



THE REPUBLIC OF KENYA
OFFICE OF THE CONTROLLER OF BUDGET




PARLIAMENT
OF KENYA
LIBRARY

NATIONAL GOVERNMENT

BUDGET IMPLEMENTATION REVIEW REPORT

FIRST HALF

FY 2022/23

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 01 MAR 2023	
DAY: Wednesday	
TABLED BY:	Majority Party whip
CLERK-AT THE TABLE:	Finlays Munuki

FEBRUARY, 2023

FOREWORD

The Office of the Controller of Budget (OCoB) is established under Article 228 of the Constitution of Kenya, 2010, to oversee the implementation of budgets of the National and County governments by authorising withdrawals from Public Funds and reporting to each House of Parliament every four months. Article 228(6) of the Constitution and Section 9 of the Controller of Budget Act, 2016, requires the Controller of Budget (COB) to submit to Parliament quarterly budget implementation reports of the national and county governments within thirty days after the end of each quarter.

I am pleased to present the National Government Budget Implementation Review Report for the First Half of Financial Year (FY) 2022/23, covering 1st July to 31st December 2022. This period coincided with a transition in government following the August 2022 general elections, necessitating the reprioritisation of government programs.

Accordingly, this report covers a period when the government was instituting measures to rationalise expenditure on non-core activities, reduce deficit financing, and enhance development activity financing. These measures impacted budget implementation in the period under review.

The report contains information on the FY 2022/23 budget allocation to the sixty-eight Ministries, Departments, and Agencies (MDAs), Consolidated Fund Services (CFS), and shareable revenue allocation to the forty-seven county governments. It also presents information on the annual revenue budget and performance during the reporting period on receipts into the Consolidated Fund and authorised withdrawals from the Fund by the Controller of Budget. In addition, it presents budget expenditure broadly disaggregated by development and recurrent budgets. Development and recurrent expenditure votes are aggregated at the sector level with information on budget absorption, achievements by programmes and sub-programmes, and the level of project implementation.

The report is based on data from the approved budget for FY 2022/23, data generated from Integrated Financial Management Information System (IFMIS), and quarterly financial reports submitted by MDAs. My office identified the key issues that affected the budget implementation and made recommendations to address them.

The report provides valuable information on budget implementation to the legislature and executive that can facilitate decision-making on matters relating to the management of public funds. I call upon all other stakeholders in the public finance space to utilise this report in interrogating the utilisation of public funds, and, the individual MDAs to make all necessary efforts to address the identified challenges that inhibit the achievement of the budget objectives and the government's overall development goals.

Finally, I take this opportunity to appreciate my staff for their effort, dedication and commitment to reviewing the many reports from the MDAs in the preparation of this report. I also thank all MDAs who submitted their quarterly reports promptly to facilitate the preparation of this report. My office will endeavour to promote prudent financial management in the public sector.



CPA Dr Margaret Nyakang'o, CBS
CONTROLLER OF BUDGET

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LIST OF ABBREVIATIONS AND ACRONYMS

AfDB	African Development Bank Group
A-I-A	Appropriations- in- Aid
AIDS	Acquired Immune Deficiency Syndrome
ARUD	Agriculture, Rural & Urban Development
ASALs	Arid and Semi-Arid Lands
Bn	Billion
CBK	Central Bank of Kenya
CFS	Consolidated Fund Services
COB	Controller of Budget
COFOG	Classification of Functions of the Government
COVID-19	Corona Virus Disease
CWSK	Child Welfare Society of Kenya
EACC	Ethics and Anti-Corruption Commission
EI & ICT	Energy Infrastructure and Information Communication Technology
EPW&NR	Environmental Protection, Water and Natural Resources
FY	Financial Year
GDP	Gross Domestic Product
GECA	General Economic and Commercial Affairs
GJLO	Governance, Justice, Law, and Order Sector
GOK	Government of Kenya
HIV	Human Immunodeficiency Virus
ICT	Information and Communication Technology
IDA	International Development Association
IEBC	Independent Electoral and Boundaries Commission
IFMIS	Integrated Financial Management Information System
IPOA	Independent Policing Oversight Authority
JSC	Judicial Service Commission
KIPPRA	Kenya Institute for Public Policy Research and Analysis
KNCHR	Kenya National Commission on Human Rights
Kshs.	Kenya Shillings
LAPPSET	Lamu Port South Sudan – Ethiopia Transport
MDAs	Ministries, Departments, and Agencies
MTP	Medium-Term Plan
NGEC	National Gender and Equality Commission
NIS	National Intelligence Service



NLC	National Land Commission
NMS	Nairobi Metropolitan Services
NPSC	National Police Service Commission
O&M	Operations and Maintenance
OCoB	Office of the Controller of Budget
ODPP	Office of the Director of Public Prosecutions
ORPP	Office of the Registrar of Political Parties
PAIR	Public Administration and International Relations
PDF	Portable Document Format
RIVATEX	Rift Valley Textile
RMNCAH	Reproductive, Maternal, New-born Child, and Adolescent Health
SAGAs	Semi-Autonomous Government Agencies
SAM	Salaries, Allowances, and Miscellaneous
SME	Small and Medium Enterprises
SPCR	Social Protection, Culture, and Recreation
Tn	Trillion
TSC	Teachers Service Commission
WPA	Witness Protection Agency



EXECUTIVE SUMMARY

The National Government Budget Implementation Review Report for the first half of FY 2022/23 covers July to December 2022. It has been prepared in fulfilment of Article 228 of the Constitution of Kenya and Section 9 of the Controller of Budget Act, 2016, which require the COB to submit quarterly budget implementation reports for the National and county governments to Parliament.

Implementation of the FY 2022/23 budget comes at a time primarily defined by a transition in government following the August 2022 General Elections and recovery from the adverse effects of the COVID-19 pandemic. Upon taking office, the new administration embarked on instituting measures to rationalise expenditure on non-core activities, reduce deficit financing, and enhance development activity financing. On the other hand, economic policies and programs that cushioned citizens and businesses from the adverse impact of the pandemic were sustained to build on the progress realised in returning the economy to a more sustainable growth path for improved livelihoods.

The gross budget for FY 2022/23 is Kshs.4.19 trillion, comprising Kshs.3.69 trillion for the National Government and Kshs.497.48 billion for the forty-seven counties. The National Government budget consisted of Kshs.715.35 billion for ministerial development expenditure, Kshs.2.98 trillion for recurrent expenditure (Kshs.1.40 trillion for recurrent ministerial expenditure and Kshs.1.57 trillion for Consolidated Fund Services).

During the first half of FY 2022/23, receipts into the Consolidated Fund amounted to Kshs.1.43 trillion, representing 40.5 per cent of the annual target of Kshs.3.54 trillion, a marginal increase from the Kshs.1.42 trillion received in the first half of FY 2021/22. The total exchequer issues by the National Treasury to MDAs, Consolidated Fund Services (CFS), and County Governments amounted to Kshs.1.37 trillion, representing 38.6 per cent of the net estimates, a decrease compared to 42.7 per cent recorded in the first half of FY 2021/22. The total expenditure by the National Government amounted to Kshs.1,436 billion, representing 38.9 per cent of the gross estimates, a decrease compared to 39.5 per cent recorded in the first six months of FY 2021/22. The expenditure comprised development and recurrent expenditures of Kshs.171.61 billion (absorption rate of 24 per cent) and Kshs.1.27 trillion (42.7 per cent), respectively. Further review of the recurrent expenditure reveals that it comprised recurrent ministerial expenditure of Kshs.677.04 billion and Consolidated Fund Services expenditure of Kshs.593.65 billion, recording absorption rates of 48.2 per cent and 37.8 per cent, respectively.

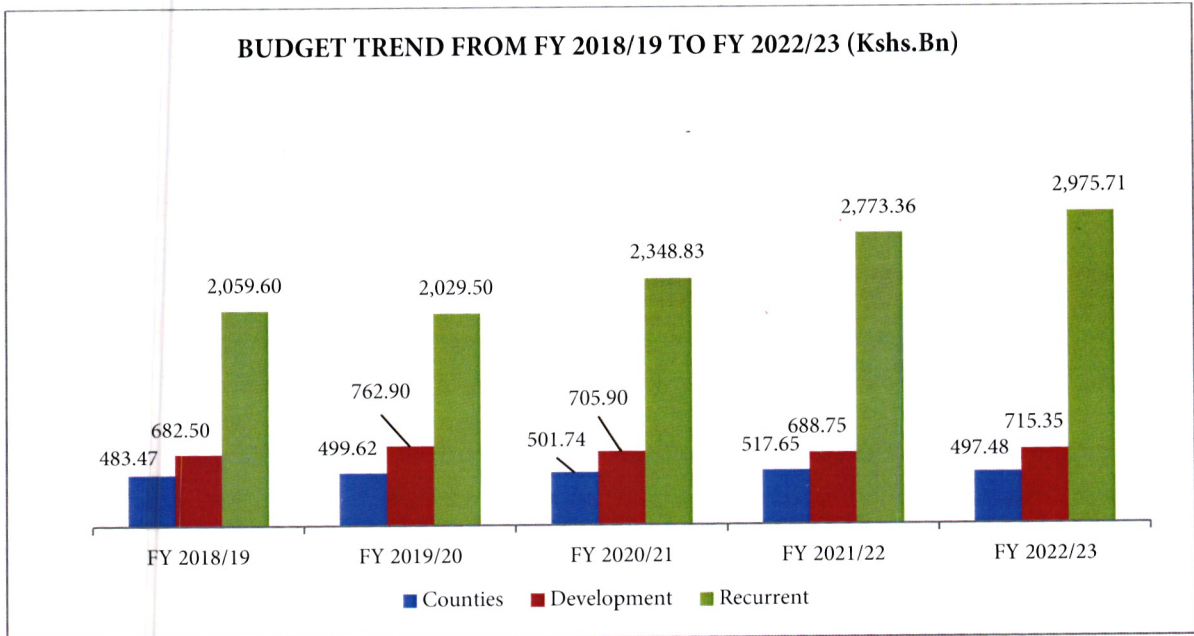
The development expenditure recorded a 26.2 per cent decline from the Kshs.231.24 billion spent in the first six months of FY 2021/22, attributed to low development activities due to the transition in government following the August 2022 General Elections. The highest development expenditure included Capital Transfers by the MDAs in the form of subsidies, grants, or direct transfers to Semi-Autonomous Government Agencies (SAGAs) of Kshs.123.3 billion, followed by Refurbishment of buildings, Infrastructure, and Civil Works at Kshs.7.8 billion, representing 72.3 per cent and 4.6 per cent of the gross development expenditure, respectively.

A review of the recurrent expenditure shows that Kshs.252.2 billion was spent on compensation to employees representing 37.5 per cent of the gross recurrent expenditure by MDAs. The Teachers Service Commission (TSC) had the highest spending on compensation to employees at Kshs.135.6 billion, translating to 20.2 per cent of the gross recurrent expenditure attributable to teachers' salaries.

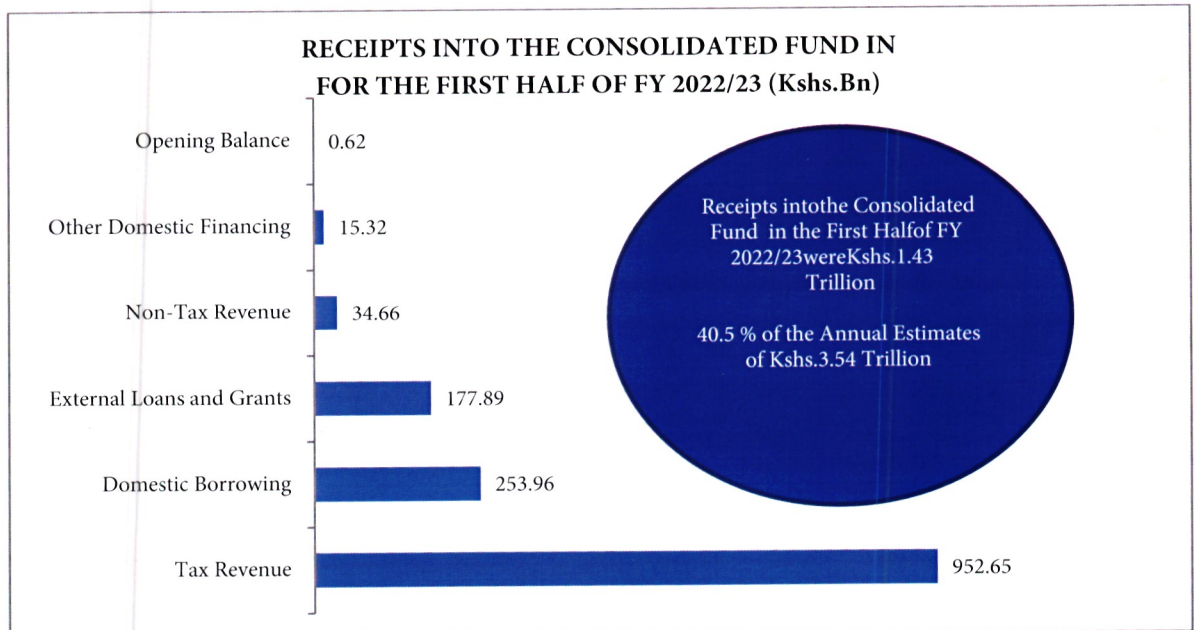
The Controller of Budget identified the key challenges that hindered effective budget implementation in the first half of FY 2022/23. These include the continued growth of public debt and related expenditures. Another challenge was the shortfall of receipts into the consolidated fund, attributed to external and internal factors, and the closure of IFMIS, which affected MDA's budget execution and the procurement of goods and services.

To address the challenges, the government should ensure that borrowed funds are directed to more productive investments that stimulate economic activity, to spur Gross Domestic Product (GDP) growth and enhance government revenues to settle the public debt. The National Treasury should also release funds to the MDAs based on their annual work plans and cash flow projections to enhance budget implementation.

KEY HIGHLIGHTS



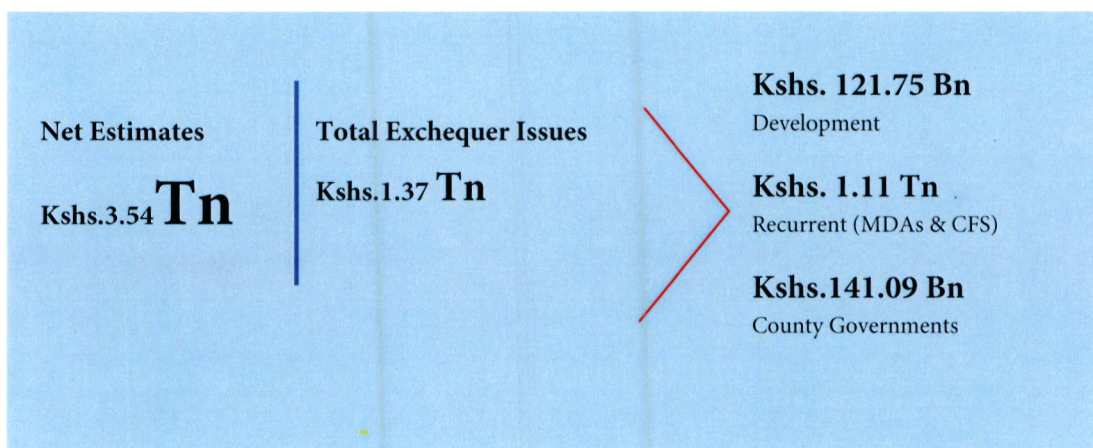
Source: National Treasury & County Treasuries



Source: National Treasury

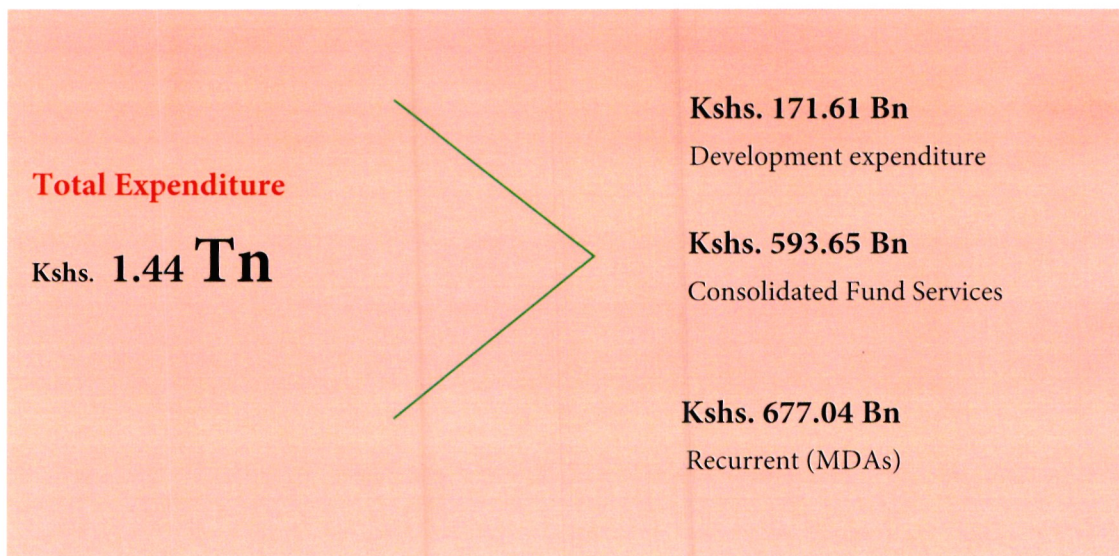


EXCHEQUER ISSUES FOR THE FIRST HALF OF FY 2022/23



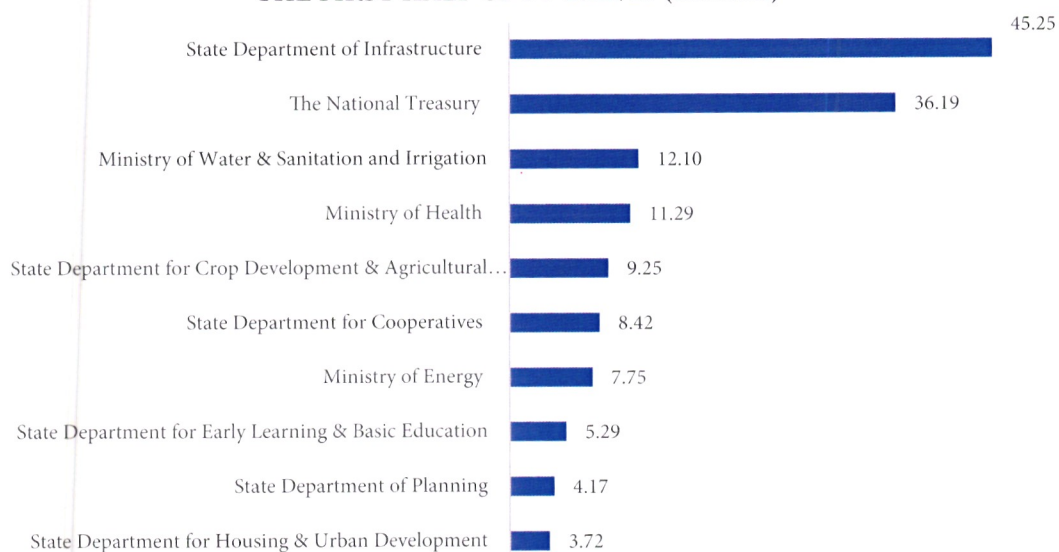
Source: National Treasury

NATIONAL GOVERNMENT EXPENDITURE FOR THE FIRST HALF OF FY 2022/23

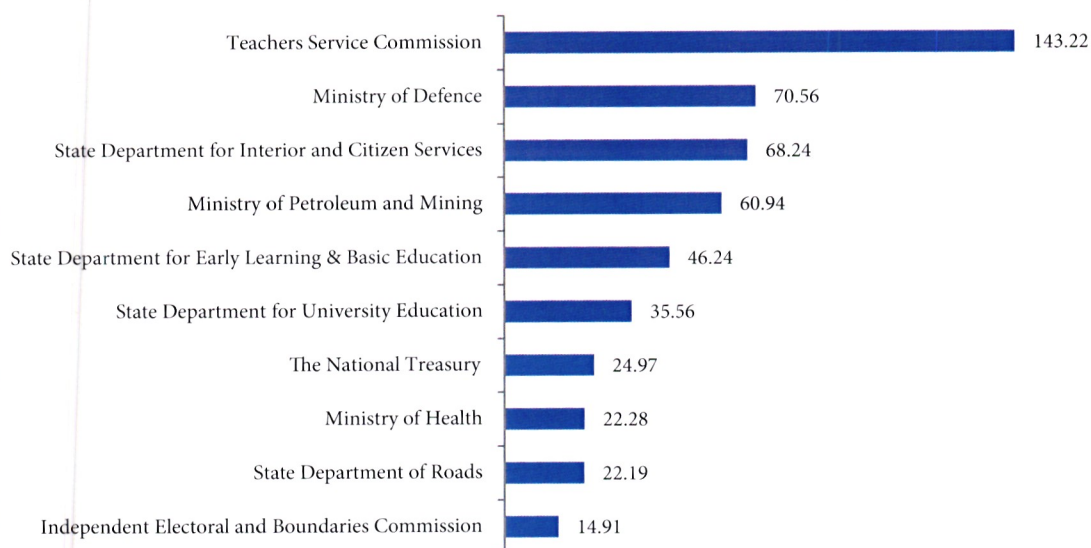


Source: Ministries, Departments, and Agencies

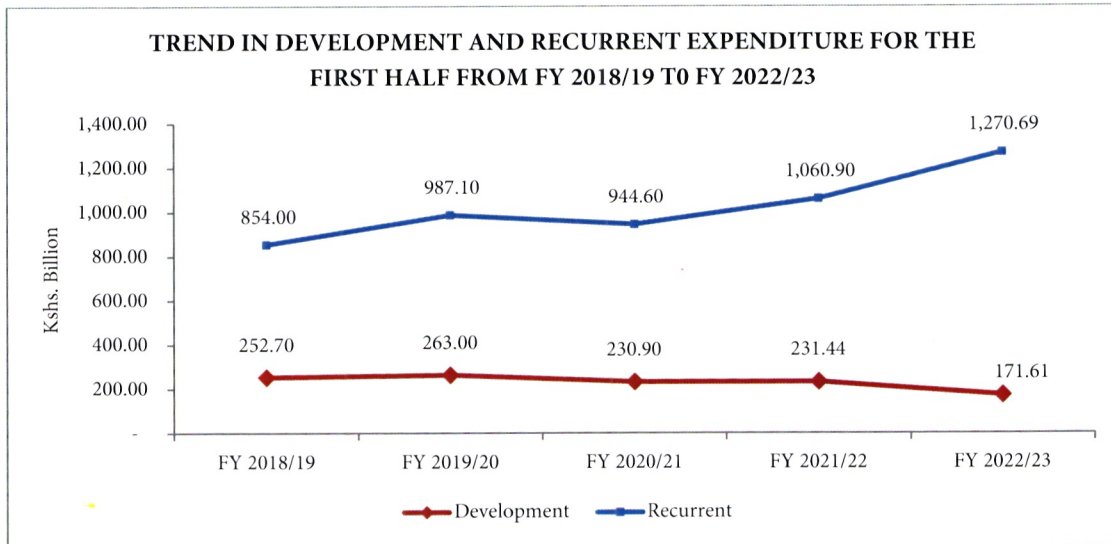
**TOP 10 SPENDING MDAs ON DEVELOPMENT EXPENDITURE IN
THE FIRST HALF OF FY 2022/23 (Kshs.Bn)**



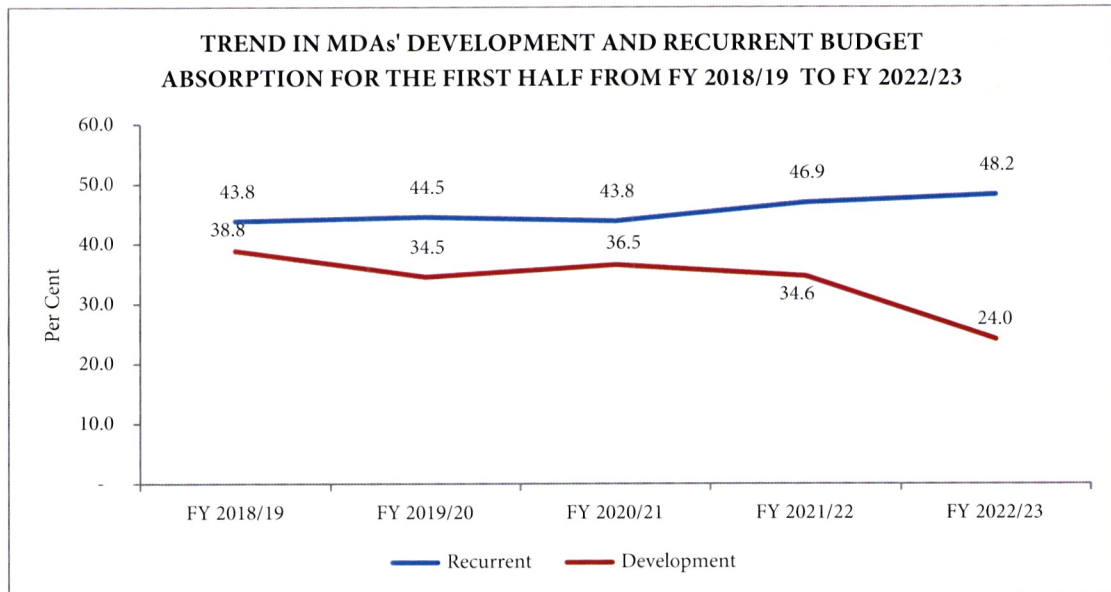
**TOP 10 SPENDING MDAs ON RECURRENT EXPENDITURE IN THE FIRST
HALF OF FY 2022/23 (Kshs.Bn)**



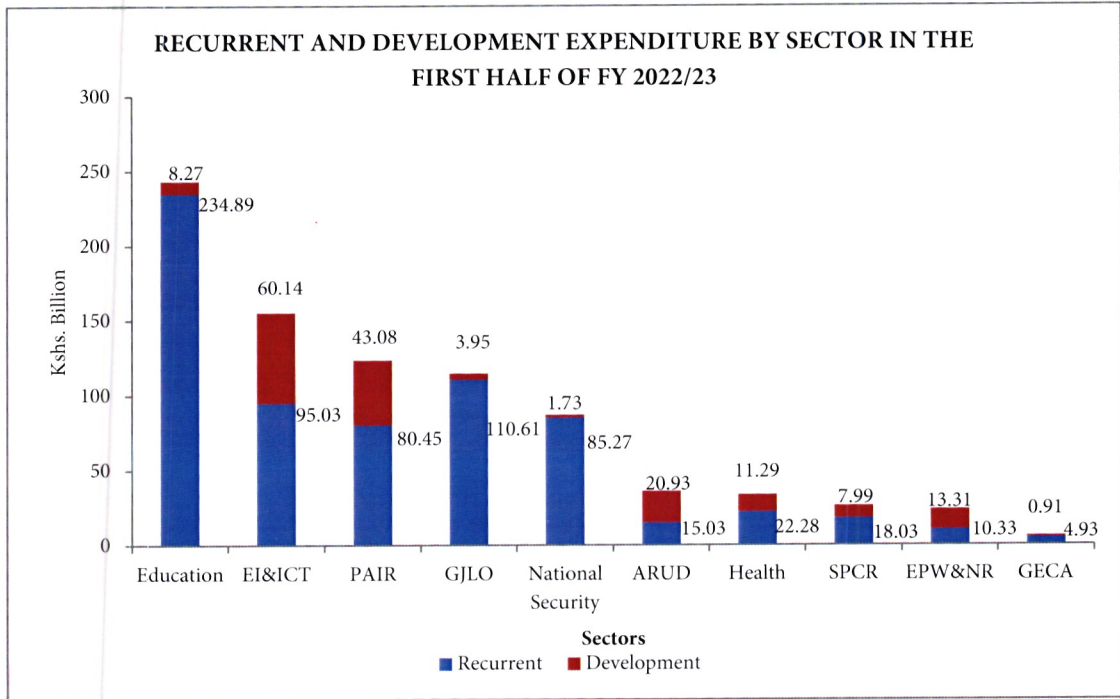
Source: Ministries, Departments, and Agencies



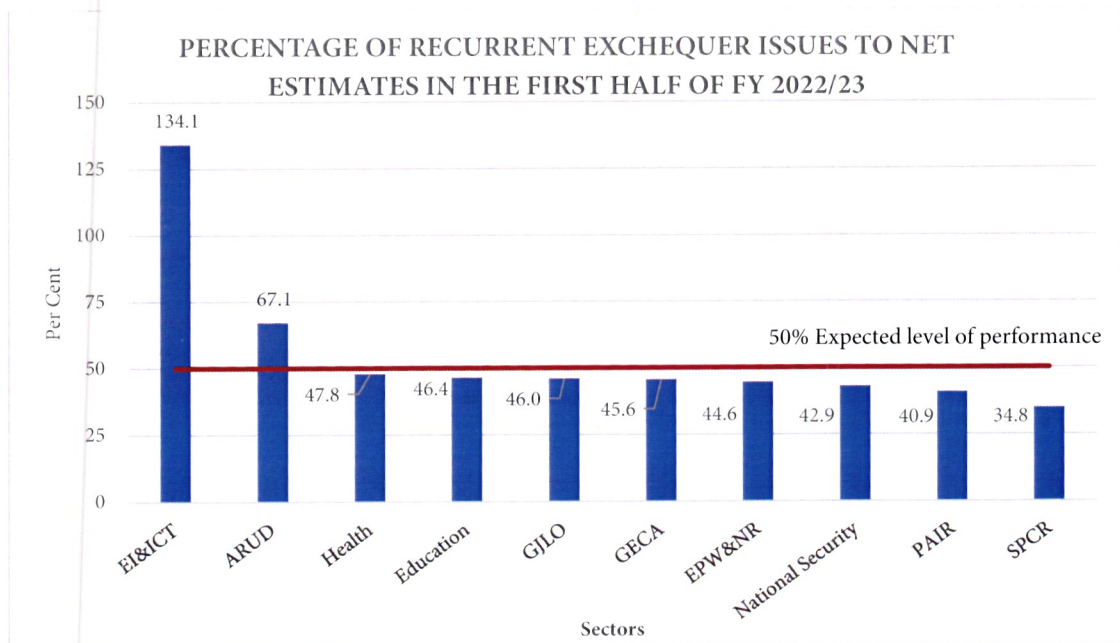
Source: Ministries, Departments, and Agencies



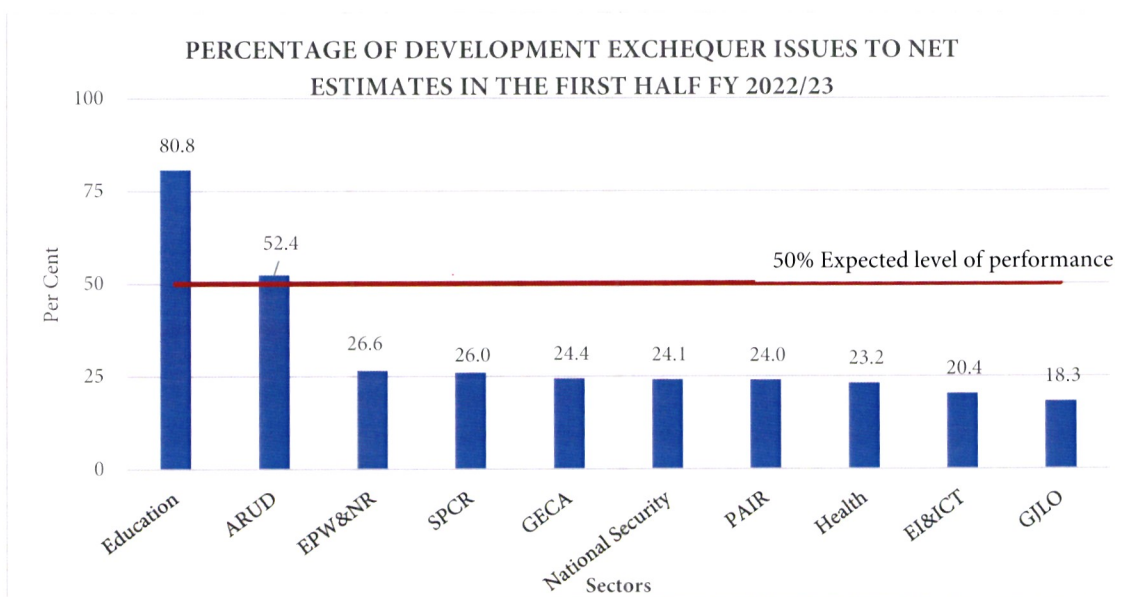
Source: Ministries, Departments, and Agencies



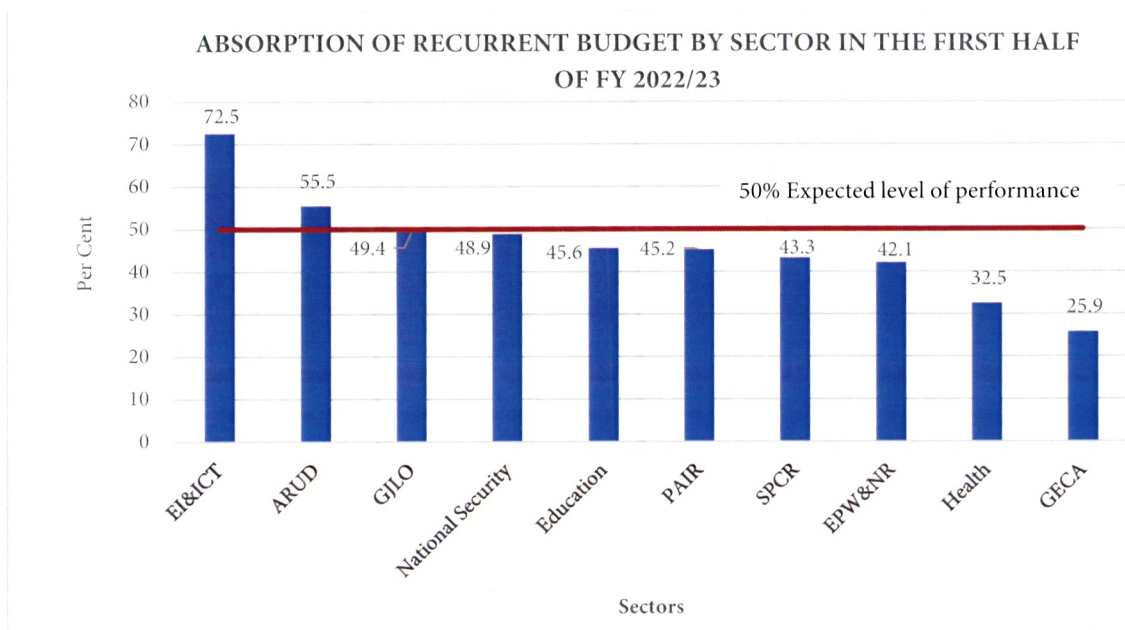
Source: Ministries, Departments, and Agencies



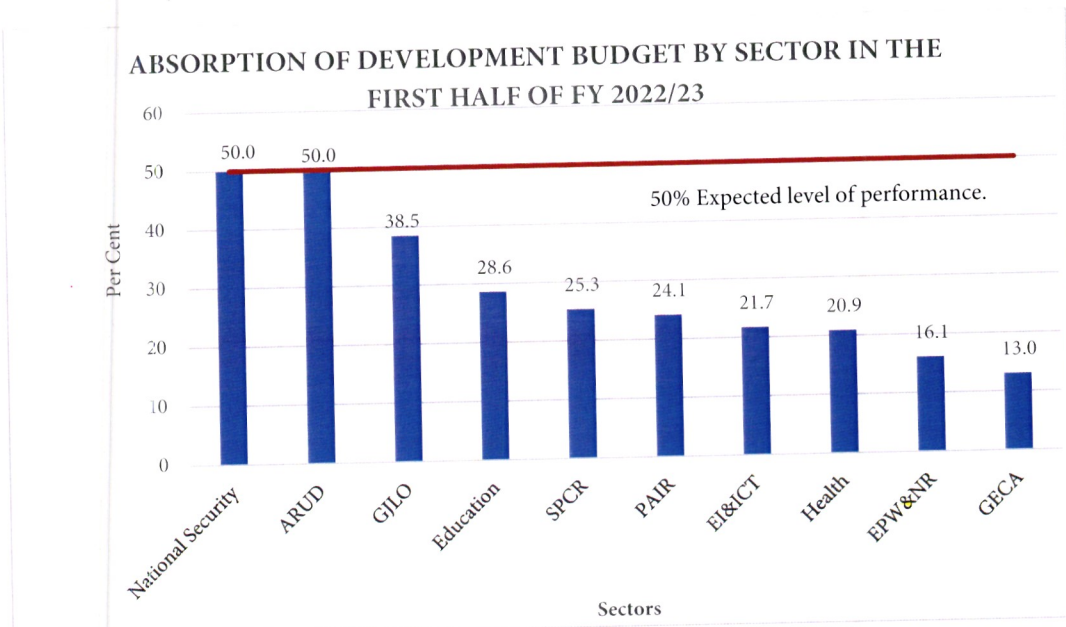
Source: Ministries, Departments, and Agencies



Source: Ministries, Departments, and Agencies



Source: Ministries, Departments, and Agencies



Source: Ministries, Departments, and Agencies

GROSS BUDGET BY SECTORS FY 2022/23



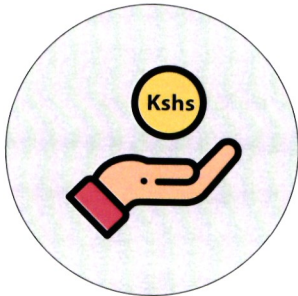
Agriculture Rural & Urban Development
Kshs.68.96 Bn



Energy, Infrastructure & ICT
Kshs.407.76 Bn



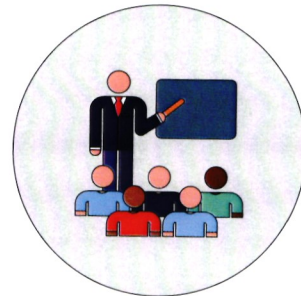
Public Administration and International Relations
Kshs.356.89 Bn



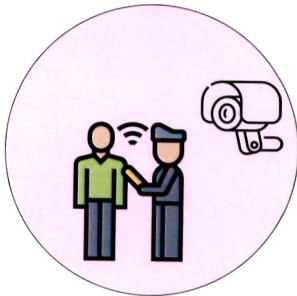
General Economics & Commercial Affairs
Kshs.26.03 Bn



Health
Kshs.122.52 Bn



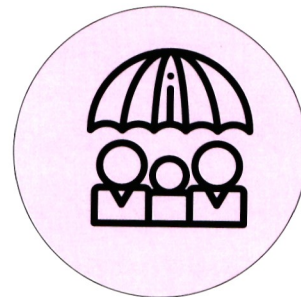
Education
Kshs.544.52 Bn



National Security
Kshs.177.81 Bn



Governance, Justice, Law & Order
Kshs.234.41 Bn



Social Protection, Culture & Recreation -
Kshs.73.21 Bn



Environmental Protection , Water & Natural Resources -
Kshs.107.18 Bn

1 INTRODUCTION

The Office of the Controller of Budget (OCoB) is an independent office established under Article 228 of the Constitution of Kenya, 2010. Its primary mandate is to oversee the implementation of the budgets of the National and County governments by authorising withdrawals from Public Funds under Articles 204, 206, and 207 of the Constitution and to report on the implementation of the budgets to each House of Parliament every four months. This report fulfils the requirements of Article 228(6) of the Constitution of Kenya 2010 and Section 9 of the Controller of Budget Act, 2016, by presenting progress on the budget implementation by the National Government in the first half of FY 2022/23.

The report is presented in seven chapters. Chapter One is the introduction. Chapter Two presents an analysis of receipts into the Consolidated Fund and actual withdrawals from the Consolidated Fund to finance MDAs and Counties' development and recurrent budgets. During the first half of the financial year, withdrawals from the Consolidated Fund were expected to be at 50 per cent of the Annual Net Estimates.

Chapter Three presents a summary of budget performance for both national and county governments. It also shows the public debt stock as of 31st December 2022, the performance of the Consolidated Fund Services and the Equalization Fund. The status of pending bills for the National government and expenditure by economic items for MDAs development and recurrent budgets are also indicated.

Chapter Four presents the budget performance of MDAs in each of the ten sectors. The ten sectors, according to the United Nations Classification of the Functions of the Government, include (i) Agriculture, Rural and Urban Development (ARUD), (ii) Education, (iii) Energy, Infrastructure, and Information Communications Technology, (iv) Environmental Protection, Water and Natural Resources, (v) General Economic and Commercial Affairs, (vi) Governance, Justice, Law and Order, (vii) Health, (viii) National Security, (ix) Public Administration and International Relations, (x) Social Protection, Culture, and Recreation, sector. Budget performance includes the absorption of funds by MDAs, financial indicators by programmes and sub-programmes and ongoing projects' absorptive capacity.

The absorption rate is the proportion of expenditure to the gross budget and is used to assess whether the implementation of the planned activities is on course. Budget absorption is expected to be at 50 per cent for the reporting period.

Chapter Five presents the key issues that hindered effective budget implementation during the reporting period. Appropriate recommendations are included to address the identified issues. Chapter Six deals with emerging issues where the Controller of Budget recommends further interrogation to ensure the prudent use of public funds, while Chapter Seven provides the report's conclusion.

Annexes support the chapters. Annex I presents a summary of MDAs' development expenditure, Annex II presents MDAs' recurrent expenditure, Annex III shows MDAs' development expenditure by sector, Annex IV shows MDAs' recurrent spending by sector, Annex V shows MDAs' total expenditure by sector, Annex VI shows Capital Transfer to SAGAs, and Annex VII shows Current Transfer to SAGAs.

A PDF version of this report is available on the Controller of Budget website, <https://cob.go.ke>



2 ANALYSIS OF RECEIPTS AND EXCHEQUER ISSUES

2.1 Introduction

This chapter presents the performance of receipts into the Consolidated Fund and exchequer issues by the National Treasury as approved by the Controller of Budget in the first half of FY 2022/23. Exchequer Issues comprise approvals towards development, recurrent expenditure, and transfers to the forty-seven counties. In addition, it gives a synopsis of exchequer issues under Article 223 of the Constitution, funds approved for withdrawal from the Equalisation and Judiciary Funds' respectively.

2.2 Revenue Estimates and Receipts into the Consolidated Fund

This section presents a summary of receipts into the Consolidated Fund for the first half of FY 2022/23. The Consolidated Fund is established under Article 206(1) of the Constitution of Kenya and refers to the account into which all money raised or received by or on behalf of the national government is paid. However, it excludes monies reasonably excepted by an Act of Parliament and payable into other public funds established for a specific purpose or is retained by the State organ that received it to defray its expenses.

2.2.1 Revenue Estimates for FY 2022/23

The revenue estimates for FY 2022/23 amount to Kshs.3.54 trillion compared to Kshs.3.33 trillion budgeted in FY 2021/22, representing 6.3 per cent growth (Kshs.209.79 billion). The specific revenue categories projected to grow were Tax revenue by 16.1 per cent (Kshs.287.53 billion), Non-Tax Revenue by 3.8 per cent (Kshs.2.54 billion), and Domestic Borrowing by 1.8 per cent (Kshs.18.44 billion).

To finance the budget, the government budgeted to raise revenue from Tax revenue (Kshs.2.07 trillion), Non-tax revenue (Kshs.69.66 billion), Domestic borrowing (Kshs.1.04 trillion), External Loans and Grants (Kshs.349.33 billion) and other Domestic financings (Kshs.13.23 billion).

2.2.2 Receipts into the Consolidated Fund

In the first half of FY 2022/23, receipts into the Consolidated Fund were Kshs.1.43 trillion, representing 40.5 per cent of the annual target, compared to Kshs.1.42 trillion (44.5 per cent of the annual target) recorded in a similar period of FY 2021/22. The receipts comprised opening balances from the previous financial year (FY 2021/22), Tax and Non-Tax Revenue, Domestic borrowing, External Loans and Grants, and Other Domestic Financing. Table 2.1 presents the statement of receipts into the Consolidated Fund in the first half of FY 2022/23.

Table 2.1: Statement of Receipts into the Consolidated Fund

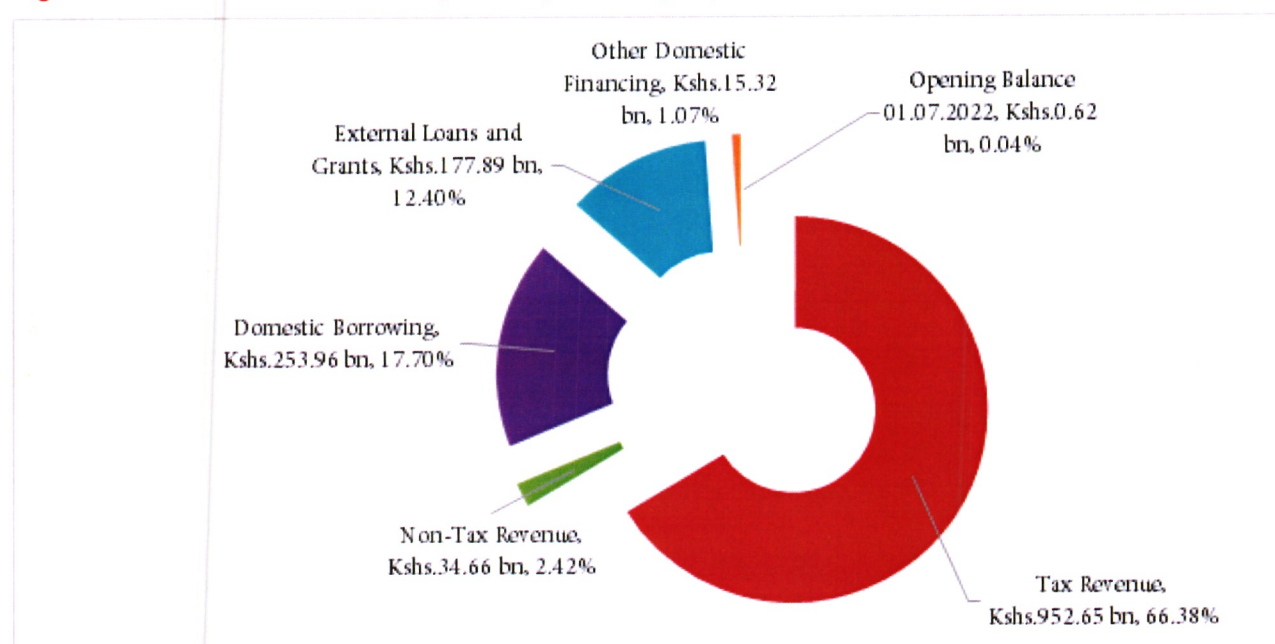
Receipts Category	Revenue Estimates	Receipts as of 31st December 2022	Performance Against Annual Target	Contribution by Category
		Kshs.	%	
Opening Balance 01.07.2022	-	616,548,952	-	0.04
Tax Revenue	2,071,923,833,574	952,645,545,803	46.0	66.4
Non-Tax Revenue	69,660,578,983	34,660,988,818	49.8	2.4
Domestic Borrowing	1,040,458,161,200	253,955,649,021	24.4	17.7

Receipts Category	Revenue Estimates	Receipts as of 31st December 2022	Performance Against Annual Target	Contribution by Category
	Kshs.		%	
External Loans and Grants	349,331,516,110	177,893,778,444	50.9	12.4
Other Domestic Financing	13,228,000,000	15,322,062,059	115.8	1.1
Total	3,544,602,089,867	1,435,094,573,097	40.5	

Source: National Treasury

Revenue for the year's first half was targeted at 50 per cent (Kshs.1.77 trillion) of the annual target. However, the government recorded a shortfall of Kshs.373.44 billion in actual receipts implying that some budgeted activities could not be funded during the period. The Tax Revenue category contributed the highest proportion to total receipts at 66.4 per cent, as shown in Figure 2.1.

Figure 2.1: Contribution by Receipt Category into the Consolidated Fund



Source: National Treasury

Table 2.2 shows receipts performance by stream in the first half of FY 2022/23.

Table 2.2: Receipts into the Consolidated Fund by Stream

RECEIPTS:	ACTUAL - FIRST HALF FY 2022/23
	KSHS
Opening Balance - 1st July 2022	616,548,951.60
Income Tax from Individuals (P.A.Y.E)	230,874,945,154.75
Income Tax from Corporations (Other Enterprises)	225,541,352,216.05
Capital Gains Tax	-
Receipt from VAT on Domestic Goods and Services	127,229,150,961.75
Receipts from VAT on Imported Goods and Services	136,952,325,526.00

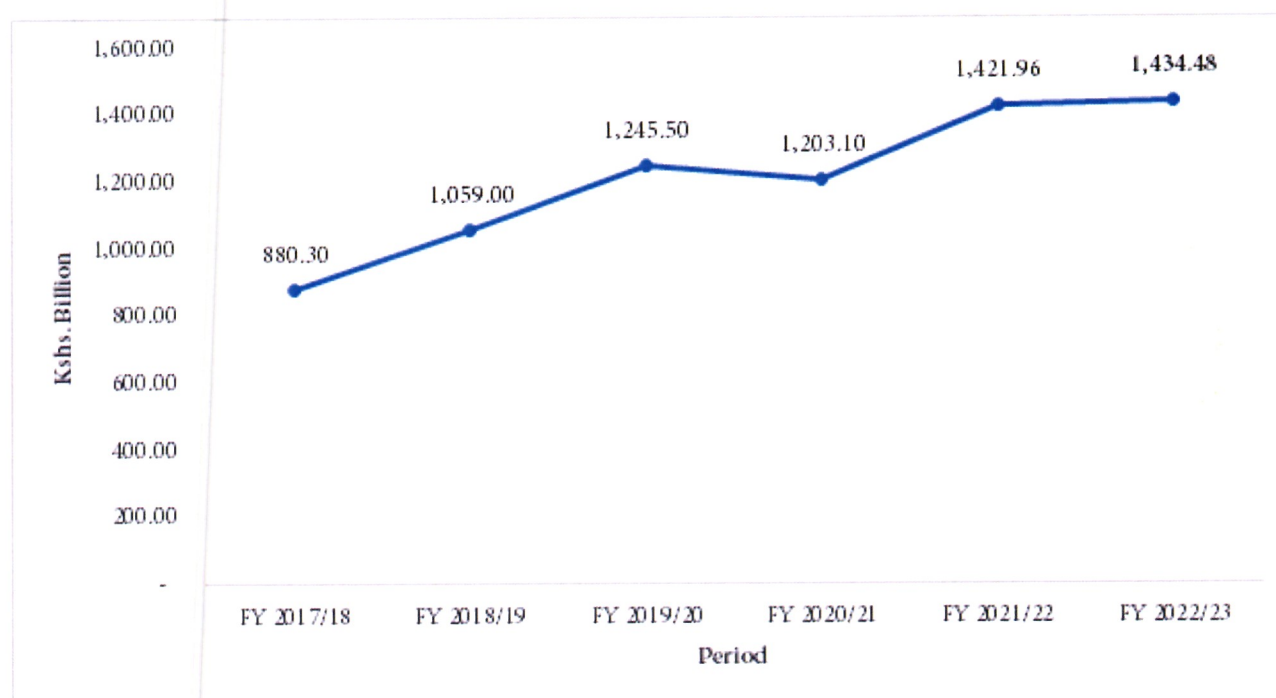
RECEIPTS:	ACTUAL - FIRST HALF FY 2022/23
Excise Taxes	58,511,694,367.90
Excise Taxes-mobile phones	72,696,097,047.25
Anti-adulteration Levy	-
Customs Duties	67,095,733,494.10
Import Declaration and Inspection Fees	27,424,332,891.00
Stamp duty	6,319,914,144.60
Total Tax Income	952,645,545,803.40
Licenses under Traffic Act	2,191,050,087.00
Rent of Land	24,878,506.00
Sundry Revenue	1,752,629,480.50
Interest Received	39,558,569.35
Directors fees	-
Other Profits and Dividends	10,626,951,558.90
Surplus funds from Regulatory Authority	4,000,000,000.00
Pension- Contribution from Government Employees to Social and Welfare Schemes within Government	154,021,787.08
Lands and physical planning-Other Land Revenue and Land Registration Fees	523,090,928.25
Business registration services e-citizen	592,294,784.40
State Law Office and Department of Justice-Business Names Search Fees	88,186,444.55
Interior and Citizen Services-Immigration Visas and Other Consular Fees	8,565,744,289.60
Defence	856,973,369.75
Judiciary	1,232,358,658.25
State Depart mining	1,482,645,408.40
Fisheries	183,645,732.00
E Citizen	5,905,391.00
Total Non-Tax Income	32,319,934,995.03
Grants from International Organizations and Foreign Governments - Cash Through Exchequer	1,255,918,218.50
Grants to Central Government from General Government Units (Nairobi County)	-
African Union Mission in Somali (AMISOM) grants	-
Net Domestic Borrowing	253,955,649,021.35
Loans to Financial Institutions & Non-Financial Public Enterprises	2,341,053,823.10
Domestic Lending and on-lending	2,341,053,823.10
Borrowing from International Organizations & Foreign Governments (exchequer)	26,801,061,822.85
Semi-Concessional Loans	-
Program Loans (Social Safety-net Budget Support)	11,109,362,607.05

RECEIPTS:	ACTUAL - FIRST HALF FY 2022/23
Program Grant (Social Safety-net Budget Support)	-
Unspent balance	15,322,062,058.70
Transfer from IMF Funds-RCF and CBK-SDR allocation	103,151,433,597.65
COVID Funds	-
Commercial loan	35,576,002,197.90
TOTAL REVENUE	1,434,478,024,145.53

Source: National Treasury

Figure 2.2 shows the trend of receipts into the Consolidated Fund in the first half from FY 2018/19 to FY 2022/23.

Figure 2.2: Receipts into the Consolidated Fund for the period between FY 2017/18 to FY 2022/23



Source: National Treasury

Trend analysis shows a growth of less than one per cent in receipts in the first half of FY 2022/23 compared to a similar time in FY 2021/22.

2.3 Exchequer Issues by the National Treasury

In the first half of FY 2022/23, net exchequer issues to National and County governments amounted to Kshs.1.37 trillion, representing 38.6 per cent of the annual net estimates, compared to Kshs.1.36 trillion (42.7 per cent) issued in a similar period FY 2021/22. Table 2.2 presents a summary of exchequer issues by the National Treasury in the first half of FY 2022/23.

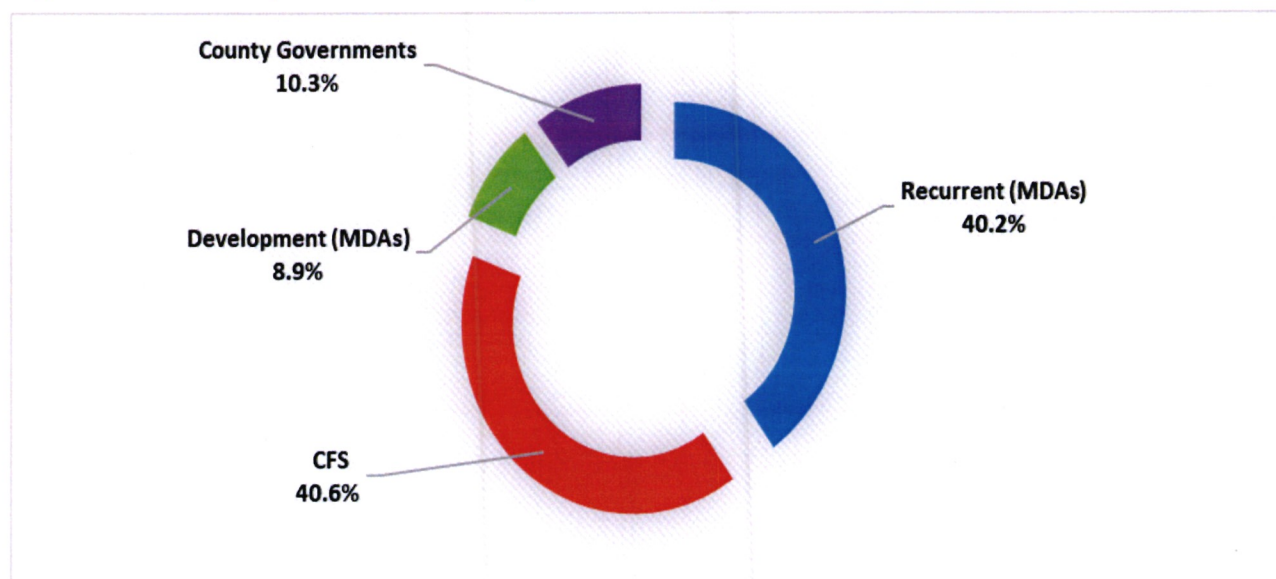
Table 2.3: Summary of Exchequer Issues

Vote	First half of FY 2022/23				First half of FY 2021/22			
	Net Estimates	Exchequer Issues	Exchequer Issues to net Estimates	Exchequer issues to total Issues	Net Estimates	Exchequer Issues	Exchequer Issues to Net Estimates	Exchequer issues to total Issues
	(Kshs. Bn)		%		(Kshs. Bn)		%	
Recurrent	2,750.21	1,106.38	40.2	80.8	2,433.76	1,074.33	44.1	78.8
MDAs	1,178.40	550.57	46.7	40.2	1,106.56	528.05	47.7	38.7
CFS	1,571.81	555.81	35.4	40.6	1,327.22	546.28	41.2	40.1
Development (MDAs)	424.39	121.75	28.7	8.9	389.23	143.96	37.0	10.6
Sub-Total	3,174.60	1,228.13	38.7	89.7	2,823.00	1,218.29	43.8	89.4
County Gov-ernments	370.00	141.09	38.1	10.3	370.00	144.98	39.2	10.6
Grand Total	3,544.60	1,369.22	38.6	-	3,139.00	1,363.27	42.7	-

Source: National Treasury & OCoB

Analysis in Table 2.3 shows that the recurrent vote received the highest percentage of exchequer issues to net estimates at 40.2 per cent, purposed to fund MDAs' recurrent activities (Kshs.550.57 billion) and Consolidated Fund Services (Kshs.555.81 billion). In comparison, the County Governments received the lowest at 38.1 per cent.

Figure 2.3 shows the proportion of exchequer issues by vote in the first half of FY 2022/23.

Figure 2.3: Proportion of Exchequer Issues by Vote

Source: National Treasury

2.4 Exchequer Issues by Sector

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

In the first half of FY 2022/23, exchequer issues to MDAs amounted to Kshs.672.32 billion, representing 41.9 per cent of the net estimates, compared to 44.9 per cent (Kshs.672.01 billion) recorded in a similar period in FY 2021/22. Table 2.4 summarises the sector's exchequer issues in the first half of FY 2022/23.

Table 2.4: Exchequer Issues by Sector

Sector	First half of FY 2022/23				First half of FY 2021/22			
	Gross Estimates	Net Estimates	Exchequer Issues	Exchequer to Net Estimates	Gross Estimates	Net Estimates	Exchequer Issues	Exchequer to Net Estimates
	(Kshs. Bn)			%	(Kshs. Bn)			%
ARUD	68.96	56.28	32.20	57.2	75.73	64.31	19.25	29.9
Education	544.52	488.85	234.54	48.0	503.97	463.12	226.70	49.0
EI & ICT	407.76	135.79	53.54	39.4	340.46	121.98	54.03	44.3
EPW&NR	107.18	59.60	19.01	31.9	100.59	55.26	24.91	45.1
GECA	26.03	17.02	6.34	37.3	20.58	14.78	6.65	45.0
GJLO	234.41	231.47	103.70	44.8	217.32	214.10	98.43	46.0
Health	122.52	88.59	32.59	36.8	121.09	92.14	32.48	35.3
National Security	177.81	177.81	75.69	42.6	162.20	162.20	91.50	56.4
PAIR	356.86	291.96	96.76	33.1	327.87	253.24	105.01	41.5
SPCR	73.21	55.41	17.95	32.4	72.19	54.66	13.03	23.8
Total	2,119.26	1,602.79	672.32	41.9	1,942.01	1,495.78	672.01	44.9

Source: National Treasury

The ARUD sector received the highest proportion of exchequer issues to net estimates at 57.2 per cent, while the EPW&NR sector received the lowest exchequer issues at 31.9 per cent. The high proportion of exchequer issues to the ARUD sector is attributable to the State Department for Cooperatives at 1114.8 per cent of net estimates to set up and finance the Financial Inclusion Fund (Hustler Fund) at Kshs.10.20 billion. The funds were issued under Article 223 of the Constitution to be regularised in the supplementary Budget. The low performance for the EPW&NR sector was attributed to low exchequer issues over net estimates of 27.0 per cent to the State Department of Wildlife and 30.0 per cent to the Ministry of Water, Sanitation, and Irrigation.

2.4.1 Development Exchequer Issues by Sector

In FY 2022/23, gross allocation to the development budget was Kshs.715.35 billion, representing 33.8 per cent of the gross ministerial budget of Kshs.2.12 trillion, compared to Kshs.688.75 billion allocated in FY 2021/22. Further analysis shows that the development vote was allocated 19.4 per cent of the national budget of Kshs.3.69 trillion. Table 2.5 shows the development vote budget and exchequer issues by sector in the first half of FY 2022/23.

Table 2.5: Development Estimates and Exchequer Issues by Sectors

Sector	First half, FY 2022/23				First half, FY 2021/22			
	Gross Estimates	Net Estimates	Exchequer Issues	Exchequer issues to Net Estimates	Gross Estimates	Net Estimates	Exchequer Issues	Exchequer issues to Net Estimates
	(Kshs. Bn)			%	(Kshs. Bn)			%
ARUD	41.90	37.98	19.91	52.4	50.88	46.79	10.94	23.4
Education	28.92	22.30	18.02	80.8	21.38	17.93	4.14	23.1
EI & ICT	276.75	113.05	23.03	20.4	250.40	106.42	46.82	44.0
EPW&NR	82.65	41.95	11.14	26.6	76.10	37.65	15.93	42.3
GECA	6.96	6.67	1.63	24.4	6.58	5.95	2.45	41.1
GJLO	10.28	10.01	1.83	18.3	11.00	10.43	4.40	42.1
Health	54.02	39.76	9.22	23.2	56.22	44.69	11.44	25.6
National Security	3.47	3.47	0.84	24.1	5.08	5.08	4.63	91.1
PAIR	178.88	133.80	32.13	24.0	158.19	97.62	37.23	38.1
SPCR	31.54	15.41	4.01	26.0	32.56	16.69	6.00	35.9
Total	715.35	424.39	121.75	28.7	668.34	389.23	143.96	37.0

Source: National Treasury

Total development exchequer issues in the period under review amounted to Kshs.121.75 billion, representing 28.7 per cent of the net estimates, compared to 37 per cent (Kshs.143.96 billion) in a similar period FY 2021/22. The decline in the development exchequer issues is attributed to the delay in the release of funds by The National Treasury following a need to rationalise the budget, therefore necessitating the closure of IFMIS and suspension of the procurement of goods and services.

Analysis of exchequer issues towards development expenditure by sector shows that the Education sector received the highest proportion of exchequer issues to net estimates at 80.8 per cent, attributed to a high exchequer issue over net estimates of 107.3 per cent to the State Department for Early Learning & Basic Education with Kshs.4.12 billion of exchequers requisitioned under Article 223 of the constitution for Secondary Education Quality Improvement Project. In comparison, the GJLO sector received the lowest at 18.3 per cent, attributed to nil development exchequer issue to some MDAs despite having a development allocation. The MDAs under the GJLO sector that did not receive any development exchequer issues include the State Department for Correctional Services, the State Law Office and Department of Justice, the Ethics & Anti-Corruption Commission, the Office of the Director of Public Prosecutions, and the National Gender and Equality Commission. Table 2.6 shows development exchequer issues to the MDAs under each of the ten sectors in the first half of FY 2022/23.

Table 2.6: Analysis of Exchequer Development Issues to MDAs by Sectors

Vote	MINISTRY/DEPARTMENT/AGENCIES	Gross Estimates	Net Estimates	Exchequer Issues	Exchequer Issues to Net Estimates
		(Kshs. Bn)			%
Agriculture, Rural and Urban Development					
D1112	Ministry of Lands and Physical Planning	2.62	2.62	0.59	22.5
D1162	State Department for Livestock.	3.62	3.41	0.43	12.6

Vote	MINISTRY/DEPARTMENT/AGENCIES	Gross Estimates	Net Estimates	Exchequer Issues	Exchequer Issues to Net Estimates
		(Kshs. Bn)			%
D1165	State Department for Crop Development and Agricultural Research	27.04	24.05	7.23	30.1
D1166	State Department for Fisheries, Aquaculture and the Blue Economy	8.11	7.39	1.64	22.1
D1173	State Department for Cooperatives	0.42	0.42	10.03	2373.3
D2021	National Land Commission	0.09	0.09	-	-
	Sub-Total	41.90	37.98	19.91	52.4
Energy, Infrastructure, and ICT					
D1091	State Department of Infrastructure	151.82	62.88	18.35	29.2
D1092	State Department of Transport	1.35	1.35	0.02	1.83
D1093	State Department for Shipping and Maritime.	1.18	0.49	-	0.0
D1094	State Department for Housing & Urban Development	19.02	17.84	1.40	7.8
D1095	State Department for Public Works	1.31	1.06	0.13	12.1
D1122	State Department of Information Communications & Technology	16.99	3.99	0.24	6.0
D1123	State Department for Broadcasting & Telecommunications	0.82	0.82	-	-
D1152	Ministry of Energy	80.97	24.03	2.88	12.0
D1194	Ministry of Petroleum and Mining	3.30	0.60	-	0.0
	Sub-Total	276.75	113.00	23.03	20.4
General Economics and Commercial Affairs					
D1174	State Department for Trade	1.49	1.49	0.76	51.3
D1175	State Department for Industrialisation	3.50	3.50	0.55	15.6
D1222	State Department for Regional and Northern Corridor Development	1.61	1.33	-	-
D1202	State Department for Tourism	0.35	0.35	0.32	23.9
	Sub-Total	6.96	6.67	1.63	24.4
Health					
D1081	Ministry of Health	54.02	39.76	9.22	23.2
	Sub-Total	54.02	39.76	9.22	23.2
Education					
D1064	State Department for Vocational and Technical Training	5.83	2.29	0.39	17.0
D1065	State Department for University Education	6.98	4.18	0.90	21.4
D1066	State Department for Early Learning & Basic Education	15.38	15.15	16.26	107.3
D1068	State Department for Post Training and Skills Development	0.07	0.03	-	-

Vote	MINISTRY/DEPARTMENT/AGENCIES	Gross Estimates	Net Estimates	Exchequer Issues	Exchequer Issues to Net Estimates
		(Kshs. Bn)			%
D2091	Teachers Service Commission	0.66	0.66	0.47	0.7
	Sub-Total	28.92	22.30	18.02	80.8
Governance, Justice, Law, and Order					
D1021	State Department for Interior and Citizen Services	6.78	6.58	1.26	19.1
D1023	State Department for Correctional Services	1.17	1.10	-	0.0
D1252	State Law Office and Department of Justice	0.22	0.22	-	0.0
D1261	The Judiciary	1.90	1.90	0.57	30.1
D1271	Ethics & Anti-Corruption Commission	0.16	0.16	-	0.0
D1291	Office of the Director of Public Prosecutions	0.05	0.05	-	0.0
D2141	National Gender & Equality Commission	0.01	0.01	-	-
	Sub-Total	10.28	10.01	1.83	18.3
Public Administration and International Relations					
D1011	The Executive Office of the President	5.98	0.63	0.69	108.8
D1032	State Department for Devolution	0.30	0.30	0.02	6.5
D1072	State Department for Planning	45.13	45.13	4.16	9.2
D1052	Ministry of Foreign Affairs	1.80	1.80	1.07	59.6
D1071	The National Treasury	120.55	81.13	25.51	31.4
D1213	State Department for Public Service	0.70	0.60	-	-
D1214	State Department for Youth Affairs	1.93	1.73	-	3.7
D2043	Parliamentary Joint Services	2.07	2.07	0.62	29.8
D2071	Public Service Commission	0.03	0.03	-	-
D2111	Auditor General	0.39	0.38	-	-
	Sub-Total	178.87	133.73	32.13	24.0
National Security					
D1041	Ministry of Defence	3.47	3.47	0.84	24.1
	Sub-Total	3.47	3.47	0.84	24.1
Social Protection, Culture, and Recreation					
D1035	State Department for Development for the ASALs	9.36	9.36	3.08	32.9
D1132	State Department for Sports	15.88	0.13	0.01	6.2
D1134	State Department for Culture and Heritage	0.08	0.08	-	0.0
D1184	State Department for Labour	0.57	0.57	0.13	22.2
D1185	State Department for Social Protection, Pension & Senior Citizens Affairs	2.87	2.81	0.75	26.8
D1212	State Department for Gender	2.78	2.46	0.04	1.6
	Sub-Total	31.54	15.41	4.01	26.0

Vote	MINISTRY/DEPARTMENT/AGENCIES	Gross Estimates	Net Estimates	Exchequer Issues	Exchequer Issues to Net Estimates
		(Kshs. Bn)			%
Environmental Protection, Water and Natural Resources					
D1109	Ministry of Water & Sanitation and Irrigation	77.19	37.90	10.62	28.0
D1108	Ministry of Environment and Forestry	4.64	3.37	0.50	14.9
D1203	State Department for Wildlife	0.82	0.69	0.023	3.3
	Sub-Total	82.65	41.95	11.14	26.6
	Grand Total	715.35	424.39	121.75	28.7

Source: National Treasury

2.4.2 Recurrent Exchequer Issues by Sector

In FY 2022/23, the gross ministerial recurrent vote budget amounted to Kshs.1.40 trillion, representing 66.2 per cent of the ministerial expenditure budget, Kshs.2.12 trillion, compared to Kshs.1.27 trillion allocated in FY 2021/22. Further analysis shows that recurrent ministerial expenditure allocation represents 38.0 per cent of the national budget of Kshs.3.69 trillion. Table 2.7 shows the recurrent sectorial estimates and exchequer issues first half of FY 2022/23.

Table.2.7: Sectoral Recurrent Estimates and Exchequer issues

Sector	First half of FY 2022/23				First half of FY 2021/22			
	Gross Estimates	Net Estimates	Exchequer Issues	Exchequer Issues to Net Estimates	Gross Estimates	Net Estimates	Exchequer Issues	Exchequer Issues to Net Estimates
	(Kshs. Bn)			%	(Kshs. Bn)			%
ARUD	27.06	18.30	12.29	67.1	24.85	17.53	8.32	47.4
Education	515.60	466.55	216.53	46.4	482.60	445.19	222.56	50.0
EI & ICT	131.01	22.75	30.51	134.1	90.06	15.55	7.21	46.3
EPW&NR	24.53	17.65	7.87	44.6	24.49	17.62	8.99	51.0
GECA	19.08	10.35	4.72	45.6	14.00	8.83	4.21	47.7
GJLO	224.13	221.46	101.87	46.0	206.32	203.67	94.04	46.2
Health	68.50	48.84	23.37	47.8	64.87	47.45	21.04	44.3
National Security	174.34	174.34	74.85	42.9	157.12	157.12	86.88	55.3
PAIR	177.98	158.16	64.63	40.9	169.68	155.62	67.78	43.6
SPCR	41.67	40.00	13.94	34.8	39.64	37.98	7.03	18.5
Total	1,403.90	1,178.40	550.57	46.7	1,273.63	1,106.56	528.05	47.7

Source: National Treasury & OCoB

Total exchequer issues towards recurrent ministerial expenditure in the period under review amounted to Kshs.550.57 billion, representing 46.7 per cent of the net estimates, compared to 47.7 per cent (Kshs.528.05 billion) recorded in a similar period FY 2021/22.

An analysis of MDAs' recurrent exchequer issues under review shows that the EI & ICT sector received the highest percentage of exchequer issues at 134.1 per cent. In contrast, the SPCR sector received the lowest proportion at 34.8 per cent. The high performance in the EI&ICT sector is attributed to high exchequer issues over net estimates of 31,27.6 per cent to the Ministry of Petroleum and Mining with cumulative exchequer issues of Kshs.25.60 billion under Article 223 of the Constitution as fuel subsidy to cater for fuel price stabilisation. The SPCR sector's low performance is mainly attributed to low exchequer issues over net estimates of 31.3 per cent to the State Department of Gender and 32.1 per cent to the State Department for Social Protection. Table 2.8 shows recurrent exchequer issues to the MDAs in each of the ten sectors in the first half of FY 2022/23.

Table 2.8: Recurrent Issues to the MDAs in each of the ten sectors

Vote	MINISTRY/DEPARTMENT/AGENCY	Gross Estimates	Net Estimates	Exchequer Issues	Exchequer Issues to Net Estimates
		(Kshs. Bn)			%
Agriculture, Rural and Urban Development					
R1112	Ministry of Lands and Physical Planning	3.31	3.30	1.44	43.7
R1162	State Department for Livestock.	3.59	2.51	1.22	48.8
R1165	State Department for Crop Development and Agricultural Research	14.46	8.14	7.44	91.5
R1166	State Department for Fisheries, Aquaculture and the Blue Economy	2.39	2.38	1.17	49.1
R1173	State Department for Cooperatives	1.84	0.51	0.41	79.7
R2021	National Lands Commission	1.47	1.47	0.60	41.1
Sub-Total		27.06	18.30	12.29	67.1
Energy, Infrastructure, and ICT					
R1091	State Department of Infrastructure	69.48	1.66	0.66	40.0
R1092	State Department of Transport	9.62	0.95	0.15	16.3
R1093	State Department for Shipping and Maritime.	2.18	0.58	0.25	43.7
R1094	State Department for Housing & Urban Development	1.34	1.34	0.52	38.7
R1095	State Department for Public Works	3.38	2.47	1.14	46.1
R1122	State Department of Information Communications & Technology & Innovation	2.27	2.16	0.61	28.4
R1123	State Department for Broadcasting & Telecommunications	6.69	4.02	1.96	48.6
R1152	Ministry of Energy	14.70	8.84	2.32	26.2
R1194	Ministry of Petroleum and Mining	21.35	0.73	22.89	3127.6
Sub-Total		131.01	22.75	30.51	134.1
General Economics and Commercial Affairs					
R1174	State Department for Trade	2.51	2.47	1.22	49.1
R1175	State Department for Industrialisation	3.62	2.65	1.17	44.0
R1221	State Department for East African Community	0.77	0.77	0.27	34.9
R1222	State Department for Regional and Northern Corridor Development	3.49	3.02	1.52	50.6
R1202	State Department for Tourism	8.68	1.44	0.54	37.5
Sub-Total		19.08	10.35	4.72	45.6
Health					

Vote	MINISTRY/DEPARTMENT/AGENCY	Gross Estimates	Net Estimates	Exchequer Issues	Exchequer Issues to Net Estimates
		(Kshs. Bn)			%
R1081	Ministry of Health	68.50	48.84	23.37	47.8
	Sub-Total	68.50	48.84	23.37	47.8
	Education				
R1064	State Department for Vocational and Technical Training	19.10	14.41	5.54	38.5
R1065	State Department for University Education	102.86	60.48	29.44	48.7
R1066	State Department for Early Learning & Basic Education	95.30	93.87	44.84	47.8
R1068	State Department for Post Training and Skills Development	0.28	0.28	0.09	33.3
R1069	State Department for Implementation of Curriculum Reforms	0.34	0.34	0.08	23.7
R2091	Teachers Service Commission	297.72	297.17	136.53	45.9
	Sub-Total	515.60	466.55	216.53	46.4
	Governance, Justice, Law, and Order				
R1021	State Department for Interior and Citizen Services	136.75	134.65	62.28	46.3
R1023	State Department for Correctional Services	31.05	31.05	12.08	38.9
R1252	State Law Office and Department of Justice	5.18	4.61	2.12	46.0
R1261	The Judiciary	16.40	16.40	7.95	48.5
R1271	Ethics & Anti-Corruption Commission	3.42	3.42	1.61	47.2
R1291	Office of the Director of Public Prosecutions	3.28	3.28	1.54	47.0
R1311	Office of the Registrar of Political Parties	2.13	2.13	0.23	10.7
R1321	Witness Protection Agency	0.65	0.65	0.34	52.4
R2011	Kenya National Commission on Human Rights	0.46	0.46	0.19	41.8
R2031	Independent Electoral and Boundaries Commission	21.69	21.69	12.20	56.3
R2051	Judicial Service Commission	0.59	0.59	0.32	54.7
R2101	National Police Service Commission	1.03	1.03	0.38	37.0
R2141	National Gender & Equality Commission	0.47	0.47	0.21	45.1
R2151	Independent Policing Oversight Authority	1.02	1.02	0.40	39.4
	Sub-Total	224.13	221.46	101.87	46.0
	Public Administration and International Relations				
R1011	The Executive Office of the President	17.08	8.00	7.51	93.8
R1032	State Department for Devolution	1.44	1.44	0.60	41.6
R1072	State Department for Planning	3.96	3.88	1.77	45.7
R1052	Ministry of Foreign Affairs	17.24	16.82	8.44	50.2
R1071	The National Treasury	53.85	46.41	17.52	37.8
R1213	State Department for Public Service	23.14	20.50	7.31	35.7
R1214	State Department for Youth Affairs	1.52	1.52	0.64	41.9
R2041	Parliamentary Services Commission	8.79	8.79	3.39	38.6
R2042	National Assembly	33.27	33.27	10.43	31.3
R2043	Parliamentary Joint Services	6.10	6.08	2.45	40.3
R2061	The Commission on Revenue Allocation	0.49	0.49	0.15	30.4
R2071	Public Service Commission	2.56	2.55	1.11	43.6

Vote	MINISTRY/DEPARTMENT/AGENCY	Gross Estimates	Net Estimates	Exchequer Issues	Exchequer Issues to Net Estimates
		(Kshs. Bn)			%
R2081	Salaries & Remuneration Commission	0.61	0.61	0.20	32.6
R2111	Auditor General	6.51	6.36	2.60	40.8
R2121	Controller of Budget	0.70	0.70	0.20	29.1
R2131	The Commission on Administrative Justice	0.72	0.72	0.29	40.3
	Sub-Total	178.02	158.22	64.63	40.9
National Security					
R1041	Ministry of Defence	128.22	128.22	58.83	45.9
R1281	National Intelligence Service	46.13	46.13	16.03	34.7
	Sub-Total	174.34	174.34	74.85	42.9
Social Protection, Culture, and Recreation					
R1035	State Department for Development for the ASALs	1.06	1.06	0.45	42.7
R1132	State Department for Sports	1.54	1.40	0.71	50.8
R1134	State Department for Culture and Heritage	3.15	2.73	1.38	50.5
R1184	State Department for Labour	2.91	2.00	0.88	44.1
R1185	State Department for Social Protection, Pension & Senior Citizens Affairs	31.81	31.75	10.18	32.1
R1212	State Department for Gender	1.20	1.07	0.33	31.3
	Sub-Total	41.67	40.00	13.94	34.8
Environmental Protection, Water, and Natural Resources					
R1109	Ministry of Water & Sanitation and Irrigation	6.75	4.36	2.07	47.6
R1108	Ministry of Environment and Forestry	10.62	9.35	4.57	48.9
R1203	State Department for Wildlife	7.16	3.95	1.23	31.1
	Sub-Total	24.53	17.65	7.87	44.6
	Grand Total	1,403.90	1,178.40	550.57	46.7

Source: National Treasury & OCoB

2.4.3 Exchequer Issues to the Consolidated Fund Services

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

The allocation to CFS in FY 2022/23 amounted to Kshs.1.57 trillion, an increase compared to Kshs.1.33 trillion allocated in FY 2021/22. The growth of 18.4 per cent (Kshs.244.59 billion) is attributed to projected growth in repayment of public debt estimated at 19.2 per cent (Kshs.223.95 billion), increase in Pensions and Gratuities estimated to increase by 11.8 per cent (Kshs.18.19 billion), growth in Salaries, Allowances & Miscellaneous Services estimates by 55.5 per cent (Kshs.2.45 billion). Table 2.9 shows the exchequer issues to CFS in the first half of FY 2022/23.

Table 2.9: CFS Budgetary Allocation and Exchequer Issues

CFS Category	First half FY 2022/23			First half FY 2021/22		
	Net Estimates	Exchequer Issues	Exchequer to Net estimates	Net estimates	Exchequer Issues	Exchequer to Net estimates
	(Kshs. Billion)		%	(Kshs. Billion)		%
Public Debt	1,393.12	503.80	36.2	1,169.17	475.58	40.7
Pensions and Gratuities	171.83	47.57	27.7	153.64	69.22	45.1
Salaries, Allowances & Miscellaneous Services	6.87	4.44	64.7	4.41	1.48	33.4
Subscriptions to International Organizations	0.001	-	-	0.001	-	-
Total	1,571.81	555.81	35.4	1,327.2	546.28	41.2

Source: National Treasury & OCoB

In the reporting period, exchequer issues to CFS were Kshs.555.81 billion, representing 35.4 per cent of the net estimates, compared to 41.2 per cent (Kshs.546.3 billion) recorded in a similar period in FY 2021/22. Salaries, Allowances & Miscellaneous Services received the highest percentage of exchequer issues to net estimates at 64.7 per cent. Pensions and Gratuities had the lowest at 27.7 per cent.

2.5 Exchequer Issues Under Article 223 of the Constitution

Article 223 of the Constitution allows the MDAs to access additional funding during the budget implementation. In the first half of FY 2022/23, exchequer issues amounting to Kshs.69.45 billion were authorised under Article 223 of the Constitution, as shown in Table 2.1010.

Table 2.10: Exchequer Issues Under Article 223 of the Constitution of Kenya 2010

MDAs	Date	Purpose	Approved	Funded
			Kshs	Kshs
State Department for Crop Development and Agricultural Research	4-Aug-22	Maize Flour Subsidy	4,000,000,000.00	4,000,000,000.00
Ministry of Defence	4-Aug-22	Level Five Forces Research Hospital	2,200,000,000.00	2,200,000,000.00
State Department for Crop Development and Agricultural Research	5-Aug-22	Nzoia Sugar Company_ factory maintenance	500,000,000.00	500,000,000.00
The National Treasury	5-Aug-22	Telkom Kenya	6,091,140,702.00	6,091,140,702.00
State Department for Infrastructure	5-Aug-22	Infrastructure flagship projects.	9,450,000,000.00	9,450,000,000.00
The Executive Office of the President	31-Aug-22	Office operations	810,000,000.00	810,000,000.00
State Department for Interior and Citizen Services	5-Sep-22	Multi-Agency Security Teams for security operations	125,000,000.00	125,000,000.00

MDAs	Date	Purpose	Approved	Funded
			Kshs	Kshs
State Department for Early Learning & Basic Education	14-Sep-22	Donor Funds IDA-Secondary Education Quality Improvement Project	4,121,665,433.00	4,121,665,433.00
Ministry of Petroleum and Mining	16-Sep-22	Fuel subsidy	16,597,436,070.98	16,597,436,070.98
The Executive Office of the President	26-Sep-22	NMS-pending bills FY 2021/2022	2,961,436,261.85	411,909,902.70
State Department for Infrastructure	5-Aug-22	Infrastructure flagship projects	1,900,000,000.00	-
State Department for Social Protection, Senior Citizens and Pension Affairs	-	Special programme-relief food (Contingency Fund)	3,200,000,000.00	1,881,380,527.25
State Department for Crop Development and Agricultural Research	7-Oct-22	Fertilizer Subsidy	3,793,923,200.00	3,793,923,200.00
Executive Office of the President	23-Nov-22	Operations-Office of the Deputy President	500,000,000.00	264,278,946.65
State Department for Cooperatives	Dec-22	Financial Inclusion Fund-Seed Capital.	12,000,000,000.00	10,000,000,000.00
	Dec-22	Set up cost for Financial Inclusion Fund	200,000,000.00	200,000,000.00
Ministry of Petroleum and Mining	14-Dec-22	Petroleum pump price stabilisation	26,138,652,419.00	9,000,000,000.00
Total			94,589,254,086.83	69,446,734,782.58

Source: National Treasury & OCoB

The cumulative exchequer issues under Article 223 amounted to Kshs.69.45 billion and is below 2 per cent of the FY 2022/23 budget sum appropriated by Parliament. Nonetheless, the CoB recommends that these releases be regularised by Parliament as stipulated in Article 223(2) of the Constitution, which state that “The consent of Parliament for any spending under this Article shall be sought within two months after the first withdrawal of the money, subject to clause (3)”. Article 223(3) states that “if Parliament is not sitting during the time contemplated in clause (2) or is sitting but adjourns before the approval has been sought, the approval shall be sought within two weeks after it next sits.”

2.6 Approval for withdrawal from the Equalization Fund

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

In the period under review, the Controller of Budget authorised two requests totalling Kshs.411.14 million from the Equalization Fund comprising Kshs.359.89 million related to development expenditure (pending bills) for projects implemented by the Ministry of Water Sanitation and Irrigation, while the balance of Kshs.51.52 million related to Equalization Fund Secretariat expenses. Table 2.11 below shows the approval for withdrawals from the Equalisation Fund in the period under review.

Table 2.11: Approval for withdrawal from the Equalization Fund First Half FY 2022-2023

Classification	Budget	Cumulative Exchequer Issues	Exchequer to Budget
	Kshs.	Kshs.	%
Recurrent (Secretariat)	519,299,523	51,250,000	9.9
Development*	1,887,923,653	359,892,156	19.1
Total	2,407,223,176	411,142,156	17.1

Source: OCoB

*Development budget only relates to the Ministry of Water Sanitation and Irrigation

2.7 Approval for withdrawals from the Judiciary Fund

The Judiciary Fund (JF) is established under Article 173 of the Constitution of Kenya 2010. JF became operationalised on 1st July 2022 vide National Treasury Circular dated 24th May 2022.

In the first half of the FY 2022/2023, the CoB authorised Kshs.8.08 billion from the Judiciary Fund. This comprised Kshs.257.38 million (13.5 per cent of the development budget) for development and Kshs.7.82 billion (47.7 per cent of the recurrent budget) for recurrent activities. Table 2.12 shows the approval for withdrawal from the Judiciary Fund during the period under review.

Table 2.12: Approval for withdrawals from the Judiciary Fund

Classification	Budget	Cumulative Exchequer Issues	Exchequer to Budget
	Kshs.	Kshs.	%
Recurrent Insurance	1,230,000,000	343,462,348	27.9
Recurrent - AIEs & O&M	4,311,525,570	2,164,784,768	50.2
Recurrent - PE	10,855,874,430	5,316,013,791	49.0
Recurrent	16,397,400,000	7,824,260,907	47.7
Development	1,900,000,000	257,384,478	13.5
Total Recurrent Budget	18,297,400,000	8,081,645,385	44.2

Source: OCoB

3 OVERALL BUDGET PERFORMANCE

3.1 Introduction

This chapter presents the budget implementation performance summary in the first half of FY 2022/23, comprising development and recurrent expenditure by the National Government and County Governments. The Consolidated Fund Services provides information on Public debt, Pensions and Gratuities, as well as Salaries and Allowances to Constitutional Office holders and Miscellaneous services. The chapter disaggregates expenditure by critical economic classification for the development and recurrent expenditure by MDAs.

3.2 Overall Government Budget Performance

The approved gross budget for the FY 2022/23 amounted to Kshs.4.19 trillion, presenting 10.6 per cent growth compared to Kshs.3.79 trillion in a similar period in FY 2021/22. This comprised of Kshs.715.35 billion for ministerial development expenditure (see Annex I, referenced on page 133), Kshs.1.40 trillion for ministerial recurrent (see Annex II, referenced on page 136) expenditures, Kshs.1.57 trillion for CFS, and Kshs.454.28 billion to Counties. The recorded growth compared to Kshs.668.38 billion for ministerial development, Kshs.1.27 trillion for ministerial recurrent, Kshs.1.33 trillion for CFS allocated in the FY 2021/22, and Kshs.517.65 for Counties.

The government targeted to finance the budget through revenue of Kshs.2.15 trillion, which comprises tax revenue of Kshs.2.07 trillion, non-tax revenue of Kshs.69.66 billion, and other domestic financings of Kshs.13.23 billion. The budget was also to be financed by domestic borrowing of Kshs.1.04 trillion, which comprises net domestic borrowing of Kshs.579.05 billion and internal debt redemptions (roll-overs) of Kshs.461.41 billion. Further, the budget is to be financed by external loans and grants amounting to Kshs.349.33 billion.

County governments were allocated Kshs.370 billion as the equitable share of revenue raised nationally, would generate Kshs.58.34 billion from own revenue sources, receive Kshs.5.65 billion as conditional grants from the National Government and Kshs.23.7 billion from Development Partners, while utilising Kshs.36.34 billion unspent cash balance from FY 2021/22. The County Governments Additional Allocations Bill, 2022, which provides allocation for conditional grants, was approved by Parliament in November, 2022. Table 3.1 shows the overall budget performance of the National government and County governments in the first half of FY 2022/23.

Table 3.1: Overall Budget Performance

VOTE	First half FY 2022/23						First half FY 2021/22					
	Gross estimates	Net estimates	Cumulative Exchequer Issues	Cumulative Expenditure	Exchequer to Net Estimates	Absorption Rate	Gross estimates	Net estimates	Exchequer Issues	Cumulative Expenditure	Exchequer to Net estimates	Absorption rate
	(Kshs. Bn)				(%)		(Kshs. Bn)				%	
Recurrent	2,975.71	2,750.21	1,106.39	1,270.69	40.2	42.7	2,600.85	2,433.78	1,074.33	1,060.89	44.1	40.8
: MDAs	1,403.90	1,178.40	550.57	677.04	46.7	48.2	1,273.63	1,106.56	528.05	598.03	47.7	47.0
: CFS	1,571.81	1,571.81	555.81	593.65	35.4	37.8	1,327.22	1,327.22	546.28	462.84	41.2	34.9
Development	715.35	424.39	121.75	171.61	28.7	24.0	668.38	389.23	143.96	231.34	37.0	34.6

VOTE	First half FY 2022/23						First half FY 2021/22					
	Gross estimates	Net estimates	Cumulative Exchequer Issues	Cumulative Expenditure	Exchequer to Net Estimates	Absorption Rate	Gross estimates	Net estimates	Exchequer Issues	Cumulative Expenditure	Exchequer to Net estimates	Absorption rate
NG Total	3,691.07	3,174.60	1,228.13	1,442.30	38.7	39.1	3,269.23	2,823.01	1,218.29	1,292.13	43.2	39.5
County Governments	497.48	370.00	141.09	145.21	38.1	29.2	517.65	370.00	169.92	159.52	45.9	30.8
Grand Total	4,188.55	3,544.60	1,369.22	1,587.51	38.6	37.9	3,786.88	3,193.01	1,388.21	1,451.65	43.5	38.3

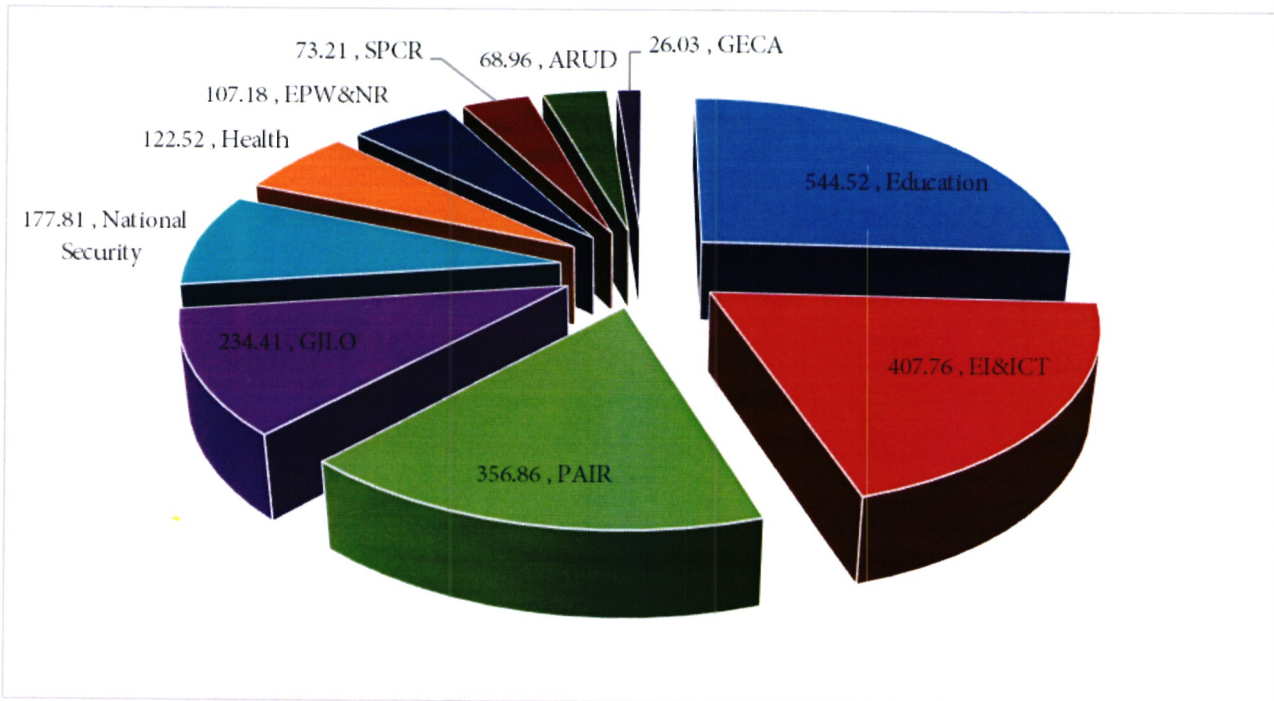
Source: National Treasury, OCoB, MDAs & County Treasuries

The total funding by the National Treasury and County Governments in the first half of FY 2022/23 was Kshs.1.37 billion, representing 38.6 per cent of the net estimates, compared to 43.5 per cent (Kshs.1.39 trillion) recorded in a similar period FY 2021/22. The exchequer issues comprised Kshs.121.75 billion (28.7 per cent) for ministerial development expenditure, Kshs.550.57 billion for recurrent ministerial expenditure (46.7 per cent), Kshs.555.81 billion to CFS (35.4 per cent) and Kshs.141.09 billion for the counties (38.1 per cent). Gross expenditure for both the National and County Governments was Kshs.1.59 trillion, recording an absorption rate of 37.9 per cent, compared to 38.3 per cent (Kshs.1.45 trillion) recorded in a similar period in FY 2021/22.

National Government gross expenditure amounts to Kshs.1.44 trillion, representing 39.1 per cent of the gross estimate, comprising ministerial development expenditure at Kshs.171.61 billion (absorption rate of 24 per cent), recurrent ministerial expenditure at Kshs.677.04 billion (absorption rate of 48.2 per cent) and Consolidated Fund Services at Kshs.593.65 billion (37.8 per cent). Gross expenditure for County governments amounted to Kshs.145.21 billion, recording an absorption rate of 29.2 per cent, compared to Kshs.159.52 billion (30.8 per cent) recorded in a similar period of FY 2021/22. This comprised development expenditure amounting to Kshs.11.66 billion (absorption rate of 7 per cent and recurrent expenditure at Kshs.133.55 billion, recording an absorption rate of 41 per cent.

Figure 3.1 presents the annual budget allocation by sector for FY 2022/23.

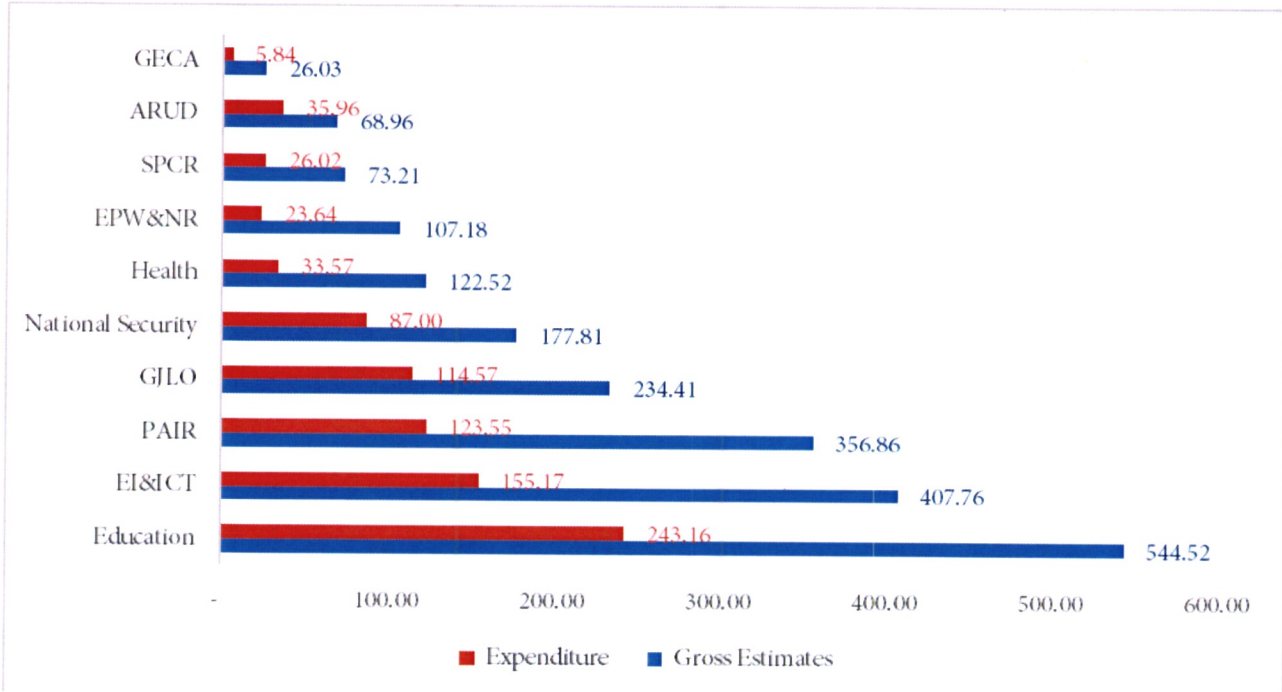
Figure 3.1: Annual Allocation by Sector in FY 2022/23 (Kshs. Billion)



Source: National Treasury

Figure 3.2 shows expenditure by sector in the first half of FY 2022/23.

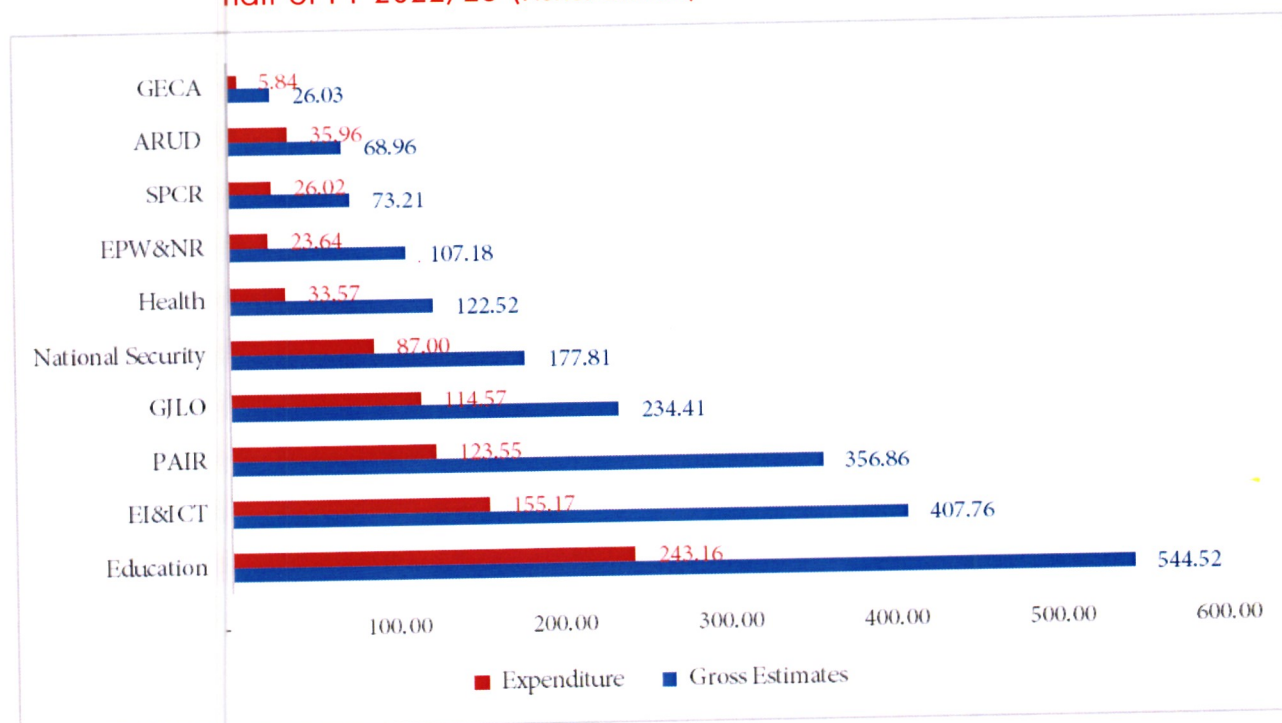
Figure 3.2: Expenditure by Sector in the first half of FY 2022/23 (Kshs. Billion)



Source: MDAs & National Treasury

Figure 3.3 compares the annual budget and expenditure by sector in the first half of FY 2022/23.

Figure 3.3: Comparison of Annual Budget and Expenditure by Sector in the first half of FY 2022/23 (Kshs. Billion)



Source: MDAs & National Treasury

3.3 Consolidated Fund Services Budget Performance

The budget allocation to CFS in FY 2022/23 was Kshs.1.57 trillion, compared to Kshs.1.31 trillion allocated in FY 2021/22. Table 3.2 summarises the CFS implementation status in the first half of FY 2022/23.

Table 3.2: Consolidate Fund Services Budget Performance

CFS Category	Net Estimates (Kshs. Million)	Exchequer Issues (Kshs. Million)	Cumulative Expenditure (Kshs. Million)	% of Exchequer Issues to net estimates	% of Expenditure to Gross Estimates
Public Debt	1,393,126.15	503,798.69	526,024.81	36.2	37.8
Pensions and Gratuities	171,828.28	47,573.61	63,183.67	27.7	36.8
Salaries & Allowances and Miscellaneous Services	6,865,83	4,441.73	4,441.55*	64.7	64.7
Subscriptions to International Organizations	0.50	-	-	-	-
Total	1,571,810.75	555,814.03	593,650.03	35.4	37.8

Source: National Treasury

*Includes guaranteed debt payments

Total CFS expenditure in the period under review amounted to Kshs.593.65 billion, representing 37.8 per cent of the CFS gross estimates, compared to Kshs.462.85 billion (34.9 per cent) recorded in a similar period FY 2021/22. The growth of 22 per cent in CFS expenditure in comparison to the previous period in FY 2021/22

is attributed to an increase in Public Debt payments by Kshs.129.99 billion (24.7 per cent) and an increase in Salaries & Allowances and Miscellaneous Services to Kshs.4.44 billion (includes Kshs.2.82 billion for guaranteed debt) compared Kshs.1.45 billion in the first half of FY 2021/22.

3.3.1 Public Debt

As of 31st December 2022, the Public debt stock stood at Kshs.9.17 trillion, comprising Kshs.4.70 trillion dues to external lenders (51.2 per cent) and Kshs.4.47 trillion dues to domestic lenders (48.8 per cent). Table 3.3 represents the public debt position as of 30th December 2022.

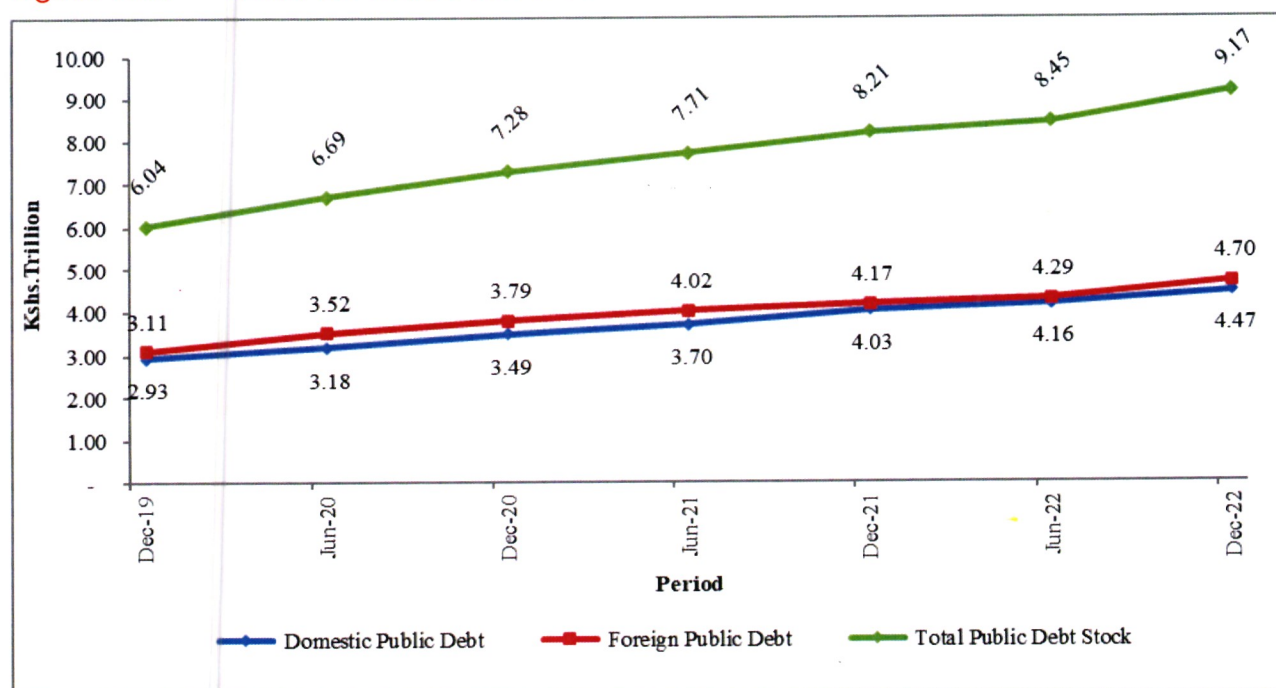
Table 3.3: Public Debt Position as of 30th December 2022

Category	Amount (Kshs. Million)	Proportion to the total portfolio (%)
External Debt		
Bilateral	1,228,658	13.4
Multilateral	2,219,896	24.2
Commercial Banks	1,239,681	13.5
Suppliers Credits	12,824	0.1
Sub-Total External Debt	4,701,059	51.2
Domestic Debt		
Central Bank	84,591	0.9
Commercial Banks	2,017,399	22.0
Sub-total: Banks	2,101,989	22.9
Non-bank	2,339,643	25.5
Others (Non-residents)	31,757	0.3
Sub-Total Domestic	4,473,390	48.8
Grand Total	9,174,449	100.0

Source: National Treasury

The Public debt stock recorded an 11.8 per cent growth from Kshs.8.21 trillion reported on 30th December 2021, which is attributed to the disbursement of new loans and the increase in the value of external debt due to the depreciation of the Kenyan shilling against other currencies. Figure 3.4 shows the trend in public debt stock from 31st December 2019 to 31st December 2022.

Figure 3.4: Trend in Public Debt Stock



Source: National Treasury

The allocation towards servicing the public debt in the FY 2022/23 amounted to Kshs.1.39 trillion, representing 88.6 per cent of the CFS budgetary allocation, compared to Kshs.1.17 trillion allocated in FY 2021/22, comprised of Kshs.702.47 billion for principal redemptions and Kshs.690.65 billion for interest payments.

Allocation towards external debt servicing was Kshs.378.30 billion, consisting of Kshs.241.06 billion for the principal redemptions and Kshs.137.24 billion for interest, while for domestic debt it was Kshs.1.01 trillion, consisting of Kshs.461.41 billion and Kshs.553.41 billion towards principal redemption and interest payments, respectively.

Total expenditure on Public debt during the first half of FY 2022/23 amounted to Kshs.526.02 billion, representing 37.8 per cent of the annual estimates, compared to Kshs.396.03 billion (33.9 per cent) recorded in a similar period FY 2021/22. The expenditure comprised Kshs.235.49 billion towards principal redemptions, Kshs.289.76 billion towards interest payments, Kshs.680.03 million for commitment fees, and Kshs.97.73 million for other charges.

Total debt servicing consisted of external debt of Kshs.178.56 billion and domestic debt of Kshs.347.46 billion. External debt servicing comprised Kshs.111.54 billion for principal payments, Kshs.66.24 billion for interest payments, Kshs.680.03 million for commitment fees, and Kshs.97.73 million for other charges. The total domestic debt payment consisted of Kshs.123.95 billion and Kshs.223.51 billion for principal and interest payments, respectively.

3.3.2 Overdraft Facility

The overdraft facility is a temporary source of cash to fund the deficit in payments of domestic debt instruments such as matured Treasury Bills. The Government overdraft administered by the Central Bank of Kenya (CBK) is restricted to a maximum of five per cent of the most recently audited revenues and is expected to be paid off by the end of the financial year as specified in Section 15 (3) of the PFM Act.

The overdraft limit for FY 2022/23 was raised to Kshs.80 billion from Kshs.75 billion in FY 2021/22 and is charged an interest rate of 7 per cent per annum on the amount outstanding at the end of each month. In the period under review, the total charge on the overdraft facility was Kshs.2.04 billion. Table 3.4 shows monthly overdraft charges from July to December 2022.

Table 3.4: Charges on Overdraft Facility per month in the FY 2022/23

Year 2022	Amount in Kshs.
July	327,533,507
August	325,712,817
September	279,606,848
October	318,941,010
November	356,100,815
December	436,922,401
Total	2,044,817,397

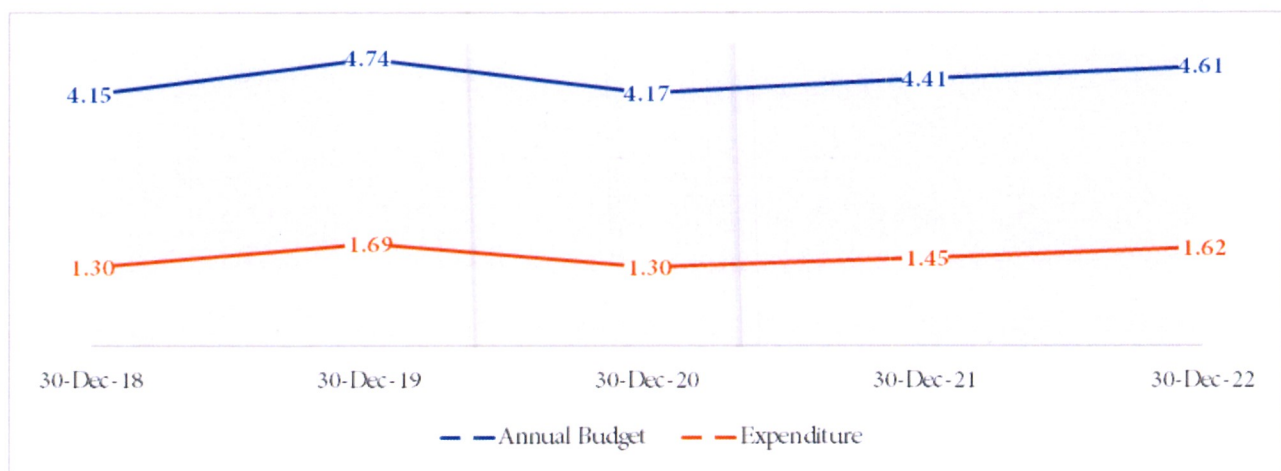
Source: National Treasury

3.3.3 Salaries and Allowances and Miscellaneous Services

The allocation for Salaries, Allowances, and Miscellaneous Services (SAM) in the FY 2022/23 was Kshs.4.61 billion, compared to the allocation of Kshs.4.41 billion in the FY 2021/22.

The total expenditure towards SAM in the first half of FY 2022/23 was Kshs.1.62 billion, representing 35.2 per cent of the annual estimates, compared to Kshs.1.45 billion (32.8 per cent) recorded in a similar period in the FY 2021/22. Figure 3.5 shows the trends in budgetary allocations and expenditures for Salaries, Allowances, and Miscellaneous services from FY 2018/19 to FY 2022/23.

Figure 3.5: Trend in Salaries, Allowances, and Miscellaneous Services performance from 31st December 2018 to December 2022



Source: National Treasury

Table 3.5 shows Salaries and allowances performance by Commissions and Constitutional offices in the first half of FY 2022/23.

Table 3.5: Salaries and Allowances Budget Performance

CFS SALARIES AND ALLOWANCES	Printed Estimates FY 2022/23	Exchequer Issues First Half	Total Expenditure	Budget Performance
	Kshs.	Kshs.	Kshs.	%
Office of The Attorney general	18,743,358	17,566,396	17,566,396	93.7
Director of Public Prosecutions	9,338,256	4,669,128	4,669,128	50.0
The Judicial Service Commission	3,530,295,340	1,225,362,909	1,225,362,909	34.7
Auditor General	20,931,076	5,562,000	5,562,000	26.6
Public Service Commission	120,360,680	35,791,128	35,791,128	29.7
Teachers Service Commission	91,048,465	36,241,128	36,241,128	39.8
Ethics & Anti-Corruption Commission	22,200,000	9,575,807	9,575,807	43.1
Kenya National Commission on Human Rights	41,265,000	20,934,005	20,934,005	50.7
Commission on Administrative Justice	26,582,256	13,273,077	13,273,077	49.9
National Gender & Equality Commission	16,982,256	22,567,190	22,567,190	132.9
National Cohesion & Integration Commission	125,141,450	26,849,766	26,849,766	21.5
Commission on Revenue Allocation	83,451,993	38,150,311	38,150,311	45.7
Salaries & Remuneration Commission	93,782,256	39,588,428	39,588,428	42.2
National Land Commission	140,856,745	35,911,128	35,911,128	25.5
Controller of Budget	17,823,094	4,591,128	4,591,128	25.8
National Police Service Commission	86,154,336	22,791,128	22,791,128	26.5
Independent Electoral & Boundaries Commission	102,733,128	31,848,985	31,848,985	31.0
Sub-Total	4,547,689,689	1,591,273,642	1,591,273,642	35.0
(a)Office of the President	41,203,768	9,988,000	9,988,000	
(b)Office of the Deputy President		8,414,550	8,414,550	
Sub-Total	41,203,768	18,402,550	18,402,550	44.7
(a)Former Presidents	23,474,880	8,945,600	8,945,600	
(b)Former 1st Lady		3,762,000	3,762,000	
Sub-Total	23,474,880	12,707,600	12,707,600	54.1
Sub-Total	64,678,648	31,110,150	31,110,150	48.1
Grand Total	4,612,368,337	1,622,383,792	1,622,383,792	35.2

Source: National Treasury

3.3.4 Guaranteed Debt

As of 31st December 2022, the guaranteed debt stock was Kshs.164.58 billion. Table 3.6 shows a list of guaranteed loans as of 31st December 2022.

Table 3.6: List of guaranteed loans as of 31st December 2022

Classification			Debt Stock as of 30th September 2022	Loans portfolio as of 30th December 2022
Guaranteed Loans			Kshs.	Kshs.
Agency	Year	Purpose of the loan		
Kenya Airways	2017	Kenya Airways Guarantee	76,973,027,874	78,656,863,065
Kenya Electricity Generating Company	2007	Sondu - Miriu Hydropower Project Sangoro Power Plant	3,013,685,355	3,331,380,143
	2010	Olkaria 1 Unit 4 and 5 Geothermal Power Project	15,258,830,986	16,867,376,840
		Rehabilitation and Expansion of the Hydropower Plant Kindaruma	1,373,982,993	1,539,741,969
	2011	Rehabilitation and Upgrade of the Geothermal Plant Olkaria	2,689,763,594	3,014,259,939
	2021	DSSI Japan For KenGen Loans Phase I	1,216,408,005	1,344,638,539
Kenya Ports Authority	2007	Mombasa Port Development Programme	18,081,200,423	19,987,273,044
	2015	Kenya Port Development Project - Phase II	13,632,178,932	28,575,541,204
	2021	DSSI Japan-Kenya Ports Authority (KE-P25)	377,711,146	375,775,616
		DSSI Japan-Kenya Ports Authority (KE-P25) -Phase II	377,657,157	417,468,782
Kenya Power Company	1995	Mombasa Diesel Generating Power Plant	1,420,208,384	1,569,923,019
	1997	Sondu Miriu Hydropower Project	1,552,776,491	1,716,466,107
	2004	Sondu Miriu Hydro Power II	6,499,450,343	7,184,605,314
Total of Guaranteed Loans			142,466,881,683	164,581,313,582

Source: National Treasury

*DSSI- Debt Service Suspension Initiative

Total expenditure on Guaranteed Loans during the first half of FY 2022/23 amounted to Kshs.2.82 billion relating to a Kenya Airways Guarantee made in 2017. This comprised a principal payment of Kshs.2.81 billion and interest payment of 7.79 million.

3.3.5 Pensions and Gratuities

The allocation for Pensions and gratuities for the FY 2022/23 amounted to Kshs.171.83 billion, compared to Kshs.153.64 billion allocated in the FY 2021/22. It comprised Ordinary Pensions of Kshs.69.55 billion, Commuted Pensions and Gratuities of Kshs.76.16 billion, Other Pension Schemes of Kshs.242.10 million, and Public Service Superannuation Scheme at Kshs.25.88 billion.

Total payments towards Pensions and Gratuities in the first half of FY 2022/23 amounted to Kshs.63.18 billion, representing 36.8 per cent of the gross estimates, compared to Kshs.65.37 billion (42.6 per cent) recorded in a similar period in FY 2021/22. Table 3.7 shows the performance for various pension categories in the first half of FY 2022/23.

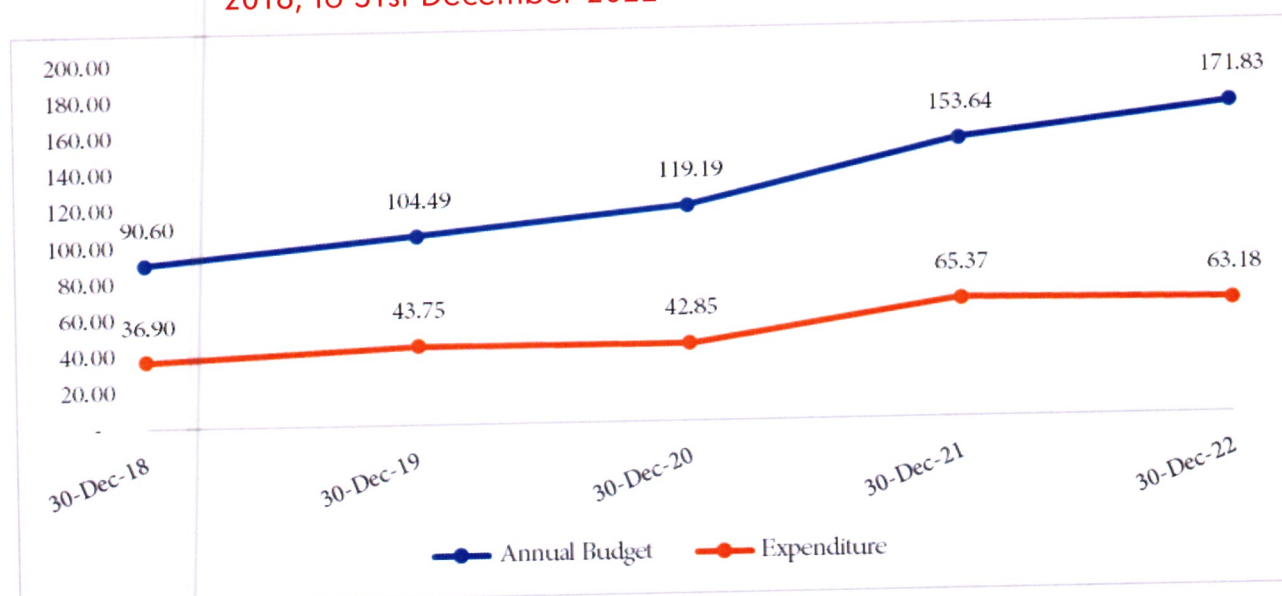
Table 3.7 Pension and Gratuities Budget Performance

Classifications of Pensions & Gratuities	Printed Estimates	Exchequer	Expenditure	The proportion of spending to estimates
	Kshs.			%
Ordinary Pension	69,549,073,496	32,136,018,055	34,716,142,738	49.9
Commuted Pension	76,159,952,961	11,425,500,974	24,429,241,554	32.1
Other Pension Schemes	242,273,450	-	4,862,039	2.0
Public Service Superannuation Scheme	25,876,979,994	4,012,091,972	4,033,422,136	15.6
Total	171,828,279,901	47,573,611,001	63,183,668,468	36.8

Source: National Treasury

Notably, budget allocation and expenditure on Pensions and Gratuities have been on an upward trend which is attributed to growth in the number of pensioners retiring from government. Figure 3.6 shows the Pensions and gratuities trend from 30th December 2018 to 31st December 2022.

Figure 3.6: Trend in Pensions and Gratuities Performance as of 30th December 2018, to 31st December 2022



Source: National Treasury

3.4 Ministries, Departments, and Agencies Expenditure by Economic Classification

3.4.1 Introduction

This section presents analyses of MDAs' expenditure by economic classification with a significant emphasis on development and recurrent activities in the first half of FY 2022/23. Development expenditure by major economic items include Capital Transfers to SAGAs, Civil Works and Construction of Residential and Non-Residential Buildings, Refurbishment of Buildings/infrastructure, Purchase of Specialized Plants, Equipment, and Machinery, and Pre-Feasibility studies.

Recurrent expenditure by major economic items include Compensation to Employees, Operations and Maintenance (O&M), and Current Transfer to SAGAs. O&M is disaggregated into the expenditure of significant budget items, including Travelling, Printing, Advertising, Rentals, and Rates for Non-Residential Buildings, Training, Hospitality, Maintenance Expenses for motor vehicles, and other assets.

3.4.2 Ministries, Departments, and Agencies Development Expenditure Analysis

In FY 2022/23, gross allocation towards Ministerial development activities amounted to Kshs.715.35 billion compared to Kshs.668.38 billion allocated in FY 2021/22. Gross ministerial development expenditure in the first half of FY 2022/23 amounted to Kshs. 171.61 billion, recording an absorption rate of 24 per cent, compared to 34.6 per cent (Kshs.231.24 billion), recorded in a similar period in FY 2021/22. Table 3.7 shows the development expenditure analysis by MDA's first half of FY 2022/23.

Table 3.8: Breakdown of Development Expenditure by MDAs (Kshs. Million)

MINISTRY/STATE DEPARTMENT	Capital Transfers	Construction of Non-residential Building	Refurbishment of Buildings/Infrastructure	Construction of Residences (Including Hostels.)	Construction and Civil Works	Purchase of Specialized Plant, Equipment, and Machinery	Pre-Feasibility and Appraisal Studies	Other Economic Items	Gross Expenditure	Appropriations-in-Aid (A-I-A)	Net Expenditure
The Executive Office of the President	-	-	120.15	-	758.37	20.76	-	200.97	1,100.25	-	1,100.25
State Department for Interior and Citizen Services	366.06	76.96	44.65	-	-	1,374.08	-	1,644.37	3,506.11	-	3,506.11
State Department for Correctional services	-	-	-	4.72	-	-	-	11.97	16.69	-	16.69
State Department for Devolution	23.07	-	-	-	-	-	-	9.89	32.97	-	32.97
State Department for Development for the ASALs	3,179.36	-	-	-	-	3.57	3.54	199.51	3,385.98	-	3,385.98
Ministry of Defense	-	-	-	-	-	-	-	1,733.83	1,733.83	-	1,733.83
Ministry of Foreign Affairs	14.04	-	73.31	-	-	-	-	1,000.00	1,087.35	-	1,087.35
State Department for Vocational and Technical Training	470.80	15.06	-	-	-	-	10.48	465.69	962.02	630.02	332.00
State Department for University Education and Research	890.73	916.35	-	-	-	-	-	0.00	1,807.08	777.78	1,029.30
State Department for Early Learning & Basic Education	5,288.51	-	-	-	-	-	-	-	5,288.51	-	5,288.51
The National Treasury	35,504.08	-	29.23	-	-	-	67.40	589.92	36,190.64	4,431.02	31,759.62
State Department for Planning	4,101.32	-	-	-	-	-	64.31	-	4,165.63	-	4,165.63
Ministry of Health	7,052.89	117.24	-	-	-	-	114.00	4,009.89	11,294.01	-	11,294.01
State Department for Infrastructure	33,474.74	-	-	-	-	-	140.71	11,633.57	45,249.02	11,387.48	33,861.54
State Department for Transport	-	-	-	-	-	-	23.32	-	23.32	-	23.32
State Department for Shipping and Maritime.	-	52.00	-	-	-	-	-	6.00	58.00	-	58.00
State Department for Housing and Urban Development	107.25	-	1,981.85	-	-	-	38.85	1,590.67	3,718.62	328.51	3,390.11
State Department for Public Works	-	1.43	40.62	-	-	-	24.12	5.72	71.89	-	71.89
Ministry of Water, Sanitation, and Irrigation	11,705.90	-	350.95	-	-	-	40.39	-	12,097.24	-	12,097.24
Ministry of Environment and Forestry	342.75	-	59.00	-	-	2.39	-	789.20	1,193.33	413.45	779.89
Ministry of Lands and Physical Planning	-	-	-	0.49	-	-	198.04	364.75	563.28	-	563.28

MINISTRY/STATE DEPARTMENT	Capital Transfers	Construction of Non-residential Building	Refurbishment of Buildings/Infrastructure	Construction of Residences (Including Hostels)	Construction and Civil Works	Purchase of Specialized Plant, Equipment, and Machinery	Pre-Feasibility and Appraisal Studies	Other Economic Items	Gross Expenditure	Appropriations- in- Aid (A-I-A)	Net Expenditure
State Department for Information, Communications, Technology, and Innovation	2,111.44	-	-	-	-	1.77	43.49	227.58	2,384.28	-	2,384.28
State Department for Broadcasting & Telecommunications	169.25	-	-	-	-	-	-	35.00	204.25	-	204.25
State Department for Sports	24.75	-	-	-	-	-	-	3,300.00	3,324.75	3,300.00	24.75
State Department for Culture and Heritage	-	-	-	-	-	-	-	-	-	-	-
Ministry of Energy	2,415.25	-	4,891.95	-	-	-	152.68	294.49	7,754.36	3,006.36	4,748.00
State Department for Livestock.	110.98	-	-	-	-	19.13	-	253.63	383.73	-	383.73
State Department for Crop Development and Agricultural Research	5,516.92	24.14	324.38	-	-	12.85	95.96	3,277.08	9,251.32	1,907.00	7,344.32
State Department for Fisheries, Aquaculture and the Blue Economy	-	-	-	-	201.06	-	18.53	2,086.77	2,306.35	-	2,306.35
State Department for Cooperatives	8,422.50	-	-	-	-	-	1.77	0.46	8,424.73	-	8,424.73
State Department for Trade and Enterprise Development	50.00	-	-	-	-	-	-	16.25	66.25	-	66.25
State Department for Industrialization	513.96	-	-	-	-	-	16.33	16.25	66.25	-	66.25
State Department for Labour	46.35	-	-	-	-	-	4.93	89.27	541.11	-	89.27
State Department for Social Protection, Pensions, and Senior Citizen Affairs	129.50	-	-	-	-	-	-	426.00	555.50	-	555.50
Ministry of Petroleum and Mining	207.50	-	-	-	-	19.89	329.05	115.77	672.21	621.27	50.94
State Department for Wildlife	-	-	-	-	-	-	-	15.72	15.72	-	15.72
State Department for Public Service	97.53	-	-	-	-	-	-	-	97.53	-	97.53
State Department for Youth Affairs	43.75	-	-	-	-	0.02	48.46	308.44	400.67	-	400.67
State Department for Gender	621.00	-	-	-	-	-	-	17.87	638.87	-	638.87
State Department for Regional and Northern Corridor Development	298.96	-	-	-	-	-	-	-	298.96	-	298.96
State Law Office and Department of Justice	28.25	-	-	-	-	-	-	-	28.25	-	28.25
The Judiciary	-	38.48	-	-	-	-	25.18	339.07	402.72	-	402.72

MINISTRY/STATE DEPARTMENT	Capital Transfers	Construction of Non-residential Building	Refurbishment of Buildings/ Infrastructure	Construction of Residences (Including Hostels.)	Construction and Civil Works	Purchase of Specialized Plant, Equipment, and Machinery	Pre-Feasibility and Appraisal Studies	Other Economic Items	Gross Expenditure	Appropriations- in- Aid (A-1-A)	Net Expenditure
Office of the Director of Public Prosecutions	-	-	-	-	-	-	-	0.05	0.05	-	0.05
Public Service Commission	-	-	2.63	-	-	-	-	-	2.63	-	-
Teachers Service Commission	-	7.66	-	-	-	-	-	208.94	216.60	-	216.60
Total	123,329.39	1,249.30	7,918.72	5.21	959.42	1,454.44	1,461.52	35,227.80	171,605.87	26,802.90	144,800.35

Source: MDAs and National Treasury

Analysis of MDAs' development expenditure by economic classifications shows that the highest spending by category was on Capital Transfers by MDAs at Kshs.123.33 billion, representing 71.8 per cent of the gross development expenditure. Capital Transfers by the MDAs may be in the form of subsidies, grants, or direct transfers to SAGAs, which are meant to complement activities and mandates executed on behalf of parent ministries. A summary of the Capital Transfers is annexed to this report (see Annex VI, referenced on page 143).

The second highest spending category was on the Refurbishment of Buildings/infrastructure at Kshs.7.92 billion, representing 4.6 per cent of the development gross expenditure. Other budget items with significant expenses include the Pre-feasibility and Appraisals at Kshs.1.46 billion and Purchase of Specialised Plant, Equipment and Machinery at Kshs.1.46 billion, representing 1 per cent each of the development gross expenditure.

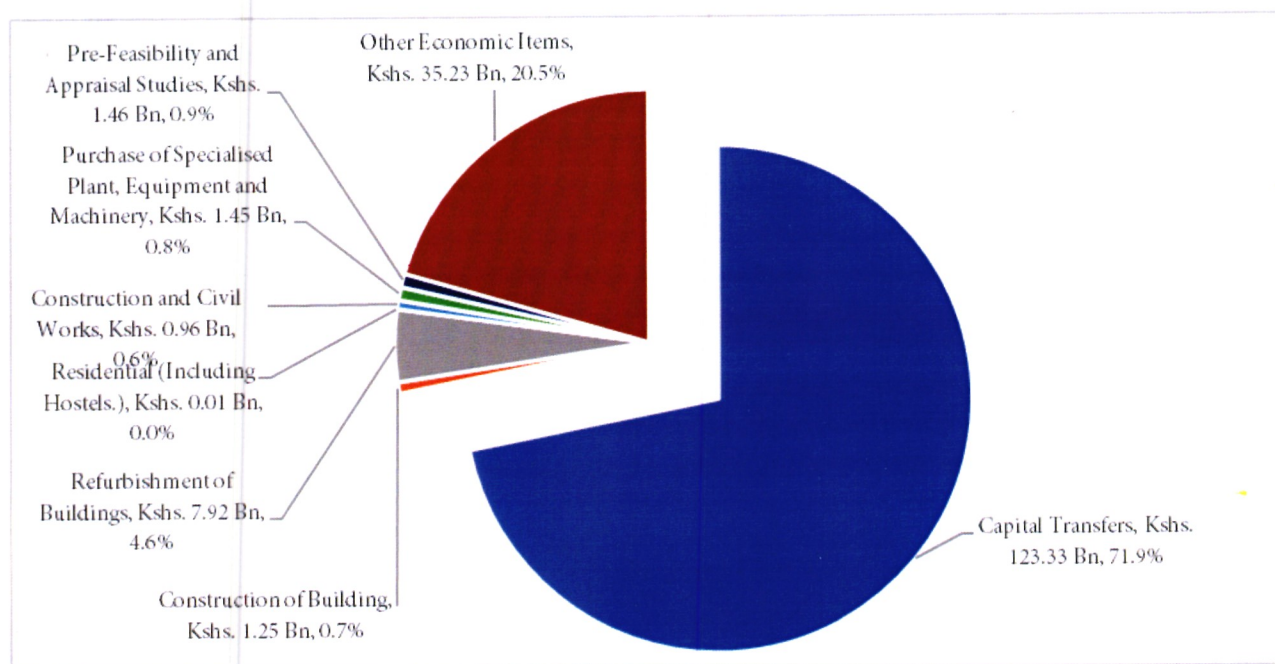
Further analysis shows that the National Treasury had the highest Capital Transfers at Kshs.35.50 billion, representing 28.79 per cent of the total Capital Transfers followed by the State Department for Infrastructure at Kshs.33.47 billion, which represented 27.14 per cent.

In the analysis of expenses by economic classification, the report has classified budget line items not captured under major expenses under other economic items amounting to Kshs.35.23 billion, representing 20.6 per cent of the gross development expenditure. MDAs recording the highest expenditure under this category include:

- **State Department of Infrastructure-** Kshs.11.63 billion for funding of projects from development partners at Kshs.10.86 billion and Ksh.159.88 million for training programmes.
- **State Department for Fisheries, Aquaculture and the Blue Economy-** Kshs.2.09 billion comprised of Kshs.969.64 million for promoting Kenya as a centre for the agro-based blue economy and Kshs.651.46 million for aquaculture development.
- **Ministry of Health-** Kshs.4.02 billion comprised of Kshs.3.21 billion for payment of rentals of produced assets, and other operating expenses of Kshs.345.95 million, Kshs.52.50 million for hospitality supplies and services and Kshs.391.73 million for specialised materials and supplies.
- **The State Department for Crop Development and Agricultural Research-** Kshs.3.28 billion comprising of Kshs.2.37 billion for payment of hired transport, equipment, and maintenance expenses, Kshs.463.04 million as subsidies to private financial enterprises and Kshs.299.01 million as payment for domestic travel and subsistence for Agricultural programmes.
- **State Department for Sports –** Kshs.3.30 billion as a disbursement to the Sports Arts and Social Development Fund.
- **Ministry of Defence-** Kshs. 1.73 billion comprises Kshs.1.53 billion as payment to Kenya Defence Forces-Head-Quates and Kshs.205 million to the Kenya Meat Commission.
- **State Department for Interior-** Kshs.1.64 billion where Kshs.8.94 million was incurred on maintenance of computers, software and networks.
- **The State Department for Housing and Urban Development –** Kshs.1.60 billion comprising of Kshs.1.53 billion as payment for contracted technical and professional services.

Figure 3.7 shows the composition of MDAs development expenditure for the first half of FY 2022/23.

Figure 3.7: Breakdown Summary of MDAs' Development Expenditure (Kshs. Billion)



Source: MDAs and National Treasury

3.4.3 Ministries, Departments, and Agencies Recurrent Expenditure Analysis

In FY 2022/23, gross allocation to recurrent ministerial expenditure amounted to Kshs.1.40 trillion, compared to Kshs.1.46 trillion allocated in FY 2021/22. Gross recurrent expenditure by MDAs in the first half of FY 2022/23 was Kshs.671.88 billion, representing 47.9 per cent of the gross recurrent estimates, compared to Kshs.598.03 billion (46.9 per cent), recorded in a similar period FY 2021/22.

A breakdown of the MDAs' total recurrent expenditure in the first half of FY 2022/23 is presented in Table 3.8.

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

MINISTRY/ STATE DEPART- MENT	Compen- sation to Employees	OPERATIONS & MAINTENANCE (O&M)										Current Transfers	Gross Ex- penditure (A-I-A)	Net Expen- diture	
		Domes- tic Travel	Foreign Travel	Printing and Adver- tising	Rentals and Rates- Non - Residen- tial	Training	Hospital- ity	Main- tenance Expens- es- Motor Vehicles	Main- tenance Expens- es-Other Assets	Legal Fees	Other Economic Items				
The Executive Office of the President	3,242.28	239.08	56.21	9.89	57.22	14.23	559.37	64.24	67.34	-	5,625.13	-	9,935.00	12.13	9,922.87
State Department for Interior and															
Citizen Services	48,995.97	766.02	8.77	5.68	256.74	481.99	233.67	367.24	66.27	509.84	15,260.41	1,284.46	68,237.03	-	68,237.03
State Department for Correctional Services	10,889.36	52.91	0.22	0.09	-	0.99	4.25	3.66	0.06	-	617.80	1.13	11,570.48	-	11,570.48
State Department for Devolution	125.99	34.33	1.63	-	25.58	4.97	18.70	0.18	0.29	-	115.61	269.15	596.42	-	596.42
State Department for Development for the ASALs	101.02	1.53	(0.02)	-	-	(0.01)	1.74	0.30	0.73	-	16.71	329.57	451.57	-	451.57
Ministry of Defence	776.56	22.15	8.75	2.74	-	13.25	17.40	3.35	0.56	-	68.30	69,642.28	70,555.35	-	70,555.35
Ministry of For- eign Affairs	4,052.05	117.99	1,115.35	15.00	1,156.72	6.18	198.85	26.86	55.05	-	1,477.48	53.24	8,274.78	44.05	8,230.73
State Department for Vocational and Technical Training	3,378.49	12.02	1.41	0.26	10.60	3.38	2.89	0.51	0.18	-	2,823.09	3,404.36	9,637.19	2,807.60	6,829.59
State Department for University Education and Research	119.67	8.03	4.86	0.16	23.06	0.88	5.34	0.75	-	-	10,696.80	24,700.30	35,559.84	-	35,559.84

MINISTRY/ STATE DEPARTMENT	Compen- sation to Employees	OPERATIONS & MAINTENANCE (O&M)										Current Transfers	Gross Ex- penditure	Net Expen- diture (A-I-A)	
		Domes- tic Travel	Foreign Travel	Printing and Adver- tising	Rentals and Rates- Non - Residen- tial	Training	Hospital- ity	Main- tenance Expens- es- Motor Vehicles	Main- tenance Expens- es- Other Assets	Legal Fees	Other Economic Items				
State Depart- ment for Early Learning & Basic Education	1,915.65	12.02	1.11	0.82	2.31	1.74	4.22	8.31	0.92	-	35,420.30	8,873.67	46,241.07	-	46,241.07
State Department for Post Training and Skills Devel- opment	38.18	15.32	3.00	0.02	2.19	10.55	7.42	0.23	0.23	-	11.49	88.62	88.62	-	88.62
State Department for Implementa- tion of Curricu- lum Reforms	16.96	22.47	2.23	3.80	-	4.86	20.79	1.32	0.21	-	73.64	-	146.28	-	146.28
The National Treasury	1,606.93	45.42	24.16	6.47	0.63	43.21	164.55	5.27	2.59	-	10,605.04	24,967.99	24,967.99	1,382.71	23,585.28
State Department of Planning	219.99	24.77	0.95	0.69	28.33	9.99	30.31	5.44	0.35	-	104.53	1,262.35	1,687.69	-	1,687.69
Ministry of Health	6,767.30	50.10	1.47	6.62	2.85	219.11	36.46	14.77	62.39	-	612.36	14,504.20	22,277.63	-	22,277.63
State Department of Infrastructure	571.33	1.05	-	-	-	0.01	3.67	0.21	0.96	-	21,549.76	63.00	22,189.98	21,492.66	697.32
State Department of Transport	98.09	13.89	7.34	3.34	1.51	8.04	8.43	0.77	0.88	-	2,883.52	-	3,025.78	2,863.16	162.61
State Department for Shipping and Maritime.	55.36	6.79	2.10	1.70	12.10	6.02	3.52	0.41	1.12	-	22.84	806.33	918.27	642.52	275.75



MINISTRY/ STATE DEPARTMENT	Compen- sation to Employees	OPERATIONS & MAINTENANCE (O&M)										Current Transfers	Gross Ex- penditure	(A-I-A)	Net Expen- diture
		Domes- tic Travel	Foreign Travel	Printing and Adver- tising	Rentals and Rates- Non - Residen- tial	Training	Hospital- ity	Main- tenance Expens- es- Motor Vehicles	Main- tenance Expens- es-Other Assets	Legal Fees	Other Economic Items				
State Department for Housing, Urban Develop- ment	408.29	3.79	0.40	0.33	-	2.26	1.64	1.68	1.15	-	34.30	45.00	498.84	-	498.84
State Department for Public Works	377.39	6.85	0.26	0.11	36.94	0.42	3.33	0.65	0.48	-	37.32	810.78	1,274.54	160.78	1,113.75
Ministry of Water, Sanitation and Irrigation	316.91	16.90	0.74	0.30	-	0.35	2.82	2.66	1.73	0.40	925.98	1,670.89	2,939.67	896.42	2,043.25
Ministry for Environment and Forestry	533.15	6.85	2.42	1.71	40.43	6.19	28.39	1.41	3.87	-	319.55	4,026.43	4,970.41	483.88	4,486.53
Ministry of Lands and Physical Planning	1,259.89	7.26	-	0.13	-	21.30	2.63	0.94	0.28	-	112.53	-	1,404.96	4.50	1,400.46
State Department for Information Communications and Technology	125.69	8.93	0.92	0.23	26.68	6.11	5.77	0.23	0.56	-	47.28	817.50	1,039.91	-	1,039.91

MINISTRY/ STATE DEPARTMENT	Compensation to Employees	OPERATIONS & MAINTENANCE (O&M)										Current Transfers	Gross Expenditure	(A-I-A)	Net Expenditure
		Domestic Travel	Foreign Travel	Printing and Advertising	Rentals and Rates- Non Residential	Training	Hospitality	Maintenance Expenses- Motor Vehicles	Maintenance Expenses- Other Assets	Legal Fees	Other Economic Items				
State Department for Broadcasting & Telecommunications	225.71	31.39	2.26	385.62	5.98	3.77	20.23	2.38	1.26	0.23	53.17	2,240.50	2,972.48	920.78	2,051.70
State Department for Sports	107.48	6.36	1.68	0.04	14.47	0.51	4.02	0.38	0.37	-	24.71	503.32	663.34	-	663.34
State Department for Heritage	121.00	21.60	2.51	3.38	-	3.40	20.92	0.49	0.66	-	22.80	1,089.71	1,286.48	-	1,286.48
Ministry for Energy	177.51	3.38	0.39	0.08	-	1.25	6.84	1.52	0.28	-	16.86	2,127.10	2,335.19	0.07	2,335.12
State Department for Livestock	697.64	24.37	2.28	5.26	24.50	12.38	7.51	4.47	2.28	-	191.18	125.48	1,097.32	-	1,097.32
State Department for Crop Development and Agricultural Research	374.52	10.52	-	0.93	7.67	4.17	5.12	1.84	3.11	-	4,032.04	5,689.79	10,129.71	-	10,129.71
State Department for Fisheries, Aquaculture and the Blue Economy	82.13	7.87	2.08	1.12	-	6.64	2.08	1.48	-	-	50.07	985.10	1,138.57	-	1,138.57
State Department for Cooperatives	119.27	21.51	21.51	2.74	4.25	2.89	13.25	0.30	0.25	-	21.19	501.74	688.43	474.74	213.69
State Department for Trade	223.75	20.12	20.12	9.71	56.84	2.02	9.59	1.33	2.87	-	24.84	677.25	1,028.94	-	1,028.94
State Department for Industrialization	186.00	8.14	9.71	0.64	-	4.19	1.98	0.32	0.09	-	34.22	1,333.98	1,570.30	482.47	1,087.83

MINISTRY/ STATE DEPARTMENT	OPERATIONS & MAINTENANCE (O&M)										Current Transfers	Gross Expenditure (A-I-A)	Net Expenditure	
	Compensation to Employees	Domes-tic Travel	Foreign Travel	Printing and Advertising	Rentals and Rates- Non - Residential	Training	Hospital-ity	Main-tenance Expen-ses- Motor Vehicles	Main-tenance Expen-ses-Other Assets	Legal Fees				Other Economic Items
State Department for Labour	405.37	23.64	6.47	1.37	67.51	3.76	18.61	1.75	1.03	0.04	58.87	1,253.09	1,841.51	1,841.51
State Department for Social Protection, Pensions and Senior Citizens Affairs	747.10	22.01	22.01	3.29	6.05	1.22	18.15	0.05	0.32	-	11,837.49	669.28	13,326.97	13,137.85
Ministry of Petroleum and Mining	245.92	6.33	0.20	0.09	-	3.82	2.77	0.26	0.76	-	60,660.99	19.50	60,940.65	60,940.65
State Department for Tourism	89.23	8.44	2.46	-	-	0.98	9.98	1.48	0.17	-	30.70	385.33	528.75	528.75
State Department for Wildlife	64.14	11.85	2.84	0.07	28.20	0.75	3.79	0.15	0.07	962.21	100.94	1,247.99	2,423.00	2,423.00
State Department for Public Service	410.22	70.10	3.07	3.07	90.70	9.10	35.34	6.07	0.43	-	5,535.19	6,335.75	12,501.17	12,501.17
State Department for Youth	316.44	13.04	4.76	6.01	45.09	11.73	9.92	1.65	0.70	0.05	51.50	226.18	687.08	687.08
State Department for Gender	140.11	8.16	0.32	0.06	16.10	3.11	15.93	0.16	0.09	-	7.84	264.94	456.83	389.33
State Department for East African Community	127.33	25.03	48.90	0.28	31.66	0.74	11.28	1.23	0.20	-	30.62	-	277.27	277.27
State Department for Regional and Northern Corridor Development	49.54	14.31	0.22	0.36	-	5.75	8.77	0.17	0.26	-	10.41	1,437.95	1,527.74	1,288.49

MINISTRY/ STATE DEPART- MENT	Compen- sation to Employees	OPERATIONS & MAINTENANCE (O&M)										Current Transfers	Gross Ex- penditure	Net Expen- diture	
		Domes- tic Travel	Foreign Travel	Printing and Adver- tising	Rentals and Rates- Non - Residen- tial	Training	Hospital- ity	Main- tenance Expen- ses- Motor Vehicles	Main- tenance Expen- ses-Other Assets	Legal Fees	Other Economic Items				
State Law Office and Department of Justice	782.84	57.12	13.28	0.67	33.35	15.76	31.06	2.66	2.85	70.28	79.09	1,037.67	2,126.64	-	2,126.64
The Judiciary Ethics and Anti-Corruption Commission	5,415.95	389.74	64.42	26.71	28.30	15.68	177.79	71.26	22.54	-	1,244.40	-	7,456.78	-	7,456.78
National Intelli- gence Service	1,162.62	83.65	9.13	9.73	34.90	18.23	34.43	17.87	4.92	2.92	441.76	0.21	1,820.37	-	1,820.37
Office of the Director of Public Prosecutions	1,171.34	80.70	18.46	3.77	115.94	30.76	29.84	18.47	2.00	-	192.66	-	1,663.94	-	1,663.94
Office of the Reg- istrar of Political Parties	155.13	16.84	2.28	0.86	8.29	5.70	2.16	0.01	0.27	-	30.88	737.50	959.92	-	959.92
Witness Protec- tion Agency	159.75	1.33	-	0.92	12.07	0.09	4.89	3.07	3.88	-	83.98	-	269.98	-	269.98
Kenya National Commission on Human Rights	144.40	0.77	0.42	0.17	31.61	0.73	0.28	1.99	0.60	-	64.59	-	245.56	-	245.56
National Land Commission	458.53	13.71	1.46	2.41	60.06	3.57	8.22	0.14	-	-	20.84	-	568.94	-	568.94
Independent Electoral and Boundaries Com- mission	7,020.94	362.72	22.60	111.89	2,934.19	1,280.09	1,853.25	15.49	2.56	515.56	-	-	14,910.05	1.57	14,908.49

MINISTRY/ STATE DEPART- MENT	Compen- sation to Employees	OPERATIONS & MAINTENANCE (O&M)											Current Transfers	Gross Ex- penditure (A-I-A)	Net Expen- diture		
		Domes- tic Travel	Foreign Travel	Printing and Adver- tising	Rentals and Rates- Non - Residen- tial	Training	Hospital- ity	Main- tenance Expen- ses- Motor Vehicles	Main- tenance Expen- ses-Other Assets	Legal Fees	Other Economic Items						
Parliamentary																	
Joint Services	1,105.76	414.08	490.02	8.98	0.02	23.38	57.29	10.11	3.45	-	1,240.84	-	-	-	2,373.56	-	2,373.56
Parliamentary																	
Service Commis- sion	1,276.22	1,546.07	426.39	4.11	-	67.16	46.20	5.57	2.75	-	4,013.37	-	-	-	3,524.38	-	3,524.38
National Assem- bly	4,889.15	1,546.07	426.39	4.11	-	67.16	46.20	5.57	2.75	-	4,013.37	-	-	-	11,000.78	-	11,000.78
Judicial Service																	
Commission	90.41	27.24	24.59	1.41	15.26	28.88	51.78	3.28	0.06	-	40.56	-	-	-	283.47	-	283.47
The Commission																	
on Revenue Allo- cation	89.63	7.03	-	0.90	25.91	0.01	0.87	2.22	0.08	-	58.12	-	-	-	184.78	-	184.78
Public Service																	
Commission	923.38	33.39	5.89	29.15	2.90	9.64	28.88	2.91	2.53	0.01	44.19	-	-	-	1,082.89	-	1,082.89
Salaries and Remuneration																	
Commission	135.85	7.39	-	2.44	24.83	2.03	16.86	1.39	1.28	-	52.69	-	-	-	244.76	-	244.76
Teachers Service																	
Commission	135,630.79	30.35	0.35	0.81	8.23	25.79	11.76	19.47	2.94	2.49	7,483.19	-	-	-	143,216.16	269.88	142,946.28
National Police																	
Service Commis- sion	218.91	12.27	-	0.44	48.83	2.75	11.93	2.04	0.29	0.52	113.01	-	-	-	410.99	-	410.99
Auditor General	1,966.77	315.68	24.55	12.58	114.29	26.56	44.72	20.37	34.38	0.00	418.06	-	-	-	2,977.96	214.14	2,763.83
Controller of Budget	168.12	6.20	-	14.11	-	1.32	2.59	0.59	0.06	-	12.91	-	-	-	205.90	-	205.90
The Commission on Administra- tive Justice	174.79	11.65	0.01	0.17	17.44	1.75	2.69	0.17	0.06	-	23.22	-	-	-	231.93	-	231.93

MINISTRY/ STATE DEPART- MENT	Compen- sation to Employees	OPERATIONS & MAINTENANCE (O&M)										Current Transfers	Gross Ex- penditure	(A-1-A)	Net Expen- diture
		Domes- tic Travel	Foreign Travel	Printing and Adver- tising	Rentals and Rates- Non - Residen- tial	Training	Hospital- ity	Main- tenance Expens- es- Motor Vehicles	Main- tenance Expens- es- Other Assets	Legal Fees	Other Economic Items				
National Gender and Equality Commission	120.30	19.78	10.41	0.22	19.05	3.38	1.22	0.00	0.02	-	42.65	-	217.04	-	217.04
Independent Po- licing Oversight Authority	252.22	21.07	1.84	1.86	33.38	3.64	6.97	7.36	2.68	-	108.12	-	439.14	-	439.14
Total	254,416.70	5,449.66	2,663.60	711.12	5,706.62	2,622.25	4,063.84	745.44	397.32	2,064.55	208,614.77	188,631.77	676,878.39	33,649.94	643,228.45

Source: MDAs and National Treasury

This report has disaggregated recurrent expenditure for MDAs into Compensation to Employees, Operations and Maintenance, and Current Transfers to SAGAs. This report annexes the current expenditure performance for Semi-Autonomous Government Agencies referenced Annex VII (*see page 151*).

3.4.4 Compensation to Employees

Compensation to Employees includes basic salaries for permanent employees, wages for temporary employees, and personal allowances paid as part of the salary, among other payments to staff. The total expenditure under compensation to employees was Kshs.254.42 billion, representing 37.6 per cent of the Ministerial gross recurrent spending, excluding the salary for the National Intelligence Security and Kenya Defence Forces, both under the National Security Sector due to the nature of their operations.

Further analysis of the compensation of employees during the review period shows that, Kshs.244.54 billion was processed through the Integrated Personnel and Payroll Database (and other approved payroll management systems). This indicates that, Kshs.9.95 billion was paid outside the prescribed payroll management system.

3.4.5 Operations and Maintenance

This category includes Travelling, Printing and Advertising, Rent and Rates for non-residential buildings, Training, Hospitality, Legal Fees, Maintenance expenses for motor vehicles and other assets. Other economic items include refined fuels and Lubricants and fuel for transport, Contracted technical and professional services, Medical and Group Personal Insurance, and Domestic Loans to individuals and Households.

In the first half of FY 2022/23, Traveling recorded Kshs.8.11 billion, consisting of domestic travel Kshs.5.45 billion and foreign travel Kshs.2.66 billion. Rentals and Rates for non-residential buildings were at Kshs.5.71 billion, Hospitality at Kshs.4.06 billion, Training at Kshs.2.62 billion and Legal Fees at Kshs.2.06 billion.

In the analysis of O&M expenditure, other economic items incurred Kshs.205.86 billion. MDAs that recorded high expenditure under other economic items include:

- **Ministry of Petroleum and Mining**- Kshs.60.66 billion for oil market price stabilisation by the government,
- **State Department for Early Learning and Basic Education** – Kshs.35.42 billion comprised Kshs.30.33 billion subsidies to the board of governors-maintained schools to support free primary and secondary education, Kshs.1.97 billion for school health and nutrition meals, Kshs.586.69 million for curriculum development, Kshs.483.77 million for special needs education, Kshs.333.6 million for Teachers in-service.
- **State Department for Infrastructure**- Kshs.21.55 billion comprised mainly of rural roads maintenance levy Fund of Kshs.21.31 billion.
- **State Department for Interior and Citizen Services** – Kshs.15.26 billion, which comprises Kshs.2.73 billion for purchasing specialised materials and supplies, Kshs.3.89 billion for medical and group personal insurance, Kshs.797 million for utilities supplies and services, Kshs.679.83 million for purchase of specialised plant, equipment and machinery and Kshs.6.17 billion for other operating expenses.
- **State Department for Social Protection, Senior Citizens and Pensions Affairs** – Kshs.11.84 billion, comprised of Kshs.8.87 billion for cash transfers to individuals and households, Kshs.2.51 billion for emergency relief, Kshs.200 million for the presidential bursary, and Kshs.669.28 million for other goods and services.
- **State Department for University Education** – Kshs.10.70 billion, which comprises Kshs.10.68 for acquiring financial assets, i.e. funds towards the Higher Education Loans Board.
- **The National Treasury** – Kshs.10.61 billion comprised of Kshs.2.54 billion for insurance costs, Kshs.1.22 billion for membership fees and dues and Kshs.6.60 billion for other operating expenses.

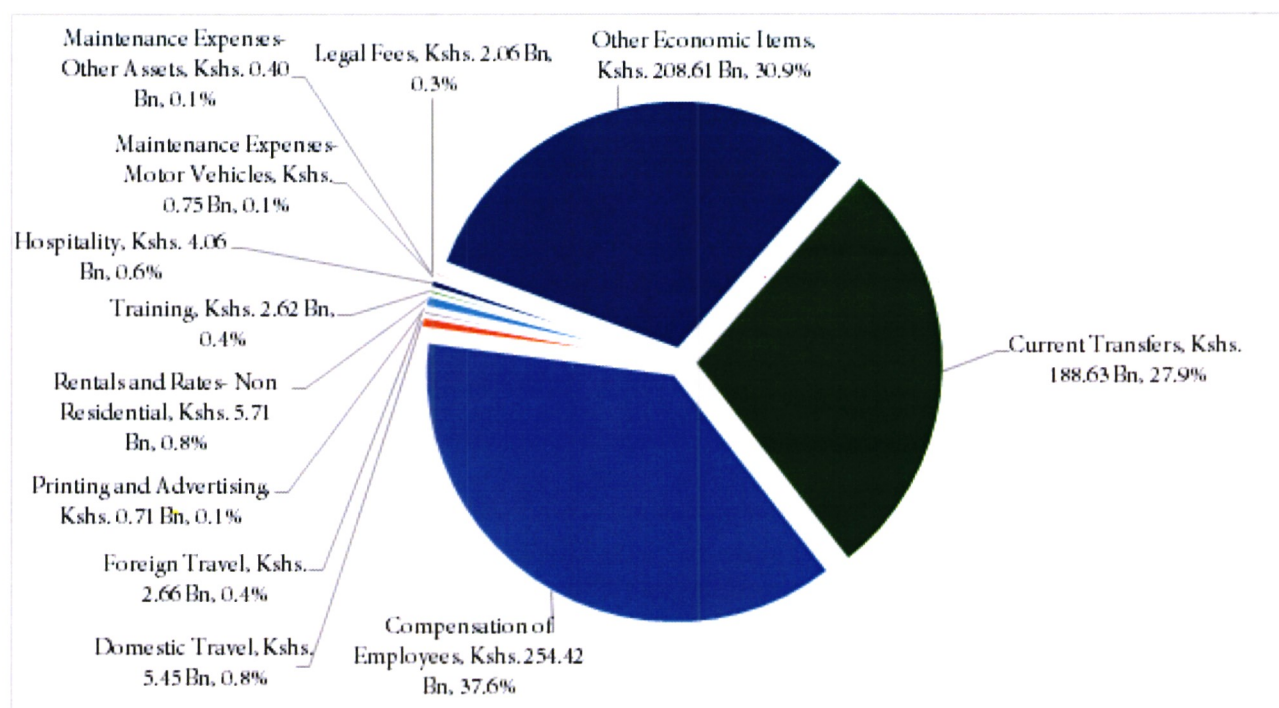
- **Teachers Service Commission-** Kshs.7.48 billion comprising Kshs.7.33 billion for Medical and Group Personal Insurance as employer contributions to compulsory Health Insurance Schemes.
- **State Department of Public Service-**Kshs.5.54 billion comprising Kshs.5.29 billion for Employer contribution to the National Social and Health Insurance Scheme.
- **State Department for Crop Development and Agricultural Research-**Kshs.4.03 billion comprising of Kshs.4.01 billion for Maize floor subsidy by the government.
- **Parliamentary Service Commission-**Kshs.4.01 billion comprising Kshs.583.95 million for Other Capital Grants and Transfers, Kshs.343.47 million for Ex-gratia Refund and Kshs.191.78 million for operating expenses.
- **National Assembly-** Kshs.4.01 billion comprising Kshs.2.88 billion for other capital grants and transfers, Kshs.605.91 million for constituency office expenses, Kshs.450.15 million for government pension and retirement benefits.
- **The Executive Office of the President** – Kshs.2.87 billion comprises Kshs.479.28 million, Kshs.232.31 million for government pension and retirement benefits, Kshs.89.48 35 million for purchasing fuel oil and lubricants and Kshs.1.80 billion for other operating expenses.
- **State Department for Vocational and Technical Training-**Kshs.2.82 billion comprises Kshs.2.20 billion for technical trainers and instructor services .
- **State Department for Transport-**Kshs.2.86 billion for A-I-A for Kenya Civil Aviation Authority.
- **The Ministry of Foreign Affairs** – Kshs.1.46 billion comprises Kshs.360.21 million for scholarships & other education benefits, Kshs.181.73 million for communication supplies and services, Kshs.142.12 million for purchasing motor vehicles and Kshs.392.55 million for other operating expenses.
- **The Judiciary** – Kshs.1.24 billion comprises Kshs.517.83 million for medical and Group personal insurance, Kshs.100 million for domestic loans to public servants and Kshs.217.69 million for other operating expenses.

3.4.6 Current Transfers

Current Transfers by MDAs may be in the form of subsidies, grants, or direct transfers to SAGAs, which are meant to complement activities and mandates executed on behalf of the parent ministry. In the first half of FY 2022/23, Current transfers reported by MDAs amounted to Kshs.188.63 billion, representing 28.1 per cent of the gross recurrent expenditure. The Ministry of Defence recorded the highest current transfer at Kshs.69.64 billion, representing 36.9 per cent of the total transfers.

Figure 3.8 shows the composition of MDAs' recurrent expenditure in the first half of FY 2022/23.

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



Source: MDAs and National Treasury

3.5 Pending Bills for National Government

The total outstanding national government pending bills as of 31st December 2022 amounted to KSh.481 billion compared to Kshs.467.7 billion reported on 31st December 2021. These comprise Kshs.400.7 billion (83.3 per cent) for State Corporations and Kshs.80.3 billion (16.7 per cent) for MDAs. 1

The State Corporations’ pending bills include payments due to contractors/projects, suppliers, unremitted statutory and other deductions, and pension arrears for Local Authorities Pension Trust. The highest percentage of the State Corporations’ pending bills (70.6 per cent) belong to Contractor/Projects and Suppliers. MDAs’ pending bills were mainly historical pending bills comprising Kshs.59.12 billion (73.6 per cent) for recurrent expenditure and Kshs.21.17 billion (26.4 per cent) for Development expenditure. Table 3.9 presents pending bills for MDAs as of 31st December 2022.

1 Source: Quarterly Economic and Budgetary Review report for period ending 31st December, 2022 by National Treasury.

Table 4.0: MDAs Pending Bills of 31st December 2022

Ministry/Department/Agency	RECURRENT(Kshs.)				DEVELOPMENT(Kshs.)				Total Outstanding as of 30th December 2022
	Balance as of 30th June 2022	Amount Paid in Quarter 2	Ineligible	Due Balance as of 30th December 2022	Balance as of 30th June 2022	Amount Paid in Quarter 2	Ineligible	Due Balance as of 30th December 2022	
	A	B	C	D=(A-B-C)	E	F	G	H=(E-F-G)	
The Executive Office of the President	982,111,921	-	-	982,111,921	37,088,920	-	-	37,088,920	1,019,200,841
The presidency-Nairobi Metropolitan Services	6,764,321,310	-	-	6,764,321,310	8,634,318,872	-	-	8,634,318,872	15,398,640,182
State Department for Interior and Citizen Services	4,531,109,313	2,344,434,466	-	2,186,674,847	1,195,484,186	26,162,391	-	1,169,321,795	3,355,996,642
State Department for Correctional Services	229,546,230	-	-	229,546,230	82,940,076	-	-	82,940,076	312,486,306
State Department for Devolution	40,154,464	-	-	40,154,464	714,372,417	-	-	714,372,417	754,526,881
State Department for Development for the ASALs	8,795,212	-	-	8,795,212	26,709,484	-	-	26,709,484	35,504,696
Ministry of Defence	1,755,046,240	1,317,930,965	-	437,115,275	-	-	-	-	437,115,275
Ministry of Foreign Affairs	696,202,621	-	-	696,202,621	4,959,374	-	-	4,959,374	701,161,995
State Department for University Education	8,024,934	-	-	8,024,934	32,138,423	-	-	32,138,423	40,163,357
State Department for Early Learning & Basic Education	429,299,232	-	-	429,299,232	-	-	-	-	429,299,232
The National Treasury	2,856,352,873	-	-	2,856,352,873	-	-	-	-	2,856,352,873
Ministry of Health	749,279	-	-	749,279	5,008,421,189	-	-	5,008,421,189	5,009,170,468
State Department of Transport	6,139,923,068	-	-	6,139,923,068	7,319,208	-	-	7,319,208	6,147,242,276
State Department for Shipping and Maritime.	6,082,492	-	-	6,082,492	-	-	-	-	6,082,492
State Department for Housing and Urban Development	4,380,340	-	-	4,380,340	1,362,574,428	-	-	1,362,574,428	1,366,954,768
State Department for Public Works	90,431,753	-	-	90,431,753	713,377,803	-	-	713,377,803	803,809,556

Ministry/Department/Agency	RECURRENT(Kshs.)				DEVELOPMENT(Kshs.)				Total Outstanding as of 30th December 2022
	Balance as of 30th June 2022	Amount Paid in Quarter 2	Ineligible	Due Balance as of 30th December 2022	Balance as of 30th June 2022	Amount Paid in Quarter 2	Ineligible	Due Balance as of 30th December 2022	
	A	B	C	D=(A-B-C)	E	F	G	H=(E-F-G)	I=(D+H)
Ministry of Environment and Forestry	40,408,244	-	-	40,408,244	34,569,741	-	-	34,569,741	74,977,985
State Department of Lands and Physical Planning	567,490,014	-	-	567,490,014	-	-	-	-	567,490,014
State Department for Information Communications Technology & Innovation	84,163,914	-	-	84,163,914	105,364,581	-	-	105,364,581	189,528,495
State Department for Broadcasting & Telecommunications	1,293,577,464	-	-	1,293,577,464	11,678,965	-	-	11,678,965	1,305,256,429
State Department for Sports	1,142,633,983	-	-	1,142,633,983	28,997	-	-	28,997	1,142,662,980
State Department for Culture and Heritage	37,186,056	-	-	37,186,056	10,869,400	-	-	10,869,400	48,055,456
State Department for Livestock	36,749,134	-	-	36,749,134	152,882,073	-	-	152,882,073	189,631,207
State Department for Fisheries, Aquaculture and the Blue Economy	8,434,413	-	-	8,434,413	100,764,897	-	-	100,764,897	109,199,310
State Department for Crop Development & Agricultural Research	12,568,340,395	-	-	12,568,340,395	-	-	-	-	12,568,340,395
State Department for Trade	38,452,189	-	-	38,452,189	-	-	-	-	38,452,189
State Department for Industrialization	25,104,402	-	-	25,104,402	-	-	-	-	25,104,402
State Department for Labour	24,327,228	-	-	24,327,228	292,106	-	-	292,106	24,619,334
State Department for Social Protection, Pensions & Senior Citizens Affairs	82,045,719	-	-	82,045,719	-	-	-	-	82,045,719
Ministry of Petroleum and Mining	88,626,476	-	-	88,626,476	153,848,480	-	-	153,848,480	242,474,956
State Department for Tourism	3,806,651	-	-	3,806,651	14,041,977	-	-	14,041,977	17,848,628
State Department for Wildlife	2,715,987,161	-	-	2,715,987,161	-	-	-	-	2,715,987,161
State Department for Gender	5,032,816	-	-	5,032,816	-	-	-	-	5,032,816

Ministry/Department/Agency	RECURRENT(Kshs.)				DEVELOPMENT(Kshs.)				Total Outstanding as of 30th December 2022
	Balance as of 30th June 2022	Amount Paid in Quarter 2	Ineligible	Due Balance as of 30th December 2022	Balance as of 30th June 2022	Amount Paid in Quarter 2	Ineligible	Due Balance as of 30th December 2022	
	A	B	C	D=(A-B-C)	E	F	G	H=(E-F-G)	
State Department for Public Service NYS	14,578,189,581	-	-	14,578,189,581	-	-	-	-	14,578,189,581
State Department for Public Service HQ	1,478,128,900	-	-	1,478,128,900	-	-	-	-	1,478,128,900
State Department for Youth Affairs	6,739,162	-	-	6,739,162	59,447,109	-	59,447,109	-	66,186,271
State Department for East African Community	13,259,099	-	-	13,259,099	-	-	-	-	13,259,099
State Department for Regional and Northern Corridor Development	-	-	-	-	2,224,485,925	-	-	2,224,485,925	2,224,485,925
State Law Office and Department of Justice	51,282,846	-	-	51,282,846	1,499,200	-	1,499,200	-	52,782,046
The Judiciary	110,139,913	-	-	110,139,913	113,095,261	-	113,095,261	-	223,235,174
Ethics and Anti-Corruption Commission	9,668,157	-	-	9,668,157	25,382,916	-	25,382,916	-	35,051,073
Office of the Director of Public Prosecutions	31,017,794	-	-	31,017,794	-	-	-	-	31,017,794
Office of the Registrar of Political Parties	37,246,027	-	-	37,246,027	-	-	-	-	37,246,027
Kenya National Commission on Human Rights	12,888,513	-	-	12,888,513	-	-	-	-	12,888,513
National Land Commission	531,496,362	-	-	531,496,362	-	-	-	-	531,496,362
Independent Electoral and Boundaries Commission	1,804,595,670	-	-	1,804,595,670	-	-	-	-	1,804,595,670
Parliamentary Service Commission	152,814,517	-	-	152,814,517	-	-	-	-	152,814,517
National Assembly	290,665,301	-	-	290,665,301	-	-	-	-	290,665,301
Parliamentary Joint Services	172,968,826	-	-	172,968,826	367,184,802	-	367,184,802	-	540,153,628
Judicial Service Commission	18,781,934	-	-	18,781,934	-	-	-	-	18,781,934
The Commission on Revenue Allocation	2,767,933	-	-	2,767,933	-	-	-	-	2,767,933
Public Service Commission	60,468,818	-	1,874,388	58,594,430	138,744	-	138,744	-	58,733,174

Ministry/Department/Agency	RECURRENT (Kshs.)				DEVELOPMENT (Kshs.)				Total Outstanding as of 30th December 2022
	Balance as of 30th June 2022	Amount Paid in Quarter 2	Ineligible	Due Balance as of 30th December 2022	Balance as of 30th June 2022	Amount Paid in Quarter 2	Ineligible	Due Balance as of 30th December 2022	
	A	B	C	D=(A-B-C)	E	F	G	H=(E-F-G)	I=(D+H)
Salaries and Remuneration Commission	744,160	-	-	744,160	-	-	-	-	744,160
National Police Service Commission	527,260	-	-	527,260	-	-	-	-	527,260
Auditor General	107,574,901	-	-	107,574,901	-	-	-	-	107,574,901
The Commission on Administrative Justice	5,533,492	448,700	-	5,084,792	-	-	-	-	5,084,792
Independent Policing Oversight Authority	448,179	-	-	448,179	-	-	-	-	448,179
Total	62,782,844,886	3,662,814,131	1,874,388	59,118,156,368	21,195,279,556	26,162,391	-	21,169,117,165	80,287,273,533

Source: National Treasury & MDAs

In the period under review, only Kshs.3.69 billion was paid to settle MDAs' pending bills, while Kshs.1.87 million was found ineligible for payment. The Controller of Budget recommends that all MDAs and State Corporations prioritize settling the eligible pending bills to avoid further accumulation.

4 BUDGET PERFORMANCE BY SECTOR

4.1 Introduction

MDAs are classified into ten sectors according to the Classification of Functions of Government, which is designed to support fiscal analysis by breaking down Government Fiscal Statistics for comparability. The chapter presents the performance of MDAs by sector in the first half of FY 2022/23 (see Annex III to Annex V, referenced on page 140 to page 142). It provides budget allocations per sector detailing specific MDAs' exchequer issues, expenditures, and absorption on the budget. The chapter also presents the performance of MDAs' programmes and sub-programmes and spending on development projects in the first half of FY 2022/23.

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

In FY 2022/23, the Education sector was allocated Kshs.544.52 billion (25.7 per cent of the total MDAs gross allocation of Kshs.2.12 trillion), recording the highest budget allocation while the GECA sector received Kshs.26.03 billion (1.2 per cent), representing the lowest budgetary allocation. The allocation to the Education sector is skewed toward recurrent activities with a budget of Kshs.515.6 billion and development activities having a percentage of Kshs.28.92 billion. Under recurrent activities, compensation of employees forms a considerable chunk of the budget; for example, the Teachers Service Commission that falls under the Education sector has a recurrent budget of Kshs.297.72 billion, with Kshs.295.71 billion allocated towards the compensation of employees.

4.2 Agriculture, Rural and Urban Development (ARUD) Sector

4.2.1 Introduction

Agriculture is a devolved function under the Fourth Schedule of the Constitution of Kenya. It is a critical sector in the economic pillar of the Kenya Vision 2030.

The sector consists of six MDAs, namely: Ministry of Lands and Physical Planning, the State Department for Crop Development and Agricultural Research, the State Department for Livestock, the State Department for Fisheries, Aquaculture and the Blue Economy, the State Department for Co-operatives, and the National Land Commission (NLC), together with affiliated Semi-Autonomous Government Agencies and Training Institutions.

The overall goal of the sector is to attain national food and nutritional security and sustainable fisheries and land management, co-operatives growth, and the blue economy's utilization. Kenya's economic blueprint, the Kenya Vision 2030, and the Government Agenda on the 'Big Four' economic strategy both recognise the ARUD sector as a critical player in the economic and social development of the country through food production, employment and wealth creation, foreign exchange earnings, security of land tenure and land management.

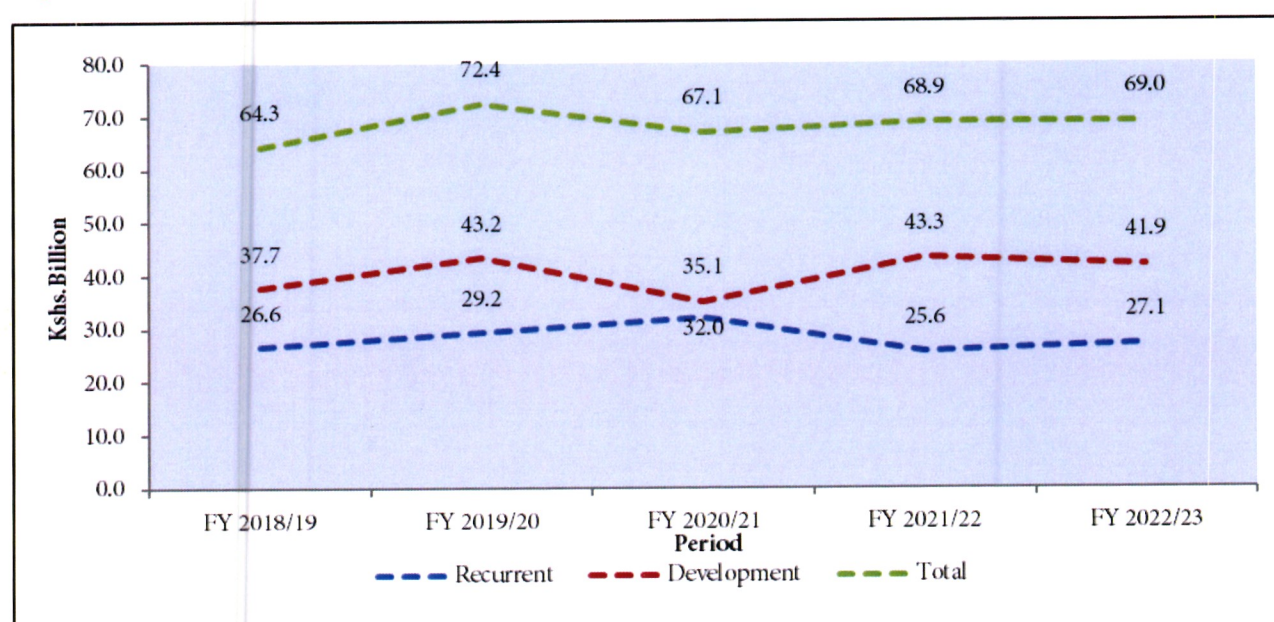
4.2.2 Budget Performance for the ARUD Sector

The budgetary allocation to the ARUD sector in FY 2022/23 amounted to Kshs.68.96 billion, compared to Kshs.68.90 billion allocated in FY 2021/22. The budget comprised Kshs.41.90 billion (61.0 per cent) for development activities and Kshs.27.06 billion (39.0 per cent) for recurrent expenditure. The State Department of Crop Development and Agricultural Research received the highest budgetary allocation at Kshs.41.50 billion (60.2 per cent of the sector's budget), while the NLC had the lowest budgetary allocation at Kshs.1.56 billion (2.3 per cent of the ARUD sector allocation).

The high allocation to the State Department for Crop Development and Agricultural Research is due to its vital role in agricultural policy and research management, national food policy, strategic food reserves, crop development, phytosanitary services, international standards compliance, agricultural farmers' training, and agricultural land resources inventory and management.

Figure 4.1 shows the trend of budgetary allocation for the ARUD sector for FY 2018/19 to FY 2022/23.

Figure 4.1: Budgetary Allocation Trend for ARUD Sector



Source: National Treasury

The total exchequer issues to the ARUD sector amounted to Kshs.32.20 billion, representing 57.2 per cent of the sector's net estimates. This amount comprised Kshs.19.91 billion for development expenditure, representing 52.4 per cent of development net estimates and Kshs.12.29 billion for recurrent activities representing 67.2 per cent of recurrent net estimates.

Table 4.1 shows the ARUD sector analysis of exchequer issues and expenditures for the first half of FY 2022/23.

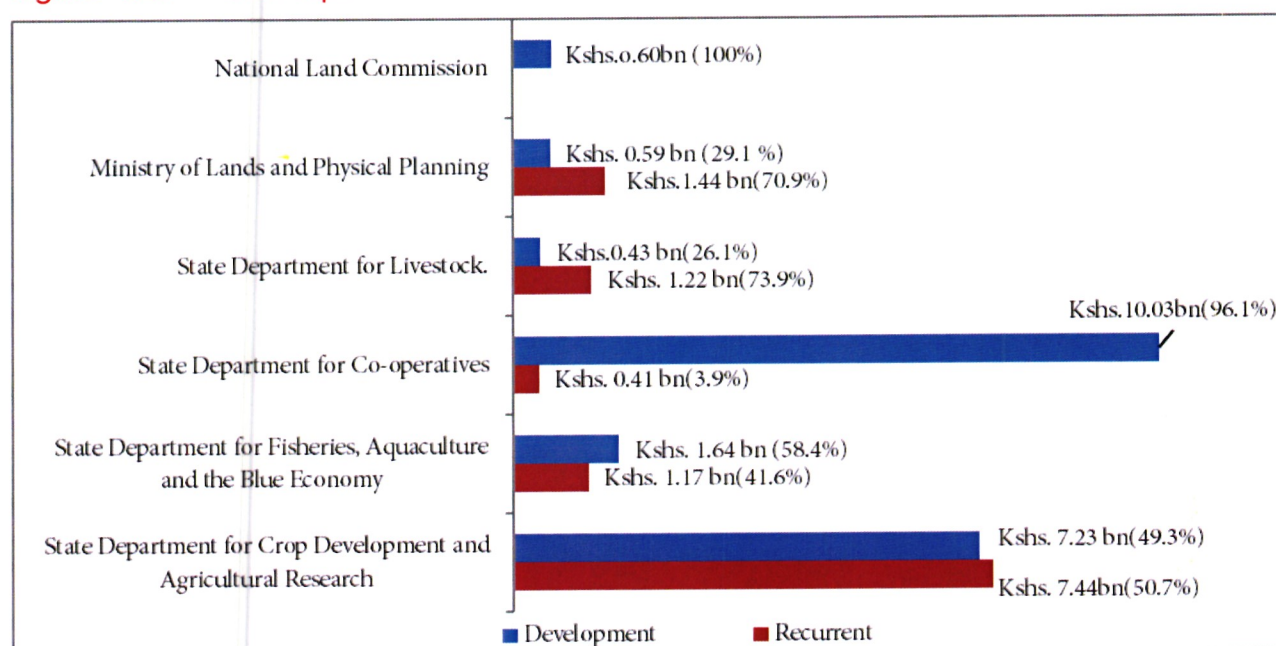
Table 4.1: ARUD Sector-Analysis of Exchequer Issues and Expenditure

VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates
Ministry of Lands and Physical Planning	2.62	2.62	0.59	0.56	22.5	21.5	3.31	3.30	1.44	1.40	43.7	42.5
State Department for Livestock	3.62	3.41	0.43	0.38	12.6	10.6	3.59	2.51	1.22	1.10	48.8	30.6
State Department for Crop Development and Agricultural Research	27.04	24.05	7.23	9.25	30.1	34.2	14.46	8.14	7.44	10.13	91.5	70.0
State Department for Fisheries, Aquaculture and the Blue Economy	8.11	7.39	1.64	2.31	22.1	28.5	2.39	2.38	1.17	1.14	49.1	47.6
State Department for Co-operatives	0.42	0.42	10.03	8.42	2373.3	1994.0	1.84	0.51	0.41	0.69	79.7	0.0
National Land Commission	0.09	0.09	-	-	-	-	1.47	1.47	0.60	0.57	41.1	38.8
Total	41.90	37.98	19.91	20.93	52.4	50.0	27.06	18.30	12.29	15.03	67.2	55.5
Sector Summary												
							Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates
Development							41.90	37.98	19.91	20.93	52.4	50.0
Recurrent							27.06	18.30	12.29	15.03	67.2	55.5
Total							68.96	56.28	32.20	35.96	57.2	52.1

Source: MDAs and National Treasury

In the first half of FY 2022/23, the State Department for Co-operatives received the highest proportion of development exchequer issues to development net estimates at 2,373.3 per cent, while the State Department of Livestock received the lowest at 12.6 per cent during the year under review. The high proportion of exchequer issues to net estimates for the State Department for Co-operatives is attributed to the set-up cost and seed capital of the Financial Inclusion Fund (Hustler Fund) issued under Article 223 of the Constitution of Kenya. The State Department for Crop Development and Agricultural Research recorded the highest proportion of recurrent exchequer issues to recurrent net estimates of 91.5 per cent. In comparison, the National Land Commission recorded the lowest ratio of 41.1 per cent. Figure 4.2 shows the exchequer issues in the ARUD Sector first half of FY 2022/23.

Figure 4.2: Exchequer Issues to ARUD Sector



Source: National Treasury

The total expenditure for the ARUD sector amounted to Kshs.35.96 billion, representing 52.1 per cent of the gross estimates, compared to Kshs.20.93 billion (27.6 per cent), recorded in a similar period in FY 2021/22. This amount comprised Kshs.20.93 billion for the development budget representing an absorption rate of 50.0 per cent, compared to 23.6 per cent recorded in FY 2021/22, and Kshs.15.03 billion for recurrent expenditure representing 55.5 per cent of the recurrent gross estimates, compared to 35.9 per cent recorded in FY 2021/22.

The State Department for Cooperatives recorded the highest absorption of the development budget at 1,994.0 per cent, mainly attributed to the set-up cost and seed capital of the Financial Inclusion Fund. In comparison, the State Department for Livestock recorded the lowest at 10.6 per cent, mainly attributed to the delayed release of development exchequers purposed to facilitate activities under the first half of FY 2022/2023. The State Department for Crop Development and Agricultural Research recorded the highest recurrent expenditure to gross estimates at 70.0 per cent, mainly attributed to the maize flour subsidy, and the fertilizer subsidy. In comparison, the State Department for Livestock recorded the lowest recurrent budget absorption at 30.6 per cent. The State Department for Livestock cited limitations for under-performance in various sub-programmes and activities, including insufficient funding during the review period.

4.2.3 Financial Performance by Programmes and Sub-Programmes for the ARUD Sector

The allocation to the ARUD sector was to fund 11 programmes and 37 sub-programme-programmes. Table 4.2 summarises the budget execution by programmes and sub-programmes in the first half of FY 2022/23.

Table 4.2: ARUD Sector Budget Performance by Programmes

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Rec.	Dev.	Total	Rec.	Dev.	Total	
Ministry of Lands and Physical Planning								
Development Planning and Land Reforms	Development Planning and Land Reforms	0.88	1.00	1.88	0.33	0.16	0.49	26.0
	Land Information Management	0.98	1.01	1.99	0.39	0.11	0.51	25.4
	Land Settlement	0.84	0.21	1.05	0.22	0.26	0.48	45.7
	Land Use	0.16	0.10	0.26	0.07	0.003	0.08	29.3
	Land Survey	0.44	0.30	0.74	0.38	0.03	0.41	55.8
	Sub-Total	3.30	2.62	5.92	1.39	0.56	1.97	33.2
State Department for Crop Development and Agricultural Research								
General Administration Planning and Support Services	Agricultural Policy, Legal and Regulatory Frameworks	5.15	3.61	8.76	2.58	1.49	4.08	46.6
	Agricultural Planning and Financial Management	0.08	-	0.08	0.02	-	0.02	30.4
Crop Development and Management	Land and Crops Development	2.54	13.47	16.01	0.47	0.46	0.93	5.8
	Food Security Initiatives	0.42	6.46	6.88	0.19	6.69	6.88	99.9
	Quality Assurance and Monitoring of Outreach Services	0.52	1.31	1.84	0.26	0.10	0.37	19.8
Agribusiness and Information Management	Agribusiness and Market Development	0.09	1.47	1.56	0.02	0.36	0.38	24.6
	Agricultural Information Management	0.05	-	0.05	0.02	-	0.02	36.4
Agricultural Research and Development	Crop Research & Development	5.24	0.05	5.29	6.49	0.01	6.50	122.6
	Livestock Research & Development	0.37	0.67	1.05	0.07	0.13	0.21	19.6
	Sub-Total	14.46	27.04	41.52	10.13	9.25	19.38	46.7
State Department for Livestock								
Livestock Resources Management and Development	Livestock Policy Development and Capacity Building	1.69	0.58	2.27	0.68	0.11	0.79	34.8
	Livestock Production and Management	0.17	1.95	2.12	0.07	0.04	0.11	5.3

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Rec.	Dev.	Total	Rec.	Dev.	Total	
	Livestock Products Value Addition and Marketing	0.78	0.44	1.21	0.13	0.11	0.24	19.9
	Food Safety and Animal Products Development	0.32	0.01	0.33	0.14	-	0.14	42.5
	Livestock Diseases Management and Control	0.63	0.65	1.28	0.07	0.13	0.20	15.0
	Sub-Total	3.59	3.63	7.21	1.10	0.38	1.48	20.5
State Department for Fisheries, Aquaculture and Blue Economy								
	Fisheries Policy, Strategy and capacity building	0.63	-	0.63	0.30	-	0.30	48.3
	Aquaculture Development	-	2.80	2.80	-	0.65	0.65	23.3
	Management and Development of Capture Fisheries	0.07	0.21	0.28	0.03	0.01	0.04	13.4
	Assurance of Fish Safety, Value Addition and Marketing	-	0.07	0.07	-	0.003	0.003	5.0
	Marine and Fisheries Research	1.40	2.84	4.25	0.70	0.67	1.37	32.2
General Administration, Planning, and Support Services	General Administration, Planning, and Support Services	0.27	-	0.27	0.09	-	0.09	34.7
	Development and Management of Fishing Ports and their Infrastructure	-	0.09	0.09	-	0.004	0.004	5.2
	Blue Economy Policy, Strategy, and Coordination	0.02	-	0.02	0.01	-	0.01	56.0
	Promotion of Kenya as a Centre for Agro-based Blue Economy	-	2.10	2.10	-	0.97	0.97	46.2
	Sub-Total	2.39	8.11	0.51	1.14	2.31	3.44	32.8
National Land Commission								
	General Administration, Planning, and Support Services	1.36	-	1.36	0.36	-	0.36	26.5
	Land Administration and Management	0.08	-	0.08	0.08	-	0.08	105.4
	Public Land Information Management	-	0.09	0.10	0.01	-	0.01	9.3
	Land Disputes and Conflict Resolution	0.03	-	0.03	0.02	-	0.02	70.
	Sub-Total	1.47	0.09	1.56	0.47	-	0.47	30.5
State Department for Cooperatives								
					-	-	-	

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Rec.	Dev.	Total	Rec.	Dev.	Total	
Cooperatives Development and Management	Governance and Accountability	0.09	-	0.09	0.04	-	0.04	40.7
	Co-operative Advisory Services	1.07	0.04	1.11	0.05	-	0.05	4.2
	Marketing, value addition, and research	0.49	0.38	0.87	0.04	0.02	0.06	7.31
	Cooperative Development and Investments				0.01	8.40	8.41	>100
	General Administration and Support Services	0.19	-	0.19	0.09	-	0.09	45.0
	Sub-Total		1.84	0.42	2.26	0.21	8.42	8.64
Grand Total		27.05	41.91	68.98	14.45	20.93	35.38	51.30

Source: MDAs and National Treasury

Analysis of performance by programmes and sub-programmes shows that, the Cooperatives Development and Management programme and Cooperatives Development and Investments sub-programmes under the State Department for Cooperatives, recorded the highest absorption of funds, exceeding 100 per cent, as shown in Table 4.2. This is attributed to the establishment of the Financial Inclusion Fund - Seed Capital (Hustler Fund) by the new administration. The funding was approved under Article 223 of the Constitution and the Controller of Budget recommended regularisation of the fund budget in the Supplementary Budget and approval of Regulations to operationalise the fund.

The Crop Research and Development sub-program under the Agricultural Research and Development Programme in the State Department for Crop Development and Agricultural Research recorded an absorption of 122.9 per cent.

In contrast, the Co-operative Advisory Services sub-programme under the State Department for Cooperatives and Assurance of Fish safety, value addition and marketing sub-programme under the State Department for Fisheries, Aquaculture and Blue Economy record the lowest absorption of the budget at 4.2 per cent and 5.0 per cent respectively.

4.2.4 Project Implementation for the ARUD Sector

Most of the development projects are multi-year and implemented over some time. In the first half of FY 2022/23, the ARUD sector incurred a development expenditure of Kshs.29.93 billion representing an absorption rate of 50.0 per cent against a gross development allocation of Kshs.41.90 billion. Table 4.3 summarises the development of some projects with the highest expenditure in the reporting period in the ARUD sector.

Table 4.3: ARUD Development Projects with the Highest Expenditure

MDA	Project Name	Project commencement date	Expected Duration of the Project	Source of Funds	Estimated Value of project (Kshs. Mn)	First Half FY 2022/23 (Kshs. Million)		Project Completion rate (%)
						Total Disbursement	Amount paid	
State Department for Crop Development and Agricultural Research	KTDA Fertilizer Subsidy	11/01/21	18 months	GOK	1,035.46	1,700.00	1,700.00	100

MDA	Project Name	Project com-mence date	Expected Duration of the Project	Source of Funds	Estimat-ed Value of project (Kshs. Mn)	First Half FY 2022/23 (Kshs. Million)		Project Com-pletion rate (%)
						Total Dis-bursement	Amount paid	
State Department for Crop Development and Agricultural Research	Sugar Reform	05/01/11	165 months	GOK	5,001.00	930.00	930.00	58
State Department for Crop Development and Agricultural Research	National Value Chain Support Programme	01/07/19	72 months	GOK	22,500.00	790.00	469.81	14
State Department for Crop Development and Agricultural Research	Enable Youth Kenya Program	07/01/18	60 months	GOK & AfDB	3,666.00	1,240.00	414.81	6
State Department for Crop Development and Agricultural Research	Small Scale Irrigation and Value Addition Project	01/06/16	84 months	GOK & AIDB	6,833.00	735.36	363.61	14
State Department for Crop Development and Agricultural Research	Kenya Climate Smart Agriculture Project (KCSAP)	16/05/17	84 months	GOK & WB	27,970.00	3,511.06	288.50	75
State Department for Crop Development and Agricultural Research	Drought Resilience and Sustainable Livelihood Programme in the Horn of Africa	01/07/13	108 months	GOK & AIM	5,481.00	425.00	279.93	72
State Department for Crop Development and Agricultural Research	Kenya Cereal Enhancement Programme (KCEP)	19/04/14	120 months	IFAD Loan, EU Grant, ASAP Grant & GOK	11,454.00	872.89	145.00	62
Ministry of Lands and Physical Planning	Settlement of the landless	01/07/13	22	GOK	4,000.00	270.00	259.99	80
Ministry of Lands and Physical Planning	Processing and registration of Title deeds	01/07/13	22	GOK	13,500.00	600.00	155.18	72
Ministry of Lands and Physical Planning	Digitization of land Offices	01/07/14	20	GOK	10,000.00	384.50	111.26	61
State Department for Fisheries, Aquaculture and the Blue Economy	Exploitation of Living Resources under the Blue Economy	Jul 2018	96 months	GOK	5,033.00	851.62	762.64	90.4
State Department for Fisheries, Aquaculture and the Blue Economy	Kenya Marine Fisheries & Socio-Economic Development Project	Mar 2018	96 months	Donor	11,500.00	1,401.10	672.05	48

MDA	Project Name	Project commencement date	Expected Duration of the Project	Source of Funds	Estimated Value of project (Kshs. Mn)	First Half FY 2022/23 (Kshs. Million)		Project Completion rate (%)
						Total Disbursement	Amount paid	
State Department for Fisheries, Aquaculture and the Blue Economy	Aquaculture Business Development Project (ABDP)	Jan 2018	96 months	Donor	14,373.00	951.00	650.96	68.5
State Department for Fisheries, Aquaculture and the Blue Economy	Liwatoni Ultra-Modern Fish Hub	Jul 2021	36 months	GOK	14,000.00	200.00	200.00	100

Source: MDAs

4.3 Education Sector

4.3.1 Introduction

The Education Sector comprises six MDAs: The State Department for Early Learning and Basic Education, University Education, Vocational and Technical Training, Post-Training and Skills Development, Implementation of Curriculum Reforms, and Teachers Service Commission (TSC) together with their affiliated Agencies and Institutions.

The Education sector is critical in promoting Kenya's political, social, and economic development by developing all-around individuals who can overcome prevailing societal challenges. The sector envisions attaining quality and inclusive education, training, and research for sustainable development. The Education sector is committed to providing quality education, training, science, technology, research, and skills development to all Kenyans.

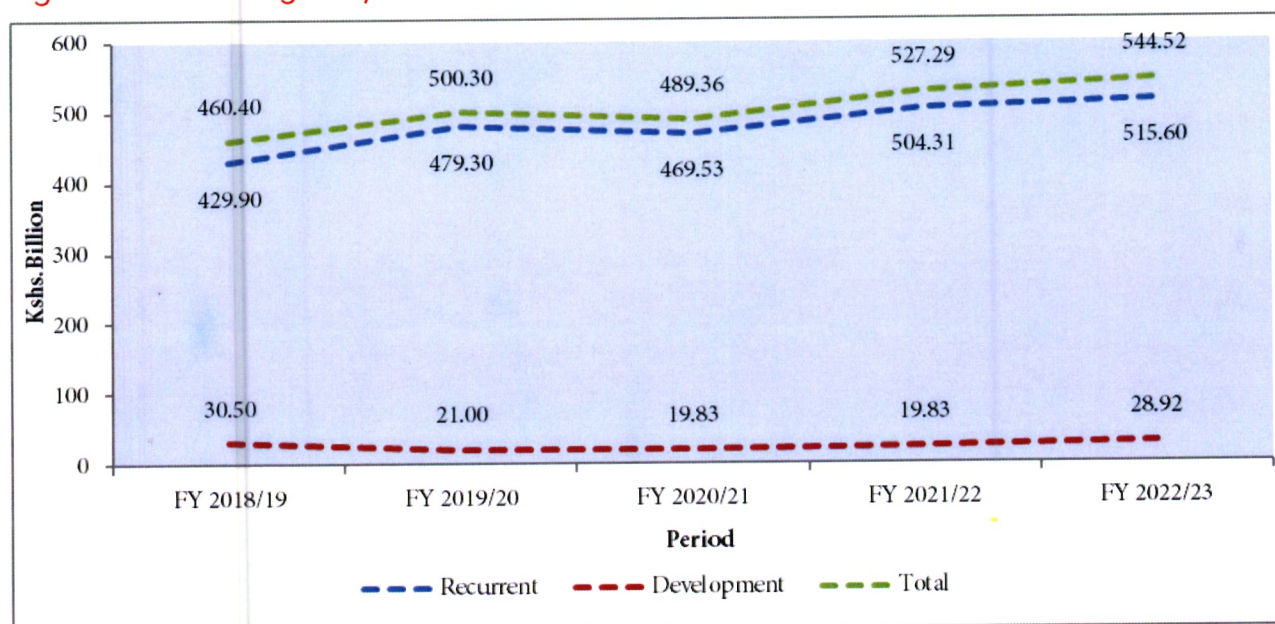
The sector's overall goal is to increase access to education and training, improve the quality and relevance of education, reduce inequality, and leverage knowledge and skills in science, technology, and innovation for global competitiveness. The sector also envisions contributing to achieving the "Big Four Agenda" by providing the requisite skilled human resources and promoting research and development.

4.3.2 Budget Performance for Education Sector

The budgetary allocation to Education in FY 2022/23 amounted to Kshs.544.52 billion, compared to Kshs.527.29 billion allocated in FY 2021/22. The allocation comprised Kshs.28.92 billion (5 per cent) for development activities and Kshs.515.60 billion (95 per cent) for recurrent expenditure. Teachers Service Commission received the highest budgetary allocation at Kshs.298.37 billion (54.8 per cent of the sector's budget), while the State Department for Implementation of Curriculum Reforms had the lowest budgetary allocation at Kshs.339.30 million (less than 1 per cent of the Education sector allocation).

TSC received the highest budgetary allocation due to its vital role in Teacher management. Figure 4.3 shows the budgetary allocation trends of the Education sector for FY 2018/19 to FY 2022/23.

Figure 4.3: Budgetary Allocation Trend for the Education Sector



Source: National Treasury

The total exchequer issues to the Education sector amounted to Kshs.234.54 billion, representing 48 per cent of the sector's net estimates. This amount comprised Kshs.18.02 billion for development expenditure, representing 80.8 per cent of development net estimates, and Kshs.216.53 billion for recurrent spending representing 46.4 per cent of recurrent net estimates. Table 4.4 shows the Education sector analysis of exchequer issues and expenditures first half of FY 2022/23.

Table 4.4: Education Sector-Analysis of Exchequer Issues and Expenditure

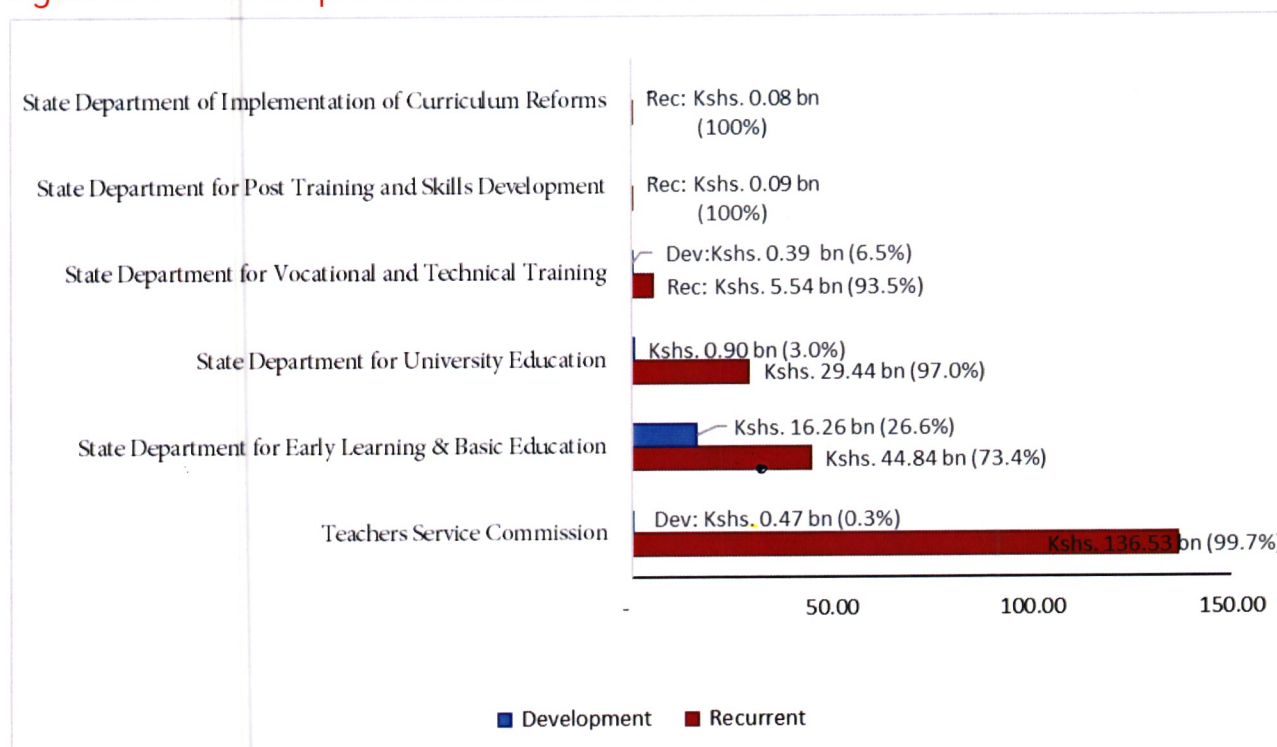
VOTE	Development (Kshs. Billion)						Recurrent (Kshs. Billion)					
	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates
State Department for Vocational and Technical Training	5.83	2.29	0.39	0.96	17.0	16.5	19.10	14.41	5.54	9.64	38.5	50.5
State Department for University Education and Research	6.98	4.18	0.90	1.81	21.4	25.9	102.86	60.48	29.44	35.56	48.7	34.6

VOTE	Development (Kshs. Billion)						Recurrent (Kshs. Billion)					
	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates
State Department for Early Learning and Basic Education	15.38	15.15	16.26	5.29	107.3	34.4	95.30	93.87	44.84	46.24	47.8	48.5
State Department for Post-Training and Skills Development	0.07	0.03	-	-	-	-	0.28	0.28	0.09	0.09	33.3	31.2
State Department for implementation of Curriculum Reforms	-	-	-	-	-	-	0.34	0.34	0.08	0.15	23.7	43.1
Teachers Service Commission	0.66	0.66	0.47	0.22	0.7	33.0	297.72	297.17	136.53	143.22	45.9	48.1
Total	28.92	22.30	18.02	8.27	80.8	28.6	515.60	466.55	216.53	234.89	46.4	45.6
Sector Summary												
							Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates
Development							28.92	22.30	18.02	8.27	80.8	28.6
Recurrent							515.60	466.55	216.53	234.89	46.4	45.6
Total							544.52	488.85	234.54	243.16	48	44.7

Source: MDAs and National Treasury

In the first half of FY 2022/23, the State Department for Early Learning and Basic Education received the highest exchequer issues to net estimates for development expenditure at 107.3 per cent, attributed to several requests made under Article 223 in the review period (see Table 2.9). The State Department for Post Training and Skills Development was not issued with development exchequer during the review period despite having a development allocation of Kshs.73 million.

The State Department for University Education and Research received the highest exchequer issues to net estimates for recurrent expenditure at 48.7 per cent, compared to the State Department for Implementation of Curriculum Reforms, which received the lowest proportion for recurrent expenditure at 23.7 per cent. Figure 4.4 shows the exchequer issues in the Education Sector in the first half of FY 2022/23.

Figure 4.4: Exchequer Issues in the Education Sector

Source: National Treasury

The total expenditure for the Education sector amounted to Kshs.243.16 billion, representing 44.7 per cent of the gross estimates, compared to Kshs.232.06 billion (46 per cent) recorded in a similar period in FY 2021/22. This amount comprised Kshs.8.27 billion for the development budget representing an absorption rate of 28.6 per cent, compared to 28.7 per cent recorded in FY 2021/22, and Kshs.234.89 billion for recurrent expenditure representing 45.6 per cent of the recurrent gross estimates, compared to 46.8 per cent recorded in a similar period in FY 2021/22.

The State Department for Early Learning and Basic Education recorded the highest absorption of the development budget at 34.4 per cent. In comparison, the State Department for Vocational and Technical Training recorded the lowest at 16.5 per cent. The State Department for Vocational and Technical Training recorded the highest percentage of recurrent expenditure to gross estimates at 50 per cent. The State Department for Post-Training and Skills Development recorded the lowest at 31.2 per cent.

4.3.3 Financial Performance by Programmes and Sub-Programmes for Education Sector

The Education sector's budget was to fund 17 programmes and 43 sub-programmes. Table 4.5 summarises the budget execution by programmes in the first half of FY 2022/23.

Table 4.5: Education Sector's Budget Performance by Programmes

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
State Department for Early Learning and Basic Education								

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Primary Education	Free Primary Education	14.72	1.34	16.06	6.65	0.31	6.96	43.3
	Special Needs Education	0.86	0.10	0.96	0.38	0.03	0.41	42.6
	Early Child Development and Education	-	0.02	0.02	0.002	-	0.002	11.4
	Primary Teachers Training and In-service	0.39	0.38	0.77	0.19	0.17	0.36	46.9
	Alternative Basic Adult & Continuing Education	0.06	0.02	0.08	0.02	0.01	0.03	36.0
	School Health, Nutrition, and Meals	1.97	0.02	1.98	1.97	-	1.97	99.3
	ICT Capacity Development	-	0.11	0.11	-	0.004	0.004	3.4
Secondary Education	Free Day Secondary Education	67.79	12.76	80.55	33.57	4.49	38.06	47.3
	Secondary Teachers Education Services	0.24	0.14	0.38	0.12	0.07	0.19	49.8
	Secondary Teachers In-Service	0.28	-	0.28	0.14	-	0.14	50.9
	Special Needs Education	0.20	-	0.20	0.10	-	0.10	50.0
Quality Assurance and Standards	Curriculum Development	1.19	0.30	1.49	0.59	0.15	0.74	49.4
	Examination and Certification	1.48	0.15	1.62	0.07	0.12	0.20	12.1
	Co-Curriculum Activities	0.97	-	0.97	0.42	-	0.42	43.6
General Administration, Planning and Support Services	Headquarters Administrative Services	2.41	0.15	2.56	0.80	-	0.80	31.4
	County Administrative Services	2.75	-	2.75	1.20	-	1.20	43.6
Sub-Total		95.31	15.49	110.78	46.24	5.35	51.59	46.6
State Department for Vocational & Technical Training								
	Technical Accreditation and Quality Assurance	1.05		1.05	0.40	-	0.40	38.1

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Technical Vocational Education and Training	Technical Trainers and Instructor Services	17.59	-	17.59	9.06	-	9.06	51.5
	Special Needs in Technical and Vocational Education	0.22	-	0.22	0.11	-	0.11	50.0
	Infrastructure Development and Expansion	0.22	5.83	6.05	-	0.96	0.96	15.9
Youth Training and Development	Revitalization of Youth Polytechnics	0.04	-	0.04	0.01	-	0.01	33.7
General Administration, Planning, and Support Services	Headquarters Administrative Services	0.20	-	0.20	0.05	-	0.05	25.7
Sub-Total		19.32	5.83	25.15	9.64	0.96	10.60	42.1
State Department for University Education								
University Education	University Education	84.12	6.93	91.04	23.74	1.81	25.55	28.1
	Quality Assurance and Standards	0.29	-	0.29	0.08	-	0.08	28.1
	Higher Education Support Services	17.12	-	17.12	11.22	-	11.22	65.5
Research, Science, Technology, and Innovation	Research Management and Development	0.62	0.06	0.68	0.29	-	0.29	43.2
	Knowledge and Innovation Development and Commercialization	0.10	-	0.10	0.03	-	0.03	31.4
	Science and Technology Development and Promotion	0.27	-	0.27	0.10	-	0.10	38.5
General Administration, Planning, and Support Services	Headquarters Administrative Services	0.35	-	0.35	0.09	-	0.09	26.8
Sub-Total		102.87	6.99	109.85	35.56	1.81	37.37	34.0
State Department for Post Training and Skills Development								
Workplace Readiness Services	Workplace Readiness	0.05	-	0.05	0.01	-	0.01	29.8
	Work-Based Learning Services	0.06	0.07	0.13	0.01	-	0.01	10.4

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Post-Training Information Management	Management of National Skills Inventory	0.01	-	0.01	0.001	-	0.001	12.8
	Skills and Employment Data-Based Management Services	0.03	-	0.03	0.01	-	0.01	17.0
General Administration, Planning, and Support Services	Planning and Administrative Services	0.13	-	0.13	0.06	-	0.06	41.2
Sub-Total		0.28	0.07	0.36	0.09	-	0.09	25.4
State Department for Implementation of Curriculum Reforms								
Coordination of the Curriculum Reforms Implementation	General Administration, Planning, and Support Services	0.26	-	0.26	0.05	-	0.05	17.0
	Coordination of Curriculum Reforms Implementation	0.08	-	0.08	0.02	-	0.02	30.3
Sub-Total		0.34	-	0.34	0.07	-	0.07	20.8
Teachers Service Commission								
Teacher Resource Management	Teacher Management- Primary	180.61	-	180.61	59.74	-	59.74	33.1
	Teacher management - Secondary	106.30	-	106.30	80.30	0.21	80.51	75.7
	Teacher management - Tertiary	2.46	0.60	3.06	0.83	-	0.83	27.2
Governance and Teaching Standards	Quality assurance and standards	0.002	-	0.002	0.001	-	0.001	47.8
	Teacher professional development	0.01	-	0.01	0.002	-	0.002	21.5
	Teacher capacity development	1.15	-	1.15	0.02	-	0.02	1.7
General Administration, Planning, and Support Services	Policy, Planning, and Support Service	6.71	0.06	6.77	2.16	0.01	2.16	32.0
	Field Services	0.21	-	0.21	0.08	-	0.08	36.8
	Automation of TSC Operations	0.21	-	0.21	0.09	-	0.09	41.5
Sub-Total		297.72	0.66	298.37	143.22	0.22	143.43	48.1
Grand Total		515.84	29.04	544.84	234.81	8.33	243.14	44.6

Source: MDAs and National Treasury

In the period under review, School Health, Nutrition and Meals sub-programme under the State Department for Early Learning and Basic Education, and Teacher management - Secondary sub-programme under the Teachers Service Commission recorded the highest absorption of the budget at 99.3 per cent and 75.7 per cent respectively.

Information Communication and Technology capacity building sub-programme under the State Department for Early Learning and Basic Education and Work-based Learning Services sub-programme under the State Department for Post Training and Skills Development recorded the lowest absorption at 3.4 per cent and 10.4 per cent, respectively.

4.3.4 Project Implementation for Education Sector

Most of the development projects are multi-year in nature. In the first half of FY 2022/23, the Education sector incurred a development expenditure of Kshs.8.27 billion representing an absorption rate of 28.6 per cent against a gross development allocation of Kshs.28.92 billion. Table 4.6 summarises the development of some projects with the highest expenditure in the reporting period.

Table 4.6: Education Development Projects with the Highest Expenditure

MDA	Project Name	Project commencement date	Expected Duration of the Project	Source of Funds	Estimated Value of project (Kshs. Mn)	First Half FY 2022/23 (Kshs. Million)		Project Completion rate (%)
						Total Disbursements	Amount paid	
State Department for Early Learning and Basic Education	Kenya Secondary Education Quality Improvement Project	01/01/18	6 years	Foreign	20,000.00	6,792.04	4,286.08	38
State Department for Early Learning and Basic Education	ICT integration in Secondary Schools	08/31/09	16 years	GOK	5,000.00	200.00	189.07	57
State Department for Early Learning and Basic Education	Primary Schools infrastructure Improvement	07/30/10	15 years	GOK	4,500.00	340.00	170.00	47
State Department for Early Learning and Basic Education	Construction of Education Resource Centre at KICD-Phase I	04/01/13	12 and ½ years	GOK	2,833.00	300.00	150.00	48
State Department for Early Learning and Basic Education	Kenya Primary Equity in Learning Program	01/06/20	18 months	GOK/ Foreign	21,000.00	4,317.78	137.72	4
State Department for Early Learning and Basic Education	Construction of PTTCs	08/01/11	14 years	GOK	1,800.00	230.00	96.40	64

MDA	Project Name	Project commencement date	Expected Duration of the Project	Source of Funds	Estimated Value of project (Kshs. Mn)	First Half FY 2022/23 (Kshs. Million)		Project Completion rate (%)
						Total Disbursements	Amount paid	
State Department for Early Learning and Basic Education	ICT Infrastructure to Support Competency-Based Assessment	07/01/21	4 years	GOK	149.70	96.00	96.00	64
State Department for Early Learning and Basic Education	Rehabilitation of PTTCs	08/02/10	15 years	GOK	600.00	147.20	73.60	34
State Department for University Education	Engineering Complex - University of Nairobi	2022/23	2 years	GOK/ Foreign	3,957.88	145.00	145.00	8
State Department for University Education	Construction of KAIST at Konza Technopolis - Directorate of University Education	07/06/17	6 years	GOK/ Foreign	13,300.00	96.20	96.20	16
State Department for Vocational and Technical Training	GOK - AfDB TVET Phase II Headquarters	01/07/15	7 years	Foreign Borrowings and GOK	7,440.00	829.00	384.37	84
State Department for Vocational and Technical Training	East Africa Skills for Transformation and Regional Integration Project (EASTRIP)	01/01/20	4 years	Foreign Borrowings and GOK	4,440.00	500.00	221.86	40
State Department for Vocational and Technical Training	GOK Infrastructure Development and Facilities Upgrading for Public TVET Institutions	01/07/13	17 years	GOK	3,790.13	265.00	154.25	50
Teachers Service Commission	Kenya Secondary Education Quality Improvement	12/01/17	6 years	DO-NOR FUNDING	2,300.00	208.94	208.94	80

Source: MDAs

4.4 Energy, Infrastructure and Information Communications Technology (EI & ICT) Sector

4.4.1 Introduction

This sector consists of nine MDAs: State Departments for Infrastructure, Transport, Shipping and Maritime, Housing and Urban Development, Public Works, Information Communication, Technology and Innovation, Broadcasting and Telecommunications, Ministry of Energy, and Ministry of Petroleum and Mining.

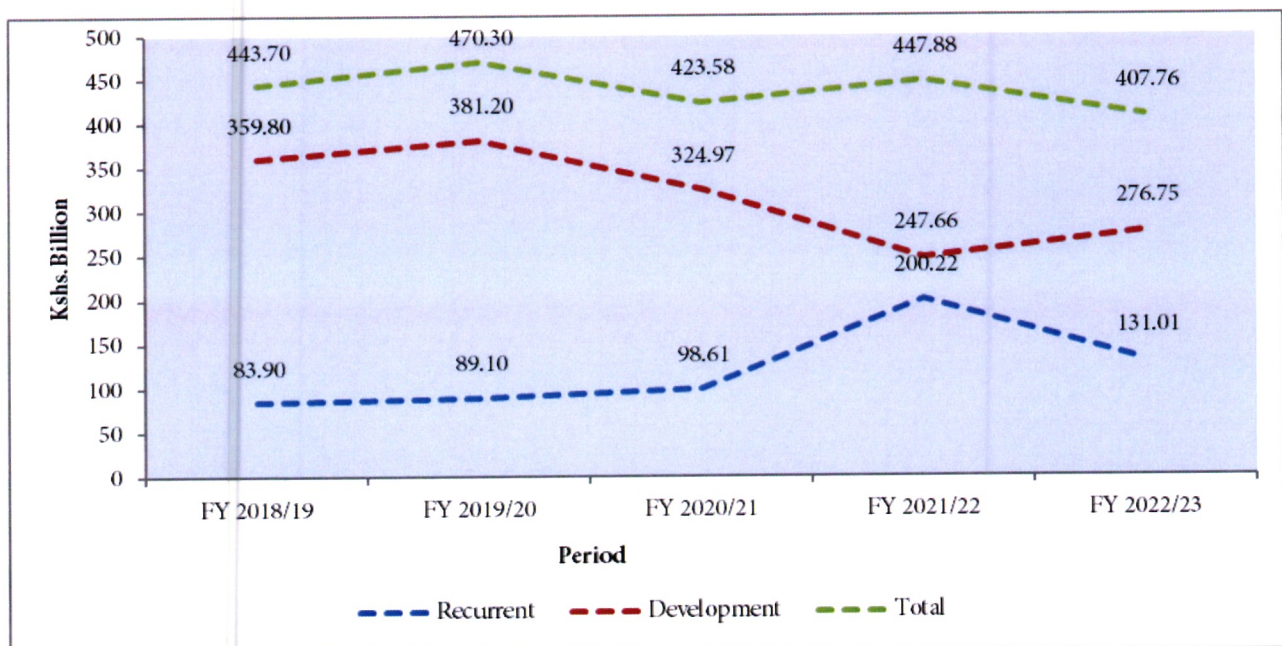
The EI&ICT sector aims to provide an efficient, affordable, and reliable infrastructure critical for the socio-economic transformation underscored in the Third Medium Term Plan (MTP III) 2018-2022 of the Kenya Vision 2030 and catalyses the realisation of the “Big Four Agenda.”

The EI&ICT sector’s critical strategic goals include sustainable transport infrastructure and services, vibrant shipping and maritime industry, affordable and sustainable housing infrastructure, a regulated construction industry, universal access to ICT services, and sufficient, secure, efficient, and affordable energy.

4.4.2 Budget Performance for EI & ICT Sector

The budgetary allocation to the EI&ICT sector in FY 2022/23 was Kshs.407.76 billion, representing 10 per cent of the gross national budget, compared to Kshs.447.89 billion allocated in FY 2021/22. The allocation comprised Kshs.276.75 billion (67.9 per cent), for development programmes and Kshs.131.01 billion (32.1 per cent), for recurrent expenditure. The State Department for Infrastructure received the highest budgetary allocation of Kshs.221.29 billion (54.3 per cent of the sector’s budget), attributed to its critical programmes in the construction of roads and bridges and the country’s rehabilitation and maintenance of roads. The State Department for Shipping and Maritime had the lowest budgetary allocation of Kshs.3.36 billion (less than 1% of the sector’s budget). Figure 4.5 shows the budgetary allocation trend for the EI & ICT Sector for FY 2018/19 to FY 2022/23.

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



Source: National Treasury

The total exchequer issues to the EI&ICT sector amounted to Kshs.53.54 billion, representing 39.4 per cent of the sector's net estimates, comprised of Kshs.23.03 billion for the development exchequer, representing 20.4 per cent of development net estimates and Kshs.30.51 billion the for the recurrent exchequer, representing 134.1 per cent of recurrent net estimates. Table 4.7 shows an EI&ICT sector analysis of exchequer issues and expenditures in the first half of FY 2022/23.

Table 4.7: EI & ICT-Analysis of Exchequer Issues and Expenditure

VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% Of Exchequer to Net estimates	% Of Expenditure to Gross estimates	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% Of Exchequer to Net estimate	% Of Expenditure to Gross estimates
State Department for Infrastructure	151.82	62.88	18.35	45.25	29.2	29.8	69.48	1.66	0.66	22.19	40.0	31.9
State Department for Transport	1.35	1.35	0.02	0.02	1.83	1.7	9.62	0.95	0.15	3.03	16.3	31.4
State Department for Shipping and Maritime.	1.18	0.49	-	0.058	-	4.9	2.18	0.58	0.25	0.92	43.7	42.1
State Department for Housing & Urban Development	19.02	17.84	1.40	3.72	7.8	19.6	1.34	1.34	0.52	0.50	38.7	37.2
State Department for Public Works	1.31	1.06	0.13	0.07	12.1	5.5	3.38	2.47	1.14	1.27	46.1	37.7
State Department for Information Communication Technology & Innovation	16.99	3.99	0.24	2.38	6.0	14.0	2.27	2.16	0.61	1.04	28.4	45.8
State Department for Broadcasting and Telecommunications	0.82	0.82	-	0.20	-	25.0	6.69	4.02	1.96	2.97	48.6	44.4
Ministry of Energy	80.97	24.03	2.88	7.75	12.0	9.6	14.70	8.84	2.32	2.34	26.2	15.9
Ministry of Petroleum and Mining	3.30	0.60	-	0.67	0.0	20.4	21.35	0.73	22.89	60.94	3127.6	285.4

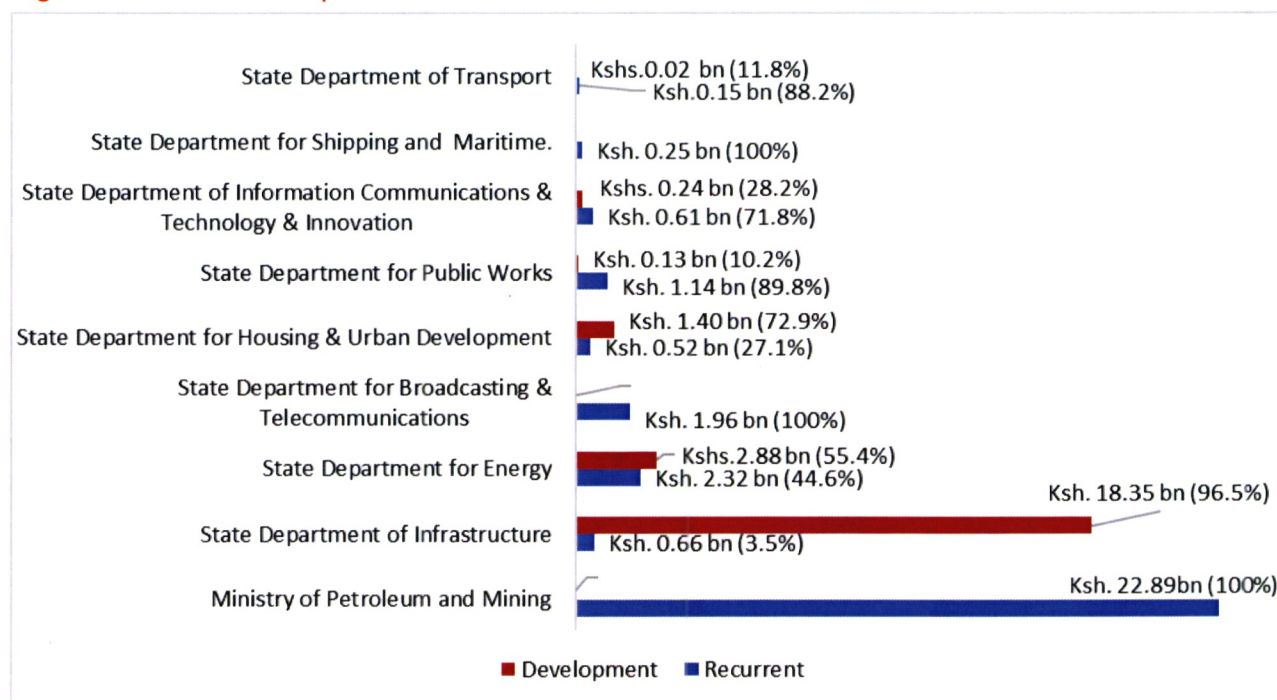
VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% Of Exchequer to Net estimates	% Of Expenditure to Gross estimates	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% Of Exchequer to Net estimate	% Of Expenditure to Gross estimates
Total	276.75	113.05	23.03	60.14	20.4	21.7	131.01	22.75	30.51	95.20	134.1	72.7
Sector Summary												
							Gross estimates	Net estimates	Exchequer Issues	Expenditure	of Exchequer to Net estimates	% of Expenditure to Gross estimates
	Development						276.75	113.05	23.03	60.14	20.4	21.7
	Recurrent						131.01	22.75	30.51	95.20	134.1	72.7
	Total						407.76	135.75	53.54	155.33	39.4	38.1

Source: MDAs and National Treasury

In the period under review, the State Department for Infrastructure received the highest proportion of development exchequer issues to development net estimates at 29.2 per cent. In comparison, despite having development expenditure allocations, various MDAs did not receive development exchequer issues. These include; the State Department for Shipping and Maritime, the State Department for Broadcasting & Telecommunications, and the Ministry of Petroleum and Mining.

On the other hand, the Ministry of Petroleum and Mining recorded the highest proportion of recurrent exchequer issues to recurrent net estimates of 3,127.6 per cent attributed to several requests made under Article 223 in the review period (see Table 2.9). The State Department for Transport recorded the lowest ratio of 16.3 per cent. Figure 4.6 shows the EI & ICT sector's exchequer issues in the first half of FY 2022/23.

Figure 4.6: Exchequer Issues to the EI & ICT Sector



Source: National Treasury

The total expenditure for the EI&ICT sector amounted to Kshs.155.33 billion, representing 38.1 per cent of the gross estimates, compared to Kshs.137.92 billion (40.5 per cent) recorded in FY 2021/22. This amount comprised Kshs.60.14 billion for the development budget representing an absorption rate of 21.7 per cent, compared to 38.7 per cent recorded in FY 2021/22, and Kshs.95.20 billion for recurrent expenditure representing 72.7 per cent of the recurrent gross estimates, compared to 45.5 per cent recorded in FY 2021/22. The State Department for Infrastructure recorded the highest absorption of the development budget at 29.8 per cent. The State Department for Transport recorded the lowest at 1.7 per cent. The Ministry of Petroleum and Mining recorded the highest recurrent expenditure to gross estimates at 285.4 per cent compared to the Ministry of Energy, which record, the lowest at 15.9 per cent.

4.4.3 Financial Performance by Programmes and Sub-Programmes for EI&ICT Sector

The EI & ICT sector budgetary allocation was to fund 28 programmes and 55 sub-programmes. Table 4.8 shows budget execution by programmes.

Table 4.8: EI & ICT Sector's Budget Performance by Programmes

Pro-grammes	Sub-Pro-grammes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption rate (%)
		Recur-rent	Development	Total	Recurrent	Development	Total	
State Department of Transport								
General Admin-istration, Planning and	Human Resourc-es and Support Services	0.26	0.41	0.67	0.11	-	0.11	16.3

Pro-grammes	Sub-Pro-grammes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption rate (%)
		Recur- rent	Development	Total	Recurrent	Development	Total	
Support Services	Financial Man- agement Services	0.01	0.02	0.03	0.004	0.01	0.01	48.2
	Information Communications Services	0.01	-	0.01	0.0007	-	0.0007	7.2
Marine Transport Services	Marine Trans- port	0.80	0.25	1.05	0.01	-	0.01	0.5
Air Transport Services	Air Transport	8.53	0.67	9.21	0.04	0.01	0.05	0.6
Road Transport Services	Road Safety	0.01	-	0.01	0.004	-	0.004	429
Sub-Total		9.62	1.35	10.98	0.17	0.02	0.19	1.7
State Department of Infrastructure								
Road Transport	Construction of Roads and Bridges	-	103.47	103.47	-	21.43	21.43	20.7
	Rehabilitation of Roads	-	39.24	39.24	-	23.43	23.43	59.7
	Maintenance of Roads	66.73	5.24	71.97	21.42	0.53	21.94	30.5
	General Admin- istration, Plan- ning, and Support Services	2.75	3.86	6.61	0.74	0.91	1.65	25.0
Sub-Total		69.48	151.81	221.29	22.16	46.30	68.46	30.9
State Department for Shipping & Maritime Affairs								
Marine Transport	Administrative Services	0.23	0.10	0.33	0.09	-	0.09	27.2
	Shipping Affairs	0.11	-	0.11	0.05	-	0.05	43.7
	Maritime Affairs	1.85	1.08	2.93	0.78	0.06	0.84	28.6
Sub-Total		2.19	1.18	3.37	0.92	0.06	0.98	29.0
State Department for Housing and Urban Development								
Housing Develop- ment and Human Settlement	Housing Devel- opment	0.45	10.32	10.77	0.16	1.84	2.00	18.6
	Estate Manage- ment	0.33	1.02	1.35	0.14	0.49	0.63	46.7
	Delivery of Affordable and Social Housing Units	0.01	2.25	2.26	0.001	0.35	0.35	15.4

Pro-grammes	Sub-Pro-grammes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption rate (%)
		Recur-rent	Development	Total	Recurrent	Development	Total	
Urban and Metropolitan Development	Metropolitan Planning	0.23	2.18	2.41	0.10	0.34	0.44	18.3
	Urban Development and Planning Services	0.05	3.26	3.31	0.002	0.70	0.70	21.2
General Administration, Planning, and Support Services	Administration, Planning & Support Services	0.26	-	0.26	0.09	-	0.09	34.7
Sub-Total		1.33	19.03	20.36	0.50	3.72	4.22	20.7
State Department for Public Works								
Government Buildings	Stalled and new Government buildings	0.55	0.63	1.18	0.24	0.02	0.26	22.4
Coastline Infrastructure and Pedestrian Access	Coastline Infrastructure Development	0.17	0.06	0.23	0.07	0.01	0.08	35.1
	Pedestrian access	-	0.27	0.27	-	0.03	0.03	11.0
General Administration, Planning, and Support Services	Administration, Planning & Support Services	0.32	-	0.32	0.12	-	0.12	36.0
	Procurement, Warehousing, and Supply	0.06	0.01	0.08	0.01	0.00	0.01	18.0
Regulation and Development of the Construction Industry	Regulation of Constructions	2.20	0.28	2.48	1.28	-	1.28	51.5
	Research Services	0.04	0.04	0.08	0.02	0.00	0.02	26.6
	Building Standards	0.03	0.03	0.06	0.004	0.005	0.01	14.8
	BORAQs	0.01		0.01	0.0004	-	0.0004	3.3
	Sub-Total	3.38	1.32	4.71	1.74	0.07	1.81	38.5
State Department for ICT & Innovation								
General Administration Planning and Support Services	General Administration, Planning, and Support Services	0.36	-	0.36	0.16	-	0.16	45.3
ICT Infrastructure Development	ICT Infrastructure Connectivity	5.95	-	5.95	-	0.67	0.67	11.2
	ICT and BPO Development	0.57	9.74	10.32	0.33	1.91	2.24	21.7
	Digital Learning	-	0.07	0.07	-	-	-	-

Pro-grammes	Sub-Pro-grammes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption rate (%)
		Recur-rent	Development	Total	Recurrent	Development	Total	
E-Gov-ernment Services	E-Government Services	1.34	1.23	2.57	0.65	0.12	0.77	29.9
	Sub-Total	8.22	11.04	19.27	1.14	2.69	3.83	19.9
State Department for Broadcasting & Telecommunication					-	-	-	
General Admin-istration Planning and Support Services	General Admin-istration, Plan-ning, and Support Services	0.23	-	0.23	0.09	-	0.09	37.7
Informa-tion and Commu-nication Services	News and Infor-mation Services	4.26	0.39	4.65	1.83	0.09	1.93	41.4
	Brand Kenya Initiative	0.17	0.01	0.18	0.08	0.00	0.09	47.4
	ICT and Media Regulatory Ser-vices	0.84	-	0.84	0.42	-	0.42	49.8
Mass Me-dia Skills Develop-ment	Mass Media Skills Develop-ment	0.23	0.11	0.34	0.11	0.03	0.14	41.9
Film De-velopment Services Pro-gramme	Film Develop-ment Services	0.97	0.31	1.28	0.44	0.08	0.52	40.4
	Sub-Total	6.70	0.82	7.52	2.97	0.20	3.18	42.2
Ministry of Energy					-	-	-	
General Admin-istration Planning and Support Services	Administrative Services	0.25	0.06	0.31	0.08	0.01	0.09	27.4
	Planning and Project Moni-toring	0.03	-	0.03	0.01	-	0.01	32.0
	Financial Ser-vices	0.13	0.15	0.28	0.02	0.03	0.05	17.7
Power Generation	Geothermal generation	1.91	16.62	18.53	0.12	0.20	0.31	1.7
	Development of Nuclear Energy	1.01	0.58	1.59	0.15	0.10	0.24	15.3
	Coal Exploration and Mining	-	0.38	0.38	-	2.91	2.91	766.7
Power Transmis-sion & Dis-tribution	National Grid System	9.91	52.67	62.58	1.79	1.83	3.62	5.8
	Rural Electrifi-cation	1.33	8.31	9.64	0.12	0.30	0.43	4.4

Pro-grammes	Sub-Pro-grammes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption rate (%)
		Recur-rent	Development	Total	Recurrent	Development	Total	
Alternative Energy Technologies	Alternative Energy Technologies	0.13	2.20	2.33	0.05	0.15	0.20	8.5
	Sub-Total	15.08	80.59	95.67	2.34	5.52	7.86	8.2
Ministry of Petroleum and Mining								
Exploration and Distribution of Oil and Gas	Exploration of Oil and Gas	0.09	2.38	2.47	0.02	0.63	0.65	26.5
	Distribution of Oil and Gas	-	0.53	0.53	-	0.01	0.01	2.7
General Administration Planning and Support Services	General Administration and Support Services	20.93	-	20.93	60.83	-	60.83	290.6
Mineral Resource Management	Mineral Resource Development	0.01	0.02	0.03	0.00	-	0.00	5.2
	Geological survey and mineral exploration	0.26	0.15	0.40	0.08	0.00	0.08	19.9
Geological Survey and Geoinformation Management	Geological Survey	0.06	0.20	0.26	0.01	0.03	0.04	13.6
	Geoinformation Management	-	0.03	0.03	-	-	-	-
	Sub-Total	21.35	3.31	24.65	60.94	0.67	61.61	249.9
	Grand Total	138.87	272.39	411.29	93.56	59.66	53.22	37.3

Source: MDAs and National Treasury

In the period under review, the Coal and Mining sub-programme under the Ministry of Energy and General Administration and Support Services under the Ministry of Petroleum and Mining recorded the highest absorption at 766.7 per cent and 290.6 per cent, respectively. The high absorption for the Ministry of Petroleum and Mining is attributed to funds released under Article 223 of the Constitution towards market oil price stabilization.

The Marine and Air Transport sub-programmes under the State Department for Transport recorded the lowest budget absorption at 0.5 per cent and 0.6 per cent, respectively followed by Geothermal Generation under the Ministry of Energy at 1.7 per cent. Project Implementation for EI&ICT Sector

4.4.4 Project implementation for EI&ICT Sector

In the first half of FY 2022/23, the EI & ICT sector incurred a development expenditure of Kshs.60.14 billion representing an absorption rate of 21.7 per cent against a gross development allocation of Kshs.276.75 billion. Table 4.9 summarises the development of some of the projects with the highest expenditure in the EI & ICT sector reporting period.

Table 4.9: EI&ICT Development Projects with the Highest Expenditure

MDA	Project Name	Project commence date	Expected Duration of the Project	Source of Funds	Estimated Value of project (Kshs. Mn)	First Half FY 2022/23 (Kshs. Million)		Project completion rate (%)
						Total Disbursement	Amount paid	
State Department for Energy	Bogoria, Silali Geothermal Projects	Jun 2010	18 Years 6 Months	GOK, LOCAL AIA, DONOR	78,029.09	168.19	2,904.88	24
State Department for Energy	500kV HVDC Eastern Electricity Highway Project (Ethiopia –Kenya Interconnector)	Aug 2018	March 2022	GOK/ ADB/ AFD/ IDA	60,680.00	1,672.00	1,676.00	99
State Department for Energy	Kenya Electricity Modernization project	Jan 2017	5 Years	IDA	24,800.00	920.00	920.00	96
State Department for Energy	Kenya Power Transmission Expansion Project - 132kV Awendo Isebania, 132kV Sultan Hamud Loitoktok and 220kV Isinya Konza	Nov 2017	Dec 2022	GOK/ EX-IM-China	16,000.00	799.00	878.00	60
State Department for Energy	Menengai Geothermal Development Project.2% (300MW)	Jan 2010	17 Years 8 Months	GOK, LOCAL AIA, DONOR	115,926.28	481.86	723.10	85% (105MW) 32% (60MW)
State Department for Energy	Last mile connectivity	Jan 2015	10 Years	AFDB/ EU/EIB/ JICA/ AFD	77,600.00	696.00	696.00	71
State Department for Energy	Retrofitting of Mini-Grids	Jan 2019	5 Years	AFD	3,080.00	596.00	596.00	25
State Department for Energy	kV Rabai, Bamburi and Kilifi	Dec 2018		GOK, Spanish Govt	3,670.00	542.00	543.00	60
State Department for Energy	Electrification of Public Facilities	Jul 2012	11 Years	GOK/DP	67,257.00	497.27	497.27	62
State Department for Energy	kV Multinational Kenya –Tanzania Power Interconnection project	Feb 2017	June 2022	GOK/ ADB	6,819.00	445.00	458.00	94
State Department for Housing & Urban Development	Economic Stimulus Programme (Kazi Mtaani)	2020	4 years	GOK	25,000.00	2,000.00	884.17	71
State Department for Housing & Urban Development	Refurbishment of Government Residential Houses Units	Jul 2018	7 years	GOK	8,927.00	509.00	492.17	71

MDA	Project Name	Project commence date	Expected Duration of the Project	Source of Funds	Estimated Value of project (Kshs. Mn)	First Half FY 2022/23 (Kshs. Million)		Project completion rate (%)
						Total Disbursement	Amount paid	
State Department for Housing & Urban Development	Kenya Urban Programme (KenUp)	Jul 2017	6 years	GOK/Donor	33,690.00	1,166.00	360.17	90
State Department of Information Communications & Technology & Innovation	Konza Engineering, Procurement, Construction and Financing	Mar 2018	5 Years	Italy	43,355.00	2,575.35	1,625.40	81

Source: MDAs

4.5 Environmental Protection, Water, and Natural Resources (EPW&NR) Sector

4.5.1 Introduction

The Environmental Protection, Water, and Natural Resources Sector (EPW&NR) comprises the Ministry of Environment and Forestry, the Ministry of Water, Sanitation and Irrigation, and the State Department for Wildlife.

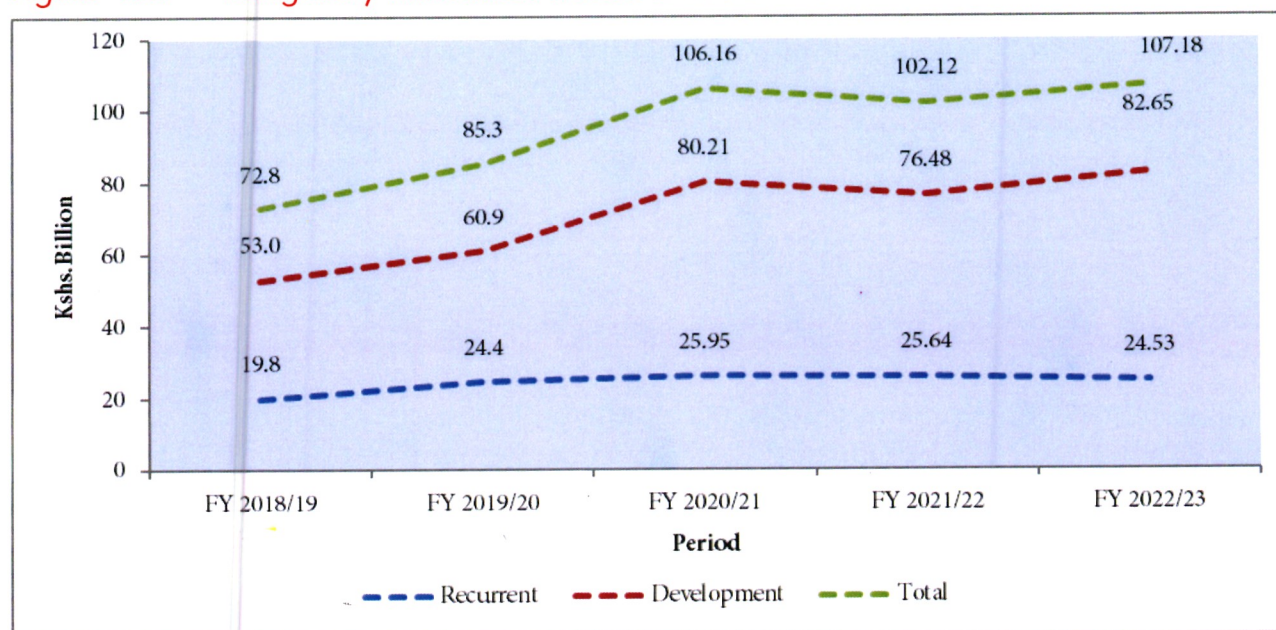
The EPW&NR sector plays a critical role in Kenya's economy, securing, stewarding, and sustaining the environment and natural capital of the country. The overall goal of the EPW&NR sector is to ensure sustainable development in a clean and secure environment. The specific objectives include: providing the policy, the legal and integrated planning framework for sustainable management of the environment and natural resources for socio-economic development, enhancing good governance in the protection, restoration, conservation, development, and management of the environment, and forest resources for sustainable development, enhance control and development of water resources for sustainable social-economic development and to enhance water harvesting and storage for domestic, irrigation and industrial use. The sector also aims to increase land productivity through reclamation, rehabilitate degraded land through irrigation and drainage services, and enhance conservation of wildlife, biological resources, and their habitats for posterity.

4.5.2 Budget Performance for EPW&NR Sector

The annual budgetary allocation to the EPW&NR sector in FY 2022/23 amounted to Kshs.107.18 billion, representing 2.6 per cent of the gross national budget, compared to Kshs.102.12 billion (2.7 per cent) allocated in FY 2021/22.

The allocation comprised Kshs.82.65 billion (77.1 per cent) for development activities and Kshs.24.53 billion (22.9 per cent) for recurrent expenditure. Ministry of Water, Sanitation, and Irrigation received the highest budgetary allocation of Kshs.83.93 billion (78.3 per cent of the sector's share). The State Department for Wildlife had the lowest budgetary allocation of Kshs.7.99 billion (7.5 per cent of the sector's portion). Figure 4.7 shows the budgetary allocation trend for the EPW&NR Sector for FY 2018/19 to FY 2022/23.

Figure 4.7: Budgetary Allocation Trend for the EPW&NR Sector



Source: National Treasury

The total exchequer issues to the EPW&NR sector amounted to Kshs.19.01 billion, representing 31.9 per cent of the sector's net estimates. This amount comprised Kshs.11.14 billion for development expenditure, representing 26.6 per cent of development net estimates, and Kshs.7.87 billion for recurrent spending representing 44.6 per cent of recurrent net estimates. Table 4.10 shows EPW&NR sector analysis of exchequer issues and expenditures in the first half of FY 2022/23.

Table 4.10: EPW&NR Sector-Analysis of Exchequer Issues and Expenditure

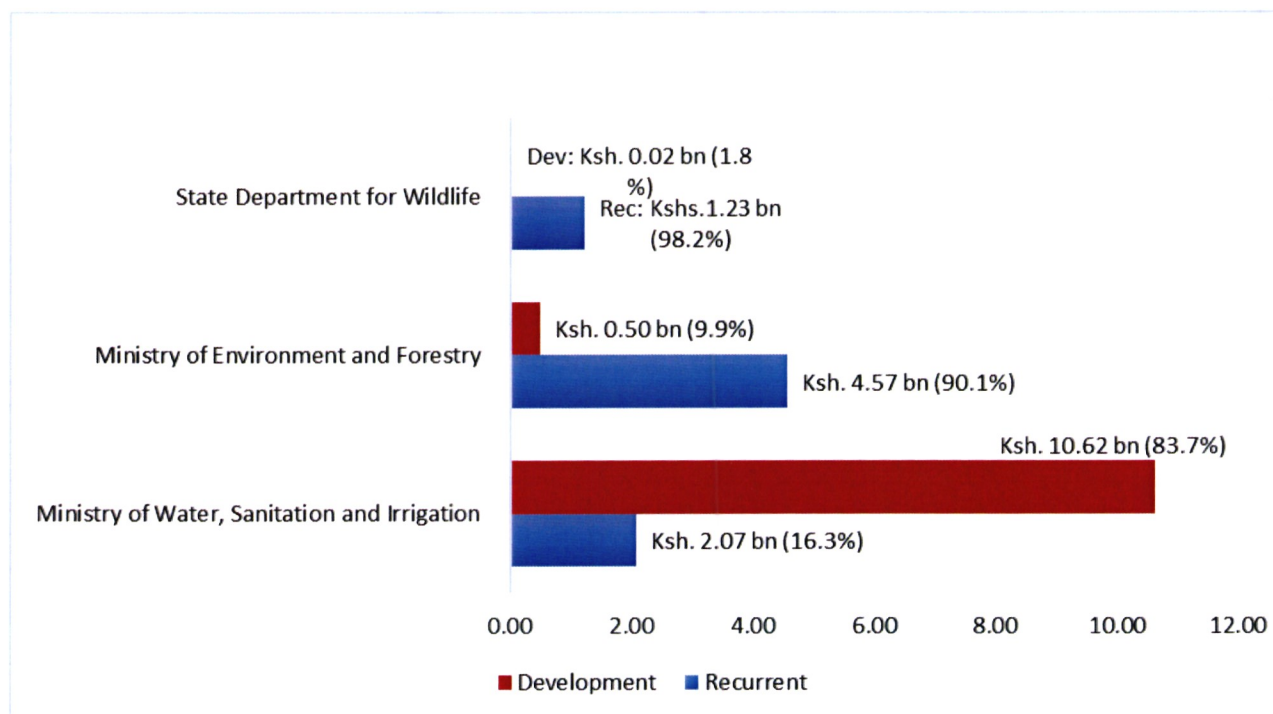
VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% Of Exchequer to Net estimates	% Of Expenditure to Gross estimates	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% Of Exchequer to Net estimates	% Of Expenditure to Gross estimates
Ministry of Water, Sanitation, and Irrigation	77.19	37.90	10.62	12.10	28.0	15.7	6.75	4.36	2.07	2.94	47.6	43.6
Ministry of Environment and Forestry	4.64	3.37	0.50	1.19	14.9	25.7	10.62	9.35	4.57	4.97	48.9	46.8
State Department for Wildlife	0.82	0.69	0.023	0.02	3.3	1.9	7.16	3.95	1.23	2.42	31.1	33.8
Total	82.65	41.95	11.14	13.31	26.6	16.1	24.53	17.65	7.87	10.33	44.6	42.1
Sector Summary												
							Gross estimates	Net estimates	Exchequer Issues	Expenditure	% Of Exchequer to Net estimates	% Of Expenditure to Gross estimates

VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% Of Exchequer to Net estimates	% Of Expenditure to Gross estimates	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% Of Exchequer to Net estimates	% Of Expenditure to Gross estimates
							82.65	41.95	11.14	13.31	26.6	16.1
	Development						82.65	41.95	11.14	13.31	26.6	16.1
	Recurrent						24.53	17.65	7.87	10.33	44.6	42.1
	Total						107.18	59.60	19.01	23.64	31.9	22.1

Source: MDAs and National Treasury

In the period under review, the Ministry of Water, Sanitation and Irrigation received the highest proportion of development exchequer issues to development net estimates at 28 per cent. The State Department for Wildlife received the lowest at 3.3 per cent. The Ministry of Environment and Forestry recorded the highest proportion of recurrent exchequer issues to recurrent net estimates of 48.9 per cent. In contrast, the State Department for Wildlife recorded the lowest ratio of 31.1 per cent. Figure 4.8 shows the exchequer issues to the EPW&NR Sector in the first half of FY 2022/23.

Figure 4.8: Exchequer Issues to EPW&NR Sector



Source: National Treasury

The total expenditure for the EPW&NR sector amounted to Kshs.23.64 billion, representing 22.1 per cent of the gross estimates, compared to the Kshs.26.51 billion (26.2 per cent), recorded in a similar period FY 2021/22. The figure comprised Kshs.13.31 billion for the development budget representing an absorption rate of 16.1 per cent, compared to 22.5 per cent (Kshs.17.2 billion) recorded in a similar period in FY 2021/22 and Kshs.10.33 billion for recurrent expenditure representing 42.1 per cent of the recurrent gross estimates, compared to 38.3 per cent (Kshs.9.38 billion) recorded in a similar period FY 2021/22.

The Ministry of Environment and Forestry recorded the highest absorption on the development budget at 25.7 per cent, while the State Department for Wildlife recorded the lowest at 1.9 per cent. The Ministry of Environment and Forestry recorded the highest recurrent expenditure to gross estimates at 46.8 per cent, while the State Department for Wildlife recorded the lowest at 33.8 per cent.

4.5.3 Financial Performance by Programmes and Sub-Programmes for EPW&NR Sector,

The budgetary allocation to the EPW&NR sector was to fund eleven programmes and 25 sub-programmes. Table 4.11 shows budget execution by programmes and sub-programmes in the first half of FY 2022/23.

Table 4.11: EPW&NR Sectors Budget Performance by Programmes

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Ministry of Water, Sanitation, and Irrigation								
General Administration, Planning, and Support Services	Water Policy Management	0.81	0.87	1.68	0.25	0.18	0.44	26.1
Water Resources Management	Water Resources Conservation and Protection	1.78	13.43	15.21	0.51	2.29	2.81	18.5
	Transboundary Waters	-	0.10	0.10	-	0.04	0.04	43.5
Water and Sewerage Infrastructure Development	Sewerage Infrastructure Development	3.40	33.51	36.91	1.09	4.61	5.69	15.4
	Sanitation Infrastructure Development and Management	-	8.81	8.81	-	0.48	0.48	5.4
Irrigation and Land Reclamation	Land Reclamation	0.05	0.01	0.06	0.02	0.01	0.03	43.2
	Irrigation and Drainage	0.65	8.39	9.04	0.16	2.75	2.91	32.2
	Irrigation Water Management	0.01	-	0.01	0.002	-	0.002	17.6
	Irrigation Administration Services	0.02	-	0.02	0.01	-	0.01	28.1
Water Storage and Flood Control	Water Storage and Flood Control	-	9.01	9.01	-	0.35	0.35	3.8
	Water Harvesting	-	1.00	1.00	-	0.36	0.36	36.1
Water Harvesting and Storage for Irrigation	Water Storage for Irrigation	-	0.76	0.76	-	0.38	0.38	49.7
	Water Harvesting for Irrigation	0.03	1.30	1.33	0.00	0.65	0.65	49.2
	Sub-Total	6.75	77.19	83.94	2.04	12.10	4.14	16.8
Ministry of Environment and Forestry								

Infrastructure Development and Management and Water Storage and Floods Control sub-programmes under the Ministry of Water, Sanitation and irrigation recorded the lowest budget absorption at 5.4 per cent and 3.8 per cent, respectively.

4.5.4 Project Implementation for EWP&NR Sector

In the first half of FY 2022/23, the EWP&NR sector incurred a development expenditure of Kshs.13.31 billion representing an absorption rate of 16.1 per cent against a gross development allocation of Kshs.82.65 billion. Table 4.12 summarises the development of some projects with the highest spending in the reporting period for the EWP&NR sector.

Table 4.12: EWP&NR Development Projects with the Highest Expenditure

MDA	Project Name	Project commencement date	Expected Duration of the Project	Source of Funds	Estimated Value of project (Kshs. Mn)	First Half FY 2022/23 (Kshs. Million)		Project completion rate (%)
						Total Disbursement	Amount paid	
Ministry of Water, Sanitation and Irrigation - Athi Water Works Development Agency	Nairobi Metro Area Bulk Water Sources - Karimenu II	Jan 2018	7	GoK/Foreign	27,500.00	4,149.00	4,149.00	92
Ministry of Water, Sanitation and Irrigation - National Irrigation Authority	National Expanded Irrigation Programme (ESP)	Jun 2012	18	GoK	123,930.00	1,617.00	1,617.00	40
Ministry of Water, Sanitation and Irrigation - Ministry Headquarters	Water and Sanitation Development Project (WSDP)	Dec 2017	5	GoK/Foreign	33,000.00	1,600.00	1,600.00	39
Ministry of Water, Sanitation and Irrigation - Athi Water Works Development Agency	Extension of Nairobi Water Supply (Northern Collector)	Apr 2014	10	GoK/Foreign	11,060.00	1,503.00	1,503.00	85
Ministry of Water, Sanitation and Irrigation - Central Rift Valley Water Works Development Agency	Kenya Town Sustainable Water Supply and Sanitation Programme - RV	Jul 2017	5	GoK/Foreign	15,924.00	1,437.00	1,437.00	80
Ministry of Water, Sanitation and Irrigation - Ministry Headquarters	Water Security and Climate Resilience (Project Advanced) (KWSCR-1)	Jan 2012	12	GoK/Foreign	19,370.00	1,326.00	1,326.00	82

MDA	Project Name	Project com- mence date	Expected Duration of the Project	Source of Funds	Estimated Value of project (Kshs. Mn)	First Half FY 2022/23 (Kshs. Million)		Project comple- tion rate (%)
						Total Dis- bursement	Amount paid	
Ministry of Wa- ter, Sanitation and Irrigation - Athi Water Works Develop- ment Agency	Nairobi Rivers Basin Resto- ration Pros Sewerage Improvement	Jul 2019	5	GoK/Foreign	8,800.00	1,069.00	1,069.00	30
Ministry of Wa- ter, Sanitation and Irrigation - Tana Water Works Develop- ment Agency	Kenya Towns Sustainable Water Supply and Sanitation Programme - Tana	Jan 2017	7	GoK/Foreign	12,172.00	1,043.00	1,043.00	80
Ministry of Wa- ter, Sanitation and Irrigation - National Irri- gation Authority	Household Ir- rigation Water Harvesting Project	Jul 2019	8	GoK	7,680.00	606.00	606.00	70
Ministry of Wa- ter, Sanitation and Irrigation - National Irri- gation Authority	Bura Irrigation Scheme	May 2013	10	GoK/Foreign	7,356.00	593.00	593.00	90
Ministry of Wa- ter, Sanitation and Irrigation - National Irri- gation Authority	Mwea Irriga- tion Develop- ment Project (Thiba dam)	Feb 2011	14	GoK/Foreign	19,967.00	562.00	562.00	90
Ministry of Wa- ter, Sanitation and Irrigation - Lake Victoria South Water Works Develop- ment Agency	Kisumu water supply, Lake Victoria Water and sanitation	Jul 2017	7	GoK/Foreign	7,000.00	514.00	514.00	100
Ministry of Wa- ter, Sanitation and Irrigation - Ministry Headquarters	Upper Tana Natural Resources Management Project	Jul 2012	11	GoK/Foreign	8,660.00	385.00	385.00	90

Source: MDAs

4.6 General Economic and Commercial Affairs (GECA) Sector

4.6.1 Introduction

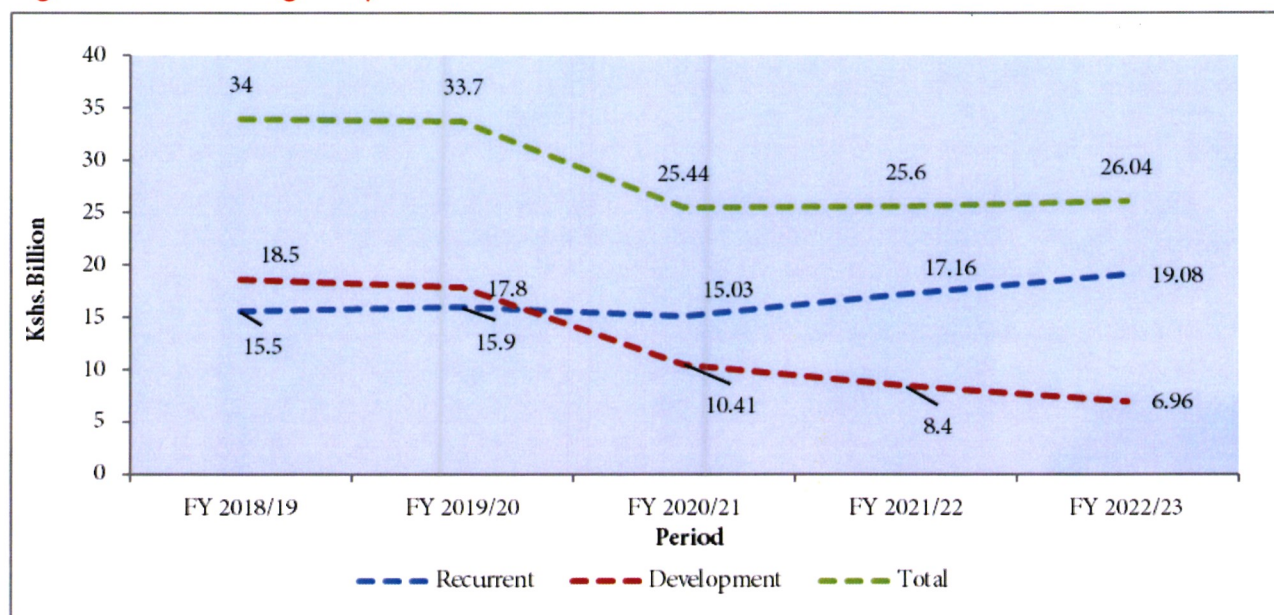
The General Economic and Commercial Affairs (GECA) sector consists of five MDAs: The State Departments for Industrialization, Tourism, Trade and Enterprise Development, East African Community, and Regional and Northern Corridor Development.

The GECA sector’s strategic goals are to promote and develop domestic and regional trade, integration, industrialization, tourism, and regional and northern corridor development.

4.6.2 Budget Performance for GECA Sector

The budgetary allocation to the GECA sector in FY 2022/23 amounted to Kshs.26.03 billion, representing 0.6 per cent of the gross national budget, compared to Kshs.25.56 billion allocated in FY 2021/22. The allocation comprises Kshs.6.96 billion (27.0 per cent) for development activities and Kshs.19.08 billion (73.0 per cent) for recurrent expenditure. The State Department for Tourism received the highest budgetary allocation of Kshs.9.03 billion (34.7 per cent of the sector’s budget). In comparison, the State Department for East African Community had the lowest budgetary allocation of Kshs.0.77 billion (2.9 per cent of the sector’s funding). Figure 4.9 shows the budgetary allocation trend for the GECA Sector from FY 2018/19 to FY 2022/23.

Figure 4.9: Budgetary Allocation Trend for the GECA Sector



Source: National Treasury

In the period under review, the total exchequer issues to the GECA sector amounted to Kshs.6.35 billion, representing 37.3 per cent of the sector’s net estimates. This amount comprised Kshs.1.63 billion for development expenditure, representing 24.4 per cent of development net estimates and Kshs.4.72 billion for recurrent spending representing 45.6 per cent of recurrent net estimates. Table 4.13 analyses exchequer issues and expenditures to the GECA sector in the first half of FY 2022/23.

Table 4.13: GECA Sector-Analysis of Exchequer Issues and Expenditure

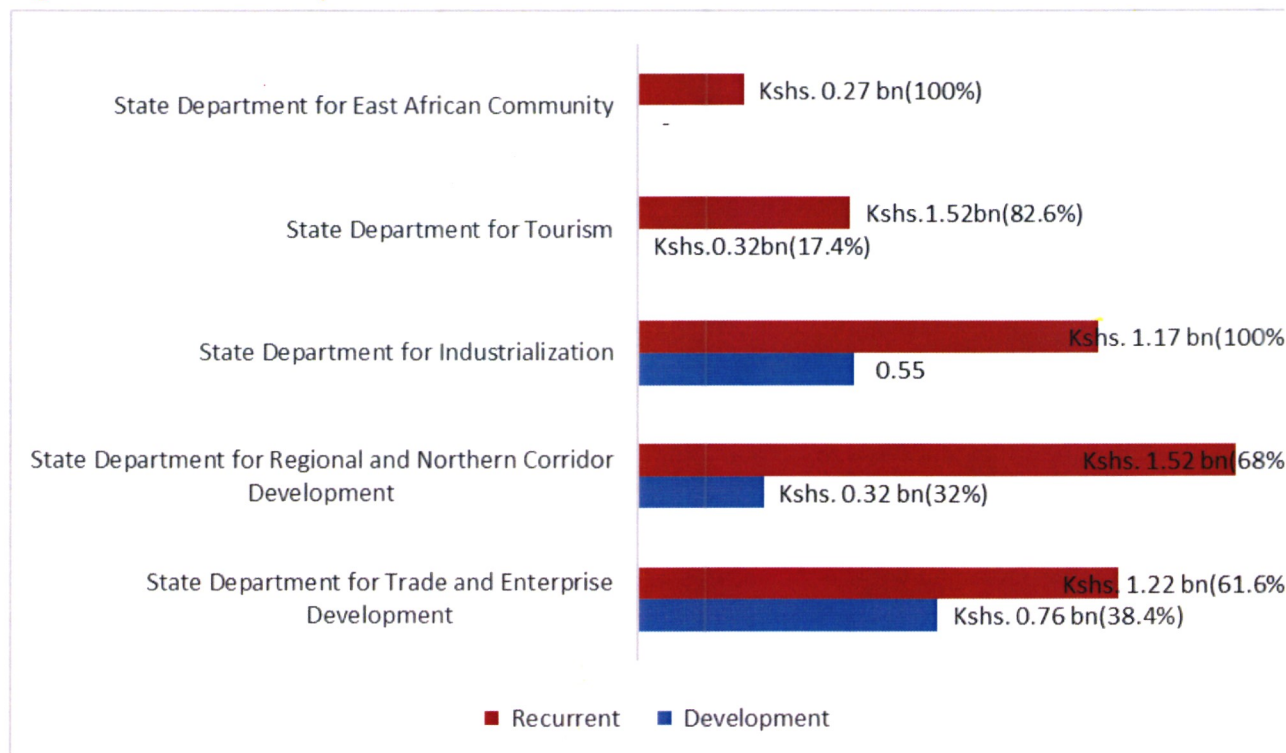
VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates
State Department for Trade and Enterprise Development	1.49	1.49	0.76	0.07	51.3	4.5	2.51	2.47	1.22	1.03	49.1	40.9
State Department for Industrialisation	3.50	3.50	0.55	0.54	15.6	15.5	3.62	2.65	1.17	1.57	44.0	43.3
State Department for East African Community	-	-	-	-	-	-	0.77	0.77	0.27	0.28	34.9	36.1
State Department for Regional and Northern Corridor Development	1.61	1.33	0.32	0.30	23.9	18.5	3.49	3.02	1.52	1.53	50.6	43.7
State Department for Tourism	0.35	0.35	-	-	0.0	0.0	8.68	1.44	0.54	0.53	37.5	6.1
Total	6.96	6.67	1.63	0.91	24.4	13.0	19.08	10.35	4.72	4.93	45.6	25.9
Sector Summary												
							Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates
Development							6.96	6.67	1.63	0.91	24.4	13.1
Recurrent							19.08	10.35	4.72	4.93	45.6	25.8
Total							26.03	17.02	6.34	5.84	37.3	22.4

Source: MDAs and National Treasury

In the period under review, the State Department for Trade and Enterprise Development received the highest proportion of development exchequer issues to development net estimates at 51.3 per cent. The State Department

for Regional and Northern Corridor Development received the lowest at 23.9 per cent. The State Department for Regional and Northern Corridor Development recorded the highest proportion of recurrent exchequer issues to recurrent net estimates at 50.6 per cent. In comparison, State Department for East African Community recorded the lowest ratio of 34.9 per cent. Figure 4.10 shows the exchequer issues to GECA Sector in the first half of FY 2022/23.

Figure 4.10: Exchequer Issues to the GECA Sector



Source: National Treasury

The total expenditure for the GECA sector amounted to Kshs.5.84 billion, representing 22.4 per cent of the gross estimates, compared to Kshs.6.72 billion (32.7 per cent), recorded in a similar period in FY 2021/22. This amount comprised Kshs.906.33 million for the development budget representing an absorption rate of 13.0 per cent, compared to 32.4 per cent (Kshs.2.14 billion) recorded in a similar period in FY 2021/22 and Kshs.4.93 billion for recurrent expenditure representing 25.9 per cent of the recurrent gross estimates, compared to 32.8 per cent (Kshs.4.59 billion) recorded in a similar period in FY 2021/22.

The State Department for Regional and Northern Corridor Development recorded the highest absorption on the development budget at 18.5 per cent. In comparison, the State Department for Trade and Enterprise Development recorded the lowest at 4.5 per cent, attributed to various factors, including delayed disbursement of exchequers, lags in court cases and insufficient funds. The State Department for Tourism, cited multiple reasons for non-performance in its sub-programmes, for example, grants to tourism programs and projects under the Tourism Promotion Fund Delivery Unit experienced delays in the constitution of the new oversight board hence dragging of projects’ approval for funding and disbursement.

The State Department for Regional and Northern Corridor Development recorded the highest absorption of the recurrent budget at 43.7 per cent, while the State Department for Tourism recorded the lowest recurrent budget absorption at 36.1 per cent due to various reasons such as budget cuts under the austerity measures which affected the planned activities for the quarter.

4.6.3 Financial Performance by Programmes and Sub-Programmes for GECA Sector

The budgetary allocation to the GECA sector was to fund 12 programmes and 31 sub-programmes. Table 4.11 shows budget execution by programmes and sub-programmes in the first half of FY 2022/23.

Table 4.14: GECA Sector Budget Performance by Programmes

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
State Department for Industrialization								
General Administration Planning and Support Services	General Administration Planning and Support Services	0.46	-	0.46	0.14	-	0.14	30.0
Industrial Development and Investments	Promotion of Industrial Development and Investments	1.41	0.90	2.30	0.67	0.24	0.91	39.5
	Promotion of Industrial Training	0.23	0.10	0.33	0.03	-	0.03	10.0
Standards and Business Incubation	Standardization, Metrology, and Conformity Assessment	0.40	-	0.40	0.18	-	0.18	43.9
	Business financing & incubation for MSMEs	0.48	1.93	2.40	0.24	0.17	0.41	17.1
	Industrial Research, Development, and Innovation	0.64	0.58	1.22	0.32	0.13	0.45	36.6
Sub-Total		3.62	3.51	7.11	1.57	0.54	2.11	29.7
State Department for Trade and Enterprise Development								
Domestic Trade and Enterprise Development	Promotion of Local Content	0.07	-	0.07	0.04	-	0.04	50.1
	Development, Promotion, and Regulation of Wholesale & Retail Trade	-	0.07	0.07	0.00	0.02	0.02	24.9
	Development, Promotion & Regulation of Micro, Small & Medium Enterprises	0.49	1.37	1.86	0.24	0.05	0.29	15.3

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Fair Trade Practices and Compliance with Standards	Enforcement of Intellectual Property & Trade Remedies Measures	0.45	-	0.45	0.19	-	0.19	41.8
	Enforcement of Legal Metrology	0.07	0.05	0.12	0.03	-	0.03	23.7
	Consumer Protection	0.04	-	0.04	0.02	-	0.02	45.2
International Trade Development and Promotion	Market Diversification and Access	0.46	-	0.46	0.07	-	0.07	15.7
	Export Trade Development, Promotion, and National Branding	0.57	-	0.57	0.28	-	0.28	48.4
General Administration, Planning, and Support Services	General Administration, Planning and Support Services	0.37	-	0.37	0.17	-	0.17	47.0
Sub-Total		2.52	1.49	4.01	1.03	0.07	1.10	27.4
State Department for East African Community								
East African Affairs and Regional Integration	East African Customs Union	0.02	-	0.02	0.01	-	0.01	42.4
	East African Common Market	0.27	-	0.27	0.13	-	0.13	49.1
	EAC Monetary Union	0.03	-	0.03	0.01	-	0.01	46.8
	Kenya-South Sudan Advisory Services	0.12	-	0.12	0.01	-	0.01	8.4
	Business Transformation	0.05	-	0.05	0.02	-	0.02	45.4
	General Administration Planning and Support Services	0.29	-	0.29	0.09	-	0.09	30.9
Sub-Total		0.78	-	0.78	0.28	-	0.28	35.6
State Department for Regional and Northern Corridor Development								

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Integrated Regional Development	Integrated basin-based Development	3.26	1.61	4.88	1.47	0.30	1.77	36.2
	Management of Northern Corridor Integration	0.05	-	0.05	0.02	-	0.02	30.5
	General Administration, Planning, and Support Services	0.19	-	0.19	0.04	-	0.04	22.5
Sub-Total		3.50	1.61	5.12	1.53	0.30	1.83	35.7
State Department for Tourism								
Tourism Development and Promotion	Niche Tourism Product Development and Diversification	3.37	0.12	3.49	0.14	-	0.14	3.9
	Tourism Infrastructure Development	3.48	0.15	3.63	-	-	-	-
	Tourism Training and Capacity Building	0.48	-	0.48	0.04	-	0.04	8.8
Tourism Promotion and Marketing	Destination Marketing	0.48	0.05	0.53	0.14	-	0.14	25.9
	Tourism Promotion	0.48	-	0.48	0.11	-	0.11	22.1
General Administration, Planning and Support Services	General Administration, Planning and Support Services	0.39	0.03	0.42	0.11	-	0.11	25.2
Sub-Total		8.68	0.35	9.03	0.53	-	0.53	5.7
Grand Total		19.10	6.96	26.05	4.94	0.91	5.84	22.4

Source: MDAs and National Treasury

Analysis of GECA sector performance by sub-programmes shows that the Promotional of Local Content sub-programme under the State Department for Trade and Enterprise Development and East African Common Market sub-programmes under the State Department for East African Community recorded the highest absorption of the budget at 50.1 per cent and 49.1 per cent respectively.

Niche Tourism Product Development and Diversification sub-programmes and Tourism Training and Capacity Building sub-programmes under the State Department for Tourism, recorded the lowest budget absorption at 3.9 per cent and 8.8 per cent, respectively.

4.6.4 Project Implementation for GECA Sector

In the first half of the FY 2022/23, the GECA sector development expenditure was Kshs.906.33 million, representing an absorption rate of 13.0 per cent against a gross development allocation of Kshs.6.96 billion. Table 4.15 summarises the development of the projects with the highest spending in the GECA sector in the reporting period.

Table 4.15: GECA Development Projects with the Highest Expenditure

MDA	Project Name	Project commencement date	Expected Duration of the Project	Source of Funds	Estimated Value of project (Kshs. Mn)	First Half FY 2022/23 (Kshs. Million)		Project completion rate (%)
						Total Disbursement	Amount paid	
State Department of Industrialization	Provision of Finances to SMEs in the Manufacturing Sector - KIE	07/01/2020	5	GOK	5,350.00	313.00	157.89	63
State Department of Industrialization	Construction on Industrial Research Laboratories KIRDI - South B	06/01/2013	7	GOK	5,500.00	250.00	125.00	78
State Department of Industrialization	Construction on Investors Sheds - EPZA	07/12/2022	5	GOK	2,693.00	100.00	66.67	-
State Department of Industrialization	Development of Athi-River textile Hub - EPZA	07/01/2014	6	GOK	8,240.00	92.50	46.25	65
State Department of Industrialization	Cotton Development subsidy and Extension Support	07/01/2018	5	GOK	1,187.00	71.39	35.69	31
State Department of Industrialization	Modernization of RIVATEX Machinery	07/01/2015	5	GOK & Donor	7,200.00	66.20	33.10	95
State Department of Industrialization	Nyando Apparel value chain	07/01/2021	2	GOK	118.00	59.00	31.38	42
State Department for Regional and Northern Corridor Development	Jiko Dam	Jul 2022	1	GOK	60.00	60.00	60.00	75
State Department for Regional and Northern Corridor Development	Lichota, Muhoroni and Alupe Solar Irrigation Project	Jul 2015	7	GOK	1,231.00	32.50	32.50	48

MDA	Project Name	Project commencement date	Expected Duration of the Project	Source of Funds	Estimated Value of project (Kshs. Mn)	First Half FY 2022/23 (Kshs. Million)		Project completion rate (%)
						Total Disbursement	Amount paid	
State Department for Regional and Northern Corridor Development	Tana Delta Rice Irrigation Project (TDIP)	Jul 2009	15	GOK	2,924.00	30.00	30.00	44
State Department for Regional and Northern Corridor Development	Kimira-Oluch Smallholder Farm Improvement Project	Jul 2013	2	GOK	8,425.00	22.08	22.08	87
State Department for Regional and Northern Corridor Development	Boji Farmers Irrigation Project	Jul 2019	6	GOK	4,380.00	21.00	21.00	10
State Department for Trade and Enterprise Development	Construction of Constituency Industrial Development Centres ESP-HQ	Jul 2015	6	GOK	1,260.00	50.00	50.00	70

Source: MDAs

4.7 Governance, Justice, Law and Order (GJLO) Sector

4.7.1 Introduction

The GJLO Sector consists of fourteen MDAs, which include the State Department for Interior and Citizen Services, the State Department for Correctional Services, the State Law Office and Department of Justice, The Judiciary, Ethics and Anti-Corruption Commission (EACC), the Office of the Director of Public Prosecutions (ODPP), Office of the Registrar of Political Parties (ORPP), Witness Protection Agency (WPA), Kenya National Commission on Human Rights (KNCHR), Independent Electoral and Boundaries Commission (IEBC), Judicial Service Commission (JSC), National Police Service Commission (NPSC), National Gender and Equality Commission (NGEC), and the Independent Policing Oversight Authority (IPOA) as well as SAGAs and Tribunals under the Judiciary.

The GJLO Sector creates a favourable environment for the country's economic, social, and political development necessary for fulfilling the objectives of the Kenya Vision 2030. It comprises institutions with linkages in peace and security building, correctional services, legal advisory services to government agencies, national government representation in civil proceedings and matters before foreign courts and tribunals, and dispensation of justice. The GJLO Sector also significantly promotes good governance, integrity, and corruption eradication, provides public prosecution services, regulates political parties, and protects witnesses and human rights. Further, the sector also delimits electoral boundaries and manages electoral processes, promoting gender equality, including marginalised groups and communities, and oversight of police operations.

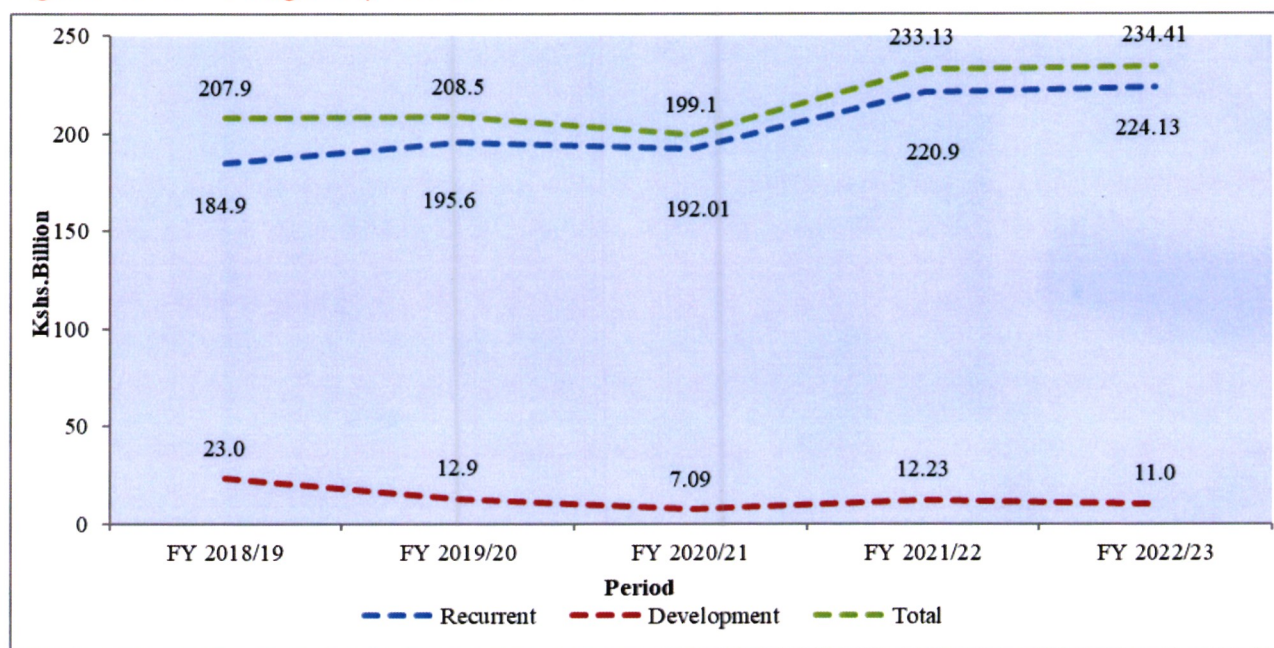
Besides, GJLO Sector plays a role in border management, peace-building and conflict management, registration services, gaming industry regulation, population management services, eradicating drugs and substance abuse, crime research, and government printing services. The Sector also plays a crucial role in ensuring national values and promoting national cohesion.

4.7.2 Budget Performance for GJLO Sector

The budgetary allocation to the GJLO Sector in FY 2022/23 was Kshs.234.41 billion, representing 5.8 per cent of the gross national budget, compared to Kshs.233.12 billion allocated in FY 2021/22. The allocation comprises Kshs.10.28 billion (4.4 per cent) for development activities and Kshs.224.13 billion (95.6 per cent) for recurrent expenditure.

The State Department for interior and Citizen Services received the highest budgetary allocation of Kshs.143.53 billion (61.2 per cent of the sector's share), and this is attributed to the budgetary allocation to the National Police service. In comparison, the Kenya National Commission for Human rights had the lowest budgetary allocation of Kshs.464.36 million (0.2 per cent of the sector's funding). Figure 4.11 shows the budgetary allocation trend for the GJLO sector for FY 2018/19 to FY 2022/23.

Figure 4.11: Budgetary Allocation Trend for the GJLO Sector



Source: National Treasury

In the first half of FY 2022/23, the total exchequer issues to the GJLO sector amounted to Kshs.103.70 billion, representing 44.8 per cent of the sector's net estimates compared to 46 per cent (Kshs.98.43 billion) recorded in a similar period FY 2021/22. The amount comprised Kshs.1.83 billion for development expenditure, representing 18.3 per cent of development net estimates compared to 42.1 per cent (Kshs.4.40 billion) recorded in FY 2021/22, and, Kshs.101.87 billion for recurrent expenditure representing 46.0 per cent of recurrent net estimates compared to 46.2 per cent (Kshs.94.04 billion) recorded in a similar period in FY 2021/22. Table 4.16 shows the GJLO sector analysis of exchequer issues and expenditures in the first half of FY 2022/23.

Table 4.16 GJLO Sector-Analysis of Exchequer Issues and Expenditure

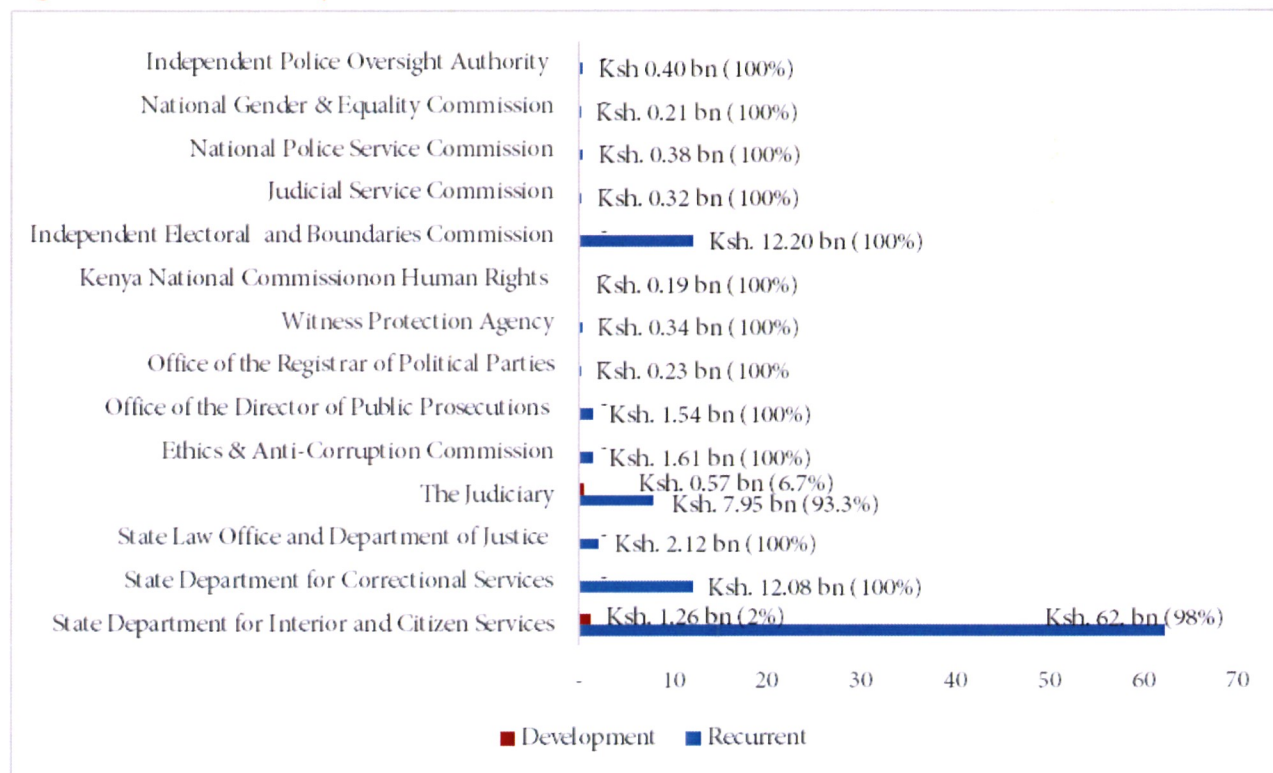
VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates
State Department for Interior and Citizen Services	6.78	6.58	1.26	3.51	19.1	51.7	136.75	134.65	62.28	68.24	46.3	49.9
State Department for Correctional Services	1.17	1.10	-	0.02	0.0	1.4	31.05	31.05	12.08	11.57	38.9	37.3
State Law Office and Department of Justice	0.22	0.22	-	0.03	0.0	12.6	5.18	4.61	2.12	2.13	46.0	41.1
The Judiciary	1.90	1.90	0.57	0.40	30.1	21.2	16.40	16.40	7.95	7.46	48.5	45.5
EACC	0.16	0.16	-	-	0.0	0.0	3.42	3.42	1.61	1.82	47.2	53.2
ODPP	0.05	0.05	-	0.00	0.0	0.1	3.28	3.28	1.54	1.66	47.0	50.7
ORPP	-	-	-	-	-	-	2.13	2.13	0.23	0.96	10.7	45.1
WPA	-	-	-	-	-	-	0.65	0.65	0.34	0.27	52.4	41.6
KNCHR	-	-	-	-	-	-	0.46	0.46	0.19	0.25	41.8	52.9
IEBC	-	-	-	-	-	-	21.69	21.69	12.20	14.91	56.3	68.8
JSC	-	-	-	-	-	-	0.59	0.59	0.32	0.28	54.7	48.3
NPSC	-	-	-	-	-	-	1.03	1.03	0.38	0.41	37.0	39.9
NGEC	0.01	0.01	-	0.00	0.0	0.9	0.47	0.47	0.21	0.22	45.1	45.9
IPOA	-	-	-	-	-	-	1.02	1.02	0.40	0.44	39.4	42.9
Total	10.28	10.01	1.83	3.95	18.3	38.5	224.13	221.46	101.87	110.61	46.0	49.4
Sector Summary												
							Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates
							10.28	10.01	1.83	3.95	18.3	38.5
							224.13	221.46	101.87	110.61	46.0	49.4

VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates
Total							234.41	231.47	103.7	114.56	44.8	48.9

Source: MDAs and National Treasury

In the period under review, the Judiciary received the highest proportion of development exchequer issues to development net estimates at 30.1 per cent. In comparison, several MDAs within the sector did not receive any development exchequer despite having a development allocation; this includes, the State Department for Correctional Services, the State Law Office and Department of Justice, the Ethics & Anti-Corruption Commission, Office of the Director of Public Prosecutions, and the National Gender & Equality Commission. The Independent Electoral and Boundaries Commission recorded the highest proportion of recurrent exchequer issues to recurrent net estimates of 56.3 per cent. In comparison, the State Department for Office of Registrar of Political Parties recorded the lowest ratio at 10.7 per cent. Figure 4.12 shows the exchequer issues to the GJLO Sector in the first half of FY 2022/23.

Figure 4.12: Exchequer Issues to the GJLO Sector



Source: National Treasury

The total expenditure for the GJLO sector amounted to Kshs.114.57 billion, representing 48.9 per cent of the gross estimates, compared to 47.3 per cent (Kshs.102.81 billion) recorded in a similar period in FY 2021/22. This amount comprised Kshs.3.95 billion for the development budget representing an absorption rate of 38.5

per cent, compared to 59.4 per cent (Kshs.6.53 billion) recorded in FY 2021/22 and Kshs.110.61 billion for recurrent expenditure representing 49.4 per cent of the recurrent gross estimates, compared to 46.7 per cent (Kshs.96.28 billion) recorded in FY 2021/22.

The State Department for Interior and Citizen Services recorded the highest absorption on the development budget at 51.7 per cent. In comparison, the State Department for Office of the Director of Public Prosecutions recorded the lowest at 0.1 per cent. Independent Electoral and Boundaries Commission recorded the highest proportion of recurrent expenditure to gross estimates at 68.8 per cent. In comparison, the State Department for Correctional Services recorded the lowest at 37.3 per cent.

4.7.3 Financial Execution by Programmes and Sub-Programmes for GJLO Sector

The GJLO sector allocation was to fund 25 programmes and 58 sub-programmes. Table 4.17 shows budget execution by programmes and sub-programmes by the GJLO sector in the first half of FY 2022/23.

Table 4.17: GJLO Sector Budget Performance by Programmes

Pro-grammes	Sub-Pro-grammes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
State Department for Interior and Citizen Services								
Policing services	Kenya Police Services	53.03	1.08	54.11	28.41	0.43	28.84	53.3
	Administration Police Services	24.35	0.08	24.43	11.39	0.03	11.42	46.7
	Criminal Investigation Services	8.24	0.56	8.80	3.92	0.40	4.33	49.2
	General-Para-military Service	15.69	0.08	15.78	7.45	-	7.45	47.2
Planning, Policy Co-ordination, and Support Services	National Campaign Against Drug and Substance Abuse	0.62	0.10	0.72	0.31	-	0.31	43.4
	NGO Regulatory Services	0.25		0.25	0.11	-	0.11	43.9
	Crime Research	0.18		0.18	0.09	-	0.09	49.7
Government Printing Services	Government Printing Services	0.74	0.30	1.04	0.34	0.02	0.36	34.4
Road Safety	Road Safety	2.30	0.52	2.83	0.52	0.37	0.88	31.3
Population Registration Services	National Registration Bureau	3.07	0.94	4.01	1.67	0.91	2.58	64.3
	Civil Registration Services	0.84	0.07	0.91	0.39	0.01	0.40	44.4
	Integrated Personal Registration Services	0.09	0.22	0.31	0.04	0.04	0.09	28.7

Pro-grammes	Sub-Pro-grammes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
General Admin-istration, Planning, and Support Services	National Gov-ernment Coordi-nation Services	23.53	1.83	25.35	11.76	0.64	12.40	48.9
	Betting Control & Lottery Policy Services	0.11		0.11	0.05	-	0.05	44.3
	Disaster Risk Reduction	0.04		0.04	0.02	-	0.02	39.4
	Peace Building, National Cohe-sion, and Values	0.45	0.05	0.50	0.22	-	0.22	44.7
	Government Chemist Services	0.42	0.01	0.43	0.19	-	0.19	44.6
Migration and Citizen Services Management	Immigration Services	2.58	0.95	3.53	1.27	0.66	1.93	54.6
	Refugee Affairs	0.20		0.20	0.08	-	0.08	40.1
Sub-Total		136.73	6.79	143.53	68.24	3.51	71.74	50.0
State Department for Correc-tional Services		-		-	-	-	-	
Prison Services	Offender Ser-vices	28.14	0.88	29.02	10.52	0.02	10.54	36.3
	Capacity Devel-opment	0.71		0.71	0.31	-	0.31	43.6
Probation and After Care Ser-vices	Probation Ser-vices	1.75	0.20	1.95	0.65	-	0.65	33.4
	After Care Services	0.10	0.07	0.16	0.01	-	0.01	9.0
General Admin-istration, Planning, and Support Services	Planning, Policy Coordination, and Support Service	0.36	0.02	0.37	0.08	-	0.08	20.5
Sub-Total		31.06	1.17	32.21	11.57	0.02	11.59	36.0
State Law Office and Depart-ment of Justice								

Pro-grammes	Sub-Pro-grammes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Legal Ser- vices	Civil litigation and Promotion of legal and ethical Standards	1.12		1.12	0.46	-	0.46	41.2
	Legislations, Treaties, and Ad- visory Services	0.27		0.27	0.13	-	0.13	48.1
	Public Trusts and Estates man- agement	0.32		0.32	0.15	-	0.15	47.8
	Registration Services	0.63		0.63	0.31	-	0.31	48.4
	Copyrights Protection	0.14		0.14	0.07	-	0.07	47.4
Gover- nance, Legal Training, and Con- stitutional Affairs	Governance Reforms	0.32	0.08	0.40	0.11	-	0.11	27.4
	Constitutional and Legal Re- forms	0.66		0.66	0.34	-	0.34	51.5
	Legal Education Training and Policy	0.92	0.06	0.97	0.18	0.03	0.21	21.9
General Admin- istration, Planning, and Support Services	Transformation of Public legal services	0.18		0.18	0.08	-	0.08	47.2
	Administrative services	0.63	0.09	0.72	0.29	-	0.29	40.5
	Sub-Total	5.19	0.23	5.41	2.13	0.03	2.15	39.8
The Judiciary								
Dispen- sation of Justice	Access to Justice	11.51	1.90	13.41	5.22	0.28	5.50	41.0
	General Admin- istration Plan- ning and Support Services	4.89		4.89	2.24	0.12	2.36	48.2
	Sub-Total	16.40	1.90	18.30	7.46	0.40	7.86	42.9
Ethics and Anti-Corruption Commission								
Ethics and Anti-Cor- ruption	Ethics and An- ti-Corruption	3.42	0.16	3.58	1.82	-	1.82	50.9
	Sub-Total	3.42	0.16	3.58	1.82	-	1.82	50.9
Office of Director of Public Prosecutions								
Public Prosecution Services	Prosecution of criminal offences	3.28	0.05	3.33	1.66	0.00	1.66	50.0
	Sub-Total	3.28	0.05	3.33	1.66	0.00	1.66	50.0

Pro-grammes	Sub-Pro-grammes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Office of the Registrar of Political Parties								
Registration, Regulation, and Funding of Political Parties	Registration and regulation of political parties	0.63		0.63	0.22	-	0.22	34.7
	Funding of political parties	1.48		1.48	0.74	-	0.74	49.8
	Political party's liaison committee	0.02		0.02	0.00	-	0.00	1.8
	Sub-Total	2.13	-	2.13	0.96	-	0.96	44.9
Witness Protection Agency								
Witness Protection	Witness Protection	0.65		0.65	0.31	-	0.31	48.1
	Sub-Total	0.65	-	0.65	0.31	-	0.31	48.1
Kenya National Commission of Human Rights								
Protection and Promotion of Human Rights	Complaints, Investigations, and redress	0.46		0.46	0.25	-	0.25	53.4
	Sub-Total	0.46	-	0.46	0.25	-	0.25	53.4
Independent Electoral and Boundaries Commission								
Management of Electoral Processes	General Administration Planning and Support Services	5.06		5.06	2.38	-	2.38	47.0
	Voter Registration and Electoral Operations	14.55		14.55	12.11	-	12.11	83.2
	Voter Education and Partnerships	0.52		0.52	0.16	-	0.16	30.4
	Electoral Information and Communication Technology	1.24		1.24	0.22	-	0.22	17.9
Delimitation of Electoral Boundaries	Delimitation of Electoral Boundaries	0.32		0.32	0.04	-	0.04	13.7
	Sub-Total	21.69	-	21.69	14.91	-	14.91	68.8
Judicial Service Commission								

Pro-grammes	Sub-Pro-grammes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
General Admin-istration, Planning, and Support Services	Administration and Judicial Services	0.41		0.41	0.28	-	0.28	69.1
	Judicial Training	0.18		0.18	-	-	-	-
	Sub-Total	0.59	-	0.59	0.28	-	0.28	48.1
National Police Service Commission								
National Police Service Human Resource Management	Human Resource Management	0.59		0.59	0.25	-	0.25	42.2
	Administration and Standards Setting	0.31		0.31	0.07	-	0.07	23.4
	Counselling Management Services	0.14		0.14	0.09	-	0.09	63.87
	Sub-Total	1.04	-	1.04	0.41	-	0.41	39.52
National Gender and Equality Commission								
Promotion of Gender Equality and Freedom from Discrimination	Legal Compliance and Redress	0.02		0.02	-	-	-	-
	Mainstreaming and Coordination	0.01	0.01	0.02	-	-	-	-
	Public Education, Advocacy, and Research	0.02		0.02	-	-	-	-
	General Administration Planning and Support Services	0.42		0.42	0.22	0.00	0.22	51.7
	Sub-Total	0.47	0.01	0.48	0.22	0.00	0.22	45.2
Independent Police Oversight Authority								
Policing Oversight Services	Policing Oversight Services	1.02		1.02	0.44	-	0.44	43.1
	Sub-Total	1.02	-	1.02	0.44	-	0.44	43.1
	Grand Total	224.13	10.31	234.42	110.66	3.95	114.6	48.9

Source: MDAs and National Treasury

In the period under review, Voter Registration and Electoral Operations sub-programmes under IEBC and Administration and Judicial Services under Judicial Service Commission recorded the highest budget absorption at 83.2 per cent and 69.1 per cent, respectively. On the other hand, Political Party's Liaison Committee sub-

programme under the Office of the Registrar of Political Parties and After Care Services sub-programme under the State Department for Correctional Services recorded the lowest absorption of the budget at 1.8 per cent and 9.0 per cent.

4.7.4 Project Implementation for GJLO Sector

In the first half of FY 2022/23, the GJLO sector incurred a development expenditure of Kshs.3.95 billion representing an absorption rate of 38.5 per cent against a gross development allocation of Kshs.10.28 billion. Table 4.18 summarises the development of some of the projects with the highest spending reporting period in the GJLO sector.

Table 4.18: GJLO Development Projects with the Highest Expenditure

MDA	Project Name	Project commencement date	Expected Duration of the Project	Source of Funds	Estimated Value of project (Kshs.)	First Half FY 2022/23 (Kshs. Million)		Projection completion rate (%)
						Total Disbursement	Amount paid	
State Department for Interior and Citizen Services	Supplies for ID cards materials	01/07/2014	8 Years	GOK	10,000.00	900.00	874.87	68
State Department for Interior and Citizen Services	Purchase of e-Passport books	01/07/2016	9 Years	GOK	4,500.00	780.00	599.55	58
State Department for Interior and Citizen Services	National Secure Communication and Surveillance System	01/07/2016	9 Years	GOK	17,290.68	562.50	537.18	100
State Department for Interior and Citizen Services	Police Modernization Programme.	07/01/2013	10 Years	GOK	143,000.00	880.00	431.85	30
State Department for Interior and Citizen Services	Equipping and training for the National Forensics Lab	07/01/2017	8 Years	GOK	7,000.00	401.25	399.74	41
State Department for Interior and Citizen Services	Horn of Africa Gateway Development Project	22/01/2021	8 Years	GOK & Foreign	3,089.06	517.44	366.06	4
The Judiciary	Mombasa Law Courts	28/9/2016	78 Weeks	IDA	445.17	50.00	359.80	81
The Judiciary	Kajiado Law Courts	15/03/2018	78 Weeks	IDA	398.41	17.60	347.80	87
The Judiciary	Nakuru Law Courts	2/18/2016	110 Weeks	IDA	347.77	17.40	347.77	100
The Judiciary	Makueni Law Courts	25/09/17	78 Weeks	IDA	410.10	18.00	346.45	84
The Judiciary	Kapenguria Law Courts	21/03/2017	78 Weeks	IDA	400.88	17.50	344.84	86
The Judiciary	Garissa Law Courts	1/22/2016	110 Weeks	IDA	351.32	17.60	342.75	98
The Judiciary	Kakamega Law Courts	21/9/2017	78 Weeks	IDA	387.66	-	338.74	87

Source: MDAs

4.8 Health Sector

4.8.1 Introduction

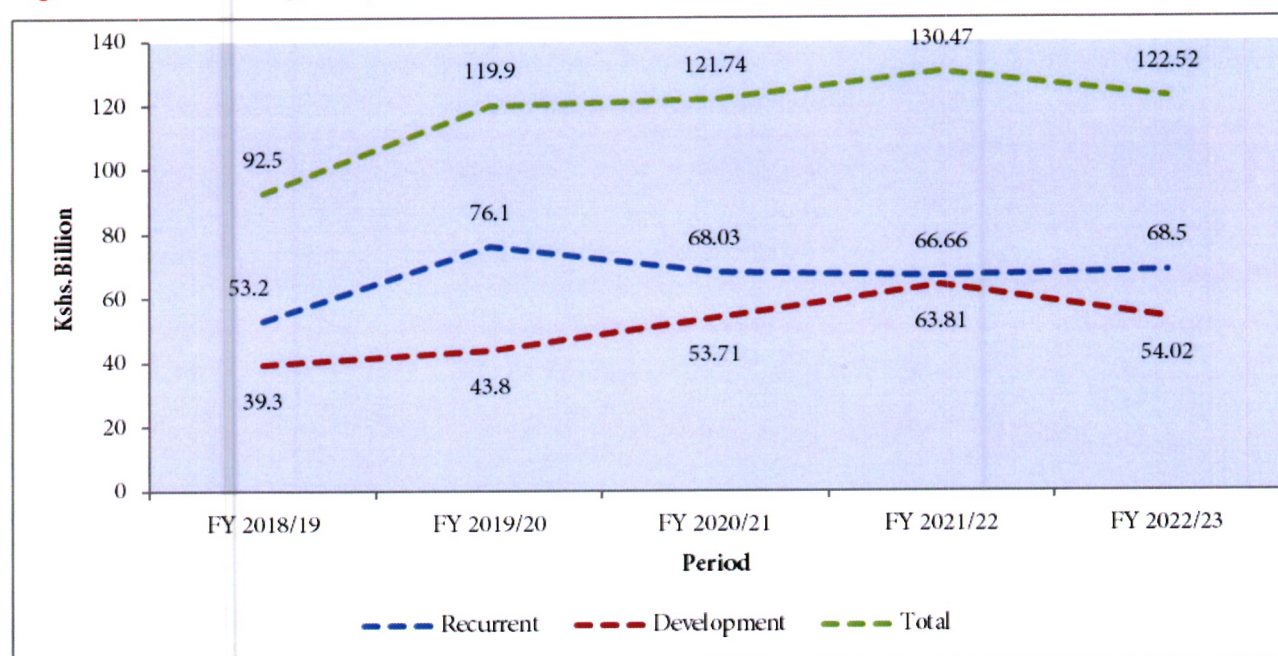
Health is a devolved function under the Fourth Schedule of the Constitution of Kenya. The national level Health sector is responsible for providing and coordinating health policy formulation, ensuring quality service delivery, and regulating health care.

The sector comprises of Ministry of Health and Semi-Autonomous Government Agencies, namely: Kenyatta National Hospital, Moi Teaching and Referral Hospital, Kenya Medical Research Institute, Kenya Medical Supplies Authority, Kenya Medical Training College, National Acquired Immune Deficiency Syndrome (AIDS) Control Council, Kenyatta University Teaching, Referral and Research Hospital, National Cancer Institute of Kenya, Kenya Nuclear Regulatory Authority and the National Health Insurance Fund.

4.8.2 Budget Performance for Health Sector

The budgetary allocation to the Health sector in FY 2022/23 amounts to Kshs.122.52 billion, representing 3 per cent of the gross national budget, compared to Kshs.130.47 billion allocated in FY 2021/22. The allocations comprised Kshs.54.02 billion (44.1 per cent) for development activities and Kshs.68.5 billion (55.9 per cent) for recurrent expenditure. Figure 4.13 shows the budgetary allocation for the Health sector for FY 2018/19 to FY 2022/23.

Figure 4.13: Budgetary Allocation Trend for the Health Sector



Source: National Treasury

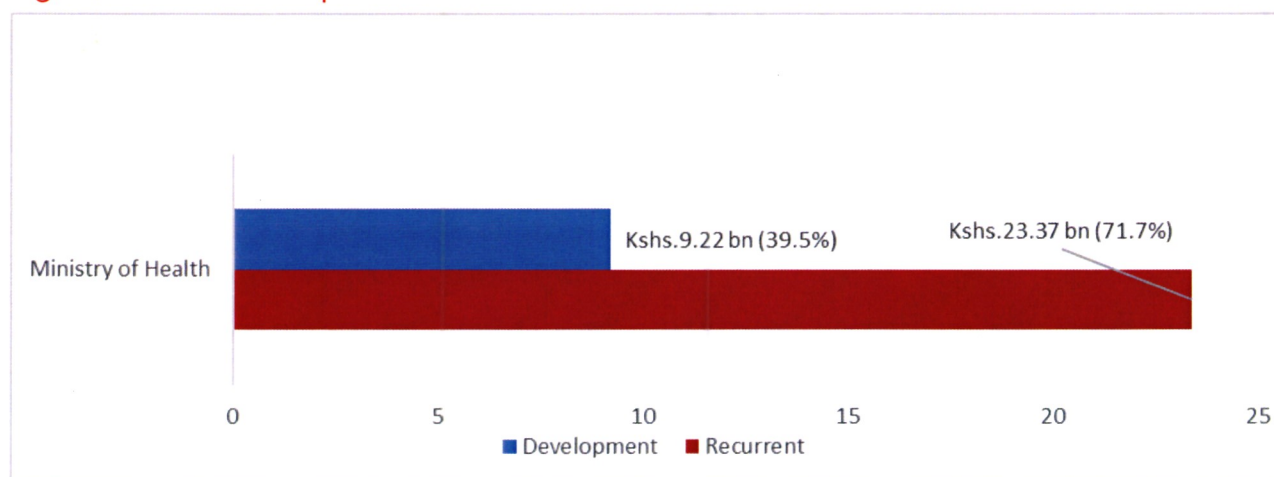
Total exchequer issues to the Health sector amounted to Kshs. 32.59 billion, representing 36.8 per cent of the sector's net estimates, comprised of Kshs. 9.22 billion for development expenditure, representing 23.2 per cent of development net estimates and Kshs.23.37 billion for recurrent spending representing 47.8 per cent of recurrent net estimates. Table 4.19 shows the Health sector analysis of exchequer issues and expenditures in the first half of FY 2022/23.

Table 4.19: Health Sector-Analysis of Exchequer Issues and Expenditure

VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates
Ministry of Health	54.02	39.76	9.22	11.29	23.2	20.9	68.5	48.84	23.37	22.28	47.8	32.5
Total	54.02	39.76	9.22	11.29	23.2	20.9	68.5	48.84	68.5	48.84	23.37	22.28
Sector Summary												
							Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates
							54.02	39.76	9.22	11.29	23.2	20.9
							65.50	48.84	23.37	22.28	47.8	32.5
							122.52	88.59	32.59	33.57	36.8	27.4

Source: MDAs and National Treasury

Figure 4.14 shows the exchequer issues to the Health Sector in the first half of FY 2022/23.

Figure 4.14: Exchequer Issues in the Health Sector

Source: National Treasury

The total expenditure for the Health Sector in the period under review amounted to Kshs.33.57 billion, representing 27.4 per cent of the gross budget compared to Kshs.44.74 billion (36.9 per cent) recorded in a similar period FY 2021/22. This amount is comprised of Kshs.11.29 billion spent on development activities representing an absorption rate of 20.9 per cent, compared to 39.8 per cent (Kshs.22.35 billion) in a similar period in FY 2021/22 and Kshs.22.28 billion on recurrent activities representing 32.5 per cent on recurrent gross estimates, compared to 34.5 per cent (Kshs.22.38 billion) recorded in a similar period in FY 2021/22.

4.8.3 Financial Execution by Programmes and Sub-Programmes for Health Sector

The Health sector allocation accommodates five programmes and 21 sub-programmes under the Ministry of Health. Table 4.20 shows budget execution by programmes and sub-programmes in the Health sector in the first half of FY 2022/23.

Table 4.20: Health Sector Budget Performance by Programmes

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Preventive, Promotive Reproductive Maternal Neo-natal Child and Adolescent Health (RMNCAH)	Non-Communicable Disease Prevention and Control	0.29	0.49	0.78	0.13	0.07	0.20	26.1
	Reproductive Maternal Neo-natal Child & Adolescent Health-RM-NCAH	0.14	7.75	7.89	0.05	1.00	1.05	13.4
	Radiation Safety and Nuclear Security	0.18	-	0.18	0.05	-	0.05	26.8
	Communicable Disease Control	1.19	6.79	7.98	0.51	2.03	2.54	31.8
	Disease Surveillance and Response	-	9.26	9.26	-	0.25	0.25	2.7
	Environmental Health	0.38	0.08	0.46	0.20	-	0.20	42.5
National Referral & Specialized Services	National Referral Services	37.26	2.88	40.15	10.16	0.62	10.78	26.8
	National Public Health Labs	0.13	-	0.13	0.06	-	0.06	48.2
	Forensic and Diagnostics	-	3.33	3.33	0.00	0.38	0.38	11.4
	Health Infrastructure and Equipment	-	5.21	5.21	-	3.21	3.21	61.6
	National Blood Transfusion Services	0.13	-	0.13	0.06	-	0.06	49.7
	Health Products and Technologies	2.48	0.43	2.91	0.05	0.18	0.23	7.9
Health Research and Development	Capacity Building & Training (Pre-Service & In Service)	7.86	0.64	8.50	2.11	0.16	2.27	26.7
	Research & Innovations on Health	2.99	0.91	3.90	1.39	0.13	1.52	38.8

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
General Administration, Planning & Support Services	Health Policy, Planning & Financing	0.38	1.08	1.46	0.21	-	0.21	14.5
	Health Standards, Quality Assurance & Standards	1.08	-	1.08	0.35	-	0.35	32.3
	National Quality Control Laboratories	0.12	-	0.12	0.06	-	0.06	49.2
	Human Resource Management and Development	6.18	-	6.18	3.13	-	3.13	50.6
Health Policy, Standards, and Regulations	Health Policy, Planning & Financing	0.04	15.16	15.20	-	2.34	2.34	15.4
	Health Standards and Regulations	0.46	-	0.46	0.22	-	0.22	47.5
	Social Protection in Health	7.22	-	7.22	3.63	-	3.63	50.2
Grand Total		68.51	54.01	122.53	22.36	10.36	32.72	26.7

Source: MDAs and National Treasury

Analysis of the Health Sector shows that Health Infrastructure and Equipment sub-programme and Human Resource Management and Development programmes recorded the highest budget absorption at 61.6 per cent and 50.6 per cent, respectively. On the other hand, Disease Surveillance and Response sub-programme and Health Products and Technologies sub-programme recorded the lowest absorption of the budget at 2.7 per cent and 7.9 per cent, respectively.

4.8.4 Project Implementation for Health Sector

Most of the development projects are multi-year and implemented over some time. In the first half of the FY 2022/23, the Health sector incurred a development expenditure of Kshs.11.29 billion representing an absorption rate of 20.9 per cent against a gross development allocation of Kshs.54.02 billion. Table 4.21 summarises the development of some projects with the highest spending in the reporting period in the Health sector.

Table 4.21: Ministry of Health Development Projects with the Highest Expenditure

Project Name	Project commence date	Expected Duration of the Project (Years)	Source of Funds	Estimated Value of project (Kshs. Mn)	First Half FY 2022/23 (Kshs. Million)		Project completion rate (%)
					Total Disbursement	Amount paid	
Managed Equipment Service-Hire of Medical Equipment for 98 Hospital	07/10/2015	8	GOK	59,905	5,214	3,207	61.5
Free Maternity Program (Strategic Intervention)	10/07/2013	13	GOK	53,696	4,098	2,049	50.0

Project Name	Project commence date	Expected Duration of the Project (Years)	Source of Funds	Estimated Value of project (Kshs. Mn)	First Half FY 2022/23 (Kshs. Million)		Project completion rate (%)
					Total Disbursement	Amount paid	
Special Global Fund HIV Grant NFM3- NASCOP	07/01/2021	5	GLOBAL FUND & GOK	25,906	4,098	1,597	39.0
Vaccines and Immunizations	07/02/2015	11	GOK & GAVI	78,889	5,200	1,000	19.2
East Africa's Centre of Excellence for Skills & Tertiary Education	18/02/2016	7	GOK & ADB	3,674	1,200	439	36.6
Special Global Fund Malaria Grant NFM3 - DOMC	07/01/2021	5	GLOBAL FUND & GOK	12,021	1,632	403	24.7
Procurement of Equipment at the National Blood Transfusion Services	07/02/2015	11	GOK	8,396	619	330	53.3
Rollout of Universal Health Coverage	10/07/2018	8	GOK	10,000	9,310	227	2.4
National Commodities Storage Centre (KEMSA)	26/01/2018	4	GOK & Global Fund	3,978	310	155	50.0
KNH Burns and Paediatrics Centre	03/03/2018	7	GOK, BADEA, SFD & OPEC	5,459	1,143	135	11.8
GESDeK COVID - 19 Response Project	01/07/2021	2	Donor	3,860	1,441	134	9.3
Construction and equipping of laboratory and class rooms KMTC	3/04/2018	6	GOK	2,325	504	126	25.0
Research and Development - KEMRI	01/07/2015	11	GOK	6,400	456	114	25.0

Source: Ministry of Health

4.9 National Security Sector

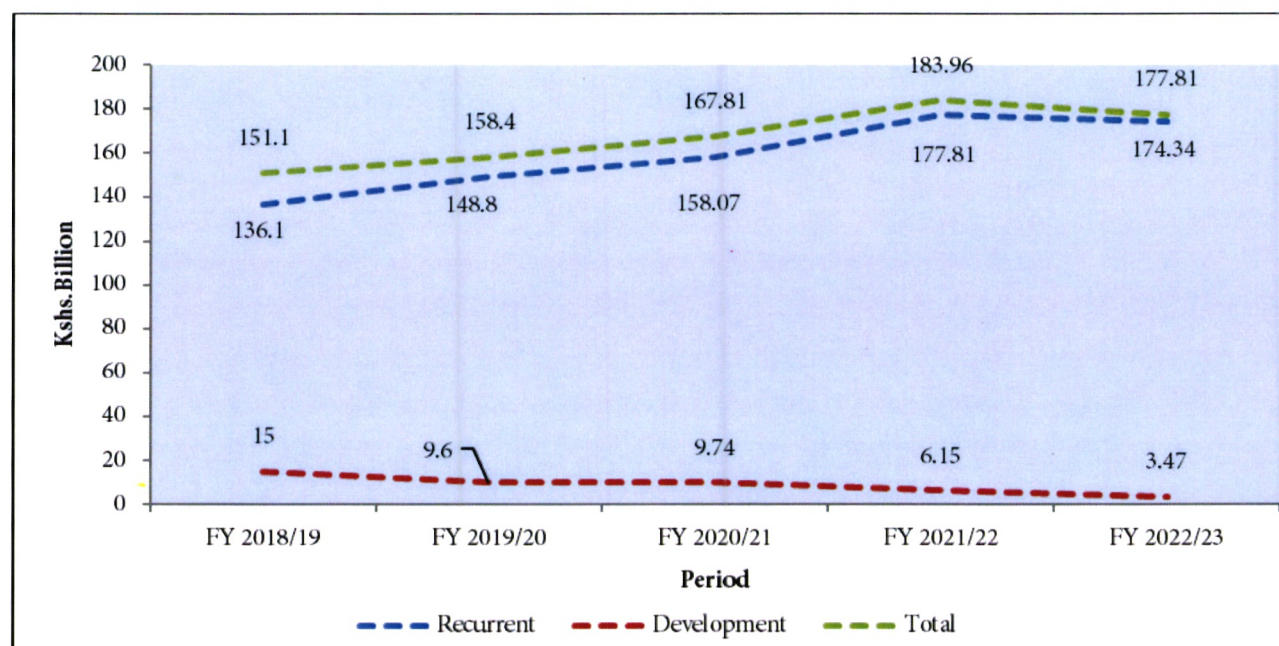
4.9.1 Introduction

The National Security sector comprises the Ministry of Defence and the National Intelligence Service (NIS). The sector's mandate is to ensure the country's security against any threats from within or outside the Kenyan borders, defend the country, and support the civil powers in maintaining peace and order.

4.9.2 Budget Performance for National Security Sector

The budgetary allocation to the National Security sector in FY 2022/23 amounts to Kshs.177.81 billion, representing 4.4 per cent of the gross national budget, compared to Kshs.183.96 billion allocated in FY 2021/22. The allocation comprised Kshs.3.47 billion for development expenditure (2 per cent of the sector's budget) and Kshs.174.34 billion for recurrent expenditure (98 per cent of the sector's allocation). Ministry of Defence was allocated Kshs.131.68 billion (74.1 per cent of the sector's share), while NIS received Kshs.46.13 billion (25.9 per cent of the sector's allocation). Figure 4.15 below shows the budgetary allocation trend for the National Security sector for FY 2018/19 to FY 2022/23.

Figure 4.15: Budgetary Allocation Trend for the National Security Sector



Source: National Treasury

In the first half of FY 2022/23, the National Security sector received Kshs.75.69 billion, representing 42.6 per cent of the sector's net estimates, comprised of Kshs.837.50 million for development expenditure representing 24.1 per cent of the net development estimates, and Kshs.74.85 billion for recurrent spending representing 42.9 per cent of the recurrent net estimates.

Ministry of Defence received Kshs.58.3 billion for recurrent activities representing 45.9 per cent, and Kshs.0.84 billion for development expenditure representing 24.1 per cent of development exchequer net estimates, while NIS received Kshs.16.03 billion, representing 34.7 per cent of the recurrent net estimates. Table 4.22 shows the National Security sector analysis of exchequer issues and expenditures in the first half of FY 2022/23.

Table 4.22: National Security Sector-Analysis of Exchequer Issues and Expenditure

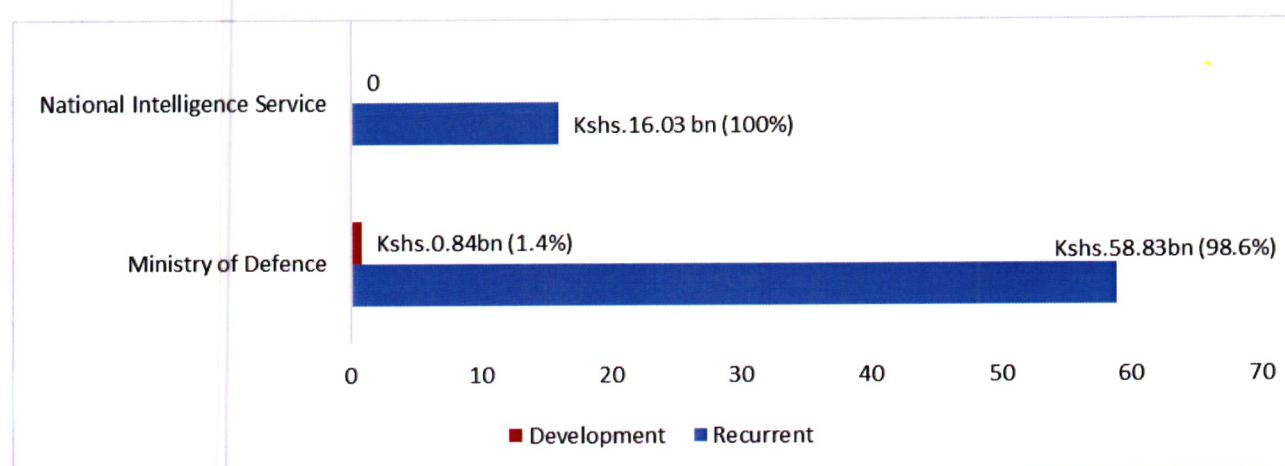
VOTE	Development (Kshs Bn)						Recurrent (Kshs Bn)					
	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates
Ministry of Defense	3.47	3.47	0.84	1.73	24.1	50.0	128.22	128.22	58.83	70.56	45.9	55.0
National Intelligence Service	-	-	-	-	-	-	46.13	46.13	16.03	14.71	34.7	31.9
Total	3.47	3.47	0.84	1.73	24.1	50.0	174.34	174.34	74.85	85.27	42.9	48.9
Sector Summary												
							Gross estimates	Net estimates	Exchequer Issues	Expenditure	% Of Exchequer to Net estimates	% Of Expenditure to Gross estimates
							3.47	3.47	0.84	1.73	24.1	50.0

VOTE	Development (Kshs Bn)						Recurrent (Kshs Bn)					
	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates
	Recurrent						174.34	174.34	74.85	85.27	42.9	48.9
	Total						177.81	177.81	75.69	87.0	42.6	48.9

Source: MDAs and National Treasury

Figure 4.16 shows exchequer issues to the National Security sector in the first half of FY 2022/23.

Figure 4.16: Exchequer Issues to the National Security Sector



Source: National Treasury

The total expenditure for the National Security sector amounted to Kshs.87 billion, representing 48.9 per cent of the gross estimates, compared to 61.9 per cent (Kshs.100.36 billion) recorded in a similar period FY 2021/22. The Ministry of Defence spent Kshs.1.73 billion on development activities, an absorption rate of 50 per cent compared to 90.9 per cent (Kshs.4.62 billion) recorded in FY 2021/22, and Kshs.85.27 billion on recurrent activities representing 48.9 per cent of the gross estimates compared to 65.4 per cent (Kshs.74.95 billion) recorded in FY 2021/22. NIS spent Kshs.14.71 billion on recurrent activities, recording 31.9 per cent of its gross estimates compared to 49 per cent (Kshs.20.78 billion) recorded in FY 2021/22.

4.9.3 Financial Execution by Programmes and Sub-Programmes for National Security

The National Sector allocation in FY 2022/23 funds five programmes and eight sub-programmes. Table 4.23 shows budget execution by programmes and sub-programmes by the National Security sector in the first half of FY 2022/23.

Table 4.23: National Security Sector Budget Performance by Programmes

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Ministry of Defence								
National Defence	Defence Policy and Management	10.15	-	10.15	5.07	-	5.07	59.7
	Land Defence	62.79	-	62.79	31.38	-	31.38	56.9
	National Air Defence	33.47	-	33.47	16.73	-	16.73	54.4
	Territorial Waters Defence	14.33	-	14.33	7.13	-	7.13	51.9
	Military Modernization	4.23	3.47	7.70	2.05	1.73	2.05	47.8
Civil Aid	Civil Aid	0.40	-	0.40	0.19	-	0.19	45.6
General Administration, Planning, and Support Services	Headquarter Administrative Services	2.51	-	2.51	0.89	-	0.89	35.4
	Defence Policy and Planning	0.04	-	0.04	0.01	-	0.01	14.9
	Defence Co-operation and Diplomacy	0.03	-	0.03	0.01	-	0.01	42.7
	Defence Financial Management and Oversight	0.04	-	0.04	0.01	-	0.01	12.9
National Space Management	National Space Management	0.22	-	0.22	0.11	-	0.11	50.0
Sub-Total		128.22	3.47	131.68	63.57	1.73	65.31	54.9
National Intelligence Service								
National security intelligence	Security Intelligence	46.13	-	46.13	14.71	-	14.71	31.9
Sub-Total		46.13	-	46.13	14.71	-	14.71	31.9
Grand Total		174.35	3.47	177.81	78.28	1.73	80.02	48.9

Source: MDAs and National Treasury

Analysis of National Security sector performance by programmes and sub-programmes shows that Defence Policy and Management and Land Defence sub-programmes both under National Defence programme recorded the highest absorption of budget at 59.7 per cent and 56.9 per cent respectively. The Defence Policy and Planning and Defence Financial Management and Oversight sub-programmes both and General Administration, Planning and Support Services recorded the lowest absorption of budget at 14.9 per cent and 12.9 per cent respectively.

4.10 Public Administration and International Relations (PAIR) Sector

4.10.1 Introduction

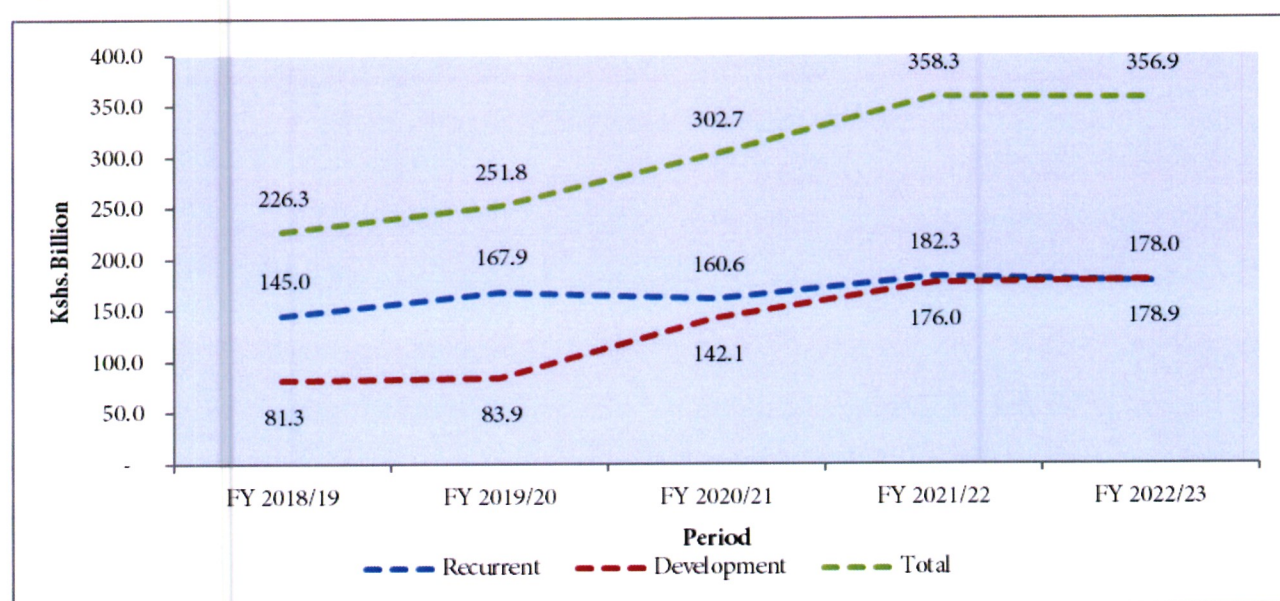
The PAIR sector consists of 16 MDAs, namely, The Executive Office of the President, the State Department for Planning, the State Department for Devolution, the Ministry of Foreign Affairs, The National Treasury, the State Department for Public Service, State Department for Youth Affairs, the Parliamentary Service Commission, National Assembly, Parliamentary Joint Services, Commission on Revenue Allocation, Public Service Commission, Salaries and Remuneration Commission, Auditor General, Controller of Budget (COB), and Commission on Administrative Justice.

The PAIR sector is a fundamental pillar of the Kenyan economy. The sector provides overall national leadership, oversight, and policy direction, prudent public finance management for transparency and accountability, oversees national legislation, and the human resource function in the public service. Further, the sector coordinates national and sectoral development planning, management of population policy, implementation, monitoring and evaluation, resource mobilisation and management, devolution oversight, implementation of Kenya's foreign policy, and oversight of public resources and service delivery.

4.10.2 Budget Performance for the PAIR Sector

The budgetary allocation to the PAIR sector in FY 2022/23 amounted to Kshs.356.86 billion, representing 8.8 per cent of the gross national budget, compared to Kshs.358.30 billion allocated in FY 2021/22. The allocation consists of Kshs.178.87 billion (50.1 per cent) for development activities and Kshs.177.98 billion (49.9 per cent) for recurrent expenditure. The National Treasury received the highest budgetary allocation of Kshs.174.40 billion (48.9 per cent of the sector's budget), while the Commission on Revenue Allocation received the lowest budgetary allocation of Kshs.491.96 million (0.1 per cent of the sector's budget). Figure 4.17 shows the budgetary allocation trend for the PAIR Sector for FY 2018/19 to FY 2022/23.

Figure 4.17: Budgetary Allocation Trend for the PAIR Sector



Source: National Treasury

The total exchequer issues to the PAIR sector amounted to Kshs.96.76 billion, representing 33.1 per cent of the sector's net estimates compared to 41.5 per cent (Kshs.105.01 billion) recorded in a similar period FY

2021/22. The amount comprised Kshs.32.13 billion for development expenditure, representing 24.0 per cent of development net estimates compared to 38.1 per cent (Kshs.37.23 billion) recorded in a similar period in the FY 2021/22. Kshs.64.63 billion for recurrent spending represented 40.9 per cent of recurrent net estimates compared to 43.6 per cent (Kshs.67.78 billion) recorded in FY 2021/22. Table 4.24 analyses exchequer issues and expenditures for the PAIR Sector in the first half of FY 2022/23.

Table 4.24: PAIR Sector-Analysis of Exchequer Issues and Expenditure

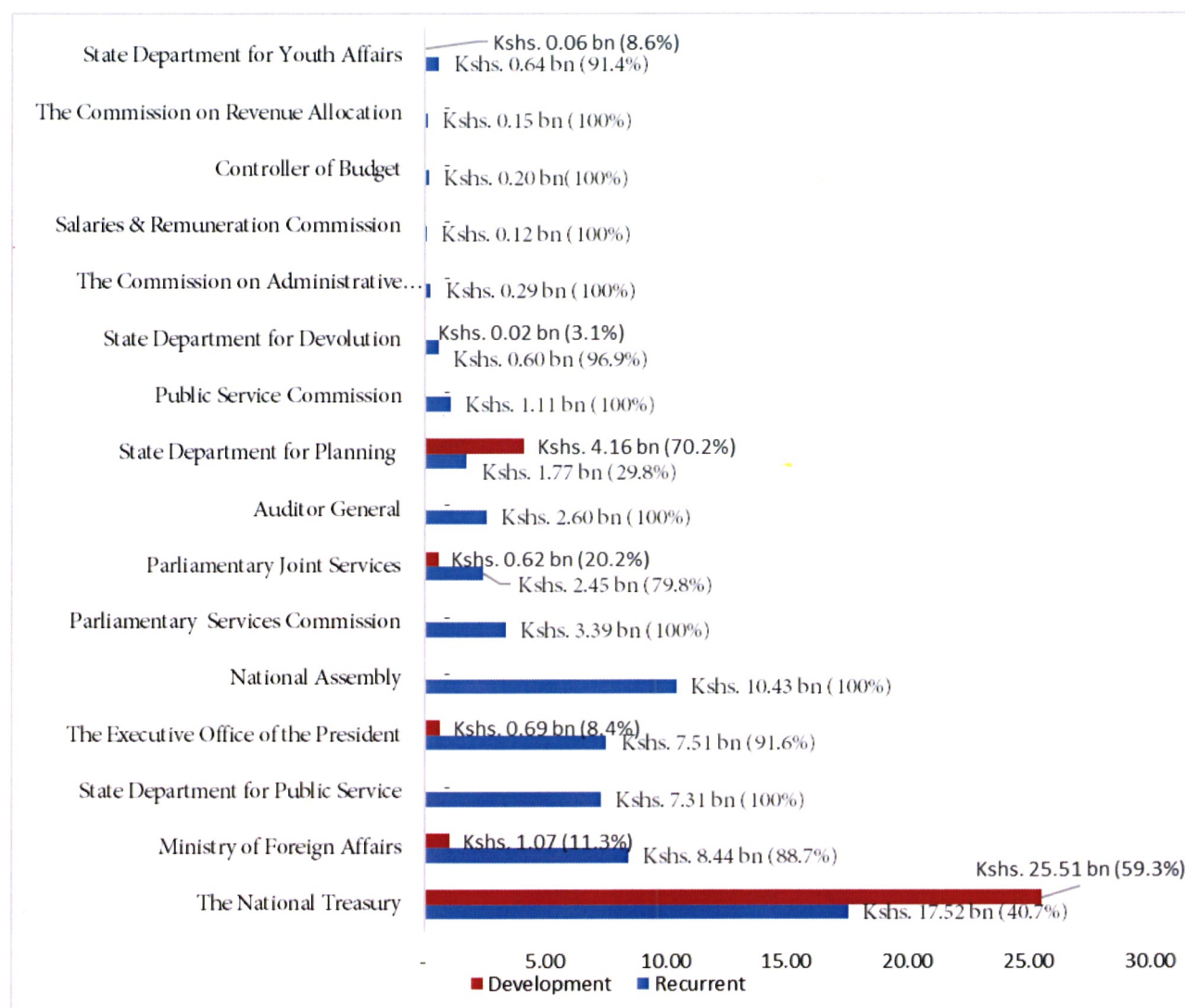
VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% Of Exchequer to Net estimates	% Of Expenditure to Gross estimates	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% Of Exchequer to Net estimates	% Of Expenditure to Gross estimates
The Executive Office of the President	5.98	0.63	0.69	1.10	108.8%	18.4	17.08	8.00	7.51	9.93	93.8	58.2
State Department for Devolution	0.30	0.30	0.02	0.03	6.5%	11.1	1.44	1.44	0.60	0.59	41.6	41.3
State Department for Planning	45.13	45.13	4.16	4.17	9.2	9.2	3.96	3.88	1.77	1.69	45.7	42.7
Ministry of Foreign Affairs	1.80	1.80	1.07	1.09	59.6	60.5	17.24	16.82	8.44	8.27	50.2	48.0
The National Treasury	120.55	81.13	25.51	36.19	31.4	30.0	53.85	46.41	17.52	24.97	37.8	46.4
State Department for Public Service	0.70	0.60	-	0.10	0.0	13.9	23.14	20.50	7.31	12.50	35.7	54.0
State Department for Youth Affairs	1.93	1.73	0.06	0.40	3.7	20.7	1.52	1.52	0.64	0.69	41.9	45.1
Parliamentary Service Commission	-	-	-	-	-	-	8.79	8.79	3.39	3.52	38.6	40.1
National Assembly	-	-	-	-	-	-	33.27	33.27	10.43	11.0	31.3	33.1
Parliamentary Joint Services	2.07	2.07	0.62	-	29.8	0.0	6.10	6.08	2.45	2.37	40.3	38.9
Commission on Revenue Allocation	-	-	-	-	-	-	0.49	0.49	0.15	0.18	30.4	37.6
Public Service Commission	0.03	0.03	-	0.00	0.0	-	2.56	2.55	1.11	1.08	43.6	42.4
Salaries & Remuneration Commission	-	-	-	-	-	-	0.61	0.61	0.12	0.24	32.6	40.0
Auditor General	0.39	0.38	-	-	0.0	10.0	6.51	6.36	2.60	2.98	40.8	45.8
Controller of Budget	-	-	-	-	-	-	0.70	0.70	0.20	0.21	29.1	29.3
Commission on Administrative Justice	-	-	-	-	-	-	0.72	0.72	0.29	0.23	40.3	32.0
Total	178.88	133.80	32.13	43.08	24.0	24.1	177.98	158.16	64.63	80.48	40.9	45.2
Sector Summary												
	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% Of Exchequer to Net estimates	% Of Expenditure to Gross estimates						

VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% Of Exchequer to Net estimates	% Of Expenditure to Gross estimates	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% Of Exchequer to Net estimates	% Of Expenditure to Gross estimates
	Development						178.88	133.80	32.13	43.08	24.0	24.1
	Recurrent						177.98	158.16	64.63	80.48	40.9	45.2
	Total						356.86	291.96	96.76	123.55	33.1	34.6

Source: MDAs and National Treasury

In the period under review, the Executive Office of the President received the highest proportion of exchequer issues to net estimates for both development and recurrent budget at 108.8 per cent and 93.8 per cent, respectively. This is attributed to several requests made under Article 223 of the Constitution in the reporting period (see Table 2.9). In comparison, several MDAs within the Sector did not receive development exchequer issues despite having development allocations. These include; the State Department for Public Service, the Public Service Commission, and the Office of the Auditor General. The Executive Office of the President recorded the highest proportion of recurrent exchequer issues to recurrent net estimates of 93.8 per cent while The Controller of Budget recorded the lowest ratio of 29.1 per cent. Figure 4.18 shows the PAIR sector's exchequer issues in the first half of FY 2022/23.

Figure 4.18: Exchequer Issues to the PAIR Sector



Source: National Treasury

The total expenditure for the PAIR sector amounted to Kshs.123.55 billion, representing 34.6 per cent of the gross estimates, compared to 41.4 per cent (Kshs.135.67 billion), recorded in a similar period FY 2021/22. This amount comprised Kshs.43.08 billion for the development budget representing an absorption rate of 24.1 per cent, compared to 36.9 per cent (Kshs.58.42 billion) recorded in FY 2021/22 and Kshs.80.48 billion for recurrent expenditure representing 45.2 per cent of the recurrent gross estimates, compared to 45.5 per cent (Kshs.77.24 billion) recorded in FY 2021/22.

The Ministry for Foreign Affairs recorded the highest absorption of the development budget at 60.5 per cent, while the State Department for Planning recorded the lowest at 9.2 per cent. The Executive Office of the President recorded the highest recurrent expenditure to gross estimates at 58.2 per cent, while The Controller of the Budget recorded the lowest at 29.3 per cent.

4.10.3 Financial Execution by Programmes and Sub-Programmes for the PAIR Sector

The PAIR sector allocation in FY 2022/23 was to fund 42 programmes and 113 sub-programmes. Table 4.25 shows budget execution by programmes and sub-programmes in the PAIR sector in the first half of FY 2022/23

The total expenditure for the PAIR sector amounted to Kshs.123.55 billion, representing 34.6 per cent of the gross estimates, compared to 41.4 per cent (Kshs.135.67 billion), recorded in a similar period FY 2021/22. This amount comprised Kshs.43.08 billion for the development budget representing an absorption rate of 24.1 per cent, compared to 36.9 per cent (Kshs.58.42 billion) recorded in FY 2021/22 and Kshs.80.48 billion for recurrent expenditure representing 45.2 per cent of the recurrent gross estimates, compared to 45.5 per cent (Kshs.77.24 billion) recorded in FY 2021/22.

Table 4.25: PAIR Sector Budget Performance by Programmes

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
The Executive Office of the President								
Cabinet Services	Management of Cabinet Affairs	1.43	0.21	1.64	0.54	0.10	0.64	39.0
	Resource Surveys and Remote Sensing	0.17	0.04	0.21	0.07	0.02	0.08	40.1
Government Advisory Services	State Corporations Advisory Services	0.03	-	0.03	0.01	-	0.01	24.4
	Power of Mercy Advisory Services	0.04	-	0.04	0.01	-	0.01	14.3
	National Counter Terrorism Centre	0.45	0.08	0.53	0.23	-	0.23	42.5
	Inspectorate of State Corporations	0.13	-	0.13	0.06	-	0.06	45.7
State House Affairs	Coordination of State House Functions	3.78	0.29	4.07	2.77	0.03	2.81	69.0
	Administration of Statutory benefits for the retired presidents	0.30	-	0.30	0.10	-	0.10	34.1
	Strategic Policy and Advisory Services	0.00	0.01	0.01	0.00	-	0.00	-
Deputy President Services	General Administration and Support Services	0.66	0.02	0.68	0.28	0.01	0.29	42.5
	Coordination and Supervision	1.03	-	1.03	0.88	-	0.88	85.3
Sub-Total		8.02	0.65	8.67	4.94	0.16	5.10	58.8
Nairobi Metropolitan Services ¹	General Administration and Support	2.63	-	2.63	0.49	-	0.49	18.8
	Metropolitan Health Services	3.94	0.95	4.89	2.13	-	2.13	43.7
	Metropolitan Transport, Roads and Public Works	0.51	2.72	3.23	0.09	0.51	0.60	18.5
	Metropolitan, Lands, Housing, Planning, and Development	0.27	0.71	0.97	0.04	0.02	0.06	6.4
	Metropolitan Environment, Water, Waste, and Ancillary Services	1.34	0.60	1.94	2.03	0.41	2.54	125.7
	Metropolitan Energy, Reticulation, and Public Lighting	0.38	0.38	0.76	0.21	-	0.21	27.7
	Sub-Total		9.07	5.36	14.42	4.99	0.94	5.93

¹ Nairobi Metropolitan Services (NMS), report is for first quarter of FY 2022/23 and not first half of FY 2022/23. NMS did not submit its first half of FY 2022/23 reports to OCoB.

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
State Department for Planning								
Economic Policy and National Planning	Economic Planning Coordination services	0.47	-	0.47	0.10	-	0.10	20.5
	Community Development	0.06	44.42	44.49	0.02	4.02	4.04	9.1
	Macro-Economic policy planning and regional Integration	0.59	0.16	0.75	0.27	0.03	0.30	40.1
	Policy Research	0.53	0.07	0.59	0.26	0.03	0.29	49.9
	Population Management Services	0.32	0.13	0.45	0.16	0.02	0.18	39.3
	Infrastructure, science, technology, and Innovation	0.04	-	0.04	0.01	-	0.01	33.3
	Sectoral Policy and Planning	0.09	0.02	0.12	0.04	0.00	0.04	31.2
National Statistical Information Services	Census and Surveys	1.32	0.23	1.55	0.62	0.05	0.68	43.7
Monitoring and Evaluation Services	National Integrated Monitoring and Evaluation	0.09	0.10	0.19	0.03	0.01	0.05	24.2
	Public Investments Management Services	0.09	-	0.09	0.03	-	0.03	28.9
General Administration Planning and	Human Resources and Support Services	0.27	-	0.27	0.12	-	0.12	42.7
Support Services	Financial Management Services	0.06	-	0.06	0.02	-	0.02	33.1
	Information Communications Services	0.02	-	0.02	0.01	-	0.01	29.0
	Sub-Total	3.95	45.13	49.09	1.69	4.17	5.85	11.92
State Department for Devolution								
Devolution Support Services	Management of devolution affairs	0.08	0.26	0.34	0.03	0.03	0.05	16.1
	Intergovernmental Relations	0.58	-	0.58	0.28	-	0.28	48.5
	Capacity Building and Technical Assistance	0.30	0.04	0.34	0.14	0.00	0.15	42.7
	Human Resource and Support Services	0.42	-	0.42	0.15	-	0.15	34.7
	Finance Management Services	0.05	-	0.05	0.00	-	0.00	5.2
	Information Communication and Technology	0.01	-	0.01	-	-	-	-
	Sub-Total	1.44	0.30	1.74	0.60	0.03	0.63	36.2
Ministry of Foreign Affairs		-	-	-	-	-	-	
General Administration Planning and Support Services	Administration services	2.41	0.25	2.67	1.12	0.00	1.12	42.0
Foreign Relations and Diplomacy	Management of Kenya missions abroad	13.59	-	13.59	6.22	-	6.22	45.8

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
	Infrastructure Development for Missions	-	1.39	1.39	-	1.07	1.07	77.0
	Management of International Treaties, Agreements, and Conventions	0.02	-	0.02	0.01	-	0.01	49.9
	Coordination of State Protocol	0.83	-	0.83	0.83	-	0.83	100.0
	Management of Diaspora and Consular Affairs	0.01	-	0.01	0.01	-	0.01	70.7
	International Relations and Cooperation	0.17	-	0.17	-	-	-	-
Economic Cooperation and Commercial Diplomacy	Economic and Commercial Cooperation	0.05	-	0.05	0.02	-	0.02	45.1
Foreign Policy Research & Capacity Development	Foreign Policy Research and Analysis	0.14	-	0.14	0.07	-	0.07	48.8
	Regional Technical Cooperation	-	0.15	0.15	-	0.01	0.01	9.4
	Sub-Total	17.22	1.79	19.02	8.27	1.09	9.36	49.2
The National Treasury								
Rail Transport	Rail Transport	-	31.93	31.93	-	21.17	21.17	66.3
Marine Transport	Marine Transport	-	3.12	3.12	-	-	-	-
General Administration, Planning and Support Services	Administration Services	16.43	13.68	30.10	6.20	0.01	6.21	20.6
	Human Resources and Support Services	0.13	-	0.13	0.05	-	0.05	35.6
	Financial Management Services	28.04	0.84	28.88	13.86	0.06	13.92	48.2
	Information Communications Services	0.10	-	0.10	0.02	-	0.02	19.2
Public Financial Management	Resource Mobilization	0.23	14.56	14.79	0.09	0.27	0.36	2.4
	Budget Formulation Coordination and Management	2.87	13.27	16.13	0.13	-	0.13	1.0
	Audit Services	0.81	-	0.81	0.32	-	0.32	39.7
	Accounting Services	2.02	1.14	3.16	0.87	0.27	1.14	36.1
	Supply Chain Management Services	0.58	0.40	0.98	0.26	0.05	0.30	30.9
	Public Financial Management Reforms	0.08	1.29	1.36	0.00	0.25	0.25	18.6
	Government Investment and Assets	0.98	30.73	31.71	0.44	14.25	14.69	46.3
Fiscal Policy Formulation, Development, and Management	Fiscal Policy Formulation, Development, and Management	1.03	6.51	7.54	0.47	0.25	0.72	9.6
	Debt Management	0.13	-	0.13	0.05	-	0.05	36.4

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
	Microfinance Sector Support and Development	0.04	3.05	3.09	0.01	0.01	0.02	0.6
Market Competition and Creation of an Enabling Business Environment	Elimination of Restrictive Trade Practices	0.30	0.03	0.33	0.15	0.02	0.17	50.3
Government Clearing Services	Government Clearing Services	0.07	-	0.07	0.00	-	0.00	1.7
	Sub-Total	53.84	120.55	174.36	22.91	36.60	59.51	34.1
State Department for Public Service			-		-	-	-	
Public Service Transformation	Human Resource Management	5.79	-	5.79	5.46	-	5.46	94.3
	Human Resource Development	2.42	0.42	2.84	0.27	0.08	0.35	12.3
	Management Consultancy Services	0.13	-	0.13	0.06	-	0.06	48.3
	Huduma Kenya Service Delivery	1.16	0.18	1.34	0.30	-	0.30	22.5
	Performance Management	0.09	-	0.09	0.02	-	0.02	24.0
	Public Service Reforms	0.07	-	0.07	0.04	-	0.04	63.9
General Administration, Planning and Support Services	Human Resources and Support Services	0.49	0.03	0.52	0.22	-	0.22	41.4
	Financial Management Services	0.07	-	0.07	0.03	-	0.03	41.3
	Information Communications Services	0.01	-	0.01	0.00	-	0.00	29.5
National Youth Service	Paramilitary Training and Service Regimentation	7.51	0.07	7.58	3.54	0.02	3.56	46.9
	Technical and Vocational Training	4.44	-	4.44	2.07	-	2.07	46.7
	Enterprise Development	0.96	-	0.96	0.48	-	0.48	50.2
	Sub-Total	23.14	0.70	23.84	12.50	0.10	12.60	52.6
Parliamentary Service Commission								
Senate Affairs	General Administration, Planning, and support	8.79	-	8.79	1.02	-	1.02	11.6
	Sub-Total	8.79	-	8.79	1.02	-	1.02	11.6
National Assembly								
National Legislation, Representation and Oversight	Legislation and Representation	33.27		33.27	11.00	-	11.00	33.1
Parliamentary Joint Services								
General Administration, Planning, and Support Services	General Administration, Planning, and support Services	5.91	2.07	7.97	2.37	1.01	3.38	42.4
Legislative Training Research Knowledge and Management	Legislative Training Research & Knowledge Management	0.19		0.19	-	-	-	-
	Sub-Total	6.10	2.07	8.16	2.37	1.01	3.38	41.5

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Commission on Revenue Allocation					-	-	-	
Inter-Governmental Revenue and Financial Matters	General Administration and Support Services	0.43	-	0.43	0.18	-	0.18	41.4
	Equitable Sharing of Revenues	0.02	-	0.02	0.00	-	0.00	7.1
	Public Financial Management	0.01	-	0.01	0.00	-	0.00	29.1
	Transitional Equalization	0.03	-	0.03	0.00	-	0.00	8.7
	Sub-Total	0.49	-	0.49	0.18	-	0.18	37.7
Public Service Commission								
General Administration, Planning and Support Services	Administration	0.87	0.03	0.90	0.41	0.00	0.42	46.2
	Board Management Service	0.05	-	0.05	0.02	-	0.02	46.3
Human Resource Management and Development	Establishment and Management and Consultancy Service	0.06	-	0.06	0.03	-	0.03	45.5
	Human Resource Management	0.19	-	0.19	0.10	-	0.10	53.8
	Human Resource Development	1.20	-	1.20	0.59	-	0.59	49.1
Governance and National Values	Compliance and quality assurance	0.10	-	0.10	0.05	-	0.05	48.2
	Ethics, Governance, and National values	0.05	-	0.05	0.02	-	0.02	46.3
Performance and Productivity Management	Performance and Productivity Management	0.05	-	0.05	0.02	-	0.02	46.3
	Sub-Total	2.57	0.03	2.60	1.25	0.00	1.25	48.1
Salaries and Remuneration Commission								
Salaries and Remuneration Management	Remuneration and Benefits management	0.61	-	0.61	0.24	-	0.24	40.1
	Sub-Total	0.61	-	0.61	0.24	-	0.24	40.1
Auditor General								
Audit Services	CDF* Audits	0.05	-	0.05	0.02	-	0.02	42.7
	County Governments Audit	0.83	-	0.83	0.35	-	0.35	42.3
	Specialised Audits	0.50	-	0.50	0.17	-	0.17	34.3
	National Government Audit	5.12	0.39	5.51	2.43	-	2.43	44.2
	Sub-Total	6.50	0.39	6.89	2.98	-	2.98	43.2
Controller of Budget								
Control and Management of Public Finances	Authorisation of withdrawal from public Funds	0.18	-	0.18	0.07	-	0.07	38.3

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
	Budget implementation and Monitoring	0.06	-	0.06	0.02	-	0.02	41.3
	General Administration Planning and Support Services	0.42	-	0.42	0.10	-	0.10	23.4
	Research & Development	0.05	-	0.05	0.01	-	0.01	28.1
	Sub-Total	0.71	-	0.71	0.21	-	0.21	29.0
Commission on Administrative Justice								
Promotion of Administrative Justice	General Administration and Support Services	0.52	-	0.52	0.17	-	0.17	33.5
	Administrative Justice Services	0.17	-	0.17	0.05	-	0.05	32.3
	Access to Information Services	0.04	-	0.04	0.00	-	0.00	7.4
	Sub-Total	0.73	-	0.73	0.23	-	0.23	31.8
State Department for Youth Affairs								
Youth Empowerment Services	Youth Social and Sustainable Community Development	0.05	0.30	0.35	0.02	0.00	0.02	5.1
	Youth Mentorship, Leadership, and Governance	0.13	-	0.13	0.06	-	0.06	49.4
	Youth Employment and Employability Scheme	0.32	0.18	0.50	0.16	0.04	0.21	41.2
Youth Development Services	Youth Development Research and Quality Management	0.04	-	0.04	0.02	-	0.02	39.1
	Youth Entrepreneurship and Talent Development	0.07	1.03	1.11	0.02	0.34	0.36	32.7
	Youth Development Field	0.52	0.43	0.95	0.23	0.02	0.25	26.1
General Administration, Planning and Support Services	Administration and Support Services	0.39	-	0.39	0.17	-	0.17	44.6
	Sub -Total	1.52	1.94	3.47	0.69	0.40	1.09	31.4
Grand Total		177.97	178.91	356.86	76.12	43.43	119.55	33.5

Source: MDAs and National Treasury

*CDF -Constituency Development Fund

In the period under review, the Metropolitan Environment, Water, Waste and Ancillary Services sub-programmes under the Nairobi Metropolitan Services programme in the Executive Office of the President recorded the highest absorption of the budget at 125.7 per cent which is attributed to funding under Article 223 of the Constitution towards payment of NMS pending bills for FY 2021/22. In addition, Coordination of State Protocol sub-programmes under the Ministry of Foreign Affairs recorded 100 per cent absorption of the budget.

The sub-programmes recording the lowest absorption of the budget during the period under review were Microfinance Sector Support and Development and Government Clearing Services, both under the National Treasury recording 0.6 per cent and 1.7 per cent respectively.

4.10.4 Project Implementation for PAIR Sector

In the first half of FY 2022/23, the PAIR sector incurred a development expenditure of Kshs.42.14 billion representing an absorption rate of 23.6 per cent against a gross development allocation of Kshs.178.88 billion. Table 4.26 summarises the development of some projects with the highest expenditure in the reporting period in the ARUD sector.

Table 4.26: PAIR Sector Development Projects with the Highest Expenditure

MDA	Project Name	Project commencement date	Expected Duration of the Project	Source of Funds	Estimated Value of project (Kshs. Mn)	First Half FY 2022/23 (Kshs. Million)		Project completion rate (%)
						Total Disbursement	Amount paid	
The National Treasury	Development of Nairobi to Nai-vasha Standard Gauge Railway	01/10/2016	30/06/2024	GoK Kshs.230000M / Foreign Kshs.50121M	280,121	17,925	17,925	6.4
The National Treasury	Strategic Investments in Public Enterprises	01/08/2020	30/06/2026	GoK Kshs.150000M / Foreign Kshs.0M	150,000	13,730	13,730	9.2
State Department of Public Service	Implementation of Huduma Service Delivery Channels	05/07/2005	11 years	GOK	25,030	8,420	8,329	33.6
State Department for Planning	National Government Constituency Fund (NGCDF)	07/01/2016		GOK	438,440	44,290	4,000	9
Ministry of Foreign Affairs	Purchase of chancery in London	Jan 21-Jun 24	4 years	GOK	2,670	1,670	1,670	Ongoing
Ministry of Foreign Affairs	Renovation of government-owned properties in Washington DC.	May-17 to June 24	7 Years	GOK	950	915	915	Ongoing
State Department of Public Service	Construction of buildings and infrastructure at NYS	07/07/2005	8 years	GOK	1,696	849	814	50
Ministry of Foreign Affairs	Kenya International Technical Co-operation Facility	Continuous	Continuous	GOK	4,500	866	805	Ongoing
Executive Office of the President - Nairobi Metropolitan Services	Installation of streetlights along 400km of up-graded roads to be constructed within the informal settlements and densely populated areas	01/07/2020	31/06/2022	GOK	1,408	692	692	0.25

MDA	Project Name	Project commencement date	Expected Duration of the Project	Source of Funds	Estimated Value of project (Kshs. Mn)	First Half FY 2022/23 (Kshs. Million)		Project completion rate (%)
						Total Disbursement	Amount paid	
The National Treasury	Construction of NVS ICD-Long Railway Link & Rehab of Long -MLB line	02/09/2020	30/06/2022	GoK Kshs.0M / Foreign Kshs.0M	10,100	500	500	0
The National Treasury	Renewal of Oracle Licences and provision of IFMIS Support on Application and hardware - Annual	01/07/2026	01/06/2026	GoK Kshs.3800M / Foreign Kshs.0M	3,800	498	498	0.49
Ministry of Foreign Affairs	Renovation of Government properties in New York	Jul 17 to Jun 25	7 years	GOK	1,600	423	423	Ongoing
Ministry of Foreign Affairs	Refurbishment of Headquarters Building	Mar 17 to Sept 26	9 Years	GOK	689	410	363	Ongoing
The National Treasury	Support to Public Financial Management Reforms (PFMR)	01/07/2014	30/06/2026	GoK Kshs.22168M / Foreign Kshs.1010M	23,178	292	292	0.18
Parliamentary Joint Services	Installation of Integrated Security System	01/01/2020	24 Months	GoK	2,465	-	287	46

Source: MDAs

4.11 Social Protection, Culture, and Recreation (SPCR) Sector

4.11.1 Introduction

The Social Protection, Culture and Recreation (SPCR) Sector comprises the six MDAs: Sports, Culture and Heritage, Labour, Social Protection, Pensions and Senior Citizens Affairs, Development of Arid and Semi-Arid Lands (ASALs), and Gender.

The SPCR sector plays a strategic role in the country's transformation and socio-economic development by implementing special programmes for the development of the ASALs. The SPCR sector promotes sustainable employment, harmonious industrial relations, a productive workforce, and gender equity and equality. Other key roles include empowering communities and vulnerable groups, safeguarding children's rights, and promoting diverse cultures, arts and sports to enhance cohesiveness and Kenya's regional and international competitiveness.

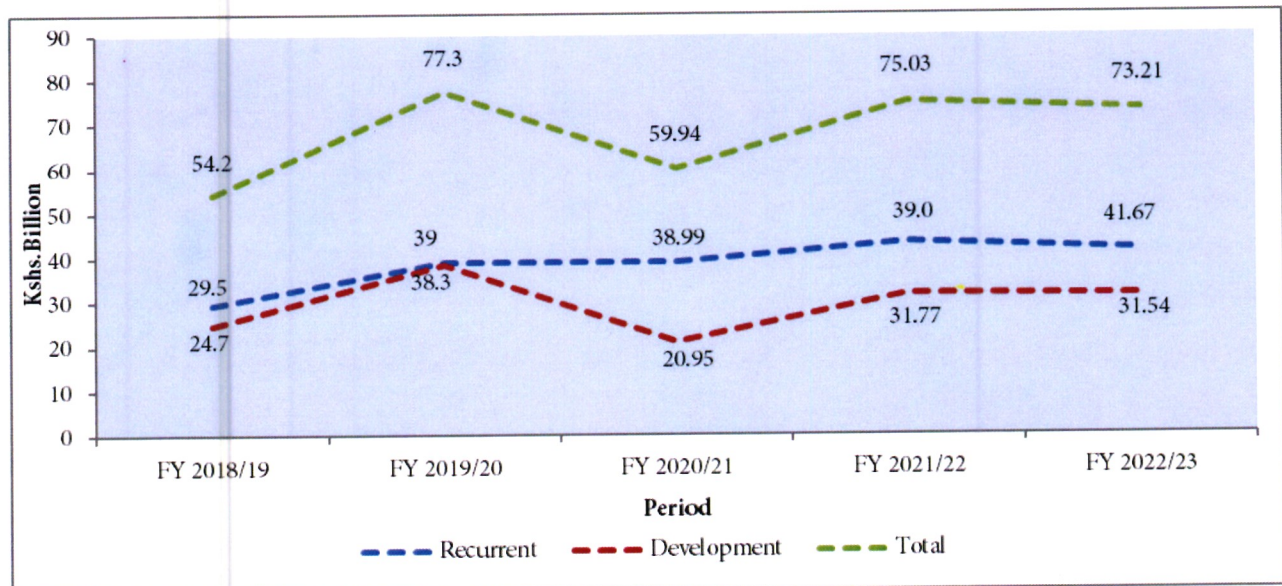
4.11.2 Budget Performance for SPCR Sector

The budgetary allocation to the SPCR sector in FY 2022/23 amounts to Kshs.73.21 billion, representing 1.8 per cent of the gross national budget, compared to Kshs.75.03 billion allocated in FY 2021/22. The allocation comprised Kshs.31.54 billion (43.1 per cent), for development activities and Kshs.41.67 billion (56.9 per cent), for recurrent expenditure. The State Department for Social Protection, Pensions & Senior Citizens Affairs

received the highest budgetary allocation of Kshs.34.68 billion (47.4 per cent of the sector's budget). In comparison, the State Department for Culture and Heritage had the lowest budgetary allocation of Kshs.3.23 billion (4.4 per cent of the sector's funding).

Figure 4.19 shows the budgetary allocation trend for the SPCR sector for FY 2018/19 to FY 2022/23.

Figure 4.19: Budgetary Allocation Trend for the SPCR Sector



Source: National Treasury

The total exchequer issues to the SPCR sector in the first half of FY 2022/23 amounted to Kshs.17.95 billion, representing 32.4 per cent of the sector's net estimates. This amount comprised Kshs.4.01 billion for development expenditure, representing 26.0 per cent of development net estimates, and Kshs.13.94 billion for recurrent spending representing 34.8 per cent of recurrent net estimates. Table 4.27 shows the SPCR sector analysis of exchequer issues and expenditures in the first half of FY 2022/23.

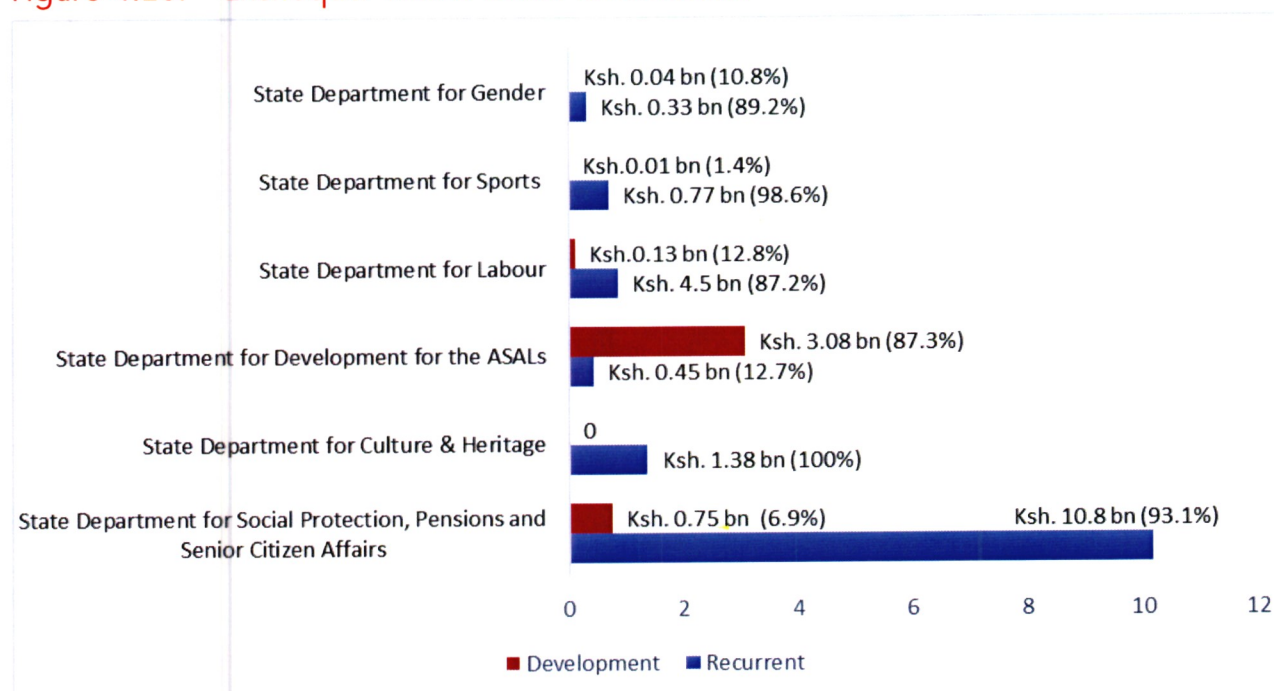
Table 4.27: SPCR Sector-Analysis of Exchequer Issues and Expenditure

VOTE	Development (Kshs. Bn)						Recurrent (Kshs. Bn)					
	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates	Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates
State Department for Development for the ASALs	9.36	9.36	3.08	3.39	32.9	36.2	1.06	1.06	0.45	0.45	42.7	42.6
State Department for Sports	15.88	0.13	0.01	3.32	6.2	20.9	1.54	1.40	0.71	0.66	50.8	43.0
State Department for Culture and Heritage	0.08	0.08	-	-	0.0	0.0	3.15	2.73	1.38	1.29	50.5	40.8
State Department for Labour	0.57	0.57	0.13	0.09	22.2	15.6	2.91	2.00	0.88	1.84	44.1	63.3
State Department for Social Protection, Pensions & Senior Citizens Affairs	2.87	2.81	0.75	0.56	26.8	19.4	31.81	31.75	10.18	13.33	32.1	41.9
State Department for Gender	2.78	2.46	0.04	0.64	1.6	23.0	1.20	1.07	0.33	0.46	31.3	38.1
Total	31.54	15.41	4.01	7.99	26.0	25.3	41.67	40.00	13.94	18.03	34.8	43.3
Sector Summary												
							Gross estimates	Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Net estimates	% of Expenditure to Gross estimates
Development							31.54	15.41	4.01	7.99	26.0	25.3
Recurrent							41.67	40.00	13.94	18.03	34.8	13.94
Total							73.21	55.40	17.95	26.02	32.4	35.5

Source: MDAs and National Treasury

In the period under review, the State Department for Development for the ASAL received the highest proportion of development exchequer issues to development net estimates at 32.9 per cent. In contrast, State Department for Culture and Heritage did not receive a development exchequer in the review period despite having a development allocation of Kshs.77.5 million. The State Department for Sports recorded the highest proportion of recurrent exchequer issues to recurrent net estimates of 50.8 per cent. In contrast, the State Department for Gender recorded the lowest ratio of 31.3 per cent. Figure 4.20 shows the exchequer issues to the SPCR sector in the first half of FY 2022/23.

Figure 4.20: Exchequer Issues to the SPCR Sector



Source: National Treasury

The total expenditure for the SPCR sector amounted to Kshs.26.02 billion, representing 35.5 per cent of the gross estimates, compared to 29.9 per cent (Kshs.21.59 billion), recorded in a similar period FY 2021/22. Expenditure comprised Kshs.7.99 billion for the development budget representing an absorption rate of 25.3 per cent, compared to 15.1 per cent (Kshs.5.01 billion) recorded in FY 2021/22 and Kshs.18.03 billion for recurrent expenditure representing 43.3 per cent of the recurrent gross estimates, compared to 41.8 per cent (Kshs.16.58 billion) recorded in FY 2021/22.

The State Department for Development for the ASAL recorded the highest absorption of the development budget at 36.2 per cent, while the State Department for Labour recorded the lowest at 15.6 per cent. The State Department for Labour recorded the highest recurrent expenditure to gross estimates at 63.3 per cent. In comparison, the State Department for Gender recorded the lowest at 38.1 per cent.

4.11.3 Financial Execution by Programmes and Sub-Programmes for SPCR Sector

The SPCR sector allocation was to fund 15 programmes and 33 sub-programmes. Table 4.28 shows budget execution by programmes and sub-programmes by the SPCR sector in the first half of FY 2022/23.

Table 4.28: SPCR Sector Budget Performance by Programmes

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recur-rent	Develop-ment	Total	Recur-rent	Develop-ment	Total	
State Department for Development of the ASALs								
Accelerated ASALs Development	ASALs Development	0.15	0.10	0.25	0.04	0.03	0.07	26.4
	Drought Management	0.66	6.64	7.30	0.33	3.18	3.51	48.1
	Administrative Services	0.24	-	0.24	0.08	-	0.08	34.6
	Peace and Conflict Management	0.02	2.62	2.64	0.00	0.18	0.18	6.8
Sub-total		1.07	9.36	10.43	0.45	3.39	3.84	36.8
State Department for Sports								
Sports	Sports Training and competitions	0.67	0.13	0.81	0.34	-	0.34	42.2
	Development and Management of Sports Facilities	0.59	15.75	16.34	0.21	0.02	0.23	1.4
	General Administration, Planning, and Support Services	0.27	-	0.27	0.10	-	0.10	37.2
Sub-Total		1.53	15.88	17.42	0.65	0.02	0.67	3.9
State Department for Culture & Heritage								
Culture/Heritage	Conservation of Heritage	1.68	0.04	1.72	0.69	-	0.69	40.1
	Public Records and Archives Management	0.13	0.01	0.15	0.05	-	0.05	33.3
	Development and Promotion of Culture	0.19	-	0.19	0.07	-	0.07	36.8
Arts	Performing Arts	0.11	-	0.11	0.03	-	0.03	27.3
	Promotion of Kenyan Music and Dance	0.05	-	0.05	0.02	-	0.02	40.0
Library Services	Library Services	0.79	0.03	0.82	0.35	-	0.35	42.7

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
General Administration, Planning and Support Services	General Administration, Planning, and Support Services	0.19	-	0.19	0.07	-	0.07	36.8
	Sub-Total	3.14	0.08	3.23	1.27	-	1.27	39.3
Ministry of Labour								
General Administration, Planning and Support Services	Policy, Planning, and General Administrative Services	0.50	-	0.50	0.20	-	0.20	39.1
Promotion of the Best Labour Practice	Promotion of harmonious industrial relations	0.45	0.01	0.46	0.18	-	0.18	38.0
	Regulation of Trade Unions	0.02	-	0.02	0.01	-	0.01	37.5
	Provision of Occupational Safety and Health	0.26	0.11	0.37	0.11	-	0.11	30.8
Manpower Development, Employment and Productivity Management	Human Resource Planning & Development	0.07	0.23	0.30	0.03	0.04	0.07	24.5
	Provision of Industrial Skills	1.15	0.17	1.31	1.08	0.05	1.13	86.0
	Employment Promotion	0.39	0.06	0.46	0.21	-	0.21	45.0
	Productivity Promotion, Measurement & Improvement	0.07	-	0.07	0.03	-	0.03	46.3
	Sub-Total	2.91	0.58	3.49	1.84	0.09	1.93	55.3
State Department for Social Protection, Pensions & Senior Citizens Affairs								

Programmes	Sub-Programmes	Approved Estimates (Kshs. Bn)			Expenditure (Kshs. Bn)			Absorption Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
Social Development and Children Services	Social Welfare and vocational rehabilitation	0.63	0.27	0.90	0.07	0.13	0.20	22.5
	Community Mobilization and development	0.77	0.02	0.79	0.18	-	0.18	23.0
	Child Community Support Services	2.39	0.02	2.41	1.00	-	1.00	41.4
	Child Rehabilitation and Custody	0.47	0.02	0.48	0.09	-	0.09	19.3
National Social Safety Net	Social Assistance to Vulnerable Groups	27.31	2.55	29.86	11.70	0.43	12.12	40.6
General Administration, Planning and Support Services	Administrative Support Services	0.24	-	0.24	0.10	-	0.10	40.4
	Sub-Total	31.81	2.88	34.68	13.14	0.56	13.69	39.5
State Department for Gender		-	-	-	-	-	-	
Community Development	Affirmative Action	-	2.13	2.13	-	0.53	0.53	25.0
Gender Empowerment	Gender Mainstreaming	0.39	0.38	0.77	0.11	0.02	0.13	17.2
	Gender and Socio-Economic Empowerment	0.49	0.26	0.75	0.21	0.09	0.30	40.3
General Administration, Planning, and Support Services	General Administration and Planning Services	0.21	-	0.21	0.08	-	0.08	39.2
	Gender County and Sub-County Activities	0.11	-	0.11	0.05	-	0.05	41.9
	Sub-Total	1.20	2.77	3.97	0.46	0.64	1.10	27.6
	Grand Total	41.66	31.55	73.22	17.81	4.69	22.50	30.7

Source: MDAs and National Treasury

In the period under review, the Provision of Industrial Skills sub-programme under the Ministry of Labour and Drought Management sub-programme under the State Department for ASALs recorded the lowest absorption of the budget at 86 per cent and 48.1 per cent respectively.

The Development and Management of Sport Facilities sub-programme under the State Department for Sports and the Peace and Conflict Management sub-programme in the State Department for Development of the ASALs reported the lowest absorption at 1.4 per cent and 48.1 per cent respectively.

4.11.4 Project Implementation for SPCR Sector

Most of the development projects are multi-year in nature and implemented over some time. In the first half of FY 2022/23, the SPCR sector incurred a development expenditure of Kshs.7.99 billion representing an absorption rate of 25.3 per cent against a gross development allocation of Kshs.31.54 billion. Table 4.29 summarises the development of the projects with the highest expenditure in the reporting period in the SPCR sector.

Table 4.29: SPCR Development Projects with the Highest Expenditure

MDA	Project Name	Project commence date	Expected Duration of the Project	Source of Funds	Estimated Value of project (Kshs. Mn)	First Half FY 2022/23 (Kshs. Million)		Project completion rate (%)
						Total Disbursement	Amount paid	
State Department for Development for the ASAL	Kenya Hunger Safety Net Programme GOK Counterpart	Apr 2019	62 months	GOK	27,811.20	2,540.65	2,540.65	49
State Department for Development for the ASAL	Ending Drought Emergencies: Support to Resilient Livelihood II	Jan 2019	60 months	EU & GOK	1,980.00	139.51	279.01	57
State Department for Development for the ASAL	National Drought Emergency Fund	Oct 2021	108 months	GOK	20,000.00	224.00	250.00	1.00
State Department for Development for the ASAL	Kenya Development Response to Displacement Impact	May 2017	60 months	WB	10,962.00	2,620.00	178.92	99
State Department for Sports	PHASE I KENYA ACADEMY OF SPORTS COMPLEX	Mar 2013	10 Years	GOK	1,332.00	1,233.55	1,233.55	98
State Department for Sports	MARSABIT STADIUM	Sep 2016	8 years	GOK	366.20	285.73	285.73	78
State Department for Sports	CHUKA THARAKA NITHI	Sep 2016	6 years	GOK	274.20	222.10	222.10	98
State Department for Sports	RURINGU	Sep 2016	6 years	GOK	288.05	167.20	167.20	54
State Department for Sports	KAMARINY STADIUM	Sep 2016	6 years	GOK	287.80	141.55	141.55	49
State Department for Social Protection, Senior Citizens and Special Programmes	Kenya Social Economic Inclusion Project (KSEIP)	20/03/2019	57 months	GOK/ Foreign	12,096.00	1,275.75	849.75	13.04

MDA	Project Name	Project commence date	Expected Duration of the Project	Source of Funds	Estimated Value of project (Kshs. Mn)	First Half FY 2022/23 (Kshs. Million)		Project completion rate (%)
						Total Disbursement	Amount paid	
State Department for Social Protection, Senior Citizens and Special Programmes	National Development Fund for Persons with Disabilities (PWDs)	01/07/09	21 years	GOK	6,092.00	129.50	129.50	51.02
State Department for Gender	Affirmative Action Social Development Fund	2015/16		GOK	2,130.00	532.50	532.50	25
State Department for Gender	Strengthening, Prevention and Response to GBV in Kenya	2021/22	2 years	Donor	768.00	346.95	67.67	19
State Department for Gender	Youth Employment and Enterprise-UWEZO	2013/14		GOK	92.00	46.00	46.00	50

Source: MDAs

5 KEY ISSUES AND RECOMMENDATIONS

5.1 Introduction

This chapter highlights the critical issues that affected budget implementation first half of FY 2022/23 and provides some recommendations to achieve effective budget execution.

5.2 Key Issues and Recommendations

During the reporting period, the Controller of Budget identified critical issues that affected budget implementation as discussed hereunder:

5.2.1 Prolonged 'Closure' of IFMIS

The August 2022 general elections ushered new administrations at the National and County government levels. Upon election, the national administration embarked on an initiative to rationalise the FY 2022/23 budget with the primary goal of freeing up three hundred billion shillings to reduce the budget deficit and non-core budget items. Another objective was to increase the development budget by including priorities specified in the Kenya Kwanza manifesto.

To limit MDAs from further spending, the IFMIS was 'locked', pending approval of the first supplementary budget. As such, there was no access to IFMIS, negatively affecting MDA's budget implementation, especially procurement of goods and services.

While Supplementary Budgeting is permissible, the process should not interfere with implementing an approved budget. Delay in approval of the Supplementary Budget leads to interruption of the planned activities with the likelihood that the budget objectives will be achieved.

The Controller of Budget recommends that Supplementary Budget be expedited and approved in line with Section 40 of the Public Finance Management (National Government) Regulations 2015.

5.2.2 Low Revenue Outturn

Receipts into the Consolidated Fund amounted to Kshs.1.43 trillion, representing 40.5 per cent of the annual target, much below the 50 per cent (Kshs.1.77 trillion) pro-rated target for the first half of the financial year. The low revenue outturn occasioned a shortfall of 9.5 per cent or Kshs.373.44 billion from the target.

While revenue underperformance may be attributed to external and internal factors, including the global economic slowdown and the August 2022 general election, which slowed domestic economic activities, tax collection, and postponed investment decisions, the shortfall implies that budgeted activities of an equivalent amount were not funded. Other implications were delays in the disbursement of funds to MDAs, pensions and gratuities, and county governments, thereby affecting the implementation of planned activities, delaying the delivery of services to the public.

To overcome this challenge, the Controller of Budget recommends vigilance and prudence in the use of public funds while, at the same time, widening the tax base and compliance to best practice in collection and accounting for tax revenues.

5.2.3 Public Debt Management

As of 31st December 2022, the Public debt stock stood at Kshs.9.17 trillion, comprising Kshs.4.70 trillion dues to external lenders (51.2 per cent) and Kshs.4.47 trillion due to domestic lenders (48.8 per cent). The Public debt stock recorded an 11.8 per cent growth from Kshs.8.21 trillion reported on 30th December 2021, which is attributed to new loans and the effect of a depressed Kenyan shilling against major currencies.

The Controller of Budget noted some externalities affecting public debt management, such as the exchange rate fluctuations and commitment fees on undisbursed loans. Depreciation of the Kenyan shilling results in an increase in debt stock and repayments (principal & interest). In the period under review, the Controller of Budget approved Kshs.3.43 billion to cover shortfalls in external debt payments due to foreign exchange fluctuations after the dollar exchange rate to the Kenya Shillings weakened to exchange at Kshs.122.9 in December 2022 compared to Kshs.112.9 in December 2021. Kenya's US dollar-denominated external debt averaged 68 to 70 per cent of the total external debt from June to December 2022. There is, therefore, a risk of an increase in the local value of the stock of external debt with the depreciation of the Kenya shilling against the US dollar.

In the period under review, the National Treasury paid commitment fees of Kshs.680.03 million, up from Kshs.322.56 million in the first quarter of the same period. These payments can be avoided to save the country from losses and attain value for money on borrowing. The slow drawdown of the loans and utilization has resulted in the implementing agencies needing to be fully prepared to execute their programmes to be funded through these loans.

The Controller of Budget recommends that borrowed funds be directed to the most productive investments that stimulate economic activity. In compliance with Section 15 (2c) of the Public Finance Management Act, 2012, the government should ensure that borrowing is used for financing development expenditure only and not recurrent expenditure.

6 EMERGING ISSUES: MANAGEMENT OF GOVERNMENT PENSION FUNDS, CHALLENGES AND OPPORTUNITIES FOR GROWTH

6.1 Introduction

An analysis of the submitted expenditure reports reveals that high recurrent expenditures and low development expenditure are rife in our budget implementation. In FY 2021/22, the total spending of the national government was Kshs.2.96 trillion, out of which, Kshs.2.40 trillion or 81.08 per cent of the total spending was on recurrent activities while Kshs.553.37 billion (18.92 per cent) was on development activities. This trend has been aggravated by the impact of the increase in the payments towards pensions and gratuities from the Consolidated Fund Services (CFS) account over the last eight years.

The CFS is a recurrent budget that contains non-discretionary payments that the government must make in any given financial year. It comprises funds allocated for (i) Repayment of Public Debt (domestic and foreign) and government-guaranteed loans to parastatals, (ii) Pensions and Gratuities, (iii) Salaries and Allowances to Constitutional Officeholders and Miscellaneous Services, and (iv) Subscriptions to International Organizations.

During the first half of FY 2022/23, Kshs.593.65 billion was spent on public debt payments and Kshs.63.18 billion or 10.6 per cent of the total CFS payments on pensions and gratuities. Expenditure towards pensions has been on the rise since FY 2014/15, which calls for developing a framework to effectively manage government pensions to ensure long-term sustainability.

6.2 Challenges in the Management of Pensions Payments

Table 6.1 shows that payments towards pensions and gratuities increased from Kshs.35.23 billion in FY 2014/15 to Kshs.145.6 billion in FY 2021/22. This was an increase of 110.37 billion over the last eight years. Overall, the increase in the amounts paid for pensions and gratuities, and public debt repayments has led to an annual increase in the payments made from the CFS account. For instance, payments made from the CFS account increased from Kshs.431.7 billion in FY 2014/15 to Kshs.996 billion in FY 2022/23 translating into a growth of 130.7 per cent. This is higher than the 91.8 per cent growth in revenues recorded over the same period. The rate at which expenditure is increasing vis-à-vis the growth in revenue collection over the period is illustrated further in Figure 6.1.

Table 6.1: Growth in Budget and Actual Pensions and Gratuities payments

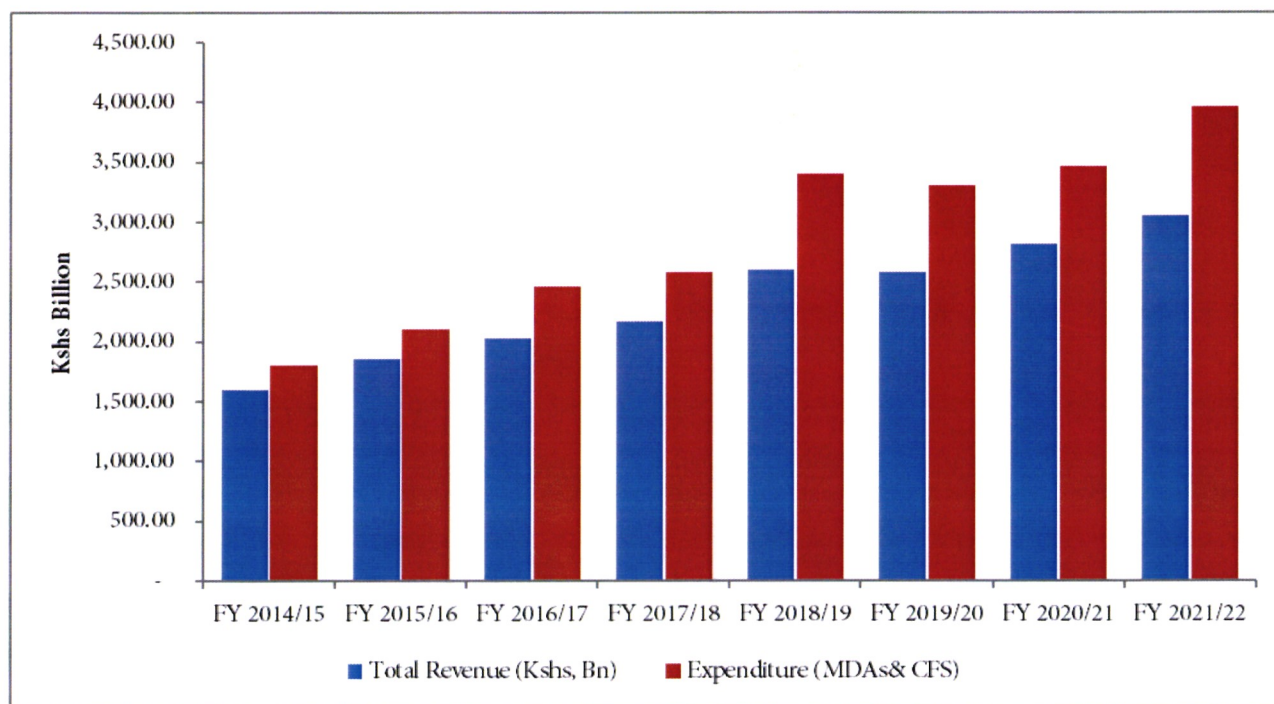
Financial Year	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	First Half of 2022/23
	(Kshs. Billion)	(Kshs. Billion)	(Kshs. Billion)	(Kshs. Billion)	(Kshs. Billion)	(Kshs. Billion)	(Kshs. Billion)	(Kshs. Billion)	(Kshs. Billion)
Total Revenues	1594.6	1853.5	2027.90	2169.2	2600.4	2577.0	2816.0	3058.0	1,435.09
Expenditure (CFS)	431.70	475.50	499.00	582.50	895.00	807.30	878.78	996.0	593.65
Budget Pensions & Gratuity	32.36	51.69	60.69	71.895	80.5	86.99	111.14	153.6	171.83

Financial Year	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	First Half of 2022/23
	(Kshs. Billion)	(Kshs. Billion)	(Kshs. Billion)	(Kshs. Billion)	(Kshs. Billion)	(Kshs. Billion)	(Kshs. Billion)	(Kshs. Billion)	(Kshs. Billion)
Actual Pensions & Gratuity Payments	35.23	50.86	58.487	62.41	69.3	86.99	110.27	145.6	63.18
(% of Expenditure (Pensions & Gratuity)/ Total Revenues	2.2	2.7	2.9	2.9	2.7	3.4	3.9	4.8	4.4

Source: *The National Treasury - Pensions Department*

From FY 2014/15 to FY 2021/22, the combined MDAs and the CFS expenditure have been higher than the realised revenue. During the first half of FY 2022/23, the total revenue (excluding external loans, and borrowing) was Kshs. 1,002.63 billion against total spending of Kshs. 1,442.30 billion leading to a fiscal deficit of Kshs.439.67 billion. The financing deficit from low revenue collection and high expenditures has led to delays in making timely payments to pension beneficiaries. This has resulted in failure to simultaneously process lump sum and monthly pension payments to beneficiaries.

Figure 6.1: Revenues and Expenditures Trends



Source: *The National Treasury & Pensions Department*

Figure 6.1 shows that the gap between revenue and expenditure is increasing. Therefore, the delays currently observed in the payment of lump sum and monthly payments is bound to persist and will further compound the sufferings of retirees who rely on government pensions for their day-to-day survival.

6.3 Pension Reforms

Since independence, the government has operated a defined benefit, non-contributory pension scheme arrangement whereby government employees are paid a certain amount of benefits upon attainment of the retirement age. Under this scheme, the benefits due to pensioners are determined by retirement age, length of service, and pre-retirement earnings, amongst other factors.

However, from 1st January 2021, the government adopted the defined benefit scheme, otherwise known as the Public Service Superannuation Scheme (PSSS), alongside the defined benefit scheme. The PSSS is a defined contribution scheme arrangement in which government employees contribute 7.5 per cent of their basic salary towards the scheme while the government (employer) contributes 15 per cent of the employee's basic salary. These reforms are highly commendable and were made after the realization that pension payments were becoming a burden to the government.

With the introduction of the PSSS system, all government employees who were below 45 years as of January 2021, were required to convert to the defined benefit scheme, and those above 45 years had the option to either convert or continue with the defined benefit scheme. From the government's perspective, the new scheme will allow government employees an opportunity to monitor and even opt to increase their pension contributions. Further, unlike the current scheme, the PSSS is administered by an independent fund manager, thus promising government employees timely processing of pension benefits upon retirement.

6.4 Conclusion

The increase in the payments made from the Consolidated Fund Services Account leads to a reduction in the funds available for development projects. Accordingly, the government must devise ways to effectively manage the rising costs. Ensuring the full roll out of the public service superannuation scheme (PSSS) among government employees will help in managing the increasing pension payments. Once fully implemented, the system will help deal with the problem of ghost workers in the government payroll who end up benefitting under the defined benefit scheme. Therefore, the government should encourage more public servants, including those over the age of 45, to join the scheme so that the challenges currently associated with the defined benefit scheme are ameliorated. In terms of budget implementation, it is believed that there will be better outcomes when payments are made to independent fund managers with the requisite skills to effectively and competitively manage the pension funds.

7 CONCLUSION

This report has been prepared in fulfilment of Article 228 (6) of the Constitution of Kenya, 2010, and Section 9 of the Controller of Budget Act, 2016. It is the second publication by the Controller of Budget in a series of reports prepared to provide information on budget implementation by the National Government for FY 2022/23. The report covers a period when there was a change in government following the August 2022 general election and the easing of the COVID-19 pandemic.

The reporting period witnessed reduced budget performance, mainly attributable to reprioritisation by the new administration. Receipts into Consolidated Fund amounted to Kshs.1.43 trillion, representing 40.5 per cent of the annual target and were below the 50 per cent target of Kshs.1.77 trillion for the first half of the year. This performance represents a shortfall of 9.5 per cent (Kshs.373.44 billion), compared to Kshs.1.42 trillion (44.5 per cent of the annual target) recorded in a similar period of FY 2021/22.

The aggregated net exchequer issues by The Nation Treasury to the national and county governments amounted to Kshs.1.37 trillion, representing 38.6 per cent of the annual net estimates, compared to Kshs.1.36 trillion (42.7 per cent) issued in a similar period FY 2021/22. The disbursed funds were, therefore, below 50 per cent of the annual target. Exchequer issues comprised a ministerial development budget of Kshs.121.75 billion, representing 28.7 per cent of exchequer issues to net estimates, recurrent ministerial budget of Kshs.550.57 billion representing 46.7 per cent of exchequer issues to net estimates, Consolidated Fund Services at Kshs.555.81 billion representing 35.4 per cent, and shareable revenue to county governments at Kshs.141.09 billion representing 38.1 per cent. The Consolidated Fund Services received the highest proportion at 40.6 per cent (Kshs.555.81 billion) due to the increasing level of public debt repayments. The performance of exchequer issues to net estimates shows a decline compared to 37 per cent, 47.7 per cent, 41.2 per cent, and 39.2 per cent issued in a similar period FY 2021/22 on development, recurrent, Consolidated Fund Services and shareable revenue to county governments, respectively.

The gross expenditure for the national government was Kshs.1.44 trillion, representing an absorption rate of 39.1 per cent compared to Kshs.1.29 trillion (39.5 per cent) in a similar reporting period in FY 2021/22. The depressed absorption was partly attributed to the delay in the execution of planned activities by MDAs due anticipated rationalisation of the budget of Kshs.300 billion by the new administration. This occasioned a prolonged shutdown of IFMIS, which affected the procurement of goods and services.

In overseeing budget implementation, the Controller of the Budget identified key issues that require attention to ensure seamless budget performance. The prolonged closure of IFMIS resulted in the non-procurement of goods and services, consequently delaying the implementation of planned activities by MDAs. A revenue shortfall also meant that some planned activities could not be funded. While the Controller of Budget appreciates the move to rationalise the budget by reducing the non-core activities to minimise the budget deficit, the CoB recommends that government should enhance revenue collection by widening the revenue base and improving tax compliance under international best practice. This should also inform the consequent budget-making process where resources guide expenditure.

Over time, the CoB has noted growth in the CFS budget, particularly towards public debt, which may crowd out funding for other productive activities. The Controller of Budget emphasises adherence to the Principles of Public Finance as articulated in Article 201 of the Constitution and also recommends that borrowing should be geared towards development expenditure in line with Section 50 (1) of the Public Finance Management Act.

8 ANNEXES

ANNEX I: MDAs Development Expenditure

VOTE	MINISTRY/STATE DEPARTMENT	Gross Estimates (Kshs.)	Appropriation-In-Aid (AIA) (Kshs.)	Net Estimates (Kshs.)	Exchequer Issues (Kshs.)	Expenditure (Kshs.)	% of Exchequer Issue to Net Estimates	% of Expenditure to Gross Estimates
D1011	The Executive Office of the President	5,983,070,000	5,348,570,000	634,500,000	690,494,741	1,100,245,637	108.8	18.4
D1021	State Department for Interior and Citizen Services	6,778,886,159	202,000,000	6,576,886,159	1,259,282,821	3,506,108,256	19.1	51.7
D1023	State Department for Correctional Services	1,165,400,000	70,000,000	1,095,400,000	-	16,685,000	0.0	1.4
D1032	State Department for Devolution	297,000,000	-	297,000,000	19,318,659	32,965,456	6.5	11.1
D1035	State Department for Development for the Arid and Semi-Arid Lands	9,360,193,700	-	9,360,193,700	3,082,589,967	3,385,977,060	32.9	36.2
D1041	Ministry of Defence	3,468,000,000	-	3,468,000,000	837,500,000	1,733,831,129	24.1	50.0
D1052	Ministry of Foreign Affairs	1,796,120,000	-	1,796,120,000	1,070,000,000	1,087,352,000	59.6	60.5
D1064	State Department for Vocational and Technical Training	5,829,822,807	3,543,822,807	2,286,000,000	387,554,540	962,020,554	17.0	16.5
D1065	State Department for University Education	6,980,716,330	2,803,486,330	4,177,230,000	895,168,100	1,807,077,841	21.4	25.9
D1066	State Department for Early Learning and Basic Education	15,379,239,910	227,200,000	15,152,039,910	16,257,362,200	5,288,509,944	107.3	34.4
D1068	Post-Training and Skills Development	73,000,000	40,000,000	33,000,000	-	-	0.0	0.0
D1071	The National Treasury	120,551,831,325	39,417,555,835	81,134,275,490	25,508,199,015	36,190,636,678	31.4	30.0
D1072	State Department of Planning	45,130,640,000	-	45,130,640,000	4,161,246,802	4,165,246,802	9.2	9.2
D1081	Ministry of Health	54,016,254,652	14,259,554,052	39,756,700,600	9,216,721,902	11,294,014,677	23.2	20.9
D1091	State Department of Infrastructure	151,815,567,854	88,939,567,854	62,876,000,000	18,350,607,452	45,249,018,067	29.2	29.8
D1092	State Department of Transport	1,350,000,000	-	1,350,000,000	24,707,165	23,324,265	1.8	1.7
D1093	State Department for Shipping and Maritime	1,178,000,000	689,000,000	489,000,000	-	58,000,000	0.0	4.9
D1094	State Department for Housing and Urban Development	19,020,000,000	1,184,000,000	17,836,000,000	1,400,093,565	3,718,622,514	7.8	19.6

VOTE	MINISTRY/STATE DEPARTMENT	Gross Estimates (Kshs.)	Appropriation-In-Aid (AIA) (Kshs.)	Net Estimates (Kshs.)	Exchequer Issues (Kshs.)	Expenditure (Kshs.)	% of Exchequer Issue to Net Estimates	% of Expenditure to Gross Estimates
D1095	State Department for Public Works	1,310,000,000	250,000,000	1,060,000,000	128,782,689	71,890,569	12.1	5.5
D1108	State Department for Environment and Forestry	4,639,800,000	1,270,500,000	3,369,300,000	501,403,940	1,193,333,167	14.9	25.7
D1109	Ministry of Water and Sanitation and Irrigation	77,189,124,881	39,293,124,881	37,896,000,000	10,615,349,365	12,097,236,198	28.0	15.7
D1112	Ministry of Lands and Physical Planning	2,621,800,000	-	2,621,800,000	590,073,625	563,277,075	22.5	21.5
D1122	State Department for Information Communications and Technology	16,985,700,000	12,996,700,000	3,989,000,000	240,761,188	2,384,279,314	6.0	14.0
D1123	State Department for Broadcasting and Telecommunications	817,000,000	-	817,000,000	-	204,250,000	0.0	25.0
D1132	State Department for Sports	15,883,000,000	15,750,000,000	133,000,000	8,250,000	3,324,750,000	6.2	20.9
D1134	State Department for Culture and Heritage	77,500,000	-	77,500,000	-	-	0.0	0.0
D1152	Ministry of Energy	80,971,855,000	56,943,855,000	24,028,000,000	2,883,812,116	7,754,359,893	12.0	9.6
D1162	State Department for Livestock.	3,617,100,000	208,120,000	3,408,980,000	430,191,601	383,734,654	12.6	10.6
D1166	State Department for Fisheries, Aquaculture and the Blue Economy	8,105,770,000	720,000,000	7,385,770,000	1,635,212,453	2,306,352,451	22.1	28.5
D1169	State Department for Crop Development and Agricultural Research	27,042,327,321	2,990,541,809	24,051,785,512	7,230,506,886	9,251,324,279	30.1	34.2
D1173	State Department for Cooperatives	422,500,000	-	422,500,000	10,027,214,280	8,424,725,130	2373.3	1994.0
D1174	State Department for Trade and Enterprise Development	1,486,600,000	-	1,486,600,000	762,561,000	66,253,100	51.3	4.5
D1175	State Department for Industrialization	3,501,550,000	-	3,501,550,000	547,905,854	541,112,742	15.6	15.5
D1184	State Department for Labour	572,500,000	-	572,500,000	127,052,544	89,267,818	22.2	15.6
D1185	State Department for Social Protection.	2,870,300,000	61,800,000	2,808,500,000	752,847,761	555,498,588	26.8	19.4
D1194	Ministry of Petroleum and Mining	3,302,000,000	2,700,000,000	602,000,000	-	672,207,432	0.0	20.4
D1202	State Department for Tourism	352,210,000	-	352,210,000	-	-	0.0	0.0
D1203	State Department for Wildlife	821,810,000	135,000,000	686,810,000	22,765,886	15,721,303	3.3	1.9
D1212	State Department for Gender	2,776,000,000	320,000,000	2,456,000,000	38,875,419	638,874,601	1.6	23.0
D1213	State Department for Public Service	703,040,000	100,100,000	602,940,000	-	97,525,000	0.0	13.9
D1214	State Department for Youth	1,932,790,000	200,000,000	1,732,790,000	63,440,450	400,670,233	3.7	20.7

VOTE	MINISTRY/STATE DEPARTMENT	Gross Estimates (Kshs.)	Appropriation-In-Aid (AIA) (Kshs.)	Net Estimates (Kshs.)	Exchequer Issues (Kshs.)	Expenditure (Kshs.)	% of Exchequer Issue to Net Estimates	% of Expenditure to Gross Estimates
D1222	State Department for Regional and Northern Corridor Development	1,614,824,000	288,974,000	1,325,850,000	316,462,500	298,962,500	23.9	18.5
D1252	State Law Office and Department of Justice	223,500,000	-	223,500,000	-	28,250,000	0.0	12.6
D1261	The Judiciary	1,900,000,000	-	1,900,000,000	572,500,000	402,724,797	30.1	21.2
D1271	Ethics and Anti-Corruption Commission	158,000,000	-	158,000,000	-	-	0.0	0.0
D1291	Office of the Director of Public Prosecutions	45,000,000	-	45,000,000	-	50,300	0.0	0.1
D2021	National Land Commission	90,300,000	-	90,300,000	-	-	0.0	0.0
D2031	Independent Electoral and Boundaries Commission	-	-	-	-	-	0.0	0.0
D2043	Parliamentary Joint Services	2,065,000,000	-	2,065,000,000	615,326,905	-	29.8	0.0
D2071	Public Service Commission	26,300,000	-	26,300,000	-	2,625,469	0.0	10.0
D2091	Teachers Service Commission	656,000,000	-	656,000,000	474,996,217	216,599,289	72.4	33.0
D2111	Auditor General	389,710,000	9,100,000	380,610,000	-	-	0.0	0.0
D2141	National Gender and Equality Commission	10,131,000	-	10,131,000	-	94,000	0.0	0.9
TOTAL		715,354,784,939	290,962,572,568	424,392,212,371	121,747,139,607	171,605,585,783	28.7	24.0

Source: National Treasury and MDAs

ANNEX II: Recurrent Expenditure

VOTE	MINISTRY/STATE DEPARTMENT	Gross Estimates (Kshs.)	A-i-A (Kshs.)	Net Estimates (Kshs.)	Exchequer Issues (Kshs.)	Expenditure (Kshs.)	% of Exchequer Issue to Net Estimates	% of Expenditure to Gross Estimates
R1011	The Executive Office of the President	17,083,926,379	9,079,127,990	8,004,798,389	7,512,340,005	9,934,998,844	93.8	58.2
R1021	State Department for Interior and Citizen Services	136,753,574,522	2,099,670,000	134,653,904,522	62,281,299,293	68,237,034,214	46.3	49.9
R1023	State Department for Correctional Services	31,053,251,550	3,500,000	31,049,751,550	12,080,941,662	11,570,480,708	38.9	37.3
R1032	State Department for Devolution	1,444,910,000	-	1,444,910,000	601,416,219	596,423,464	41.6	41.3
R1035	State Department for Development for the Arid and Semi-Arid Lands	1,059,230,000	-	1,059,230,000.00	452,146,189	451,572,672	42.7	42.6
R1041	Ministry of Defence	128,215,300,000	-	128,215,300,000.00	58,828,310,180	70,555,351,110	45.9	55.0
R1052	Ministry of Foreign Affairs	17,236,179,618	420,500,000	16,815,679,618.00	8,444,921,951	8,274,779,598	50.2	48.0
R1064	State Department for Vocational and Technical Training	19,100,500,000	4,693,000,000	14,407,500,000.00	5,539,989,781	9,637,185,366	38.5	50.5
R1065	State Department for University Education	102,857,278,998	42,379,478,998	60,477,800,000.00	29,441,547,909	35,559,844,290	48.7	34.6
R1066	State Department for Early Learning and Basic Education	95,302,000,000	1,433,000,000	93,869,000,000.00	44,840,051,972	46,241,066,562	47.8	48.5
R1068	State Department for Post Training and Skills Development	283,600,000	-	283,600,000.00	94,505,483	88,622,864	33.3	31.2
R1069	State Department for Implementation of Curriculum Reforms	339,299,400	-	339,299,400.00	80,500,829	146,279,675	23.7	43.1
R1071	The National Treasury	53,845,085,913	7,436,814,306	46,408,271,607.00	17,521,929,755	24,967,988,215	37.8	46.4
R1072	State Department of Planning	3,955,480,000	71,000,000	3,884,480,000.00	1,774,394,931	1,687,688,034	45.7	42.7
R1081	Ministry of Health	68,503,000,000	19,665,000,000	48,838,000,000.00	23,368,525,889	22,277,634,549	47.8	32.5
R1091	State Department of Roads	69,478,000,000	67,821,000,000	1,657,000,000.00	662,712,909	22,189,984,796	40.0	31.9
R1092	State Department of Transport	9,622,000,000	8,677,000,000	945,000,000.00	153,772,622	3,025,777,845,75	16.3	31.4
R1093	State Department for Shipping and Maritime	2,182,000,000	1,606,000,000	576,000,000.00	251,964,299	918,274,280	43.7	42.1
R1094	State Department for Housing and Urban Development	1,341,000,000	-	1,341,000,000.00	519,087,759	498,838,046	38.7	37.2
R1095	State Department for Public Works	3,383,000,000	912,000,000	2,471,000,000.00	1,138,892,963	1,274,536,448	46.1	37.7

VOTE	MINISTRY/STATE DEPARTMENT	Gross Estimates (Kshs.)	A-i-A (Kshs.)	Net Estimates (Kshs.)	Exchequer Issues (Kshs.)	Expenditure (Kshs.)	% of Exchequer Issue to Net Estimates	% of Expenditure to Gross Estimates
R1108	State Department for Environment and Forestry	10,616,000,000	1,268,900,000	9,347,100,000.00	4,567,106,993	4,970,405,284	48.9	46.8
R1109	Ministry of Water, Sanitation and Irrigation	6,747,500,000	2,388,500,000	4,359,000,000.00	2,074,386,146	2,939,671,418	47.6	43.6
R1112	Ministry of Lands and Physical Planning	3,306,450,000	9,000,000	3,297,450,000.00	1,441,006,615	1,404,958,587	43.7	42.5
R1122	State Department for Information Communications and Technology and Innovation	2,268,400,000	105,000,000	2,163,400,000.00	614,736,765	1,039,913,240	28.4	45.8
R1123	State Department for Broadcasting and Telecommunications	6,690,600,000	2,668,500,000	4,022,100,000.00	1,955,639,191	2,972,483,992	48.6	44.4
R1132	State Department for Sports	1,542,950,000	141,400,000	1,401,550,000.00	711,749,361	663,340,020	50.8	43.0
R1134	State Department for Culture and Heritage	3,154,414,367	426,189,820	2,728,224,547.00	1,377,646,071	1,286,479,507	50.5	40.8
R1152	Ministry of Energy	14,696,000,000	5,856,000,000	8,840,000,000.00	2,317,980,975	2,335,190,696	26.2	15.9
R1162	State Department for Livestock	3,590,200,000	1,084,000,000	2,506,200,000.00	1,223,555,267	1,097,322,919	48.8	30.6
R1166	State Department for Fisheries, Aquaculture and the Blue Economy	2,391,630,000	10,000,000	2,381,630,000.00	1,169,174,364	1,138,568,054	49.1	47.6
R1169	State Department for Crop Development and Agricultural Research	14,463,700,000	6,328,700,000	8,135,000,000.00	7,443,431,992	10,129,709,125	91.5	70.0
R1173	State Department for Cooperatives	1,839,700,000	1,326,000,000	513,700,000.00	409,286,592	688,434,854	79.7	37.4
R1174	State Department for Trade and Enterprise Development	2,514,590,000	42,000,000	2,472,590,000.00	1,215,142,398	1,028,938,722	49.1	40.9
R1175	State Department for Industrialization	3,624,990,000	972,000,000	2,652,990,000.00	1,168,390,236	1,570,301,337	44.0	43.3
R1184	State Department for Labour	2,911,130,000	913,420,000	1,997,710,000.00	881,747,227	1,841,505,186	44.1	63.3
R1185	State Department for Social Protection, Pensions and Citizen Affairs	31,805,940,000	60,000,000	31,745,940,000.00	10,180,827,260	13,326,973,959	32.1	41.9
R1194	Ministry of Petroleum and Mining	21,349,000,000	20,617,000,000	732,000,000.00	22,893,748,351	60,940,646,445	37.5	285.4
R1202	State Department for Tourism	8,676,465,760	7,232,380,000	1,444,085,760.00	541,496,653	528,751,736	31.1	6.1
R1203	State Department for Wildlife	7,164,000,000	3,219,000,000	3,945,000,000.00	1,227,945,986	2,423,004,692	31.3	33.8
R1212	State Department for Gender	1,200,350,000	135,000,000	1,065,350,000.00	333,486,016	456,830,863	35.7	38.1

VOTE	MINISTRY/STATE DEPARTMENT	Gross Estimates (Kshs.)	A-i-A (Kshs.)	Net Estimates (Kshs.)	Exchequer Issues (Kshs.)	Expenditure (Kshs.)	% of Exchequer Issue to Net Estimates	% of Expenditure to Gross Estimates
R1213	State Department for Public Service	23,141,770,000	2,638,740,000	20,503,030,000.00	7,314,435,939	12,501,165,734	41.9	54.0
R1214	State Department for Youth Affairs	1,524,330,000	-	1,524,330,000.00	638,415,163	687,076,699	34.9	45.1
R1221	State Department for East African Community	767,060,000	-	767,060,000.00	268,046,155	277,268,382	50.6	36.1
R1222	State Department for Regional and Northern Corridor Development	3,493,710,000	478,500,000	3,015,210,000.00	1,524,581,680	1,527,735,812	46.0	43.7
R1252	State Law Office and Department of Justice	5,179,370,000	565,580,000	4,613,790,000.00	2,120,832,880	2,126,637,406	48.5	41.1
R1261	The Judiciary	16,397,400,000	-	16,397,400,000.00	7,945,463,574	7,456,784,790	47.2	45.5
R1271	Ethics and Anti-Corruption Commission	3,420,530,000	-	3,420,530,000.00	1,613,494,832	1,820,370,470	34.7	53.2
R1281	National Intelligence Service	46,127,700,000	-	46,127,700,000.00	16,025,649,585	14,714,049,727	47.0	31.9
R1291	Office of the Director of Public Prosecutions	3,281,950,000	-	3,281,950,000.00	1,542,401,073	1,663,943,939	10.7	50.7
R1311	Office of the Registrar of Political Parties	2,126,850,000	-	2,126,850,000.00	228,470,815	959,919,105	52.4	45.1
R1321	Witness Protection Agency	649,070,000	-	649,070,000.00	340,359,859	269,980,406	41.8	41.6
R2011	Kenya National Commission on Human Rights	464,360,000	-	464,360,000.00	193,989,952	245,564,575	41.1	52.9
R2021	National Land Commission	1,468,000,000	-	1,468,000,000.00	602,820,409	568,938,393	56.3	38.8
R2031	Independent Electoral and Boundaries Commission	21,686,840,000	-	21,686,840,000.00	12,203,936,299	14,910,051,315	38.6	68.8
R2041	Parliamentary Service Commission	8,785,000,000	-	8,785,000,000.00	3,387,119,560	3,524,377,872	31.3	40.1
R2042	National Assembly	33,270,000,000	-	33,270,000,000.00	10,429,548,915	11,000,782,182	40.3	33.1
R2043	Parliamentary Joint Services	6,100,000,000	24,000,000	6,076,000,000.00	2,447,006,725	2,373,560,219	54.7	38.9
R2051	Judicial Service Commission	587,000,000	-	587,000,000.00	321,025,841	283,467,238	30.4	48.3
R2061	The Commission on Revenue Allocation	491,960,000	-	491,960,000.00	149,530,708	184,776,874	43.6	37.6
R2071	Public Service Commission	2,555,840,000	1,000,000	2,554,840,000.00	1,114,115,114	1,082,886,014	32.6	42.4
R2081	Salaries and Remuneration Commission	612,500,000	-	612,500,000.00	199,540,188	244,757,035	45.9	40.0
R2091	Teachers Service Commission	297,718,000,000	547,000,000	297,171,000,000.00	136,532,199,330	143,216,158,093	37.0	48.1

VOTE	MINISTRY/STATE DEPARTMENT	Gross Estimates (Kshs.)	A-i-A (Kshs.)	Net Estimates (Kshs.)	Exchequer Issues (Kshs.)	Expenditure (Kshs.)	% of Exchequer Issue to Net Estimates	% of Expenditure to Gross Estimates
R2101	National Police Service Commission	1,029,250,000	-	1,029,250,000.00	381,232,787	410,991,717	40.8	39.9
R2111	Auditor General	6,508,450,000	150,000,000	6,358,450,000.00	2,596,806,016	2,977,962,606	29.1	45.8
R2121	Controller of Budget	702,370,000	-	702,370,000.00	204,362,144	205,897,774	40.3	29.3
R2131	The Commission on Administrative Justice	724,320,000	-	724,320,000.00	292,139,701	231,925,994	45.1	32.0
R2141	National Gender and Equality Commission	473,170,000	-	473,170,000.00	213,361,431	217,039,678	39.4	45.9
R2151	Independent Policing Oversight Authority	1,024,600,000	-	1,024,600,000.00	403,782,256	439,136,256	46.7	42.9
TOTAL		1,403,904,026,507	225,504,901,114	1,178,399,125,393	550,572,405,989	677,040,998,520	46.7	48.2

Source: National Treasury and MDAs

ANNEX III: MDAs Development Expenditure by Sector

Sector	Gross Estimates (Kshs.)	Net Estimates (Kshs.)	Exchequer Issues (Kshs.)	Expenditure (Kshs.)	% of Exchequer Issue to Net Estimates	% of Expenditure to Gross Estimates
Agriculture, Rural and Urban Development	41,899,797,321	37,981,135,512	19,913,198,845	20,929,413,589	52.4	50.0
Energy, Infrastructure and Information and Communication Technology	276,750,122,854	113,047,000,000	23,028,764,175	60,135,952,055	20.4	21.7
General Economics and Commercial Affairs	6,955,184,000	6,666,210,000	1,626,929,354	906,328,342	24.4	13.0
Health	54,016,254,652	39,756,700,600	9,216,721,902	11,294,014,677	23.2	20.9
Education	28,918,779,047	22,304,269,910	18,015,081,058	8,274,207,628	80.8	28.6
Governance, Justice, Law and Order	10,280,917,159	10,008,917,159	1,831,782,821	3,953,912,353	18.3	38.5
Public Administration and International Relations	178,875,501,325	133,800,175,490	32,128,026,571	43,077,267,275	24.0	24.1
National Security	3,468,000,000	3,468,000,000	837,500,000	1,733,831,129	24.1	50.0
Social Protection, Culture and Recreation	31,539,493,700	15,407,693,700	4,009,615,690	7,994,368,067	26.0	25.3
Environment Protection, Water and Natural Resources	82,650,734,881	41,952,110,000	11,139,519,191	13,306,290,668	26.6	16.1
Total	715,354,784,939	424,392,212,371	121,747,139,607	171,605,585,783	28.7	24.0

Source: National Treasury and MDAs

ANNEX IV: MDAs Recurrent Expenditure by Sector

Sector	Gross Estimates. (Kshs.)	Net Estimates (Kshs.)	Exchequer Issues (Kshs.)	Expenditure (Kshs.)	% of Exchequer Issue to Net Estimates	% of Expenditure to Gross Estimates
Agriculture, Rural and Urban Development	27,059,680,000	18,301,980,000	12,289,275,239	15,027,931,932	67.1	55.5
Energy, Infrastructure and Information and Communication Technology	131,010,000,000	22,747,500,000	30,508,535,834	95,195,645,789	134.1	72.7
General Economics and Commercial Affairs	19,076,815,760	10,351,935,760	4,717,657,122	4,932,995,989	45.6	25.9
Health	68,503,000,000	48,838,000,000	23,368,525,889	22,277,634,549	47.8	32.5
Education	515,600,678,398	466,548,199,400	216,528,795,304	234,889,156,850	46.4	45.6
Governance, Justice, Law and Order	224,127,216,072	221,458,466,072	101,870,592,554	110,611,401,817	46.0	49.4
Public Administration and International Relations	177,982,121,910	158,160,939,614	64,628,023,034	80,477,047,158	40.9	45.2
National Security	174,343,000,000	174,343,000,000	74,853,959,765	85,269,400,837	42.9	48.9
Social Protection, Culture and Recreation	41,674,014,367	39,998,004,547	13,937,602,124	18,026,702,206	34.8	43.3
Environment Protection, Water and Natural Resources	24,527,500,000	17,651,100,000	7,869,439,125	10,333,081,394	44.6	42.1
Total	1,403,904,026,507	1,178,399,125,393	550,572,405,989	677,040,998,520	46.7	48.2

Source: National Treasury and MDAs

ANNEX V: MDAs Total Expenditure by Sector

Sector	Gross Estimates (Kshs.)	Net Estimates (Kshs.)	Exchequer Issues (Kshs.)	Expenditure (Kshs.)	% of Exchequer Issue to Net Estimates	% of Expenditure to Gross Estimates
Agriculture, Rural and Urban Development	68,959,477,321	56,283,115,512	32,202,474,084	35,957,345,521	57.2	52.1
Energy, Infrastructure and Information and Communication Technology	407,760,122,854	135,794,500,000	53,537,300,009	155,331,597,843	39.4	38.1
General Economics and Commercial Affairs	26,031,999,760	17,018,145,760	6,344,586,476	5,839,324,331	37.3	22.4
Health	122,519,254,652	88,594,700,600	32,585,247,791	33,571,649,226	36.8	27.4
Education	544,519,457,445	488,852,469,310	234,543,876,362	243,163,364,478	48.0	44.7
Governance, Justice, Law, and Order	234,408,133,231	231,467,383,231	103,702,375,374	114,565,314,170	44.8	48.9
Public Administration and International Relations	356,857,623,235	291,961,115,104	96,756,049,606	123,554,314,433	33.1	34.6
National Security	177,811,000,000	177,811,000,000	75,691,459,765	87,003,231,966	42.6	48.9
Social Protection, Culture and Recreation	73,213,508,067	55,405,698,247	17,947,217,813	26,021,070,273	32.4	35.5
Environment Protection, Water, and Natural Resources	107,178,234,881	59,603,210,000	19,008,958,316	23,639,372,062	31.9	22.1
Total	2,119,258,811,446	1,602,791,337,764	672,319,545,596	848,646,584,303	41.9	40.0

Source: National Treasury and MDAs

ANNEX VI: Capital Transfer to SAGAs

Parent Ministry/Department /Agency	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)			Total Expenditure (Kshs.)
			AIA	Transfers (Capital)	Total	
State Department for Wildlife	Kenya Wildlife Service-Headquarters	580,000,000				
	Wildlife Research and Training Institute	69,000,000				
State Department for Tourism	Wildlife Clubs of Kenya	19,000,000				
	Tourism Fund	150,000,000				
	Kenya Tourism Board	50,200,000				
	Bomas of Kenya	68,000,000				
	Kenya Maritime Authority	689,000,000	344,500,000		344,500,000	57,794,683
State Department for Shipping and Maritime	Bandari Maritime Academy	389,000,000				
	Agriculture and Food Authority	1,168,000,000		1,075,000,000	1,075,000,000	1,105,349,000
State Department for Crop Development and Agricultural Research	Pest Control Products Board	42,500,000	1,372,663	42,500,000	43,872,663	1,372,663
	Pyrethrum Processing Company of Kenya	100,000,000		100,000,000	16,000,000	18,000,000
	Kenya Agricultural and Livestock Research Organization	130,500,000		130,500,000	29,000,000	31,000,000
	Bukura Agricultural College	20,000,000		20,000,000		21,255,844
	Commodities Fund	30,000,000		30,000,000	2,414,500	12,627,250
	Kenya Tsetse and Trypanosomiasis Eradication Council	75,000,000		75,000,000	34,656,470	37,383,449
	Kenya Genetic Resource Centre	150,000,000		150,000,000		
	Warehouse receipt system council	25,000,000		25,000,000	18,988,446	21,860,110
	Nyayo Tea Zones	50,000,000		50,000,000	25,000,000	25,000,000
	Agricultural Development Corporation	25,000,000		25,000,000		12,500,000
State Department for Culture and Heritage	National Cereal and Produce Board	3,793,923,200		3,793,923,200		
	National Museums of Kenya	17,500,000				
Ministry of Defence	Kenya Meat Commission	410,000,000		205,000,000	205,000,000	205,000,000
State Law Office and Department of Justice	Kenya School of Law	28,250,000				

Parent Ministry/Department /Agency	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)			Total Expenditure (Kshs.)		
			AIA	Transfers (Capital)	Total		Use of goods and services	Other Economic Items
State Department for Regional and Northern Corridor Development	Kerio Valley Development Authority	308,730,000		20,932,500	20,932,500	20,932,500	-	-
	Coast Development Authority	464,000,000		41,000,000	41,000,000	41,000,000	-	-
	Ewaso Nyiro North Development Authority	90,390,000		22,597,500	22,597,500	19,800,000	1,850,000	21,650,000
	Ewaso Nyiro South Development Authority	52,629,288					22,495,439	22,495,439
	Lake Basin Development Authority	318,300,000				62,241,189	-	62,241,189
	Tana and Athi Rivers Development Authority	160,000,000		40,000,000	40,000,000		40,000,000	40,000,000
	Lamu Port, South Sudan, Ethiopia Transport Corridor Development Authority	133,974,000		60,000,000	60,000,000	45,370,000	-	45,370,000
	Kenya Institute of Mass Communication	110,000,000		27,500,000	27,500,000	27,500,000	-	27,500,000
	Kenya Broadcasting Corporation	298,000,000		74,500,000	74,500,000	74,500,000	-	74,500,000
	Kenya Year Editorial Board	10,000,000		2,500,000	2,500,000	2,500,000	-	2,500,000
State Department for Information and Communication Technology and Innovation	Kenya Film Classification Board	210,000,000		52,500,000	52,500,000	52,500,000	-	52,500,000
	Film School	50,000,000		12,500,000	12,500,000	12,500,000	-	-
	Kenya Film Commission	49,000,000		12,250,000	12,250,000	12,250,000	-	12,250,000
	Information and Communication Technology Authority	1,700,000,000	307,473,243	163,681,682	471,154,924	386,414,741	-	386,414,741
	Konza Technopolis Development Authority	4,870,850,000	1,910,262,936		1,910,262,936		1,910,262,936	1,910,262,936
	Youth Enterprise Development Fund	87,500,000	118,549,102	43,750,000	162,299,102		52,500,000	52,500,000
	Kenya Institute for Public Policy Research and Analysis	68,000,000		31,500,000	31,500,000	31,500,000	-	31,500,000
	National Government Constituency Development Fund	44,289,900,000		4,000,000,000	4,000,000,000		4,000,000,000	4,000,000,000
	National Council for Population and Development	129,500,000		15,500,000	15,500,000	15,500,000	-	15,500,000
	Kenya National Bureau of Statistics	239,735,641		54,323,058	54,323,058	54,323,058	-	54,323,058

Parent Ministry/Department /Agency	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)			Total Expenditure (Kshs.)
			AIA	Transfers (Capital)	Total	
State Department for Social Protection, Senior Citizens and Special Programmes	National Council for Persons with Disabilities	129,500,000		129,500,000	129,500,000	45,747,244
State Department for Labour	National Industrial Training Authority	165,320,000		165,320,000	165,320,000	46,346,819
State Department for the Development of the Arid and Semi-Arid Lands	National Drought Management Authority	6,642,810,000		1,583,655	1,583,655	1,463,088
State Department for Transport	Kenya Airports Authority	713,000,000				-
State Department for Housing and Urban Development	Nairobi Metropolitan Transport Authority	589,500,000	64,500,000	525,000,000	589,500,000	-
	National Slum Upgrading Project and Civil Servants Housing Scheme	1,669,000,000	18,500,000	1,650,500,000	1,669,000,000	107,250,000
State Department for Gender	National Government Affirmative Action Development Fund	2,130,000,000		532,500,000	532,500,000	513,669,623
	Women Enterprise Fund	170,000,000		85,000,000	85,000,000	42,500,000
	UWEZO Fund	92,000,000		46,000,000	46,000,000	46,000,000
State Department for Public Works	National Construction Authority	277,934,000				-
	Kenya Veterinary Board	24,000,000		6,000,000	6,000,000	5,863,205
State Department of Livestock	Kenya Dairy Board	104,860,000	60,322,910		60,322,910	60,322,910
	Kenya Leather Development Council	250,000,000		62,500,000	62,500,000	10,781,230
	Kenya Veterinary Vaccines Production Institute	164,715,000	13,490,084		13,490,084	13,490,984
State Department for Co-operatives	Kenya National Trading Corporation	22,500,000		22,500,000	22,500,000	22,500,000
	New Kenya Planters Cooperative Union - Headquarters	7,500,000		7,500,000	7,500,000	7,500,000

Parent Ministry/Department /Agency	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)			Total	Use of goods and services	Other Economic Items	Total Expenditure (Kshs.)
			AIA	Transfers (Capital)					
State Department for Sports	Kenya Academy of Sports	99,000,000					-		
	Sports, Arts, and Social Development Fund	15,750,000,000	6,104,805,235		6,104,805,235		3,300,000,000	3,300,000,000	
State Department for Public Service	Kenya School of Government	160,050,000					-		
	National Youth Service	35,000,000					-		
Ministry of Petroleum and Mining	National Oil Corporation of Kenya	125,000,000		125,000,000	125,000,000		125,000,000	125,000,000	
	Energy and Petroleum Regulatory Authority	165,000,000		165,000,000	165,000,000		82,500,000	82,500,000	
Ministry of Energy	Kenya Power and Lighting Company Limited	4,298,000,000		852,500,000	852,500,000	852,500,000	-	852,500,000	
	Nuclear Power and Energy Agency	780,000,000	200,000,000	95,000,000	295,000,000	99,429	7,126	106,555	
	Geothermal Development Company	7,165,000,000	906,905,294	175,000,000	1,081,905,294	649,800,432	2,979,492,330	3,629,292,762	
	Kenya Transmission Company	37,100,855,000	4,275,095,933	887,750,000	5,162,845,933	4,946,395,946	-	4,946,395,946	
	Renewable Energy Corporation	8,561,580,000	552,546,473	123,347,521	675,893,994	367,837,768	423,977,428	791,815,196	
	Kenya Forest Service	997,000,000	266,801,264	10,000,000	276,801,264	287,797,880	-	287,797,880	
	National Environment Management Authority	278,000,000		10,592,552	10,592,552	6,657,150	-	6,657,150	
	Kenya Forestry Research Institution	381,000,000							
	National Environment Trust Fund	195,000,000							
	Kenya water Towers Agency	205,000,000							
Ministry of Environment and Forestry	National Environment Compliant Committee	-					-		
	National Environment Tribunal	-					-		

Parent Ministry/Department /Agency	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)			Total Expenditure (Kshs.)	
			AIA	Transfers (Capital)	Total	Use of goods and services	Other Economic Items
State Department for Industrialization	Modernization of Rift Valley Textile Machinery	66,200,000		66,200,000	66,200,000	331,000,000	331,000,000
	Railway siding and related infrastructure	12,500,000				6,250,000	6,250,000
	Provision of Finances to Small and Medium Enterprises in the Manufacturing sector- Kenya Industrial Estates	302,000,000		302,000,000	302,000,000	151,000,000	151,000,000
	Modernization of NMC's Foundry Plant and Fabrication Workshop and Establishment of Hot Dip Galvanizing Project	21,000,000		21,000,000	21,000,000	10,500,000	10,500,000
	Karichen Apparels Value Chain	4,000,000		4,000,000	4,000,000	2,000,000	2,000,000
	Niyando Apparels Value Chain	55,000,000		55,000,000	55,000,000	27,500,000	27,500,000
	Construction of Industrial Research Laboratories Kenya Industrial Research and Development Institute-South B	250,000,000		250,000,000		125,000,000	125,000,000
	Establishment of One Stop Centre for Investment and Office Part	20,000,000		20,000,000	20,000,000	10,000,000	10,000,000
	Development of Athi-River textile Hub-Export Processing Zones Authority	92,500,000		92,500,000	92,500,000	46,250,000	46,250,000
	Construction of investor sheds-Export Processing Zones Authority	100,000,000		100,000,000	100,000,000	66,670,000	66,670,000
Ministry of Health	Cotton development subsidy and extension support-Rift Valley Textile	71,370,000		71,370,000	71,370,000	35,690,000	35,690,000
	One Village One Product	40,000,000		40,000,000	40,000,000	-	-
	Kenya National Hospital	1,342,000,000				16,224,712	16,224,712
	Kenya Medical Research Institute	513,000,000				-	-
	Moi Teaching and Referral Hospital	406,000,000				-	-
	Kenyatta University Teaching Referral and Research Hospital	820,000,000				-	-
	Gatundu Hospital	100,000,000				-	-
	Kenya Medical Supplies Authority	310,000,000				199,927,418	199,927,418
	Kenya Medical Training College	636,000,000		297,769,469	297,769,469	297,769,469	297,769,469

Parent Ministry/Department /Agency	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)			Total Expenditure (Kshs.)
			AIA	Transfers (Capital)	Total	
State Department for Interior and Citizen Services	National Transport and Safety Authority	520,856,159		286,975,066	286,975,066	144,880,141
	National Authority for Campaign Against Alcohol and Drug Abuse	100,000,000			27,124,000	27,124,000
Ministry of Devolution	Council of Governors					
	Micro and Small Enterprises Authority	1,370,100,000		65,000,000	65,000,000	43,262,972
State Department for Trade and Enterprise Development	Water Sector Trust Fund	1,481,000,000		295,403,400	295,403,400	295,403,400
	Kenya Water Institute	746,000,000		125,000,000	125,000,000	100,000,000
Ministry of Water, Sanitation and Irrigation	National Water Harvesting and Storage Authority	900,000,000		225,000,000	225,000,000	225,000,000
	Regional Centre on Ground Water Resource Education Training and Research	30,000,000		7,500,000	7,500,000	7,677,540
	Water Resources Authority	310,000,000		144,000,000	144,000,000	101,685,217
	National Irrigation Authority.	8,992,000,000	981,954,752	3,402,000,000	4,383,954,752	4,363,954,752
	Athi Water Works Development Agency	21,956,000,000	6,476,290,000	939,000,000	7,415,290,000	7,415,290,000
	Lake Victoria South Water Works Development Agency	3,601,000,000		157,000,000	157,000,000	157,000,000
	Lake Victoria North Water Works Development Agency	590,000,000		97,500,000	97,500,000	96,816,458
	Central Rift Valley Water Works Development Agency	3,749,000,000		1,632,727,887	1,632,727,887	1,402,873,116
	Coastal Water Works Development Agency	1,982,000,000		598,795,932	598,795,932	370,476,864
	Tana Water Works Development Agency	3,383,000,000	823,075,751	404,000,000	1,227,075,751	1,227,075,751
Technical University of Kenya	Northern Water Works Development Agency	473,000,000		118,250,000	118,250,000	224,631,249
	TANATHI Water Works Development Agency	476,124,881		68,750,000	68,750,000	67,741,050
	Technical University of Kenya	90,000,000		22,500,000		
	Technical University of Mombasa					
University of Nairobi		1,235,716,330	16,881,265		16,881,265	16,881,265

Parent Ministry/Department /Agency	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)			Total	Use of goods and services	Other Economic Items	Total Expenditure (Kshs.)
			AIA	Transfers (Capital)	Total				
State Department for University Education and Research	Koitalel Samoei University College	100,000,000		25,000,000	25,000,000	22,695,660	-	22,695,660	
	University of Embu	70,000,000		17,500,000	17,500,000	17,500,000	-	17,500,000	
	Kenyatta University	-							
	Machakos University	70,000,000	56,500,000	17,500,000	74,000,000	24,410,752	-	24,410,752	
	Egerton University	-							
	Jomo Kenyatta University of Agriculture and Technology	69,000,000	21,850,600	17,250,000	39,100,600	39,100,600	-	39,100,600	
	Kirinyaga University	60,000,000		15,000,000	15,000,000		15,000,000	15,000,000	
	Murang'a University	65,000,000		16,250,000	16,250,000	16,250,000	-	16,250,000	
	Taita Taveta University	90,000,000		22,500,000	22,500,000	12,089,766	-	12,089,766	
	Co-operative University of Kenya	356,100,000		22,275,000	22,275,000		65,590,784	65,590,784	
	Maseno University	88,000,000	14,100,550	22,000,000	36,100,550	36,100,550	-	36,100,550	
	Tom Mboya University College	100,000,000		25,000,000	25,000,000	25,000,000	-	25,000,000	
	Moi University	80,000,000		20,000,000	20,000,000		-		
	Gatundu University College	100,000,000		25,000,000	25,000,000	9,895,680	-	9,895,680	
	Bomet University College	100,000,000		25,000,000	25,000,000		25,000,000	25,000,000	
	Rongo University	197,000,000		49,250,000	49,250,000		50,258,175	50,258,175	
	Alupe University College	50,000,000		12,500,000	12,500,000	40,157,779	-	40,157,779	
	Masinde Muliro University of Science and Technology	140,000,000	27,541,085	35,000,000	62,541,085	27,541,085	-	27,541,085	
	Kibabii University	84,000,000		21,000,000	21,000,000	21,000,000	-	21,000,000	
	Kaimosi Friends University College	134,000,000		33,500,000	33,500,000	46,292,933	-	46,292,933	
Turkana University College	70,000,000		17,500,000	17,500,000	5,637,828	1,378,200	7,016,028		
South Eastern Kenya University	71,000,000		17,750,000	17,750,000	17,750,000	-	17,750,000		
Pwani University	68,000,000		17,000,000	17,000,000	17,970,000	-	17,970,000		
Chuka University	40,000,000	232,468,981	10,000,000	242,468,981	242,468,981	-	242,468,981		

Parent Ministry/Department / Agency	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)		Total	Use of goods and services	Other Economic Items	Total Expenditure (Kshs.)
			AIA	Transfers (Capital)				
	Kisii University	65,000,000		16,250,000	16,250,000		16,250,000	16,250,000
	Laikipia University of Technology	81,000,000	5,511,094	20,250,000	25,761,094	84,168,362	-	84,168,362
	Dedan Kimathi University	58,000,000		14,500,000	14,500,000		13,374,347	13,374,347
	Meru University of Science and Technology	284,000,000		71,000,000	71,000,000		71,000,000	71,000,000
	Multimedia University	52,900,000		13,225,000	13,225,000		13,225,000	13,225,000
	Maasai Mara University	-					-	
	University of Kabanga	70,000,000		17,500,000	17,500,000		58,774,816	58,774,816
	University of Eldoret	50,000,000		12,500,000	12,500,000		18,589,020	18,589,020
	Karatina University	70,000,000		17,500,000	17,500,000		17,500,000	17,500,000
	Jaramogi Oginga Odinga University of Science and Technology	200,000,000		50,000,000	50,000,000	50,000,000	-	50,000,000
	Garissa University	210,000,000		52,500,000	52,500,000		52,500,000	52,500,000
	Tharaka University College	136,000,000	34,000,000	34,000,000	68,000,000	43,282,107	-	43,282,107
	Total	212,524,873,499	24,133,068,684	26,492,023,953	49,936,410,107	24,734,638,866	17,828,103,340	42,550,242,206

Source: MDAs and SAGAs

ANNEX VII: Current Transfer to SAGAs

Parent MDA	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)		Expenditure (Kshs)			Total Expenditure (Kshs.)	
			A-I-A	Transfers (Current)	Total	Compensation to Employee	Use of goods and services		Other Economic Items
State Department for Wildlife	Kenya Wildlife Service-Headquarters	5,046,000,000	2,794,711,907	816,666,667	3,611,378,574	2,548,267,618	694,684,345	-	3,242,951,963
	Wildlife Research and Training Institute	625,000,000	70,326,729	211,250,000	281,576,729	179,929,559	100,233,130	-	280,162,689
	Wildlife Clubs of Kenya	44,000,000	8,927,500	14,500,000	23,427,500	14,500,000	4,000,000	4,927,500	23,427,500
State Department for Tourism	Tourism Regulatory Authority	405,600,000	41,101,063	79,416,665	120,517,728	50,029,810	41,607,070	-	91,636,880
	Tourism Research Institute	63,700,000		26,541,665	26,541,665	490,549	24,695,080	1,431,454	26,617,083
	Bomas of Kenya	342,240,000	126,510,250.82	99,683,335	226,193,585.82	63,489,979.32	7,963,474.05	152,707,598.64	224,161,052.01
	Kenya Tourism Board	482,990,000	70,230,993	137,495,835	207,726,828	116,255,456.80	277,901,514.08	34,975,476.15	429,132,447.03
	Kenya Utalii College	477,270,000	145,594,149.13	42,195,835	187,789,984.13	219,656,003.28	151,637,938.46	21,311,602.24	392,605,543.98
	Tourism Fund	3,238,800,000	1,916,280,039	-	1,916,280,039	366,613,808	1,202,515,507.54	267,583,416.46	1,836,712,732
	Tourism Promotion Fund	1,782,870,000	458,857,000	-	458,857,000		72,031,049		72,031,049
	Kenyatta International Convention Centre	1,121,990,000	440,880,211	-	440,880,211	130,584,871	273,966,777	1,576,005	406,127,653
	Tourism Finance Corporation	241,720,000							
State Department for Shipping and Maritime	Kenya Maritime Authority	1,483,000,000	538,472,058	-	538,472,058	185,988,899	196,247,717	156,235,442	538,472,058
	Bandari Maritime Academy	328,000,000	100,988,051	90,900,000	191,888,051	44,917,458	70,479,114.40	115,396,572.40	230,793,144.80
	Kenya National Shipping Line	83,000,000	3,063,941.56	34,000,000	37,063,941.56	15,022,885.50	13,535,015.85	8,506,040.21	37,063,941.56

Parent MDA	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)			Expenditure (Kshs)			Total Expenditure (Kshs.)
			A-I-A	Transfers (Current)	Total	Compensation to Employee	Use of goods and services	Other Economic Items	
Ministry of Health	Kenyatta National Hospital	18,091,900,000	3,923,126,218	2,610,250,000	6,533,376,218	6,641,509,813	1,548,186,019	1,327,673,707	9,517,369,539
	Othaya- (Kenyatta National Hospital)	1,012,000,000	214,529,928	397,500,000	612,029,928	206,730,934	140,670,899	72,309,079	419,710,912
	Moi Teaching and Referral Hospital	11,653,000,000	-	-	-	-	-	-	-
	Kenya Medical Training College	7,859,000,000	2,620,064,087	1,757,916,665	4,377,980,752	2,565,828,447	548,080,373	230,452,962	3,344,361,782
	Kenya Medical Research Institute	2,891,000,000	107,257,250	701,750,001	809,007,251	660,965,291	151,634,319	40,749,867	853,349,477
	Kenya Medical Supplies Authority	2,478,000,000	1,754,100,447	40,000,000	1,794,100,447	565,216,393	1,161,308,205	67,575,849	1,794,100,447
	National AIDS Control Council	877,000,000	-	365,416,667	365,416,667	225,801,253	41,594,630	37,490,061	304,885,944
	Kenyatta University Teaching Research and Referral Hospital	3,829,000,000	1,280,590,043	1,080,416,667	2,361,006,710	1,437,512,596	940,098,245	203,639,693	2,581,250,534
	Gatundu Level V Hospital - Kenyatta University Teaching, Referral and Research Hospital	750,000,000	-	208,333,333	208,333,333	56,453,368	111,148,496	30,599,756	98,201,620
	Kenya Nuclear Regulatory Authority	180,000,000	76,469,950	48,333,332	124,803,282	12,669,232	30,564,422	59,468,031	102,701,685
	National Cancer Institute of Kenya	140,000,000	-	70,000,000	70,000,000	-	49,587,274	8,746,061	58,333,335
	Kenya Bio Vax Institute Limited	100,000,000	-	33,333,332	33,333,332	5,635,650	21,189,143	-	26,824,793
	Nursing Council of Kenya	50,000,000	187,201,270	16,666,667	203,867,937	63,254,717	86,556,528	25,560,256	175,371,501
	Kenya Medical Practitioners and Dentist Council	729,000,000	117,318,174	191,666,665	308,984,839	70,763,275	19,508,240	164,381,432	254,652,947
	National Hospital Insurance Fund	93,071,651,929	-	-	-	-	-	-	-

Parent MDA	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)		Total	Expenditure (Kshs)			Total Expenditure (Kshs.)
			A-I-A	Transfers (Current)		Compensation to Employee	Use of goods and services	Other Economic Items	
State Department for Crop Development and Agricultural Research	Agriculture and Food Authority	1,064,000,000	681,324,000	723,500,000	1,404,824,000	494,445,000	646,828,000	142,968,000	1,284,241,000
	Pest Control Products Board	122,500,000	43,315,905	52,500,000	95,815,905	61,292,582	27,290,724	2,813,268	91,396,574
	Pyrethrum Processing Company of Kenya	199,500,000	44,585,000	66,000,000	110,585,000	68,606,000	26,120,000	4,106,000	98,832,000
	Kenya Agricultural and Livestock Research Organization	2,597,500,000	334,060,018	2,157,500,000	2,491,560,018	1,922,416,249	569,143,770		2,491,560,019
	Tea Board of Kenya	196,500,000	29,003,498	150,000,000	179,003,498	74,972,923	60,940,867	57,359,621	193,273,411
	Kenya Plant Health Inspectorate Service	776,000,000	590,085,242	80,500,000	670,585,242	277,524,800	370,552,263	36,268,000	684,345,063
	Bukura Agricultural College	209,500,000	135,626,002	90,000,000	225,626,002	101,209,506	2,242,323	77,191,357	180,643,186
	Commodities Fund	202,500,000	152,778,665	25,000,000	177,778,665	47,648,749	59,371,578	26,814,176	133,834,503
	Kenya Tsetse and Trypanosomiasis Eradication Council	36,000,000	-	36,000,000	36,000,000	11,920,181	2,997,785	15,076,741	29,994,707
	Kenya Genetic Resource Centre	151,000,000	-	36,000,000	36,000,000				
	Warehouse receipt system council	9,500,000	1,100	9,500,000	9,501,100	9,501,100			9,501,100
	Agricultural Development Corporation	1,022,500,000	253,508,332	-	253,508,332				
State Department of Industrialization	Special Economic Zones Authority	12,700,000	2,500,000	10,200,000	12,700,000		5,000,000	7,700,000	12,700,000
	Numerical Machine Complex	158,420,000	73,000,000	85,420,000	158,420,000	91,160,000	42,260,000	25,000,000	158,420,000

Parent MDA	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)			Expenditure (Kshs)			Total Expenditure (Kshs.)
			A-I-A	Transfers (Current)	Total	Compensation to Employee	Use of goods and services	Other Economic Items	
	Kenya Industrial Research and Development Institute	321,720,000	13,000,000	308,720,000	321,720,000	254,000,000	47,720,000	20,000,000	321,720,000
	Scrap Metal Council	15,880,000	10,000,000	5,880,000	15,880,000	-	-	15,880,000	15,880,000
	Kenya Investment Authority	123,960,000	1,000,000	122,960,000	123,960,000	90,240,000	28,720,000	5,000,000	123,960,000
	Kenya Accreditation Services	160,010,000	34,950,000	125,060,000	160,010,000	68,000,000	52,050,000	39,960,000	160,010,000
	Kenya Industrial Estate	234,050,000	97,550,000	136,500,000	234,050,000	141,800,000	61,820,000	30,430,000	234,050,000
	Export Processing Zones Authority	282,230,000	237,500,000	44,730,000	282,230,000	150,480,000	71,500,000	60,250,000	282,230,000
	Rift Valley Textile Development	25,000,000	-	25,000,000	25,000,000	-	-	25,000,000	25,000,000
Ministry of Devolution	Council of Governors	105,320,000	-	105,320,000	105,320,000	79,347,884	14,836,370	11,135,746	105,320,000
	Intergovernmental Relations	163,830,000	-	163,830,000	163,830,000	91,435,835	57,458,043	14,686,122	163,830,000
State Department for Culture and Heritage	National Museums of Kenya	842,005,000	147,170,661	692,005,000	839,175,661	573,202,752	158,865,824	-	732,068,576
	Kenya National Library Services	383,005,000	31,886,570	342,160,090	374,046,660	358,880,414	74,015,061	14,232,067	447,127,542
	Kenya Cultural Centre	45,500,000	21,000,000	24,500,000	45,500,000	19,455,228	27,916,976	-	47,372,204
	4. Heroes Council	31,040,610	-	31,040,610	31,040,610	3,205,606.85	4,101,905.18	9,177,047	16,484,559.03
Ministry of Defence	Kenya Space Agency	220,000,000	-	110,000,000	110,000,000	9,289,637	27,091,047	58,386,850	94,767,534
	Kenya Meat Commission	395,000,000	798,853,468	197,500,000	996,353,468	72,030,036	726,823,432	-	798,853,468
	Kenya Shipyards Ltd	250,000,000	-	125,000,000	125,000,000	-	50,000,000	-	50,000,000
	National Defence University - Kenya	106,000,000	4,936,811	70,558,272	75,495,083	16,974,637	39,982,126	-	56,956,763

Parent MDA	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)			Expenditure (Kshs)				Total Expenditure (Kshs.)
			A-I-A	Transfers (Current)	Total	Compensation to Employee	Use of goods and services	Other Economic Items		
State Law Office and Department of Justice	Kenya Law Reform Commission	137,330,000		133,330,000	133,330,000	68,374,605	74,308,368			142,682,973
	Kenya School of Law	284,295,000	160,341,504	95,555,000	255,896,504	138,877,105	34,321,455	82,697,944		255,896,504
	Council for Legal Education	173,935,000	45,807,582	88,885,000	134,692,582	69,303,524	52,471,827	46,311,351		168,086,702
	Kenya Copyright Board	66,410,000	930,602	66,410,000	67,340,602	39,684,090	22,512,114	312,500		62,508,704
	Nairobi Center for International Arbitration	84,920,000	6,581,584	84,920,000	91,501,584	47,900,657	35,035,502	7,376,746		90,312,905
	Assets Recovery Agency	77,640,000		77,640,000	77,640,000	19,961,053	23,663,491	32,080,799		75,705,343
	Business Registration Services	210,175,000	-	210,175,000	210,175,000	135,659,251	44,323,237	30,192,512		210,175,000
	Auctioneer's Licensing Board	134,495,000		134,495,000	134,495,000		13,481,505			13,481,505
	National Council for Law Reporting	177,545,000		177,545,000	177,545,000	80,454,102	87,976,015	9,972,377		178,402,494
	Kenya National Anti-Corruption Steering Committee	51,330,000		51,330,000	51,330,000		50,360,839			50,360,839
	Victims Compensation Fund	16,805,000		16,805,000	16,805,000		-			-
	Victim Protection Board	16,170,000		16,170,000	16,170,000		15,504,195			15,504,195
	Multi Agency Team Secretariat	22,335,000		22,335,000	22,335,000		11,437,720			11,437,720
	National Coroners Service	15,000,000		15,000,000	15,000,000		12,408,500			12,408,500

Parent MDA	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)			Expenditure (Kshs)			Total Expenditure (Kshs.)
			A-I-A	Transfers (Current)	Total	Compensation to Employee	Use of goods and services	Other Economic Items	
State Department for Regional and Northern Corridor Department	Kerio Valley Development Authority	422,880,000	92,475,830	94,950,000	187,425,830	112,294,743	55,006,533	20,124,554	187,425,830
	Coastal Development Authority	244,030,000	5,727,608	94,179,167	99,906,775	85,851,008	5,688,895	8,366,872	99,906,775
	Ewaso Nyiro Northern Development Authority	335,670,000	167,000	133,612,500	133,779,500	118,090,494	5,171,653	6,819,677	130,081,824
	Ewaso Nyiro South Development Authority	346,890,000	30,509,459	173,445,000	203,954,459	122,826,172	35,896,007	45,232,280	203,954,459
	Lake Basin Development Authority	693,340,000	6,638,416	283,995,000	290,633,416	163,389,394	109,800,992	17,443,030	290,633,416
	Tana and Athi River Development Authority	713,600,000	59,064,145	278,300,000	337,364,145	204,750,000	59,064,145	73,550,000	337,364,145
	Lamu Port, South Sudan, Ethiopia Transport Corridor Development Authority	433,800,000		212,026,411	212,026,411	137,860,000	60,840,000	13,326,411	212,026,411
State Department of Broadcasting and Telecommunication	Media Council of Kenya	841,000,000	2,808,800	415,500,000	418,308,800	121,685,848	296,622,952	-	418,308,800
	Kenya Institute of Mass Communication	228,000,000	11,039,000	104,000,000	115,039,000	73,372,000	28,350,000	13,240,000	114,962,000
	Kenya Year Editorial Board	165,500,000	30,750,000	52,000,000	82,750,000	25,491,739	57,258,261	-	82,750,000
	Kenya Broadcasting Corporation	2,193,000,000	476,179,427	660,000,000	1,136,179,427	605,936,220	530,243,207	-	1,136,179,427

Parent MDA	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)		Total	Expenditure (Kshs)			Total Expenditure (Kshs.)
			A-I-A	Transfers (Current)		Compensation to Employee	Use of goods and services	Other Economic Items	
	Kenya Film Classification Board	446,800,000	23,000,000	200,400,000	223,400,000	119,145,704	94,102,235	6,540,752	219,788,691
	Kenya Film Commission	312,000,000	-	156,000,000	156,000,000	39,381,483	12,205,622	104,412,895	156,000,000
	African Audio	50,000,000	-	-	-	-	-	-	-
	Kenya Film School	77,000,000	1,000,000	36,506,229	37,506,229	-	37,506,229	-	37,506,229
	National Commission Secretariat	212,000,000	106,000,000	-	106,000,000	21,521,548	53,478,452	-	75,000,000
State Department for Information and Communication Technology and Innovation	Information and Communication Technology Authority	281,000,000	6,376,213	139,249,993	145,626,206	98,991,022	13,129,514	33,505,670	145,626,205.60
	Konza Techno Development Authority	269,500,000	95,129,573	109,750,000	204,879,573	109,610,680	54,237,038	40,000,000	203,847,717.74
	Office of the Data Protection Commissioner	319,500,000	-	150,000,000	150,000,000	38,779,393	87,545,717	-	126,325,110
State Department for Youth Affairs	Youth Enterprise Development Fund	324,089,300	11,644,603.08	162,025,000	173,669,603.08	86,897,377.95	70,625,126.74	40,076,275.98	197,598,780.67
	National Youth Council	49,000,000	-	49,000,000	49,000,000	18,414,541	25,671,341	4,914,118	49,000,000
	The President's Award-Kenya	10,000,000	-	10,000,000	10,000,000	8,200,000	1,800,000	-	10,000,000
State Department for Gender	Anti-Female Genital Mutilation Board	102,570,000	-	51,285,000	51,285,000	10,779,372	37,662,700	2,842,828	51,284,900
	Women Enterprise Fund	332,220,000	67,500,000	98,610,000	166,110,000	152,500,000	13,610,000	-	166,110,000

Parent MDA	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)			Expenditure (Kshs)				Total Expenditure (Kshs.)
			A-I-A	Transfers (Current)	Total	Compensation to Employee	Use of goods and services	Other Economic Items		
	UWEZO Fund	153,530,000	-	76,800,000	76,800,000	2,500,000	64,075,500	10,189,500	76,765,000	
State Department for Planning	Kenya Institute for Public Policy Research and Analysis	525,780,000		262,890,000	262,890,000	131,302,000	31,314,500	100,273,500	262,890,000	
	National Council for Population and Development	322,960,000		161,479,999	161,479,999	103,442,500	9,590,000	48,447,499	161,479,999	
	Kenya National Bureau of Statistics	1,246,620,000		623,310,000	623,310,000	352,292,500	48,680,000	222,337,500	623,310,000	
	Kenya Vision 2030	219,210,000		109,605,000	109,605,000	45,400,000	28,105,000	36,100,000	109,605,000	
	The New Partnership for Africa's Development	210,130,000		105,065,001	105,065,001	68,192,278	36,309,297	340,886	104,842,461	
State Department for Social Protection, Senior Citizens and Special Programmes	National Council for Persons with Disabilities	415,600,806	3,600,806	412,000,000	415,600,806	77,661,734	44,975,316	96,801,122	219,438,172	
	National Council for Children Services	44,750,000	-	22,375,000	22,375,000	-	11,625,000	-	11,625,000	
	Child Welfare Society of Kenya	471,920,000	-	393,265,000	393,265,000	-	393,265,000	-	393,265,000	
	Street Families Rehabilitation Trust Fund	101,000,000	-	101,000,000	101,000,000	-	67,677,027	-	67,677,027	
State Department for University Education and Research	Technical University of Kenya	2,926,880,331	414,705,543	994,440,168	1,409,145,711	1,560,978,157	1,560,978,157	1,560,978,157	4,682,934,470	

Parent MDA	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)		Total	Expenditure (Kshs)			Total Expenditure (Kshs.)
			A-I-A	Transfers (Current)		Compensation to Employee	Use of goods and services	Other Economic Items	
	Technical University of Mombasa	831,173,960	423,001,294	481,173,959	904,175,253	4,531,824,859	1,335,990,445	2,108,595,456	7,976,410,760
	University of Nairobi	14,323,967,360	5,223,408,583	2,805,483,680	8,028,892,263	4,531,824,859	1,335,990,445	2,108,595,456	7,976,410,760
	Koitalel Samoei University College	173,658,359	19,692,192	64,829,181	84,521,373	80,490,298	22,354,114	-	102,844,412
	University of Embu	999,750,182	209,787,734	314,375,092	524,162,826	388,555,449	137,029,573	6,572,372	532,157,394
	Kenya University	9,359,601,856	741,556,892	843,650,463	1,585,207,355	1,630,888,884	442,581,085	161,880,105	2,235,350,074
	Machakos University	1,537,531,333	196,128,482	502,004,760	698,133,242	514,519,012	113,322,794	-	627,841,806
	Egerton University	3,751,358,479	1,681,489,797	1,114,179,240	2,795,669,037	1,499,476,864	53,384,694	322,521,176	1,875,382,734
	Jomo Kenyatta University	6,182,118,252	1,627,524,677	1,504,559,126	3,132,083,803	2,535,335,081	787,023,128	170,680,686	3,493,038,895
	Kirinyaga University	700,106,665	236,112,603	180,053,333	416,165,936	293,446,877	31,829,390	63,487,420	388,763,687
	Muranga University	798,665,957	201,297,607	257,832,978	459,130,585	320,080,329	140,157,948	-	460,238,277
	Taita Taveta University	537,118,797	68,830,859	203,059,398	271,890,257	223,746,291	57,960,044	11,810,579	293,516,914
	Co-operative University of Kenya	433,030,378	299,842,004	141,530,376	441,372,380	295,777,994	142,388,185	23,256,161	461,422,340
	Maseno University	2,832,126,981	3,682,487	852,563,490	856,245,977	1,242,613,264	285,318,847	82,709,214	1,610,641,325
	Tom Mboya University College	520,135,453	75,150,000	194,567,726	269,717,726	127,546,500	111,460,727	29,057,737	268,064,964
	Moi University	6,915,280,603	776,096,686	1,719,140,302	2,495,236,988	2,261,352,276	503,546,657	-	2,764,898,933
	Gatundu University College	177,234,111	5,715,201	72,617,057	78,332,258	46,014,556	23,978,037	-	69,992,593
	Bomet University College	396,170,059	45,789,500	104,390,020	150,179,520	153,460,034	6,758,118	14,171,818	174,389,970
	Garissa University	609,085,070	80,655,585	234,542,536	315,198,121	202,784,672	83,069,224	30,109,654	315,963,549
	Rongo University	868,719,691	189,578,596	312,586,487	502,165,083	384,342,905	149,451,679	-	533,794,584
	Alupe University College	244,316,260	42,581,781	91,658,130	134,239,911	105,215,350	25,431,049	15,031,234	145,677,633
	Masinde Muliro University of Science and Technology	3,128,741,503	764,375,655	881,370,751	1,645,746,406	1,150,372,622	307,609,642	13,530,609	1,471,512,873
	Kibabii University	1,028,226,401	189,979,505	326,113,201	516,092,705	409,682,504	73,448,492	52,996,664	536,127,660
	Kaimosi University College	624,358,077	115,267,980	228,179,038	343,447,018	186,342,305	80,271,039	31,249,977	297,863,321
	Turkana University College	319,778,983	48,338,136	111,991,243	160,329,379	103,985,933	28,677,258	11,396,217	144,059,408

Parent MDA	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)			Expenditure (Kshs)			Total Expenditure (Kshs.)
			A-I-A	Transfers (Current)	Total	Compensation to Employee	Use of goods and services	Other Economic Items	
	South Eastern Kenya University	1,217,557,000	145,723,031	470,187,751	615,910,782	472,227,800	143,392,274	32,291,733	647,911,807
	Pwani University	1,219,105,289	230,192,000	392,052,000	622,244,000	532,881,000	136,833,000	-	669,714,000
	Chuka University	1,865,854,722	512,012,305	666,927,360	1,178,939,665	689,809,834	264,789,848	-	954,599,682
	Kisii University	1,943,877,278	561,565,131	591,938,638	1,153,503,769	750,721,906	214,678,985	49,174,041	1,014,574,932
	Laikipia University of Technology	1,250,695,904	253,221,781	447,347,952	700,569,733	488,880,437	101,159,159	-	590,039,596
	Dedan Kimathi University	1,406,103,693	276,130,350	463,051,848	739,182,198	570,237,661	44,379,371	185,558,603	800,175,635
	Meru University of Science and Technology	1,190,783,422	245,218,752	369,391,711	614,610,463	464,586,809	132,300,631	73,597,482	670,484,922
	Multimedia University	1,109,558,004	238,775,265	309,779,003	548,554,268	443,095,290	28,387,316	127,170,060	598,652,666
	Maasai Mara University	1,420,337,864	214,172,871	527,668,932	741,841,803	566,786,840	165,197,488	56,811,817	788,796,145
	University of Kabiranga	1,187,344,604	230,816,063	407,172,302	637,988,365	576,822,304	81,242,536	34,284,345	692,349,185
	University of Eldoret	2,440,976,469	279,897,227	986,748,734	1,266,645,961	961,475,366	205,933,159	33,751,620	1,201,160,145
	Karatina University	1,050,597,143	218,260,270	375,298,571	593,558,841	380,812,806	171,481,696	-	552,294,502
	Jaramogi Oginga Odinga University of Science and Technology	1,735,976,228	667,805,980	535,988,114	1,203,794,094	588,814,113	107,238,641	443,868,240	1,139,920,994
	Tharaka University College	344,526,438	142,263,221	258,192,339	400,455,560	152,953,342	40,246,928	59,553,840	252,754,110
	Kenya Universities and Colleges Central Placement Services	877,958,110	313,348,915	10,979,055	324,327,970	107,951,377	40,824,423	38,766,021	187,541,821
	National Commission for Science Technology and Innovation	269,841,804	46,654,688	103,920,900	150,575,588	58,766,150	84,612,918	4,879,238	148,258,306
	Commission for Universities Education	285,050,487	106,186,440	81,525,243	187,711,683	93,598,086	52,103,475	-	145,701,561
	Higher Education Loans Board	15,819,598,080	2,491,137,876	5,546,799,040	8,037,936,916	372,302,818	272,943,947	14,807,471,249	15,452,718,014

Parent MDA	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)		Total	Expenditure (Kshs)			Total Expenditure (Kshs.)
			A-I-A	Transfers (Current)		Compensation to Employee	Use of goods and services	Other Economic Items	
	National Research Fund	323,037,923	4,214,674	161,518,961	165,733,635	4,700,924	117,568,882	82,901,987	205,171,793
	Kenya National Innovation Agency	97,875,963	27,203,719	31,437,981	58,641,700	8,542,199	38,065,472	5,895,191	52,502,862
	University Funding Board	274,525,812	2,170,647	137,262,906	139,433,553	18,458,480	65,895,318	4,493,496	88,847,294
	National Biosafety Authority	148,900,000	1,000,100	72,450,000	73,450,100	40,543,169	34,123,796	8,027,961	82,694,926
The National Treasury*	Kenya Revenue Authority	24,126,565,541	2,949,300,000	21,177,265,541	24,126,565,541				10,588,632,770
	Financial Reporting Centre	619,000,000	-	619,000,000	619,000,000				309,500,000
	Competition Authority of Kenya	276,100,000	-	276,100,000	276,100,000				138,050,000
	Public Sector Accounting Standards Board	142,900,000	-	142,900,000	142,900,000				71,450,000
	Registration of Certified Public Secretaries Board	23,800,000	-	23,800,000	23,800,000				11,900,000
	Public Procurement Regulatory Authority	306,000,000	-	306,000,000	306,000,000				153,000,000
	Privatization Commission	127,000,000	-	127,000,000	127,000,000				63,500,000
	Kenya Trade Network Agency	364,400,000	-	364,400,000	364,400,000				182,200,000
	Nairobi International Financial Centre	40,360,000	-	40,360,000	40,360,000				19,497,500
	Unclaimed Financial Assets Authority	149,900,000	-	149,900,000	149,900,000				74,950,000
	Kenya Institute of Supplies Management	51,000,000	-	51,000,000	51,000,000				25,500,000
	State Corporations Appeal Tribunal	76,464,835	50,000,000	76,464,835	126,464,835				13,232,417
	Competition Tribunal	26,000,000	-	26,000,000	26,000,000				13,000,000

Parent MDA	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)			Expenditure (Kshs)			Total Expenditure (Kshs.)
			A-I-A	Transfers (Current)	Total	Compensation to Employee	Use of goods and services	Other Economic Items	
	Institute of Certified Investment and Financial Analysts	20,000,000	-	20,000,000	20,000,000				10,000,000
	International Organizations Subscriptions Fund	4,417,514,306	-	4,417,514,306	4,417,514,306				1,382,708,276
	Kenya Institute of Supplies Examination Board	50,000,000	-	50,000,000	50,000,000				25,000,000
	Tax Appeal Tribunal	135,000,000	-	135,000,000	135,000,000				67,500,000
	Public Service Superannuation Scheme	50,000,000	-	50,000,000	50,000,000				24,994,938
State Department for Trade and Enterprise Development	Micro and Small Enterprises Authority	393,400,000	1,143,437	32,575,000	33,718,437	80,012,419	16,721,137	-	96,733,555.74
	Kenya Export Promotion and Branding Agency	566,600,000	1,981,480	25,729,782	27,711,262	54,161,913	84,017,588	-	138,179,500.85
	Anti-Counterfeit Authority	410,000,000	1,407,449	28,333,333	29,740,782	69,215,138	13,557,428	3,386,416	86,158,982
	Kenya Trade Remedies Agencies	35,800,000	-	8,950,000	8,950,000	-	8,950,000	-	8,950,000
State Department of Vocational and Technical Training	Kenya National Qualification Authority	325,000,000	14,817,417	145,000,000	159,817,417	36,682,781	106,303,948	17,743,152	160,729,881
	Technical and Vocational Education and Training Authority	350,000,000	25,806,864	157,500,000	183,306,864	80,536,486	91,380,935	11,454,837	183,372,258

Parent MDA	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)		Expenditure (Kshs)			Total Expenditure (Kshs.)	
			A-I-A	Transfers (Current)	Total	Compensation to Employee	Use of goods and services		Other Economic Items
	Curriculum Development, Assessment and Certification Council	283,500,000	3,202,000	70,375,000	73,577,000	33,715,835	18,200,439	2,707,497	54,623,771
	Kisumu National Polytechnic	673,240,000	78,680,000	47,220,000	125,900,000	59,250,000	102,410,000	100,240,000	261,900,000
	Eldoret National Polytechnic	792,177,149	203,881,867	54,575,000	258,456,867	66,905,406	100,531,551	28,104,320	195,541,277
	Nyeri National Polytechnic	569,200,000	187,370,000	31,995,000	219,365,000	49,862,000	139,457,000	12,626,000	201,945,000
	Meru National Polytechnic	450,957,350	162,090,889	48,620,000	210,710,889	64,231,735	5,959,562	140,920,236	211,111,533
	Kenya Coast National Polytechnic	422,207,000	76,944,000	32,260,000	109,204,000	37,256,000	83,498,000		120,754,000
	Kisii National Polytechnic	344,619,254	187,007,712	54,210,000	241,217,712	56,927,231	129,133,381	3,246,000	189,306,612
	Kitale National Polytechnic	336,860,530	93,273,795	46,660,000	139,933,795	37,296,108	107,559,051	34,972,424	179,827,583
	Sigalagala National Polytechnic	764,400,000	289,112,564	-	289,112,564	47,705,525	163,097,881	62,275,361	273,078,767
	Kabete National Polytechnic	643,600,800	274,342,618	52,930,000	327,272,618	58,072,024	120,618,494	62,632,600	241,323,118
	Nyandarua National Polytechnic	494,370,710	30,188,545	11,450,000	41,638,545	22,289,326	76,579,804	18,488,851	117,357,981
	North Eastern National Polytechnic	52,900,000	17,390,536	6,365,000	23,755,536	7,184,868	13,084,802	292,000	20,561,670
	Kenya School of Technical and Vocational Education and Training	251,958,629	196,958,629	55,000,000	251,958,629	50,186,022	123,469,567	77,870,499	251,526,088
	Limuru Technical and Vocational Training	22,121,000	2,667,320	1,920,000	4,587,320	1,110,105	2,802,338	265,623	4,178,066
Office the Registrar of Political Parties	Eligible Political Parties	1,475,000,000	-	737,500,000	737,500,000				
	Orange Democratic Movement								

Parent MDA	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)			Expenditure (Kshs)			Total Expenditure (Kshs.)
			A-I-A	Transfers (Current)	Total	Compensation to Employee	Use of goods and services	Other Economic Items	
	Other Registered Political Parties								
State Department of Fisheries, Aquaculture and the Blue Economy	Kenya Marine Fisheries Research Institute	697,000,000	3,084,360	697,000,000	700,084,360	397,650,549	361,673,219	17,866,198	777,189,966
	Kenya Fisheries Service	240,100,000	-	240,100,000	240,100,000	179,387,090	45,222,727	8,901,783	233,511,600
State Department of Sports	Anti-Doping Agency of Kenya	295,380,000	4,919,424	142,690,000	147,609,424	40,786,485	106,822,939	-	147,609,424
	Sports Kenya	206,500,000	33,217,410	103,250,000	136,467,410	96,913,252	57,395,086	10,233,630	164,541,968
	Kenya Academy of Sports	251,400,000	-	125,700,000	125,700,000	42,159,994	82,993,006	547,000	125,700,000
	Sports, Arts and Social Development Fund	257,440,000	-	128,720,000	128,720,000	81,195,371	24,834,781	20,600,834	126,630,986
State Department for Transport	Kenya Civil Aviation Authority	8,114,000,000	3,361,611,929		3,361,611,929	1,247,174,425	1,002,231,785	613,758,372	2,863,164,582
	Kenya Airports Authority	60,000,000							
	Kenya Ferry Services	790,000,000							
State Department for Housing and Urban Development	Nairobi Metropolitan Transport Authority	45,000,000		45,000,000	45,000,000		45,000,000		45,000,000
State Department for Public Works	National Construction Authority	1,094,000,000	628,260,484	650,000,000	1,278,260,484	432,910,478	377,871,452		810,781,930

Parent MDA	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)			Expenditure (Kshs)			Total Expenditure (Kshs.)
			A-I-A	Transfers (Current)	Total	Compensation to Employee	Use of goods and services	Other Economic Items	
State Department for the Development of the Arid and Semi-Arid Lands	National Drought Management Authority	659,140,000		314,570,000	314,570,000	268,415,000	46,154,000		314,569,000
State Department for Livestock	Kenya Dairy Board	552,740,000	280,545,094	2,575,000	283,120,094	109,628,305	1,693,125	153,718,665	265,040,095
	Kenya Leather Development Council	188,500,000	607,750	93,250,000	93,857,750	59,050,006	25,448,350	12,250,203	96,748,559
	Veterinary Medicines Directorate Council	54,086,126	45,936,126	8,150,000	54,086,126	5,292,883	24,124,489	-	29,417,372
	Kenya Veterinary Vaccines Production Institute	232,875,000	109,825,480	-	109,825,480	35,168,240	74,657,241	-	109,825,481
	Kenya Veterinary Board	111,000,000	19,300,000	43,000,000	62,300,000	28,748,329	30,876,352	2,556,345	62,181,026
State Department for Labour	National Employment Authority	315,000,000	50,000,000	265,000,000	315,000,000	10,829,542	156,391,792	6,019,938	173,241,272
	National Industrial Training Authority	1,145,940,000	855,230,000	290,620,000	1,145,850,000	266,140,000	422,385,000	391,321,000	1,079,846,000
Ministry of Petroleum and Mining	National Mining Corporation	19,500,000		19,500,000	19,500,000			19,500,000	19,500,000
Ministry of Water and Sanitation and Irrigation	Water Sector Trust Fund	207,000,000	-	103,500,000	103,500,000	103,500,000	-	-	103,500,000

Parent MDA	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)			Expenditure (Kshs)			Total Expenditure (Kshs.)
			A-I-A	Transfers (Current)	Total	Compensation to Employee	Use of goods and services	Other Economic Items	
	Kenya Water Institute	408,000,000	103,888,979	101,500,000	205,388,979	109,269,385	66,913,717	14,742,531	190,925,633
	National Water Harvesting and Storage Authority	483,000,000	35,484,768	191,500,000	226,984,768	170,276,900	56,707,868	-	226,984,768
	Regional Centre on Ground Water Resource Education Training and Research	69,000,000		34,500,000	34,500,000	13,436,557	15,445,147	7,566,904	36,448,608
	Water Resources Authority	1,074,000,000	322,415,841	237,000,000	559,415,841	411,926,775	100,705,339	4,811,279	517,443,393
	Water Appeals Board	29,000,000		9,500,000	9,500,000	-	9,439,257	-	9,439,257
	Water Services Regulatory Authority	370,000,000	180,075,508	-	180,075,508	75,500,532	149,880,480	7,005,715	232,386,727
	National Irrigation Authority	554,000,000	74,781,421	123,000,000	197,781,421	178,584,727	14,934,387	4,262,307	197,781,421
	Athi Water Works Development Agency	390,000,000		195,000,000	195,000,000	114,569,482	55,865,612	24,471,979	194,907,073
	Lake Victoria South Water Works Development Agency	138,000,000		69,000,000	69,000,000	33,000,000	36,000,000	-	69,000,000
	Lake Victoria North Water Works Development Agency	143,000,000	16,226,728	71,500,000	87,726,728	62,690,176	25,036,552	-	87,726,728
	Coastal Water Works Development Agency	1,152,000,000	152,869,517	206,500,000	359,369,517	73,364,577	391,682,015	7,005,705	472,052,297
	Tana Water Works Development Agency	173,000,000		86,500,000	86,500,000	80,147,683	5,047,989	1,304,328	86,500,000
	Northern Water Works Development Agency	102,000,000		51,000,000	51,000,000	31,732,618	13,092,326	10,707,657	55,532,601
	TANATHI Water Works Development Agency	116,000,000		58,000,000	58,000,000	40,296,337	16,868,315	13,329,958	70,494,610
	Hydrologist Registration Board	25,000,000		12,500,000	12,500,000	-	-	12,499,998	12,499,998

Parent MDA	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)			Expenditure (Kshs)			Total Expenditure (Kshs.)
			A-J-A	Transfers (Current)	Total	Compensation to Employee	Use of goods and services	Other Economic Items	
	North Rift Valley Water Works Development Agency	65,000,000		32,500,000	32,500,000	2,774,472	5,549,118	3,710,412	12,034,002
	Central Rift Valley Water Works Development Agency	230,000,000	26,901,161	73,333,334	100,234,495	31,356,985	37,877,375	-	69,234,360
State Department for Co-operatives	Sacco Societies Regulatory Authority	307,950,000	261,145,998	-	261,145,998	117,051,751	74,719,807	69,374,440	261,145,998
	Kenya National Trading Corporation	227,200,000	132,037,000	22,500,000	154,537,000	28,139,000	105,519,000	20,879,000	154,537,000
	New Kenya Planters Cooperative Union - Headquarters	175,950,000	79,511,329	6,550,000	86,061,329	26,114,667	40,540,899	19,405,763	86,061,329
State Department for Interior and Citizen Services	National Cohesion and Integration Commission	342,760,000	-	171,380,000	171,380,000	118,531,779.20	36,619,454.27	16,228,766.54	171,380,000
	The Firearms Licensing Board	40,140,000	-	17,633,669	17,633,669	-	17,633,669	-	17,633,669
	National Crime Research Centre	178,900,000	-	89,450,000	89,450,000	35,176,516	41,059,365	5,752,930	81,988,811
	National Transport and Safety Authority	2,304,400,000	848,656,610.46	147,300,000	995,956,610.46	574,482,871.38	533,845,664.02	-	1,108,328,535.40
	Non-Governmental Organizations	219,550,000	20,221,550	109,775,000	129,996,550	72,726,712	24,664,635.72	31,972,775.52	129,364,123.25
	National Authority for Campaign Against Alcohol and Drug Abuse	624,990,000	2,934,000	312,495,000	315,429,000	161,643,000	149,747,000	20,059,000	331,449,000
	Private Security Regulatory Authority	130,900,000	-	65,450,000	65,450,000	35,454,426	20,553,588	9,441,986	65,450,000
Ministry of Energy	Kenya Power and Lighting Company	7,050,000,000	587,500,000	587,500,000	587,500,000	587,500,000	587,500,000	-	587,500,000

Parent MDA	Name of the SAGA	Gross Estimates (Kshs)	Receipts (Kshs)		Total	Expenditure (Kshs)			Total Expenditure (Kshs)
			A-I-A	Transfers (Current)		Compensation to Employee	Use of goods and services	Other Economic Items	
	Nuclear Power and Energy Agency	1,007,000,000	-	148,750	148,750	193,374	60,286	12,647	266,307
	Geothermal Development Company	1,850,000,000	639,152,303	92,499,999	731,652,302	294,046,215	117,908,059	415,113,243	827,067,517
	Kenya Transmission Company	2,799,000,000	1,079,303,582	-	1,079,303,582	494,474,754	531,172,741	-	1,025,647,495
	Renewable Energy Corporation	1,558,000,000	552,546,473	123,347,521	675,893,994	423,977,428	367,837,768	-	791,815,196
State Department for Public Service	Kenya School of Government	1,120,035,209	196,257,001	100,385,194	296,642,195	262,910,246	33,731,949	-	296,642,195
	National Youth Service	6,456,576,336	381,691,360.90	3,380,075,556	3,761,766,916.90	671,486,331.80	3,090,280,585	-	3,761,766,916.80
	Human Resource Management Professional Board	50,000,000	-	24,999,999	24,999,999	24,999,999	-	-	24,999,999
Ministry of Environment and Forestry	Kenya Forest Service	5,034,000,000	293,958,706	2,080,000,000	2,373,958,706	2,308,169,523	47,412,948	18,376,235	2,373,958,706
	National Environment Management Authority	1,444,000,000	150,000,000	572,000,000	722,000,000	550,421,000	128,491,400	38,088,000	717,000,400
	Kenya Forestry Research Institute	1,517,000,000	38,079,411	720,500,000	758,579,411	634,829,088	85,821,352	37,928,971	758,579,411
	National Environment Trust Fund	160,000,000	-	80,000,000	80,000,000	45,929,300	34,052,900	-	79,982,200
	Kenya Water Towers Agency	494,000,000	-	247,000,000	247,000,000	137,946,892	109,053,108	-	247,000,000
	National Environmental Complaints Committee	136,000,000	-	68,000,000	68,000,000	47,500,000	10,000,000	10,000,000	67,500,000
	National Environment Tribunal	64,000,000	-	32,000,000	32,000,000	27,120,007	3,855,993	1,024,000	32,000,000
TOTALS		379,232,764,758	58,694,313,794.49	93,413,189,495.87	152,107,503,290.36	71,359,330,666	36,065,856,599.07	30,413,266,383.78	151,013,069,549.85

Source: MDAs and SAGAs