

REPUBLIC OF KENYA



*Enhancing Accountability*

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**REPORT**

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**OF**

**THE AUDITOR-GENERAL**

**ON**

**STATE DEPARTMENT FOR TRADE**

**FOR THE YEAR ENDED  
30 JUNE, 2024**

P. O. Box

21 SEP 2024



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**STATE DEPARTMENT FOR TRADE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**JUNE 30, 2024**

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**Prepared in accordance with the Cash Basis of Accounting Method under the International  
Public Sector Accounting Standards (IPSAS)**

***State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024***

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<b>Table of Contents</b>	<b>Page</b>
1. Acronyms and Abbreviations .....	ii
2. Key Entity Information and Management .....	iii
3. Statement of Governance .....	xvii
4. Statement by the Cabinet Secretary .....	xviii
5. Statement by the Principal Secretary / Accounting Officer .....	xxi
6. Statement of Performance Against Predetermined Objectives for the FY2023/24 .....	xxiv
7. Management Discussion and Analysis .....	xxxix
8. Environmental and Sustainability Reporting .....	xliii
9. Statement of Management Responsibilities .....	lii
10. Report of the Independent Auditors of the Financial Statements for the State Department for Trade .....	liv
11. Statement of Receipts and Payments for the Year ended 30 <sup>th</sup> June 2024.....	1
12. Statement of Financial Assets and Financial Liabilities As At 30 <sup>th</sup> June 2024.....	2
13. Statement of Cash Flows for The Year Ended 30 <sup>th</sup> June 2024 .....	3
14. Statement of Comparison of Budget and Actual Amounts for FY 2023/2024 .....	4
15. Notes to the Financial Statements .....	10
16. Annexes .....	27

**1. Acronyms and Abbreviations**

AfCFTA	African Continental Free Trade Area
AGOA	African Growth and Opportunity Act
AGPO	Access to Government Procurement Opportunities
A.I.A	Appropriation In Aid
AIE	Authority to Incur Expenditure
BETA	Bottom-Up Economic Transformation Agenda
CEPA	Comprehensive Economic Partnership Agreement
CET	Common External Tariff
CFO	Chief Finance Officer
CFTA	Continental Free Trade Area
COMESA	Common Market for Eastern and Southern Africa
EAC	East African Community
EPA	Economic Partnership Agreement
FDI	Foreign Direct Investment
FTA	Free Trade Area
FY	Financial Year
HAU	Head of Accounting Unit
INEDPS	Integrated National Export Development and Promotion Strategy
IPSAS	International Public Sector Accounting Standards
KeNHA	Kenya National Highways Authority
KETRA	Kenya Trade Remedies Agency
KOMEX	Kenya National Multi-Commodities Exchange
KPC	Kenya Pipeline Company
KYEOP	Kenya Youth Empowerment Opportunities Project
MTP	Medium Term Plan
MOU	Memorandum of Understanding
MSME	Medium Small and Micro Enterprise
NTBs	Non-tariff barriers
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
PBB	Program Based Budgeting
PFM	Public Finance Management
PPAD	Public Procurement and Disposal
SDT	State Department for Trade
SMEs	Small and Micro Enterprise
STIP	Strategic Trade and Investment Partnership
UNCTAD	U N Trade and Development
WTO	World Trade Organization

## **2. Key Entity Information and Management**

### **(a) Background information**

The Ministry of Investments Promotion, Trade and Industry was created through Presidential Executive Order No. 2 of November 2023 on Organization of the Government of the Republic of Kenya. During the period under review, at the Cabinet level, the State Department for Trade was represented by then Cabinet Secretary Hon. Rebecca Miano, EGH, who is responsible for providing the general policy and strategic direction of the Ministry.

The Ministry is made up of three State Departments namely: The State Department for Investments Promotion; State Department for Trade and the State Department for Industry. Each of the State Department is headed by a Principal Secretary responsible for coordination of formulation and implementation of policies, programmes and projects.

The following are the Principal Secretaries in charge of the three State Departments:

- |      |                               |  |
|------|-------------------------------|--|
| i.   | Mr. Abubakar Hassan Abubakar  | - State Department for Investments Promotion |
| ii.  | Mr. Alfred Ombudo K'Ombudo    | - State Department for Trade                 |
| iii. | Dr. Juma Mukhwana, Ph. D, CBS | -State Department for Industry               |

### **Vision, Mission, Core Values and Core Mandate**

The following is the Vision, Mission, Core Values and Core Mandate of the State Department for Trade:

#### **Vision**

To be a globally competitive and sustainable trade sector.

#### **Mission Statement**

To facilitate domestic and external trade, private sector development and regional integration by championing an enabling environment for domestic and export trade to thrive and creating opportunities for new markets.

#### **Core values**

- i. Integrity
- ii. Professionalism
- iii. Collaboration
- iv. Citizen-centred
- v. Respect for Diversity
- vi. Team work
- vii. Responsiveness
- viii. Ethical

## **Mandate of State Department for Trade**

The Executive Order No. 2 of 2023 on Organization of the Government of the Republic of Kenya, November 2023 placed the function of trade under the State Department for Trade in the Ministry of Investments Promotion, Trade and Industry. Specifically, the functions of State Department for Trade include: Trade Policy; Export Development and Promotion; Promote E-Commerce; Trade Negotiations and Advisory Services; Champion Trade Integration in the Common Market for Eastern and Southern Africa (COMESA), Continental Free Trade Area (CFTA), Economic Partnership Agreements (EPA), African Continental Free Trade Area (AfCFTA) etc.; Liaising and coordinating with UNCTAD and WTO on Trade Matters; Enforcement of International Trade Laws, Negotiations and Agreements; Protection of Kenyan goods against Dumping and Subsidized imports and recommending of Countervailing Measures; Coordination of Multi-Agency Task Force on the Elimination of Illicit Trade and Counterfeits; Liaison with International Trade bodies for National Development; Management of Weights and Measurement in Trade; Promotion and Regulation of the Wholesale and Retail Trade; and Promotion of Fair-Trade Practices and Consumer Protection.

### **(b) Key Management**

The State Department for Trade implements its core mandate through five (5) Technical Departments while the General Administration Directorate which provides auxiliary services to support the technical departments achievement the set objectives as spelt out in the Strategic Plan. The technical departments are coordinated by the Office of Secretary Trade while support function is coordinated by Office of Secretary Administration. The following are the directorates responsible for the implementation of the core mandate of the State Department:

- i. General Administration, Planning and Support Services;
- ii. Department of Internal Trade;
- iii. Department of External Trade;
- iv. Department of Weights and Measures; and
- v. Department of Trade Policy Research and Analysis.

### **Semi-Autonomous Government Agencies/ Institutions**

In order to deliver on its mandate, the State Department for Trade is supported by a number of Semi-Autonomous Government Agencies (SAGAs) and one advisory committee. These include:

- i. Kenya Export Promotion and Branding Agency (KEPROBA);
- ii. Kenya National Trading Cooperation (KNTC);
- iii. Kenya Trade Remedies Agency (KETRA);
- iv. Warehouse Receipt Systems Council (WRSC);
- v. Kenya National Multi-Commodities Exchange (KOMEX); and
- vi. Kenya Consumers Protection Advisory Committee (KECOPAC).

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2024 and who had direct fiduciary responsibility were:



**Hon. Salim Mvurya, EGH**  
Cabinet Secretary, Ministry of Investments,  
Trade and Industry

Hon. Salim Mvurya, EGH, currently serves as the Cabinet Secretary for Investments, Trade, and Industry in the Government of Kenya having been appointed to this position in August, 2024. With extensive experience in leadership, development, and management, Mvurya is recognized for his immense expertise in both governmental and non-governmental sectors at the national and international levels.

As Cabinet Secretary, he focuses on enhancing the business climate by addressing policy and regulatory bottlenecks, encouraging backward linkages, and creating benefits for local producers and investors in Special Economic Zones (SEZs) and Export Processing Zones (EPZs). He is also dedicated to collaborating with County Governments to spur economic growth through the development of County Aggregation Industrial Parks (CAIPs), aiming for broad-based economic resurgence.

Mvurya's experience includes serving in the Ministry of Mining, Blue Economy, and Maritime Affairs, where he played a key role in implementing strategic management practices that fostered key reforms in the ministry. He was instrumental in introducing a transformative management model that revitalized mining, blue economy and maritime activities.

Prior to his current role, Mvurya served as the Governor of Kwale County for two consecutive terms (2013-2022). During this period, he was also the Vice Chairman of the Council of Governors for two terms, where his leadership was noted for its commitment to devolution and inclusive governance.

Mvurya holds a master's degree in Participation, Power, and Social Change from the Institute of Development Studies, University of Sussex, UK and a Bachelor's degree in Agri-Business Management from Egerton University. His academic achievements are complemented by a deep well of practical experience in governance and public administration.

Mvurya's leadership is characterized by his unwavering dedication to public service continues to shape Kenya's economic landscape, positioning the country as a leading player in regional and global trade.



**Mr. Alfred Ombudo K'Ombudo**  
Principal Secretary  
State Department for Trade.

Mr. Alfred K'Ombudo is a highly acclaimed and multi-award-winning advisor with a distinguished career in offering innovative solutions to complex development challenges faced by African governments. With experience spanning over 14 African countries and a remarkable track record in international organizations, he has played a pivotal role in shaping economic development, trade, and investment projects across the continent.


**Key Achievements and Roles:**

**Advisory Roles:** Alfred has provided strategic counsel and guidance to various African governments on intricate development issues, earning recognition for his expertise and impact.

**World Bank and International Finance Corporation (IFC):** His tenure at these institutions involved the design and implementation of ground-breaking projects that advanced economic development, trade, and investment in Africa.

**UNDP:** Alfred's contributions to the United Nations Development Programme further underscore his commitment to addressing critical development challenges.

**East Africa Trade & Investment Hub and International Trade Centre:** His leadership in these organizations contributed significantly to enhancing trade and investment opportunities in the East African region and beyond.

	<p>Notable Projects: Alfred's portfolio includes being the Chief Negotiator role for the Kenya-EU Economic Partnership Agreement, advising the Government of Mozambique during its accession to the SADC Free Trade Area, providing insights to the Nigerian Presidency on the African Peer Review Mechanism, and spearheading the development of the EAC Common Market Scorecard an advisory project requested by the EAC secretary General</p> <p>Accolades: Mr. K'Ombudo's exceptional contributions to the field have earned him several prestigious accolades, including being named among Kenya's Top 40 Under 40, recognition as a laureate of the Choiseul 100 Economic Leaders of Africa, and recipient of the International Finance Corporation's Knowbel Award for Excellence.</p> <p>Alfred K'Ombudo's dedication to solving complex development challenges, coupled with his extensive experience and innovative thinking, has left an indelible mark on African economies and solidified his reputation as a prominent leader in the field of economic development and trade.</p>
 <p>Mr. Michael Sali Mandu Ag. Secretary Trade</p>	<p>Michael Sali Mandu is a committed and dedicated civil servant who has a distinguished career in both public service of the Republic Kenya His work spans thirty and covers a wide spectrum of national and international assignments. Leading a team of 150 technical officers dealing Kenya's trade at both Domestic and international level. He has served in the trade sector and risen through the ranks from entry level to current level. The role oversees implementation of Kenya's domestic trade policy to ensure the trade sector contributes significantly to Kenya economic, growth and employment creation. On the global front, we maintain an international view on export trade performance and investment relations with international partners by addressing policy challenges in foreign countries that could impact negatively on Kenya's trade, investment and tourism, and supervision of trade officials based at Kenyan Missions Abroad; and overseeing implementation of international trade agreements, etc.</p> <p>He also served a seven and half year stint in the Foreign Service, as a trade representative at the Kenya High Commission in London. He also served the secretary to the Committee and Taskforce that merged the Export Promotion Council and Brand Kenya Board into the Kenya Export Promotion and Branding Agency.</p> <p>During the outbreak of the Covid-19 pandemic, he co-chaired the Business Situation Room established by the former CS for industrialization, Trade and Enterprise Development to develop policy guidelines and other interventions that enabled businesses operate through the pandemic. He as well as headed the technical Secretariat negotiating the recently concluded and signed Economic Partnership Agreement between Kenya and the United Kingdom, and Economic Partnership Agreement between Kenya and the European Union.</p>



**Mr. M'mbetsa Omar Bejah**  
Ag. Secretary of Administration

Mr. M'mbetsa Omar Bejah is a highly accomplished professional with extensive experience in public administration. Currently serving as the Acting Secretary of Administration at the State Department for Trade, he plays a crucial role in ensuring the department's efficient operations.

**Educational Background**

Mr. Bejah holds a Bachelor of Arts in Political Science from Moi University.

**Professional Experience**

Over the past 30 years, Mr. Bejah has amassed significant expertise in managing government affairs. His distinguished career includes roles such as District Officer, District Commissioner, County Commissioner, and Senior Deputy Secretary in addition to his current role. His leadership and administrative acumen have consistently contributed to the effective governance and execution of public service initiatives.



**Dr. Fred Masibo Simiyu**  
Director Research and Trade Policy Analysis

Dr. Fred Masibo Simiyu is the Director of, the Research and Trade Policy Analysis Directorate under the State Department of Trade.

He has a Ph.D. degree in Entrepreneurship from Jomo Kenyatta University, an MSC degree in Entrepreneurship from Moi University, and a BSC degree in Chemistry from Kenyatta University

He has attended several management courses locally and internationally such as the Strategic Leadership Development programme from Kenya School of Government, Business Development Services from Jomo Kenyatta University, Machinery, and Electronic Industry for Developing Countries from the Institute of International Business Relations, Beijing, China alongside other courses. He has experience in financial and project management attained in both National and County Governments with 30 years of service/experience.



**CPA Tom M. Odundo**  
**Senior Deputy Accountant General**  
**Head, Accounts Unit**

CPA Tom M. Odundo a Senior Deputy Accountant General is currently the Head of Accounts Unit, State Department for Trade

He holds a Master's Degree in Business Administration from The University of Nairobi and a Bachelor's Degree in Commerce from the Catholic university of Eastern Africa.

CPA Odundo is a member of Institute of Certified Public Accountants of Kenya (ICPAK) and Institute of Certified Investment and Financial Analysts Kenya (ICIFA) in good standing. He has vast experience in accounting in the civil service for over 25 years.



**CPA. Nicholas Kamau**  
**Senior Chief Finance Officer**  
**Head of Finance Department**

CPA Nicholas Kamau is an accomplished professional serving as the Head of the Finance Department within the State Department for Trade.

Education: He is holding a Master of Science Degree in Finance and Investment and Bachelor of Commerce degree both from KCA University

Professional Membership:

He is a distinguished Member of the Institute of Certified Public Accountants of Kenya (ICPAK), maintaining an impeccable standing within the institute.

Extensive Experience:

He has over 23 years of dedicated service in the Civil Service,



**Mr. Kennedy O. Nyokwoyo**  
Ag. Director Internal Trade

Mr. Kennedy O. Nyokwoyo is the Acting Director Internal Trade, State Department for Trade, Ministry of Investments, Trade and Industry.

He holds a Master's Degree in Business Administration (Strategic Leadership and Management), from St. Paul's University and a Bachelor's Degree in Commerce, from the University of Nairobi.

Mr. Nyokwoyo joined the service as a lecturer at the Kenya Institute of Business Training in the then Ministry of Commerce in 1992

He has a wealth of experience on trade development as well as on trade policy formulation, implementation and review.



**Mr. Josiah Rotich**  
Ag. Director External Trade

Joseah Rotich has long-term experience in Trade and Development Policy spanning over 30 years. In addition, he has wide experience in spearheading negotiation for trade agreements, among them as lead negotiator and/or Kenya's Chief Negotiator are:

EAC-EU EPA, Kenya-UK, Kenya – EU, AfCFTA, COMESA—EAC-SADC Tripartite FTA, Review of EAC- Rules of Origin, EAC-CET review-in 2015 & 2022,

Chaired AfCFTA Technical Working Group on Rules of Origin for three terms; He has also worked at the Kenya Embassy in Brussels, as a Commercial Counselor for over 6 years (2002-2009) accredited to the European Union, Belgium and Luxemburg, and covering activities of the African, Caribbean, and Pacific (ACP) Group of States and World Customs Organizations (WCO) activities.

Holder of Post Graduate Degree on International Economic Law from University of Brussels (ULB), Diploma in Multilateral Diplomacy (Effective Conferencing) from United Nation Institute for Trade and Research (UNITAR) and a Bachelor of Arts (Economics) from Moi University, among other several training on trade policy, statistical analysis, including WTO among others.

Also a Trainer of Trainers on Rules of Origin, and Trade Policy and Trade and Business Development filed among others.

Current Duties: Ag. Director, External Trade- Coordinating Regional (EAC, COMESA, COMESA-EAC-SADC Tripartite FTA (TFTA), AfCFTA, AGOA, IORA, EAC-EU, Multilateral and Bilateral Trade Relations etc;



**Mr. John Mwaura**  
**Director: Weights and Measures**

Mr. John Mwaura is the Director of Weights and Measures.

He is a holder of Master of Business Administration in Strategic Management from Kenya Methodist University, Bachelor of Information Technology from Kenyatta University, postgraduate diploma in guidance and psychological counselling from the Presbyterian University of East Africa and certification in Trade Standards Administration

He is a member of Institute of Trade Standards Administration,



**Mr. Lucas O. Otieno**  
**Senior Assistant Internal Auditor General**  
**Head, Internal Audit Unit**

Mr. Lucas O. Otieno a Senior Assistant Internal Auditor General is currently the Head of Internal Audit Unit, State Department for Trade.

He holds a Master's Degree in Business Administration (Accounts) from the Maseno University and a Bachelor's Degree in Business Administration (Finance) from the Kenya Methodist University.

He is a member of Institute of Internal Auditors - Kenya (IIA) and in good standing. He has vast experience in Auditing in the Public Sector for over 20 years.



**Mr. Aloyce Marube Ratemo**  
Director Planning,  
Central Planning and Project Monitoring  
Department (CPPMD)

Aloyce Marube Ratemo is an Economist with a Master's Degree in Economic Policy Management (EPM) from Makerere University, Graduate with Bachelor of Arts Degree (Economics) from the University of Nairobi, Diploma in Monitoring and Evaluation from Institute of Applied Manpower Research, India. He has attended Senior Management Course (SMC), Strategic Leadership Development Program (SLDP) Course and Transformative Leadership Course from Kenya School of Government. He is a registered member of Economist Society of Kenya (ESK). He has twenty-eight (28) years hands-on progressive experience in Project Planning, Coordination, Implementation and Monitoring and Evaluation in the Public Sector. During the review period was the Director for Planning in the State Department for Trade.



**Mr. Robert Kungu**  
Head, Legal Services

Robert Kungu currently serves as a Chief State Counsel whose responsibility is provision of legal advice to the State Department.

Holds a Bachelors of laws Degree and MA in International Studies.

Robert is an advocate for the High Court of Kenya and a member of the Law Society of Kenya.



Mr. Sebastian J. Mokua, HSC is a Senior Deputy Director, Supply Chain Management Services is the Head of Supply Chain Management Services at the State Department for Trade. He holds a Master's Degree in Business Administration. He has served as Supply Chain Management Professional for more than thirty (30) years in various sectors in Government of Kenya at both the National and County Level.

**Mr. Sebastian John Mokua, HSC**  
**Head, Supply Chain Management Services**

(d) **Fiduciary Oversight Arrangements**

i. Audit and finance committee activities

The Audit and Finance Committees form a key element in the governance process by providing an independent expert assessment of the activities of top management, the quality of the risk management, financial reporting, financial management and internal audit.

ii. Public Finance Management Committee-

The State Department for Trade Public Finance Management Committee is responsible for overseeing the financial management and budgetary processes related to the Trade sector. Their primary goal is to ensure transparency, accountability, and responsible use of public funds within the State Department.

**Key responsibilities include:**

- **Budgetary Control:** The committee is responsible for reviewing and approving the State Department's budget proposal, ensuring that it aligns with the government's overall financial priorities and objectives.
- **Financial Reporting and Auditing:** Regular financial reporting is crucial for transparency and accountability. The committee receives periodic financial reports detailing the State Department's income, expenses, and budgetary performance. Additionally, an independent audit of financial records is done regularly to ensure compliance with financial regulations and identify any irregularities.
- **Internal Controls:** The committee performs internal controls to prevent financial mismanagement and fraud.
- **Risk Management:** The committee assesses and manages financial risks associated with SDT' activities. This involves identifying potential risks, developing risk mitigation strategies, and monitoring their effectiveness.
- **Compliance and Legal Obligations:** It ensures compliance with relevant financial laws, regulations, and policies as a key responsibility. The committee ensures cognizance with any legal obligations and work to avoid violations.
- **Conflict of Interest Management:** Committee members should act with impartiality and integrity. Effective conflict of interest policies should be in place to prevent any personal or financial interests that could influence decision-making.
- **Ethics and Code of Conduct:** Establishing and upholding ethical standards and a code of conduct for all staff involved in financial management is crucial. This helps maintain professionalism, honesty, and integrity within the State Department.

- Capacity Building: The committee works on improving the financial literacy and capacity of staff involved in financial management. This can involve and not limited to training programs and workshops to enhance financial skills and knowledge.
  - Public Accountability: The committee engages with the public and stakeholders, providing information about financial management practices and performance in the Spirit of Transparency, open communication, building trust and public confidence.
- iii. Ministerial Human Resource Advisory Committee
- The State Department for Trade Ministerial Human Resource Advisory Committee is responsible for effective Human Resource Management in the State Department. The key Functions of the Committee include:
- Recruitment, selection and appointment;
  - Promotions;
  - Confirmation in appointment;
  - Training and Development;
  - Training and Impact Assessment;
  - Management of skills inventory;
  - Establishment and Complement Control;
  - Payroll management;
  - Deployment;
  - Promotion of Values and Principles of Public Service and ensuring compliance;
  - Administration of declaration of income, assets and liabilities and the public officer code of conduct and ethics for officers in job group 'M' and below;
  - Monitor and report quarterly on compliance with National Values and Principles of Governance and Values and Principles of Public Service;
- iv. Senior Management Committee
- The State Department for Trade Senior Management Committee is responsible for providing strategic leadership, decision-making, and operational guidance within the State Department. Fiduciary oversight arrangements are put in place to ensure prudent financial management, transparency, and accountability in handling the State Department's resources.

v. **Other oversight activities**

These include;

1. **External Audits:** The State Department for Trade will undergo external audits conducted by independent audit firms or Government auditors. These audits assess the financial statements, internal controls, and compliance with financial regulations. The findings and recommendations from external audits help identify areas for improvement and ensure transparency and accountability.
2. **Parliamentary Oversight:** The Parliament exercises oversight over Government institutions, including the State Department for Trade. This includes scrutinizing the State Department's budget proposals, financial performance, and adherence to financial laws and regulations. Parliamentary committees conduct hearings and inquiries to assess the financial management practices.
3. **Office of the Auditor General (OAG):** The OAG is an independent constitutional body responsible for auditing and reporting on the use of public resources. The OAG will audit Government institutions, including the State Department for Trade, to ensure financial probity, transparency, and adherence to financial regulations.
4. **Public Financial Management (PFM) Reforms:** The State Department for Trade will participate in Government-wide PFM reforms to improve financial management practices. These reforms aim to enhance budgetary processes, financial reporting, internal controls, and overall financial governance.
5. **Public Finance Management Standing Committee (PFMSC):** This is among other things charged with providing strategic guidance on Public Finance Management matters and 100% compliance and achievement of the Zero Fault Audit status for the FY 2023/24.
6. **Financial Reporting to Treasury:** The State Department is required to submit periodic financial reports to the National Treasury, detailing its financial performance, budget utilization, and adherence to fiscal policies. This reporting helps central authorities monitor and evaluate the financial management of the State Department.
7. **Internal Audit Unit:** The State Department has its own internal Audit Unit responsible for conducting regular audits of financial processes and controls. Internal audits help identify weaknesses and suggest improvements to enhance financial management.
8. **Financial Performance Evaluation:** The State Department for Trade evaluates the financial performance of its various programs and projects. This evaluation helps determine whether allocated funds were utilized effectively and whether the intended outcomes were achieved.
9. **Capacity Building and Training:** Capacity-building programs are necessary to enhance the financial literacy and skills of its staff involved in financial management. This ensures that employees have the knowledge and tools to handle financial responsibilities effectively.

**(e) Entity Headquarters**

P.O.BOX 30430-00100  
Teleposta Towers  
Kenyatta Avenue  
Nairobi, KENYA

**State Department Contacts**

Telephone: (254) 020-315001/2-4  
E-mail : [ps@trade.go.ke](mailto:ps@trade.go.ke)  
Website: [www.trade.go.ke](http://www.trade.go.ke)

**(f) Entity Banker(s)**

Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
**NAIROBI, KENYA**

**(g) Independent Auditors**

Auditor - General  
Office of The Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
**NAIROBI, KENYA**

**(h) Principal Legal Adviser**

The Attorney General  
State Law Office & Department for Justice.  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
Nairobi, Kenya

### **3. Statement of Governance**

1. Key Leadership Structure:
  - i. Cabinet Secretary (CS) for Trade: The CS is the head of the Ministry for Investments, Trade and Industry and is responsible for setting policies and overall direction.
  - ii. Principal Secretary (PS) for Trade: The PS is the administrative head/accounting officer and oversees the day-to-day operations of the State Department for Trade.
  - iii. Commissions: If there are any commissions or regulatory bodies under the State Department for Trade, they would have their own leadership structure, including a chairperson and other Commissioners.
  - iv. Accounting Officer for Commissions: This is the individual responsible for financial management and accountability within the commissions.
2. Management Committees: The State Department for Trade is mandated to establish various management committees to handle specific aspects of its functions. The committees include procurement committees, policy development committees, and others to handle specific operational areas.
3. Audit Committee: The Audit committee is responsible for ensuring the State Department's financial integrity and compliance with audit and financial reporting requirements. Its formation, composition, and activities/meetings would be in accordance with relevant laws and regulations governing audit committees in government entities.
4. Risk Management, Compliance, Conflict of Interest, etc.: The State Department for Trade has risk management policies and compliance procedures in place to mitigate potential risks and ensure adherence to regulations. There may also be guidelines to address conflicts of interest among staff and stakeholders.
5. Recent Training and Development in Governance: The State Department for Trade may have implemented training programs and workshops to enhance the governance knowledge and skills of its key leadership. These programs could cover topics related to ethics, transparency, public accountability, and leadership.
6. Public Participation Activities: The State Department for Trade conducts public participation activities to engage with stakeholders, businesses, and the general public in policy formulation and decision-making processes related to trade. Further the State Department is utilizing the social media platforms to reach out to the stakeholders updating them on key achievements among others,
7. Compliance with Laws and Regulations: The State Department is required to comply with relevant laws, regulations, and government policies in its operations, including financial management, procurement, and reporting.

#### **4. Statement by the Cabinet Secretary**



I present this Annual Report and Financial Statements of the State Department for Trade for the Financial Year ended June 30<sup>th</sup> June 2024 with pleasure. The report captures the accomplishments and an assessment of progress towards the realization of the mandate of the State Department for Trade. It also highlights the objectives of the Fourth Medium Term Plan 2023-2027 and Bottom-Up Economic Transformation Agenda during Financial Year 2023/24.

The assessment further seeks to demonstrate a causal relationship between outputs and outcomes and the level of performance using Key Performance Indicators (KPIs). This is, essentially, a continuum-based measure of progress that gives a sense of how much was achieved compared to the set targets for the period in reference. This Report was prepared against a backdrop of the Russia-Ukraine and Israel-Palestine conflicts in view of the disruptions that came about as a result particularly in global supply chains. This disruption affected livelihoods adversely while impacted the country's economic growth negatively. The twin conflicts have led socio-economic crisis, affecting aspects of communication, production, trade and consumption. This, coupled with inadequate funds, implementation of most activities scheduled for the Financial Year in focus either slowed down, suffered non-implementation of planned activities or were rescheduled to the next Financial Year (2024/25).

Kenya is signatory to a number of multilateral and bilateral trade agreements as part of her trade policy. Kenya is also a member of the World Trade Organization (WTO). In addition, Kenya is member to several trade arrangements and beneficiary to trade-enhancing schemes that include the Africa Growth and opportunity Act (AGOA), ACP-EU Trade Agreement and Common Market of Eastern and Southern Africa (COMESA). Free Trade Agreements (FTAs) signed by Kenya help in securing better market access for Kenyan products and services overseas. Towards that end, the Financial Year 2023/24 was a momentous chapter in Kenya's trade sector. That Financial Year yielded remarkable achievements that contributed directly to poverty reduction by creating new employment opportunities.

Some of the notable achievements include:

- i. "The Economic Partnership Agreement (EPA) between Kenya, a member of the East African Community, on the one part, and the European Union, on the other, was signed on 18<sup>th</sup> December 2023. The EU ratified the Agreement on 29<sup>th</sup> February 2024 and Kenya on 24<sup>th</sup> April 2024. It came into force on 1<sup>st</sup> July 2024. The EU removed all the customs duties on all the products once both parties ratified and deposited the instruments of the ratification. The Agreement ensures continuity of the EAC-EU EPA of 2014, and secures long-term duty-free-quota-free access to the EU market for Kenyan products, thus making the EU a key stimulant for Kenya's economic development. Other East African Community Partner States are expected to follow suit though the provisions of Article 144 of the East African Community.

The European Union, whose GDP stands at USD 16 trillion is one of Kenya's biggest export market destinations globally absorbing, on average, 21.1 per cent of the country's total exports

annually. Kenya's exports to the EU (excluding the UK) were valued at USD 1.213 billion; USD 1.304 billion; and USD 1.413 billion in 2020, 2021 and 2022 respectively, while imports from the EU were valued at USD 2.110 billion; 2.216 billion; and USD 2.095 billion during the same period. In 2023, Kenya's exports to the EU were valued at USD 1.48 million while imports were valued at USD 1.85 million

- ii. The Ministry successfully concluded technical negotiations for Phase I of the Kenya-United Arab Emirates Comprehensive Economic Partnership Agreement (CEPA) on the 22<sup>nd</sup> February, 2024. This was signed by Cabinet Secretary Ministry of Investments, Trade and Industry on behalf of the Government of Kenya and Minister of State for Foreign Trade on behalf of the Government of UAE. The UAE-Kenya CEPA will deepen trade relations and enhance investment flows between the two countries by improving market access for services, removing unnecessary barriers to trade and providing new opportunities for economic and technical cooperation.

The UAE and Kenya will also engage with the East African Community (EAC) Secretariat to create further market access for goods on a broader regional basis. The UAE is a member of the Gulf Cooperation Council (GCC) countries and has strong economic ties with its partners - Saudi Arabia, Kuwait, Bahrain and Oman. The GCC countries share a common market and a customs union. Under the Greater Arab Free Trade Area Agreement (GAFTA), the UAE has free trade access to most Middle East countries to which Kenya will have strategic access.

- iii. On negotiations of Kenya-US Strategic Trade and Investment Partnership (STIP), Kenya and the US have identified areas of interest for mutually beneficial trade and investments commitment/agreement. The U.S. Secretary of Commerce Gina Raimondo and CS Ministry of Investments promotion, Trade and Industry, signed a Memorandum of Understanding (MoU) on Commercial and Investment Partnership on 25<sup>th</sup> May, 2024 during H.E. President's William Ruto's State Visit to the White House.

The two parties have committed to conclude the negotiations by the end of 2024. STIP will help foster economic growth in both countries and encourage Kenya's to build her business environment and domestic economic reforms faster. These efforts are expected to result into a comprehensive trade agreement that will eliminate barriers to trade, improve market access for Kenyan products, attract foreign investment and support economic progress. Capacity building for negotiators and stakeholder involvement are critical components of this process.

Kenya and the U.S. held a sixth in-person negotiating round under the Strategic Trade and Investment Partnership in Kenya between June 3<sup>rd</sup> to 7<sup>th</sup> 2024. The Kenyan delegation was led by Principal Secretary for Trade, while the US delegation was led by Assistant U.S. Trade Representative, Constance Hamilton. Both delegations included representatives from several other government agencies. This round of negotiations primarily covered four topics: (1) Agriculture; (2) Customs, trade facilitation; (3) Good regulatory practices, and (4) Workers' rights and protections.

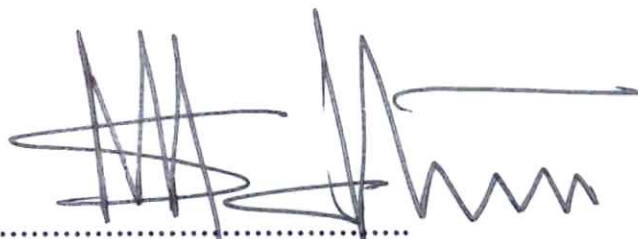
- iv. Bilateral engagements including Joint Trade Committees were also registered. The Department routinely engages with her bilateral trading partners including one under the framework of Joint Trade Committees. The objective of the engagement is to increase market access for Kenyan trade in goods and services and address issues that could impede free flow of trade. In period under review, we successfully held a Joint Trade Committee (JTC) meeting between the Republic of Kenya and United Republic of Tanzania; Kenya and Somalia JCC; Kenya and Ethiopia JCC ; Kenya and Egypt;; Kenya and Djibouti Joint Ministerial Commission- Kenya-Saudi Arabia JCC; Kenya-Sweden JTC ; Kenya- Uganda Joint Ministerial Commission (JMC); 2<sup>nd</sup> Session of the Kenya-Ghana Permanent Joint Commission for Cooperation (PJCC) and Trade and Investment roadshow to increase market access for Kenyan goods in DRC was done.

During the year under review, the State Department faced a number of challenges. Inadequate funding, weak policy and legal framework and external factors such as weakening currency, changes in international trade regulations and intrusive geopolitical dynamics among others affected the Ministry's performance. In the coming year the State Department will embark on a number of initiatives to resolve identified bottlenecks. These will include, sensitizing our exporters on market requirements and opportunities for various products, aggressive resource mobilization strategies and enhanced stakeholder engagements.

In conclusion our achievements for the period in review were made possible by a number of actors, among them the Government of Kenya, the National Treasury and Economic Planning, Parliamentary Committees (Parliament Departmental Committee on Trade, Industry and Cooperatives, Senate Standing Committee on Trade, Industrialization, and Tourism). Other supportive parties on the non-state actors (private sector and development partners) side played their part in creating an enabling environment for domestic and export trade to thrive

Finally, I take this opportunity to thank the Principal Secretary, State Department for Trade for providing leadership and facilitating the preparation and completion of this Report. Thank you for your continued trust and partnership on this journey of transformation.

Sincerely



.....  
**Hon. Salim Mvurya, EGH**

Cabinet Secretary

Ministry of Investments, Trade and Industry

## 5. Statement by the Principal Secretary / Accounting Officer



I am pleased to present the Annual Financial Report for the State Department for Trade for the fiscal year 2023-2024. During this period, the State Department's contribution to the aspirations under Bottom-Up Economic Transformation Agenda (BETA) have been primarily two-fold: ensuring enabling legal and regulatory environment and focus on export development of BETA priority value chains for increased market access for Kenyan goods and services, demonstrated its commitment to promoting sustainable trade practices and fostering economic growth

The Constitution of Kenya 2010 obliges the State to facilitate provision of information to the citizens. Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer for a National Government Entity shall prepare financial statements in respect of that entity. Further, Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time. It is in keeping with this constitutional provision and the tenets of good governance that the State Department for Trade produces the Annual Progress Reports and Financial Statements on the implementation of the Medium-Term Plan of the Kenya Vision 2030.

### **Key Achievements:**

The State Department for Trade accomplished significant milestones in various areas. Notably, Kenya's earnings from exports grew by 16.3% from Kshs.874.4 billion to Kshs. 1,009.1 billion in 2023 for the first time in history. Tea was ranked as Kenya's top export earner for the year, bringing in Kshs.188.7 billion followed by horticulture at Kshs.187.4 billion.

With regard to exports market access and diversification, the State Department successfully concluded Kenya-European Union Economic Partnership Agreement (EPA). The move has now granted Kenyan exports a market reach of 500 million and in return Kenya will have to open its markets to EU products gradually over a 25-year period. Kenya-EU EPA is aimed at strengthening trade and economic ties. Further, the agreement aims to consolidate, and expand market access for Kenya's export to the EU on a predictable and more secure manner/framework.

In addition, technical negotiations for Phase I the Kenya-United Arab Emirates Comprehensive Economic Partnership Agreement (CEPA) were successfully concluded. The UAE-Kenya CEPA will deepen trade relations and enhance investment flows between the two countries by improving market access for services, removing unnecessary barriers to trade, and providing new opportunities for

economic and technical cooperation. Non-oil trade between the Gulf state and Kenya reached \$3.1 billion in 2023, 26.4% increase in 2022.

During the period under review, Kenya and the US under the Strategic Trade and Investments Partnership (STIP) engagements identified areas of interest with the goal of negotiating a mutually beneficial high standard commitment/agreement on trade and investments. A Kenya - US trade agreement (STIP) could help foster economic growth in both countries and encourage Kenya's to continue to build its business environment and domestic economic reforms. STIP is also a stepping stone for a potential comprehensive Free Trade Agreement (FTA).

The Government is committed to ensuring that the market is assisted with a modern market institution that will bring in much-needed integrity, by providing a guarantee mechanism, for the quality, quantity, and payment. The commodities exchange will operate as an online marketplace with guarantees of payment, quality, and delivery for both buyers and sellers. Kenya National Multi-Commodities Exchange (KOMEX) will therefore make the market efficient by introducing standardized contracts and trading systems. During the period under review, the KOMEX Rulebook 2023 (a regulatory requirement) was developed and approved by the Capital Markets Authority (CMA) to guide Exchange operations; Market Information System with supporting ICT Equipment and MIS display boards were procured and installed; KOMEX TTS was integrated with the Warehouse Receipt System Central Registry for piloting and launch ; and Development of KOMEX Fee Structure Proposal was completed and submitted for regulatory approval among notable achievements. The operational trading platform will not only spur increased activity in the Capital Markets, but will lead to the shedding of a significant portion of the Government shareholding in KOMEX to local and foreign investments among them institutional investors, producer cooperatives, farmers and individuals.

Lastly, our General Administration, Planning, and Support during the review period continued to support the functions of the technical departments for successful implementation of the State Department's core mandate. Specifically, it was tasked to be in charge of the following: General Administration; National Values and Principles of Governance, Coordination of preparation of Ministerial and State Department Performance Contracting; Tracking and reporting implementation of annual work plan, strategic plan and performance contracts; Official functions and litigation matters at the State Department; Preparation of MTEF Budgets; Management of expenditure of public funds; Chair to the Ministerial Human Resource Management and Advisory Committee (MHRMAC); Asset Management ; Road Safety Mainstreaming; Disability Mainstreaming, Gender Mainstreaming; Prevention of Alcohol and Drugs Abuse; Prevention of HIV/Aid infection and Non-communicable Diseases; Digitization of Government Services, Business Process Reengineering; Coordination of transport services within the State Department; Coordination of general office services; Youth Internship/industrial Attachment, Competence Development; Organization and management of the Registries; Office accommodation and utility services; and Supervision of support services at the State Department.

**Emerging Issues:**

Geopolitical tensions: Geopolitical shocks continue to have a widespread impact on global trade, with the risk of armed conflict and trade wars remaining high. With the continuation of both the Israel-Hamas

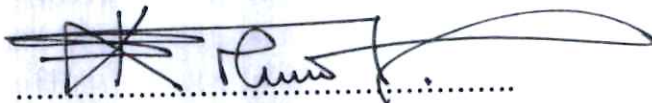
war and the Russia-Ukraine war, the global economy is potentially facing a heightened risk environment, due to the inflationary effects from lower regional trade volume in the Middle East and Europe. Russia-Ukraine conflict led to heightened trade restrictions and a reconfiguration of Europe's energy market, and that of global commodities. It propagated supply-chain reconfigurations and further aggravated the macroeconomic landscape. While the full impact of the rising tension in the Middle east is still unknown, timely access to potentially higher-priced commodities and raw materials exports such as natural gas, oil coupled with rising shipping costs could hinder international trade growth.

**Key Risk Management Strategies:**

To navigate these challenges, we have adopted a range of risk management strategies, such as comprehensive risk assessments, diversification of trade partners, and investing in cybersecurity measures. Our focus on continuous capacity building and sensitizing our exporters on available markets opportunities and requirements for dairy value chain, edible oils, garments/textile, leather and leather products, rice and tea value chains. We shall also strive to expand markets for our products and services by taking advantage of the Country's membership in regional organizations such as East Africa Community (EAC), Common Market for Eastern and Southern Africa (COMESA), African Continental Free Trade Area (AfCTA), COMESA-EAC-SADC Tripartite Free Trade Area (TFTA) which will be operationalized in the next FY. TFTA will pave way for **expanded market opportunities for Kenya's** private sector across various African countries. We are also exploring resource mobilization from development partners by developing project proposals.

**Conclusion and Way Forward:**

Trade Sub-sector plays a significant role in the Country's economic growth and development through its contribution to the Gross Domestic Product (GDP). In addition, trade creates employment opportunities in the informal, wholesale and retail trade thus contributing to poverty reduction. During the MTP IV period, the Sub-sector is expected to contribute in the Government's efforts in creation of new job opportunities using a value chain approach. This will be achieved through creating an enabling environment for domestic and export trade to thrive; Enhanced growth of domestic trade and sustainable development and promotion of BETA Priority Value Chains; Improved fair trade and consumer protection; and Expanded exports trade. This calls for additional funding. The State Department shall also continue strengthening strategic linkages, partnerships and collaborations with a view to resource mobilization from development partners.



.....  
**Mr. Alfred Ombudo K'Ombudo**

Principal Secretary / Accounting Officer

State Department for Trade

Ministry of Investments Promotion, Trade and Industry

## 6. Statement of Performance Against Predetermined Objectives for the FY2023/24

### Introduction

The State Departments' annual work plan for 2023/24 was aligned to the budget programmes and government priorities under BETA. In addition, the performance contract for 2023/24 was aligned to the approved work plan with targets for the core mandate drawn from the annual work plan. Implementation of Access to government procurement opportunities (AGPO), local content in procurement and the four cross-cutting indicators in the Performance Contract (PC) were also implemented through the work plan.

Key priorities for FY 2023/24 include:

- i. Enabling environment for business growth;
- ii. Development, Promotion and Regulation of the Wholesale and Retail Trade;
- iii. Development and Promotion of BETA Priority Value Chains;
- iv. Enforcement of Trade Remedies Measures;
- v. Enforcement of Legal Metrology;
- vi. Consumer Protection;
- vii. Market Access and Diversification; and
- viii. Export Trade Development & Promotion and Nation Branding.

**Table 6.1: Achievements made in the 2023/2024 Programme and Sub-Programme Non-Financial Performance Report**

Name of the Programme	Sub-programmes	Delivery Unit	Key Output	Key Performance Indicator	Annual Target (s)	Actual as at 30 <sup>th</sup> June 2024	Variance	Remarks
Programme 1: Trade Development and Market Interventions	S. P 1.1 Promotion of Local Content	Internal Trade	Kenya Trade Portal Governance and Management Framework	No. of maintenance or upgrading carried out	2	0	(2)	The portal upgrade was not undertaken due to a lack of funds.
			Data management and depository system established	No. of reports developed	1	0	(1)	Lack of funds to establish the depository system.
			The Contribution of Retail and Wholesale Trade to GDP	Value of wholesale and retail trade (Kshs. Billion)	820	1,134	314	The over achievement was as a result of a conducive business environment
			Kenya Trade Development Bill	% Completion	75	40	(35)	The draft bill is being reviewed to incorporate emerging issues and align it with Executive Order No. 2 of 2023. However, there is a need to

Name of the Programme	Sub-programmes	Delivery Unit	Key Output	Key Performance Indicator	Annual Target (s)	Actual as at 30 <sup>th</sup> June 2024	Variance	Remarks			
								allocate funds to conduct public participation and national validation.			
	<b>S.P.1.2 Development, Promotion and Regulation of the Wholesale and Retail Trade</b>	Warehouse Receipt System Council (WRSC)	Operational Warehouse Receipt System Services	% Completion of System Development (Planning, Design, Development, Testing, and Implementation)	100	25	(75)	Integration of the existing e-WRS/Central Registry with the trading platform KOMEX and the Warehouse Operator platform (Workbench)w as completed. Certificates of conformity were issued to NCPB Eldoret, Sagana, Kitale, Nakuru, Moi's Bridge, and United EA Warehouses. Validation workshops for the Central Registry's business re-engineering process were carried out			
							No. of Counties Sensitized and Trained on WRS.	15	12	(3)	The variance was as a result of budget constraints
							No. of Certified Warehouses Annually,	15	7	(8)	The variance was as a result of budget constraints
							No. of depositors trained in warehouse receipt financing	100	212	112	The over achievement was due to partnerships with farmer groups and associations, resulting in high participation.
							Central Registry e-suite established and linked	% of completion	50	50	0

*State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

Name of the Programme	Sub-programmes	Delivery Unit	Key Output	Key Performance Indicator	Annual Target (s)	Actual as at 30 <sup>th</sup> June 2024	Variance	Remarks
			to 47 County level registries					
			Certified warehouse operators	No. of certified warehouse operators	6	7	1	Target was overachieved
<b>Programme 2: Fair Trade Practices and Compliance with Standards.</b>	<b>S.P 2.1: Enforcement of Trade Remedies Measures</b>	Kenya Trade Remedies Agency	Trade remedies database developed.	No. of trade remedies database developed.	1	0	(1)	Budgetary constraint
			Manufacturers and producer groups capacity built	No. of manufacturers and producer groups capacity built on trade remedies	200	65	(135)	Target not achieved due to budgetary constraints
			Finalized investigations, manuals, policies, and procedures	No. of manuals, and procedures developed	1	0	(1)	Target not achieved due to budgetary constraints
	<b>S.P 2.2 Enforcement of Legal Metrology</b>	Weights and Measures	Compliance and Standards enhanced	No. of County Standards calibrated	350	0	(350)	Target not achieved due to budgetary constraints. The laboratory is still not operational due to the water tank that needs to be replaced in the volume lab and the mass lab. requires maintenance.
				No. of weighing and measuring equipment verified at strategic national installations	120	42	(78)	Verified National installations (KeNHA Weigh-bridges at Mtwapa, Dongo Kundu, Mariakani, Athi River, Kajiado, Juja, Gilgil, Suswa, Webuye, Rongo, Busia, Mlolongo and various virtual weigh-bridges
			Modernized Legal Metrology Laboratories	No. of electricity and water meter laboratories refurbished	1	0	(1)	Insufficient funds

*State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

Name of the Programme	Sub-programmes	Delivery Unit	Key Output	Key Performance Indicator	Annual Target (s)	Actual as at 30 <sup>th</sup> June 2024	Variance	Remarks
			Modernized Equipment and standards for fair trade Enhanced Regulatory and Legal Framework for fair trade	No. of electricity meter type approval and initial verification benches and standards installed	1	0	(1)	Insufficient funds
				No. of water meter type approval and initial verification benches and standards installed	2	0	(2)	Insufficient funds
				No. of field electricity and water meter verification kits installed	60	0	(60)	Insufficient funds
				Legal Metrology Regulations developed	1	1	0	This is work in progress with the development of the Technicians Regulations at 95%
				Trade Descriptions Bill developed	1	1	0	The Bill has been brought back from the AG and is with the Legal Department - SDT
	<b>S.P. 2.3 Consumer Protection</b>	KECOPAC	Consumer Protection enhanced	No. of regulations to operationalize the Consumer Protection Act 2012	1	0	(1)	Target not achieved due to budgetary constraints
				No. of traders/manufacturers sensitized on consumer protection	350	0	(350)	Target not achieved due to budgetary constraints
				Consumer Protection Act 2012 amended	1	0	(1)	Target not achieved due to budgetary constraints, however, a draft National Consumer Protection Policy has been developed and ready for internal inputs before subjecting it to external stakeholders.

State Department for Trade

Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024

Name of the Programme	Sub-programmes	Delivery Unit	Key Output	Key Performance Indicator	Annual Target (s)	Actual as at 30 <sup>th</sup> June 2024	Variance	Remarks
Programme 3: International Trade Development and Promotion	S.P 3.1: Market Diversification and Access	International Trade	Market access and exports diversified	No. of NTBs resolved to create market access	9	17	8	These were resolved during held a Joint Trade Committee (JTC) meeting between the Republic of Kenya and United Republic of Tanzania 4 NTBs were resolved in the time bound matrix during the Regional Monitoring Committee (RMC) on 1 <sup>st</sup> -4 <sup>th</sup> May, 2024 in Machakos
				No. of commercial offices established in targeted countries to diversify and increase market access	3	0	(3)	Target not achieved due to budgetary constraints
				No. of EAC - CET reviewed/harmonized to create predictability on tariffs	9	0	(9)	Target not achieved due to budgetary constraints
				No. of Bilateral trade engagements on FTAs, MoUs, JTCs, JTWGs concluded and signed	8	6	(2)	A Joint Trade Committee (JTC) meeting between the Republic of Kenya and the United Republic of Tanzania was held between 18 <sup>th</sup> to 22 <sup>nd</sup> March 2024 in Kisumu. Resolved 13 outstanding NTBs and provided way forward for the remaining Non-Tariff Barriers. Kenya- United Arab Emirates Comprehensive Economic

*State Department for Trade*

*Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

Name of the Programme	Sub-programmes	Delivery Unit	Key Output	Key Performance Indicator	Annual Target (s)	Actual as at 30 <sup>th</sup> June 2024	Variance	Remarks
								<p><i>Partnership Agreement (CEPA)- Successfully concluded technical negotiations for Phase I of the Kenya-United Arab Emirates Comprehensive Economic Partnership Agreement (CEPA) on 22<sup>nd</sup> February, 2024. Agreement signed on 22<sup>th</sup> February, 2024. The UAE-Kenya CEPA will deepen trade relations and enhance investment flows between the two countries by improving market access for services, removing unnecessary barriers to trade, and providing new opportunities for economic and technical cooperation.</i></p> <p><i>Kenya and Somalia JCC - Discussed the draft MOU of Trade Cooperation between Kenya and Somalia</i></p> <p><i>Kenya Ethiopia JCC- The meeting advocated for the finalization of the simplified trade regime on the list of common goods and the</i></p>

State Department for Trade

Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024

Name of the Programme	Sub-programmes	Delivery Unit	Key Output	Key Performance Indicator	Annual Target (s)	Actual as at 30 <sup>th</sup> June 2024	Variance	Remarks
								implementation of the Special Status Agreement Kenya Egypt JTC-Both countries have agreed to hold the JTC in Nairobi Kenya Kenya Djibouti Joint Ministerial Commission- The Meeting Agreed on the establishment of the Joint Trade Committee Members Kenya-Morocco MoU on trade was initiated Kenya-Jordan third Session JTC-Concept note was developed
			Exports growth	Total value of exports to EAC (Kshs. Billion)	341	306	35	According to the KNBS, Exports to EAC increased from Ksh 226B to ksh.306B, However, the target was not achieved due to unresolved Non-Tariff Barriers
				Total value of exports (Kshs. Billion)	917	1,009.1	90.1	Aggressive marketing campaigns and product market diversification.
				The total value of exports to the rest of Africa (Kshs. Billion)	548	435.0	(113)	Target was not achieved due to budgetary Constraints
			Foreign Direct Investment (FDI) growth	No. of International Trade Fairs and Exhibitions	3	0	(3)	Target was not achieved due to Budget Constraints
				No. of targeted stakeholders on trade and investment	900	0	(900)	Target was not achieved due to Budget Constraints

Name of the Programme	Sub-programmes	Delivery Unit	Key Output	Key Performance Indicator	Annual Target (s)	Actual as at 30 <sup>th</sup> June 2024	Variance	Remarks	
				opportunities arising from negotiated trade agreements (RECs, FTAs, MOUs, AGOA)sensitized.					
				Increase in value of FDI through inbound and outbound business engagements (Ksh. Billions)	139	N/A	N/A	Awaits KNBS Economic Survey	
	<b>3.2 Export Trade Development, Promotion and Nation Branding</b>	KEPROBA	Kenyan Export Products Diversified	No. of New Export Product Lines Developed	10	0	(10)	Target not achieved due to Budgetary constraints	
				No. of Small Medium Enterprises trained on exporting	120	10	(110)	The Agency, in collaboration with the Tea Board of Kenya and KTDA, has undertaken a joint program targeting ten (10) KTDA tea factories for on-site training on packaging and branding of value-added teas for export markets.	
				No. of exporters facilitated to export for the first time	10	0	(10)	Target not achieved due to Budgetary constraints	
				No. of new markets accessed for diversification.	1	0	(1)		
				Kenyan export markets diversified	No. of Trade Promotion events participated in AGOA, AfCFTA, EU, and GCC markets.	5	4	(1)	Preparations for participation in the World Tea Expo could not be finalized within the stipulated timeline, and so the activity was aborted.
					No. of market research conducted	1	0	(1)	Activity not implemented due to Inadequate funding. A proposal for funding the

State Department for Trade

Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024

Name of the Programme	Sub-programmes	Delivery Unit	Key Output	Key Performance Indicator	Annual Target (s)	Actual as at 30 <sup>th</sup> June 2024	Variance	Remarks
								research by JICA has been developed to support undertaking the research
				No. of business transactions undertaken through the exporters' portal and other E-platforms.	100	0	(100)	No business transactions have been undertaken yet, as we are awaiting the finalization of on boarding both buyers and sellers onto the platform. Currently, the E-portal developed, and 149 sellers/exporters recruited to list and showcase their products on the portal. 54 buyers have been on boarded on the platform.
			Enhanced Nation Branding.	No. of the products branded with the mark of identity	600	291	(309)	Target not achieved due to budget constraints.
				No. of value chains with unique brand identity	2	0	(2)	Concept note developed for the development of a unique brand for tea and coffee.
				No. of Global marketing and communication campaigns undertaken for priority value chains	2	0	(2)	Digital marketing campaigns for the coffee value chain were undertaken. However, the global marketing and communication campaign for tea and coffee is yet to be undertaken, awaiting the development of

State Department for Trade

Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024

Name of the Programme	Sub-programmes	Delivery Unit	Key Output	Key Performance Indicator	Annual Target (s)	Actual as at 30 <sup>th</sup> June 2024	Variance	Remarks
								the unique coffee and tea brands that will be promoted through the campaign.
				No of MDAs that adopted the Public Service Branding Guidelines	30	10	(20)	Ten (10) brand manuals were developed, comprising the National Public Health Institute, the State Department of Lands and Physical Planning, as well as eight (8) institutions under the Office of the President.
<b>Programme 4: General Administration, Support Services, and Planning</b>	<b>S.P 4.1: General Administration, Support Services, and Planning</b>	Headquarters Administrative Services	Administrative Services.	Level of Provision of services.	100	100	0	Target achieved
		Finance and Procurement Services	Financial Support Services.	Level of provision of financial services facilitation to trade program/ Projects	100	100	0	Target achieved MTEF Budget reports including supplementary; Reports to OCOB, Procurement plan, Reports on AGPO, Local contents among others
		Planning Services	Monitoring and evaluation of Projects and programmes	No. of Quarterly and Annual Reports	1	1	0	SDT PC implementation progress reports were prepared and submitted, SDT APR prepared and submitted to SDEP and Non-Financial Reports to the Office of the Controller of Budget also prepared. Draft

*State Department for Trade*

*Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

Name of the Programme	Sub-programmes	Delivery Unit	Key Output	Key Performance Indicator	Annual Target (s)	Actual as at 30 <sup>th</sup> June 2024	Variance	Remarks
								SDT 2023-2027 SP prepared. However insufficient funds has continued to hamper the monitoring and evaluation of the State Department's Programs and Projects.

## 6.2 Outcome Implementation Status

**Table 6.2: Trade Sub-sector Outcome Results for FY 2023/2024**

MTP IV Outcome	MTP IV Outcome Indicator	MTP IV Outcome Target	Actual Achievement	Remarks on Achievement Variance
Increased value of Domestic Trade	Value of wholesale and retail trade (Kshs Million)	1,083	1,134.25	Due to conducive business environment
	Jobs created in wholesale and retail trade (No. 000)	374.0	5,652.79	This massive increase is because the indicator combines Wholesale and Retail trade, Hotels and restaurants in the Economic Survey 2024.
Capitalization of the KOMEX Exchange System	Small scale holder farmers integrated to the WRS	1,000	-	To be realized in the next FY once capitalization of KOMEX is completed
Increased Kenyan Exports	Total value of exports (Kshs. Billion)	917	1,009.1	Aggressive marketing campaigns, product market diversification and favourable exchange rate to the USD.
	Total value of exports to the EAC (Kshs. Billion)	238	305.88	Enhanced promotion activities and resolution of NTBs
	Total export value of leather and leather products (Kshs. Million)	2,091	2,190.6	The leather and leather products is among the priority value chains in BETA, which is expected to spur the contribution of manufacturing to GDP and employment
	Total export value of edible oils (Kshs. Million)	28,295	23,052.3	Unfavourable weather conditions led low levels of productions
	Total export value of tea (Kshs. Million)	171,442	188,737.9	Increased volume of exports coupled with favourable exchange rate to the USD and stable prices
	Total export value of apparel and textile (Kshs. Million)	49,676.90	49,493.7	Kenya's apparel market is experiencing a surge in demand for sustainable and ethically produced clothing, driven by a growing awareness of environmental and social responsibility among consumers.
	Total export value of horticulture (Kshs. Million)	159,883	187,409.0	This was due to favourable weather conditions that characterized the better part of 2023. High demand for Kenyan produce in Europe, Middle East and Far East markets.

*Data Sources: 2024 Economic Survey, Departmental Progress Reports*

**Development of e-commerce in the promotion of trade:** The Kenya National E-commerce Strategy, 2023 was developed and officially launched. The vision of the strategy is inclusive and widespread use of trusted and secure e commerce services based in Kenya. Digitalization makes it easier and less costly to buy and sell goods and services across borders.

**Commercial Representation:** Currently, the Department has 16 Offices distributed across 4 continents in strategic Kenya Missions abroad. The stations include: Kampala, Islamabad, Addis Ababa, Washington, Cairo, Berlin, Pretoria, Kinshasa, Arusha, London, Dubai, Lusaka, Beijing, New Delhi, Brasilia and Jakarta

**Participation in WTO Committee meetings and Negotiations:** The Department participates actively in various WTO Committees including the SPS Committee, TBT Committee and the Trade

Facilitation Committee which allows Kenya to safeguard her trade interests, advocate for favourable trade policies, and address trade-related challenges that affect her economy.

**Participation in UNCTAD's Intergovernmental Group of Experts (IGE) on E-commerce and the Digital Economy and in an e-Trade capacity building workshop.** This workshop was held from 6<sup>th</sup> to 10<sup>th</sup> May 2024 in Geneva, Switzerland whose theme is *'Building digital readiness: from Assessment to Implementation'*. The meeting was intended to allow for experience sharing among countries and regions, and highlight UNCTAD's experience in this area, with a view to proposing policy options to fast-track digital readiness. The meeting was also to provide an opportunity for the community of Focal Points and practitioners from invited countries and regional organizations to partner closely in promoting growth-oriented and secure digital economy culture.

**Negotiations of Kenya-US Strategic Trade and Investment Partnership (STIP):** Kenya and the US have under the STIP engagements identified areas of interest with the goal of negotiating a mutually beneficial high standard commitment/agreement on trade and investments. The U.S. Secretary of Commerce Gina Raimondo and CS Ministry of Investments, Trade and Industry in 25<sup>th</sup> May, 2024 (During H.E the President's State Visit to the White House) signed a Memorandum of Understanding (MoU) on Commercial and Investment Partnership. The two parties have committed to conclude the negotiations by the end of 2024. A Kenya - US trade agreement (STIP) could help foster economic growth in both countries and encourage Kenya's to continue to build its business environment and domestic economic reforms. STIP is also a stepping stone for a potential comprehensive Free Trade Agreement (FTA). These efforts are expected to result in a comprehensive trade agreement that eliminates barriers to trade, improves market access for Kenyan products, attracts foreign investment, and supports economic growth. Capacity building for negotiators and stakeholder involvement are critical components of this process.

**Kenya-UAE negotiations on a Comprehensive Economic Partnership Agreement:** Technical negotiations for Phase1 of the negotiations were successfully concluded to deepen trade relations and enhance investment flows into Kenya, removing unnecessary barriers to trade, and providing new opportunities for economic and technical cooperation. Non-oil trade between the Gulf state and Kenya reached \$3.1 billion in 2023, 26.4% increase in 2022.

**Continuous Capacity Building and sensitization of the private sector:** The State Department continually undertakes sensitization and capacity building programmes with stakeholders from the private and public sectors to ensure that they are aligned to leverage on opportunities arising from concluded trade agreements.

**Promotion of BETA Priority Value Chains (PVCs):** Implementation of the proposed interventions will enhance the country's export performance, increase income and create employment. The State Department has formed 13 BETA value Chain Teams specializing in specific value chains so as to effectively support the specific value chains. Each member of the Technical team in the SDT is attached to a value chain. Teams have been given Terms of Reference (TORs) and the liberty to draw programs and activities which are then vetted and approved by the Principal Secretary.

- i. *Tea Value Chain:* Addressing capacity challenges, providing market intelligence, and diversifying export markets.

- ii. *Coffee Value Chain*: Facilitating B2B interactions, gathering market insights, and promoting Kenya as a premium coffee source.
- iii. *Dairy and Dairy Products*: Designing enabling export policies and expanding export markets.
- iv. *Digital Trade*: Promoting e-commerce and digital products, reducing trade barriers, and enhancing consumer protection.
- v. *Blue Economy and Fisheries*: Increasing fish and fisheries products exports, promoting production, and ensuring adherence to international trade agreements.
- vi. *Leather Value Chain*: Developing market strategies, promoting Kenyan leather products, and simplifying market access through trade agreements.

In 2023/24 FY, priority markets for dairy value chain the sub-sector identified for implementation of market development initiatives with a view to linking Kenyan Exporters to buyers in these markets. These include South Sudan, Tanzania, Uganda, DRC, Somalia, Malawi and Ghana. Priority markets for textile and apparel identified for implementation included: USA, UK, Netherlands, Germany and Nigeria. Priority markets for edible oils identified for implementation included: Uganda, Rwanda, Tanzania, South Sudan, DRC, Burundi, Zambia and Malawi. On leather and leather products value chain, priority markets identified include: UK, Burundi, Rwanda, South Sudan, Uganda, Italy, Germany and USA.

**Warehouse Receipt System Council**: In the FY 2023/24, through *Warehouse Receipts System Development*: Central Registry e-suite was established and linked to 47 County level registries. Warehouse Receipt Finance manual(WRF) was validated during the review period. Various value chain actors were capacity built (151 county officials, 312 farmers, 109 traders and 112 other stakeholders). Seven (7) warehouses were certified and eleven (11) issued warehouse receipts.

**Kenya National Multi-Commodities Exchange (KOMEX)**: The project aims to improve efficiency in trading systems among smallholder farmers backed by the Warehouse Receipt System. KOMEX project involves: capitalization of the exchange; sensitization of the relevant stakeholders on the ecosystem; finalization of contract specifications; end to end testing; acquisition of trading license; mock trading; and launch of the exchange. During the following were achieved: **Enhancing Policy, Legal and Regulatory Frameworks** - The KOMEX Rulebook 2023 (a regulatory requirement) was developed and approved by the Capital Markets Authority (CMA) in September 2023 to guide Exchange operations; **Enhancing Institutional Capacity for Structured Trade** - KOMEX is implementing a capitalization process to raise Kshs. 2 Billion (Kshs. 0.5 Billion from GoK and Kshs. 1.5 Billion from the Private Sector). Phase I and Phase II has attracted a total of 9 bids with total prospective private sector capital injection of Kshs. 1.365 Billion. Kshs. 0.29 Billion seed capital has been allocated by the National Treasury; **Development of Integrated KOMEX Technology Platform & Infrastructure** - comprising 4 integrated subsystems: - Trading Technology Suite (TTS); Market Information System (MIS); Membership Management System (MMS); and a Payment Settlement System (PSS). The Market Information System with supporting ICT Equipment and MIS display boards have been procured and installed. MIS display boards for pilot certified warehouses/KOMEX-TRADE Hubs have been procured. Additionally, the KOMEX Commodity Exchange TTS and integrated PSS was procured in March 2024, the Core ICT Equipment supplied and installed. KOMEX TTS has been integrated with the Warehouse Receipt

System Central Registry for piloting and launch; and **Product Development, Membership and Operationalization** - KOMEX is mapping sector regulators, market participants and key Stakeholders for onboarding. It is also undertaking capacity assessments of warehouse infrastructure, commodities, markets & value chain actors for piloting. Development of KOMEX Fee Structure Proposal was completed and submitted for regulatory approval in March 2024. Roll-out of stakeholder engagements, sensitisation & membership drive begun in May 2024 leading to piloting & launch of the Exchange.

**Bilateral engagements including Joint Trade Committees:** The Department routinely engages with her bilateral trading partners, including under the framework of Joint Trade Committees. The objective of the engagement is to increase market access for Kenyan trade in goods and services and address any issue that may be impeding trade. In FY 2023/24, the State Department held a Joint Trade Committee (JTC) meeting between the Republic of *Kenya and United Republic of Tanzania* and agreed on holistic harmonization of levies, fees, charges, and other conditions affecting trade between the two countries. The committee resolved thirteen (13) outstanding Non-Tariff Barriers (NTBs) and provided a way forward for the remaining NTBs. Further, the Sub-sector held the following bilateral trade engagements on FTAs, MoUs, JTCs, JTWGs :*Kenya and Somalia JCC* - discussed the draft MOU of Trade Cooperation between Kenya and Somalia; *Kenya and Ethiopia JCC*- the meeting advocated for the finalization of the simplified trade regime on the list of common goods and the implementation of the Special Status Agreement; *Kenya and Egypt JTC*-both countries agreed to hold the JTC in Nairobi Kenya; *Kenya and Djibouti Joint Ministerial Commission*- The meeting agreed on the establishment of the Joint Trade Committee Members; *Kenya- Saudi Arabia JCC* was successfully held; *Kenya-Sweden JTC* was successfully launched; *Kenya- Uganda Joint Ministerial Commission (JMC)* meeting was held and signed agreed minutes on market access; *2<sup>nd</sup> Session of the Kenya-Ghana Permanent Joint Commission for Cooperation (PJCC)* was successfully undertaken; Trade and Investment roadshow to increase market access for Kenyan goods in DRC was done; while *Kenya and Morocco MoU* on trade was initiated during the period.

## 7. Management Discussion and Analysis

The State Department for Trade is responsible for formulating and coordinating implementation of trade-related policies and strategies to promote economic growth, increase export competitiveness, and attract foreign investments. The State Department also holds the official mandate for trade policy issues and various elements of trade policy that are undertaken by other Ministries. Further, the State Department is charged with coordination of all matters relating to the World Trade Organization (WTO) and multilateral trade negotiations and coordinates action on Common Market for Eastern and Southern Africa (COMESA), Continental Free Trade Area (CFTA), Economic Partnership Agreement (EPA), African Continental Free Trade Area (AfCFTA). The responsibility for ACP-EU Cotonou matters lies with the State Department responsible for Economic Planning while the Ministry responsible for East African Community Affairs coordinates EAC issues. These ministries are responsible for overall coordination of the broad issues but the State Department for Trade remains responsible for the trade elements and undertakes the trade negotiations.

During Financial Years FY 2020/21-FY 2022/23, the State Department achieved the following: increase in the value of whole sale and retail trade by 12.1% from Ksh.727.6 billion in 2020 to Ksh. 815.9 billion in 2022; increase in the value of Kenya's exports by 35.6% from Ksh. 643.7 billion in 2020 to Kshs. 873.1 billion in 2022; branding of 1,088 products with the mark of identity to demonstrate originality and creating visibility of Kenya as the source of high-quality products; initiation of operationalization of the Kenya Trade Portal and the Kenya Trade Remedies Agency (KETRA); establishment of a Legal and Regulatory Framework for KOMEX Ecosystem; operationalization of one hundred and seventy eight (178) Constituency Industrial Development Centres (CIDs); capacity building and business counselling of 3,920 Micro, Small and Medium Enterprises (MSMEs); and calibration of the rail tankers from Kenya Railway totaling to 121 which are used to transport bulk fuel products between Kenya and Uganda. Further, in the fight against counterfeiting, goods worth Kshs. 627.9 million were seized and 979 cases resolved through either prosecution or out of court settlement. Furthermore, 74,971 youths were issued with grants amounting to Kshs 2.9 billion grants through the Kenya Youth Employment and opportunities project. The project has so far contributed 164,083 jobs.

The approved budgetary allocation to the State Department declined from **Kshs. 4,907.65 million** in FY2021/22 to **Kshs. 4,217.80 million** in FY2022/23 and further declined to **Kshs. 3,552.79 million** in FY 2023/24. On the other hand, the actual expenditure by the State Department reduced from **Kshs. 4,436.59 million** in FY2021/22 to **Kshs. 3,736.69 million** in FY2022/23 and further declined to **Kshs. 3,233.26 million** in FY 2023/24. The absorption rates over the review period were **90.40%**, **88.59%** and **91.01%** for FY2021/22, FY2022/23 and FY 2023/24 respectively.

Entity's key projects or investments decision implemented or ongoing indicating source of funds, project status, project costs and amount spent this far.

In the last three years, the State Department implemented four (4) Programmes and nine (9) Sub-Programmes to achieve its planned activities and projects. During the review period, the State Department implemented. Over the period under review the Sub sector undertook only one (1) out of the four (4) capital projects. The analysis of performance of capital projects over the period under review is as provided in Table 7.1

**Table 7.1 : Project Implementation Status as at 30<sup>th</sup> June, 2024**

Project Name (a)	Project commencement date (b)	Expected completion date of the project (c)	Source of funds (GoK/Donor/Foreign borrowing/Commercial borrowing (d))	Estimated Value of the project (Kshs Million) (e)	Total Funding in the FY 2023/24 (Kshs.M) (f)	Expenditure in the FY 2023/24 (Kshs.M) (g)	Cumulative Expenditure in the FY 2023/24 (Kshs.) (h)	Percentage completion of the project (i=h/e)	Remarks/Challenges faced in implementing the project
Warehouse Receipt System Council/Development of Warehouse Receipt System	7 <sup>th</sup> January 2020	30 <sup>th</sup> June 2027	GoK	450	50	50			In the FY 2023/24, validation workshops for the Central Registry's business re-engineering processes were carried out. Inadequate funding coupled with delays and inconsistency in disbursement of funds and budget cuts.
Establishment of Commodities Exchange Platform (KOMEX)	1 <sup>st</sup> July 2023	30 <sup>th</sup> June 2027	GoK	5,000	0				The project implementation was affected by budget cuts in the FY 2022/23 supplementary No 1 and in the FY 2023/24 the project did not receive funding.
Warehouse Refurbishment (KNTC)	7 <sup>th</sup> April 2020	7 <sup>th</sup> March 2025	GoK	1,670	0				In FY 2023/24 Bill of quantities were done (BQ) awaiting procurement process to be initiated by the user department. Inadequate funding coupled with delays and inconsistency in disbursement of funds and budget cuts.

**Table 7.2: Stalled Projects status Report as at 30<sup>th</sup> June, 2024**

Project Name (a)	Project commencement date (b)	Expected completion date of the project (c)	Source of funds (GoK/Donor/Foreign borrowing/Commercial borrowing (d)	Estimated Value of the project (Kshs) (e)	Amount paid to the stalled project (Kshs.) (f)	Outstanding balance as at 30 <sup>th</sup> June, 2024 (Kshs.) (g)	Percentage completion of the project before stalling (h=f/e)	Reason for stalling
Modernization of Standards Laboratory (Legal Metrology Project)	07/01/2016	30/06/2026	GoK	865,000,000	8,700,000	856,300,000	1%	In the FY 2021/2022, State Department for Public Works was officially contacted to start preparations of the BQs, unfortunately the entire process stalled out of budget cuts the project did not receive funding in the FY 2023/24 therefore it stalled.

**Future developments and any other information considered relevant to the users of the financial statements.)**

The State department will continue to undertake its mandate and its planned activities. Most importantly, the State Department currently is engaged in the ongoing discussions and negotiations with the World Trade Organization (WTO). The Kenya-USA Strategic Trade & Investments Partnership (STIP), the Kenya-UAE Comprehensive Economic Partnership, (CEPA); ongoing negotiations at regional level on AfCFTA, COMESA, EAC; & Tripartite and recently agreed, Kenya-Indonesia Preferential Trade Agreement (PTA) amongst other, to enable retention and expansion of the market share of Kenya's BETA priority value chains in existing and potential export destinations especially in UAE, UK and US markets. Once the trade negotiations are concluded and market accessed, the State Department is required to disseminate information on trade and investment opportunities arising out of the negotiated trade agreements to key stakeholders, for them to exploit. In addition, trade negotiations activities involve foreign travelling however in the FY 2023/24 approved budget, Trade negotiation foreign travel budget was Kshs.10.6 million (reduction from 12.41 million) which was hardly enough to support participation of the planned Trade negotiations and disseminated information on the Market and investment opportunities realized.

Policy and Legislative initiatives: A number of policies or bills are at different stages of development. This to large extent has hindered the State Department to effectively execute its mandate, align with the

Bottom-up Economic Transformation Agenda and implement the priority value chains. They will also promote and develop trade, protect the consumer against unfair trade practices as well as create an enabling environment for domestic and export trade to thrive.

Failure to fund the above activities will lead State Department failing to deliver its mandate, improving business environment, and risk of Kenya losing secure, long-term and predictable market access to the countries with which the agreements are being negotiated. In this regard, Kenya's contributions of export to GDP will decline further subsequently affecting the balance of payment on current account as well as Kenyan shilling currency strength.

#### **State Department's compliance with statutory requirements**

The State Department has continued to comply with PFM Act 2012 and PPAD Act 2015 and their respective regulations. It has also complied with other legal requirements such as submission of statutory deductions namely: timely remittances of NHIF, NSSF, PAYE, HELB, VAT, withholding and income tax.

#### **Access to Government Procurement Opportunities (AGPO)**

As provided by the PPAD Act 2015, in the FY 2023/24, the State Department awarded tenders worth a total of Kshs 129,805,797 to the AGPO category out of Approved Procurable Budget of Kshs. 572,322,423. The AGPO awarded tenders were distributed as follows; Women were awarded 25 contracts amounting to Kshs. 19,247,668, the Youth 32 contracts amounting to Kshs. 67,599,085 and 4 contracts were awarded to PWDs amounting to Kshs. 42,959,044

Further the State Department also in compliance with awarding at least 40% of the total value of procurement budget to goods and services produced locally awarded Kshs 124,821,038

#### **Major risks facing the State Department**

During the period under review the State Department faced various operational risks namely: breakdown of motor vehicles, printers and photocopiers, monitoring risks, high staff turnover, budget cuts, lack of strategic plan

The State Department shall adopt a robust risk management approach and practices aimed at ensuring achievements of its key objectives.

## 8. Environmental and Sustainability Reporting

### a) Sustainability strategy and profile

1. **Sustainable Efforts:** The State Department for Trade has recognized the importance of sustainability in its operations and policies. Sustainable efforts include:
  - Integration of environmental, social, and economic considerations in trade policies and practices to promote sustainable trade practices.
  - Encouraging the adoption of green and eco-friendly practices in domestic trade and enterprise development to reduce environmental impact.
  - Ensuring fair trade practices and compliance with international standards to promote consumer protection and fair treatment of stakeholders.
  - Promoting responsible and sustainable sourcing of raw materials and products to support environmentally and socially responsible supply chains.
  - Over the years, the State department has enjoyed goodwill from the National Treasury and Economic Planning and Parliamentary committees. However, funding has not been adequate in delivery of its core mandate. We need to do more through lobbying for increased funding from the Exchequer through the MTEF budget Sector Working Groups and Parliamentary committees (Parliament Departmental Committee on Trade, Industry and Cooperatives, Senate Standing Committee on Trade, Industrialization, and Tourism). One of the departments (Weights and Measures) generates A-i-A through provision of services. This has a huge potential of generating more revenue to fund its activities. The State Department need to fully exploit internal capacity in mobilizing additional resources from development partners; develop and implement resource mobilization strategy as well as strengthen partnerships with a view to diversifying sources of support and funding.
  - The activities of the strategic plan are aligned to the requirements in the requirements in the Constitution of Kenya, policy priorities in the fourth medium term plan, policy priorities under BETA, compliance with government and presidential directives, government commitments to regional and global development agenda (Africa Union Agenda 2023, Sustainable Development Goals) and climate change frameworks.
2. **Broad Trends in Political and Macroeconomic Factors Affecting Sustainability Priorities:** The State Department for Trade is influenced by various political and macroeconomic factors, including:
  - Government policies and priorities that align with sustainable development goals and green economic initiatives.
  - International trade agreements and regional economic partnerships that drive the focus on sustainable trade practices.
  - Economic fluctuations and external market dynamics impacting trade performance and sustainable trade diversification.
  - Political stability and governance structures that enable the implementation of sustainable trade policies and programs.
3. **Environmental performance:** The State Department has implemented the following initiatives
  - i. Waste bins provided and placed in strategic locations

- ii. The lights and water taps are switched off when not in use
  - iii. Fire extinguishers have been installed in strategic locations
4. Planted 1500 new trees in Embu and Narok under National Tree Growing Restoration Campaign. This is in line with the Presidential directive -*Jaza Miti initiative* which is aimed at planting 15 billion trees by 2032.



*Former CS Investment Promotion, Trade and Industry Ms. Rebecca Miano watering a seedling after planting at KSG, Lower Kabete Campus*



**The Cabinet Secretary, Investment Promotion, Trade and Industry at Tree Planting Exercise at Irangi Forest, Embu County**

**5. Reference to International Best Practices:** The State Department for Trade has benchmarked itself against international best practices in promoting sustainability. It has looked at successful models from other countries that have integrated sustainability into their trade agendas. Key areas include:

- Sustainability certification and labeling schemes for products to promote eco-conscious consumer choices.
- Green financing mechanisms to support sustainable trade initiatives and investments.
- Sustainable supply chain management practices to ensure environmental and social responsibility throughout the value chain.

**4. Successes**

- i. **Development of e-commerce Strategy:** *Developed and officially launched.*
- ii. **Kenya-EU EPA:** *Successfully concluded*
- iii. **Kenya-United Arab Emirates Comprehensive Economic Partnership Agreement (CEPA) -** *Technical negotiations for Phase I successfully concluded. Cabinet Approval. The Cabinet, vide letter Ref. No. CAB/GEN./3/1/1 VOL.XXII/31 date 4<sup>th</sup> July 2024 approved the negotiation, conclusion and signing of the CEPA.*
- iv. **Joint Trade Committee (JTC) meeting between the Republic of Kenya and United Republic of Tanzania** *resolved thirteen (13) outstanding Non-Tariff Barriers (NTBs) and provided a way forward for the remaining NTBs*
- v. **Rules of Origin** *93.2% of the rules of origin have been concluded and the remaining outstanding chapters are on **motor vehicle, textiles, and clothing**. Kenya's key interest remains to be on textiles where we are seeking single transformation criteria for the textile while on automobile, the industry has requested for protection to secure the existing market in larger EAC and COMESA*
- vi. *Increasing market for Kenya's products with the value of exports to the EAC standing at **Kshs. 305.8 billion** in 2023 from **Kshs. 226.4 billion** in 2022 (Economic Survey, 2024). This accounted for about **32%** of intra-EAC trade*
- vii. *Carried out workshop on AfCFTA Guided Trade Initiative with an objective of helping services stakeholders to identify countries and sectors/Sub-Sectors to trade with and in under the AfCFTA Guided Trade Initiative;*

### **Implementation Challenges**

The major challenges that inhibited effective and efficient implementation of policies, programmes and projects during the review period were:

- i. **Inadequate funding:** The Sub-sector plays a vital role in our economy, contributing significantly to both GDP and job creation. However, a persistent challenge faced by the Sub-Sector is inadequate funding and budget cuts, which has had a detrimental impact on its ability to fulfill its mandate.
- ii. **Inadequate Policy and Legal Framework:** The Sub-sector lacks adequate legislations for effective execution of its mandate, align with the Bottom-up Economic Transformation Agenda and implement the priority value chains regulate issues on consumer protection, trade promotion, trade negotiation, among others.
- iii. **Existence of Non-Tariff Barriers in Regional Markets:** Kenya is a member of various trading blocs. The EAC Common External Tariff (CET), Rules of Origin (RoO) and trade facilitation measures such as axle-load limits and transport insurance requirements in the blocs are not implemented uniformly resulting in un-harmonized regulations. This has led to non-tariff barriers which pose a challenge to the business community in complying with the different trading arrangements. In addition, the Sub-Sector is faced with the challenge of dealing with unfair competition that is posed by the flow of imports through other Partner States which belong to other trading blocs where the RoO are not strictly enforced. The protectionism is slowly creeping in from Partner States which is affecting Kenyan export to those markets.
- iv. **External Factors:** Global economic trends, weakening currency, changes in international trade regulations, and geopolitical dynamics impact the implementation of trade policies in Kenya.
- v. **Low level of awareness on Regional Integration Opportunities/Benefits:** There is generally low level of awareness by the business community on the socio-economic benefits and provisions of the EAC, AfCFTA, TFTA and COMESA integration processes. Without information on the business opportunities and markets available, most of the producers are not able to exploit their potential,

### **2 Lessons learnt**

- i. **Effective Stakeholder Engagement:** The successful implementation of the planned activities depended on collaboration and cooperation with various stakeholders, including government agencies, private sector partners, and international organisations. The sub-sector recognized the importance of fostering strong relationships and engaging stakeholders at all levels to garner support, share expertise, and overcome challenges collectively.
- ii. **Trade Negotiations:** Trade negotiations process is continuous involving in-country and abroad physical meetings. There is a need to earmark adequate budget to support new and ongoing trade negotiations/agreements related projects and programmes.

- iii. **Market Diversification Strategies:** The trade deficit and challenges with key export destinations underscored the need to diversify trade partners and markets. The Trade sub-sector realized the importance of developing and implementing market diversification strategies to reduce reliance on specific markets, expand export opportunities, and mitigate risks associated with changing global trade dynamics.
- iv. **Policy Reforms for Resilience:** Implementation of various policy and legal reforms played a crucial role in enhancing trade practices and regulatory frameworks. The Trade sub-sector learned the value of continuous policy review and adaptation to ensure resilience and responsiveness to emerging trade trends and challenges.
- v. **Importance of Public Awareness and Consumer Protection:** Strengthening public awareness on fair trade practices and consumer protection measures contributed to building trust and confidence in the Trade sub-sector. The Sub-sector recognized the significance of effective consumer education and protection to safeguard consumer rights and enhance the reputation of Kenyan products and services in both domestic and international markets. In addition, awareness on Regional Integration on the socio-economic benefits and provisions of the EAC, AfCFTA, TFTA and COMESA integration processes is necessary.
- vi. **Visibility:** The Sub-sector's visibility is a key contributor to awareness levels. To further enhance the Sub-sector's brand awareness, it should revamp its website and the public communications unit to fully support its advocacy aspirations.

#### **4.3 Recommendations**

- i. Lobby for increased funding from the Exchequer through the MTEF budget Sector Working Groups and Parliamentary committees (Parliament Departmental Committee on Trade, Industry and Cooperatives, Senate Standing Committee on Trade, Industrialization, and Tourism);
- ii. Explore resource mobilization from development partners;
- iii. There is need for continuous consultations, collaboration, enhance communication and joint resource mobilization among the Finance and production sector actors with a view to realizing the set targets to avoid breaking the chain;
- iv. Fast track completion and enactment of various pending bills so as to create a conducive business environment for businesses to thrive.;
- v. Establish a framework for closer engagement with the County governments and the Private Sector;
- vi. Enhance engagement with the trading partners to address Non-Tariff Barriers (NTBs) and other trade concerns;
- vii. Expand trade relationships beyond a few key partners to reduce vulnerability to global economic fluctuations and regulatory changes;
- viii. Develop contingency plans to address potential disruptions caused by external factors, enabling agile responses to changing trade dynamics;
- ix. Progressively establish Commercial offices and deploy Commercial Attaches to Kenya's foreign Missions; and

- x. Collaborate with the private stakeholders to establish Kenya Commercial/Trade Centers in key commercial cities in foreign markets to promote and expand market access for Kenya's key value chain products in the international market.

**5. Sustainability Strategy:** To strengthen the State Department for Trade's sustainability profile and align with the Government's priority value chains and the Bottom-Up Economic Transformation Agenda, the following measures is adopted:

- Develop a comprehensive sustainable trade policy framework that encompasses environmental, social, and economic dimensions.
- Establish a Sustainable Trade Promotion Unit to drive sustainable trade practices, support green value chains, and facilitate sustainable market access.
- Collaborate with relevant stakeholders, including the private sector and civil society, to develop and implement sustainability initiatives.
- Prioritize investments in modernized laboratories and infrastructure to promote sustainable standards and compliance in trade activities.
- Encourage research and innovation in sustainable trade practices and technologies, fostering green economic growth.
- Promote the adoption of renewable energy sources and eco-friendly technologies in trade and enterprise activities.
- Enhance capacity building and training programs for stakeholders to ensure sustainable trade practices are understood and implemented.

By adopting a comprehensive sustainability strategy and profile, the State Department for Trade will contribute to Kenya's sustainable development goals, the Bottom-Up Economic Transformation Agenda, and the growth of priority value chains in a socially and environmentally responsible manner.

**b) Environmental performance /climate change/ mitigation of natural disasters**

The State Department for Trade recognizes the critical role it plays in promoting sustainable trade practices that align with environmental conservation and climate change mitigation. The State Department has been actively working towards achieving the Sustainable Development Goals (SDGs) and adhering to various presidential directives and policies aimed at greening the economy, conserving biodiversity, and reducing environmental impact.

1. **SDGs Alignment and Greening Initiatives:** The State Department for Trade actively supports SDGs related to environmental sustainability, climate action, and biodiversity conservation. It has embraced the Presidential Greening Directive, which aims to achieve a 15 billion tree cover initiative. Additionally, in line with the directive of planting 30 trees annually per civil servant, the State Department encourages its staff to participate in tree planting initiatives to enhance the country's green cover.
2. **Environmental Policy and Evidence:** The State Department for Trade has a robust Environmental Policy that guides its operations, programs, and projects. The policy emphasizes

the integration of environmental considerations into trade policies and practices. Evidence of the policy's implementation is seen through various initiatives and partnerships aimed at promoting sustainable trade, reducing carbon footprint, and conserving natural resources.

**3. Successes:**

- Implementation of the Presidential Greening Directive has led to the planting of millions of trees, contributing to the country's tree cover and carbon sequestration efforts.
- The State Department's commitment to greening the economy has resulted in increased awareness among stakeholders about sustainable trade practices and the importance of environmental conservation.
- Efforts to integrate climate-smart technologies and renewable energy sources into the trade sector have reduced the environmental impact of trade-related activities.

**4. Shortcomings:**

- While progress has been made in tree planting initiatives, achieving the 15 billion tree cover initiative remains a challenge due to resource constraints and competing priorities.
- The impact of climate change on trade, such as disruptions in supply chains due to extreme weather events, remains a concern that requires further mitigation strategies.

5. **Biodiversity Management:** The State Department for Trade collaborates with relevant stakeholders to manage biodiversity in trade activities. It promotes sustainable sourcing of raw materials, especially those derived from natural resources, to minimize the impact on ecosystems.

6. **Waste Management Policy:** The State Department has put in place waste management policies to minimize waste generation in its operations. It encourages recycling and proper waste disposal practices to reduce its environmental footprint.

7. **Reducing Environmental Impact of Trade Sector Products:** The State Department for Trade works with industries to encourage sustainable production practices and eco-friendly product development. It supports green labeling and certification schemes to identify environmentally friendly products for consumers.

The State Department for Trade is committed to enhancing its environmental performance and climate change mitigation efforts. By aligning with SDGs, adhering to presidential directives, implementing environmental policies, and promoting sustainable trade practices, the State Department aims to contribute to the country's environmental conservation agenda while fostering economic growth in the trade sector. However, continuous efforts are required to address challenges and improve the overall environmental impact of trade-related activities.

**c) Employee welfare**

**Policies Guiding the Hiring Process:**

The State Department for Trade in Kenya promotes transparency, fairness, and equal opportunities in its hiring policies. It considers gender diversity and avoids discrimination. Stakeholder engagements identify required skills and qualifications. Policies are periodically reviewed for alignment with best practices.

**Efforts in Improving Skills and Managing Careers:**

The State Department invests in continuous professional development for employees. Training, workshops, and capacity-building enhance career growth and job effectiveness. Performance appraisals facilitate personalized career development plans.

**Appraisal and Reward Systems:**

The State Department recognizes and appreciates employee contributions through appraisal and reward systems. Regular evaluations provide feedback, leading to promotions and bonuses as motivation and recognition.

**Policy on Safety and Compliance with OSHA:**

The State Department prioritizes employee safety, complying with the Occupational Safety and Health Act of 2007. Safety protocols, hazard training, and proactive measures prevent accidents, ensuring high standards.

**d) Operational practices/ Market place practices**

The State Department prioritizes transparency, efficiency, and accountability in its market dealings. It adheres to regulations, promotes fair competition, and maintains ethical conduct in trade activities. It upholds integrity, fosters sustainable trade, and creates a conducive business environment for stakeholders.

**Supplier Responsibility and Contract Honoring:**

The State Department treats suppliers responsibly, honoring agreements and timely payments. Strong partnerships ensure an uninterrupted supply chain for trade activities, establishing trust and a stable business ecosystem.

**Impact of Insufficient Budgetary Allocations and Posterity Measures:**

Limited funding poses challenges for operational practices and marketplace engagements. Delays in critical projects affect trade support and economic development. Budget constraints strain supplier relationships, impacting the supply chain and procurement. Insufficient funding hinders long-term planning, adaptation to market dynamics, and capacity-building initiatives, affecting trade sector competitiveness.

To overcome challenges, the State Department needs adequate budgets and sustainable posterity measures, ensuring smooth operations, timely supplier payments, and effective trade sector growth and development.

**e) Community Engagements**

In FY2023-2024, the State Department for Trade other than national tree planting campaign, the State Department did not have CRS engagements. This was attributed to insufficient funds.

**9. Statement of Management Responsibilities**

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the State Department for Trade is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2024. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the State Department for Trade accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the State Department's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2024, and of the entity's financial position as at that date. The Accounting Officer in charge of the State Department for Trade further confirms the completeness of the accounting records maintained for the State Department, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

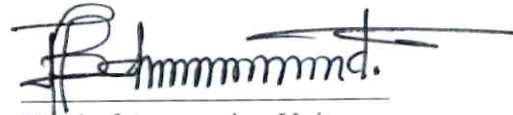
The Accounting Officer in charge of the State Department for Trade confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the entity's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

**Approval of the financial statements**

The State Department for Trade's financial statements were approved and signed by the Accounting Officer on 17<sup>th</sup> September, 2024.

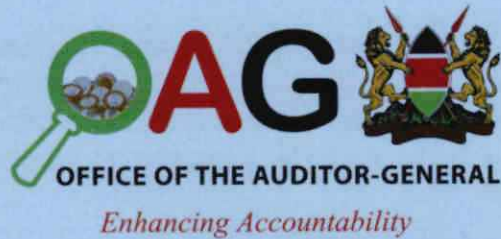


Principal Secretary  
Mr. Alfred Ombudo K'Ombudo



Head of Accounting Unit  
CPA Tom Mbuya Odundo  
ICPAK Member Number: 5430

# REPUBLIC OF KENYA



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HEADQUARTERS  
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P.O Box 30084-00100  
NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON STATE DEPARTMENT FOR TRADE FOR THE YEAR ENDED 30 JUNE, 2024

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### PREAMBLE

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Opinion

I have audited the accompanying financial statements of State Department for Trade set out on pages 1 to 26, which comprise of the statement of financial assets and liabilities

as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows, statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of State Department for Trade as at 30 June, 2024, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012.

### **Basis for Opinion**

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the State Department for Trade Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Emphasis of Matter**

#### **1. Pending Accounts Payables**

Note 16.1 to the financial statements reflects pending accounts payable of Kshs.54,947,474 relating to supply of goods and services. Included in the amount is Kshs.30,105,866 relating to the financial year 2022/2023 which was not settled during the year under review. The amount was not settled during the year but instead carried forward to 2024/2025 financial year. The Management has not explained why the bills were not settled during the year they occurred.

Failure to settle bills during the year in which they relate distorts the financial statements and adversely affects the budgetary provisions for the subsequent year as they form a first charge.

#### **2. Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.3,552,791,035 and Kshs.2,699,234,220 respectively resulting in an under funding of Kshs.853,556,815 or 24% of the budget.

In the circumstances, the under-funding affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of these matters.

## **Key Audit Matter**

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

## **Other Matter**

### **Unresolved Prior Year Matters**

In the audit report of the previous year, several issues were raised under Other Matter and Report on Lawfulness and Effectiveness in Use of Public Resources. The issues remain unresolved, even though discussed by the relevant Parliamentary Committee.

## **Other Information**

The Management are responsible for the other information set out on page iii to Liii which comprise of Key entity Information and Management, Statement of Governance, Statement by the Cabinet Secretary, Statement by the Principal Secretary, Statement of Performance Against Predetermined Objectives, Management Discussion and Analysis, Environmental and Sustainability Reporting and Statement of Management's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

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

### **Basis for Conclusion**

#### **Non-Compliance with the Approved Staff Establishment**

Review of the human resource records reflects that the State Department had an approved establishment of five hundred and twenty-four (524) staff members across all cadres. However, the actual number in position was three hundred and sixty-four (364) staff leading to an under establishment of one hundred and sixty (160) staff. This was

contrary to Section A.15 of the Human Resource Policies and Procedures Manual for Public Service, May 2016, which states that the functions of Ministerial Human Resource Management Advisory Committees (MHRMAC) entail making recommendations to the Authorized Officer regarding: - inter alia (viii) establishment and complement control.

In the circumstances, the service delivery to the public may be negatively affected and the Management was in breach of the law.

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

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **Grounded Vehicles and Boarded Vehicles**

Review of the motor vehicle records revealed that nine (9) motor vehicles have been grounded for some time which are parked in various locations and some in private garages. However, it casts doubts exists on how the State Department ensures that the vehicles are in safe custody and cannot be vandalized.

In the circumstances, the effectiveness of internal controls on motor vehicles could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements which are free from material

misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the State Department's ability to continue sustaining its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of intention to terminate the State Department or to cease operations.

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

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

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

### **Auditor-General's Responsibilities for the Audit**

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the

effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

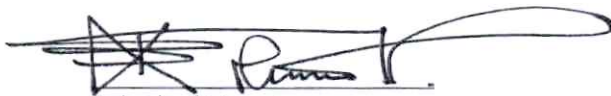
Nairobi

23 December, 2024

**11. Statement of Receipts and Payments for the Year ended 30<sup>th</sup> June 2024**

	Note	2023/2024	2022/2023
		Ksh.	Ksh.
<b>Receipts</b>			
Exchequer Releases	1	1,855,631,245	3,113,656,812
Other Receipts	2	843,602,975	629,595,306
<b>Total Receipts</b>		<b>2,699,234,220</b>	<b>3,743,252,118</b>
<b>Payments</b>			
Compensation Of Employees	3	588,864,158	608,118,136
Use Of Goods and Services	4	591,380,213	391,189,664
Transfers To Other Government Entities	5	1,454,290,439	2,679,693,513
Other Grants and Transfers	6	19,742,172	27,012,748
Social Security Benefits	7	205,485	13,947,477
Acquisition Of Assets	8	63,120,728	2,060,061
<b>Total Payments</b>		<b>2,717,603,195</b>	<b>3,722,021,599</b>
<b>Surplus/(Deficit)</b>		<b>(18,368,975)</b>	<b>21,230,519</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on *17<sup>th</sup> Sep* 2024 and signed by:



Principal Secretary  
Mr. Alfred Ombudo K'Ombudo




Head of Accounting Unit  
CPA Tom Mbuya Oundo  
ICPAK Member Number: 5430

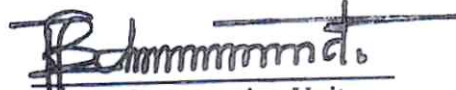
**State Department for Trade**  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024**

**12. Statement of Financial Assets and Financial Liabilities As At 30<sup>th</sup> June 2024**

	Note	2023/2024 Ksh.	2022/2023 Ksh.
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	9A	29,904,552	23,231,738
Cash Balances	9B	-	39,563
<b>Total Cash and cash equivalent</b>		<b>29,904,552</b>	<b>23,271,301</b>
Accounts Receivables	10	65,835,521	88,834,588
<b>TOTAL FINANCIAL ASSETS</b>		<b>95,740,074</b>	<b>112,105,890</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables	11	(25,234,897)	-23,080,334
<b>NET FINANCIAL ASSETS</b>		<b>70,505,176</b>	<b>89,025,555</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd	12	89,025,555	71,193,673
Prior period adjustment	13	(151,404)	-3,398,637
Deficit for the period		(18,368,975)	21,230,519
<b>NET FINANCIAL POSITION</b>		<b>70,505,176</b>	<b>89,025,555</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 17<sup>th</sup> Sep 2024 and signed by:

  
Principal Secretary  
Mr. Alfred Ombudo K'Ombudo

  
Head of Accounting Unit  
CPA Tom Mbuya Odundo  
ICPAK Member Number: 5430

*State Department for Trade*  
*Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

13. Statement of Cash Flows for The Year Ended 30<sup>th</sup> June 2024

		2023/2024	2022/2023
		Ksh.	Ksh.
<b>Receipts for Operating Income</b>			
Exchequer releases	1	1,855,631,245	3,113,656,812
Other receipts	2	843,602,975	629,595,306
		<b>2,699,234,220</b>	<b>3,743,252,118</b>
<b>Payments For Operating Expenses</b>			
Compensation of employees	3	588,864,158	608,118,136
Use of goods and services	4	591,380,213	391,189,664
Transfers to other government units	5	1,454,290,439	2,679,693,513
Other grants and transfers	6	19,742,172	27,012,748
Social security benefits	7	205,485	13,947,477
		<b>2,654,482,467</b>	<b>3,719,961,538</b>
<b>Adjusted For:</b>			
Prior year adjustments	13	-151,404	-3,398,637
Change in Receivables (Increase)	14	22,999,067	-21,653,941
Change in payables (Decrease)	15	2,154,563	-1,939,512
<b>Net Cash Flow from Operating Activities</b>		<b>69,753,979</b>	<b>-3,701,510</b>
<b>Cash flow From Investing Activities</b>			
Acquisition of assets	8	-63,120,728	-2,060,061
<b>Net Cash Flows from Investing Activities</b>		<b>-63,120,728</b>	<b>-2,060,061</b>
<b>Net Increase in cash and cash equivalent</b>		<b>6,633,251</b>	<b>-5,761,571</b>
<b>Cash &amp; Cash Equivalent at Start of The Year</b>		<b>23,271,301</b>	<b>29,032,872</b>
<b>Cash &amp; Cash Equivalent at End of The Year</b>		<b>29,904,552</b>	<b>23,271,301</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on...17<sup>th</sup> July...2024 and signed by:



Principal Secretary  
 Mr. Alfred Ombudo K'Ombudo



Head of Accounting Unit  
 CPA Tom Mbuya Odundo  
 ICPAK Member Number: 5430

14. Statement of Comparison of Budget and Actual Amounts for FY 2023/2024

	Original Budget	Reallo- cation /Tran- sfer	Adjustments	Final Budget	Actual	Budget utilization difference	% of Utilizati- on
	a	b	c	d=a+b+c	e	f=d-e	g=e/d%
	Ksh.	Ksh.	Ksh.	Ksh.	Ksh.	Ksh.	%
<b>RECEIPTS</b>							
Exchequer releases	2,023,500,000	-	158,891,035	2,182,391,035	1,855,631,245	326,759,790	85%
Other Receipts	389,400,000	-	981,000,000	1,370,400,000	843,602,975	526,797,025	62%
<b>TOTAL RECEIPTS</b>	<b>2,412,900,000</b>	-	<b>1,139,891,035</b>	<b>3,552,791,035</b>	<b>2,699,234,220</b>	<b>853,556,815</b>	<b>76%</b>
<b>PAYMENTS</b>							
Compensation of Employees	603,840,000	-	20,161,252	624,001,252	588,864,158	35,137,094	94%
Use of goods and services	740,370,000	-	-31,498,023	708,871,977	591,380,213	117,491,764	83%
Transfers to Other Government Units	1,009,300,000	-	1,111,000,000	2,120,300,000	1,454,290,439	666,009,561	69%
Other Grants and Transfers	30,000,000	-	-7,132,194	22,867,806	19,742,172	3,125,634	86%
Social Security Benefit	2,000,000	-	-	2,000,000	205,485	1,794,515	10%
Acquisition of Assets	27,390,000	-	47,360,000	74,750,000	63,120,728	11,629,272	84%
<b>TOTAL PAYMENTS</b>	<b>2,412,900,000</b>		<b>1,139,891,035</b>	<b>3,552,791,035</b>	<b>2,717,603,195</b>	<b>835,187,840</b>	<b>77%</b>
<b>DEFICIT</b>	-		-	-	<b>-18,368,975</b>	<b>18,368,975</b>	

(a) The underutilization of 14% in respect to budgeted exchequer releases was occasioned by non-funding of requested amount of Ksh. 150,000,000 recurrent grants to KEPROBA and utilization of foreign missions' bank balances which was not funded directly from exchequer.

(b) The underutilization of 38% in respect of other receipts was occasioned by under collection of budgeted A.I.A as tabulated below;

S/No	Entity	Budgeted AIA	Actual collection	Difference	Reasons for under collection
1.	KNTC	1,325,400,000	813,324,498	512,075,502	The entity incurred loss due to high cost of sales during the financial year.
2.	Weights and Measures	30,000,000	19,070,048	10,929,952	Non-payment of rental income by the tenants as budgeted for.
3.	KEPROBA	15,000,000	11,208,429	3,791,571	Due to lack of Budget to execute activities that were to generate A.I.A
	<b>Total</b>	<b>1,370,400,000</b>	<b>843,602,975</b>	<b>526,797,025</b>	

(c) The underutilization of 17% in respect to use of goods and services was due to the austerity measures as directed by the Government.

(d) The underutilization under Transfers to Other Government Units of 31% was largely due to non-exchequer release for KEPROBA budget of Ksh.150,000,000.00.

(e) The underutilization of 14% in regards to Other Grants and Transfers was partial utilization of availed funds by foreign missions thus resulting in unspent balances.

(f) The underutilization of 90% Social Security Benefits was occasioned by non-payment of benefits.

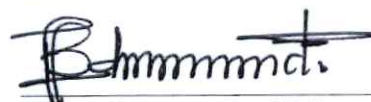
(g) The underutilization of 16% in Acquisition of Assets was due to insufficient funds to procure the required assets and unconcluded procurement processes.

(h) The changes between the original and final budget are as a result of budget cuts across various expenditure items following budget realignments.

The entity financial statements were approved on 17<sup>th</sup> September, 2024 and signed by:



Principal Secretary  
Mr. Alfred Ombudo K'Ombudo



Head of Accounting Unit  
CPA Tom Mbuya Odundo  
ICPAK Member Number: 5430

14 (a) Statement of Comparison of Budget and Actual Amounts: Recurrent Grant FY 2023/2024

	Original Budget	Reallocation /Transfer	Adjustments	Final Budget	Actual	Budget utilization difference	% of Utilization
	a	b	c	d=a+b+c	e	f=d-e	g=e/d%
	Ksh.	Ksh.	Ksh.	Ksh.	Ksh.	Ksh.	
<b>RECEIPTS</b>							
Exchequer releases	1,973,500,000	0	158,891,035	2,132,391,035	1,805,631,245	326,759,790	85%
Other Receipts	389,400,000	0	981,000,000	1,370,400,000	843,602,975	526,797,025	62%
<b>TOTAL RECEIPTS</b>	<b>2,362,900,000</b>	<b>0</b>	<b>1,139,891,035</b>	<b>3,502,791,035</b>	<b>2,649,234,220</b>	<b>853,556,815</b>	<b>76%</b>
<b>PAYMENTS</b>							
Compensation of Employees	603,840,000	0	20,161,252	624,001,252	588,864,158	35,137,094	94%
Use of goods and services	740,370,000	0	-31,498,023	708,871,977	591,380,213	117,491,764	83%
Transfers to Other Government Units	959,300,000	0	1,111,000,000	2,070,300,000	1,404,290,439	666,009,561	68%
Other Grants and Transfers	30,000,000	0	-7,132,194	22,867,806	19,742,172	3,125,634	86%
Social Security Benefit	2,000,000	0	0	2,000,000	205,485	1,794,515	10%
Acquisition of Assets	27,390,000	0	47,360,000	74,750,000	63,120,728	11,629,272	84%
<b>TOTAL PAYMENTS</b>	<b>2,362,900,000</b>	<b>0</b>	<b>1,139,891,035</b>	<b>3,502,791,035</b>	<b>2,667,603,195</b>	<b>835,187,840</b>	<b>76%</b>
<b>DEFICIT</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-18,368,975</b>	<b>18,368,975</b>	

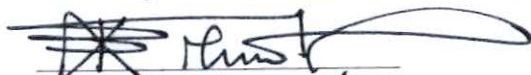
(a) The underutilization of 15% in respect to budgeted exchequer releases was occasioned by non-funding of requested amount of Ksh. 150,000,000 recurrent grants to KEPROBA and utilization of foreign missions' bank balances which was not funded directly from exchequer.

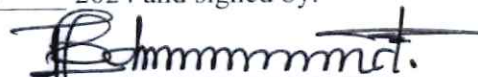
(b) The underutilization of 38% in respect of other receipts was occasioned by under collection of budgeted AIA as tabulated below;

S/No	Entity	Budgeted AIA	Actual collection	Difference	Reasons for under collection
1.	KNTC	1,325,400,000	813,324,498	512,075,502	The entity incurred loss due to high cost of sales during the financial year.
2.	Weights and Measures	30,000,000	19,070,048	10,929,952	Non-payment of rental income by the tenants as budgeted for.
3.	KEPROBA	15,000,000	11,208,429	3,791,571	Due to lack of Budget to execute activities that were to generate A.I.A
	<b>Total</b>	<b>1,370,400,000</b>	<b>843,602,975</b>	<b>526,797,025</b>	

- (c) The underutilization of 17% in respect to use of goods and services was due to the austerity measures as directed by the Government.
- (d) The underutilization under Transfers to Other Government Units of 32% was largely due to non-release of exchequer though requested for.
- (e) The underutilization of 14% in regards to Other Grants and Transfers was due to partial utilization of availed funds by foreign missions thus resulting in unspent balances.
- (f) The underutilization of 90% Social Security Benefits was occasioned by non-payment of benefits.
- (g) The underutilization of 16% in Acquisition of Assets was due to insufficient funds to procure the required assets and uncompleted procurement processes.
- (h) The changes between the original and final budget are as a result of budget cuts across various expenditure items following budget realignments.

The entity financial statements were approved on 17<sup>th</sup> September, 2024 and signed by:

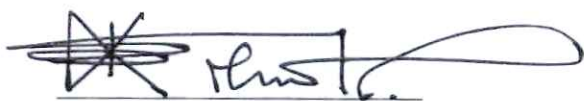
  
Principal Secretary  
Mr. Alfred Ombudo K'Ombudo

  
Head of Accounting Unit  
CPA Tom Mbuya Odundo  
ICPAK Member Number: 5430

14 (b) Statement of Comparison of Budget and Actual Amounts: Development for FY2023/2024

	Original Budget	Reallocation/ Transfer	Adjustments	Final Budget	Actual	Budget utilization difference	% of Utilization
	a	b	c	d=a+b+c	e	f=d-e	g=e/d%
	Ksh.	Ksh.	Ksh.	Ksh.	Ksh.	Ksh.	
<b>RECEIPTS</b>							
Exchequer releases	50,000,000	0	0	50,000,000	50,000,000	0	100%
<b>TOTAL RECEIPTS</b>	<b>50,000,000</b>	<b>0</b>	<b>0</b>	<b>50,000,000</b>	<b>50,000,000</b>	<b>0</b>	<b>100%</b>
<b>PAYMENTS</b>							
Transfers to Other Government Units	50,000,000		0	50,000,000	50,000,000	0	100%
<b>TOTAL PAYMENTS</b>	<b>50,000,000</b>	<b>0</b>	<b>0</b>	<b>50,000,000</b>	<b>50,000,000</b>	<b>0</b>	<b>100%</b>
<b>Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	

The entity financial statements were approved on 17<sup>th</sup> September, 2024 and signed by:



Principal Secretary  
Mr. Alfred Ombudo K'Ombudo



Head of Accounting Unit  
CPA Tom Mbuya Odundo  
ICPAK Member Number: 5430

*State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

**14 (c) Budget Execution by Programmes and Sub Programmes for FY2023/2024**

Programme/ Sub- programme	Description	Original Budget	Adjustme nts	Final Budget	Actual on comparable basis	Budget utilization difference
		2023-24		2023-24	2023-24	
		Ksh.			Ksh.	Ksh.
<b>309000000</b>	<b>Domestic Trade and Enterprise Development</b>	<b>1,481,249,553</b>	-	<b>1,481,249,553</b>	<b>964,439,885</b>	<b>516,809,668</b>
309010000	Promotion of local content	77,570,310	-	77,570,310	73,391,471	4,178,839
309020000	Development, Promotion and regulation of wholesale and retail Trade	1,403,679,243	-	1,403,679,243	891,048,414	512,630,829
309030000	Development, Promotion and regulation of Micro ,small and Medium enterprises	-	-	-	-	-
<b>310000000</b>	<b>Fair Trade Practices and Compliance of Standards</b>	<b>965,810,236</b>	-	<b>96,510,236</b>	<b>78,975,584</b>	<b>17,534,652</b>
310010000	Enforcement of Intellectual Property and Trade Remedies Measures	4,100,000	-	4,100,000	4,100,000	-
310020000	Enforcement of Legal Metrology	90,210,236	-	90,210,236	72,818,072	17,392,164
310030000	Consumer Protection	2,200,000	-	2,200,000	2,057,512	142,488
<b>311000000</b>	<b>International Trade Development and Promotion</b>	<b>1,188,099,244</b>	-	<b>1,188,099,244</b>	<b>979,825,008</b>	<b>208,274,236</b>
<b>311000000</b>		<b>471,499,244</b>	-	<b>471,499,244</b>	<b>417,016,579</b>	<b>54,482,665</b>
		<b>716,600,000</b>	-	<b>716,600,000</b>	<b>562,808,429</b>	<b>153,791,571</b>
<b>312000000</b>	<b>General Administration Planning and Support Services</b>	<b>786,932,002</b>	-	<b>786,932,002</b>	<b>694,362,719</b>	<b>92,569,283</b>
312010000		786,932,002	-	786,932,002	694,382,719	92,569,283
	<b>GRAND TOTALS</b>	<b>3,552,791,035</b>		<b>3,552,791,035</b>	<b>2,717,603,195</b>	<b>835,187,840</b>

## **15. Notes to the Financial Statements**

### **1. Statement of Compliance and Basis of Preparation**

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions. The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

### **2. Reporting Entity**

The financial statements are for the State Department for Trade. The financial statements encompass the reporting entity as specified under Section 81 of the PFM Act 2012. There was no project under the State Department during the Financial period 2023/2024.

### **3. Reporting Currency**

The financial statements are presented in Kenya Shillings (Ksh), which is the functional and reporting currency of the Government and all values are rounded to the nearest Kenya Shilling.

#### **Significant Accounting Policies**

The accounting policies set out in this section have been consistently applied by State Department For Trade for all the years presented.

#### **a) Recognition of Receipts**

The Entity recognises all receipts from the various sources when the event occurs, and the related cash has been received.

#### **(i) Transfers from the Exchequer**

Transfers from the exchequer are recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

**(ii) External Assistance**

External assistance is received through grants and loans from multilateral and bilateral development partners. Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary. In case of grant/loan in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. A similar recognition criterion is applied for loans received in the form of a direct payment. During the year ended 30<sup>th</sup> June 2024, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

**(iii) miscellaneous receipts**

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements the time associated cash is received.

**b) Recognition of payments**

The Entity recognizes all payments when the event occurs, and the related cash has been paid out by the Entity.

**i) Compensation of Employees**

Salaries and wages, allowances, statutory contribution for employees are recognized in the period when the compensation is paid.

**ii) Use of Goods and Services**

Goods and services are recognized as payments in the period when the goods/services are paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

**iii) Interest on Borrowing**

Borrowing costs that include interest are recognized as payment in the period in which they are paid for.

**iv) Principal on borrowing**

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made.

**v) Acquisition of Fixed Assets**

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment. A fixed asset register is maintained and a summary provided for purposes of consolidation. This summary is disclosed as an annexure xx to the financial statements.

**vi) In-kind contributions**

In-kind contributions are donations that are made to the Entity in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the Entity includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

**vii) Third Party Payments**

Included in the receipts and payments, are payments made on the entity's behalf to third parties in form of loans and grants. These payments do not constitute cash receipts and payments and are disclosed in the payment to third parties in the statement of receipts and payments as proceeds from foreign borrowings or grants.

**c) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. A bank account register is maintained, and a summary provided for purposes of consolidation. This summary is disclosed as Note 9 to the financial statements.

**Restriction on Cash**

Restricted cash represents amounts that are limited/restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation. Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits and retentions. As at 30<sup>th</sup> June 2024, this amounted to Kshs. 25,234,897 compared to Kshs. 23,080,334.00 in prior period as indicated on Note 11. There were no other restrictions on cash during the year.

**d) Imprests and advances**

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or Authority to Incur Expenditure (AIE) holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

**e) Third party deposits and retention**

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted for National Government Ministries and Agencies. Other liabilities including pending bills are disclosed in the financial statements.

**f) Pending Bills**

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off-balance' items. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

**g) Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits and retentions, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament in June 2023 for the period 1<sup>st</sup> July 2023 to 30<sup>th</sup> June 2024 as required by Law and there were 2 number of supplementary adjustments to the original budget during the year. A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements. Government Development Projects are budgeted for under the MDAs but receive budgeted funds as transfers and account for them separately. These transfers are recognized as inter-entity transfers.

**h) Comparative Figures**

Where necessary, comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

**i) Subsequent Events**

There have been no events after the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2024

**j) Prior Period Adjustment**

During the year, errors that have been corrected are disclosed under Note 13 explaining the nature and amounts.

**k) Related Party Transactions**

Related party means parties are related if one party has the ability to:

- a) Control the other party or
- b) Exercise significant influence over the other party in making financial and operational decisions, or if the related party entity and another entity are subject to common control.

Related party transaction is a transfer of resources or obligations between related parties regardless of whether a price is charged.

**l) Contingent Liabilities**

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- b) A present obligation that arises from past events but is not recognized because:
  - i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
  - ii) The amount of the obligation cannot be measured with sufficient reliability.

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities. Letters of comfort/ support, insurance, Public Private Partnerships, The entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

Notes to the Financial Statements

1 Exchequer releases

Description	2023/2024	2022/2023
	Ksh.	Ksh.
Total Exchequer Releases for quarter 1	305,316,156.30	337,914,482
Total Exchequer Releases for quarter 2	519,178,532.35	1,639,161,616
Total Exchequer Releases for quarter 3	388,723,327.25	217,248,715
Total Exchequer Releases for quarter 4	642,413,228.95	919,331,999
<b>Total</b>	<b>1,855,631,244.85</b>	<b>3,113,656,812</b>

2 OTHER RECEIPTS

Description	Current FY 2023/2024	Comparative FY 2022/2023
	Ksh.	Ksh.
Rents on land, houses and buildings	-	125,100
Administrative Fees and Charges	813,324,498	581,700,000
Administrative Fees and Charges - Collected as AIA	30,278,477	47,770,206
<b>Total</b>	<b>843,602,975</b>	<b>629,595,306</b>

3 COMPENSATION OF EMPLOYEES

Description	2023/2024	2022/2023
	Ksh.	Ksh.
Basic salaries of permanent employees	254,341,150	272,601,710
Personal allowances paid as part of salary	334,523,008	335,516,426
<b>Total</b>	<b>588,864,158</b>	<b>608,118,136</b>

**4 USE OF GOODS AND SERVICES**

	<b>2023/2024</b>	<b>2022/2023</b>
	<b>Ksh.</b>	<b>Ksh.</b>
Utilities, supplies and services	7,662,833	12,867,709
Communication, supplies and services	8,690,151	2,808,733
Domestic travel and subsistence	61,407,142	35,578,684
Foreign travel and subsistence	58,448,815	16,705,163
Printing, advertising and information supplies & services	13,088,767	828,126
Rentals of produced assets	198,541,212	223,279,764
Training expenses	17,684,273	4,745,201
Hospitality supplies and services	31,089,558	20,484,713
Insurance costs	5,926,229	5,241,562
Specialized materials and services	14,115,090	3,648,564
Office and general supplies and services	8,359,954	5,263,222
Fuel Oil and Lubricants	14,461,360	4,895,969
Other operating expenses	142,989,345	48,112,678
Routine maintenance – vehicles and other transport equipment	4,561,423	1,737,902
Routine maintenance – other assets	4,354,060	2,023,968
Exchange Rate Losses	-	2,967,706
<b>Total</b>	<b>591,380,213</b>	<b>391,189,664</b>

## 5 GRANTS AND TRANSFERS TO OTHER GOVERNMENT ENTITIES

Description	2023/2024	2022/2023
	Ksh.	Ksh.
<b>Transfers to National Government entities</b>		
Current grants to government agencies and other level of government	1,404,290,439	1,901,682,513
Capital grants to government agencies and other level of government	50,000,000	778,011,000
<b>TOTAL</b>	<b>1,454,290,439</b>	<b>2,679,693,513</b>

The above transfers were made to the following self-reporting entities in the period:

Description	Recurrent	Development	2023/2024	2022/2023
	Ksh.	Ksh.	Total	Ksh.
	Ksh.	Ksh.	Ksh.	Ksh.
<b>Transfers to SAGAs</b>				
Anti-Counterfeit Agency (Self Reporting)	0	0	0	349,999,999
Kenya Trade Remedies Agency (Self Reporting)	4,100,000	0	4,100,000	35,800,000
Kenya Consumer Protection Advisory Committee (Under HQs)	2,057,512	0	2,057,512	31,285,710
Kenya Export Promotion and Branding Agency (Self Reporting)	551,600,000	0	551,600,000	521,599,999
Micro Small Enterprise Authority (Self Reporting)	0	0	0	1,042,736,000
Warehouse Receipt System Council	22,000,000	50,000,000	72,000,000	4,750,000
Kenya National Trading Council	0	0	0	79,965,920
Appropriation in Aid (Received and utilized at source)	0	0	824,532,927	613,555,885
<b>TOTAL</b>	<b>579,757,512</b>	<b>50,000,000</b>	<b>1,454,290,439</b>	<b>2,679,693,513</b>

6 Other Grants and Transfers

Explanation	2023/2024	2022/2023
	Ksh.	Ksh.
Scholarships and other educational benefits	19,742,172	27,012,748
<b>Total</b>	<b>19,742,172</b>	<b>27,012,748</b>

7 SOCIAL SECURITY BENEFITS

Explanation	2023/2024	2022/2023
	Ksh.	Ksh.
Government pension and retirement benefits	205,485	13,947,477
<b>Total</b>	<b>205,485</b>	<b>13,947,477</b>

8 ACQUISITION OF ASSETS

<b>Non-Financial Assets</b>	2023/2024	2022/2023
	Ksh.	Ksh.
Purchase of Vehicles and Other Transport Equipment	54,511,537	0
Purchase of Household Furniture and Institutional Equipment	0	149,500
Purchase of Office Furniture and General Equipment	3,910,141	0
Purchase of Specialized Plant, Equipment and Machinery	4,699,050	1,910,561
<b>Total</b>	<b>63,120,728</b>	<b>2,060,061</b>

9A: Bank Accounts

Name of Bank, Account No. & currency	Amount in bank account currency	Indicate whether recurrent, Development, deposit e.t.c	Exc rate (if in foreign currency )	2023/2024	2022/2023
				Ksh.	Ksh.
Central Bank of Kenya, 1000303085. Ksh.	Ksh.	Recurrent	-	4,669,655	62,804
Central Bank of Kenya, 1000303093. Ksh.	Ksh.	Development	-	0	88,600
Central Bank of Kenya, 1000303107. Ksh.	Ksh.	Deposit	-	25,234,897	23,080,334
<b>Total</b>				<b>29,904,552</b>	<b>23,231,738</b>

9B: CASH IN HAND

	2023/2024	2022/2023
	Ksh.	Ksh.
Cash in Hand – Held in domestic currency	-	39,563
<b>Total</b>	<b>-</b>	<b>39,563</b>

Cash in hand should also be analyzed as follows:

	2023/2024	2022/2023
	Ksh.	Ksh.
Headquarters Cash Office (Teleposta)	-	39,563
<b>Total</b>	<b>-</b>	<b>39,563</b>

10: ACCOUNTS RECEIVABLE

<i>Description</i>	<b>2023/2024</b>	<b>2022/2023</b>
	<i>Ksh.</i>	<i>Ksh.</i>
Salary Advances	600	98,920
Government Imprests	425,271	-
Suspense and Clearance accounts	65,409,650	88,735,668
<b>Total</b>	<b>65,835,521</b>	<b>88,834,588</b>

A) Salary Advance Analysis

<i>Name of Officer or Institution</i>	<i>Date Advance Taken</i>	<i>Amount Taken</i>	<i>Amount Recovered</i>	<i>Balance</i>
		<i>Ksh.</i>	<i>Ksh.</i>	<i>Ksh.</i>
Miss Otieno Sharon Achieng	12/06/2023	65,140	65,139.60	0.40
Mr. Kemboi Josphat Kiprotich	12/06/2023	33,780	33,180.00	600.00
<b>Total</b>		<b>98,920</b>	<b>98,319.60</b>	<b>600.40</b>

Salary Advances Aging analysis.

	<b>2023/2024</b>	<b>% of the total</b>	<b>2022/2023</b>	<b>% of the total</b>
Under Two year	600.40	1%	98,920	100
<b>Total</b>	<b>600.40</b>		<b>98,920</b>	

B) Government Imprest Analysis

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Recovered</i>	<i>Balance</i>
		<i>Ksh.</i>	<i>Ksh.</i>	<i>Ksh.</i>
Mr Josiah Rotich	02/04/2024	425,271	0	425,271
<b>Total</b>		<b>425,271</b>	<b>0</b>	<b>425,271</b>

Salary Advances Aging analysis.

	2023/2024	% of the total	2022/2023	% of the total
Under One year	245,271	100%	0	100
<b>Total</b>	<b>245,271</b>		<b>0</b>	

11. ACCOUNTS PAYABLE

Description	2023/2024	2022/2023
	Ksh.	Ksh.
Deposits (RIIP)	3,286,850	781,270
Retention	21,948,047	22,299,064
<b>Total</b>	<b>25,234,897</b>	<b>23,080,334</b>

Description	2023/2024		2022/2023	
	Kshs		Kshs	
Retention	21,948,046.75		22,299,064	
Deposits	3,286,850.40		781,270	
<b>Total</b>	<b>25,234,897</b>		<b>23,080,334</b>	
<b>Ageing analysis:</b>	<b>2023/2024</b>	<b>% of the Total</b>	<b>2022/2023</b>	<b>% of the Total</b>
<b>Under 1 year (RIIP)</b>	<b>2,896,849</b>	<b>11</b>	<b>781,270</b>	<b>3</b>
1-2 years	781,270	3	1,135,007	5
2-3 years	392,720	2	3,452,617	15
Over 3 years	21,164,058	84	17,711,441	77
<b>Total</b>	<b>25,234,897</b>	<b>100</b>	<b>23,080,334</b>	<b>100</b>

**12. FUND BALANCE BROUGHT FORWARD**

Description	2023/2024	2022/2023
	Ksh.	Ksh.
Bank accounts	23,231,738.00	28,418,483
Cash in hand	39,563.00	614,389
Accounts Receivables	88,834,588.35	67,180,647
Accounts Payables	(23,080,334.15)	(25,019,846)
<b>Total</b>	<b>89,025,555</b>	<b>71,193,673</b>

**13. PRIOR YEAR ADJUSTMENTS**

Description of the error	Balance b/f 2022/2023 as per audited financial statements	Adjustments during the year relating to prior periods	Adjusted Balance b/f 2023/2024
	Ksh.	Ksh.	Ksh.
Bank Account Balances	3,398,637.00	(151,404)	4,669,655
<b>Total</b>	<b>3,398,637</b>	<b>(151,404)</b>	<b>4,669,655</b>

*\*\*This relates to amounts recovered from recurrent and developments accounts of the State Department at Central Bank of Kenya to the exchequer accounts of The National Treasury after the closure of the financial year.*

**14. CHANGES IN ACCOUNTS RECEIVABLES**

Description of the error	2023/2024	2022/2023
	Ksh.	Ksh.
Opening Receivables as at 1 <sup>st</sup> July 2023	88,834,588	67,180,647
Closing account receivables as at 30 <sup>th</sup> June 2024	65,835,521	88,834,588
Change in Receivables (Increase)	<b>22,999,067</b>	<b>-21,653,941</b>

15. CHANGES IN PAYABLES

Description of the error	2023/2024	2022/2023
Accounts payable as at 1 <sup>st</sup> July 2022	23,080,334	25,019,846
Closing accounts payables as 30th June 2023	25,234,897	23,080,334
Change in payables (Decrease)	-2,154,563	-1,939,512

16. OTHER IMPORTANT DISCLOSURES

16.1: PENDING ACCOUNTS PAYABLE (See Annex 2)

	Balance b/f 2022/2023	Cummulative additions for the period	Paid during the period	Balance c/f 2023/2024
Description	Ksh.	Ksh.	Ksh.	Ksh.
Construction of buildings	-	-	-	-
Construction of civil works	-	-	-	-
Supply of goods	8,073,400	3,510,935	0	11,584,335.00
Supply of services	22,032,466	21,330,672	0	43,363,138.45
<b>Total</b>	<b>30,105,866</b>	<b>24,841,607</b>	<b>0</b>	<b>54,947,473.45</b>

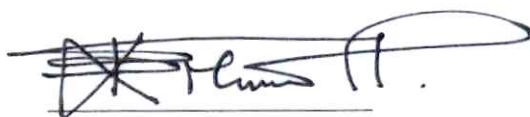
**16.2 Progress on follow up of Prior Years Auditor-General’s recommendations.**

The following is the summary of issues raised by the Auditor-General during the prior year and management comments that were provided.

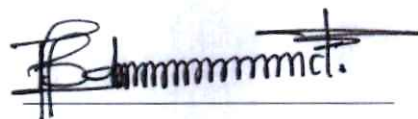
<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
Paragraph 1451.1	Loss of Motor Vehicles	The State department has subsequently followed up the matter by writing several letters to the office of the Inspector General of Police. Since this matter is still under investigation, the State Department is currently awaiting the conclusion and recommendation from the investigating agency.	Not Resolved	<i>Awaiting the conclusion of investigations by relevant government agencies and recommendations thereof.</i>
Paragraph 1451.2	Lack of Ownership documents for parcel of Land in South C Nairobi	The State department has been in communication with the Chairman National Land Commission vide a letter ref: No MOITED/SDT/1/27/134 dated 20 <sup>th</sup> June 2022 requesting for letter of allotment. On the 4 <sup>th</sup> of July 2022 the state Department made a follow up vide a letter Ref: MOITED/SDT&ED/FIN/3/11VOL.XIV/(104) to the Principal Secretary Ministry of Lands inquiring about the registration status of the same. The latest	Not Resolved	<i>The Principal Secretary, Ministry of Lands has confirmed that the said land was reserved for use by Weights and Measures Department and advised that the State Department communicate</i>

State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		communication concerning this issue was from the acting Secretary/CEO National Lands Commission to the County Executive Committee Member-Lands, Nairobi County requesting the CEC to make a formal request to the Chairman National Land Commission on the matter and also requesting the State Department of Trade and Enterprise Development to avail themselves for a site inspection which was proposed to take place on the 18 <sup>th</sup> January 2023.		with National Land Commission for title documents
Paragraph 1453	Lack of expenditure returns for Disbursement of Foreign Missions	The State Department is in consultation with the Ministry of Foreign Affairs for submission of payments made in foreign embassies, who have been instructed to return the unspent balances for onward transmission to The National Treasury.	Not Resolved	The State Department has initiated the recovery of unspent balances from the missions AIEs



Principal Secretary  
Mr. Alfred Ombudo K'Ombudo



Head of Accounting Unit  
CPA Tom Mbuya Odundo  
ICPAK Member Number: 5430

*State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

16. Annexes

Annex 1 – Breakdown of Receipts and Payments Per Quarter

	NOTE	2023-2024 FY					COMPARATIVE 2022-2023 FY
		Sep-23 Ksh.	Dec-23 Ksh.	Mar-24 Ksh.	Jun-24 Ksh.	CUMMULATIVE 2023-2024 FY Ksh.	
<b>INCOME</b>							
Exchequer releases	1	305,316,156	519,178,532	438,723,327	592,413,230	1,855,631,245	3,113,656,812
Other receipts	2	4,963,977	3,766,265	3,982,615	830,890,118	843,602,975	629,595,306
<b>Total Revenue</b>		<b>310,280,133</b>	<b>522,944,797</b>	<b>442,705,942</b>	<b>1,423,303,348</b>	<b>2,699,234,220</b>	<b>3,743,252,118</b>
<b>PAYMENTS</b>							
Compensation of Employees	3	106,588,956	102,581,227	102,092,706	277,601,269	588,864,158	608,118,136
Use of goods and Services	4	43,188,669	78,292,081	83,424,511	386,474,952	591,380,213	391,189,664
Transfer to Other Government entities	5	169,968,000	144,545,512	169,489,200	970,287,658	1,454,290,439	2,682,837,628
Other Grants and Transfer	6	0	1,005,250	0	18,736,922	19,742,172	27,012,748
Social Security Benefits	7	0	0	205,485	0	205,485	13,947,477
Acquisition of Assets	8	0	0	0	63,120,728	63,120,728	2,060,061
<b>Total Payments</b>		<b>319,745,625</b>	<b>326,424,070</b>	<b>355,211,902</b>	<b>1,716,221,598</b>	<b>2,717,603,195</b>	<b>3,725,165,714</b>
<b>Surplus (Deficit)</b>		<b>-9,465,492</b>	<b>196,520,727</b>	<b>87,494,040</b>	<b>-292,918,250</b>	<b>-18,368,975</b>	<b>21,230,519</b>

**State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024  
Annex 2 - Analysis of Pending Accounts Payable**

Supplier of Goods or Services	Date invoiced/	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Paid During the Year	Outstanding Balance
				a	b		d=a+b-c
<b>SUPPLY OF GOODS</b>							
M/S EIMARKS ENTERPRISES	12/04/2022	Supply of Verification Stamps for Weight and Measures	1,062,250	1,062,250	-	-	1,062,250
M/S MINDERS TOUCH INVESTMENT	22/04/2022	Supply of Toners for the Finance Department	110,000	110,000	-	-	110,000
M/S EIMARKS ENTERPRISES	24/04/2022	Supply of Verification Stamps for the Weights and Measures	1,946,500	1,946,500	-	-	1,946,500
M/S HILORN GENERAL SUPPLIES	24/04/2022	Supply of Weighing Scales for the Weight and Measures	1,283,368	1,283,368	-	-	1,283,368
M/S REX KIOSK	26/05/2022	Supply of Newspapers, Journals and Periodicals for April, May and June 2022	14,160	14,160	-	-	14,160
M/S DYSIGNERS GENERAL SUPPLIES	30/05/2022	Supply of Toners for the Office of the Audit	455,000	455,000	-	-	455,000
M/S ELICOM ENTERPRISES	23/06/2022	Supply of Verification Stamps for Weights and Measures	1,285,500	1,285,500	-	-	1,285,500
M/S DENPAH INVESTMENT	24/06/2022	Supply of Bottled Drinking Water for the Administration Department	351,900	351,900	-	-	351,900

*State Department for Trade*  
*Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

M/S TRACKIM GENERAL SUPPLIES	29/06/2022	Supply of Office Stationery for the Administration Department	244,700	244,700	-	-	244,700
M/S COLOURCID SUPPLIES	30/11/2022	Supply and Delivery of Stationery for the State Department for Trade	307,050	307,050	-	-	307,050
M/S MALKA CHANA ENTERPRISES	14/04/2023	Supply and Delivery of Assorted Toners for the State Department for Trade (SDT)	512,000	512,000	-	-	512,000
M/S MALKA CHANA ENTERPRISES	17/04/2023	Supply and Delivery of Assorted Toners for the State Department for Trade (SDT)	427,650	427,650	-	-	427,650
M/S JERUMWASH ENTERPRISES	28/06/2023	Supply and Delivery of an Executive Orthopaedic Chair, Smart TV, Water Dispenser and microwave for Chief Administrative Secretary's office.	445,500	445,500	-	-	445,500
M/S RUBETS INVESTMENTS	16/08/2023	Supply and Delivery of Tyres Size 265/65 R17 for GKB 464M	233,600	233,600	-	-	233,600
M/S VIMAK SUPPLIES	26/06/2024	Supply and Delivery of Office Stationeries for the office of the CS	1,027,017	1,027,017	-	-	1,027,017
M/S MUNISHIRAM INTERNATIONAL BUSINESS MACHINES (MIBM) LIMITED	05/07/2024	Supply and Delivery of Office Furniture for the Office of the CS	2,199,350	2,199,350	-	-	2,199,350
<b>Sub-Total</b>			<b>11,905,545</b>	<b>11,905,545</b>	-	-	<b>11,905,545</b>

*State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

							-	
<b>SUPPLY OF SERVICES</b>								
M/S ROSAELYN AMADI CONSULTATION/LEGAL ADVISOR	20/10/2021	Provision of Consultation Services for the Proposed Free Trade Agreement between Kenya and the US	945,000	945,000	-	-		945,000
M/S LAKE NAIVASHA RESORT LIMITED	-	Provision of Conference Facilities	297,000	297,000	-	-		297,000
M/S DECASA HOTEL LIMITED	-	Provision of Catering Services	42,000	42,000	-	-		42,000
M/S AFRICAN TOUCH SAFARIS LIMITED	-	Provision of Air Tickets	58,900	58,900	-	-		58,900
M/S INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS	-	Provision of Training Services	59,000	59,000	-	-		59,000
M/S KENYA SCHOOL OF GOVERNMENT LOWER KABETE CAMPUS	-	Provision of Training Services	132,000	132,000	-	-		132,000
M/S DECASA HOTEL LIMITED	-	Provision of Catering Services	24,000	24,000	-	-		24,000
M/S GLOBUS TOURS AND TRAVEL LIMITED	27/05/2017	Provision of Return Air Ticket to Mombasa for Christopher Kiptotich Kiptoo on 30 <sup>th</sup> May 2017	34,996	34,996	-	-		34,996
M/S GLOBUS TOURS AND TRAVEL LIMITED	12/10/2017	Provision of Air Ticket from Eldoret to Nairobi for Christopher Kiptotich Kiptoo on 15 <sup>th</sup> October 2017	13,450	13,450	-	-		13,450

*State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

M/S GLOBUS TOURS AND TRAVEL LIMITED	20/10/2017	Provision of Return Air Ticket to Eldoret for Meshack Koima and Christopher Kiprotich Kiptoo on 21 <sup>st</sup> October 2017 and return on 24 <sup>th</sup> October 2017 and 25 <sup>th</sup> October 2017 respectively	65,600	65,600	-	-	65,600
M/S GLOBUS TOURS AND TRAVEL LIMITED	13/11/2017	Provision of Return Air Ticket to Mombasa for Edward Olem on 14 <sup>th</sup> November 2017 and return on 17 <sup>th</sup> November 2017	39,670	39,670	-	-	39,670
M/S PAGO AIRWAYS TRAVEL SERVICES LIMITED	06/07/2018	Provision of Return Air Ticket to Lusaka (Zambia) for Ms. Joyce Achola Ogundo on 8 <sup>th</sup> to 20 <sup>th</sup> July 2018	118,145	118,145	-	-	118,145
M/S EMPIRE DIGITAL LIMITED	13/05/2019	Provision of Repair and Maintenance of several Motor Vehicles in the Year 2019	1,956,502	1,956,502	-	-	1,956,502
M/S GLOBUS TOURS AND TRAVEL LIMITED	14/05/2019	Provision of Return Air Ticket to Johannesburg for Jane Waithira and Peter Njoroge Waiganjo on 12 <sup>th</sup> May 2019 and return on 18 <sup>th</sup> May 2019	494,000	494,000	-	-	494,000
M/S VICENSA INVESTMENT LIMITED	17/07/2019	Provision of Master Ceremonies Services	220,000	220,000	-	-	220,000

*State Department for Trade*

*Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

		from 15 <sup>th</sup> to 16 <sup>th</sup> July 2019 During Trade Week					
M/S GLOBUS TOURS AND TRAVEL LIMITED	08/08/2019	Provision of Return Air Ticket to Lamu for Beatrice Kahiu on 3 <sup>rd</sup> August 2019 and return on 5 <sup>th</sup> August 2019	26,000	26,000	-	-	26,000
M/S GLOBUS TOURS AND TRAVEL LIMITED	08/08/2019	Provision of Return Air Ticket to Mombasa for Beatrice Kahiu on 7 <sup>th</sup> August 2019 and return on 12 <sup>th</sup> August 2019	38,000	38,000	-	-	38,000
M/S KENYA SCHOOL OF GOVERNMENT LOWER KABETE CAMPUS	19/09/2019	Provision of Training Services	92,220	92,220	-	-	92,220
M/S GLOBUS TOURS AND TRAVEL LIMITED	25/10/2019	Provision of Return Air Ticket to Mombasa for Beatrice Kahiu on 19 <sup>th</sup> October 2019 and return on 21 <sup>st</sup> October 2019	52,500	52,500	-	-	52,500
M/S GLOBUS TOURS AND TRAVEL LIMITED	19/12/2019	Rescheduling of Air Ticket from Entebbe to Nairobi for Edward I. Olem on 22 <sup>nd</sup> December 2019	10,000	10,000	-	-	10,000
M/S LAKE NAIVASHA RESORT LIMITED	19/10/2020	Provision of Two-Day Conference Facilities with Seven Breakaway Rooms and Dinner	252,250	252,250	-	-	252,250
M/S GOVERNMENT PRESS	13/03/2021	Provision of Printing Services of Certificates of Verification for the Weights and Measures	267,200	267,200	-	-	267,200

*State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

M/S AFTER 40 HOTEL LIMITED	21/04/2021	Provision of Conference Facilities for a Team for the Preparation of NDITC Retreat Schedule	84,000	84,000	-	-	84,000
M/S AKARIM AGENCIES COMPANY	10/05/2021	Provision of Air Tickets to Arusha (Tanzania) for John Kithi on 19 <sup>th</sup> May 2021	58,400	58,400	-	-	58,400
M/S GLOBUS TOURS AND TRAVEL LIMITED	22/05/2021	Provision of Return Air Ticket to Mombasa for Robert I. Kungu on 16 <sup>th</sup> May 2021 and return on 22 <sup>nd</sup> May 2021	38,900	38,900	-	-	38,900
M/S MURAC SOLUTIONS	21/06/2021	Provision of Computer Repair and Services for the Internal Trade Department	147,500	147,500	-	-	147,500
M/S KENYA SCHOOL OF GOVERNMENT LOWER KABETE CAMPUS	31/06/2021	Provision of Training Services	78,880	78,880	-	-	78,880
M/S THE STANDARD GROUP LIMITED	01/07/2021	Provision of Online Newspapers	203,232	203,232	-	-	203,232
M/S ANGANI TOURS AND TRAVEL	09/08/2021	Provision of Air Tickets to Accra Ghana for Serah Njeri Kimani from 16 <sup>th</sup> to 20 <sup>th</sup> August 2021	233,030	233,030	-	-	233,030
M/S LAKE NAIVASHA RESORT LIMITED	21/08/2021	Provision of Conference Facilities for Workshop on held on 19 <sup>th</sup> and 20 <sup>th</sup> August 2021	171,000	171,000	-	-	171,000
M/S BURCHS RESORT NAIVASHA LIMITED	23/08/2021	Provision of Conference Facilities for Budget Committee for Five Days	787,500	787,500	-	-	787,500

*State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

M/S TIN TIN RESTAURANT	31/08/2021	Provision of Catering Services for Selected team leaders of Kenya – us free Trade Agreement Negotiation on 31 <sup>st</sup> August 2021 on consult on negotiation process, status of text and brainstorm on the text path on FTA Negotiations.	217,000	217,000	-	-	217,000
M/S INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS	16/09/2021	Provision of Training Services	140,000	140,000	-	-	140,000
M/S LAKE NAIVASHA RESORT LIMITED	23/09/2021	Provision of Conference Facilities for the Preparation for the 12 <sup>th</sup> WTO Ministerial Conference and Evaluation of Donors Supported Projects in Kenya from 18 <sup>th</sup> to 21 <sup>st</sup> Sept 2021	376,500	376,500	-	-	376,500
M/S SAROVA WHITESANDS	27/09/2021	Provision of Conference Facilities at Mombasa During the Kenya-Tanzania Bilateral Trade Meeting.	1,574,250	1,574,250	-	-	1,574,250
M/S TIN TIN RESTAURANT	28/09/2021	Provision of Catering Services for the Newly Debriefing for the Newly Posted Trade Attaches	200,000	200,000	-	-	200,000

*State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

M/S GOVERNMENT ADVERTISING AGENCY	03/10/2021	Provision of Advertising Services for Pre-Qualification of Suppliers for Financial Year 2021/2022 and 2022/2023	366,558	366,558	-	-	366,558
M/S LIMITED	06/10/2021	Provision of Conference Facilities for Weights & Measures Officers Carrying Review on Weights & Measures Act in Naivasha On 29 <sup>th</sup> July to 31 <sup>st</sup> July 2021	189,000	189,000	-	-	189,000
M/S PAGO AIRWAYS TRAVEL SERVICES LIMITED	12/10/2021	Provision of Return Air Tickets to Dar Es Salaam (Tanzania) for Oliver Konje and Boniface Njuguna	199,000	199,000	-	-	199,000
M/S JUMEIRA SAFARIS LIMITED	12/10/2021	Provision of Transport Services for the 6 <sup>TH</sup> Kenya-Tanzania Bilateral trade meeting held from 23 <sup>rd</sup> to 25 <sup>th</sup> Sept 2021 in Mombasa	855,000	855,000	-	-	855,000
M/S GOVERNMENT ADVERTISING AGENCY	14/10/2021	Provision of Advertising Services in the Local Dailies for the Trade Information Desk Officer at Moyale Border for the COMESA CBTI Programme	364,988	364,988	-	-	364,988
M/S ATTIC TOURS AND TRAVEL LIMITED	21/10/2021	Provision of One-Way Air Ticket to Moshi	34,600	34,600	-	-	34,600

*State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

			(Tanzania) for Lynda Atieno for the EAC Meeting 25 <sup>th</sup> to 27 <sup>th</sup> Oct. 2021							
M/S ATTIC TOURS AND TRAVEL LIMITED	22/10/2021		Provision of One -Way Air Ticket to Moshi Tanzania for Lynda Aheno Ouma for the EAC meeting from 25 <sup>th</sup> to 27 <sup>th</sup> Oct 2021	34,600	-	-	34,600	-	-	34,600
M/S DAROP LIMITED	08/11/2021		Installation of Security Grills for the KIBT Building	955,000	-	-	955,000	-	-	955,000
M/S PAGO AIRWAYS TRAVEL SERVICES LIMITED	23/11/2021		Provision of Air Ticket to Cairo (Egypt) for the Bramah Kaleve for the COMESA Summit 23 <sup>rd</sup> Nov. 2021	145,420	-	-	145,420	-	-	145,420
M/S ATTIC TOURS AND TRAVEL	26/11/2021		Provision of Air Ticket to DRC for Fannie Msae on 29 <sup>th</sup> Nov. 2021	160,500	-	-	160,500	-	-	160,500
M/S THE KYAKA HOTEL LIMITED - MACHAKOS	27/11/2021		Provision of Conference Facilities	217,600	-	-	217,600	-	-	217,600
M/S LAKE NAIVASHA RESORT LIMITED	27/11/2021		Provision of Conference Facilities for Workshop on KEPSA Proposed Interventions	283,500	-	-	283,500	-	-	283,500
M/S KYAKA HOTEL - MACHAKOS	27/11/2021		Provision of conference facilities for KOMEX Working Retreat on rule book and Business Plan from 21 <sup>st</sup> to 26 <sup>th</sup> Nov 2021	283,500	-	-	283,500	-	-	283,500

*State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

M/S ATTIC TOURS AND TRAVEL	29/11/2021	Provision of Air Tickets to DRC Congo For Brain Ndambuki on 29 <sup>th</sup> Nov 2021 for the USA Trade Negotiations	160,500	160,500	-	-	160,500
M/S MASADA HOTEL	30/11/2021	Provision of Conference Facilities	75,000	75,000	-	-	75,000
M/S ATTIC TOURS AND TRAVEL	08/12/2021	Provision of Air Tickets to DRC for the Trade and Economic Mission.	110,600	110,600	-	-	110,600
M/S DECASA HOTEL LIMITED	15/12/2021	Provision of Catering Services	126,000	126,000	-	-	126,000
M/S TIN TIN RESTAURANT	17/12/2021	Provision of Catering Services for the Kenya-US FTA Negotiators and Technical Advisors	160,000	160,000	-	-	160,000
M/S PAGO AIRWAYS TRAVEL SERVICES LIMITED	12/01/2022	Provision of Air Tickets from Nairobi to Mombasa for the PS Mr. Alfred O. K'Ombudo from 7 <sup>th</sup> to 10 <sup>th</sup> Jan 2022 for Official Duties	35,850	35,850	-	-	35,850
M/S ATTIC TOURS AND TRAVEL LIMITED	27/01/2022	Provision of Air Tickets to Johannesburg (South Africa) for Jackline Wanja accompanied by Spouse Eric Mwendwa for the Trade Attachment	348,550	348,550	-	-	348,550
M/S ATTIC TOURS AND TRAVEL LIMITED	01/03/2022	Provision of Air Ticket to Lusaka (Zambia) for Milcah Aloo Oluoch	385,600	385,600	-	-	385,600

*State Department for Trade*

*Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

M/S PAGO AIRWAYS TRAVEL SERVICES LIMITED	08/03/2022	Provision of Air Tickets to Tanzania for PS Amb. Johnson Weru and accompanying Staff to attend the 7 <sup>th</sup> United Republic of Tanzania Bilateral	350,555	350,555	-	-	350,555
M/S PAGO AIRWAYS TRAVEL SERVICES LIMITED	16/03/2022	Provision of Air Tickets to Zanzibar (Tanzania) for PS Amb. Johnson Weru to the 7 <sup>th</sup> United Republic Bilateral Trader Meeting on 8 <sup>th</sup> to 12 <sup>th</sup> March 2022	350,555	350,555	-	-	350,555
M/S DECASA HOTEL LIMITED	21/04/2022	Provision of Catering Services from 14 <sup>th</sup> to 15 <sup>th</sup> Dec. 2021	126,000	126,000	-	-	126,000
M/S PAGO AIRWAYS TRAVEL SERVICES LIMITED	27/04/2022	Provision of Air Tickets to Mombasa for Hon Osianyi, Amb. Johnson Weru, Milly Akoth, Jane Asuma, Dr Bruno and Hussein Adow	243,400	243,400	-	-	243,400
M/S LAKE NAIVASHA SIMBA LODGE	06/05/2022	Provision of Conference Facilities for the Meeting to Negotiate Comprehensive Trade Agreement Between Kenya and USA-3 <sup>rd</sup> to 6 <sup>th</sup> May 2022 Naivasha	719,200	719,200	-	-	719,200
M/S CRIMSON TYRES LIMITED	06/05/2022	Provision of Repair and Services for Vehicle GKB 685M	73,200	73,200	-	-	73,200

*State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

M/S NATION MEDIA GROUP PLC	25/05/2022	Provision of Advertising Services for COMESA Jobs	236,808	236,808	-	-	236,808
M/S PAGO AIRWAYS TRAVEL SERVICES LIMITED	26/05/2022	Provision of Air Ticket for CPA Milly Eve Akoth to Mombasa for the ICPAK Conference	33,275	33,275	-	-	33,275
M/S NATION MEDIA GROUP	27/05/2022	Provision Advertising Services for the Addendum for Provision of Security and Guard Services	142,084	142,084	-	-	142,084
M/S CRIMSON TYRES LIMITED	20/06/2022	Provision of Automobiles and Maintenance for Vehicle GKA 685M.	67,280	67,280	-	-	67,280
M/S CRIMSON TYRES LIMITED	21/06/2022	Provision of Repair and Services for Vehicle GKB 940U	49,300	49,300	-	-	49,300
M/S CRIMSON TYRES LIMITED	22/06/2022	Provision of Repair and Services for Vehicle GKA 413S.	79,344	79,344	-	-	79,344
M/S CRIMSON TYRES LIMITED	22/06/2022	Provision of Repair and Services for Vehicle GKA 972R	73,080	73,080	-	-	73,080
M/S HIMLEYS SERVICES	23/06/2022	Provision of Laboratory and Rehabilitation Services at the Weights and Measures Complex-South C	1,945,000	1,945,000	-	-	1,945,000
M/S CRIMSON TYRES LIMITED	27/06/2022	Provision of Repair and Services for Vehicle GKB 332H	97,440	97,440	-	-	97,440

*State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

M/S CRIMSON TYRES LIMITED	28/06/2022	Provision of Repair and Services for Vehicle GKB 464M	185,460	185,460	-	-	185,460
M/S GOVERNMENT ADVERTISING AGENCY	30/06/2022	Provision of Advertising Services for the COMESA Call for Application for the Assistant Secretary General	180,757	180,757	-	-	180,757
M/S INSTITUTE OF HR MANAGEMENT	30/06/2022	Provision of Training Services	33,000	33,000	-	-	33,000
M/S CRIMSON TYRES LIMITED	30/06/2022	Provision of Automobiles and Maintenance for Vehicle GKA 595T	77,000	77,000	-	-	77,000
M/S SAROVA PANAFRIC	-	Provision of Conference Facilities for Briefing Session for the newly Posted Commercial Attaches 15 <sup>th</sup> -16 <sup>th</sup> Sep 2022	280,000	280,000	-	-	280,000
M/S DECASA HOTEL LIMITED	-	Provision of Catering Services for KOMEX stakeholders' workshop on 26 <sup>th</sup> Jan 2023	30,000	30,000	-	-	30,000
M/S LIBKEN AGENCY CO. LIMITED	28/07/2022	Provision of Return of Air ticket to Juba (South Sudan) for Konje Oliver Otieno for Official duties	62,640	62,640	-	-	62,640
M/S AKARIM AGENCIES	08/08/2022	Provision of Return Air ticket to Kisumu for Onyango Bibiana Achieng to attend Consultative Meetings	31,800	31,800	-	-	31,800

*State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

M/S GOVERNMENT ADVERTISING AGENCY (GAA)	23/08/2022	with the County Gov't of Kisumu Provision of Advertising Services for REOI for Nomination into Appellant Body of AFCFTA Dispute Settlement	205,045	-	-	205,045
M/S GOVERNMENT ADVERTISING AGENCY (GAA)	24/08/2022	Provision of Advertising Services for Invitation of Pre-Qualification of Suppliers	401,164	-	-	401,164
M/S GOVERNMENT ADVERTISING AGENCY (GAA)	24/08/2022	Provision of Advertising Services for Cancellation Notice for Pre-Qualification of Suppliers	98,793	-	-	98,793
M/S GOVERNMENT ADVERTISING AGENCY (GAA)	06/09/2022	Provision of Advertising Services for Invitation of Pre-Qualification of Suppliers	401,164	-	-	401,164
M/S LIEKEN AGENCY CO. LIMITED	26/09/2022	Provision of Return Air Ticket to Geneva 22 <sup>nd</sup> - 23 <sup>rd</sup> September 2022 for Mr. Michael Mandu on Regional Trade Agreement Session	367,040	-	-	367,040
M/S LIBKEN AGENCIES COMPANY LIMITED	26/09/2022	Provision of Return Air Ticket to Brasilia, (Brazil) on 3 <sup>rd</sup> Oct. 2022 for Beatrice Kinyua on Posting as Commercial Attache	397,065	-	-	397,065

*State Department for Trade*

*Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

M/S AKARIM AGENCIES	29/09/2022	Provision of Air Ticket for Doris Komen (Commercial Attache) on Posting to Kampala (Uganda)	128,360	128,360	-	-	128,360
M/S LIBKEN AGENCY CO. LIMITED	03/10/2022	Provision of Return Air Ticket to Juba for Munene Samuel Kamau 3 <sup>rd</sup> October 2022	97,850	97,850	-	-	97,850
M/S LIBKEN AGENCY CO. LIMITED	03/10/2022	Provision of Air Tickets to ADDIS ABABA (ETHIOPIA) for Stanley N Mwangi, Penina Wanjira Mwangi, Stacy Waithira Njuguna and Maxwell Mucheke Njuguna on Posting as Commercial Attache	354,930	354,930	-	-	354,930
M/S PAGO AIRWAYS TRAVEL SERVICES LIMITED	06/10/2022	Provision of Return Air Tickets Nairobi to Cairo, Egypt for Okello/Tobias Julias Ogany and Spouse (Musau/Steramari S Mwikali) on Posting as Commercial Attache	332,280	332,280	-	-	332,280
M/S GLOBUS TOURS AND TRAVEL LIMITED	11/10/2022	Provision of Return Air Tickets to Entebbe (Uganda) for Amb. Johnson Weru and Steven Kimani	446,000	446,000	-	-	446,000
M/S AKARIM AGENCIES	27/10/2022	Provision of Return Air Tickets to Islamabad, (Pakistan) for Boniface	1,029,830	1,029,830	-	-	1,029,830

*State Department for Trade*

*Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

		Njuguna and Family (Caroline Kamau, Mark Harvey and Renee Wambui on 7 <sup>th</sup> October 2022) for Posting as Commercial Attache					
M/S VILLA ROSA KEMPISKI	08/11/2022	Provision of Breakfast Meeting for CS and Team with Business Editors of Print and Electronic Media on 8 <sup>th</sup> Nov 2022	225,000	225,000	-	-	225,000
M/S PAGO AIRWAYS TRAVEL SERVICES LIMITED	02/12/2022	Provision of Return Air Ticket to ORAN (Algeria) for Mr. Stanley Mwangi to attend Bilateral Consultation on 7 <sup>th</sup> to 9 <sup>th</sup> December 2022	425,800	425,800	-	-	425,800
M/S PAGO AIRWAYS TRAVEL SERVICES LIMITED	06/12/2022	Provision of Return Air Ticket to Jakarta (Indonesia) for Posting of Maurine Abubu Atieno on Posting as Commercial Attache	320,900	320,900	-	-	320,900
M/S NAIROBI SERENA HOTEL	12/12/2022	Provision of Conference Facilities for the Ministerial Delegation from Uganda 20 <sup>th</sup> to 22 <sup>nd</sup> Dec. 2021	1,064,820	1,064,820	-	-	1,064,820
M/S PRIDE INN	17/12/2022	Provision of Conference Facility for Workshop for Reviewing and Finalization of KOMEX	126,000	126,000	-	-	126,000

*State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

		'S rule book from 21 <sup>st</sup> to 26 <sup>th</sup> Nov 2021					
M/S LIBKEN AGENCIES COMPANY LIMITED	17/12/2022	Provision of Return Air Ticket to Kisumu for PS Mr. Alfred O. K'Ombudo to attend Official duties to Kisumu County from 20 <sup>th</sup> to 24 <sup>th</sup> Dec. 2022.	60,550	60,550	-	-	60,550
M/S DECASA HOTEL LIMITED	04/01/2023	Provision of Catering Services for SDT HoDs and Heads of SAGAs Meeting on 3 <sup>rd</sup> January 2023	91,500	91,500	-	-	91,500
M/S LIBKEN AGENCY CO. LIMITED	10/01/2023	Provision of Return Air Ticket to Kisumu for PS Mr. Alfred O. K'Ombudo for Official Working Visit to Kisumu from 12 <sup>th</sup> Jan. to 15 <sup>th</sup> Jan. 2023	58,950	58,950	-	-	58,950
M/S PAGO AIRWAYS TRAVEL SERVICES LIMITED	31/01/2023	Provision of Return Air Tickets to Eldoret for PS Mr. Alfred O. K'Ombudo and George Wagude to visit WRSC Warehouses on 2 <sup>nd</sup> Feb. 2023	64,200	64,200	-	-	64,200
M/S KAYLAN TOURS AND TRAVEL	02/02/2023	Provision of Return Air Ticket to Mombasa for PS Mr. Alfred O. K'Ombudo and George Wagude on 3 <sup>rd</sup> Feb. 2023 to attend Flagging of GOK Subsidized Fertilizers	97,300	97,300	-	-	97,300

*State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

M/S PAGO AIRWAYS TRAVEL SERVICES LIMITED	15/02/2023	Provision of Return Air Tickets to Washington DC (U.S.A.) for the PS Mr. Alfred O. K'Ombudo for Kenya-US Trade Negotiations on 3 <sup>rd</sup> to 12 <sup>th</sup> February 2023	2,813,580	2,813,580	-	-	2,813,580
M/S LIBKEN AGENCIES COMPANY LIMITED	18/02/2023	Provision of Return Air Ticket to Kisumu for PS Mr. Alfred O. K'Ombudo to attend Official duties on 18 <sup>th</sup> Feb. 2023	38,950	38,950	-	-	38,950
M/S DECASA HOTEL LIMITED	20/02/2023	Provision of Tea and Snacks during a Meeting on Implementation of the Administration Priorities as part of the FY 2023/2024 Budgeting Cycle	13,500	13,500	-	-	13,500
M/S DECASA HOTEL LIMITED	28/02/2023	Provision of Lunch Packages for Lead Negotiators on Comprehensive Economic Partnership Agreement Meetings on 28 <sup>th</sup> February 2023	37,500	37,500	-	-	37,500
M/S PAGO AIRWAYS TRAVEL SERVICES LIMITED	08/03/2023	Provision of Return Air Ticket to Kisumu for PS Mr. Alfred O. K'Ombudo on 10 <sup>th</sup> to 12 <sup>th</sup> March 2023	63,655	63,655	-	-	63,655
M/S LIBKEN AGENCY CO. LIMITED	20/03/2023	Provision of Return Air Tickets to London for PS Mr. Alfred O. K'Ombudo	1,530,240	1,530,240	-	-	1,530,240

*State Department for Trade*

*Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

		and Michael Mandu for Inaugural Meeting of Kenya: UK EPA Council on 19 <sup>th</sup> to 21 <sup>st</sup> March 2023					
M/S DECASA HOTEL LIMITED	26/04/2023	Provision of Catering Services for a Two-day Workshop on Value Chains 13 <sup>th</sup> & 14 <sup>th</sup> April 2023 at KIBT	169,000	169,000	-	-	169,000
M/S DECASA HOTEL LIMITED	03/05/2023	Provision of Catering Services for ICT engagement on KOMEX Trading Technology Specifications on 26 <sup>th</sup> , 27 <sup>th</sup> April & 2 <sup>nd</sup> May 2023 at KIBT	144,000	144,000	-	-	144,000
M/S PAGO AIRWAYS COMPANY LIMITED	10/05/2023	Provision of Return Air Ticket to Kisumu for PS Mr. Alfred O. K'Ombudo to attend Official Duties on 12 <sup>th</sup> to 13 <sup>th</sup> May 2023	32,900	32,900	-	-	32,900
M/S WANDER LUX AGENCY	15/05/2023	Provision of Return Air Tickets to Brussels Belgium for Michael Mandu for Kenya-EU Economic Partnership Agreement Negotiation from 15 <sup>th</sup> to 18 <sup>th</sup> May 2023	365,630	365,630	-	-	365,630
M/S PAGO AIRWAYS TRAVEL SERVICES LIMITED	18/05/2023	Provision of Return Air Ticket to Kisumu for PS Mr. Alfred O. K'Ombudo on 19 <sup>th</sup> to 20 <sup>th</sup> May 2023	56,500	56,500	-	-	56,500

*State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

M/S PAGO AIRWAYS TRAVEL SERVICES LIMITED	31/05/2023	for Inauguration of the Tree Planting Aftercare Programme	68,785	-	-	68,785	68,785
M/S CFAO MOTORS KENYA LIMITED		Provision of Return Air Ticket to Kisumu for PS Mr. Alfred O. K'Ombudo to attend Kakamega Forest Heritage Foundation Tree Planting Day on 1 <sup>st</sup> to 3 <sup>rd</sup> June 2023	70,340	-	-	70,340	70,340
M/S PAGO AIRWAYS TRAVEL SERVICES LIMITED	04/07/2023	Provision of Service and Repair of the Cabinet Secretary's Chase Car vehicle GK B537W Toyota Prado	15,450	-	-	15,450	15,450
M/S PAGO AIRWAYS TRAVEL SERVICES LIMITED	27/07/2023	Provision of Air Ticket to Mombasa for PS Mr. Alfred O. K'Ombudo and George Wagude from 25 <sup>th</sup> to 28 <sup>th</sup> July 2023 for Official Duties	106,120	-	-	106,120	106,120
M/S WINDSOR GOLF HOTEL AND COUNTRY CLUB	31/07/2023	Provision of Catering Services for KENYA- UAE Comprehensive Economic Partnership	966,000	-	-	966,000	966,000

*State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

M/S EXOTIC TRAVEL CENTRE LIMITED	14/08/2023	Agreement (CEPA) held from 24 <sup>th</sup> -28 <sup>th</sup> July 2023	33,350	-	-	33,350
M/S PAGO AIRWAYS TRAVEL SERVICES LIMITED	14/08/2023	Provision of Return Air Ticket to Mombasa for Mr. Hesbon Kisero for KISM Meeting from 21 <sup>st</sup> to 25 <sup>th</sup> Aug. 2023	247,465	-	-	247,465
M/S EXOTIC TRAVEL CENTRE	07/10/2023	Provision of Return Air Ticket from Mauritius to Wahington DC (U.S.A.) and back for Geoffrey Oduor on 2 <sup>nd</sup> October 2023	358,755	-	-	358,755
M/S LAKE NAIVASHA CRESENT	01/12/2023	Provision of conference facilities for Evaluation of Tender for Supply, Delivery Installation Customization and Equipping of Commodities Exchange Trading Technology Suite 27 <sup>th</sup> November to 1 <sup>st</sup> December 2023	140,000	-	-	140,000
M/S LAKE NAKURU LODGE	03/12/2023	Provision of Conference for the Preparation of the 2024-2026/27 Medium Term Budget	521,500	-	-	521,500

*State Department for Trade*

*Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

M/S DECASA HOTEL LIMITED	13/12/2023	Provision of Tea and Snacks & Lunches for the Agriculture/SPS STIP Negotiators Retreat from 29 <sup>th</sup> , 30 <sup>th</sup> and 31 <sup>st</sup> August 2023	300,000	300,000	-	-	300,000
M/S JOVID TRAVEL GROUP LIMITED	04/01/2024	Provision of Air Tickets for PS Mr. Alfred O. K'Ombudo	126,015	126,015	-	-	126,015
M/S JOVID TRAVEL GROUP LIMITED	27/01/2024	Provision of Air Ticket for PS Mr. Alfred O. K'Ombudo and George Wagude to Kisumu County on Official Duty on 27 <sup>th</sup> Jan 2024	56,600	56,600	-	-	56,600
M/S JOVID TRAVEL GROUP LIMITED	02/02/2024	Provision of Air Ticket for PS Mr. Alfred O. K'Ombudo to Kisumu County	34,850	34,850	-	-	34,850
M/S JOVID TRAVEL	06/02/2024	Provision of Return Air Tickets to Kisumu for PS Mr. Alfred O. K'Ombudo and Salim Swalleh for Official Duties on 6 <sup>th</sup> Feb. 2024	51,846	51,846	-	-	51,846
M/S FOUR POINTS BT SHERATON-KAMCAM PROPERTIES LIMITED	16/02/2024	Provision of Conference Facilities for the Meeting with the PS for the High-End Tea	39,600	39,600	-	-	39,600
M/S FOUR POINTS BT SHERATON-KAMCAM PROPERTIES LIMITED	17/02/2024	Provision of Conference Facilities for the meeting with the PS	90,000	90,000	-	-	90,000

*State Department for Trade*

*Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

M/S JOVID TRAVEL GROUP LIMITED	13/03/2024	Provision of Air Tickets for PS Mr. Alfred O. K'Ombudo	15,900	15,900	-	-	15,900
M/S DECASA HOTEL LIMITED	18/03/2024	Provision of Catering Services for KOMEX Strategic Technical Committee Meeting held on 23 <sup>rd</sup> February 2024 at the KIBT Complex	72,000	72,000	-	-	72,000
M/S DECASA HOTEL LIMITED	18/03/2024	Provision of Catering Services for KOMEX Technology Platform Project Inception Meeting held on 8 <sup>th</sup> March 2024 at the 4 <sup>th</sup> Floor Meeting Room, KIBT Complex	72,000	72,000	-	-	72,000
M/S DECASA HOTEL LIMITED	18/03/2024	Provision of Tea, Snacks and Lunch Buffet for Twenty (20No.) PAX	23,000	23,000	-	-	23,000
M/S DECASA HOTEL LIMITED	18/03/2024	Provision of Tea and Snacks for Fourty (40No.) PAX for a Meeting held on 13 <sup>th</sup> March 2024 at the 18 <sup>th</sup> Floor Boardroom, Telposta Towers for 1 <sup>st</sup> Preparatory Meeting in readiness for the 8 <sup>th</sup> Session of the Kenya – Tanzania Meeting	36,000	36,000	-	-	36,000

*State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

M/S DECASA HOTEL LIMITED	18/03/2024	Provision of Tea and Snacks for Fourty (40No.) Participants for a Meeting held on 13 <sup>th</sup> March 2024 at the 18 <sup>th</sup> Floor Boardroom, Telposta Towers for 2 <sup>nd</sup> Preparatory Meeting in readiness for the 8 <sup>th</sup> Session of the Kenya – Tanzania Meeting	36,000	36,000	-	-	36,000
M/S JOVID TRAVEL GROUP LIMITED	20/03/2024	Provision of Air Tickets for PS Mr. Alfred O. K'Ombudo	53,600	53,600	-	-	53,600
M/S JOVID TRAVEL GROUP LIMITED	22/03/2024	Provision of Air Ticket for PS Mr. Alfred O. K'Ombudo	34,000	34,000	-	-	34,000
M/S AFROMECH TRAVEL KENYA LIMITED	22/03/2024	Provision of Air Ticket for CS Ms. Rebecca Miano and Two Others to Kisumu for Official duties.	166,850	166,850	-	-	166,850
M/S AFROMERCH TRAVEL KENYA LIMITED	21/04/2024	Provision of Return Air Ticket to Kisumu for PS Mr. Alfred O. K'Ombudo on 21 <sup>st</sup> April 2024 on Eradication of Illicit Brew at Kisii County	58,965	58,965	-	-	58,965
M/S DECASA HOTEL LIMITED	24/04/2024	Provision of Tea, Snacks and Lunch Buffet for Fourty (40No.) PAX participating in the Preparatory Meetings for	320,000	320,000	-	-	320,000

*State Department for Trade*

*Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

		Fourth (4 <sup>th</sup> ) Round of Kenya-USA STIP Negotiations					
M/S GIL AND JEI SOLUTIONS LIMITED	06/05/2024	Provision of Tea and Snacks for Twelve (12No.) PAX for the KOMEX Board Meeting held on 6 <sup>th</sup> May 2024 at the 18 <sup>th</sup> Floor Boardroom, Telposta Towers	10,800	10,800	-	-	10,800
M/S GIL AND JEI SOLUTIONS LIMITED	06/05/2024	Provision of Tea, Snacks and Lunch for Thirty (30No.) PAX	60,000	60,000	-	-	60,000
M/S BROOKLYN CLEANING SERVICES LIMITED	23/05/2024	Provision of Cleaning Services for the month of May 2024	351,951	351,951	-	-	351,951
M/S TURKENYA TOUR & TRAVEL	30/05/2024	Provision of Return Air Ticket for PS and 3 Others to USA for STIP Negotiation	3,089,110	3,089,110	-	-	3,089,110
M/S SMART FLOWS TRAVEL CO. LIMITED	24/06/2024	Provision of Return Air Tickets to Geneva for the CS Ms. Rebecca Miano and 3 Other Officers	2,315,750	2,315,750	-	-	2,315,750
M/S SMART FLOWS TRAVEL CO. LIMITED	25/06/2024	Provision of Return Air Ticket to Eldoret for Milka Muthui to attend CEMTECH SEBIT CLINKERIZATION Plant IN West Pokot on 8 <sup>th</sup> April 2024	48,320	48,320	-	-	48,320

*State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024*

M/S SENDER SERVICES CO. LIMITED	26/06/2024	Provision Services for the Month of June 2024	Cleaning Services for the Month of June 2024	416,162	416,162	-	-	416,162
M/S DECASA HOTEL LIMITED	26/06/2024	Provision of Tea and Snacks for Twenty (20No.) participating in the Preparatory Meeting for STIP Negotiations	Provision of Tea and Snacks for Twenty PAX	14,000	14,000	-	-	14,000
M/S TURKENYA TOUR & TRAVEL	28/06/2024	Provision of Return Air Ticket to Kisumu for PS for Official Duties.	Provision of Return Air Ticket to Kisumu for PS for Official Duties.	53,680	53,680	-	-	53,680
<b>Sub-Total</b>				<b>43,041,928</b>	<b>43,041,928</b>	-	-	<b>43,041,928</b>
<b>Grand Total</b>				<b>54,947,473</b>	<b>54,947,473</b>	-	-	<b>54,947,473</b>

**State Department for Trade  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2024**

**Annex 3 – Summary of Fixed Asset Register**

Asset class	Historical Cost b/f (Ksh.)	Additions during the year (Ksh.)	Disposals during the year (Ksh.)	Historical Cost c/f (Ksh.)
Buildings and structures	336,534,382	-	-	336,534,382
Buildings and structures	336,534,382	-	0	336,534,382
Transport Equipment	16,301,895	-	0	16,301,895
Purchase of vehicles and other transport Equipments		54,511,537		54,511,537
Purchase of Household Furniture and General Equipment	249,500	-	0	249,500
Purchase of Office Furniture and General Equipments		3,910,141	0	3,910,141
Purchase of Specialized Plant, Equipment and Machinery	2,124,754	4,699,050	0	6,823,804
Office Equipment, Furniture and Fittings	18,544,121	-	0	18,544,121
<b>Total</b>	<b>373,754,652</b>	<b>63,120,728.00</b>	<b>0</b>	<b>436,875,380</b>

Annex 4 – List of SCs, Sagas and Public Funds Under *State Department for Trade*

Ref	SC, SAGA or Public Fund's name	Amount transferred during the year	Inter- entity reconciliations done?
1.	Kenya Trade Remedies Agency	4,100,000	Yes
2.	Kenya Consumer Protection Advisory Committee	2,057,512	Yes
3.	Kenya Export Promotion and Branding Agency	551,6000,000	Yes
4.	Warehouse Receipt System Council	72,000,000	Yes
5.	Kenya National Trading Council	0	Yes