	Cooperative Advi- sory Services	3,435.28	427.00	3,862.28	3,423.00	4.08	3,427.08	89
	Marketing, Value Addition and Re- search	39.25	494.38	533.63	20.04	193.41	213.45	40
	General Adminis- tration, Planning and Support Services	2,309.69	-	2,309.69	2,204.68	-	2,204.68	95
	Cooperative Development and Investments	-	550.00	550.00	-	2,500.00	2,500.00	455
Total		5,877.61	1,471.38	7,348.99	5,699.30	2,697.49	8,396.80	114

Source: The State Department for Cooperatives

Analysis of budget performance by the State Department for Cooperatives indicated that the cooperative development and investments sub-programme recorded the highest absorption rate of 445 per cent due to additional funding of Kshs.2 billion under Article 223 utilised for mop-up of excess milk and stabilisation of raw milk prices. In contrast, the marketing, value addition and research sub-programme recorded the lowest at 40 per cent. Overall, the state department recorded an absorption rate of 114 per cent, which is above the first nine months’ target of 75 per cent.

4.6.9.3 Non-financial Performance by the State Department for Cooperatives

The achievements against the State Department for Cooperatives’ Key Performance Indicators for the first half of FY 2025/26 are presented in Table 4.101.

Table 4.101: Non-Financial Performance by the State Department for Cooperatives

Programme	Sub-Programme	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
Cooperative Development and Manage- ment	Governance and Accountability	Amount in Kshs. (Billion)	Regulated SACCOs’ Deposits/ Savings mobilised	781	828.84	47.84
	Co-operatives Advi- sory Services	Dairy Farmer Cooperatives registered	Number of coopera- tives	10	27	17
	Marketing, Value Ad- dition & Research	Savings/ Depos- its Mobilised by Cooperatives	Savings/deposits (Kshs. Bn) mobilised	1,166	1,342.8	176.8

Programme	Sub-Programme	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
	Co-Operative Management and Investment	Enhanced Production Capacity at NKCC	Litres of Milk Processed per day ('000)	925	825	(100)
	General Administration, Planning & Support Services	Staff Performance appraisal system implemented	% of staff under SPAS	100	100	-

Source: The State Department for Cooperatives

Non-financial performance analysis revealed that service levels, in most cases, exceeded or met targets during the first nine months of FY 2025/26.

4.6.9.4 Projects Implementation Status for the State Department for Cooperatives

Table 4.102 summarises some of the projects undertaken by the State Department for Cooperatives.

Table 4.102: State Department for Cooperatives Projects Implementation Status

Project Name (a)	Project commence date (b)	Expected Project End Date (c)	Source of Funds) (d)	Value of the Project (Kshs. Mil- lion) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expendi- ture in the first nine months of FY 2025/26 (Kshs. Mil- lion) (g)	Cumula- tive Expen- diture as of 31 st March 2026 (Kshs. Mil- lion) (h)	Per- centage (%) of Com- pletion
Co-operative Management Information System	2016/2017	2026/27	GOK	360.00	127.00	4.00	130.00	36
PAVI Cotton farmers coop- erative society (BETA)	2024/25	2026/27	GOK	320.00	100.00	-	82.00	26
Construction of Milk facto- ry-Narok (BETA)	2024/25	2026/27	GOK	700.00	50.00	-	-	-
Coffee Industry Revitalisation	2019/20	2028/29	GOK	7,767.00	274.00	256.00	1,242.00	16
Modernisation of coffee factories	2019/20	2028/29	GOK	7,767.00	100.00	-	-	-
Upgrading of Runyenjes Milk Factory	2025/26	2028/29	GOK	500.00	100.00	100.00	50.00	10
Modernisation of New KPCU Warehouses	2023/24	2027/28	GOK	2,043.00	300.00	300.00	379.00	19

Source: The National Treasury and State Department for Cooperatives

An analysis of the project’s implementation status by the State Department for Cooperatives revealed that no expenditure was incurred on three projects despite being funded in the first nine months of FY 2025/26, namely: PAVI Cotton Farmers Cooperative Society (26 per cent), Construction of Milk Facto- ry-Narok (nil per cent), and Modernisation of Coffee Factories (nil per cent). This was attributable to e-GP challenges and budget constraints.

4.6.10 The State Department for Tourism

The State Department for Tourism’s mandate includes: Developing Tourism Policy and Standards; developing and promoting tourism; training in Tourism Services; Tourism Finance; Tourism Research and Monitoring; protecting and regulating tourism; and Positioning and marketing Kenya to local and international Tourists. The mandate is carried out by the State Department for Tourism and its agencies, the Tourism Regulatory Authority (TRA), Tourism Research Institute (TRI), Kenya Tourism Board (KTB), Kenya Utalii College (KUC), Tourism Fund (TF), Tourism Promotion Fund, and Kenyatta International Convention Centre (KICC).

4.6.10.1 Budget Performance by the State Department for Tourism

The budget allocation to the State Department for Tourism in FY 2025/26 amounts to Kshs.16.54 billion, compared to Kshs.14.46 billion allocated in FY 2024/25.

4.6.10.2 State Department for Tourism Programmes and Sub-Programme Performance

The budget allocation is to fund three programmes. Table 4.103 shows budget execution by programmes and sub-programmes under the State Department for Tourism in the first nine months of FY 2025/26.

Table 4.103: The State Department for Tourism Programme and Sub-Programme Performance

Programmes	Sub-Pro-grammes	Gross Estimates (Kshs.Millions)			Expenditure (Kshs. Millions)			Absorp- tion Rate (%)
		Recurrent	Develop- ment	Total	Recurrent	Develop- ment	Total	
Tourism Pro- motion and Marketing	Destination Marketing	402.89	-	402.89	217.71	-	217.71	54
	Tourism Pro- motion	406.85	584.00	990.85	634.68	-	634.68	64
Tourism Prod- uct Devel- opment and Diversification	Niche Tourism Product Devel- opment and Diversification	1,823.70	4,006.00	5,829.70	203.26	887.03	1,090.30	19
	Tourism Infrastructure Development	8,193.00	200.00	8,393.00	3,543.40	-	3,543.40	42
	Tourism Train- ing and Capac- ity Building	455.90	180.00	635.90	347.48	-	347.48	55
General Administra- tion, Planning and Support Services	General Administra- tion, Planning and Support Services	243.10	40.00	283.10	177.61	-	177.61	63
TOTAL		11,525.44	5,010.00	16,535.44	5,124.14	887.03	6,011.18	36

Source: The State Department for Tourism

The State Department for Tourism recorded an overall absorption rate of 36 per cent in the first nine months of FY 2025/26, against the period’s target of 75 per cent. This was due to low budget absorption under the the Niche Tourism Product Development and Diversification sub-programme (19 per cent) and the Tourism Infrastructure Development sub-programme (42 per cent).

4.6.10.3 Non-financial Performance by the State Department for Tourism

The achievements against the State Department for Tourism’s Key Performance Indicators in the first nine months of FY 2025/26 are presented in Table 4.104.

Table 4.104: Non-Financial Performance by the State Department for Tourism

Programme	Sub-Programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
Tourism Promotion and Marketing	Destination Marketing	International Arrivals	To realise 2.8 million arrivals	2,168,321	2,049,953	(118,368)
	Tourism Promotion	Quarterly Tourism Performance Reports	Number of Reports	2	2	-
Tourism Product Development and Diversification	Tourism Development and Diversification.	Cultural Preservation Services	Number of traditional dances rechoreographed	16	4	(12)
	Tourism Infrastructure Development	Tourism Fund	Amount of grants disbursed to Kenya Tourism Board (Kshs. million)	563.61	563.61	-
	Tourism Training and Capacity Building	Hospitality Services -Kenya Utalii College (KUC)	Number of graduates (short courses)	1,200	490	(710)
General Administration, Planning and Support Services	General Administration, Planning and Support Services	Planning, Monitoring, and Evaluation Services	Number of Monitoring and Evaluation reports	4	3	(1)
		Financial Services	Number of budget implementation reports	4	3	(1)

Source: The State Department for Tourism

Service delivery was on target, except for a dip in the number of Hospitality graduates from Utalii College (490 out of the target of 1,200) and the number of traditional dances rechoreographed (4 out of the target of 12), which could be attributed to competition from many private hospitality training centres and inadequate budget for cultural preservation services.

4.6.10.4 Projects Implementation Status for the State Department of Tourism

Table 4.105 summarises some of the projects undertaken by the State Department for Tourism.

Table 4.105: Table 4.105: State Department for Tourism Projects Implementation Status

Project Name (a)	Project commencement date (b)	Expected Project End Date (c)	Source of Funds) (d)	Value of the Project (Kshs. Million) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million) (g)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million) (h)	Percentage (%) of Completion
Coastal Beach Management Program	23-07-24	30-06-30	GoK	498.75	67.00	16.47	16.47	3

Project Name (a)	Project commence date (b)	Expected Project End Date (c)	Source of Funds) (d)	Value of the Project (Kshs. Million) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million) (g)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million) (h)	Percentage (%) of Completion
Sustaining New Markets & Siting Booths in Tourism Targets Markets-BETA	15-7-2024	30-06-30	GoK	6,669.00	-	-	2,998.00	45
National Tourism Digital Service Platform	1-07-24	28-06-30	GoK	165.00	22.50	-	22.61	14
Tourism Policy and Legislative Reforms	23-07-24	30-06-30	GoK	270.0	40.00	-	34.90	13
National Mapping and Development of Tourism Niche	23-07-24	30-06-30	GoK	500.00	100.00	27.35	83.58	17
Establishment of National Tourism Amenities	23-07-24	30-06-30	GoK	480.0	100.00	-	4.25	1
Open Space Office Modelling and Security System	18-7-2024	26-6-30	GoK	185.00	20.00	-	129.00	70
National classification and star rating of Tourism Establishing	01-Apr-2025	30th June 2027	GoK	750.00	25.00	104.70	104.70	14
Individual training kitchen - construction	16 Jul 2023	One year	GoK	297.72	-	66.46	180.24	61
Ronald Ngala Utalii College project	20 Jul 2023	31 st October 2026	GoK	9358.77	622.30	622.30	15,045.68	88
Modernisation and Refurbishment of KICC	1 st July 2012	30 th June 2026	GoK	4,821.26	3,972.52	-	3,578.59	74

Source: The State Department for Tourism

Project implementation status revealed that Modernisation and Refurbishment of the KICC project (74 per cent complete) may overstretch its timeline, scheduled for completion date on 30th June 2026.

4.7. Governance, Justice, Law and Order (GJLO) Sector

4.7.1 Introduction

The Governance, Justice, Law and Order (GJLO) Sector consists of seventeen MDAs, which include the State Department for Correctional Services; the State Department for Immigration and Citizen Services; the National Police Service; the State Department for Internal Security and National Administration; the State Law Office; the Judiciary; the Ethics and Anti-Corruption Commission (EACC); the Office of the Director of Public Prosecutions (ODPP); the Office of the Registrar of Political Parties (ORPP); the Wit-

ness Protection Agency (WPA); the Kenya National Commission on Human Rights (KNHCR); the Independent Electoral and Boundaries Commission (IEBC); the Judicial Service Commission (JSC); the National Police Service Commission (NPSC); the National Gender and Equality Commission (NGEC); the Independent Policing Oversight Authority (IPOA) and the State Department for Justice, Human Rights and Constitutional Affairs, as well as SAGAs and tribunals each with specific functions and mandates.

The Sector creates a conducive environment for the country’s economic, social, and political development, which is necessary for fulfilling the objectives of Kenya Vision 2030. It comprises institutions with linkages to peace- and security-building, interpretation of the law, correctional services, immigration and population management, legal advisory services to government agencies, representation of the national government in civil proceedings and matters before foreign courts and tribunals, and dispensation of justice. Further, the Sector promotes good governance and integrity and spearheads the fight against corruption. It is focused on strengthening the rule of law, democracy, and human rights through various functions such as public prosecutions, registration and regulation of political parties, protection of witnesses, protection and promotion of human rights, delimitation of electoral boundaries and management of the electoral process, promotion of gender equality, and the inclusion of marginalised groups and communities.

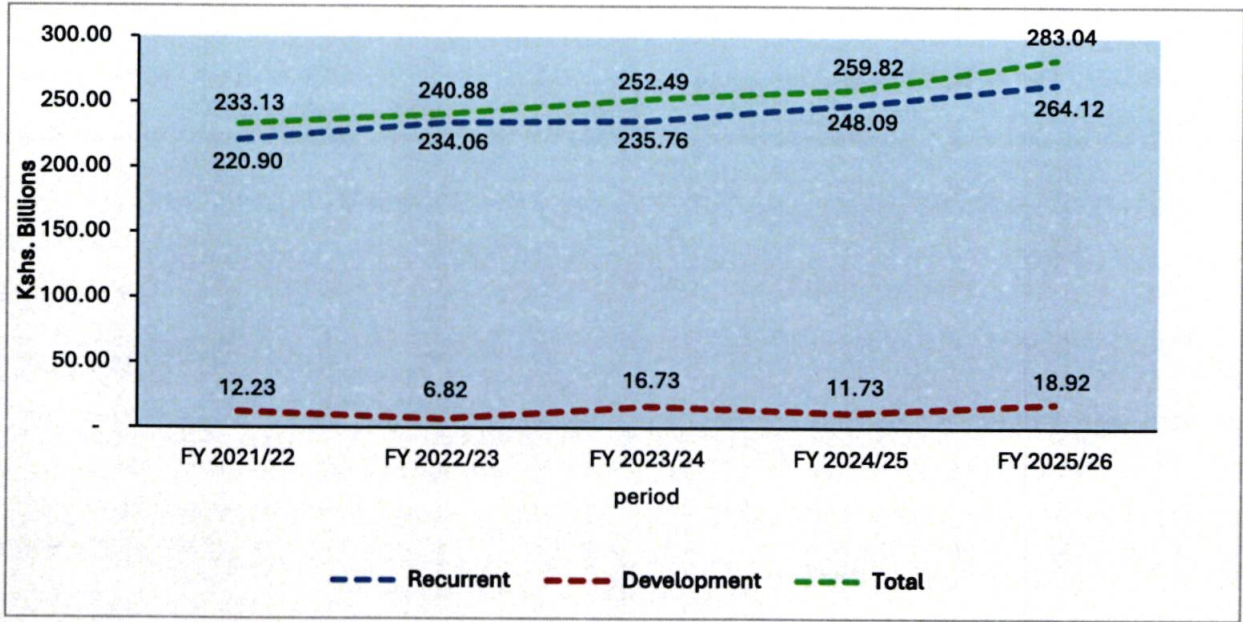
This Sector is also responsible for developing and implementing citizenship and refugee management and immigration services, regulating the gaming industry, providing population management, eradicating drugs and substance abuse, conducting crime research, printing government documents, and overseeing policing.

4.7.2 Budget Performance for GJLO Sector

The budget allocation to GJLO in FY 2025/26 amounted to Kshs.283.04 billion, compared to Kshs.259.82 billion allocated in FY 2024/25. This amount represents 6 per cent of the gross national budget of Kshs.4.69 trillion and 11 per cent of the MDAs’ budget of Kshs.2.55 trillion. The allocation included Kshs.18.92 billion (7 per cent) for development activities and Kshs.264.12 billion (93 per cent) for recurrent expenditure. The State Department for National Police Service received the highest budgetary allocation of Kshs.127.09 billion (45 per cent of the Sector’s budget), while the Kenya National Commission on Human Rights had the lowest budgetary allocation of Kshs.530.33 million (less than 1 per cent of the GJLO Sector allocation).

The high allocation to the State Department for the National Police Service was due to the provision of safety and security in the Country by maintaining law and order, protecting life and property, including offering security to the government’s critical infrastructure and other related activities. Figure 4.11 shows the budgetary allocation trends of the GJLO Sector from FY 2021/2022 to FY 2025/26.

Figure 4.11: Budgetary Allocation Trend for the GJLO Sector

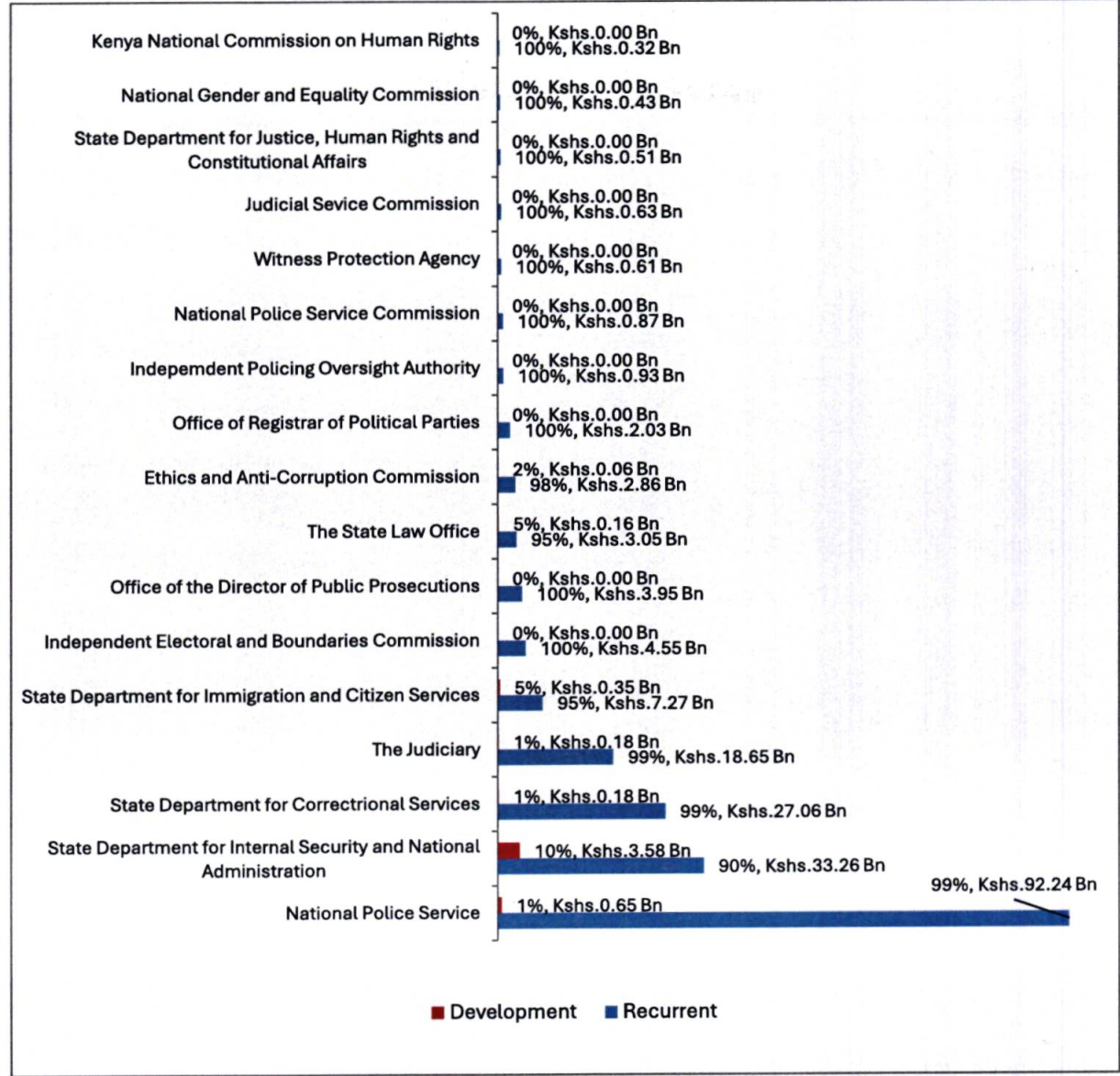


Source: National Treasury

The total exchequer issues to the GJLO Sector amounted to Kshs.204.38 billion, representing 76 per cent of the Sector’s net estimates. This amount comprised Kshs.5.16 billion for development expenditure, representing 58 per cent of development net estimates, and Kshs.199.21 billion for recurrent activities, representing 78 per cent of recurrent net estimates.

In the first nine months of FY 2025/26, the State Department for Internal Security and National Administration received the highest proportion of development exchequer issues as a percentage of development net estimates, at 90 per cent. Conversely, the Judiciary Fund received the lowest exchequer issues for development expenditure at 16 per cent. The State Department for Internal Security and National Administration recorded the highest proportion of recurrent exchequer issues to recurrent net estimates of 105 per cent. This was occasioned by additional funding of Kshs.8.09 billion for recurrent activities to the State Department for Internal Security and National Administration through Article 223 of the Constitution. In comparison, the Independent Electoral and Boundaries Commission recorded the lowest ratio of recurrent exchequer issues to recurrent net estimates at 49 per cent. Figure 4.12 shows the exchequer issues to the GJLO Sector in the first nine months of FY 2025/26.

Figure 4.12: Exchequer Issues to the GJLO Sector



Source: National Treasury

The total expenditure for the GJLO Sector amounted to Kshs.221.26 billion, representing 78 per cent of the Gross Estimates, compared to Kshs. 194.56 billion (76 per cent) recorded in the first nine months of FY 2024/25. This amount comprised Kshs.17.73 billion for the development budget, representing 94 per cent of the revised gross estimate, compared to 99 per cent recorded in a similar period of FY 2024/25, and Kshs.203.54 billion for recurrent expenditure, representing 77 per cent of the revised gross estimates, compared to 75 per cent recorded in the first nine months of FY 2024/25. Table 4.106 shows the GJLO sector analysis of exchequer issues and expenditure in the first nine months of FY 2025/26.

Table 4.106: GJLO Sector-Analysis of Exchequer Issues and Expenditure

VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross Estimates	Net Estimates	Ex-chequer Issues	Expenditure	% of Exchequer to Revised Net Estimates	% of Expenditure to Revised Gross Estimates	Gross Estimates	Net Estimates	Ex-chequer Issues	Expenditure	% of Exchequer to Net Estimates	% of Expenditure to Gross Estimates
State Department for Correctional Services	0.31	0.31	0.18	0.20	59	66	37.84	37.83	27.06	27.97	72	74
State Department for Immigration and Citizen Services	10.64	1.67	0.35	12.35	21	116	11.70	9.18	7.27	10.28	79	88
National Police Service	1.71	1.21	0.65	0.89	54	52	125.38	125.31	92.24	96.37	74	77
State Department for Internal Security and National Administration	3.97	3.97	3.58	3.64	90	92	31.86	31.73	33.26	29.99	105	94
The State Law Office	0.30	0.30	0.16	0.19	53	62	5.09	4.52	3.05	3.12	67	61
State Department for Justice, Human & Constitutional Affairs	-	-	-	-	-	-	1.02	1.02	0.51	0.57	50	56
The Judiciary	1.70	1.15	0.18	0.26	16	15	25.24	24.87	18.65	17.44	75	69
Ethics and Anti-Corruption Commission	0.18	0.18	0.06	0.14	35	80	4.32	4.31	2.86	3.18	66	74
Office of the Director of Public Prosecutions	0.09	0.09	-	0.05	-	60	4.40	4.39	3.95	4.05	90	92
Office of the Registrar of Political Parties	-	-	-	-	-	-	2.49	2.49	2.03	2.04	82	82
Witness Protection Agency	-	-	-	-	-	-	0.84	0.84	0.61	0.61	72	72
Kenya National Commission on Human Rights	-	-	-	-	-	-	0.53	0.53	0.32	0.36	60	68

VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross Estimates	Net Estimates	Exchequer Issues	Expenditure	% of Exchequer to Revised Net Estimates	% of Expenditure to Revised Gross Estimates	Gross Estimates	Net Estimates	Exchequer Issues	Expenditure	% of Exchequer to Net Estimates	% of Expenditure to Gross Estimates
Independent Electoral and Boundaries Commission	0.03	0.03	-	-	-	-	9.30	9.30	4.55	4.67	49	50
Judicial Service Commission	-	-	-	-	-	-	0.84	0.84	0.63	0.63	75	74
National Police Service Commission	-	-	-	-	-	-	1.39	1.39	0.87	0.85	63	61
National Gender and Equality Commission	-	-	-	-	-	-	0.56	0.56	0.43	0.42	77	76
Independent Policing Oversight Authority	-	-	-	-	-	-	1.32	1.32	0.93	0.98	70	75
Total	18.92	8.91	5.16	17.73	58	94	264.12	260.43	199.21	203.54	76	77
Sector Summary												
	Gross Estimates		Net Estimates		Exchequer Issues		Expenditure		% of Exchequer to Net Estimates		% of Expenditure to Gross Estimates	
Development	18.92		8.91		5.16		17.73		58		94	
Recurrent	264.12		260.43		199.21		203.54		76		77	
Total	283.04		269.34		204.37		221.27		76		78	

Source: MDAs and National Treasury

The State Department for Immigration and Citizen Services recorded the highest absorption of the development budget at 116 per cent, driven by additional funding under Article 223 of the Constitution to facilitate the joint mobile registration outreach programme for national identity cards and birth certificates. In comparison, the Judiciary recorded the least absorption of development budget at 15 per cent. The State Department for Internal Security and National Administration recorded the highest recurrent expenditure as a percentage of gross estimates at 94 per cent, while the Independent Electoral and Boundaries Commission recorded the lowest at 50 per cent.

4.7.3 The State Department for Correctional Services

The State Department for Correctional Services promotes Policies to reform the penal justice system. It is also tasked with developing administrative policies for institutions and facilities for incarcerated minors, as well as for Probation services. The State Department for Correctional Services, along with its agencies; Prison Services and Probation and Aftercare Services, carries out the mandate.

4.7.3.1 Budget Performance by the State Department for Correctional Services

The budget allocation to the State Department for Correctional Services in FY 2025/26 amounted to Kshs.38.15 billion, compared to Kshs.36.16 billion allocated in FY 2024/25.

4.7.3.2 State Department for Correctional Services Programmes and Sub-Programme Performance

The budget allocation was to fund three programmes. Table 4.107 shows budget execution by programmes and sub-programmes under the State Department for Correctional Services in the first nine months of FY 2025/26.

Table 4.107: The State Department for Correctional Services Programme and Sub-Programme Performance

Programmes	Sub-Pro-grammes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorp-tion Rate (%)
		Recurrent	Develop-ment	Total	Recur-rent	Develop-ment	Total	
Prison Ser-vices	Offender Ser-vices	33,068.29	223.10	33,291.39	24,716.56	135.66	24,852.22	75
	Capacity De-velopment	1,684.58	-	1,684.58	1,293.29	-	1,293.29	77
Probation and Aftercare Services	Probation Services	2,253.47	44.20	2,297.67	1,390.67	10.05	1,400.72	61
	After Care Services	196.80	25.70	222.51	113.13	40.88	154.01	69
General Administra-tion, Planning and Support Services	Planning, Policy Co-ordination and Support Service	641.06	16.00	657.06	451.61	15.97	467.58	71
Total		37,844.20	309.00	38,153.21	27,965.26	202.57	28,167.83	74

Source: The State Department for Correctional Services

Analysis of the Programme and sub-programmes revealed that the Capacity Development sub-programme, under the Prison Services programme, had the highest absorption rate at 77 per cent, while the Probation Services sub-programme, under the Probation and Aftercare Services programme, had the lowest at 61 per cent.

4.7.3.3 Non-financial Performance by the State Department for Correctional Services

Table 4.108 presents the achievement against the State Department for Corrective Services’ key performance indicators in the first three months of FY 2025/26.

Table 4.108: Non-Financial Performance by the State Department for Corrective Services

Programme	Sub-Programmes	Key Output	Key Performance Indicator	Annual Tar- get(s)	Achieved as of 31 st March 2026	Variance
Prison Services	Offender Services	Inmates' wel- fare services	Percentage of in- mates provided with medical services	100	100	-
		Offender rehabilitation services	No of inmates offered formal education	6,600	5,007	(1,593)
Probation and Aftercare Ser- vices	Probation Services	Non-custodial offender super- vision services	No. of offenders un- der Probation orders supervised	45,000	102,332	57,332
	County Probation Services	Administration of criminal justice services	Number of Power of Mercy pardonees supervised	170	159	(11)
General Ad- ministration, Planning and Support Ser- vices	Planning Policy Coordination and Support Services	Finance and procurement services	No. of non-financial and financial reports prepared	4	3	(1)

Source: The State Department for Correctional Services

The probation services sub-programme exceeded the annual target of offenders under probation orders supervision by 57,332 offenders. This performance was attributed to a deliberate effort by justice sector stakeholders to promote non-custodial sentencing, whereby less serious offenders were accorded opportunities for rehabilitation through probation orders instead of imprisonment. Conversely, the number of inmates offered formal education fell short of the target by 1,593, against a planned target of 6,600 pardonees. Overall, the department’s performance reflects positive progress.

4.7.3.4 Projects Implementation Status for the State Department for Correctional Services

Table 4.109 summarises some of the projects undertaken by the State Department for Correctional Services.

Table 4.109: State Department for Correctional Services Project Implementation status

Project Name (a)	Project commence date (b)	Expected Project End Date (c)	Source of Funds) (d)	Value of the Proj- ect (Kshs. Million) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Mil- lion) (f)	Expendi- ture in the first nine months of FY 2025/26 (Kshs. Million) (g)	Cumula- tive Ex- penditure as of 31 st March 2026 (Kshs. Million) (h)	Percent- age (%) of com- pletion
Update the table Construction of Sep- tic Tank, Lowdwar Prison	July -01- 2021	June-30- 2026	GOK	7.00	2.00	2.00	2.00	29

Project Name (a)	Project commence date (b)	Expected Project End Date (c)	Source of Funds) (d)	Value of the Project (Kshs. Million) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million) (g)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million) (h)	Percentage (%) of completion
Acquisition of ICT application and Infrastructure setup	July -01- 2021	June -28- 2030	GOK	400.00	16.00	15.97	119.55	30
Construction of Mag-ereza level 4 referral hospital	Oct-29- 2021	June-30- 2028	GOK	1,200.00	15.00	15.00	631.10	53
Emergency flood mitigation for prisons	Dec-01- 2023	June-30- 2027	GOK	100.00	5.19	5.19	70.00	70

Source: The State Department for Correctional Services

Analysis of the projects’ implementation status revealed that the construction of a Septic Tank at Lowdwar Prison was critically behind schedule, with a completion rate of only 29 per cent, despite the target completion date of 30th June 2026, thereby risking a timeline overrun.

4.7.4 The State Department for Immigration and Citizen Services

The State Department for Immigration and Citizen Services promotes the registration of births, deaths & persons, oversight over and coordination of the Management of the National Primary Data Registers for Citizens and Foreign Nationals, Integrated Population Registration Systems (IPRS), coordination of e-citizen services, and is also tasked with maintaining the National Master Population Register.

4.7.4.1 Budget Performance by the State Department for Immigration and Citizen Services

The budget allocation to the State Department for Immigration and Citizen Services in FY 2025/26 amounted to Kshs.22.34 billion, compared to Kshs.20.22 billion allocated in FY 2024/25.

4.7.4.2 State Department for Immigration and Citizen Services Programmes and Sub-Programme Performance

The budget allocation was to fund three programmes. Table 4.110 shows budget execution by programmes and sub-programmes under the State Department for Immigration and Citizen Services in the first nine months of FY 2025/26.

Table 4.110: The State Department for Immigration and Citizen Services Programme and Sub-Programme Performance

Programmes	Sub-Programmes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Migration & Citizen Services Management	Population Registration Services	27.22	-	27.22	-	-	-	-
	Immigration Services	4,896.74	3,913.57	8,810.31	3,881.07	3,622.85	7,503.92	85

Programmes	Sub-Programmes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
	Refugee Affairs	184.32	-	184.32	105.40	-	105.40	57
	E-Citizen Services	369.96	3,527.50	3,897.46	312.66	3,376.82	3,689.48	95
Population Management Services	National Registration Services	3,473.59	2,295.00	5,768.59	2,961.73	4,580.13	7,541.87	131
	Civil Registration Services	1,469.63	414.20	1,883.83	1,174.44	344.48	1,518.92	81
	Integrated Personal Registration Services	143.14	290.00	433.14	121.37	278.36	399.73	92
General Administration and Support Services	Administration and Planning	1,139.84	200.00	1,339.84	1,719.05	152.13	1,871.18	140
Total		11,704.43	10,640.27	22,344.71	10,275.72	12,354.77	22,630.49	101

Source: The State Department for Immigration and Citizen Services

Analysis of the Programme and sub-programmes shows that the State Department for Immigration and Citizen Services recorded an overall absorption rate of 101 per cent. Notably, the National Registration Services sub-programme recorded an absorption rate of 131 per cent, surpassing the reporting period’s threshold of 75 per cent. This was due to additional funding under Article 223 of the Constitution to facilitate the Joint Mobile Registration Outreach Programme for national identity cards and birth certificates.

4.7.4.3 Non-financial Performance by the State Department for Immigration and Citizen Services

Table 4.111 summarises key performance indicators for the State Department for Immigration and Citizen Services for the first nine months of FY 2025/26.

Table 4.111: Non-Financial Performance by the State Department for Immigration and Citizen Services

Programmes	Sub-programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
General Administration & Support Services	Administration and planning	Nyayo House Refurbished	Percentage Completion of funded refurbishment phases	25	5	(20)
Migration & Citizen Services Management	Immigration services	Work permits processed	Percentage of work permit applications processed	15,000	13,107	(1,893)
	e-Citizen	e-citizen services	Number of services onboarded on the e-citizen platform.	11,000	1,695	(9,305)

Programmes	Sub-pro-grammes	Key Output	Key Perfor- mance Indica- tor	Annual Tar- get(s)	Achieved as of 31 st March 2026	Variance
Population Man- agement Services	Civil Registration Services	Civil Registra- tion Services	Percentage of birth certificate applications processed	1,337,456	1,103,987	(233,469)

Source: State Department for Immigration and Citizen Services

As of 31st March 2026, only 1,695 Government services had been onboarded onto the e-Citizen platform against the annual target of 11,000 services. This was a dismal performance given the Executive order in 2023 that directed all Government services to be accessible on the e-Citizen portal and aimed for full compliance and strict timelines for transitioning from old systems to the centralised paybill 222222. Similarly, the refurbishment of Nyayo House was at 5 per cent complete against a target of 25 per cent, reflecting slow progress of the targeted works.

4.7.4.4 Projects Implementation Status for the State Department for Immigration and Citizen Services

Table 4.112 summarises some of the projects undertaken by the State Department for Immigration and Citizen Services.

Table 4.112: State Department for Immigration and Citizen Services Projects Implementation

Project name (a)	Project com- mence date (b)	Expected Project End Dae (c)	Source of funds) (d)	Value of the project (Kshs. Mil- lion) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Mil- lion) (f)	Expendi- ture in the first nine months of FY 2025/26 (Kshs. Mil- lion) (g)	Cumula- tive expen- diture as of 31 st March 2026 (Kshs. Mil- lion) (h)	Per- cent- age (%) of com- ple- tion
Supplies for ID card materials	01st July 2014	30 th June 2028	GoK	31,000.00	2,132.00	4,293.70	13,900.48	45
Purchase of e-passport books	01st July 2016	30 th June 2027	GoK	15,200.00	2,036.52	2,036.52	9,110.62	60
Supplies for passport pro- duction	01st July 2017	30 th June 2026	GoK	9.70	297.53	614.83	2,009.79	21
e-Citizen	04th January 2023	30 th June 2026	GoK	21,000.00	1,763.75	3,376.82	6,423.88	31
IPRS upgrade and rollout	01st July 2015	30 th June 2027	GoK	5,500	290.00	289.99	778.20	14

Source: The State Department for Immigration and Citizen Services

Analysis of the project implementation status by the State Department for Immigration and Citizen Ser-
vices revealed that the purchase of e-passport books recorded the highest completion rate at 60 per
cent, while the Integrated Population Registration Service (IPRS) upgrade and rollout had the lowest
completion at 14 per cent due to budget constraints, despite the completion date being June 2027.
Some of these projects like supplies for ID card materials and passport production are ongoing and the
demand is high with limited budget.

4.7.5 The National Police Service

The National Police Service promotes the protection of life and property and assists the public when needed. It is also tasked with preserving peace and preventing and detecting crime. The mandate is carried out by the National Police Service and its agencies: the Kenya Police Service, the Administration Police, and the Criminal Investigation Service.

4.7.5.1 Budget Performance by the National Police Service

The budget allocation to the National Police Service for FY 2025/26 amounted to Kshs.127.09 billion, compared to Kshs.116.64 billion allocated in FY 2024/25.

4.7.5.2 National Police Service Programmes and Sub-Programme Performance

The budgetary allocation was to fund one programme. Table 4.113 shows budget execution by programmes and sub-programmes under the National Police Service in the first nine months of FY 2025/26.

Table 4.113: The National Police Service Programme and Sub-Programme Performance

Programmes	Sub-Programmes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Ab-sorp-tion Rate (%)
		Recurrent	Develop-ment	Total	Recurrent	Develop-ment	Total	
Policing Services	General Administra-tion	19,399.42	265.61	19,665.03	18,156.75	176.69	18,333.44	93
	Kenya Po-lice Service	58,775.35	220.58	58,995.93	43,009.79	5.00	43,014.79	73
	Admin-istration Police Service	26,496.18	49.38	26,545.56	19,508.44	46.23	19,554.67	74
	Criminal In-vestigation Services	10,426.81	1,160.00	11,586.81	7,805.83	641.91	8,447.74	73
	General Para-military Services	10,280.80	17.25	10,298.05	7,894.08	17.23	7,911.31	77
	Total	125,378.56	1,712.81	127,091.37	96,374.90	887.07	97,261.96	77

Source: The National Police Service

Analysis of the Programme and sub-programmes showed an overall absorption rate of 77 per cent of its total gross estimates (Kshs 127.09 billion). Recurrent expenditure performed relatively well at 77 per cent (expenditure of Kshs.96.37 billion out of the budget of Kshs.125.38 billion), while development expenditure lagged significantly at only 52 per cent (expenditure of Kshs 887.07 million out of the bud-get of Kshs.1.71 billion), indicating possible systemic challenges in utilising development funds across the programme. This disparity between recurrent and development performance further suggests that while routine operational spending was largely on track, capital-based initiatives remained under-im-plemented.

4.7.5.3 Non-financial Performance by the National Police Service

Table 4.114 presents a summary of some Key Performance indicators for the National Police Service in the first nine months of FY 2025/26.

Table 4.114: Non-Financial Performance by the National Police Service

Programme	Sub-pro-grammes	Key Output	Key Performance Indicator	Annual Tar-get(s)	Achieved as of 31 st March 2026	Vari-ance
Policing Ser-vices	General Ad-ministration, planning, and support Services	Assorted security equipment	Percentage of targeted assorted security equipment acquired	30	30	-
		Resolved Public Com-plaints	Percentage of res-olutions of public complaints	100	67	(33)
	Kenya Police Services	Government Vehicles Compliance Services	Percentage Com-pliance with rules regarding the use of Government vehicles	100	79	(21)
		Police Housing Ser-vices	Percentage com-pletion of priori-tised and funded construction	100	5	(95)
	Administration Police Service	Critical Infrastructure Security services	Percentage of secu-rity coverage of VIP & Vital Installations	100	100	-
		Trained serving officers	No. of officers trained	1,100	947	(153)
	Criminal Investi-gation Services	Investigation Services	Percentage of Directives Issued on Directorate Services	100	100	-
		Specialised training services	No. of officers trained on basic investigations	600	0	(600)
	General-Para-military Service	General Service Unit Administration Services	Percentage co-ordination of the administrative functions	100	100	-
		In-House Training Services	Number of serving officers retrained	2,600	948	(1,632)

Source: National Police Service

Overall, Policing Services showed moderate progress in service delivery, with critical outputs such as VIP security coverage, investigation directives, and administrative coordination fully achieved. Key out-put areas, such as specialised training and police housing, recorded minimal to no progress toward the set targets, while other activities, such as security equipment acquisition and complaint resolution, showed steady implementation. Performance on the number of officers trained on basic investigations remained nil, as priority was accorded to specialised training in response to emerging crime trends while for inhouse training the remaining 1,632 officers will be trained in fourth quarter as per the training projections.

4.7.5.4 Projects Implementation Status for the National Police Service

Table 4.115 summarises the projects undertaken by the National Police Service.

Table 4.115: National Police Service Projects Implementation Status

Project Name (a)	Project commence date (b)	Expected Project End Date (c)	Source of Funds) (d)	Value of the Project (Kshs. Million) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million) (g)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million) (h)	Percentage (%) of Completion
Police Modernisation Programme	1/7/2013	1/7/2028	GOK	143,000	200.00	143.89	42,984.72	30
Completion of Police Houses at Kamukunji, Pangani and Central Police	1/7/2013	1/7/2028	GOK	234.00	7.34	-	226.66	97
Expansion of Training Colleges	1/7/2016	30/6/2027	GOK	2,086.00	5.00	-	1,811.80	87
Expansion of APTC -Embakasi	1/7/2025	30/6/2026	GOK	800.00	46.23	46.23	442.23	55
Maintenance of systems	1/1/2020	22/5/2028	GOK	900.00	182.00	68.74	356.63	40
Equipping and training for the National Forensics Lab	1/1/2020	22/5/2028	GOK	7,000.00	125.00	96.20	3.73	53

Source: The National Treasury & National Police Service

The National Police Service projects show uneven progress; with the high-value Police Modernisation Programme (Kshs.143,000 million) at 30 per cent complete, system maintenance (Kshs.900 million) at 40 per cent complete, while construction of police offices (Kshs.35 million) reported no expenditure. On the contrary, low-expenditure projects, such as the Expansion of Training Colleges, were nearly complete (87 per cent).

4.7.6 The State Department for Internal Security and National Administration

The State Department for Internal Security and National Administration promotes oversight of Internal Security affairs. It is also tasked with coordinating National Government functions and services in Counties and State Functions, Government Chemist Services, Peace Building, National Cohesion and Values.

4.7.6.1 Budget Performance by the State Department for Internal Security and National Administration

The budget allocation to the State Department for Internal Security and National Administration in FY 2025/26 amounted to Kshs.35.83 billion, compared to Kshs.39.81 billion allocated in FY 2024/25.

4.7.6.2 State Department for Internal Security and National Administration Programmes and Sub-Programme Performance

The budget allocation was to fund two programmes. Table 4.116 shows budget execution by programmes and sub-programmes under the State Department for Internal Security and National Administration in the first nine months of FY 2025/26.

Table 4.116: The State Department for Internal Security and National Administration Programme and Sub-Programme Performance

Programmes	Sub-Pro-grammes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorp-tion Rate (%)
		Recurrent	Devel-opment	Total	Recurrent	Develop-ment	Total	
General Ad-ministration and Support Services	National Government Coordination Services	9,667.14	3,520.78	13,187.91	13,927.06	3,420.29	17,347.36	132
	Peace Build-ing, National Cohesion and Values	511.18	-	511.18	511.18	-	511.18	100
	Government Chemist Services	646.48	33.00	679.48	362.66	16.50	379.16	56
Policy Coordi-nation Services	National Campaign Against Drug and Sub-stance Abuse	871.27	65.00	936.27	653.45	32.50	685.95	73
	Public Benefit Organisations Regulatory Authority (PBORA) Services	434.18	-	434.18	280.53	-	280.53	65
	Crime Re-search	224.93	-	224.93	168.70	-	168.70	75
	National Gov-ernment Ad-ministration Coordination Services	19,509.36	347.00	19,856.36	14,057.19	173.50	14,230.69	72
Total		31,864.54	3,965.78	35,830.31	29,988.00	3,642.79	33,630.79	94

Source: The State Department for Internal Security and National Administration

Analysis of programmes and sub-programmes showed that the overall absorption rate stood at 94 per cent. The National Government Coordination Services sub-programme surpassed its budget by 32 per cent, attributable to additional funding under Article 223 of the Constitution, amounting to Ksh.3.85 billion, accessed by the State Department for Internal Security and National Administration, utilised for security-related operations.

4.7.6.3 Non-financial Performance by the State Department for Internal Security and National Administration

Table 4.117 presents a summary of achievements against Key Performance Indicators of the State De-partment for Internal Security and National Administration in the first nine months of FY 2025/26.

Table 4.117: Non-Financial Performance by the State Department for Internal Security and National Administration

PROGRAMME	Sub-Programme	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31st March 2026	Variance
General Admin- istration and Support Services	National Govern- ment Coordination Services	National Govern- ment coordination services	Percentage of security operations coordinated	100	100	
National Gov- ernment Admin- istration Field Services		Private security -Regulatory services	Number of private security firms licensed	1000	-	(1000)
	Disaster Risk Re- duction	Disaster response coordination ser- vices	Percentage of affected families/ entities supported post-disaster	100	-	-
	Peace Building, National Cohesion and Values	Peaceful coexis- tence	Percentage of County peace structures revit- alised and fully operational.	100	1	(99)
			Number of public sectors audited	1	3	2
	National Govern- ment Coordination Services	National Govern- ment coordination services in the region	Percentage of se- curity coordination in the regions	100	100	-
		National govern- ment administrative offices	Number of offices constructed	45	20	(25)
Policy Coordina- tion Services	Non-Governmental Organizations Reg- ulatory Services	Public Benefit Or- ganisations (PBOs) coordination/ Regu- latory services	Number of PBOs sensitised on terrorism financing risks	400	146	(254)

Source: State Department for Internal Security and National Administration

As at the end of the first nine months of FY2025/26, performances across sub-programmes were mixed. Security coordination met all its targets, and public sector audits exceeded expectations (3 public entities audited, against a target of 1). However, most of the other areas showed significant shortfalls, including private security regulatory services and disaster response coordination services, which recorded nil output despite targets of 1000 private security firms licensed and 100 per cent of victims supported post-disaster, respectively. On peaceful coexistence, only 1 per cent of county peace structures were revitalised compared to the target of 100 per cent. This is attributed to delays in loading the quarterly budget and late exchequer releases affecting timely program implementation.

4.7.6.4 Projects Implementation Status for the State Department for Internal Security and National Administration

Table 4.118 summarises some of the projects undertaken by the State Department for Internal Security and National Administration.

Table 4.118: State Department for Internal Security and National Administration Projects Implementation Status

Project Name (a)	Project com- mence date (b)	Expected Project End Date (c)	Source of Funds) (d)	Value of the Proj- ect (Kshs. Million) (e)	Total Fund- ing in the first nine months of FY2025/26 (Kshs. Mil- lion) (f)	Expendi- ture in the first nine months of FY 2025/26 (Kshs. Million) (g)	Cumu- lative Expendi- ture as of 31 st March 2026 (Kshs. Million) (h)	Percent- age (%) of Comple- tion (I=h/e)
National Police Service Modern- ization Project	7/1/2023	7/1/2030	GOK	45,500.00	3,400.00	3,400.00	12,400.00	27
Expansion of the Kenya School of Adventure and Leadership	7/1/2023	6/30/2029	GOK	1,200	40.77	20.39	360.60	30
Expansion, extension and refurbishment of Government chemist laborato- ries in Nairobi and Mombasa	1/7/2016	30/6/2029	GOK	205.66	33.00	16.50	95.34	46
Refurbishment of Harambee Hse (Replacements of lifts)	7/1/2024	6/30/2038	GOK	1,007	20.00	10.00	839.44	34

Source: State Department for Internal Security and National Administration

The State Department’s implementation of the projects was on target, except for the extension and refurbishment of Government Chemist laboratories in Nairobi and Mombasa, which risked a timeline overrun. The project’s status showed no progress from what was reported in the first six months of FY 2025/26.

4.7.7 The State Law Office

The State Law Office promotes adherence to the law by Ministries, Departments, and Agencies. It is also tasked with representing the national government in legal proceedings before national, regional, and international courts and tribunals to which the national government is a party, except in criminal proceedings. The mandate is carried out in collaboration with its agencies through Registration Services, legislation, Treaties and Advisory Services, and Governance Reforms.

4.7.7.1 Budget Performance by The State Law Office

The budget allocation to the State Law Office in FY 2025/26 was Kshs.5.39 billion, compared to Kshs.5.72 billion allocated in FY 2024/25.

4.7.7.2 The State Law Office Programmes and Sub-Programme Performance

The budgetary allocation was to fund three programmes. Table 4.119 shows budget execution by programmes and sub-programmes under the State Law Office in the first nine months of FY 2025/26.

Table 4.119: The State Law Office Programme and Sub-Programme Performance

Programmes	Sub-Programmes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Legal Services	Civil Litigation, Promotion of legal services	1,895.05	-	1,895.05	1,245.85	-	1,245.85	66
	Legislation, Treaties, and Advisory Services	374.63	-	374.63	263.51	-	263.51	70
	Public Trusts and Estates Management	229.55	-	229.55	161.49	-	161.49	70
	Registration Services	790.14	-	790.14	557.06	-	557.06	71
	Legal Education Training and Policy	1,047.26	50.00		367.26	50.00	417.26	38
General Administration, Planning and Support Services	Transformation and Public Services	165.04	-	165.04	118.53	-	118.53	72
	Administrative Services	585.14	250.00	835.14	410.70	137.12	410.70	66
Total		5,086.80	300.00	5,386.80	3,124.40	187.12	3,311.52	61

Source: The State Law Office

Registration Services recorded the highest absorption rate at 71 per cent, while Legal Education Training and Policy recorded the lowest at 38 per cent in the first nine months of FY 2025/26. The low budget absorption on Legal Education Training and policy was due to reporting of the exchequer component recurrent transfers against the gross transfers and the AIA component that was not yet posted in the IF-MIS. The State Law Office recorded an overall absorption rate of 61 per cent of its budgetary allocation, which was below the period’s target of 75 per cent.

4.7.7.3 Non-financial Performance by the State Law Office

Table 4.120 presents achievements against some Key Performance indicators for the State Law Office in the first nine months of FY 2025/26.

Table 4.120: Non-Financial Performance by the State Law Office

Programmes	Sub-programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
Legal Services	Civil Litigation and Promotion of Legal and Ethical Standards	Civil Litigation Services	No. of cases against the government concluded	2,100	1,704	(396)

Programmes	Sub-programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
		Number of complaints against advocates investigated and finalised	No. of complaints against advocates investigated and finalised	1200	632	(568)
Governance, Legal Training, and Constitutional Affairs	Legal Education Training and Policy	Advocates Training Program (ATP) Examination	No. of qualified ATP candidates gazetted for admission to the Roll of Advocates	1,700	1,252	(448)
	Constitutional and legal reforms	Law Review and Reform Services	No. of County offices where SLO services are decentralised	13	-	(13)
General Administration, Planning and Support Services	Transformation of Public Legal Services	Commercial Arbitration Services	No. of state law officers trained on emerging and specialised areas of the law	60	46	(14)
	Administrative Services	Administrative Support Services	No. of Regional Offices refurbished	10	-	(10)

Source: State Law Office

During the period under review, service delivery recorded partial progress towards the achievement of the annual targets across the programmes. However, decentralisation of State Law Office services to Counties (annual target of 13 County Offices) did not record any output due to delays in sourcing office space in some of the remaining counties. Nevertheless, services continue to be offered through satellite offices established within the operational counties.

4.7.7.4 Projects Implementation Status for The State Law Office

Table 4.121 summarises the projects undertaken by the State Law Office.

Table 4.121: The State Law Office Projects Implementation Status

Project Name (a)	Project commence date (b)	Expected Project End Date (c)	Source of Funds) (d)	Estimated value of the Project (Kshs. Million) (e)	Funding in the first nine months of FY 2025/26 (Kshs. Million) (f)	Expenditure in the first nine months of FY 2025/26 (Kshs. Million) (g)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million) (h)	Percentage (%) of Completion
Refurbishment of Sheria House and the company's Registry-Nairobi	01st July 2021	30th June 2027	GoK	395.00	140.00	66.45	215.44	69
Ultra-Modern Library & moot Court-Kenya School of Law-Karen	01st July 2023	30th June 2027	GoK	768.00	50.00	50.00	528.00	65
Automation of the State Law Office Services	01st July 2023	30th June 2028	GoK	1,650	110.00	70.67	183.17	11

Source: State Law Office

As at 31st March 2026, the Refurbishment of Sheria House and the Company’s Registry had the highest completion rate at 69 per cent, followed by Ultra-Modern Library & Moot Court at 65 per cent completion. The Automation of State Law Office Services was, however, at an early stage of implementation, with a completion rate of 11 per cent, thus suggesting the need for close monitoring to ensure its timely execution.

4.7.8 The Judiciary

The Judiciary promotes the administration of justice and is also tasked with promoting and interpreting the Constitution.

4.7.8.1 Budget Performance by The Judiciary

The original budgetary allocation to the Judiciary in FY 2025/26 was Kshs.26.94 billion, compared to Kshs.22.79 billion allocated in FY 2024/25.

4.7.8.2 The Judiciary Programmes and Sub-Programme Performance

The budget allocation was to fund one programme. 4.122 shows budget execution by programmes and sub-programmes under the Judiciary in the first nine months of FY 2025/26.

Table 4.122: The Judiciary Programme and Sub-Programme Performance

Programmes	Sub-Pro-grammes	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Ab-sorp-tion Rate (%)
		Recurrent	Develop-ment	Total	Recurrent	Develop-ment	Total	
Dispensation of Justice	Access to Justice	18,206.18	1,700.00	19,906.18	12,210.75	179.16	12,389.92	62
	General Administration and Planning	7,031.22	-	7,031.22	5,233.18	76.78	5,309.96	76
Total		25,237.40	1,700.00	26,937.40	17,443.93	255.95	17,699.88	66

Source: The Judiciary

Analysis of the programme revealed an absorption rate of 66 per cent, below the target for the reporting period of 75 per cent.

4.7.8.3 Non-financial Performance by the Judiciary

Table 4.123 presents achievements against selected Key Performance Indicators for the Judiciary in the first nine months of FY 2025/26.

Table 4.123: Non-Financial Performance by the Judiciary

Programme	Sub-Pro-grammes	Key Output	Key Performance Indi-cator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
Dispensation of Justice	Access to Justice	Cases resolved	Number of cases re-solved by the Supreme Court	20	18	(2)
			Number of cases re-solved by the Court of Appeal	1,350	1,235	(115)

Programme	Sub-Programmes	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Variance
			Number of cases resolved by the High Court	20,000	17,400	(2,600)
			Number of cases resolved by ELRC	2,500	1,541	(987)
			Number of cases resolved by ELC	3,500	3,293	(207)
			Number of cases resolved by Magistrates' Courts	200,000	97,373	(102,627)
			No. of cases resolved by Tribunals	4,000	4,644	(644)
			Number of cases resolved by Small Claims Court	28,000	21,799	(6,202)
			Number of cases resolved by the Kadhi Courts	4,000	4,644	644
		No. of court circuits conducted	Number of high court circuits conducted	15	8	(7)
			Number of tribunal circuits conducted	10	3	(7)
	General Administration and Planning	No. of court buildings/offices rehabilitated	Number of High Court buildings constructed	4	-	(4)
			Number of Magistrates' Court rehabilitated	20	12	(8)
		Automated Court Process and Services	Number of court stations on the Case Tracking System (CTS)	134	134	-
			Number of Counties Implementing e-filing	47	47	-

Source: The Judiciary

The Judiciary recorded notable progress in case resolution across all courts as at 31st March, 2026, with several courts meeting or exceeding the targeted activity levels. On the contrary, the construction of High Court buildings (target of 4 buildings) recorded no output in the period under review because works are still ongoing in Meru, Eldoret, Kwale, Lodwar, Bomet and Kiambu Law Courts. Overall, the data reflected steady justice dispensation and the discharging of administrative responsibilities.

4.7.8.4 Projects Implementation Status for The Judiciary

Table 4.124 summarises some of the projects undertaken by the Judiciary.

Table 4.124: The Judiciary Projects Implementation Status

Project Name	Project commence date	Expected Project End Date	Source of Funds	Value of the Project (Kshs. Million)	Funding in the first nine months of FY 2025/26 (Kshs. Million)	Expenditure In the first nine months of FY 2025/26 (Kshs. Million)	Cumulative Expenditure as of 31 st March 2026 (Kshs. Million)	Percentage (%) of Completion
Judiciary Automation (ICT)	Ongoing	Ongoing	GoK	449.00	224.52	98.08	224.52	100
Completion of Taka-ba Law Courts	13/2/2024	12/2/2027	GOK	102.51	5.00	-	18.69	48
Completion of Mari-manti Law Courts	18/5/2023	17/11/2024	GoK	52.61	20.00	-	34.82	100
Completion of Mavoko Law Courts	7/12/2022	6/6/2024	GoK	81.90	47.00	-	31.05	87
Construction of Meru Law Courts	7/01/2021	30/10/2025	GOK	637.52			113.20	25
Completion of Mander Law Courts	18/09/2022	4/8/2025	GOK	128.60	1.50		5.66	13
Proposed completion of Mukurwe-ini Law Courts	3/7/2024	24/5/2027	90.61	25.00		5.17	10.57	38

Source: The Judiciary

The Judiciary Automation (ICT) project, with the highest funding in the first nine months of FY 2025/26, was fully completed at 100 per cent, while the Mandera Law Courts, whose completion timeline has already lapsed, remained at 13 per cent due to the need for contract renewal in line with guidance from the Public Procurement Regulatory Authority, indicating significant delays. Other ongoing court projects showed moderate progress, with Mavoko and Meru Law Courts recording completion rates of 87 per cent and 25 per cent, respectively, notwithstanding delays beyond their completion timelines.

4.7.9 The Ethics and Anti-Corruption Commission

The Ethics and Anti-Corruption Commission promotes the prevention of corruption and economic crimes, and combats unethical conduct through law enforcement.

4.7.9.1 Budget Performance by the Ethics and Anti-Corruption Commission

The budget allocation to the Ethics and Anti-Corruption Commission for FY 2025/26 was Kshs.4.50 billion, compared to Kshs.4.21 billion allocated in FY 2024/25.

4.7.9.2 Ethics and Anti-Corruption Commission Programmes and Sub-Programme Performance

The budget allocation was to fund one programme. Table 4.125 shows budget execution by programme and sub-programmes under the Ethics and Anti-Corruption Commission in the first nine months of FY 2025/26.

Table 4.125: The Ethics and Anti-Corruption Commission Programme and Sub-Programme Performance

Programme	Sub-Pro-gramme	Gross Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Ab-sorp-tion Rate (%)
		Recur-rent	Develop-ment	Total	Recurrent	Develop-ment	Total	
Ethics and An-ti-Corruption	Ethics and Anti-Cor-ruption	4,319.96	180.00	4,499.96	3,181.60	143.54	3,325.14	74
Total		4,319.96	180.00	4,499.96	3,181.60	143.54	3,325.14	74

Source: Ethics and Anti-Corruption Commission

Analysis of Programme and sub-programme performance showed that budget implementation for the Ethics and Anti-Corruption Commission was on target, recording an overall absorption rate of 74 per cent.

4.7.9.3 Non-financial Performance by the Ethics and Anti-Corruption Commission

Table 4.126 summarises key performance indicators for the Ethics and Anti-Corruption Commission for the first nine months of FY 2025/26.

Table 4.126: Non-financial performance by the Ethics and Anti-Corruption Commission

Programme	Sub-Programme	Key Output	Key Performance Indicator	Annual Target(s)	Achieved as of 31 st March 2026	Vari-ance
Ethics and An-ti-Corruption	Ethics and Anti-Cor-ruption	Anti-corruption training services	Number of persons trained on ethics and integrity	250	382	194
		Asset tracing and recovery services	Value (Kshs in bil-lion) of illegal and unexplained assets preserved	2.4	4.3	2.5
		Corruption investigation services	Number of corruption and economic crimes investigations completed	431	160	(271)
		Systems review services	Number of system reviews compliance monitored(follow-ups)	14	11	(2)

Source: Ethics and Anti-Corruption Commission

The Ethics and Anti-Corruption Programme recorded improved performance in the first nine months of FY2025/26, with anti-corruption training (382 persons trained against a target of 250 persons) and asset recovery (Kshs.4.3 billion of illegal and unexplained assets preserved against a target of Kshs.2.4 bil-lion) significantly exceeding targets. However, Corruption Investigation Services showed slow progress (160 completed investigations against a target of 431), and overall, this reflects mixed momentum in corruption prevention and enforcement of laws relating to corruption, economic crimes, and unethical conduct.