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THE NATIONAL ASSEMBLY

THIRTEENTH PARLIAMENT – SECOND SESSION -2023  
SELECT COMMITTEE ON BUDGET AND APPROPRIATIONS

REPORT ON THE SUPPLEMENTARY ESTIMATES I FOR FY 2023/2024

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THE NATIONAL ASSEMBLY PADDIS I A'D	
DATE: 15 NOV 2023	DAY: WEB
TABLED BY:	HON. NBINDI NYORO, CBS, MP CHAIRPERSON, BUDGET & APP. COMMITTEE
CLERK-AT-THE-TABLE:	MIRRIAM MODO

The Clerk's Chambers  
Parliament Buildings  
NAIROBI

NOVEMBER, 2023

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## **CHAIRPERSON'S FOREWORD**

Pursuant to Article 223 of the Constitution of Kenya, Section 44 of the Public Finance Management Act, and the National Assembly Standing Order 243; it is my duty and privilege, on behalf of the Budget and Appropriations Committee, to present the report on the consideration of the Supplementary Estimates I for Financial Year 2023/2024 to this Honourable House. This supplementary budget is seeking parliamentary approval for expenditures incurred under Article 223 of the Constitution as well as requests for reallocation and additional allocations to align the budget to emerging realities.

The constitutional principle of supplementary appropriation is to cater for any purpose where the amount allocated in the Appropriation Act is insufficient or a need has arisen for expenditure that was unforeseen and had therefore not been provided for in the Appropriation Act; or if money has been withdrawn from the Contingencies Fund. This supplementary estimate I was submitted to this House on Thursday 26<sup>th</sup> October 2023 and committed to the Budget and Appropriations Committee, and the Departmental Committees for consideration.

The supplementary estimates I for the financial year 2023/2024 has been prepared against the backdrop of a challenging macroeconomic environment driven by surging inflation from fuel prices which has affected demand, tight global financial conditions, mounting concerns over national debt servicing, sluggish global demand, the geopolitical dynamics between Russian-Ukraine, Israel – Hamas, and mounting tensions in the Middle East.

### **I.1. EXAMINATION OF THE SUPPLEMENTARY ESTIMATES I FY 2023/2024**

The Budget and Appropriations Committee made a deliberate decision to make the consideration of the supplementary estimates highly consultative and thorough in order to build the necessary consensus given the number of actors involved. The Committee therefore developed and agreed upon a tight calendar comprising of 10 sittings.

The Committee received submissions from the Departmental Committees in relation to proposed expenditure changes within the MDAs under their purview. This was followed by a consultative meeting with the Parliamentary Service Commission, the Auditor General and the National Treasury, to seek a common understanding in view of submissions made by stakeholders. The outcome of these deliberations has informed the various recommendations which are contained in this report. If approved by the House, they will form the basis for the passage of the first Supplementary Appropriation Bill for FY 2023/20224.

### **I.2. NON-FINANCIAL RECOMMENDATIONS**

Based on the deliberations of the Committee, the consultative engagements, and submissions by the Departmental Committees, the Committee recommends to this House as follows:

### **Appropriations-in-Aid**

- i) That, upon adoption of this report, accounting officers of all Ministries, Departments and Agencies should declare their accurate projection of Appropriations in Aid collections at the beginning of the financial year. Any significant revision in AIA within the financial year will result to an equivalent reduction in exchequer funding for the entity.

### **Revenue consolidation**

- ii) That, within sixty (60) days upon adoption of this report, the National Treasury to provide a detailed report to the National Assembly on the cash surplus funds held in the bank accounts of all State-owned agencies/Parastatal as at 30<sup>th</sup> November, 2023.
- iii) That, to consolidate national government revenue and enhance efficiency in liquidity management, the National Treasury should fast-track implementation of the national government single account framework and must ensure the treasury single account is operational by 31<sup>st</sup> March 2024.

### **Pending Laws and Regulations**

- iv) That, the Cabinet Secretary Ministry of Land, Public Works, Housing & Urban Development should expedite the development of the National Housing Development Fund Regulations and submit to the National Assembly by 31<sup>st</sup> March 2024.
- v) That, the State Department for Lands and Physical Planning through the appointed Inter-Ministerial taskforce, fast tracks the legislative proposals on land rates charges and submits a report to Parliament within six months upon adoption of this report.
- vi) That, by 30<sup>th</sup> March 2023, the State Department for Medical Services should submit to the National Assembly a report on the roadmap of operationalization of the four Universal Health Coverage (UHC) Acts. This should also include the status of the regulations governing the Social Health Insurance Fund (SHIF).
- vii) That, by 31<sup>st</sup> December 2023, the Ministry of Investment, Trade and Industry should submit to the National Assembly the framework for implementation of the Exports Promotion and Investment Levy with details of the specific objectives of the levy as well as a statement indicating amount collected by the time of submission of the framework.

### **Sports**

- viii) That, by 31<sup>st</sup> December 2023, the State Department for Sports should submit to the National Assembly a comprehensive report on the country's preparedness for the AFCON 2027 games including the earmarked stadia, amount of resources required for construction of the necessary infrastructure and adequate funding for the National Team.

### **Trade, Industry and Cooperatives**

- ix) That, within 90 days upon adoption of this report, the Ministry of Investment, Trade and Industry and the Ministry of Cooperatives and MSMEs Development should

hold consultative engagements to review their roles in implementation of the BETA value chains with a view to identify areas with duplication and complementarity of functions and submit a report to the National Assembly on how this will be addressed.

### **Energy**

x) That, upon adoption of this report, the Kenya Power and Lighting Company (KPLC) in conjunction with the Rural Electrification and Renewable Energy Corporation (REREC) under supervision of the Cabinet Secretary, Ministry of Energy and Petroleum, fast tracks procurement of meters and transformers particularly from local assemblers who meet the standards and specifications as per the Public Procurement and Asset Disposal Act, 2015.

xi) That, by 31<sup>st</sup> December 2023, The Cabinet Secretary Ministry of Energy and Petroleum furnishes the National Assembly with a comprehensive report on the fuel stabilization programme since inception in April 2021. The report should include details on the date and amount of payments made, the oil companies that received payments, amount in litres sold by each, pending payments to each, balance in the PDL account, who manages the programme, details on the results of the treasury bonds issued to offset related pending bills, relevant legal anchoring instruments including the relevant regulations for the Fuel Stabilization programme and the official government policy on fuel stabilization programme.

### **Social Protection**

xii) That, in the next budget cycle for financial year 2024/2025, the National Treasury considers the re-classification of the development expenditure for the National Council for Persons with Disability, particularly the funding for assistive devices, education assistance, tools of trade, LPO financing and supporting self-help groups, from development expenditure to recurrent expenditure since these expenditure items are recurrent in nature.

### **Postal Corporation of Kenya**

xiii) That, before submission of the 2024 Budget Policy Statement (BPS) the National Treasury should develop and put in place a mechanism to fast-track payment of the outstanding debt owed by various government entities to the Postal Corporation of Kenya including ring-fencing part of the allocations to those entities for the debt settlement.

## **1.3. FINANCIAL RECOMMENDATIONS**

The Committee further recommends that the House:

**a. Expenditure under Article 223**

- I. approves Kshs: **1,736,121,765** spent under Article 223 of the Constitution in respect of Votes contained in the THIRD SCHEDULE.

**b. Overall Supplementary Appropriations**

- II. approves an increment of the total recurrent expenditure for Financial Year 2023/2024 by Kshs. 90,717,383,737 in respect of the Votes contained in the FIRST SCHEDULE
- III. approves a reduction of the total capital expenditure for Financial Year 2023/2024 by Kshs. 24,515,810,722 in respect of the Votes contained in the FIRST SCHEDULE;
- IV. approves an overall increment in the total budget for Financial Year 2023/2024 by Kshs. 66,201,573,015 in respect of the Votes contained in the FIRST SCHEDULE;
- V. resolves that the FIRST and SECOND SCHEDULE forms the basis for the introduction of the First Supplementary Appropriation Bill, 2023;

**I.4. ACKNOWLEDGMENTS**

On behalf of the Budget and Appropriations Committee, I take this opportunity to express our gratitude to the Office of the Speaker and the Clerk of the National Assembly for the support extended in fulfilling our mandate. The Committee also appreciates the Departmental Committees for burning the midnight oil to process the estimates in record time and their insightful recommendations that eased decision making for the Committee. Further, I would like to extend sincere gratitude to all the Ministries, Departments and Agencies (MDAs) including the National Treasury for honouring the invites by the National Assembly to present their submissions on the budget and being part of this important process.

The Committee would also like to thank the Parliamentary Budget Office for the critical role in providing technical support to the Committees of the House during this process; and the Directorate of Appropriations, Audit, and other Select Committees as well as the Directorate of Departmental Committees for the extensive work undertaken in the review and processing of the Supplementary Estimates I for FY 2023/2024.

It is therefore my pleasant duty and privilege, on behalf of the Budget and Appropriations Committee, to table this report and recommend it to the House for adoption.

 **SIGNED**  
.....

**HON. NDINDI NYORO, CBS, M.P.**  
**CHAIRPERSON, THE BUDGET AND APPROPRIATIONS COMMITTEE**

**14. 11. 2023**  
.....  
**DATE**

## **PREFACE**

### **2.1. Establishment and Mandate of the Committee**

1. Article 221 (4 and 5) of the Constitution and Section 7 of the Public Finance Management Act, 2012 provide for the establishment of a Committee of the National Assembly whose main role is to take the lead in budgetary oversight by the National Assembly. Pursuant to this constitutional provision, Standing Order 207 establishes the Budget and Appropriations Committee with specific mandates as follows:
  - i. Investigate, inquire into and report on all matters relating to coordination, control and monitoring of the national budget;
  - ii. Discuss and review the budget estimates and make recommendations to the House;
  - iii. Examine the Budget Policy Statement presented to the House;
  - iv. Examine bills related to the national budget including appropriation bills;
  - v. Evaluate tax estimates, economic and budgetary policies and programmes with direct budget outlays; and
  - vi. Examine the Division of Revenue Bill.

### **2.2. Membership of the Committee**

2. Pursuant to Standing Order 207(2), the Budget and Appropriations Committee as currently constituted comprises of the following Honourable Members:

#### **CHAIRPERSON**

Hon. Ndindi, Nyoro, CBS, M.P.  
Kiharu Constituency  
UDA PARTY

#### **VICE CHAIRPERSON**

Hon. Otucho, Mary Emaase, M.P.  
Teso South Constituency  
UDA PARTY

#### **MEMBERS**

Hon. Chumel, Samwel Moroto, M.P.  
Kapenguria Constituency  
UDA PARTY

Hon. Odhiambo, Millie Grace Akoth, M.P.  
Suba North Constituency  
ODM PARTY

Hon. (Dr.) Mulu, Makali, M.P.  
Kitui Central Constituency  
WDM – Kenya

Hon. Lekuton, Joseph, M.P.  
Laisamis Constituency  
UDM PARTY

Hon. Lesuuda, Josephine Naisula, OGW, M.P.  
Samburu West Constituency  
KANU PARTY

Hon. Robi, Mathias Nyamabe, M.P.  
Kuria West Constituency  
UDA PARTY

Hon. Ochieng, David Ouma, M.P.  
Ugenya Constituency  
MDG PARTY

Hon. Muchira, Michael Mwangi, M.P.  
Ol Jorok Constituency  
UDA PARTY

Hon. Shinali, Bernard Masaka, M.P.  
Ikolomani Constituency  
ODM PARTY

Hon. Mwakuwona, Danson Mwashako, M.P.  
Wundanyi Constituency  
WDM – Kenya

Hon. Atandi, Samuel Onunga, M.P.  
Alego Usonga Constituency  
ODM PARTY

Hon. Mwirigi, John Paul, M.P.  
Igembe South Constituency  
UDA PARTY

Hon. Mejjadonk, Benjamin Gathiru, M.P.  
Embakasi Central Constituency  
UDA PARTY

Hon. Wangaya, Christopher Aseka, M.P.  
Khwisero Constituency  
ODM PARTY

Hon. Wachira, Rahab Mukami, M.P.  
Nyeri County  
UDA PARTY

Hon. Masara, Peter Francis, M.P.  
Suna West Constituency  
ODM PARTY

Hon. Ongili, Babu Owino Paul, M.P.  
Embakasi East Constituency  
ODM PARTY

Hon. Wanjiku, John Njuguna, M.P.  
Kiambaa Constituency  
UDA PARTY

Hon. Guyo, Ali Wario, M.P.  
Garsen Constituency  
ODM PARTY

Hon. (Dr.) Murumba, John Chikati, M.P.  
Tongaren Constituency  
FORD-Kenya

Hon. Busia, Ruth Adhiambo Odinga, M.P.  
Kisumu County  
ODM PARTY

Hon. Kitilai, Ole Ntutu, M.P.  
Narok South  
Independent

Sergon, Flowrence Jematiah, M.P.  
Baringo County  
UDA PARTY

Hon. Mokaya, Nyakundi Japheth, M.P.  
Kitutu Chache North Constituency  
UDA PARTY

Hon. Abdirahman Mohamed Abdi, M.P.  
Lafey Constituency  
Jubilee Party

### 2.3. Committee Secretariat

3. The Committee Secretariat is comprised of the following:

Mr. Danson Kachumbo

**Fiscal Analyst/ Clerk of the Budget and Appropriations Committee**

Mr. Jibril Mohamud

**Fiscal Analyst / Assistant Clerk of the Budget and Appropriations Committee**

Mr. Nimrod Ochieng  
Audio Officer

Ms. Faith Makena  
Serjeant-at-arms

Ms. Mercy Mayende  
Media Relations

Mr. Jared Amara  
Office Assistant

### 2.4. Parliamentary Budget Office

4. The Committee received technical support from the following officers of the Parliamentary Budget Office:

Dr. Martin Masinde

**Director, Parliamentary Budget Office**

Mr. Robert Nyagah

**Deputy Director, Parliamentary Budget Office**

Ms. Millicent Makina  
Fiscal Analyst I

Dr. Abel Nyagwachi  
Fiscal Analyst I

Ms. Julie Mwithiga  
Fiscal Analyst I

Mr. Ringine Mutwiri  
Fiscal Analyst III

Mr. Kioko Kiminza  
Fiscal Analyst III

Ms. Loice Olesia  
Fiscal Analyst III

Mr. Solomon Alubala  
Fiscal Analyst III

## **OVERVIEW OF SUPPLEMENTARY ESTIMATES I FOR FY 2023/2024**

### **3.1. Macroeconomic Background**

5. The Supplementary Estimates I for financial year 2023/2024 was tabled on the floor of the House on Thursday 26<sup>th</sup> October 2023 pursuant to Article 223 of the Constitution, Section 44 of the Public Finance Management Act, 2012 and the National Assembly Standing Order 243 which together provide for the procedure of preparation and consideration of supplementary estimates by this House.
6. The Supplementary Estimates have been prepared at a time when the country is experiencing a challenging macroeconomic environment, driven by surging fuel and energy prices which has affected the cost of production and demand for goods and services; stringent global financial conditions that has resulted to depreciation of the shilling; mounting concerns over the cost of public debts servicing; sluggish global demand that has affected international trade; and the geopolitical dynamics between Russian-Ukraine, Israel-Palestine, and mounting tensions in the Middle East.
7. Despite these challenges, the National Treasury projects that the economy will expand by 5.5 percent in 2023 relative to 4.8 percent in 2022 and by above 6.0 percent on average in the medium term. However, the fundamentals expected to drive economic growth such as improved agricultural productivity and continued implementation of public sector investments under the Bottom-up Economic Transformation Agenda (BETA) may be outweighed by the prevailing risks previously mentioned.
8. Since July 2023, inflation has remained within the target range of  $5\pm 2.5$  percent, supported by a decline in food inflation. This has been attributed to the favourable rains experienced since April 2023 that resulted in increased food and forage production leading to a decline in prices of food commodities such as maize flour, beans, vegetables and seasonal fruits. Further, the government-backed importation of duty-free edible oils and other food commodities have also pushed their prices downwards thereby significantly easing pressure on households.
9. In the past one year, the Kenya Shilling has experienced a notable depreciation against both global and regional currencies. Specifically, it has seen a reduction in value of 23% against the US Dollar, 38% against the GB Pound, 33% against the Euro, 21% in relation to the Uganda Shilling, and 12% against the Tanzania Shilling. This weakening trend has been attributed to a consistent increase in demand for import, subdued recovery in capital inflows as foreign interest rates remain elevated, a heightened demand for the US dollar and underperformance of Kenyan exports.

### **3.2. Financing Supplementary Estimates, I for FY 2023/2024**

10. The Supplementary Estimates I, proposes to increase the overall budget by Kshs. 187.28 billion from the approved estimates of Kshs. 3,744.11 billion to Kshs. 3,931.40 billion. The ministerial recurrent budget has been revised upwards by Kshs. 86.4 billion while the Development Budget has been reduced by Kshs. 40.9 billion.

11. The Committee observed that the increase in recurrent expenditure will be financed by additional net exchequer issues of Kshs. 49.53 billion and an expected additional Kshs. 34.23 billion in recurrent Appropriations-in-Aid. The Committee raised concern over how such critical recurrent expenditures were left out during the budget making process which raises concerns over the credibility of the overall expenditure framework.
12. The Committee took note of the reduction in development expenditure on account of budget rationalization particularly in the State Department for Roads and State Department for Housing and Urban Development. This reduction will affect GoK funded projects whose budget has been reduced by Kshs. 38.82 billion and development-partner financed projects whose budget has been reduced by Kshs. 3.01 billion. The reduction in development expenditure may negatively affect completion of ongoing projects resulting to additional pending bills.
13. The Committee observed that the National Treasury has revised the total revenue target for FY 2023/2024 upwards by Kshs. 39.7 billion from Kshs. 2,983.06 billion to Kshs. 3,022.76 billion. This has been attributed to the revenue mobilization policies contained in the Finance Act 2023 which are expected to boost revenue collection above the historical average growth rate of about 10 percent.
14. However, the Committee noted that ordinary revenue collection by the Kenya Revenue Authority in the period between July and September 2023 was below planned target by Kshs. 72.5 billion. Although this has been attributed to delayed implementation of the Finance Act due to court processes, it may still be an indication that the ambitious revenue target set for FY 2023/2024 may not be attained.
15. The Committee noted with concern that despite the shortfall in revenue collection in the first quarter, the resource envelope in the supplementary estimates has been adjusted upwards with the bulk of the additional revenue expected to be collected in the form of Appropriation in Aid which has increased by Kshs. 34 billion. This is a notable trend where MDAs under-report their potential AIA collection at the beginning of the budget cycle then revises this collection upwards during the supplementary budget.

## **KEY EXPENDITURE AREAS UNDER SUPPLEMENTARY I**

### **4.1. Expenditure under Article 223 of the Constitution**

16. Article 223 of the Constitution allows the National Government to spend monies that have not been appropriated by Parliament if the amount appropriated for any purpose under the Appropriation Act is insufficient or a need has arisen for expenditure for a purpose for which no amount has been appropriated by that Act, or money has been withdrawn from the Contingencies Fund and report the same to Parliament within two months after such withdrawal.
17. The Committee noted that the National Treasury has approved expenditures amounting to Kshs. 21.19 billion under Article 223 of the Constitution consisting of Kshs. 6.9 billion in recurrent expenditure and Kshs. 14.4 billion in development expenditure. However, only Kshs. 1.7 billion has been disbursed to the foreign financed Kenya Development Response to Displacement Impacts Project and to the State Department for Crop Development for the

purchase of National Cereals & Produce Board Dryers and Bulk Storage facilities to cushion farmers from post-harvest losses. The remaining requests have been submitted as part of the reallocations sought under this supplementary budget.

#### **4.2. Proposed Reallocations and Additional Allocations**

18. The Supplementary budget is also meant to provide the requisite resources for public debt service in view of the depreciating Kenya Shilling against the US dollar and other major currencies. In this regard, the Consolidated Fund Services (CFS) expenditure has increased by Kshs. 145.49 billion, mostly due to increased foreign interest payments, guaranteed debt repayments and subscriptions to international organizations. The Committee noted that interest repayments on public debt has significantly reduced the fiscal space for discretionary expenditure under development and recurrent.
19. Total expenditure and net lending has increased from 23 percent of GDP to 24.4 percent of GDP. Consequently, the fiscal deficit including grants has increased from Kshs. 718.9 billion (4.4 percent of GDP) to Kshs. 861.3 billion (5.3 percent of GDP) indicating a deviation from the fiscal consolidation path set at the beginning of the financial year. The Committee is concerned that, if the underperformance of revenue persists and expenditures are maintained as proposed, then the fiscal deficit may be even higher, resulting to higher borrowing even as the country tries to address the high debt burden.
20. Proposed changes in the Supplementary Estimates are also aimed at providing additional resources to the education sector to ensure that the right investments and reforms under the sector bear the intended benefits to the country. These interventions include the following: an additional Kshs. 4.8 billion for Technical, Vocational, and Education Training (TVETs); Kshs. 3.5 billion for University Funding Board Kshs. 10.2 billion for the Higher Education Loans Board (HELB); Kshs. 5.5 billion to address shortfalls in Junior Secondary School Capitation; and Kshs. 19.7 billion for the Teachers Service Commission.
21. Additional resources have been provisioned to the agriculture sector to boost food and nutritional security. These include the following: an additional Kshs. 2.1 billion towards purchase of dryers and storage equipment to minimize post-harvest losses; upscaling of the fertilizer subsidy programme by Kshs. 8.25 billion to reach more farmers; Kshs. 4.0 billion support for coffee farmers through the cherry revolving Fund; Kshs. 1.7 billion to support sugar farmers through settlement of debts owed, among other critical interventions on the priority value chains.
22. The proposals in the Supplementary Estimates are also aimed at addressing emerging challenges including emergencies attributed to the above average rainfall currently being experienced in the country. More specifically, Kshs. 4.4 billion has been allocated to the National Disaster Management Authority for the hunger safety net programme and emergency relief assistance.
23. Notable proposals for expenditure reduction under the supplementary estimates include Kshs. 20.7 billion reduction under the State Department for Roads; Kshs. 5.8 billion from the Managed Equipment Services; Kshs. 5.0 billion from the Financial Inclusion Fund; Kshs. 6.9 billion from the Housing Development fund; and Kshs. 2.8 billion from Integrated Regional Development

Authorities. The Committee notes with concern that the reduction in development spending, will invariably lead to slower project implementation, higher project costs, further accumulation of pending bills and delayed returns on investments.

## **KEY OBSERVATIONS BY THE DEPARTMENTAL COMMITTEE**

24. Following submissions by the Departmental Committees, the Budget and Appropriations Committee took note of the following:

### **5.1. Departmental Committee on Lands**

25. The Committee observed that the National Treasury owes the National Land Commission (NLC) Kshs. 900 million. This amount was surrendered in April 2021 and was meant for the compensation of project-affected persons. The amount is due for payment as most succession, family disputes, and court cases have been resolved. The Committee expressed concerns over delays in compensation of displaced persons.

26. The Lands Committee indicated that it will fast track a legislative proposal to review the land rates and levies upwards to factor in the inflation. The current rates were passed over 30 years ago. This is an easier way of increasing revenue without adverse multiplier effect on the other economic activities. The Budget Committee noted that the land registries if given adequate capacity will generate additional revenues.

### **5.2. Departmental Committee on Justice & Legal Affairs**

27. The Committee noted with concern, that the pending bills for IEBC amounting to Kshs. 5.3 billion. This includes Kshs. 1.1 billion owed to Postal Corporation. It was proposed that a special allocation be done to settle the pending bill owed to the Postal Corporation of Kenya. The Postal Corporation is facing financial constraints, which has led to five months delay in salary payments to its workers.

### **5.3. Departmental Committee on Energy**

28. The Committee observed that there were persistent delays in replacing and installing transformers nationwide, adversely affecting power supply. The presence of faulty transformers exacerbates the situation, leading to disruptions in electricity delivery and potentially contributing to increased costs and commercial losses. There is need for urgent measures to address these challenges and enhance the overall efficiency and stability of the energy sector.

29. The Committee noted an approval of Kshs 4.014 billion under Article 223 of the constitution to cater for fuel stabilization. The Committee expressed reservations about arbitrary drawdowns of funds under Article 223 of the Constitution, calling for greater scrutiny in future, by providing details through the laid down budget process. The Committee noted the need to review the utilization of funds meant for the fuel stabilization programme since inception in April 2021. This includes taking stock of the payment details, management details of the program, policies and regulations.

### **5.4. Departmental Committee on Regional Development**

30. The Committee noted the need to reinstate some of the budget cuts on Regional Development Authorities (RDAs) in order to avoid further accumulation of pending bills and facilitate projects

that have already been committed and are being implemented. Additionally, the Committee noted the need for a special allocation to address the adverse effects of the ongoing floods in most parts of the Country.

#### **5.5. Departmental Committee on Agriculture and Livestock**

31. The Committee observed that there were challenges with regard to distribution, accessibility and timeliness of the subsidized fertilizer in many regions of the country. Even as the government strives to onboard more farmers into the programme there is urgent need to rethink the entire distribution model including provision of satellite last mile distribution centres.
32. The Committee further noted that the Sugar Reforms Project has no allocation for Cane Testing Units. This is critical to enable payments of sugarcane based on sucrose content as one of the milestones under the COMESA Sugar Reforms and Safeguards Treaty. The Committee observed the need to review the pending bills, noting the non-payment of small-scale millers who participated in the Maize Flour Subsidy Program for FY 2022/23.

#### **5.6. Departmental Committee on Education**

33. The Committee noted that Kshs 3.4 billion initially allocated for purposes of construction of Junior Secondary School (JSS) classrooms had been reduced to Kshs. 1 billion that has been transferred to NGCDF. The Committee noted that the reduction in the amount will adversely affect implementation of the JSS infrastructure across the country. The Committee emphasized the need for clarity of policy guiding this transfer to the NGCDF.

#### **5.7. Departmental Committee on Administration and Internal Security**

34. The Committee noted that the construction of the State Pavilion at the State House has been informed by the need to save on frequent high costs incurred in hiring of tents and other event management facilities for state functions at State House. The Committee further expressed concerns about the pending bill of Kshs. 11.6 billion relating to the defunct Nairobi Metropolitan Services.

#### **5.8. Departmental Committee on Tourism & Wildlife**

35. The Committee noted that there was a reduction of Kshs. 100 million from the Human Wildlife Conflict mitigation project, which is a BETA priority. The Human-Wildlife conflict has been exacerbated by adverse effects of climate change resulting to loss of property, livestock, wild animals and human lives. This reduction is likely to escalate Human-Wildlife conflict further increasing the compensation cost for damages caused by wildlife.
36. The Committee also raised concerns about the model of engagement with passengers by the KRA Customs officials at JKIA regarding tax payment for goods brought back into the country. They indicated that this could negatively affect the number of tourists visiting Kenya and significantly impact the tourism sector that is a key contributor to exchange rate earnings as well as employment.

### **5.9. Departmental Committee on Environment, Forestry & Mining**

37. The Committee noted that a reduction of Kshs. 227.6 million in FY 2023/24 budget in the State Department of Mining will directly affect its operations and services. Notably, the department's revenue collection surpassed the quarter one revenue target. Any budget cuts may adversely affect higher revenue generation for this department which has the potential of generating Kshs. 15 billion annually. The Committee further noted the need to expedite development of a framework for the distribution of royalties to the communities affected by mining activities.

### **5.10. Departmental Committee on Transport & Infrastructure**

38. The Committee noted that the huge reduction of Kshs. 20 billion under the State Department for Roads will affect completion of ongoing road projects across the country and worsen the already huge pending bills in the sector. The Committee further expressed concerns over the massive destruction of roads and other critical infrastructures that is being caused by the ongoing above average rainfall, yet no adequate provision has been made to address these emerging concerns.

### **5.11. Departmental Committee on Social Protection**

39. The Committee emphasized the need to support people with special needs by reviewing the proposed budget cuts. Indeed, the development budget for the National Council for Persons with Disability (NCPWD) although very little, is extremely critical as it entails direct service delivery to persons with disability including provision of assistive devices, essential facilities and medication. The Committee noted reductions in counterpart funding for donor funded projects may affect release of donor funds and timely implementation of these projects.

### **5.12. Departmental Committee on Defence, Intelligence and Foreign Relations**

40. The Committee appreciated the fact that the Kenya Meat Commission was transferred from the State Department for Livestock to the Ministry of Defence with an AIA budget of KES. 3.56 billion. This is given the role of the state department in revitalization of the KMC previously. However, it was noted that the formal handover has not yet taken place.

### **5.13. Departmental Committee on Trade, Industries and Cooperatives**

41. The Committee emphasized the urgent need to undertake the evaluation and audit of the Dongo Kundu Special Economic Zone project. It was observed that the prolonged implementation period of the project may require re-evaluation on the full amount required, the remaining time frame to completion and attendant benefits. The Committee stressed the importance of prioritizing key projects that are funded to completion over fragmented allocation distribution to multiple projects to ensure timely completion of critical investments.

### **5.14. Departmental Committee on Blue Economy & Irrigation**

42. The Committee noted with concern that the State Department for Water and Sanitation has huge potential to generate Appropriations in Aid as demonstrated by huge upward revision in this supplementary budget. This may be an indication of deliberate underestimation of the potential AIA to have higher GoK funding at the beginning of the financial year.

### **5.15. Departmental Committee on Sports & Culture**

43. The Committee noted that the budget cuts for the State Department of Sports will affect preparation for the AFCON 2027 games including preparatory activities such as development of infrastructure, mapping stakeholders for specific roles and joint visits with hosts. The state department requires an additional Kshs. 500 million to coordinate the start-up and preparatory activities for AFCON 2027.

### **5.16. Departmental Committee on Communication, Information & Innovation**

44. The Committee noted that Postal Corporation needs urgent budgetary intervention to address salary arrears owed to staff amounting to Kshs. 504 million as at the end of October 2023. This is despite the fact that the Corporation is owed over Kshs. 2.7 billion by various government agencies including Kshs. 1.6 billion owed by Huduma Centre for rental income and Kshs. 1.2 billion owed by IEBC for courier services for the distribution of election materials.

### **5.17. Departmental Committee on Housing, Urban Planning & Public Works**

45. The Committee noted the urgent need for finalization of regulations governing utilization of the resources accrued from the National Housing Development Levy. As it stands, there is no instrument in law to facilitate utilization of these funds. The provision in the budget is to allow immediate drawdowns and utilization after approval of the regulations are passed.

### **5.18. Departmental Committee on Health**

46. The Committee noted that budget rationalization in the Ministry of Health had adversely affected key programs such as HIV, malaria, tuberculosis and family planning. Other projects which were adversely affected by budget cuts include seed funds meant for operationalization of the Emergency Treatment Fund and the Digital Health Platform in line with the new Universal Health Care laws; as well as Human Vaccine Production under the BIOVAX institute.

### **5.19. Departmental Committee on Labour**

47. The Committee indicated that the budgetary cuts affecting the Huduma Kenya secretariat Headquarters will unfavourably affect service delivery and undermine revenue collection by Kshs. 68.64 million in Appropriations-in-aid mainly from Huduma Kenya Services. It was indicated that indeed, the Huduma centres are in poor state and require repairs but their maintenance budget has been reduced significantly.

### **5.20. Departmental Committee on Finance & National Planning**

48. The State Department for the National Treasury has a pending bill of Kshs. 5.174 billion owed to Misort Africa Ltd who were contracted for the construction of a data recovery centre in Naivasha. This is an arbitration award estimated at Kshs. 5.174 billion including accrued interest that if not settled may accrue additional interests. Further, there is an undisbursed amount of Kshs. 7.061 billion from FY 2022/23 for the Kenya Revenue Authority which has led to accumulation of pending bills.

## **SUBMISSIONS BY PSC AND OAG**

49. The Budget and Appropriations Committee is mandated to oversight the Office of the Auditor General and the Parliamentary Service Commission. The Committee invited the two entities to present their submissions on the extent and implication of the proposed changes as per the Supplementary Estimates.

### **6.1. Submissions by the Parliamentary Service Commission**

50. The Parliamentary Service Commission is mandated to provide services and facilities to ensure efficient and effective functioning of Parliament in delivering its legislative, oversight and representation functions. The Commission is guided by the its strategic plan for 2019-2030 in undertaking its activities.

51. The Commission indicated that the Supplementary Estimates I for FY 2023/2024 proposes to reduce the budget for the legislature by Kshs. 3.17 billion affecting all the votes of the Commission. This is despite the fact that the additional costs related to the Finance Act of 2023 relating to housing and NITA levy for Members of Parliament and Staff were not factored in the current allocation.

52. The Parliamentary Service Commission Vote 2041 has a reduction of Kshs. 87.29 million which may hamper critical services including those related to the IEBC selection panel, National Dialogue Committee and activities of the Committees of the Commission. The National Assembly Vote 2042 has a targeted reduction of Kshs. 1.38 billion which will affect the functioning of all the Committees of the National Assembly including those requiring public participation which is a constitutional requirement.

53. The Parliamentary Joint Service Vote 2043 has a proposed reduction of Kshs. 696.15 million in recurrent and Kshs. 500 million in development allocation. This reduction will affect critical shared services including medical insurance services, cleaning services, security services and live broadcasting of proceeding of both houses of Parliament. The Senate Vote 2044 has a proposed reduction of Kshs. 505.77 million which will affect the legislative business of Senate and paralyze activities of the Senate Committees.

### **6.2. Submissions by the Auditor General**

54. The Office of the Auditor General is established by the Constitution to audit the accounts of public entities at both National and County level, the Judiciary, Legislature, Public debt and all institutions, programmes and projects that receive public funds. The office plays a critical role in promoting good governance, transparency, accountability and sustainable development.

55. In their submission, the Auditor General indicated that the Office has not been affected negatively by the supplementary estimates. The recurrent budget has been increased by Kshs. 150 million on account of additional AIA that the office anticipates to collect and utilize for critical underfunded areas. In terms of the development budget the office has an allocation of Kshs. 300 million for construction of the Mombasa regional office and Kshs. 10 million under the AfDB grant. The proposed changes in the supplementary seek to enhance the AfDB component by an additional funding of Kshs. 5 million.

56. The Auditor General appreciated the support of the Committee and the cordial working relationship with Parliament. The Office indicated that they have some shortfalls in personnel emoluments arising from the measures contained in the Finance Act of 2023. The office further requires additional audit staff to bridge the existing gap and cater for the increased audit scope including public secondary schools, level 4 hospitals, political parties, and TVETs.
57. The Auditor General further sought the support of Parliament in enhancing compliance and implementation of audit requirements including proposed amendments to the Public Audit Bill and the Public Finance Management Act. The proposed amendments will enhance accountability, transparency, effectiveness, efficiency, equity and economic utilization of public resources.

## **OBSERVATIONS AND RECOMMENDATIONS BY BAC**

58. Based on these extensive consultations and deliberations the Committee took note of the following overarching observations:

### **7.1. Overarching Observations**

- i. Appropriations-in-aid:** there is an observed tendency of MDAs adjusting their appropriations-in-aid upwards during the supplementary budget process and subsequently collecting higher AIA than initially budgeted for. Accurate estimation of AIA collection is critical as it will reduce reliance on the exchequer thereby freeing up resources to be utilized for other critical spending needs.
- ii. Budget Rationalization of Critical Programmes:** in some spending agencies, the budget cuts have affected critical programmes such as salaries, central operational expenses; as well as vital development programmes that are already under implementation. Some of these expenditure cuts require a review in order to maintain operations in these ministries, departments and agencies.
- iii. Pending regulations for the operationalization of Funds:** regulations are yet to be implemented for the operationalization of critical Funds such as the National Housing Development Fund and the Social Health Insurance Fund.
- iv. Budgeting for Results:** despite expenditure changes either reducing or increasing funding for various programmes/projects, some of the KPIs remain the same. This raises concern over whether the expenditure estimates are actually tied to the outputs/outcomes.
- v. Unfunded Requests:** The Committee received additional requests for funding amounting to Kshs. 85,063,841,756 However, given the constrained fiscal space, the same could not be accommodated in the current supplementary estimates. These requests are attached to this report as the fourth schedule.

## **7.2. Non- Financial Recommendations**

### **Appropriations-in-Aid**

- i) That, upon adoption of this report, accounting officers of all Ministries, Departments and Agencies should declare their accurate projection of Appropriations in Aid collections at the beginning of the financial year. Any significant revision in AIA within the financial year will result to an equivalent reduction in exchequer funding for the entity.

### **Revenue consolidation**

- ii) That, within sixty (60) days upon adoption of this report, the National Treasury to provide a detailed report to the National Assembly on the cash surplus funds held in the bank accounts of all State-owned agencies/Parastatal as at 30<sup>th</sup> November, 2023.
- iii) That, to consolidate national government revenue and enhance efficiency in liquidity management, the National Treasury should fast-track implementation of the national government single account framework and must ensure the treasury single account is operational by 31<sup>st</sup> March 2024.

### **Pending Laws and Regulations**

- iv) That, the Cabinet Secretary Ministry of Land, Public Works, Housing & Urban Development should expedite the development of the National Housing Development Fund Regulations and submit to the National Assembly by 31<sup>st</sup> March 2024.
- v) That, the State Department for Lands and Physical Planning through the appointed Inter-Ministerial taskforce, fast tracks the legislative proposals on land rates charges and submits a report to Parliament within six months upon adoption of this report.
- vi) That, by 30<sup>th</sup> March 2023, the State Department for Medical Services should submit to the National Assembly a report on the roadmap of operationalization of the four Universal Health Coverage (UHC) Acts. This should also include the status of the regulations governing the Social Health Insurance Fund (SHIF).
- vii) That, by 31<sup>st</sup> December 2023, the Ministry of Investment, Trade and Industry should submit to the National Assembly the framework for implementation of the Exports Promotion and Investment Levy with details of the specific objectives of the levy as well as a statement indicating amount collected by the time of submission of the framework.

### **Sports**

- viii) That, by 31<sup>st</sup> December 2023, the State Department for Sports should submit to the National Assembly a comprehensive report on the country's preparedness for the AFCON 2027 games including the earmarked stadia, amount of resources required for construction of the necessary infrastructure and adequate funding for the National Team.

## **Trade, Industry and Cooperatives**

ix) That, within 90 days upon adoption of this report, the Ministry of Investment, Trade and Industry and the Ministry of Cooperatives and MSMEs Development should hold consultative engagements to review their roles in implementation of the BETA value chains with a view to identify areas with duplication and complementarity of functions and submit a report to the National Assembly on how this will be addressed.

## **Energy**

x) That, upon adoption of this report, the Kenya Power and Lighting Company (KPLC) in conjunction with the Rural Electrification and Renewable Energy Corporation (REREC) under supervision of the Cabinet Secretary, Ministry of Energy and Petroleum, fast tracks procurement of meters and transformers particularly from local assemblers who meet the standards and specifications as per the Public Procurement and Asset Disposal Act, 2015.

xi) That, by 31<sup>st</sup> December 2023, The Cabinet Secretary Ministry of Energy and Petroleum furnishes the National Assembly with a comprehensive report on the fuel stabilization programme since inception in April 2021. The report should include details on the date and amount of payments made, the oil companies that received payments, amount in litres sold by each, pending payments to each, balance in the PDL account, who manages the programme, details on the results of the treasury bonds issued to offset related pending bills, relevant legal anchoring instruments including the relevant regulations for the Fuel Stabilization programme and the official government policy on fuel stabilization programme.

## **Social Protection**

xii) That, in the next budget cycle for financial year 2024/2025, the National Treasury considers the re-classification of the development expenditure for the National Council for Persons with Disability, particularly the funding for assistive devices, education assistance, tools of trade, LPO financing and supporting self-help groups, from development expenditure to recurrent expenditure since these expenditure items are recurrent in nature.

## **Postal Corporation of Kenya**

xiii) That, before submission of the 2024 Budget Policy Statement (BPS) the National Treasury should develop and put in place a mechanism to fast-track payment of the outstanding debt owed by various government entities to the Postal Corporation of Kenya including ring-fencing part of the allocations to those entities for the debt settlement.

### 7.3. Financial Recommendations

The Committee further recommends that the House:

#### c. Expenditure under Article 223

- VI. approves Kshs: **1,736,121,765** spent under Article 223 of the Constitution in respect of Votes contained in the THIRD SCHEDULE.

#### d. Overall Supplementary Appropriations

- VII. approves an increment of the total recurrent expenditure for Financial Year 2023/2024 by Kshs. 90,717,383,737 in respect of the Votes contained in the FIRST SCHEDULE
- VIII. approves a reduction of the total capital expenditure for Financial Year 2023/2024 by Kshs. 24,515,810,722 in respect of the Votes contained in the FIRST SCHEDULE;
- IX. approves an overall increment in the total budget for Financial Year 2023/2024 by Kshs. 66,201,573,015 in respect of the Votes contained in the FIRST SCHEDULE;
- X. resolves that the FIRST and SECOND SCHEDULE forms the basis for the introduction of the First Supplementary Appropriation Bill, 2023;

**SIGNED**

  
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**HON. NDINDI NYORO, CBS, M.P.**  
**CHAIRPERSON, THE BUDGET AND APPROPRIATIONS COMMITTEE**

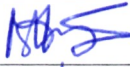

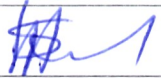

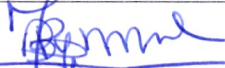

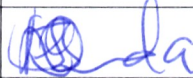

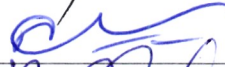


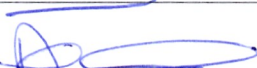


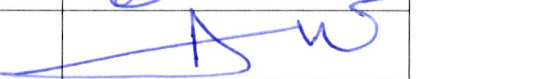
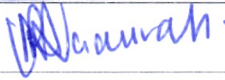
**14.11.2023**  
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**DATE**

## BUDGET AND APPROPRIATIONS COMMITTEE

### ADOPTION SCHEDULE ON BAC REPORT ON THE SUPPLEMENTARY ESTIMATES NO.1 FOR FY 2023/24

Date 14.11.2023 Time..... Sitting: .....

NAME	SIGNATURE
1. Hon. Ndindi, Nyoro, CBS, M.P.- Chairperson	
2. Hon. Otucho, Mary Emaase, M.P.- Vice Chairperson	
3. Hon. Chumel, Samwel Moroto, M.P.	
4. Hon. Odhiambo, Millie Grace Akoth, M.P.	
5. Hon. (Dr.) Mulu, Makali, M.P.	
6. Hon. Lekuton, Joseph, M.P.	
7. Hon. Lesuuda, Josephine Naisula, OGW, M.P.	
8. Hon. Robi, Mathias Nyamabe, M.P.	
9. Hon. Ochieng, David Ouma, M.P.	
10. Hon. Muchira, Michael Mwangi, M.P.	
11. Hon. Shinali, Bernard Masaka, M.P.	
12. Hon. Mwakuwona, Danson Mwashako, M.P.	
13. Hon. Atandi, Samuel Onunga, M.P.	
14. Hon. Mwirigi, John Paul, M.P.	
15. Hon. Mejjadonk, Benjamin Gathiru, M.P.	
16. Hon. Wangaya, Christopher Aseka, M.P.	
17. Hon. Wachira, Rahab Mukami, M.P.	

NAME	SIGNATURE
18. Hon. (Dr.) Masara, Peter Francis, M.P.	
19. Hon. Ongili, Babu Owino Paul, M.P.	
20. Hon. Wanjiku, John Njuguna, M.P.	
21. Hon. Guyo, Ali Wario, M.P.	
22. Hon. (Dr.) Murumba, John Chikati, M.P.	
23. Hon. Busia, Ruth Adhiambo Odinga, M.P.	
24. Hon. Kitilai, Ole Ntutu, M.P.	
25. Hon. Sergon, Flowrence Jematiah, M.P.	
26. Hon. Mokaya, Nyakundi Japheth, M.P.	
27. Hon. Abdirahman Mohamed Abdi, M.P.	

Signed.....

Date.....

Committee Clerk

Signed.....

Date.....

Director of Parliamentary Budget Office

FIRST SCHEDULE: SUPPLEMENTARY ESTIMATES I FOR FY 2023/24										
VOTE CODE	VOTE & PROGRAMME	PRINTED BUDGET FY 2023/24			SUPPLEMENTARY I BUDGET ESTIMATES FY 2023/24 (Changes)			REVISED BUDGET ESTIMATES FY 2023/24 (Approved by National Assembly)		
		GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES
1011	Office of the President	3,597,646,558	736,000,000	4,333,646,558	(260,653,366)	(39,000,000)	(299,653,366)	3,336,993,192	697,000,000	4,033,993,192
	0603000 Government Printing Services	727,383,901	383,700,000	1,111,083,901	(53,984,004)	(70,000,000)	(123,984,004)	673,399,897	313,700,000	987,099,897
	0701000 General Administration Planning and Support Services	2,187,618,747	352,300,000	2,539,918,747	(146,546,269)	31,000,000	(115,546,269)	2,041,072,478	383,300,000	2,424,372,478
	0703000 Government Advisory Services	682,643,910	-	682,643,910	(60,133,093)	-	(60,133,093)	622,520,817	-	622,520,817
1012	Office of the Deputy President	3,288,259,404	250,400,000	3,538,659,404	609,453,601	150,000,000	759,453,601	3,897,713,005	400,400,000	4,298,113,005
	0734000 Deputy President Services	3,288,259,404	250,400,000	3,538,659,404	609,453,601	150,000,000	759,453,601	3,897,713,005	400,400,000	4,298,113,005
1013	Office of the Prime Cabinet Secretary	1,195,570,001	-	1,195,570,001	-	-	-	1,195,570,001	-	1,195,570,001
	0755000 Government Coordination and Supervision Services	1,195,570,001	-	1,195,570,001	-	-	-	1,195,570,001	-	1,195,570,001
1014	State Department for Parliamentary Affairs	669,544,858	-	669,544,858	(276,466,275)	-	(276,466,275)	393,078,583	-	393,078,583
	0759000 Parliamentary Liaison and Legislative Affairs	170,027,640	-	170,027,640	(74,337,539)	-	(74,337,539)	95,690,101	-	95,690,101
	0760000 Policy Coordination and Strategy	139,406,640	-	139,406,640	(74,774,894)	-	(74,774,894)	64,631,746	-	64,631,746
	0761000 General Administration, Planning and Support Services	360,110,578	-	360,110,578	(127,353,842)	-	(127,353,842)	232,756,736	-	232,756,736
1015	State Department for Performance and Delivery Management	478,625,141	-	478,625,141	(123,458,604)	-	(123,458,604)	355,166,537	-	355,166,537
	0762000 Public Service Performance Management and Delivery Services	190,948,320	-	190,948,320	(50,261,091)	-	(50,261,091)	140,687,229	-	140,687,229
	0764000 General Administration, Planning and Support Services	287,676,821	-	287,676,821	(73,197,513)	-	(73,197,513)	214,479,308	-	214,479,308
1016	State Department for Cabinet Affairs	903,030,596	-	903,030,596	(285,972,102)	-	(285,972,102)	617,058,494	-	617,058,494
	0738000 Cabinet Affairs Services	903,030,596	-	903,030,596	(285,972,102)	-	(285,972,102)	617,058,494	-	617,058,494
1017	State House	6,372,441,000	928,700,000	7,301,141,000	2,156,417,517	481,000,000	2,637,417,517	8,528,858,517	1,409,700,000	9,938,558,517
	0704000 State House Affairs	6,372,441,000	928,700,000	7,301,141,000	2,156,417,517	481,000,000	2,637,417,517	8,528,858,517	1,409,700,000	9,938,558,517
1023	State Department for Correctional Services	34,672,200,000	1,165,000,000	35,837,200,000	178,509,043	(470,000,000)	(291,490,957)	34,850,709,043	695,000,000	35,545,709,043
	0623000 General Administration, Planning and Support Services	548,254,199	12,000,000	560,254,199	16,895,573	-12,000,000	4,895,573	565,149,772	-	565,149,772
	0627000 Prison Services	31,958,177,582	862,500,001	32,820,677,583	155,439,899	-312,266,144	(156,826,245)	32,113,617,481	550,233,857	32,663,851,338
	0628000 Probation & After Care Services	2,165,768,219	290,499,999	2,456,268,218	6,173,571	-145,733,856	(139,560,285)	2,171,941,790	144,766,143	2,316,707,933
1024	State Department for Immigration and Citizen Services	8,553,797,341	3,427,000,000	11,980,797,341	492,486,011	210,000,000	702,486,011	9,046,283,352	3,637,000,000	12,683,283,352
	0605000 Migration & Citizen Services Management	3,514,794,456	1,875,000,000	5,389,794,456	162,944,198	400,000,000	562,944,198	3,677,738,654	2,275,000,000	5,952,738,654
	0626000 Population Management Services	4,440,542,080	1,547,000,000	5,987,542,080	143,179,243	(190,000,000)	(46,820,757)	4,583,721,323	1,357,000,000	5,940,721,323
	0631000 General Administration and Planning	598,460,805	5,000,000	603,460,805	186,362,570	-	186,362,570	784,823,375	5,000,000	789,823,375
1025	National Police Service	104,644,431,743	1,853,910,000	106,498,341,743	1,679,780,360	(200,000,000)	1,479,780,360	106,324,212,103	1,653,910,000	107,978,122,103
	0601000 Policing Services	104,644,431,743	1,853,910,000	106,498,341,743	1,679,780,360	(200,000,000)	1,479,780,360	106,324,212,103	1,653,910,000	107,978,122,103
1026	State Department for Internal Security & National Administration	27,061,592,117	1,179,220,000	28,240,812,117	2,462,549,448	6,100,000,000	8,562,549,448	29,524,141,565	7,279,220,000	36,803,361,565
	0629000 General Administration and Support Services	25,628,902,117	1,113,220,000	26,742,122,117	2,462,549,448	6,100,000,000	8,562,549,448	28,091,451,565	7,213,220,000	35,304,671,565
	0630000 Policy Coordination Services	1,432,690,000	66,000,000	1,498,690,000	-	-	-	1,432,690,000	66,000,000	1,498,690,000
1032	State Department for Devolution	1,878,120,000	293,000,000	2,171,120,000	(87,158,016)	(237,000,000)	(324,158,016)	1,790,961,984	56,000,000	1,846,961,984

FIRST SCHEDULE: SUPPLEMENTARY ESTIMATES I FOR FY 2023/24

VOTE CODE	VOTE & PROGRAMME	PRINTED BUDGET FY 2023/24			SUPPLEMENTARY I BUDGET ESTIMATES FY 2023/24			REVISED BUDGET ESTIMATES FY 2023/24		
		GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES
						(Change)				
1036	State Department for ASALs and Regional Development	1,878,120,000	293,000,000	2,171,120,000	(87,158,016)	(237,000,000)	(324,158,016)	1,790,961,984	56,000,000	1,846,961,984
	Development	9,728,190,000	6,170,500,000	15,898,690,000	5,193,446,824	2,967,479,665	8,160,926,489	14,921,636,824	9,137,979,665	24,059,616,489
	02733000 Accelerated ASAL Development	6,562,699,631	2,063,910,000	8,626,609,631	5,088,016,732	2,362,479,665	7,450,496,397	11,650,716,363	4,426,389,665	16,077,106,028
	0743000 General Administration, Planning and Support Services	473,918,059	-	473,918,059	29,012,497	-	29,012,497	502,930,556	-	502,930,556
	1013000 Integrated Regional Development	2,691,572,310	4,106,590,000	6,798,162,310	76,417,595	605,000,000	681,417,595	2,767,989,905	4,711,590,000	7,479,579,905
1041	Ministry of Defence	137,243,000,000	4,254,000,000	141,497,000,000	9,692,201,216	(1,000,000,000)	8,692,201,216	146,935,201,216	3,254,000,000	150,189,201,216
	0801000 Defence	500,000,000	-	500,000,000	-	-	-	500,000,000	-	500,000,000
	0802000 Civil Aid	2,596,160,000	-	2,596,160,000	(99,899,600)	-	(99,899,600)	2,496,260,400	-	2,496,260,400
	0803000 General Administration, Planning and Support Services	350,000,000	-	350,000,000	(100,000,000)	-	(100,000,000)	250,000,000	-	250,000,000
1053	State Department for Foreign Affairs	17,846,170,000	1,871,000,000	19,717,170,000	1,534,641,173	(700,000,000)	834,641,173	19,380,811,173	1,171,000,000	20,551,811,173
	0714000 General Administration, Planning and Support Services	2,699,115,126	426,680,000	3,125,795,126	301,646,640	(100,000,000)	201,646,640	3,000,761,766	326,680,000	3,327,441,766
	0715000 Foreign Relation and Diplomacy	14,980,394,649	1,444,320,000	16,424,714,649	1,233,495,253	(600,000,000)	633,495,253	16,215,889,902	844,320,000	17,060,209,902
	0741000 Economic and Commercial Diplomacy	51,823,239	-	51,823,239	(1,964,174)	-	(1,964,174)	49,859,065	-	49,859,065
	0742000 Foreign Policy Research, Capacity Development and Technical Cooperation	114,836,986	-	114,836,986	(536,546)	-	(536,546)	114,300,440	-	114,300,440
1054	State Department for Diaspora Affairs	1,314,000,000	-	1,314,000,000	1,710,293	-	1,710,293	1,315,710,293	-	1,315,710,293
	0752000 Management of Diaspora and Consular Affairs	1,314,000,000	-	1,314,000,000	1,710,293	-	1,710,293	1,315,710,293	-	1,315,710,293
1064	State Department for Technical Vocational Education and Training	20,668,373,641	7,655,422,807	28,323,796,448	5,175,029,446	(585,422,807)	4,589,606,639	25,843,403,087	7,070,000,000	32,913,403,087
	0505000 Technical Vocational Education and Training	20,315,679,165	7,655,422,807	27,971,101,972	5,016,718,236	(585,422,807)	4,431,295,429	25,332,397,401	7,070,000,000	32,402,397,401
	0507000 Youth Training and Development	55,622,530	-	55,622,530	(5,249,884)	-	(5,249,884)	50,372,646	-	50,372,646
	0508000 General Administration, Planning and Support Services	297,071,946	-	297,071,946	163,561,094	-	163,561,094	460,633,040	-	460,633,040
1065	State Department for Higher Education and Research	124,492,869,981	4,111,000,000	128,603,869,981	26,480,848,822	(560,000,000)	25,920,848,822	150,973,718,803	3,551,000,000	154,524,718,803
	0504000 University Education	123,439,641,117	4,055,000,000	127,494,641,117	26,495,426,584	(630,000,000)	25,865,426,584	149,935,067,201	3,425,000,000	153,360,067,201
	0506000 Research, Science, Technology and Innovation	693,206,220	56,000,000	749,206,220	(23,808,390)	70,000,000	46,191,610	669,397,830	126,000,000	795,397,830
	0508000 General Administration, Planning and Support Services	360,022,644	-	360,022,644	9,230,628	-	9,230,628	369,253,272	-	369,253,272
1066	State Department for Basic Education	127,673,395,350	20,151,022,700	147,824,978,050	8,766,055,598	2,980,045,538	11,746,101,126	136,440,010,948	23,131,068,228	159,571,079,176
	0501000 Primary Education	21,262,781,275	11,055,222,700	32,318,003,975	621,654,162	4,874,045,538	5,495,699,690	21,884,435,437	15,629,268,228	37,513,703,665
	0502000 Secondary Education	95,040,500,209	8,837,800,000	103,878,300,209	8,893,099,702	(1,769,000,000)	7,124,099,702	103,933,599,911	7,068,800,000	111,000,399,911
	0505000 Quality Assurance and Standards	5,089,594,246	133,000,000	5,222,594,246	(3,729,135)	-	(3,729,135)	5,085,655,111	133,000,000	5,218,655,111
	0508000 General Administration, Planning and Support Services	6,281,279,620	125,000,000	6,406,279,620	(744,959,131)	(125,000,000)	(869,959,131)	5,536,320,489	-	5,536,320,489
1071	The National Treasury	76,668,384,066	52,020,765,075	128,689,049,141	(15,738,307,881)	(1,591,482,357)	(17,329,790,238)	60,929,976,185	50,429,282,718	111,359,258,903
	0717000 General Administration, Planning and Support Services	67,350,462,127	9,266,602,765	76,617,064,892	(16,162,295,098)	(300,652,357)	(16,462,947,455)	51,188,167,029	8,965,950,408	60,154,117,437
	0718000 Public Financial Management	7,426,460,602	34,720,482,310	42,146,942,912	465,691,323	(2,152,250,000)	(1,686,838,677)	7,892,151,925	32,667,952,310	40,460,104,235

FIRST SCHEDULE: SUPPLEMENTARY ESTIMATES I FOR FY 2023/24										
VOTE CODE	VOTE & PROGRAMME	PRINTED BUDGET FY 2023/24			SUPPLEMENTARY I BUDGET ESTIMATES FY 2023/24 (Changes)			REVISED BUDGET ESTIMATES FY 2023/24 (Approved by National Assembly)		
		GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES
	07190000 Economic and Financial Policy Formulation and Management	1,488,261,337	8,006,680,000	9,494,941,337	(41,704,106)	861,700,000	819,995,894	1,446,557,231	8,868,380,000	10,314,937,231
	07200000 Market Competition	403,100,000	27,000,000	430,100,000	-	-	-	403,100,000	27,000,000	430,100,000
1072	State Department for Economic Planning	4,100,300,000	56,322,990,000	60,423,290,000	(92,439,675)	2,522,700,000	2,430,260,325	4,007,860,325	58,845,690,000	62,853,550,325
	07060000 Economic Policy and National Planning	2,356,262,793	53,853,750,000	56,210,012,793	(36,526,760)	3,400,000,000	3,363,473,240	2,319,736,033	57,253,750,000	59,573,486,033
	07070000 National Statistical Information Services	1,286,620,000	2,433,750,000	3,720,370,000	-	(877,300,000)	(877,300,000)	1,286,620,000	1,556,450,000	2,843,070,000
	07080000 Public Investment Management Monitoring and Evaluation Services	96,731,196	35,490,000	132,221,196	(7,606,095)	-	(7,606,095)	89,125,101	35,490,000	124,615,101
	07090000 General Administration: Planning and Support Services	360,686,011	-	360,686,011	(48,306,820)	-	(48,306,820)	312,379,191	-	312,379,191
1082	State Department for Medical Services	63,053,520,000	53,539,056,949	116,592,576,949	3,340,760,480	(9,293,811,214)	(5,953,050,734)	66,394,280,480	44,245,245,735	110,639,526,215
	04020000 National Referral & Specialized Services	47,059,159,421	16,437,166,666	63,496,326,087	3,184,043,299	(5,722,760,000)	(2,538,716,701)	50,243,202,720	10,714,406,666	60,957,609,386
	04100000 Curative & Reproductive Maternal New Born Child Adolescent Health RMNCAH	1,366,713,752	19,651,890,283	21,018,604,035	(15,509,161)	(1,149,051,214)	(1,164,560,375)	1,351,204,591	18,502,839,069	19,854,043,660
	04110000 Health Research and Innovations	3,457,000,000	1,452,000,000	4,909,000,000	-	(372,000,000)	(372,000,000)	3,457,000,000	1,080,000,000	4,537,000,000
	04120000 General Administration	11,170,646,827	15,998,000,000	27,168,646,827	172,226,342	(2,050,000,000)	(1,877,773,658)	11,342,873,169	13,948,000,000	25,290,873,169
1083	State Department for Public Health and Professional Standards	17,573,600,000	7,020,540,000	24,593,940,000	4,223,356,904	(610,948,786)	3,612,408,118	21,796,956,904	6,409,391,214	28,206,348,118
	04060000 Preventive and Promotive Health Services	1,709,426,160	5,560,000,000	7,269,426,160	(39,592,905)	(1,080,948,786)	(1,120,541,691)	1,669,833,255	4,479,051,214	6,148,884,469
	04070000 Health resources development and Innovation	13,538,326,298	1,460,340,000	14,998,666,298	2,243,779,451	220,000,000	2,463,779,451	15,782,105,749	1,680,340,000	17,462,445,749
	04080000 Health Policy, Standards and Regulations	1,803,970,133	-	1,803,970,133	1,996,488,063	250,000,000	2,246,488,063	3,800,458,196	250,000,000	4,050,458,196
	04120000 General Administration	521,877,409	-	521,877,409	22,682,295	-	22,682,295	544,559,704	-	544,559,704
1091	State Department for Roads	82,893,711,993	167,951,000,000	250,844,711,993	(48,581,832)	(18,507,000,000)	(18,555,581,832)	82,845,130,161	149,444,000,000	232,289,130,161
	02020000 Road Transport	82,893,711,993	167,951,000,000	250,844,711,993	(48,581,832)	(18,507,000,000)	(18,555,581,832)	82,845,130,161	149,444,000,000	232,289,130,161
1092	State Department for Transport	14,143,430,000	46,243,136,159	60,386,566,159	212,385,540	(2,440,000,000)	(2,227,614,460)	14,355,815,540	43,803,136,159	58,158,951,699
	02010000 General Administration, Planning and Support Services	1,757,261,944	1,331,000,000	3,088,261,944	(45,426,497)	(257,000,000)	(302,426,497)	1,711,835,447	1,074,000,000	2,785,835,447
	02030000 Rail Transport	-	39,380,000,000	39,380,000,000	-	(319,500,000)	(319,500,000)	-	39,060,500,000	39,060,500,000
	02040000 Marine Transport	651,309,374	2,885,000,000	3,536,309,374	(58,619,064)	(1,500,000,000)	(1,538,619,064)	612,690,310	1,385,000,000	1,997,690,310
	02050000 Air Transport	9,149,204,582	876,000,000	10,025,204,582	12,370,849	(563,500,000)	(551,129,151)	9,161,575,431	512,500,000	9,674,075,431
	02160000 Road Safety	2,585,654,100	1,771,136,159	4,356,790,259	284,060,252	-	284,060,252	2,869,714,352	1,771,136,159	4,640,850,511
1093	State Department for Shipping and Maritime Affairs	2,494,070,000	1,050,000,000	3,544,070,000	19,842,776	(300,000,000)	(280,157,224)	2,513,912,776	750,000,000	3,263,912,776
	02200000 Shipping and Maritime Affairs	2,494,070,000	1,050,000,000	3,544,070,000	19,842,776	(300,000,000)	(280,157,224)	2,513,912,776	750,000,000	3,263,912,776
1094	State Department for Housing and Urban Development	1,290,700,000	92,532,000,000	93,822,700,000	77,000,000	(13,338,111,801)	(13,261,111,801)	1,367,700,000	79,193,888,199	80,561,588,199
	01020000 Housing Development and Human Settlement	822,575,000	80,989,000,000	81,811,575,000	60,871,486	(6,920,000,000)	(6,859,128,514)	883,446,486	74,069,000,000	74,952,446,486
	01050000 Urban and Metropolitan Development	154,720,000	11,543,000,000	11,697,720,000	-	(6,418,111,801)	(6,418,111,801)	154,720,000	5,124,888,199	5,279,608,199
	01060000 General Administration: Planning and Support Services	313,405,000	-	313,405,000	16,128,514	-	16,128,514	329,533,514	-	329,533,514
1095	State Department for Public Works	3,514,440,000	1,214,000,000	4,728,440,000	(32,348,046)	(400,000,000)	(432,348,046)	3,482,091,954	814,000,000	4,296,091,954
	01030000 Government Buildings	591,078,358	639,000,000	1,230,078,358	(8,779,041)	(105,244,705)	(114,023,746)	582,299,317	533,755,295	1,116,054,612

FIRST SCHEDULE: SUPPLEMENTARY ESTIMATES I FOR FY 2023/24

VOTE CODE	VOTE & PROGRAMME	PRINTED BUDGET FY 2023/24			SUPPLEMENTARY I BUDGET ESTIMATES FY 2023/24			REVISED BUDGET ESTIMATES FY 2023/24		
		GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES (Change)	GROSS TOTAL ESTIMATES	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES (Approved by National Assembly)	GROSS TOTAL ESTIMATES
	0104000 Coastline Infrastructure and Pedestrian Access	95,370,698	386,000,000	481,370,698	(3,531,907)	(233,755,295)	(237,287,202)	91,838,791	152,244,705	244,083,496
	0106000 General Administration Planning and Support Services	382,307,750	14,000,000	396,307,750	(14,949,466)	(8,000,000)	(22,949,466)	367,358,284	6,000,000	373,358,284
	0218000 Regulation and Development of the Construction Industry	2,445,683,194	175,000,000	2,620,683,194	(5,087,632)	(53,000,000)	(58,087,632)	2,440,595,562	122,000,000	2,562,595,562
<b>1104</b>	<b>State Department for Irrigation</b>	<b>1,558,000,000</b>	<b>23,166,000,000</b>	<b>24,724,000,000</b>	<b>(16,244,870)</b>	<b>(522,000,000)</b>	<b>(538,244,870)</b>	<b>1,541,755,130</b>	<b>22,644,000,000</b>	<b>24,185,755,130</b>
	1014000 Irrigation and Land Reclamation	888,016,771	19,696,000,000	20,584,016,771	(31,709,448)	(452,000,000)	(483,709,448)	856,307,323	19,244,000,000	20,100,307,323
	015000 Water Storage and Flood Control	455,500,000	1,550,000,000	2,005,500,000	42,000,000	330,000,000	372,000,000	497,500,000	1,880,000,000	2,377,500,000
	1022000 Water Harvesting and Storage for Irrigation	39,411,204	1,920,000,000	1,959,411,204	(8,165,603)	(400,000,000)	(408,165,603)	31,245,601	1,520,000,000	1,551,245,601
	1023000 General Administration, Planning and Support Services	175,072,025	-	175,072,025	(18,369,819)	-	(18,369,819)	156,702,206	-	156,702,206
<b>1109</b>	<b>State Department for Water &amp; Sanitation</b>	<b>5,542,500,000</b>	<b>55,944,000,000</b>	<b>61,486,500,000</b>	<b>1,051,900,386</b>	<b>2,376,000,000</b>	<b>3,427,900,386</b>	<b>6,594,400,386</b>	<b>58,320,000,000</b>	<b>64,914,400,386</b>
	1001000 General Administration, Planning and Support Services	724,770,173	190,000,000	914,770,173	(25,461,977)	550,000,000	524,538,023	699,308,196	740,000,000	1,439,308,196
	1004000 Water Resources Management	1,307,726,227	12,446,000,000	13,753,726,227	906,632,500	205,000,000	1,111,632,500	2,214,358,727	12,651,000,000	14,865,358,727
	1017000 Water and Sewerage Infrastructure Development	3,510,003,600	43,308,000,000	46,818,003,600	1,707,29,863	1,621,000,000	1,791,729,863	3,680,733,463	44,929,000,000	48,609,733,463
<b>1112</b>	<b>State Department for Lands and Physical Planning</b>	<b>3,889,982,863</b>	<b>4,978,000,000</b>	<b>8,867,982,863</b>	<b>-</b>	<b>422,000,000</b>	<b>422,000,000</b>	<b>3,889,982,863</b>	<b>5,400,000,000</b>	<b>9,289,982,863</b>
	0101000 Land Policy and Planning	2,676,990,571	3,977,528,977	6,654,519,548	-	422,000,000	422,000,000	2,676,990,571	3,977,528,977	6,654,519,548
	0121000 Land Information Management	-	942,471,023	942,471,023	-	-	-	-	1,364,471,023	1,364,471,023
	0123000 General Administration, Planning and Support Services	1,212,992,292	58,000,000	1,270,992,292	-	-	-	1,212,992,292	58,000,000	1,270,992,292
<b>1122</b>	<b>State Department for Information Communication Technology &amp; Digital Support Services</b>	<b>3,851,300,000</b>	<b>16,248,000,000</b>	<b>20,099,300,000</b>	<b>52,000,000</b>	<b>243,000,000</b>	<b>295,000,000</b>	<b>3,903,300,000</b>	<b>16,491,000,000</b>	<b>20,394,300,000</b>
	0207000 General Administration Planning and Support Services	304,306,356	-	304,306,356	-	-	-	304,306,356	-	304,306,356
	0210000 ICT Infrastructure Development	751,481,982	15,148,000,000	15,899,481,982	70,000,000	413,000,000	483,000,000	821,481,982	15,561,000,000	16,382,481,982
	0217000 E-Government Services	2,795,511,662	1,100,000,000	3,895,511,662	(18,000,000)	(170,000,000)	(188,000,000)	2,777,511,662	930,000,000	3,707,511,662
<b>1123</b>	<b>State Department for Broadcasting &amp; Telecommunications</b>	<b>6,553,972,277</b>	<b>626,000,000</b>	<b>7,179,972,277</b>	<b>74,855,992</b>	<b>(100,000,000)</b>	<b>(25,144,008)</b>	<b>6,628,828,269</b>	<b>526,000,000</b>	<b>7,154,828,269</b>
	0207000 General Administration Planning and Support Services	271,138,789	-	271,138,789	(6,033,894)	-	(6,033,894)	265,104,895	-	265,104,895
	0208000 Information and Communication Services	6,034,833,488	445,500,000	6,480,333,488	80,889,886	(60,000,000)	20,889,886	6,115,723,374	385,500,000	6,501,223,374
	0209000 Mass Media Skills Development	248,000,000	180,500,000	428,500,000	-	(40,000,000)	(40,000,000)	248,000,000	140,500,000	388,500,000
<b>1133</b>	<b>State Department for Sports</b>	<b>1,594,569,939</b>	<b>16,129,200,000</b>	<b>17,723,769,939</b>	<b>(61,211,685)</b>	<b>(50,000,000)</b>	<b>(111,211,685)</b>	<b>1,533,358,254</b>	<b>16,079,200,000</b>	<b>17,612,558,254</b>
	0901000 Sports	1,594,569,939	16,129,200,000	17,723,769,939	(61,211,685)	(50,000,000)	(111,211,685)	1,533,358,254	16,079,200,000	17,612,558,254
<b>1134</b>	<b>State Department for Culture and Heritage</b>	<b>2,846,600,000</b>	<b>92,850,000</b>	<b>2,939,450,000</b>	<b>(182,537,802)</b>	<b>35,000,000</b>	<b>(147,537,802)</b>	<b>2,664,062,198</b>	<b>127,850,000</b>	<b>2,791,912,198</b>
	0902000 Culture /Heritage	2,457,564,051	79,700,000	2,537,264,051	(122,579,768)	35,000,000	(87,579,768)	2,354,984,283	114,700,000	2,469,684,283
	0905000 General Administration, Planning and Support Services	249,784,949	-	249,784,949	(46,276,272)	-	(46,276,272)	203,508,677	-	203,508,677
	0916000 Public Records Management	139,251,000	13,150,000	152,401,000	(13,681,762)	-	(13,681,762)	125,560,238	13,150,000	138,710,238
<b>1135</b>	<b>State Department for Youth Affairs and the Arts</b>	<b>3,009,623,614</b>	<b>964,750,000</b>	<b>3,974,373,614</b>	<b>(46,713,631)</b>	<b>(15,000,000)</b>	<b>(61,713,631)</b>	<b>2,962,909,983</b>	<b>949,750,000</b>	<b>3,912,659,983</b>
	0711000 Youth Empowerment Services	241,403,940	229,700,510	471,104,450	(7,833,404)	83,522,100	75,688,696	233,570,536	313,222,610	546,793,146
	0748000 Youth Development Services	756,085,950	457,149,490	1,213,235,440	(3,018,668)	60,777,900	57,759,232	753,067,282	517,927,590	1,270,994,872

FIRST SCHEDULE: SUPPLEMENTARY ESTIMATES I FOR FY 2023/24										
VOTE CODE	VOTE & PROGRAMME	PRINTED BUDGET FY 2023/24			SUPPLEMENTARY I BUDGET ESTIMATES FY 2023/24 (Changes)			REVISED BUDGET ESTIMATES FY 2023/24 (Approved by National Assembly)		
		GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES
	0749000 General Administration, Planning and Support Services	368,700,110	-	368,700,110	(39,682,737)	-	(39,682,737)	329,017,373	-	329,017,373
	0903000 The Arts	1,227,966,967	249,000,000	1,476,966,967	8,758,657	(144,000,000)	(135,241,343)	1,236,725,624	105,000,000	1,341,725,624
	0904000 Library Services	415,466,647	28,900,000	444,366,647	(4,937,479)	(15,300,000)	(20,237,479)	410,529,168	13,600,000	424,129,168
1152	<b>State Department for Energy</b>	<b>8,040,517,820</b>	<b>55,072,000,000</b>	<b>63,112,517,820</b>	<b>1,102,623,484</b>	<b>422,287,825</b>	<b>1,524,911,309</b>	<b>9,143,141,304</b>	<b>55,494,287,825</b>	<b>64,637,429,129</b>
	0211000 General Administration Planning and Support Services	426,258,670	315,000,000	741,258,670	(43,288,773)	(140,000,000)	(183,288,773)	382,969,897	175,000,000	557,969,897
	0212000 Power Generation	2,699,921,265	10,419,000,000	13,118,921,265	(4,156,630)	258,000,000	253,843,370	2,695,764,635	10,677,000,000	13,372,764,635
	0213000 Power Transmission and Distribution	4,829,711,907	41,190,000,000	46,019,711,907	1,161,293,413	569,287,825	1,730,581,238	5,991,005,320	41,759,287,825	47,750,293,145
	0214000 Alternative Energy, Technologies	84,625,978	3,148,000,000	3,232,625,978	(11,224,526)	(265,000,000)	(276,224,526)	73,401,452	2,883,000,000	2,956,401,452
1162	<b>State Department for Livestock</b>	<b>9,239,740,000</b>	<b>9,561,000,000</b>	<b>18,800,740,000</b>	<b>(3,561,557,935)</b>	<b>(255,000,000)</b>	<b>(3,816,557,935)</b>	<b>5,678,182,065</b>	<b>9,306,000,000</b>	<b>14,984,182,065</b>
	0112000 Livestock Resources Management and Development	9,239,740,000	9,561,000,000	18,800,740,000	(3,561,557,935)	(255,000,000)	(3,816,557,935)	5,678,182,065	9,306,000,000	14,984,182,065
1166	<b>State Department for the Blue Economy and Fisheries</b>	<b>2,848,580,000</b>	<b>9,005,640,000</b>	<b>11,854,220,000</b>	<b>22,567,510</b>	<b>(70,000,000)</b>	<b>(47,432,490)</b>	<b>2,871,147,510</b>	<b>8,935,640,000</b>	<b>11,806,787,510</b>
	0111000 Fisheries Development and Management	2,566,005,637	6,534,940,000	9,100,945,637	40,510,425	80,000,000	120,510,425	2,606,516,062	6,614,940,000	9,221,456,062
	0117000 General Administration, Planning and Support Services	255,179,378	-	255,179,378	(2,532,049)	-	(2,532,049)	252,647,329	-	252,647,329
	0118000 Development and Coordination of the Blue Economy	27,394,985	2,470,700,000	2,498,094,985	(15,410,866)	(150,000,000)	(165,410,866)	11,984,119	2,320,700,000	2,332,684,119
1169	<b>State Department for Crop Development</b>	<b>15,349,250,000</b>	<b>31,320,691,275</b>	<b>46,669,941,275</b>	<b>3,278,250,431</b>	<b>10,464,000,000</b>	<b>13,742,250,431</b>	<b>18,627,500,431</b>	<b>41,784,691,275</b>	<b>60,412,191,706</b>
	0107000 General Administration Planning and Support Services	6,060,517,491	1,533,000,000	7,593,517,491	(615,339,316)	-	(615,339,316)	5,445,178,175	1,533,000,000	6,978,178,175
	0108000 Crop Development and Management	3,676,915,297	28,083,691,275	31,760,606,572	4,128,013,596	10,764,000,000	14,892,013,596	7,804,928,893	38,847,691,275	46,652,620,168
	0109000 Agribusiness and Information Management	157,257,018	1,445,000,000	1,602,257,018	(11,172,100)	(300,000,000)	(311,172,100)	146,084,918	1,145,000,000	1,291,084,918
	0120000 Agricultural Research & Development	5,454,560,194	259,000,000	5,713,560,194	(223,251,749)	-	(223,251,749)	5,231,308,445	259,000,000	5,490,308,445
1173	<b>State Department for Cooperatives</b>	<b>1,927,880,000</b>	<b>110,000,000</b>	<b>2,037,880,000</b>	<b>(139,027,530)</b>	<b>4,404,046,000</b>	<b>4,265,018,470</b>	<b>1,788,852,470</b>	<b>4,514,046,000</b>	<b>6,302,898,470</b>
	0304000 Cooperative Development and Management	1,927,880,000	110,000,000	2,037,880,000	(139,027,530)	4,404,046,000	4,265,018,470	1,788,852,470	4,514,046,000	6,302,898,470
1174	<b>State Department for Trade</b>	<b>2,362,900,000</b>	<b>50,000,000</b>	<b>2,412,900,000</b>	<b>897,891,035</b>	-	<b>897,891,035</b>	<b>3,260,791,035</b>	<b>50,000,000</b>	<b>3,310,791,035</b>
	0309000 Domestic Trade and Enterprise Development	470,249,553	50,000,000	520,249,553	961,000,000	-	961,000,000	1,431,249,553	50,000,000	1,481,249,553
	0310000 Fair Trade Practices And Compliance of Standards	76,510,236	-	76,510,236	20,000,000	-	20,000,000	96,510,236	-	96,510,236
	0311000 International Trade Development and Promotion	985,854,420	-	985,854,420	67,834,824	-	67,834,824	1,053,689,244	-	1,053,689,244
	0312000 General Administration, Planning and Support Services	830,285,791	-	830,285,791	(150,943,789)	-	(150,943,789)	679,342,002	-	679,342,002
1175	<b>State Department for Industry</b>	<b>2,871,400,000</b>	<b>7,090,420,000</b>	<b>9,961,820,000</b>	<b>116,226,198</b>	<b>(359,700,000)</b>	<b>(243,473,802)</b>	<b>2,987,626,198</b>	<b>6,730,720,000</b>	<b>9,718,346,198</b>
	0301000 General Administration Planning and Support Services	569,649,224	-	569,649,224	(38,264,189)	-	(38,264,189)	531,385,035	-	531,385,035
	0320000 Industrial Promotion and Development	1,183,463,278	5,148,960,000	6,332,423,278	120,490,387	(237,000,000)	(116,509,613)	1,303,953,665	4,911,960,000	6,215,913,665
	0321000 Standards and Quality Infrastructure & Research	1,118,287,498	1,941,460,000	3,059,747,498	34,000,000	(122,700,000)	(88,700,000)	1,152,287,498	1,818,760,000	2,971,047,498
1176	<b>State Department for Micro, Small and Medium Enterprises Development</b>	<b>1,877,970,000</b>	<b>11,255,200,000</b>	<b>13,133,170,000</b>	<b>(6,406,646)</b>	<b>(4,604,560,600)</b>	<b>(4,610,967,246)</b>	<b>1,871,563,354</b>	<b>6,650,639,400</b>	<b>8,522,202,754</b>
	0316000 Promotion and Development of MSMEs	524,614,138	588,200,000	1,112,814,138	(28,091,850)	595,439,400	567,347,550	496,522,288	1,183,639,400	1,680,161,688
	0317000 Product and Market Development for MSMEs	490,781,000	300,000,000	790,781,000	6,754,500	(220,000,000)	(213,245,500)	497,535,500	80,000,000	577,535,500

FIRST SCHEDULE: SUPPLEMENTARY ESTIMATES I FOR FY 2023/24

VOTE CODE	VOTE & PROGRAMME	PRINTED BUDGET FY 2023/24			SUPPLEMENTARY I BUDGET ESTIMATES FY 2023/24 (Change)			REVISED BUDGET ESTIMATES FY 2023/24 (Approved by National Assembly)		
		GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES
0318000	Digitization and Financial Inclusion for MSMEs	478,780,000	10,367,000,000	10,845,780,000	-	(4,980,000,000)	(4,980,000,000)	478,780,000	5,387,000,000	5,865,780,000
0319000	General Administration, Planning and Support Services	383,794,862	-	383,794,862	14,930,704	-	14,930,704	398,725,566	-	398,725,566
1177	State Department for Investment Promotion	1,485,029,340	6,552,000,000	8,037,029,340	77,179,466	(910,000,000)	(832,820,534)	1,562,208,806	5,642,000,000	7,204,208,806
1184	State Department for Labour and Skills Development	4,349,518,491	688,950,000	5,038,468,491	(181,260,495)	(353,450,000)	(534,710,495)	4,168,257,996	335,500,000	4,503,757,996
0906000	General Administration, Planning and Support Services	588,915,155	-	588,915,155	2,551,817	-	2,551,817	591,466,972	-	591,466,972
0906000	Labour, Employment and Safety Services	1,136,185,097	179,300,000	1,315,485,097	(148,233,309)	49,129,955	(99,103,354)	987,951,788	228,429,955	1,216,381,743
0907000	Manpower Development, Industrial Skills & Productivity Management	2,624,418,239	509,650,000	3,134,068,239	(35,579,003)	(402,579,955)	(438,158,958)	2,588,839,236	107,070,045	2,695,909,281
1185	State Department for Social Protection and Senior Citizen Affairs	32,542,180,000	3,617,470,000	36,159,650,000	1,325,423,256	245,000,000	2,070,423,256	34,367,603,256	3,862,470,000	38,230,073,256
0908000	Social Development and Children Services	4,358,496,585	331,650,000	4,690,146,585	(90,187,538)	-	(90,187,538)	4,268,309,047	331,650,000	4,599,959,047
0909000	National Social Safety Net	27,834,161,457	3,285,840,000	31,120,001,457	1,971,422,710	245,000,000	2,216,422,710	29,805,584,167	3,530,840,000	33,336,424,167
0914000	General Administration, Planning and Support Services	349,521,958	-	349,521,958	(55,811,916)	-	(55,811,916)	293,710,042	-	293,710,042
1192	State Department for Mining	1,465,200,000	1,042,000,000	2,507,200,000	628,851,872	643,500,000	1,272,351,872	2,094,051,872	1,685,500,000	3,779,551,872
1007000	General Administration, Planning and Support Services	825,681,365	-	825,681,365	53,403,690	-	53,403,690	879,085,055	-	879,085,055
1009000	Mineral Resources Management	297,052,870	190,000,000	487,052,870	6,460,138	-	6,460,138	303,513,008	190,000,000	493,513,008
1021000	Geological Survey and Geoinformation Management	342,465,765	852,000,000	1,194,465,765	568,988,044	643,500,000	1,212,488,044	911,453,809	1,495,500,000	2,406,953,809
1193	State Department for Petroleum	25,222,411,755	3,423,000,000	28,645,411,755	4,474,591,707	(930,000,000)	3,544,591,707	29,697,003,462	2,493,000,000	32,190,003,462
0215000	Exploration and Distribution of Oil and Gas	25,222,411,755	3,423,000,000	28,645,411,755	4,474,591,707	(930,000,000)	3,544,591,707	29,697,003,462	2,493,000,000	32,190,003,462
1202	State Department for Tourism	9,072,290,000	147,150,000	9,219,440,000	3,182,287,351	(5,000,000)	3,177,287,351	12,255,077,351	142,150,000	12,397,227,351
0313000	Tourism Promotion and Marketing	873,519,971	130,000,000	1,003,519,971	(1,566,536)	(30,000,000)	(1,596,536)	871,953,435	100,000,000	971,953,435
0314000	Tourism Product Development and Diversification	7,850,906,976	-	7,850,906,976	3,231,200,209	25,000,000	3,256,200,209	11,082,107,185	25,000,000	11,107,107,185
0315000	General Administration, Planning and Support Services	348,363,053	17,150,000	365,513,053	(47,346,322)	-	(47,346,322)	301,016,731	17,150,000	318,166,731
1203	State Department for Wildlife	9,463,020,000	1,763,000,000	11,226,020,000	758,590,720	(380,000,000)	378,590,720	10,221,610,720	1,383,000,000	11,604,610,720
1019000	Wildlife Conservation and Management	9,463,020,000	1,763,000,000	11,226,020,000	758,590,720	(380,000,000)	378,590,720	10,221,610,720	1,383,000,000	11,604,610,720
1212	State Department for Gender and Affirmative Action	1,339,410,000	3,467,830,000	4,807,240,000	786,587,741	208,700,000	995,287,741	2,125,997,741	3,676,530,000	5,802,527,741
0711000	Youth Employment Services	-	-	-	876,548,482	22,700,000	899,248,482	876,548,482	22,700,000	899,248,482
0911000	Community Development	36,000,000	3,000,000,000	3,036,000,000	-	395,419	395,419	36,000,000	3,000,395,419	3,036,395,419
0912000	Gender Empowerment	1,049,653,021	467,830,000	1,517,483,021	(80,700,961)	185,604,581	104,903,620	968,952,060	653,434,581	1,622,386,641
0913000	General Administration, Planning and Support Services	253,756,979	-	253,756,979	(9,259,780)	-	(9,259,780)	244,497,199	-	244,497,199
1213	State Department for Public Service	22,993,400,000	1,138,100,000	24,131,500,000	388,863,845	(521,542,161)	332,709,629	23,378,263,845	1,085,945,784	24,464,209,629
0710000	Public Service Transformation	9,457,541,581	994,100,000	10,451,641,581	(133,469,161)	(80,154,216)	(213,623,377)	9,324,072,420	913,945,784	10,238,018,204
0709000	General Administration, Planning and Support Services	532,705,746	60,000,000	592,705,746	(33,826,445)	-	(33,826,445)	498,879,301	60,000,000	558,879,301

FIRST SCHEDULE: SUPPLEMENTARY ESTIMATES I FOR FY 2023/24										
VOTE CODE	VOTE & PROGRAMME	PRINTED BUDGET FY 2023/24			SUPPLEMENTARY I BUDGET ESTIMATES FY 2023/24 (Changes)			REVISED BUDGET ESTIMATES FY 2023/24 (Approved by National Assembly)		
		GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES
	0747000 National Youth Service	13,003,152,673	84,000,000	13,087,152,673	552,159,451	28,000,000	580,159,451	13,555,312,124	112,000,000	13,667,312,124
1221	State Department for East African Community	718,373,820	-	718,373,820	209,333,462	-	209,333,462	927,707,282	-	927,707,282
	0305000 East African Affairs and Regional Integration	718,373,820	-	718,373,820	209,333,462	-	209,333,462	927,707,282	-	927,707,282
1252	The State Law Office	6,219,300,000	192,308,250	6,411,608,250	175,034,436	191,750	175,226,186	6,394,334,436	192,500,000	6,586,834,436
	0606000 Legal Services	3,002,428,455	-	3,002,428,455	(12,235,831)	-	(12,235,831)	2,990,192,624	-	2,990,192,624
	0607000 Governance, Legal Training and Constitutional Affairs	1,993,989,555	48,808,250	2,042,797,605	29,901,033	191,750	30,092,783	2,023,890,388	49,000,000	2,072,890,388
	0609000 General Administration, Planning and Support Services	1,222,882,190	143,500,000	1,366,382,190	157,369,234	-	157,369,234	1,380,251,424	143,500,000	1,523,751,424
1271	Ethics and Anti-Corruption Commission	3,823,620,000	68,140,000	3,891,760,000	(130,000,000)	-	(130,000,000)	3,693,620,000	68,140,000	3,761,760,000
	0611000 Ethics and Anti-Corruption	3,823,620,000	68,140,000	3,891,760,000	(130,000,000)	-	(130,000,000)	3,693,620,000	68,140,000	3,761,760,000
1281	National Intelligence Service	44,301,000,000	-	44,301,000,000	1,550,000,000	-	1,550,000,000	45,851,000,000	-	45,851,000,000
	0804000 National Security Intelligence	44,301,000,000	-	44,301,000,000	1,550,000,000	-	1,550,000,000	45,851,000,000	-	45,851,000,000
1291	Office of the Director of Public Prosecutions	3,587,040,000	55,000,000	3,642,040,000	420,000,000	-	420,000,000	4,007,040,000	55,000,000	4,062,040,000
	0612000 Public Prosecution Services	3,587,040,000	55,000,000	3,642,040,000	420,000,000	-	420,000,000	4,007,040,000	55,000,000	4,062,040,000
1311	Office of the Registrar of Political Parties	2,072,563,233	-	2,072,563,233	(812,303,858)	-	(812,303,858)	1,260,259,375	-	1,260,259,375
	0614000 Registration, Regulation and Funding of Political Parties	2,072,563,233	-	2,072,563,233	(812,303,858)	-	(812,303,858)	1,260,259,375	-	1,260,259,375
1321	Witness Protection Agency	744,740,000	-	744,740,000	68,704,990	-	68,704,990	813,444,990	-	813,444,990
	0615000 Witness Protection	744,740,000	-	744,740,000	68,704,990	-	68,704,990	813,444,990	-	813,444,990
1331	State Department for Environment & Climate Change	4,196,000,000	2,041,000,000	6,237,000,000	(46,248,421)	360,905,186	314,656,765	4,149,751,579	2,401,905,186	6,551,656,765
	1002000 Environment Management and Protection	2,440,435,436	-	2,440,435,436	(23,950,677)	462,905,186	438,954,509	2,416,484,759	1,838,905,186	4,275,389,945
	1010000 General Administration, Planning and Support Services	731,315,806	-	731,315,806	(22,297,744)	-	(22,297,744)	709,018,062	-	709,018,062
	1012000 Meteorological Services	1,024,248,758	495,000,000	1,519,248,758	-	(27,000,000)	(27,000,000)	1,024,248,758	468,000,000	1,492,248,758
	1018000 Forest Management and Water Towers Conservation	-	150,000,000	150,000,000	-	(75,000,000)	(75,000,000)	-	75,000,000	75,000,000
1332	State Department for Forestry	10,124,000,000	4,255,000,000	14,379,000,000	(631,944)	102,339,205	101,707,261	10,123,368,056	4,357,339,205	14,480,707,261
	1018000 Forests and Water Towers Conservation	10,124,000,000	4,255,000,000	14,379,000,000	-631,944	102,339,205	101,707,261	10,123,368,056	4,357,339,205	14,480,707,261
2011	Kenya National Commission on Human Rights	529,800,000	-	529,800,000	9,996,436	-	9,996,436	539,796,436	-	539,796,436
	0616000 Protection and Promotion of Human Rights	529,800,000	-	529,800,000	9,996,436	-	9,996,436	539,796,436	-	539,796,436
2021	National Land Commission	1,642,600,000	106,000,000	1,748,600,000	(152,679,766)	-	(152,679,766)	1,489,920,234	106,000,000	1,595,920,234
	0119000 Land Administration and Management	1,642,600,000	106,000,000	1,748,600,000	(152,679,766)	-	(152,679,766)	1,489,920,234	106,000,000	1,595,920,234
2031	Independent Electoral and Boundaries Commission	4,571,340,000	77,000,000	4,648,340,000	105,670,914	-	102,670,914	4,674,010,914	77,000,000	4,751,010,914
	0617000 Management of Electoral Processes	4,279,494,127	77,000,000	4,356,494,127	384,690,942	-	384,690,942	4,664,185,069	77,000,000	4,741,185,069
	0618000 Delimitation of Electoral Boundaries	291,845,873	-	291,845,873	(282,020,028)	-	(282,020,028)	9,825,845	-	9,825,845
2061	The Commission on Revenue Allocation	516,450,000	-	516,450,000	365,077	-	365,077	516,815,077	-	516,815,077
	0737000 Inter-Governmental Transfers and Financial Matters	516,450,000	-	516,450,000	365,077	-	365,077	516,815,077	-	516,815,077

VOTE CODE	VOTE & PROGRAMME	PRINTED BUDGET FY 2023/24			SUPPLEMENTARY 1 BUDGET ESTIMATES FY 2023/24			REVISED BUDGET ESTIMATES FY 2023/24		
		GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES
2071	Public Service Commission	3,675,500,000	45,300,000	3,720,800,000	(155,259,838)	-	(155,259,838)	3,520,240,162	45,300,000	3,565,540,162
	0725000 General Administration, Planning and Support Services	884,939,566	45,300,000	930,239,566	(28,231,234)	-	(28,231,234)	856,708,332	45,300,000	902,008,332
	0726000 Human Resource Management and Development	2,526,073,692	-	2,526,073,692	(70,927,987)	-	(70,927,987)	2,455,145,705	-	2,455,145,705
	0727000 Governance and National Values	150,633,776	-	150,633,776	(26,990,513)	-	(26,990,513)	123,643,263	-	123,643,263
	0744000 Performance and Productivity Management	61,866,174	-	61,866,174	(7,869,470)	-	(7,869,470)	53,996,704	-	53,996,704
	075000 Administration of Quasi-Judicial Functions	51,986,792	-	51,986,792	(21,240,634)	-	(21,240,634)	30,746,158	-	30,746,158
2081	Salaries and Remuneration Commission	562,190,000	-	562,190,000	(11,867,225)	-	(11,867,225)	550,322,775	-	550,322,775
	0728000 Salaries and Remuneration Management	562,190,000	-	562,190,000	-11,867,225	-	-11,867,225	550,322,775	-	550,322,775
2091	Teachers Service Commission	322,645,560,000	1,182,000,000	323,827,560,000	19,754,803,529	20,000,000	19,774,803,529	342,400,363,529	1,202,000,000	343,602,363,529
	0509000 Teacher Resource Management	313,785,966,257	1,095,000,000	314,880,966,257	19,797,419,439	20,000,000	19,817,419,439	333,583,385,696	1,115,000,000	334,698,385,696
	0510000 Governance and Standards Support Services	1,312,942,704	-	1,312,942,704	(872,951)	-	(872,951)	1,312,069,753	-	1,312,069,753
2101	National Police Service Commission	1,193,510,000	-	1,193,510,000	(41,551,912)	-	(41,551,912)	1,151,958,088	-	1,151,958,088
	0620000 National Police Service Human Resource Management	1,193,510,000	-	1,193,510,000	-41,551,912	-	-41,551,912	1,151,958,088	-	1,151,958,088
2111	Auditor General	7,678,880,000	310,000,000	7,988,880,000	300,000,000	5,000,000	305,000,000	7,978,880,000	315,000,000	8,293,880,000
	0729000 Audit Services	7,678,880,000	310,000,000	7,988,880,000	300,000,000	5,000,000	305,000,000	7,978,880,000	315,000,000	8,293,880,000
2121	Office of the Controller of Budget	766,920,000	-	766,920,000	(59,550,311)	-	(59,550,311)	707,369,689	-	707,369,689
	0730000 Control and Management of Public finances	766,920,000	-	766,920,000	(59,550,311)	-	(59,550,311)	707,369,689	-	707,369,689
2131	Commission on Administrative Justice	767,510,000	-	767,510,000	(22,315,576)	-	(22,315,576)	745,194,424	-	745,194,424
	0731000 Promotion of Administrative Justice	767,510,000	-	767,510,000	(22,315,576)	-	(22,315,576)	745,194,424	-	745,194,424
2141	National Gender and Equality Commission	468,900,000	4,044,800	472,944,800	(28,610,489)	635,900	(27,974,589)	440,289,511	4,680,700	444,970,211
	0621000 Promotion of Gender Equality and Freedom from Discrimination	468,900,000	4,044,800	472,944,800	-28,610,489	635,900	(27,974,589)	440,289,511	4,680,700	444,970,211
2151	Independent Policing Oversight Authority	1,052,700,000	-	1,052,700,000	(33,425,822)	-	(33,425,822)	1,019,274,178	-	1,019,274,178
	0622000 Policing Oversight Services	1,052,700,000	-	1,052,700,000	-33,425,822	-	-33,425,822	1,019,274,178	-	1,019,274,178
1261	Sub-Total: Executive	1,504,616,276,942	803,728,508,015	2,308,344,784,957	90,767,383,737	(23,515,810,722)	67,251,573,015	1,595,383,660,679	780,212,697,293	2,375,596,357,972
	The Judiciary	20,437,400,000	1,850,000,000	22,287,400,000	(500,000,000)	(400,000,000)	(900,000,000)	20,537,400,000	1,350,000,000	21,887,400,000
	06510000 Dispensation of Justice	20,437,400,000	1,850,000,000	22,287,400,000	(500,000,000)	(400,000,000)	(900,000,000)	20,537,400,000	1,350,000,000	21,887,400,000
2051	Judicial Service Commission	896,600,000	-	896,600,000	(150,000,000)	-	(150,000,000)	746,600,000	-	746,600,000
	06519000 General Administration, Planning and Support Services	896,600,000	-	896,600,000	-150,000,000	-	(150,000,000)	746,600,000	-	746,600,000
	Sub-Total: Judiciary	21,334,000,000	1,850,000,000	23,184,000,000	(500,000,000)	(500,000,000)	(550,000,000)	21,284,000,000	1,350,000,000	22,634,000,000
2041	Parliamentary Service Commission	911,000,000	-	911,000,000	-	-	-	911,000,000	-	911,000,000
	General Administration, Planning and Support Services	871,000,000	-	871,000,000	-	-	-	871,000,000	-	871,000,000
	Human Resource Management and Development	40,000,000	-	40,000,000	-	-	-	40,000,000	-	40,000,000
2042	National Assembly	24,552,000,000	-	24,552,000,000	-	-	-	24,552,000,000	-	24,552,000,000

FIRST SCHEDULE: SUPPLEMENTARY ESTIMATES I FOR FY 2023/24

VOTE CODE	VOTE & PROGRAMME	PRINTED BUDGET FY 2023/24			SUPPLEMENTARY I BUDGET ESTIMATES FY 2023/24 (Changes)			REVISED BUDGET ESTIMATES FY 2023/24 (Approved by National Assembly)		
		GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES	GROSS CURRENT ESTIMATES	GROSS CAPITAL ESTIMATES	GROSS TOTAL ESTIMATES
	0721000 National Legislation, Representation and Oversight	24,552,000,000	-	24,552,000,000	-	-	-	24,552,000,000	-	24,552,000,000
2043	Parliamentary Joint Services	6,315,000,000	2,065,000,000	8,380,000,000	-	(500,000,000)	(500,000,000)	6,315,000,000	1,565,000,000	7,880,000,000
	0723000 General Administration, Planning and Support Services	6,117,811,050	2,065,000,000	8,182,811,050	-	(500,000,000)	(500,000,000)	6,117,811,050	1,565,000,000	7,682,811,050
	0746000 Legislative Training Research & Knowledge Management	197,188,950	-	197,188,950	-	-	-	197,188,950	-	197,188,950
2044	Senate	7,159,000,000	-	7,159,000,000	-	-	-	7,159,000,000	-	7,159,000,000
	Senate Legislation and Oversight	3,056,650,000	-	3,056,650,000	-	-	-	3,056,650,000	-	3,056,650,000
	Senate Representation, Liaison and Intergovernmental Relations	1,783,199,100	-	1,783,199,100	-	-	-	1,783,199,100	-	1,783,199,100
	General Administration, Planning and Support Services	2,319,150,900	-	2,319,150,900	-	-	-	2,319,150,900	-	2,319,150,900
	<b>Sub-Total: Parliament</b>	<b>38,937,000,000</b>	<b>2,065,000,000</b>	<b>41,002,000,000</b>	<b>-</b>	<b>(500,000,000)</b>	<b>(500,000,000)</b>	<b>38,937,000,000</b>	<b>1,565,000,000</b>	<b>40,502,000,000</b>
	<b>Grand Total</b>	<b>1,564,887,276,942</b>	<b>807,643,508,015</b>	<b>2,372,530,784,957</b>	<b>99,717,383,737</b>	<b>(24,515,810,722)</b>	<b>66,201,573,015</b>	<b>1,655,604,660,679</b>	<b>783,127,697,293</b>	<b>2,438,732,357,972</b>



15/11/2023 13:27		SECOND SCHEDULE BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS 2023/2024 SUPPLEMENTARY No.1 ESTIMATES							Notes
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Recurrent		Development		Net Change		
			Reduction	Increase	Reduction	Increase			
1	ADMINISTRATION & INTERNAL AFFAIRS	Office of the President	(71,000,000)	940,000,000	(300,000,000)	231,000,000	800,000,000		
1011		0603000 Government Printing Services	-	5,000,000	-	-	5,000,000		
1011		0701000 General Administration Planning and Support Services	-	-	-	-	-		
1011		0703000 Government Advisory Services	-	5,000,000	-	-	5,000,000	Increase Ksh. 5 million (Recurrent) for Office of the Chief of Staff and Head of Public Service-Power of Mercy Secretariat for O&M.	
1012		Office of the Deputy President	-	-	-	-	-		
1013		0734000 Deputy President Services	-	-	-	-	-		
1013		Office of the Prime Cabinet Secretary	-	-	-	-	-		
1013		0755000 Government Coordination and Supervision	-	-	-	-	-		
1014		State Department for Parliamentary Affairs	-	-	-	-	-		
1014		0759000 Parliamentary Liaison and Legislative Affairs	-	-	-	-	-		
1014		0760000 Policy Coordination and Strategy	-	-	-	-	-		
1014		0761000 General Administration, Planning and Support Services	-	-	-	-	-		
1015		State Department for Performance and Delivery Management	-	-	-	-	-		
1015		0762000 Public Service Performance Management and Delivery Services	-	-	-	-	-		
1015		0764000 General Administration, Planning and Support Services	-	-	-	-	-		
1016		State Department for Cabinet Affairs	-	-	-	-	-		
1016		0758000 Cabinet Affairs Services	-	-	-	-	-		
1017		State House Affairs	(31,000,000)	200,000,000	-	31,000,000	200,000,000	Reduce Ksh. 31 million (Recurrent) from office of the National Security Advisor.	
		0704000 State House Affairs	(31,000,000)	200,000,000	-	31,000,000	200,000,000	Increase Ksh. 31 million (Development) for General Maintenance Works at State House.	
			-	-	-	-	-	Increase Ksh. 50 million (Recurrent) for Presidential local visits.	
			-	-	-	-	-	Increase Ksh. 50 million (Recurrent) for Presidential households.	
1024		State Department for Immigration and Citizen Services	(40,000,000)	-	(100,000,000)	-	(140,000,000)	Increase Ksh. 100 million (Recurrent) for ICT Networking Equipment.	
1024		0605000 Migration & Citizen Services	-	-	-	-	-		

		15/11/2023 13:27	SECOND SCHEDULE				BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS				2023/2024 SUPPLEMENTARY No.1 ESTIMATES							
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Recurrent		Development		Net Change		Notes									
			Reduction	Increase	Reduction	Increase	Reduction	Increase										
1024		0626000 Population Management Services	(40,000,000)		(100,000,000)		(140,000,000)	Reduce Ksh. 40 million (Recurrent) from NIMS. Reduce Ksh. 100 million (Development) from NIMS.										
1024		0631000 General Administration and Planning																
1025		<b>National Police Service</b> 0601000 Policing Services	-	110,000,000	-	-	110,000,000	Increase Ksh. 70 million (Recurrent) for 102500100 operationalization of the Office of the Secretary Administration. Increase Ksh. 40 million (Recurrent) for 102500230 - GSU Recce & G Company for O&M.										
1026		<b>State Department for Internal Security &amp; National Administration</b> 0629000 General Administration and Support Services	-	625,000,000	(200,000,000)	200,000,000	625,000,000	Reduce Ksh. 200 million (Development) from police modernization. Increase Ksh. 25 million (Recurrent) to enhanced O &M for PSRA. Increase Ksh. 400 million (Recurrent) towards Security operations. Increase Ksh. 100 million (Recurrent) towards national Celebrations. Increase Ksh. 100 million (Recurrent) towards Security operations in Northern Kenya Increase Ksh. 200 million (Development) for construction and operationalization of Sub-County Offices.										
1026		0630000 Policy Coordination Services																
2101		<b>National Police Service Commission</b> 0620000 National Police Service Human Resource Management	-	-	-	-	-											
2151		<b>Independent Policing Oversight Authority</b> 0622000 Policing Oversight Services	-	-	-	-	-											
2		<b>AGRICULTURE AND LIVESTOCK</b>	(800,000,000)	631,000,000	(1,080,000,000)	1,815,000,000	566,000,000											
1162		<b>State Department for Livestock</b> 0112000 Livestock Resources Management and Development	(30,000,000)	115,000,000	(40,000,000)	285,000,000	330,000,000	Reduce Ksh. 10 million (Development) from Kenya Meat Commission. Reduce Ksh. 30 million (Development) from Agricultural Development Corporation Kitale Bull Station. Reduce Ksh. 15 million (Recurrent) from Kenya Veterinary Board. Reduce Ksh. 15 million (Recurrent) from Kenya Leather Development Council.										

SECOND SCHEDULE								
BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS								
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	2023/2024 SUPPLEMENTARY No.1 ESTIMATES			Notes		
			Development		Net Change			
			Recurrent	Development				
			Reduction	Increase	Reduction	Increase		
1169							Increase Ksh. 44 million (Recurrent) for Livestock Policy Research and Regulation. Increase Ksh. 11 million (Recurrent) for Use of Goods and Services. Increase Ksh. 17 million (Recurrent) for Operations and Maintenance. Increase Ksh. 43 million (Recurrent) for Livestock Production Support Services.	
1169							Increase Ksh. 28 million (Development) for construction and refurbishment of the Dairy Training Institute Naivasha. Increase Ksh. 7 million (Development) for Construction and refurbishment of the Meat Training Institute Athi River. Increase Ksh. 60 million (Development) for Construction and refurbishment of the Livestock Institute Wajir. Increase Ksh. 140 million (Development) for feedlots, fodder and pasture in Hadado, Wajir and Kiburu. Increase Ksh. 50 million (Development) for AHIT/Kabete	
1169		State Department for Crop Development 0107000 General Administration Planning and Support Services	(770,000,000) (555,000,000)	516,000,000	(1,040,000,000) (200,000,000)	1,530,000,000 470,000,000	236,000,000 (285,000,000)	Reduce Ksh. 200 million (Development) from NCPB Warehouse. Reduce Ksh. 100 million (Recurrent) from Agriculture Food Authority (AFA)-farmer registration. Reduce Ksh. 370 million (Recurrent) from Sugar Reforms. Reduce Ksh. 25 million (Recurrent) from National Biosafety Authority. Reduce Ksh. 15 million (Recurrent) from Tea Board of Kenya. Reduce Ksh. 15 million (Recurrent) from Pyrethrum Processing Company of Kenya. Reduce Ksh. 20 million (Recurrent) from KEPHIS. Reduce Ksh. 10 million (Recurrent) from Pest Control Board. Increase Ksh. 470 million (Development) for Sugar Reforms Project-maintenance of Cane Testing Units.

15/11/2023 13:27		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS		SECOND SCHEDULE		2023/2024 SUPPLEMENTARY No.1 ESTIMATES		Notes	
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Recurrent		Development		Net Change		
			Reduction	Increase	Reduction	Increase			
1169		0108000 Crop Development and Management	(15,000,000)	516,000,000	(840,000,000)	1,060,000,000	721,000,000	Reduce Ksh. 100 million (Development) from the purchase of Aftasane.	
								Reduce Ksh. 120 million (Development) from fall army worm.	
								Reduce Ksh. 50 million (Development) from crop insurance.	
								Reduce Ksh. 20 million (Development) from Nyayo Tea Zones.	
								Reduce Ksh. 550 million (Development) from Fertilizer Subsidy.	
								Reduce Ksh. 15 million (Recurrent) from Bukura Agricultural College.	
								Increase Ksh. 300 million (Development) for Development of Agriculture Technology Innovation Center to reduce post harvest losses through development of aggregation centers in Kabuline, Mundika, Bakulle Centre and Mogogosiek.	
								Increase Ksh. 30 million (Development) for Coconut Industry Revitalisation Project.	
								Increase Ksh. 30 million (Development) for Cashew Nut Revitalisation Project.	
								Increase Ksh. 30 million (Development) for Banana Enterprise Financing Project.	
								Increase Ksh. 550 million (Development) for Food Security Diversification.	
1169		0109000 Agribusiness and Information Management						Increase Ksh. 80 million (Development) for Miraa Industry Revitalisation Project.	
1169		0120000 Agricultural Research & Development	(200,000,000)				(200,000,000)	Increase Ksh. 40 million (Development) for Construction of HQ and Satellite Campuses for KSA.	
3	BLUE ECONOMY & IRRIGATION		(100,000,000)	170,000,000	(1,971,000,000)	5,108,000,000	3,207,000,000	Increase Ksh. 200 million (Recurrent) from Kenya Agricultural and Livestock Research Organisation.	
1104		State Department for Irrigation	-	42,000,000	(810,000,000)	330,000,000	(438,000,000)		

15/11/2023 13:27		SECOND SCHEDULE					Notes
Departmental Committee		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS					
VOTE/PROGRAMME CODES & TITLE		2023/2024 SUPPLEMENTARY No.1 ESTIMATES					
		Development			Net Change		
Vote Code		Recurrent		Increase	Reduction	Increase	Net Change
		Reduction	Increase				
1104	1014000 Irrigation and Land Reclamation				(410,000,000)		(410,000,000)
1104	1015000 Water Storage and Flood Control		42,000,000			330,000,000	372,000,000
1104	1022000 Water Harvesting and Storage for Irrigation				(400,000,000)		(400,000,000)
1104	1023000 General Administration, Planning and Support Services						
1109	<b>State Department for Water &amp; Sanitation</b>	(100,000,000)	58,000,000		(941,000,000)	4,028,000,000	3,045,000,000
1109	1001000 General Administration, Planning and Support Services						

Reduce Ksh. 60 million (Development) from 1104102700 Water Security and Climate Adaptation in Madera & Wajir Clusters.  
 Reduce Ksh. 50 million (Development) from 1104102500 Spate Irrigation for Climate Resilience in Samburu, Marsabit & Isiolo  
 Reduce Ksh. 200 million (Development) from 1104100800 National Expanded Irrigation Programme  
 Reduce Ksh. 100 million (Development) from 1104104310 Household Irrigation Water Harvesting project

Increase Ksh. 130 million (Development) allocation to 1104102101 Flood Control Works-ESP to construct of the following flood control works so as to mitigate effects of El Nino: Merti Plains - Earth Dykes (10 million); Osinoni River - Check Dam (10 million); River Kawalase - Gabion Dykes (10 million); River Kimira - Earth Dykes (10 million); River Kuja - Earth Dykes (10 million); River Nyando - Earth Dykes (10 million); River Pekerra - Gabion Dykes (10 million); River Sabwani - Earth Dykes (10 million); River Sondu Miriu - Earth Dykes (10 million); River Tende Awach - Earth Dykes (10 million); River Yala - Rehabilitation of Budalangi (10 million); Sololo River - Earth Dykes (10 million); Tot River - Check Dam (10 million)

Increase Ksh. 200 million (Development) Rehabilitation of Strategic Flood Control Works (NWHSA).  
 Increase Ksh. 42 million (Recurrent) for 1104000700 National Water Harvesting and Storage Authority to implement the approved structure by SRC.

Reduce Ksh. 200 (Development) from 1104102600 Household Irrigation Water Harvesting Project  
 Reduce Ksh. 200 million (Development) from 1104102800 Rehabilitation of Strategic Water Facilities

15/11/2023 13:27		SECOND SCHEDULE						
Departmental Committee		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS						
VOTE/PROGRAMME CODES & TITLE		2023/2024 SUPPLEMENTARY No.1 ESTIMATES						
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Recurrent		Development		Net Change	Notes
			Reduction	Increase	Reduction	Increase		
1109		1004000 Water Resources Management	(100,000,000)		(100,000,000)		(200,000,000)	Reduce Ksh.100 million (Development) from 1109102100 Nairobi Rivers Basin Restoration Basin Programme Phase II Reduce Ksh. 100 million (Recurrent) from Water Resources Authority
1109		1017000 Water and Sewerage Infrastructure Development		58,000,000	(841,000,000)	4,028,000,000	3,245,000,000	Reduce Ksh. 250 million (Development) from 1109119000 National Water Harvesting and Ground Water Exploitation Reduce Ksh. 41 million (Development) from 1109103501 Water Harvesting Program (LVSWWDA) Reduce Ksh. 200 million (Development) from 1109126200 Masinga Dam (Intake Works) Reduce Ksh. 100 million (Development) from 1109128111 Sabor dam - keyjo North Reduce Ksh. 50 million (Development) from 1109127304 Kimarich - cheso- Kapsowar water supply.
								Reduce Ksh. 100 million (Development) from 1109126700 Kericho Water Project - LVSWWDA Reduce Ksh. 100 million (Development) from 1109125300 Development of Large Scale Multi-Purpose Dams - BETA
								Reduce Ksh. 200 million (Development) from 1109106400 Kandara Water Project. Increase Ksh. 100 million (Development) for 1109127709 Kegonga Cluster Water Supply. Increase Ksh. 70 million (Development) for 1109113100 Mathira Water Supply Project Increase Ksh. 130 million (Development) for 1109128301 Mbeere South Water Project (Masinga Dam Intake Works) Increase Ksh. 141 million (Development) for 1109128114 Kamlogon-Kamelei-Tenderwa Community Water Supply Project Increase Ksh. 100 million (Development) for 1109128115 Kapsowar Town Water Supply

SECOND SCHEDULE						
BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS						
2023/2024 SUPPLEMENTARY No.1 ESTIMATES						
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Recurrent		Development	
			Reduction	Increase	Reduction	Increase
						Net Change
						Notes
						<p>Increase Ksh. 58 million (Recurrent) for 1109004400 North Rift Valley WWDA</p> <p>Increase Ksh. 200 million (Development) for 1109128000 Northern WWDA Water Harvesting Projects To rehabilitate the following water facilities that have been affected by El Nino Floods: Rubaale Water Pan (50 million), Lodungokwe II Water Pan (50 million), Bojigaras Water Pan (50 million); Turbi Water Pan (50 million)</p> <p>Increase Ksh. 200 million (Development) for 1109113300 Nairobi City Regeneration Programme (AWWDA)</p> <p>Increase Ksh. 150 million (Development) for 1109117600 Relocation of Water Pipeline and Sewer lines - Nairobi Express Way - BETA</p> <p>Increase Ksh. 300 million (Development) for 1109114815 Aguthi Water Project</p>
						<p>Increase Ksh. 80 million (Development) for 1109114900 Rehabilitation of water supply projects - Rift Valley WSB</p> <p>Increase Ksh, 50 million (Development) for 1109127500 Water Harvesting Projects - CWWDA</p> <p>Increase Ksh. 50 million (Development) for 1109127101 Water Harvesting Projects - TANATHI WWDA.</p>
						<p>Increase Ksh. 450 million (Development) towards Athi water works Development Agency for BETA priorities and flood control .</p> <p>Increase Ksh. 700 million (Development) towards Northern water works Development Agency</p> <p>Increase Ksh. 200 million (Development) towards Lake Victoria South water works Development Agency for BETA priorities and flood control</p> <p>Increase Ksh. 150 million (Development) towards Coast water works Development Agency for BETA priorities and flood control</p>

15/11/2023 13:27		SECOND SCHEDULE						
Departmental Committee		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS						
VOTE/PROGRAMME CODES & TITLE		2023/2024 SUPPLEMENTARY NO.1 ESTIMATES						
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Recurrent		Net Change	Notes		
			Reduction	Increase			Reduction	Increase
1166		State Department for Blue Economy and Fisheries	-	70,000,000	(220,000,000)	750,000,000	600,000,000	Increase Ksh. 200 million (Development) towards Tana water works Development Agency for BETA priorities and flood control Increase Ksh. 200 million (Development) towards Tana Athi water works Development Agency for BETA priorities and flood control . Increase Ksh. 20 million (Development) towards Coast water works Development Agency for creek village Mombasa access to water. Increase Ksh. 137 million (Development) for community water projects. Increase Ksh. 200 million (Development) North Rift water works Development Agency for BETA.
1166		0111000 Fisheries Development and Management		70,000,000	(50,000,000)	130,000,000	150,000,000	Reduce Ksh. 50 million (Development) from RV Mhafi. Increase Ksh. 70 million (Recurrent) for 1166001602 Kenya Fisheries Services to operationalise the 6 patrol boats donated by JICA. Increase Ksh. 80 million (Development) for 1166101400 Kenya Marine Fisheries & Socio-Economic Development Project - BETA Increase Ksh. 30 million (Development) for 1166101503 Construction of Fish Market in Mombasa Increase Ksh. 20 million (Development) for 1166101504 Construction of Fish Market in Malindi
1166		0117000 General Administration, Planning and Support Services					-	
1166		0118000 Development and Coordination of the Blue Economy			(170,000,000)	620,000,000	450,000,000	Reduce Ksh. 170 million (Development) from Liwaton Ultra-Modern Fish Hub Increase Ksh. 20 million (Development) for 1166101702 Fish Landing Site in Kibuyuni Increase Ksh. 600 million (Development) for exploitation of living resources under the Blue Economy.
4	COMMUNICATION, INFORMATION & INNOVATION		(96,500,000)	286,500,000	(90,000,000)	-	100,000,000	
1122		State Department for Information Communication and Technology & Innovation	(70,000,000)	82,000,000	(90,000,000)	-	(78,000,000)	
1122		0207000 General Administration Planning and Support Services					-	

15/11/2023 13:27		SECOND SCHEDULE BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS 2023/2024 SUPPLEMENTARY No.1 ESTIMATES						Notes
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Recurrent		Development		Net Change	
			Reduction	Increase	Reduction	Increase		
1122		0210000 ICT Infrastructure Development		40,000,000	(20,000,000)		20,000,000	Reduce Ksh. 20 million (Development) from installation and Commissioning of Eldoret-Nadapal Fibre Optic Cable. Increase Ksh. 40 million (Recurrent) for Cyber Security Initiatives.
1122		0217000 E-Government Services	(70,000,000)	42,000,000	(70,000,000)		(98,000,000)	Reduce Ksh. 70 million (Development) from Government ICT shared services. Reduce Ksh. 70 million (Recurrent) from Information Communication Technology Authority. Increase Ksh. 42 million (Recurrent) for the Office the Data Protection Commissioner.
1123		State Department for Broadcasting & Telecommunications	(26,500,000)	204,500,000			178,000,000	
1123		0207000 General Administration Planning and Support Services						
1123		0208000 Information and Communication Services	(26,500,000)	204,500,000			178,000,000	Reduced Ksh. 26.5 million (Recurrent) from Government Advertising Agency. Increase Ksh. 30 million (Recurrent) for Media Council of Kenya towards youth community education on media literacy data and Artificial Intelligence. Increase Ksh. 24.5 million (Recurrent) for Media Council of Kenya towards Taskforce on media guidelines for utilisation of data, artificial intelligence and social media. Increase Ksh. 50 million (Recurrent) for Office of the Government spokesperson. Increase Ksh 100 million (Recurrent) for media council.
1123		0209000 Mass Media Skills Development						
5	DEFENCE, INTELLIGENCE AND FOREIGN RELATIONS		(900,000,000)	2,850,000,000			1,950,000,000	
1041		Ministry of Defence	(900,000,000)	1,000,000,000			100,000,000	
1041		0801000 Defence	(800,000,000)	1,000,000,000			200,000,000	Reduce Ksh. 800 million (Recurrent) through budget rationalization of the programme. Increase Ksh. 1 billion (Recurrent) for Kenya Shipyard.
1041		0802000 Civil Aid						
1041		0803000 General Administration, Planning and Support Services						
1041		0805000000 National Space Management	(100,000,000)				(100,000,000)	Reduce Ksh. 100 million (Recurrent) through budget rationalization of the programme.
1053		State Department for Foreign Affairs						

15/11/2023 13:27		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS		SECOND SCHEDULE		2023/2024 SUPPLEMENTARY No.1 ESTIMATES		Notes	
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Recurrent		Development		Net Change		
			Reduction	Increase	Reduction	Increase			
1053		0714000 General Administration Planning and Support Services							
1053		0715000 Foreign Relation and Diplomacy							
1053		0741000 Economic and Commercial Diplomacy							
1053		0742000 Foreign Policy Research, Capacity Development and Technical Cooperation							
1054		<b>State Department for Diaspora Affairs</b>							
1054		0752000 Management of Diaspora and Consular Affairs		100,000,000				100,000,000	Increase Ksh. 100 million (Recurrent) to enable the Department to effectively engage with the Diaspora and emergency response, repatriation and evacuation of Kenyans in the Diaspora during times of distress.
1221		<b>State Department for East African Community</b>							
1221		0305000 East African Affairs and Regional Integration		200,000,000				200,000,000	Increase Ksh. 200 million (Recurrent) for partitioning/renovation of offices, furniture, ICT Equipment, Additional Rent, Local Area Network and purchase of Vehicles.
1281		<b>National Intelligence Service</b>							
1281		0804000 National Security Intelligence		1,550,000,000				1,550,000,000	Increase Ksh. 600 million (Recurrent) for recruitment of additional personnel to enable the service effectively conduct security operations. Increase Ksh. 950 million (Recurrent) for security operations
6		<b>EDUCATION AND RESEARCH</b>							
1064		<b>State Department for Vocational and Technical Training</b>							
1064		0505000 Technical Vocational Education and Training	(3,700,000,000)	710,000,000		2,860,000,000	(130,000,000)	410,000,000	Increase Ksh. 60 million (Recurrent) for Technical Vocational Education and Training Authority (TVETA) for establishment of regional offices for purposes of monitoring the quality of education. Increase Ksh. 100 million (Recurrent) for Directorate of Technical Education to train newly recruited TVET trainers. Increase Ksh. 50 million (Development) for Rairimba TVET. Increase Ksh. 150 million (Development) for various TVETs/TTIs.
1064		0507000 Youth Training and Development							
1064		0508000 General Administration, Planning and Support Services		50,000,000				50,000,000	Increase Ksh. 50 million (Recurrent) for HQ administrative services for development of TVET information system.
1065		<b>State Department for Higher Education &amp; Research</b>							
1065			(3,700,000,000)	180,000,000		140,000,000	(3,380,000,000)		

15/11/2023 13:27		SECOND SCHEDULE BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS 2023/2024 SUPPLEMENTARY No.1 ESTIMATES						Notes
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Development			Net Change		
			Reduction	Increase	Reduction		Increase	
1065		0504000 University Education	(3,700,000,000)	180,000,000		70,000,000	(3,450,000,000)	Reduce Ksh. 3.6 billion (Recurrent) from the additional allocation for HELB. Reduce Ksh. 100 million (Recurrent) from the additional allocation for Open University. Increase Ksh. 100 million (Recurrent) for Kenya Universities and Colleges Central Placement Service (KUCCPS) to start the process of acquiring secure premises to protect sensitive data. Increase Ksh. 80 million (Recurrent) to Universities Funding Board (UFB) for development of Higher Education Management Information System. Increase Ksh. 70 million (Development) for Kisii University.
1065		0506000 Research, Science, Technology and Innovation				70,000,000	70,000,000	Increase Ksh. 70 million (Development) for National Research Fund to facilitate research related activities.
1065		0508000 General Administration, Planning and Support Services					-	
1066		<b>State Department for Basic Education</b>		<b>320,000,000</b>		<b>2,520,000,000</b>	<b>2,840,000,000</b>	
1066		0501000 Primary Education		150,000,000		850,000,000	1,000,000,000	Increase Ksh. 500 million (Development) for secondary school infrastructure-Nairobi. Increase Ksh. 150 million (Recurrent) for Kenya Institute of Special Education for assembly of assistive devices.
1066		0502000 Secondary Education		70,000,000		1,670,000,000	1,740,000,000	Increase Ksh. 350 million (Development) for Kenya Institute of Special Education for assembly of assistive devices. Increase Ksh. 70 million (Recurrent) to Kenya Education Management Institute (KEMI) for acquisition of learning materials and refurbish the dilapidated amenities.
1066		0503000 Quality Assurance and Standards						Increase Ksh. 770 million (Development) for secondary schools infrastructure.
1066		0508000 General Administration, Planning and Support Services		100,000,000			100,000,000	Increase Ksh. 400 million (Development) for secondary schools infrastructure. Increase Ksh. 500 million (Development) for secondary school infrastructure-Nairobi
2091		<b>Teachers Service Commission</b>						
2091		0509000 Teacher Resource Management						Increase Ksh. 100 million (Recurrent) for NACONEK Greening programme
2091		0510000 Governance and Standards						

15/11/2023 13:27		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS		SECOND SCHEDULE		2023/2024 SUPPLEMENTARY No.1 ESTIMATES		Notes	
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Recurrent		Development		Net Change		
			Reduction	Increase	Reduction	Increase			
2091		0511000 General Administration, Planning and Support Services							
7	ENERGY		-	-	(440,000,000)	890,000,000	450,000,000		
1152		<b>State Department for Energy</b>	-	-	(390,000,000)	840,000,000	450,000,000		
1152		0211000 General Administration Planning and Support Services							
1152		0212000 Power Generation			(100,000,000)		(100,000,000)		Reduce Ksh. 50 million (Development) from 1152100500 Bogoria-Silali Geothermal project
1152		0213000 Power Transmission and Distribution			(100,000,000)	700,000,000	600,000,000		Reduce Ksh. 100 million (Development) from 1152103900 Power System Improvement project
									Increase Ksh. 50 million (Development) for 1152103500 Street-lighting
									Increase Ksh. 100 million (Development) for 1152106900 installation of transformers in constituencies.
									Increase Ksh. 100 million (Development) for 1152104400 Electrification of Public facilities.
1152		0214000 Alternative Energy Technologies			(190,000,000)	140,000,000	(50,000,000)		Reduce Ksh. 100 million (Development) from 1152108001 K-OSAP project
									Increase Ksh. 50 million (Development) for 1152105400 Hydro dams Water catchment-afforestation.
									Reduce Ksh. 90 million (Development) for 115211901 Green Climate Friendly (GCF) Cooking Stove Project (Grant Revenue)
1193		<b>State Department for Petroleum</b>	-	-	(50,000,000)	50,000,000	-		Increase Ksh. 90 million (Development) for 1152111901 Green Climate Friendly (GCF) Cooking Stove Project (Grant Revenue)
1193		0215000 Exploration and Distribution of Oil and Gas			(50,000,000)	50,000,000	-		Reduce Ksh. 50 million (Development) from 1193100407 oil exploration and monitoring.
8	ENVIRONMENT, FORESTRY AND MINING		(300,000,000)	956,500,000	-	843,500,000	1,500,000,000		Increase Ksh. 50 million (Development) for 1193100200 Petroleum Exploration in Block 14T.

15/11/2023 13:27		SECOND SCHEDULE						Notes
Vote Code		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS						
Departmental Committee		2023/2024 SUPPLEMENTARY No.1 ESTIMATES						
VOTE/PROGRAMME CODES & TITLE		Recurrent		Development		Net Change		
		Reduction	Increase	Reduction	Increase			
1331	State Department for Environment and Climate Change	(300,000,000)	40,000,000	-	-	(260,000,000)		
1331	1002000 Environment Management and Protection	(300,000,000)				(300,000,000)	Reduce Ksh. 300 million (Recurrent) from the program.	
1331	1010000 General Administration, Planning and Support Services							
1331	1012000 Meteorological Services		40,000,000			40,000,000	Increase Ksh. 40 million (Recurrent) for Basic Salaries (Permanent Employees) of the Kenya Meteorological Department.	
1331	1018000 Forests Management and Water Towers Conservation							
1192	State Department for Mining	-	856,500,000	-	643,500,000	1,500,000,000		
1192	1007000 General Administration Planning and Support Services		185,000,000			185,000,000	Increase Ksh. 185 million (Recurrent) for O & M	
1192	1009000 Mineral Resources Management		28,000,000			28,000,000	Increase Ksh. 28 million (Recurrent) for staff recruitment	
1192	1021000 Geological Survey and Geoinformation Management		643,500,000		643,500,000	1,287,000,000	Increase Ksh.643.5 million (Development)	
1332	State Department for Forestry	-	60,000,000	-	200,000,000	260,000,000	Increase Ksh.643.5 million (Recurrent)	
1332	1018000 Forests Management and Water Towers Conservation		60,000,000		200,000,000	260,000,000	Increase Ksh. 60 million (Recurrent) for HQ Administration - Forestry conservation.	
							Increase Ksh. 50 million (Development) for construction of tree seed processing units.	
							Increase Ksh. 100 million (Development) for purchase of seedlings.	
							Increase Ksh. 50 million (Development) for sinking of boreholes in ASAL.	
9	FINANCE AND NATIONAL PLANNING		1,450,000,000	(800,000,000)	2,400,000,000	3,050,000,000		
1071	The National Treasury	-	1,200,000,000	-	-	1,200,000,000		
1071	0717000 General Administration Planning and Support Services		500,000,000			500,000,000	Increase Ksh. 500 million (Recurrent) for ADB Conference.	
1071	0718000 Public Financial Management		700,000,000			700,000,000	Increase Ksh. 150 million (Recurrent) for Horn of Africa Secretariat to provide for pending commitments by GoK under the IGAD program and other O & M. Increase Ksh. 100 million (Recurrent) for pending bills committee.	
							Increase Ksh. 250 million (Recurrent) for Assets and Liabilities committee.	
							Increase Ksh. 200 million (Recurrent) for Privatization Commission.	
1071	0719000 Economic and Financial Policy Formulation and Management							

15/11/2023 13:27		VOTE/PROGRAMME CODES & TITLE		SECOND SCHEDULE BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS 2023/2024 SUPPLEMENTARY No.1 ESTIMATES				Notes
Vote Code	Departmental Committee	Reduction	Recurrent		Development		Net Change	
			Increase	Reduction	Increase	Reduction		
1071								
1072								
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2061								
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2121								
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15/11/2023 13:27		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS		SECOND SCHEDULE		Notes		
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	2023/2024 SUPPLEMENTARY No.1 ESTIMATES					
			Recurrent		Development			
			Reduction	Increase	Reduction	Increase	Net Change	
1094		0102000 Housing Development and Human Settlement			(55,820,000,000)	55,870,000,000	50,000,000	Reduce Ksh. 55.7 billion (Development) from 1094106201 National Housing Development Fund -HQ Reduce Ksh. 100 million (Development) from 1094106205 Social & Physical Infrastructure Increase Ksh. 55.7 billion (Development) for 1094106202 Affordable Housing to cater for contractual obligations entered into the State Department for ongoing affordable Housing projects. Increase Ksh. 150 million (Development) for slum upgrading
1094		0105000 Urban and Metropolitan Development					-	
1094		0106000 General Administration Planning and Support Services					-	
1095		State for Public Works					-	
1095		0103000 Government Buildings					-	
1095		0104000 Coastline Infrastructure and Pedestrian Access					-	
1095		0106000 General Administration Planning and Support Services					-	
1095		0218000 Regulation and Development of the Construction Industry					-	
12		JUSTICE AND LEGAL AFFAIRS	(1,317,000,000)	1,400,000,000			83,000,000	
1023		State Department for Correctional Services					-	
1023		0623000 General Administration, Planning and Support Services					-	
1023		0627000 Prison Services					-	
1023		0628000 Probation & After Care Services					-	
1252		State Law Office		80,000,000			80,000,000	
1252		0606000 Legal Services		40,000,000			40,000,000	Increase Ksh. 40 million (Recurrent) for the Asset Recovery Agency to facilitate the transfer of payroll for seconded staff to the Agency.
1252		0607000 Governance, Legal Training and Constitutional Affairs		40,000,000			40,000,000	Increase Ksh. 40 million (Recurrent) for National Council for Law Reporting to facilitate the preparation and Launch by H.E. the President of the 24th Annual Supplement.
1252		0609000 General Administration, Planning and Support Services					-	
1271		Ethics and Anti-Corruption Commission	(150,000,000)				(150,000,000)	
1271		0611000 Ethics and Anti-Corruption					(150,000,000)	Reduce Ksh. 150 million (Recurrent) from the operational budget of the Commission.
1291		Office of the Director of Public Prosecutions		400,000,000			400,000,000	

15/11/2023 13:27		SECOND SCHEDULE BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS 2023/2024 SUPPLEMENTARY No.1 ESTIMATES						Notes	
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Recurrent			Development			
			Reduction	Increase	Reduction	Increase	Net Change		
1291		0612000 Public Prosecution Services		400,000,000				400,000,000	Increase Ksh. 400 million (Recurrent) for recruitment, pension, operations and pending bills.
1311		Office of the Registrar of Political Parties	(867,000,000)	150,000,000				(717,000,000)	Reduce Ksh. 867 million (Recurrent) from Political Parties Fund.
1311		0614000 Registration, Regulation and Funding of Political Parties	(867,000,000)	150,000,000				(717,000,000)	Increase Ksh. 11.6 million (Recurrent) for legal reforms and settlement of pending bills. Increase Ksh. 16.9 million (Recurrent) for refurbishment of buildings. Increase Ksh. 7 million (Recurrent) for inspection of political parties HQ and County offices. Increase Ksh. 7.1 million (Recurrent) for digital upgrade and ICT infrastructure. Increase Ksh. 7.4 million (Recurrent) for Political Parties Liaison Committee. Increase Ksh. 100 million (Recurrent) for office operations
1321		Witness Protection Agency		40,000,000				40,000,000	Increase Ksh. 40 million (Recurrent) to enable the agency to respond to emerging witness needs.
1321		0615000 Witness Protection		40,000,000				40,000,000	
2011		Kenya National Commission on Human Rights		30,000,000				30,000,000	
2011		0616000 Protection and Promotion of Human Rights		30,000,000				30,000,000	Increase Ksh. 30 million (Recurrent) to scale up the Commission's oversight role and public education at National and County levels on human rights.
2031		Independent Electoral and Boundaries Commission	(150,000,000)	550,000,000				400,000,000	
2031		0617000 Management of Electoral Processes							
2031		0618000 Delineation of Electoral Boundaries	(150,000,000)	550,000,000				400,000,000	Reduce Ksh. 150 million (Recurrent) from the Boundary Review Process. Increase Ksh. 550 million (Recurrent) to be utilised for partial settlement of the pending bill owed to the Postal Corporation of Kenya.
2131		Commission on Administrative Justice		50,000,000				50,000,000	Increase Ksh. 11 million (Recurrent) for hosting the fourth edition of Huduma Ombudsman Awards ceremony that will be graced by H.E. the President. Increase Ksh. 39 million (Recurrent) for shortfall in Operations and Maintenance
2131		0731000 Promotion of Administrative Justice		50,000,000				50,000,000	
1261		The Judiciary		100,000,000				100,000,000	Increase Ksh. 100 million (Recurrent) for settlement of outstanding arbitration awards for Lodwar High Courts due to Landmark Holdings Limited.
1261		0610000 Dispensation of Justice		100,000,000				100,000,000	

15/11/2023 13:27		VOTE/PROGRAMME CODES & TITLE		SECOND SCHEDULE BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS 2023/2024 SUPPLEMENTARY No.1 ESTIMATES						Notes
Vote Code	Departmental Committee	Vote/Programme Code	Title	Recurrent		Development		Net Change		
				Reduction	Increase	Reduction	Increase			
2051			Judicial Service Commission	(150,000,000)	-	-	-	(150,000,000)		
2051			0619000 General Administration, Planning and Support Services	(150,000,000)	-	-	-	(150,000,000)	Reduce Ksh. 150 million (Recurrent) from the operational budget of the Commission.	
13			LABOUR	-	50,000,000	-	90,000,000	140,000,000		
1184			State Department for Labour	-	-	-	-	-		
1184			0910000 General Administration Planning and Support Services	-	-	-	-	-		
1184			0906000 Labour, Employment and Safety Services	-	-	-	-	-		
1184			0907000 Manpower Development, Employment and Productivity Management	-	-	-	-	-		
1213			State Department for Public Service	-	-	-	90,000,000	90,000,000		
1213			0710000 Public Service Transformation	-	-	-	90,000,000	90,000,000	Increase Ksh. 90 million (Development) to huduma center molo	
1213			0709000 General Administration Planning and Support Services	-	-	-	-	-		
2071			Public Service Commission	-	-	-	-	-		
2071			0725000 General Administration, Planning and Support Services	-	-	-	-	-		
2071			0726000 Human Resource management and Development	-	-	-	-	-		
2071			0727000 Governance and National Values	-	-	-	-	-		
2071			0744000 Performance and Productivity Management	-	-	-	-	-		
2081			Administration of Quasi-Judicial Functions	-	-	-	-	-		
2081			Salaries and Remuneration Commission	-	50,000,000	-	-	50,000,000		
2081			0728000 Salaries and Remuneration Management	-	50,000,000	-	-	50,000,000	Increase Ksh. 50 million (Recurrent)	
14			LANDS	(40,000,000)	-	-	422,000,000	382,000,000		
1112			State Department for Lands and Physical Planning	-	-	-	422,000,000	422,000,000		
1112			0101000 Land Policy and Planning	-	-	-	-	-		
1112			0121000 Land Information Management	-	-	-	422,000,000	422,000,000	Increase Ksh. 422 million (Development) for land digitization.	
1112			0122000 General Administration, Planning and Support Services	-	-	-	-	-		
2021			National Land Commission	(40,000,000)	-	-	-	(40,000,000)		
2021			0116000 Land Administration and Management	(40,000,000)	-	-	-	(40,000,000)	Reduce Ksh. 40 million (Recurrent) from purchase of furniture.	
15			REGIONAL DEVELOPMENT	(1,343,000,000)	253,000,000	-	3,470,000,000	2,380,000,000		
1032			State Department for Devolution	-	153,000,000	-	-	153,000,000		

SECOND SCHEDULE						
BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS						
2023/2024 SUPPLEMENTARY No.1 ESTIMATES						
Vote Code	VOTE/PROGRAMME CODES & TITLE	Recurrent		Development		Net Change
		Reduction	Increase	Reduction	Increase	
1032	0712000 Devolution Services		153,000,000			153,000,000
1036	State Department for ASALS & Regional and Northern Corridor Development	(1,343,000,000)	100,000,000		3,470,000,000	2,227,000,000
1036	0733000 Accelerated ASAL Development	(1,243,000,000)				(1,243,000,000)
1036	0743000 General Administration, Planning and Support Services	(100,000,000)				(100,000,000)
1036	1013000 Integrated Regional Development		100,000,000		3,470,000,000	3,570,000,000

**Notes**  
 Increase Ksh. 143 million (Recurrent) for the allocation to IGRTC to cater for priority areas within its mandate as well as gratuity and other statutory payments  
 Increase Ksh. 10 million (Recurrent) for the allocation to IGRTC to cater for priority areas within its mandate as well as gratuity and other statutory payments.

Reduce Ksh. 643 million (Recurrent) from 10360002000 Relief and Rehabilitation.  
 Reduce Ksh. 600 million (Recurrent) from 1036000704 Kenya Hunger Safety Net Programme.

Reduce Ksh. 100 million (Recurrent) from 0743010 Administrative services

Increase Ksh. 85 million (Development) for ENSDA - Ewaso Ng'iro Leather Factory-BETA (Ksh. 40 million), Integrated Bamboo commercialisation and Value addition (Ksh. 5 million) Oloitokitok Agro processing factory project (Ksh. 40 million).

Increase Ksh. 210 million (Development) for LBDA- Lichota, muhoroni and Alupe Solar Irrigation Project-BETA (Ksh. 40 million), Kimira-Oluoch Smallholder Farm Improvement Project-BETA (Ksh. 20 million), Drought Mitigation Interventions LBDA (Ksh. 150 million)

Increase Ksh. 135 million (Development) for CDA- Boji farmers irrigation project (Ksh. 5 million), Drought mitigation interventions CDA (Ksh. 100 million), Wananchi Cottages in Kilifi County (Ksh. 30 million).



15/11/2023 13:27		SECOND SCHEDULE BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS 2023/2024 SUPPLEMENTARY No.1 ESTIMATES						Notes
Vote Code	VOTE/PROGRAMME CODES & TITLE	Recurrent		Development		Net Change		
		Reduction	Increase	Reduction	Increase			
16	<b>SOCIAL PROTECTION</b>	-	2,535,000,000	-	256,000,000	2,791,000,000	<p>Increase Ksh. 900 million (Development) to KVDA for BETA priorities and flood control.</p> <p>Increase Ksh. 720 million (Development) to ENNDA for BETA priorities and flood control.</p> <p>Increase Ksh. 250 million (Development) to TARDA for BETA priorities and flood control of which Kianangochi Muchunguwa irrigation water project (Ksh. 200 million).</p> <p>Increase Ksh. 150 million (Development) to LBDA for BETA priorities and flood control.</p> <p>Increase Ksh. 100 million (Recurrent) to LBDA for BETA priorities and flood control.</p> <p>Increase Ksh. 150 million (Development) to CDA for BETA priorities and flood control.</p> <p>Increase Ksh. 100 million (Development) to ENSDA for BETA priorities and flood control.</p>	
1185	State Department for Social Protection, Pensions & Senior Citizen Affairs	-	2,000,000,000	-	-	2,000,000,000		
1185	0908000 Social Development and Children Services	-	-	-	-	-		
1185	0909000 National Social Safety Net	-	2,000,000,000	-	-	2,000,000,000		
1185	0914000 General Administration, Planning and Support Services	-	-	-	-	-		
1212	<b>State Department for Gender and Affirmative Action</b>	-	35,000,000	-	186,000,000	221,000,000		
1212	0711000 Youth Empowerment Services	-	-	-	-	-		
1212	0911000 Community Development	-	-	-	186,000,000	186,000,000		
1212	0912000 Gender Empowerment	-	-	-	-	-		
1212	0913000 General Administration, Planning and Support Services	-	35,000,000	-	-	35,000,000		
1135	<b>State Department for Youth Affairs and the Arts</b>	-	-	-	-	-		
1135	0711000 Youth Empowerment Services	-	-	-	-	-		
1135	0748000 Youth Development Services	-	-	-	-	-		
1135	0749000 General Administration, Planning and Support Services	-	-	-	-	-		
2141	<b>National Gender and Equality Commission</b>	-	-	-	-	-		
2141	0621000 Promotion of Gender Equality and Freedom from Discrimination	-	-	-	-	-		
1213	<b>State Department for Public Service</b>	-	500,000,000	-	70,000,000	570,000,000		

15/11/2023 13:27		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS 2023/2024 SUPPLEMENTARY No.1 ESTIMATES		SECOND SCHEDULE		Notes	
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Development		Net Change		
			Reduction	Increase			
1213		0747000 National Youth Service		500,000,000	70,000,000	570,000,000	Increase Ksh. 70 million (Development) for construction of Huduma Centers in Miritini and Makadara and other supplies.
17	SPORTS AND CULTURE		(80,000,000)	55,000,000	25,000,000	-	Increase Ksh. 500 million (Recurrent) for seed capital for NYS enterprises.
1132		State Department for Sports		-	-	-	
1132		0901000 Sports		-	-	-	
1134		State Department for Culture and Heritage	(80,000,000)	25,000,000	-	(55,000,000)	Reduce Ksh. 80 million (Recurrent) from 1134000600 Museums HQ and Regional Museums.
1134		0902000 Culture/Heritage		25,000,000	-	(55,000,000)	Increase Ksh. 25 million (Recurrent) for 1134002000 National Heroes Council for public awareness and sensitization.
1134		0905000 General Administration, Planning and Support Services		-	-	-	
1134		0916000 Public Records Management		-	-	-	
1135		State Department for Youth Affairs and the Arts	-	30,000,000	25,000,000	55,000,000	Increase Ksh. 25 million (Development) Marathi Cultural Center
1135		0903000 The Arts		30,000,000	25,000,000	55,000,000	Increase Ksh. 30 million (Recurrent) for Kenya Film Commission for capacity building of filmmakers and rollout of film incentive programmes.
1135		0904000 Library Services		-	-	-	
18	TOURISM AND WILDLIFE			-	120,000,000	120,000,000	
1202		State Department for Tourism		-	-	-	
1202		0306000 Tourism Development and Promotion		-	-	-	
1202		0314000 Tourism Product Development and Diversification		-	-	-	
1202		0315000 General Administration, Planning and Support Services		-	-	-	
1203		State Department for Wildlife		-	120,000,000	120,000,000	
1203		1019000 Wildlife Conservation and Management		-	120,000,000	120,000,000	Increase Ksh. 50 million (Development) for access roads
19	TRADE, INDUSTRY AND COOPERATIVES			555,500,000	(410,500,000)	1,555,000,000	Increase Ksh. 70 million (Development) for water for wildlife.
1173		State Department for Cooperatives	-	35,800,000	(35,800,000)	400,000,000	

15/11/2023 13:27		SECOND SCHEDULE						
Departmental Committee		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS 2023/2024 SUPPLEMENTARY No.1 ESTIMATES						
Vote Code	VOTE/PROGRAMME CODES & TITLE	Recurrent			Development		Net Change	Notes
		Reduction	Increase	Reduction	Increase			
1173	0304000 Cooperative Development and Management		35,800,000	(35,800,000)	400,000,000	400,000,000	400,000,000	Reduce Ksh. 35.8 million (Development) from Coffee Industry Revitalization Project. Increase Ksh. 35.8 (Recurrent) for payment of pending bills at the State Department HQ. Increase Ksh.400 million (Development) for the mopping up of excess milk during the long rains
1174	State Department for Trade		-	-	-	-	-	
1174	0309000 Domestic Trade and Enterprise Development							
1174	0310000 Fair Trade Practices And Compliance of Standards							
1174	0311000 International Trade Development and Promotion							
1174	0312000 General Administration, Planning and Support Services							
1175	State Department for Industry		142,000,000	(284,700,000)	225,000,000	82,300,000	82,300,000	
1175	0301000 General Administration Planning and Support Services							
1175	0320000 Industrial Promotion and Development		142,000,000	(242,000,000)	200,000,000	100,000,000	100,000,000	Reduce Ksh. 100 million (Development) from Establishment of County Integrated Agro-Industrial Parks BETA -other operating expenses meant for coordination at the State Department Reduce Ksh. 142 million (Development) from modernization of NMC's Foundry Plant & Fabrication Workshop Increase Ksh. 142 million (Recurrent) for Modernization of NMC's Foundry Plant & Fabrication Workshop -BETA to cater for land surveying as well as salary shortfall. Increase Ksh. 200 million (Development) for RIVATEX
1175	0321000 Standards and Quality Infrastructure & Research			(42,700,000)	25,000,000	(17,700,000)	(17,700,000)	Reduce Ksh. 42.7 million (Development) from acquisition of regional Anti-Counterfeit Agency Warehouse. Increase Ksh. 25 million (Development) for enhancement of the Accreditation programme in Kenya-KENAS
1176	State Department for Micro, Small and Medium Enterprises Development		150,000,000	(50,000,000)	100,000,000	200,000,000	200,000,000	
1176	0316000 Promotion and Development of MSMEs			100,000,000		100,000,000	100,000,000	Increase Ksh. 100 million (Development) for Construction of Constituency Industrial Dev Centers (CIDs)-Ksh. 90 million CIDs pending bills and Ksh. 10 million for Funyula CIDC.


15/11/2023 13:27		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS		2023/2024 SUPPLEMENTARY No.1 ESTIMATES		SECOND SCHEDULE		Notes
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Development		Net Change			
			Reduction	Increase				
1176		0317000 Product and Market Development for MSMEs	(150,000,000)		(150,000,000)			Reduce Ksh. 150 million (Development) from Kenya Industrial Estates (KIE).
1176		0318000 Digitization and Financial Inclusion for MSMEs		100,000,000	100,000,000			Increase Ksh. 100 million (Development) for Youth Employment and Enterprise Initiative (Uwezo Fund).
1176		0319000 General Administration, Planning and Support Services		150,000,000	150,000,000			Increase Ksh. 50 million (Recurrent) for MSME conference. Increase Ksh. 100 million (Recurrent) for office partition.
1177		State Department for Investment Promotion	-	227,700,000	830,000,000	1,017,700,000		Reduce Ksh. 40 million (Development) from Development of Special Economic Zone Dongo Kundu.
1177		0322000 Investment Development and Promotion		227,700,000	830,000,000	1,017,700,000		Increase Ksh. 30 million (Development) for Development of Special Economic Zone Naivasha. Increase Ksh. 77.7 million (Recurrent) for operationalization at the State Department HQ. Increase Ksh. 200 million (Development) for Athi River textile hub Increase Ksh. 600 million (Development) for Flagship Export Processing Zone hubs (EPZA). Increase Ksh. 100 million (Recurrent) for Athi River EPZA. Increase Ksh. 50 million (Recurrent) for Kenya Investment Authority
20	TRANSPORT AND INFRASTRUCTURE		-	-	2,579,000,000	2,253,000,000		
1091		State Department for Roads		-	2,479,000,000	2,193,000,000		Reduce Ksh. 10 million (Development) from 1091168259
1091		0202000 Road Transport	(286,000,000)		2,479,000,000	2,193,000,000		Reduce Ksh. 30 million (Development) from 1091133903 Reduce Ksh. 20 million (Development) from 1091133907 Reduce Ksh. 16 million (Development) from 1091133921

15/11/2023 13:27		SECOND SCHEDULE BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS 2023/2024 SUPPLEMENTARY No.1 ESTIMATES					Notes
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Development			Net Change	
			Recurrent	Increase	Reduction		
			Reduction	Increase	Reduction	Increase	
							Reduce Ksh. 10 million (Development) from 1091135435
							Reduce Ksh. 10 million (Development) from 1091135482
							Reduce Ksh. 30 million (Development) from 1091135485
							Reduce Ksh. 10 million (Development) from 1091146249
							Reduce Ksh. 20 million (Development) from 1091152838
							Reduce Ksh. 30 million (Development) from 1091152866
							Reduce Ksh. 10 million (Development) from 1091152889
							Reduce Ksh. 30 million (Development) from 1091169980
							Reduce Ksh. 30 million (Development) from 1091169981
							Reduce Ksh. 20 million (Development) from 1091169982
							Reduce Ksh. 10 million (Development) from 1091169984
							Increase Ksh. 286 million (Development) for critical roads.
							Increase Ksh. 1.5 billion (Development) for critical roads.
							Increase Ksh. 173 million (Development) for critical roads.
							Increase 500 million (Development) for Mombasa Port Area Road Development Project: Mwache-Mteza
							Increase Ksh. 20 million (Development) for 1091152875
1092		<b>State Department of Transport</b>	-	-	40,000,000	100,000,000	60,000,000
1092		0201000 General Administration, Planning and Support Services			(40,000,000)	100,000,000	60,000,000
1092		0203000 Rail Transport					Increase Ksh. 100 million (Development) for feeder roads in LAMU-LAPSET
1092		0204000 Marine Transport					Reduce Ksh. 40 million (Development) from 1092109301
1092		0205000 Air Transport					
1092		0216000 Road Safety					
1093		<b>State Department for Shipping and Maritime Affairs</b>					

15/11/2023 13:27		SECOND SCHEDULE					
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS				Notes
			2023/2024 SUPPLEMENTARY No.1 ESTIMATES				
			Recurrent		Development		
			Reduction	Increase	Reduction	Increase	Net Change
1093		0219000 Shipping and Maritime Affairs					
21	BUDGET & APPROPRIATIONS COMMITTEE			2,819,569,525			2,819,569,525
				2,669,569,525			2,669,569,525
2041		Parliament					
		Parliamentary Service Commission		87,293,891			87,293,891
2041		0765000 General Administration Planning and Support Services		78,272,994			78,272,994
2041		0766000 Human Resources Management and Development		9,020,897			9,020,897
2042		National Assembly		1,380,350,079			1,380,350,079
2042		0721000 National Legislation, representation and oversight		1,380,350,079			1,380,350,079
2043		Parliamentary Joint Services		696,151,554			696,151,554
2043		0723000 General Administration, planning and support services		644,048,458			644,048,458
2043		0746000 Legislative Training Research & Knowledge Management		52,103,096			52,103,096
2044		Senate Affairs		505,774,001			505,774,001
2044		0767000 Senate Legislation and Oversight		248,950,678			248,950,678
2044		0768000 Senate Representation, Liaison & Intergovernmental Relations		23,323,315			23,323,315
2044		0769000 General Administration Planning and Support Services		233,500,008			233,500,008
2111		Auditor General		150,000,000			150,000,000
2111		0729000 Audit Services		150,000,000			150,000,000
		<b>Total Expenditure</b>	<b>(9,041,500,000)</b>	<b>16,002,069,525</b>	<b>(63,087,500,000)</b>	<b>80,536,500,000</b>	<b>24,411,569,525</b>

**THIRD SCHEDULE: FY 2023/24 SUPPLEMENTARY ESTIMATES NO.1 EXPENDITURE UNDER ARTICLE 223 OF THE CONSTITUTION APPROVALS**

Vote and Programme Details	Current	Capital	Total	National Treasury Approval Dates	Amount Disbursed/Payment	Disbursement Dates	Remarks/Purpose	BAC recommendation
<b>1036 State Department for ASAL &amp; Regional Development</b>	-	<b>2,690,000,000</b>	<b>2,690,000,000</b>	-	<b>1,037,321,765</b>	-		
Kenya Development Response to Displacement Impacts Project (KDRDIP)	-	2,690,000,000	2,690,000,000	22 <sup>nd</sup> August, 2023	1,037,321,765	1 <sup>st</sup> November, 2023		Approved
<b>1094 State Department for Crop Development</b>		<b>2,494,000,000</b>	<b>2,494,000,000</b>	-	<b>698,800,000</b>			
Crop Post-Harvest Loss Management	-	2,244,000,000	2,244,000,000	28 <sup>th</sup> August, 2023	448,800,000	18 <sup>th</sup> October, 2023		Approved
NCPB Dryers and Bulk Storage Facilities		250,000,000	250,000,000	28 <sup>th</sup> August, 2023	250,000,000	25 <sup>th</sup> September, 2023		Approved
<b>Total</b>	<b>-</b>	<b>5,184,000,000</b>	<b>5,184,000,000</b>		<b>1,736,121,765</b>			

**SIGNED**  
  
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		FOURTH SCHEDULE			
Vote Code	Departmental Committee ADMINISTRATION & INTERNAL AFFAIRS	VOTE/PROGRAMME CODES & TITLE	SUP 1. FY 2023/24 Unfunded Requests		
			Recurrent Increase	Development Increase	Total Change
1025		<b>National Police Service</b>	3,933,400,000	100,000,000	4,033,400,000
1025		0601000 Policing Services	2,000,000,000	-	2,000,000,000
1026		<b>State Department for Internal Security &amp; National Administration</b>	1,900,000,000	100,000,000	2,000,000,000
1026		0629000 General Administration and Support Services	1,800,000,000	100,000,000	1,900,000,000
1026		0630000 Policy Coordination Services	100,000,000		100,000,000
2151		<b>Independent Policing Oversight Authority</b>	33,400,000	-	33,400,000
2151		0622000 Policing Oversight Services	33,400,000		33,400,000
1162		<b>AGRICULTURE AND LIVESTOCK</b>	-	1,127,000,000	1,127,000,000
1162		<b>State Department for Livestock Development</b>	-	300,000,000	300,000,000
1162		0112000 Livestock Resources Management and Development		300,000,000	300,000,000
1169		<b>State Department for Crop Development</b>	-	827,000,000	827,000,000

**Justifications**

**Additional Ksh.2 billion(recurrent):** Ksh.600 million for HQ Security operations, Ksh.400 million Multi-Agency security operations, Ksh.400 million for NE Security operations and Ksh.600 million for County Administration.

**Additional Ksh.1800(recurrent):** Ksh.500 million for security Operations, Ksh.100 million Presidential Visits, Ksh.400 million for National Celebrations, Ksh.300 Million for Multi-agency Security Operations and Ksh.500 million for Security operations in Northern Eastern region.

**Additional Ksh.100 million(development)** for security roads

**Additional Ksh.50 million(recurrent)** for operationalization of 10 NCIC Regional offices.

**Additional Ksh.50 million(recurrent)** for Completion of NACADA Miritini Rehabilitation Centre.

**Additional Ksh.33.4 million(recurrent)** for enhanced O&M in IPOA.

**Additional Ksh.200 million(development)** towards Livestock Value Chain Support Project as GoK counterpart funding. **Additional Ksh.100 million(development)** for Pending bill owed to Tegemeo Institute of Agricultural Policy and Development which was incurred due to the budget cuts of FY 2022/23.

		FOURTH SCHEDULE			SUP 1, FY 2023/24 Unfunded Requests			
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Recurrent Increase	Development Increase	Total Change	Justifications		
1109								
1104	<b>BLUE ECONOMY &amp; IRRIGATION</b>	<b>State Department for Irrigation</b>	<b>990,157,723</b>	<b>4,946,000,000</b>	<b>5,936,157,723</b>			
1104		1014000 Irrigation and Land Reclamation	125,705,494	3,146,000,000	3,271,705,494	<b>Additional Ksh. 500 million(development)</b> towards Mwea Irrigation Devt. Scheme -Thiba dam to pay pending bills. <b>Additional Ksh. 450 million(development)</b> towards Bura Irrigation Scheme to pay for remaining works. <b>Additional Ksh. 1 billion(development)</b> towards National Expanded Irrigation Programme for settling pending Bills. <b>Additional Ksh. 196 million(development)</b> for Galana Kulalu Irrigation Devt. Project to pay pending bills.		
1104		1015000 Water Storage and Flood Control	42,000,000	1,000,000,000	1,042,000,000	<b>Additional Ksh. 42 million(recurrent)</b> towards National Water Harvesting & Storage Authority to implement the Approved Salary Structure by the SRC. <b>Additional Ksh. 1 billion(development)</b> towards Siyoi Muruny Dam to pay ongoing works.		
1104		1023000 General Administration, Planning and Support Services	83,705,494		83,705,494	<b>Reinstatement of Ksh 83.7 million(recurrent)</b> to the HQ allocation for O&M		
1109		<b>State Department for Water &amp; Sanitation</b>	<b>516,452,229</b>	<b>1,200,000,000</b>	<b>1,716,452,229</b>			
1109		1001000 General Administration, Planning and Support Services	45,000,000		45,000,000	<b>Additional Ksh. 45 million(recurrent)</b> for settlement of Court awards.		

FOURTH SCHEDULE						
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	SUP 1. FY 2023/24 Unfunded Requests			Justifications
			Recurrent Increase	Development Increase	Total Change	
1109		1017000 Water and Sewerage Infrastructure Development	471,452,229	1,200,000,000	1,671,452,229	<b>Additional Ksh.471.5 million(recurrent)</b> to cater for deficits in PE and Housing levy. <b>Additional Ksh.1 billion(development)</b> towards Nairobi Metro Area Bulk Water sources-Karimenu II Dam to cater for land acquisition for buffer zone for Karimenu Dam. <b>Additional Ksh.200 million(development)</b> towards Extension of Nairobi Water Supply - Northern Collector to cater for pending bills for construction of the tunnel.
<b>1166</b>		<b>State Department fore Blue Economy and Fisheries</b>	<b>348,000,000</b>	<b>600,000,000</b>	<b>948,000,000</b>	<b>Additional Ksh.150 million(recurrent)</b> to operationalize the 6 Patrol boats donated by JICA. <b>Additional Ksh.161 million(recurrent)</b> to implement the approved salary structure by the SRC.
1166		0111000 Fisheries Development and Management	311,000,000		311,000,000	
1166		0117000 General Administration, Planning and Support Services	37,000,000		37,000,000	<b>Additional Ksh.37 million(recurrent)</b> for settlement of Court awards.
1166		0118000 Development and Coordination of the Blue Economy		600,000,000	600,000,000	<b>Additional Ksh.600 million(development)</b> to undertake the marine stock fish assessment exercise that is underway.
	<b>COMMUNICATION, INFORMATION &amp; INNOVATION</b>					
<b>1123</b>		<b>State Department for Broadcasting &amp; Telecommunications</b>	<b>995,500,000</b>	-	<b>995,500,000</b>	<b>Additional Ksh.800 million(recurrent)</b> towards Postal Corporation of Kenya for salary arrears and other critical operational expenses. <b>Additional Ksh.Additional Ksh.80 million(recurrent)</b> for Parliamentary Media Centre to improve parliamentary reporting.
1123		0208000 Information and Communication Services	995,500,000	-	995,500,000	<b>Additional Ksh.50 million(recurrent)</b> to expand media monitoring to the Northern frontier region to curb hate speech and misinformation. <b>Additional Ksh.25.5 million(recurrent)</b> for the Taskforce on media guidelines for utilization of Data, Artificial Intelligence and social media. <b>Additional Ksh.40 million(recurrent)</b> for Youth Community education for media literacy data and Artificial Intelligence .

Vote Code	Departmental Committee DEFENCE, INTELLIGENCE AND FOREIGN RELATIONS	VOTE/PROGRAMME CODES & TITLE	FOURTH SCHEDULE			Justifications
			SUP 1. FY 2023/24 Unfunded Requests			
			Recurrent Increase	Development Increase	Total Change	
1041		Ministry of Defence 0801000 Defence	16,407,000,000 11,000,000,000	3,416,000,000 2,500,000,000	19,823,000,000 13,500,000,000	Additional Ksh. 10 billion(recurrent) funding for FY 2022/23 pending bills. Additional Ksh. 1 billion(recurrent) for initial capital to operationalize the National Peace Support Operations Fund. Reinstatement of Ksh. 1 billion (development) a spending cut on development expenditures. Additional Ksh. 1.5 billion(development) towards KSL to settle a pending contractual obligation.
1053		State Department for Foreign Affairs 0715000 Foreign Relation and Diplomacy	2,600,000,000 2,600,000,000	916,000,000 916,000,000	3,516,000,000 3,516,000,000	Additional Ksh 2.6 billion(recurrent) funding for FY 2022/23 pending bills (verified and ready for settlement) Incurred on State visits coordinated by the Protocol Division under the SDF.A. Reinstatement of Ksh. 700 million(development) development spending cut. Reinstatement of Ksh. 216(development) for 110 properties in Missions abroad which need constant maintenance especially in countries with harsh weather conditions
1054		State Department for Diaspora Affairs 0752000 Management of Diaspora and Consular Affairs	182,000,000 182,000,000	-	182,000,000 182,000,000	Additional Ksh. 50 million(recurrent) for establishment of Diaspora Information Management System (DIMIS). Additional Ksh. 50 million(recurrent) for establishment of a 24-hour Diaspora response call centre to assist Diaspora during times of crisis. Additional Ksh. 82 million(recurrent) for settlement of FY 2022/23 pending bills that have been verified and ready for settlement.
1221		State Department for East African Community	125,000,000	-	125,000,000	

FOURTH SCHEDULE					
Vote Code	Departmental Committee	SUP 1. FY 2023/24 Unfunded Requests		Justifications	
		VOTE/PROGRAMME CODES & TITLE			
		Recurrent Increase	Development Increase		
			Total Change		
1221		0305000 East African Affairs and Regional Integration	125,000,000	125,000,000	<b>Additional Ksh.125 million(recurrent)</b> for the development of a National Policy on opening of Mombasa-Taveta/Holili-Singida-Kobero-Rusumo as transnational corridor to serve Central African States of Rwanda, Burundi, and the DRC.
<b>1281</b>		<b>National Intelligence Service</b>	<b>2,500,000,000</b>	<b>2,500,000,000</b>	<b>Additional Ksh.1 billion(recurrent)</b> for external counter terrorism operations and enhancement of Service capacity building initiatives to enable it effectively to respond to threats arising from the instability being experienced in the region. <b>Additional Ksh.1.5 billion(recurrent)</b> for expansion of surveillance systems through acquisition of one UAV to increase the Service aerial surveillance capabilities.
1281		0804000 National Security Intelligence	2,500,000,000	2,500,000,000	
	<b>ENERGY</b>				
<b>1152</b>		<b>State Department for Energy</b>		<b>2,200,000,000</b>	<b>Additional Ksh. 1 billion(Development)</b> for the Last Mile project which is critical in improving access to electricity in slums and rural areas in Kenya. <b>Additional Ksh.500 million(Development)</b> for the installation of transformers in constituencies. <b>Additional Ksh. 500 million(Development)</b> for Electrification of Public Facilities. <b>Additional Ksh.200 million(development)</b> for Street-lighting Project
1152		0213000 Power Transmission and Distribution	-	2,200,000,000	
	<b>ENVIRONMENT, FORESTRY AND MINING</b>				
<b>1331</b>		<b>State Department for Environment and Climate Change</b>	<b>168,700,000</b>	<b>667,000,000</b>	<b>Reinstatement of Ksh.42.5 million(development)</b> for Plastic Waste Management and Pollution Control project. <b>Reinstatement of Ksh.22.5 million(development)</b> towards Phasing out Ozone Depleting Substances Project. This project seeks to protect the Ozone Layer from depleting substances; through awareness, advocacy, and training in alternatives.
1331		1002000 Environment Management and Protection	-	<b>167,000,000</b>	
				65,000,000	
				<b>835,700,000</b>	
				<b>167,000,000</b>	
				65,000,000	

		FOURTH SCHEDULE			SUP 1, FY 2023/24 Unfunded Requests			Justifications
		Recurrent Increase	Development Increase	Total Change				
1331	Departmental Committee	VOTE/PROGRAMME CODES & TITLE						
		1012000 Meteorological Services		27,000,000		27,000,000	Reinstatement of Ksh 27 million(development)for Weather Radar Surveillance Network project	
1331		1018000 Forests Management and Water Towers Conservation		75,000,000		75,000,000	Reinstatement of Ksh 37.5 million(development) for Community Livelihood Improvement Programme (CLIP). Reinstatement of Ksh 27.5 million(development) for Mitigation & Management of Soil Loss – Under Kenya Water Towers Agency (KWTA). Reinstatement of Ksh. 10 million(development) for Securing and Protection of Water Towers project. This project seeks to secure and protect all the water towers in Kenya.	
1192		State Department for Mining		168,700,000		168,700,000		
1192		1007000 General Administration Planning and Support Services		70,300,000		70,300,000	Additional Ksh 29.5 million(recurrent) for Domestic Travel & Subsistence and other Transportation costs. Additional Ksh. 9.9 million(recurrent) for Refined Fuels & Lubricants for Transport. Additional Ksh.6.5 million(recurrent) for Routine Maintenance – Vehicles and other Transport Equipment. Additional Ksh. 24.4 million(recurrent) for Purchase of Motor Vehicles. The Department core mandate is field based in some of the most difficult terrain where minerals are naturally found.	
1192		1009000 Mineral Resources Management		33,300,000		33,300,000	Additional Ksh. 7.1 million(recurrent) for Domestic Travel & Subsistence and other Transportation costs. Additional Ksh.1.6 million(recurrent) for Refined Fuels & Lubricants for Transport. Additional Ksh 2.1 million(recurrent) for Routine Maintenance – Vehicles and other Transport Equipment. Additional Ksh. 22.5 million(recurrent) for Purchase of Motor Vehicles.	

FOURTH SCHEDULE						
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	SUP 1. FY 2023/24 Unfunded Requests			Justifications
			Recurrent Increase	Development Increase	Total Change	
1192		1021000 Geological Survey and Geoinformation Management	65,100,000		65,100,000	<b>Additional Ksh.12.9 million(recurrent)</b> for Domestic Travel & Subsistence and other Transportation costs. <b>Additional Ksh.7.1 million(recurrent)</b> for Refined Fuels & Lubricants for Transport. <b>Additional Ksh.4.4 million(recurrent)</b> for Routine Maintenance – Vehicles and other Transport Equipment. <b>Additional Ksh.40.7 million(recurrent)</b> for Purchase of Motor Vehicles.
1332		1332 State Department for Forestry	-	500,000,000	500,000,000	<b>Additional Ksh. 250 million(Development)</b> to the Tree Growing Campaign and Rangeland Restoration project for seedlings purchase to enable the State Department undertake her critical Presidential Directive mandate. <b>Additional Ksh.100 million(Development)</b> for Potting tubes and for distribution of seedlings to the Public/Institutions. <b>Additional Ksh.100 million(development)</b> for drilling and equipping 100 boreholes in ASAL counties where KFS Nurseries are established; and <b>Ksh.50 million(development)</b> for coordination to undertake the Presidential Directive on Tree Planting.
	<b>HEALTH</b>		<b>690,000,000</b>	<b>16,373,000,000</b>	<b>17,063,000,000</b>	
1082		State Department for Medical Services	230,000,000	15,623,000,000	15,853,000,000	<b>Additional Ksh.230 million(recurrent)</b> to KEMRI for PE shortfall. <b>Additional Ksh. 2.25 billion(Development)</b> for pending bill owed to Eurotech International following court ruling to settle the claims. <b>Additional Ksh.1.87 billion(development)</b> for settling of pending bill owed to Rockey Africa Limited for supply of renal dialysis consumables.
1082		0402000 National Referral & Specialized Services	230,000,000	4,120,000,000	4,350,000,000	
1082		0410000 Curative & Reproductive Maternal New Born Child Adolescent Health RMNCAH		150,000,000	150,000,000	<b>Additional Ksh.150 million(development)</b> for the Single Donor Trust Fund Project (World Bank) to cater for fluctuations in dollar since the signing of the Project in 2021.

				FOURTH SCHEDULE		
				SUP 1. FY 2023/24 Unfunded Requests		
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Recurrent			
			Increase	Development Increase	Total Change	
1082		0412000 General Administration & Human Resource Management & Development		11,353,000,000	11,353,000,000	<b>Additional Ksh. 10,226 billion(Development)</b> for supply of CHP Kit, Consumables and medicine supplies. <b>Additional Ksh. 1,127 billion (development)</b> for supply of CHP smart Phones.
1083		<b>State Department for Public Health and Professional Standards</b>	<b>460,000,000</b>	<b>750,000,000</b>	<b>1,210,000,000</b>	
1083		0406000 Preventive and Promotive Health Services	460,000,000	300,000,000	760,000,000	<b>Additional Ksh.460 million(recurrent)</b> to enhance capacity for cross-border disease detection in Port health Services. <b>Additional Ksh.300 million(development)</b> for completion and Operationalization of Phase 1 for the CRWPF Project at Olulia Ngong.
1083		0407000 Health resources development and Innovation		450,000,000	450,000,000	<b>Additional Ksh.50 million(development)</b> for Construction and equipping of Webuye KMTTC Campus. <b>Additional Ksh.200 million(Development)</b> to cater for Developing and Construction of Kirinyaga KMTTC. <b>Additional Ksh.200 million(Development)</b> to enhance research at Kenya Institute of primate Research
1095	<b>HOUSING, URBAN PLANNING &amp; PUBLIC WORKS</b>		-	<b>326,900,000.0</b>	<b>326,900,000.0</b>	
		<b>State Department for Public Works</b>		<b>326,900,000</b>	<b>326,900,000</b>	

FOURTH SCHEDULE					
Vote Code	Departmental Committee	SUP 1. FY 2023/24 Unfunded Requests		Justifications	
		Recurrent Increase	Development Increase		Total Change
		VOTE/PROGRAMME CODES & TITLE			
1095			326,900,000	326,900,000	Additional Ksh.35 million(development) for supervision of projects in Health Care. Additional Ksh.16 million(development)for Supervision of Projects in Manufacturing. Additional Ksh.11 million(development)for Supervision of Projects in Housing and Settlement. <b>Additional Ksh.28.8 million(development)</b> for Construction of Foot Bridges. <b>Additional Ksh.25.8 million(development)</b> for Construction of Foot Bridges - Continued-BETA. <b>Additional Ksh.60.4 million(development)</b> for Construction of Foot Bridges - Continued-BETA. <b>Additional Ksh.54.3 million(development)</b> for Construction of Ndau seawall. <b>Additional Ksh.32 million(development)</b> for Construction of Kiwayu Seawall and Jetty. <b>Additional Ksh,15.6 million(development)</b> for Reconstruction of Bombi - Kisiki footbridge. <b>Additional Ksh.48 million(development)</b> for Construction of New Mokowe Jetty.
	JUSTICE AND LEGAL AFFAIRS COMMITTEE	13,493,300,000	1,673,100,000	15,166,400,000	
1023		4,742,100,000	451,100,000	5,193,200,000	Additional Kshs.342.1 million(recurrent) for the purchase of prisoner's bedding and linen. <b>Additional Ksh.1.2 billion(recurrent)</b> for purchase of uniforms for the Kenya prison staff. <b>Additional Kshs 3.2 billion(recurrent)</b> for purchase of food and rations for the inmates. <b>Additional Kshs 1.6 billion(recurrent)</b> for domestic travel and subsistence. <b>Additional Kshs 451.1 million(development)</b> for settling pending bills for the construction of Magereza level IV Hospital to facilitate handing over of the project.
1023	State Department for Correctional Services	4,742,100,000	451,100,000	5,193,200,000	
	0627000 Prison Services				
1252	State Law Office	375,700,000	-	375,700,000	

Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	FOURTH SCHEDULE			Justifications
			SUP 1. FY 2023/24 Unfunded Requests			
			Recurrent Increase	Development Increase	Total Change	
1252	Departmental Committee	0607000 Governance, Legal Training and Constitutional Affairs	375,700,000		375,700,000	<b>Additional Ksh.300 million(recurrent)</b> to facilitate the decentralization of SLO&DOJ services to all the 47 counties. <b>Additional Ksh. 28.9 million(recurrent)</b> for purchase of furniture and equipment. <b>Additional Kshs.29.7 million(recurrent)</b> for training of state counsels. <b>Additional Ksh.17.1 million(recurrent)</b> to Facilitate state counsel attend to more than 67,000 court matters across the country.
1311		<b>Office of the Registrar of Political Parties</b>	<b>399,500,000</b>	<b>-</b>	<b>399,500,000</b>	<b>Additional Kshs. 399.5 million(recurrent)</b> for Legal fees and legal reforms – Kshs 106.6 million, Public education and awareness – Kshs 39.5 million, Refurbishment of office space at HQs and seven county offices – Kshs 45.7 million, Inspection of political party offices at the headquarters – Kshs 23.6 million, Purchase of five motor vehicles – Kshs 64.4 million, Digital upgrade and ICT infrastructure – Kshs 80.1 million and Dialogue platform for Political Parties Liaison Committee – Kshs 21.2 million
2031		<b>Independent Electoral and Boundaries Commission</b>	<b>7,200,000,000</b>	<b>-</b>	<b>7,200,000,000</b>	<b>Additional Ksh.7.2 Billion (recurrent)</b> for boundary delimitation.
2031		0617000 Management of Electoral Processes	7,200,000,000		7,200,000,000	
1261		<b>The Judiciary</b>	<b>776,000,000</b>	<b>1,222,000,000</b>	<b>1,998,000,000</b>	

FOURTH SCHEDULE					
Vote Code	Departmental Committee	SUP 1. FY 2023/24 Unfunded Requests		Justifications	
		Recurrent Increase	Development Increase		Total Change
1261	VOTE/PROGRAMME CODES & TITLE 0610000 Dispensation of Justice	776,000,000	1,222,000,000	1,998,000,000	Additional Ksh.500 million(development) for completion of ongoing capital projects, construction and acquisition of new premises. Additional Ksh.272 million(development) for Settlement of outstanding arbitration awards. Additional Ksh.197 million(recurrent) for Purchase and leasing of motor vehicles.Additional Ksh.300 million(recurrent) for Recruitment of magistrates and staff.Additional Ksh.199 million(recurrent) for Housing levy. Additional Ksh.80 million(recurrent) for National Social Security Fund. Additional Ksh.450 million(development) for Digital Strategy and Automation
2021	LANDS National Land Commission	819,300,000	1,195,000,000	2,014,300,000	Additional Kshs.560 million(recurrent) for outstanding pendings Bills. Additional Kshs.39.3 million(recurrent) for Gratuity for contract staff. Additional Kshs.100 million (recurrent) for land enforcement. Additional Ksh.120 million(recurrent) for land Administration Activities. Additional Ksh.95 million(Development)for final survey and vesting. Additional Ksh.70 million(Development) for land dispute resolution management at national and County levels. Additional Kshs.80 million(Development) for state of Land use Planning Baseline Study. Additional Ksh.50 million(Development) for ICT Networking infrastructure. Additional Kshs. 900 million(development) the surrender made to NT.
2021	0116000 Land Administration and Management	819,300,000	1,195,000,000	2,014,300,000	
1036	REGIONAL DEVELOPMENT State Department for ASALs & Regional and Northern Corridor Development	295,000,000	770,000,000	865,000,000	

		FOURTH SCHEDULE			SUP 1, FY 2023/24 Unfunded Requests			
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Development		Total Change	Justifications		
			Recurrent Increase	Development Increase				
1036		0733000 Accelerated ASAL Development		120,000,000	120,000,000	<b>Additional Ksh. 100 million(development)</b> for National Drought Emergency Fund. <b>Additional Ksh.20 million(development)</b> towards Ending Drought Emergencies Based Adapt in ASAL-TWENDE		
1036		0743000 General Administration Planning and Support Services	50,000,000		50,000,000	<b>Additional Ksh. 50 million(recrrent)</b> towards Kerio Valley Development Authority to cater for PE.		
1036		1013000 Integrated Regional Development	45,000,000	650,000,000	695,000,000	<b>Additional Ksh. 650 million(development)</b> towards production of 5 billion fruit tree seedlings by 2032. <b>Additional Ksh. 30 million(recurrent)</b> towards Ewaso Nyiro North Development Authority for marketing and documentary of essential oils produced at the Gum Arabic and Resins Factory. <b>Additional Ksh. 15 million(recurrent)</b> towards HQ- Conversation Department to support operations of the Department.		
1032		<b>State Department for Devolution</b> 0712000 Devolution Support Services	200,000,000	-	200,000,000	<b>Additional Ksh. 150 million(recurrent)</b> for Capacity Development and learning program for County Aggregation Centres and Industrial Parks. <b>Additional Ksh. 50 million(recurrent)</b> towards COG for sectoral committees meetings and other operations and maintenance expenses.		
	<b>SOCIAL PROTECTION</b>		113,930,000	461,300,000	575,230,000			
1185		<b>State Department for Social Protection, Pensions &amp; Senior Citizen Affairs</b> 0908000 Social Development and Children Services	30,000,000	-	30,000,000	<b>Reinstatement of Ksh. 15 million(recurrent)</b> for consultancy services to determine challenges facing the Inua Jamii Program- Elderly persons. <b>Reinstatement of Ksh. 15 million(recurrent)</b> for food support to children under foster care centres.		
1212		<b>State Department for Gender and Affirmative Action</b> 0911000 Community Development	44,250,000	185,600,000	229,850,000	<b>Reinstatement of Ksh. 185.6 million(development)</b> towards NGAAF for salary needs.		
1212				185,600,000	185,600,000			

		FOURTH SCHEDULE					
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	SUP 1. FY 2023/24 Unfunded Requests				Justifications
			Recurrent Increase	Development		Total Change	
				Increase			
1212		0913000 General Administration, Planning and Support Services	44,250,000			44,250,000	Reinstatement of Ksh.44.25 million(recurrent) to support advocacy related expenditures
<b>1135</b>		<b>State Department for Youth Affairs and the Arts</b>	<b>39,680,000</b>	<b>205,700,000</b>		<b>245,380,000</b>	
1135		0748000 Youth Development Services		205,700,000		205,700,000	Reinstatement of Ksh.159 million(development) for the renovation and equipping of youth empowerment centres. <b>Reinstatement of Ksh.30.22 million(development) -GOK Counterpart funding towards KEYOP Project.</b> <b>Reinstatement of Ksh.16.48 million(development) -GOK Counterpart funding towards VIVA project.</b>
1135		0749000 General Administration, Planning and Support Services	39,680,000			39,680,000	<b>Reinstatement of Ksh.39.68 million(recurrent) to support field offices</b>
<b>2141</b>		<b>National Gender and Equality Commission</b>	-	<b>28,000,000</b>		<b>28,000,000</b>	
2141		0621000 Promotion of Gender Equality and Freedom from Discrimination		28,000,000		28,000,000	<b>Reinstatement of Ksh.28 million(recurrent) to support the commission on domestic travel ;Fuel</b>
<b>1213</b>		<b>State Department for Public Service</b>	-	<b>42,000,000</b>		<b>42,000,000</b>	
1213		0747000 National Youth Service		42,000,000		42,000,000	<b>Reinstatement of Ksh.42 million(development) for construction of buildings and sewer works.</b>
	<b>SPORTS AND CULTURE</b>			<b>144,300,000</b>		<b>50,000,000</b>	
<b>1132</b>		<b>State Department for Sports &amp; Arts</b>	-	<b>50,000,000</b>		<b>50,000,000</b>	
1132		0901000 Sports		50,000,000		50,000,000	<b>Reinstatement of Ksh.18 million(development) for Establishment of an Automation &amp; Digitalization System for Sports Registrar, since commitments have been made. Reinstatement of Ksh.32 million(development) towards Kenya Academy of Sports to clear a pending bill for the completed project.</b>
<b>1135</b>		<b>State Department for Youth Affairs and the Arts</b>	-	<b>94,300,000</b>		<b>94,300,000</b>	

		FOURTH SCHEDULE			SUP 1. FY 2023/24 Unfunded Requests			Justifications
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	Recurrent Increase	Development Increase	Total Change			
1135		0903000 The Arts		79,000,000	79,000,000		<b>Reinstatement of Ksh.29 million(development)</b> towards Film Location Mapping, since commitments have been made and the budget cut will affect scouting of filming locations and services in the country. <b>Reinstatement of Ksh.50 million(Development)</b> for Establishment of Kenya Film School since commitments have been made and the budget cut will affect modernization of training equipment.	
1135		0904000 Library Services		15,300,000	15,300,000		<b>Reinstatement of Ksh.15.3 million(Development)</b> towards Library Information Management System (LIMS) since commitments have been made.	
	<b>TRADE, INDUSTRY AND COOPERATIVES</b>							
1173		<b>State Department for Cooperatives</b>	<b>100,000,000</b>	<b>3,191,500,000</b>	<b>3,291,500,000</b>	<b>1,400,000,000</b>		
1173		0304000 Cooperative Development and Management	-	1,400,000,000	1,400,000,000		<b>Additional Ksh. 700 million(Development)</b> for the establishment of New KCC at Narok - Presidential directive. <b>Additional Ksh. 500 million(Development)</b> for infrastructural development in Dandora and Sagana New KPCU-Presidential directive. <b>Additional Ksh.100 million(development)</b> for Construction of Meru Central Dairy Cooperatives Union Animal Feed Production Plant -Presidential directive	
1175		<b>State Department for Industry</b>	-	<b>121,500,000</b>	<b>121,500,000</b>			
1175		0302000 Industrial Training & Industrial Development		121,500,000	121,500,000		<b>Additional Ksh. 121.5 million(development)</b> for operationalization of Keni Value Addition Centre.	
1176		<b>State Department for Micro, Small and Medium Enterprises Development</b>	-	<b>100,000,000</b>	<b>100,000,000</b>			
1176		0316000 Promotion and Development of MSMEs		100,000,000	100,000,000		<b>Additional Ksh. 100 million(development)</b> for completion of Kenya Institute of Business Training(KIBT).	
1177		<b>State Department for Investment Promotion</b>	<b>100,000,000</b>	<b>1,570,000,000</b>	<b>1,670,000,000</b>			

Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	FOURTH SCHEDULE			Justifications
			SUP 1. FY 2023/24 Unfunded Requests			
			Recurrent Increase	Development Increase	Total Change	
1177		0322000 Investment Development and Promotion	100,000,000	1,570,000,000	1,670,000,000	Reinstatement of Ksh.370 million (development) towards Development of EPZ Athiriver. Reinstatement of Ksh.1200 million(development) towards the EPZ flagship projects in 6 Counties. Additional Ksh.100 million(recurrent) for the operationalization of National Investment Council.
	<b>BUDGET &amp; APPROPRIATIONS COMMITTEE</b>					
2041		Parliamentary Service Commission	9,560,754,033	1,200,000,000	10,760,754,033	
2041		0765000 General Administration Planning and Support Services	6,897,000,000	1,200,000,000	8,097,000,000	
2042		National Assembly	550,000,000	-	550,000,000	Additional Ksh.550 million(recurrent) towards Commission's HQ various unfunded needs.
2042		0721000 National Legislation Representation and Oversight	2,951,000,000	-	2,951,000,000	Additional Ksh.2.951 billion(recurrent) for various unfunded activities.
2043		Parliamentary Joint Services	152,000,000	1,200,000,000	1,352,000,000	Additional Ksh.152 million(recurrent) for various unfunded areas.
2043		0723000 General Administration, planning and support services	152,000,000	1,200,000,000	1,200,000,000	Additional Ksh.1.2 billion(development) towards completion of CPST
2044		0746000 Legislative Training Research & Knowledge Management	3,244,000,000	-	3,244,000,000	Additional Ksh.3.24 billion(recurrent) to bridge a funding gap on various areas.
2044		0767000 Senate Legislation and Oversight	3,244,000,000	-	3,244,000,000	
2044		0768000 Senate Representation, Liaison & Intergovernmental Relations				
2044		0769000 General Administration Planning and Support Services				
2111		Auditor General	2,663,754,033	-	2,663,754,033	Additional Ksh.2.67 billion(recurrent) for budgetary deficit on O&M
2111		0729000 Audit Services	2,663,754,033		2,663,754,033	
		<b>Total Expenditure</b>	<b>47,567,041,756</b>	<b>37,791,100,000</b>	<b>85,063,841,756</b>	
		<b>Parliamentary</b>	<b>6,897,000,000</b>	<b>1,200,000,000</b>	<b>8,097,000,000</b>	
		<b>Judiciary</b>	<b>776,000,000</b>	<b>1,222,000,000</b>	<b>1,998,000,000</b>	
		<b>Executive</b>	<b>39,894,041,756</b>	<b>35,369,100,000</b>	<b>74,968,841,756</b>	
		<b>TOTAL Additional requests</b>	<b>47,567,041,756</b>	<b>37,791,100,000</b>	<b>85,063,841,756</b>	

Annex I



REPUBLIC OF KENYA

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**Consolidated Departmental Committees' Observations and Non-Financial  
Recommendations for the FY 2023/24 Supplementary 1 Budget Estimates**

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November 2023

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Consolidated Departmental Comm' Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates

1.	Departmental Committee	Observations	Non-Financial Recommendations
	<p><b>Departmental Committee on Housing, Urban Planning and Public Works</b></p>	<p><b>State Department for Housing and Urban Development</b></p> <p>i) The approved allocation for the State Department of Housing and Urban Development has a reduction amounting to Ksh. 13.4 billion or 14.2 percent under FY 2023/24 Supplementary Estimates No. 1. This includes a slight increase of Ksh. 77 million in the recurrent expenditure to cater for additional Personal Emolument costs and a significant decrease of Ksh. 13.5 billion in the Development expenditure. The decrease in Development expenditure is primarily due to a reduction in the allocation for the National Housing Development Fund under the Housing Development and Human Settlement programme amounting to Ksh. 7 billion and a reduction in donor funding for the Kenya Urban Support Program under the Urban and Metropolitan Development programme amounting to Ksh. 6.4 billion.</p> <p>ii) The State Department is working on Regulations to guide the utilization of the National Housing Development Fund, with public participation expected to begin in the third quarter of FY 2023/24, in consultation with the National Treasury, and in line with Section 24 of the Public Finance Management Act 2012.</p> <p>iii) The State Department has limited access to the Funds collected through the Housing Levy since the National Housing Development Fund regulations governing the utilization of collected funds were yet to be finalized. The State Department therefore requested for funds amounting to Ksh. 55.7 billion allocated to the National Housing Development Fund (Government transfers to Government agencies) be reallocated to the Affordable Housing project under the same programme; that is the Human Development and Human Settlement programme. The allocation is required to cater for contractual obligations entered into by the State Department for ongoing affordable, social, police and prison services housing projects.</p> <p>iv) Under Section 84 of the Finance Act 2023, the Employment Act, 2007 was amended in Section 31A by inserting Section 31B (2). The new Section provided the purpose of the Affordable Housing levy, which shall be to provide funds for the development of affordable housing and associated social and physical infrastructure. The allocation for Social and Physical Infrastructure projects under the National Housing Development Fund amounts to Ksh. 2.8 billion out of the total amount of Ksh. 66.9 billion.</p> <p>v) The allocation of Ksh. 66.9 billion to the National Housing Development Fund includes Capital transfers to the National Housing Corporation amounting to Ksh. 10 billion for the FY 2023/24 for the development of Affordable Housing and</p>	<p>i) The Cabinet Secretary Ministry of Land, Public Works, Housing &amp; Urban Development should expedite the development of the National Housing Development Fund Regulations for tabling in the National Assembly before 31<sup>st</sup> March 2024. This will enable the utilization of funds collected through the Housing Levy pursuant to Section 84 of the Finance Act 2023 thus enabling the construction of 250,000 affordable housing units and associated infrastructure as well as 400 markets as envisioned under the Bottom-Up Economic Transformation Agenda (BETA).</p> <p>ii) The Principal Secretary State Department for Housing and Urban Development should ensure that the scope of projects covered under the allocation for Social and Physical infrastructure projects includes footbridges and social amenities. The list of projects should be shared with the Committee by 31<sup>st</sup> December 2023.</p> <p>iii) The Principal Secretary State Department for Housing and Urban Development should ensure the revamping and activation of requisite additional modules under the Boma Yangu ecosystem to accommodate the increased number of registered users by 30<sup>th</sup> June 2024. With regard to the request made for Ksh.1 billion to fund</p>

**Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non-Financial Recommendations
	<p>associated infrastructure. The National Housing Corporation made additional requests amounting to Ksh. 1.2 billion for financing Rural Housing loans (Ksh. 1 billion) and the revamping and activation of the Boma Yangu ecosystem to support increased traffic given the increased number of registered members on the platform (Ksh. 200 million).</p> <p>vi) The State Department required logistical support and therefore sought additional funding for the acquisition of 31 Motor vehicles, servicing of 30 grounded vehicles at various county offices, regular maintenance, and fueling to facilitate professionals such Architects, Quantity Surveyors, Civil Engineers, Land Surveyors, Civil and Structural Engineers, Land Valuers, Planners, and other essential personnel in the supervision of the construction of 250,000 affordable Housing units and 400 markets.</p> <p>vii) The State Department had revised the scope, design, and locations for the 181 stalled ESP markets scheduled for completion, with an allocation amounting to Ksh. 3 billion in the approved estimates for FY 2023/24. This was informed by a Public Participation exercise and the views of key stakeholders including County Governments. The projects are expected to be fast-tracked given that the allocation has not been adjusted under the Supplementary No.1 of 2023/24.</p> <p><b>State Department for Public Works</b></p> <p>viii) The approved allocation for the State Department for Public Works has a reduction of Ksh. 432 million or 9.1 percent under FY 2023/24 Supplementary Estimates No. 1. This includes a slight decrease of Ksh. 32 million in the recurrent expenditure due to rationalization in allocation for Operations and Maintenance (O&amp;M) and a significant decrease of Ksh. 400 million in the Development expenditure. The decrease in Development expenditure is comprised of a reduction in the allocation for the Government Buildings programme of Ksh. 113 million, the Coastline Infrastructure &amp; Pedestrian Access programme amounting to Ksh. 233 million and the Regulation and Development of the Construction industry programme amounting to Ksh. 53 million.</p> <p>ix) The allocation for BETA value chain priority projects under the State Department had a reduction amounting to Ksh. 327 million in the Supplementary Estimates No. 1 of 2023/24. This is expected to delay the commencement of new projects and completion of ongoing projects including Footbridges for pedestrian access spread</p>	<p>Rural Housing Loans, State Department should demonstrate the adherence to the Public Finance Management (Public Investment Management) 2022 and table a report by 30<sup>th</sup> June 2024.</p>

**Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non- Financial Recommendations
	<p>across the country and critical coastline infrastructure such as New Mokowe Jetty, Ndau Sea wall, and Kiwayu sea wall/Jetty.</p> <p>x) The Committee noted that ongoing projects with a percentage to completion of close to 98 percent such as the New Mokowe Jetty and the Construction of various County and Sub – County offices had a reduction in allocation in the Supplementary Estimates 1 for the FY 2023/24. This was likely to lead to accrual of pending bills as at the end of FY 2023/24.</p>	
<p><b>2. Departmental Committee on Transport and Infrastructure</b></p>	<p><b>State Department for Roads</b></p> <p>i.) The Development expenditure for the State Department for Roads is proposed to decline by <b>Kshs. 20.70 billion</b> Comprising of <b>Kshs.17.00 billion</b> from the net GoK and <b>Kshs.3.70 billion</b> from the foreign financed projects. The Committee notes that the reductions in the Net GoK largely affects key projects like the murramming, gravelling and Spot Improvement of rural roads that play a vital cross-cutting role in supporting the Bottom up Economic Transformation Agenda (<b>BETA</b>) by providing access to markets for fresh agricultural produce and ease mobility within the rural set up.</p> <p>ii.) That, in terms of Agencies, the Kenya Rural Roads (KeRRA) loses <b>Kshs. 11.25 billion</b> out of the <b>Kshs. 17 billion</b> reduction from the net GoK; Kenya National Highways (KeNHA) loses <b>Kshs. 3.36 billion</b>; and, Kenya Urban Roads Authority (KURA) reduction amounts to <b>Kshs. 2.38 billion</b>.</p> <p>iii.) The Committee notes that the reductions from the net GoK financed projects are likely to worsen already high levels of pending bills that amounted to <b>Kshs.155.90 billion</b> as at 30<sup>th</sup> September, 2023.</p> <p>iv.) That the State Department for Roads under-achieved its targets on Construction and rehabilitation of Roads and Bridges due to slowed progress of works occasioned by budget insufficiency and delayed exchequer releases.</p> <p>v.) That the Committee notes with concern the massive damage on roads Infrastructure caused by the ongoing floods across the country rendering communities cut off from vital supplies and services like food and health services.</p> <p><b>State Department for Transport</b></p> <p>vi.) That the approved estimates for the State Department for Transport for the Financial Year 2023/24 have been revised down by <b>Kshs.2.29 billion</b> under the Supplementary estimates I from <b>Kshs. 60.38 billion</b> in the approved estimates to <b>Kshs. 58.09 billion</b> in the proposed supplementary estimates 1.</p>	<p>i)</p>

**Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non-Financial Recommendations
	<p>vii.) That the reductions mainly affect projects identified as BETA projects such as Dongo Kundu Special Economic Zone, Rehabilitation of Nairobi -Nanyuki MGR Branch line and Nairobi Bus Rapid Transport Project. The Committee notes that the reductions may hinder timely implementation of these projects and delay the intended benefits to the economy.</p> <p>viii.) That the approved budgets for various Airstrips and Airports are proposed to reduce by 50%. These projects have been ongoing and that the approved budgets may have been towards works already done and resources committed risking breach of contractual obligations as well as accumulation of pending bills.</p> <p><b>State Department for Shipping and Maritime Affairs</b></p> <p>ix.) That the Approved Estimates for the State Department of Shipping and Maritime Affairs have been adjusted downwards by <b>Kshs. 281 million</b> as result of a decrease of <b>Kshs.300 million</b> under Development expenditure and an increase of Kshs.. 19 million under recurrent expenditure.</p> <p>x.) That the State Department for Shipping and Maritime Affairs faces a budget cut of about 30% of its operations and maintenance that may bring the operations of the Department to a halt for the next three quarters of the Financial Year.</p>	
<p>3. Departmental Committee on Justice and Legal Affairs</p>	<p><b>Judiciary</b></p> <p>i.) The Judiciary's approved estimate for the FY 2023/24 is Kshs 22.3 billion comprising of Kshs 20.5 billion for recurrent expenditure and Kshs 1.85 billion for development expenditure.</p> <p>ii.) The Approved Estimates have been adjusted to Kshs. 21.8 billion under Supplementary Estimates No. 1, comprising Kshs. 20.4 billion for recurrent expenditure and Kshs. 1.4 billion for Capital expenditure. This reflects a decrease of Kshs. 0.5 billion under the development vote which was meant to cater for automation of the Judiciary systems. The significant reduction in Judiciary's budget by Kshs 0.5 billion is inconsistent with the President proclamation issued during his assumption of Office in which he called for an additional allocation of Kshs 3 billion annually over the next years.</p> <p>iii.) The Committee has also observed that the department's actual expenditures as at the end of September, 2023 stands at Kshs 6.0 billion representing an absorption</p>	

Departmental Committee	Observations	Non- Financial Recommendations
	<p>rate of 27.1%. The expenditure is comprised of Kshs 5.8 billion for recurrent expenditure and Kshs 193.5 million for development expenditure.</p> <p>iv.) The Office has a total pending bill of Kshs 363.9 million comprising of the following: Court Awards – Kshs 272.7 million, and motor vehicles maintenance – Kshs 18.4 million, Security and cleaning services – Kshs 33.7 million, ICT networking – Kshs 32.2 million and Capital Projects – Kshs 4.8 million.</p> <p>v.) The challenges faced by the Judiciary include insufficient financial resources, limitations of the IFMIS operations that disrupt implementation of planned activities, delays in release of exchequer and delays in processing title documents for lands belonging to the Judiciary.</p> <p>vi.) The Judicial Service Commission was allocated Kshs 896.0 million in the FY 2023/24. In the proposed supplementary budget, the Commission's budget has not been revised.</p> <p>vii.) The Commission requested for an additional funding of Kshs 200 million under the supplementary estimate to cater for the following areas; Personnel emolument – Kshs 37 million, recruitment of 20 High Court Judges – Kshs 20 million, Construction of Kenya Judiciary Academy – Kshs 100 million, Annual Magistrates and Kadhis colloquium 43 million.</p> <p>viii.) The commission had pending bills amounting to Kshs 3.0 million as at June, 2023 in FY 2023/24. The pending bills have been processed awaiting issuance of exchequer by the National Treasury. The processing of the bills has been hampered by the freeze of IFMIS rights.</p> <p><b>State Law Office and Department of Justice</b></p> <p>ix.) The approved allocation for the State law Office in the FY 2023/24 is Kshs 6.411 billion comprising of Kshs 6.219 billion for recurrent expenditure and Kshs 0.192 million for development expenditure.</p> <p>x.) In the proposed supplementary Estimate 1, the department's recurrent budget has been increased by Kshs 95.0 million representing 1.5% increase on the department recurrent budget. The development budget has been increased by Kshs 0.025 million translating to an increase of 0.1% of the approved allocation for development budget. In overall terms, the net effect is an increase of Kshs 95.2 million representing a percentage increase of 1.5%.</p> <p>xi.) The changes under the development vote is on account of budget rationalization for various projects under implementation. The budget adjustments will affect the</p>	

**Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non-Financial Recommendations
	<p>ongoing refurbishment of regional offices in Machakos, Kisii, Kisumu and Malindi, Automation of the State Law Office Services, Refurbishment sheria House and company's Registry - Nairobi and the programme for legal empowerment and aid delivery in Kenya (PLEAD).</p> <p>xii.) The office has requested for an additional allocation of Kshs 300 million to facilitate the decentralization of SLO&amp;DOJ services to all the 47 counties as approved by the cabinet.</p> <p>xiii.) The State Law Office total expenditure as at the end of the first quarter of FY 2023/24 is Kshs 1.55 billion. The expenditure was solely for recurrent expenditure.</p> <p>xiv.) It has further been observed by the Committee that the Attorney General's Office litigates on behalf of the state agencies however when the court awards claims against those agencies, they don't promptly settle the claims but abandon the claims with the Attorney General office. In addition, the state law does not get the necessary support from the state agencies in terms of facilitating the legal counsels with daily subsistence allowance in order for them to execute their work.</p> <p>xv.) The State Law Office is faced with the challenge of retaining staff due to uncompetitive remuneration package by the Office. The Office has lost considerable number of staffs to other organization such as Parliament, Judiciary and Ethics and Anti-Corruption Commission.</p> <p>xvi.) The Office has a total pending bill of Kshs 171.1 million emanating from FY 2022/23 and prior years. These pending bills were incurred as a result of lack of exchequer release, merchants submitting incomplete documents, deactivation of procurement and payment module of IFMIS, among others.</p> <p align="center"><b>State Department for Correction Services</b></p> <p>xvii.) The state department had an approved budget of Kshs 35.8 billion for FY 2023/24 comprised of Kshs 34.7 billion for recurrent expenditure and Kshs 1.2 billion for development expenditure.</p> <p>xviii.) In the proposed supplementary estimate of FY 2023/24, The state department budget has been adjusted to Kshs 35.6 billion of which Kshs 34.9 billion is for recurrent expenditure and Kshs 0.659 billion is for development expenditure resulting in a net decrease of Kshs 0.291 billion.</p> <p>xix.) The Committee has observed that due to the rise in the living coupled with increase in the number of prisoners in our penal institution, the department has increased its recurrent expenditure by Kshs 178.5 million largely on account of salary</p>	

Departmental Committee	Observations	Non-Financial Recommendations
	<p>adjustments following a salary review for civil servants by Salaries and Remuneration Commission.</p> <p>xx.) The decrease under the development expenditure of Kshs 470 million is on account of budget rationalization for various projects under implementation. The budget cut will affect the following ongoing projects; Probation Office Accommodation, Construction of Staff Houses, Construction of Probation Office Blocks, Probation Hostels, Acquisition of ICT applications and infrastructure, Modernization of Penal Training Facilities, Modernization of prison farms, and Security in Penal Institutions.</p> <p>xxi.) The Committee has observed that the department is faced with a acute shortage of weapons and currently has 9,000 guns for a workforce of 31,000 officers. The department requires an additional Kshs 1.7 billion to purchase 15,000 AK 47, 5000 machine guns and 5000 Pistols.</p> <p>xxii.) The Committee has also observed that there is need for the department to leverage on public private partnerships to implement some of its programmes. In addition, the Committee has also urged the state department to leverage on the huge tracks of land at its disposal and the convicted prisoners to generate food in order to complement the resources it has received from the exchequer.</p> <p>xxiii.) The Committee has also observed the need for the departments in the Justice sector to collaborate together with a view to developing policies that are geared towards decongesting our prisons considering other forms restorative justice that can be implemented.</p> <p><b>Independent Electoral and Boundaries Commission</b></p> <p>xxiv.) The Commission was allocated Kshs. 4.65 billion in the FY 2023/24 comprised of Kshs 4.571 billion for recurrent expenditure to cater for the Commission's personnel emoluments and operating expenditures and Kshs 0.077 billion for development to cater for settling pending bills and complete ongoing construction works for four warehouses in Wajir, Garissa, Isiolo and Machakos County.</p> <p>xxv.) The Approved Estimates have been adjusted to Kshs. 4,351.0 million under Supplementary Estimates No.1 reflecting a decrease of Kshs. 297.3 million translating to a percentage decrease of 6.4%. The decrease is on account of budget rationalization and downward review of the budget for delimitation of boundaries.</p>	

**Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non-Financial Recommendations
	<p>xxvi.) The Committee observed that the Commission runs one of the most expensive general elections in the world. The situation was necessitated by the high bills for election result transmission, court rulings that resulted to reprints ballot papers, foreign exchange losses and emergency airlifting of strategic election materials and staff.</p> <p>xxvii.) The Commission's total expenditure as at 30th September, 2023 is Kshs 1.03 billion against an approved budget of Kshs 4.65 billion translating to an absorption rate of 22% of the total approved allocation.</p> <p>xxviii.) The Committee noted with concern that the Commission has pending bills amounting to Kshs 5.3 billion of which legal fees accounts for Kshs 3.1 billion, election logistic – postal corporation 1.1 billion and other pending bills – Kshs 1.2 billion. The Committee stressed the need for the Commission to standardize the fees charged by the law firms and engage in-house lawyers to undertake some of the petitions.</p> <p>xxix.) The Committee cognizant of its oversight mandate has also directed the Commission to submit before the Committee primary documents in support of the pending bills especially on the legal bills for consideration and scrutiny to ascertain whether the Auditor General should undertake a special audit.</p> <p><b>Commission for Administrative Justice</b></p> <p>xxx.) The gross Approved Estimates for the Commission on Administrative Justice in the FY 2023/24 amounts to Kshs 767.5 million for current expenditure. The allocation has been decreased to Kshs 695.6 million under Supplementary Estimates No.1. This reflects a decrease of Kshs 72.3 million under the recurrent expenditure.</p> <p>xxxi.) The proposed reduction on the commission budget will affect the following areas; personnel emoluments – Kshs 5.0 million, Communication, supplies and services – Kshs 6.5 million, purchase of furniture and specialized equipment – Kshs 3.0 million, domestic travel –Kshs 11.7 million, Training expenses –Kshs 7.1 million, Operating expenses – Kshs 11.5 million, Training expenses – Kshs 7.2 million, refurbishment of building – Kshs 4.5 million, Hospitality supplies and services – Kshs 7.6 million, and operating expenses – Kshs 3.2 million.</p>	

Departmental Committee	Observations	Non- Financial Recommendations
	<p>xxxii.) As at 30th November 2023, the Commission had expended a total of Kshs 201.7 million out of the total released allocation of Kshs 767.5 million for the 2023/2024 financial year; representing absorption rate of 26.3%.</p> <p>xxxiii.) The Commission has a pending bill amounting to Kshs 6.7 million from the FY 2022/23 out of which Kshs 3.9 million has been settled at 31st October, 2023. The Commission will not be in a position to settle the remaining bills should the proposed reduction on the budget be effected.</p> <p>xxxiv.) The Committee stressed the need for the commission to create awareness on its mandate particularly in ensuring the citizen right to quality service both at the national and county level of government is not compromised.</p> <p><b>Witness Protection Agency</b></p> <p>xxxv.) The gross Approved Estimates for the Witness Protection Agency in the FY 2023/24 amounts to Kshs 744.7 million. The Approved Estimate has been adjusted upwards to Kshs. 773.4 million under Supplementary Estimates I. This reflects a net increase of Kshs. 28.7 million to enhance the Commission's budget for operations. The changes are on account of rationalization of expenditures by KShs. 11.6 million, and enhancement of Personnel Emoluments by KShs.40.6 million to cater for proposed recruitment and Employer Contribution to Housing Levy.</p> <p>xxxvi.) The Agency's total expenditure as at 30th September, 2023 stood at Kshs 171.3 million against an approved budget of Kshs 744.7 million representing an absorption rate of 23%.</p> <p>xxxvii.) The Committee acknowledges the critical role the office plays in the criminal justice system particularly in guaranteeing the safety and security of witnesses and further noted that the office has played crucial role in the prosecution of complex corruption and terrorism related cases in the recent past.</p> <p>xxxviii.) The Agency has also requested for additional allocation of Kshs 78.7 million to cater for the following areas; Witness related expenses - Kshs 35 million, recruitment of thirty-five (35) operational staff – Kshs 46.8 million, pending bills – Kshs 2.4 billion, staff promotion cost – Kshs 19.6 million, and Housing and NITA Levy – Kshs 9.9 million. This will increase the capacity of the Agency in responding to witness needs.</p>	

**Consolidated Departmental Commi Observations and Non-Financial Recommen ns for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non- Financial Recommendations
	<p>xxxix.) The Agency is currently facilitating a total of 92 witnesses with a total dependent population of 155 as at 30th June 2023 under the witness protection programme. The objective of the programme is to protect threatened, vulnerable and intimidated witnesses from harm because of cooperating with the prosecution and law enforcement agencies.</p> <p><b>Kenya National Commission on Human Right</b></p> <p>xi.) The Approved Estimates for the Kenya National Commission on Human Rights in the FY 2023/24 amounts to Kshs. 529.8 million for recurrent expenditure.</p> <p>xii.) The Approved Estimates have been reduced by Kshs 20.0 million under Supplementary Estimates No.1. The budgetary items affected by the supplementary budget cuts are as follows; office furniture and equipment – 0.78 million, Communication, Supplies and services – Kshs 3.2 million, Domestic travel – Kshs 8.93 million, Foreign travel – Kshs 1.45 million, training expenses – 1.51 million, hospitality and general office supplies – Kshs 0.85 million, Printing and advertisement – Kshs 0.93 million, other operating expenses 0.18 million and purchase of Computers, Fuel and lubricants – Kshs 4.65 million.</p> <p>xlii.) The Commission has a budgetary shortfall of Kshs 32.0 million in the FY 2023/24 to cater for the following areas; Communication and supplies – Kshs 10.0 million, motor vehicle fuel – Kshs 5.0 million, Hospitality – Kshs 6.0 million, and internet connections – Kshs 4.0 million.</p> <p>xliii.) As at 30th September, 2023, the Commission's expenditure stood at Kshs 197.0 million (37.2%) out of the total approved allocation of Kshs 529.8 million. The commission also received additional funds of Kshs 100.0 million from development partner's i.e EU, Royal Norwegian Embassy, Royal Netherlands Embassy, Uraia Trust, GIZ and Swiss embassy.</p> <p><b>Ethics and Anti-Corruption Commission</b></p> <p>xliv.) The gross Approved Estimates for the Ethics and Anti-Corruption Commission in the FY 2023/2024 amounts to Kshs 3.891 billion comprising of Kshs 3.823 billion and Kshs 68.1 million for recurrent and capital expenditures respectively.</p>	

Departmental Committee	Observations	Non- Financial Recommendations
	<p>xlv.) The Commission cumulative expenditure as at end of September 2023 was Kshs 824.9 million comprised of Kshs 798.6 million for recurrent expenditure and Kshs 26.3 million for development expenditure which represents 21.2%.</p> <p>xlvi.) The Approved Estimate has been adjusted upwards to Kshs. 3,911.7 million under Supplementary Estimates I. This reflects an increase of Kshs. 20.0 million to enhance the Commission's budget for operations. There are no changes to the outputs and targets for the Commission's programme of Ethics and Anti-corruption in line with the changes in expenditure as proposed under the Supplementary Estimate 1 for the FY 2023/24.</p> <p>xlvi.) The Committee has further observed that the Commission has made significant strides in during the period under review FY 2023/23. In particular, the Commission has recovered public assets (cash, moveable and immovable assets) valued at approximately Kshs 1.1 billion, averted loss of approximately Kshs 2.51 billion through investigations and disruption of corruption networks, and 43 files High impact investigation cases finalized and forwarded to the ODPP.</p> <p>xlvi.) The Commission has requested for an additional funding of Kshs 678.0 million to cater for the following areas; Rental expenditure – Kshs 7.4 million, furniture fourth floor – Kshs 128 million, promotion of staff cost – 71 Million, implement targeted investigations, undercover and sting operations on high programmes and projects at National and County level – Kshs 40 million, Targeted tracing and recovery of corruptly acquired assets – Kshs 10 million, increased corruption prevention programmes and public awareness on ethics and integrity – Kshs 30 million, and acquisition of investigative tools such as to facilitate field operations – Kshs 14 million.</p> <p>xlix.) The Committee observed that the commission plays a critical role in the Big Four Agenda since it will be useful in abetting corruption as the government undertakes the big four projects.</p> <p><b>Office of the Director of Public Prosecution</b></p> <p>i.) The gross Approved Estimates for the Office of the Director of Public Prosecutions for the FY 2023/24 amounts to Kshs. 3.64 billion. This comprises of Kshs. 3.58 billion for recurrent expenditure and Kshs. 0.055 billion for Capital expenditure, respectively.</p> <p>ii.) The Approved Estimates have been adjusted to Kshs.3.66 billion under Supplementary Estimates No.1 for FY 2023/24. This comprises of Kshs. 3.61 billion</p>	

Departmental Committee	Observations	Non-Financial Recommendations
	<p>for recurrent expenditure and Kshs. 0.055 billion for Capital expenditure. The change is on account of additional budgetary provision of Kshs. 0.02billion to cater for shortfall in the budget for operations and maintenance.</p> <p>iii.) The gross absorption rate in the first quarter of FY 2023/24 stands at 87%. The available budgetary/resources amounted to Kshs 0.896 billion against absorption of Kshs 0.780 billion. The Office expects the absorption rate to improve significantly in the 2nd quarter with operations picking up as a result of significant expenditure outlays such as final payment of certificates for the ongoing construction at the PTI, outlays on the ODPP staff medical cover and transfer to mortgage and car loan fund.</p> <p>liii.) The Office sought the Committee intervention in operationalizing staff retirement benefits scheme – Kshs 206 million, recruitment of additional 180 staff – Kshs 176 million, and Pending bills accrued from FY 2022/23 – Kshs 100 million.</p> <p>liv.) The Office is faced with a number challenges; inadequate funding, inadequate human resource capacity, uncompetitive terms of service, inaccessibility of mobile court stations, politicization of cases, weak inter-agency collaboration, intimidation of witnesses and victims and inadequate infrastructural and operation capacity.</p> <p>lv.) The Committee further observed that the Office is a key player towards improving the national security, strengthening good governance and fight against corruption and requires increase in resource allocation to enable the Office execute its mandate.</p> <p align="center"><b>Registrar of Political Parties</b></p> <p>lvi.) The gross Approved Estimates for the Office of the Registrar of Political Parties in the FY 2023/24 amounts to Kshs 2.1 billion for current expenditure. The budget comprises of Kshs 580.4 million for office operations, Kshs 1,475.0 million for Political Parties Fund and Kshs 16.8 million to cater for the operation of the Political Parties Liaison Committee which is established under Section 38 of the Political Parties Act, 2011.</p> <p>lvii.) The Approved Estimate has been adjusted to Kshs. 1.977 billion under Supplementary Estimates I. This is as a result of budget rationalization in the following budgetary items; Training expenses – (Kshs 17.6 million), Domestic travel – (Kshs 21.5 million), Foreign travel – (Kshs 5.6 million), Refurbishment of buildings – (Kshs 13.9 billion), Hospitality – (Kshs 8.2 million), Communication – (Kshs 4.3</p>	

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Departmental Committee	Observations	Non- Financial Recommendations
	<p>million,) Printing – (Kshs 4.7 million) and Office and General Supplies – (Kshs 6.2 million).</p> <p>lviii.) The office made a passionate appeal to the Committee for an additional allocation of Kshs 399 million to cater for budgetary shortfall in the following areas; Dialogue platform for Political Parties Liaison Committee - Kshs 21.2 million, Legal fees and Legal reforms – Kshs 106.6 million, Maintenance of mobile platform for access of unstructured Supplementary Service Data (USSD) that is linked to the IPPMS to facilitate public verification of membership status, resignation and registration – Kshs 80.1 million, Automation of office processes and county offices to decentralize management – Kshs 35.5 million, refurbishment of office space at the Headquarters and county offices – Kshs 45.7 million, capacity building of political parties – 18.4 million, purchase of five (5) motor vehicles – Kshs 64.4 million, and inspection of political party offices at the Headquarters – Kshs 23.6 million.</p> <p>lix.) The political parties fund was allocated 1,475.3 million which is below the Kshs 5,292.3 million required under section 24(1) of the Political Parties Act, 2011 hence a deficit of Kshs 3,817.0 million.</p> <p>lx.) The office has demonstrated it has serious transport challenge and is constrained in the discharge of its functions due to lack of adequate vehicles. In addition, some of the vehicles are extremely old and are uneconomical to maintain.</p> <p>lxi.) During the first quarter of 2023/2024 financial year, the office actual expenditure stood at Kshs 481.9 million against approved allocation of Kshs 2,072 million. This represents an absorption rate 23.3%.</p> <p>lxii.) The Office has a pending bill of Kshs 1.46 million. The delay in settling all the pending is a result of the closure of the IFMIS by the National Treasury.</p>	
<p>4. Departmental Committee on Sports, Culture and Arts</p>	<p><b>The State Department for Sports</b></p> <p>i) THAT in FY 2023/24 Printed Estimates, the State Department for Sports was allocated <b>Kshs. 1.595 billion</b> and <b>Kshs. 16.129 billion</b> under recurrent and development respectively. Supplementary 1 has revised the budget to <b>Kshs. 1.533 billion</b> and <b>Kshs. 16.079 billion</b> under recurrent and development respectively</p>	<p><b>State Department for Sports</b></p> <p>i) The State Department for Sports should submit to the National Assembly by 31<sup>st</sup> December 2023, a comprehensive report on the country's preparedness to the AFCON 2027 accompanied by the</p>

Departmental Committee	Observations	Non-Financial Recommendations
	<p>resulting in a decrease of Kshs. 61.211 million under recurrent and a decrease of Kshs. 50 million under development:</p> <ul style="list-style-type: none"> <li>ii) THAT the decrease in the recurrent budget is attributed to the budget cuts for operations and maintenance and personnel emoluments, while, the decrease under the development budget is attributed to budget cuts in capital projects for the Automation and Digitization of the Sports Registrar and the Kenya Academy of Sports complex phase 1.</li> <li>iii) THAT under absorption for the recurrent expenditure in the State Department as at 30<sup>th</sup> September 2023 of 20% is on account of a shortfall of exchequer releases while under absorption in the development expenditure of 16.4% is on account under collection of betting tax for Sports Arts and Social Development Fund and exchequer releases.</li> <li>iv) THAT reduction in allocation of Kshs 18 million for Digitization and Automation of Sports Registrar Office from an allocation of Kshs 45.2 million will affect the process of onboarding the platform to the eCitizen platform which will ease the process of registration and issuing of licenses therefore increasing the appropriation in aid (AIA) collection of the State Department.</li> <li>v) THAT reduction in allocation of Kshs 32 million for the Kenya Academy of Sports Complex (Phase 1) from an allocation of Kshs 84 million will affect the allocation meant to settle pending bills for the completed project. Failure to settle the bill will likely lead to litigation and interest accruing from the bill.</li> <li>vi) THAT budget cuts at the State Department will affect preparation of AFCON startup activities which include: Development of infrastructure, mapping of key stakeholders on each specific roles and joint visits with co-hosts. The state department requires an additional Kshs. 500 million to coordinate the startup activities for AFCON 2027.</li> <li>vii) THAT Sports Arts and Social Development Fund that has a projected AIA collection of Kshs. 16 billion will not be achievable given the trends of collection in the first quarter of FY 2023/24 caused by under collection of betting tax.</li> <li>viii) THAT under SASDF the state Department requests an approval from the National Assembly, of 3% of the SASDF development budget to be used for administrative expenses pursuant to regulation 12 (4) of the PFM (Sports Arts and Social Development Fund) Regulations, 2018.</li> </ul> <p><b>The State Department for Culture and Heritage</b></p>	<p>amount of resources required to adequately fund the Kenyan National Team and the construction of stadia earmarked to host the competition.</p> <p><b>State Department for Culture and Heritage</b></p> <ul style="list-style-type: none"> <li>ii) The State Department for Culture and Heritage should come up with innovative and marketing frameworks for the National Museums of Kenya and Bomas of Kenya, and submit to the National Assembly by 31<sup>st</sup> December 2023, that will raise more appropriation in aid (AIA) through marketing of museums, heritage sites and monuments and the facilities at the Bomas of Kenya. This will minimize the reliance of the exchequer by the State Corporation which can raise adequate AIA for their operations and maintenance.</li> </ul> <p><b>State Department for Youth Affairs and the Arts</b></p> <ul style="list-style-type: none"> <li>iii) The State Department for Youth Affairs and the Arts through the Kenya Film Commission should submit to the National Assembly by 31<sup>st</sup> December 2023 a comprehensive report on film incentives programmes that will promote the country as a filming hub and create an enabling environment for local and international film market that</li> </ul>

Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates

Departmental Committee	Observations	Non- Financial Recommendations
	<p>ix) THAT in FY 2023/24 Printed Estimates, the State Department for Culture and Heritage was allocated <b>Kshs. 2.847 billion</b> and <b>Kshs. 93 million</b> under recurrent and development respectively. Supplementary 1 has revised the budget to <b>Kshs. 2.719 billion</b> and <b>Kshs. 128 million</b> under recurrent and development respectively resulting in a <b>decrease of Kshs. 128 million</b> under recurrent and an <b>increase of Kshs. 35 million</b> under development.</p> <p>x) THAT the decrease in the recurrent budget is attributed to the budget cuts for operations and maintenance and personnel emoluments, while, the increase under the development budget is attributed to additional allocation for the construction of Wundanyi Youth Resource (Culture and Talent) Centre.</p> <p>xi) THAT Ushanga Initiative has budget reduction of Kshs. 30.99 million from an allocation of Kshs 95.9 million. This is will affect the ongoing activities to transition to a state corporation by the national transition committee which is planning to undertake public participation to pave way for the transition.</p> <p><b>The State Department for Youth Affairs and the Arts</b></p> <p>xii) THAT in FY 2023/24 Printed Estimates, the State Department for Youth Affairs and the Arts, of which the Committee oversees two programme, the Arts and Library Services, was allocated <b>Kshs. 1.643 billion</b> and <b>Kshs. 278 million</b> under recurrent and development respectively. Supplementary 1 has revised the budget to <b>Kshs. 1.617 billion</b> and <b>Kshs. 94 million</b> under recurrent and development respectively resulting in a <b>decrease of Kshs. 26 million</b> under recurrent and a <b>decrease of Kshs. 184 million</b> under development.</p> <p>xiii) THAT the decrease in the recurrent budget is attributed to the budget cuts for operations and maintenance, while, the decrease under the development budget is attributed to budget cuts in capital projects for the Strengthening the Film Industry in Kenya, Film Location Mapping, Establishment of Kenya Film School and Installation of the Library Information Management System.</p> <p>xiv) THAT the reduction of the allocation at the Permanent Presidential Commission on Music will affect efforts to identify and develop music talents for monetization and coordination of quality presidential, state functions and National celebrations.</p> <p>xv) THAT the reduction by Kshs 29 million for the allocation of the Film Location Mapping from Kshs. 49 million will affect scouting of filming locations and services in the country which is intended to promote on-location shooting, as Kenya has been losing major film shoots to other destinations such as South Africa and Nigeria.</p>	<p>will consequently raise appropriation in aid (AIA) in the sector.</p>

**Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non-Financial Recommendations
5. Departmental Committee on Tourism and Wildlife	<p>xvi) THAT the reduction by Kshs 50 million for the allocation of the Establishment of Kenya Film School from Kshs. 100 million will affect modernization of training equipment and the school will not meet the recommended student equipment ration as the school intends to increase its intake from 50 to 100 students in January 2024.</p> <p>xvii) THAT the reduction by Kshs 15 million for the allocation of the Installation of the Library Information Management System from Kshs. 28.9 million will affect connection of 9 out of 15 libraries and delays in onboarding the platform to eCitizen on library management.</p> <p><b>State Department for Tourism</b></p> <p>i) The State Department for Tourism has a proposed supplementary budget of <b>KSh. 12,397 million</b> for the 2023/24 financial year. This includes <b>KSh. 12,255 million</b> for recurrent expenditure and <b>KSh. 142.2 million</b> for development expenditure.</p> <p>ii) The Appropriations In Aid target has been revised upwards from KSh. 7,984.9 million to KSh. 11,237.9 million, an increase of <b>KSh. 3,177 million</b>. This increase is due to higher target collections from the Tourism Promotion Fund (KSh. 2,500 million), the Tourism Fund (KSh. 669 million) and the Kenya Utalii College (KSh. 83 million).</p> <p>iii) The Tourism Research Institute had been allocated <b>KSh. 30 million</b> for office partitioning project. However, the entire budget has been cut.</p> <p>iv) The State Department has received an allocation of <b>KSh. 25 million</b> from Tourism Promotion Fund for implementing the National Digital Service Platform project. This project will provide and promote an incredible Kenya information service to potential visitors through a call centre including facility to make bookings and order support literature information collation about top tourist destinations in Kenya.</p> <p>v) The Ronald Ngala Utalii College has a proposed allocation of <b>KSh. 2,500 million</b> to be funded to a tune of KSh. 1,500 million by the Tourism Fund and KSh. 1,000 million by the Tourism Promotion Fund.</p> <p>vi) The modernization of Kenyatta International Convention Centre (KICC) was estimated at <b>KSh. 1,984.47 million</b> of which <b>KSh. 400 million</b> has been funded by Tourism Promotion Fund leaving a balance of <b>KSh. 1,584.47 million</b> which has been provided for in Supplementary Estimates I for 2023/24 from the Tourism Promotion Fund.</p>	<p>xiv) State Department for Tourism</p> <p>xv) The Ronald Ngala Utalii College project has been ongoing from July 2013 with Phase one almost complete and is set to be fully completed by June 2024. To this effect, the committee recommends that by 30th November 2023, the CEOs for the Tourism Promotion Fund and the Tourism Fund should furnish the Committee with the documentation on the updated progress of the Ronald Ngala Utalii College prior to the monitoring and evaluation of the project by the Committee. The timely submission of this documentation will facilitate the approval for the utilization of completed buildings for their intended purposes, allowing for a seamless transition as subsequent phases of construction progress concurrently.</p> <p>xvi)</p> <p>xvii) State Department for Wildlife</p> <p>xviii) In response to the current office's inaccessibility, the Committee recommends that by 31st December, 2023, the Director General of the Kenya</p>

Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates

Departmental Committee	Observations	Non- Financial Recommendations
	<p><b>State Department for Wildlife</b></p> <p>vii) The State Department for Wildlife has a proposed supplementary budget of <b>KSh. 11,226 million</b> for the 2023/24 financial year. This includes KSh. 9,463 million for recurrent expenditure and KSh. 1,763 million for development expenditure.</p> <p>viii) The net development estimates has been proposed to reduce from KSh. 1,528 million to KSh. 1,028 million, a reduction of <b>KSh. 500 million</b> while the net recurrent estimates has been proposed to reduce from KSh. 4,764 million to KSh. 4,670 million a decrease of <b>KSh. 28.95 million</b>.</p> <p>ix) The Economic Stimulus Program that was during the Covid-19 pandemic and supported 3,400 scouts, was stopped on 30th January, 2023.</p> <p>x) The maintenance of the Access Roads and Air Strips in Parks and Conservancies has been reduced from KSh. 400 million to KSh. 255 million in the Supplementary Budget Estimates   2023/24, indicating a reduction by <b>KSh. 145 million</b>. This could lead to slow or no reconstruction of roads that need to be maintained especially in this rainy season.</p> <p>xi) The Human Wildlife Conflict mitigation project, which is a BETA project has been reduced from KSh. 230 million to KSh. 130 million, a reduction of <b>KSh. 100 million</b>. This reduction is likely to escalate the Human Wildlife Conflict and further increasing the compensation cost for the damages caused by wildlife.</p> <p>xii) The Provision of Water for Wildlife in Protected Areas, also a BETA projects has been reduced from KSh. 319 million to KSh. 169 million, a reduction of <b>KSh. 150 million</b>. This project was meant to provide reliable and permanent watering sources for wildlife in protected areas and ensure that wildlife remains within the parks and reserves.</p> <p>xiii) The compensation for Human Wildlife Conflict victims was done in the headquarters for the State Department for Wildlife.</p>	<p>Wildlife Service should establish a centralized office exclusively dedicated to compensating victims of Human-Wildlife Conflicts. The new centralized office should be strategically located to ensure easy accessibility, thereby facilitating a streamlined process for handling compensation claims and reducing the surging numbers of unpaid claims.</p> <p>xix) Owing to the fact there is a shortage of ranger housing units, the Committee recommends that the Cabinet Secretary, through the Director General for the Kenya Wildlife Service should prioritize the provision of housing for rangers and consider leasing the bandas and guest accommodations to the private sector thereafter, report on the progress of this initiative by 31st December, 2023. This strategic move would enable the private sector to competitively provide accommodation services, while also taking on the responsibility for the maintenance and renovation of the leased facilities.</p>
<p><b>6. Departmental Committee on Communication, Information and Innovation</b></p>	<p><b>Cross-cutting issues</b></p> <p>i) There exist huge pending bills in the State Departments and Agencies under the purview of the Committee. As at the point of submission, reportedly the outstanding bills amounted to:</p> <p>ii) Kshs.885 million in the State department for ICT &amp; Digital Economy.</p>	<p><b>Cross cutting issue</b></p> <p>i) The National Treasury should enhance the quality of consultative engagements it has with the Ministries, Departments and Agencies during the formulation of the Supplementary estimates to prevent incidences of proposing budget cuts in</p>

**Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget's Estimates**

Departmental Committee	Observations	Non-Financial Recommendations
	<p>iii) Under the State department for Broadcasting &amp; Telecommunications, the pending bills comprise of Kshs.7.3 billion in KBC, Kshs.6.9 billion in Postal Corporation of Kenya and Kshs1.450 billion in Government Advertising Agency.</p> <p>iv) Substantial budget cuts: shall have adverse impacts in the envisaged service delivery. The budget cuts are proposed in some critical capital projects categorized under Bottom-up Economic Transformation Agenda (BETA) on account of their expected positive multiplier effects in the economy. These reductions shall negate the needed acceleration of the completion of these projects and shall cause delay in the realization of the set targets. Such budget cuts are proposed in the following BETA projects:</p> <ul style="list-style-type: none"> <li>✓ Construction of Konza Complex Phase 1B</li> <li>✓ Konza Data Centre &amp; Smart City Facilities</li> <li>✓ KAIST at Konza Technopolis</li> <li>✓ Horn of Africa Gateway development project.</li> <li>✓ KBC Analogue to Digital TV Migration</li> <li>✓ Modernization of KNA National Desk and Press centre.</li> <li>v) Lower than Expected Exchequer releases: Both the State departments received less than the expected proportionate 25% of the exchequer as at the end of the first quarter. The exchequer receipts were worse in the development expenditures, and this poses the risks of derailing the pace of execution of the planned projects and programs within the sub-sector.</li> <li>vi) The target revision is not proportionate to the proposed budget variations. This could imply that the costing of the various activities and programs are never accurately done. Key among the areas with disproportionate proposed variations in estimates and targets include: <ul style="list-style-type: none"> <li>vii) The Office of Government Spokesperson faces a budget cut off by 40% but its targets remain unchanged.</li> <li>viii) Installation and Commissioning of Eldoret-Nadapal fibre Cable proposed to have additional allocation Kshs. 823 million for additional 15 kilometres of fiber.</li> <li>ix) Horizontal Infrastructure Development (Wastewater and Reclamation Facility): The proposed budget is substantial by 52% (from Kshs.230 million to Kshs.120 million).</li> <li>x) Maintenance and Rehabilitation of NOFBI II Expansion Cable (BETA): Proposed target of 100 % seems unrealistic since in the FY 2022/23 revealed that only 82.9% uptime was achieved. Arising from the analysis, the Committee's attention was drawn to the following key issues of concern.</li> </ul> </li> </ul>	<p>critical areas that can result to adverse effects such contract breaches and accumulation of pending bills.</p> <p><b>State Department for Broadcasting &amp; Telecommunication</b></p> <p>ii) Before the 2024 BPS is passed in the National Assembly, the National Treasury in collaboration with the National Assembly to develop and effect a mechanism to fast-track payment of outstanding debt owed to the Postal Corporation of Kenya by both IEBC and Ministry of Public Service. Such should include ring-fencing part of allocations to IEBC and the Ministry for the debt settlement.</p>

Departmental Committee	Observations	Non- Financial Recommendations
	<p>x) Consultation between the National Treasury and the State Departments on budget Cuts: The National Treasury unilaterally sets the amount expected from reductions per vote and imposes it on the various State Departments. This forces budget cuts to be made on critical programmes and projects for compliance with the directive by the National Treasury.</p> <p><b>State Department for ICT and Digital Economy</b></p> <p>xii) There are various expansionary policies currently under implementation aimed at realizing universal broadband access envisaged in the digital superhighway pillar of Bottom-Up Economic Transformation Agenda (BETA). However, the resource allocations to the vote remain inadequate as revealed by the huge financing gap in the sub-sector.</p> <p>xiii) The expenditure head of Government Shared Services which is implemented by ICTA is made up critical services to all Ministries, Departments and Agencies. The activities include hosting of government domains, government internet, emails, information security, websites and Government Common Core Networks (GCCN). The allocations to this have always faced budget cuts in the past supplementary budgets, a matter that may imply that the costings for the same are either inflated.</p> <p>xiv) The allocation to the Eldoret-Nadapal fibre optic project is proposed to get additional Funding of Kshs. 823 million. The full absorption of this may be hampered by the insecurity in the regions where the network is supposed to pass through.</p> <p><b>State Department for Broadcasting and Telecommunication</b></p> <p>xv) The Postal Corporation of Kenya needs urgent budgetary intervention as a short term stop gap measure for it to continue operating. Key among the urgent interventions should be in the settlement of the outstanding employees' compensations (salaries) that keeps accumulating. As at the end of October 2023, the outstanding arrears was reported to be Kshs.504 million for the period between July and October 2023. Such an intervention had been done before in the FY 2020/21 when it was allocated Kshs.810 million.</p> <p>xvi) Despite the financial struggles of the Postal Corporation of Kenya, government agencies owe it substantial amounts amounting to over Kshs.2.7 billion of which</p>	

**Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non-Financial Recommendations
7. <b>Departmental Committee on Social Protection</b>	<p>Huduma Centre owes it Kshs. 1.6 billion for rental income, while Kshs. 1.2 billion is owed by IEBC for courier services.</p> <p>xvii) The nature of mandates and programs of the agencies under the State Department of Broadcasting and Telecommunication necessitates undertaking activities that are generally categorized as non-core activities and are usually soft targets for budget cuts on account of austerity measures. Such activities cover: domestic travels, printing, advertising, communication, information supplies, fuel and oil lubricants, routine maintenance of vehicles and other transport equipment. The prescribed blanket flat rate cut in the allocations in these expenditure items disproportionately derails the outputs of the agencies.</p> <p>xviii) Some agencies within the sub-sector have huge potential of generating more public revenue. This can be contributed to by revitalizing and strategically re-positioning of the agencies while leveraging on innovations. Key among the agencies include Postal Corporation of Kenya (PCK) and Kenya Broadcasting Corporation (KBC) which currently are financially distressed</p> <p>i. The Committee observed that following the Presidential directive of upscaling the number of beneficiaries under the Inua Jamii program, an additional 500,000 beneficiaries at the cost of Kshs 8.5 billion was added to the target for the FY 2023/24. However, this amount was not provided for in the supplementary estimates I for the FY 2023/24.</p> <p>ii. In its consideration of the budget for the FY 2023/24 the Committee observed that the Social Safety Net Program had challenges that were both structural and budgetary and since the program has been ongoing for a while it was important for the ministry to undertake an audit to inform future responses to the current challenges and hence reallocated Kshs 30 million for the audit. However, this amount has now been reduced to Kshs 15 million in the supplementary estimates I for the FY 2023/24, which is not enough for conducting the exercise.</p> <p>iii. The Committee observed that, the PFM Act 2012 defines development expenditure as expenditure for creation or renewal of assets. To this end, the National Council for Persons with Disability (NCPWD) has an allocation in its development budget that is recurrent in nature as they entail direct service delivery to Persons with disability. They include, provision of assistive and supportive devices to Persons with disability, providing persons with autism and</p>	<p>i. That the National treasury considers the re-classification of the Development fund for the National Council for Persons with Disability from development expenditure to recurrent expenditure. This fund finances assistive devices, education assistance, tools of trade, LPO financing and supporting self-help groups which are all recurrent in nature.</p> <p>ii. That the National treasury considers the transfer of Kshs 200 million from the National Disabled Fund of Kenya to the National Council for Persons with Disability (NCPWD) for coordinated accountability in service delivery to PWDs. This will also enable the</p>

Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates

Departmental Committee	Observations	Non- Financial Recommendations
	<p>other related developmental disabilities with therapy and essential drugs and supporting persons with albinism with sunscreen lotion for self-protection.</p> <p>iv. The committee also observed that in order to get comprehensive indicators to inform development of policies and programs for PWDs and provide disability data for research a national survey for PWDs is important. The committee noted that the estimated budget for this activity is Kshs 500 million and has attracted support from the World Bank of Kshs 100 million but requires an exchequer input of Kshs 200 million.</p> <p>v. The committee also observed that a reduction of Kshs 15 million for the provision of food for children in home care centers may lead to shortage of food and other essential services and render the children more vulnerable. This allocation was a targeted intervention by the committee during its consideration of the budget for the FY 2023/24.</p> <p>vi. The committee observed that the reduction of Kshs 28 million from the recurrent budget of the National Gender &amp; Equality Commission may ground the operations of the Commission on domestic travel, procurement of fuel, internet connectivity among others. The commission has 16 statutory roles that require wide outreach and travels.</p> <p>vii. The committee observed that key outputs of the State department for Gender revolves around advocacy and engagement with stakeholders. This includes the presidential nine-point Agenda on Women, gender mainstreaming, promotion of Anti-gender-based violence campaigns and Anti-female genital mutilation activities among others. Therefore, the reduction of Kshs 124 million from the State department's budget may reverse the gains made on each aspect of this national campaign.</p> <p>viii. The committee observed that the NGAAF has recruited county coordinators who are to be remunerated from the 3 percent of the funds budget which may not be enough considering a reduction of Kshs 185.61 million that was reallocated to the Women Enterprise Fund and the fight against gender-based violence.</p> <p>ix. The committee observed that the state department for Gender should consider working with the 47 county MPs for the delivery and distribution of Sanitary pads which is a new program for the state department.</p> <p>x. The committee observed that Youth Development Officers are facilitated to the tune of Kshs 30,000 per year which basically renders them ineffective</p>	<p>Council to meet the increasing demand of services to Persons with Disabilities.</p> <p>iii. That the National Treasury in considering future supplementary budgets should undertake thorough consultation with MDAs and come up with a document that is participatory and inclusive. This will likely alleviate any future misinformation on budget cuts that are extremely critical to the operations and overall goal of the Agencies.</p> <p>iv. That the National treasury takes cognizant of parliamentary undertakings that leads to deliberate budgetary interventions in a financial year and should not be targeted for budget cuts during supplementary estimates.</p>

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Departmental Committee	Observations	Non-Financial Recommendations
	<p>considering the scope of the work and area they have to cover. This amount was also reduced in the supplementary estimates I for the FY 2023/24.</p> <p>xi. The committee also observed that the Gok counterpart funding for the projects KYEOP and VIVA have been reduced. Delayed provision of counterpart funding is counterproductive to the success of such projects where donor funding is involved without the government meeting its side of the bargain.</p> <p>xii. The committee observed that availing ICT services to Youth Empowerment Centers across the country will help Youths access digital services that was otherwise costly and beyond their reach and Therefore, the planned renovation of existing Youth Empowerment Centers in the FY 2023/24 will entail the same. However, this amount was substantially reduced in the supplementary estimates I for the FY 2023/24.</p> <p>xiii. The Committee observed that the targeted 10,000 Youths that were to be recruited into the NYS during the months of January 2024 at a cost of Kshs 1.5 billion may not be realized as the amount was not provided for in the estimates for the FY 2023/24 and now in the Supplementary estimates I.</p> <p>xiv. The committee also observed that the reduction of Kshs 42 million from the development budget of the NYS from the initial allocation of Kshs 84 million will affect rehabilitation of buildings and sewer works. The committee noted that the current facilities are over stretched owing to the increased intake of recruits.</p> <p>xv. The Committee observed that in considering the Supplementary estimates there is little or no consultation between the National treasury and Implementing Agencies leading to arbitrary reductions that don't support the State departments goals and aspirations for the financial year.</p>	
<p>8. Departmental Committee on Labour</p>	<p><b>General observations</b></p> <p>xvi. The Labour Sector is a service sector and their budget is recurrent in nature and whose current use of goods and services has been reduced by 42.34 percent which is mostly for compensation to employees and field services. Therefore with the proposed budget cuts the officers may not be facilitated to undertaken field services which translates to idle human capital.</p> <p>xvii. Minimal Funding to Capital Projects: The initial allocations to capital Projects have been reduced leaving minimal provisions for capital budget implementation. This results to projects lagging behind the schedule and are more likely to lead to costs escalation beyond the initial estimated project cost.</p>	<p>i)</p>

Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates

Departmental Committee	Observations	Non- Financial Recommendations
	<p>This may in-turn result to incomplete projects that may lead to stalled projects thus denying citizenry service delivery.</p> <p>xviii. Inconsistent Budgetary Allocations to Policy Drive: projects are allocated substantial amount of resources in annual estimates but eventually reduced substantially during supplementary estimate. This prolongs the completion time and results to projects lagging behind scheduled completion time.</p> <p>xix. Huduma Kenya Service Delivery: The budgetary cut of Kshs 197.36 million for Huduma Kenya Secretariat HQ will unfavourably affect collection of Kshs 68.64 Million in Appropriations in Aid mainly from Huduma Kenya Service. Significant reduction in funding for projects and programmes which undermine optimal service delivery thereby impacting on execution thus affecting Upgrade and Maintenance of ICT Infrastructure and Systems within Huduma Kenya service.</p> <p>xx. Downsize of Capital Projects: the Kenya Youth Empowerment and Opportunities Project with a reduction of Kshs 193.45 million and Establishment of National Labour Market Information System (LMIS) project reduction of Kshs 169.13 million. The two projects are externally financed and with the downsized funding will significantly lead to delay in completion of the project</p> <p>xxi. Review of Project Priorities: a review of capital projects List reveals that come projects commenced and are ongoing at various completion status. However, there is no consistent annual allocations for consecutive financial years and others are grossly underfunded or unfunded. Consequently resources allocation should be aligned to capital projects and plan on priority areas with resource</p> <p>xxii. Labour Migration and Export Programme: a reduction of Kshs 148.23 million for the Labour, Employment and Safety Services programme will adversely affect operations of the Office of the Labour Commissioner and Labour Consular Office (Saudi Arabia). The end result negates facilitation of monitoring of the welfare of migrant workers at various stages of migration and to establishment and maintenance of a centralized database for job seekers, recruitment agencies, foreign employers, numbers, location and skills of Kenyan migrant workers.</p> <p>xxiii. After a thorough review and critical scrutiny of the Supplementary Estimates, Submissions from the Ministries, Departments and Agencies (MDAs), the Committee made the following specific observations.</p> <p>xxiv. State Department for Labour and Skills Development</p>	

**Consolidated Departmental Commi Observations and Non-Financial Recommen ons for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non- Financial Recommendations
	<p>xxv. The Committee observes that in light of the proposed budget cuts, the following priority operational areas have financing gaps amounting to Kshs 697.26 million and are adversely affected as indicated here below;</p> <p>xxvi. Shortfall of PE mainly for Employer’s statutory contributions – Kshs.63M</p> <p>xxvii. The budget for Operations and Maintenance under Recurrent budget 181.26M</p> <p>xxviii. Field Operations- Kshs.45M</p> <p>xxix. Provide for the International Trade Union Confederation (ITUC-Africa) Congress – Kshs.60M</p> <p>xxx. Provision for National Employment Authority (NEA) salaries Kshs.101M</p> <p>xxxi. The Labour Migration and Export Programme Kshs. 75M</p> <p>xxxii. Facilitation of the operations of the Institutions of Social Dialogue Kshs. 120M</p> <p>xxxiii. Review of Labour Laws Kshs. 20M</p> <p>xxxiv. Provide for Purchase of Motor Vehicles Kshs.32M</p> <p><b>State Department for Public Service</b></p> <p>xxxv. The Committee observes that the State Department is an enabler of the Bottom-up Economic Transformation Agenda (BETA). The Agenda envisages a highly skilled, agile and responsive public sector workforce with the right attitude and knowledge to support service delivery. The projects in the State Department are designed to ensure institutional capacity in the public sector, modernise processes, policies and practices to anticipate and address changing workforce requirements.</p> <p>xxxvi. The reduction will majorly affect the mandate of the State Department for Public Service as provided under the Bottom-up Economic Transformation Agenda (BETA) in the following areas:</p> <p>xxxvii. Huduma Secretariat usually issue Authority to Incur Expenditure (A.I.Es) to various centers for hospitality expenses and general supplies. The operation of the centers will be adversely affected by the budget cut due to lack of supplies. In addition, the budget cuts will affect negatively the service provision to citizens in all the Huduma centres.</p> <p>xxxviii. The proposed reduction in training budget will affect the number of staff projected for training hence affect negatively the government promises under this initiative.</p>	

Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates

Departmental Committee	Observations	Non- Financial Recommendations
	<p>xxxix. Reducing budget on temporary committees and technical services will collapse this mandate for the State Department. Hence this may result to redundancy and inefficiency in in the entire public service;</p> <p>xl. The budget cuts target maintenance of assets that include the 52 Huduma Centres countrywide. The Centres are in poor state and require periodic repairs. Reducing this budget will negatively dent the image of the Government because Huduma Centres are the face of Government in the rural areas;</p> <p>xli. Kenya School of Government is strained in A-I-A collection and depend on GoK Funding on training. The reduction in training budget item across all MDAs will reduced the number of civil servants attending courses in the school. This will significantly reduce AIA collection that will affect the school's operation including payment of salaries</p>	
<p>9. Departmental Committee on Environment, Forestry and Mining</p>	<p><b>State Department for Environment and Climate Change</b></p> <p>i.) The FY 2023/24 Budget for the State Department has been increased by <b>Kshs. 574.7 million (9.2 percent increment)</b> comprised of an <b>increment of Kshs. 213.8 million for recurrent expenditure</b> and an <b>increment of Kshs. 360.9 million for development expenditure.</b></p> <p>ii.) The increment in recurrent estimates is due to additional AiA collection by the National Environment Management Authority (NEMA) of <b>Kshs. 300 million</b>, a proposed reduction of <b>Kshs. 40 million</b> by the Kenya Meteorological Department (KMD) which will affect basic salaries (permanent employees), and a proposed reduction of <b>Kshs. 46.3 million</b> by Headquarters for operations and maintenance expenses.</p> <p>iii.) The increment in development estimates is due to additional donor funding amounting to Kshs. 560.9 million and a reduction in GoK Exchequer by Kshs. 200 million. The Committee noted that there were four (4) new projects wholly donor-funded, and a reduction of funds for several critical activities and projects across all SAGAs and Headquarters.</p> <p><b>State Department for Forestry</b></p> <p>iv.) The FY 2023/24 Budget for the State Department has been reduced by <b>Kshs. 158.3 million (1.1 percent reduction)</b> comprised of reductions of <b>Kshs. 60.6 million for recurrent expenditure</b> and <b>Kshs. 97.7 million for development expenditure.</b></p>	

**Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non- Financial Recommendations
	<p>v.) The reduction in recurrent expenditure is wholly on the Gok Exchequer, while the reduction in development expenditure is largely due to a reduction in donor funding by <b>Kshs. 120 million</b> and an increment in the Gok exchequer by <b>Kshs. 22.4 million</b>. The Committee noted that there were proposed reductions in development estimates centred on two (2) projects targeting Forest Fire Protection Management Project by <b>Kshs. 120 Million</b> which caters towards fire prevention &amp; suppression, and Green Zones Development Support Project Phase II by <b>Kshs. 0.2 Million</b> which caters towards the rehabilitation of forest areas and maintenance of forest roads.</p> <p align="center"><b>State Department for Mining</b></p> <p>vi.) The FY 2023/24 Budget for the State Department has been reduced by <b>Kshs. 227.6 million (9.1 percent reduction)</b>. The reduction is wholly on recurrent expenditure.</p> <p>vii.) The Committee observed that the State Department's proposed reduction in recurrent estimates is mainly on account of operations and maintenance of motor vehicles and furniture by <b>Kshs. 95.8 million (50 percent reduction)</b> and use of goods and services of <b>Kshs. 160.6 million (31 percent reduction)</b> which caters to the facilitation of logistics operations for mineral rights and exploration activities. Despite the prudent effort to manage the country's ballooning fiscal deficit, these cuts will affect revenue generation by the State Department.</p> <p>viii.) The Committee noted that the State Department collects over <b>Kshs. 3 billion</b> annually in royalties which goes into the Consolidated Funds Services. With the annual revenue collection target of <b>Kshs. 2.8 billion</b>, the State Department collected <b>Kshs. 874.1 million</b>, surpassing the quarter target by <b>Kshs. 165.9 million</b>. The budget cut will negatively impact the State Department's capacity to mobilize <b>Kshs. 15 billion revenue medium-term target</b> as set out by the National Treasury.</p> <p>ix.) The Committee observed that there was a need to reinstate <b>Kshs. 227.7 million</b> and requests consideration for additional operational and maintenance enhancement facilitation of <b>Kshs. 577 million</b>. This will cater to the operations of the State Department, in that it facilitates officers to carry out mineral exploration, mineral rights inspections, mineral production &amp; revenue audit, compliance, and enforcement vide the seconded security unit.</p>	

Departmental Committee	Observations	Non-Financial Recommendations
<p>10. Departmental Committee on Defense, Intelligence &amp; Foreign Relations</p>	<p><b>General Observations</b></p> <p>i.) All the MDAs except State Department for East African Community (SDEAC) and National Intelligence Service (NIS) indicated that they had pending bills and presented them as a total figure (recurrent and development) without a detailed breakdown of the suppliers owed and their aging analysis (categorizing and sorting of the amount based on the number of days outstanding).</p> <p>ii.) The pending bills are usually treated as a first charge in accordance with The National Treasury guidelines on pending bills, which result in further depletion of the available funds, hence negatively impacting the MDA's performance in the current financial year.</p> <p><b>National Intelligence Service (NIS)</b></p> <p>i.) The Agency was the only one among the 5 MDAs under the Committee's purview whose budget remained as was approved i.e., <b>KES.44.30 billion</b>.</p> <p>ii.) Out of the <b>KES.5.00 billion</b> most critical funding gap, the Committee opined that <b>KES.1.00 billion</b> for the recruitment of additional personnel to enable the Service effectively conduct security operations was the most urgent one because the Service had not recruited for a while and needed to fill gaps occasioned by natural attrition and the need for more expertise in some areas.</p> <p>iii.) (i) <b>4.2.2 Ministry of Defence (MoD)</b> Ministry had an additional budget of <b>KES.1.90 billion</b> and <b>KES.2.00 billion</b> for the remuneration of newly recruited personnel and sustenance of the East African Community Regional Force-DRC (EACRF-DRC) respectively, which were submitted as block figures without a detailed breakdown of how the amount would be utilized.</p> <p>iv.) Moreover, the Kenya Meat Commission (KMC) had been transferred to the Ministry from the State Department for Livestock pursuant to Executive Order No. 2 of 2023 with an AIA budget of <b>KES.3.56 billion</b>. A detailed breakdown of how the AIA will be utilized (e.g., amount to be spent on salaries, travel, operating expenses, capital spending, etc.) was not provided during the submission to the Committee by the Ministry. The Ministry indicated that the handover had not been formally made to</p>	<p>i.) The Ministry of Defence (MoD) to submit a detailed breakdown of how the KES.3.56 billion AIA by the KMC will be utilized (e.g., amount to be spent on salaries, travel, operating expenses, capital spending, etc.) within 30 days after adoption of the report.</p>

**Consolidated Departmental Commitments Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non-Financial Recommendations
	<p>them by the State Department of Livestock; hence, they would not be in a position to share the details on the utilization of the <b>KES.3.56 billion</b> AIA by KMC.</p> <p>v.) The lack of a detailed breakdown of the above amounts results in the inadequacy of the required information to help the Committee assess how the amount would be utilized before approving it.</p> <p>vi.) The Ministry had cleared the <b>KES.10.00 billion</b> pending bills (<i>due to a lack of exchange</i>) carried over from FY 2022/23 as they were treated as a first charge in FY 2023/24 in line with The National Treasury guidelines on the settlement of pending bills. Consequently, out of the <b>KES.144.94 billion</b> approved budget for FY 2023/24, what was available to the Ministry was <b>KES.134.94 billion</b>. This will negatively affect the Ministry's operations due to inadequate resources and would further lead to the accumulation of pending bills in FY 2024/25.</p> <p>vii.) The Kenya Shipyard Limited (KSL) had an outstanding contractual obligation of <b>KES.1.5 billion</b> that had been overdue for more than two years. The Ministry made a request for the Committee to consider the amount to avoid discontinuation of the works, which would have costly demobilizations as well as legal issues.</p> <p>viii.) The Ministry needed <b>KES.1.00 billion</b> to operationalize the National Peace Support Operations Fund.</p> <p>ix.) The National Treasury had granted the Ministry Authority to Incur Expenditure (AIE) of <b>KES.5.5 billion</b> for the East African Community Regional Force to the DRC (EACRF-DRC). Factoring the <b>KES.2 billion</b> additional funding for EACRF-DRC provided in this supplementary budget would bring the total amount spent by KDF as part of EACRF-DRC to <b>KES.7.5 billion</b>.</p> <p>x.) The Ministry confirmed that the amount spent under EACRF-DRC is not refundable by neither the UN nor other agencies that support PSO in the DRC because it was a regional mission by the EAC Member States, which are required to mobilize their own resources to support the DRC.</p> <p>xi.) KDF had been in the DRC for a year now, and the Ministry indicated that their exit would only happen under the following four scenarios: -</p> <p>a) Upon the expiry of its mandate on December 8, 2023;</p> <p>b) The Departmental Committee on Defence Intelligence and Foreign Relations and the Kenyan Parliament opines that it's not of use for KDF to continue to be in the DRC and approves their withdrawal;</p> <p>c) The DRC Government resolves to have KDF out; and</p> <p>d) The situation becomes untenable for KDF's continued stay in the DRC.</p>	

Departmental Committee	Observations	Non- Financial Recommendations
	<p>xii.) The modernization programme for the Ministry has been continuously funded for approximately a decade now without progress reported in terms of what has been modernized (equipment and systems) and the amount spent (GoK vs. Foreign) to date.</p> <p><b>State Department for East African Community (EAC)</b></p> <p>iii.) Out of the 5 MDAs under the Committee purview, the State Department for East African Community (SDEAC) was the least funded, with an approved allocation of <b>KES.718.37 million</b> resulting in total unfunded priorities of <b>KES.1.23 billion</b>.</p> <p>iv.) As the anchor state in the region, Kenya is a major player in the East African Community (EAC). Therefore, the State Department for East African Community (SDEAC) should be adequately resourced for Kenya's voice to be heard in all major decisions being taken at the regional body through the smooth running of the State Department.</p> <p><b>State Department for Diaspora Affairs (SDDA)</b></p> <p>i.) The State Department mandate had been expanded under Executive Order No. 2 of 2023 in which the Department received more mandate including a new Institution (Diaspora Placement Agency) without requisite additional funding.</p> <p>ii.) Delay in approval of staff establishment and organizational structure negatively impacted the Department's budget absorption capacity which was <b>5.97%</b> as at the end of Q1 for FY 2023/24 instead of an envisioned target of <b>25%</b> budget absorption rate.</p> <p>iii.) There is low registration of Kenyans abroad with Kenya Missions Abroad hampering effective delivery of consular services.</p> <p>iv.) The <b>KES.98.29 million</b> cut of the State Department for Diaspora Affairs (SDDA) budget would negatively impact the Department's engagement with the Diaspora, whose contribution through remittances plays a pivotal role in shoring up Kenya's foreign reserves (for the 12 months leading up to August 2023, remittances were <b>\$4,120 million</b>, up from <b>\$3,992 million</b> in 2022).</p>	

**Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non-Financial Recommendations
	<p>v.) The Department had a critical funding gap of KES.2.12 billion that if provided would enable it fully to implement its core mandate.</p> <p>(ii) <b>4.2.5 State Department for Foreign Affairs (SDFA)</b></p> <p>vi.) The depreciation of the Kenyan Shilling had eroded the Department's budget by approximately 30% due to foreign exchange losses occasioned by the transfer of funds in multiple currencies on a quarterly basis, even though the mission's budget is prepared in Kenyan Shillings.</p> <p>vii.) There were frantic efforts to increase the diplomatic footprint of Kenya across the globe through establishment of new foreign missions (FY 2021/22-Maputo, Jakarta, Arusha, Hargeisa, and Goma; FY 2019/20-Dakar, Bem, Djibouti, and Accra). However, the state of the existing missions was wanting in terms of infrastructure (dilapidated properties) and the situation would be worsened due to KES.100.00 million cut for the refurbishments of the Mission's properties.</p> <p>viii.) The proposed cut in development spending (<b>KES.700 million</b>) would lead to <i>delays in finishing projects, increased construction costs (interest on delayed projects), contractual claims and legal suits (breach of contracts), claims for idle capacity (labour &amp; equipment) and damaged Kenya's international image (dilapidated properties and legal suits &amp; penalties)</i>. To avoid reliance on Gok funding, the Ministry of Foreign and Diaspora Affairs (MDFA) should consider other alternative funding models like Public Private Partnerships (PPPs).</p>	
<p>11. <b>Departmental Committee on Health</b></p>	<p><b>State Department for Medical Services</b></p> <p>i.) The total budget allocation for the State Department for Medical Services in FY 2023/24 amounted to Kshs.116.59 billion. This comprises of Kshs.63.05 billion and Kshs.53.54 billion for recurrent and capital expenditures, respectively. However, the proposed Supplementary Estimate No.1 has rationalized the budget from Kshs.116.59 billion to Kshs.111.13 billion. This comprises a recurrent allocation of Kshs.66.39 billion and a development allocation of Kshs.44.74 billion.</p> <p>ii.) The Sports, Arts and Social Development Fund Regulations, 2018, provides that an amount not exceeding 60% of the proceeds of the Fund are to be apportioned to interventions supporting Universal Health Care (UHC). However, proposed UHC projects were not presented to the Committee for scrutiny.</p> <p>iii.) The budget estimates for the Managed Equipment Services (MES) of Kshs. 5.86 billion were rationalized to zero. The seven-year Managed Equipment Services</p>	<p><b>General Recommendations</b></p> <p>i.) The National Treasury should strengthen its coordination with the Ministry of Health by engaging technical staff from the Ministry and the respective SAGAs in the Ministry of Health in preparation of Supplementary Estimates to ensure that key programmes are not severely affected by budget cuts that may lead to an enormous decline in the health gains achieved over the years.</p> <p><b>State Department for Medical Services</b></p>

**Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non- Financial Recommendations
	<p>(MES) contract lapsed in December 2022 and was extended until the end of August 2023. The Ministry of Health placed an open tender for the maintenance and servicing of MES however the procurement process was put on hold to facilitate the signing of agreements with the county governments. The Committee was concerned about the continuity of services offered by the equipment in county hospitals with the lapse of the MES contracts. The Ministry had not honored the committee's request to submit the Initial MES contracts and the contract on extensions.</p> <p>iv.) The Kenyatta University Teaching Referral &amp; Research Hospital (KUTRRH) has increased A-in-A collections projections from Kshs 2.1 billion to Kshs. 3.1 billion while Mathari National Teaching and Referral Hospital has increased from Kshs. 160 million to Kshs. 220 million. The KUTRRH has been allocated an additional Kshs.150 million for the Integrated Molecular Imaging Centre to operationalize the Centre and Kshs.150 million for the procurement of the CyberKnife radiotherapy equipment. These funds are to settle the final payment to the supplier of the CyberKnife equipment launched by His Excellency the President during the last financial year.</p> <p>v.) The approved estimates for the National Referral and Specialized Services Programmes have been revised with a reduction of Kshs. 3.6 billion. One of the key reductions is in the programme on strengthening of cancer management at KNH (Kshs 200 million). These funds were meant for the construction of Phase 2 of the project and to equip Phase 1 of the project on outpatient clinic, laboratory, reception and associated services.</p> <p>vi.) The Kenya Medical Supplies Authority (KEMSA) is a strategic enabler of UHC in terms of commodity availability through procurement, warehousing and distribution. The Supplementary Estimate No. 1 proposes an additional allocation of Kshs. 2 billion for the recapitalization of KEMSA to cushion it against the losses incurred due to the expired and obsolete COVID-19 commodities. As KEMSA operates on a revolving fund, it was reported that the Authority had improved in its debt collection from county governments and the outstanding debt currently stood at Kshs. 2.4 billion. This improvement in debt collection should therefore result in an increased order fill rate and turn-around time of commodities to counties.</p> <p>vii.) The family planning program has been fully donor-funded over the years. However, the Government signed an MOU with donors that from FY 2024/2025, the Government will procure all family planning commodities. Curative and</p>	<p>ii.) Within ninety days (90) days, the Cabinet Secretary for the National Treasury, in exercise of the powers conferred under section 24(4) of the Public Finance Management Act, 2018 to amend the Public Finance Management (Sports, Arts and Social Development Fund) Regulations, 2018 to provide that the Departmental Committee on Health should consider all proposed health sector projects to be funded by the Sports Fund before they are tabled to the sports Fund Board. Further, the Committee recommends that the Sports Fund provide funds for construction and equipping of Kenya Medical Research Institute projects in Kirinyaga, Eldoret and Kombea.</p> <p>iii.) The State Department for Medical Services in consultation with the Council of Governors to propose a sustainable funding framework for the servicing and maintenance of MES equipment including procurement of reagents and consumables that offers crucial services in various county hospitals. The State Department for Medical Services to spearhead this process and submit a report that includes the status of implementation of the training component of the MES contract illustrating the number and cadre of all biomedical engineers trained and their working stations within sixty (60) days.</p>

**Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non-Financial Recommendations
	<p>Reproductive Maternal Newborn Child Adolescent Health (RMNCAH) development estimates are proposed to be reduced by Kshs. 1.1 billion. This is because of the reduction of GoK funds allocated to the Special Global Fund HIV Grant NFM3 (Kshs. 139 million) project, the Vaccines Programme (Kshs. 700 million) and the procurement of family planning and reproductive health commodities (Kshs 500 million).</p> <p>viii.) The Supplementary Estimate No. 1 proposes a reduction of Kshs. 100 million for Human Vaccine Production - BETA - under the BIOVAX Institute, a reduction in GoK funding of Kshs. 50 million for the construction and upgrading of KEMRI Laboratories (Nairobi, Kwale and Busia) and a reduction in GoK funding of Kshs. 300 million for research and development for the KEMRI project. BIOVAX works closely with KEMRI in the mid-stream vaccine formulation activities, vaccine antigens for drug substance, and the downstream 'fill-and-finish' for final drug products. A reduction in allocations for these two institutes negatively impacts the Government's commitment in building its local manufacturing capacity for vaccines.</p> <p>ix.) The Emergency Medical Treatment Fund - BETA was reduced by Kshs. 200 million while the Digital Health Platform - BETA was reduced by Kshs. 172 million. These were seed funds meant to operationalize the Fund and the initial implementation of the E-health platform, respectively before the Digital Health care Act 2023 and the Social Health Insurance Act 2023. The laws anchoring these programmes were assented to by His Excellency, The President on 19<sup>th</sup> October 2023.</p> <p><b>State Department for Public Health and Professional Standards</b></p> <p>x.) There was an increase in the gross budget estimates for this State Department comprising of an additional increase in A-I-A from the Kenya Medical Training College (Kshs. 400 million), the Clinical Officers Council (Kshs. 132,278,000) and the Pharmacy and Poisons Board (Kshs. 1,609,500,000) within the Recurrent Vote. There was also an increase in personnel emoluments payable to human resources for health internships-BETA of Kshs. 2,047,014,283. The same Recurrent Vote has been reduced by Kshs 175,636,964 on the operations and maintenance funds and transfers to SAGAs, while on the Development side, the gross budget has been reduced from Kshs 7,020,340,000 to Kshs 5,759,391,214.</p> <p>xi.) Two programmes, Preventive and Promotive Health Services and Health Resources Development and Innovation were affected by the changes with a net</p>	<p>iv.) The Kenyatta University Teaching Referral and Research Hospital (KUTRRH) to fast-track the training of personnel on the use of CyberKnife technology and, in collaboration with the National Cancer Institute, to sensitize the public on the availability and benefits of this technology in cancer management. A detailed report on the CyberKnife project, including the number and cadre of staff trained and the number of patients treated, should be submitted to the Committee within sixty (60) days.</p> <p>v.) The funding (Kshs 200 million) for Strengthening of Cancer Management at Kenyatta National Hospital be reinstated as the cancer burden at the hospital is still high and the treatment waiting period is still high, at over twenty (20) days. Further, Kenyatta National Hospital should provide a comprehensive report on the status of the establishment of the Cancer Management Center of Excellence and schedule a visit of the Committee to the Center within sixty (60) days.</p> <p>vi.) The State Department for Medical Services to fast-track ongoing reforms at KEMSA and submit status reports to the Committee within ninety (90) days, on the proposed disposal of expired commodities, on the commodities sold</p>

**Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non-Financial Recommendations
	<p>decrease of Kshs. 1,260,948,786. The allocation for capital projects supported through the Government of Kenya Counterpart Funds has been reduced by a net of Kshs.1,020,000,000.</p> <p>xii.) Malaria remains a significant public health challenge in the country particularly in high transmission regions around Lake Victoria and the Coast. According to the Kenya Health Information System, 6.7 million malaria cases and approximately 4,000 deaths were reported in 2022. This notwithstanding resource gaps have continuously hampered the full implementation of the Kenya Malaria Strategy. The current shortfall of Kshs. 7.2 billion in FY 2023/2024 affects the deployment of interventions and a reduction in printed estimates will undermine the progress made in recent years especially with the ongoing reduction in funding by development partners.</p> <p>xiii.) The Global Fund TB NFM3 grant through the division of the National TB, Leprosy and Lung Health Program (ADNTLH-P) and the Division of National Health Systems Strengthening (DNHSS) requires additional resources to support the TB program since donor support is ending in this financial year. With the proposed reduction of Kshs. 150,00,000 for the procurement of anti-TB drugs not covered under the Global Fund TB program (first-line TB drugs), the State Department will not be able to procure the required quantities which will result in the risk of undertreatment and increased deaths from the disease. Additionally, the proposed reduction of Kshs. 110,948,786 under the special Global Fund TB Grant NFM3 programme should not be effected as the programme is donor-funded and is scheduled to end in June 2024 and such reduction may affect the seamless closure of the programme.</p> <p>xiv.) His Excellency the President had issued a directive that Kenya Medical Training College be allocated Kshs.400 million to fund the recruitment of additional teaching staff and an additional amount of Kshs. 500 million to operationalize the 21 new campuses. The Committee observed that this request had been provided for as part of the institution's A-in-A budget. This may not be achievable as the KMTC has an existing personnel emoluments shortfall of Kshs.746 million. Additionally, the College had not received its total recurrent grants for the 2022/23 financial year totaling Kshs.704,750,000.</p>	<p>on loss after approval by Cabinet approval and on the operational achievements made.</p> <p>vii.) The National Treasury, in coordination with the State Department of Health prioritize payment of payment all 2022/23 carry overs within the approved budgetary provision for the FY 2023/24. The Committee recommends creation of a new budget line (sub item) under Roll Out of Universal Health Coverage project to cater for payment of the pending bills</p> <p>viii.) Within ninety (90) days, the State Department for Medical Services to submit a report on the road map of operationalization of the four UHC Bills. This should also include the status of development of regulations governing the Social Health Insurance Funds. These regulations are fundamental in actualizing the rolling out of Universal Health Coverage.</p> <p>ix.) Within the next ninety (90) days, The Biovax Institute to provide detailed reports on the status of activities undertaken to facilitate the setting up of the World Bank program on local manufacturing of human vaccine.</p> <p align="center"><b>State Department for Public Health and Professional Standards</b></p> <p>x.) The Principal Secretary, of the State Department for Public Health and</p>

**Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non-Financial Recommendations
12. Departmental Committee on Lands	<p><b>The State Department for Lands and Physical Planning</b></p> <p>i.) The state departments' have potential and capacity to collect revenue for the country. During the 1<sup>st</sup> Quarter FY 2023/24, the state department collected AIA amounting to <b>Kshs. 3,478,524,472</b> from land rent, stamp duty and stand premia on town plots which is above the targeted amount of Kshs. 2,673,349,155 by Kshs. 805,175,317.</p> <p>ii.) Digitization of the Land registries is ongoing with Nairobi Office fully digitized. The gap is on the linkage for the use of Ardhisasa system where there is public sensitization ongoing.</p> <p>iii.) The state department has taken measure to undertake internal audit for its assets, digitization of their records in all their registry offices as well as the headcount of all the staff. Recruitment process for ICT staff with the target to support the National Land Information Management System (NLIMS) is ongoing with the Public Service Commission.</p> <p>iv.) Delays in exchequer releases by National Treasury largely affects the implementation of the Ministry programme and projects for the FY 2023/24.</p> <p><b>The National Lands Commission</b></p>	<p>i.) The Committee recommends the State Department for Lands and Physical Planning through the appointed Inter-Ministerial taskforce to fast track the legislative proposals and submit its report to Parliament within 15 days of completion of the report. This will enable change of the land rates among other charges for land transactions be updated with the current inflation rates in order to increase revenue collection for the country.</p> <p>xi.) The Principal Secretary, State Department of Public Health and Professional Standards to provide a comprehensive close-out report on the Cuban doctor's program within thirty (30) days.</p>

Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates

Departmental Committee	Observations	Non- Financial Recommendations
	<p><b>Observations</b></p> <p>i.) The Commission has been able to support revenue collection of Kshs. 163.3 million (FY 2021/22) and Kshs. 171.9 million (FY 2022/23) from land and land-based resources namely issued letters of allotment, stand premiums, annual rent, approvals and Consents. The budget cut of Kshs. 112.7 million recurrent expenditure would affect its programme implementation for the FY 2023/24.</p> <p>ii.) The Commission overseeing the issuance of allotment letter whereby approvals is done by the plenary. This is a potential revenue streaming for the economy however the amount is collected by the State department for lands and Physical Planning.</p> <p>iii.) The National Treasury owes National Lands Commission <b>Kshs. 900 Million</b> exchequer that was surrendered in April 2021. This amount was meant for compensation of project affected persons which is now due for payment as most succession, family disputes and court cases have been resolved.</p> <p>iv.) The Commission requests an additional funding of <b>Kshs. 1,114.3 Million</b> being recurrent expenditure of Kshs. 819.3 Million and Development expenditure of Kshs. 295 million from the Supplementary Estimate No. 1. The proposed recurrent additional budget includes funding not catered in the FY 2023/24 budget such as the long outstanding pending bills (Kshs. 560 Million), gratuity for contract staff (Kshs. 39.3million), land enforcement (Kshs. 100 Million) and Land Administration activities Kshs. 120 Million). On the development expenditure this includes final survey and vesting of compulsory acquired land (Kshs. 95 Million), Land Dispute Resolution Management at National and County Levels (Kshs. 70 Million), State of Land Use Planning Baseline Study (Kshs. 80 million) and ICT Networking infrastructure (Kshs. 50 Million). The additional requests is not funded in the FY 2023/24 approved budget estimates and this is necessary for the Commission to achieve its mandate.</p>	
<p>13. Departmental Committee on Agriculture &amp; Livestock</p>	<p><b>General Observation</b></p> <p>i.) There were budget cuts for both State Departments on account of Compensation to Employees. This is because the State Departments expected to recruit staff in this Financial Year but they are yet to be given approval by the Public Service Commission for this exercise. The Ministry is in dire need of staffing.</p> <p><b>The State Department for Crop Development</b></p>	<p>i.) The Committee recommends that within three months of approval of the 2023/24 Supplementary I Budget Estimates, the Cabinet Secretary, Ministry of Agriculture and Livestock Development engage the Public Service Commission on the need to employ new staff. This is to ensure a smooth transition and knowledge transfer as most staff in the</p>

**Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non-Financial Recommendations
	<p>ii.) The Emergency Locust Response Programme had an additional budgetary allocation of KSh. 232 million for registration of farmers in the country. The Agriculture and Food Authority had an allocation of KSh. 100 million for the same exercise.</p> <p>iii.) The Commodities Fund AIA collection amount was under budgeted by KSh. 63 million which was meant to finance loan loss provision (an expenditure that does not represent outflow of cash from the Fund). The deficit will result in an audit query.</p> <p>iv.) The Crop Post-Harvest Management Project is meant to procure dryers and aflatoxin safe to manage post-harvest losses. There is a project for aflatoxin management and therefore the need to put resources in one project.</p> <p>v.) The establishment of NCPB Warehouse - Siaya Project had initially been allocated KSh. 20 million but enhanced by KSh. 450 million to KSh. 470 million. The additional allocation is for improvement of dryers and bulk storage facilities at NCPB in Moi's Bridge, Eldoret, Bungoma, Nakuru, and Kilgoris. The State Department having utilized KSh. 250 million under Article 223, recommended the Committee to reallocate KSh. 200 million to other priorities.</p> <p>vi.) The recurrent budget for SAGAs under the State Department were not rationalized. The reduction is to fund priority areas and to ensure equity in budget rationalization.</p> <p>vii.) The allocation for Food Security and Crop Diversification has been reduced by KSh. 230 million. This is a BETA Project that supports the sector's prioritized value chains through provision of seeds and seedlings. A reduction will counter the effort on the BETA agenda.</p> <p>viii.) The Development of Agriculture Technology Innovation Centre Project has seen a reduction of KSh. 300 million. This is a BETA Project that is critical in the achievement of food and nutritional security through; reducing post-harvest losses, providing near farm aggregation or storage, avenue for supply of subsidized agricultural inputs amongst others. The intended aggregation will not only cushion farmers from the middlemen/brokers but also contribute immensely to price recovery and supplies management in the grain value chain. NCPB warehouses are only 118 across the country, majority of farmers from far flanked areas find it uneconomical to travel for long distances to purchase subsidized farm inputs. The objective of this project is to bridge the gap on the existing warehouses.</p>	<p>Ministry are expected to retire in the next five years. The Cabinet Secretary, Ministry of Agriculture and Livestock Development to report on the engagement to the Committee during the review of 2024 Budget Policy Statement.</p>

Departmental Committee	Observations	Non- Financial Recommendations
	<p>ix.) The Sugar Reforms Project has no allocation for maintenance of Cane Testing Units. The allocation of KSh. 470 million was removed in the Supplementary Estimates. The State Department requires KSh. 470 million for maintenance of the CTUs. Without maintenance, the project risks stalling and becoming a white elephant that may lead to greater costs of rehabilitation over time. In addition, payment of sugarcane based on sucrose content is one of the milestones under COMESA Sugar Reforms and Safeguards Treaty which is coming up for review in February 2024.</p> <p>x.) The Ainabkoi Satellite Campus in dire need of a training complex and workshops. It has unfinished training complex and workshops which requires KSh. 40 million to ensure 100% completion. The school has recorded consistent increase in population which the existing facilities cannot support. The Project was supposed to be completed by June 2023.</p> <p>xi.) A report of the Committee that was adopted by the National Assembly recommended payment of millers that participated in the Maize Flour Subsidy Programme for FY 2022/23 under the Grain Mill Owners Association that participated in the Programme.</p> <p><b>The State Department for Livestock Development</b></p> <p>xii.) The Kenya Meat Commission had been transferred in the Supplementary Estimates from the State Department for Livestock Development to the Ministry of Defence.</p> <p>xiii.) The recurrent budget for SAGAs under the State Department were not rationalized. Their budgets need to be rationalized for equity in burden sharing.</p> <p>xiv.) The Daily Subsistence Allowance; Use of Goods and Services; fuel and lubricants; and Repairs and Maintenance suffered serious cuts in the Supplementary Budget. The cuts will make it impossible for the State Department to deliver the essential services that it is charged with.</p> <p>xv.) The Livestock Master Plan Project requires KSh. 144 million comprising a pending bill of KSh. 100 million relating to a carryover from FY 2022/23 and a reduction on its allocation of KSh. 44 million in the Supplementary Estimates. The Livestock Masterplan is a BETA project. The development of a Livestock Master Plan (LMP) is critical to enable planned, effective and efficient investment in the Livestock</p>	

**Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non-Financial Recommendations
<p><b>14. Departmental Committee on Education and Research</b></p>	<p>Sector leading to increased contribution of the sector to the national economy, food and nutrition security and improved livelihoods.</p> <p>xvi.) The allocation of the Livestock Institute Wajir was removed in the Supplementary Estimates. The allocation needs to be restored to make it possible for the construction and refurbishment of the Institute to be completed.</p> <p>i.) The overall effect of the proposed changes to the 2023/24 budget estimates for the various votes under the education sector is an increment of <b>Kshs 62.2 billion</b>. The various Votes in the sector have been affected as follows:</p> <ul style="list-style-type: none"> <li>• State Department for Basic Education – Increment of <b>Kshs 8.9 billion</b>;</li> <li>• State Department for TVET - Increment of <b>Kshs 4.2 billion</b>;</li> <li>• State Department for Higher Education – Increment of <b>Kshs 29.3 billion</b>;</li> <li>• Teachers Service Commission- Increment of <b>Kshs 19.8 billion</b>.</li> </ul> <p>ii.) The changes observed in the budget estimates for the sector are mainly on account of the following provisions:</p> <ul style="list-style-type: none"> <li>• Capitation for Junior Secondary School (JSS) learners- .5 billion</li> <li>• Allocation to address the personnel emoluments shortfalls and other statutory obligations- Kshs 19.8 billion</li> <li>• Enhanced Appropriation in Aid (ALA) collection in some public universities and other SAGA's within the sector- Kshs 15.5 billion</li> <li>• Funds to support the implementation of the New Funding Model in TVETS- Kshs 4.6 billion</li> <li>• Provision of funds to HELB for students loans- Kshs 10.5 billion;</li> <li>• Provision of funds to UFB for University Scholarships- Kshs 3.6 billion</li> <li>• Provision of funds for administration of National examinations (KCSE, KPSEA and KCPE)- Kshs 3.8 billion</li> </ul> <p>iii.) The TVET Department has been allocated Kshs 4.6 Billion for students' scholarships. This allocation is meant to cater for the newly admitted TVET students under the new funding formula. This is a new allocation and had not been provided in the main estimates and will support the learners who are expected to join the TVET institutions and are being funded under the new TVET funding model.</p> <p>iv.) There is a reduction of Kshs 877 million under the State Department for Basic Education which was meant for provision of sanitary towels for school girls. This</p>	<p>i.) the National Assembly, upon the approval of the Supplementary Estimates I for the financial year 2023/2024, develops a framework to ring-fence funds allocated to support infrastructure improvement in Junior Secondary Schools (JSS) under the National Government Constituency Development Fund (NGCDF).</p>

Departmental Committee	Observations	Non- Financial Recommendations
	<p>allocation has been transferred to State Department for Gender and Affirmative Action. This means that the implementation of this function has been shifted to the State Department for Gender and Affirmative action.</p> <p>v.) An additional Kshs 3.8 billion has been allocated for administration of the National examinations, which is currently ongoing and these are resources used to support running of national examinations including logistics related costs. However, part of this allocation is meant to pay for the pending bills totaling Kshs 2 Billion carried over from the last year administration of the national examinations and the Department requires additional Kshs 700 million for the same function.</p> <p>vi.) There is an estimated Kshs 880 Million which has been reduced from various ongoing projects being implemented by the State Department for Basic Education. As a result of the reduction, the targets which had been set in terms of completion timelines have been scaled down. This reduction has the effect of slowing down the progress in terms of completion timelines;</p> <p>vii.) Kshs 3.4 Billion was allocated for purposes of construction of JSS classrooms as well as integrated resource centres. This allocation has been reduced and the resources allocated to NGCDF. However, only Kshs 1 billion has been provided under NGCDF for the same purpose;</p> <p>viii.) There is an additional allocation of Kshs 14.1 billion to support the implementation of the new University funding Model. The HELB has been allocated Kshs 10.5 billion for Students loans and the UFB has been allocated Kshs 3.6 billion for student scholarships. The Committee notes that the process of disbursement of these funds has begun and this will ensure that newly admitted students access university education;</p> <p>ix.) The various public universities have huge historical pending bills relating to statutory deductions owed to various government agencies including KRA. The Committee is concerned that the State Department for Higher Education has been acting slow in terms of addressing this matter in terms of developing a Cabinet memo exploring the possibility of waiving these bills;</p> <p>x.) The KUCCPS is placing students to both private and public universities depending on the choice of the student. However, it has been made absolutely clear that those students who choose to join private universities will not get any support from the government in terms of funding for scholarships.</p>	

**Consolidated Departmental Commitments, Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non-Financial Recommendations
<p><b>15. Departmental Committee on Finance and National Planning</b></p>	<p><b>State Department of the National Treasury</b></p> <p>i.) A notable reduction of KSh. 21.267 billion in the General Administration, Planning, and Support Services program. This reduction is primarily attributed to the release of KSh. 21.267 billion that had been held since the start of the financial year to facilitate the salary review for public service as approved by SRC. The funds were being withheld pending the release of a circular by the Salaries and Remuneration Commission.</p> <p>ii.) There is also an additional allocation of KSh. 3.385 billion under general administration, Planning and Support Services on operating expenses subprogram in respect of leasing Motor vehicles program. In addition, there is also a refund to the United States Agency for International Development (USAID) Value Added Tax (VAT) of KSh.450 million under the recurrent for Resource Mobilization Department (RMD) as Gok funds.</p> <p>iii.) There is an undischursed amount of KSh. 7.061 billion from FY2022/23 for Kenya Revenue Authority. The non-disbursement was a result of exchequer challenges yet the funds had been committed hence pending Bills.</p> <p>iv.) The National treasury has a pending bill of KSh. 5.174 billion concerning Misort Africa Ltd: The National Treasury entered into a contract with Misort Africa Ltd in 2009 to construct a Data Recovery Centre in Naivasha. During contract implementation, the parties had a prolonged misunderstanding leading to a claim of project abandonment and later the contractor exiting the site. The matter went to court for arbitration, and an award was granted in favor of the contractor at KSh.3.68 billion in 2022 with a simple interest of 12% per annum on the outstanding sum until payment is made in full. While the Treasury has kept the matter alive, the legal claim remains unsettled and attracts the said interest annually. In their recent letter dated 28<sup>th</sup> August 2023 and copied to Treasury, the contractor's lawyer is claiming KSh.5.174 billion inclusive of September 2023, noting that the amount continues to accrue said interest.</p> <p>v.) There is a pending commitment by the GOK for KShs 150 million under the IGAD program within the Horn of Africa Initiative program that supports the IGAD Regional Infrastructure Master Plan (RIMP), IGAD Drought Disaster Resilience &amp; Sustainability Initiative (IDDRSI) and implementation of the Africa Continental Free Trade Area (AfCTA)</p>	<p>i.) That, the National Treasury should within sixty (60) days of the adoption of this report, provides a detailed report to the Departmental Committee on Finance and National Planning on the cash surplus funds held in the bank accounts of all State-owned agencies/Parastatal as at 31<sup>st</sup> October, 2023.</p> <p>ii.) That, the National Treasury should FastTrack the implementation of the national government single account framework and must ensure the single account is in place and operational by 31<sup>st</sup> March 2024.</p> <p>iii.) That, within ninety (90) days of the adoption of this report, the Office of Controller of Budget is to provide the National Assembly with a framework on how the office will be reporting to the National Assembly on the quarterly achievement of MDA's targets and non-financial key performance indicators that will facilitate effective oversight by the legislature pursuant to section 39(8) of PFM Act 2012 since the budget is program based.</p> <p>iv.) That, within ninety (90) days of the adoption of this report, the National Treasury submits to the Departmental Committee on</p>

Consolidated Departmental Corollary Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates

Departmental Committee	Observations	Non- Financial Recommendations
	<p><b>State Department of Economic Planning</b></p> <p>vi.) The proposed Supplementary Estimate No. 1 for FY2023/2024 has revised the overall State Department allocation from an initial allocation of Kshs. 60,423.29 million to KSh. 61,059.96 million. While the Recurrent Estimates have decreased by Kshs. 286.03 million, the Development allocation has increased by KSh. 922.70 million.</p> <p>vii.) The increase in development expenditure is due to the transfer of KSh. 1 billion from the State Department of Basic Education as a conditional grant. This grant will be jointly managed by the Ministry of Education and the National Government Constituency Development Fund, ensuring collaboration and coordination.</p> <p>viii.) It's worth noting that the initial allocation under JSS in the State Department of Basic Education was Ksh 3.7 billion. The proposed Supplementary Estimates I has reduced this vote in the State Department by Kshs 3.7 billion. However, only Kshs 1 billion has been voted in with the NGCDF budget hence creating a deficit of Kshs 2.7 billion if the circular from the State Department of Basic that requires the matching of each shilling by NGCDF is to be fully implemented</p> <p>ix.) The Fourth Medium Term Plan (MTP4) has been approved by the Cabinet. The review of the Third Medium Term Plan (MTP3) was necessitated by the need to align the overall country's plan with the provisions and aspirations of Kenya Kwanza manifesto dubbed the 'PLAN'. Among the key focus under the MTP4 is the need to have holistic planning by both the National and County government, therefore there is an urgent need to operationalize County Planning offices in all 47 Counties to foster collaboration between the two levels of government in the implementation of MTP4 with the County Integrated Development Plans (CIDP).</p> <p><b>Office of the Controller of Budget</b></p> <p>x.) The actual expenditure in the Office of the Controller of Budget in the first quarter was Kshs. 71.03 million, representing an absorption rate of 10% which was attributed to the payroll for September 2023 being processed in October 2023 due</p>	<p>Finance and National Planning a comprehensive stock-taking report of all government entities that are currently leasing or renting office space in the country with a view of providing a strategic policy on the matter.</p>

**Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non- Financial Recommendations
<p>16. Departmental Committee on Administration &amp; Internal Affairs</p>	<p>to challenges in IPPD, Late access to the procurement module in IFMIS and County Budget Coordinators' quarterly imprints being reimbursed in the second quarter.</p> <p><b>Commission on Revenue Allocation (CRA)</b></p> <p>xi.) The overall budget for the Commission has been reduced by Ksh 56 million, cognizance of the fact that 98% of the Commission's budget is PE and only 2% is dedicated to operations cost in respect to delivering on its Constitutional core mandate. The reduction of the funds will certainly result in:-</p> <p>i.) The inability to complete the relocation process would consequently mean that the Commission would have to pay rent in two different locations. Given that the lease for the current offices is US dollar-based and appreciating the current exchange rate, the expenditure is KShs. 19.0 Million for one quarter. It is therefore prudent to provide for the additional amount of KShs. 16,040,974.00 so that we can complete the office relocation process.</p> <p>ii.) The Commission is expected to deliver on the fourth basis of revenue sharing among the counties by the end of the current financial year. The activities leading to the submission have already started and without resources for engagement of parliament, other key stakeholders as well as the public, it is not possible to deliver on this mandate. Public participation in this critical mandate involves engagements in all 47 counties and consultation with the Council of Governors, County Assemblies, Parliament and the National Government Executive. Such engagements will need to be facilitated for meaningful results.</p> <p>iii.) The Commission is planning a relocation and will need to dismantle and strip down some of the ICT installations in the current location making them unfit for use in the new offices. In addition, some of the Commission's ICT Infrastructure has become obsolete posing security risks to the organization's digital assets hence the need for upgrade. Further, there has been increased cyber-attacks on ICT infrastructure worldwide hence the need to acquire the most recent and reliable firewall for security of ICT infrastructure. The inability to fund this critical area means that the Commission remains exposed in that space.</p>	<p>i) The Cabinet Secretary-National Treasury to transfer all outstanding resources towards Government Delivery Services (GDS) under the</p>

Departmental Committee	Observations	Non-Financial Recommendations
	<p>i) The proposed cuts will further exacerbate the problem of pending bills, already, the Office has pending bill related to the Defunct Nairobi Metropolitan Services amounting to KSh. 11.6 billion</p> <p>ii) Inadequate funding to taskforces on Review of Legal and Regulatory Framework Governing Religious Organizations and The Task Force on the Modernization of the Government Press. The taskforces require a total of KSh. 650 million to operate but the cuts have left them with only KSh. 250 million</p> <p>iii) Inadequate funding to Government Printer. The department require additional funding of <b>Ksh. 410 million</b> for purchase of materials that are required to print confidential documents that support Parliament, State House, The Presidency, National Functions and holidays, presidential Programmes and Budget Estimates Books for the National Treasury among others. The funds will also go towards Maintenance of Plant, Machinery and Equipment (including lifts).</p> <p><b>Office of the Deputy President</b></p> <p>iv) The existing facilities at Harambee House Annex and/or Karen residence of the Deputy President could not accommodate more than 20 people forcing the Office to hire tents to cater for the service. The estimate of hiring the tent costs Kshs. 4 million per week translating to an annual cost of Ksh. 208 million. This cost was not sustainable in the long run as a recurrent expenditure for the government. The additional allocation of KSh. 150 million towards construction of cabinet meeting room at Karen residence of the Deputy President was timely</p> <p>v) The additional allocation towards the Office of the Spouse to the Deputy President of KSh. 424.8 million would go towards affirmative action interventions in all the 47 counties. The initial budgetary allocation targeted only coordination of such activities in 4 counties and with a budget of Personnel emoluments of KSh. 92 million.</p> <p><b>Office of the Prime Cabinet Secretary</b></p> <p>vi) The Office of the Prime Cabinet Secretary was not affected by the Supplementary. However, they were implementing the functions of Government Delivery Services which had been transferred to State Department for Performance and Delivery Management in line with Executive Order No. 2 of 2023.</p>	<p>Office of the Prime Cabinet Secretary- Vote 1013 to the State Department for Performance &amp; Delivery Management- Vote 1015 on or before the commencement of the implementation of Supplementary Budget in line with Executive Order No.2 of 2023.</p>

**Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non-Financial Recommendations
	<p>vii) The actual expenditure for the Office amounted to KSh. 120.5 million against a budgetary allocation of KSh. 1,195.6 million translating into an absorption rate of 10 percent.</p> <p align="center"><b>State Department for Parliamentary Affairs</b></p> <p>viii) The State Department's budget was set to undergo a rationalization of <b>Kshs 276.47 million</b> under Supplementary I Revision for the FY 2023/24. This rationalization would significantly affect the core functions of the newly established Department which is in the process of being fully operationalized.</p> <p align="center"><b>State Department for Performance and Delivery Management</b></p> <p>ix) The Proposed Budget cut of <b>KSh. 123.5 million</b> would:-</p> <p>x) Delay the operationalization of the Programmes and Projects Coordination Directorate that was newly established with the aim of coordinating and monitoring the performance of Government Programmes and Projects.</p> <p>xi) Affect the review of Performance Contracting Guidelines in the 4th quarter of the FY 2023/24 meant to guide MDAs in the preparation of their performance contracts for FY 2024/2025. This being a very critical aspect of BETA, a cut on the budgetary allocation for monitoring and evaluation, temporary committees and domestic travel will adversely affect monitoring and evaluation of the MDAs.</p> <p>xii) There was a need to transfer the programme on Government Delivery Services from the Office of the Prime Cabinet Secretary in line with Executive Order No. 2 of 2023.</p> <p align="center"><b>State Department for Cabinet Affairs</b></p> <p>xiii) The State Department had received Exchequer amounting to KSh. 63 million out of an original budget of KSh. 903 million. This translated to 7 percent of the approved budget.</p> <p>xiv) Despite the proposed reduction of KSh 286 million, the State Department may not absorb the funds as budgeted for should they not carry out their activities as envisaged.</p> <p align="center"><b>State House</b></p>	

Departmental Committee	Observations	Non- Financial Recommendations
	<p>xv) Under the Recurrent budget, the revised budgetary allocation under Supplementary 1 budget of the FY 2023/24 will support the achievement of State House key mandate through facilitating expenditure relating to operations and maintenance. The additional expenditures included KSh. 400 million towards Purchase of Motor Vehicles, KSh. 500 million towards Other Operating Expenses and KSh. 500 million towards other Operations &amp; Maintenance. However, the revised allocation would not be sufficient to adequately facilitate the delivery of the wide mandate for State House.</p> <p>xvi) Under the Development budget, the revised budgetary allocation of KSh. 700 million towards the construction of State Pavilion under Supplementary 1 budget of the FY 2023/24 will facilitate the refurbishment and construction &amp; civil works at State House. When completed, the Pavilion would lead to savings on expenditures incurred every time on hiring of tent for state functions at State House.</p> <p>xvii) The reduction of the development budgetary allocation by Kshs. 300 Million on other projects may result to re-prioritization of the planned activities as well as slowing down the on-going works and may ultimately lead to pending bills.</p> <p><b>State Department for Immigration &amp; Citizen Services</b></p> <p>xviii) The reduction in the use of goods and services especially, fuel, hospitality and other operating expenses affect mobility of the security personnel to various border points and courts to address illegal immigrants matters. The proposed overall reduction in the Use of Goods and Services amounted to <b>KSh. 17.3 million</b> while Other Recurrent has been proposed for a reduction of <b>KSh. 32.8 million</b>.</p> <p>xix) The government has recently operationalized several registration offices across the country. This includes the pastoral community's counties where mobile registration services are critical to ensure adequate coverage. This requires sufficient supplies for production materials, human resources, close monitoring, evaluation and frequent patrols. This cannot be undertaken without adequate provision of vehicles and fuel. The State Department required additional <b>KSh. 70 million</b>.</p> <p>xx) E-citizen has already on boarded over 11,000 services which has to be maintained by deploying qualified personnel and adequate supplies of the required infrastructure and ICT equipment. The budget provision under supplies for production need to be enhanced by <b>KSh. 577 million</b></p>	

**Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non- Financial Recommendations
	<p><b>National Police Service</b></p> <p>xxi) The Office of the Accounting Officer of the National Police Service had not been fully operationalized.</p> <p>xxii) The proposed budget cuts would adversely affect the operations of the National Police Service given the security challenges the country is facing. Serious policing activities such as security operations North Eastern and Multi agency security operations were grossly underfunded.</p> <p>xxiii) The proposed cuts in development expenditures would affect key projects necessary for police reforms. They included operationalization of the NPS Hospital in Nairobi, ongoing construction of police stations and houses among others and would lead to accumulation of pending bills.</p> <p>xxiv) The Presidential escort unit (Reece) had no sufficient resource to cope up with the busy schedule of the President. They required budgetary enhancement to the tune of KSh 200 million.</p> <p><b>State Department for Internal security &amp; National Administration</b></p> <p>xxv) Security Operations: - The Department had fully exhausted its Annual budget allocation due to the increased ongoing security operations. The current expenditure trend indicates a funding gap of <b>KSh. 500 million</b> for the months of April to June 2024.</p> <p>xxvi) Presidential visits: - The expenditure trend indicates a monthly expense of Kshs.56.5M translating to an annual budget requirement of <b>KSh.678 million</b>. With the current allocation of <b>KSh. 501 million</b>, the Department requires an additional budget of <b>KSh.100 million</b> to facilitate Presidential activities across the country</p> <p>xxvii) National Celebrations:- The budget item has been fully exhausted leaving the department with no funds to cater for the upcoming Jamhuri and Madaraka celebrations. From the current expenditure trend, it has been established that there is a funding gap of <b>KSh.400 million</b> for effective planning and facilitation of the two National Celebrations</p> <p>xxviii) Multi-agency security operations:- The Department had utilized its third quarter allocation and requires an additional budget provision of <b>KSh.300 million</b> to cater for ongoing activities across the regions experiencing insecurity</p>	

Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates

Departmental Committee	Observations	Non- Financial Recommendations
	<p>xxix) Security North-eastern: - The budget line has been utilised up to the third quarter allocation. The ongoing operations in North Eastern requires an additional <b>KSh. 500 million</b> for effective implementation.</p> <p>xxx) Security Roads: - With the ongoing insecurity in various parts of the country the Department plans to open up the affected areas by constructing security roads. An additional budget requirement of <b>KSh.100 million</b> was required</p> <p>xxxi) NCIC-The Phased operationalization of 10 Regional offices had been cleared by the National Treasury in 2021/22 financial year. However, there were no resources amounting to <b>KSh. 50 million</b> for the same.</p> <p>xxxii) NACADA- the current allocation of <b>KSh. 66 million</b> towards the completion of Miritini Rehabilitation Centre will be utilized in settlement of pending certificates in FY 2022/2023 due to previous year's budget cuts. The project required additional <b>KSh. 50 million</b> for its successful completion.</p> <p>xxxiii) Private Security Regulatory Authority: - The Regional Offices were not funded for their operations to the tune of KSh. 50 million.</p> <p>xxxiv) <b>National Police Service Commission- Vote 2101</b></p> <p>xxxv) The proposed cut mainly targeting use of Goods and Services by <b>KSh. 37 million</b> would lead to Delays in Police HR Services including processing of Appointments, promotions, appeals. Disciplinary cases might also face delays.</p> <p>xxxvi) Further, the proposed cuts would impede the establishment of essential regional offices and the decentralization of counseling and HR services. This limitation could lead to underserved areas, affecting accessibility to vital support services for police officers.</p> <p><b>Independent Policing Oversight Authority</b></p> <p>xxxvii) The proposed budget cuts of KSh. 33.4 million will adversely affect the Authority's field based operations including investigation of cases of police misconduct, resolution of complaints through preliminary inquiries, attendance to court cases, inspections of police premises and monitoring of police operations.</p>	

**Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates**

Departmental Committee	Observations	Non-Financial Recommendations
<p>17. Departmental Committee on Trade, Industry and Cooperatives</p>	<p><b>General observations</b></p> <p>i.) The Committee noted that the budgetary cuts on BETA priority projects will affect the timely implementation of the government's BETA agenda. The State Departments within the mandate of the Committee have significant budgetary cuts on BETA development projects: the State Department for Industry has a proposed decrease of Kshs. 300 million, Kshs. 4.7 billion from the State Department for MSMEs Development and Kshs. 1.7 billion from the State Department for Investment Promotion.</p> <p><b>State Department for Cooperatives</b></p> <p>ii.) The Committee noted that the State Department is charged with the responsibility of implementing three presidential directives that fall within its mandate. The directives include Kshs. 3.7 billion for New KCC to be implemented in three phases with the first phase involving the construction of New KCC in Narok with a proposed allocation of Kshs. 700 million; Kshs. 600 million to support infrastructure development of New KPCU in Sagana and Dandora, and Kshs. 100 million for construction of Meru Central Dairy Cooperatives Union Animal Feed Production Plant. Notably, the directives do not have any budgetary allocation.</p> <p>iii.) The Committee noted that New KPCU is mandated to mill and market Kenyan coffee however there is also a coffee promotion budget item at the State Department Headquarters with a proposed allocation of Kshs. 36.3 million after a proposed budgetary cut in the supplementary budget of Kshs. 63.6 million. The State Department submitted that New KPCU does not have capacity to carry out all coffee promotion activities. The Principal Secretary for Cooperatives committed to reforming the agency such that it is able to effectively fulfil its mandate.</p> <p>iv.) In the current coffee reforms, the government is sourcing for coffee buyers in international markets to buy Kenyan coffee directly without the involvement of middlemen. New KPCU submitted that the agency is not well equipped to ensure quality as well as to cater to the needs of international markets. In view of this, New KPCU submitted that it requires machinery and equipment to be able to effectively cater for international buyers' needs. The machinery and equipment include: an electronic color sorter and generators as well as a cupping laboratory amounting to a total budgetary requirement of Kshs. 170 million.</p>	<p><b>General recommendations</b></p> <p>i.) Owing to the fact that the Committee noted duplication of functions in the implementation of the BETA value chain model in the two ministries within its mandate namely: the Ministry of Investment, Trade and Industry and the Ministry of Cooperatives and MSMEs Development, the Committee recommends that the two ministries should hold consultative engagements to review their current implementation of the BETA value chain model. The two Ministries should identify areas with duplication and recommend proposals for better implementation of the model. A report containing the proposals should be submitted to the National Assembly for consideration within 90 days after the adoption of this report.</p> <p><b>Ministry of Investments, Trade and Industry</b></p> <p>ii.) The Ministry of Investments Trade and Industry has not yet finalized the implementation framework of the Exports Promotion and Investment Levy as enacted in the Finance Act, 2023. Further, the objectives of the levy as stated in the Finance Act, 2023 are broad and general. To this effect, the Committee recommends that by the end</p>

Departmental Committee	Observations	Non-Financial Recommendations
	<p>v.) New KCC reaffirmed the Committee of its commitment to cushion farmers through its price stabilization policy which maintains a fixed purchase price for milk from farmers (currently at Kshs. 50 per liter), even amidst declining market prices. Notably, the agency is grappling with an oversupply of milk from farmers resulting from increased production. The agency also submitted that in response to this surplus and the associated market price fluctuations, New KCC is considering a pricing strategy reassessment in an effort to ensure its sustainability while at the same time safeguarding the interests of farmers.</p> <p>vi.) It was noted that the State Department for Livestock has received an allocation for coolers. New KCC submitted that they are in consultation to ensure that the coolers are distributed to dairy farmers by the beginning of 2024.</p> <p><b>State Department for Trade</b></p> <p>vii.) Following a recommendation by the Committee directing the State Department to reassess the functioning of the trade attaché offices abroad, the State Department submitted that it intends to capacity build these officers to enable them support the government's BETA value chain model. Further, the offices shall be re-organized such that trade missions engage in product development and market development for accelerated export performance for Kenyan products as recommended by the Committee. In addition to this, the State Department intends to recall officers in certain low yielding stations and the budgetary allocation to these stations shall be used to fund these reforms. The recalled attaches shall continue in service from Nairobi.</p> <p>viii.) On the status of trade agreements, the State Department submitted that the vote by the European Parliament on the Kenya-EU agreement, which grants permanent duty-free and quota-free access to the European market, is scheduled for December 17, 2023.</p> <p>ix.) KNTC has been engaged in the importation of duty-free food items with the aim of price stabilization. Concerns have however arisen during the implementation of this policy regarding its effectiveness. Currently, the board of KNTC is conducting a review of this model to assess its viability.</p> <p>x.) That Kshs. 2 billion has been allocated to the State Department for Crop Development to facilitate the purchase of warehouse receipts. However, to facilitate this, the Warehouse Receipt System and Kenya Commodities Multi Exchange</p>	<p>of December 2023, the Ministry of Investment Trade and Industry should submit to the National Assembly the framework of the implementation of the Exports Promotion and Investment Levy with details of the specific objectives of the levy as well as a statement indicating the collections by the time of submission.</p> <p><b>State Department for Industry</b></p> <p>iii.) The Committee recommends that going forward, the State Department for Industry should conduct the coordination of the County Aggregation Industrial Parks with the resources and expertise in monitoring and evaluation within the State Department. There shall be additional funding allocated for the participation of the State Department in the implementation of the project which is a conditional grant from the National Government to the County Governments.</p>

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Departmental Committee	Observations	Non-Financial Recommendations
	<p>projects have to be operationalized. There is a directive to this effect providing that Kshs. 1 billion should be allocated to the State Department for Trade to operationalize both WRS and KOMEX. Notably, the National Treasury did not capture this in the Supplementary Budget, the entire budgetary allocation of Kshs. 2 billion was allocated to the State Department for Crop Development.</p> <p><b>State Department for Industry</b></p> <p>xi.) The construction of the Kenya Industrial Research Development Institute (KIRDI) South B has stalled due to underfunding amounting to Kshs. 3 billion of which Kshs. 1 billion is a pending bill to the contractor. The agency reported that it is currently pursuing an innovative model which will pursue a private investor to complete the building, the Committee further sought to find out when the concept note will be ready and it was reported that this shall be done by January 2024.</p> <p>xii.) Numerical Machine Complex (NMC) has a proposed budgetary cut of Kshs. 60 million from Kshs. 242.2 million to Kshs. 182.2 million. Notably, NMC had budgetary cuts in FY 2022/23 which affected its operations. Currently, the agency requires Kshs. 348.5 million of which Kshs. 50 million is recurrent expenditure to cater for salary shortfalls which fell due in FY 2022/23 following budgetary cuts, Kshs. 26.2 million to cater for KRA penalty arrears and the remaining Kshs. 272.3 million is development expenditure to cater for strategic machinery which will increase production of industrial parts with the potential to increase its Appropriation in Aid (AIA) significantly.</p> <p>xiii.) Further, owing to insufficient funding, Numerical Machine Complex has embarked on an innovative approach with some of its clients. In this model, clients acquire the industrial machinery parts required for the production of finished machinery components by NMC.</p> <p>xiv.) The Program Based Budget has revised the number of counties from 18 counties included in the County Additional Allocation Bill to 16 counties for the County Aggregated Industrial Parks (CAIPs). Despite this, the State Department submitted that the number of counties has not been revised downwards. It was further submitted that 42 counties have committed the matching funds of Kshs. 250 million. The Committee further noted that the budgetary cut of Kshs. 100 million is from an allocation of Kshs. 200 million meant for the coordination of CAIPs by the State Department's headquarters.</p>	

Departmental Committee	Observations	Non-Financial Recommendations
	<p>xv.) RIVATEX still faces a challenge of lack of accreditation which is locking the agency out from accessing international markets. To achieve accreditation, RIVATEX must complete its modernization and acquire specific equipment as required by the accreditation body. The estimated cost for the modernization and the procurement of equipment is approximately Kshs. 500 million. Once this funding is secured and the accreditation is obtained, RIVATEX anticipates becoming self-sufficient and to no longer rely on financial support from the exchequer.</p> <p>xvi.) The Enhancement of the Accreditation Project by KENAS had an allocation of Kshs.100 million in FY 2023/24 on which the Supplementary Budget has proposed a cut of Kshs. 25 million. KENAS submitted that they commenced the implementation of the project using the A-in-A collection and the project implementation rate at the end of the first quarter stood at 41%. Further, KENAS submitted that the project's components are interlinked and reducing the funding by Kshs. 25 million will have a significant impact on the revised increase in AiA captured in the Supplementary Budget. The agency is expected to raise an additional Kshs. 34 million as AiA in FY 2023/24.</p> <p>xvii.) Kieni Value Addition Center requires funding to operationalize it. The total amount required to fully operationalize it is Kshs. 121.5 million. Funding is required for glazing and finishes, painting, cabro paving, retaining wall, storm water drainage, ablation block, bio digester, boundary wall, car park and solar power grid and a stand by generator. Phase 2 will require electrical works, septic tank, mechanical works and chain link fencing.</p> <p><b>State Department for MSMEs Development</b></p> <p>xviii.) The Committee noted that there is a proposed Kshs. 5 billion reduction in the Hustlers' Fund budget. In addition to this, it was noted that the State Department highlighted that although the fund has received funding for credit disbursement, the board and the secretariat have not been operationalized due to lack of funding, with the entire allocation intended solely for credit issuance. Further, the fund faces a deficit in funding for marketing and public awareness efforts, it was noted that the current publicity of the fund is done by the service providers for the fund.</p> <p>xix.) In its submission, the State Department highlighted that the interest collected by the fund at a rate of 8% is allocated as follows: 50% goes to service</p>	

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Departmental Committee	Observations	Non-Financial Recommendations
	<p>providers, 25% to day-to-day management of the fund and 25% to the growth of the fund.</p> <p>xx.) The Committee further noted that the SME and start loans are yet to be launched and the Principal Secretary cited challenges in regulations, it was submitted that the product requires a legal framework which raises concerns on the sufficiency of the current Financial Inclusion Regulations underpinning the fund.</p> <p>xxi.) The construction of Constituency Industrial Development Centers (CIDCs) project targets to construct 12 CIDCs in FY 2023/24. The project currently has pending bills of Kshs. 150 million. The budgetary cut of Kshs. 50 million will further increase the pending bills.</p> <p>xxii.) The Committee noted that there is need to review the regulations underpinning Uwezo Fund. Concerns were raised over the eligibility of constituencies with high default rates which the agency committed to raise the allocation for these constituencies by Kshs. 1 million. Additionally, further concerns were raised by the Committee concerning the prolonged loan processing time which can take up to 5-6 months.</p> <p>xxiii.) The Committee noted that Kenya Institute of Business Training (KIBT) requires Kshs. 100 million for completion, and the building once complete, can host the State Department's headquarters which is currently facing a challenge of office space. The State Department submitted to the Committee that most of the offices are currently occupied by the State Department for Trade since KIBT was initially under this State Department.</p> <p><b>State Department for Investment Promotion</b></p> <p>xxiv.) The Committee observed that there is a budgetary cut of Kshs. 1.2 billion on the EPZ flagship projects. The EPZ hubs were a presidential directive which involved the construction of 6 EPZ hubs in 6 different counties namely: Kirinyaga, Murang'a, Nakuru, Busia, Uasin Gishu and Kwale. The budgetary allocation of Kshs. 3 billion was to be followed by an additional Kshs. 3 billion to complete the projects whose total cost estimation is Kshs. 6 billion.</p> <p>xxv.) The Committee noted that the State Department received exchequer releases of 3.2% of the net estimates which is significantly low. The Committee further noted that the State Department's headquarters has a significant budgetary cut of Kshs. 156 million which may affect its operations in the three remaining quarters of the financial year. The State Department is still at its initial stages of</p>	

Departmental Committee	Observations	Non- Financial Recommendations
<p>18. Departmental Committee on Energy</p>	<p>operationalization which includes the establishment and equipping of offices which is not yet complete majorly due to lack of exchequer to cater for these needs. The budgetary cut is likely to affect service delivery at the State Department.</p> <p>xxvi.) It was noted that Keninvest is facing a challenge of inadequate exchequer releases to fund its core mandate. In FY 2022/23 the agency received an allocation of Kshs. 40 million to operationalize the National Investment Council however, the State Department did not receive exchequer funding. Further, in FY 2023/24 the State Department has an allocation of Kshs. 100 million for the operationalization of its investment platform PASHA however it has not yet received any funding for the project.</p> <p>xxvii.) The land in Special Economic Zones (SEZ) - Dongo Kundu was to be transferred to SEZ by Kenya Ports Authority, the owner of the land, for the construction of the SEZ. The Committee noted that there is a proposal not to transfer the land to Dongo Kundu such that KPA retains ownership of the land.</p> <p><b>State Department for Energy</b></p> <p>i.) There is need for the State Department and its respective SAGAs to conduct proper projections of AiA collections, since shortfall in projected collections will have to be addressed by downward revision of the corresponding expenditures in subsequent budgets. The review of local AIA by over 1 billion shillings a few months into the Financial Year is a pointer to a possibility that SAGAS are under- reporting on their potential to generate own revenue.</p> <p>ii.) There is a trend to reduce allocations to projects that had been identified for ring fencing under the BETA priority projects against the issued Supplementary Estimates I for FY 2023-24 treasury circular. The Committee noted the reduction of the allocation to the Last-Mile Connectivity project by over Kshs. 5 billion, which this is a key to enhancing universal access to electricity for all by 2030.</p> <p>iii.) There is a persistent issue of the shortage of meters and transformers at the KPLC. The Committee notes that this could one of the causes of commercial losses by KPLC which is eventually passed on to the consumers thus contributing to the higher costs of electricity. There is an urgent need to remedy this situation.</p> <p>iv.) The Green Climate Friendly (GCF) Cooking Stove Project whose expenditure item code is 1152111901 is erroneously captured as Grant AIA instead of a Grant</p>	<p><b>State Department for Energy</b></p> <p>i.) The Cabinet Secretary for the Ministry of Energy and Petroleum to initiate a review of the Appropriations in Aid projections for the SAGAs in the State Department in order to identify their full AiA potential to align the collections with the planned activities and reduce their dependence on the exchequer and subsequently submit the report to the National Assembly by 31st January 2024.</p> <p>ii.) The Cabinet Secretary for the Ministry of Energy and Petroleum to ensure that Kenya Power and Lighting Company(KPLC) in conjunction with the Rural Electrification and Renewable Energy Corporation(REREC) fast tracks the procurement of meters and transformers including from local</p>

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Departmental Committee	Observations	Non- Financial Recommendations
	<p>Revenue thus affecting disbursement and access of the funds by the implementing agency.</p> <p>v.) The State Department has an expenditure of Kshs. 2, 392,004,328 under Article 223 of the Constitution. The expenditure went to Eastern Electricity Highway Project (EEHP IDA) and Marakani Sub-Station(AfDB and EEHP). The Committee expresses its reservations on this trend as the same could have been introduced during the current Supplementary Estimates.</p> <p><b>State Department for Petroleum</b></p> <ol style="list-style-type: none"> <li>i. There is an increase in allocation to the Fuel Stabilization programme of Kshs. 4.5 billion which is sourced from the Petroleum Development Levy meant to compensate Oil Marketing Companies for Margins Foregone as well as clearing the pending bills owed to them. It is also critical to note that of the total allocation, the funding of Kshs.4.0 billion was approved by the National Treasury in line with article 223 of the constitution, on 19<sup>th</sup> July 2023 and 24<sup>th</sup> August 2023, to fully settle the outstanding pending bills owed to Oil Marketing Companies.</li> <li>ii. There is an ongoing process of identification of a strategic partner to turn around the National Oil Corporation of Kenya (NOCK). The Committee observes that this process has not been open to public scrutiny given the strategic importance of NOCK. There is need for the particulars of the process to be made public before the process is finalized.</li> </ol>	<p>assemblers who meet the standards and specifications pursuant to the Public Procurement and Asset Disposal Act, 2015 within 3 months upon adoption of the report in order to forestall litigation challenges as well as help address the meter and transformer shortages in the country.</p> <ol style="list-style-type: none"> <li>iii.) The Cabinet Secretary for the Ministry of Energy and Petroleum in conjunction with the Cabinet Secretary for the National Treasury to ensure strict adherence of treasury circular no 10/2023 issued on ring-fenced expenditures through timely engagement with technical staff from the National Treasury, the State Department and the respective SAGAs to ensure that the BETA projects are not rationalized in the preparation of subsequent supplementary budgets, within two months upon adoption of the report.</li> <li>iv.) The Cabinet Secretary for the Ministry of Energy and Petroleum in conjunction with the Cabinet Secretary for the National Treasury to ensure that only expenditure items that are in strict compliance with article 223 of the constitution and Regulations 40 of the PFM (National Government) Regulations 2015 are approved and money disbursed, in order to promote accountability and transparency in the</li> </ol>

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Departmental Committee	Observations	Non-Financial Recommendations
		<p>utilization of the funds within three months upon adoption of the report.</p> <p><b>State Department for Petroleum</b></p> <p>v.) The Cabinet Secretary for the Ministry of Energy and Petroleum in conjunction with the Cabinet Secretary for the National Treasury to furnish the Committee with a comprehensive report by 31st December 2023; which should include the utilization of the funds meant for the fuel stabilization programme since inception in April 2021 i.e. details on the date and amount of payments to be made, the oil companies that received payments and the amount in liters sold by each company, balance in the PDL account, who manages the programme, details on the results of the treasury bonds issued to offset the pending bills, the relevant legal anchoring including the relevant regulations for the fuel Stabilization programme and the official government policy towards the stabilization programme.</p> <p>vi.) The Cabinet Secretary for the Ministry of Energy and Petroleum to furnish the National Assembly with a comprehensive report on the progress made in onboarding of a non-equity strategic partner for the National Oil Corporation of Kenya(NOCK) within one month upon adoption of the report which</p>

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Departmental Committee	Observations	Non-Financial Recommendations
<p><b>19. Departmental Committee on Blue Economy and Irrigation</b></p>	<p><b>State Department for Blue Economy and Fisheries</b></p> <p>i.) The State Department has an overall reduction in its approved expenditure by Kshs. 647.4 million. This comprises of a reduction of Kshs. 47.4 million under recurrent expenditure and Kshs. 600 million under development expenditure.</p> <p>ii.) The reduction in recurrent expenditure will affect the operation and maintenance (O&amp;M) budget for the State Department Headquarters and the Kenya Fisheries Advisory Council. The Committee noted that the reductions were relatively small and will not adversely affect the performance of the State Department. The reduction in development expenditure will adversely affect the Marine Stock Fish Assessment exercise whose allocation of Kshs. 1.2 billion in the original budget estimates has been reduced by Kshs. 600 million. The Committee noted that the tender for the exercise has already been awarded and preparatory activities are already underway.</p> <p>iii.) The State Department had requested the National Treasury to fund some critical expenditures which could not be accommodated with the reduced budget allocation. These activities include:</p> <p>iv.) Kshs. 161 million for the Kenya Fisheries Service (KeFS) to implement the newly approved salary structure by SRC which took effect on 1<sup>st</sup> July 2023.</p> <p>v.) Kshs. 37 million for settlement of court awards;</p> <p>vi.) Kshs. 150 million for operationalization of 6 patrol boats donated by JICA for monitoring, control and surveillance activities within the marine and inland waters;</p> <p><b>State Department for Irrigation</b></p> <p>vii.) The State Department has an overall reduction in its approved expenditure by Kshs. 100.2 million. This comprises of a reduction of Kshs. 58.2 million under recurrent expenditure and Kshs. 42 million under development expenditure.</p>	<p>xx.) The State Department for Water and Sanitation, State Department for Irrigation and State Department for Blue Economy and Fisheries should furnish the Committee with a report detailing the sources and actual potential of Appropriations-in-Aid (AIA) collected by the State Departments and their respective Semi-Autonomous Government Agencies (SAGAs) by 31<sup>st</sup> January 2024. This will guide the Committee when making proposals for allocating resources to the State Departments and their SAGAs in future budgets.</p>

Departmental Committee	Observations	Non- Financial Recommendations
	<p>viii.) The reduction in recurrent expenditure will adversely affect the operation and maintenance (O&amp;M) budget for the State Department Headquarters since it reduces the allocation by 41 percent. The Committee noted that the implementation of the ongoing irrigation and water harvesting projects will be impacted since there will be lack of effective monitoring. Therefore, there is need to reinstate this reduction. The reduction in development expenditure were largely due to reduction in donor funding for a number of projects. The Committee noted that the reductions in most of these projects were relatively small and will not adversely affect their performances.</p> <p>ix.) The State Department had requested the National Treasury to fund some critical expenditures which could not be accommodated with the reduced budget allocation. These activities include:</p> <p>x.) Kshs. 42 million for the National Water Harvesting and Storage Authority (NWHSA) to implement the newly approved salary structure by SRC which took effect on 1<sup>st</sup> July 2023.</p> <p>xi.) Kshs. 500 million for Mwea Irrigation Development Project to pay for pending bills and to address foreign exchange losses due to the devaluation of the Kenya shilling;</p> <p>xii.) Kshs. 450 million for Bura Irrigation Project to pay for remaining works so that the project can be completed within its timelines;</p> <p>xiii.) Kshs. 1 billion for National Expanded Irrigation Programme to pay for pending bills;</p> <p>xiv.) Kshs. 1 billion for Siyoi-Muruny Dam to pay for ongoing works since the amount allocated in FY 2023/24 of Kshs. 700 million has all been utilized to pay for pending bills that had accumulated in previous years;</p> <p>xv.) Kshs. 196 million for Galana Kulalu Irrigation Project to pay for pending bills and fully implement the model farm.</p>	
	<p><b>State Department for Water and Sanitation</b></p> <p>xvi.) The State Department has an overall increment in its approved expenditure by Kshs. 382.9 million. This comprises of an increment of Kshs. 1.09 billion under</p>	

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Departmental Committee	Observations	Non-Financial Recommendations
	<p>recurrent expenditure and a reduction of Kshs. 711 million under development expenditure.</p> <p>xvii.) The increment in recurrent expenditure is largely due to an increase in Appropriations-in-Aid (AIA). The Committee noted that there were huge increments in AIA within less than 4 months after the commencement of the financial year. This indicated that the actual potential of AIA for the State Department and its SAGAs was not well understood. Therefore, there was need for an in-depth interrogation of the AIA sources under the State Department. The reduction in development expenditure were largely due to reduction in donor funding for a number of projects. The Committee noted that the reductions in most of these projects were relatively small and will not adversely affect their performances.</p> <p>xviii.) The Committee noted that the allocation for Masinga Dam Intake works was erroneously captured to fund an already existing intake on the Kitui County side instead of the proposed new intake on the Embu County side of the dam. This has led to a delay in absorption of the funds. Therefore, the funds needs to be moved to the correct project.</p> <p>xix.) The State Department had requested the National Treasury to fund some critical expenditures which could not be accommodated with the reduced budget allocation. These activities include:</p> <ul style="list-style-type: none"> <li>• Kshs. 35 million to cater for deficits in personnel emolument and housing levy for the SAGAs under the State Department;</li> <li>• Kshs. 1 billion to cater for land acquisition for buffer zone for Karimenu Dam.</li> <li>• Kshs. 45 million for settlement of court awards;</li> <li>• Kshs. 200 million for Northern Collector which is already complete but has a pending bill for construction of the tunnel.</li> <li>• Kshs. 250 million for the Kegongga Cluster Water Supply</li> </ul>	
<p>20. Departmental Committee on Regional Development</p>	<p><b>State Department for Devolution</b></p> <p>(i) In the FY 23/24, the State Department for Devolution had an approved budget allocation of <b>Kshs. 2,171.12 million</b> comprising of <b>Kshs. 1,878.12 million</b> for current expenditure and <b>Kshs. 293 million</b> for capital expenditure.</p> <p>(ii) Under the Supplementary Estimates No. 1 for the FY 23/24, the State Department's gross budget has been revised downwards by <b>Kshs. 477.16</b></p>	<p><b>State Department for ASAL's and Regional Development</b></p> <p>(i) The PS State Department for ASALS &amp; Regional Development should initiate a review of the AIA projections from the current <b>Kshs. 478.5</b></p>

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Departmental Committee	Observations	Non- Financial Recommendations
	<p>million representing a decrease of <b>Kshs. 240.16 million</b> under recurrent expenditure and <b>Kshs. 237 million</b> under development expenditure.</p> <p>(iii) The Committee observed that the Department's actual expenditures as at the end of September, 2023 stood at <b>Kshs. 329 million</b> representing an absorption rate of 51%. The expenditure comprised of <b>Kshs. 316 million</b> for recurrent expenditure and <b>Kshs. 13 million</b> for development expenditure.</p> <p>(iv) The proposed reduction on the State Department's budget will affect the following areas; Other operating expenses – <b>Kshs. 68.36 million</b>, Domestic travel – <b>Kshs. 39.44 million</b>, Communication, supplies and services – <b>Kshs 4.29 million</b>, purchase of furniture and specialized equipment – <b>Kshs 17.78 million</b>, Foreign travel – <b>Kshs 6.62 million</b>, Training expenses – <b>Kshs 9.84 million</b>, Routine maintenance – <b>Kshs. 14.76 million</b>, Office supplies – <b>Kshs 13.9 million</b>, refurbishment of building – <b>Kshs. 1.5 million</b>, Fuel expenses – <b>Kshs. 16.31 million</b>, and Hospitality supplies and services – <b>Kshs. 14.5 million</b>.</p> <p>(v) In the FY 2023/24, the State Department was implementing 4 development projects with a proposed expenditure of <b>Kshs. 293 million</b>, however under the Supplementary Estimates, three projects are proposed to experience budgetary cuts of <b>Kshs. 237 million</b>. These are Consolidating Gains &amp; Deepening Devolution in Kenya – <b>Kshs. 112 million</b>, Kisumu Convention Centre – <b>Kshs. 100 million</b>, and Maarifa Centre for Knowledge Management Among Counties – <b>Kshs. 25 million</b></p> <p>(vi) There was no provision for pending bills despite the State Department having accumulated pending bills amounting to <b>Kshs. 2.9 billion</b>. The bills include carryovers from FY 2022/23 as a result of budget rationalization and other historical bills relating to Africities Conference.</p> <p>(vii) The Committee noted that the National Treasury erroneously omitted <b>Kshs. 180 million</b> from the Supplementary Budget that had been approved for the State Department to cater for valuation of assets and transfer to devolved units.</p> <p>(viii) The Committee noted that the Intergovernmental Relations Technical Committee (IGRTC) requires a total of <b>Kshs. 138 million</b> to cater for gratuity for staff who contracts expired on November 2022, employer</p>	<p><b>million</b> for the RDAs by 31<sup>st</sup> March 2024 in order to identify their full AiA potential and align the collections with the planned activities thereby reducing dependence on the exchequer.</p>

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Departmental Committee	Observations	Non- Financial Recommendations
	<p>contributions to the Affordable Housing Levy (1.5%), NSSF, Motor vehicle maintenance and finalize on the asset transfer exercise.</p> <p>(ix) The State Department did not receive any funds under Article 223 of the Constitution.</p> <p><b>State Department for ASALs and Regional Development</b></p> <p>(i) In FY 23/24, the State Department for ASALs &amp; Regional Development had an approved estimate of <b>Kshs. 15,898.69 million</b>. This comprises <b>Kshs. 9,728.19 million</b> for recurrent expenditure and <b>Kshs. 6,170.5 million</b> for development expenditure.</p> <p>(ii) Under the Supplementary Estimates No. 1 for the FY 23/24, the State Department's gross budget was revised upwards by <b>Kshs. 5,993.93 million</b> comprising of an increase of <b>Kshs. 6,436.45 million</b> on account of recurrent expenditure and a reduction of <b>Kshs. 502.52 million</b> on account development expenditure.</p> <p>(iii) The Committee observed that the Department's actual expenditures as at the end of September, 2023 stood at <b>Kshs 3,478.9 million</b> representing an absorption rate of 17%. The expenditure comprised of <b>Kshs. 3,142.97 million</b> for recurrent expenditure and <b>Kshs 335.97 million</b> for development expenditure.</p> <p>(iv) The recurrent approved Estimates for the National Drought Management Authority (NDMA) was adjusted by <b>Kshs. 4,400 million</b> to cater for the Hunger Safety Net Programme cash transfer. However, the Committee noted that there was no change in the overall targets and outputs for the programme to match the increased allocation under the proposed Supplementary Budget.</p> <p>(v) The Committee noted that the under the proposed Supplementary Estimates, the State Department recurrent allocation (Relief and Rehabilitation) was increased by <b>Kshs. 1,999 million</b> out of which <b>Kshs. 746 million</b> for relief and rehabilitation interventions, supplies and services had already been spent under Article 223 of the Constitution. This allocation was to cater for relief interventions following the effects of the long drought from July to September 2023.</p>	

Consolidated Departmental Committee Observations and Non-Financial Recommendations for the FY 2023/24 Supplementary I Budget Estimates

Departmental Committee	Observations	Non- Financial Recommendations
	<p>(vi) The Kenya Development Response to Displacement Impact project development allocation has increased by <b>Kshs. 2,680 million</b> on account of exchange rate difference carry forward with <b>Kshs. 390 million</b> already spent under Article 223 of the Constitution. This is a World Bank funded project with the project scheduled to end in March 2024 after being granted a no-cost extension of 6 months from 31 December 2023.</p> <p>(vii) The Committee noted that the approved allocation of <b>Kshs. 3,707.4 million</b> for the 38 projects undertaken by the RDAs was reduced by <b>Kshs. 2,865.0 million</b>. This would have a huge impact on the Government's commitment to BETA projects as well as affect the ongoing works and overall completion of the projects. A total of seven (7) projects have had their allocations bought to zero.</p> <p>(viii) With the very little resource allocation the RDAs have implemented major livelihood projects and various mega projects aligned to the BETA priorities across the country that transformed the lives of many Kenyans and therefore, there is need to allocate more funds to the RDAs to support their programs.</p> <p>(ix) There was no provision for settling some of the long outstanding pending bills amounting to <b>Kshs. 3,044.08 million</b>. These pending bills were mainly incurred as a result of lack of exchequer releases.</p> <p>(x) The Committee noted that there was need to put long-term measures to combat the drought effect by funding water intervention projects like, drilling more boreholes, water pans and rehabilitating the existing boreholes to ensure there is enough water for the people of Kenya.</p>	

**MINUTES OF THE 84<sup>TH</sup> SITTING OF THE SELECT COMMITTEE ON BUDGET & APPROPRIATIONS HELD ON TUESDAY, 15<sup>TH</sup> NOVEMBER 2023 FROM 5.00 P.M. AT THE HILTON GARDEN INN HOTEL, MACHAKOS.**

**MEMBERS PRESENT**

1. **Hon. Ndindi, Nyoro, CBS, M.P.- Chairperson**
2. **Hon. Otucho, Mary Emaase, M.P.- Vice Chairperson**
3. Hon. Chumel, Samwel Moroto, M.P.
4. Hon. Odhiambo, Millie Grace Akoth, M.P.
5. Hon. (Dr.) Mulu, Makali Benson, M.P.
6. Hon. Lekuton, Joseph, M.P.
7. Hon. Lesuuda, Josephine Naisula, OGW, M.P.
8. Hon. Robi, Mathias Nyamabe, M.P.
9. Hon. Ochieng, David Ouma, M.P.
10. Hon. Muchira, Michael Mwangi, M.P.
11. Hon. Shinali, Bernard Masaka, M.P.
12. Hon. Mwakuwona, Danson Mwashako, M.P.
13. Hon. Atandi, Samuel Onunga, M.P.
14. Hon. Mwirigi, John Paul, M.P.
15. Hon. Mejjadonk, Benjamin Gathiru, M.P.
16. Hon. Wangaya, Christopher Aseka, M.P.
17. Hon. Wachira, Rahab Mukami, M.P.
18. Hon. Masara, Peter Francis, M.P.
19. Hon. Ongili, Babu Owino Paul, M.P.
20. Hon. Wanjiku, John Njuguna, M.P.
21. Hon. Guyo, Ali Wario, M.P.
22. Hon. (Dr.) Murumba, John Chikati, M.P.
23. Hon. Busia, Ruth Adhiambo Odinga, M.P.
24. Hon. Kitilai, Ole Ntutu, M.P.
25. Hon. Serгон, Flowrence Jematiah, M.P.
26. Hon. Mokaya, Nyakundi Japheth, M.P.
27. Hon. Abdirahman Mohamed Abdi, M.P.

**PARLIAMENTARY BUDGET OFFICE**

- |                           |                      |
|---------------------------|----------------------|
| 1. FA. Dr. Martin Masinde | Director, PBO        |
| 2. Mr. Robert Nyagah      | Deputy Director, PBO |
| 3. Millicent Makina       | Fiscal Analyst I     |
| 4. Dr. Abel Nyagwachi     | Fiscal Analyst I     |
| 5. Ms. Julie Mwithiga     | Fiscal Analyst I     |
| 6. Mr. Kioko Kiminza      | Fiscal Analyst III   |
| 7. Ms. Loice Olesia       | Fiscal Analyst III   |
| 8. Ringine Mutwiri        | Fiscal Analyst III   |
| 9. Solomon Alubala        | Fiscal Analyst III   |

## COMMITTEE SECRETARIAT

- |                        |                                   |
|------------------------|-----------------------------------|
| 1. Mr. Danson Kachumbo | Fiscal Analyst I/Lead Clerk       |
| 2. Mr. Jibril Mohamud  | Fiscal Analyst I/ Assistant Clerk |
| 3. Ms. Mercy Mayende   | Media Relations Officer           |
| 4. Mr. Nimrod Ochieng  | Audio Officer                     |
| 5. MS. Faith Makena    | Sergeant-at-arms                  |
| 6. Mr. Jared Amara     | Officer Assistant                 |

## AGENDA

1. *Prayers.*
2. *Preliminaries:*
3. *Adoption of the BAC reports:*
4. *Supplementary Estimates No. 1 for FY 2023/24*
5. *The Amendments by the Senate on the County Governments Additional Allocations Bill (National Assembly Bill No. 23 of 2023).*
6. *Any Other Business (A.O.B); and*
7. *Adjournment.*

## MIN.NO.NA/BAC/2023/406: PRELIMINARIES

The Chairperson welcomed the committee members to the meeting and called the meeting to order at 5.00 p.m. A prayer was said by Hon. Mokaya, Nyakundi Japheth, M.P. Thereafter, the committee confirmed and adopted minutes in the following manner:

1. Minutes to the 73<sup>rd</sup> sitting were proposed by Hon. Lesuuda, Josephine Naisula, OGW, M.P. and seconded by Hon. Wangaya, Christopher Aseka, M.P.
2. Minutes to the 74<sup>th</sup> sitting were proposed by Hon. (Dr.) Makali, Mulu, M.P. and seconded by Hon. Shinali, Bernard Masaka, M.P.
3. Minutes to the 75<sup>th</sup> sitting were proposed by Hon. Mejjadonk, Benjamin Gathiru, M.P. and seconded by Hon. Wanjiku, John Njuguna, M.P.
4. Minutes to the 76<sup>th</sup> sitting were proposed by Hon. Flowrence, Jematiah Sergon, M.P. and seconded by Hon. Kitilai, Ole Ntutu, M.P.
5. Minutes to the 77<sup>th</sup> sitting were proposed by Hon. Mwakuwona, Danson Mwashako M.P. and seconded by Hon. Robi, Mathias Nyamabe, M.P.
6. Minutes to the 78<sup>th</sup> sitting were proposed by Hon. Mokaya, Nyakundi Japheth, M.P. and seconded by Hon. Shinali, Bernard Masaka, M.P.
7. Minutes to the 79<sup>th</sup> sitting were proposed by Hon. (Dr.) Murumba, John Chikati, M.P. and seconded by Hon. Guyo, Ali Wario, M.P.

8. Minutes to the 80<sup>th</sup> sitting were proposed by Hon. Ochieng, David Ouma, M.P. and seconded by Hon. Mwirigi, John Paul, M.P.
9. Minutes to the 81<sup>st</sup> sitting were proposed by Hon. Shinali, Bernard Masaka, M.P. and seconded by Hon. Wachira, Rahab Mukami, M.P.
10. Minutes to the 82<sup>nd</sup> sitting were proposed by Hon. Shinali, Bernard Masaka, M.P. and seconded by Hon. Mwakuwona, Danson Mwashako M.P.
11. Minutes to the 83<sup>rd</sup> sitting were proposed by Hon. Flowrence, Jematiah Serгон, M.P. and seconded by Hon. Mwirigi, John Paul, M.P.
12. Minutes to the 84<sup>th</sup> sitting were proposed by Hon. Wanjiku, John Njuguna, M.P. and seconded by Hon. Mwirigi, John Paul, M.P.

#### **MIN.NO.NA/BAC/2023/407: ADOPTION OF THE AGENDA**

The agenda of the meeting was adopted as having been proposed and seconded by The Hon. Guyo, Ali Wario, M.P. and The Hon. Wachira, Rahab Mukami, M.P. respectively.

#### **MIN.NO.NA/BAC/2023/408: ADOPTION OF THE DRAFT REPORT ON THE ANALYSIS OF THE SUPPLEMENTARY ESTIMATES NO. 1 FOR FY 2023/24**

The Parliamentary Budget office took members through the draft report. The report was proposed by Hon. Mwirigi, John Paul, M.P. and seconded by Hon. Mokaya, Nyakundi Japheth, M.P. After deliberations the report was **ADOPTED** with the following observations and recommendations as follows:

#### **OBSERVATIONS AND RECOMMENDATIONS**

1. Based on these extensive consultations and deliberations the Committee took note of the following overarching observations:

##### **A. Overarching Observations**

- i. Appropriations-in-aid:** there is an observed tendency of MDAs adjusting their appropriations-in-aid upwards during the supplementary budget process and subsequently collecting higher AIA than initially budgeted for. Accurate estimation of AIA collection is critical as it will reduce reliance on the exchequer thereby freeing up resources to be utilized for other critical spending needs.
- ii. Budget Rationalization of Critical Programmes:** in some spending agencies, the budget cuts have affected critical programmes such as salaries, central operational expenses; as well as vital development programmes that are already under implementation. Some of these expenditure cuts require a review in order to maintain operations in these ministries, departments and agencies.

**iii. Pending regulations for the operationalization of Funds:** regulations are yet to be implemented for the operationalization of critical Funds such as the National Housing Development Fund and the Social Health Insurance Fund.

**iv. Budgeting for Results:** despite expenditure changes either reducing or increasing funding for various programmes/projects, some of the KPIs remain the same. This raises concern over whether the expenditure estimates are actually tied to the outputs/outcomes.

**v. Unfunded Requests:** The Committee received additional requests for funding amounting to Kshs. 85,063,841,756 However, given the constrained fiscal space, the same could not be accommodated in the current supplementary estimates. These requests are attached to this report as the fourth schedule.

## **B. Non- Financial Recommendations**

### **Appropriations-in-Aid**

- i) That, upon adoption of this report, accounting officers of all Ministries, Departments and Agencies should declare their accurate projection of Appropriations in Aid collections at the beginning of the financial year. Any significant revision in AIA within the financial year will result to an equivalent reduction in exchequer funding for the entity.

### **Revenue consolidation**

- ii) That, within sixty (60) days upon adoption of this report, the National Treasury to provide a detailed report to the National Assembly on the cash surplus funds held in the bank accounts of all State-owned agencies/Parastatal as at 30<sup>th</sup> November, 2023.
- iii) That, to consolidate national government revenue and enhance efficiency in liquidity management, the National Treasury should fast-track implementation of the national government single account framework and must ensure the treasury single account is operational by 31<sup>st</sup> March 2024.

### **Pending Laws and Regulations**

- iv) That, the Cabinet Secretary Ministry of Land, Public Works, Housing & Urban Development should expedite the development of the National Housing Development Fund Regulations and submit to the National Assembly by 31<sup>st</sup> March 2024.
- v) That, the State Department for Lands and Physical Planning through the appointed Inter-Ministerial taskforce, fast tracks the legislative proposals on land rates charges and submits a report to Parliament within six months upon adoption of this report.
- vi) That, by 30<sup>th</sup> March 2023, the State Department for Medical Services should submit to the National Assembly a report on the roadmap of operationalization of the four Universal Health Coverage (UHC) Acts. This should also include the status of the regulations governing the Social Health Insurance Fund (SHIF).
- vii) That, by 31<sup>st</sup> December 2023, the Ministry of Investment, Trade and Industry should submit to the National Assembly the framework for implementation of the Exports

Promotion and Investment Levy with details of the specific objectives of the levy as well as a statement indicating amount collected by the time of submission of the framework.

### **Sports**

viii) That, by 31<sup>st</sup> December 2023, the State Department for Sports should submit to the National Assembly a comprehensive report on the country's preparedness for the AFCON 2027 games including the earmarked stadia, amount of resources required for construction of the necessary infrastructure and adequate funding for the National Team.

### **Trade, Industry and Cooperatives**

ix) That, within 90 days upon adoption of this report, the Ministry of Investment, Trade and Industry and the Ministry of Cooperatives and MSMEs Development should hold consultative engagements to review their roles in implementation of the BETA value chains with a view to identify areas with duplication and complementarity of functions and submit a report to the National Assembly on how this will be addressed.

### **Energy**

x) That, upon adoption of this report, the Kenya Power and Lighting Company (KPLC) in conjunction with the Rural Electrification and Renewable Energy Corporation (REREC) under supervision of the Cabinet Secretary, Ministry of Energy and Petroleum, fast tracks procurement of meters and transformers particularly from local assemblers who meet the standards and specifications as per the Public Procurement and Asset Disposal Act, 2015.

xi) That, by 31<sup>st</sup> December 2023, The Cabinet Secretary Ministry of Energy and Petroleum furnishes the National Assembly with a comprehensive report on the fuel stabilization programme since inception in April 2021. The report should include details on the date and amount of payments made, the oil companies that received payments, amount in litres sold by each, pending payments to each, balance in the PDL account, who manages the programme, details on the results of the treasury bonds issued to offset related pending bills, relevant legal anchoring instruments including the relevant regulations for the Fuel Stabilization programme and the official government policy on fuel stabilization programme.

### **Social Protection**

xii) That, in the next budget cycle for financial year 2024/2025, the National Treasury considers the re-classification of the development expenditure for the National Council for Persons with Disability, particularly the funding for assistive devices, education assistance, tools of trade, LPO financing and supporting self-help groups, from development expenditure to recurrent expenditure since these expenditure items are recurrent in nature.

### **Postal Corporation of Kenya**

xiii) That, before submission of the 2024 Budget Policy Statement (BPS) the National Treasury should develop and put in place a mechanism to fast-track payment of the

outstanding debt owed by various government entities to the Postal Corporation of Kenya including ring-fencing part of the allocations to those entities for the debt settlement.

### **C. Financial Recommendations**

The Committee further recommends that the House:

#### **a. Expenditure under Article 223**

- I. approves Kshs: **1,736,121,765** spent under Article 223 of the Constitution in respect of Votes contained in the THIRD SCHEDULE.

#### **b. Overall Supplementary Appropriations**

- II. approves an increment of the total recurrent expenditure for Financial Year 2023/2024 by Kshs. 90,717,383,737 in respect of the Votes contained in the FIRST SCHEDULE
- III. approves a reduction of the total capital expenditure for Financial Year 2023/2024 by Kshs. 24,515,810,722 in respect of the Votes contained in the FIRST SCHEDULE;
- IV. approves an overall increment in the total budget for Financial Year 2023/2024 by Kshs. 66,201,573,015 in respect of the Votes contained in the FIRST SCHEDULE;
- V. resolves that the FIRST and SECOND SCHEDULE forms the basis for the introduction of the First Supplementary Appropriation Bill, 2023.

**MIN. NO.NA/BAC/2023/409: ADOPTION OF THE DRAFT REPORT ON THE AMENDMENTS BY THE SENATE ON THE COUNTY GOVERNMENTS ADDITIONAL ALLOCATIONS BILL (NATIONAL ASSEMBLY BILL NO. 23 OF 2023).**

The Parliamentary Budget office took members through the draft report. The report was proposed by Hon. (Dr.) Murumba, John Chikati, M.P. and seconded by 23. Hon. Busia, Ruth Adhiambo Odinga, M.P. After deliberations the report was **ADOPTED** as follows:

### **OVERVIEW OF THE BILL**

The County Governments Additional Allocations Bill, (National Assembly Bills No. 23) was passed by the National Assembly on 27th June 2023. Consequently, and in accordance with Article 110(4) of the Constitution and Standing Order 142 of the National Assembly Standing Orders, the Bill was referred to the Senate for concurrence.

The County Government Additional Allocations Bill is primarily meant to provide for additional allocations to counties pursuant to Article 190 and Article 202(2) of the Constitution. The enactment of the Bill will facilitate the transfer of conditional and unconditional allocations from the Consolidated Fund to the respective County Revenue Funds and Special Purpose Accounts.

The County Government Additional Allocations Bill for the Financial Year 2023/2024 contains four different types of conditional and unconditional allocations, with varying sources of funding. The four are as follows:

- i. Conditional allocation to County Governments from National Government Revenue in FY 2023/24;
- ii. Unconditional allocations to County Governments from Court Fines and Minerals Royalties in FY 2023/24;
- iii. Conditional allocations to County Government from Loans and Grants from Development Partners in FY 2023/24; and
- iv. The National Government's Expenditure on Devolved Functions Converted to Additional Conditional Grants to County Governments for FY 2023/24.

The National Assembly considered and approved the Bill with a total additional allocation of Kshs. **56,180,983,514** to counties for the FY 2023/24.

The allocation was divided in four schedules as follows:

**The First Schedule** provides for additional allocations from the national government's share of revenue totaling **Kshs. 15,816,000,000**. The following are the projects to be implemented:

- i. Supplement for construction of County Headquarters **-454,000,000**
- ii. Leasing of Medical Equipment **-5,862,000,000**
- iii. Aggregated Industrial Parks Programme for 18 counties; each allocated Ksh.250 million (Ksh. 4,500,000,000); and **Kshs. 200,000,000** allocated to the state department for industry for operationalization activities of the programme.
- iv. Fertilizer Subsidy Program-Ksh. **5,000,000,000**

**The Second Schedule** provides for unconditional allocations to county governments from Court fines and Mineral Royalties amounting to **Kshs. 3,043,584,126**. Specific allocations are as follows:

- i. Kshs. 108,660,979 for the allocation of Court fines and;
- ii. Kshs. 2,934,923,147 allocations for Mineral Royalties.

**The Third Schedule** provides for conditional allocations from proceeds of loans and grants from development partners totaling **Kshs. 33,192,137,406**. The following are the projects to be implemented:

- i. IDA-(World Bank) credit (National Agricultural and Rural Inclusive Growth Project - **NARIGP**) of **Kshs. 3,150,000,000**
- ii. IDA-(World Bank) credit National Agricultural Value Chain Development Project (**NAVCDP**) - **Kshs. 8,250,000,000**
- iii. IDA-(World Bank) - Kenya Climate Smart Agriculture Project (**KCSAP**) of **Kshs. 2,160,000,000**
- iv. IDA (World Bank) credit: Water & Sanitation Development Project of **Kshs. 5,350,000,000**

- v. DANIDA Grant - Primary Health Care in Devolved Context of **Kshs. 577,500,000**
- vi. IDA (World Bank) Credit (Financing Locally- Led Climate Action (FLLoCA) Program, County Climate Institutional Support (CCIS) **Grant of Kshs. 517,000,000**
- vii. Sweden- Agricultural Sector Development Support Programme (ASDSP) II of **Kshs. 72,797,253**
- viii. German Development Bank (KfW)- Drought Resilience Programme in Northern Kenya (DRPNK) of **Kshs. 465,000,000**
- ix. World Bank - Emergency Locust Response Project (ELRP) of **Kshs. 2,302,630,288**
- x. World bank - Kenya Informal Settlement Improvement Project (KISIP II) of **Kshs. 3,269,530,746**
- xi. Kenya Livestock Commercialization Project (KELCLOP) of **Kshs. 344,300,000**
- xii. Aquaculture Business Development Project (ABDP) of **Kshs. 245,879,120**
- xiii. IDA (World Bank) Credit (Financing Locally- Led Climate Action (FLLoCA) Program, County Climate Resilience Investment (CCRI) **Grant of Kshs. 6,187,500,000**

The Fourth Schedule contains the national government expenditures on devolved functions converted to additional conditional grants, totaling **Kshs. 4,129,261,981**. The resources are allocated to the following three projects:

- i. The Livestock Value Chain Support Project of **Kshs. 1,642,868,400**
- ii. De-Risking and Value Enhancement (DRIVE) Project of **Kshs. 2,165,507,080**
- iii. Kenya Marine Fisheries and Socio-Economic Development (KEMFSED) project of **Kshs. 320,886,501**

#### **AMENDMENTS BY THE SENATE**

The Senate considered the County Governments Additional Allocations Bill, (National Assembly Bills No. 23 of 2023) as approved by the National Assembly, and passed it with the following amendments:

- i. Insertion of a new paragraph (e) under Clause 5(5) to provide for conditional allocations for the transfer of library services. Consequently, the first schedule was amended to include column F- which set out the allocation of Kshs. 424.6 million towards the transfer of the library services.

The basis for this amendment is the inclusion of the Ksh. 425 million allocations for the transfer of library services in the equitable share during the division of revenue process; which was subsequently shared among all counties as opposed to the 33 benefiting counties, using the revenue sharing formula. It is notable that, the library staff working in 33 counties have since

been transferred to the respective county governments at the beginning financial year 2023/24. As such, the payroll cost is expected to be met by those particular county governments.

- ii. Insertion of a new paragraph(n) in subclause (6) immediately after paragraph (m)- to include conditional allocations financed by a grant from the German Development Bank (KfW) to finance Locally-Led Climate Action Program (FLLoCA) – (County Climate Resilience Grant). Subsequently, the Third Schedule was amended to include column P setting out an allocation of Kshs. 1,200 million to sixteen counties.

This amendment is informed by submissions made by the National Treasury to the Senate to include this allocation in the Bill to be implemented in the following sixteen counties: Trans-Nzoia, Uasin-Gishu, Elgeyo-Marakwet, Nandi, Kericho, Bomet, Kakamega, Vihiga, Bungoma, Busia, Siaya, Kisumu, Homa Bay, Migori, Kisii and Nyamira. The criteria for allocation of the Kshs.1.2 billion shall be as set out in section 5(6)(n) of the County Government Additional Allocations Act, 2023.

- iii. Clause 5 in subclause (9) is amended by inserting the expression “(4), (5), (6) and (7)” immediately after the words “subsection (2)”. The rationale for this is to ensure that all conditional additional allocations are disbursed to County Governments directly by the National Treasury as opposed to the implementing agencies at the national level.
- iv. Other amendments entail minimal changes to the texts of the Bill meant to perfect the wording and flow of the Bill. These amendments do not have any significant changes to the contents and objective of the Bill as approved by the National Assembly.

#### COMMITTEE OBSERVATIONS.

The committee considered the amendments by the Senate and made the following observations:

- v. **Conditional allocations for the transfer of library services to the County Governments:** The library staff of the thirty-three (33) counties have already been transferred to the respective county governments hence their payroll costs is expected to be met by these particular counties. However, some of the counties did not receive the full amounts due to them since the allocation for libraries that was undertaken during the Division of Revenue Process was divided amongst all the 47 counties. The committee notes with concern that due to the constrained fiscal space, it will be a challenge to allocate an additional Ksh.425 million to counties for this purpose.
- vi. **Amendment to disburse all conditional additional allocations by the National Treasury directly to County Governments as opposed to**

**implementing MDAs:** this amendment will negate the purpose of the conditions attached to the allocations especially those allocations channeled through the Ministries, Departments and Agencies (MDAs). It may also adversely affect national government oversight over these conditional projects.

vii. **Changes in the Supplementary Estimates 1 of FY 2023/24:** The supplementary Estimates No. 1 for FY 2023/2024 has made several adjustments to the additional allocations for counties which necessitates a complete overhaul of the Bill in its entirety in order to accommodate these changes. This will adversely affect county budget implementation as counties will have to revise their FY 2023/2024 budgets including the targets in order to reflect this outcome. Specific changes are with regard to the following:

- a) The allocation towards the Leasing of Medical Equipment was revised to zero from an initial allocation of Kshs.5.862 billion.
- b) The County Integrated Agro-Industrial Parks was reduced by Kshs.100 million from the original allocation of Kshs. 4.7 billion to Kshs.4.6 billion. The number of industrial parks was also revised down by two counties, from the initial 18 to 16 counties.
- c) The fertilizer subsidy program was enhanced by Kshs.8.25 billion from the initial Kshs. 5 billion.
- d) Most of the donor funded projects had inconsistent allocations in the Supplementary 1 budget of FY 2023/24 in comparison to the amounts provided in the Bill.

#### **COMMITTEE RECOMMENDATIONS**

Having considered the above matters, the committee recommends that this House **REJECTS** the Senate amendments to the County Governments Additional Allocations (CGAA)Bill.

**MIN.NO.NA/BAC/2023/410: ANY OTHER BUSINESS & ADJOURNMENT**

There being no other matters to consider, the meeting was adjourned at 9.00 p.m. The  
the next meeting will be communicated at a later date.

**SIGNED**



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**HON.NDINDI NYORO, CBS, M.P.**

**CHAIRPERSON, BUDGET AND APPROPRIATIONS COMMITTEE**



.....  
**DATE**