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THE NATIONAL TREASURY

County Governments Additional Allocations Bill, 2027

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A legislative proposal for submission to Parliament

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COUNTY GOVERNMENTS ADDITIONAL ALLOCATIONS BILL, 2027

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A Bill for

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AN ACT of Parliament to provide for additional allocations to County Governments for the financial year 2027/28; the responsibilities of National Government and County Governments with respect to such allocation; and for connected purposes.

ENACTED by Parliament of Kenya, as follows—

Short title.

1. This Act may be cited as the County Governments Additional Allocations Act, 2027.

Interpretation.

2. In this Act, unless the context otherwise requires—

"Additional allocations" means additional resources allocated to County Governments from the National Government's revenue or in the form of loans and grants from development partners;

"Cabinet Secretary" means the Cabinet Secretary responsible for matters relating to Finance;

Object and Purpose of this Act.

3. The object and purpose of this Act is to—

(a) provide, pursuant to Article 190 and 202 (2) of the Constitution, for additional allocations to County Governments for the financial year 2027/28;

(b) provide for additional allocations from proceeds of loans and grants from development partners; and

(c) facilitate the transfer of additional allocations to counties under this Act from the Consolidated Fund to the respective County Revenue Funds

Additional allocations to County Governments

4. (1) Additional allocations shall be funds agreed upon by the National Assembly and the Senate during the consideration of the Budget Policy Statement and shall comprise of—

(a) additional allocations from the National Government and Development Partners required for functions transferred to counties from the National Government pursuant to Article 187 of the Constitution;

(b) additional allocations provided for under Article 202(2) of the Constitution; and

(c) additional allocations in the form of loans and grants from development partners.

(2) Additional funds allocated under this section shall be included in the respective County Governments' approved revenue and appropriation legislation for financial year 2027/28.

Unconditional additional allocations

5. (1) Unconditional additional allocations to beneficiary County Governments from the National Government Share of Revenue for the financial year 2027/28 shall be as set out in the First Schedule, comprising—

(a) unconditional allocations from proceeds of Court Fines collected from contravention of County Government legislations as set

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out in Column B; and

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(b) unconditional allocations from proceeds of mineral royalties pursuant to Section 183(5)(b) of the Mining Act, 2016, as set out in Column C.

(2) Each County Government's allocation under this subsection shall be transferred to the respective County Revenue Fund, in accordance with a payment schedule published in the Gazette by the Cabinet Secretary in accordance with Section 17 of the Public Finance Management Act, CAP 412A.

Conditional additional allocations

6. (1) Conditional allocations to each county government from the National Government's revenue for the financial year 2027/28 shall be as set out in the Second Schedule, comprising —

(a) conditional allocation for payment to the Community Health Promoters (CHPs) as set out in Column B; and
(b) conditional allocations for the administration costs of the County Rural and Urban Affordable Housing Committees under Section 11(4)(c) of the Affordable Housing Act as set out in Column C;

(2) Conditional allocations financed from the proceeds of loans and grants from development partners to the respective County Governments for the financial year 2027/28 shall be as set out in the Third Schedule, comprising of—

a) conditional allocations financed by proceeds from French Development Agency (AfD) Credit for the Kenya Informal Settlement Improvement Project Phase Two (KISIP II) as set out in Column B;
b) conditional allocations financed by proceeds from International Development Association (IDA) -(World Bank) Credit/Grant for Building Resilient & Responsive Health Systems (BREHS) program as set out in Column C;
c) conditional allocations financed by proceeds from KfW (German Financial Cooperation) Credit Co- Financing of Financing Locally - Led Climate Action Program, (FLLoCA) County Climate Resilience Investment Grant (CCRIG) as set out in Column D;

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d) conditional allocations in paragraphs (c) shall be allocated among the eligible County Governments based on criteria to be determined as follows—

i. The allocation formula has three variables being the county's rural population, the county's rural area and the county's multidimensional poverty, the latter is a proxy for climate risks and vulnerability;

ii. the Accounting Officer responsible for the grant shall for each eligible transfer to a county government, carry out or cause to be carried out, in accordance with the participatory agreement between the National Government and each eligible county government, through the Annual Performance Assesement (APA) Firm, an assessment to determine the eligible county government's performance score for purposes of determining the Performance grant allocation for the financial year 2027/28;

iii. The calculations will be done by the Project Implementation Unit (PIU) on the basis of data specified in subparagraphs (i) and (ii) and the certified APA results, using a template spreadsheet from the PIU to guarantee total transparency. The calculated allocations shall be certified by the Program Steering Committee; and

iv. the Cabinet Secretary shall publish in the Kenya Gazette the allocations determined in terms of subparagraph (iii) above.

e) conditional allocations financed by proceeds from IDA (World Bank) Credit for Food Systems Resilience Project (FSRP) as set out in Column E;

f) conditional allocations financed by proceeds from IDA (World Bank) Credit for National Agricultural Value Chain Development Project (NAVCDP) as set out in Column F;

g) conditional allocations financed by proceeds from IDA (World Bank) Credit for the Kenya Urban Support Project (KUSP) - Urban Institutional Grant (UIG) as set out in Column G;

h) conditional allocation in paragraph (g) shall be allocated among the County Governments on the basis of criteria to be determined as follows-

Allocated at a flat rate of US$ 500,000 equivalent to KSh. 65,000,000 annually for 5 years. For the counties to access the Grant, county governments will need to comply with WHR UIG minimum conditions. Failure to satisfy any of the minimum conditions will disqualify the county from accessing the WHR UIG Grant.

i) conditional allocations financed by proceeds from IDA (World Bank) Credit for the Kenya Urban Support Project (KUSP) - Urban Development Grant (UDG) as set out in Column H and I;

j) conditional allocation in paragraph (i) shall be allocated among the County Governments based on financing agreement between the IDA and the Government of Kenya.

k) conditional allocations financed by proceeds from International Fund for Agricultural Development (IFAD) Credit for the Kenya Livestock Commercialization Project (KeLCoP) as set out in Column J;

l) conditional allocations financed by proceeds from KfW (German Development Bank) Credit for the Drought Resilience Programme in Northern Kenya

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(DRPNK) as set out in Column K;

m) conditional allocations financed by proceeds from International Fund for Agricultural Development (IFAD) Credit for the Integrated Natural Resources Management Programme (INReMP) as set out in Column L,

n) Conditional allocations financed by proceeds from UNFPA – 10th Country Program as set out in Column M;

o) conditional allocations financed by proceeds from IDA (World Bank) Loan for the Kenya Devolution Support Program II (Level 2 Grants) as set out in Column N;

p) conditional allocation in paragraph (o) shall be allocated among the County Governments based on allocation criteria as follows:

   i. The Accounting Officer responsible for the grant, shall for each eligible transfer to a county government, carry out, in accordance with the participatory agreement between the National Government and each eligible county government, through the APA Firm, an assessment to determine the eligible county government's performance score for purposes of determining the Performance Grant allocation.

   ii. For each Disbursement Link Indicator (DLI), that is, DLIs 3–7, a qualifying county government will get 50 percent of the Level 2 Grant allocation if it meets that respective DLI result. The other 50 percent is allocated based on the scores against the performance measures pertaining to each respective DLI result area.

   iii. The investment Grant for a qualifying county government is the sum of what it is allocated under DLIs 3–7 as follows:

      A. DLI 3: KSh.75,000,000 for each county that has increased its Own Source Revenue (OSR) by at least 5 percent annually, over and above the rate of inflation

      B. DLI 4: KSh.75,000,000 for each county that has prepared and is implementing an action plan to reduce the stock of pending bills and maintain it at minimal levels

      C. DLI 5: KSh.97,500,000 for each county that has integrated its Human Resource records, authorized staff establishment and payroll, and uploaded cleaned payrolls in the Human Resource Management Information System

      D. DLI 6: KSh.45,000,000 for each county that is enhancing accountability for results through an integrated performance management framework

      E. DLI 7: KSh.60, 000,000 for each county with a Public Investement Management dashboard with citizen feedback mechanisms.

   The Cabinet Secretary shall publish in the Kenya Gazette the allocations for all the qualifying county governments determined in terms (ii) and (iii) above.

q) conditional allocations financed by proceeds from IDA (World Bank) Loan for the Kenya Water, Sanitation and Hygiene (K-WASH) Program as set out in Column O;

r) conditional allocation in paragraph (q) shall be allocated among the County Governments on the basis of a criteria to be determined as follows-

i. Funds will be allocated to counties based on Disbursement Linked Indicators (DLIs)/Disbursement Linked Results (DLRs) and verified results in the Approved Results Verification Report (RVR) by an Independent Verification Agent (IVA) hired by the Program, according to the following formulas.

Definitions:

- Let C be the county allocation. (The sum of all 19 county allocations should be equal to or less than **KES 4,282,086,900.00** If this amount is exceeded, rationalization will be applied to indicators under DLI/DLR 2, 3, 4, 10.1, 10.2, 11, 12.1, and 12.3.)
- Let S be a binary variable for DLI 1, S=1 if the strategy is verified by IVA as developed in the Approved Results Verification Report (RVR), otherwise S=0
- Let H_w be the Number of households provided with access to improved water services as verified by IVA in Approved RVR (DLI 2 and DLR 10.1)
- Let Q be the number of sustainably functioning water schemes water schemes meeting standards as verified by IVA in Approved RVR (DLI 3 and DLI 11)
- Let H_s be the number of Households provided with access to an improved sanitation facility as verified by IVA in Approved RVR (DLI 4 and DLR 10.2)
- Let V_{ODF} be the number of villages that achieve ODF status as verified by IVA in Approved RVR (DLR 5.1 and DLR 12.1)
- Let V_{CWS} be the number of villages certified as achieving CWS status as verified by IVA in Approved RVR (DLR 5.2 and DLR 12.2)
- Let V_{SWS} be the number of villages that sustain CWS status as verified by IVA in Approved RVR (DLR 5.3 and DLR 12.3)
- Let R_I be the exchange rate of Foreign Currency to Kenya Shillings.

ii. The formula for allocating funds to the counties of Baringo, Bomet, Kericho, Kirinyaga, Kitui, Kwale, Makueni, Mandera, Migori, Murang'a, Nandi, Narok, Samburu, Tana River, Tharaka Nithi, Vihiga, and West Pokot is as follows:

$$C = R_I (1{,}000{,}000S + 40H_w + 5{,}000Q + 30H_s + 2{,}000V_{ODF} + 24{,}600V_{CWS} + 3{,}000V_{SWS})$$

The formula for allocating Turkana and Garissa Counties is as follows:

$$C = R_I (1{,}000{,}000S + 61.11H_w + 10{,}000Q + 50H_s + 2{,}000V_{ODF} + 20{,}000V_{CWS} + 1{,}250V_{SWS})$$

s) conditional allocations financed by proceeds from IDA (World Bank) loan for the Kenya Watershed Services Improvement Project (KEWASIP) as set out in Column P; and

t) conditional allocations financed by proceeds from United States Government for the IFAD - Kenya Health Self-Reliance G2G program as set out in Column Q and R.

u) conditional allocation in paragraph (t) shall be allocated among the County Governments based on the Health Cooperation Framework (HCF) entered

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between the Government of Kenya and the United States Government (USG).

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(3) Each County Government's allocation under subsection (1) and (2) shall —

a) be transferred to the respective County Revenue Fund, in accordance with a payment schedule published in the *Gazette* by the Cabinet Secretary in accordance with Section 17 of the Public Finance Management Act, 2012.

(4) The County Governments' additional allocations under subsection (1) and (2) shall be included in the budget estimates of the National Government and shall be submitted to Parliament for approval.

Report on actual transfers.

7. The Cabinet Secretary shall publish, by the 15th day of each subsequent month, a monthly report on actual transfers of all additional allocations to County Governments disbursed pursuant to this Act.

Books of accounts to reflect National Government transfers.

8. Each County Treasury shall reflect all transfers of conditional allocations by the National Government to the respective County Government in its books of accounts.

Reporting.

9. A County Treasury shall, as part of its consolidated quarterly and annual reports required under the Public Finance Management Act,

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report on-

(a) actual transfers received by the county government from the National Government, up to the end of that quarter or year in the format prescribed by the Public Sector Accounting Standards Board or in the absence of a format prescribed by the Board, in the format prescribed by the National Treasury;
(b) the actual expenditure by the County Government of the allocations made under Sections (5) and (6);
(c) the extent of compliance with the provisions of this Act and with the conditions of allocations as set out in the intergovernmental agreement entered into by the National Government, the development partner and the County Government;
(d) an explanation of any material problems in the expenditure of any allocations made under this Act or compliance with any conditions of allocations set out in an intergovernmental agreement; and
(e) any other information that may be required by the relevant Intergovernmental Agreement.

Financial Misconduct – CAP 412

10. Despite the provisions of any other law, any serious or persistent non-compliance with provisions of this Act constitutes an offence under the Public Finance Management Act, 2012.

Exemption

11. The requirements under sections 191 A to 191 E of the Public Finance Management Act Cap 412A shall not apply to the 2027/28 financial year.

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FIRST SCHEDULE. *(S5(1))*

Unconditional allocations to County Governments from Court Fines and 20% Share of Mineral Royalties in the Financial Year 2027/28 (KSh.)					
S/No.	Counties	FY 2026/27	FY 2027/28		
		Total Unconditional Additional Allocations to County Governments	Allocations for Court Fines Received from Contravention of County Legislation	Allocations for 20% Share of Mineral Royalties	Total Unconditional Allocations
		Column A	Column B	Column C	Column D=B+C
1	Baringo	**525,351**	-	202,533	**202,533**
2	Bomet	**49,000**	3,167	437,830	**440,997**
3	Bungoma	**35,000**	-	-	-
4	Busia	**5,000**	5,000	223	**5,223**
5	Elgeyo/Marakwet	-	115,834	-	**115,834**
6	Embu	**1,193,391**	14,000	875,668	**889,668**
7	Garissa	**472,147**	-	-	-
8	Homa Bay	-	-	78,483	**78,483**
9	Isiolo	**12,231**	-	13,355	**13,355**
10	Kajiado	**310,444,593**	143,000	188,051,216	**188,194,216**
11	Kakamega	**8,058**	82,000	875,707	**957,707**
12	Kericho	**12,075,537**	-	4,244,600	**4,244,600**
13	Kiambu	**26,350,385**	5,221,561	6,584,353	**11,805,914**
14	Kilifi	**241,144,706**	324,625	139,443,109	**139,767,734**
15	Kirinyaga	**1**	-	-	-
16	Kisii	**1,560,790**	-	1,130,108	**1,130,108**
17	Kisumu	**98,381,151**	151,000	5,904,806	**6,055,806**
18	Kitui	**2,349,027**	120,501	1,031,770	**1,152,271**
19	Kwale	**804,288,108**	-	893,060	**893,060**
20	Laikipia	**1,957,621**	125,557	437,830	**563,387**
21	Lamu	-	-	2,584	**2,584**
22	Machakos	**47,274,932**	5,005,464	37,178,614	**42,184,078**
23	Makueni	**39,463**	60,000	437,830	**497,830**
24	Mandera	-	-	-	-
25	Marsabit	**2,169,705**	-	953,721	**953,721**
26	Meru	**19,000**	2,000	1,751,502	**1,753,502**
27	Migori	**34,595,646**	980,208	4,076,200	**5,056,408**
28	Mombasa	**24,746,062**	2,672,460	11,705,773	**14,378,233**
29	Murang'a	**271,782**	-	875,660	**875,660**
30	Nairobi	**85,372,284**	5,066,212	1,455,617	**6,521,829**
31	Nakuru	**8,143,652**	1,708,805	10,834,480	**12,543,285**

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Unconditional allocations to County Governments from Court Fines and 20% Share of Mineral Royalties in the Financial Year 2027/28 (KSh.)					
S/No.	Counties	FY 2026/27	FY 2027/28		
		Total Unconditional Additional Allocations to County Governments	Allocations for Court Fines Received from Contravention of County Legislation	Allocations for 20% Share of Mineral Royalties	Total Unconditional Allocations
		Column A	Column B	Column C	Column D=B+C
32	Nandi	**126,946,040**	9,423,748	32,076,323	**41,500,071**
33	Narok	**4,054,802**	10,000	2,041,622	**2,051,622**
34	Nyamira	**141,143**	30,000	-	**30,000**
35	Nyandarua	-	10,000	437,830	**447,830**
36	Nyeri	**283,500**	84,000	3,502,641	**3,586,641**
37	Samburu	**375,689**	-		-
38	Siaya	**128,000**	-	147	**147**
39	Taita Taveta	**23,336,979**	782,532	4,771,429	**5,553,961**
40	Tana River	**326,033**	-	20,048,643	**20,048,643**
41	Tharaka Nithi	**29,426**	-	13,434	**13,434**
42	Trans Nzoia	-	-		-
43	Turkana	**29,710**	-	3,350	**3,350**
44	Uasin Gishu	**18,405,097**	10,955,888	7,022,183	**17,978,071**
45	Vihiga	-	20,000	791	**20,791**
46	Wajir	-	-	-	-
47	West Pokot	**103,847,148**	-	70,406,979	**70,406,979**
	TOTAL	**1,981,388,191**	**43,117,562**	**559,802,001**	**602,919,563**

SECOND SCHEDULE: (S. 6(1))

Conditional Additional Allocations to County Governments from the National Governments Share of Revenue for the Financial Year 2027/28 (KSh.)

S/NO.	County	FY 2026/27	FY 2027/28		
		Total Conditional Additional Allocations	Community Health Promoters (CHPs)	Allocations from 0.5% of Housing Levy Fund to the County Rural and Urban Affordable Housing Committees	Total Conditional Allocations for FY 2027/28
		Column A	Column B	Column C	Column D= B+C
1	Baringo	301,696,022	63,810,000	10,400,004	74,210,004
2	Bomet	263,520,260	74,070,000	8,412,382	82,482,382
3	Bungoma	373,054,047	107,400,000	8,412,382	115,812,382
4	Busia	249,215,733	66,390,000	8,412,382	74,802,382
5	Elgeyo/Marakwet	328,472,866	37,200,000	10,400,004	47,600,004
6	Embu	309,853,351	60,300,000	10,400,004	70,700,004
7	Garissa	258,628,421	74,520,000	10,400,004	84,920,004
8	Homa Bay	292,166,888	88,620,000	8,412,382	97,032,382
9	Isiolo	388,155,144	21,630,000	8,412,382	30,042,382
10	Kajiado	215,689,614	50,070,000	8,412,382	58,482,382
11	Kakamega	383,458,247	127,500,000	8,412,382	135,912,382
12	Kericho	228,926,270	45,690,000	10,400,004	56,090,004
13	Kiambu	279,245,294	94,680,000	10,400,004	105,080,004
14	Kilifi	273,371,071	116,100,000	10,400,004	126,500,004
15	Kirinyaga	171,603,410	36,660,000	10,400,004	47,060,004
16	Kisii	337,457,827	88,200,000	10,400,004	98,600,004
17	Kisumu	306,892,646	89,940,000	8,412,382	98,352,382
18	Kitui	236,900,628	74,100,000	10,400,004	84,500,004
19	Kwale	200,319,766	52,140,000	10,400,004	62,540,004
20	Laikipia	170,044,460	25,230,000	10,400,004	35,630,004
21	Lamu	215,821,480	14,520,000	10,400,004	24,920,004
22	Machakos	275,724,496	83,250,000	8,412,382	91,662,382
23	Makueni	355,918,840	113,700,000	8,412,382	122,112,382
24	Mandera	215,766,464	18,540,000	10,400,004	28,940,004
25	Marsabit	218,029,469	60,090,000	8,412,382	68,502,382
26	Meru	387,279,086	111,480,000	8,412,382	119,892,382

Conditional Additional Allocations to County Governments from the National Governments Share of Revenue for the Financial Year 2027/28 (KSh.)					
S/NO.	County	FY 2026/27	FY 2027/28		
		Total Conditional Additional Allocations	Community Health Promoters (CHPs)	Allocations from 0.5% of Housing Levy Fund to the County Rural and Urban Affordable Housing Committees	Total Conditional Allocations for FY 2027/28
		Column A	Column B	Column C	Column D= B+C
27	Migori	313,749,754	88,380,000	8,412,382	96,792,382
28	Mombasa	181,586,351	71,610,000	10,400,004	82,010,004
29	Murang'a	280,697,171	46,050,000	8,412,382	54,462,382
30	Nairobi	340,156,906	224,010,000	8,412,382	232,422,382
31	Nakuru	299,272,014	99,390,000	8,412,382	107,802,382
32	Nandi	298,939,635	96,660,000	10,400,004	107,060,004
33	Narok	215,887,326	49,800,000	10,400,004	60,200,004
34	Nyamira	295,076,863	44,370,000	10,400,004	54,770,004
35	Nyandarua	394,053,120	41,610,000	8,412,382	50,022,382
36	Nyeri	211,747,385	74,250,000	10,400,004	84,650,004
37	Samburu	207,076,581	46,140,000	10,400,004	56,540,004
38	Siaya	206,151,952	63,810,000	8,412,382	72,222,382
39	Taita Taveta	169,956,755	41,070,000	8,412,382	49,482,382
40	Tana River	318,985,575	28,890,000	10,400,004	39,290,004
41	Tharaka Nithi	306,020,838	37,950,000	8,412,382	46,362,382
42	Trans Nzoia	236,753,378	67,200,000	10,400,004	77,600,004
43	Turkana	265,805,264	74,250,000	10,400,004	84,650,004
44	Uasin Gishu	292,202,974	61,980,000	8,412,382	70,392,382
45	Vihiga	192,280,729	43,380,000	8,412,382	51,792,382
46	Wajir	194,931,522	60,810,000	10,400,004	71,210,004
47	West Pokot	273,221,921	77,490,000	8,412,382	85,902,382
TOTAL		**12,731,765,814**	**3,234,930,000**	**443,084,897**	**3,678,014,897**

THIRD SCHEDULE. (S 6(2))

County	FY 2026/27	Conditional Additional Allocations from Proceeds of Loans or Grants from Development Partners for Financial Year 2027/28 (Kenya Shillings)																	
		FY 2027/28																	
	Total Loans and Grants for FY 2026/27	French Development Agency (AfD) Credit for the Kenya Informal Settlements Inprovement Project Phase Two	IDA (World Bank) Credit/Grant Building Resilient & Responsive Health Systems – BREHS	KfW (German Financial Cooperation) Credit Co- Financing of Financing Locally-Led Climate Action Program, (FLLoCA) CCRIG	IDA (World Bank) Credit for the Food Sytems Resilience Project (FSRP)	IDA World Bank Credit for the National Agricu ltural Value Chain Development Project (NAVCDP)	IDA (World Bank) Credit for the Kenya Urban Support Project (KUSP)- Urban Institutional Grant (UIG)	IDA (World Bank Credit for the Kenya Urban Support Project (KUSP)- Urban Development Grant (UDG)		International Fund for Agricultural Development (IFAD) Credit for Kenya Livestock Commercialization Project (KeLCoP)	KfW (German Development Bank) Credit and Grant for Drought Resilience Programme in Northern Kenya (DRPNK)	IFAD Integrated Natural Resources Management Programme-(INReMP)	UNFPA - 10th Country Program	IDA (World Bank) loan for the Kenya Devolution Support Program Phase Two (KDSP II) Level 2 Grant	IDA (World Bank Credit for the Kenya Water, Sanitation and Hygiene (K-WASH) Programme	IDA (World Bank) Kenya Watershed Services Improvement Project (KEWASIP)	Kenya Health Self Reliance G2G Program		Total Loans and Grants for FY 2027/28
	Column A	Column B	Column C	Column D	Column E	Column F	Column G (Gran	Column H (Loan	Column I (Grant)	Column J	Column K	Column L	Column M	Column N	Column O	Column P	Column Q (HRH)	Column R (Service delivery- USG)	Column S
Baringo	515,539,979	-	59,128,317	-	362,242,059		-		-	84,300,000	-	-		-	-	200,000,000	22,010,861	16,434,234	744,115,471
Bomet	133,936,099	-	63,900,549	-	-	35,841,216.19	-		-	-	-	-		-	-		39,142,247	33,540,693	172,424,705
Bungoma	183,194,179	-	98,699,640	-	-	59,292,866.60	-		-	72,543,000	-	-		-	-		110,829,037	76,189,318	417,553,862
Busia	168,075,640	-	65,312,868	-	-	49,455,255.52	-		-	68,142,000	-	-		-	-		157,295,465	149,858,970	490,064,559
Elgeyo Marakwet	419,232,240	-	46,844,176	-	346,497,436		-		-	77,481,000	-	137,795,491		-	-		17,003,066	13,613,714	639,234,883
Embu	127,493,595	-	49,673,352	-	-	30,019,351.72	-		-	-	-	-		-	-		26,610,780	29,540,254	135,843,738
Garissa	772,272,426	-	1,202,882,773	-	359,149,244		-		-	-	-	-		-	-	200,000,000	-	5,279,075	1,767,311,092
Homa Bay	266,453,835	-	175,116,032	-	-	52,321,654.40	-		-	-	-	73,295,491		-	-		270,996,808	303,410,472	875,140,457
Isiolo	448,910,802	-	49,718,499	-	344,745,149		-		-	-	-	-		-	-	200,000,000	-	7,027,798	601,491,446
Kajiado	141,782,416	-	81,227,830	-	-	34,856,060.99	-		-	-	-	-		-	-		28,370,847	50,696,511	195,151,249
Kakamega	276,244,157	-	102,687,399	-	-	75,116,534.68	-		-	74,190,000	-	80,224,633		-	-		108,141,672	132,350,587	572,710,826
Kericho	215,724,380	-	65,102,061	-	-	43,469,198.52	-		-	-	-	137,795,491		-	-		30,627,061	50,522,578	327,516,390
Kiambu	307,110,399	-	115,077,123	-	-	73,310,416.83	-		-	-	-	-		-	-		136,513,693	123,442,442	448,343,675
Kilifi	243,421,946	-	236,709,979	-	-	48,141,715.26	-		-	-	-	-		-	-		60,225,504	94,910,524	439,987,722
Kirinyaga	127,148,322	-	121,645,430	-	-	29,526,774.12	-		-	-	-	-		-	-		48,545,777	33,124,666	232,842,647
Kisii	139,414,696	-	75,999,116	-	-	55,680,630.88	-		-	-	-	-		-	-		113,837,618	02,203,921	347,721,286
Kisumu	369,507,843	-	73,457,208	-	-	46,663,982.46	-		-	-	-	73,295,491		-	-		246,193,265	270,645,422	710,255,368
Kitui	296,383,118	-	91,387,713	-	-	54,291,964.79	-		-	-	-	-		-	-	200,000,000	69,131,039	64,249,113	479,059,830
Kwale	331,367,213	-	166,727,143	-	-	30,840,314.38	-		-	-	-	-		-	-	200,000,000	37,454,083	35,831,170	470,872,710
Laikipia	453,520,758	-	51,078,677	-	330,148,819		-		-	-	-	-		-	-	200,000,000	31,650,972	29,479,143	642,357,611
Lamu	273,006,097	-	34,240,284	-	324,411,427		-		-	-	-	-		-	-		-	5,053,433	363,705,144
Machakos	143,970,140	-	86,059,054	-	-	50,843,921.61	-		-	-	-	-		-	-		67,567,627	79,940,616	284,411,213
Makueni	287,080,226	-	70,843,829	-	-	43,961,776.11	-		-	-	-	-		-	-	200,000,000	73,315,992	65,438,433	453,560,030
Mandera	415,053,635	-	211,291,286	-	365,917,920		-		-	-	-	-		-	-		-	2,891,034	580,100,240
Marsabit	862,315,031	-	75,205,208	-	360,941,619		-		-	100,701,000	228,702,337	-		-	-	200,000,000	-	5,253,220	970,803,384
Meru	295,824,984	-	90,155,166	-	-	58,800,289.00	-		-	-	-	-		-	-	200,000,000	75,942,310	63,170,264	488,068,029
Migori	219,652,829	-	73,777,385	-	-	51,829,076.80	-		-	-	-	80,224,634		-	-		264,164,014	188,544,763	658,539,873
Mombasa	252,393,902	-	71,536,530	-	-	20,000,000.00	-		-	-	-	-		-	-		144,913,346	129,567,673	366,017,549
Murang'a	135,645,101	-	67,674,594	-	-	47,649,137.66	-		-	-	-	-		-	-		68,456,925	45,495,000	229,275,657
Nairobi City	202,936,136	110,000,000	183,150,621	-	-	20,000,000.00	-		-	-	-	-		-	-		671,553,038	446,363,866	1,431,067,525
Nakuru	341,932,016	-	116,560,277	-	-	68,802,092.62	-		-	65,973,000	-	-		-	-		125,649,810	122,777,270	499,762,450
Nandi	214,753,584	-	62,958,219	-	-	45,439,508.91	-		-	-	-	73,295,491		-	-		35,301,878	42,126,828	259,121,925
Narok	194,031,159	-	194,375,443	-	-	44,618,546.24	-		-	-	-	-		-	-		67,876,782	33,082,358	339,953,129
Nyamira	127,888,817	-	50,546,134	-	-	31,661,277.04	-		-	-	-	-		-	-		36,048,420	43,480,678	161,736,509
Nyandarua	158,739,840	-	52,425,476	-	-	37,975,719.11	-		-	-	-	-		-	-		40,641,234	29,709,486	160,751,915
Nyeri	130,282,556	-	55,832,308	-	-	41,663,080.66	-		-	-	-	-		-	-		70,034,937	50,266,381	217,796,707
Samburu	498,241,022	-	50,589,835	-	355,287,280		-		-	85,101,000	-	-		-	-	200,000,000	12,484,644	6,545,959	710,008,718
Siaya	168,837,551	-	66,995,420	-	-	42,484,043.32	-		-	67,659,000	-	-		-	-		279,456,779	226,673,593	683,268,745
Taita Taveta	126,607,351	-	47,716,231	-	-	33,631,587.43	-		-	-	-	-		-	-		14,405,073	19,332,320	115,085,211
Tana River	505,670,614	-	146,301,465	-	342,765,183		-		-	-	-	-		-	-	200,000,000	-	4,787,834	693,854,482
Tharaka Nithi	274,227,702	-	42,461,174	-	-	27,152,952.83	-		-	-	-	-		-	-	200,000,000	27,462,988	21,062,239	318,139,354
Trans Nzoia	249,921,993	-	66,642,621	-	-	38,632,489.24	-		-	65,310,000	-	80,224,634		-	-		60,484,065	49,488,398	360,782,197
Turkana	1,205,689,543	-	1,236,706,044	-	395,763,772		-		-	-	576,680,837	-		-	-		109,350,519	26,719,734	2,345,220,906
Uasin Gishu	220,038,071	-	74,628,126	-	-	42,319,850.79	-		-	-	-	73,295,491		-	-		80,211,332	92,689,364	363,144,164
Vihiga	126,096,420	-	50,898,590	-	-	33,706,713.26	-		-	-	-	-		-	-		46,809,583	46,073,207	177,488,093
Wajir	436,332,913	-	222,449,098	-	352,244,823		-		-	-	-	-		-	-		-	1,466,671	576,160,592
West Pokot	435,716,819	-	144,438,250	-	359,885,269		-		-	-	-	73,295,491		-	-		15,557,555	12,628,882	605,805,447
TOTAL	56,378,772,962	110,000,000	6,638,834,553	1,500,000,000	4,600,000,000	1,500,000,000	130,000,000	13,202,556,217	2,637,314,853	761,400,000	805,383,174	882,742,338	65,190,000	4,955,000,000	5,100,000,000	2,400,000,000	3,942,268,646	3,483,000,003	52,713,689,784

: KfW-FLLoCA -CCRIG, KUSP-UIG, KUSP-UDG, KDSP Level 2, and K-WASH grants are to be allocated among County Governments on the basis of the criteria set out in Section 6 (2) (d), (h), (j), (p) and (r) of the County Government Additional Allocations Act, 2027 respectively.

MEMORANDUM OF OBJECTS AND REASONS

The principal object of this Bill is to make provision for the additional allocations to County Governments for the 2027/28 financial year.

Clause 1 of the Bill provides for the short title while

Clause 2 defines the various terms used in the Bill.

Clause 3 of the Bill contains the objects and the purpose of the Bill which is to provide for the allocation of additional allocations to respective County Governments for the financial year 2027/28 as well as the transfer of these allocations from the Consolidated Fund to the respective County Revenue Fund.

Clause 4 of the Bill provides for types of additional allocations to County Governments and defines them as funds agreed upon by the National Assembly and the Senate during the consideration of the Budget Policy Statement.

Clause 5 and **6** of the Bill identifies the respective Unconditional additional allocations and cconditional additional allocations to County Governments in the financial year 2027/28.

Clause 7 of the Bill provides for the Cabinet Secretary/ National Treasury to publish, by the 15th day of each subsequent month, a monthly report on actual transfers of all additional allocations to County Governments.

Clause 8 of the Bill obligates the respective county treasuries to have their books of accounts to reflect National Government transfers.

Clause 9 of the Bill provides for quarterly and annual financial and non-financial statutory reporting by the county treasuries on all additional allocations made under the Act.

Clause 10 provides for enforcement of the Act and implication of Financial Misconduct under the Act the Public Finance Management Act, 2012.

Clause 11 provides for the exemption of the provisions of Section 191 A-E of the PFMA, 2012 that requires there be intergovernmental agreements .

Dated.....2/11...., 2026

HON. FCPA JOHN MBADI NG'ONGO, EGH.

Cabinet Secretary for the National Treasury

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Annexes: Frameworks for Managing Conditional Additional Allocations

I. Conditional Additional Allocations from The National Government Share of Revenue

S/No	Project Description	Allocation (KSh.)
1.	Community Health Promoters	3,234,930,000
2.	Allocations from 0.5% of Housing Levy Fund to the County Rural and Urban Affordable Housing Committees	443,084,897
Total		**3,678,014,897**

Detailed Frameworks for the Management of Conditional Additional Allocations from The National Government Share of Revenue in the Financial Year 2027/28

1. Framework for implementation of Community Health Promoters (CHPs) Additional Allocation for Financial Year 2027/28 (Kenya shillings)	
Ministry/ state Department Responsible	Ministry of Health – State Department for Public Health & Professional Standards
Accounting Officer of the National Government responsible	Principal Secretary, State Department for Public Health & Professional Standards
Responsibilities of the National Government accounting officer	a) Set conditions for transfers and monitor compliance. b) Initiate requests for disbursements to County Revenue Funds. c) Submit quarterly financial and technical reports in agreed formats to the National Treasury, Controller of Budget and Commission on Revenue Allocation.
Conditions	1. Signing of the IPA 2. Evidence of allocation of CHP stipends in the county health budget 3. Open a special purpose account for the CHP conditional grant 4. Ensure the funds are disbursed from County Revenue Fund (CRF) to the CHP special purpose account (SPA) within 21 working days. 5. Quarterly submission of financial and technical reports for FY 2027/28 clearly accounting for the grant.
Accounting officer of the County Government responsible	Chief Officer responsible for health in the County government
Responsibilities of the county Government accounting officer	a) Ensure funds are included in the budget estimates of the department responsible for health for the FY 2027/28. b) Ensure quality data submitted through eCHIS. c) Prepare financial expenditure reports to County Treasury with copies to The National Treasury and Planning and Ministry of Health.
Allocation: 2026/2027	**KShs. 3,234,930,000** cumulatively for all the 47 Counties
Purpose of the Grant	Payment of Stipends to Community Health Promoters
Allocation criteria	1. Each county provides evidence of the allocation of funds for the payment of CHP stipends 2. Evidence that CHPs are submitting data through

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		the e-CHIS
Allocation by County Government		
1	Baringo	63,810,000
2	Bomet	74,070,000
3	Bungoma	107,400,000
4	Busia	66,390,000
5	Elgeyo Marakwet	37,200,000
6	Embu	60,300,000
7	Garissa	74,520,000
8	Homa Bay	88,620,000
9	Isiolo	21,630,000
10	Kajiado	50,070,000
11	Kakamega	127,500,000
12	Kericho	45,690,000
13	Kiambu	94,680,000
14	Kilifi	116,100,000
15	Kirinyaga	36,660,000
16	Kisii	88,200,000
17	Kisumu	89,940,000
18	Kitui	74,100,000
19	Kwale	52,140,000
20	Laikipia	25,230,000
21	Lamu	14,520,000
22	Machakos	83,250,000
23	Makueni	113,700,000
24	Mandera	18,540,000
25	Marsabit	60,090,000
26	Meru	111,480,000
27	Migori	88,380,000
28	Mombasa	71,610,000
29	Murang'a	46,050,000
30	Nairobi City	224,010,000
31	Nakuru	99,390,000
32	Nandi	96,660,000
33	Narok	49,800,000
34	Nyamira	44,370,000
35	Nyandarua	41,610,000
36	Nyeri	74,250,000
37	Samburu	46,140,000
38	Siaya	63,810,000
39	Taita Taveta	41,070,000
40	Tana River	28,890,000
41	Tharaka Nithi	37,950,000
42	Trans Nzoia	67,200,000
43	Turkana	74,250,000
44	Uasin Gishu	61,980,000
45	Vihiga	43,380,000
46	Wajir	60,810,000
47	West Pokot	77,490,000
	GRAND TOTAL	**3,234,930,000**

2. Affordable Housing Fund Conditional Grant for County Rural and Urban Affordable Housing Committees	
Ministry/State Department Responsible	Affordable Housing Board (State Department for Housing and Urban Development
Accounting Officer Responsible for the National Government Responsible	Chief Executive Officer, Affordable Housing Board
Responsibilities of the National Government Accounting officer	• Prepare the framework for allocation and disbursement of the county conditional grant through the Council of Governors. • Seek approval of the framework and allocations from the National Treasury and Parliament. • Sign Inter-governmental Participation Agreements (IPA) with the County Governments. • Ensure the county conditional grant, including arrears, is included in the budget estimates of the Board for FY 2027/28. • Disburse the county allocations as per the Affordable Housing Act, 2024 and the framework. • Submit quarterly and annual financial and performance reports to the National Treasury. • Monitor and evaluate performance of the allocation and report to the National Treasury.
Accounting Officer of the County Committee Responsible	The Chief Officer responsible for Housing and Urban Development in the County Government, as Accounting Officer of the County Rural and Urban Affordable Housing Committee.
Responsibilities of the County Committee Accounting Officer	• Facilitate establishment of the County Rural and Urban Affordable Housing Committee under section 34 of the Act. • Facilitate signing of the Inter-governmental Participation Agreement (IPA) with the Affordable Housing Board. • Facilitate opening of the Special Purpose Account (SPA), with authority of the County Treasury, and communicate its details to the Board. • Ensure transfer of funds received from the County Revenue Fund (CRF) to the SPA within 7 days. • Facilitate preparation of the annual work plan, budget and procurement plan and share them with the Affordable Housing Board. • Ensure prudent management of the resources. • Support the Committee in developing a county-specific policy framework for the attainment of affordable housing in consultation with the Board. • Ensure submission of quarterly and annual reports on the implementation of the affordable housing investment programme to the Board within the prescribed timelines. • Facilitate securing of housing site(s) and obtaining concurrence and necessary approvals. • Enter into a project funding agreement with the Board, as applicable.
Conditions	• An established County Rural and Urban Affordable Housing Committee as per section 34 of the Act. • A signed Inter-governmental Participation Agreement (IPA) with the Affordable Housing Board. • An open Special Purpose Account (SPA), with authority of the County Treasury, communicated to the Board. • Transfer of funds received in respect of FY 2027/28 from the County Revenue Fund (CRF) to the SPA within 7 days. • A county-specific policy framework for the attainment of affordable housing developed in consultation with the Board.

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	• A five-year investment programme approved by the County Assembly and adopted by the county executive. • An Annual Investment Programme as an integral part of the Annual Development Plan (ADP), approved by the County Assembly and adopted by the county executive. • An annual work plan, budget and procurement plan. • Quarterly written reports on the implementation of the affordable housing investment programme submitted to the Board in the prescribed format, 15 days after the end of each quarter. • Annual reports on the implementation of the affordable housing investment programme submitted to the Board in the prescribed format, by 31st August each year. • Quarterly Statements of Expenditure signed by the Accounting Officer and internal auditor. • Audited accounts shared with the Board within 15 days of receipt from the Auditor-General. • Funds utilised only on matters related to affordable housing as per the Act. • Proof of levy payment by the County Government as an employer.
Total Allocation for FY 2027/28	**KSh 443,084,897** Comprising **KSh 395,381,960** being 0.5% of Affordable Housing Levy collections of **KSh 79,076,392,035** in FY 2025/26 and **KSh 47,702,937** being arrears FY 2025/26 allocations not disbursed to 24 County Governments.
Purpose of the Grant/Loan (Conditional Additional Allocation)	Administration of the County Rural and Urban Affordable Housing Committees, pursuant to section 11(4)(c) of the Affordable Housing Act, 2024. The grant defrays the recurrent expenses of the Committees and shall not be used to procure vehicles, or to pay salaries and wages other than as provided under section 37 of the Act.
Allocation criteria	The allocation is 0.5% of the Affordable Housing Levy collections for FY 2025/26, as reflected in the audited accounts for the financial year ended 30th June 2026. The allocation is distributed equally among the 47 County Governments, as all County Committees have similar mandates and responsibilities. In addition, the FY 2025/26 allocations not disbursed are provided exclusively to the 24 County Governments that did not receive them, at the FY 2025/26 per-county rate of KSh 1,987,622.36.

ALLOCATION PER COUNTY

No	County	Allocation FY 2027/28 A	Undisbursed Allocations for FY 2025/26 B	Total (A+B)
1	Bomet	8,412,382.13	–	8,412,382.13
2	Bungoma	8,412,382.13	–	8,412,382.13
3	Busia	8,412,382.13	–	8,412,382.13
4	Homa Bay	8,412,382.13	–	8,412,382.13
5	Isiolo	8,412,382.13	–	8,412,382.13
6	Kajiado	8,412,382.13	–	8,412,382.13
7	Kakamega	8,412,382.13	–	8,412,382.13
8	Kisumu	8,412,382.13	–	8,412,382.13
9	Machakos	8,412,382.13	–	8,412,382.13
10	Makueni	8,412,382.13	–	8,412,382.13
11	Marsabit	8,412,382.13	–	8,412,382.13
12	Meru	8,412,382.13	–	8,412,382.13
13	Migori	8,412,382.13	–	8,412,382.13
14	Murang'a	8,412,382.13	–	8,412,382.13
15	Nairobi City	8,412,382.13	–	8,412,382.13

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16	Nakuru	8,412,382.13	–	8,412,382.1
17	Nyandarua	8,412,382.13	–	8,412,382.1
18	Siaya	8,412,382.13	–	8,412,382.1
19	Taita Taveta	8,412,382.13	–	8,412,382.1
20	Tharaka Nithi	8,412,382.13	–	8,412,382.1
21	Uasin Gishu	8,412,382.13	–	8,412,382.1
22	Vihiga	8,412,382.13	–	8,412,382.1
23	West Pokot	8,412,382.13	–	8,412,382.1
24	Elgeyo/Marakwet	8,412,382.13	1,987,622.36	10,400,004.4
25	Embu	8,412,382.13	1,987,622.36	10,400,004.4
26	Garissa	8,412,382.13	1,987,622.36	10,400,004.4
27	Kericho	8,412,382.13	1,987,622.36	10,400,004.4
28	Kilifi	8,412,382.13	1,987,622.36	10,400,004.4
29	Kirinyaga	8,412,382.13	1,987,622.36	10,400,004.4
30	Kisii	8,412,382.13	1,987,622.36	10,400,004.4
31	Kitui	8,412,382.13	1,987,622.36	10,400,004.4
32	Lamu	8,412,382.13	1,987,622.36	10,400,004.4
33	Mandera	8,412,382.13	1,987,622.36	10,400,004.4
34	Mombasa	8,412,382.13	1,987,622.36	10,400,004.4
35	Nandi	8,412,382.13	1,987,622.36	10,400,004.4
36	Nyamira	8,412,382.13	1,987,622.36	10,400,004.4
37	Nyeri	8,412,382.13	1,987,622.36	10,400,004.4
38	Samburu	8,412,382.13	1,987,622.36	10,400,004.4
39	Turkana	8,412,382.13	1,987,622.36	10,400,004.4
40	Baringo	8,412,382.13	1,987,622.36	10,400,004.4
41	Wajir	8,412,382.13	1,987,622.36	10,400,004.4
42	Kiambu	8,412,382.13	1,987,622.36	10,400,004.4
43	Kwale	8,412,382.13	1,987,622.36	10,400,004.49
44	Laikipia	8,412,382.13	1,987,622.36	10,400,004.49
45	Narok	8,412,382.13	1,987,622.36	10,400,004.49
46	Tana River	8,412,382.13	1,987,622.36	10,400,004.49
47	Trans Nzoia	8,412,382.13	1,987,622.36	10,400,004.49
Total		**395,381,960.11**	**47,702,936.64**	**443,084,896.75**

II. Frameworks for the Management of Conditional Additional Allocations Financed from Proceeds of Loans and Grants from Development Partners

S/No	Project Description	Donor	Allocation (KSh.)
1.	Kenya Informal Settlement Improvement Project (KISIP2)	AFD	110,000,000
2.	Building Resilient & Responsive Health Systems (BREHS)	IDA	6,638,834,553
3.	KfW (German Financial Cooperation) Credit Co- Financing of Financing Locally- Led Climate Action Program, (FLLoCA) CCRI-GRANT	KFW	1,500,000,000
4.	Food Systems Resilience Project (FSRP)	IDA (World Bank)	4,600,000,000.00
5.	National Agricultural Value Chain	IDA (World Bank)	1,500,000,000

S/No	Project Description	Donor	Allocation (KSh.)
	Development Project (NAVCDP)		
6.	Kenya Urban Support Project- Urban Institutional Grant (KUSP) UIG	IDA (World Bank) Loan	130,000,000
7.	Kenya Urban Support Project - Urban Development Grant (KUSP) UDG	IDA (World Bank)- Loan	13,202,556,217
		IDA (World Bank) - Grant	2,637,314,853
8.	Kenya Livestock Commercialization Project (KELCOP)	IFAD	761,400,000
9.	Drought Resilience Programme (DRPNK)	KfW	805,383,174
10.	Integrated Natural Resources Management Programme (INReMP)	IFAD	882,742,338
11.	Kenya Devolution Support Program (Level 2 Grant) (KDSP)	IDA (World Bank)	4,955,000,000
12.	Kenya Water, Sanitation and Hygiene K-WASH	IDA (World Bank)	5,100,000,000
13.	10th Country Program	UNFPA	65,190,000
14.	Kenya Watershed Services Improvement Project (KEWASIP)	IDA (World Bank)	2,400,000,000
15.	Kenya Health Self Reliance G2G Program	IFAD (HRH Component)	3,942,268,646
		IFAD (Service Delivery)	3,483,000,003
Total			**52,713,689,784**

Detailed Frameworks for the Management of Conditional Additional Allocations Financed from Proceeds of Loans and Grants from Development Partners

1. Frameworks for Administration of AFD Kenya Informal Settlement Improvement Project 2 (KISIP II)

Allocation to Kenya Informal Settlement Improvement Project 2 (KISIP2) *to improve access to basic services and land tenure security of residents in participating urban informal settlements and strengthen institutional capacity for slum upgrading in Kenya.*

Ministry/State Department Responsible	Ministry of Lands, Public Works, Housing and Urban Development / State Department for Housing and Urban Development (vote:1094)
Accounting officer of National Government Responsible	Principal Secretary, State Department for Housing and Urban Development

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Responsibilities of the National Government accounting officer	• Maintain a database of informal settlements for purposes of consideration for infrastructure improvement; subject the informal settlements to the agreed eligibility criteria for determination of interventions; • Ensure programme allocations as per Annual Work Plan & Budget (AWP&B) are included in the budget estimates of the Ministry for the FY 2027/2028 • Receive and review quarterly and annual financial and non-financial reports from the counties and consolidate • Receive exchequer requests from the counties and instruct the National Treasury to disburse the funds • Submit quarterly and annual financial and performance reports to the National Treasury • Monitor and evaluate performance of the allocation and report to the National Treasury
Accounting officer of County Government Responsible	Chief Officer responsible for Housing
Responsibilities of the County Government accounting officer	• Prepare Programme AWP&B based on the approved activities for submission to the National Project Coordination Team; • Ensure that prior to submission of the AWP&B, it is approved by the County Executive and captured accordingly in the county budget and approved by the County Assembly • The County accounting officer, upon approval of the budget by respective county assembly shall submit on a quarterly basis, a disbursement request to the SDHUD through the county Treasury; and • Submit quarterly and annual financial and performance reports to the SDHUD • Ensure funds are spent for the purpose for which they were disbursed in a fair, efficient and economical manner
Conditions	• Duly signed Participation Agreement between the Cabinet Secretary, Ministry of Lands, Public Works, Housing and Urban Development and Governors of each county on prudent management of the programme funds; • County must have opened a Special Purpose Agreement in a commercial bank • County has formed and operationalized the Single Fiduciary Management Unit • SDHUD will ensure that the funds disbursed by donor are subsequently disbursed to the counties within 7 days after receipt of funds • The county ensure that the funds disbursed from National Government are subsequently credited to the SPA within 7 days after receipt of funds • Both levels will adhere to the requirements of Participation Agreement; • County Governments have carried out environmental and social safeguards and implemented relocation action plans if any; and • Submission of financial and non-financial reports with respect to prior funding is a prerequisite for the next period funding to all spending units. Accounting officer, State Department for Housing and Urban

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	Development will additionally submit consolidated report for all the 24 spending units.		
Allocation: 2027/28	**KES 110,000,000**		
Purpose of the grant	To develop sustainable infrastructure in selected informal settlements in selected urban areas as part of slum upgrading		
Allocation criteria	Based on the county readiness criteria and the settlement eligibility criteria as detailed in Project Appraisal Document and Project Operation Manual.		
	COUNTY	**Donor: AFD**	**Total Allocation**
1.	NAIROBI	110,000,000	110,000,000
	Total	**110,000,000**	**110,000,000**

2. Framework for Managing the Building Resilient and Responsive Health Systems (BREHS)	
Ministry/State Department Responsible	Ministry of Health
Accounting Officer Responsible for the National Government	Principal Secretary, State Departmen for Public & Professional Standards
Responsibilities of the National Government Accounting Officer	• Ensure grant is included in the budget estimates of the State Department for the FY 2027/28. • Develop and disseminate annual BREHS conditional grant framework. • Initiate requests to National Treasury to disburse funds to County Revenue Fund. • Submit quarterly and annual technical and financial reports to the National Treasury and Planning, Controller of Budget and Commission on Revenue Allocation where applicable.
Accounting Officer of County Government Responsible	• Chief Officer of Health in conjunction with the Chief Officer Finance.
Responsibilities of the County Government Accounting Officer	• Ensure grant is included in the estimates of the county health budget for the FY 2027/28 and approved by the County. • Transfer all BREHS project funds from the County Revenue Fund (CRF) to the special purpose account, within 15 days of receipt at the CRF. • Ensure that BREHS funds are used for the intended purpose as per the World Bank Approved Work Plan. • Prepare quarterly financial expenditure reports to the county Treasury, with copies to the National Treasury and Planning and the Ministry of Health. • Prepare quarterly technical reports and submit to the Project. • Ensure quality of the reports (financial and technical reports) by

2. Framework for Managing the Building Resilient and Responsive Health Systems (BREHS)	
	conducting data quality audits by internal auditors.
Conditions	• Signing of the IPA for FY 2024/25 to FY 2028/29. • Budgetary allocation to health of at least 25 percent and increasing every year up to 30 percent. • Open a designated special purpose account (SPA) at Central Bank of Kenya (CBK). • Submit quarterly technical and financial reports with complete documentation of expenditure. • Allocate O&M funds to level 2 and 3 at the same level or higher than previous year. • Allocate budget for HPTs at the same level or higher than the previous year. • Compliance with the audit process.
Allocation 2027/28	A total of **KES 6,638,834,554.96** allocated from BREHS project as conditional grants to the counties, subject to meeting all the conditions and is disaggregated as below:
Purpose of the grant	• Strengthening community health services. • Supporting levels 2 and 3 facility operations and maintenance and functionality of Health Facility Management Committees (HFMC). • Supporting drivers of quality improvement described in the positive list. • Strengthening intercountry coordination and learning.
Allocation criteria	Based on Financing Agreement between the IDA/IBRD and the Government of Kenya and Annual Work plans and Budgets.

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The allocation criteria are based on the County Revenue Allocation Ratio as per the 4th basis allocation index, provided by the Commission on Revenue Allocation as follows:

No.	County	Fourth Basis Allocation Index	Interventions allocation 2.1	Interventions allocation 2.2	Interventions allocation 2.3	Total Interventions allocations
1	Baringo	1.730	59,128,316.55			59,128,317
2	Bomet	1.869	63,900,548.86			63,900,549
3	Bungoma	2.887	98,699,639.92			98,699,640
4	Busia	1.911	65,312,867.99			65,312,868
5	Elgeyo-Marakwet	1.370	46,844,175.96			46,844,176
6	Embu	1.453	49,673,352.22			49,673,352
7	Garissa	2.541	86,861,890.43	129,170,882.21	986,850,000.00	1,202,882,773
8	Homa Bay	2.060	70,410,194.91	104,705,837.59		175,116,032
9	Isiolo	1.454	49,718,499.05			49,718,499
10	Kajiado	2.376	81,227,830.50			81,227,830
11	Kakamega	3.004	102,687,398.86			102,687,399
12	Kericho	1.904	65,102,060.94			65,102,061
13	Kiambu	3.366	115,077,123.31			115,077,123
14	Kilifi	2.784	95,175,727.25	141,534,251.59		236,709,979
15	Kirinyaga	1.431	48,910,875.54	72,734,554.96		121,645,430
16	Kisii	2.223	75,999,115.99			75,999,116
17	Kisumu	2.149	73,457,207.91			73,457,208
18	Kitui	2.673	91,387,713.35			91,387,713
19	Kwale	1.961	67,037,212.33	99,689,930.93		166,727,143
20	Laikipia	1.494	51,078,676.80			51,078,677
21	Lamu	1.002	34,240,283.93			34,240,284
22	Machakos	2.517	86,059,053.85			86,059,054
23	Makueni	2.072	70,843,828.88			70,843,829
24	Mandera	2.485	84,955,445.88	126,335,840.01		211,291,286
25	Marsabit	2.200	75,205,208.22			75,205,208
26	Meru	2.637	90,155,166.35			90,155,166
27	Migori	2.158	73,777,385.30			73,777,385
28	Mombasa	2.093	71,536,529.71			71,536,530
29	Murang'a	1.980	67,674,593.67			67,674,594

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No.	County	Fourth Basis Allocation Index	Interventions allocation 2.1	Interventions allocation 2.2	Interventions allocation 2.3	Total Interventions allocations
30	Nairobi City	5.358	183,150,620.81			183,150,621
31	Nakuru	3.410	116,560,277.50			116,560,277
32	Nandi	1.842	62,958,219.33			62,958,219
33	Narok	2.286	78,153,968.33	116,221,475.12		194,375,443
34	Nyamira	1.479	50,546,133.99			50,546,134
35	Nyandarua	1.534	52,425,475.96			52,425,476
36	Nyeri	1.633	55,832,308.28			55,832,308
37	Samburu	1.480	50,589,834.80			50,589,835
38	Siaya	1.960	66,995,420.49			66,995,420
39	Taita-Taveta	1.396	47,716,231.32			47,716,231
40	Tana-River	1.721	58,824,509.15	87,476,955.72		146,301,465
41	Tharaka-Nithi	1.242	42,461,173.54			42,461,174
42	Trans-Nzoia	1.949	66,642,620.83			66,642,621
43	Turkana	2.939	100,461,462.77	149,394,581.56	986,850,000.00	1,236,706,044
44	Uasin-Gishu	2.183	74,628,126.46			74,628,126
45	Vihiga	1.489	50,898,589.95			50,898,590
46	Wajir	2.616	89,441,749.59	133,007,348.13		222,449,098
47	West Pokot	1.699	58,075,352.44	86,362,897.14		144,438,250
	Total	**100.000**	**3,418,500,000.00**	**1,246,634,554.96**	**1,973,700,000.00**	6,638,834,554.96

Note:

*****The commodity allocation is in-kind and will be received as drawing rights for the counties.*

***The intervention allocation will be received as direct funds transfers to the counties.*

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Implementation Arrangements	**The implementation support plan for the project is based on the following considerations:** a) All activities under Component 1 will be implemented by the MoH and KEMSA as part of their work program. b) The county annual planning, budgeting, implementation, and monitoring will follow public financial management (PFM) process and county Governments will be responsible for implementation of the World Bank approved activities. c) The county will put in place a county implementation team (CIT) to oversee project implementation. d) The implementation of sub-component 2.3 will be undertaken in close coordination with Department for Refugee Services and UNHCR. e) The Project Management Team (PMT) will coordinate both the county and national level activities. **Planning and Budgeting** a) The planning and budgeting for project activities will be done in accordance with existing Government procedures and submitted to the project management team and cleared by the World Bank. b) The project planning and budgetary process shall be implemented in accordance with the standard Government fiscal year which begins on 1st July of each financial year as provided for by the Public Financial Management Act 2012 and the Government Financial Regulations and Procedures. These will form the basis for defining the project activities and ensuring that sufficient funds are allocated to achieve the agreed results. **Accounting and Staffing** a) All the participating counties will be required to designate project finance staff (accountant and procurement) with adequate qualifications and experience to ensure project financial processes are well coordinated, including preparations of financial reports for the project. b) The proposed staff will be reviewed and cleared by the World Bank. c) The counties will maintain projects' books of account using the integrated financial management information system (IFMIS) and manual ledgers. There will be comprehensive start-up workshop where finance staff of the counties will be sensitized on FM requirements for the project to build capacity on managing the project. d) Additional training will be provided on a need basis during project implementation. **Internal Control and Internal Audit** a) The project expenditure initiation, authorization and payments will be in line with PFM Act 2012 and PFM regulations (2015) of Kenya as elaborated and customized in the FM manual. b) Project work plans will be integrated into the internal audit work plans. c) Internal Audit reports covering project activities will be shared with the World Bank on a semi-annual basis (i.e. 30 June and 31 December). d) Regular internal audit, implementation support, monitoring and reporting will be undertaken. **Financial Reporting** a) The PMT Project Accountant at national level will be responsible for preparation of financial reports for the project. b) An interim unaudited Financial Report shall be prepared by the counties and submitted to the PMT by the 15th day after the end of the quarter. The PMT shall consolidate and submit to the World Bank 45 days after the end of the quarter. c) The annual project financial statements shall be consolidated and submitted to the Office of the Auditor General (OAG) for external audit on or before September 30 of each financial year. d) The dedicated Project Accountants at national and counties levels will be provided with capacity building trainings at the commencement of the project which will include refresher financial reporting requirements among other financial management procedures.

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e) PMT finance team will regularly review financial reports by counties and identify any further tailored support that may be provided.

Institutional Arrangements for Procurement

a) The MoH will be the implementing agency responsible for procurement activities at the national level, while KEMSA will be responsible for procurement and distribution of HPTs to primary care facilities.

b) Counties will conduct procurement on a need-by-need basis under Sub-components 2.1, 2.2 and 2.3, based on their AWPs. Counties have gained significant experience in implementing World Bank-financed projects.

c) The procurement decision making process will utilize the internal institutional structures of MoH, KEMSA and the counties.

Disbursements and Funds Flow

a) IDA disbursements will be made into the three Designated Accounts (DA) based on unaudited Quarterly Interim Financial Reports (IFRs) which would provide actual expenditure for the preceding half-year (six months) and cash flow projections for the next two quarters (six months).

b) The initial advance will be disbursed based on initial cash flow requirement for at least the first six months.

c) Subsequent disbursement will be based on the advance amount requested as per the approved interim financial report submitted in every quarter by the Project for both national and county level activities.

d) The banking arrangements for purposes of funds flow will consist of three Development Accounts (DA) denominated in Euros (DA-A for national level activities, DA-B for county level activities and DA-C for the IDA grant for Refugee Health and extra support to the counties).

e) There shall be two project accounts for receipt of funds from DA-A and DA-C.

f) The project accounts shall be opened in Kenyan shillings at the CBK or financial institution acceptable to IDA and shall be to pay for eligible project activities.

g) The funds received through DA-B shall be transferred through the exchequer to the MOH Development Account for transfer to the county revenue fund.

h) Each participating county shall open a Special Purpose Account (SPA) at CBK.

i) Disbursements from the DAs shall be triggered by the PS, SDPHPS to the project accounts for national level activities and for the grant and separately to the County Revenue Fund and subsequently to each of the County Special Accounts for county level activity implementation.

j) The funds received through DA-A and DA-C shall be transferred through the exchequer to the MoH Project Accounts for implementation of national level activities, and transfer to the County Revenue Fund and to the Project Special Purpose Account where applicable.

k) The disbursements to the counties will be based on a schedule prepared by the Project at National level upon confirmation that the counties have met all the stipulated conditions.

l) The funds will then be disbursed to the county revenue fund based on this schedule.

m) The accounting officer at the county level will then transfer the funds to the designated project special purpose account, at the CBK within 15 days of the receipt of funds at the CRF.

n) A follow up letter will be drafted by all county accounting officers communicating the disbursements by county and allocation.

o) To allow for adequate time to utilize the resources, there will be a maximum of 2 disbursements per financial year, with the first disbursement being 75% of the annual allocation for the county, disbursed within the first quarter of the financial year, and a second disbursement in the third quarter of the financial year.

p) Triggers for the initial transfer from DA-B and DA-C to CRF will include the signing of the intergovernmental participation agreement, and approved county AWP&B.

q) Subsequent transfer of funds from DA-B, and DA-C shall be based on consolidated advance request by the Project through the approved IFR.

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	r) The funds transferred from the Ministry Development Account to the CRF shall be within 7 working days. **Record Keeping and Asset Management** a) All records pertaining to the procurement and contract management activities including contract monitoring and payment records and contract completion will be retained by the implementing agencies in procurement files for each procurable activity in accordance with requirements of the financing agreement and uploaded in the STEP system on a timely basis. b) The Project will also ensure that all inventory, stores, and assets procured are received by respective beneficiary counties, taken on charge, and used by the counties for intended purposes.
Monitoring and Evaluation of Compliance of National and County Conditions	Monitoring and Evaluation activities to ensure compliance with the conditions will be done at both the national and county level. a) At the National Level, the Project Management Team is charged with the overall responsibility of coordinating Monitoring and Evaluation and ensuring the respective Directorates/Departments submit quarterly technical and financial reports. b) The counties will be responsible for submitting quarterly technical reports through the Component 2 Coordinator at the Council of Governors.

3. KFW (German Financial Cooperation) Credit Co- Financing of Financing Locally- Led Climate Action Program, (FLLoCA) CCRI- A GRANTS	
Ministry/State Department Responsible	The National Treasury
Accounting Officer Responsible for the National Government	Principal Secretary, The National Treasury
Responsibilities of the National Government Accounting officer	To ensure that the program is implemented within the agreed time lines as per the financing agreement and that funds are spent as per the approved budgets and work plans to achieve the intended project outcomes for the benefit of the Country
Accounting officer of County Government Responsible	County Executive Committee Member in Charge of Finance and Planning
Responsibilities of the County Government accounting officer	• Prepare Project AWP&B and share with the National Treasury through the Financing Locally Led Climate Action Program; • Ensure that the Project AWP&B, upon approval by County Project Steering Committee is submitted to the County Treasury and captured accordingly; • The County Accounting Officer, upon approval of the budget by respective county department shall submit disbursement requests to the National Treasury & Economic Planning through the Financing Locally Led Climate Action Program who will trigger the disbursements • Ensure disbursement of Counterpart funding in the FY 2026/27 to the Project Account; • Submit County quarterly and annual financial, monitoring and performance reports to the National Treasury through County Treasury; • Inform Internal Audit Department of the National Treasury and Economic Planning of any complaints or grievances related to use of the Grant, and which department these complaints were referred to for action; • Quarterly budget implementation reports including information on implementation of projects financed from the KFW funded CCRI-A grants; • Project completion reports (M&E reports) for all completed projects funded by CCRI-A;

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	• Summary of complaints handling relating to CCRI-A grants; • Summary of social and environmental impact management relating to CCRI-A grants; • Ensure proper use of the CCRI- A Grant, i.e., within the eligible set of activities and for the intended purposes, according to plan and with a minimum of 95% of the budget for investments; • Ensure that for projects funded under the CCRI–A Grant, the CG had obtained environmental licenses, where applicable, prior to the start of the projects.
Conditions	Grant Government FY2026/2027 – conditions to be met by 31st March **The CG has** 1. The CG has a designated Climate Change Unit with designated environmental and social focal points. 2. The CG has a rolling County Climate Change Action Plan (CCCAP), approved by the County Executive, with concrete investment priorities for FY 2026/2027 and a forecast for activities in FY 2026/27, based on the earlier and consultatively updated PCRA, with evidence of ward level public participation, latter either directly or as part of the ADP consultations. 3. The CG has established a County Climate Change Fund (CCCF) and allocated for FY 2026/27 the equivalent of at least 1.5% of the county's development budget (excl. CCRI and other conditional grants) to it. 4. By the time of the APA assessment, at least 50% of the CG contribution to the CCCF and the CCRI allocation in FY 2026/27 combined has been either paid or contracted. 5. Timely physical and financial progress reporting to NTPIU that includes reporting on environmental and social safeguards, grievance redress and M&E. 6. Proper use of the CCRI Grant, i.e., within the eligible set of activities and for the intended purposes, according to plan and with a minimum of 95% of the budget for investments. 7. For projects funded under the CCCF (including CCRI), the CG had undertaken environmental and social impact assessments and did obtain all applicable licenses prior to the start of the projects.
Allocation 2027/2028	**Kes 1,500,000,000**
Purpose of the grant	The objectives of the CCRI – A Grant are to allow CGs to implement, equally in a participatory manner, the CCAPs, whilst incentivizing them to increasingly put additional county resources into the CCCF and mainstream climate action into the regular operations of the county departments.
Allocation criteria	Basic CCRI- A allocation criteria shall be follows: i. The allocation formula has three variables being the county's rural population, the county's rural area and the county's multidimensional poverty, the latter is a proxy for climate risks and vulnerability; ii. the Accounting Officer responsible for the grant, shall for each eligible transfers county government, carry out or cause to be carried out, in accordance with the participatory agreement between the National Government and each eligible county government, through the APA Firm, an assessment to determine the eligible county government's performance score for purposes of determining the Performance grant allocation for the financial year 2026/2027; iii. The calculations will be done by the PIU, on the basis of above-mentioned data and the certified APA results, using a template spreadsheet from the PIU to guarantee total transparency. The calculated allocations shall be certified by the PSC to become effective, after which the necessary steps will be taken to reflect the allocations in the National budget. iv. the allocation to the eligible county governments shall be on the

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	basis of the criteria comprising of the performance score determined in paragraph; v. the Cabinet Secretary shall publish in the Kenya Gazette the allocations determined in terms of paragraph (iii) above.

Allocation by County		
County	**KfW Contribution**	**Total**
	CCRIG-A	**CCRIG-A**
Transzoia		
Uasin Gishu		
Elgeyo Marakwet		
Nandi		
Kericho		
Bomet		
Kakamega	1,500,000,000	1,500,000,000
Vihiga		
Bungoma		
Busia		
Siaya		
Kisumu		
Homabay		
Migori		
Kisii		
Nyamira		
TOTAL	**1,500,000,000**	**1,500,000,000**

4. IDA (World Bank) Credit (Food Systems Resilience Project - FSRP)IDA Credit Number:7327-KE & 7328-KE – FRAMEWORKS FOR 2027/2028	
Ministry/State Department Responsible	Ministry of Agriculture and Livestock Development
Accounting Officer Responsible for the National Government	Principal Secretary, State Department for Agriculture
Responsibilities of the National Government Accounting officer	To ensure that the project is implemented within the agreed time lines as per the financing agreement and that funds are spent as per the approved budgets and work plans to achieve the intended project outcomes for the benefit of the intended beneficiaries and the Country as a whole.
Accounting officer of County Government Responsible	• Chief Officer responsible for Agriculture
Responsibilities of the County Government accounting officer	• Prepare Project AWP&B and share with the National Government Coordination Unit; • Ensure that the Project AWP&B, upon approval by County Project Steering Committee is submitted to the County Treasury and captured accordingly; • The County Accounting Officer, upon approval of the budget by respective county department shall submit disbursement requests to the National Treasury through the Ministry of Agriculture Livestock, Fisheries and Irrigation who will trigger the disbursements • Ensure disbursement of Counterpart funds as per the approved budget • Submit quarterly and annual financial and performance reports to the National Treasury through County Treasury
Conditions	• To ensure that the project is implemented within the agreed timelines as per the financing agreement and that funds are spent as per the approved budgets, work plans to achieve the intended project outcomes for the

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	benefit of the Country • Both levels of government will ensure that respective spending units have made provisions for co-financing in the AWP&Bs; • The National Government will ensure that the funds disbursed by World Bank are subsequently disbursed to spending units (both national and co unties) in reasonable time not to delay implementation of Project activities • Ensure project budgets are included in the annual budget estimates of the ministry • Submit quarterly and annual financial and performance reports to the National Treasury and World Bank through the County Treasury • Both levels will adhere to the requirements of Memorandums of Understanding (MoUs) signed between the Cabinet Secretary, Ministry of Agriculture & Livestock Development and Governors of the participating Counties on prudent management of the Project funds • Monitor and evaluate performance of the allocation and report to the National Treasury • Ensure that annual audits are undertaken as per the Financing agreement
Allocation 2027/28	**FSRP Counties.....Ksh 4,600,000,000.00**
Purpose of the grant	"is to increase the resilience of food systems and enhance preparedness to food insecurity, and in case of an eligible crisis or emergency, respond effectively and promptly to it"
Allocation criteria	Based on Financing Agreement between the IDA and the Government of Kenya and annual work plans and budgets.

COUNTY ALLOCATIONS

County	**Amount (KSh.)**
Baringo	362,242,059.00
Elgeyo Marakwet	346,497,436.00
Garissa	359,149,244.00
Isiolo	344,745,149.00
Laikipia	330,148,819.00
Lamu	324,411,427.00
Mandera	365,917,920.00
Marsabit	360,941,619.00
Samburu	355,287,280.00
Tana River	342,765,183.00
Turkana	395,763,772.00
Wajir	352,244,823.00
West Pokot	359,885,269.00
Total	**4,600,000,000.00**

5. IDA (World Bank) Credit (National Agricultural Value Chain Development Project; NAVCDP)	
Ministry/State Department Responsible	Ministry of Agriculture and Livestock Development
Accounting Officer Responsible for the National Government	Principal Secretary, State Department for Agriculture
Responsibilities of the National Government Accounting officer	To ensure that the project is implemented within the agreed time lines as per the financing agreement and that funds are spent as per the approved budgets and work plans to achieve the intended project outcomes for the benefit of the Country
Accounting officer of County Government Responsible	• Chief Officer responsible for Agriculture

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Responsibilities of the County Government accounting officer	• Prepare Project AWP&B and share with the National Government Coordination Unit; • Ensure that the Project AWP&B, upon approval by County Project Steering Committee is submitted to the County Treasury and captured accordingly; • The County Accounting Officer, upon approval of the budget by respective county department shall submit disbursement requests to the National Treasury through the Ministry of Agriculture and Livestock Development who will trigger the disbursements • Ensure disbursement of Counterpart funding in the FY 2027/28 to the Project Account; and • Submit quarterly and annual financial and performance reports to the National Treasury
Conditions	i. To ensure that the project is implemented within the agreed timelines as per the financing agreement and that funds are spent as per the approved budgets, work plans to achieve the intended project outcomes for the benefit of the Country; ii. Both levels of government will ensure that respective spending units have made provisions for co-financing in the AWP&Bs; iii. The National Government will ensure that the funds disbursed by World Bank are subsequently disbursed to spending units (both National and Counties) in reasonable time not to delay implementation of Project activities; iv. Ensure project budgets are included in the annual budget estimates of the ministry; v. Submit quarterly and annual financial and performance reports to the National Treasury and World Bank; vi. Both levels will adhere to the requirements of Memorandums of Understanding (MoUs) signed between the Cabinet Secretary, Ministry of Agriculture and Livestock Development and Governors of the participating Counties on prudent management of the Project funds; vii. Monitor and evaluate performance of the allocation and report to the National Treasury; viii. Ensure that annual audits are undertaken as per the Financing agreement
Allocation 2027/28	**Kes 1,500,000,0000 - IDA**
Purpose of the grant	To increase market participation and value addition for targeted farmers in select value chains in project areas
Allocation criteria	Based on Financing Agreement between the IDA and the Government of Kenya and Annual Work plans and Budgets.

Allocation by County

County	IDA Contribution	County Government counterpart contributions	Total
	(a)	(b)	c = a+b
Mombasa	20,000,000	5,000,000	25,000,000
Kwale	30,840,314.38	5,000,000	35,840,314
Kilifi	48,141,715.26	5,000,000	53,141,715
Taita Taveta	33,631,587.43	5,000,000	38,631,587
Meru	58,800,289.00	5,000,000	63,800,289
Tharaka Nithi	27,152,952.83	5,000,000	32,152,953
Embu	30,019,351.72	5,000,000	35,019,352
Kitui	54,291,964.79	5,000,000	59,291,965
Machakos	50,843,921.61	5,000,000	55,843,922
Makueni	43,961,776.11	5,000,000	48,961,776
Nyandarua	37,975,719.11	5,000,000	42,975,719
Nyeri	41,663,080.66	5,000,000	46,663,081
Kirinyaga	29,526,774.12	5,000,000	34,526,774
Murang'a	47,649,137.66	5,000,000	52,649,138
Kiambu	73,310,416.83	5,000,000	78,310,417
Trans Nzoia	38,632,489.24	5,000,000	43,632,489
Uasin Gishu	42,319,850.79	5,000,000	47,319,851
Nandi	45,439,508.91	5,000,000	50,439,509
Nakuru	68,802,092.62	5,000,000	73,802,093
Narok	44,618,546.24	5,000,000	49,618,546
Kajiado	34,856,060.99	5,000,000	39,856,061
Kericho	43,469,198.52	5,000,000	48,469,199
Bomet	35,841,216.19	5,000,000	40,841,216

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Kakamega	75,116,534.68	5,000,000	80,116,535
Vihiga	33,706,713.26	5,000,000	38,706,713
Bungoma	59,292,866.60	5,000,000	64,292,867
Busia	49,455,255.52	5,000,000	54,455,256
Siaya	42,484,043.32	5,000,000	47,484,043
Kisumu	46,663,982.46	5,000,000	51,663,982
Homabay	52,321,654.40	5,000,000	57,321,654
Migori	51,829,076.80	5,000,000	56,829,077
Kisii	55,680,630.88	5,000,000	60,680,631
Nyamira	31,661,277.04	5,000,000	36,661,277
Nairobi	20,000,000	5,000,000	25,000,000
Total	**1,500,000,000**	**170,000,000**	**1,670,000,000**

6. IDA (World Bank) credit: Kenya Urban Support Project (KUSP) - Urban Institutional Grant (UIG)	
Ministry/State Department Responsible	Ministry of Lands, Public Works, Housing & Urban Development.
Accounting officer of National Government Responsible	Principal Secretary- State Department of Housing and Urban Development.
Responsibilities of the National Government accounting officer	• Ensure funds are included in the budget estimates of the ministry for the FY 2027/28 • Submit quarterly and annual financial and performance reports to the National Treasury and World Bank • Monitor and evaluate performance of the allocation and report to the National Treasury
Conditions	• County government has committed itself to participation in KUSP • County government has drawn up its County Urban Institutional Development Strategy (CUIDS)
Accounting officer of the County Government responsible	Accounting officer responsible for Housing and Urban Development in the County government
Accounting officer of the County Government responsible	• Ensure funds are included in the budget estimates of the relevant department for the FY 2027/28 • Submit quarterly and annual financial and non-financial performance reports to the County Treasury with copies to the State Department of Housing and Urban Development • Monitor and evaluate performance of the allocation and report to the County Treasury.
Allocation : FY 2027/28	**KES 130,000,000**
Purpose of the grant	Provide support to participating County Governments for the formulation of urban development plans including the establishment and operation of urban institutional arrangements such as charters, boards administrations and operation of Urban Institutional arrangements and for the initial preparation of urban infrastructure investments.
Allocation criteria	Based on financing agreement between the IDA and the Government of Kenya.
County	**UIG ALLOCATION FY 2027/28 KES**
1 Garissa	
2 Turkana	
TOTAL	**130,000,000**

7. IDA (World Bank) credit: Kenya Urban Support Project (KUSP) - Urban Development Grant (UDG) – Loan Revenue	
Ministry/State Department Responsible	Ministry of Lands, Public Works, Housing & Urban Development.
Accounting officer of National Government Responsible	Principal Secretary- State Department of Housing and Urban Development.
Responsibilities of the National Government accounting officer	• Ensure funds are included in the budget estimates of the ministry for the FY 2027/28 • Submit quarterly and annual financial and performance reports to the National Treasury and World Bank

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	• Monitor and evaluate performance of the allocation and report to the National Treasury
Conditions	• County government has committed itself to participation in KUSP • County government has drawn up its County Urban Institutional Development Strategy (CUIDS)
Accounting officer of the County Government responsible	Accounting officer responsible for Housing and Urban Development in the County government
Accounting officer of the County Government responsible	• Ensure funds are included in the budget estimates of the relevant department for the FY 2027/28 • Submit quarterly and annual financial and non-financial performance reports to the County Treasury with copies to the State Department of Housing and Urban Development • Monitor and evaluate performance of the allocation and report to the County Treasury.
Allocation: 2027/28	**KES 13,202,556,217**
Purpose of the grant	Provide support to participating County Governments for the formulation of urban development plans including the establishment and operation of urban institutional arrangements such as charters, boards administrations and operation of Urban Institutional arrangements and for the initial preparation of urban infrastructure investments.
Allocation criteria	Based on financing agreement between the IDA and the Government of Kenya.

County		**UDG ALLOCATION 2027/28KES**
1	Baringo	
2	Bomet	
3	Bungoma	
4	Busia	
5	Elgeyo Marakwet	
6	Embu	
7	Garissa	
8	Homa Bay	
9	Isiolo	
10	Kajiado	
11	Kakamega	
12	Kericho	
13	Kiambu	
14	Kilifi	
15	Kirinyaga	
16	Kisii	
17	Kisumu	
18	Kitui	
19	Kwale	
20	Laikipia	
21	Lamu	
22	Machakos	
23	Makueni	
24	Mandera	
25	Marsabit	
26	Meru	
27	Migori	
28	Murang'a	
29	Nakuru	
30	Nandi	

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31	Narok	
32	Nyamira	
33	Nyandarua	
34	Nyeri	
35	Samburu	
36	Siaya	
37	Taita Taveta	
38	Tana River	
39	Tharaka Nithi	
40	Trans Nzoia	
41	Turkana	
42	Uasin Gishu	
43	Vihiga	
44	Wajir	
45	West Pokot	
	TOTAL	**13,202,556,217**

8. IDA (World Bank) credit: Kenya Urban Support Project (KUSP) - Urban Development Grant (UDG) – Grant Component	
Ministry/State Department Responsible	Ministry of Lands, Public Works, Housing & Urban Development.
Accounting officer of National Government Responsible	Principal Secretary- State Department of Housing and Urban Development.
Responsibilities of the National Government accounting officer	• Ensure funds are included in the budget estimates of the ministry for the FY 2027/28 • Submit quarterly and annual financial and performance reports to the National Treasury and World Bank • Monitor and evaluate performance of the allocation and report to the National Treasury
Conditions	• County government has committed itself to participation in KUSP • County government has drawn up its County Urban Institutional Development Strategy (CUIDS)
Accounting officer of the County Government responsible	Accounting officer responsible for Housing and Urban Development in the County government
Accounting officer of the County Government responsible	• Ensure funds are included in the budget estimates of the relevant department for the FY 2027/28 • Submit quarterly and annual financial and non-financial performance reports to the County Treasury with copies to the State Department of Housing and Urban Development • Monitor and evaluate performance of the allocation and report to the County Treasury.
Allocation: 2027/28	**KES 2,637,314,583**
Purpose of the grant	Provide support to participating County Governments for the formulation of urban development plans including the establishment and operation of urban institutional arrangements such as charters, boards administrations and operation of Urban Institutional arrangements and for the initial preparation of urban infrastructure investments.
Allocation criteria	Based on financing agreement between the IDA and the Government of Kenya.
County	**UDG ALLOCATION 2027/28KES**
1 Garissa	
2 Turkana	
TOTAL	**2,637,314,853**

9. FRAMEWORK FOR IMPLEMENTATION OF THE KENYA LIVESTOCK

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COMMERCIALIZATION PROJECT (KeLCoP) FOR FINANCIAL YEAR 2027/2028	
Ministry/ State Department Responsible	Ministry of Agriculture and Livestock Development
Accounting officer of National Government Responsible	Principal Secretary, State Department for Livestock Development
Responsibilities of the National Government Accounting Officer	• Ensure project allocations are as per Annual Work Plan and Budget (AWPB) are included in the budget estimates of the Ministry for the **FY 2027-2028** • Receive quarterly and annual financial and non-financial reports from the counties and consolidate. • Submit quarterly and annual financial and performance reports to the National Treasury and Economic Planning • Monitor and evaluate performance of the allocation and report to the National Treasury
Accounting Officer of County Government Responsible	Chief Officer Responsible for Livestock
Responsibilities of the County Government Accounting Officers	• Prepare the County Annual Work Plan and Budget (AWPB), based on the previous year's activity and budget performance and share with Project Management and Coordination Unit (PMCU) Nakuru • Ensure the county budgets are approved by County Assembly. • Ensure that the AWPB upon approval by County Project Coordination Committee (CPCC) is submitted to the PMCU for consolidation and submission to Project Steering Committee/IFAD approval. • The county accounting officer upon approval of the budget by respective CPCC shall submit disbursement requests to Project Management and Coordination Unit Nakuru, through Statement of Expenditures for reimbursements. • Ensure disbursement of **Kshs 761,400,000** on quarterly basis following submission of acceptable statement of expenditures (SoEs). The Project funds shall be credited to the Project account through respective bank account • Submit quarterly and annual financial & non-financial performance reports to the Project Management and Coordination Unit in Nakuru and separate copies to each county government.
Conditions	• The preparation of AWPB ensuring a bottom up approach and timely submissions for inclusions in GoK overall approved budget estimates including inclusion in the schedule for conditional allocations to County Governments from loans from development partners (CARA). • The Annual Work Plan and Budget (AWPB) shall have been approved by PSC and received IFAD's NO Objection; • County Governments will ensure that the funds disbursed by IFAD through the National Government are subsequently disbursed to respective spending units (**From County Revenue Fund to County Project Operational Accounts**) within the shortest time possible **preferable 5 working days.** • Operational accounts in commercial banks for counties shall have received authority from national treasury. • Both levels will adhere to the requirements of Memorandums of Understanding (MoUs) signed between the Principal Secretary, State Department for Livestock and Governors of each of the ten project counties on prudent management of the project funds • Submission of financial and non-financial reports with respect to prior funding is a prerequisite for the next funding to all spending units. • Accounting officer, State Department for Livestock Development will additionally submit consolidated report for all 10 spending units
Allocation: 2027/2028	**KES 761,400,000**
Purpose of the loan	**Project Goal**: Contribute to the Government's agriculture transformation Agenda of increasing rural small-scale farmers' incomes, food and nutrition security. **Development Objective**: Increase incomes of 160,000 poor livestock and pastoralist households, especially youth and women, in an environmentally friendly manner, in selected project areas of the 10 participating counties.
Allocation criteria	• The criteria for allocation of county funds is based on the financing agreement

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	between IFAD and the Government of Kenya and the Project Design Report, applied through a linear scoring and proportional allocation method. Half of the county envelope is shared equally among the ten counties, giving each county a guaranteed base of 5 percent in recognition of the common core of county-level costs that the Project Design Report spreads equally across the counties. The other half is shared in four parts, namely 25 percent of the envelope in proportion to each county's aridity score, 12.5 percent in direct proportion to its target number of beneficiary households, 1.066 percent in direct proportion to its land area and 11.434 percent in proportion to its composite score on the other six Project Design Report criteria, so that County share = 5% + 25% × (County aridity score ÷ 30) + 12.5% × (County target households ÷ 110,000) + 1.066% × (County area ÷ 126,330 km²) + 11.434% × (County PDR composite score ÷ 181.48). • Aridity follows the classification in paragraph 38 of the Project Design Report, under which arid counties score 5, semi-arid counties 4 and non-ASAL counties 2, so that the arid counties receive the largest allocations, followed by the semi-arid and then the non-ASAL counties. The beneficiary target of 110,000 households and the land area of 126,330 km² are applied in direct proportion to their magnitude, in recognition of the scale of each county's mandate and the logistical cost of reaching beneficiaries. The composite score is the simple sum of the other six county selection criteria in paragraph 39 of the Project Design Report, namely rural poverty, scored on a continuous linear scale from 1 to 5, together with potential for commercialisation, population of the targeted livestock, value chain priority, existing development interventions and security, which are scored from the classifications and ratings in the Project Design Report and its Annex 14 county score sheet. The ten composite scores sum to 181.48. A fixed operational cost adjustment of KES 24,000,000 over the four years is then transferred to Marsabit from the other nine counties, in recognition of the cost of operating across its vast area. • It will also be based on the approved AWPB for FY 2027/2028 and the Proposed KeLCoP Medium Term Expenditure Framework (MTEF) FY 2027/2028 – FY 2030/2031, which provides KES 2,538,000,000 for the ten counties phased at 30, 40, 20 and 10 percent, with each county's share applied in every year. The resulting county shares, after the operational cost adjustment, are Marsabit 13.23 percent, Samburu 11.18 percent, Baringo 11.07 percent, Elgeyo Marakwet 10.18 percent, Kakamega 9.74 percent, Bungoma 9.53 percent, Busia 8.95 percent, Siaya 8.89 percent, Nakuru 8.66 percent and Trans Nzoia 8.58 percent. These shares are indicative and shall be reviewed annually against implementation progress, absorption rates and county work plans.

Allocation by County

Counties	IFAD Contribution [A]	National Government (MoALD-SDLD) Contribution [B]	Total Allocations [C]=[A]+[B]l
Baringo County	84,300,000	0	84,300,000
Bungoma County	72,543,000	0	72,543,000
Busia County	68,142,000	0	68,142,000
Elgeyo Marakwet	77,481,000	0	77,481,000
Kakamega County	74,190,000	0	74,190,000
Marsabit County	100,701,000	0	100,701,000
Nakuru County	65,973,000	0	65,973,000
Samburu County	85,101,000	0	85,101,000
Siaya County	67,659,000	0	67,659,000
Trans Nzoia County	65,310,000	0	65,310,000
TOTAL	**761,400,000**	**0**	**761,400,000**

10. FRAMEWORK FOR MANAGEMENT OF DROUGHT RESILIENCE PROGRAMME IN NORTHERN KENYA (DRPNK)

German Development Bank (KfW)- Drought Resilience Programme in Northern Kenya (DRPNK)

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Ministry/State Department Responsible	Ministry of Water, Sanitation and Irrigation/State Department for Irrigation
Accounting Officer of National Government Responsible	Principal Secretary, State Department for Irrigation
Responsibilities of the National Government Accounting Officer	• Overall fiduciary responsibility for the project funds; • Ensure programme allocations are as per Annual Investment Plans & are included in the budget estimates of the State Department for Irrigation for the FY 2027/28; • Endorses and transmits Withdrawal Applications and payment requests to the National Treasury- triggers disbursement requests; • Review of quarterly progress reports and transmission to KfW; • Review of Annual Investment Plans (AIPs) against Programme eligibility criteria and approval through JPSC; • Procurement of Implementation Support Consultant (ISC); • Capacity building of county staff; • Oversights and provides policy guidance for programme implementation; • Monitoring and evaluation of performance of funds allocated and reporting to the National Treasury and KfW.
Conditions	• The County Governments to ensure Disposition Funds/Additional Allocations are immediately transferred to the Special Purpose Account for the project upon receipt into the County Revenue Fund (CRF) from the National Treasury. • The entire process of transfer of funds from the time KfW releases them to the time they are received at the CRF/SPA should be within 21 days; • Ensure that sufficient partner contributions have been budgeted for and is provided in time to meet operation costs for programme implementation; • Counties must adhere to the requirements and implementation modalities in the Separate Agreement on prudent use and management of the programme funds on eligible expenditures; • Community commitment to provide its partner contribution in kind; • Evidence of the use of funds is to be presented to KfW at the latest four months after the preceding replenishment or at the last period evidenced if no replenishment has been effected; • Project funds are replenished upon accounting by the counties for the previous disbursement; • Annual audit report by external auditor be submitted 3 months after the end of the FY; • Implementation must be within the predetermined clusters.
Accounting Officer of County Government Responsible	• Chief Officer responsible for Agriculture or Water ❖ Turkana County: Chief Officer for Agriculture and Land Reclamation ❖ Marsabit County: Chief Officer for Food Security and Crops Development
Responsibilities of the County Government Accounting Officer	• Overall coordination and quality assurance, primary responsibility for effective and efficient implementation; • Bears fiduciary responsibility for the funds transferred to the county as additional allocation through the Disposition Funds; • Preparation of Annual Investment Plans (AIPs), which upon approval by Joint Programme Steering Committee (JPSC) is submitted to the County Treasury and captured in county budget; • Initiate request for funds disbursement from the NG; • Signs withdrawal applications and payment requests and transmits them to the County Treasury; • Financial and technical reporting and transmission of quarterly progress reports to National Programme Coordinating Unit (NPCU); • Responsible for day-to-day programme implementation including procurement; • Defines ad hoc committees for tender evaluation;
Total Allocation in the 2027/28 Financial Year	**KES 805,383,174.00**

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Purpose of the grant	To ensure that drought resilience and climate change adaptive capacities of the pastoral and agro-pastoral production systems and livelihoods in selected areas of Turkana and Marsabit County are strengthened on a sustainable basis by constructing and rehabilitating relevant infrastructure.
Allocation Criteria	• Based on financing agreement between the Government of Kenya and the Government of the Federal Republic of Germany, through KfW and; • Approved Annual Investment Plans (AIPs) prepared by the county governments.

Allocation per County

	County	**Conditional Allocation (Ksh.)**
1	Marsabit	228,702,337.00
2	Turkana	576,680,837.00
	TOTAL	**805,383,174.00**

11. IFAD Credit (Integrated Natural Resources Management Programme- INReMP)
IFAD Credit Number:200000523100 – FRAMEWORKS FOR 2027/2028

Ministry/State Department Responsible	Ministry of Agriculture and Livestock Development
Accounting Officer Responsible for the National Government	Principal Secretary, State Department for Agriculture
Responsibilities of the National Government Accounting officer	To ensure that the project is implemented within the agreed time lines as per the financing agreement and that funds are spent as per the approved budgets and work plans to achieve the intended project outcomes for the benefit of the intended beneficiaries and the Country as a whole.
Accounting officer of County Government Responsible	• Chief Officer responsible for Agriculture
Responsibilities of the County Government accounting officer	• Prepare Programme AWP&B for the respective County and share with the Programme Coordination and Management Unit; • Ensure that the Project AWP&B, upon approval by County Programme Steering Committee is submitted to the County Treasury and captured accordingly; • The County Accounting Officer, upon approval of the budget by respective county department shall submit disbursement requests to the National Treasury through the Ministry of Agriculture and Livestock Development who will trigger the disbursements • Submit quarterly and annual financial and performance reports to the National Treasury through County Treasury
Conditions	• Ensure that the project is implemented within the agreed timelines as per the financing agreement and that funds are spent as per the approved budgets, work plans to achieve the intended project outcomes for the benefit of the Country • Both levels of government will ensure that respective spending units have made provisions for co-financing in the AWP&Bs; • The National Government will ensure that the funds disbursed by IFAD are subsequently disbursed to spending units (both national and counties) in reasonable time not to delay implementation of Project activities • Ensure project budgets are included in the annual budget estimates of the ministry • Submit quarterly and annual financial and performance reports to the National Treasury and IFAD through the County Treasury • Both levels will adhere to the requirements of Memorandums of Understanding (MoUs) signed between the Cabinet Secretary, Ministry of Agriculture, Livestock, Fisheries and Irrigation and Governors of the

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	participating Counties on prudent management of the Project funds • Monitor and evaluate performance of the allocation and report to the National Treasury • Ensure that annual audits are undertaken as per the Financing agreement
Allocation 2025/26	**INRe.MP Counties.....Ksh 882,742,338.00**
Allocation criteria	Based on Financing Agreement between the IFAD and the Government of Kenya and annual work plans and budgets.

Allocation per County

County	IFAD (a)	County Contribution (b)	Total (a+b)
West Pokot	73,295,491	10,000,000	83,295,491
Elgeyo Marakwet	137,795,491	10,000,000	147,795,491
Trans Nzoia	80,224,634	10,000,000	90,224,634
Uasin Gishu	73,295,491	10,000,000	83,295,491
Kericho	137,795,491	10,000,000	147,795,491
Kisumu	73,295,491	10,000,000	83,295,491
Homa Bay	73,295,491	10,000,000	83,295,491
Migori	80,224,634	10,000,000	90,224,634
Nandi	73,295,491	10,000,000	83,295,491
Kakamega	80,224,633	10,000,000	90,224,633
Total	**882,742,338**	**100,000,000**	**982,742,338**

12. FRAMEWORK FOR THE MANAGEMENT OF THE IDA (WORLD BANK) CREDIT - SECOND KENYA DEVOLUTION SUPPORT PROGRAM - SERVICE DELIVERY AND INVESTMENT GRANT (LEVEL 2 GRANT) IN THE FY 2027/28	
Name of the Project/Programme: Second Kenya Devolution Support Program - Service Delivery and Investment Grant (Level 2)	
Ministry/State Department Responsible	State Department for Devolution
Accounting Officer for the Responsible National Government Entity	Principal Secretary, State Department For Devolution
Responsibilities of the National Government Accounting officer	To ensure that Counties deliver on their mandate under the Second Kenya Devolution Support Program through resource mobilization, determined procedures and requirements for accessing resources, eligibility, disbursement and fiduciary standards. This will be achieved through approved budgets and work plans that are intended to benefit of the County and participatory approaches.
Accounting officer of County Government Responsible	County Chief Officer in Charge of Devolution
Responsibilities of the County Government Accounting Officer	i. Prepare Program AWP&B and share with the State Department for Devolution –National Program Coordination Unit; ii. Ensure that the Program AWP&B, upon approval by County Program Steering Committee is submitted to the County Treasury and captured accordingly; iii. The County Accounting Officer, upon approval of the budget by respective county department shall submit disbursement requests to the State Department for Devolution through the National Program Coordination Unit who will trigger the disbursements iv. Submit quarterly and annual financial, monitoring and performance reports to the National Program Coordination Unit through County Program Implementation unit (CPIU)

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	v. Prepare and submit Project completion reports (M&E reports) for all completed projects vi. Prepare and submit Summary of complaints handling relating to Grant
Conditions	i. Has prepared a work plan and budget for use of the investment grant in the next fiscal year ii. Has disclosed stock of pending bills iii. Has disclosed OSR collection iv. Has established a county SPMU v. Has (i) developed implementation plans for HR and skills audit; (ii) developed implementation plans for special payroll audits; and (iii) published staffing levels aligned with approved structures and staff establishment vi. Has screened proposed infrastructure investments (which will also include feasibility studies and E&S screening for proposed investments) vii. Has trained gender officers aligned with approved training programs viii. Has established CPIUs.
Total Allocation for FY 2027/2028	**Kshs.4,955,000,000**
Purpose of the grant	The objectives of the Service Delivery and Investment Grant (Level 2) – Grant is to provide financing for investments in county infrastructure and service delivery with the aim of incentivizing enhanced performance of counties. The chosen investments must be aligned with the CIDP and CADP
Allocation criteria	**Basic Level -Allocation criterion shall be follows:** i. The Accounting Officer responsible for the grant, shall for each eligible transfer county government, carry out, in accordance with the participatory agreement between the National Government and each eligible county government, through the APA Firm, an assessment to determine the eligible county government's performance score for purposes of determining the Performance grant allocation. ii. For each Disbursement Link Indicator (DLI), that is, DLIs 3–7, a qualifying county government will get 50 percent of the Level 2 Grant allocation if it meets that respective DLI result. The other 50 percent is allocated based on the scores against the performance measures pertaining to each respective DLI result area. iii. The investment grant for a qualifying county government is the sum of what it is allocated under DLIs 3–7 as follows: • DLI 3: Kshs.75,000,000 for each county that has increased its OSR by at least 5 percent annually, over and above the rate of inflation • DLI 4: Kshs.75,000,000 for each county that has prepared and is implementing an action plan to reduce the stock of pending bills and maintain it at minimal levels • DLI 5: Kshs.97,500,000 for each county that has integrated its HR records, authorized staff establishment and payroll, and uploaded cleaned payrolls in the HRMIS • DLI 6: Kshs.45,000,000 for each county that is enhancing accountability for results through an integrated performance management framework • DLI 7: Kshs.60, 000,000 for each county with a PIM

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		dashboard with citizen feedback mechanisms. iv. The Cabinet Secretary shall publish in the Kenya Gazette the allocations for all the qualifying county governments determined in terms of roman (ii & iii) above.
S/No	**County**	**Allocation per County (KShs.)**
1.	Mombasa	
2.	Kwale	
3.	Kilifi	
4.	Tana River	
5.	Lamu	
6.	Taita Taveta	
7.	Garissa	
8.	Wajir	
9.	Mandera	
10.	Marsabit	
11.	Isiolo	
12.	Meru	
13.	Tharaka Nithi	
14.	Embu	
15.	Kitui	
16.	Machakos	
17.	Makueni	
18.	Nyandarua	
19.	Nyeri	
20.	Kirinyaga	
21.	Murang'a	
22.	Kiambu	
23.	Turkana	
24.	West Pokot	
25.	Samburu	
26.	Trans Nzoia	
27.	Uasin Gishu	
28.	Elgeyo Marakwet	
29.	Nandi	
30.	Baringo	
31.	Laikipia	
32.	Nakuru	
33.	Narok	
34.	Kajiado	
35.	Kericho	
36.	Bomet	
37.	Kakamega	
38.	Vihiga	
39.	Bungoma	
40.	Busia	
41.	Siaya	
42.	Kisumu	
43.	Homa Bay	
44.	Migori	
45.	Kisii	
46.	Nyamira	
47.	Nairobi	
TOTAL		**Kshs. 4,955,000,000**

13. Framework for Management of the Kenya Water, Sanitation and Hygiene (K-WASH) Program for FY 2027/28
Kenya Water, Sanitation and Hygiene (K-WASH) Program

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Ministry/ State Department Responsible	Ministry of Water, Sanitation and Irrigation State Department for Water and Sanitation
Accounting Officer of National Government Responsible	Principal Secretary, State Department for Water and Sanitation
Responsibilities of the National Government Accounting Officer	Ensure funds are included in the budget estimates of the State Department for FY 2027/2028 and reflected in 2027/28 County Government Additional Allocations Bill (CGAAB). Initiate request for disbursement of funds to Counties supported by approved Results Verification Report Concurred by Bank. Submit quarterly and annual financial and performance reports to the National Treasury and Separate copies to each participating County Government. Monitor and evaluate performance of the allocation and report to the National Treasury.
County Department Responsible	Department for water and Department for Public Health and Sanitation
Accounting officer of County Government Responsible	Accounting Officer responsible for Water and Sanitation in the participating County Government.
Responsibilities of the County Government Accounting Officer	Ensure funds are included in the budget estimates of the department responsible for Water and Sanitation for the FY 2027/28. Ensure provision of 5% of County allocated funds supports programme management and implementation. Submit quarterly and annual financial and non-financial performance reports to the County Treasury with copies to the Principal Secretary, State Department for Water and Sanitation - Ministry of Water, Sanitation and Irrigation Monitor and evaluate performance of the allocation and report to the County Treasury.
Conditions	This funding must be included in the budget estimates of the participating County Government. Prepare an Annual Work Plan and Budget which must be approved by the National Program Steering Committee. The funds shall be used only for approved Water and Sanitation activities under the Program. Upon receipt of a disbursement, the Principal Secretary National Treasury shall be informed of the disbursement details through Principal Secretary State Department for Water and Sanitation. Participating County Governments SHALL provide a report/proof of utilization of funds released before requesting for additional transfers.
Cost of Project	KES 32,500,000,000
Purpose and Objective of the Conditional Additional Allocation	To increase access to improved water and sanitation services, eliminate open defecation and improve the operational and financial performance of Water Service Providers in the participating Counties; including refugee Host Counties.
Allocation Criteria	Funds will be allocated to counties based on Disbursement Linked Indicators (DLIs)/Disbursement Linked Results (DLRs) and verified results in the Approved Results Verification Report (RVR) by an Independent Verification Agent (IVA) hired by the Program, according to the following formulas. **Definitions:** • Let **C** be the county allocation. (The sum of all 19 county allocations should be equal to or less than **KES 5,100,000,000** If this amount is exceeded, rationalization will be applied to indicators under (DLI/DLR 1.2,2.1,2.2, 3.1,3.2,4.1,4.2,5.1,5.2,5.3, and 5.4) Let **S** be Number of Projects demonstrating WASH implementation readiness by Counties as verified by IVA in Approved RVR (DLR1.2) • Let **Hw** be the Number of households provided with access to improved water services as verified by IVA in Approved RVR (DLR 2.1 and DLR 2.2) • Let **Q** be the number of sustainably functioning water schemes water schemes meeting standards as verified by IVA in Approved RVR (DLR 3.1 and DLI 3.2) • Let **Hs** be the number of Households provided with access to an improved sanitation facility as verified by IVA in Approved RVR (DLR 4.1 and DLR 4.2)

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	• Let **VODF** be the number of villages that achieve ODF status as verified by IVA in Approved RVR (DLR 5.1) • Let $\mathbf{V_{CWS}}$ be the number of villages certified as achieving and sustaining CWS status as verified by IVA in Approved RVR (DLR 5.2 and DLR 5.3) • Let $\mathbf{W_S}$ be the number of public Primary schools achieving and sustaining improved access to wash as verified by IVA in Approved RVR (DLR 5.4) • Let $\mathbf{R_1}$ be the exchange rate of Euro Foreign Currency to Kenya Shillings and $\mathbf{R_2}$ be the exchange rate of Special Drawing Rights (SDR) Currency to Kenya Shillings The formula for allocating funds to the counties of Baringo, Bomet, Kericho, Kirinyaga, Kitui, Kwale, Makueni, Mandera, Migori, Murang'a, Nandi, Narok, Samburu, Tana River, Tharaka Nithi, Vihiga, and West Pokot is as follows: $\mathbf{C= R_1}$ (5352.72 **S** + 37.52$\mathbf{H_w}$ + 4,690**Q** + 28.14**Hs** + 1,876$\mathbf{V_{ODF}}$ + 19,435.93$\mathbf{V_{CWS}}$ + 18,760$\mathbf{W_S}$) The formula for allocating Turkana and Garissa Counties is as follows: **C** = $\mathbf{R_2}$ (4,356.12 S) + $\mathbf{R_2}$ (46.62$\mathbf{H_w}$ + 5,089.1 **Q** + 38.15**Hs** + 1,526.72 $\mathbf{V_{ODF}}$ + 15,817.26 $\mathbf{V_{CWS}}$ + 15,267.18 **Ws)**
	County	**Allocation**
	1. Baringo	-
	2. Bomet	-
	3. Garissa	-
	4. Kericho	-
	5. Kirinyaga	-
	6. Kitui	-
	7. Kwale	-
	8. Makueni	-
	9. Mandera	-
	10. Migori	-
	11. Murang'a	-
	12. Nandi	-
	13. Narok	-
	14. Samburu	-
	15. Tana River	-
	16. Tharaka Nithi	-
	17. Turkana	-
	18. Vihiga	-
	19. West Pokot	-
	Total	**KES 5,100,000,000**
Project Duration	2024 to 2030 (6 years)	
Priority of Government that this additional allocation primarily contributes	Contributing to Bottom-Up Economic Transformation Agenda (BETA) priorities on Production and Value addition through construction of household water and sanitation facilities improving water and sanitation access.	
Reasons not incorporated in the Equitable Share	The purposes of these funds is to accelerate the achievement of Vision 2030 and SDGs 6.1 and 6.2 by providing incentives to counties through performance-based mechanisms that ensure prudent utilization of county resources for sustainability.	

14. FRAMEWORK FOR MANAGEMENT OF CONDITIONAL ADDITIONAL ALLOCATION TO COUNTY GOVERNMENTS - KENYA WATERSHED SERVICES IMPROVEMENT PROJECT (KEWASIP) IN THE FY 2027/28	
Name of Additional Allocation	Kenya Watershed Services Improvement Project
Ministry/State Department Responsible	Ministry of Environment, Climate Change and Forestry-State Department for Forestry

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Accounting officer of National Government Responsible	Principal Secretary, State Department for Forestry
Responsibilities of the National Government accounting officer	To ensure that the project is implemented within the agreed time lines as per the financing agreement and that funds are spent as per the approved budgets and work plans to achieve the intended project outcomes for the benefit of the Country
Conditions	The National Government will ensure that the funds disbursed by World Bank are subsequently disbursed to spending units (both national and counties) in reasonable time not to delay implementation of Project activities. Project budgets are included in the annual budget estimates of the State Department. Submit quarterly and annual financial and non-financial performance reports to the National Treasury and World Bank. Annual audits are undertaken as per the Financing agreement.
Accounting officer of the County Government responsible	County Executive Committee Member responsible for Environment and Natural resources
Responsibilities of the County Government accounting officer	Ensure signing of Intergovernmental Participation Agreement; Opening a County Special Purpose Account with the Central Bank of Kenya, with bank account inventory details; Establishment County Project Steering Committee (CPSC), County Project Technical Advisory Committee (CPTAC) and full staffing of a County Project Coordination Unit (CPCU) as described in the PIM; Prepare Project Annual Work Plans &Budget (AWP&B) for 12 months of activities for approval by County Project Steering Committee and respective County Assembly and shared with the National Project Coordination Unit for further submission to the National Treasury. Submit quarterly and annual financial and non-financial performance reports to the State Department.
Total Allocation in the Financial Year 2027/2028	KSh.2,400,000,000
Purpose of the Grant	To undertake activities that expand the area under sustainable land and watershed management and to provide grants to community groups to improve livelihoods of communities in the project areas
Allocation Criteria	Based on Financing Agreement between the IDA and the Government of Kenya and Annual Work plans and Budgets.

Allocation per County (Kshs.)

County	IDA Contribution (Kshs.)	County Government Counterpart Contributions	Total (Kshs.)
1. Kitui	200,000,000	0	200,000,000
2. Garissa	200,000,000	0	200,000,000

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3. Marsabit	200,000,000	0	200,000,000
4. Meru	200,000,000	0	200,000,000
5. Tharaka Nithi	200,000,000	0	200,000,000
6. Makueni	200,000,000	0	200,000,000
7. Samburu	200,000,000	0	200,000,000
8. Baringo	200,000,000	0	200,000,000
9. Laikipia	200,000,000	0	200,000,000
10. Isiolo	200,000,000	0	200,000,000
11.Tana River	200,000,000	0	200,000,000
12. Kwale	200,000,000	0	200,000,000
Total	**2,400,000,000**	**0**	**2,400,000,000**

15. FRAMEWORK FOR IMPLEMENTATION OF KENYA HEALTH SELF-RELIANCE G2G PROGRAMME IN THE FY 2027/28	
Ministry/State Department Responsible	State Department of Medical Services
Accounting Officer Responsible for the National Government Responsible	Principal Secretary, State Department of Medical Services
Responsibilities of the National Government Accounting officer	- Sign on behalf of the National Government, an intergovernmental agreement for the G2G funds with the 47 counties - Confirm the period of the intergovernmental agreement with each county - Confirm the purpose or activities to be funded by the provided funds - Ensure the funds are budgeted for under the State Department of Medical Services - Confirm the accountability measures with each county on the funds - Disburse the. Funds to the counties through the County Revenue fund
Accounting officer of County Government Responsible	Chief Officers responsible for Department of Health for each of the 47 counties
Responsibilities of the County Government accounting officer	• Counter sign on behalf of the County Government, the intergovernmental agreement for the funds • Confirm the purpose or the activities funded by the G2G funds • Every year for the period of the project, develop annual workplan and budget for all funded activities • Provided both financial and technical reports to the Accounting Officer for Medical Services • At same time provide financial reports to the controller of budgets for the G2G funds
Conditions	• Funds are for the health sector in each county • Frontline workers for health • Contracting and including the frontline workers in each county payroll • Service delivery is through an integrated approached
Total Allocation for FY 2027/28	**KSh. 7,425,268,649**

Purpose of the Grant/Loan (Conditional Additional Allocation)	The Government of Kenya and the United States Government (USG) entered into the Health Cooperation Framework (HCF) to strengthen Kenya's health system, protect public health gains, and accelerate progress toward universal health coverage and disease control. The Framework aligns with Kenya's ongoing health reforms, including digital health, social health insurance, data protection, and primary health care legislation to ensure that investments are sustainable, integrated, and responsive to national priorities. The Framework prioritizes service continuity, protecting essential services from community to tertiary levels. There is need to safeguard the 5,603 frontline health workers, supported by the US government working on various disease programs- HIV, TB, malaria, and maternal and child health, laboratories, and surveillance.
Allocation criteria	- Counties 1-47 - No. of workers already existing- entry scale, specific job group, where the staff are stationed - Peg the payment at the entry point under PnP from the beginning - Contractual during year 1. Then PnP (process to be used includes a suitability test, assessment by service board. - County service delivery is an integrated approach.

Allocation per County

No	County	HRH Allocation FY 2027/28 A	Service Delivery Allocation for FY 2027/28 B	Total Allocations (A+B)
1.	Baringo	22,010,861	16,434,234	38,445,095
2.	Bomet	39,142,247	33,540,693	72,682,940
3.	Bungoma	110,829,037	76,189,318	187,018,355
4.	Busia	157,295,465	149,858,970	307,154,435
5.	Elgeyo-Marakwet	17,003,066	13,613,714	30,616,780
6.	Embu	26,610,780	29,540,254	56,151,034
7.	Garissa	0	5,279,075	5,279,075
8.	Homa Bay	270,996,808	303,410,472	574,407,280
9.	Isiolo	0	7,027,798	7,027,798
10.	Kajiado	28,370,847	50,696,511	79,067,358
11.	Kakamega	108,141,672	132,350,587	240,492,259
12.	Kericho	30,627,061	50,522,578	81,149,639
13.	Kiambu	136,513,693	123,442,442	259,956,135
14.	Kilifi	60,225,504	94,910,524	155,136,028
15.	Kirinyaga	48,545,777	33,124,666	81,670,443
16.	Kisii	113,837,618	102,203,921	216,041,539
17.	Kisumu	246,193,265	270,645,422	516,838,687
18.	Kitui	69,131,039	64,249,113	133,380,152
19.	Kwale	37,454,083	35,851,170	73,305,253
20.	Laikipia	31,650,972	29,479,143	61,130,115
21.	Lamu	0	5,053,433	5,053,433
22.	Machakos	67,567,627	79,940,610	147,508,237
23.	Makueni	73,315,992	65,438,433	138,754,425
24.	Mandera	0	2,891,034	2,891,034
25.	Marsabit	0	5,253,220	5,253,220
26.	Meru	75,942,310	63,170,264	139,112,574
27.	Migori	264,164,014	188,544,763	452,708,777
28.	Mombasa	144,913,346	129,567,673	274,481,019
29.	Murang'a	68,456,925	45,495,000	113,951,925
30.	Nairobi	671,553,038	446,363,866	1,117,916,904
31.	Nakuru	125,649,810	122,777,270	248,427,080

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32.	Nandi	35,301,878	42,126,828	77,428,706
33.	Narok	67,876,782	33,082,358	100,959,140
34.	Nyamira	36,048,420	43,480,678	79,529,098
35.	Nyandarua	40,641,234	29,709,486	70,350,720
36.	Nyeri	70,034,937	50,266,381	120,301,318
37.	Samburu	12,484,644	6,545,959	19,030,603
38.	Siaya	279,456,779	226,673,503	506,130,282
39.	Taita-Taveta	14,405,073	19,332,320	33,737,393
40.	Tana River	0	4,787,834	4,787,834
41.	Tharaka-Nithi	27,462,988	21,062,239	48,525,227
42.	Trans-Nzoia	60,484,065	49,488,388	109,972,453
43.	Turkana	109,350,519	26,719,734	136,070,253
44.	Uasin Gishu	80,211,332	92,689,364	172,900,696
45.	Vihiga	46,809,583	46,073,207	92,882,790
46.	Wajir	0	1,466,671	1,466,671
47.	West Pokot	15,557,555	12,628,882	28,186,437
Total		**3,942,268,646**	**3,483,000,003**	**7,425,268,649**

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