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**REPUBLIC OF KENYA**  
**THE NATIONAL ASSEMBLY**

**THIRTEENTH PARLIAMENT – FOURTH SESSION -2025**

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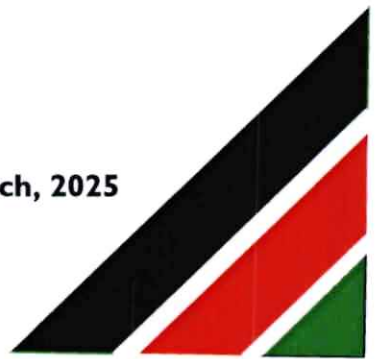
**LIAISON COMMITTEE**

**REPORT ON THE BUDGET POLICY STATEMENT FOR FY 2025/2026  
AND THE MEDIUM TERM.**

 <b>THE NATIONAL ASSEMBLY PAPERS LAID</b>	
<b>DATE:</b> 11 MAR 2025	<b>DAY:</b> Tuesday
<b>TABLED BY:</b>	Hon. Gladys Boss (Chairperson, Liaison Committee)
<b>CLERK-AT THE-TABLE:</b>	Getrude chebet

**Directorate of Audit, Appropriations  
& General-Purpose Committees  
Parliament Buildings  
NAIROBI**

**March, 2025**



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## **LIST OF ACRONYMS & ABBREVIATIONS**

<b>BPS</b>	<b>Budget Policy Statement</b>
<b>CBK</b>	<b>Central Bank of Kenya</b>
<b>CBR</b>	<b>Central Bank Rate</b>
<b>CFS</b>	<b>Consolidated Fund Services</b>
<b>IMF</b>	<b>International Monetary Fund</b>
<b>OCOB</b>	<b>Office of the Controller of Budget</b>
<b>OAG</b>	<b>Office of the Auditor General</b>
<b>PPP</b>	<b>Public Private Partnerships</b>
<b>SOE</b>	<b>State Owned Enterprise</b>
<b>MTP IV</b>	<b>Fourth Medium-Term Plan</b>
<b>FY</b>	<b>Fiscal Year</b>
<b>NT</b>	<b>National Treasury</b>
<b>MDA</b>	<b>Ministries, Departments and Agencies</b>
<b>IGRTC</b>	<b>Intergovernmental Relations Technical Committee</b>
<b>GDP</b>	<b>Gross Domestic Product</b>
<b>BETA</b>	<b>Bottom-up Economic Transformation Agenda</b>
<b>EPA</b>	<b>Economic Partnership Agreement</b>
<b>AfCFTA</b>	<b>African Continental Free Trade Area</b>
<b>Kshs</b>	<b>Kenya Shillings</b>
<b>CAIPs</b>	<b>County Aggregation and Industrial Parks</b>
<b>MTI</b>	<b>Means Testing Instruments</b>
<b>SHIF</b>	<b>Social Health Insurance Fund</b>
<b>HELB</b>	<b>Higher Education Loans Board</b>
<b>SHA</b>	<b>Social Health Authority</b>
<b>NHIF</b>	<b>National Health Insurance Fund</b>
<b>KPLC</b>	<b>Kenya Power and Lighting Company</b>
<b>OSR</b>	<b>Own Source Revenue</b>
<b>ICT</b>	<b>Information, Communication and Technology</b>
<b>OAG</b>	<b>Office of the Auditor General</b>
<b>SAGAs</b>	<b>Semi-Autonomous Government Agencies</b>
<b>TVETs</b>	<b>Technical and Vocational Education and Training institutions</b>
<b>CPST</b>	<b>Centre for Parliamentary Studies and Training</b>
<b>MTRS</b>	<b>Medium-Term Revenue Strategy</b>
<b>NG-CDF</b>	<b>National Government Constituencies Development Fund</b>
<b>IEBC</b>	<b>Independent Electoral &amp; Boundaries Commission</b>

ECA	Export Credit Agreement
EAC	East African Community
EU	European Union
COMESA	Common Market for Eastern and Southern Africa
KIRDI	Kenya Industrial Research and Development Institute
SEZ	Special Economic Zone
GAVI	Global Alliance for Vaccines
KEMRI	Kenya Medical Research Institute
WIBA	Work Injury Benefits Act
GoK	Government of Kenya
LAPSSET	Lamu Port-Southern Sudan-Ethiopia Transport
NCA	National Construction Authority
NITA	National Industrial Training Authority
A.I.A	Appropriations in Aid
AFCON	Africa Cup of Nations
IGRTC	Intergovernmental Relations Technical Committee
NIA	National Irrigation Authority
NWWSA	National Water Harvesting and Storage Authority
ASAL	Arid and Semi-Arid Lands
CIDPs	Constituency Industrial Development Centers
UHC	Universal Health Insurance
USA	United States of America
REREC	Rural Electrification and Renewable Energy Corporation
EPRA	Energy and Petroleum Regulatory Authority

## **FOREWORD BY THE CHAIRPERSON**

The budget-making process from a legislative perspective begins with the review of the Budget Policy Statement (BPS), which outlines the key policies and expenditure ceilings arising from sector working groups and endorsed by the Cabinet. In accordance with section 25(7) of the Public Finance Management Act, Cap.412A and National Assembly Standing Order 232(7), the Budget and Appropriations Committee is tasked with examining the BPS. However, on this occasion the BPS was tabled in the National Assembly on 13<sup>th</sup> February, 2025, and committed to the Liaison Committee for consideration, following the communication by the Speaker of the National Assembly on 18<sup>th</sup> February, 2025.

This is the third policy statement developed under the Kenya Kwanza Government, aligning with the strategic objectives outlined in the Fourth Medium-Term Plan (MTP IV). The MTP IV is a comprehensive framework aimed at driving the country's socio-economic transformation. It emphasizes a Bottom-Up Approach to Economic Transformation, which seeks to empower individuals at the grassroots level, thereby ensuring that the benefits of economic growth are widely distributed across all segments of society. The 2025 Budget Policy Statement is focused on the theme "Consolidating Gains Under Bottom-Up Economic Transformation Agenda for Inclusive Green Growth."

The 2025 Budget Policy Statement aims to build upon the successes of previous years by consolidating the gains made through various initiatives and reforms. It seeks to address challenges encountered along the way and leverage opportunities for further growth and development. The emphasis on inclusive green growth highlights the Government's commitment to integrating environmental sustainability into its economic policies and programs, ensuring that development is not only economically beneficial but also environmentally responsible.

The Budget Policy Statement (BPS) aims to advance the objectives set out in the Fourth Medium-Term Plan (MTP IV), which encompasses several socio-economic goals including implementing measures to make essential goods and services more affordable for citizens; Ensuring food security and access to nutritious food for all; Generating employment opportunities across various sectors to reduce unemployment; Broadening the scope of taxpayers to increase government revenue; Strengthening the country's foreign exchange reserves through strategic economic policies and Promoting economic growth that benefits all segments of society, including marginalized and underserved communities. By targeting these objectives, the BPS seeks to build a more sustainable and inclusive economic framework that supports long-term development and prosperity.

The BPS proposes expenditure ceilings for the National Government, including those of Parliament and the Judiciary, as well as indicative transfers to County Governments for the next financial year and the medium term. Once considered and approved by the National Assembly, the ceilings will form the basis for the preparation of the national budget for FY 2025/2026 and the Division of Revenue Bill, 2025.

## **REVIEW OF THE BUDGET POLICY STATEMENT**

The Budget Policy Statement was submitted to Parliament on Thursday, February 13, 2025, and subsequently referred to the Departmental Committees and the Liaison Committee for review. The Departmental Committees held engagements with the Ministries, Departments and Agencies under their purview to interrogate the policies informing the proposed budget ceilings and their responsiveness to the needs of the respective sectors.

The Liaison Committee undertook a thorough and inclusive process by engaging in consultative meetings with all the Departmental Committees, gathering their insights and recommendations to enhance decision making. The Committee also held discussions with the Office of the Auditor-General to understand its policy priorities and with the Parliamentary Service Commission to discuss their budget ceilings and priorities. These collaborative efforts ensured that the Committee's decisions were well-informed, balanced, and aligned with the broader objectives of the nation.

In accordance with Article 201 of the Constitution, which emphasizes the importance of public participation, the Committee invited the public to submit Memoranda on key concerns related to the 2025 budget policy statement. This initiative aimed to ensure that the budget policies aligned with the needs and priorities of the people, as the budget ultimately serves the public. As a result, the Committee received a total of 42 submissions, all of which were carefully considered in the decision-making process.

The Committee held a consultative meeting with the Commission on Revenue Allocation to discuss the proposed division of revenue between the national and county governments, to ensure a fair and equitable distribution of resources. Additionally, the Committee met with the National Treasury to build consensus on matters arising before finalizing this report. The recommendations stemming from these deliberations, including submissions from the public participation, have been incorporated into this report.

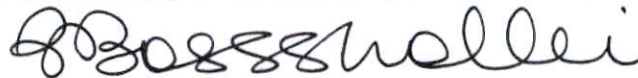
## **ACKNOWLEDGEMENT**

The Committee extends its sincere appreciation to the Office of the Speaker of the National Assembly for the exceptional leadership and guidance provided. Additionally, we recognize the Office of the Clerk of the National Assembly for the invaluable administrative and procedural support. Lastly, we are deeply grateful to the Members of the Liaison Committee for their dedication and sacrifice in fulfilling the mandate of reviewing the 2025 Budget Policy Statement.

The Committee extends its gratitude to the Departmental Committees for their invaluable insights. We also recognize the Office of the Auditor-General for its important contributions towards entrenching transparency. Additionally, we appreciate the National Treasury and the Parliamentary Service Commission for their valuable submissions. Furthermore, the Committee acknowledges the 42 individuals and institutions that submitted their views, exemplifying the spirit of public participation in public finance.

Finally, the Committee would like to extend its thanks to the Parliamentary Budget Office, the Directorate of Appropriations, Audit, and General-Purpose Committees, and the Directorate of Departmental Committees for their extensive technical assistance in the review of the 2025 Budget Policy Statement and the finalization of this report.

It is, therefore, my pleasant undertaking, on behalf of the Liaison Committee to table the Report on the 2025 BPS to this House and recommend it for adoption.



**HON. GLADYS J. BOSS, MGH, M.P.**

11<sup>th</sup> March 2025

**DEPUTY SPEAKER/CHAIRPERSON, LIAISON COMMITTEE**

## **PREFACE**

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

The Liaison committee is established under Standing Order 217 and mandated to;

- (a) guide and coordinate the operations, policies, and mandates of all Committees;
- (b) deliberate on and apportion the annual operating budget among the Committees;
- (c) consider the programs of all Committees, including their need to travel and sit away from the precincts of Parliament;
- (d) ensure that Committees submit reports as required by the Standing Orders;
- (e) determine, whenever necessary, the committee or committees to deliberate on any matter;
- (f) give such advice relating to the work and mandate of select committees as it may be considered necessary; and
- (g) consider reports of the Committee that have not been deliberated by the House and report to the House on the consideration of such reports.

### **Committee Membership**

The current membership of the Committee, following the lapse of the tenure of Audit and General-Purpose Committees pursuant to National Assembly Standing Orders, comprise:

1. Hon. Gladys J. Boss, MGH, M.P. – **Deputy Speaker/Chairperson**
2. Hon. Martha Wangari, CBS, M.P. – **Vice-Chairperson**
3. Hon. Kimani Ichung'wah, MGH, M.P.
4. Hon. Japhet Kareke Mbiuki, CBS, M.P.
5. Hon. Julius Kibiwott Melly, M.P.
6. Hon. David Gikaria, CBS, M.P.
7. Hon. James Gakuya Mwangi, M.P.
8. Hon. Daniel Epuyo Nanok, CBS, M.P.
9. Hon. (Dr.) Robert Pukose, CBS, M.P.
10. Hon. Vincent Musyoka, CBS, M.P.
11. Hon. Johana Ng'eno Kipyegon, CBS, M.P.
12. Hon. Joash Nyamoko, HSC, M.P.

13. Hon. GK, George Macharia Kariuki, CBS, M.P.
14. Hon. Gathoni Wamuchomba, M.P.
15. Hon. Gabriel Koshal Tongoyo, CBS, M.P.
16. Hon. George Gitonga Murugara, CBS, M.P.
17. Hon. Peter Lochakapong, CBS, M.P.
18. Hon. Daniel Sitati Wanyama, CBS, M.P.
19. Hon. Nelson Koech, CBS, M.P.
20. Hon. John Kiarie Waweru, CBS, M.P.
21. Hon. Kangogo Bowen, CBS, M.P.
22. Hon. (Dr.) John Mutunga Kanyuithia, CBS, M.P.
23. Hon. (CPA) Francis Kuria Kimani, CBS, M.P.
24. Hon. Alice Wambui Ng'ang'a, CBS, M.P.
25. Hon. Eric Karemba Muchangi Njiru, CBS, M.P.

### **Committee Secretariat**

The Committee was supported in the execution of its mandate by a secretariat composed of:

- |                                  |   |
|----------------------------------|---|
| 1. Ms. Florence Abonyo, OGW      | Director, DAA & GPC (Directorate of Audit, Appropriations & General-Purpose Com.) |
| 2. Dr. (FA.) Martin Masinde, OGW | Director, Parliamentary Budget Office (PBO)                                       |
| 3. Mr. Robert Nyaga              | Ag. Senior Deputy Director, PBO   |
| 4. Mr. Nicholas Emejen           | Deputy Director, DAA & GPC  |
| 5. Mr. Daniel Mutunga            | Deputy Director, Departmental Committees  |
| 6. Mr. Oscar Namulanda           | Deputy Director, DAA & GPC  |
| 7. Dr. Evans Kiganda             | Principal Fiscal Analyst  |
| 8. Ms. Lynette Otieno            | Senior Legal Counsel  |
| 9. Ms. Julie Mwithiga            | Senior Fiscal Analyst   |
| 10. Mr. Dr. Abel Nyagwachi       | Senior Fiscal Analyst   |
| 11. Mr. Danson Kachumbo          | Senior Fiscal Analyst   |
| 12. Ms. Ella Kendi               | Clerk Assistant I   |
| 13. Mr. Sakana Saoli             | Clerk Assistant II  |
| 14. Mr. Ringine Mutwiri          | Fiscal Analyst III  |
| 15. Ms. Loice Olesia             | Fiscal Analyst III  |

<b>16. Mr. Adera Onyango</b>	<b>Fiscal Analyst III</b>
<b>17. Mr. Solomon Alubala</b>	<b>Fiscal Analyst III</b>
<b>18. Mr. Kioko Kiminza</b>	<b>Fiscal Analyst III</b>
<b>19. Mr. Josphat Bundotich</b>	<b>Principal Sergeant at arms</b>
<b>20. Ms. Fridah Ngari</b>	<b>Media Relations Officer III</b>
<b>21. Mr. Kenneth Waweru</b>	<b>Office Assistant</b>
<b>22. Mr. Rodgers Kilungya</b>	<b>Audio Officer</b>

## **I. OVERVIEW OF THE 2025 BUDGET POLICY STATEMENT**

### **I.1 Background**

1. Section 25 of the Public Finance Management Act, Cap. 412A mandates the National Treasury to prepare and submit the Budget Policy Statement to Parliament. The BPS must provide an assessment of the current state of the economy and the financial outlook over the medium term, including macroeconomic forecasts, overarching government policies, the resource envelope, and expenditure ceilings. Accordingly, the 2025 Budget Policy Statement was submitted to Parliament on Thursday, February 13, 2025, and subsequently referred to the Departmental Committees and the Liaison Committee for review.
2. The 2025 Budget Policy Statement is the third to be prepared under the Kenya Kwanza Government and it sets out the priority programs, policies, and reforms of the administration that will be implemented in the medium term. It is designed to build on the gains under the 2024 BPS that was themed “*Sustaining Bottom-Up Economic Transformation Agenda for Economic Recovery and Improved Livelihoods.*” As such, the 2025 BPS is titled “*Consolidating Gains Under Bottom-Up Economic Transformation Agenda for Inclusive Green Growth*”.
3. The BPS proposes expenditure ceilings for the National Government including those of Parliament and the Judiciary, as well as indicative transfers to County Governments for the next financial year and the medium term. Once considered and approved by this House, the ceilings will form the basis for the preparation of the national budget for the financial year 2025/2026 and over the medium term as well as form the basis for the Division of Revenue Bill, 2025 and for the county fiscal strategy papers which should be aligned to the national development agenda.
4. The 2025 BPS proposes that the total expenditures for FY 2025/26 are projected at Kshs. 4,263.1 billion (22.1 percent of GDP), comprising of Kshs. 1,730 billion in recurrent allocation, Kshs. 758 billion in development expenditure, Kshs. 1,369.2 for consolidated fund services and Kshs. 405 billion as equitable share to county governments.
5. In terms of sectoral ceilings, the education sector has been allocated Kshs. 723.9 billion (28.3 percent), energy sector 504.6 (19.7 percent), public administration Kshs. 286.7 billion (11.2 percent), Governance sector Kshs. 265.8 (10.4 percent), National Security Kshs. 257 billion (10 percent) Health Kshs. 204.5 (8 percent) Water and Natural Resources sector Kshs. 103.7 billion (4.1 percent), Social Protection, Culture and Recreation Kshs. 78.8 billion (3.1 percent) Agriculture, Rural and Urban Development Kshs. 77.6 (Kshs. 3.0 percent) and General Economics and Commercial Affairs Kshs. 59.1 billion (2.3 percent).

## **I.2 Macroeconomic Framework Underpinning the 2025 BPS**

6. The global economy is forecasted to grow at 3.2 percent in 2024 and expected to reach 3.3 percent in 2025. Growth in advanced economies is anticipated to rise from 1.7 percent in 2024 to 1.9 percent in 2025, driven by raising real wages, cooling inflation and declining crude oil prices. Growth in developing economies is expected to stabilize at 4.2 percent in both 2024 and 2025, driven by advancements in technology, increasing consumer base, and expanding infrastructure investments<sup>1</sup>. However, Ongoing trade tensions between the USA and China could continue to influence global trade dynamics.
7. The Committee noted that these dynamics in the global trade arena could create opportunities for other developing countries to fill gaps in the USA market where local production is insufficient, potentially leading to new trade partnerships and economic benefits for those nations. Hence, there is a need to focus on mitigating the negative spillovers and develop strategies to exploit the opportunities that may arise.
8. The National Treasury projects that the economy will grow by 5.3 per cent in 2025 compared to 4.6 per cent in 2024. The agriculture sector is expected to be supported by favourable weather conditions and implementation of BETA priority value chains; the services sector will ride on public investments in the digital superhighway and government interventions to boost tourism while the industry sector will benefit from the anticipated reduction in production costs and government backed initiatives to support value addition.
9. Domestic growth decelerated from an average of 5.7 percent in the first three quarters of 2023 to 4.5 percent in 2024. Growth in the primary sector declined from 5.7 percent to 4.2 percent on account of a decline in mining and quarrying activities but was stabilized by agricultural production for export that recorded an improvement in the exportation of coffee by 29 percent and tea by 7 percent; however, horticulture exports declined by 19 percent while cane deliveries improved by 189 percent on account of favorable weather and government policies targeting local sugar production.
10. The performance of the industry sector is estimated to have declined from 2.6 percent in the first three quarters of 2023 to 0.8 percent in 2024. The decline in the construction sector is notable, especially considering the Government's affordable housing program, which was expected to spur investment activity in this area. This is partly attributed to stalled road construction projects due to significant cuts in the development budget and low absorption of the Affordable Housing Fund.
11. Growth in the services sector is estimated to have decelerated in the first three quarters from 7.3 percent in 2023 to an average of 5.6 percent in 2024. The decline significantly affected the accommodation and food services; finance and insurance; information and

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<sup>1</sup> IMF World Economic Outlook, 2025

communication; and real estate subsectors. Resilience was however due to the wholesale and retail trade, education and tourism, and international conferences. The government's efforts to promote high-profile international conferences and boost tourism could enhance the performance of the hospitality and transport sub-sectors. However, the effectiveness of these efforts will largely depend on the policies implemented to encourage private-sector participation.

12. The Committee noted the potential impact of various government interventions in enhancing economic performance but expressed concerns over the slow implementation of key BETA priorities, limited fiscal space for public investments, slowdown in private sector activities, and vulnerability of the agriculture sector to climate change dynamics. This underscores the need for enhanced efficiency and effectiveness in delivering government priorities to ensure that this growth projection remains tenable.
13. The overall inflation has been on a downward trend from 6.3 percent in February 2024 to 3.5 percent as at February 2025, driven by lower fuel and food prices. The decline in fuel prices is attributable to lower global crude oil prices<sup>2</sup>, appreciation of the Kenyan Shilling and the Government-to-Government oil import process thereby reducing transportation and production costs across the economy. In addition, favourable weather conditions and fertilizer subsidies have boosted agricultural yields, leading to increased food supply and lower prices of key food items such as fruits, vegetables, maize, and other cereals. The Committee noted that this has provided some relief to a majority of Kenyans.
14. Core inflation, which excludes volatile items like food and fuel prices, remained elevated, surpassing the overall inflation since October 2024. This could signal increased spending in non-food and non-fuel sectors and an increase in production costs for goods and services, excluding food and energy, such as in healthcare and education. The Committee expressed concern that elevated core inflation may continue hurting both the cost of living and overall economic activities.
15. During the period between 2019-2023, total employment increased from 18.1 million to 20 million people, indicating a rise in the number of employed individuals. However, there was a noticeable decline in the growth rate of employment, dropping from 4.9 percent in 2019 to 4.4 percent in 2023. This slowdown was more pronounced in the formal sector than in the informal sector. This is attributable to a slowdown in economic activity, technological changes, and the impact of government policies.
16. Formal employment in the private sector is majorly driven by manufacturing, Agro-processing and wholesale and retail, while in the public sector, education, public

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<sup>2</sup> Crude oil prices declined from USD 84.9 per barrel to USD 73 per barrel // WEO January 2025.

administration and defense play a crucial role. The Committee emphasized that to alleviate unemployment in the country and create decent jobs for the young people, there is a need for targeted policy interventions to address the declining growth in formal employment, especially in sectors facing challenges.

17. According to data from the Kenya National Bureau of Statistics, the purchasing power of households has declined over the 2020 - 2023 period due to a consistent decline in real wages. The annual average real wages in the private sector decreased from Kshs. 749,112 in 2020 to Kshs. 686,451 in 2023, while those of the public sector diminished from Kshs. 743,063 to Kshs. 625,870 over the same period.
18. The Central Bank Rate was revised downward from a peak of 13 percent in July 2024 to 10.75 percent by February 2025 due to monetary policy easing. Despite the decline in interest rates, credit to the private sector has largely contracted. Growth in total credit significantly declined from 14.4 percent in November 2023 to 4.6 percent in November 2024. The decline was due to the deceleration of credit to the private sector from 13.2 percent to -1.1 percent while credit to the government grew from 14.4 percent to 16.6 percent. The Committee welcomed the efforts to lower interest rates as this may encourage uptake of credit to the private sector and spur economic activity.
19. The BPS highlights that the current account deficit has improved from 4.4 percent of GDP in December 2023 to 3.6 percent of GDP in 2024. However, it is important to note that the decline is partly attributable to a slowdown in imports due to muted demand by households and businesses because of declining purchasing power and investment capacity and not necessarily on account of improved exports. The Committee emphasized the need to relook at the export promotion strategy to enhance competitiveness and access to markets, especially given existing trade agreements such as the African Continental Free Trade Area, and the EU-Kenya Economic Partnership Agreement.

### **1.3 Fiscal Framework underpinning the 2025 BPS**

20. The total expenditures for FY 2025/26 are projected at Kshs. 4,263.1 billion (22.1 percent of GDP), comprising of Kshs. 1,730 billion in recurrent allocation, Kshs. 758 billion in development expenditure, Kshs. 1,369.2 for consolidated fund services and Kshs. 405 billion as equitable share to county governments. This is an increase of Kshs. 382.8 billion from the expenditure in the FY 2024/25 Supplementary I Estimates.
21. The financing of this expenditure is premised on the assumption that the total revenue, including grants, will be 17.8 percent, which translates to Kshs. 3,432.0 billion. This will comprise ordinary revenue of Kshs. 2,835.0 billion, Appropriations in Aid of Kshs. 550.7 billion and grants amounting to Kshs. 46.2 billion. The ordinary revenue target comprises

Kshs. 1,324.3 in income tax, Kshs. 775 billion in Value Added Tax, Kshs. 163 billion in Import Duty, Kshs. 332.7 billion in Excise Duty and Kshs. 240 billion in other tax revenues.

22. The Committee noted with concern the continued underperformance in revenue that has impacted the implementation of the budget as approved. For instance, total revenue as a share of GDP has reduced from 17.3 percent in FY 2021/22 to 17.1 percent in FY 2023/24 with ordinary revenue reducing from 15.1 percent to 14.5 percent over the same period. Further, in the first half of FY 2024/25, the total revenue fell short of the target by Kshs. 107.7 billion. This implies that both the baseline and projected revenue targets may not be achieved, resulting in either reduction in planned expenditure or additional borrowing.
23. The BPS outlines several initiatives to enhance revenue collection, such as implementing the National Tax Policy and Medium-Term Revenue Strategy, improving tax administration, expanding the tax base, reducing tax expenditures, utilizing technology to modernize tax processes, addressing revenue loopholes, and increasing the efficiency of the tax system. However, the Committee noted that these initiatives do not differ significantly from previous policy instruments in earlier statements, casting doubt on the likelihood of achieving the projected tax revenue targets through their execution. Additionally, the National Treasury's failure to quantify the expected impact of each policy measure makes it challenging to evaluate the impact of each proposal.
24. The BPS targets fiscal consolidation by reducing total expenditure from 22.8 percent of GDP in FY 2024/25 to 22.1 percent in FY 2025/26. Overall expenditure and net lending have declined from 24.6 percent in FY 2020/21 to 22.4 percent in FY 2034/24. The Committee expressed concern that this decrease has mostly affected development expenditure, which has dropped from 4.2 percent to 3.4 percent of GDP. The reduction in development expenditure has had far-reaching implications, including stalled projects, pending bills, long project gestation and cost overruns.
25. Recurrent expenditure has slightly decreased from 16.7 percent of GDP to 16.6 percent, while interest payments on public debt have risen significantly from 4.5 percent to 5.2 percent of GDP. The Committee highlighted that the rising interest payment on public debt has significant implications including: reduced fiscal space for capital and social programmes; increased taxes to service the debt obligations; decline in private sector activities and transfer of burden to future generations that has a bearing on their ability to achieve their aspirations.
26. The Committee appreciated that there are several proposed measures and reforms to control expenditures over the medium term, aiming to enhance efficiency, transparency, and sustainability. These measures include migrating to a Treasury Single Account to consolidate public funds, transitioning to accrual accounting to improve financial reporting,

adopting a zero-based budgeting approach for more effective resource allocation, and rollout of Public Investment Management Information System. However, due to inertia in public sector reforms, successful implementation will require sustained efforts, institutional capacity, and strategic execution.

27. Given the difference between the projected expenditure and revenues, the fiscal deficit, including grants, is projected to reduce from Kshs. 880.5 billion (5.6 percent of GDP) in FY 2023/24 to Kshs. 831 billion (4.3 percent of GDP) in FY 2025/26. This reduction in the deficit is predicated upon the successful implementation of revenue enhancement policies coupled with limiting expenditure growth. However, the Committee noted that given the possibility of revenue underperformance and additional expenditures emanating from the sector requirements, the actual deficit may be higher than this projection.
28. The Committee noted that to finance the fiscal deficit, the National Treasury proposes to borrow Kshs. 684.2 billion from the domestic market and Kshs. 146.8 billion from external markets. The external borrowing projection is Kshs. 208.7 billion below the projection for FY 2024/25 and reflects a reduction in receipts from the IMF programme. The reduction in foreign borrowing is set to be matched by a Kshs. 271 billion increase in domestic borrowing in FY 2025/26. The growth in domestic borrowing, which may be exacerbated by a larger-than-projected fiscal deficit, may result in crowding out credit to the private sector.

#### **I.4 Policy Thrust of the 2025 BPS**

29. The Medium-Term Plan IV of the Vision 2030 is concise on the approach to value chain development as a crucial aspect of boosting agricultural productivity and improving the livelihoods of smallholder farmers. However, the BPS continues the traditional approach where interventions are designed in silos. The Committee underscored the need to integrate the critical components of sustainable agricultural value chains that include: access to quality inputs, expansion of irrigation, provision of extension services and access to markets.
30. The Committee acknowledged that the County Aggregation and Industrial Parks were designed as strategic initiatives to enhance the manufacturing sector by improving agricultural productivity and Agro-processing. The aim was to establish a network of industrial parks across all 47 counties to facilitate value addition, processing, and market access for agricultural products. However, despite these plans, no CAIP has been operationalized in phase one. Nevertheless, the BPS proposes to proceed with the implementation of phase two.

31. The Committee noted that the Means Testing Instruments (MTI), intended to ascertain household contributions to SHIF and classify students into funding bands for higher education, have faced several challenges. These issues include the provision of inaccurate or incomplete information, which hinders accurate determination of household contributions and proper banding of students for HELB loans. As a result, the delivery of social services has been adversely affected.
32. The Committee further noted that the resource requirements for various initiatives under the health sector reforms are not well defined. These include the Social Health Insurance Fund, the Primary Healthcare Fund and the Chronic, Critical and Emergency Illness Fund. Failure to determine this at the planning stage implies the need for additional resources midway, which may further impact the fiscal deficit. Further, there have been significant delays in the settlement of claims by SHA for healthcare facilities, which has adversely affected the operations of the health sector, especially the primary healthcare facilities.
33. The 2025 BPS has outlined various reforms and interventions in the education sector. However, the Committee observed that the fiscal analysis of these interventions reveals significant underfunding in the sector. Critical areas lacking adequate funding include capitation at all levels, the higher education funding model, teacher recruitment and promotion, and infrastructure development. Additionally, with the transition to SHIF, there is uncertainty regarding the health coverage of learners previously covered by NHIF.
34. The BPS has overlooked the necessity to review the National Sports Policy to reflect the evolving dynamics of modern sports. The existing legal and policy framework fails to create a conducive environment for monetizing talent or attracting private sector investment, including foreign investors, for the development of a sustainable sports industry. The Committee observed that this limitation hampers sponsorship opportunities, private sector engagement, and the commercialization of sports, ultimately impeding the sector's growth. Additionally, there is an urgent need to reassess the Sports Fund framework to ensure it aligns with priority areas that drive growth and commercialization of sports in Kenya.
35. To address the bottlenecks stemming from inadequate resources and fiscal constraints, the Government aimed to implement alternative financing arrangements such as Public-Private Partnerships (PPPs). However, the Committee noted that the process encountered resistance from stakeholders due to the absence of clear policy guidelines for executing critical projects under this arrangement. Therefore, it is imperative to establish robust frameworks to ensure that private sector involvement does not result in exploitation or the neglect of public interests in the water, road, and energy sectors.
36. The Committee noted that most pending bills lie within the infrastructure sector, leading to increased project costs and delayed completion. As of 30<sup>th</sup> September 2024, the sector

accounted for approximately Kshs. 286 billion out of the National Government's Kshs. 528 billion pending bills. While infrastructure projects like roads, railways, water, and electricity are vital for economic development, delays can impede business operations, reduce productivity, and limit market access, thereby slowing economic growth. The 2025 BPS does not propose a strategy to settle these pending bills and prevent their accumulation.

37. During the processing of the 2024 Budget Policy Statement there was a notable proposal to enhance electricity connectivity by providing for an equal and enhanced allocation for last-mile connectivity across the 290 constituencies. However, the Committee highlighted that the 2025 BPS has not provided the policy direction on the same. Further, there are concerns on the high cost of power in the country and hence the need for sustained investments to enhance efficiency in generation and distribution.
38. The Committee has acknowledged the significant strides made in extending the national fiber optic network. This expansion is crucial for improving broadband access across the country, enabling more people to connect to the internet, which can drive economic growth and social inclusion. Nevertheless, there is an absence of a clear policy directive and inadequate funding for the maintenance of the national ICT infrastructure.
39. Envisioned in MTP IV, the water 10,000 program is an ambitious constituency-based water provision initiative aimed at addressing the country's water scarcity issues. The program focuses on implementing 10,000 water projects across the country, including the construction of boreholes, water pans, small dams, and springs. The Committee noted that despite its potential contribution to rural development, the BPS does not provide a clear roadmap towards the attainment of the same.
40. The Committee expressed concern over the growing proliferation of earmarked public funds accompanied by AIA increases in terms of levies, fees, and charges. These AIA in form of levies, fees, and charges have a significant impact on cost of doing business, attractiveness of Kenya as an investment destination, while at the same time eroding the tax bases for the primary taxes such as Value Added Tax, Corporate Income and Pay as You Earn (PAYE).
41. Notably, the AIA revenue component now amounts to at least Kshs. 550 billion, which accounts for about 20 percent of total revenue. Further, AIA and related public funds tend to reduce the quantum of discretionary resources available for annual appropriation by the National Assembly. The House has previously made resolutions on the need to repeal AIA mandates and to convert them to revenue to be deposited into the Consolidated Fund. The fact that these resources are not deposited into the Consolidated Fund equally limits the budgetary control power granted to the Controller of Budget by the Constitution.

### **1.5 Resource Allocation to Counties**

42. The 2025 BPS proposes to allocate the county governments Kshs.405.1 billion in FY 2025/26 as equitable share. This is equivalent to 14 percent of the projected ordinary revenue of Kshs.2,835.1 billion. The allocation is an increase of Kshs.17.7 billion from Kshs.387.4 billion allocated in FY 2024/25. The proposed Kshs.405.1 billion is equivalent to 25.79 percent of the last audited and approved actual revenues raised nationally of Kshs.1,570.5 billion for the FY 2020/21, hence compliant with the requirement of Article 203(3) of the Constitution.
43. It is noted that the sharing of revenue between the two levels of government considered the mandatory considerations under Article 203(1) of the Constitution. These include national interest including related expenditures such as defense, irrigation, and safety net programs, public debt servicing, Pensions, Constitutional Services and Other National obligations, and allocations to the emergency's funds and the Equalization Fund.
44. The Committee noted that there have been delays in the transfer of equitable share to County Governments which has significantly affected the functioning and development of County Governments and the well-being of their residents. For instance, in FY 2023/24, Kshs. 30.8 billion was not disbursed to counties by close of the financial year and was included in the budget for FY 2024/25 as carryovers. This has a bearing on timely project completion, accumulation of pending bills, and unpredictability in payment of salaries.
45. The Constitution in Article 217(1) requires Parliament to consider and approve the revenue-sharing basis every five years. The third basis, which is in place, has been applied between FY 2020/21 and FY 2024/25. The BPS envisages the application of the third basis on the proposed allocation of Kshs.405.1 billion since the fourth basis is yet to be approved by Parliament.
46. The Government proposes to allocate additional revenues to county governments in FY 2025/26, totalling Kshs.69.8 billion. The additional resources are conditional and unconditional proceeds from the National Government's share of revenue amounting to Kshs.12.89 billion and Kshs.56.91 billion from loans and grants from Development Partners. The Committee expressed concerns that there have been delays in the passing of the County Government Additional Allocation Bill due to lack of clarity on the actual allocation. There is a need to devise mechanisms for disbursement of loans and grants that end up attracting commitment fees when not drawn on time.

47. The Committee expressed concern that compliance with fiscal responsibility remains a key challenge among the devolved units. While counties allocate 30 percent of their total budgets to development expenditure during budgeting, they fail to meet the same threshold during the implementation process. For instance, in FY 2023/24, only nine counties met the requirement on development expenditure while only two counties met the threshold on expenditures on wages and benefits that is set at thirty-five (35) percent of the total revenue.
48. The Committee also took note of the fiscal risks emanating from continued accumulation of pending bills among counties, which as at the end of September 2024 stood at Kshs.194 billion. These include Kshs.91.2 billion of unremitted pension deductions by the counties and KPLC electricity bills to the tune of Ksh.4.4 billion with Nairobi County having the highest portion of Ksh.3.01 billion. This has been attributed partly to delayed exchange and underperformance of OSR.

## **2. SUBMISSIONS BY STAKEHOLDERS ON THE 2025 BPS**

49. The Liaison Committee invited the Office of the Auditor-General and the Parliamentary Service Commission to provide insights on policies informing their proposed ceilings in the 2025 BPS and the Commission on Revenue Allocation to provide information on the basis for revenue sharing between the National and County Government. Pursuant to Article 201 of the Constitution on public participation, the Committee also received submissions on the proposed policies from various stakeholders and sector actors. The Committee further held a consultative meeting with the National Treasury to firm up the ceilings in view of the submissions by the Departmental Committees and the other stakeholders.

### **2.1 Submissions by the Office of the Auditor-General**

50. The Committee invited the Office of the Auditor-General to provide submissions on two matters. Firstly, to inform the Committee on significant issues identified during audit processes that could impact the overall budget-making process. Secondly, to offer insights into the policies that underpin the expenditure ceilings for the office for FY 2025/26 and the medium term.

#### **2.1.1 Overarching Concerns from Audit Perspective**

51. The Auditor-General highlighted critical concerns regarding budget credibility, emphasizing the discrepancies between approved expenditure and actual spending, as well as significant gaps between revenue targets and actual collections. These deviations undermine the integrity of the budget. Additionally, the Auditor-General expressed concern that supplementary budgets and requests for additional allocations, particularly under Article

223 of the Constitution, significantly distort the budget as approved by the National Assembly.

52. The Committee was informed that the audit of donor-funded projects revealed ongoing low fund absorption. For example, in FY 2023/2024, fourteen projects with total allocations of Kshs. 515.1 billion had not utilized Kshs. 304.4 billion, or 59.1% of the total allocation. Some of these projects were nearing their end, posing risks that they would conclude without completing all planned activities and, thus, not achieve their objectives. Additionally, some projects included clauses imposing commitment fees on any undrawn amounts, leading to wastage of funds and a lack of value for money.
53. The 2025 Budget Policy Statement maintains a strong focus on the pillars of the BETA. However, the audit reports for the Financial Year 2023/2024 for the State Departments overseeing these pillars, as well as the relevant SAGAs supporting them, have raised significant concerns. These reports highlight inefficiencies and implementation gaps that, if not addressed, may impede the overall success of the BETA plan.

#### **2.1.2 Expenditure Ceilings for the Office of the Auditor-General**

54. The Office of the Auditor-General falls under the Public Administration and International Relations Sector, which consists of twenty-three sub-sectors and the Consolidated Fund Services, as detailed in National Treasury Circular No. 11/2024 dated 23 August 2024. The PAIR Sector is dedicated to providing national leadership, oversight, and policy direction to achieve the country's development agenda. It also focuses on promoting prudent public finance management and accountability within the Public Sector, coordinating national planning, and ensuring an efficient and effective Public Service.
55. The Office of the Auditor-General (OAG) operates a single programme focused on the provision of audit services. The primary objective of this programme is to ensure that public resources are utilized and managed transparently and optimally for the public good. Additionally, the OAG serves as a consultant to the government, providing insights and updates on the progress made in achieving the prioritized areas of the development agenda.
56. The Office has seen its scope expand over the years, driven by the growth of government programs and the national budget. Additionally, new entities are continually being established to address emerging needs for improved service delivery. Furthermore, some entities that were previously audited under their respective ministries, departments, and agencies (MDAs) or county governments are now self-accounting and must prepare separate financial statements and undergo individual audits. This category includes Level 4

and Level 5 Hospitals, Technical and Vocational Education and Training institutions (TVETs), and public secondary schools. This has placed additional pressure on the office.

57. The Auditor General submitted that the High Court recently ruled that the Constitutional timelines outlined in Articles 229(4) and 229(8) of the Constitution, as well as Section 48 and section 50 of the Public Audit Act, Cap.412B, are mandatory and must be adhered to. The ruling has significant implications on the OAG's work, especially since the expanding scope of audits is not matched by adequate budget allocations.
58. The BPS proposes a budget ceiling of Kshs.8.652 billion in FY 2025/2026 comprising of Kshs.8.297 billion in current expenditure and Kshs.355 million in development expenditure. However, the estimated resources requirement based on the projected audit scope is Kshs.10.485 billion comprising of Kshs.10.030 billion and Kshs.455 million for Recurrent and Development Votes respectively. The OAG sought the support of the Committee in bridging the resource gap amounting to Kshs.1.833 billion.
59. The OAG indicated that there is a funding gap in the allocation for domestic travel, which facilitates audit-related travels, and that this is an audit operation cost. The Office had assessed the resource requirements for audit-related travels at Kshs.1.965 billion based on the expanded audit scope, but the proposed allocation amounts to Kshs.1.195 billion with a resultant shortfall of Kshs.769.5 million. The shortfall towards audit-related travels may limit the scope and audit coverage, which directly affects the quality of audit reports.
60. The OAG submitted that the Office has severally proposed to the National Assembly to amend the Public Finance Management Act, Cap.412A to reduce the timeline for preparation and submission of financial statements to the Auditor-General from three months after the close of the financial year to within one month, However, the latest amendments to the Act did not incorporate these proposals.
61. The OAG highlighted that they have consistently proposed audit recommendations aimed at improving accountability, transparency, and the effective, economic, and efficient collection and utilization of resources. However, these recommendations are not always implemented. As a result, many audit queries recur due to the absence of enforcement mechanisms, administrative sanctions, or the reluctance to apply existing legal provisions. Therefore, there is a need to amend the Public Finance Management Act, Cap.412A to include sanctions for the non-implementation of audit and Parliamentary recommendations, as this would promote fiscal discipline.

## **2.2 Submissions by the Commission on Revenue Allocation**

62. The Commission on Revenue Allocation reported that, to enable counties to fulfil their functions, they have been cumulatively allocated Kshs. 4,208.71 billion for the financial years 2012/13 to 2024/25. This amount comprises Kshs. 3,741.1 billion in equitable share, Kshs.193.55 billion in conditional grants from the national government, and Kshs. 274.12 billion in loans and grants from development partners. Notably, while the equitable share allocation to county governments has significantly increased in absolute terms over time, its proportion of the total shareable revenue has declined from a peak of 22.5% in 2014/15 to a low of 16.8% in 2024/25.
63. The Commission reported that the revenue-sharing framework does not effectively guide county governments' budgeting processes. While counties allocate significant resources to healthcare, they allocate less to other devolved functions, with only 8% going to agriculture, a heavy reliance on conditional grants for urban services, and a mere 1.3% allocated to social protection. This observation prompted the Commission to transition from a functional approach to revenue sharing under the Third Basis to using expenditure proxies under the Fourth Basis. Additionally, county governments are directing substantial resources towards education, particularly for bursaries for basic and tertiary institutions, which is a function of the national government, and are doing so without signed intergovernmental agreements.
64. The Commission indicated that County Governments have conditional financial obligations that were meant to commence in financial year 2024/25. However, due to the downward revision of projected ordinary revenue for the financial year 2024/25, implementation of specific programmes and projects estimated at Kshs.25.03 billion have not been fully financed. Consequently, the Commission recommended that the national government be allocated Kshs. 2,409.75, the Equalisation Fund Ksh.7.85 billion and county governments Kshs. 417.4 billion for the FY 2025/26 against an allocation of Kshs. 405 billion proposed in the BPS.
65. The Commission noted that Article 203(2) of the Constitution provides that for every Financial Year, the equitable share of the revenue raised nationally that is allocated to county governments shall not be less than fifteen per cent of all revenue collected by the National Government based on the most recent audited accounts of revenue received, as approved by the National Assembly. The proposed allocation by the Commission of Kshs. 417.425 billion to county governments is equivalent to 26.6 per cent of the most recent audited and approved accounts for the Financial Year 2020/21 amounting to Kshs. 1,570.6 billion.

### **2.3 Submissions by the Parliamentary Service Commission**

66. The Committee invited the PSC to make submissions on policies guiding the proposed ceilings and overall resource requirement for the Commission for FY 2024/25. The Commission submitted that the policy thrust is presently anchored on the Strategic Plan 2019-2030 themed "Bringing Parliament closer to the People: Taking Responsibility". The Plan is being implemented through Seven Strategic Pillars and Twenty-Two Strategic Objectives.
67. The Commission submitted that Parliament is part of the institutions that are categorized as enablers in the Budget Policy Statement. Therefore, under Bottom-Up Economic Transformation Agenda, Parliament will facilitate the achievement of these agendas by approving the budget estimates and passing the necessary pieces of legislations to enable the implementation of the agenda.
68. The key policies underlying the expenditure ceilings for the Commission for FY2025/2026 and the medium term includes: Operationalization of the Post - Service Medical Scheme for Members of Parliament; Completion of ongoing Development Projects like the CPST Complex and Installation of Integrated Security System; Digitization of both National Assembly and the Senate Chamber System, Committee operations, Legislative and Parliamentary Diplomacy; Strengthening staff complement with requisite capacity across all the Parliamentary Services; and Enhanced parliamentary mechanisms to strengthen capacity of both members, committees and staff of parliament.
69. The Commission submitted that, in recent years, the implementation of programmes in the Parliamentary Service Commission has been curtailed by the delay in the release of the exchequer. This has resulted in disorganization of planned activities since pending bills form the first charge in the budget implementation of the consequent financial years.
70. The Commission noted that the 2025 BPS proposes a ceiling allocation of Kshs. 42.48 billion to Parliament for the FY 2025/26, comprising of Kshs 41.12 billion for recurrent and Kshs 1.365 billion for development. This grossly underfunds the ongoing programmes and activities, which further increases the existing funding gap in view of the resource requirements for the legislature that total to Kshs 64.61 billion, thus Parliament has a deficit of Kshs 27.73 billion.
71. The obtaining funding gap will continue to affect performance and delivery of the legislative mandate, including slowing down priority programmed activities that are critical to the 13<sup>th</sup> Parliament. The most affected are the Committees that play a critical oversight role. The cost of running Parliament continues to increase significantly on account of infrastructural needs and structural changes such as the increased number of Committees of both Houses.

The additional Committees are on account of increasing roles of oversight necessitated directly by the expanding scope and operations of the National Government, Constitutional Commissions and Independent Offices and other entities and the 47 County Governments.

72. The Commission therefore sought for enhancement of the ceilings for Parliament from the proposed Kshs. 42.48 billion to Kshs 64.61 billion. This enhancement, the Commission noted, is necessary to enable Parliament to effectively realize its constitutional mandate by adequately funding key programs and activities.

#### **2.4 Submissions by Members of the Public.**

73. Pursuant to Article 201 of the Constitution on principles of public finance that includes public participation, the Committee invited the public to share their views on the Budget Policy Statement. The request for submission of memoranda was published on the Star and Daily Nation Newspapers on 17<sup>th</sup> February 2025 and publicized on the Parliament's website and social media pages to reach a wide audience. As a result, the Committee received a total of 42 memoranda from various stakeholders, including both individuals and organizations. By considering these submissions, the Committee sought to align the BPS with the real needs and priorities of the public, thereby fostering transparency, accountability, and a more participatory approach to governance. The submissions from the public and the responses by the Committee have been attached to this report as Annex 2.

#### **2.5 Submissions by the National Treasury**

74. The National Treasury highlighted that the economy experienced a growth rate of 5.6 percent in 2023, up from 4.9 percent in 2022. The economy is estimated to have grown by 4.6 percent in 2024, and is projected to accelerate to 5.3 percent in 2025. The agricultural sector performed strongly last year and is anticipated to continue supporting growth in 2025, largely due to farmers accessing subsidized fertilizers and seeds from the Government, enhanced agricultural productivity, a resilient services sector, and the ongoing implementation of BETA priorities.
75. The National Treasury submitted that the FY 2025/26 and the Medium-Term budget targets places special emphasis on fiscal consolidation to reduce public debt vulnerabilities while providing fiscal space to deliver essential public goods and services. To support the Bottom - Up Economic Transformation Agenda, the Government will continue with the fiscal consolidation plan by containing expenditures and enhancing mobilization of revenues to slow down growth in public debt without compromising service delivery.
76. The revenue performance in the FY 2025/26 and the Medium Term will be underpinned by the ongoing reforms in tax policy and revenue administration geared towards expanding

the tax base and improving tax compliance. This includes the implementation of the Medium-Term Revenue Strategy (MTRS) to progressively strengthen tax revenue mobilization efforts towards 20.0% of GDP over the medium term. The National Treasury equally reiterated the commitment of the government in the elimination of non-priority expenditures to sustain fiscal consolidation.

77. On revenue sharing, the National Treasury submitted that the total sharable revenue for the FY 2025/26 is equivalent to Kshs 2,835.0 billion, out of which the National Government has been allocated Kshs 2,419.4 billion, County Governments have been allocated Kshs 405.1 billion as county equitable share; and Kshs 10.6 billion for Equalization Fund, being the sum of Kshs 7.9 billion for FY 2025/26 and Kshs. 2.7 billion as arrears for previous years. The allocation of Kshs. 405.1 billion as county equitable share translates to 25.79 per cent of the most recent audited and approved revenue.
78. To minimize duplication of functions, it was submitted that following the delineation of devolved functions, The Intergovernmental Budget and Economic Council instructed the National Treasury to review budgets of National Government Ministries, Departments, and Agencies to ensure that they no longer retain funds for functions that have been devolved to local governments. To facilitate this process, the Intergovernmental Technical Relations Committee has been tasked with determining the costs of these unbundled functions. This step is crucial in ensuring a clear and fair allocation of resources between national and local governments.
79. The Committee was informed that after the Cabinet approved state corporation reforms, the National Treasury formed a Multi-Agency Technical Working Committee to create a roadmap for actualizing the approved reforms. This working group includes representatives from the Office of the Attorney-General, Office of the President, key departments within the National Treasury, the State Corporation Advisory Committee, the Inspectorate of State Corporations, the State Department for Public Service, relevant line ministries/departments, and the state corporations undergoing the reforms.

### **3. SUBMISSIONS BY DEPARTMENTAL COMMITTEES ON THE BPS**

80. The Committee received submissions from Departmental Committees regarding policies and budget ceilings for programs and votes under the various MDAs they oversee. Based on these submissions, the Departmental Committees made observations, some of which are included in this report. A detailed matrix of observations and recommendations from the Departmental Committees is provided in Annex I of this report.
81. The Committee received requests from the Departmental Committees to enhance the ceilings of the various entities that submitted requests for additional funding amounting to

Kshs 914 billion shillings. However, given the constrained fiscal space and the need to adhere to the fiscal consolidation principles, these requests, though critical, could not be accommodated within the available resource envelope. The unfunded requests are detailed in the fourth schedule of this report.

### **3.1 Finance and National Planning Committee**

82. The NG-CDF allocation has been significantly reduced from Kshs. 54.77 billion in the current financial year to Kshs. 26 billion in FY 2025/26. This reduction appears to be a direct consequence of the High Court ruling issued on September 20, 2024, which declared the NG-CDF unconstitutional and ordered its cessation by June 30, 2026. However, concerns have emerged regarding the funding of ongoing projects, many of which are at various stages of completion. Without sufficient allocations in the FY 2025/26 budget and beyond, there is a risk of project abandonment, potentially hindering development initiatives and educational bursaries funded by NG-CDF.
83. The pension arrears continue to rise, with unremitted contributions reaching Kshs. 54.468 billion in the public sector and Kshs. 2.474 billion in the private sector as at December 31, 2024. These amounts, already deducted from employees' salaries, remain unpaid, raising serious concerns about financial mismanagement and accountability.

### **3.2 Justice and Legal Affairs Committee**

84. The State Department for Correctional Services has been experiencing an acute shortage of prisoners' beddings and linen because of limited funds. The department has only been able to procure and issue beddings to a total of 22,066 inmates against an annual average population of 63,000 inmates. The department has a shortfall of Kshs 1.2 billion for the purchase of beddings and linen. The departmental also requires additional resources to mechanize its large tracks of land to enable it feed the inmates rather than relying on exchequer.
85. The Committee expressed the need for the Judiciary to convert the terms of service for the 1000 recruits under the Ajira Programme from contracts to permanent and pensionable to support the Judiciary digitization Programme. This will create job opportunities for the youth who will be undertaking transcription of court proceedings for the Judiciary.
86. The Committee observed that the Independent Electoral and Boundaries Commission has legal pending bills accumulated over the years amounting to Kshs 2.6 billion. As such, the Committee stressed the need for the Commission to standardize the legal fees charged by advocates and more importantly engage in-house lawyers to undertake some of the petitions.

### **3.3 Agriculture and Livestock Committee**

87. The Leather value chain, which is one of the strategic industries with huge potential for Kenya's economic transformation, is underfunded. The resource required for completion of the Leather Industrial Park at Kenanie, which is about 90 percent complete, is Kshs. 1.667 billion but the project has only been allocated Kshs. 200 million. A delay in completion of the critical facilities in the industrial park implies a delay in creation of over 10,000 jobs, export earnings, and loss of opportunity to transform the sector.
88. The Mechanization of Agricultural Development Project is very crucial in the production of seeds and seedlings for various value chain crops. The project requires an allocation of Kshs. 500 million for the procurement of agricultural equipment to support increased acreage on seed production. The allocation will solve the shortage of maize, bean and potato seeds in the country.
89. One of the key interventions for Agricultural Transformation for Inclusive Green Growth identified by the 2025 BPS is revamping underperforming or collapsed export crops and emerging ones including cashew nuts, pyrethrum, coconut, macadamia, mango, and avocado. However, no resources have been provided to support pyrethrum, cashew nuts and coconut revitalization programmes both in FY 2024/25 and FY 2025/26.

### **3.4 Defence, Intelligence and Foreign Relations Committee**

90. The Ministry of Defence is experiencing delays in finalizing and signing financial agreements for Export Credit Agreement funding due to prolonged engagements between the National Treasury and financiers after the agreement deposit. These delays hinder the commencement of projects that depend on ECA funding.
91. The Ministry of Defence is in the process of developing the next phase of its modernization Programme, aiming to enhance capabilities in both personnel and equipment/systems. Comprehensive details of the planned modernization, resourcing plan (covering budgetary allocations and funding sources), and a progress report on the achievements of the current phase will be submitted to the Committee for assessment of its efficacy and performance.
92. Kenya currently holds the Chairmanship of the EAC, a rotational position assumed on 30th November 2024. As Chair, Kenya is responsible for providing policy direction to the Secretariat, mediating between the Secretariat and Partner States, and presiding over all meetings at policy, technical, and expert levels. Adequate funding of KES.439.76 million for EAC Chairmanship is most critical as the position has a huge responsibility towards meeting our regional integration objectives.

### **3.5 Trade, Industry and Cooperatives Committee**

93. The implementation of trade agreements remained low despite Kenya having signed various agreements, such as those with the EU and COMESA. Although the country has many products that could be exported to other markets, inadequate stakeholder awareness of available opportunities has hindered effective utilization of these agreements.
94. The KIRDI Industrial Research Laboratories, constructed and equipped in Nairobi South B, require 2.6 billion to be completed. The State Department got approval from the National Treasury on financing, where the amount will be issued in 2 years. In FY 2025/26 they are expected to receive Kshs. 1 billion yet the proposed allocation is Kshs. 500 million, thereby creating a shortfall of Kshs. 500 million.
95. Kenya Accreditation Service is seeking an additional Kshs. 120 million to enhance its national accreditation program. This crucial funding will enable KENAS to uphold high standards of quality and reliability in its accreditation services. By securing these resources, KENAS aims to ensure that all accredited bodies consistently meet international benchmarks, thereby strengthening the credibility and competence of conformity assessment across various sectors.

### **3.6 Health Committee**

96. There is inadequate budgetary allocation for the health sector to support implementation of health programmes in view of the reduced donor funding. GAVI will end its support to Kenya by 2028/2029. The government therefore ought to increase exchequer funding on vaccine and immunization programmes, human vaccine production and human health research through the Kenya BioVax Institute and the Kenya Medical Research Institute (KEMRI) respectively.
97. The defunct NHIF owes healthcare providers an estimated KES 30.9B. Additionally, NHIF owes co-insurers Kshs 8.137B for civil servants' WIBA claims and a further Kshs 3.927B in accumulated WIBA claims before April 2021. NHIF also has outstanding premium receivables totalling Kshs. 25.5B across various government-funded schemes, including the civil service medical cover, Linda Mama program, and indigent support.
98. The major challenge facing the Social Health Authority (SHA) system has been inadequate communication. Many people remain uninformed about the program's benefits, coverage options, registration process, and how to access healthcare services under the new system, resulting in confusion and difficulty in utilizing healthcare services effectively. Additionally, SHA has struggled with insufficient funding in its administrative and support functions. The Act capped administrative expenditure at 5% of its revenue collection.

### **3.7 Transport & Infrastructure Committee**

99. The total outstanding project portfolio for the State Department for Roads chargeable to the GoK component of the budget is approximately Kshs 700 billion, excluding an outstanding pending bills component of Kshs 175 billion as of 31 December 2024, mainly because of inadequate budget provisions over the years. Additionally, there is a need to continuously prioritise critical projects, such as the Gitare-Kanyiriri Road that require about Kshs. 900 million for completion.
100. The cabinet approved the securitization of the additional Kshs 7 per litre of the Fuel Levy, which translates to approximately Kshs 32 billion additional collection per year. The State Department for Roads, through the Kenya Roads Board, is securitizing the Kshs 7 through a bond issuance to raise Kshs 175 billion by 30 June 2025. The amount raised will mainly be utilized to settle pending bills. The budget provision balances in the current budget will be utilized to settle current works on contracted projects.
101. The LAPSET Corridor Development Authority is one of the agencies affected by the Cabinet resolution on reforming State Corporations. However, it was established under the State Corporations Act, Cap. 446, Executive Order Gazette Notice No. 58 of 2013, to serve as one of the delivery agencies. The Authority supports the coordinated planning, development, and management of Multi-Modal Transit and Transport corridors.

### **3.8 Housing, Urban Planning and Public Works Committee**

102. The total Housing Levy collections since its introduction in August 2023, up to January 2025, amounted to approximately Kshs. 96.455 billion, comprising Kshs. 54.720 billion from FY 2023/24 and Kshs. 41.735 billion from July 2024 to January 2025, reflecting a 117% performance rate. However, by December 31, 2024, only Kshs. 18.801 billion had been utilized while Kshs. 46.6 billion is invested in Treasury Bills and the balance is in the fund. The absorption challenges are attributed to litigations delaying the enforcement of the Affordable Housing Act, 2024 and the slow establishment of the Affordable Housing Board.
103. Section 5 (2)(g) of the National Construction Authority Act, Cap 118 authorizes the Authority to enforce the Building Code within the construction industry. The new Building Code 2024, effective March 1, 2024, replaces the 1968 version. To facilitate stakeholder sensitization and capacity building for the County Governments, professionals, and contractors, the NCA requires an additional Ksh. 830 million in funding. The objective is to reach all 290 constituencies in the FY 2025/26.

### **3.9 Communication, Information and Innovation Committee**

104. There is substantial underfunding of the programmes and envisaged deliverables within the Communication and Information sector indicating that starving the sector in resource allocations waters down the possibility of realizing the aspirations of Bottom-Up-Economic Transformation Agenda (BETA) which is premised on utilization of limited resources to areas where they shall be most impactful in generating income and job opportunities to those in the lowest economic pyramid.
105. The revamping of Postal Corporation of Kenya and Kenya Broadcasting Corporation as recently approved by the Cabinet is necessary. The two corporations have been identified as some of the state agencies that play critical mandates which necessitate their business turn-around accelerated to alleviate their financial struggles and improve their solvency positions. This prioritization should accelerate the processing of the Cabinet Memo, which among others aims at streamlining the workforce and related costs. The two corporations have vast wealth in underutilized and idle pieces of land, some of which can be leased out or sold to generate the much-needed funds to facilitate the revitalization.

### **3.10 Energy Committee**

106. The delays in the procurement of materials by the Rural Electrification and Renewable Energy Corporation and Kenya Power are significantly affecting the timely completion of projects aimed at connecting customers to the national grid.
107. The Petroleum Development Levy Fund is characterized by a lack of transparency, raising significant concerns regarding accountability. In particular, the fund's expenditures on fuel stabilization lack clarity, with limited disclosure on the utilization of the allocated resources.

### **3.11 Lands Committee**

108. The State Department for Lands and Physical Planning is actively engaged in the process of revising Sessional Paper No.3 of 2009, which pertains to the National Land Policy. This revision aims to ensure that the policy is in full compliance with the definition of land as outlined in Article 260 of the Constitution. This initiative is part of an ongoing effort to modernize and harmonize national land policy with current constitutional provisions, thereby promoting a more coherent and effective framework for land management and governance.

### **3.12 Environment, Forestry and Mining Committee**

109. The State Department for Environment and Climate Change has reviewed the Climate Change Act, Cap. 387A to provide for the Carbon Markets Framework and its attendant regulations. This is aimed at enhancing resource mobilization through Carbon Projects. This

is being implemented by the Climate Change Directorate and the National Environment Management Authority.

110. The National Mining Corporation is mandated to develop and invest in strategic minerals, e.g. Copper, Chromite, Coltan, etc., which are of high value and demand globally, intends to rollout key initiatives in strategic mineral exploitation and hire technical expertise in Geology and Mining. However, the implementation of this mandate is impaired by a budget shortfall.

### **3.13 Labour Committee**

111. The National Industrial Training Authority (NITA) in the State Department for Labour and Skills Development has the potential to increase collection of Appropriations in Aid (A.I.A) and requested the National Treasury, however, this has not been approved.

### **3.14 Sports and Culture Committee**

112. The construction of stadia earmarked for CHAN and AFCON 2027, is a joint venture between the State Department for Sports and the Ministry of Defense, where the former is playing only an oversight role, while the latter is tasked with procurement, supervision and execution. The Committee, however, noted a lack of clarity on the projected costs of the Stadia and the actual funds expended on the same so far.

113. The Bomas of Kenya is currently in the initial stages of constructing an ultra-modern conference facility. However, the State Department for Culture, Arts and Heritage has not furnished the Committee with clear funding modalities for the project, including projected costs, source and funding arrangements and timelines.

### **3.15 Administration and Internal Security Committee**

114. There are pitfalls of the policy on migration of 31.5 million records from the second-generation ID system to the third-generation system (Maisha Card). It was observed that the expiry of Maisha Card after 10 years may cause unnecessary suffering and pain to the citizenry, where they could not access key government services when renewing such cards upon their expiry.

115. The resources for security operations were skewed towards the State Department for Internal Security at the expense of the National Police Service. There was a need to review how such resources could be shared between the State Department and the National Police Service.

### **3.16 Tourism and Wildlife Committee**

116. The Kenya Tourism Board is set to merge with the Tourism Research Institute, while the Tourism Promotion Fund will be merged with the Tourism Fund under the State Department for Tourism. However, the transition may face challenges such as staff restructuring, legal adjustments, and integration of existing systems.
117. The Human Wildlife Compensation Committee in the State Department for Wildlife has been unable to meet for about two years due to budgetary issues, which has slowed down the process of compensating victims of human wildlife conflict.

### **3.17 Regional Development Committee**

118. The Intergovernmental Relations Technical Committee (IGRTC) report on unbundling and transfer of functions of the Regional Development Authorities to County Governments guided the Cabinet communication on their dissolution.

### **3.18 Blue Economy, Water & Irrigation Committee**

119. The National Irrigation Authority has been undertaking both irrigation development and water harvesting and storage functions despite the State Department for Irrigation having the National Water Harvesting and Storage Authority with the idle equipment and expertise. This has led to significant delays in implementation of development projects under NIA while the NWHSA has been unable to utilize its idle capacity.
120. There is a lot of interest by donor agencies in undertaking investments for water projects in Arid and Semi-Arid Lands (ASAL) Counties. This huge investment is likely to lead to duplications as well as skewed distributions of resources in the country. It is also noted that government exchequer funding is also been directed to the same ASAL counties and this may be depriving other needy rural areas that are water inefficient of resources.

### **3.19 Social Protection Sector**

121. The policies on anti-Female Genital Mutilation campaigns and Gender Based Violence are slowing down due to lower budgetary provisions and over-reliance on donors. The underfunding affects campaigns and advocacy against the vices and the establishment of safe houses for victims of Gender Based Violence.
122. The National Youth Service via a presidential directive has been instructed to increase service recruits to 100,000 within the medium-term. In this year, the Service intends to recruit 40,000 service men and women in two cohorts.

123. The Inua Jamii program needs an additional Kshs 21.7 billion to be provided for in the FY 2025/26 and the medium-term to achieve equity in reaching out to persons eligible but cannot benefit from the monthly cash transfers due to under-provision in the budget.

### **3.20 Education Committee**

124. The proposed expenditure ceiling for the State Department for Basic Education in FY 2025/26 is Kshs 149.2 Billion, which is expected to support implementing four programmes, with the key programmes being primary and secondary education programmes. The Department still has major funding gaps relating to capitation for learners at various levels. The resource deficit for capitation is Kshs 27.1 Billion. This funding gap may pose a challenge to students and institutions if not addressed.

125. There is a general lack of awareness among the public on the transition to Senior School, which is expected to take place in January 2025. This includes guidance on the three pathways (STEM, Arts and Humanities) to be pursued as well as modalities for placement of learners in Senior Schools. This is attributed to late and poor communication strategies by the State Department. This has created room for circulation of inaccurate information regarding the expected transition.

126. There are concerns on the sustainability of the new student-centered funding model for Universities and TVET students given the projected resource requirement for its full implementation, coupled with the increased enrolment levels in the various institutions. If this resource requirement is not adequately addressed, the institutions as well as the students may not derive the desired benefits out of this funding model.

#### **4. COMMITTEE RECOMMENDATIONS**

127. Following extensive deliberations, the Committee made the following recommendations:

##### **4.1 Non-Financial Recommendations**

128. The non-financial recommendations presented in this report are categorized into general recommendations that address cross-cutting issues and sector-specific recommendations.

##### **4.1.1 Sectoral Recommendations**

###### **4.1.1.1 Finance & National Planning**

- 1) **Pension system digitization and outstanding pension arrears:** That, by 30<sup>th</sup> June 2025, the National Treasury to submit a comprehensive report detailing the implementation status of the new digitized pension system. Additionally, the report should include an action plan to clear pension arrears, ensure timely contributions, and enhance administrative efficiency.

###### **4.1.1.2 Justice and Legal Affairs**

- 2) **IEBC pending bills:** That, by 30<sup>th</sup> April 2025, the Independent Electoral and Boundaries Commission submit to Parliament a comprehensive report detailing all pending bills, including legal fees, election logistics, and other outstanding obligations, for verification and scrutiny.

###### **4.1.1.3 Agriculture and Livestock**

- 3) **Hides, Skins, and Leather Fund:** That, by 31<sup>st</sup> December 2025, the Cabinet Secretary for Agriculture and Livestock, to develop and submit to the National Assembly regulations for the Hides, Skins, and Leather Fund to support its implementation and stabilize market prices. Additionally, the Ministry should review the Hides, Skins, and Leather Trade Act, finalize the Kenya Leather Value Chain Development Policy, and submit the Leather Development Authority Bill to strengthen the legal and policy framework for the leather industry.

###### **4.1.1.4 Defence, Intelligence and Foreign Relations**

- 4) **Framework for mission staff collaboration:** That, within 12 months of the 2025 BPS approval, the State Department for Diaspora Affairs and the State Department for Foreign Affairs submit to the National Assembly an agreed framework of collaboration to assign existing mission staff, such as Migration Attachés, additional diaspora affairs duties to optimizing resources and avoiding extra deployment costs.

- 5) **Defence equipment and system modernization:** That, by April 30th 2025, the Principal Secretary of the Ministry of Defence to submit a comprehensive report to the National assembly detailing the next phase of the defense modernization program, including planned upgrades in personnel, equipment, and systems, a resourcing plan with budget allocations and funding sources, and a progress update on the ongoing modernization efforts.

#### 4.1.1.5 Trade, Industry and Cooperatives

- 6) **Linkages between Constituency Industrial Development Centers (CIDCs) and County Aggregation and Industrial Parks (CAIPs):** That, the State Departments for MSMEs and Industry to develop and submit to the National Assembly by 31<sup>st</sup> December 2025, a structured collaboration framework between Constituency Industrial Development Centers and County Aggregation and Industrial Parks.
- 7) **National Accreditation Services:** That, during the submission of the FY 2025/26 budget estimates, the Cabinet Secretary for the Ministry of Industry, Trade and Investments to ensure that the Kenya accreditation services is adequately funded within the approved ceilings.

#### 4.1.1.6 Health

- 8) **UHC programs funding:** That, before the submission of the FY 2025/26 budget estimate, the National Treasury to prioritize increasing budgetary allocations for UHC programs, especially the critical healthcare programs considering the possibility of reduction in donor funding, and to realize the health sector goals under BETA plan.
- 9) **Targeted Public Communication and awareness programs on SHA:** That, by 30<sup>th</sup> April 2025, the Social Health Authority (SHA) should launch a nationwide communication campaign to enhance public awareness on all pertinent issues of the scheme to improve public rating and service utilization. This initiative should leverage multiple channels, including digital platforms, print and broadcast media, and community outreach, to educate citizens on SHA's benefits, coverage, registration process, and service accessibility.
- 10) **NHIF debts:** That, by April 30<sup>th</sup> 2025, the National Treasury should present a report to the National Assembly on the outcome of engagements with all MDAs that have outstanding debts under the defunct NHIF and to develop a structured debt repayment plan for settling the Kshs 12.064 billion owed including WIBA, Kenya Police Service and the Civil Servants scheme.

#### 4.1.1.7 Transport & Infrastructure

- 11) **LAPSSET Corridor Development Authority:** That, during the formulation of annual Estimates for the Financial Year 2025/26, the National Treasury retains an independent budget line for LAPSSET Corridor Development Authority under the State Department for Transport. This is to safeguard a structure that ensures the realization of the original goal of the LAPSSET integrated economic multi-modal transport corridor and smoothly executes its critical role of coordination, planning, development and management of the Corridor.

#### 4.1.1.8 Housing, Urban Planning and Public Works

- 12) **Ongoing projects preceding the Affordable Housing Act.** That, by December 31<sup>st</sup> 2025, the Principal Secretary of the State Department for Housing and Urban Development shall put tangible measures ensuring that all ongoing projects initiated before the enactment of the Affordable Housing Act and which meet the eligibility criteria under Section 11, are prioritized for funding through the Affordable Housing Fund.
- 13) **Revocation of Legal Notice No. 24 of 2017:** That, the Cabinet Secretary for the Ministry of Lands, Public Works, Housing, and Urban Development to revoke Legal Notice No. 24 of 2017, dated February 28, 2017, as referenced in Kenya Gazette Corrigenda No. 25 of 2017 by June 30<sup>th</sup> 2025, to pave way for the reintroduction of the construction levy as per NCA Act Section 31 in order to minimize NCA reliance on the Government exchequer funding.

#### 4.1.1.9 Communication, Information and Innovation

- 14) **Workforce Optimization:** That, by 30<sup>th</sup> June 2025, the Public Service Commission in collaboration with the MDAs in the sub-sector of Communication, Information and Technology to undertake workforce evaluation with a view of establishing optimum levels of personnel and the best and cost-effective ways of addressing the problems of bloated workforce within the sector. Consequently, a report on the same to be submitted to this Committee.
- 15) **Consolidation of programmes:** The Cabinet Secretary for the Ministry of ICT and Digital Economy to submit to the National Assembly a strategy on consolidation of the various Youth empowerment programmes within the sub-sector to facilitate central co-ordination by 30<sup>th</sup> June 2025. The programmes to be considered include Jitume Programme, Ajira Digital Programme, Presidential Digital Talent Programme, and Village digital hubs/ Constituency Innovation Hubs, and the Digital Literacy Programme.

#### 4.1.1.10 Energy

- 16) **Decentralize procurement:** That, before submission of estimates for FY 2025/26, the Cabinet Secretary in charge of Energy and Petroleum ensures that Kenya Power and REREC establish a framework to decentralize procurement of materials through trusted third parties by authorizing qualified distributors and suppliers to procure and supply materials that adhere to stringent quality and standard tests.
- 17) **South Lokichar Field Development Plan:** That, the Cabinet Secretary in charge of Energy and Petroleum, in conjunction with EPRA fast tracks the onboarding of a strategic investor and the review and approval of the Field Development Plan for South Lokichar oil fields and submits the same to Parliament for consideration by 30<sup>th</sup> June 2025.
- 18) **Petroleum Development Levy Fund:** That, the Cabinet Secretary responsible for Energy and Petroleum, initiates amendments to section 4(2) of the Petroleum Development Levy Fund Act, CAP.426, to designate the Principal Secretary in charge of Petroleum as the fund administrator to improve transparency and accountability in the management of the fund by 30<sup>th</sup> June 2025.

#### 4.1.1.11 Lands

- 19) **National Land Policy:** That, to align the National Land Policy to the definition of land in Article 260 of the Constitution; and cater to emerging issues in the Land sector, the State Department for Lands and Physical Planning to fast track the review of the Sessional Paper No.3 of 2009 on National Land Policy and present a report to National Assembly by 31<sup>st</sup> December 2025.

#### 4.1.1.12 Environment, Forestry and Mining

- 20) **Carbon Markets Regulation:** That by 30<sup>th</sup> July 2025, the State Department for Environment and Climate Change to present a comprehensive framework to the National Assembly on carbon credit resource mobilization. This framework will outline strategies for generating and trading carbon credits, regulatory guidelines, and mechanisms for stakeholder engagement.

#### 4.1.1.13 Labour

- 21) **Appropriations-in-Aid projections.** That, before the submission of the FY 2025/26 budget estimates, the Appropriations-in-Aid projections for the National Industrial Training Authority be reviewed upwards from Kshs. 2.680.1 billion to Kshs. 3.097.1 billion as indicated by the Authority. This adjustment is necessary to enhance NITA's

capacity to provide quality industrial training, expand skills development programs, and support workforce preparedness in line with evolving industry demands.

#### **4.1.1.14 Sports and Culture**

- 22) **Construction of CHAN and AFCON stadia and training grounds.** That, by 30<sup>th</sup> April 2025, the Cabinet Secretary for Youth Affairs, Creative Economy and Sports and the Cabinet Secretary for Defense to table a report to the National Assembly detailing projected costs, completion timelines and amounts spent and indicating the working modalities between the two Ministries in respect of the construction of CHAN and AFCON stadia and training grounds.
- 23) **Renovation of Bomas International Conference Centre.** That, by 30<sup>th</sup> April 2025, the Cabinet Secretary for Gender, Culture, Arts and Heritage should submit to the National Assembly a report on the funding modalities for the Bomas International Conference Centre. The Report should entail the total projected cost of the project, the status, funding arrangements, exchequer contribution if any, and the projected timelines for completion.

#### **4.1.1.15 Administration and Internal Security**

- 24) **Expiry of the third generation Identity Card after 10 years:** That by 31<sup>st</sup> December 2025, the Cabinet Secretary for Interior and National Administration develops and submit to the National Assembly the policy guidelines on how the citizens will access government services during the expiry of the third generation Identity Card after 10 years to deal with the anticipated disruption of services.
- 25) **Allocations for Security Operations:** That, by 31<sup>st</sup> December 2025, the Cabinet Secretary for Internal Security and National Administration to present a framework to the National Assembly regarding the sharing of security operations resources with the National Police Service. This framework will comprehensively review the allocation of resources to ensure a more balanced distribution between the State Department and the National Police Service.

#### **4.1.1.16 Tourism and Wildlife**

- 26) **Compensation of Human Wildlife conflict victims:** That the State Department for Wildlife creates a budget line during the processing of the 2025/26 budget estimates to allocate adequate funding to the Human-Wildlife Compensation Committee to expedite the processing of compensation claims and provide timely relief to victims of human-wildlife conflict.

#### **4.1.1.17 Regional Development**

- 27) **Dissolution of the regional development authorities:** That, the Intergovernmental Relations Technical Committee (IGRTC) to provide the National Assembly with a detailed roadmap and timelines on the proposed dissolution of the six (6) regional development authorities and the eventual transfer of assets, liabilities and personnel to the two levels of government by June 2025.

#### **4.1.1.18 Blue Economy, Water & Irrigation**

- 28) **Portfolio of donors funded projects in ASAL counties:** The State Department for Water and Sanitation submit a detailed portfolio of donor-funded projects in ASAL counties by April 30th, 2025, for review. This will ensure equitable resource distribution, guide budget planning for FY 2025/26, and help address funding disparities in water-scarce areas.

#### **4.1.1.19 Social Protection**

- 29) **Social Protection Bill:** That, the Cabinet Secretary for Labour and Social Protection to submit the Social Protection Bill to the National Assembly by 30<sup>th</sup> June 2025. The bill should establish a comprehensive policy framework to enhance the coordination of social protection programs across the country and outline clear funding mechanisms, program integration strategies, efficient implementation of Social Safety Net Programs, and strengthening support for vulnerable populations.

#### **4.1.1.20 Education**

- 30) **Higher Education Funding:** That, the State Department for Higher Education and Research to finalize the revision of the new funding model to address the challenges the model is facing to ensure the model responds to the concerns and needs of the students as well as institutions and report to the National assembly by 30<sup>th</sup> June 2025.
- 31) **TVET Instructors:** That, the State Department for TVET together with the Public Service Commission develop clear guidelines on the management of TVET instructors to address the confusion by 30<sup>th</sup> June 2025. The guidelines should cover, among others, the recruitment processes, deployment, transfers, and promotions.

#### **4.1.2 General Recommendations**

- 32) **Equitable Distribution of Development Projects:** That, further to the resolution of the House during the approval of FY 2024/25 Estimates, on reengineering the Integrated Financial Management Information System, the National Treasury to submit

by 30<sup>th</sup> April 2025, geographical information of development projects by county and constituency.

**33) Prioritization of projects nearing Completion:** That during submission of the Budget Estimates for FY 2025/26, the Cabinet Secretary for National Treasury and Economic Planning to ensure that projects that are nearing completion are prioritized for resource allocation. This should include a list of development projects that have been funded to completion in the FY 2025/26 for all MDAs.

**34) Linkage of Policies to Budget:** Given that several policy pronouncements in the BPS have not been funded, before submission of the Budget Estimates for FY 2025/26 to the National Assembly, the Cabinet Secretary for National Treasury and Economic Planning to ensure that these priorities have been factored within the approved ceilings as provided in the fourth schedule.

**35) Zero-Based Budgeting:** That the Cabinet Secretary for National Treasury and Economic Planning submit to the National Assembly a statement on the fiscal impact of adopting zero-based budgeting during the submission of the Budget Estimates for FY 2025/26.

**36) Budgetary control and oversight of AIA and public funds:** That, to entrench oversight of AIA and earmarked public funds, the National Treasury to:

- a. Collate and report on all AIA generated by non-commercial national government entities, including fees, charges, levies, together with related expenditure, projects, and programs and provide the report to the National Assembly by April 30, 2025.
- b. Report to the National Assembly on all extra budgetary funds and related expenditure by April 30, 2025.
- c. By September 2025, propose amendments to the Controller of Budget Act to provide for the Controller of Budget to approve the utilization of AIA and related expenditure.
- d. By September 2025, identify and propose amendments to the National Assembly on the overall framework for the financial management of AIA, including the repeal of non-critical public funds and AIA mandates.

**37) Integration of Financial Management Systems:** That, given the government is relying on several payment systems for various functions such as capitation for schools, salaries payments, transfer to counties, and exchequer releases. The Cabinet Secretary for the National Treasury and Economic Planning to provide Parliament with an update on integration of government payment systems within the IFMIS ecosystem to enhance transparency and accountability by the 30<sup>th</sup> April 2025.

- 38) **Reform of State Entities:** That during submission of the Budget Estimates for FY 2025/26, the Cabinet Secretary for National Treasury and Economic Planning to submit to the National Assembly a statement on timelines and fiscal impact of merging, restructuring and winding up state entities in line with the Cabinet Decision of 21<sup>st</sup> January 2025.
- 39) **Transfer of delineated Functions:** That during submission of the Budget Estimates for FY 2025/26, the IGRTC to submit to the National Assembly a statement on fiscal impact and timelines for implementation of Gazette Notice No. Vol. CXXVI—No. 219 of 2024 on the delineation and transfer of devolved functions.
- 40) **Public Private Partnerships:** That during the submission of the Budget Estimates for FY 2025/26, the Cabinet Secretary for National Treasury and Economic Planning to provide the list of PPP projects to be implemented in FY 2025/26.
- 41) **Procurement of Road Projects:** That, from 1<sup>st</sup> July 2025, the Cabinet Secretary for National Treasury and Economic Planning to put in place the necessary structures to ensure that all road projects being implemented by Kenya Rural Roads Authority and Kenya Urban Roads Authority valued at Kshs. 50 million and below are procured at the respective regional level offices to enhance efficiency and timely implementation of projects.

#### 4.2 Financial Recommendations

129. Based on the deliberations and considering the fiscal responsibility principles, the Committee recommends that this House resolves that:

- 1) The National Government budget ceiling be approved at Kshs. **2,523,474,081,480**

*Of which:*

<b>Executive</b>	Kshs. <b>2,447,236,081,480</b>
<i>Of which:</i> Office of the Auditor General	Kshs. <b>8,652,200,000</b>
<b>Parliament</b>	Kshs. <b>49,488,200,000</b>
<b>Judiciary</b>	Kshs. <b>26,749,800,000</b>

- 2) The County Government Equitable Share be approved at Kshs. **405,069,420,197.**
- 3) Consistent with the latest audited and approved revenues for FY 2020/21 amounting to Kshs 1,570,562,945,014, the allocation to the Equalization Fund be set at Kshs. **7,852,814,725.**
- 4) The arrears to the equalization fund be set at **Kshs. 2,747,185,275.**

- 5) The County Government Additional Allocations be approved at Kshs. **69,802,409,623** as per the third schedule which shall form the basis for the County Government Additional Allocation Bill, 2025.
- 6) The allocation for the public participation initiatives be approved at Kshs. **3,000,000,000.**
- 7) The first and second schedule forms the basis for the ceilings for the FY 2025/26 Budget Estimates.
- 8) Consistent with the resolution of the House on the 2025 MTDS, the fiscal deficit is maintained at 4.3 percent of the GDP.
- 9) Once approved, these recommendations **SHALL** form the basis for FY 2025/2026 budget estimates.

**SIGNED**

*Glady's J. Boss*

**HON. GLADYS J. BOSS, MGH, M.P.**  
**CHAIRPERSON, LIAISON COMMITTEE**

*11th March 2025*

		<b>DATE</b>
<b>THE NATIONAL ASSEMBLY PAPERS LAID</b>		
DATE: <b>11 MAR 2025</b>		DAY: <i>Tuesday</i>
TABLED BY:	Hon. Gladys Boss (Chairperson, Liaison Committee)	
CLERK-AT THE-TABLE:	Gertrude Chebet	

**SCHEDULES**

**First Schedule: Overall Ceilings by Vote and Programme**

VOTE CODE	VOTE & PROGRAMME	FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2025/26				FINAL BUDGET CEILINGS FOR FY 2025/26			
		BUDGET CEILINGS FOR FY 2025/26		(Submitted)		by the National Assembly)		(Approved)	
		CURRENT	CAPITAL	TOTAL	CURRENT	CAPITAL	TOTAL		
1011	<b>Executive Office of the President</b>	3,948,700,000	800,000,000	4,748,700,000	3,941,544,700	800,000,000	4,741,544,700		
	0603000 Government Printing Services	765,700,000	500,000,000	1,265,700,000	765,700,000	500,000,000	1,265,700,000		
	0701000 General Administration Planning and Support Services	1,555,500,000	150,000,000	1,705,500,000	1,548,344,700	150,000,000	1,698,344,700		
1012	0703000 Government Advisory Services	1,096,700,000	-	1,096,700,000	1,096,700,000	-	1,096,700,000		
	0770000 Leadership and Coordination of Government Services	530,800,000	150,000,000	680,800,000	530,800,000	150,000,000	680,800,000		
1013	<b>Office of the Deputy President</b>	3,347,500,000	100,000,000	3,447,500,000	3,332,101,500	100,000,000	3,432,101,500		
	0734000 Deputy President Services	3,347,500,000	100,000,000	3,447,500,000	3,332,101,500	100,000,000	3,432,101,500		
1014	<b>Office of the Prime Cabinet Secretary</b>	930,900,000	-	930,900,000	926,617,860	-	926,617,860		
	0755000 Government Coordination and Supervision Services	930,900,000	-	930,900,000	926,617,860	-	926,617,860		
	<b>State Department for Parliamentary Affairs</b>	391,000,000	-	391,000,000	390,045,040	-	390,045,040		
1015	0759000 Parliamentary Liaison and Legislative Affairs	93,200,000	-	93,200,000	93,200,000	-	93,200,000		
	0760000 Policy Coordination and Strategy	90,200,000	-	90,200,000	90,200,000	-	90,200,000		
	0761000 General Administration, Planning and Support Services	207,600,000	-	207,600,000	206,645,040	-	206,645,040		
1016	<b>State Department for Performance and Delivery Management</b>	599,200,000	10,000,000	609,200,000	597,999,400	10,000,000	607,999,400		
	0762000 Public Service Performance Management	85,900,000	5,000,000	90,900,000	85,900,000	5,000,000	90,900,000		
	0764000 General Administration, Planning and Support Services	261,000,000	-	261,000,000	259,799,400	-	259,799,400		
1017	0772000 Service Delivery Management	206,100,000	-	206,100,000	206,100,000	-	206,100,000		
	0773000 Coordination and Supervision of Government	46,200,000	5,000,000	51,200,000	46,200,000	5,000,000	51,200,000		
	<b>State Department for Cabinet Affairs</b>	274,200,000	-	274,200,000	272,938,680	-	272,938,680		
1018	0758000 Cabinet Affairs Services	274,200,000	-	274,200,000	272,938,680	-	272,938,680		
	<b>State House</b>	6,802,800,000	715,400,000	7,518,200,000	6,771,507,120	715,400,000	7,486,907,120		

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2025/26							
VOTE CODE	VOTE & PROGRAMME	BUDGET CEILINGS FOR FY 2025/26 (Submitted)			FINAL BUDGET CEILINGS FOR FY 2025/26 (Approved by the National Assembly)		
		CURRENT	CAPITAL	TOTAL	CURRENT	CAPITAL	TOTAL
0704000	State House Affairs	6,802,800,000	715,400,000	7,518,200,000	6,771,507,120	715,400,000	7,486,907,120
1023	State Department for Correctional Services	37,246,300,000	1,050,000,000	38,296,300,000	37,244,110,400	1,050,000,000	38,294,110,400
0623000	General Administration, Planning and Support Services	476,000,000	62,000,000	538,000,000	473,810,400	62,000,000	535,810,400
0627000	Prison Services	34,780,100,000	815,000,000	35,595,100,000	34,780,100,000	815,000,000	35,595,100,000
0628000	Probation & After Care Services	1,990,200,000	173,000,000	2,163,200,000	1,990,200,000	173,000,000	2,163,200,000
1024	State Department for Immigration and Citizen Services	10,485,000,000	10,038,800,000	20,523,800,000	10,479,755,080	10,038,800,000	20,518,555,080
0605000	Migration & Citizen Services Management	4,479,300,000	6,849,600,000	11,328,900,000	4,479,300,000	6,849,600,000	11,328,900,000
0626000	Population Management Services	4,865,500,000	2,839,200,000	7,704,700,000	4,865,500,000	2,839,200,000	7,704,700,000
0631000	General Administration and Planning	1,140,200,000	350,000,000	1,490,200,000	1,134,955,080	350,000,000	1,484,955,080
1025	National Police Service	116,042,900,000	2,378,300,000	118,421,200,000	115,509,102,660	2,378,300,000	117,887,402,660
0601000	Policing Services	116,042,900,000	2,378,300,000	118,421,200,000	115,509,102,660	2,378,300,000	117,887,402,660
1026	State Department for Internal Security & National Administration	30,523,800,000	6,985,000,000	37,508,800,000	30,478,448,600	6,985,000,000	37,463,448,600
0629000	General Administration and Support Services	9,859,000,000	6,683,000,000	16,542,000,000	9,813,648,600	6,683,000,000	16,496,648,600
0630000	Policy Coordination Services	1,638,200,000	65,000,000	1,703,200,000	1,638,200,000	65,000,000	1,703,200,000
0632000	National Government Field Administration Services	19,026,600,000	237,000,000	19,263,600,000	19,026,600,000	237,000,000	19,263,600,000
1032	State Department for Devolution	1,518,900,000	2,876,000,000	4,394,900,000	1,511,913,060	2,876,000,000	4,387,913,060
0712000	Devolution Services	1,518,900,000	2,876,000,000	4,394,900,000	1,511,913,060	2,876,000,000	4,387,913,060
1036	State Department for ASALs and Regional Development	4,846,700,000	2,532,300,000	7,379,000,000	4,845,361,400	2,532,300,000	7,377,661,400
0733000	Accelerated ASAL Development	2,774,800,000	1,807,700,000	4,582,500,000	2,774,800,000	1,807,700,000	4,582,500,000
0743000	General Administration, Planning and Support Services	291,000,000	-	291,000,000	289,661,400	-	289,661,400
1013000	Integrated Regional Development	1,780,900,000	724,600,000	2,505,500,000	1,780,900,000	724,600,000	2,505,500,000
	Ministry of Defence	192,111,100,000	12,516,000,000	204,627,100,000	192,098,947,260	12,516,000,000	204,614,947,260

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2025/26							
VOTE CODE	VOTE & PROGRAMME	BUDGET CEILINGS FOR FY 2025/26 (Submitted)			FINAL BUDGET CEILINGS FOR FY 2025/26 (Approved by the National Assembly)		
		CURRENT	CAPITAL	TOTAL	CURRENT	CAPITAL	TOTAL
1041	0801000 Defence	180,231,900,000	12,316,000,000	192,547,900,000	180,231,900,000	12,316,000,000	192,547,900,000
	0802000 Civil Aid	335,000,000	-	335,000,000	335,000,000	-	335,000,000
	0803000 General Administration, Planning and Support Services	2,641,900,000	-	2,641,900,000	2,629,747,260	-	2,629,747,260
	Programme 4: Defence Industrialization	8,902,300,000	200,000,000	9,102,300,000	8,902,300,000	200,000,000	9,102,300,000
1053	<b>State Department for Foreign Affairs</b>	<b>20,811,600,000</b>	<b>2,346,400,000</b>	<b>23,158,000,000</b>	<b>20,798,655,140</b>	<b>2,346,400,000</b>	<b>23,145,055,140</b>
	0714000 General Administration Planning and Support Services	2,814,100,000	238,100,000	3,052,200,000	2,801,155,140	238,100,000	3,039,255,140
	0715000 Foreign Relation and Diplomacy	17,798,000,000	1,948,300,000	19,746,300,000	17,798,000,000	1,948,300,000	19,746,300,000
	0741000 Economic and Commercial Diplomacy	49,500,000	-	49,500,000	49,500,000	-	49,500,000
	0742000 Foreign Policy Research, Capacity Development and Technical Cooperation	150,000,000	160,000,000	310,000,000	150,000,000	160,000,000	310,000,000
1054	<b>State Department for Diaspora Affairs</b>	<b>675,900,000</b>	<b>-</b>	<b>675,900,000</b>	<b>672,790,860</b>	<b>-</b>	<b>672,790,860</b>
	0752000 Management of Diaspora and Consular Affairs	675,900,000	-	675,900,000	672,790,860	-	672,790,860
1064	<b>State Department for Technical Vocational Education and Training</b>	<b>36,869,000,000</b>	<b>5,764,000,000</b>	<b>42,633,000,000</b>	<b>36,866,985,200</b>	<b>5,764,000,000</b>	<b>42,630,985,200</b>
	0505000 Technical Vocational Education and Training	36,364,000,000	5,764,000,000	42,128,000,000	36,364,000,000	5,764,000,000	42,128,000,000
	0507000 Youth Training and Development	67,000,000	-	67,000,000	67,000,000	-	67,000,000
	0508000 General Administration, Planning and Support Services	438,000,000	-	438,000,000	435,985,200	-	435,985,200
1065	<b>State Department for Higher Education and Research</b>	<b>146,141,000,000</b>	<b>3,668,000,000</b>	<b>149,809,000,000</b>	<b>146,139,859,200</b>	<b>3,668,000,000</b>	<b>149,807,859,200</b>
	0504000 University Education	145,249,000,000	3,668,000,000	148,917,000,000	145,249,000,000	3,668,000,000	148,917,000,000
	0506000 Research, Science, Technology and Innovation	644,000,000	-	644,000,000	644,000,000	-	644,000,000
	0508000 General Administration, Planning and Support Services	248,000,000	-	248,000,000	246,859,200	-	246,859,200
1066	<b>State Department for Basic Education</b>	<b>131,629,000,000</b>	<b>17,541,000,000</b>	<b>149,170,000,000</b>	<b>131,607,150,000</b>	<b>17,541,000,000</b>	<b>149,148,150,000</b>
	0501000 Primary Education	14,629,000,000	13,759,000,000	28,388,000,000	14,629,000,000	13,759,000,000	28,388,000,000
	0502000 Secondary Education	102,873,000,000	3,757,000,000	106,630,000,000	102,873,000,000	3,757,000,000	106,630,000,000

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2025/26							
VOTE CODE	VOTE & PROGRAMME	BUDGET CEILINGS FOR FY 2025/26 (Submitted)			FINAL BUDGET CEILINGS FOR FY 2025/26 (Approved by the National Assembly)		
		CURRENT	CAPITAL	TOTAL	CURRENT	CAPITAL	TOTAL
	0503000 Quality Assurance and Standards	9,377,000,000	25,000,000	9,402,000,000	9,377,000,000	25,000,000	9,402,000,000
	0508000 General Administration, Planning and Support Services	4,750,000,000	-	4,750,000,000	4,728,150,000	-	4,728,150,000
	<b>The National Treasury</b>	<b>71,707,100,000</b>	<b>59,001,300,000</b>	<b>130,708,400,000</b>	<b>71,431,851,180</b>	<b>52,001,300,000</b>	<b>123,433,151,180</b>
1071	0717000 General Administration Planning and Support Services	59,836,700,000	4,727,300,000	64,564,000,000	59,561,451,180	4,727,300,000	64,288,751,180
	0718000 Public Financial Management	9,738,300,000	38,773,000,000	48,511,300,000	9,738,300,000	31,773,000,000	41,511,300,000
	0719000 Economic and Financial Policy Formulation and Management	1,524,100,000	15,501,000,000	17,025,100,000	1,524,100,000	15,501,000,000	17,025,100,000
	0720000 Market Competition	608,000,000	-	608,000,000	608,000,000	-	608,000,000
	<b>State Department for Economic Planning</b>	<b>3,487,700,000</b>	<b>28,257,800,000</b>	<b>31,745,500,000</b>	<b>3,485,854,020</b>	<b>66,257,800,000</b>	<b>69,743,654,020</b>
1072	07710000 Monitoring and Evaluation Services	173,500,000	56,000,000	229,500,000	173,500,000	56,000,000	229,500,000
	0707000 National Statistical Information Services	868,100,000	1,651,800,000	2,519,900,000	868,100,000	1,651,800,000	2,519,900,000
	0709000 General Administration Planning and Support Services	401,300,000	-	401,300,000	399,454,020	-	399,454,020
	Macro-economic Policy, National Planning and Research	1,388,200,000	66,000,000	1,454,200,000	1,388,200,000	66,000,000	1,454,200,000
	Sectoral and Intergovernmental Development Planning	656,600,000	26,484,000,000	27,140,600,000	656,600,000	64,484,000,000	65,140,600,000
	<b>State Department for Medical Services</b>	<b>145,127,400,000</b>	<b>27,495,000,000</b>	<b>172,622,400,000</b>	<b>71,697,392,460</b>	<b>27,495,000,000</b>	<b>99,192,392,460</b>
1082	0402000 National Referral & Specialized Services	46,793,000,000	9,216,000,000	56,009,000,000	46,793,000,000	9,216,000,000	56,009,000,000
	0410000 Curative & Reproductive Maternal New Born Child Adolescent Health RMNCAH	1,630,000,000	15,800,000,000	17,430,000,000	1,630,000,000	15,800,000,000	17,430,000,000
	0411000 Health Research and Innovation	3,224,500,000	430,000,000	3,654,500,000	3,224,500,000	430,000,000	3,654,500,000
	0412000 General Administration	93,479,900,000	2,049,000,000	95,528,900,000	20,049,892,460	2,049,000,000	22,098,892,460
1083	<b>State Department for Public Health and Professional Standards</b>	<b>26,820,700,000</b>	<b>5,051,800,000</b>	<b>31,872,500,000</b>	<b>26,819,130,020</b>	<b>5,051,800,000</b>	<b>31,870,930,020</b>
	0406000 Preventive and Promotive Health Services	7,835,800,000	4,339,800,000	12,175,600,000	7,835,800,000	4,339,800,000	12,175,600,000
	0407000 Health Resources Development and Innovation	10,045,000,000	672,000,000	10,717,000,000	10,045,000,000	672,000,000	10,717,000,000

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2025/26

VOTE CODE	VOTE & PROGRAMME	BUDGET CEILINGS FOR FY 2025/26 (Submitted)			FINAL BUDGET CEILINGS FOR FY 2025/26 (Approved by the National Assembly)		
		CURRENT	CAPITAL	TOTAL	CURRENT	CAPITAL	TOTAL
1091	0408000 Health Policy, Standards and Regulations	8,598,600,000	40,000,000	8,638,600,000	8,598,600,000	40,000,000	8,638,600,000
	0412000 General Administration	341,300,000	-	341,300,000	339,730,020	-	339,730,020
1092	<b>State Department for Roads</b>	<b>71,898,000,000</b>	<b>126,991,100,000</b>	<b>198,889,100,000</b>	<b>71,567,269,200</b>	<b>126,991,100,000</b>	<b>198,558,369,200</b>
	0202000 Road Transport	71,898,000,000	126,991,100,000	198,889,100,000	71,567,269,200	126,991,100,000	198,558,369,200
1093	<b>State Department for Transport</b>	<b>21,009,000,000</b>	<b>45,440,000,000</b>	<b>66,449,000,000</b>	<b>21,002,468,000</b>	<b>45,440,000,000</b>	<b>66,442,468,000</b>
	0201000 General Administration, Planning and Support Services	1,420,000,000	1,799,000,000	3,219,000,000	1,413,468,000	1,799,000,000	3,212,468,000
1094	0203000 Rail Transport	677,000,000	36,840,000,000	37,517,000,000	677,000,000	36,840,000,000	37,517,000,000
	0204000 Marine Transport	18,000,000	4,165,000,000	4,183,000,000	18,000,000	4,165,000,000	4,183,000,000
1095	0205000 Air Transport	14,021,000,000	750,000,000	14,771,000,000	14,021,000,000	750,000,000	14,771,000,000
	0216000 Road Safety	4,873,000,000	1,886,000,000	6,759,000,000	4,873,000,000	1,886,000,000	6,759,000,000
1096	<b>State Department for Shipping and Maritime Affairs</b>	<b>3,691,000,000</b>	<b>2,359,000,000</b>	<b>6,050,000,000</b>	<b>3,674,021,400</b>	<b>2,359,000,000</b>	<b>6,033,021,400</b>
	0220000 Shipping and Maritime Affairs	3,691,000,000	2,359,000,000	6,050,000,000	3,674,021,400	2,359,000,000	6,033,021,400
1097	<b>State Department for Housing and Urban Development</b>	<b>1,440,000,000</b>	<b>112,861,000,000</b>	<b>114,301,000,000</b>	<b>1,438,389,800</b>	<b>111,861,000,000</b>	<b>113,299,389,800</b>
	0102000 Housing Development and Human Settlement	933,000,000	101,710,000,000	102,643,000,000	933,000,000	100,710,000,000	101,643,000,000
1098	0105000 Urban and Metropolitan Development	155,000,000	11,151,000,000	11,306,000,000	155,000,000	11,151,000,000	11,306,000,000
	0106000 General Administration Planning and Support Services	352,000,000	-	352,000,000	350,380,800	-	350,380,800
1099	<b>State Department for Public Works</b>	<b>3,832,000,000</b>	<b>771,000,000</b>	<b>4,603,000,000</b>	<b>3,830,330,200</b>	<b>771,000,000</b>	<b>4,601,330,200</b>
	0103000 Government Buildings	674,000,000	478,000,000	1,152,000,000	674,000,000	478,000,000	1,152,000,000
1100	0104000 Coastline Infrastructure and Pedestrian Access	104,000,000	234,000,000	338,000,000	104,000,000	234,000,000	338,000,000
	0106000 General Administration Planning and Support Services	363,000,000	-	363,000,000	361,330,200	-	361,330,200
1101	0218000 Regulation and Development of the Construction Industry	2,691,000,000	59,000,000	2,750,000,000	2,691,000,000	59,000,000	2,750,000,000
	<b>State Department for Irrigation</b>	<b>1,419,200,000</b>	<b>17,444,400,000</b>	<b>18,863,600,000</b>	<b>1,418,459,400</b>	<b>16,944,400,000</b>	<b>18,362,859,400</b>

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2025/26

VOTE CODE	VOTE & PROGRAMME	BUDGET CEILINGS FOR FY 2025/26		FINAL BUDGET CEILINGS FOR FY 2025/26	
		(Submitted)	(Approved)	by the National Assembly)	(Approved)
		CURRENT	CAPITAL	TOTAL	TOTAL
1104	1014000 Irrigation and Land Reclamation	822,200,000	14,070,400,000	14,892,600,000	13,570,400,000
	015000 Water Storage and Flood Control	408,000,000	1,950,000,000	2,358,000,000	1,950,000,000
	1022000 Water Harvesting and Storage for Irrigation	28,000,000	1,424,000,000	1,452,000,000	1,424,000,000
	1023000 General Administration, Planning and Support Services	161,000,000	-	161,000,000	160,259,400
1109	State Department for Water & Sanitation	6,209,000,000	39,908,000,000	46,117,000,000	39,408,000,000
	1001000 General Administration, Planning and Support Services	598,000,000	307,000,000	905,000,000	307,000,000
	1004000 Water Resources Management	2,130,000,000	14,250,000,000	16,380,000,000	14,000,000,000
	1017000 Water and Sewerage Infrastructure Development	3,481,000,000	25,351,000,000	28,832,000,000	25,101,000,000
1112	State Department for Lands and Physical Planning	5,870,900,000	2,977,400,000	8,848,300,000	2,977,400,000
	0101000 Land and Policy and Planning	4,633,700,000	1,800,400,000	6,434,100,000	1,800,400,000
	0121000 Land and Information Management	-	1,177,000,000	1,177,000,000	1,177,000,000
	0122000 General Administration, Planning and Support Services	1,237,200,000	-	1,237,200,000	1,231,508,880
1122	State Department for Information Communication Technology & Digital Economy	3,489,000,000	17,684,000,000	21,173,000,000	3,487,270,400
	0207000 General Administration Planning and Support Services	376,000,000	-	376,000,000	374,270,400
	0210000 ICT Infrastructure Development	1,271,000,000	14,439,000,000	15,710,000,000	1,271,000,000
	0217000 E-Government Services	1,842,000,000	3,245,000,000	5,087,000,000	1,842,000,000
1123	State Department for Broadcasting & Telecommunications	6,194,000,000	645,000,000	6,839,000,000	6,192,886,800
	0207000 General Administration Planning and Support Services	242,000,000	-	242,000,000	240,886,800
	0208000 Information and Communication Services	5,704,000,000	645,000,000	6,349,000,000	5,704,000,000
	0209000 Mass Media Skills Development	248,000,000	-	248,000,000	248,000,000
1132	State Department for Sports	1,581,400,000	17,100,000,000	18,681,400,000	1,574,125,560
	0901000 Sports	1,581,400,000	17,100,000,000	18,681,400,000	17,100,000,000
	TOTAL	CURRENT	CAPITAL	TOTAL	TOTAL
		18,674,125,560	17,100,000,000	35,774,125,560	18,674,125,560

VOTE CODE	VOTE & PROGRAMME	FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2025/26			FINAL BUDGET CEILINGS FOR FY 2025/26		
		BUDGET CEILINGS FOR FY 2025/26		TOTAL	by the National Assembly)		TOTAL
		CURRENT	CAPITAL		CURRENT	CAPITAL	
1134	State Department for Culture and Heritage	3,451,600,000	90,000,000	3,541,600,000	3,450,913,220	90,000,000	3,540,913,220
	0902000 Culture / Heritage	2,260,700,000	53,000,000	2,313,700,000	2,260,700,000	53,000,000	2,313,700,000
	0903000 The Arts	414,200,000	-	414,200,000	414,200,000	-	414,200,000
	0904000 Library Services	498,900,000	-	498,900,000	498,900,000	-	498,900,000
1135	0905000 General Administration, Planning and Support Services	149,300,000	-	149,300,000	148,613,220	-	148,613,220
	0916000 Public Records Management	128,500,000	37,000,000	165,500,000	128,500,000	37,000,000	165,500,000
1152	State Department for Youth Affairs and the Creative Economy	2,266,000,000	1,840,400,000	4,106,400,000	2,264,798,020	1,840,400,000	4,105,198,020
	0221000 Film Development Services	662,000,000	76,700,000	738,700,000	662,000,000	76,700,000	738,700,000
	0711000 Youth Empowerment Services	585,100,000	11,200,000	596,300,000	585,100,000	11,200,000	596,300,000
	0748000 Youth Development Services	757,600,000	1,752,500,000	2,510,100,000	757,600,000	1,752,500,000	2,510,100,000
1162	0749000 General Administration, Planning and Support Services	261,300,000	-	261,300,000	260,098,020	-	260,098,020
	State Department for Energy	12,153,000,000	43,087,900,000	55,240,900,000	12,151,339,400	43,087,900,000	55,239,239,400
	0211000 General Administration Planning and Support Services	361,000,000	320,000,000	681,000,000	359,339,400	320,000,000	679,339,400
	0212000 Power Generation	2,495,000,000	10,489,000,000	12,984,000,000	2,495,000,000	10,489,000,000	12,984,000,000
1166	0213000 Power Transmission and Distribution	9,228,000,000	30,274,900,000	39,502,900,000	9,228,000,000	30,274,900,000	39,502,900,000
	0214000 Alternative Energy Technologies	69,000,000	2,004,000,000	2,073,000,000	69,000,000	2,004,000,000	2,073,000,000
	State Department for Livestock	4,623,000,000	6,515,000,000	11,138,000,000	4,601,734,200	6,515,000,000	11,116,734,200
	0112000 Livestock Resources Management and Development	4,623,000,000	6,515,000,000	11,138,000,000	4,601,734,200	6,515,000,000	11,116,734,200
1166	State Department for the Blue Economy and Fisheries	2,832,900,000	6,799,000,000	9,631,900,000	2,831,976,780	6,799,000,000	9,630,976,780
	0111000 Fisheries Development and Management	2,572,600,000	6,116,000,000	8,688,600,000	2,572,600,000	6,116,000,000	8,688,600,000
	0117000 General Administration, Planning and Support Services	200,700,000	-	200,700,000	199,776,780	-	199,776,780
	0118000 Development and Coordination of the Blue Economy	59,600,000	683,000,000	742,600,000	59,600,000	683,000,000	742,600,000

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2025/26							
VOTE CODE	VOTE & PROGRAMME	BUDGET CEILINGS FOR FY 2025/26 (Submitted)			FINAL BUDGET CEILINGS FOR FY 2025/26 (Approved by the National Assembly)		
		CURRENT	CAPITAL	TOTAL	CURRENT	CAPITAL	TOTAL
1169	<b>State Department for Crop Development</b>	16,869,400,000	28,171,000,000	45,040,400,000	16,830,870,860	28,171,000,000	45,001,870,860
	0107000 General Administration Planning and Support Services	8,375,900,000	8,641,500,000	17,017,400,000	8,337,370,860	8,641,500,000	16,978,870,860
	0108000 Crop Development and Management	3,121,700,000	19,502,100,000	22,623,800,000	3,121,700,000	19,502,100,000	22,623,800,000
	0109000 Agribusiness and Information Management	132,500,000	-	132,500,000	132,500,000	-	132,500,000
	0120000 Agricultural Research & Development	5,239,300,000	27,400,000	5,266,700,000	5,239,300,000	27,400,000	5,266,700,000
1173	<b>State Department for Cooperatives</b>	6,871,300,000	1,565,500,000	8,436,800,000	6,839,692,020	1,565,500,000	8,405,192,020
	0304000 Cooperative Development and Management	6,871,300,000	1,565,500,000	8,436,800,000	6,839,692,020	1,565,500,000	8,405,192,020
1174	<b>State Department for Trade</b>	3,459,300,000	170,000,000	3,629,300,000	3,457,753,940	170,000,000	3,627,753,940
	0309000 Domestic Trade and Enterprise Development	1,907,100,000	100,000,000	2,007,100,000	1,907,100,000	100,000,000	2,007,100,000
	0310000 Fair Trade Practices And Compliance of Standards	195,100,000	70,000,000	265,100,000	195,100,000	70,000,000	265,100,000
	0311000 International Trade Development and Promotion	1,021,000,000	-	1,021,000,000	1,021,000,000	-	1,021,000,000
	0312000 General Administration, Planning and Support Services	336,100,000	-	336,100,000	334,553,940	-	334,553,940
1175	<b>State Department for Industry</b>	2,999,300,000	6,132,600,000	9,131,900,000	2,997,582,820	6,132,600,000	9,130,182,820
	0301000 General Administration Planning and Support Services	373,300,000	-	373,300,000	371,582,820	-	371,582,820
	0320000 Industrial Promotion and Development	1,048,600,000	4,806,400,000	5,855,000,000	1,048,600,000	4,806,400,000	5,855,000,000
	0321000 Standards and Quality Infrastructure & Research	1,577,400,000	1,326,200,000	2,903,600,000	1,577,400,000	1,326,200,000	2,903,600,000
	<b>State Department for Micro, Small and Medium Enterprises Development</b>	1,724,300,000	4,629,000,000	6,353,300,000	1,723,028,100	4,629,000,000	6,352,028,100
1176	0316000 Promotion and Development of MSMEs	716,400,000	1,029,000,000	1,745,400,000	716,400,000	1,029,000,000	1,745,400,000
	0317000 Product and Market Development for MSMEs	380,700,000	1,550,000,000	1,930,700,000	380,700,000	1,550,000,000	1,930,700,000
	0318000 Digitization and Financial Inclusion for MSMEs	350,700,000	2,050,000,000	2,400,700,000	350,700,000	2,050,000,000	2,400,700,000
	0319000 General Administration, Planning and Support Services	276,500,000	-	276,500,000	275,228,100	-	275,228,100
	<b>State Department for Investment Promotion</b>	1,391,400,000	4,313,400,000	5,704,800,000	1,384,999,560	4,313,400,000	5,698,399,560

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2025/26

VOTE CODE	VOTE & PROGRAMME	BUDGET CEILINGS FOR FY 2025/26 (Submitted)			FINAL BUDGET CEILINGS FOR FY 2025/26 (Approved by the National Assembly)		
		CURRENT	CAPITAL	TOTAL	CURRENT	CAPITAL	TOTAL
1177	0322000 Investment Development and Promotion	1,391,400,000	4,313,400,000	5,704,800,000	1,384,999,560	4,313,400,000	5,698,399,560
	<b>State Department for Labour and Skills Development</b>	<b>4,338,300,000</b>	<b>1,882,700,000</b>	<b>6,221,000,000</b>	<b>4,335,813,700</b>	<b>1,882,700,000</b>	<b>6,218,513,700</b>
1184	0910000 General Administration Planning and Support Services	540,500,000	-	540,500,000	538,013,700	-	538,013,700
	0906000 Labour, Employment and Safety Services	1,165,100,000	506,400,000	1,671,500,000	1,165,100,000	506,400,000	1,671,500,000
	0907000 Manpower Development, Industrial Skills & Productivity Management	2,632,700,000	1,376,300,000	4,009,000,000	2,632,700,000	1,376,300,000	4,009,000,000
1185	<b>State Department for Social Protection and Senior Citizen Affairs</b>	<b>38,168,100,000</b>	<b>1,907,000,000</b>	<b>40,075,100,000</b>	<b>38,166,865,820</b>	<b>1,907,000,000</b>	<b>40,073,865,820</b>
	0908000 Social Development and Children Services	3,490,200,000	183,000,000	3,673,200,000	3,490,200,000	183,000,000	3,673,200,000
	0909000 National Social Safety Net	34,409,600,000	1,724,000,000	36,133,600,000	34,409,600,000	1,724,000,000	36,133,600,000
1192	0914000 General Administration, Planning and Support Services	268,300,000	-	268,300,000	267,065,820	-	267,065,820
	<b>State Department for Mining</b>	<b>1,034,600,000</b>	<b>632,000,000</b>	<b>1,666,600,000</b>	<b>1,032,734,240</b>	<b>632,000,000</b>	<b>1,664,734,240</b>
	1007000 General Administration Planning and Support Services	405,600,000	-	405,600,000	403,734,240	-	403,734,240
1193	1009000 Mineral Resources Management	345,000,000	294,000,000	639,000,000	345,000,000	294,000,000	639,000,000
	1021000 Geological Survey and Geoinformation Management	284,000,000	338,000,000	622,000,000	284,000,000	338,000,000	622,000,000
	<b>State Department for Petroleum</b>	<b>25,998,000,000</b>	<b>5,061,000,000</b>	<b>31,059,000,000</b>	<b>25,878,409,200</b>	<b>5,061,000,000</b>	<b>30,939,409,200</b>
1202	0215000 Exploration and Distribution of Oil and Gas	25,998,000,000	5,061,000,000	31,059,000,000	25,878,409,200	5,061,000,000	30,939,409,200
	<b>State Department for Tourism</b>	<b>15,932,600,000</b>	<b>1,984,000,000</b>	<b>17,916,600,000</b>	<b>15,931,133,980</b>	<b>1,984,000,000</b>	<b>17,915,133,980</b>
	0313000 Tourism Promotion and Marketing	703,000,000	669,000,000	1,372,000,000	703,000,000	669,000,000	1,372,000,000
1203	0314000 Tourism Product Development and Diversification	14,910,900,000	1,279,000,000	16,189,900,000	14,910,900,000	1,279,000,000	16,189,900,000
	0315000 General Administration, Planning and Support Services	318,700,000	36,000,000	354,700,000	317,233,980	36,000,000	353,233,980
	<b>State Department for Wildlife</b>	<b>12,083,000,000</b>	<b>2,298,000,000</b>	<b>14,381,000,000</b>	<b>12,027,418,200</b>	<b>2,298,000,000</b>	<b>14,325,418,200</b>
	1019000 Wildlife Conservation and Management	12,083,000,000	2,298,000,000	14,381,000,000	12,027,418,200	2,298,000,000	14,325,418,200

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2025/26							
VOTE CODE	VOTE & PROGRAMME	BUDGET CEILINGS FOR FY 2025/26 (Submitted)			FINAL BUDGET CEILINGS FOR FY 2025/26 (Approved by the National Assembly)		
		CURRENT	CAPITAL	TOTAL	CURRENT	CAPITAL	TOTAL
1212	State Department for Gender and Affirmative Action	2,337,400,000	3,822,900,000	6,160,300,000	2,335,900,400	3,822,900,000	6,158,800,400
	0911000 Community Development	1,044,300,000	3,500,000,000	4,544,300,000	1,044,300,000	3,500,000,000	4,544,300,000
	0912000 Gender Empowerment	967,100,000	322,900,000	1,290,000,000	967,100,000	322,900,000	1,290,000,000
	0913000 General Administration, Planning and Support Services	326,000,000	-	326,000,000	324,500,400	-	324,500,400
1213	State Department for Public Service	19,876,200,000	1,195,000,000	21,071,200,000	19,874,308,020	1,195,000,000	21,069,308,020
	0710000 Public Service Transformation	8,404,800,000	1,080,000,000	9,484,800,000	8,404,800,000	1,080,000,000	9,484,800,000
	0709000 General Administration Planning and Support Services	411,300,000	-	411,300,000	409,408,020	-	409,408,020
	0747000 National Youth Service	11,060,100,000	115,000,000	11,175,100,000	11,060,100,000	115,000,000	11,175,100,000
1221	State Department for East African Community	587,400,000	-	587,400,000	584,697,960	-	584,697,960
	0305000 East African Affairs and Regional Integration	587,400,000	-	587,400,000	584,697,960	-	584,697,960
1252	The State Law Office	6,032,200,000	200,000,000	6,232,200,000	6,028,132,220	200,000,000	6,228,132,220
	0606000 Legal Services	3,451,800,000	-	3,451,800,000	3,451,800,000	-	3,451,800,000
	0607000 Governance, Legal Training and Constitutional Affairs	1,696,100,000	50,000,000	1,746,100,000	1,696,100,000	50,000,000	1,746,100,000
	0609000 General Administration, Planning and Support Services	884,300,000	150,000,000	1,034,300,000	880,232,220	150,000,000	1,030,232,220
1271	Ethics and Anti-Corruption Commission	4,313,800,000	100,000,000	4,413,800,000	4,293,956,520	100,000,000	4,393,956,520
	0611000 Ethics and Anti-Corruption	4,313,800,000	100,000,000	4,413,800,000	4,293,956,520	100,000,000	4,393,956,520
1281	National Intelligence Service	52,396,000,000	-	52,396,000,000	52,154,978,400	-	52,154,978,400
	0804000 National Security Intelligence	52,396,000,000	-	52,396,000,000	52,154,978,400	-	52,154,978,400
1291	Office of the Director of Public Prosecutions	4,159,400,000	86,000,000	4,245,400,000	4,140,266,760	86,000,000	4,226,266,760
	0612000 Public Prosecution Services	4,159,400,000	86,000,000	4,245,400,000	4,140,266,760	86,000,000	4,226,266,760
1311	Office of the Registrar of Political Parties	1,985,500,000	-	1,985,500,000	1,976,366,700	-	1,976,366,700
	0614000 Registration, Regulation and Funding of Political Parties	1,985,500,000	-	1,985,500,000	1,976,366,700	-	1,976,366,700

VOTE CODE	VOTE & PROGRAMME	FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2025/26				FINAL BUDGET CEILINGS FOR FY 2025/26			
		BUDGET CEILINGS FOR FY 2025/26		TOTAL	By the National Assembly		TOTAL		
		CURRENT	CAPITAL		CURRENT	CAPITAL			
1321	Witness Protection Agency	847,900,000	-	847,900,000	843,999,660	-	843,999,660		
	0615000 Witness Protection	847,900,000	-	847,900,000	843,999,660	-	843,999,660		
1331	State Department for Environment & Climate Change	3,693,000,000	2,712,000,000	6,405,000,000	3,690,258,400	2,712,000,000	6,402,258,400		
	1002000 Environment Management and Protection	1,789,000,000	2,268,000,000	4,057,000,000	1,789,000,000	2,268,000,000	4,057,000,000		
	1010000 General Administration, Planning and Support Services	596,000,000	-	596,000,000	593,258,400	-	593,258,400		
	1012000 Meteorological Services	1,308,000,000	403,000,000	1,711,000,000	1,308,000,000	403,000,000	1,711,000,000		
	Programme 4: Water Rehabilitation and Conservation	-	41,000,000	41,000,000	-	41,000,000	41,000,000		
1332	State Department for Forestry	9,260,400,000	7,071,000,000	16,331,400,000	9,259,658,200	7,071,000,000	16,330,658,200		
	1018000 Forests Development, Management and Conservation	9,056,000,000	7,071,000,000	16,127,000,000	9,056,000,000	7,071,000,000	16,127,000,000		
	1024000 Agroforestry and Commercial Forestry Development	21,400,000	-	21,400,000	21,400,000	-	21,400,000		
	1025000 General Administration, Planning and Support Services	183,000,000	-	183,000,000	182,158,200	-	182,158,200		
2011	Kenya National Commission on Human Rights	528,600,000	-	528,600,000	526,168,440	-	526,168,440		
	0616000 Protection and Promotion of Human Rights	528,600,000	-	528,600,000	526,168,440	-	526,168,440		
2021	National Land Commission	2,006,000,000	1,007,000,000	3,013,000,000	1,996,772,400	1,007,000,000	3,003,772,400		
	0119000 Land Administration and Management	2,006,000,000	1,007,000,000	3,013,000,000	1,996,772,400	1,007,000,000	3,003,772,400		
2031	Independent Electoral and Boundaries Commission	3,965,600,000	30,000,000	3,995,600,000	3,947,650,980	30,000,000	3,977,650,980		
	0617000 Management of Electoral Processes	3,923,700,000	30,000,000	3,953,700,000	3,905,650,980	30,000,000	3,935,650,980		
	0618000 Delineation of Electoral Boundaries	41,900,000	-	41,900,000	41,900,000	-	41,900,000		
2061	The Commission on Revenue Allocation	409,000,000	-	409,000,000	407,118,600	-	407,118,600		
	0737000 Inter-Governmental Transfers and Financial Matters	409,000,000	-	409,000,000	407,118,600	-	407,118,600		
	Public Service Commission	3,565,200,000	35,300,000	3,600,500,000	3,561,042,980	35,300,000	3,596,342,980		
	0725000 General Administration, Planning and Support Services	903,700,000	35,300,000	939,000,000	899,542,980	35,300,000	934,842,980		

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2025/26							
VOTE CODE	VOTE & PROGRAMME	BUDGET CEILINGS FOR FY 2025/26			FINAL BUDGET CEILINGS FOR FY 2025/26 by the National Assembly		
		CURRENT	CAPITAL	TOTAL	CURRENT	CAPITAL	TOTAL
2071	0726000 Human Resource Management and Development	2,451,600,000	-	2,451,600,000	2,451,600,000	-	2,451,600,000
	0727000 Governance and National Values	140,900,000	-	140,900,000	140,900,000	-	140,900,000
	0744000 Performance and Productivity Management	43,200,000	-	43,200,000	43,200,000	-	43,200,000
	0750000 Administration of Quasi-Judicial Functions	25,800,000	-	25,800,000	25,800,000	-	25,800,000
2081	<b>Salaries and Remuneration Commission</b>	481,800,000	-	481,800,000	479,583,720	-	479,583,720
	0728000 Salaries and Remuneration Management	481,800,000	-	481,800,000	479,583,720	-	479,583,720
2091	<b>Teachers Service Commission</b>	381,823,000,000	455,000,000	382,278,000,000	381,780,450,000	455,000,000	382,235,450,000
	0509000 Teacher Resource Management	371,223,000,000	413,000,000	371,636,000,000	371,223,000,000	413,000,000	371,636,000,000
	0510000 Governance and Standards	1,350,000,000	-	1,350,000,000	1,350,000,000	-	1,350,000,000
	0511000 General Administration, Planning and Support Services	9,250,000,000	42,000,000	9,292,000,000	9,207,450,000	42,000,000	9,249,450,000
	<b>National Police Service Commission</b>	1,333,000,000	-	1,333,000,000	1,326,868,200	-	1,326,868,200
2101	0620000 National Police Service Human Resource Management	1,333,000,000	-	1,333,000,000	1,326,868,200	-	1,326,868,200
	<b>Auditor General</b>	8,297,200,000	355,000,000	8,652,200,000	8,259,032,880	355,000,000	8,614,032,880
2111	0729000 Audit Services	8,297,200,000	355,000,000	8,652,200,000	8,259,032,880	355,000,000	8,614,032,880
	<b>Office of the Controller of Budget</b>	777,500,000	-	777,500,000	773,923,500	-	773,923,500
2121	0730000 Control and Management of Public finances	777,500,000	-	777,500,000	773,923,500	-	773,923,500
	<b>Commission on Administrative Justice</b>	676,200,000	-	676,200,000	673,089,480	-	673,089,480
2131	0731000 Promotion of Administrative Justice	676,200,000	-	676,200,000	673,089,480	-	673,089,480
	<b>National Gender and Equality Commission</b>	476,700,000	-	476,700,000	474,507,180	-	474,507,180
2141	0621000 Promotion of Gender Equality and Freedom from Discrimination	476,700,000	-	476,700,000	474,507,180	-	474,507,180
	<b>Independent Policing Oversight Authority</b>	1,314,100,000	-	1,314,100,000	1,308,055,140	-	1,308,055,140
2151	0622000 Policing Oversight Services	1,314,100,000	-	1,314,100,000	1,308,055,140	-	1,308,055,140

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2025/26							
VOTE CODE	VOTE & PROGRAMME	BUDGET CEILINGS FOR FY 2025/26			FINAL BUDGET CEILINGS FOR FY 2025/26		
		CURRENT	CAPITAL	TOTAL	CURRENT	CAPITAL	TOTAL
				(Submitted)	By the National Assembly)		(Approved)
	Sub-Total: Executive	1,786,311,100,000	707,455,700,000	2,493,766,800,000	1,710,780,381,480	736,455,700,000	2,447,236,081,480
1261	The Judiciary	23,437,400,000	1,500,000,000	24,937,400,000	24,237,400,000	1,700,000,000	25,937,400,000
	0610000 Dispensation of Justice	23,437,400,000	1,500,000,000	24,937,400,000	24,237,400,000	1,700,000,000	25,937,400,000
2051	Judicial Service Commission	812,400,000	-	812,400,000	812,400,000	-	812,400,000
	0619000 General Administration, Planning and Support Services	812,400,000	-	812,400,000	812,400,000	-	812,400,000
	Sub-Total: Judiciary	24,249,800,000	1,500,000,000	25,749,800,000	25,049,800,000	1,700,000,000	26,749,800,000
2041	Parliamentary Service Commission	1,332,000,000	-	1,332,000,000	2,687,700,000	-	2,687,700,000
	0765000 General Administration, Planning and Support Services	1,136,000,000	-	1,136,000,000	2,491,700,000	-	2,491,700,000
	0766000 Human Resource Management and Development	196,000,000	-	196,000,000	196,000,000	-	196,000,000
2042	National Assembly	25,730,000,000	-	25,730,000,000	29,071,500,000	-	29,071,500,000
	0721000 National Legislation, Representation and Oversight	25,730,000,000	-	25,730,000,000	29,071,500,000	-	29,071,500,000
2043	Parliamentary Joint Services	6,402,000,000	1,365,000,000	7,767,000,000	7,096,500,000	2,265,000,000	9,361,500,000
	0723000 General Administration, Planning and Support Services	6,208,000,000	1,365,000,000	7,573,000,000	6,872,500,000	2,265,000,000	9,137,500,000
	0746000 Legislative Training Research & Knowledge Management	194,000,000	-	194,000,000	224,000,000	-	224,000,000
2044	Senate	7,659,200,000	-	7,659,200,000	8,367,500,000	-	8,367,500,000
	0767000 Senate Legislation and Oversight	3,220,000,000	-	3,220,000,000	3,320,000,000	-	3,320,000,000
	0768000 Senate Representation, Liaison and Intergovernmental Relations	1,910,000,000	-	1,910,000,000	2,191,000,000	-	2,191,000,000
	0769000 General Administration, Planning and Support Services	2,529,200,000	-	2,529,200,000	2,856,500,000	-	2,856,500,000
	Sub-Total: Parliament	41,123,200,000	1,365,000,000	42,488,200,000	47,223,200,000	2,265,000,000	49,488,200,000
	Grand Total	1,851,684,100,000	710,320,700,000	2,562,004,800,000	1,783,053,381,480	740,420,700,000	2,523,474,081,480

## **Second Schedule: Committee Financial Recommendations**

3/11/2025 11:19		SECOND SCHEDULE					
		LIAISON COMMITTEE FINANCIAL RECOMMENDATIONS					
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS				
			Recurrent		Development		
			Reduction	Increase	Reduction	Increase	Net Change
1	ADMINISTRATION & INTERNAL AFFAIRS		(658,116,020)	-	-	-	(658,116,020)
1011		<b>Office of the President</b>	(7,155,300)	-	-	-	(7,155,300)
1011		0603000 Government Printing Services					-
1011		0701000 General Administration Planning and Support Services	(7,155,300)				(7,155,300)
1011		0703000 Government Advisory Services					-
1011		0770000 Leadership and Coordination of Government Services					-
1012		<b>Office of the Deputy President</b>	(15,398,500)	-	-	-	(15,398,500)
		0734000 Deputy President Services	(15,398,500)				(15,398,500)
1013		<b>Office of the Prime Cabinet Secretary</b>	(4,282,140)	-	-	-	(4,282,140)
1013		0755000 Government Coordination and Supervision	(4,282,140)				(4,282,140)
1014		<b>State Department for Parliamentary Affairs</b>	(954,960)	-	-	-	(954,960)
1014		0759000 Parliamentary Liaison and Legislative Affairs					-
1014		0760000 Policy Coordination and Strategy					-
1014		0761000 General Administration, Planning and Support Services	(954,960)				(954,960)
1015		<b>State Department for Performance and Delivery Management</b>	(1,200,600)	-	-	-	(1,200,600)
1015		0762000 Public Service Performance Management and Delivery Services					-
1015		0764000 General Administration, Planning and Support Services	(1,200,600)				(1,200,600)
1015		0772000 Service Delivery Management					-
1015		0773000 Coordination and Supervision of Government Services					-
1016		<b>State Department for Cabinet Affairs</b>	(1,261,320)	-	-	-	(1,261,320)
1016		0758000 Cabinet Affairs Services	(1,261,320)				(1,261,320)
1017		<b>State House Affairs</b>	(31,292,880)	-	-	-	(31,292,880)
		0704000 State House Affairs	(31,292,880)				(31,292,880)
1024		<b>State Department for Immigration and Citizen Services</b>	(5,244,920)	-	-	-	(5,244,920)
1024		0605000 Migration & Citizen Services					-
1024		0626000 Population Management Services					-

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		LIAISON COMMITTEE FINANCIAL RECOMMENDATIONS				
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
		Recurrent		Development		
		Reduction	Increase	Reduction	Increase	Net Change
1024		0631000 General Administration and Planning	(5,244,920)			(5,244,920)
1025		<b>National Police Service</b>	<b>(533,797,340)</b>	-	-	<b>(533,797,340)</b>
1025		0601000 Policing Services	(533,797,340)			(533,797,340)
1026		<b>State Department for Internal Security &amp; National Administration</b>	<b>(45,351,400)</b>	-	-	<b>(45,351,400)</b>
1026		0629000 General Administration and Support Services	(45,351,400)			(45,351,400)
1026		0630000 Policy Coordination Services				-
1026		0632000 National Government Field Administrative Services				-
2101		<b>National Police Service Commission</b>	<b>(6,131,800)</b>	-	-	<b>(6,131,800)</b>
2101		0620000 National Police Service Human Resource Management	(6,131,800)			(6,131,800)
2151		<b>Independent Policing Oversight Authority</b>	<b>(6,044,860)</b>	-	-	<b>(6,044,860)</b>
2151		0622000 Policing Oversight Services	(6,044,860)			(6,044,860)
2	<b>AGRICULTURE AND LIVESTOCK</b>		<b>(59,794,940)</b>	-	-	<b>(59,794,940)</b>
1162		<b>State Department for Livestock</b>	<b>(21,265,800)</b>	-	-	<b>(21,265,800)</b>
1162		0112000 Livestock Resources Management and Development	(21,265,800)			(21,265,800)
1169		<b>State Department for Crop Development</b>	<b>(38,529,140)</b>	-	-	<b>(38,529,140)</b>
1169		0107000 General Administration Planning and Support Services	(38,529,140)			(38,529,140)
1169		0108000 Crop Development and Management				-
1169		0109000 Agribusiness and Information Management				-
1169		0120000 Agricultural Research & Development				-
3	<b>BLUE ECONOMY &amp; IRRIGATION</b>		<b>(4,414,620)</b>	-	<b>(1,000,000,000)</b>	<b>(1,004,414,620)</b>
1104		<b>State Department for Irrigation</b>	<b>(740,600)</b>	-	<b>(500,000,000)</b>	<b>(500,740,600)</b>
1104		1014000 Irrigation and Land Reclamation			(500,000,000)	(500,000,000)
1104		1015000 Water Storage and Flood Control				-
1104		1022000 Water Harvesting and Storage for Irrigation				-
1104		1023000 General Administration, Planning and Support Services	(740,600)			(740,600)
1109		<b>State Department for Water &amp; Sanitation</b>	<b>(2,750,800)</b>	-	<b>(500,000,000)</b>	<b>(502,750,800)</b>

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		LIAISON COMMITTEE FINANCIAL RECOMMENDATIONS					
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS				
			Recurrent		Development		
			Reduction	Increase	Reduction	Increase	Net Change
1109		1001000 General Administration, Planning and Support Services	(2,750,800)				(2,750,800)
1109		1004000 Water Resources Management			(250,000,000)		(250,000,000)
1109		1017000 Water and Sewerage Infrastructure Development			(250,000,000)		(250,000,000)
1166		<b>State Department for Blue Economy and Fisheries</b>	<b>(923,220)</b>	-	-	-	<b>(923,220)</b>
1166		0111000 Fisheries Development and Management					-
1166		0117000 General Administration, Planning and Support Services	(923,220)				(923,220)
1166		0118000 Development and Coordination of the Blue Economy					-
4	<b>COMMUNICATION, INFORMATION &amp; INNOVATION</b>		<b>(2,842,800)</b>	-	-	-	<b>(2,842,800)</b>
1122		<b>State Department for Information Communication and Technology &amp; Innovation</b>	<b>(1,729,600)</b>	-	-	-	<b>(1,729,600)</b>
1122		0207000 General Administration Planning and Support Services	(1,729,600)				(1,729,600)
1122		0210000 ICT Infrastructure Development					-
1122		0217000 E-Government Services					-
1123		<b>State Department for Broadcasting &amp; Telecommunications</b>	<b>(1,113,200)</b>	-	-	-	<b>(1,113,200)</b>
1123		0207000 General Administration Planning and Support Services	(1,113,200)				(1,113,200)
1123		0208000 Information and Communication Services					-
1123		0209000 Mass Media Skills Development					-
5	<b>DEFENCE, INTELLIGENCE AND FOREIGN RELATIONS</b>		<b>(271,930,380)</b>	-	-	-	<b>(271,930,380)</b>
1041		<b>Ministry of Defence</b>	<b>(12,152,740)</b>	-	-	-	<b>(12,152,740)</b>
1041		0801000 Defence					-
1041		0802000 Civil Aid					-
1041		0803000 General Administration, Planning and Support Services	(12,152,740)				(12,152,740)

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		LIAISON COMMITTEE FINANCIAL RECOMMENDATIONS				
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
		Recurrent		Development		Net Change
		Reduction	Increase	Reduction	Increase	
1041		0805000000 National Space Management				-
1041		Programme 4 Defence Industrialization				-
1053		<b>State Department for Foreign Affairs</b>	(12,944,860)	-	-	(12,944,860)
1053		0714000 General Administration Planning and Support Services	(12,944,860)			(12,944,860)
1053		0715000 Foreign Relation and Diplomacy				-
1053		0741000 Economic and commercial Diplomacy				-
1053		0742000 Foreign Policy Research, Capacity Development and Technical Cooperation				-
1054		<b>State Department for Diaspora Affairs</b>	(3,109,140)	-	-	(3,109,140)
1054		0752000 Management of Diaspora Affairs	(3,109,140)			(3,109,140)
1221		<b>State Department for East African Community</b>	(2,702,040)	-	-	(2,702,040)
1221		0305000 East African Affairs and Regional Integration	(2,702,040)			(2,702,040)
1281		<b>National Intelligence Service</b>	(241,021,600)	-	-	(241,021,600)
1281		0804000 National Security Intelligence	(241,021,600)			(241,021,600)
6	<b>EDUCATION AND RESEARCH</b>		(67,555,600)	-	-	(67,555,600)
1064		<b>State Department for Vocational and Technical Training</b>	(2,014,800)	-	-	(2,014,800)
1064		0505000 Technical Vocational Education and Training				-
1064		0507000 Youth Training and Development				-
1064		0508000 General Administration, Planning and Support Services	(2,014,800)			(2,014,800)
1065		<b>State Department for Higher Education &amp; Research</b>	(1,140,800)	-	-	(1,140,800)
1065		0504000 University Education				-
1065		0506000 Research, Science, Technology and Innovation				-
1065		0508000 General Administration, Planning and Support Services	(1,140,800)			(1,140,800)
1066		<b>State Department for Basic Education</b>	(21,850,000)	-	-	(21,850,000)
1066		0501000 Primary Education				-
1066		0502000 Secondary Education				-
1066		0503000 Quality Assurance and Standards				-

3/11/2025 11:19		SECOND SCHEDULE				
		LIAISON COMMITTEE FINANCIAL RECOMMENDATIONS				
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
		Recurrent		Development		
		Reduction	Increase	Reduction	Increase	Net Change
1066		0508000 General Administration, Planning and Support Services	(21,850,000)			(21,850,000)
2091		<b>Teachers Service Commission</b>	<b>(42,550,000)</b>	-	-	<b>(42,550,000)</b>
2091		0509000 Teacher Resource Management				-
2091		0510000 Governance and Standards				-
2091		0511000 General Administration, Planning and Support Services	(42,550,000)			(42,550,000)
7	<b>ENERGY</b>		<b>(121,251,400)</b>	-	-	<b>(121,251,400)</b>
1152		<b>State Department for Energy</b>	<b>(1,660,600)</b>	-	-	<b>(1,660,600)</b>
1152		0211000 General Administration Planning and Support Services	(1,660,600)			(1,660,600)
1152		0212000 Power Generation				-
1152		0213000 Power Transmission and Distribution				-
1152		0214000 Alternative Energy Technologies				-
1193		<b>State Department for Petroleum</b>	<b>(119,590,800)</b>	-	-	<b>(119,590,800)</b>
1193		0215000 Exploration and Distribution of Oil and Gas	(119,590,800)			(119,590,800)
8	<b>ENVIRONMENT, FORESTRY AND MINING</b>		<b>(5,449,160)</b>	-	-	<b>(5,449,160)</b>
1331		<b>State Department for Environment and Climate Change</b>	<b>(2,741,600)</b>	-	-	<b>(2,741,600)</b>
1331		1002000 Environment Management and Protection				-
1331		1010000 General Administration, Planning and Support Services	(2,741,600)			(2,741,600)
1331		1012000 Meteorological Services				-
1331		1018000 Forests Development, Management and Conservation				-
1331		Programme 4 Water Rehabilitation and Conservation				-
1192		<b>State Department for Mining</b>	<b>(1,865,760)</b>	-	-	<b>(1,865,760)</b>
1192		1007000 General Administration Planning and Support Services	(1,865,760)			(1,865,760)
1192		1009000 Mineral Resources Management				-
1192		1021000 Geological Survey and Geoinformation Management				-
1332		<b>1332 State Department for Forestry</b>	<b>(841,800)</b>	-	-	<b>(841,800)</b>

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		LIAISON COMMITTEE FINANCIAL RECOMMENDATIONS					
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS				
		Recurrent		Development			
		Reduction	Increase	Reduction	Increase	Net Change	
1332		1018000 Forests Development, Management and Conservation					-
1332		1024000 Agroforestry and Commercial Forestry Development					-
1332		1025000 General Administration Planning and Support Services	(841,800)				(841,800)
9	<b>FINANCE AND NATIONAL PLANNING</b>		<b>(282,552,700)</b>	-	<b>(10,000,000,000)</b>	<b>41,000,000,000</b>	<b>30,717,447,300</b>
1071		<b>The National Treasury</b>	<b>(275,248,820)</b>	-	<b>(10,000,000,000)</b>	<b>3,000,000,000</b>	<b>(7,275,248,820)</b>
1071		0717000 General Administration Planning and Support Services	(275,248,820)				(275,248,820)
1071		0718000 Public Financial Management			(10,000,000,000)	3,000,000,000	(7,000,000,000)
1071		0719000 Economic and Financial Policy Formulation and Management				-	-
1071		0720000 Market Competition					-
1072		<b>State Department for Economic Planning</b>	<b>(1,845,980)</b>	-	-	<b>38,000,000,000</b>	<b>37,998,154,020</b>
1072		0710000 Public Service Transformation					-
1072		07710000 Monitoring and Evaluation Services					-
		0706000 Economic Policy and National Planning					-
1072		0707000 National Statistical Information Services					-
1072		0709000 General Administration Planning and Support Services	(1,845,980)				(1,845,980)
1072		Macro-economic Policy, National Planning and Research					-
1072		Sectoral and Intergovernmental Development Planning				38,000,000,000	38,000,000,000
2061		<b>The Commission on Revenue Allocation</b>	<b>(1,881,400)</b>	-	-	-	<b>(1,881,400)</b>
2061		0737000 Inter-Governmental Transfers and Financial Matters	(1,881,400)				(1,881,400)
2121		<b>Office of the Controller of Budget</b>	<b>(3,576,500)</b>	-	-	-	<b>(3,576,500)</b>
2121		0730000 Control and Management of Public finances	(3,576,500)				(3,576,500)
10	<b>HEALTH</b>		<b>(73,431,577,520)</b>	-	-	-	<b>(73,431,577,520)</b>

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		LIAISON COMMITTEE FINANCIAL RECOMMENDATIONS					
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS				
		Recurrent		Development			
		Reduction	Increase	Reduction	Increase	Net Change	
1082		<b>State Department for Medical Services</b>	(73,430,007,540)	-	-	(73,430,007,540)	
1082		0402000 National Referral & Specialized Services				-	
1082		0410000 Curative & Reproductive Maternal New Born Child Adolescent Health RMNCAH				-	
1082		0411000 Health Research and Innovations				-	
1082		0412000 General Administration	(73,430,007,540)			(73,430,007,540)	
1083		<b>State Department for Public Health and Professional Standards</b>	(1,569,980)	-	-	(1,569,980)	
1083		0406000 Preventive and Promotive Health Services				-	
1083		0407000 Health resources development and Innovation				-	
1083		0408000 Health Policy, Standards and Regulations				-	
1083		0412000 General Administration	(1,569,980)			(1,569,980)	
11	<b>HOUSING, URBAN PLANNING &amp; PUBLIC WORKS</b>		(3,289,000)	-	(1,000,000,000)	(1,003,289,000)	
1094		<b>State Department for Housing and Urban Development</b>	(1,619,200)	-	(1,000,000,000)	(1,001,619,200)	
1094		0102000 Housing Development and Human Settlement			(1,000,000,000)	(1,000,000,000)	
1094		0105000 Urban and Metropolitan Development				-	
1094		0106000 General Administration Planning and Support Services	(1,619,200)			(1,619,200)	
1095		<b>State for Public Works</b>	(1,669,800)	-	-	(1,669,800)	
1095		0103000 Government Buildings				-	
1095		0104000 Coastline Infrastructure and Pedestrian Access				-	
1095		0106000 General Administration Planning and Support Services	(1,669,800)			(1,669,800)	
1095		0218000 Regulation and Development of the Construction Industry				-	
12	<b>JUSTICE AND LEGAL AFFAIRS COMMITTEE</b>		(81,858,840)	800,000,000	-	200,000,000	918,141,160

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		LIAISON COMMITTEE FINANCIAL RECOMMENDATIONS					
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS				
			Recurrent		Development		Net Change
			Reduction	Increase	Reduction	Increase	
1023		<b>State Department for Correctional Services</b>	(2,189,600)	-	-	-	(2,189,600)
1023		0623000 General Administration, Planning and Support Services	(2,189,600)				(2,189,600)
1023		0627000 Prison Services					-
1023		0628000 Probation & After Care Services					-
1252		<b>State Law Office</b>	(4,067,780)	-	-	-	(4,067,780)
1252		0606000 Legal Services					-
1252		0607000 Governance, Legal Training and Constitutional Affairs					-
1252		0609000 General Administration, Planning and Support Services	(4,067,780)				(4,067,780)
1271		<b>Ethics and Anti-Corruption Commission</b>	(19,843,480)	-	-	-	(19,843,480)
1271		0611000 Ethics and Anti-Corruption	(19,843,480)				(19,843,480)
1291		<b>Office of the Director of Public Prosecutions</b>	(19,133,240)	-	-	-	(19,133,240)
1291		0612000 Public Prosecution Services	(19,133,240)				(19,133,240)
1311		<b>Office of the Registrar of Political Parties</b>	(9,133,300)	-	-	-	(9,133,300)
1311		0614000 Registration, Regulation and Funding of Political Parties	(9,133,300)				(9,133,300)
1321		<b>Witness Protection Agency</b>	(3,900,340)	-	-	-	(3,900,340)
1321		0615000 Witness Protection	(3,900,340)				(3,900,340)
2011		<b>Kenya National Commission on Human Rights</b>	(2,431,560)	-	-	-	(2,431,560)
2011		0616000 Protection and Promotion of Human Rights	(2,431,560)				(2,431,560)
2031		<b>Independent Electoral and Boundaries Commission</b>	(18,049,020)	-	-	-	(18,049,020)
2031		0617000 Management of Electoral Processes	(18,049,020)				(18,049,020)
2031		0618000 Delimitation of Electoral Boundaries					-
2131		<b>Commission on Administrative Justice</b>	(3,110,520)	-	-	-	(3,110,520)
2131		0731000 Promotion of Administrative Justice	(3,110,520)				(3,110,520)
1261		<b>The Judiciary</b>	-	800,000,000	-	200,000,000	1,000,000,000

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		LIAISON COMMITTEE FINANCIAL RECOMMENDATIONS					
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS				
			Recurrent		Development		
			Reduction	Increase	Reduction	Increase	Net Change
1261		0610000 Dispensation of Justice		800,000,000		200,000,000	1,000,000,000
2051		<b>Judicial Service Commission</b>	-	-	-	-	-
2051		0619000 Judicial Oversight					-
13	LABOUR		(10,751,580)	-	-	-	(10,751,580)
1184		<b>State Department for Labour</b>	(2,486,300)	-	-	-	(2,486,300)
1184		0910000 General Administration Planning and Support Services	(2,486,300)				(2,486,300)
1184		0906000 Labour, Employment and Safety Services					-
1184		0907000 Manpower Development, Employment and Productivity Management					-
1213		<b>State Department for Public Service</b>	(1,891,980)	-	-	-	(1,891,980)
1213		0710000 Public Service Transformation					-
1213		0709000 General Administration Planning and Support Services	(1,891,980)				(1,891,980)
2071		<b>Public Service Commission</b>	(4,157,020)	-	-	-	(4,157,020)
2071		0725000 General Administration, Planning and Support Services	(4,157,020)				(4,157,020)
2071		0726000 Human Resource management and Development					-
2071		0727000 Governance and National Values					-
2071		0744000 Performance and Productivity Management					-
2071		075000 Administration of Quasi-Judicial Functions					-
2081		<b>Salaries and Remuneration Commission</b>	(2,216,280)	-	-	-	(2,216,280)
2081		0728000 Salaries and Remuneration Management	(2,216,280)				(2,216,280)
14	LANDS		(14,918,720)	-	-	-	(14,918,720)
1112		<b>State Department for Lands and Physical Planning</b>	(5,691,120)	-	-	-	(5,691,120)

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		LIAISON COMMITTEE FINANCIAL RECOMMENDATIONS				
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
		Recurrent		Development		Net Change
		Reduction	Increase	Reduction	Increase	
1112		0101000 Land Policy and Planning				-
1112		0121000 Land Information Management				-
1112		0122000 General Administration, Planning and Support Services	(5,691,120)			(5,691,120)
2021		<b>National Land Commission</b>	<b>(9,227,600)</b>	-	-	<b>(9,227,600)</b>
2021		0116000 Land Administration and Management	(9,227,600)			(9,227,600)
15	<b>REGIONAL DEVELOPMENT</b>		<b>(8,325,540)</b>	-	-	<b>(8,325,540)</b>
1032		<b>State Department for Devolution</b>	<b>(6,986,940)</b>	-	-	<b>(6,986,940)</b>
1032		0712000 Devolution Services	(6,986,940)			(6,986,940)
1036		<b>State Department for ASALS &amp; Regional and Northern Corridor Development</b>	<b>(1,338,600)</b>	-	-	<b>(1,338,600)</b>
1036		0733000 Accelerated ASAL Development				-
1036		0743000 General Administration, Planning and Support Services	(1,338,600)			(1,338,600)
1036		1013000 Integrated Regional Development				-
16	<b>SOCIAL PROTECTION</b>		<b>(6,128,580)</b>	-	-	<b>(6,128,580)</b>
1185		<b>State Department for Social Protection, Pensions &amp; Senior Citizen Affairs</b>	<b>(1,234,180)</b>	-	-	<b>(1,234,180)</b>
1185		0908000 Social Development and Children Services				-
1185		0909000 National Social Safety Net				-
1185		0914000 General Administration, Planning and Support Services	(1,234,180)			(1,234,180)
1212		<b>State Department for Gender and Affirmative Action</b>	<b>(1,499,600)</b>	-	-	<b>(1,499,600)</b>
1212		0911000 Community Development				-
1212		0912000 Gender Empowerment				-
1212		0913000 General Administration, Planning and Support Services	(1,499,600)			(1,499,600)
1135		<b>State Department for Youth Affairs and the Arts</b>	<b>(1,201,980)</b>	-	-	<b>(1,201,980)</b>
1135		0711000 Youth Empowerment Services				-
1135		0748000 Youth Development Services				-
1135		0749000 General Administration, Planning and Support Services	(1,201,980)			(1,201,980)
2141		<b>National Gender and Equality Commission</b>	<b>(2,192,820)</b>	-	-	<b>(2,192,820)</b>

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		LIAISON COMMITTEE FINANCIAL RECOMMENDATIONS					
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS				
			Recurrent		Development		
			Reduction	Increase	Reduction	Increase	Net Change
2141		0621000 Promotion of Gender Equality and Freedom from Discrimination	(2,192,820)				(2,192,820)
1213		<b>State Department for Public Service</b>	-	-	-	-	-
1213		0747000 National Youth Service					-
17	<b>SPORTS AND CULTURE</b>		(7,961,220)	-	-	-	(7,961,220)
1132		<b>State Department for Sports</b>	(7,274,440)	-	-	-	(7,274,440)
1132		0901000 Sports	(7,274,440)			-	(7,274,440)
1134		<b>State Department for Culture and Heritage</b>	(686,780)	-	-	-	(686,780)
1134		0902000 Culture/ Heritage					-
1134		0903000 The Arts					-
1134		0904000 Library Services					-
1134		0905000 General Administration, Planning and Support Services	(686,780)				(686,780)
1134		0916000 Public Records Management					-
1135		<b>State Department for Youth Affairs and the Arts</b>	-	-	-	-	-
1135		0221000 Film Development Services					-
18	<b>TOURISM AND WILDLIFE</b>		(57,047,820)	-	-	-	(57,047,820)
1202		<b>State Department for Tourism</b>	(1,466,020)	-	-	-	(1,466,020)
1202		0313000 Tourism Promotion and Marketing					-
1202		0314000 Tourism Product Development and Diversification					-
1202		0315000 General Administration, Planning and Support Services	(1,466,020)				(1,466,020)
1203		<b>State Department for Wildlife</b>	(55,581,800)	-	-	-	(55,581,800)
1203		1019000 Wildlife Conservation and Management	(55,581,800)				(55,581,800)
19	<b>TRADE, INDUSTRY AND COOPERATIVES</b>		(42,543,560)	-	-	-	(42,543,560)
1173		<b>State Department for Cooperatives</b>	(31,607,980)	-	-	-	(31,607,980)
1173		0304000 Cooperative Development and Management	(31,607,980)				(31,607,980)
1174		<b>State Department for Trade</b>	(1,546,060)	-	-	-	(1,546,060)
1174		0309000 Domestic Trade and Enterprise Development					-
1174		0310000 Fair Trade Practices And Compliance of Standards					-

3/11/2025 11:19		SECOND SCHEDULE				
		LIAISON COMMITTEE FINANCIAL RECOMMENDATIONS				
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
		Recurrent		Development		
		Reduction	Increase	Reduction	Increase	Net Change
1174		0311000 International Trade Development and Promotion				-
1174		0312000 General Administration, Planning and Support Services	(1,546,060)			(1,546,060)
<b>1175</b>		<b>State Department for Industry</b>	<b>(1,717,180)</b>	<b>-</b>	<b>-</b>	<b>(1,717,180)</b>
1175		0301000 General Administration Planning and Support Services	(1,717,180)			(1,717,180)
1175		0320000 Industrial Promotion and Development				-
1175		0321000 Standards and Quality Infrastructure & Research				-
<b>1176</b>		<b>State Department for Micro, Small and Medium Enterprises Development</b>	<b>(1,271,900)</b>	<b>-</b>	<b>-</b>	<b>(1,271,900)</b>
1176		0316000 Promotion and Development of MSMEs				-
1176		0317000 Product and Market Development for MSMEs				-
1176		0318000 Digitization and Financial Inclusion for MSMEs				-
1176		0319000 General Administration, Planning and Support Services	(1,271,900)			(1,271,900)
<b>1177</b>		<b>State Department for Investment Promotion</b>	<b>(6,400,440)</b>	<b>-</b>	<b>-</b>	<b>(6,400,440)</b>
1177		0322000 Investment Development and Promotion	(6,400,440)			(6,400,440)
<b>20</b>	<b>TRANSPORT AND INFRASTRUCTURE</b>		<b>(354,241,400)</b>	<b>-</b>	<b>-</b>	<b>(354,241,400)</b>
<b>1091</b>		<b>State Department for Roads</b>	<b>(330,730,800)</b>	<b>-</b>	<b>-</b>	<b>(330,730,800)</b>
1091		0202000 Road Transport	(330,730,800)			(330,730,800)
<b>1092</b>		<b>State Department of Transport</b>	<b>- 6,532,000</b>	<b>-</b>	<b>-</b>	<b>6,532,000</b>
1092		0201000 General Administration, Planning and Support Services	(6,532,000)			(6,532,000)
1092		0203000 Rail Transport				-
1092		0204000 Marine Transport			-	-
1092		0205000 Air Transport				-
1092		0216000 Road Safety				-
<b>1093</b>		<b>State Department for Shipping and Maritime Affairs</b>	<b>(16,978,600)</b>	<b>-</b>	<b>-</b>	<b>(16,978,600)</b>

3/11/2025 11:19		SECOND SCHEDULE					
		LIAISON COMMITTEE FINANCIAL RECOMMENDATIONS					
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS				
		Recurrent		Development			
		Reduction	Increase	Reduction	Increase	Net Change	
1093		0219000 Shipping and Maritime Affairs	(16,978,600)			(16,978,600)	
21	<b>BUDGET &amp; APPROPRIATIONS COMMITTEE</b>		<b>(38,167,120)</b>	<b>6,100,000,000</b>	<b>900,000,000</b>	<b>-</b>	<b>6,961,832,880</b>
		<b>Parliament</b>	<b>-</b>	<b>6,100,000,000</b>	<b>900,000,000</b>	<b>-</b>	<b>7,000,000,000</b>
2041		<b>Parliamentary Service Commission</b>	<b>-</b>	<b>1,355,700,000</b>	<b>-</b>	<b>-</b>	<b>1,355,700,000</b>
2041		0765000 General Administration Planning and Support Services		1,355,700,000			1,355,700,000
2041		0766000 Human Resources Management and Development					-
2042		<b>National Assembly</b>	<b>-</b>	<b>3,341,500,000</b>	<b>-</b>	<b>-</b>	<b>3,341,500,000</b>
2042		0721000 National Legislation, representation and oversight		3,341,500,000			3,341,500,000
2043		<b>Parliamentary Joint Services</b>	<b>-</b>	<b>694,500,000</b>	<b>900,000,000</b>	<b>-</b>	<b>1,594,500,000</b>
2043		0723000 General Administration, planning and support services		664,500,000	900,000,000		1,564,500,000
2043		0746000 Legislative Training Research & Knowledge Management		30,000,000			30,000,000
2044		<b>Senate Affairs</b>	<b>-</b>	<b>708,300,000</b>	<b>-</b>	<b>-</b>	<b>708,300,000</b>
2044		0767000 Senate Legislation and Oversight		100,000,000			100,000,000
2044		0768000 Senate Representation, Liaison & Intergovernmental Relations		281,000,000			281,000,000
2044		0769000 General Administration Planning and Support Services		327,300,000			327,300,000
2111		<b>Auditor General</b>	<b>(38,167,120)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(38,167,120)</b>
2111		0729000 Audit Services	(38,167,120)				(38,167,120)
		<b>Total Expenditure</b>	<b>(75,530,718,520)</b>	<b>6,900,000,000</b>	<b>(11,100,000,000)</b>	<b>41,200,000,000</b>	<b>(38,530,718,520)</b>
		<b>o/w Parliament</b>	<b>-</b>	<b>6,100,000,000</b>	<b>900,000,000</b>	<b>-</b>	<b>7,000,000,000</b>
		<b>o/w Judiciary</b>	<b>-</b>	<b>800,000,000</b>	<b>-</b>	<b>200,000,000</b>	<b>1,000,000,000</b>
		<b>o/w Executive</b>	<b>(75,530,718,520)</b>	<b>-</b>	<b>(12,000,000,000)</b>	<b>41,000,000,000</b>	<b>(46,530,718,520)</b>

**Third Schedule: County Governments Additional Allocations**

**SCHEDULE III: Additional Allocations to County Governments in FY 2025/26.**

<b>SN</b>	<b>Project description</b>	<b>Amount in Ksh.</b>
<b>Additional unconditional Allocations from National Government's Share of Revenue</b>		
1	Allocations financed from court fines	11,519,280
2	allocations financed from the 20% Share of Mineral Royalties	2,934,923,148
	<b>Sub-Total</b>	<b>2,946,442,428</b>
<b>Additional Conditional Allocations from National government's Share of Revenue</b>		
3	Payment of outstanding Basic Salary Arrears for Healthcare workers	1,759,101,729
4	Supplement for Construction of County Headquarters	454,000,000
5	Community Health Promoters (CHPs) Programme	3,234,930,000
6	County Aggregated Industrial Parks (CAIPs) Programme	4,500,000,000
	<b>Sub-total</b>	<b>9,948,031,729</b>
<b>Additional Conditional Allocations financed from proceeds of loans and grants from Development Partners</b>		
7	IFAD-Aquaculture Business Development Programme (ABDP)	200,000,000
8	IDA(World Bank)-Financing Locally- Led Climate Action Program-County Climate Institutional Support (FLLOCA-CCIS)	121,000,000
9	IDA (World Bank)-Financing Locally- Led Climate Action Program-County Climate Resilience Investment (FLLOCA-CCRI)	6,187,500,000
10	KfW(Germany Development Bank)-Financing Locally- Led Climate Action Program-County Climate Resilience Investment (FLLOCA- CCRI)	1,200,000,000
11	IDA (World Bank)-Food Systems Resilience Project (FSRP)	3,200,000,000
12	KfW(Germany Development Bank)-Drought Resilience Programme in Northern Kenya (DRPNK)	1,276,654,208
13	IDA (World Bank)-Kenya Devolution Support Program - Institutional Grant (Level 1 Grant) (KDSP)	1,762,500,000
14	IDA (World Bank)-Kenya Devolution Support Program - Service Delivery and Investment Grant (Level 2 Grant) (KDSP)	13,042,500,000
15	IFAD-Kenya Livestock Commercialization Project (KELCOP)	634,500,000
16	IDA (World Bank)-Kenya Urban Support Project- Urban Development Grant (KUSP 2-UDG)	10,325,754,660
17	IDA (World Bank)-Kenya Urban Support Project - Urban Institutional Grant (KUSP 2-UIG)	1,300,000,000
18	KfW(Germany Development Bank)-Kenya Water, Sanitation and Hygiene (K-WASH) Programme	4,607,526,599
19	IDA (World Bank)-National Agricultural Value Chain Development Project (NAVCDP)	7,700,000,000
20	DANIDA-Primary Health Care in Devolved Context (PHDC)	510,000,000
21	IDA (World Bank)-Water and Sanitation Development Project (WSDP)	3,000,000,000
22	AfD(France )Kenya Informal Settlement Project (KISIP)II	1,000,000,000
23	IDA (World Bank)-Kenya Informal Settlement Project (KISIP)II	840,000,000
	<b>Sub-total</b>	<b>56,907,935,467</b>
	<b>Grand Total</b>	<b>69,802,409,624</b>

## **Fourth Schedule: Unfunded Priority Areas**

3/11/2025 11:19		FOURTH SCHEDULE				Notes
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1	ADMINISTRATION & INTERNAL AFFAIRS		-	-	-	
1011		<b>Office of the President</b>	-	-	-	-
1011		0603000 Government Printing Services				-
1011		0701000 General Administration Planning and Support Services				-
1011		0703000 Government Advisory Services				-
1011		0770000 Leadership and Coordination of Government Services				-
1012		<b>Office of the Deputy President</b>	-	-	-	-
		0734000 Deputy President Services				-
1013		<b>Office of the Prime Cabinet Secretary</b>	-	-	-	-
1013		0755000 Government Coordination and Supervision				-
1014		<b>State Department for Parliamentary Affairs</b>	-	-	-	-
1014		0759000 Parliamentary Liaison and Legislative Affairs				-
1014		0760000 Policy Coordination and Strategy				-
1014		0761000 General Administration, Planning and Support Services				-
1015		<b>State Department for Performance and Delivery Management</b>	-	-	-	-
1015		0762000 Public Service Performance Management and Delivery Services				-
1015		0764000 General Administration, Planning and Support Services				-
1015		0772000 Service Delivery Management				-
1015		0773000 Coordination and Supervision of Government Services				-
1016		<b>State Department for Cabinet Affairs</b>	-	-	-	-
1016		0758000 Cabinet Affairs Services				-
1017		<b>State House Affairs</b>	-	-	-	-
		0704000 State House Affairs				-
1024		<b>State Department for Immigration and Citizen Services</b>	-	-	-	-
1024		0605000 Migration & Citizen Services				-

3/11/2025 11:19		FOURTH SCHEDULE				Notes
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1024		0626000 Population Management Services				
1024		0631000 General Administration and Planning				
1025		<b>National Police Service</b>	-	-	-	
1025		0601000 Policing Services				
1026		<b>State Department for Internal Security &amp; National Administration</b>	-	-	-	
1026		0629000 General Administration and Support Services				
1026		0630000 Policy Coordination Services				
1026		0632000 National Government Field Administrative Services				
2101		<b>National Police Service Commission</b>	-	-	-	
2101		0620000 National Police Service Human Resource Management				
2151		<b>Independent Policing Oversight Authority</b>	-	-	-	
2151		0622000 Policing Oversight Services				
2	<b>AGRICULTURE AND LIVESTOCK</b>		8,854,000,000	12,205,000,000	21,059,000,000	
1162		<b>State Department for Livestock</b>	4,270,000,000	2,257,000,000	6,527,000,000	
1162		0112000 Livestock Resources Management and Development	4,270,000,000	2,257,000,000	6,527,000,000	Additional Ksh. 270 million (Recurrent) for Livestock Masterplan. Additional Ksh. 4 billion (Recurrent) for Halal Meats Products Limited-pending bill. Additional Ksh. 580 million (Development) for modernization of KEVEVAPI. Additional Ksh. 1.367 billion (Development) for completion of facilities at Kenya Leather Industrial Park in Kenanie. Additional Ksh. 310 million (Development) for establishment of feedlots, Fodder and Pasture.
1169		<b>State Department for Crop Development</b>	4,584,000,000	9,948,000,000	14,532,000,000	

3/11/2025 11:19		FOURTH SCHEDULE				Notes
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1169		0107000 General Administration Planning and Support Services	4,584,000,000	200,000,000	4,784,000,000	<b>Additional Ksh. 4.584 billion (Recurrent)</b> for Sugar Reforms Programme to fund unsettled worker's salary arrears owed by four sugar mills (Chamelil, Nzoia, South Nyanza and Muhoroni). <b>Additional Ksh. 200 million (Development)</b> for Pyrethrum Industry Recovery.
1169		0108000 Crop Development and Management		9,748,000,000	9,748,000,000	<b>Additional Ksh. 8 billion (Development)</b> for Fertilizer Subsidy. <b>Additional Ksh. 120 million (Development)</b> for Coconut Revitalization. <b>Additional Ksh. 90 million (Development)</b> for Cashew Nut revitalization programme. <b>Additional Ksh. 338 million (Development)</b> for Development of Aggregation Centres. <b>Additional Ksh. 500 million (Development)</b> for mechanization of the Agricultural Development project. <b>Additional Ksh. 700 million (Development)</b> for MSME Agricultural credit.
1169		0109000 Agribusiness and Information Management			-	
1169		0120000 Agricultural Research & Development			-	
3	<b>BLUE ECONOMY &amp; IRRIGATION</b>		<b>5,338,800,000</b>	<b>56,516,000,000</b>	<b>61,854,800,000</b>	
1104		<b>State Department for Irrigation</b>	<b>1,594,000,000</b>	<b>10,701,000,000</b>	<b>12,295,000,000</b>	
1104		1014000 Irrigation and Land Reclamation	806,000,000	4,490,000,000	5,296,000,000	<b>Additional Ksh. 306 million (Recurrent)</b> for O&M at NIA. <b>Additional Ksh. 500 million (Recurrent)</b> to fund pre-feasibility, feasibility and Resettlement Action Plan studies in preparation of projects for investment.-NIA. <b>Additional Ksh. 1.5 billion (Development)</b> for counter part funding for Kenya Water Security and Climate Resilience Project (KWSCR-P-II)-Mwache Dam phase 1.

3/11/2025 11:19		FOURTH SCHEDULE				Notes
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
						<p><b>Additional Ksh. 500 million (Development)</b> for community based irrigation projects.</p> <p><b>Additional Ksh. 910 million (Development)</b> for Drought Resilience programme in Northern Kenya to establish feedlots.</p> <p><b>Additional Ksh. 350 million (Development)</b> for Lower Kuja Irrigation Scheme.</p> <p><b>Additional Ksh. 1.230 billion (Development)</b> for National Expanded Irrigation Programme.</p>
1104		1015000 Water Storage and Flood Control	552,000,000	6,211,000,000	6,763,000,000	<p><b>Additional Ksh. 80 million (Recurrent)</b> for National Water Harvesting Authority (NWHSA) for O&amp;M.</p> <p><b>Additional Ksh. 30 million (Recurrent)</b> for National Water Harvesting Authority (NWHSA) for P.E.</p> <p><b>Additional Ksh. 442 million (Recurrent)</b> for National Water Harvesting Authority (NWHSA) for staff pension deficit.</p> <p><b>Additional Ksh. 3.899 billion (Development)</b> for Soin-Koru Dam to cater for pending bills of 899 million and Resettlement Action Plan of 3 billion.</p> <p><b>Additional Ksh. 1.912 billion (Development)</b> for Umaa Dam.</p> <p><b>Additional Ksh. 400 million (Development)</b> for Flood Control Works.</p>
1104		1022000 Water Harvesting and Storage for Irrigation				
1104		1023000 General Administration, Planning and Support Services	236,000,000		236,000,000	<p><b>Additional Ksh. 180 million (Recurrent)</b> for O&amp;M.</p> <p><b>Additional Ksh. 56 million (Recurrent)</b> for pending bills.</p>
1109		<b>State Department for Water &amp; Sanitation</b>	<b>2,706,800,000</b>	<b>43,815,000,000</b>	<b>46,521,800,000</b>	
1109		1001000 General Administration, Planning and Support Services	98,000,000		98,000,000	<p><b>Additional Ksh. 98 million (Recurrent)</b> for Kenya Water Institute (KEWI) for P.E.</p>

3/11/2025 11:19		FOURTH SCHEDULE				Notes
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1109		1004000 Water Resources Management	1,083,800,000	5,560,000,000	6,643,800,000	<p><b>Additional Ksh. 39.8 million (Recurrent)</b> for Regional Center on Ground Water Resources (RCGWR) -P.E</p> <p><b>Additional Ksh. 1.014 billion (Recurrent)</b> for Water Resources Authority (WRA) for P.E.</p> <p><b>Additional Ksh. 30 million (Recurrent)</b> for Hydrologists Registration Board (HRB) for O&amp;M.</p> <p><b>Additional Ksh. 700 million (Development)</b> for Horn of Africa -Ground Water for Resilience Programme-WSTF.</p>
						<p><b>Additional Ksh. 500 million (Development)</b> for Horn of Africa -Ground Water for Resilience programme-WRA.</p> <p><b>Additional Ksh. 1.3 billion (Development)</b> for Nairobi Rivers Restoration Basin programme phase 2.</p> <p><b>Additional Ksh. 1.15 billion (Development)</b> for Thwake Multipurpose Water Development Programme phase 1.</p> <p><b>Additional Ksh. 1.91 billion (Development)</b> for Kenya Water Sanitation and Hygiene.</p>
1109		1017000 Water and Sewerage Infrastructure Development	1,525,000,000	38,255,000,000	39,780,000,000	<p><b>Additional Ksh. 46 million (Recurrent)</b> for North Rift Valley WWDA for O&amp;M.</p> <p><b>Additional Ksh. 167 million (Recurrent)</b> for Lake Victoria South WWDA for P.E O&amp;M.</p> <p><b>Additional Ksh. 86 million (Recurrent)</b> for Lake Victoria North WWDA for P.E O&amp;M</p> <p><b>Additional Ksh. 225 million (Recurrent)</b> for Coast WWDA</p> <p><b>Additional Ksh. 354 million (Recurrent)</b> for Tana WWDA.</p> <p><b>Additional Ksh. 110 million (Recurrent)</b> for Northern WWDA.</p> <p><b>Additional Ksh. 123 million (Recurrent)</b> for TANATHI WWDA.</p> <p><b>Additional Ksh. 414 million (Recurrent)</b> for Water Services Trust Fund.</p>

3/11/2025 11:19		FOURTH SCHEDULE				Notes
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
					<p><b>Additional Ksh. 1.231 billion (Development)</b> for Kenya Town Sustainable water supply and sanitation programme-RV for counterpart funding.</p> <p><b>Additional Ksh. 807 million (Development)</b> for Water Supply and Sanitation for the urban poor-KfW phase IV</p> <p><b>Additional Ksh. 1.447 billion (Development)</b> for Improvement of drinking water and sanitation systems in Mombasa-Mwache Dam phase II.</p> <p><b>Additional Ksh. 3.146 billion (Development)</b> for Itare Dam Water Project.</p> <p><b>Additional Ksh. 697 million (Development)</b> for Water for Schools.</p> <p><b>Additional Ksh. 1.514 billion (Development)</b> for National Water Harvesting and Ground water exploitation.</p>	
					<p><b>Additional Ksh. 4.348 billion (Development)</b> for Karimenu II Additional Works-Thika Gatundu Water Supply.</p> <p><b>Additional Ksh. 1.713 billion (Development)</b> for Thika and Githunguri Water and Sanitation-pending bills.</p> <p><b>Additional Ksh. 520 million (Development)</b> for Kisumu Water Supply LVWATSAN for counterpart funding.</p> <p><b>Additional Ksh. 910 million (Development)</b> for Malava Gravity Scheme Water Project.</p> <p><b>Additional Ksh. 1.756 billion (Development)</b> for Chemususu Dam Water Supply Project.</p> <p><b>Additional Ksh. 1.208 billion (Development)</b> for Rehabilitation of water and sanitation -Kirandich phase II.</p>	

3/11/2025 11:19		FOURTH SCHEDULE				Notes
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
						<p><b>Additional Ksh. 2.139 billion (Development)</b> for Lake Nakuru Biodiversity Improvement Water Project. <b>Additional Ksh. 506 million (Development)</b> for Moi's Bridge-Matunda Water and Sewerage Project-Lot 1. <b>Additional Ksh. 736 million (Development)</b> for North Rift Valley WWDA projects.</p> <p><b>Additional Ksh. 1.077 billion (Development)</b> for Athi WWDA projects.</p> <p><b>Additional Ksh. 14.5 billion (Development)</b> for Inclusive Water Development Programme.</p>
1166		<b>State Department for Blue Economy and Fisheries</b>	1,038,000,000	2,000,000,000	3,038,000,000	
1166		0111000 Fisheries Development and Management	915,000,000		915,000,000	<p><b>Additional Ksh. 272 million (Recurrent)</b> for Kenya Marine and Fisheries Research Institute (KEMFRI) for court award payments.</p> <p><b>Additional Ksh. 545 million (Recurrent)</b> RV-Mtafiti-KEMFRI for effective operation.</p> <p><b>Additional Ksh. 98 million (Recurrent)</b> for Kenya Fisheries Service to cater for staff medical insurance.</p>
1166		0117000 General Administration, Planning and Support Services	123,000,000		123,000,000	<p><b>Additional Ksh. 23 million (Recurrent)</b> to cater for court awards payments.</p> <p><b>Additional Ksh. 100 million (Recurrent)</b> for O&amp;M.</p>
1166		0118000 Development and Coordination of the Blue Economy		2,000,000,000	2,000,000,000	<p><b>Additional Ksh. 1 billion (Development)</b> for completion of phase one of Liwatoni Ultra-Modern Fish Hub.</p> <p><b>Additional Ksh. 1 billion (Development)</b> for fish stock assessment.</p>
4	<b>COMMUNICATION, INFORMATION &amp; INNOVATION</b>		3,000,000,000	150,000,000	3,150,000,000	-
1122		<b>State Department for Information Communication and Technology &amp; Innovation</b>	-	-	-	
1122		0207000 General Administration Planning and Support Services				

3/11/2025 11:19		FOURTH SCHEDULE				Notes
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1122		0210000 ICT Infrastructure Development				
1122		0217000 E-Government Services				
1123		<b>State Department for Broadcasting &amp; Telecommunications</b>	<b>3,000,000,000</b>	<b>150,000,000</b>	<b>3,150,000,000</b>	
1123		0207000 General Administration Planning and Support Services				
1123		0208000 Information and Communication Services	3,000,000,000	150,000,000	3,150,000,000	<b>Additional Ksh. 150 million (Development)</b> for Studio Mashinani in various constituencies. <b>Additional Ksh. 3 billion (Recurrent)</b> for revamping of Postal Corporation of Kenya.
1123		0209000 Mass Media Skills Development				
5	<b>DEFENCE, INTELLIGENCE AND FOREIGN RELATIONS</b>		<b>6,919,760,000</b>	<b>5,850,000,000</b>	<b>12,769,760,000</b>	
1041		<b>Ministry of Defence</b>	<b>980,000,000</b>	<b>2,500,000,000</b>	<b>3,480,000,000</b>	
1041		0801000 Defence	980,000,000	2,500,000,000	3,480,000,000	<b>Additional Ksh. 1 billion (Development)</b> for tooling and kitting of KSL to achieve PPP agreement. <b>Additional Ksh. 980 million (Recurrent)</b> for refurbishment of MI-17, Augusta and MD 500. <b>Additional Ksh. 1.5 billion (Development)</b> for Kenya Meat Commission Factory modernization.
1041		0802000 Civil Aid				
1041		0803000 General Administration, Planning and Support Services				
1041		0805000000 National Space Management				
		Programme 4 Defence Industrialization				
1053		<b>State Department for Foreign Affairs</b>	-	<b>3,350,000,000</b>	<b>3,350,000,000</b>	
1053		0714000 General Administration Planning and Support Services		350,000,000	350,000,000	<b>Additional Ksh. 350 million (Development)</b> for maintenance on all 110 properties.
1053		0715000 Foreign Relation and Diplomacy		3,000,000,000	3,000,000,000	<b>Additional Ksh. 3 billion (Development)</b> for refurbishment of mission properties in New York, Paris, London, Addis Ababa, Stockholm, Lusaka, Harare, Kinsasha, Islamabad, Dar es Salaam and Windhoek.
1053		0741000 Economic and commercial Diplomacy				
1053		0742000 Foreign Policy Research, Capacity Development and Technical Cooperation				

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development		Gross Total
1054		<b>State Department for Diaspora Affairs</b>	500,000,000	-	500,000,000	
1054		0752000 Management of Diaspora Affairs	500,000,000		500,000,000	Additional Ksh. 500 million (Recurrent) for evacuation and repatriation of Kenyans abroad and leasing of safe houses.
1221		<b>State Department for East African Community</b>	439,760,000	-	439,760,000	
1221		0305000 East African Affairs and Regional Integration	439,760,000		439,760,000	Additional Ksh. 439.76 million (Recurrent) for EAC chairmanship related expenses.
1281		<b>National Intelligence Service</b>	5,000,000,000	-	5,000,000,000	
1281		0804000 National Security Intelligence	5,000,000,000		5,000,000,000	Additional Ksh. 1 billion (Recurrent) for recruitment of personnel. Additional Ksh. 4 billion (Recurrent) for expansionary of surveillance systems.
6	<b>EDUCATION AND RESEARCH</b>		122,620,000,000	3,290,000,000	125,910,000,000	
1064		<b>State Department for Vocational and Technical Training</b>	20,900,000,000	890,000,000	21,790,000,000	
1064		0505000 Technical Vocational Education and Training	20,900,000,000	890,000,000	21,790,000,000	Additional Ksh. 20.9 billion (Recurrent) for capitation, scholarships and loans for TVET students. Additional Ksh. 890 million (Development) for construction of TVET institutions.
1064		0507000 Youth Training and Development			-	
1064		0508000 General Administration, Planning and Support Services			-	
1065		<b>State Department for Higher Education &amp; Research</b>	67,700,000,000	-	67,700,000,000	
1065		0504000 University Education	67,700,000,000		67,700,000,000	Additional Ksh. 61.4 billion (Recurrent) for capitation, scholarships and loans for university students. Additional Ksh. 6.3 billion (Recurrent) for collective University Staff CBA.
1065		0506000 Research, Science, Technology and Innovation			-	
1065		0508000 General Administration, Planning and Support Services			-	
1066		<b>State Department for Basic Education</b>	34,020,000,000	2,400,000,000	36,420,000,000	

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1066		0501000 Primary Education	1,320,000,000	500,000,000	1,820,000,000	<b>Additional Ksh. 1.2 billion (Recurrent)</b> to cater for capitaion funding gap. <b>Additional Ksh. 500 million (Development)</b> for completion of construction of resource center at KICD. <b>Additional Ksh. 120 million (Recurrent)</b> for equipping the National psycho-education Assesment facility.
1066		0502000 Secondary Education	25,900,000,000	1,900,000,000	27,800,000,000	<b>Additional Ksh. 1.9 billion (Development)</b> for Secondary School Infrastructure to act as matching fund for NGCDF. <b>Additional Ksh. 25.9 billion (Recurrent)</b> for capitation funding gap.
1066		0503000 Quality Assurance and Standards	6,800,000,000		6,800,000,000	<b>Additional Ksh. 6.8 billion (Recurrent)</b> for school examination and invigilation funding gap.
1066		0508000 General Administration, Planning and Support Services				
2091		<b>Teachers Service Commission</b>	-	-	-	
2091		0509000 Teacher Resource Management				
2091		0510000 Governance and Standards				
2091		0511000 General Administration, Planning and Support Services				
7	<b>ENERGY</b>					
1152		<b>State Department for Energy</b>		19,500,000,000	19,500,000,000	
1152		0211000 General Administration Planning and Support Services				
1152		0212000 Power Generation		1,000,000,000	1,000,000,000	<b>Additional Ksh. 200 million (Development)</b> to 1300MW GDC for Suswa Geothermal Project. <b>Additional Ksh. 400 million (Development)</b> to GDC for Bogoria Silali Geothermal Projects. <b>Additional Ksh. 400 million (Development)</b> to GDC for Menegai Geothermal Development Project.

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1152		0213000 Power Transmission and Distribution		18,500,000,000	18,500,000,000	<p><b>Additional Ksh. 14.5 billion (Development)</b> to REREC for Last Mile Connectivity for Constituencies and other investments(Ksh. 50 million for each of the 290 constituencies).</p> <p><b>Additional Ksh. 500 million (Development)</b> to KPLC for Street Lighting.</p> <p><b>Additional Ksh. 2 billion (Development)</b> for Electrification of Public Facilities.</p> <p><b>Additional Ksh. 100 million (Development)</b> to KETRACO for Kenya Power Transmission Expansion Project-132kV Awendo Isebania 132kV Sultan-Hamud Loitokitok and Isinya Konza.</p>
						<p><b>Additional Ksh. 200 million (Development)</b> to KETRACO for Sondu-Homabay Ndihiwa-Awendo Electrification Project.</p> <p><b>Additional Ksh. 200 million (Development)</b> to KETRACO for Rabai-Kilifi Transmission Line.</p> <p><b>Additional Ksh. 500 million (Development)</b> to KETRACO for Loiyangalani-Marsabit 400 KV Transmission Line.</p> <p><b>Additional Ksh. 500 million (Development)</b> for Marsabit-Isiolo Transmission Line.</p>
1152		0214000 Alternative Energy Technologies				-
1193		<b>State Department for Petroleum</b>	-	-	-	-
1193		0215000 Exploration and Distribution of Oil and Gas				-
8	<b>ENVIRONMENT, FORESTRY AND MINING</b>		1,255,420,000	68,000,000	1,323,420,000	-
1331		<b>State Department for Environment and Climate Change</b>	-	-	-	-
1331		1002000 Environment Management and Protection				-
1331		1010000 General Administration, Planning and Support Services				-
1331		1012000 Meteorological Services				-
1331		1018000 Forests Development, Management and Conservation				-

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1331		Programme 4 Water Rehabilitation and Conservation				
1192		<b>State Department for Mining</b>	<b>1,255,420,000</b>	<b>68,000,000</b>	<b>1,323,420,000</b>	
1192		1007000 General Administration Planning and Support Services	662,820,000		662,820,000	<b>Additional Ksh. 68.64 million (Recurrent)</b> for Legal Review of Explosive Act, Geologist Registration Act, Mining Act and development of a National Mining Policy and respective regulations. <b>Additional Ksh. 69 million (Recurrent)</b> for P.E at National Mining Corporation (NAMICO). <b>Additional Ksh. 119 million (Recurrent)</b> for viability of strategic mineral investment -NAMICO. <b>Additional Ksh. 68 million (Recurrent)</b> for geological mapping and exploration-NAMICO. <b>Additional Ksh. 168.58 million (Recurrent)</b> for O&M-NAMICO. <b>Additional Ksh. 169.6 million (Recurrent)</b> to seyye Pending Bills.
1192		1009000 Mineral Resources Management	426,000,000		426,000,000	<b>Additional Ksh. 62 million (Recurrent)</b> for technical staff P.E to cater for newly recruited officers. <b>Additional Ksh. 286 million (Recurrent)</b> for monitoring, compliance and enforcement of the mining Act Cap 306. <b>Additional Ksh. 78 million (Recurrent)</b> for Artisanal and Small Scale Miners Market Hubs.
1192		1021000 Geological Survey and Geoinformation Management	166,600,000	68,000,000	234,600,000	<b>Additional Ksh. 166.6 million (Recurrent)</b> for O&M budget in regional offices. <b>Additional Ksh. 68 million (Development)</b> for Mineral Certification Laboratory.
1332		<b>1332 State Department for Forestry</b>	-	-	-	
1332		1018000 Forests Development, Management and Conservation				
1332		1024000 Agroforestry and Commercial Forestry Development				
1332		1025000 General Administration Planning and Support Services				
9	FINANCE AND NATIONAL PLANNING		230,000,000	38,000,000,000	38,230,000,000	

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1071		<b>The National Treasury</b>	100,000,000	-	100,000,000	
1071		0717000 General Administration Planning and Support Services	100,000,000		100,000,000	<b>Additional Ksh. 100 million (Recurrent)</b> to PPRA strengthen enforcement, regulatory oversight and monitoring mechanisms will be reinforced to ensure compliance, transparency and accountability in procurement process, preventing fraud and inefficiencies and for capacity-building initiatives, targeted training resource allocation and skill development.
1071		0718000 Public Financial Management				
1071		0719000 Economic and Financial Policy Formulation and Management				
1071		0720000 Market Competition				
1072		<b>State Department for Economic Planning</b>	-	38,000,000,000	38,000,000,000	
1072		0710000 Public Service Transformation				
1072		07710000 Monitoring and Evaluation Services				
1072		0706000 Economic Policy and National Planning				
1072		0707000 National Statistical Information Services				
1072		0709000 General Administration Planning and Support Services				
1072		Macro-economic Policy, National Planning and Research				
1072		Sectoral and Intergovernmental Development Planning		38,000,000,000	38,000,000,000	<b>Increase Ksh. 38 billion (Development)</b> for NGCDF.
2061		<b>The Commission on Revenue Allocation</b>	130,000,000	-	130,000,000	
2061		0737000 Inter-Governmental Transfers and Financial Matters	130,000,000		130,000,000	<b>Additional Ksh. 130 million (Recurrent)</b> to facilitate the timely identification of marginalized areas, the government will implement inclusive, data driven policies to enable targeted interventions and to facilitate the implementation of County Integrated Revenue Management System (CIRMS).
2121		<b>Office of the Controller of Budget</b>	-	-	-	

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
2121		0730000 Control and Management of Public finances				
10	HEALTH		13,129,000,000	27,445,000,000	40,574,000,000	
1082		State Department for Medical Services	8,100,000,000	24,970,000,000	33,070,000,000	
1082		0402000 National Referral & Specialized Services	6,900,000,000	5,570,000,000	12,470,000,000	Additional Ksh. 3.4 billion (Development) for blood transfusion essential commodities. Additional Ksh. 500 million (Development) for relocation of Spinal Injury Hospital to Ngong. Additional Ksh. 450 million (Development) for an additional Linear Accelerator and Simulator for KNH. Additional Ksh. 2.5 billion (Recurrent) for KNH P.E. Additional Ksh. 500 million (Recurrent) for Mwai Kibaki Teaching & Referral Hospital -O&M. Additional Ksh. 500 million (Development) for construction and equipping of children hospital at Kenyatta University Teaching, Referral and Research Hospital.
						Additional Ksh. 1.8 billion (Recurrent) for KU Teaching, Referral and Research Hospital for O&M. Additional Ksh. 1.2 billion (Recurrent) for Moi Teaching, Referral and Research Hospital. P.E. Additional Ksh. 720 million (Development) training Registrars in National Referral Hospitals. Additional Ksh. 900 million (Recurrent) for KEMSA P.E
1082		0410000 Curative & Reproductive Maternal New Born Child Adolescent Health RMNCAH	500,000,000	19,400,000,000	19,900,000,000	Additional Ksh. 14.1 billion (Development) for Procurement of Family Planning & Reproductive Health Commodities. Additional Ksh. 300 million (Development) for National Cancer Institute -Funds for cancer research. Additional Ksh. 5 billion (Development) for procurement of strategic commodities (HIV, Vaccines and family planning). Additional Ksh. 500 million (Recurrent) for National Aids Control Council-O&M.

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1082		0411000 Health Research and Innovations				
1082		0412000 General Administration	700,000,000		700,000,000	Additional Ksh. 500 million (Recurrent) for O&M. Additional Ksh. 200 million (Recurrent) for Funds for public awareness and communication on SHA benefits and other services.
1083		<b>State Department for Public Health and Professional Standards</b>	<b>5,029,000,000</b>	<b>2,475,000,000</b>	<b>7,504,000,000</b>	
1083		0406000 Preventive and Promotive Health Services		800,000,000	800,000,000	Additional Ksh. 300 million (Development) for completion and operationalization of phase I for the Central Radioactive Waste Processing Facility. Additional Ksh. 500 million (Development) for procurement of Anti TB drugs.
1083		0407000 Health resources development and Innovation	718,000,000	1,000,000,000	1,718,000,000	Additional Ksh. 500 million (Recurrent) for Kenya Human Resources Advisory Council O&M. Additional Ksh. 500 million (Development) for research and development at Kenya Institute of Primate Research. Additional Ksh. 218 million (Recurrent) for P.E. at Kenya Institute of Primate Research. Additional Ksh. 500 million (Development) for manufacturing of antivenomous at Kenya Institute of Primate Research.
1083		0408000 Health Policy, Standards and Regulations	111,000,000	675,000,000	786,000,000	Additional Ksh. 100 million (Recurrent) for Kenya Health Professions Oversight Authority O&M and refurbishments of rented offices. Additional Ksh. 11 million (Recurrent) for Health Records and Information Managers Boards O&M. Additional Ksh. 675 million (Development) equipping of a state of the art laboratory for National Quality Control Laboratory.
1083		0412000 General Administration	4,200,000,000		4,200,000,000	Additional Ksh. 4.2 billion (Recurrent) for UHC staff P.E.
11	<b>HOUSING, URBAN PLANNING &amp; PUBLIC WORKS</b>		<b>1,657,000,000</b>	<b>700,000,000</b>	<b>2,357,000,000</b>	
1094		<b>State Department for Housing and Urban Development</b>	<b>290,000,000</b>	<b>-</b>	<b>290,000,000</b>	

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS				
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS				
			Gross Current	Gross Development	Gross Total		
1094		0102000 Housing Development and Human Settlement				-	
1094		0105000 Urban and Metropolitan Development				-	
1094		0106000 General Administration Planning and Support Services	290,000,000			290,000,000	<b>Additional Ksh. 290 million (Recurrent)</b> for comprehensive monitoring of ongoing and planned affordable housing units and operationalization of the National Secretariat for Human Settlement, implementation of Building Climate Resilience United Cities project and hosting United Cities and Local Governments of Africa.
1095		<b>State for Public Works</b>	<b>1,367,000,000</b>	<b>700,000,000</b>		<b>2,067,000,000</b>	
1095		0103000 Government Buildings				-	
1095		0104000 Coastline Infrastructure and Pedestrian Access		700,000,000		700,000,000	<b>Additional Ksh. 700 million (Development)</b> for 44 footbridges, 5800 meters of seawalls and 5 jetties.
1095		0106000 General Administration Planning and Support Services	537,000,000			537,000,000	<b>Additional Ksh. 537 million (Recurrent)</b> for O&M.
1095		0218000 Regulation and Development of the Construction Industry	830,000,000			830,000,000	<b>Additional Ksh. 830 million (Recurrent)</b> for O&M and sensitization by NCA on the National Building Code across the 290 constituencies.
12	<b>JUSTICE AND LEGAL AFFAIRS COMMITTEE</b>		<b>5,482,300,000</b>	<b>1,567,000,000</b>		<b>7,049,300,000</b>	
1023		<b>State Department for Correctional Services</b>	<b>1,106,800,000</b>			<b>1,106,800,000</b>	
1023		0623000 General Administration, Planning and Support Services				-	

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development		Gross Total
1023		0627000 Prison Services	1,106,800,000		1,106,800,000	<p><b>Additional Ksh. 250 million (Recurrent)</b> to cater for food rations for inmates.</p> <p><b>Additional Ksh. 108 million (Recurrent)</b> for operationalization of Magereza Level IV Hospital in Ruiru.</p> <p><b>Additional Ksh. 398.8 million (Recurrent)</b> for purchase of prisoner's beddings and linen.</p> <p><b>Additional Ksh. 200 million (Recurrent)</b> as confidential expenditure for security operations in Prisons.</p> <p><b>Additional Ksh. 150 million (Recurrent)</b> for purchase of tractors and seeds for the prison service agency.</p>
1023		0628000 Probation & After Care Services			-	
1252		<b>State Law Office</b>	<b>1,453,300,000</b>	<b>-</b>	<b>1,453,300,000</b>	
1252		0606000 Legal Services			-	
1252		0607000 Governance, Legal Training and Constitutional Affairs	1,453,300,000		1,453,300,000	<p><b>Additional Ksh. 300 million (Recurrent)</b> for equipping and decentralization of services to the 47 Counties.</p> <p><b>Additional Ksh. 300 million (Recurrent)</b> for provision of medical cover for staff as state law delinks from PSC.</p> <p><b>Additional Ksh. 386.4 million (Recurrent)</b> for recruitment of additional State Counsel and promotion of officers.</p> <p><b>Additional Ksh. 50 million (Recurrent)</b> for capacity building.</p> <p><b>Additional Ksh. 56.9 million (Recurrent)</b> for current transfers to Kenya School of Law.</p> <p><b>Additional Ksh. 262.3 million (Recurrent)</b> for current transfers to National Council for Law Reporting.</p> <p><b>Additional Ksh. 97.7 million (Recurrent)</b> for current transfers to National Council for Legal Education.</p>
1252		0609000 General Administration, Planning and Support Services			-	
1271		<b>Ethics and Anti-Corruption Commission</b>	<b>689,000,000</b>	<b>-</b>	<b>689,000,000</b>	

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development		Gross Total
1271		0611000 Ethics and Anti-Corruption	689,000,000		689,000,000	<p><b>Additional Ksh. 220 million (Recurrent)</b> to trace, preserve and recover assets from unexplained and corruptly required assets.</p> <p><b>Additional Ksh. 304.8 million (Recurrent)</b> for recruitment of additional staff.</p> <p><b>Additional Ksh. 164.2 million (Recurrent)</b> for refurbishment of EACC HQs 2nd and 3rd floor.</p>
1291		<b>Office of the Director of Public Prosecutions</b>	<b>142,000,000</b>	<b>967,000,000</b>	<b>1,109,000,000</b>	
1291		0612000 Public Prosecution Services	142,000,000	967,000,000	1,109,000,000	<p><b>Additional Ksh. 850 million (Development)</b> for acquisition of ODPP HQs-Union House.</p> <p><b>Additional Ksh. 70 million (Recurrent)</b> for rolling out of uadilifu case management system to the remaining county and sub-county offices.</p> <p><b>Additional Ksh. 72 million (Recurrent)</b> for refurbishment of four county and sub-county offices.</p> <p><b>Additional Ksh. 117 million (Development)</b> for construction of two county and sub-county offices and containerization of five offices.</p>
1311		<b>Office of the Registrar of Political Parties</b>	<b>231,000,000</b>	<b>-</b>	<b>231,000,000</b>	
1311		0614000 Registration, Regulation and Funding of Political Parties	231,000,000		231,000,000	<p><b>Additional Ksh. 75 million (Recurrent)</b> for establishment of five regional offices.</p> <p><b>Additional Ksh. 25.5 million (Recurrent)</b> for recruitment of additional staff for the new county offices.</p> <p><b>Additional Ksh. 50 million (Recurrent)</b> for refurbishment of offices at HQ and county offices.</p> <p><b>Additional Ksh. 55.5 million (Recurrent)</b> for purchase of motor vehicles.</p> <p><b>Additional Ksh. 25 million (Recurrent)</b> for maintenance of mobile platform.</p>
1321		<b>Witness Protection Agency</b>	<b>283,000,000</b>	<b>-</b>	<b>283,000,000</b>	

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development		Gross Total
1321		0615000 Witness Protection	283,000,000		283,000,000	Additional Ksh. 150 million (Recurrent) to amend the Witness Protection Act to include whistle blower protection. Additional Ksh. 133 million (Recurrent) for recruitment of an additional 46 officers.
2011		<b>Kenya National Commission on Human Rights</b>	299,200,000	-	299,200,000	
2011		0616000 Protection and Promotion of Human Rights	299,200,000		299,200,000	Additional Ksh. 100.4 million (Recurrent) for complaints investigation, public education and awareness. Additional Ksh. 118.8 million (Recurrent) for Devolution of Human Rights Services to Counties. Additional Ksh. 80 million ((Recurrent) for purchase of new commissioners' vehicles.
2031		<b>Independent Electoral and Boundaries Commission</b>	-	-	-	
2031		0617000 Management of Electoral Processes				
2031		0618000 Delimitation of Electoral Boundaries				
2131		<b>Commission on Administrative Justice</b>	170,000,000	-	170,000,000	
2131		0731000 Promotion of Administrative Justice	170,000,000		170,000,000	Additional Ksh. 23 million (Recurrent) to promote open governance in public administration. Additional Ksh. 50 million (Recurrent) for automation and digitization of ombudsman. Additional Ksh. 30 million (Recurrent) for Purchase of motor vehicles for branch offices and outreach services. Additional Ksh. 20 million (Recurrent) for Public education and awareness creation. Additional Ksh. 47 million (Recurrent) for establishment of two county offices.
1261		<b>The Judiciary</b>	1,108,000,000	600,000,000	1,708,000,000	

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1261		0610000 Dispensation of Justice	1,108,000,000	600,000,000	1,708,000,000	<p><b>Additional Ksh. 500 million (Development)</b> for completion of ongoing court construction.</p> <p><b>Additional Ksh. 120 million (Recurrent)</b> for court circuits, services weeks, mobile courts, prisons visits and other travel.</p> <p><b>Additional Ksh. 500 million (Recurrent)</b> for Ajira Programme.</p> <p><b>Additional Ksh. 400 million (Recurrent)</b> for purchase and leasing of motor vehicles.</p> <p><b>Additional Ksh. 88 million (Recurrent)</b> for special benches established by Hon. Chief Justice.</p> <p><b>Additional Ksh. 100 million (Development)</b> for Judiciary Training Academy.</p>
2051		<b>Judicial Service Commission</b>	-	-	-	
2051		0619000 Judicial Oversight				
13	<b>LABOUR</b>		<b>9,780,460,000</b>	<b>8,419,100,000</b>	<b>18,199,560,000</b>	
1184		<b>State Department for Labour</b>	<b>3,605,160,000</b>	<b>4,087,800,000</b>	<b>7,692,960,000</b>	
1184		0910000 General Administration Planning and Support Services				
1184		0906000 Labour, Employment and Safety Services	2,977,250,000	809,400,000	3,786,650,000	<p><b>Additional Ksh. 2.977 billion (Recurrent)</b> for facilitation of foreign employment promotion (Labour Migration)-employment needs assessment, operationalization of one stop center for labour migration, labour migration desks at major airports, labour attachés in major markets, and operationalization of wage councils.</p> <p><b>Additional Ksh. 809.4 million (Development)</b> for completion of Kabete Employment Center and completion of Meru labour offices.</p>
1184		0907000 Manpower Development, Employment and Productivity Management	627,910,000	3,278,400,000	3,906,310,000	<p><b>Additional Ksh. 210.91 million (Recurrent)</b> for online employment skills training, national apprenticeship and mentorship.</p> <p><b>Additional Ksh. 417 million (Recurrent)</b> from enhancement of NITAs A in A.</p> <p><b>Additional Ksh. 3.278 billion (Development)</b> for rollout of the National Youth Opportunities Towards Advancement (NYOTA) project.</p>

3/11/2025 11:19		FOURTH SCHEDULE				Notes
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1213		<b>State Department for Public Service</b>	<b>5,100,800,000</b>	<b>4,331,300,000</b>	<b>9,432,100,000</b>	
1213		0710000 Public Service Transformation	430,800,000	4,331,300,000	4,762,100,000	<b>Additional Ksh. 430.8 million (Recurrent)</b> for P.E and operations at KSG. <b>Additional Ksh. 4.331 billion (Development)</b> for Huduma ICT infrastructure and security upgrades.
1213		0709000 General Administration Planning and Support Services	<b>4,670,000,000</b>		4,670,000,000	<b>Additional Ksh 4.67 billion (Recurrent)</b> for medical scheme coverage for civil servants.
2071		<b>Public Service Commission</b>	<b>558,100,000</b>	-	<b>558,100,000</b>	
2071		0725000 General Administration, Planning and Support Services	185,200,000		185,200,000	<b>Additional Ksh. 185.2 million (Recurrent)</b> for recruitment of new officers.
2071		0726000 Human Resource management and Development	300,000,000		300,000,000	<b>Additional Ksh. 300 million (Recurrent)</b> for public service internship programme.
2071		0727000 Governance and National Values			-	
2071		0744000 Performance and Productivity Management			-	
2071		075000 Administration of Quasi-Judicial Functions	72,900,000		72,900,000	<b>Additional Ksh. 72.9 million (Recurrent)</b> for O&M.
2081		<b>Salaries and Remuneration Commission</b>	<b>516,400,000</b>	-	<b>516,400,000</b>	
2081		0728000 Salaries and Remuneration Management	516,400,000		516,400,000	<b>Additional Ksh. 516.4 million (Recurrent)</b> for labour market salaries survey, monitoring and evaluation and other O&M.
14	<b>LANDS</b>		-	<b>6,572,800,000</b>	<b>6,572,800,000</b>	
1112		<b>State Department for Lands and Physical Planning</b>	-	<b>6,024,800,000</b>	<b>6,024,800,000</b>	
1112		0101000 Land Policy and Planning		6,024,800,000	6,024,800,000	<b>Additional Ksh. 6.024 billion (Development)</b> for settlement of the landless -BETA.
1112		0121000 Land Information Management			-	
1112		0122000 General Administration, Planning and Support Services			-	
2021		<b>National Land Commission</b>	-	<b>548,000,000</b>	<b>548,000,000</b>	
2021		0116000 Land Administration and Management		548,000,000	548,000,000	<b>Additional Ksh. 146 million (Development)</b> for ICT infrastructure networking. <b>Additional Ksh. 352 million (Development)</b> for Public Land Information Management. <b>Additional 50 million (Development)</b> for land vesting for compulsory acquired land.
15	<b>REGIONAL DEVELOPMENT</b>		<b>150,000,000</b>	<b>1,586,000,000</b>	<b>1,736,000,000</b>	

3/11/2025 11:19		FOURTH SCHEDULE				Notes
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1032		<b>State Department for Devolution</b>	50,000,000	-	50,000,000	
1032		0712000 Devolution Services	50,000,000		50,000,000	<b>Additional Ksh. 50 million (Recurrent)</b> for World Scout Parliamentary Union for hosting the 11th General Assembly.
1036		<b>State Department for ASALS &amp; Regional and Northern Corridor Development</b>	100,000,000	1,586,000,000	1,686,000,000	
1036		0733000 Accelerated ASAL Development			-	
1036		0743000 General Administration, Planning and Support Services	100,000,000		100,000,000	<b>Additional Ksh. 100 million (Recurrent)</b> for O&M budget
1036		1013000 Integrated Regional Development		1,586,000,000	1,586,000,000	<b>Additional Ksh. 350 million (Development)</b> for Kimira Oluch Smallholder Farm Irrigation Project. <b>Additional Ksh. 60 million (Development)</b> for Gum Arabic Resins Integrated Development Programme. <b>Additional Ksh. 130 million (Development)</b> for Ewaso Ng'iro Leather Factory. <b>Additional Ksh. 226 million (Development)</b> for Wei Phase III Irrigation. <b>Additional Ksh. 120 million (Development)</b> for Wananchi Cottages Kilifi County. <b>Additional Ksh. 700 million (Development)</b> for Tana Delta Rice Irrigation Project.
16	<b>SOCIAL PROTECTION</b>		23,125,000,000	3,150,000,000	26,275,000,000	
1185		<b>State Department for Social Protection, Pensions &amp; Senior Citizen Affairs</b>	23,125,000,000	1,650,000,000	24,775,000,000	

3/11/2025 11:19		FOURTH SCHEDULE				Notes
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1185		0908000 Social Development and Children Services	1,425,000,000	1,650,000,000	3,075,000,000	<b>Additional Ksh. 716 million (Recurrent)</b> for Child Welfare Society of Kenya for the promotion, protection and securing the rights of children and protection of OVC. <b>Additional Ksh. 500 million (Recurrent)</b> for Child Welfare Society for emergency response for children. <b>Additional Ksh. 1.65 billion (Development)</b> for the completion of foster care homes which are 80 percent completion rate. <b>Additional Ksh. 209 million (Recurrent)</b> for the National Fund for persons with Disabilities for procurement and distribution of assistive devices to PWDs.
1185		0909000 National Social Safety Net	21,700,000,000		21,700,000,000	<b>Additional Ksh. 21.7 billion (Recurrent)</b> for cash transfer program for the elderly.
1185		0914000 General Administration, Planning and Support Services			-	
1212		<b>State Department for Gender and Affirmative Action</b>	-	-	-	-
1212		0911000 Community Development			-	
1212		0912000 Gender Empowerment			-	
1212		0913000 General Administration, Planning and Support Services			-	
1135		<b>State Department for Youth Affairs and the Arts</b>	-	1,500,000,000	1,500,000,000	
1135		0711000 Youth Empowerment Services			-	
1135		0748000 Youth Development Services		1,500,000,000	1,500,000,000	<b>Additional Ksh. 1.5 billion (Recurrent)</b> for start-up funding to support commercialization of innovations.
1135		0749000 General Administration, Planning and Support Services			-	
2141		<b>National Gender and Equality Commission</b>	-	-	-	-
2141		0621000 Promotion of Gender Equality and Freedom from Discrimination			-	
1213		<b>State Department for Public Service</b>	-	-	-	-

3/11/2025 11:19		FOURTH SCHEDULE				Notes
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1213		0747000 National Youth Service				-
17	SPORTS AND CULTURE		510,000,000	380,000,000	890,000,000	-
1132		State Department for Sports	-	-	-	-
1132		0901000 Sports				-
1134		State Department for Culture and Heritage	230,000,000	280,000,000	510,000,000	
1134		0902000 Culture/ Heritage	210,000,000		210,000,000	<b>Additional Ksh. 50 million (Recurrent)</b> for National Heroes Council for operationalization of the National Heroes' Fund. <b>Additional Ksh. 160 million (Recurrent)</b> for Natural Products Industry-BETA for pre clinical trials for natural health products.
1134		0903000 The Arts		200,000,000	200,000,000	<b>Additional Ksh. 100 million (Development)</b> for Kenya Copyright Board to establish a digital copyright cyber laboratory. <b>Additional 100 million (Development)</b> for Permanent Presidential Music Commission to establish and equip music recording studio in 47 counties.
1134		0904000 Library Services	20,000,000	80,000,000	100,000,000	<b>Additional Ksh. 20 million (Recurrent)</b> for Kenya National Library Services (KNLS) to pay SHIF arrears. <b>Additional Ksh. 80 million (Development)</b> to KNLS for rehabilitation, maintenance and repairs of Maktaba Kuu Library, Buruburu Library and Nakuru Library.
1134		0905000 General Administration, Planning and Support Services				-
1134		0916000 Public Records Management				-
1135		State Department for Youth Affairs and the Arts	280,000,000	100,000,000	380,000,000	

3/11/2025 11:19		FOURTH SCHEDULE				Notes
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1135		0221000 Film Development Services	280,000,000	100,000,000	380,000,000	<p><b>Additional Ksh. 150 million (Recurrent)</b> for Kenya Film Commission to create a film repository and archives in the country, undertake capacity building for the film industry across 8 regions, setting up regional film hubs, implementation of Kalasha Awards.</p> <p><b>Additional Ksh. 50 million (Recurrent)</b> for Kenya Film School to complete the partitioning of the school, customizing the learning studios and purchase of equipment and fittings.</p> <p><b>Additional Ksh. 80 million (Recurrent)</b> for Kenya Film Classification Board to conduct inspections, register film agents and issue film licenses and classify film.</p> <p><b>Additional Ksh. 100 million (Development)</b> for Acquisition and Refurbishment of Cinema Thwarter.</p>
18	<b>TOURISM AND WILDLIFE</b>		1,727,320,000	-	1,727,320,000	-
1202		<b>State Department for Tourism</b>	906,630,000	-	906,630,000	
1202		0313000 Tourism Promotion and Marketing	527,630,000		527,630,000	<p><b>Additional Ksh. 360 million (Recurrent)</b> for marketing campaigns, stakeholder engagement, and international tourism promotion efforts at Kenya Tourism Board.</p> <p><b>Additional Ksh. 167.63 million (Recurrent)</b> for PE at Tourism Regulatory Authority.</p>
1202		0314000 Tourism Product Development and Diversification	379,000,000		379,000,000	<p><b>Additional Ksh. 379 million (Recurrent)</b> for staff retention, training quality and transformation of Kenya Utalii Project into a center of excellence.</p>
1202		0315000 General Administration, Planning and Support Services				
1203		<b>State Department for Wildlife</b>	820,690,000	-	820,690,000	
1203		1019000 Wildlife Conservation and Management	820,690,000		820,690,000	<p><b>Additional Ksh. 820.69 million (Recurrent)</b> for Wildlife Conservation Trust Fund (WCTF).</p>
19	<b>TRADE, INDUSTRY AND COOPERATIVES</b>		4,288,000,000	12,402,000,000	16,690,000,000	
1173		<b>State Department for Cooperatives</b>	3,342,000,000	796,000,000	4,138,000,000	

3/11/2025 11:19		FOURTH SCHEDULE				Notes
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1173		0304000 Cooperative Development and Management	3,342,000,000	796,000,000	4,138,000,000	<p><b>Additional Ksh. 42 million (Recurrent)</b> to SASRA for capacity building and legislative reforms.</p> <p><b>Additional Ksh. 500 million (Recurrent)</b> for marketing coffee in new international markets.</p> <p><b>Additional Ksh. 2.8 billion (Recurrent)</b> for coffee debt waiver.</p> <p><b>Additional Ksh. 196 million (Development)</b> for Pavi cotton farmers cooperative society ginnery.</p> <p><b>Additional Ksh. 600 million (Development)</b> for New KPCU warehouse refurbishment.</p>
<b>1174</b>		<b>State Department for Trade</b>	<b>747,000,000</b>	<b>453,000,000</b>	<b>1,200,000,000</b>	
1174		0309000 Domestic Trade and Enterprise Development			-	
1174		0310000 Fair Trade Practices And Compliance of Standards		430,000,000	430,000,000	<b>Additional Ksh. 430 million (Development)</b> for weight measure project.
1174		0311000 International Trade Development and Promotion	747,000,000	23,000,000	770,000,000	<p><b>Additional Ksh. 23 million (Development)</b> as Donor Counterpart Funding.</p> <p><b>Additional Ksh. 350 million (Recurrent)</b> for trade negotiations.</p> <p><b>Additional Ksh. 350 million (Recurrent)</b> for Expo in Japan</p> <p><b>Additional Ksh. 47 million (Recurrent)</b> for P.E-KEPROBA.</p>
1174		0312000 General Administration, Planning and Support Services			-	
<b>1175</b>		<b>State Department for Industry</b>	<b>-</b>	<b>9,553,000,000</b>	<b>9,553,000,000</b>	
1175		0301000 General Administration Planning and Support Services			-	
1175		0320000 Industrial Promotion and Development		8,933,000,000	8,933,000,000	<p><b>Additional Ksh. 6.262 billion (Development)</b> for NYOTA project.</p> <p><b>Additional Ksh. 2.671 billion (Development)</b> for KJET project.</p>
1175		0321000 Standards and Quality Infrastructure & Research		620,000,000	620,000,000	<p><b>Additional Ksh. 120 million (Development)</b> for KENAS to enhance accreditation programme.</p> <p><b>Additional Ksh. 500 million (Development)</b> for KIRDI to complete the building under phase 1.</p>

3/11/2025 11:19		FOURTH SCHEDULE				
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			Notes
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1176		<b>State Department for Micro, Small and Medium Enterprises Development</b>	-	-	-	-
1176		0316000 Promotion and Development of MSMEs				-
1176		0317000 Product and Market Development for MSMEs				-
1176		0318000 Digitization and Financial Inclusion for MSMEs				-
1176		0319000 General Administration, Planning and Support Services				-
1177		<b>State Department for Investment Promotion</b>	<b>199,000,000</b>	<b>1,600,000,000</b>	<b>1,799,000,000</b>	
1177		0322000 Investment Development and Promotion	199,000,000	1,600,000,000	1,799,000,000	<b>Additional Ksh. 65 million (Recurrent) as A in A enhancement for SEZA to cater for operations shortfall. Additional Ksh. 134 million (Recurrent) for PE HQ. Additional Ksh. 1.445 billion (Development) for Athi River Textile Hub. Additional Ksh. 155 million (Development) for Naivasha SEZA critical infrastructure development.</b>
20	<b>TRANSPORT AND INFRASTRUCTURE</b>		<b>748,000,000</b>	<b>6,782,000,000</b>	<b>7,530,000,000</b>	-
1091		<b>State Department for Roads</b>	-	-	-	-
1091		0202000 Road Transport				-
1092		<b>State Department of Transport</b>	<b>748,000,000</b>	<b>6,782,000,000</b>	<b>7,530,000,000</b>	
1092		0201000 General Administration, Planning and Support Services	594,000,000	3,904,000,000	4,498,000,000	<b>Additional Ksh. 50 million (Recurrent) for Nairobi Metropolitan Area Transport Authority (NaMATA) P.E. Additional Ksh. 226 million (Recurrent) for NaMATA O&amp;M Additional Ksh. 318 million (Recurrent) for State Department O&amp;M. Additional Ksh. 3.664 billion (Development) for Bus Rapid Transit (BRT)-Line 2 Simba (NaMATA). Additional Ksh. 240 million (Development) for refurbishment of Transcom House.</b>

Vote Code	3/11/2025 11:19 Departmental Committee	VOTE/PROGRAMME CODES & TITLE	FOURTH SCHEDULE ADDITIONAL REQUESTS BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			Notes
			Gross Current	Gross Development	Gross Total	
1092		0203000 Rail Transport	154,000,000	2,728,000,000	2,882,000,000	Additional Ksh. 154 million (Recurrent) for Kenya Railways Corporation (KRC) to cater for Pending bill for RAP Project. Additional Ksh. 2.277 billion (Development) for Relocation Units at Kibera & Mukuru-KRC. Additional Ksh. 451 million (Development) for Nairobi Railway City-KRC.
1092		0204000 Marine Transport				
1092		0205000 Air Transport		150,000,000	150,000,000	Additional Ksh. 150 million (Development) for rehabilitation of Malindi Airstrip runway-KAA.
1092		0216000 Road Safety				
1093		State Department for Shipping and Maritime Affairs				
1093		0219000 Shipping and Maritime Affairs				
21	BUDGET & APPROPRIATIONS COMMITTEE	Parliament	1,103,015,000	100,000,000	1,203,015,000	
2041		Parliamentary Service Commission				
2041		0765000 General Administration Planning and Support Services				
2041		0766000 Human Resources Management and Development				
2042		National Assembly				
2042		0721000 National Legislation, representation and oversight				
2043		Parliamentary Joint Services				
2043		0723000 General Administration, planning and support services				
2043		0746000 Legislative Training Research & Knowledge Management				
2044		Senate Affairs				
2044		0767000 Senate Legislation and Oversight				
2044		0768000 Senate Representation, Liaison & Intergovernmental Relations				

3/11/2025 11:19		FOURTH SCHEDULE				Notes
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2025/26 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
2044		0769000 General Administration Planning and Support Services				
2111		<b>Auditor General</b>	<b>1,103,015,000</b>	<b>100,000,000</b>	<b>1,203,015,000</b>	
2111		0729000 Audit Services	1,103,015,000	100,000,000	1,203,015,000	Additional Ksh. 100 million (Development) for the Mombasa Regional Office. Additional Ksh. 1.1 billion (Recurrent) for P.E audit related travel, ICT equipment and other O&M.
		<b>Total Expenditure</b>	<b>209,918,075,000</b>	<b>204,682,900,000</b>	<b>414,600,975,000</b>	
		<b>o/w Parliament</b>	-	-	-	
		<b>o/w Judiciary</b>	<b>1,108,000,000</b>	<b>600,000,000</b>	<b>1,708,000,000</b>	
		<b>o/w Executive</b>	<b>208,810,075,000</b>	<b>204,082,900,000</b>	<b>412,892,975,000</b>	

# **ADOPTION LIST**



THE NATIONAL ASSEMBLY

13<sup>TH</sup> PARLIAMENT –FOURTH SESSION (2025)

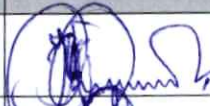

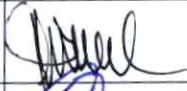


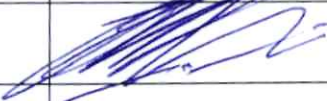



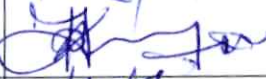



DIRECTORATE OF AUDIT, APPROPRIATIONS AND GENERAL PURPOSE  
COMMITTEES

LIAISON COMMITTEE

Report on the Consideration of the 2025 Budget Policy Statement

We, the undersigned, hereby affix our signatures to this report to affirm our approval:

No.	HON. MEMBER	SIGNATURE
1.	Hon. Gladys J. Boss, MGH, M.P. – Deputy Speaker/Chairperson	
2.	Hon. Martha Wangari, CBS, M.P. – Vice-Chairperson	
3.	Hon. Kimani Ichung'wah, MGH, M.P.	
4.	Hon. Japhet Kareke Mbiuki, CBS, M.P.	
5.	Hon. Julius Kibiwott Melly, M.P.	
6.	Hon. David Gikaria, CBS, M.P.	
7.	Hon. James Gakuya Mwangi, M.P.	
8.	Hon. Daniel Epuyo Nanok, CBS, M.P.	
9.	Hon. (Dr.) Robert Pukose, CBS, M.P.	
10.	Hon. Vincent Musyoka, CBS, M.P.	
11.	Hon. Johana Ng'eno Kipyegon, CBS, M.P.	

No.	HON. MEMBER	SIGNATURE
12.	Hon. Joash Nyamoko, HSC, M.P.	
13.	Hon. GK, George Macharia Kariuki, CBS, M.P.	
14.	Hon. Gathoni Wamuchomba, M.P.	
15.	Hon. Gabriel Koshal Tongoyo, CBS, M.P.	
16.	Hon. George Gitonga Murugara, CBS, M.P.	
17.	Hon. Peter Lochakapong, CBS, M.P.	
18.	Hon. Daniel Sitati Wanyama, CBS, M.P.	
19.	Hon. Nelson Koech, CBS, M.P.	
20.	Hon. John Kiarie Waweru, CBS, M.P.	
21.	Hon. Kangogo Bowen, CBS, M.P.	
22.	Hon.(Dr.) John Mutunga Kanyuithia, CBS, M.P.	
23.	Hon. (CPA) Francis Kuria Kimani, CBS, M.P.	
24.	Hon. Alice Wambui Ng'ang'a, CBS, M.P.	
25.	Hon. Eric Karemba Muchangi Njiru, CBS, M.P.	

# **ADOPTION MINUTES**



**REPUBLIC OF KENYA**  
**THE NATIONAL ASSEMBLY**  
**13<sup>TH</sup> PARLIAMENT - FOURTH SESSION – 2025**  
**DIRECTORATE OF AUDIT, APPROPRIATIONS AND GENERAL-PURPOSE**  
**COMMITTEES**

**MINUTES OF THE 7<sup>TH</sup> SITTING OF THE LIAISON COMMITTEE HELD ON**  
**FRIDAY 7<sup>TH</sup> MARCH, 2025 AT 2.30PM IN CONFERENCE ROOM 3 ON SECOND**  
**FLOOR, AT TRADEMARK HOTEL IN KIAMBU COUNTY**

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**PRESENT**

1. Hon. Gladys J. Boss, MGH, M.P. – **Deputy Speaker/Chairperson**
2. Hon. Martha Wangari, CBS, M.P. – **Vice-Chairperson**
3. Hon. (Dr.) Robert Pukose, CBS, M.P.
4. Hon. Kangogo Bowen, CBS, M.P.
5. Hon. (Dr.) John Mutunga Kanyuithia, CBS, M.P.
6. Hon. Gabriel Koshal Tongoyo, CBS, M.P.
7. Hon. James Gakuya Mwangi, CBS, M.P.
8. Hon. Johana Ng'eno Kipyegon, CBS, M.P.
9. Hon. Nelson Koech, CBS, M.P.
10. Hon. Joash Nyamoko, CBS, M.P.
11. Hon. George M. Kariuki, CBS, M.P.
12. Hon. David Gikaria, CBS, M.P.
13. Hon. Eric Karemba Muchangi Njiru, CBS, M.P.
14. Hon. George Gitonga Murugara, CBS, M.P.
15. Hon. Japhet Kareke Mbiuki, CBS, M.P.
16. Hon. Peter Lochakapong, CBS, M.P.
17. Hon. Julius Kibiwott Melly, CBS, M.P.
18. Hon. Alice Wambui Ng'ang'a, CBS, M.P.
19. Hon. (CPA) Francis Kuria Kimani, CBS, M.P.
20. Hon. John Kiarie Waweru, CBS, M.P.

**APOLOGIES**

1. Hon. Kimani Ichung'wah, EGH, M.P.
2. Hon. Daniel Epuyo Nanok, CBS, M.P.
3. Hon. Daniel Sitati Wanyama, CBS, M.P.
4. Hon. Vincent Musyoka, CBS, M.P.
5. Hon. Gathoni Wamuchomba, CBS, M.P.

## **COMMITTEE SECRETARIAT**

1. Dr. Martin Masinde	-	Director, Parliamentary Budget Office
2. Mr. Robert Nyaga	-	Ag. Senior Deputy Director, PBO
3. Mr. Nicholas Emejen	-	Deputy Director
4. Dr. Kiganda Evans	-	Principal Fiscal Analyst
5. Dr. Abel Nyagwachi	-	Senior Fiscal Analyst
6. Ms. Julie Mwithiga	-	Senior Fiscal Analyst
7. Mr. Danson Kachumbo	-	Senior Fiscal Analyst
8. Mr. Chacha Machage	-	Senior Fiscal Analyst
9. Ms. Lynette Otieno	-	Senior Legal Counsel
10. Mr. Leonard Machira	-	Senior Clerk Assistant
11. Ms. Ella Kendi	-	Clerk Assistant I
12. Mr. Sakana Saoli	-	Clerk Assistant II
13. Mr. Ringine M. Wilson	-	Fiscal Analyst III
14. Ms. Loice Olesia	-	Fiscal Analyst III
15. Mr. Michael K. Kiminza	-	Fiscal Analyst III
16. Mr. Benard Adera	-	Fiscal Analyst III
17. Mr. Job Mugalavai	-	Fiscal Analyst III
18. Mr. Solomon M. Alubala	-	Fiscal Analyst III
19. Mr. Rodgers Kilungya	-	Audio Officer
20. Mr. Kenneth Waweru	-	Office Assistant

## **AGENDA**

1. Preliminaries
2. Confirmation of the Minutes of the previous sitting
3. Matters Arising
4. **Consideration and adoption of the draft report on Budget Policy Statement for FY 2025/2026 and the medium term.**
5. Any other Business
6. Adjournment and date of the next meeting

### **MIN NO. /NA/LC/2025/029:      PRELIMINARIES**

The meeting was called to order at thirty minutes past two o'clock (2.30pm) followed by a word of prayer.

### **MIN NO./NA/LC/2025/030:                      CONFIRMATION OF MINUTES**

The agenda was deferred to the next sitting

### **MIN NO./NA/LC/2025/031:                      MATTERS ARISING**

There were no matters arising.

### **MIN NO./NA/LC/2025/032:                      CONSIDERATION AND ADOPTION OF THE DRAFT REPORT ON BUDGET POLICY STATEMENT FOR FY 2025/2026 AND THE MEDIUM TERM.**

The Committee considered the draft report on the Budget Policy Statement for FY 2025/2026 and the Medium Term and adopted it having been proposed by Hon. George Gitonga Murugara, CBS, M.P. and seconded by Hon. Kangogo Bowen, CBS, M.P. with the following recommendations:

### **Non-Financial Recommendations**

1. The non-financial recommendations presented in this report are categorized into general recommendations that address cross-cutting issues and sector-specific recommendations.

### **Sectoral Recommendations**

#### **Finance & National Planning**

1. **Pension system digitization and outstanding pension arrears:** That, by 30<sup>th</sup> June 2025, the National Treasury to submit a comprehensive report detailing the implementation status of the new digitized pension system. Additionally, the report should include an action plan to clear pension arrears, ensure timely contributions, and enhance administrative efficiency.

#### **Justice and Legal Affairs**

2. **IEBC pending bills:** That, by 30<sup>th</sup> April 2025, the Independent Electoral and Boundaries Commission submit to Parliament a comprehensive report detailing all pending bills, including legal fees, election logistics, and other outstanding obligations, for verification and scrutiny.

#### **Agriculture and Livestock**

3. **Hides, Skins, and Leather Fund:** That, by 31<sup>st</sup> December 2025, the Cabinet Secretary for Agriculture and Livestock, to develop and submit to the National Assembly regulations for the Hides, Skins, and Leather Fund to support its implementation and stabilize market prices. Additionally, the Ministry should review the Hides, Skins, and Leather Trade Act, finalize the Kenya Leather Value Chain Development Policy, and submit the Leather Development Authority Bill to strengthen the legal and policy framework for the leather industry.

#### **Defence, Intelligence and Foreign Relations**

4. **Framework for mission staff collaboration:** That, within 12 months of the 2025 BPS approval, the State Department for Diaspora Affairs and the State Department for Foreign Affairs submit to the National Assembly an agreed framework of collaboration to assign existing mission staff, such as Migration Attachés, additional diaspora affairs duties to optimizing resources and avoiding extra deployment costs.
5. **Defence equipment and system modernization:** That, by April 30th 2025, the Principal Secretary of the Ministry of Defence to submit a comprehensive report to the National assembly detailing the next phase of the defense modernization program, including planned upgrades in personnel, equipment, and systems, a resourcing plan with budget allocations and funding sources, and a progress update on the ongoing modernization efforts.

## Trade, Industry and Cooperatives

6. **Linkages between Constituency Industrial Development Centers (CIDCs) and County Aggregation and Industrial Parks (CAIPs):** That, the State Departments for MSMEs and Industry to develop and submit to the National Assembly by 31<sup>st</sup> December 2025, a structured collaboration framework between Constituency Industrial Development Centers and County Aggregation and Industrial Parks.
7. **National Accreditation Services:** That, during the submission of the FY 2025/26 budget estimates, the Cabinet Secretary for the Ministry of Industry, Trade and Investments to ensure that the Kenya accreditation services is adequately funded within the approved ceilings.

## Health

8. **UHC programs funding:** That, before the submission of the FY 2025/26 budget estimate, the National Treasury to prioritize increasing budgetary allocations for UHC programs, especially the critical healthcare programs considering the possibility of reduction in donor funding, and to realize the health sector goals under BETA plan.
9. **Targeted Public Communication and awareness programs on SHA:** That, by 30<sup>th</sup> April 2025, the Social Health Authority (SHA) should launch a nationwide communication campaign to enhance public awareness on all pertinent issues of the scheme to improve public rating and service utilization. This initiative should leverage multiple channels, including digital platforms, print and broadcast media, and community outreach, to educate citizens on SHA's benefits, coverage, registration process, and service accessibility.
10. **NHIF debts:** That, by April 30<sup>th</sup> 2025, the National Treasury should present a report to the National Assembly on the outcome of engagements with all MDAs that have outstanding debts under the defunct NHIF and to develop a structured debt repayment plan for settling the Kshs12.064 billion owed including WIBA, Kenya Police Service and the Civil Servants scheme.

## Transport & Infrastructure

11. **LAPSSET Corridor Development Authority:** That, during the formulation of annual Estimates for the Financial Year 2025/26, the National Treasury retains an independent budget line for LAPSSET Corridor Development Authority under the State Department for Transport. This is to safeguard a structure that ensures the realization of the original goal of the LAPSSET integrated economic multi-modal transport corridor and smoothly executes its critical role of coordination, planning, development and management of the Corridor.

## Housing, Urban Planning and Public Works

12. **Ongoing projects preceding the Affordable Housing Act.** That, by December 31<sup>st</sup> 2025, the Principal Secretary of the State Department for Housing and Urban Development shall put tangible measures ensuring that all ongoing projects initiated before the enactment of the Affordable Housing Act and which meet the eligibility criteria under Section 11, are prioritized for funding through the Affordable Housing Fund.

- 13. Revocation of Legal Notice No. 24 of 2017:** That, the Cabinet Secretary for the Ministry of Lands, Public Works, Housing, and Urban Development to revoke Legal Notice No. 24 of 2017, dated February 28, 2017, as referenced in Kenya Gazette Corrigenda No. 25 of 2017 by June 30<sup>th</sup> 2025, to pave way for the reintroduction of the construction levy as per NCA Act Section 31 in order to minimize NCA reliance on the Government exchequer funding.

### **Communication, Information and Innovation**

- 14. Workforce Optimization:** That, by 30<sup>th</sup> June 2025, the Public Service Commission in collaboration with the MDAs in the sub-sector of Communication, Information and Technology to undertake workforce evaluation with a view of establishing optimum levels of personnel and the best and cost-effective ways of addressing the problems of bloated workforce within the sector. Consequently, a report on the same to be submitted to this Committee.
- 15. Consolidation of programmes:** The Cabinet Secretary for the Ministry of ICT and Digital Economy to submit to the National Assembly a strategy on consolidation of the various Youth empowerment programmes within the sub-sector to facilitate central co-ordination by 30<sup>th</sup> June 2025. The programmes to be considered include Jitume Programme, Ajira Digital Programme, Presidential Digital Talent Programme, and Village digital hubs/ Constituency Innovation Hubs, and the Digital Literacy Programme.

### **Energy**

- 16. Decentralize procurement:** That, before submission of estimates for FY 2025/26, the Cabinet Secretary in charge of Energy and Petroleum ensures that Kenya Power and REREC establish a framework to decentralize procurement of materials through trusted third parties by authorizing qualified distributors and suppliers to procure and supply materials that adhere to stringent quality and standard tests.
- 17. South Lokichar Field Development Plan:** That, the Cabinet Secretary in charge of Energy and Petroleum, in conjunction with EPRA fast tracks the onboarding of a strategic investor and the review and approval of the Field Development Plan for South Lokichar oil fields and submits the same to Parliament for consideration by 30<sup>th</sup> June 2025.
- 18. Petroleum Development Levy Fund:** That, the Cabinet Secretary responsible for Energy and Petroleum, initiates amendments to section 4(2) of the Petroleum Development Levy Fund Act, CAP.426, to designate the Principal Secretary in charge of Petroleum as the fund administrator to improve transparency and accountability in the management of the fund by 30<sup>th</sup> June 2025.

### **Lands**

- 19. National Land Policy:** That, to align the National Land Policy to the definition of land in Article 260 of the Constitution; and cater to emerging issues in the Land sector, the State Department for Lands and Physical Planning to fast track the review of the Sessional Paper No.3 of 2009 on National Land Policy and present a report to National Assembly by 31<sup>st</sup> December 2025.

## **Environment, Forestry and Mining**

20. **Carbon Markets Regulation:** That by 30th July 2025, the State Department for Environment and Climate Change to present a comprehensive framework to the National Assembly on carbon credit resource mobilization. This framework will outline strategies for generating and trading carbon credits, regulatory guidelines, and mechanisms for stakeholder engagement.

## **Labour**

21. **Appropriations-in-Aid projections.** That, before the submission of the FY 2025/26 budget estimates, the Appropriations-in-Aid projections for the National Industrial Training Authority be reviewed upwards from Kshs. 2.680.1 billion to Kshs. 3.097.1 billion as indicated by the Authority. This adjustment is necessary to enhance NITA's capacity to provide quality industrial training, expand skills development programs, and support workforce preparedness in line with evolving industry demands.

## **Sports and Culture**

22. **Construction of CHAN and AFCON stadia and training grounds.** That, by 30<sup>th</sup> April 2025, the Cabinet Secretary for Youth Affairs, Creative Economy and Sports and the Cabinet Secretary for Defense to table a report to the National Assembly detailing projected costs, completion timelines and amounts spent and indicating the working modalities between the two Ministries in respect of the construction of CHAN and AFCON stadia and training grounds.
23. **Renovation of Bomas International Conference Centre.** That, by 30<sup>th</sup> April 2025, the Cabinet Secretary for Gender, Culture, Arts and Heritage should submit to the National Assembly a report on the funding modalities for the Bomas International Conference Centre. The Report should entail the total projected cost of the project, the status, funding arrangements, exchequer contribution if any, and the projected timelines for completion.

## **Administration and Internal Security**

24. **Expiry of the third generation Identity Card after 10 years:** That by 31<sup>st</sup> December 2025, the Cabinet Secretary for Interior and National Administration develops and submit to the National Assembly the policy guidelines on how the citizens will access government services during the expiry of the third generation Identity Card after 10 years to deal with the anticipated disruption of services.
25. **Allocations for Security Operations:** That, by 31<sup>st</sup> December 2025, the Cabinet Secretary for Internal Security and National Administration to present a framework to the National Assembly regarding the sharing of security operations resources with the National Police Service. This framework will comprehensively review the allocation of resources to ensure a more balanced distribution between the State Department and the National Police Service.

## **Tourism and Wildlife**

26. **Compensation of Human Wildlife conflict victims:** That the State Department for Wildlife creates a budget line during the processing of the 2025/26 budget estimates to allocate adequate funding to the Human-Wildlife Compensation Committee to expedite the processing of compensation claims and provide timely relief to victims of human-wildlife conflict.

## **Regional Development**

27. **Dissolution of the regional development authorities:** That, the Intergovernmental Relations Technical Committee (IGRTC) to provide the National Assembly with a detailed roadmap and timelines on the proposed dissolution of the six (6) regional development authorities and the eventual transfer of assets, liabilities and personnel to the two levels of government by June 2025.

## **Blue Economy, Water & Irrigation**

28. **Portfolio of donors funded projects in ASAL counties:** The State Department for Water and Sanitation submit a detailed portfolio of donor-funded projects in ASAL counties by April 30th, 2025, for review. This will ensure equitable resource distribution, guide budget planning for FY 2025/26, and help address funding disparities in water-scarce areas.

## **Social Protection**

29. **Social Protection Bill:** That, the Cabinet Secretary for Labour and Social Protection to submit the Social Protection Bill to the National Assembly by 30<sup>th</sup> June 2025. The bill should establish a comprehensive policy framework to enhance the coordination of social protection programs across the country and outline clear funding mechanisms, program integration strategies, efficient implementation of Social Safety Net Programs, and strengthening support for vulnerable populations.

## **Education**

30. **Higher Education Funding:** That, the State Department for Higher Education and Research to finalize the revision of the new funding model to address the challenges the model is facing to ensure the model responds to the concerns and needs of the students as well as institutions and report to the National assembly by 30<sup>th</sup> June 2025.
31. **TVET Instructors:** That, the State Department for TVET together with the Public Service Commission develop clear guidelines on the management of TVET instructors to address the confusion by 30<sup>th</sup> June 2025. The guidelines should cover, among others, the recruitment processes, deployment, transfers, and promotions.

## **General Recommendations**

- i. **Equitable Distribution of Development Projects:** That, further to the resolution of the House during the approval of FY 2024/25 Estimates, on reengineering the Integrated

Financial Management Information System, the National Treasury to submit by 30<sup>th</sup> April 2025, geographical information of development projects by county and constituency.

- ii. **Prioritization of projects nearing Completion:** That during submission of the Budget Estimates for FY 2025/26, the Cabinet Secretary for National Treasury and Economic Planning to ensure that projects that are nearing completion are prioritized for resource allocation. This should include a list of development projects that have been funded to completion in the FY 2025/26 for all MDAs.
- iii. **Linkage of Policies to Budget:** Given that several policy pronouncements in the BPS have not been funded, before submission of the Budget Estimates for FY 2025/26 to the National Assembly, the Cabinet Secretary for National Treasury and Economic Planning to ensure that these priorities have been factored within the approved ceilings as provided in the fourth schedule.
- iv. **Zero-Based Budgeting:** That the Cabinet Secretary for National Treasury and Economic Planning submit to the National Assembly a statement on the fiscal impact of adopting zero-based budgeting during the submission of the Budget Estimates for FY 2025/26.
- v. **Budgetary control and oversight of AIA and public funds:** That, to entrench oversight of AIA and earmarked public funds, the National Treasury to:
  - a. Collate and report on all AIA generated by non-commercial national government entities, including fees, charges, levies, together with related expenditure, projects, and programs and provide the report to the National Assembly by April 30, 2025.
  - b. Report to the National Assembly on all extra budgetary funds and related expenditure by April 30, 2025.
  - c. By September 2025, propose amendments to the Controller of Budget Act to provide for the Controller of Budget to approve the utilization of AIA and related expenditure.
  - d. By September 2025, identify and propose amendments to the National Assembly on the overall framework for the financial management of AIA, including the repeal of non-critical public funds and AIA mandates.
- vi. **Integration of Financial Management Systems:** That, given the government is relying on several payment systems for various functions such as capitation for schools, salaries payments, transfer to counties, and exchequer releases. The Cabinet Secretary for the National Treasury and Economic Planning to provide Parliament with an update on integration of government payment systems within the IFMIS ecosystem to enhance transparency and accountability by the 30<sup>th</sup> April 2025.
- vii. **Reform of State Entities:** That during submission of the Budget Estimates for FY 2025/26, the Cabinet Secretary for National Treasury and Economic Planning to submit to the National Assembly a statement on timelines and fiscal impact of merging, restructuring and winding up state entities in line with the Cabinet Decision of 21<sup>st</sup> January 2025.

- viii. **Transfer of delineated Functions:** That during submission of the Budget Estimates for FY 2025/26, the IGRTC to submit to the National Assembly a statement on fiscal impact and timelines for implementation of Gazette Notice No. Vol. CXXVI—No. 219 of 2024 on the delineation and transfer of devolved functions.
- ix. **Public Private Partnerships:** That during the submission of the Budget Estimates for FY 2025/26, the Cabinet Secretary for National Treasury and Economic Planning to provide the list of PPP projects to be implemented in FY 2025/26.
- x. **Procurement of Road Projects:** That, from 1<sup>st</sup> July 2025, the Cabinet Secretary for National Treasury and Economic Planning to put in place the necessary structures to ensure that all road projects being implemented by Kenya Rural Roads Authority and Kenya Urban Roads Authority valued at Kshs. 50 million and below are procured at the respective regional level offices to enhance efficiency and timely implementation of projects.
- i. The allocation for the public participation initiatives be approved at Kshs. **3,000,000,000.**
  - ii. The first and second schedule forms the basis for the ceilings for the FY 2025/26 Budget Estimates.
  - iii. Once approved, these recommendations **SHALL** form the basis for FY 2025/2026 budget estimates.

**a. Financial Recommendations**

2. Based on the deliberations and considering the fiscal responsibility principles, the Committee recommends that this House resolves that:

- iv. The National Government budget ceiling be approved at Kshs. **2,523,474,081,480**

*Of which:*

Executive	Kshs. <b>2,447,236,081,480</b>
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<i>Of which:</i> Office of the Auditor General	Kshs. <b>8,652,200,000</b>
--	----------------------------

Parliament	Kshs. <b>49,488,200,000</b>
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Judiciary	Kshs. <b>26,749,800,000</b>
-----------	-----------------------------

- v. The County Government Equitable Share be approved at Kshs. **405,069,420,197.**
- vi. Consistent with the latest audited and approved revenues for FY 2020/21 amounting to Kshs 1,570,562,945,014, the allocation to the Equalization Fund be set at Kshs. **7,852,814,725.**

- vii. The arrears to the equalization fund be set at **Kshs. 2,747,185,275.**
- viii. The County Government Additional Allocations be approved at Kshs. **69,802,409,623** as per the third schedule which shall form the basis for the County Government Additional Allocation Bill, 2025.
- ix. The allocation for the public participation initiatives be approved at Kshs. **3,000,000,000.**
- x. The first and second schedule forms the basis for the ceilings for the FY 2025/26 Budget Estimates.
- xi. Consistent with the resolution of the House on the 2025 MTDS, the fiscal deficit is maintained at 4.3 percent of the GDP.
- xii. Once approved, these recommendations **SHALL** form the basis for FY 2025/2026 budget estimates.

**MIN NO./NA/LC/2025/033: ADJOURNMENT**

The meeting was adjourned at twenty minutes past seven o'clock (7.20pm). The next meeting to be held on notice.

Signed.....*Gladys J. Boss*.....Date.....*11<sup>th</sup> Feb. 2025*.....

**HON. GLADYS J. BOSS, MGH, M.P.  
DEPUTY SPEAKER & CHAIRPERSON**

- viii. **Transfer of delineated Functions:** That during submission of the Budget Estimates for FY 2025/26, the IGRTC to submit to the National Assembly a statement on fiscal impact and timelines for implementation of Gazette Notice No. Vol. CXXVI—No. 219 of 2024 on the delineation and transfer of devolved functions.
- ix. **Public Private Partnerships:** That during the submission of the Budget Estimates for FY 2025/26, the Cabinet Secretary for National Treasury and Economic Planning to provide the list of PPP projects to be implemented in FY 2025/26.
- x. **Procurement of Road Projects:** That, from 1<sup>st</sup> July 2025, the Cabinet Secretary for National Treasury and Economic Planning to put in place the necessary structures to ensure that all road projects being implemented by Kenya Rural Roads Authority and Kenya Urban Roads Authority valued at Kshs. 50 million and below are procured at the respective regional level offices to enhance efficiency and timely implementation of projects.
  - i. The allocation for the public participation initiatives be approved at Kshs. **3,000,000,000.**
  - ii. The first and second schedule forms the basis for the ceilings for the FY 2025/26 Budget Estimates.
  - iii. Once approved, these recommendations **SHALL** form the basis for FY 2025/2026 budget estimates.

**a. Financial Recommendations**

2. Based on the deliberations and considering the fiscal responsibility principles, the Committee recommends that this House resolves that:

- iv. The National Government budget ceiling be approved at Kshs. **2,523,474,081,480**

*Of which:*

Executive	Kshs. <b>2,447,236,081,480</b>
-----------	--------------------------------

<i>Of which:</i> Office of the Auditor General	Kshs. <b>8,652,200,000</b>
--	----------------------------

Parliament	Kshs. <b>49,488,200,000</b>
------------	-----------------------------

Judiciary	Kshs. <b>26,749,800,000</b>
-----------	-----------------------------

- v. The County Government Equitable Share be approved at Kshs. **405,069,420,197.**
- vi. Consistent with the latest audited and approved revenues for FY 2020/21 amounting to Kshs 1,570,562,945,014, the allocation to the Equalization Fund be set at Kshs. **7,852,814,725.**

- vii. The arrears to the equalization fund be set at **Kshs. 2,747,185,275.**
- viii. The County Government Additional Allocations be approved at Kshs. **69,802,409,623** as per the third schedule which shall form the basis for the County Government Additional Allocation Bill, 2025.
- ix. The allocation for the public participation initiatives be approved at Kshs. **3,000,000,000.**
- x. The first and second schedule forms the basis for the ceilings for the FY 2025/26 Budget Estimates.
- xi. Consistent with the resolution of the House on the 2025 MTDS, the fiscal deficit is maintained at 4.3 percent of the GDP.
- xii. Once approved, these recommendations **SHALL** form the basis for FY 2025/2026 budget estimates.

**MIN NO./NA/LC/2025/033: ADJOURNMENT**

The meeting was adjourned at twenty minutes past seven o'clock (7.20pm). The next meeting to be held on notice.

Signed.....*Gladys J. Boss*.....Date.....*11<sup>th</sup> March 2025*.....

**HON. GLADYS J. BOSS, MGH, M.P.  
DEPUTY SPEAKER & CHAIRPERSON**

**ANNEXURES**

**Annex I: Observations and Recommendations by Departmental Committees**



**THE NATIONAL ASSEMBLY**

**THIRTEENTH PARLIAMENT - FOURTH SESSION - 2025**

**LIAISON COMMITTEE**

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**THE DEPARTMENTAL COMMITTEES OBSERVATIONS AND POLICY RECOMMENDATIONS MATRIX**

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**DIRECTORATE OF AUDIT, APPROPRIATIONS  
& GENERAL-PURPOSE COMMITTEES  
THE NATIONAL ASSEMBLY  
PARLIAMENT BUILDINGS  
NAIROBI**

**MARCH 2025**

**ANNEX 1: DEPARTMENTAL COMMITTEES OBSERVATIONS AND POLICY RECOMMENDATIONS**

DEPARTMENTAL COMMITTEE	OBSERVATIONS	POLICY RECOMMENDATIONS
Energy	<p><b>State Department for Energy</b></p> <ol style="list-style-type: none"> <li>1. That, the proposed ceiling for the State Department for Energy in the Budget Policy Statement for FY 2025/26 is <b>Kshs. 55.2 billion</b> consisting of <b>Kshs. 12.1 billion</b> under the recurrent vote and <b>Kshs. 43.1 billion</b> under the development vote. This represents a funding shortfall of <b>Kshs.541 million</b> in the recurrent expenditure category and <b>Kshs.76.1 billion</b> in the development expenditure category.</li> <li>2. That, there is a disparity between the proposed interventions to accelerate energy generation and on-board new customers to the national grid while ensuring the long-term viability and sustainability of the energy sector e.g. investment in geothermal energy and rural electrification, with the funding allocated towards the interventions in the State Department of Energy. That, delays in the procurement of materials by the Rural Electrification and Renewable Energy Corporation (REREC) and Kenya Power are significantly affecting the timely completion of projects aimed at connecting customers to the national grid.</li> <li>3. That, leveraging on the expertise and experience of Kenya Power engineers in the construction of 132kV and below transmission &amp; Distribution lines could present significant cost benefits and operational efficiencies by eliminating the need for profit margins and administrative overheads associated with external contractors.</li> <li>4. That, the policy directive that REREC undertakes projects from inception to the metering stage has not been effectively implemented due to concerns raised by Kenya Power, primarily regarding doubts about whether the quality of work performed by REREC will meet their established standards and apprehensions about the metering process, as it would require REREC to access Kenya Power’s passwords, which are integrated into their central</li> </ol>	<p><b>State Department for Energy</b></p> <ol style="list-style-type: none"> <li>1. That, within twelve (12) months upon approval of the 2025 BPS by the National Assembly, the Cabinet Secretary in charge of Energy and Petroleum ensures that Kenya Power and REREC establish a framework to decentralize procurement of materials through trusted third parties by authorizing qualified distributors and suppliers to procure and supply materials that adhere to stringent quality and standard tests. This framework should include a rigorous vetting process to ensure only reputable and capable suppliers are engaged, with clear guidelines on material specifications aligned with industry standards and a monitoring mechanism that should be instituted to oversee supplier performance and compliance, thus ensuring accountability and consistency.</li> <li>2. That, within twelve (12) months upon approval of the 2025 BPS by the National Assembly, Kenya Power pilots the undertaking of 132kV and below projects through its in-house engineering teams with the policy adoption backed by a comprehensive comparative cost-benefit analysis, highlighting the savings from bypassing contractor fees (typically inflated by profit margins and administrative costs) against the investment in internal capacity, such as staff remuneration and equipment. The pilot projects should be backed by a robust implementation plan and quality assurance framework to ensure reliability and safety benchmarks are maintained.</li> <li>3. That, within twelve (12) months upon approval of the 2025 BPS by the National Assembly, Kenya Power should deploy standalone, encrypted metering solutions, such as pre-configured smart meters with restricted access protocols.</li> </ol>

DEPARTMENTAL COMMITTEE	OBSERVATIONS	POLICY RECOMMENDATIONS
	<p>system, potentially raising security or operational issues.</p> <p>5. That, the absence of a dedicated vote head for off-grid electrification schemes has resulted in delays and inefficiencies in implementing and maintaining off-grid projects, leaving many remote and underserved communities without access to reliable electricity.</p> <p><b>State Department for Petroleum</b></p> <ol style="list-style-type: none"> <li>1. That, the proposed ceiling for the State Department for Petroleum in the Budget Policy Statement for FY 2025/26 is <b>Kshs. 31.0 billion</b> consisting of <b>Kshs. 25.9 billion</b> under the recurrent vote and <b>Kshs. 5.1 billion</b> under the development vote. This represents a funding shortfall of <b>Kshs.269 million</b> in the recurrent expenditure category and <b>Kshs.100 million</b> in the development expenditure category.</li> <li>2. That, the Committee notes that there is undue delay in onboarding a strategic investor as well as the review and finalization of the Field Development Plan (FDP) for South Lokichar Oil by EPRA and subsequent approval by the Cabinet Secretary. The Committee further noted that the approval of the FDP is important since it will inform the Final Investment Decision (FID) and the same will also require ratification by Parliament.</li> <li>3. The operations of the Petroleum Development Levy Fund, overseen by the Principal Secretary, National Treasury, as the Accounting Officer, have been shrouded in secrecy, raising concerns about transparency and accountability. Specifically, the fund's expenditure on fuel stabilization remains opaque, with limited disclosure on the utilization of funds. This lack of transparency has been particularly evident since the securitization</li> </ol>	<p>These should conform to all quality and safety standards set by Kenya Power and EPRA, thereby eliminating the need for password sharing while integrating seamlessly with Kenya Power's system. This will ensure both REREC and Kenya Power can meet their objectives without compromising security or operational integrity.</p> <p>4. That, the Principal Secretary for the National Treasury in collaboration with the Principal Secretary for Energy should create a budget line for the off-grid electrification schemes project in order to ensure adequate funding and resources for the timely implementation and maintenance of off-grid projects by 30<sup>th</sup> April 2025.</p> <p><b>State Department for Petroleum</b></p> <ol style="list-style-type: none"> <li>1. That, the Cabinet Secretary in charge of Energy and Petroleum in conjunction with EPRA fast tracks the onboarding of a strategic investor and the review and approval of the Field Development Plan (FDP) for South Lokichar oil fields and submits the same to Parliament for consideration and/or approval by 30<sup>th</sup> June 2025.</li> <li>2. That, the Cabinet Secretary in charge of Energy and Petroleum in conjunction with EPRA and NOCK incorporates a clear and transparent beneficiary identification mechanism and technology-driven distribution model, track and trace technology for cylinders, Smart metering systems, and advanced leak detection systems to address safety concerns in handling gas to address the bottlenecks that have previously affected the successful implementation of the Mwananchi gas project by 30<sup>th</sup> June 2025.</li> </ol>

DEPARTMENTAL COMMITTEE	OBSERVATIONS	POLICY RECOMMENDATIONS
	<p>of pending bills totalling Kshs. 45.8 billion owed to Oil Marketing Companies (OMCs)</p> <p>4. That, the LPG Distribution and Infrastructure project(Mwanachi Gas) which was initially initiated in 2016 has been faced with a myriad of challenges including missed targets, distribution challenges, procurement of defective cylinders, cash crunches as well as non-responsive bids for the supply of smart metering devices for the 6Kgs LPG cylinders, thus hampering the achievement of its envisaged objective of cutting low-income households' reliance on wood fuels by increasing access and affordability of LPG.</p>	<p>3. That, within six(6) months upon approval of the 2025 BPS by the National Assembly, the Cabinet Secretary responsible for Energy and Petroleum, initiates amendments to section 4(2) of the Petroleum Development Levy Fund Act, CAP.426, to designate the Principal Secretary in charge of Petroleum as the fund administrator in order to improve transparency and accountability in the management of the fund by ensuring that the responsible officer is directly involved in the petroleum sector and thus better positioned to oversee the effective utilization of funds, particularly in fuel stabilization efforts.</p>
Lands	<p><b>State Department for Lands and Physical Planning</b></p> <p>1. The State Department has been provided a ceiling of <b>Kshs. 8,848 million</b> for the FY 2025/26 comprising of <b>Kshs. 5,870 million</b> for recurrent expenditure and <b>Kshs. 2,977 million</b> for development expenditure. This is higher than the approved budget for FY 2024/25 of <b>Kshs. 6,514 million</b> meaning a number of its planned projects may be achieved as envisaged in its strategic plan.</p> <p>2. The State Department recognizes <b>Land</b> as a key enabler of the Bottom-Up Economic Transformation Agenda. By <b>Profiling, Planning, Surveying and facilitating the registration of Land</b>, this paves the way for Infrastructural Development such as the establishment of Industrial Parks and the Delivery of Affordable Housing Units as envisioned in the Government Development Agenda.</p> <p>3. The State Department identified three (3) key sectoral policies underlying the expenditure ceilings namely: <b>The National Land Policy; The National Land Use Policy and the National Spatial Plan Policy.</b></p>	<p><b>State Department for Lands and Physical Planning</b></p> <p>1. To align the National Land Policy to the definition of land in Article 260 of the Constitution; and to take into account emerging issues in the Land sector, the State Department should fast track the review of the Sessional Paper No.3 of 2009 on National Land Policy by 31<sup>st</sup> December 2025.</p>

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	<ol style="list-style-type: none"> <li data-bbox="533 304 1319 464">4. The National Land Policy provides guidance and a framework on the sustainable and productive use of land to address land administration, access to land, land use planning, restitution of historical injustices and environmental degradation. It also addresses tenure, development control and compulsory acquisition issues.</li> <li data-bbox="533 480 1319 639">5. The State Department was in the process of reviewing Sessional Paper No.3 of 2009 on National Land Policy to align the Policy to the definition of land in Article 260 of the Constitution; to align it to other relevant statutes and to take into account emerging issues in the Land sector among others.</li> <li data-bbox="533 655 1319 903">6. National Land Use Policy sets out long-term goals on land use management and provides the legal, administrative, institutional and technological framework for the optimal utilization and productivity of land-related resources in a sustainable and desirable manner at National, County and Community levels. This entails the preparation of Inter-County Physical and land use plans that traverse more than one county including transport corridors, conservation regions, metropolitan regions among others and the preparation of the Physical and Land Use Planning Handbook.</li> <li data-bbox="533 919 1319 1142">7. The National Spatial Plan Policy provides a framework and vision that guides the long-term spatial development of Kenya (2015-2045) to address the following concerns: <i>Uncoordinated Human Settlements; Disjointed and conflicting sectoral policies; Urban and Rural Development; Economic Development disparities; Unsustainable use of the natural environment; and Inefficient transport and infrastructure framework.</i></li> <li data-bbox="533 1158 1319 1310">8. The Committee observed that some programmes had been moved to recurrent expenditure due to its nature that includes processing and registration of title deeds, National Physical Planning, geo-referencing of land parcels, development of hydrographic database and surveying and maintenance of national and international boundaries.</li> </ol>	

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	<p>9. The State Department allocation ceiling for FY 2025/26 has underfunded area amounting to <b>Kshs 8,519.3 million</b> on key projects which include processing and registration of title deeds, digitalization of land offices, equipment and ICT infrastructure in Kenya Institute of Survey and Mapping, geo-referencing of land parcels and settlement of the landless.</p> <p>10. The State Department of Lands and Physical Planning has three (3) regulatory agencies namely:- Physical Planners Registration Board, Land Surveyors Board and Valuers Registration Board. The said agencies have never received funding from the Exchequer and have been relying on subscription contributions from members to run their operations. To address their operation and financial inefficiencies, the State Department intends to support their operations from AIA funding to augment what they collect from member subscriptions and they had also seconded staff to run their respective secretariats.</p> <p><b>National Land Commission</b></p> <ol style="list-style-type: none"> <li>1. The National Land Commission has been provided a ceiling of <b>Kshs. 3,013 million</b> for the FY 2025/26 comprising of <b>Kshs. 2,006 million</b> for recurrent expenditure and <b>Kshs. 1,007 million</b> for development expenditure. This is higher than the approved budget for FY 2024/25 of <b>Kshs. 1,782.2 million</b> meaning a number of its planned projects may be achieved as envisaged in its strategic plan.</li> <li>2. The Commission is overseeing the issuance of allotment letter whereby approvals is done by the plenary. This is a potential revenue streaming for the economy however the amount is collected by the State department for lands and Physical Planning.</li> <li>3. The National Treasury owes National Lands Commission <b>Kshs. 735 Million</b> exchequer that was surrendered in April 2021. This amount was meant for compensation of project affected persons which is now due for payment as most succession, family disputes and court cases</li> </ol>	

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	<p>have been resolved.</p> <p>4. The Commission has underfunded amounting to <b>Kshs. 3,508.94 Million</b> in key priority areas such as leverage of ICT in all the operation, develop and maintain public land inventory geoportal and mainstream final survey in the vesting process for compulsory acquired lands.</p>	
<p><b>Blue Economy, Water and Irrigation</b></p>	<p><b>State Department for Blue Economy and Fisheries</b></p> <p>1. The Committee noted that the State Department has been allocated an expenditure ceiling of Kshs. 9.632 billion in FY 2025/26 comprising of Kshs. 2.832 billion for recurrent expenditure and Kshs. 6.799 billion for development expenditure.</p> <p>2. The Committee noted that this expenditure ceiling is lower than the requirement of the State Department of Kshs. 17.118 billion comprising of Kshs. 3.979 billion for recurrent expenditure and Kshs. 13.139 billion for development expenditure.</p> <p>3. The Committee noted that due to this lower expenditure ceiling for recurrent expenditure, the following key areas have not been provided adequate funding:</p> <ul style="list-style-type: none"> <li>i. State Department (headquarters) requires an additional Kshs. 123 million comprising of Kshs. 100 million to fund the expanded mandate of the blue economy and Kshs. 23 million for payment of court awards issued to Okeno and Sons Building Contractors.</li> <li>ii. Kenya Fisheries Service (KeFS) requires an additional Kshs. 98 million to cater for shortfalls in medical insurance for staff.</li> <li>iii. Kenya Marine Fisheries Research Institute (KMFRI) requires an additional Kshs. 817 million comprising of Kshs. 272 million for payment of court awards and Kshs. 545 million for operationalization of the RV Mtafiti.</li> </ul>	<p>1. The proposed merger under the State Department for Water and Sanitation, State Department for Irrigation and State Department for Blue Economy and Fisheries be fast-tracked and completed before 30<sup>th</sup> April 2025 so that the restructuring can be accommodated when preparing the FY 2025/26 budget estimates.</p> <p>2. To be able to effectively support the government policy of increasing the population's access to improved water services from 73 percent to 80 percent and sanitation services from 33 percent to 40 percent by 2027, the State Department for Water and Sanitation should implement a policy for <b>inclusive water development</b>. This policy will entail allocating each of the 290 constituency Kshs. 50 million annually for the next 3 financial years to undertake water and sanitation development projects. The project will cost the government Kshs. 14.5 billion annually.</p> <p>3. The State Department for Water and Sanitation submits an extensive project portfolio of all donor funded projects in ASAL counties by 30<sup>th</sup> April 2025 so that the Committee can review and recommend on how resources have been distributed across the ASAL counties. This will guide the Committee in ensuring effective and inclusive distribution of the donor funded projects among constituencies in the ASAL counties when preparing the budget for FY 2025/26. In addition, it will also guide the</p>

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	<p>4. The Committee noted that due to the lower expenditure ceiling for development expenditure, the following key projects have not been provided for adequate funding:</p> <ol style="list-style-type: none"> <li>i. Phase 1 of the Liwatoni Ultra-Modern Fish Hub requires Kshs. 1 billion.</li> <li>ii. Fish Stock Assessment Project requires Kshs. 1 billion.</li> </ol> <p>5. The Committee noted that the SAGAs under the State Department for Blue Economy and Fisheries are heavily dependent on exchequer funding despite having an opportunity to collect Appropriations-in-Aid. The Fish Levy Trust Fund (FLTF) has the potential of fully funding its operations through collection of Fish Levy Order, 2024 which has been approved but is yet to be operationalized. The Committee was informed that the FLTF is currently in the process of fast tracking the implementation of the Fish Levy Order, 2024.</p> <p>6. The Committee noted that most of the development projects being undertaken under the State Department for Blue Economy and Fisheries are implemented at the Headquarters despite having fully fledged State Corporations with relevant expertise. The ideal position is for the state corporations to undertake such projects while the Headquarters oversees them and handle policy matters. These projects include the fish landing sites, fish markets and aquaponics technology transfer.</p> <p><b>State Department for Irrigation</b></p> <ol style="list-style-type: none"> <li>1. The Committee noted that the State Department has been allocated an expenditure ceiling of Kshs. 18.863 billion in FY 2025/26 comprising of Kshs. 1.419 billion for recurrent expenditure and Kshs. 17.444 billion for development expenditure.</li> <li>2. The Committee noted that this expenditure ceiling is lower than the requirement of the State Department of Kshs. 50.749 billion comprising of Kshs. 1.761 billion for recurrent expenditure and Kshs. 48.988 billion</li> </ol>	<p>Committee on how it should distribute government exchequer funding to address any disparities in funding of projects in water deficient constituencies and counties.</p> <p>The State Department for Water and Sanitation should move all the development projects currently undertaken by the Headquarters to the Water Works Development Agencies (WWDAs) when preparing the budget for FY 2025/26 to allow the Headquarters undertake its mandate of policy development and governance of the water and sanitation sub-sector. These projects include the “National Water Harvesting and Ground Water Exploitation” projects and the “Cross-County Bulk Water and Sanitation Improvement Projects”.</p> <ol style="list-style-type: none"> <li>5. The State Department for Water and Sanitation should ensure the regulations for the revised Water Act, 2016 are finalized and Water Works Development Agencies (WWDAs) are allowed to start collecting AIA from sale of bulk water in FY 2025/26.</li> <li>6. The Finance Bill, 2025 should include an amendment of the Income Tax Act to exclude the revenue generated from the water use fees imposed by Water Resources Agency (WRA) from income tax. The Water Act, 2016 mandates the WRA to determine and impose water user fees and apply the revenues collected for the regulation of the use and management of water resources in the country. Therefore, the imposition of income tax and withholding of the income generate by WRA from water user fees takes away its revenue intended for implementation of statutory functions and as a result, limits WRA effectiveness in performances of its mandates.</li> <li>7. The State Department for Blue Economy and Fisheries should ensure all State Corporations should incorporate digitalization in all their functions to improve service delivery and reduce</li> </ol>

DEPARTMENTAL COMMITTEE	OBSERVATIONS	POLICY RECOMMENDATIONS
	<p>for development expenditure.</p> <p>3. The Committee noted that due to this lower expenditure ceiling for recurrent expenditure, the following key areas have not been provided adequate funding:</p> <ul style="list-style-type: none"> <li>i. State Department (headquarters) requires an additional Kshs. 180 million for operation and maintenance.</li> <li>ii. National Water Harvesting and Storage Authority (NWHSA) requires an additional Kshs. 552 million comprising of Kshs. 442 million for pension arrears, Kshs. 80 million for operations and maintenance and Kshs. 30 million for shortfalls in personnel emolument.</li> <li>iii. National Irrigation Authority (NIA) requires an additional Kshs. 500 million for feasibility studies for various irrigation projects.</li> </ul> <p>4. The Committee noted that due to the lower expenditure ceiling for development expenditure, the State Department the following key projects have not been provided for adequate funding:</p> <ul style="list-style-type: none"> <li>i. Mwache Dam requires Kshs. 1.7 billion for counter-part funding to cater for compensation priority area 3.</li> <li>ii. Soin-Koru Dam requires Kshs. 3 billion for Resettlement Action Plan (RAP).</li> <li>iii. Umaa Dam requires Kshs. 1.9 billion to ensure the project is completed within the current timelines.</li> <li>iv. National Expanded Irrigation Project requires Kshs. 1.2 billion for settlement of pending bills and rehabilitation and expansion of existing public schemes.</li> <li>v. Community Based Irrigation Programme requires Kshs. 500 million to ensure irrigation projects identified under Presidential directives are completed.</li> </ul> <p>5. The Committee noted that the National Irrigation Authority (NIA) has been undertaking both irrigation development and water harvesting and</p>	<p>cases of revenue losses. This should be undertaken before 30<sup>th</sup> June 2025.</p> <p>8. The State Department for Blue Economy and Fisheries should ensure the Fish Levy Order, 2024 is operationalized by 30<sup>th</sup> April 2025 so that it can start collecting the fish levy. This will increase its Appropriations-in-Aid and reduce dependency on Exchequer in FY 2025/26.</p> <p>9. The State Department for Blue Economy and Fisheries should move all development projects currently undertaken by the Headquarters to the Kenya Fisheries Services (KeFS) and Kenya Marine and Fisheries Research Institute (KEMFRI) when preparing the budget for FY 2025/26 to allow the Headquarters undertake its mandate of policy development and governance of the blue economy and fisheries sub-sector. These projects include fish landing sites, fish markets and aquaponics technology transfer.</p> <p>he State Department for Irrigation should move all the construction of water harvesting and storage projects from the National Irrigation Authority (NIA) to National Water Harvesting and Storage Authority NWHSA when preparing the budget for FY 2025/26 to allow the NIA focus on its mandate of development and management of irrigation infrastructure. This includes the “Rehabilitation of Strategic Water Facilities” and “National Water Harvesting and Ground Water Exploitation” projects.</p> <p>he State Department for Irrigation should move all the irrigation development projects currently undertaken by the Headquarters to the National Irrigation Authority (NIA) when preparing the budget for FY 2025/26 to allow the Headquarters undertake its mandate of policy development and governance of the irrigation sub-sector. These projects include the “Community Based</p>

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	<p>storage functions despite the State Department for Irrigation having the National Water Harvesting and Storage Authority (NWHSA) with the idle equipment and expertise. This has led to significant delays in implementation of development projects under NIA while the NWHSA has been unable to utilize its idle capacity. The Committee proposes the need to have all the construction of all water harvesting and storage projects moved from the NIA to NWHSA.</p> <p><b>State Department for Water and Sanitation</b></p> <ol style="list-style-type: none"> <li>1. The Committee noted that the State Department has been allocated an expenditure ceiling of Kshs. 46.117 billion in FY 2025/26 comprising of Kshs. 6.209 billion for recurrent expenditure and Kshs. 39.908 billion for development expenditure.</li> <li>2. The Committee noted that this expenditure ceiling is lower than the requirement of the State Department of Kshs. 93.855 billion comprising of Kshs. 8.335 billion for recurrent expenditure and Kshs. 85.52 billion for development expenditure.</li> <li>3. The Committee noted that due to this lower expenditure ceiling for recurrent expenditure, the following key areas have not been provided adequate funding: <ol style="list-style-type: none"> <li>i. Lake Victoria South Water Works Development Agency (LVSWWDA) requires an additional Kshs. 167 million for shortfalls in personnel emoluments and operations of the Agency.</li> <li>ii. Water Resources Authority (WRA) requires an additional Kshs. 1 billion to cater for shortfalls in its AIA collection. There are three (3) constitutional petitions seeking to suspend implementation of some water user charges prescribed in the Water Resources Regulations, 2021. This has crippled the institution’s capacity to collect its projected AIA.</li> <li>iii. Kenya Water Institute (KEWI) requires an additional Kshs. 98 million for shortfalls in personnel emoluments and operations of</li> </ol> </li> </ol>	<p>Irrigation Projects”.</p>

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	<p>the Institute.</p> <p>iv. Water Sector Trust Fund (Water Fund) requires an additional Kshs. 414 million for shortfalls in personnel emoluments and operations of the Fund.</p> <p>v. Northern Water Works Development Agency (NWWDA) requires an additional Kshs. 110 million for shortfalls in personnel emoluments and operations of the Agency.</p> <p>vi. Lake Victoria North Water Works Development Agency (LVNWWDA) requires an additional Kshs. 86 million for shortfalls in personnel emoluments and operations of the Agency.</p> <p>vii. Tanathi Water Works Development Agency (TANATHI) requires an additional Kshs. 123 million for implementation of the approved salary structure by SRC and operations of the Agency.</p> <p>viii. Tana Water Works Development Agency (TWWDA) requires an additional Kshs. 354 million for shortfalls in personnel emoluments and operations of the Agency.</p> <p>ix. Coast Water Works Development Agency (CWWDA) requires an additional Kshs. 225 million for shortfalls in personnel emoluments and operations of the Agency.</p> <p>x. Hydrologists Registration Board (HRB) requires an additional Kshs. 30 million to operationalize the board since it is still at its inception stage and needs to develop the Hydrologist Bill and Regulations within FY 2024/25.</p> <p>xi. North Rift Valley Water Works Development Agency (NRVWWDA) requires an additional Kshs. 46 million for shortfalls in personnel emoluments and operations of the Agency.</p> <p>xii. Regional Center on Groundwater Resources (RCGWR) requires an additional Kshs. 40 million for shortfalls in personnel emoluments and operations of the Center.</p> <p>4. The Committee noted that due to the lower expenditure ceiling for</p>	

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	<p>development expenditure, the State Department the following key projects have not been provided for funding:</p> <ol style="list-style-type: none"> <li>i. Kenya Towns Sustainable Water Supply and Sanitation Programme requires Kshs. 3.1 billion for counter-part funding.</li> <li>ii. Horn of Africa – Ground Water for Resilience Programme requires Kshs. 700 million for counter-part funding.</li> <li>iii. Water Supply and Sanitation for Urban Poor requires Kshs. 807 million for counter-part funding.</li> <li>iv. Mwache Dam Phase II requires Kshs. 1.4 billion for counter-part funding.</li> <li>v. Itare Dam requires Kshs. 3.1 billion to be restarted after stalling at 27% since September 2018.</li> <li>vi. Thwake Multipurpose Dam requires Kshs. 1.2 billion for counter-part funding.</li> <li>vii. Kisumu Water Supply requires Kshs. 520 million for counter-part funding.</li> </ol> <p>5. The Committee noted that the revisions to the Water Act, 2016 expanded the roles of Water Works Development Agencies (WWDAs) to become bulk service providers. This is key in the implementation of the Public Private Partnership (PPP) investments in the water sector. It also allows the WWDA to collect A-I-A from sale of bulk water to county Water Service Providers (WSPs) and this will reduce their dependency on exchequer funding. However, the Committee noted that the process of implementing these revisions have been slow and the 2025 BPS expenditure ceilings have not incorporated the collection of A-I-A by WWDAs. In addition, the Committee noted that this delay may also hinder the uptake of PPPs in the water sector.</p> <p>6. The Committee noted that there was a lot of interest by donor agencies in undertaking investments for water projects in Arid and Semi-Arid Lands (ASAL) Counties. This huge investment is likely to lead to</p>	

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	<p>duplications as well as skewed distributions of resources in the country. It is also noted that government exchequer funding is also been directed to the same ASAL counties and this may be depriving other needy rural areas that are water inefficient of resources. The Committee noted that there was need for a review of the investment portfolio by donor agencies with an aim of redistributing some of the exchequer funding to other part of the country.</p>	
<p><b>Tourism and Wildlife</b></p>	<p><b>State Department for Tourism</b></p> <ol style="list-style-type: none"> <li>1. <b>SAGA Mergers</b> – As part of the government’s broader SAGA Mergers initiative, the Kenya Tourism Board (KTB) is set to merge with the Tourism Research Institute (TRI), while the Tourism Promotion Fund (TPF) will be merged with the Tourism Fund (TF). These mergers are aimed at eliminating duplication, enhancing efficiency, and streamlining resource utilization within the tourism sector. However, the transition may face challenges such as staff restructuring, legal adjustments, and integration of existing systems. Effective change management will be critical to ensure a smooth transition and maximize the benefits of these mergers.</li> <li>2. <b>Inconsistent policies</b> – The 2025 Budget Policy Statement (BPS) introduces new priorities, such as foreign language translation services and planned roundtable discussions, which appear misaligned with the key policy priorities set in the 2024 BPS. There is no clear assessment of the progress or outcomes of the 2024 policies, raising concerns about policy continuity, effectiveness, and accountability. Without a structured evaluation of past initiatives, the introduction of new policies may lead to fragmentation, inefficiencies, and resource misallocation in sector planning and implementation.</li> </ol> <p><b>State Department for Wildlife</b></p> <ol style="list-style-type: none"> <li>1. <b>Delay in Compensation of Human Wildlife Conflict Victims</b> – The Human Wildlife Compensation Committee has been unable to meet for about two years due to budgetary issues, which has slowed down the</li> </ol>	<ol style="list-style-type: none"> <li>1. Approve 2025 BPS for the two State Departments (State Department for Tourism and State Department for Wildlife) as presented: The Committee agrees with the policies, priorities, programmes, and projects planned for implementation in the FY 2025/2026 and the medium term.</li> <li>2. Amend the policies; priorities; programmes; and projects for the FY 2025/2026 and the medium term: The Committee may amend the sub-sector’s policies; priorities; programmes; and projects for implementation in the period as follows: <ol style="list-style-type: none"> <li>i. Repealing of the laws forming the TPF and TF in order to effect the proposed merger.</li> <li>ii. Ensure that the Human Wildlife Compensation Insurance operation is hastened to reduce the compensation claims.</li> </ol> </li> </ol>

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<b>Labour</b>	<p>process.</p> <p>2. <b>Backlog on the status of the claims</b> – There is insufficient transparency and reporting on the status of verified and paid claims, leading to a backlog of unresolved cases. The lack of clear, publicly available information makes it difficult to track progress, ensure accountability, and address delays in claim settlements. This gap in reporting may undermine public trust and confidence in the claims process, affecting stakeholders who rely on timely compensation.</p>	
	<ol style="list-style-type: none"> <li>1. The Committee observes that there is lack of linkage of key priorities among the Fourth Medium Term Plan, the Sector Reports and the Budget Policy Statement (BPS) documents highlighting a weak budgetary planning system.</li> <li>2. The Committee notes that the difference between the resource requirements and the BPS ceiling allocation is huge and thus the functions and mandates are grossly inadequate for the respective State Departments and Commissions. It is noted that over the years their mandates have expanded and new priorities have been introduced, this has negatively affected the attainment of their respective mandates including completion of ongoing projects. These additional and emerging functions have not been reciprocated with corresponding funding</li> <li>3. The Committee notes that the piece-meal/ meagre budgetary allocation to the various projects under its purview which delays completion of the projects thus denying the taxpayers the value and benefits that may have be accrued from timely completion.</li> <li>4. The Committee observes that there is a persistent and perennial in-year downward revision of budgets which lead to failure in attainment of targets and key outputs in the various State Departments and Commissions.</li> <li>5. The Committee notes that the PFM regulations, 2015 (National (25 (1) and County Governments Regulation 25(1) (a) and (b)) provides that the National and County Governments expenditures on wages and benefits for public officers shall not exceed thirty-five percent (35%) of the respective governments revenue, this fiscal rule has never been</li> </ol>	n.

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	<p>complied to highlighting the need for a firm policy decision to be made to ensure the established threshold is complied with.</p> <p>6. The Committee notes that the conceptualization, appraisal design and implementation of the externally funded programmes and projects are not aligned to the Country's public finance management system and lacks the input of the targeted beneficiaries and communities thus affecting their roll out.</p> <p>7. The Committee notes that the National Industrial Training Authority (NITA) in the State Department for Labour and Skills Development have potential to increase collection of Appropriations in Aid (A.I.A) and made request to the National Treasury however this has not approved the requests.</p> <p>8. The Committee notes that the timeline for processing the Budget Policy Statement (BPS) is not adequate.</p>	
<p><b>Administration and Internal Security</b></p>	<p><b>Executive Office of the President, Vote 1011</b></p> <p>1. The BPS ceiling for the Executive Office of the President has been proposed at KSh. 4,748.7 million comprising of KSh. 3,948.7 million for Recurrent and KSh. 800 million for Development. This was below the resource Requirement of KSh. 15,604.1 million comprising of KSh. 11,504.1 million for Recurrent and KSh. 4,100 million for capital expenditures.</p> <p>2. The Government Printer remains underfunded despite its equipment having become obsolete. In view of the constrained fiscal space and competing development pressures facing the country, there was need for the Office to pursue other avenues such as Public Private Partnerships to modernize its equipment.</p> <p>3. The Betting &amp; Licensing Control Board expenditure ceiling amounts to KSh. 98 million, an amount observed to be inadequate in view of their mandate and activities which generates more than KSh 14.5 billion to the Exchequer. There was need for enhanced resource allocation to enable the Board develop the Central Monitoring System and connectivity with Kenya Revenue Authority for enhanced revenue generation in the sector.</p>	<p>1. The Comptroller of State House in consultation with the Attorney General to initiate a Bill that will anchor the Office of the First Lady in Law within 6 months for onward transmission to Parliament, upon adoption of the BPS 2025 by the House.</p> <p>2. Given the numerous administrative units that have been gazetted and not yet operationalized on account of constrained fiscal space, it is recommended that the Cabinet Secretary for Internal Security and National Administration develops policy guidelines on gazetting of new Administrative Units within three months of adoption of the BPS 2025 by the House.</p> <p>3. To effectively deal with funding challenges facing the Directorate of Criminal Investigations on the operations of the National Forensic Laboratory, it is recommended that the DCI be allowed to retain 40 percent of all revenues generated from issuance of the Police Clearance Certificates (PCC) as Appropriation in Aid for the National Police Service effective 1<sup>st</sup> July 2025.</p> <p>4. Given that the State Department for Internal Security coordinates security operations matters while the National Police Service executes the actual operations, it is recommended that The Cabinet Secretary for Internal Security and National Administration develops the basis of sharing security operations resources with the National Police Service and report to the National Assembly within 6 months</p>

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	<p><b>Office of the Deputy President, Vote 1012</b></p> <ol style="list-style-type: none"> <li>1. The BPS ceiling for the Office of the Deputy President has been proposed at <b>KSh. 3,447.5 million</b> comprising of KSh. 3,347.5 million for Recurrent and KSh. 100 million for Development. This was below the resource Requirement of KSh. 5,094 million comprising of KSh. 4,794.6 million for Recurrent and KSh. 300 million for Capital expenditures.</li> <li>2. In addition to its constitutional mandate, the Office was coordinating activities related to Coffee and Tea sector reforms and mitigation of alcohol and drug substance abuse. It was observed that such functions were overlapping with those of Ministries and Departments already undertaking such functions.</li> <li>3. The Office of the Spouse to the Deputy President had been expunged from budgetary allocation and the Office had paid gratuity to 332 out of the 372 former staff of the defunct office in line with their terms of employment.</li> </ol> <p><b>Office of the Prime Cabinet Secretary, Vote 1013</b></p> <ol style="list-style-type: none"> <li>1. The BPS ceiling for the Office of the Prime Cabinet Secretary has been proposed at <b>KSh. 930.9 million</b>. This was below the resource Requirement of KSh. 2,622.7 million, translating into underfunding by 64.5 percent.</li> <li>2. The proposed ceiling for the Office was strictly meant to take care of expenses related to coordination and supervision of government functions as outlined in the Executive Order No. 2 of 2013.</li> <li>3. It was observed that the National Government Coordination Secretariat domiciled under the Office implements programmes which overlap with those being implemented by the State Department for Performance and Delivery Management. The specific functions relate to that of overseeing government programmes and projects.</li> </ol> <p><b>State Department for Parliamentary Affairs, Vote 1014</b></p> <ol style="list-style-type: none"> <li>1. The BPS ceiling for the Office of the Prime Cabinet Secretary has been proposed at <b>KSh. 391 million</b>. This was below the resource Requirement of KSh. 1,885.3 million, translating into underfunding by 79 percent.</li> </ol>	<p>upon adoption of the Budget Policy Statement 2025 by the House.</p> <p>To deal with the anticipated disruption of services by the government to the citizens upon the expiry of the third generation Identity Card after 10 years, it is recommended that the Cabinet Secretary for Interior and National Administration develops policy guidelines on how the citizens will access government services during the said period and submits the report to the House 6 months upon adoption of the BPS 2025.</p> <p>5.</p>

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	<p>2. The shortfall affects programme implementation on Parliamentary Liaison and legislative Affairs by slowing processes for development of policy and legislation tracking system, inefficient coordination of Parliamentary Liaison services across MDAs and impeding parliamentary Resolution tracking system across MDAs.</p> <p><b>State Department for Performance and Delivery Management, Vote 1015</b></p> <ol style="list-style-type: none"> <li>1. The BPS ceiling for the State Department has been proposed at <b>KSh. 609.2 million</b> comprising of KSh. 599.2 million for Recurrent expenditures and KSh. 10 million for Capital expenditures.</li> <li>2. The State Department was still underfunded to the tune of <b>KSh. 1,931 million</b>. Some critical programmes and activities to be affected by the shortfall included Automation of Performance Contracting Processes and Operationalization of Kenya Integrated Performance Management Policy to improve service delivery to citizens.</li> <li>3. The expenditure rationalization policy on Monitoring and Evaluation (M&amp;E) did not exempt the State Department whose M&amp;E function was critical in the execution of its mandate of monitoring the implementation of Government's priority programmes and projects in line with Executive Order No. 2 of 2023.</li> </ol> <p><b>State Department for Cabinet Affairs, Vote 1016</b></p> <ol style="list-style-type: none"> <li>1. The BPS ceiling for the State Department for Cabinet Affairs has been proposed at <b>KSh. 274.2 million</b> against a resource requirement of KSh. <b>738.2 million</b>.</li> <li>2. The State Department had overlapping mandate with other MDAs including the State Department for Public Service and the Office of the Secretary to the Cabinet on Public Sector Reforms.</li> <li>3. The service delivery by the State Department was hampered by lack of technical staff as most staff were support staff.</li> </ol> <p><b>State House, Vote 1017</b></p> <ol style="list-style-type: none"> <li>1. The BPS ceiling for State House has been proposed at <b>KSh. 7,518.2 million</b> comprising of KSh. 6,802.8 million for Recurrent and KSh. 715.4 million for Capital expenditures. This was below the Resource Requirement of KSh. 18,335 million comprising of KSh. 15,137.7 million for Recurrent and KSh. 3,197.3 million for Capital expenditures.</li> <li>2. The BPS ceiling for State House may not be in tandem with the unforeseen activities associated with such Office. There was therefore a</li> </ol>	

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	<p>need to enhance its ceiling.</p> <p>3. The Office of the First lady had been expunged from the budget books and the corresponding expenditures re-oriented to other priority areas following the descent of Finance Bill 2024. There was however need for such Office to be institutionalized and funded through the Exchequer given how similar offices are established in other jurisdictions.</p> <p><b>State Department for Immigration and Citizen Affairs, Vote 1024</b></p> <ol style="list-style-type: none"> <li>1. The BPS ceiling for the State Department has been proposed at <b>KSh. 20,523.8 million</b> comprising of KSh. 10,485.1 million for Recurrent and KSh. 10,038.8 million for Capital expenditures. This was below the Resource requirement of KSh. 35,887.3 million comprising of KSh. 15,112.1 million for Recurrent and KSh. 20,775.2 million for Capital expenditures.</li> <li>2. The Committee noted with concerns the pitfalls of the policy priority of migration of 31.5 million records from the second-generation ID system to the third-generation system (Maisha Card). It was observed that the expiry of Maisha Card after 10 years may cause unnecessary suffering and pain to the citizenry where they could not access key government services when renewing such cards upon their expiry.</li> <li>3. The roll-out of Unique Personal Identification (Maisha Number) could be hampered by inadequacy in the number of Civil Registration Offices. To this end, it was noted there was need to fastrack the Births &amp; Deaths Registration (Amendment) Bill 2024 and the Executive to re-orient resources to provide for such offices in every sub-county.</li> <li>4. There were inadequate consular services to Kenyans in the diaspora given that out of the 65 Kenya Missions abroad, only 35 were offering consular services on account of inadequate funds to open new offices.</li> <li>5. The Presidential proclamation on non-vetting of citizens in some parts of the country was yet to be gazetted though issuance of Identification Cards by the National Registration Bureau was ongoing without the said vetting. To accelerate service delivery, it was observed that there was need for the NRB to adopt mobile registration approach.</li> </ol> <p><b>National Police Service, Vote 1025</b></p> <ol style="list-style-type: none"> <li>1. The BPS ceiling for the State Department has been proposed at <b>KSh. 118,421 million</b> comprising of KSh. 116,042.9 million for Recurrent and KSh. 2,378.3 million for Capital expenditures. This was below the</li> </ol>	

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	<p>Resource requirement of KSh. 209,041.8 million comprising of KSh. 189,592 million for Recurrent and KSh. 19,449.7 million for Capital expenditures. The shortfall would severely affect the implementation of Key police Reforms.</p> <p>2. <b>Police Recruitment:</b> - it was observed that the number of police officers have dwindled over time due to natural attrition and the current Police to Population ratio was at 1:505 instead of the United Nations recommended ration of 1:405.</p> <p>3. The most affected units were formed units which deals with crime prevention. The BPS ceiling of KSh. 118 billion had taken care of recruitment of 5,000 police officers. It was however observed that the Service needed to recruit 10,000 police officers for the next 3 years to deal with the current shortage.</p> <p>4. <b>Leasing of Police Vehicles</b> - The policy of motor vehicle leasing by the National Police Service is not yielding optimal returns given the challenges posed by the terms of service from the leasing company. For example, in most operational areas, the fueling point is several kilometres away and the terrain makes it difficult to be serviced as required. Moreover, the vehicles at times get impounded by the dealer on account of non-payments by the government making such venture to be a threat to national security. It was therefore observed that there is need for a policy mix comprising of both leasing and purchasing institutional vehicles.</p> <p>5. <b>The Implementation of the comprehensive medical cover and group life insurance</b> for all the Officers over the years has been negatively impacted by inadequate funding. The total requirement for medical cover and Group Life &amp; GPA cover amounts to KSh. 12,900 million over the medium term but the BPS ceiling for the same amounts to KSh. 3,500 million. The failure to provide for adequate resources for Health Insurance may imply that the policy priority of improving the police welfare is not translated fully into budget.</p> <p>6. <b>Equipping of the National Forensic Laboratory</b> - The National Forensic Laboratory is operating at only 50 percent of its capacity on account of various labs including the Biology, Chemistry, Acoustics and Imaging sections not having been equipped with the required reagents. There may be therefore no value for money accruing from the</p>	

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	<p>laboratory.</p> <p>7. Dwindling resources towards Operations of the Directorate of Criminal Investigations Services: - the allocation to the DCI towards security operations for undercover investigations as well as cases of specialized crimes such as femicide has dwindled over the years. The Committee observed that there was need to enhance the allocation towards such expenditure items for enhanced service delivery.</p> <p>8. <b>Training of Specialized Units/Investigative units</b> - Training for specialized units remains critical for service delivery by the Service, however the allocation for the same has dwindled over time on account of austerity measures and currently stands at KSh. 31 million.</p> <p>9. <b>Lack of land ownership documents</b>-the Service has 2,073 parcels of land with an estimated size of 6,829 hectares out of which only 167 have title deeds and an additional 806 have allotment letters. The safe custody of the police Service Assets was therefore observed to be in doubt. It was also observed that the lack of ownership documents was partly attributed to police stations being built in contested parcels.</p> <p>10. <b>Institutional Housing for the Police</b> - The Committee observed that the Housing requirements for the police had not been met for a long time and that there was need for the National Police service to collaborate with the State Department for Housing to work together towards delivering the said houses under the affordable housing programme.</p> <p>11. <b>Policy on Police transfer</b> – it was recognized that the current policy on police transfers requires an officer to serve for three years in a particular station before being transferred. The implementation of this policy was however put in doubt given that the formed –up units usually move together in disregard of the policy.</p> <p><b>State Department for Internal security and National Administration, Vote 1026.</b></p> <p>1. The BPS ceiling for the State Department has been proposed at <b>KSh. 37,508.8 million</b> comprising of KSh. 30,523.8 million for Recurrent and KSh. 6,985 million for Capital expenditures. This was below the Resource requirement of KSh. 59,002.9 million comprising of KSh. 46,957.7 million for Recurrent and KSh. 12,045.3 million for Capital expenditures.</p>	

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	<p>2. Operationalization of New Administrative Units. The State Department has been pursuing the policy of moving services closer to the people through operationalization of new administrative units, however, it was observed that despite slow progress in the operationalization of the already Gazetted ones, more units were still being gazetted. The Committee observed that there was need to operationalize these units before any other further Gazette notice of additional units.</p> <p>3. It was observed that the resources for security operations were skewed towards the State Department at the expense of the National Police Service. There was need to review how such resources could be shared between the State Department and the National Police Service.</p> <p>4. The budgetary allocation to the state Department over time was on the increase through various supplementary appropriations in the course of budget implementation with the main drivers of such growth being security operations related expenditures. There was need to strengthen the governance systems around such expenditures to minimize the fiduciary risks.</p> <p>5. The state Department had 8 stalled projects as at 30<sup>th</sup> June 2024 and they included Tinderet Sub- County Headquarters, Nandi South sub-county HQs, Bunyala DCC, Tigania East DCCs office, Igembe North DCCs office, Magunga District HQs, Migori District HQs among others. Prioritization was therefore required to enable their completion amidst constrained fiscal space.</p> <p><b>National Police Service Commission</b></p> <p>1. The BPS ceiling for the National Police Service Commission amounted to <b>KSh. 1,333 million</b> against a Resource requirement of KSh. 3, 75.5 million. The Commission would channel the resources towards the addressing the shortfall of 25,000 police officers.</p> <p>2. The shortfall would affect key critical police reforms initiatives of Automation and digital transformation of the National Police Service, Decentralization of the Commission’s Human Resource and Counselling and wellness services (Underfunded by KSh125 million) and Recruitment of 10,000 police officers. (Underfunded by KSh. 379 million)</p>	

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<p><b>Sports and Culture</b></p>	<p><b>Independent Policing Oversight Authority</b></p> <ol style="list-style-type: none"> <li>The Authority's BPS ceiling of <b>KSh. 1,314.1 million</b> against a Resource Requirement of <b>KSh. 2,209 million</b> would greatly hamper its statutory mandate. The Authority's operations are field based which involves travelling across the Country to conduct investigations and attend court cases, inspect police premises, and monitor police operations.</li> <li>The Authority caters for witness facilitation during investigations and court attendance. Currently the Authority has 1,080 criminal cases under active investigations and 208 civil and criminal cases before courts. The Ceiling has proposed has not captured expenditure lines to facilitate the witnesses during investigations and to attend court across the country. Failure to attend scheduled court matters would attract detrimental consequences to the government including adverse orders, damages and cost being preferred against the Authority besides being subversion of justice</li> </ol> <p><b>Cross-cutting observation</b></p> <ol style="list-style-type: none"> <li>Despite the important roles of the State Departments for Youth Affairs and Creative Economy and that of Sports in nurturing youth talents and tapping into creative skills to alleviate the challenge of unemployment, the trend of continued underfunding of the sector relative to other sectors has been repeated in the 2025 BPS. Key institution on which identification, development, nurturing and promotion of youth talents are anchored, such as the Kenya Academy of Sports, the Kenya Film Commission, and the Kenya Film School remain grossly underfunded.</li> </ol> <p><b>State Department for Sports</b></p> <ol style="list-style-type: none"> <li>That the proposed budget ceiling for the State Department in FY 2025/26 is <b>Kshs. 18.68 billion</b>, comprised of <b>Kshs. 1.58 billion</b> for recurrent expenditure and <b>Kshs. 17.1 billion</b> for development expenditure. This is against a total resource requirement of <b>Kshs. 2.52 billion</b> and <b>Kshs.59.3 billion</b> for recurrent and development expenditure, respectively.</li> <li>That from the development ceiling of <b>Kshs 17.1 billion</b>, the estimated Appropriation in Aid (AIA) from Sports, Art and Social Development</li> </ol>	<p><b>State Department for Sports</b></p> <ol style="list-style-type: none"> <li>That the Cabinet Secretary for the Ministry of Youth Affairs, Creative Economy and Sports fast-tracks the review of the Sports Act 2013 to strengthen the institutions in the State Department for Sports including the Kenya Academy of Sports, Kenya Rallying School, Office of the Sports Registrar to ensure the institutions are adequately staffed and funded, as they play key roles in talent identification, nurturing and marketing. The reviewed legislation should be submitted to Parliament for consideration and approval by 30<sup>th</sup> September, 2025.</li> <li>That the Cabinet Secretary for the National Treasury and Economic Planning should create budget line items in the FY 2025/26 development expenditure budget books for the Sports, Arts and Social Development Fund, clearly indicating apportioned percentages outlined in the Public Finance Management (Sports, Arts, and Social Development Fund) Regulations, 2018 of 35% to the promotion and development of sports; 40% to social development including universal health care; 20% to the promotion and development of arts; and 5% to government strategic interventions.</li> </ol>

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	<p>fund will be <b>Kshs. 17 billion</b> and <b>Kshs. 100 million</b> will be from the exchequer.</p> <ol style="list-style-type: none"> <li>3. That the construction of stadia earmarked for CHAN and AFCON 2027, is a joint venture between the State Department for Sports and the Ministry of Defense, where the former is playing only oversight role, while the latter is tasked with procurement, supervision and execution. The Committee however noted a lack of clarity on the projected costs of the Stadia and the actual funds expended on the same so far.</li> <li>4. That the 2025 BPS is proposing to complete infrastructure projects in the State Department. These include, rehabilitation and construction of stadia earmarked for AFCON 2027 and CHAN, training grounds, establishing of 160 Constituency Sports Academies, completion of stalled and incomplete stadia and Phase 1B of the Kenya Academy of Sports Complex. The Committee observed that these projects are capital intensive and will be funded by Sports, Arts and Social Development Fund.</li> <li>5. That the State Department, in conjunction with the National Treasury has initiated the process of securitization of the Sports, Arts and Social Development Fund. However, there is no clarity on the Legal Framework and administrative modalities for the same.</li> </ol> <p><b>State Department for Culture, the Arts and Heritage</b></p> <ol style="list-style-type: none"> <li>1. That the proposed budget ceiling for the State Department in FY 2025/26 is <b>Kshs. 3.54 billion</b>, comprised of <b>Kshs. 3.45 billion</b> for recurrent expenditure and <b>Kshs. 90 million</b> for development expenditure.</li> <li>2. That despite the ratification of the UNESCO 1970 Convention on the Means of Prohibiting and Preventing the Illicit Export and Transfer of Cultural Property, programmes for repatriation Kenyan cultural artefacts held in foreign capitals have not been adequately funded. Similarly, there exists no policy on restitution and reparation of the Kenya artefacts estimated to be over 30,000 spread across Europe and America.</li> <li>3. That the State Department for Culture and Heritage has a development expenditure ceiling of Kshs. 90 million versus a recurrent expenditure ceiling of Kshs. 3.45 billion. This is despite that heritage sites under the National Museums of Kenya are in a dilapidated state, including</li> </ol>	<p>This will ring-fence the allocation in the National Treasury's annual budget estimates therefore promoting transparency and accountability.</p> <ol style="list-style-type: none"> <li>3. That, the Cabinet Secretary for Youth Affairs, Creative Economy and Sports and the Cabinet Secretary for Defense table a Report before the National Assembly clearly indicating the working modalities between the two Ministries in respect of the construction of CHAN and AFCON stadia and training grounds. The report should indicate the projected costs, completion timelines and amounts expended to date. The Report should be submitted within thirty (30) days of the tabling of this Report.</li> </ol> <p><b>State Department for Culture, the Arts and Heritage</b></p> <ol style="list-style-type: none"> <li>1. That the Cabinet Secretary for Gender, Culture, the Arts and Heritage should submit to the National Assembly within thirty (30) days of the tabling of this report, a report on the funding modalities for the Bomas International Conference Centre. The Report should entail the total projected cost of the project, the current status, funding arrangements, exchequer contribution if any, and the projected timelines for completion.</li> <li>2. That the Cabinet Secretary for Gender, Culture, the Arts and Heritage should fast track the development of the licensing, monitoring, collection and distribution system of royalties to artists as a way of rewarding creativity and talent. This will address the perennial litigations that have often paralyzed the collection of royalties in the country arising from rivalry among Collective Management Organizations. The Cabinet Secretary should submit a status report to Parliament by 30<sup>th</sup> June, 2025.</li> <li>3. That the Cabinet Secretary for Gender, Culture, the Arts and Heritage in conjunction with the Cabinet Secretary for National Treasury and Planning should fast track the operationalization of the National Heroes' Fund, as established pursuant to Section 21 of The Kenya Heroes Act CAP 216B; to honour and support national heroes and to</li> </ol>

DEPARTMENTAL COMMITTEE	OBSERVATIONS	POLICY RECOMMENDATIONS
<p>facilities such as the Kenya National Theatre which if properly funded and rehabilitated will be a source of revenue for the Government.</p> <ol style="list-style-type: none"> <li>4. That capital projects in the State Department such as Marachi Cultural Centre, Wundanyi Resource (Youth and Talent) Centre, Refurbishment of Archives Offices, and Rehabilitation of Basic Facilities at Bomas have been affected by budget cuts and low exchequer issues therefore affecting implementation and completion of the projects.</li> <li>5. That the Bomas of Kenya is currently in the initial stages of constructing an ultra-modern conference facility. The State Department has not furnished the Committee with clear funding modalities for the project, including projected costs, source and funding arrangements and timelines.</li> <li>6. That the Natural Product Industry is a BETA priority that requires adequate funding for pre-clinical trials for natural health products, undertaking ongoing research on vaccines/ treatment and contraceptive study, training technical officers on indigenous knowledge management, oversee agreements signed between Indigenous Knowledge (IK) holders and users to access Indigenous Knowledge, acquiring natural products from traditional health practitioners, providing and training farmers on African indigenous vegetables (AIV) certified seeds, marketing Natural Products, and collecting and creating a repository of Indigenous Knowledge. These are core activities that protect Kenyan indigenous plants and foods which are part of the country's rich cultural heritage.</li> <li>7. That, the National Kiswahili Council of Kenya Bill and the National Heritage and Museums Bill are still under review at various stages within the Executive. These pieces of legislation are key in the preservation and promotion of the country's rich cultural heritage.</li> <li>8. That the National Heroes' Fund, established under the Kenya Heroes Act, CAP 216B has not been operationalized since inception. This was aimed establishing a framework for addressing the welfare of heroes by administering state assistance and making heroes dignified.</li> <li>9. That, the Kenya Copyright Board is establishing a licensing, monitoring, collection and distribution system of royalties to artists. This is expected to address the perennial challenges associated with the Collective Management Organizations (CMOs), where only a small</li> </ol>	<p>ensure they live dignified lives. The operationalization should start in the 2025/2026 Financial Year and be implemented progressively over the Medium Term.</p> <ol style="list-style-type: none"> <li>4. That the Cabinet Secretary for the Ministry of Gender, Culture, The Arts and Heritage should complete the review of the Copyright Act to strengthen the Kenya Copyrights Board (KECOBO) that will ensure there are proper policies and regulations that will streamline the functions of Collective Management Organizations (CMO) and the regulator in order to ensure proper management, collection, accountability and payment of royalties to owners of intellectual properties and submits the same to Parliament for consideration and approval by 30<sup>th</sup> April 2025.</li> <li>5. That the Cabinet Secretary for Gender, Culture, the Arts and Heritage should fast track the enactment of various enabling legislations and policies such as the National Kiswahili Council Bill, the Policy on Restitution and Repatriation of artefacts and the National Heritage and Museums Bill to preserve and promote Kenya's Cultural heritage. The Cabinet Secretary should submit a status report to Parliament by 30<sup>th</sup> June, 2025.</li> <li>6. That the Cabinet Secretary for the National Treasury and Economic Planning should ensure that BETA priorities in the sector are adequately funded in FY 2025/26. This includes the National Products Industry (NPI) which plays a critical role of conducting research, clinical trials, capacity building and creating a repository of Indigenous Knowledge (IK) and African indigenous vegetables (AIV) and should maintain the baseline allocation of Kshs. 160 million.</li> </ol> <p><b>State Department for Youth Affairs and Creative Economy</b></p> <ol style="list-style-type: none"> <li>1. That the Cabinet Secretary for the National Treasury and Economic Planning should ensure that programmes in the creative industry are adequately funded in FY 2025/26. These are key priorities implemented by the Kenya Film School, the Kenya Film Classification Board and the Kenya Film Commission that will</li> </ol>	

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	<p>percentage of collected funds get to the artists. The Kenya Copyright Board (KECOBO) requires additional funding to implement the system.</p> <p>10. That, the State Department for Culture, through the Permanent Presidential Commission on Music has conceptualized a project geared at establishing music recording studios in every county. This is informed by the reality that access to professional grade resources for recording the work of artists is limited. The establishment of such studios will address the critical lack of infrastructure and support for young artists, offering them the tools and environment necessary for producing high quality music.</p> <p><b>State Department for Youth Affairs and Creative Economy</b></p> <ol style="list-style-type: none"> <li>1. That the Committee oversights the Film Development Services programme and the proposed budget ceiling in FY 2025/26 is <b>Kshs. 738.7 million</b>, comprised of <b>Kshs. 662 million</b> for recurrent expenditure and <b>Kshs. 76.7 million</b> for development expenditure. The Film Development Services comprises of the following institutions: Kenya Film Commission, Kenya Film Classification Board, African Audio-Visual Cinema Commission (AACC) and the Kenya Film School.</li> <li>2. That the Creative sector is currently operating in a policy and legal lacuna, where the Creative Economy Policy and the Creative Economy Bill are still at nascent stages of formulation.</li> <li>3. That the Kenya Film Classification Board is one of the State Corporations proposed for dissolution after the functions are transferred back to the Ministry or other relevant State Corporations. The Committee observed that it is the best practice internationally that content creation and the film industry have a regulator that is semi-autonomous.</li> <li>4. That the Kenya Film Commission requires an additional Kshs. 150 million to create a film repository and archives in the country, undertake capacity building for the film industry across 8 regions in the country supporting local talent in production, setting up regional film hubs creating a suitable infrastructure for the film industry, implementation of the Kalasha Awards that will showcase Kenyan talent and market the Kenyan film industry at the Cannes Film Festival and other major</li> </ol>	<p>enhance the growth of the film industry in the county as well as creating employment and monetizing the creative industry among the youths.</p> <ol style="list-style-type: none"> <li>2. That the Cabinet Secretary for Youth Affairs, Creative Economy and Sports should fast track the enactment and subsequent submission of the Creative Economy Policy and the Creative Economy Bill to the National Assembly by 30th September, 2025.</li> </ol>

DEPARTMENTAL COMMITTEE	OBSERVATIONS	POLICY RECOMMENDATIONS
<p><b>Environment, Forestry and Mining</b></p>	<p>European film festivals.</p> <p>5. That the Kenya Film Classification Board requires an additional Kshs. 80 million to conduct random inspections to check for compliance, to register film agents and issue filming licenses, to examine and classify film content, to conduct random inspection of cinema theatres and to conduct consumer awareness programmes.</p> <p><b>State Department for Environment and Climate Change</b></p> <ol style="list-style-type: none"> <li>1. The State Department has been provided a ceiling of <b>Kshs. 6.41 billion</b> for the FY 2025/26 comprising of <b>Kshs. 3.69 billion</b> for recurrent expenditure, and <b>Kshs. 2.71 billion</b> for development expenditure. This is higher than the Approved Budget for FY 2024/25 by <b>Kshs. 1.94 billion</b>, meaning a number of its planned projects will be achieved as envisaged in its strategic plan.</li> <li>2. The State Department is currently restructuring its Resource Mobilization Strategies (Public and Donors) as outlined in its <b>Strategic Plan 2023 – 2027</b> to enhance its fiscal space with <b>NETFUND as the CORE DRIVER</b> of the <b>Resource Mobilization Agenda</b>.</li> <li>3. The Committee noted that the State Department is currently implementing 37 development projects across the country which started in 2014. However, the current levels of funding to the State Department from the exchequer as well as other sources are inadequate, thus adversely impacting the implementation of planned programs and activities. Although the State Department acknowledges the financing challenges facing the Government as well as emerging expenditure pressures that require reprioritization of expenditure to be within a sustainable fiscal framework, the budget cuts, however, affect the implementation of the agreed performance contracts.</li> <li>4. The Committee further noted that as part of the Government's initiative to <b>enhance efficiency and reduce financial dependencies</b> among State Corporations, <b>Kenya Water Towers Agency (KWTA)</b> has been <b>disbanded and its functions</b> have been transferred to all the <b>State Agencies in the Ministry of Environment, Climate Change &amp; Forestry - NEMA, KFS, KEFRI &amp; NETFUND</b> - to streamline the operations and eliminate redundancies/duplications in environmental conservation efforts.</li> </ol>	<p><b>State Department for Environment and Climate Change</b></p> <ol style="list-style-type: none"> <li>1. The State Department should fast-track the establishment of necessary structures to enable the country to easily access climate change financing incentives from international actors by July 2025.</li> <li>2. To improve resource mobilization and generate Kshs. 5 billion from Carbon Markets by July 2025, the State Department should expedite the Carbon Markets Framework and related regulations.</li> </ol> <p><b>State Department of Forestry</b></p> <ol style="list-style-type: none"> <li>1. The State Department should work toward incorporating the private sector in supporting the National Tree Growing and Restoration Campaign through projects like the adoption of forests. To this effect, the State Department should fast-track the preparation and approval of regulations by July 2025.</li> </ol> <p><b>State Department for Mining</b></p> <ol style="list-style-type: none"> <li>1. The State Department through NAMICO should establish more strategic Public Private Partnerships (PPPs) in the exploration and mining of strategic minerals to attract investment, boost revenue, and create jobs to support the Government's Bottom-Up Transformation Agenda (BETA).</li> </ol>

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	<p>5. The Committee noted that the State Department has reviewed the Climate Change Act 2016 to provide for the Carbon Markets Framework and its attendant regulations - aimed at enhancing resource mobilization through Carbon Projects. This is being implemented by the <b>Climate Change Directorate (CCD)</b> and the National Environment Management Authority (NEMA) who are the <b>Designated National Authority (DNA)</b>.</p> <p>6. The Committee noted that there are several climate financing frameworks like the Green Climate Fund (GCF) which have been approved for developing countries like Kenya to shield them from the effects of climate change, however, Kenya has not been able to tap into this climate financing framework.</p> <p><b>State Department for Forestry</b></p> <p>1. The State Department has been provided a ceiling of <b>Kshs. 16.33 billion</b> for the FY 2025/26 comprising of <b>Kshs. 9.26 billion</b> for recurrent expenditure and <b>Kshs. 7.07 billion</b> for development expenditure. This is higher than the Approved Estimates for FY 2024/25 by <b>Kshs. 4.25 billion</b>.</p> <p>2. The Committee noted that the State Department is engaging the private sector and other stakeholders in planting and raising trees by adopting forests to increase tree cover from 12.13 percent in 2022 to 21.07 percent by 2027.</p> <p>3. The Committee further noted that Arid and Semi-Arid Lands constitute more than 70 percent of Kenya's landmass. Thus, the Kenya Forest Service (KFS) and Kenya Forest Research Institute (KEFRI) should work together to establish forests in gazetted areas by planting high-value trees e.g sandalwood and other trees to support charcoal production which is a major source of livelihood for residents.</p> <p><b>State Department for Mining</b></p> <p>1. The State Department has been provided a ceiling of <b>Kshs. 1.67 billion</b> for the FY 2025/26 comprising of <b>Kshs. 1.03 billion</b> for recurrent expenditure and <b>Kshs. 632 million</b> for development expenditure.</p> <p>2. The Committee noted that while the State Department's budget provision was enhanced to <b>Kshs. 3.8 billion</b> in FY 2023/24, the</p>	

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	<p>budgetary allocation was significantly reduced to <b>Kshs 994 million</b> in FY 2024/25 hampering critical mandatory operations. The State Department estimated the budgetary requirement at <b>Kshs. 6.01 billion</b>, but only <b>Kshs. 1.67 billion</b> could be accommodated in the BPS ceiling.</p> <p>3. The Committee further noted that in FY2024/25 the State Department had <b>NO</b> budgetary allocation under development expenditure. This has greatly hampered mineral exploration equipment acquisition, and decentralization of laboratories to regional levels which negatively affects exploration, mineral deposit evaluation, mineral identification, and evaluation by Artisanal Miners and the Regional Technical Officers.</p> <p>4. The Committee noted that the State Department's efforts as an alternate source of revenue generation for the country, are on a positive trajectory with the revenue's diversification from a single source (Base Titanium) to diversified sources such as Fluorspar mining, Gold processing, and refining and quarries. With an annual target of <b>Kshs. 3 billion</b>, and despite the substantial budget cut, the State Department was able to collect <b>Kshs. 1.898 billion</b>, surpassing its half-year target. Mining Act Cap 306 requires that regular monitoring and compliance inspections should be done at the mining sites, dealers' premises, and collaborating agencies' offices by authorized officers. This necessitates facilitation in operational and logistics activities which are currently highly underfunded thereby leading to loss of revenues. The State Department estimated these activities at <b>Kshs. 230 million</b>, but only <b>Kshs. 63.4 million</b> could be accommodated in the BPS ceiling.</p> <p>5. The Committee further noted that digitization of Mining Information Management Systems is critical to mineral rights administration, enhancing efficiency in minerals management and revenue generation from the Sector. The lack of a central geological data repository in the country makes it difficult to manage the data, jeopardizing investments in the mining sector. The State Department estimated these activities at <b>Kshs. 90 million</b>, but only <b>Kshs. 50 million</b> could be accommodated in the BPS ceiling.</p> <p>6. National Mining Corporation (NAMICO), mandated to develop and invest in strategic minerals e.g. Copper, Chromite, Coltan, etc. which are of high value and demand globally intends to rollout key initiatives</p>	

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	<p>in STRATEGIC mineral exploitation and hire technical expertise in Geology and Mining. However, the implementation of this mandate is impaired by a budget shortfall of Personnel Emolument obligations <b>(Ksh 69 M)</b>, the viability of strategic mineral investment <b>(Ksh 119 M)</b>, geological mapping and exploration <b>(Ksh 68 M)</b>, and O&amp;M <b>(Ksh 168.58 M)</b>. The State Department estimated the total cost at <b>Kshs. 513 million</b>, but only <b>Kshs. 89 million</b> could be accommodated in the BPS ceiling.</p> <p>7. The Committee further noted that to sustain the reform initiatives momentum in the mining sector and mop up optimal resources, there is a need to sustainably facilitate the identified operational activities in line with the expanded staffing levels, renewed compliance and enforcement drives and to take advantage of a surge in mineral demand globally.</p>	
<p><b>Trade, Industry and Cooperatives</b></p>	<p><b>State Department for Cooperatives</b></p> <ol style="list-style-type: none"> <li>1. The State Department's FY 2025/26 proposed ceiling is KShs. 8,436.8 million, with recurrent expenditure of KShs. 6,871.3 million and development expenditure of KShs. 1,565.5 million. This represents a short financial fall of KShs. 16,816 million under recurrent and KShs. 8,136 million under development.</li> <li>2. There is a turnaround of the New KCC with a noted improvement in payment timelines to farmers, having reduced delays from six months to one month.</li> <li>3. The verified debts of coffee cooperative societies stood at KShs. 6.8 billion, with an allocation of KShs. 2 billion in FY 2024/25 and a proposed allocation of KShs. 2 billion in the 2025 BPS, leaving a shortfall of KShs. 2.8 billion. Concerns were raised regarding the criteria to be applied in the settlement of the debts, with the Committee noting the need to fully allocate the required resources to avoid the accumulation of interest.</li> <li>4. Kenya needs to internationally market coffee to new markets, especially China, which is a new coffee market. For this, the State Department requires KShs. 500 million.</li> <li>5. SASRA requires a higher allocation of funds from its Appropriations-in-Aid (AIA) collections, particularly towards staff training (KShs. 30 million), to strengthen the enforcement of SASRA regulations. Further,</li> </ol>	<p><b>State Department for Industry</b></p> <ol style="list-style-type: none"> <li>1. The State Department to submit a detailed progress report on the implementation of the CAIPs by <b>1<sup>st</sup> May 2025</b>. The report should outline the status of county contributions, challenges faced in the county-national government partnership, and strategies for aligning Phase Two with county-specific economic activities. Clear timelines and accountability measures should also be established to ensure uniform progress.</li> <li>2. By <b>30<sup>th</sup> June, 2025</b> the State Department to start publishing a half-year report on industry and business closures, new market entrants, as well as areas with potential investment opportunities. This initiative will present a balanced and accurate image of Kenya's business climate, counter negative perceptions, and support informed policymaking and investor confidence.</li> <li>3. By <b>30<sup>th</sup> June 2025</b>, the National Treasury in collaboration with the State Department for Industry to table a report on the impact of the Export and Investment Promotion Levy (EIPL) on the economy with a clear focus on the construction industry, evaluating its effect on cement and steel prices, market competitiveness, and growth of local</li> </ol>

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	<p>it requires KShs. 12 million for legislative review of the SASRA Act for robust supervision of Saccos.</p> <p>6. The need for New KPCU to renovate its CBD premises to enhance its AIA collection through rental incomes. Further, it noted that the coffee cherry fund was operational despite the reduction in allocation during supplementary No.1 of FY2024/25. Also, New KPCU needs KShs. 600 million for modernization of their warehouses as part of the coffee reforms program.</p> <p><b>State Department for Trade</b></p> <ol style="list-style-type: none"> <li>1. The State Department's FY 2025/26 proposed ceiling is KShs. 3,629.3 million, with a recurrent expenditure of KShs. 3,459.3 million and a development expenditure of KShs. 170 million. This represents a short financial fall of KShs. 9,192 million under recurrent and KShs. 5,232 million under development according to its submission.</li> <li>2. The implementation of trade agreements remained low despite Kenya having signed various agreements, such as those with the EU and COMESA. Although the country has many products that could be exported to other markets, inadequate stakeholder awareness of available opportunities has hindered effective utilization of these agreements.</li> <li>3. For the country to be able to retain and expand the market share of Kenya's BETA priority and value chain products, there is a need to support the trade negotiations as well as information dissemination on trade opportunities to key stakeholders. To this end, the State Department has a financing gap of KShs. 534 million.</li> <li>4. The State Department is currently preparing to participate in the Expo 2025 Osaka in Kansai, Japan through Kenya Export Promotion and Branding Agency (KEPROBA) which requires KShs. 350 million in FY 2025/26, this is part of its mandate to showcase Kenyan products to the outside world and expand market access for Kenyan products, further, it has a PE shortfall of KShs. 47 million.</li> <li>5. The State Department has donor-funded projects aimed at enhancing trade, digital e-commerce, and product quality, which require KShs. 23 million in counterpart funding from the Government of Kenya as per the</li> </ol>	<p>manufacturing.</p> <p><b>State Departments for MSMEs Development and Industry</b></p> <ol style="list-style-type: none"> <li>1. Within six months after adoption of the 2025 BPS report, the two State Departments to establish a clear framework of collaboration between Constituency Industrial Development Centers (CIDCs) and County Aggregation and Industrial Parks (CAIPs). Strengthening the linkage and coordination between these entities will enhance industrial growth, improve market access, and promote efficient resource utilization.</li> </ol> <p><b>State Department for Investment Promotion</b></p> <ol style="list-style-type: none"> <li>1. The Kenya Development Corporation (KDC) in collaboration with the National Treasury to develop and implement a time-bound framework for dealing with historical non-performing loans by <b>June 30<sup>th</sup>, 2025</b>. This should align with the best financial practices and regulatory guidelines to improve KDC's financial position, enhance its credibility, and strengthen its capacity to attract funding.</li> </ol>

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	<p>financing agreement. This funding is necessary to unlock the KShs. 234 million donor commitment.</p> <ol style="list-style-type: none"> <li>6. The Department of Weights and Measures needs KShs. 430 million for modernization of legal metrology project laboratories to bring into control measurement in the utility sector, which includes the electricity and water sector, by procuring and installing the requisite equipment and standards for testing electricity and water meters.</li> <li>7. The State Department needs KShs. 430 million to upscale marketing of Kenya's products overseas.</li> </ol> <p><b>State Department for Industry</b></p> <ol style="list-style-type: none"> <li>1. The State Department's FY 2025/26 proposed ceiling is KShs. 9,131.7 million, with recurrent expenditure of KShs. 2,999.3 million and development expenditure of KShs. 6,132.4 million. This represents a short financial fall of KShs. 582.6 million under the recurrent budget and KShs. 5,480 million under the development budget according to its submission.</li> <li>2. The recurrent shortfall is inclusive of KShs. 230 million, which was a resolution from parliament on the compensation of former Pan Paper employees.</li> <li>3. The key cost driver under the development budget for the State Department is the allocation towards County Aggregation and Industrial Parks (CAIPS) with a proposed allocation of KShs. 4,600 million, which is expected to be funded over the medium term.</li> <li>4. The CAIPs model is uniform in Phase One, but in Phase Two, it will be adapted to align with the economic activities of each county. Further, the partnership between the county and national governments appears to face challenges, as some county governments have fulfilled their contributions while others have not. Members noted the need for a progress report from the State Department.</li> <li>5. KIRDI Industrial Research Laboratories, constructed and equipped in Nairobi South C require 2.6 billion to be completed. The State Department got approval from the National Treasury on financing,</li> </ol>	

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	<p>where the amount will be issued in 2 years. In FY 2025/26 they are expected to receive KShs. 1 billion yet the proposed allocation is KShs. 500 million, thereby creating a shortfall of KShs. 500 million.</p> <ol style="list-style-type: none"> <li>6. There is low funding for the industrial sector, despite it being relied upon to increase the contribution of manufacturing from 7% to 15% by 2027.</li> <li>7. There is a perception that Kenya's business climate is unfavorable due to the frequent publication of company closures, while new business entries receive little recognition. To provide a clearer picture of the business environment, there is a need for a quarterly or half-yearly report on industry and business closures, as well as new market entrants.</li> <li>8. The Export and Investment Promotion Levy was introduced to support local manufacturers by encouraging local production over imports. However, at the time of its introduction, the price of cement was Ksh 600 per 50kg bag, but it has since increased to approximately Ksh 930 for the same quantity. Furthermore, steel prices have continued to rise despite a global reduction in costs. This has negatively impacted the construction industry by increasing the costs of government projects and making it more expensive for Kenyans to build their own home.</li> <li>9. The Committee observed that the levy appears to be benefiting an individual rather than the industry sector as originally envisioned. The intended goal was to promote investment in the industry using the proceeds collected.</li> <li>10. RIVATEX has been approved for privatization by the cabinet to address sustainability challenges and improve efficiency. The Committee needs to be informed of all debt owed to the state agency.</li> <li>11. The prevalence of fake goods in the market remains high despite the Kenya Bureau of Standards (KEBS) and Anti-Counterfeit Authority resource base. This is due to the absence of an internal enforcement arm, forcing the agency to rely on external entities for enforcement, including investigations. However, the members were informed that an enforcement arm is currently being constituted within the authority.</li> <li>12. There is no cotton seed distribution mechanism in place to support farmers. The State Department highlighted that they were working on a mechanism that will ensure farmers are directly supplied with the cotton seeds.</li> </ol>	

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	<p>13. KENAS needs an additional KShs. 120 million for enhancement of the national accreditation program.</p> <p><b>State Department for MSMEs</b></p> <ol style="list-style-type: none"> <li>1. The State Department's FY 2025/26 proposed ceiling is KShs. 6,353.3 million, with recurrent expenditure of KShs. 1,724.3 million and development expenditure of KShs. 4,629.0 million. This represents a short financial fall of KShs. 1,101 million under recurrent and KShs. 13,543 million under development according to its submission.</li> <li>2. The Financial Inclusion Fund (Hustler Fund) reportedly had a big nonperforming loan portfolio. The State Department committed to submit a comprehensive performance report to the Committee detailing measures in place to recover nonperforming loans, reform defaulters and increase uptake of the facility.</li> <li>3. The planned merger of the Uwezo Fund, the Women Enterprise Development Fund, and the Youth Enterprise Development Fund into a single fund. The State Department informed the Committee that the merger process is still ongoing, and as a result, the allocations for each fund will remain as proposed in the 2025 Budget Policy Statement (BPS).</li> <li>4. NYOTA requires KShs. 6700 million but has been allocated KShs. 500 million while KJET requires KShs. 3100 million but has been allocated KShs. 429 million. These projects are key in skill building and employment creation for youths across all constituencies in the country.</li> </ol> <p><b>State Department for Investment Promotion</b></p> <ol style="list-style-type: none"> <li>1. The State Department's FY 2025/26 proposed ceiling is KShs. 5,704.8 million, with recurrent expenditure of KShs. 1,391.4 million and development expenditure of KShs. 4,313.4 million. This represents a shortfall of KShs. 1,642 million under recurrent and KShs. 11,699.0 million under development as per its submission.</li> <li>2. There is a donor-funded project of KShs. 1.95 billion through the Exim Bank of India on the development of SMEs through the Importation of plant, equipment, and machinery and consultancy services being implemented by (KDC). The project is ongoing with an FY2024/25</li> </ol>	

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	<p>allocation of KShs. 550 million and a similar amount in FY 2025/26, but has not been captured in the development loan AIA in the 2025 BPS.</p> <ol style="list-style-type: none"> <li>3. The Special Economic Zones Authority can generate more AIA from the current KShs. 30 million to KShs. 95 million.</li> <li>4. There are land speculators in the Special Economic Zones holding land without an intention of investment. The State Department was advised to carry out due diligence before allocating land.</li> <li>5. The Export Processing Zones Authority (EPZA), and the Special Economic Zones Authority (SEZ) were among the agencies targeted for mergers. The State Department averred that no mandate will be lost.</li> <li>6. Out of the 6 flagship projects 4 (Sagana, Delmonte, Eldoret, and Nasewa in Busia) are at 45% completion and are expected to complete phase 1 in FY2025/26 and commence phase 2 while the other 2 (Egerton and Kwale) are yet to commence phase 1 in FY 2025/26 due to land ownership challenge. The State Department informed the Committee that the challenges had been resolved.</li> <li>7. The Kenya Development Corporation (KDC) has historical bad debts amounting to Kshs. 30.82 billion, originally issued as Kshs. 1.35 billion. These debts have accumulated interest over the years from 1960 to 2008 and are still reflected in its book balances. This portrays a negative image of the agency, limiting its capacity to source funds. KDC lacks a framework of handling these historical non-performing loans.</li> <li>8. The Committee noted that the Naivasha Special Economic Zone (SEZ) and the Athi River Textile Hub have significant potential to drive economic growth by promoting industrialization, creating employment opportunities, and enhancing Kenya's export competitiveness. However, these projects continue to face financial constraints, with the Athi River Textile Hub experiencing a funding shortfall of KShs. 1.445 billion in FY 2024/25, while the Naivasha SEZ faces a deficit of KShs. 551 million.</li> </ol>	
<b>Agriculture and Livestock</b>	<b>General Observations</b> <ol style="list-style-type: none"> <li>1. The 2025 BPS has provided a number of interventions and policies including the prioritized value chains to be implemented under the sector in order to achieve agricultural transformation and inclusive growth. However,</li> </ol>	<ol style="list-style-type: none"> <li>1. The Cabinet Secretary, Ministry of Agriculture and Livestock Development to engage the Cabinet Secretary for National Treasury and Economic Planning and the Cabinet at large to ensure that there is progressive addition of resources to the agriculture sector to enhance funding of prioritized value chains and realisation of the</li> </ol>

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	<p>the resources provided under the BPS are not sufficient to realize this goal. Some critical interventions have not been funded while others are underfunded.</p> <ol style="list-style-type: none"> <li>2. The Ministry is underfunded having been provided a ceiling of Kshs. 56.1 billion against a resource requirement of Kshs. 103.2 billion leaving a funding gap of Kshs. 47.1 billion in the FY 2025/26.</li> <li>3. The State Departments have historical pending bills that have not been considered for settlement in the FY 2025/26. The pending bills are huge and cannot be accommodated in the State Departments' annual budgetary allocations. The State Department for Livestock Development has a historical pending bill of Kshs. 4 billion while the State Department for Agriculture has a historical pending bill of Kshs. 9,035 billion. The pending bills have been subjected to verification and validation and cleared for payment.</li> </ol> <p><b>The State Department for Livestock Development</b></p> <ol style="list-style-type: none"> <li>1. The Leather value chain, which is one of the strategic industries with huge potential for Kenya's economic transformation is underfunded. The resource required for completion of the Leather Industrial Park at Kenani is Kshs. 1,667 billion but the project has only been allocated with Kshs. 200 million. A delay in completion of the critical facilities in the industrial park implies a delay in creation of jobs, export earnings and loss of opportunity to transform the sector.</li> <li>2. The 2025 BPS proposes an allocation towards Hides, Skins, and Leather Fund meant to address Hides and skins post slaughter losses and stabilize market prices for hides, skins and leather. The regulations however have not been developed.</li> <li>3. Among the legislations identified to support the sector includes reviewing the Hides and Skin and Leather Trade Act (Cap 359) to reinstate licensing of the value chain actors and attract more MSMEs in the value chain; finalize Kenya Leather Value Chain Development Policy; and finalize the Leather Development Authority (KLDA) Bill to improve the legal and policy framework underpinning the leather industry.</li> <li>4. One of the critical interventions towards supporting the livestock sector value chains is the modernization of Kenya Veterinary Vaccines Production Institute (KEVEVAPI). The Institute has achieved 67% level in modernization of its machinery and the remaining four components (old</li> </ol>	<p>Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods.</p> <ol style="list-style-type: none"> <li>2. The Cabinet Secretary, Ministry of Agriculture and Livestock Development to consult the Cabinet secretary, National Treasury and Economic Planning on the way forward with regards to settling the historical pending bills of Kshs. 4 billion (State Department for Livestock Development) and Kshs. 9,035 billion (State Department for Agriculture) with a view of ensuring that they are settled within the next three Financial Years starting with FY 2025/26.</li> <li>3. The Cabinet Secretary, Ministry of Agriculture and Livestock Development to develop Hides, Skins, and Leather Fund regulations to enable the implementation and operation of the Fund which is meant to address slaughter losses and stabilize market prices for hides, skins and leather.</li> <li>4. The Cabinet Secretary, Ministry of Agriculture and Livestock Development to fast-track the development of the Sugar Act, 2024 Regulations to enable the operationalization and implementation of the Act.</li> <li>5. The Cabinet Secretary, Ministry of Agriculture and Livestock Development to review the Hides and Skin and Leather Trade Act (Cap 359), finalize Kenya Leather Value Chain Development Policy; and finalize the Leather Development Authority (KLDA) Bill to improve the legal and policy framework underpinning the leather industry.</li> </ol>

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	<p>equipment) is what is causing production inefficiencies. The production inefficiencies are causing high cost of production and low production levels. The State Department has a resources requirement of Kshs. 31.8 billion in the FY 2025/26 to support leather and leather products, dairy and meat value chains among other critical interventions, but the State Department has a proposed ceiling of Kshs. 11.1 billion resulting in a funding gap of Kshs. 20.7 billion.</p> <p>6. The development of a Master Plan requires resources to support updating the livestock resources data along the value chains and monitoring Livestock Master Plan implementation and investment uptake.</p> <p>7. Establishment of Feedlots, Fodder and Pasture is one of the identified interventions under the MTP IV and 2025 BPS. The Project is crucial in enhancing the availability and affordability of livestock feeds and as well as averting feed shortage during drought. The project requires Kshs. 310 million but no allocation is provided.</p> <p><b>The State Department for Agriculture</b></p> <ol style="list-style-type: none"> <li>1. The State Department's resource requirement in FY 2025/26 is Kshs. 71.4 billion against a proposed ceiling of Kshs. 45 billion indicating a funding gap of Kshs. 26.4 billion. The underfunding affects the interventions on the prioritized value chains as well as efforts to revamp the collapsed export crops.</li> <li>2. One of the key interventions for Agricultural Transformation for Inclusive Green Growth identified by the 2025 BPS is revamping underperforming or collapsed export crops and emerging ones including cashew nuts, pyrethrum, coconut, macadamia, mango, and avocado. However, no resources have been provided to support pyrethrum, cashew nuts and coconut revitalization programmes both in FY 2024/25 and FY 2025/26.</li> <li>3. The Fertilizer Subsidy Programme is proposed to be allocated Kshs. 7 billion against the required allocation of Kshs. 15 billion to meet the actual fertilizer demand to support the various value chain crops.</li> <li>4. The State Department has provided Kshs. 300 million towards Agricultural Finance Corporation (AFC) out of the required 1 billion. The funds are meant to provide credit facilities to farmers to ensure increased production, employment and better livelihood.</li> <li>5. Under the Sugar Reforms Programme, the State Department is yet to settle</li> </ol>	

DEPARTMENTAL COMMITTEE	OBSERVATIONS	POLICY RECOMMENDATIONS
	<p>worker's salary arrears of Kshs. 4,584 billion for employees in four sugar mills i.e. Chemelil, Nzoia, South Nyanza and Muhoroni.</p> <ol style="list-style-type: none"> <li>6. The newly formed Sugar Board does not have resources to be able to stand own and it is still being provided under Agriculture and Food Authority. The regulations that will enable implementation of the Board are in the process of being developed.</li> <li>7. Pyrethrum, being one of the collapsed export crops identified for revamping requires Kshs. 200 million to support the ongoing activities including the increased demand for seedlings and increased acreage under the crop.</li> <li>8. The Development of Aggregation Centres, which is a critical enabler to achieving the BETA Agenda requires Kshs. 338 million in the FY 2025/26.</li> <li>9. Mechanization of Agricultural Development Project is very crucial in production of seeds and seedlings for various value chain crops. The project requires an allocation of Kshs. 500 million for the procurement of agricultural equipment to support increased acreage on seed production. The allocation will solve the shortage of maize, bean and potato seeds in the country.</li> </ol>	
<p><b>Justice and Legal Affairs</b></p>	<p><b>The Judiciary</b></p> <ol style="list-style-type: none"> <li>1. The Judiciary resource requirement in the FY 2025/2026 is Kshs 40.1 billion comprised of Kshs 31.6 billion for recurrent expenditure and Kshs 8.5 billion for development expenditure. However, the department was allocated Kshs. 24.9 billion comprised of Kshs 23.4 billion for recurrent expenditure and Kshs 1.5 billion for development expenditure leading to a shortfall of Kshs 15.2 billion which translates to 37.8% of the total resource requirement for the FY 2025/26.</li> <li>2. The shortfall will affect the following key areas; Completion and refurbishment of court constructions – 6.98 billion, Digital Strategy and Automation – Kshs 1.1 billion, Planned recruitment (Salaries and wages) – Kshs 3.3 billion, Court circuits, service weeks, mobile courts, prison visits and other travel expenses - Kshs 0.32 billion, Purchase and leasing of motor vehicles – Kshs 1.5 billion, Capacity building for staff – Kshs 0.32 billion, Leasing of additional office space and expansion of specialized courts – Kshs 0.15 billion, Jurisprudence enhancing dialogues forums – Kshs 309.3 million, GPA and medical insurances – Kshs 0.53 billion and Special benches established by the Hon CJ - Kshs 88 million.</li> </ol>	<ol style="list-style-type: none"> <li>1. The Committee recommends the State Department for Correctional Services to leverage on public private partnerships in order to modernize the prison industries and improve their outputs. In addition, the Committee has also urged the state department to leverage on the huge tracks of land at its disposal and the convicted prisoners through mechanization of its farms so as to generate adequate food in order to complement the resources it has received from the exchequer.</li> <li>2. The Committee also recommends the state department for correctional to collaborate with the other justice sector institutions under the auspices of the National Council for Administration of Justice with a view to developing policies that are geared towards decongesting our prisons by considering other forms of restorative justice that can be implemented i.e. Community service orders.</li> <li>3. The Committee has also recommended the State Department for Correctional Services to partner with the State Department for Housing and Urban Development under the Affordable Housing programme to undertake a housing programme for its uniformed officers by donating some of its land to the Department.</li> </ol>

DEPARTMENTAL COMMITTEE	OBSERVATIONS	POLICY RECOMMENDATIONS
	<p>3. Ongoing Projects - Constructions and Rehabilitations – The Committee has also observed the need for the Judiciary to adopt strategic prioritization to promote allocative efficiency in the implementation of its projects based on affordability, and the expected results. The Judiciary has many ongoing projects yet there are no adequate funds for the completion of those projects. It is therefore imperative that the department prioritizes ongoing projects without introducing new projects.</p> <p>4. Lack of uniformity in the pace at which the justice sector players are implementing digitization. The ultimate goal of enhancing access to justice through ICT may be hindered if the paces at which the key players in the justice sector are implementing their programs are not harmonized.</p> <p>5. The challenges faced by the Judiciary include insufficient financial resources, limitations of the IFMIS operations that disrupt implementation of planned activities, inadequate and delayed exchequer especially for development vote which in turn delays implementation of projects.</p> <p>6. The Committee has also observed that a total of 381,317 cases were resolved in the FY 2021/22 comprising of 231,415 criminal cases and 149,902 civil cases. This was a 29% improvement on resolved cases from the FY 2020/21 where there was a total of 294,837 cases comprising of 207,255 criminal cases and 87,582 civil cases.</p> <p>7. Court Deposits - The Judiciary held court deposits and other funds held in trust for third parties amounting to Kshs. 6.6 billion as at December, 2024. There is need to undertake competitive bidding amongst the commercial banks to improve the rate earned on such deposits.</p> <p><b>Judicial Service Commission</b></p> <p>1. Judicial Service Commission was allocated Kshs 812 million against a resource requirement of Kshs 1,932 million in the Financial Year 2025/26 leading to a shortfall of Kshs 1,120 million. The following are the key unfunded areas; Recruitment of judges, Judicial officers and staff – Kshs 26 million, Leasing of motor vehicles – Kshs 39 million, Staff Mortgage and car loan scheme – Kshs 130 million, Judges, magistrates and Kadhis Colloquium – Kshs 120 million and Public outreaches and public awareness campaigns – Kshs 28 million.</p> <p>2. The Committee has also observed that the Judiciary intends to make the</p>	<p>4. The Committee further recommends the Independent Electoral and Boundaries Commission to submit to Parliament a report on all pending bills for verification and scrutiny before the consideration of the budget estimates for the FY 2025/26.</p> <p>5. The Committee has also considered a request by the Independent Electoral and Boundaries Commission of Kshs 6.7 billion meant for replacing the KIEMS Kit and has recommended the Commission to submit an expert report in three months on the usability and salvage value of the existing 45,000 KIEMS kits.</p>

DEPARTMENTAL COMMITTEE	OBSERVATIONS	POLICY RECOMMENDATIONS
	<p>Kenya Judiciary Academy a semi-autonomous government agency. The legal instruments are currently under consideration at the state law office.</p> <p><b>The State Law Office</b></p> <ol style="list-style-type: none"> <li>1. In the FY 2024/25, the office resource requirement is Kshs 12.17 billion composed of Kshs 10.3 billion for recurrent expenditure and Kshs 1.87 billion for development expenditure. However, the proposed ceiling for the department is Kshs 6.23 billion composed of Kshs 6.03 billion for recurrent expenditure and Kshs 0.2 billion for development expenditure.</li> <li>2. The shortfall will affect the following areas; provision of medical cover of staff as state law delinks from PSC - Kshs 300 million, Recruitment of additional State Counsel and Promotion of Officers – Kshs 386.4 million, Equipping, and decentralization of services to 47 counties – Kshs 300 million, Additional allocation of Kshs 100 million for operation and maintenance for the State Law County Offices – Kshs 100 million, capacity building for state law staff – Kshs 50 million and additional allocation for transfers to SAGAS – Kshs 1,948 million.</li> <li>3. The State Law Office total expenditure as at the end of the first half of FY 2024/25 is Kshs 3.1 billion which comprises of Kshs 2.95 billion for recurrent expenditure and Kshs 129.8 million for development expenditure translating to an absorption rate of 60.0% and 82.8% respectively.</li> <li>4. The Committee further observed that there are suits against the government with financial risks to the tune of Kshs 1.2 trillion. In addition, the awards against the government pending payment stand at approximately Kshs 93 billion and they are ranging from awards to victims of torture as well as business litigants against the State.</li> <li>5. It has further been observed by the Committee that the Attorney General’s Office litigates on behalf of the state agencies however when the court awards claims against those agencies, they don’t promptly settle the claims but abandon the claims with the Attorney General office. In addition, the state law does not get the necessary support from the state agencies in terms of facilitating the legal counsels with daily subsistence allowance in order for them to execute their work.</li> <li>6. The State Law Office is faced with the challenge of retaining staff due to uncompetitive remuneration package by the Office. The Office has lost considerable number of staffs to other organization such as Parliament,</li> </ol>	

DEPARTMENTAL COMMITTEE	OBSERVATIONS	POLICY RECOMMENDATIONS
	<p>Judiciary and Ethics and Anti-Corruption Commission.</p> <p>7. The SAGAS under the State Law Office have requested for additional funding of Kshs 1.948 billion. However, the Committee observed there is need for some of the sagas to be merged and others dissolved to save on the ever-increasing cost of running the sagas in line with the recently released Cabinet memo.</p> <p>8. The Office has a total pending bill of Kshs 462.2 million as at 30th June, 2024 comprised of Kshs 357.3 million for recurrent expenditure and Kshs 104.9 million is for development expenditure. These pending bills were incurred as a result of lack of exchequer release, merchants submitting incomplete documents, deactivation of procurement and payment module of IFMIS, among others.</p> <p><b>State Department for Correctional Services</b></p> <p>1. In the FY 2025/26, the proposed ceiling for the department is Kshs 38.3 billion composed of Kshs 37.3 billion for recurrent expenditure and Kshs 1.1 billion for development expenditure against a resource requirement of Kshs 68.3 billion comprised of Kshs 59.8 billion for recurrent expenditure and Kshs 8.7 billion for development expenditure. The resultant shortfall is Kshs 30.0 billion comprised of Kshs 22.5 billion for recurrent expenditure and Kshs 7.65 billion for development expenditure.</p> <p>2. The budgetary shortfall will affect the following areas; food and rations – Kshs 1.1 billion, purchase of uniforms and clothing for staff and inmates – Kshs 2.289 billion, purchase of bedding and linen for inmates – Kshs 1.181 billion, medical drugs – Kshs 1.045 billion, operationalization of Magereza Level IV Hospital – Kshs 108 million, purchase of security equipment – Kshs 7.9 billion, Medical expenses – Kshs 1.14 billion, Maintenance of motor vehicles – 506.5 million, Acquisition of SDCS HQ office – Kshs 438.0 million, Relocation of prisons – Kshs 250 million and Purchase of motor vehicles – Kshs 1.64 billion among other needs.</p> <p>3. The Committee has also observed that there is need for the department to leverage on public private partnerships to implement some of its programmes. In addition, the Committee has also urged the state department to leverage on the huge tracks of land at its disposal and the convicted prisoners to generate food in order to complement the resources it has received from the exchequer.</p>	

DEPARTMENTAL COMMITTEE	OBSERVATIONS	POLICY RECOMMENDATIONS
	<p>4. The Committee has also observed the need for the departments in the Justice sector to collaborate together with a view to developing policies that are geared towards decongesting our prisons considering other forms of restorative justice that can be implemented.</p> <p><b>Independent Electoral &amp; Boundaries Commission</b></p> <ol style="list-style-type: none"> <li>1. The Commission resource requirement for the FY 2025/26 is estimated to be Kshs 5.2 billion comprised of Kshs 4.02 billion for recurrent expenditure and Kshs 1.20 billion for development expenditure. However, the Commission was allocated Kshs. 3.995 billion comprised of Kshs 3.965 billion for recurrent expenditure and Kshs 30.0 million for development expenditure.</li> <li>2. The Committee further noted the Commission’s request for front loading of Kshs 15.4 billion of its election budget of Kshs 61.7 billion to cater for the following key areas in the FY 2025/26.; Kshs 6.8 billion for KIEMS Replacement, Continuous voter registration – Kshs 3.4 billion, Maintenance of Systems – Kshs 1.8 billion, wages – Kshs 1.0 billion and Stakeholder Engagement – Kshs 1.5 billion.</li> <li>3. The Committee stressed the need for the Commission to standardize the legal fees charged by advocates and more importantly engage in-house lawyers to undertake some of the petitions. The Committee noted there is need for the Commission to undertake continuous voter registration to guarantee the citizens their right to participate in electoral processes.</li> <li>4. The Committee was also concerned about the Kshs 6.7 billion meant for replacing the KIEMS Kit and has tasked the Commission to submit an expert report on the usability and salvage value of the 45,000 KIEMS kits.</li> <li>5. Pending bills of the Independent Electoral Boundaries Commission - the Commission has pending bills accumulated from prior years to the 2022 general elections amounting to Kshs 3.895 billion of which legal fees accounts for Kshs 2.6 billion, election logistics – Postal Corporation of Kenya - Kshs 0.499 billion and other pending bills – Kshs 0.796 billion. This may result in court cases where negotiated legal bills will be taxed upwards and suppliers of goods and services meant to support the conduct of by-elections withdrawing services.</li> </ol> <p><b>Commission on Administrative Justice</b></p>	

DEPARTMENTAL COMMITTEE	OBSERVATIONS	POLICY RECOMMENDATIONS
	<p>1. The Committee noted that the Commission’s proposed ceiling for FY 2025/26 is Kshs 0.676 billion against a resource requirement of Kshs 1.4 billion leading to a budgetary shortfall of Kshs 0.724 million.</p> <p>2. The Committee further observed that the Commission’s budgetary shortfall will affect the following critical areas; Promotion of open governance in public administration – Kshs 23 million, Automation and digitization of ombudsman services – Kshs 50 million, ombudsman public outreach services – Kshs 20 million, public inquiries and mediation – Kshs 15 million, establishment of two county offices – Kshs 47 million, public education and awareness creation – Kshs 12 million and Foreign travel – Kshs 28 million.</p> <p>3. The Committee stressed the need for the Commission to create awareness on its mandate particularly in ensuring the citizen right to quality service both at the national and county level of government is not compromised.</p> <p><b>Witness Protection Agency</b></p> <p>1. In the FY 2025/26, the Agency’s proposed budget ceiling is Kshs 847.9 million against a resource requirement of Kshs 1,698.7 million. The shortfall will affect the following key areas; Implement Presidential directive on amendments to the witness protection act to include the whistle blower protection – Kshs 150 million, witness protection programme Expenses – Kshs 467.0 million, confidential funds – Kshs 70 million, recruitment of additional core staff – Kshs 113.0 million and Kshs 30.0 million staff mortgage.</p> <p>2. The Committee further observed that the witness protection programme which is the main mandate of the agency has consistently been unfunded despite the agency’s critical role in the protection of witnesses in crucial cases. This has hampered the office ability to protect the witnesses under the programme.</p> <p>3. The Committee further acknowledges the critical role the office plays in the criminal justice system particularly in guaranteeing the safety and security of witnesses and further noted that the office has played crucial role in the prosecution of complex corruption and terrorism related cases in the recent past.</p> <p><b>Kenya National Commission on Human Rights</b></p>	

DEPARTMENTAL COMMITTEE	OBSERVATIONS	POLICY RECOMMENDATIONS
	<p>1. The Commission was allocated a budget ceiling of Kshs. 528.6 million in the FY 2025/26 against a resource requirement of Kshs. 847.8 million by the National Treasury. This leaves a resource gap of about Kshs. 319.2 million.</p> <p>2. The Committee further observed that the Commission is underfunded in the following critical areas; Complaints, investigation, public education and awareness – Kshs 100.4 million, Prevention of Torture Act and Intersex Rights – Kshs 20 million – Kshs 50 million, Devolution of Human Right Services to the Counties – Kshs 118.8 million, and Purchase of new Commissioners’ vehicles – Kshs 80.0 million.</p> <p><b>Ethics &amp; Anti-Corruption Commission</b></p> <p>1. In the FY 2025/26 the Commission resource requirement is 8.45 billion comprising of Kshs 7.98 billion for recurrent expenditure and Kshs 0.462 billion for development expenditure. However, the proposed budget ceiling for the Commission is Kshs 4.4 billion comprised of Kshs 4.3 billion for recurrent expenditure and Kshs. 0.1 billion for development expenditure. The shortfall is likely to impact the commission’s ability to effectively discharge its prescribed mandate.</p> <p>2. In particular, the Commission has a shortfall in the following key areas; Trace, preserve and recover assets from unexplained and corruptly acquired assets – Kshs 220 million, post-retirement medical scheme – Kshs 200.0 million, Staff recruitment as per the National Treasury approval – Kshs 304.8 million, and refurbishment of EACC Headquarters (2nd &amp; 3rd floor) – Kshs 164.2 million.</p> <p>3. The Committee has also observed that the commission is currently operating at 50% of its establishment with an in post of 767 employees against a staff establishment 1,508 employees. The commission requests for resource allocation of Kshs 304.8 million to recruit 69 technical officers.</p> <p>4. The Committee also observed there is need for the commission to devolve to all counties to fight corruption at the county level so as to aid against the misuse of the devolved funds.</p> <p><b>Office of the Director of Public Prosecution</b></p> <p>1. The Office of Director of Public Prosecutions budgetary requirement in FY 2025/26 is Kshs. 7.98 billion comprising of Kshs 6.78 billion for recurrent expenditure and Kshs 1.2 billion for development expenditure.</p>	

DEPARTMENTAL COMMITTEE	OBSERVATIONS	POLICY RECOMMENDATIONS
	<p>2. The proposed allocation for the Agency in the FY 2025/26 is Kshs 4.25 billion comprised of Kshs 4.16 billion for recurrent expenditure and Kshs 86 million for development expenditure. The Office has a budgetary shortfall of Kshs 3.73 billion comprised of Kshs 2.61 billion for recurrent expenditure and Kshs 1.12 billion for development expenditure.</p> <p>3. The Office requires an additional allocation of Kshs. 3.052 billion to adequately fund the following key areas;</p> <ul style="list-style-type: none"> <li>i. Acquisition of ODPP Headquarters - Union House – Kshs 850 million</li> <li>ii. Rolling out of Uadilifu Case Management System to the remaining County and Sub-County Offices – Kshs 100.0 million</li> <li>iii. Refurbishment of four county and sub-county Offices – Kshs 90 million</li> <li>iv. Construction of two county and Sub- County offices and Containerization of five county and sub-county offices – Kshs 164.0 million</li> </ul> <p>4. The Committee further observed that the Office is a key player towards improving the national security, strengthening good governance and fight against corruption and therefore requires increase in resource allocation to enable the Office execute its mandate.</p> <p>5. Acquisition of Office premise for the ODPP - The Committee has also observed that the ODPP has an offer of Kshs 0.85 billion for the acquisition of the current ODPP office premises. However, the Committee urged the ODPP to undertake a cost benefit analysis of the offer and consider other options such as constructing their own office block in Loresho which hosts the Prosecution Training Institute (PTI).</p> <p><b>Office of the Registrar of Political Parties</b></p> <p>1. The Office resource requirement in the FY 2025/26 is Kshs. 9.24 billion out of which Kshs 1.5 billion was to cater for the Agency’s Office operations, Kshs 7.62 billion for the Political Parties Fund and Kshs 115.5 million for the Political Parties Liaison Committee.</p> <p>2. The 2025 Budget Policy Statement has proposed a budget ceiling of Kshs 1.985 billion in FY 2025/26, out of which Kshs 540.1 million will cater for</p>	

DEPARTMENTAL COMMITTEE	OBSERVATIONS	POLICY RECOMMENDATIONS
	<p>the Office Operations, Kshs 1.43 billion will cater for the Political Parties Fund and Kshs 16.9 million for Political Parties Liaison Committee. This will result in budgetary shortfall of Kshs 7.3 billion.</p> <ol style="list-style-type: none"> <li>3. Further, the Committee has observed that the allocation to the Political Parties Fund is not in compliance with the provision of the Section 24 of the Registrar of Political Parties Act as well as the ruling of Justice Aburili on the implementation of the Section 24 of the Act.</li> <li>4. The Committee has also observed that the Office of the Registrar of Political Parties is frequently enjoined in matters filed in courts and in the Political Parties Dispute Tribunal (PPDT) arising from intra and inters political parties' wrangles. This affects the office in terms of legal fees and time used in defending cases.</li> <li>5. The Office has requested for additional funds of Kshs 525.2 million to cater for the following unfunded areas; Establishment of five regional offices – Kshs 75 million, Refurbishment of office space at HQs and seven county offices – Kshs 50 million, Purchase of six motor vehicles – Kshs 55.5 million, Legal Fees – Kshs 78 million and Capacity building of Political Parties and ORPP - Kshs 45.5 million, Maintenance of mobile platform for access of unstructured supplementary service data (USSD) – Kshs 25 million, Recruitment of additional staff for the new County offices and other vacant critical positions – Kshs 25.5 million and Legal reforms – Kshs 50 million.</li> </ol>	
<p><b>Regional Development</b></p>	<p><b>State Department for Devolution</b></p> <ol style="list-style-type: none"> <li>1. According to the State Department's submission, the total resource requirements for FY 2025/26 is <b>Kshs. 20.86 billion</b> comprising of <b>Kshs. 3.49 billion</b> recurrent expenditure and <b>Kshs. 17.37 billion</b> development expenditure. As per the BPS tabled in Parliament, the BPS proposed ceiling for the State Department was <b>Kshs. 4.39 billion</b> of which <b>Kshs. 1.52 billion</b> is recurrent expenditure and <b>Kshs. 2.88 billion</b> is development expenditure. As per the State Department's submission, they had incorrectly captured the BPS ceiling for the FY 2025/26 as <b>Kshs. 17.60 billion</b> comprising of <b>Kshs. 1.52 billion</b> as recurrent expenditure and <b>Kshs. 16.08 billion</b> as development expenditure. The difference is attributed to the development expenditure where the BPS tabled in Parliament presented a ceiling of Kshs. 2.88 billion and not</li> </ol>	<ol style="list-style-type: none"> <li>1. The Intergovernmental Relations Technical Committee (IGRTC) to provide the Committee with a detailed roadmap and timelines on the proposed dissolution of the six (6) regional development authorities and the eventual transfer of assets, liabilities and personnel to the two levels of government by June 2025.</li> <li>2. The Cabinet Secretary for the National Treasury and Economic Planning should facilitate the transfer of funds for the Nairobi River Commission to the State Department of Housing and Urban Development, in accordance with Gazette Notice No. 13907, for the FY 2025/26.</li> </ol>

DEPARTMENTAL COMMITTEE	OBSERVATIONS	POLICY RECOMMENDATIONS
	<p>Kshs. 16.08 billion as submitted by the State Department. This difference in allocation is attributed to the donor funded project, Kenya Devolution Support Program (KDSP).</p> <ol style="list-style-type: none"> <li>2. The KDSP II is a World Bank program aimed to support capacity building and technical assistance at the county level. In the FY 2025/26, the project's resource requirement is Kshs. 15.8 billion. Given the proposed allocation of Kshs. 2.6 billion in the 2025 BPS, the implementation of level 1 and level 2 of the program will likely be affected.</li> <li>3. The KDSP II financed by the World Bank and the Government is currently being implemented at the county level. It is crucial for the counterpart government financing to be secured in the next financial year so as to ensure the successful and ultimate completion of the project.</li> <li>4. The Committee noted that IGRIC is requesting for an additional Kshs. 375 million in their FY 2025/26 budget to cater towards its operations.</li> <li>5. The IGRIC Report on unbundling and transfer of functions of the Regional Development Authorities to County Governments guided the Cabinet communication on their dissolution. The report equally identified respective functions that would be linked to the national government functions as per the Constitutionally aligned functions.</li> <li>6. According to the State Department for Devolution, the Nairobi Rivers Commission which was initially under the State Department is now domiciled at the State Department for Housing and Urban Development through a Gazette Notice No. 13907.</li> <li>7. The Committee noted that the Council of Governors did not have adequate funding for its sectorial committees and thus requesting an additional allocation on its recurrent budget of Kshs. 75 million in the FY 2025/26.</li> <li>8. World Scout Parliamentary Union, with over 2.5 million Kenyan youth members, supports BETA by promoting national values, complementing formal curriculum, supporting climate change mitigations, providing digital skills, cybercrime safety, and data training.</li> </ol> <p><b>State Department for the ASALs &amp; Regional Development</b></p> <ol style="list-style-type: none"> <li>1. The proposed ceiling for the State Department for the ASALs and Regional Development FY 2025/26 is <b>Kshs. 7.38 billion</b> of which</li> </ol>	<ol style="list-style-type: none"> <li>3. The Cabinet Secretary for National Treasury and Economic Planning to ensure that the GoK counterpart funding for the KDSP II are fully incorporated into the FY 2025/26 budget.</li> </ol> <p><b>State Department for the ASALs &amp; Regional Development</b></p> <ol style="list-style-type: none"> <li>1. The Principal Secretary State Department for the ASALS and Regional Development to enhance collaboration with the county governments during implementation of their projects in FY 2025/26 in order to ensure sustainable, inclusive and well coordinated regional development.</li> <li>2. The RDAs in conjunction with the State Department for Devolution and the State Department for ASALs and Regional Development should come up with a resource mobilization framework and report to Parliament and the National Treasury by the end of FY 2025/26 that will enable them mobilize resources required to undertake their activities without them relying on government funding due to the constraint fiscal space.</li> </ol>

DEPARTMENTAL COMMITTEE	OBSERVATIONS	POLICY RECOMMENDATIONS
	<p><b>Kshs. 4.85 billion</b> is recurrent expenditure and <b>Kshs. 2.53 billion</b> is development expenditure.</p> <ol style="list-style-type: none"> <li>2. The State Department resource requirement for FY 2025/26 is <b>Kshs. 53.21 billion</b> of which <b>Kshs. 16.39 billion</b> is recurrent and <b>Kshs. 36.82 billion</b> is development translating to 75% financing gap.</li> <li>3. The State Department is in the process of developing a Cabinet Memo that will aim at outlining how RDAs can become self-sustaining and stop their reliance on exchequer funding.</li> <li>4. The Committee noted that the State Department raised concerns that there was insufficient stakeholder engagement in the unbundling and transfer of functions of RDAs to county governments. However, the Committee is mindful of the functions of County Governments as outlined in the Fourth Schedule of the Constitution.</li> <li>5. The Committee observed with concern the continued defunding of the RDAs, a decision guided by a Cabinet Memo, which significantly undermines their ability to fulfill their mandate of facilitating regional development and natural resource management. The persistent budget cuts not only weaken ongoing projects but also jeopardise service delivery to the communities that rely on these authorities. Further, the lack of adequate funding may result in stalled projects, delayed project implementation and thus leading to accumulation of pending bills, penalties, and cost overruns.</li> <li>6. Pending bills remain a key issue for the State Department for the ASALs and Regional Development as they have pending bills amounting Kshs. 10.8 billion as per the sector report September 2024.</li> <li>7. The Committee noted that there exists a dispute between KenGen and two RDAs (KVDA and TARDA) on the annual amounts paid by the electricity generating company. KVDA and TARDA receive Kshs. 45 million and 58 million respectively.</li> </ol>	
<b>Finance and National Planning</b>	<p><b>State Department for Economic Planning</b>  <i>Legal and Budgetary Uncertainty Surrounding NG-CDF Allocation and Continuity.</i></p> <ol style="list-style-type: none"> <li>1. It was observed that in FY 2024/25, the total allocation for the National Government Constituencies Development Fund (NG-CDF) stands at</li> </ol>	<ol style="list-style-type: none"> <li>1. Within one month of the Budget Policy Statement's approval, the National Treasury and the Department for Immigration should submit copies of the agreement between the government and the private vendor, along with a clear framework for evaluating the vendor's performance and compensation model, to the Departmental Committee on Finance and National Planning. This will enable the committee to determine whether payments are aligned with the</li> </ol>

DEPARTMENTAL COMMITTEE	OBSERVATIONS	POLICY RECOMMENDATIONS
<p>KSh. 68,232.9 million, which includes KSh. 13,455.9 million carried over from FY 2023/24. However, based on the Budget Policy Statement (BPS) 2025 ceilings, the NG-CDF allocation has been significantly reduced from KSh. 54.77 billion in the current financial year to KSh. 26 billion in FY 2025/26. This reduction appears to be a direct consequence of the High Court ruling issued on September 20, 2024, which declared the NG-CDF unconstitutional and ordered its cessation by June 30, 2026.</p> <p>2. In response, the NG-CDF Board and the National Assembly appealed the ruling, arguing that the judgment contained fundamental legal errors. Notably, the decision was based on the repealed CDF Act of 2013 rather than the NG-CDF Act of 2015, which remains in force. Given these legal discrepancies, there is a high likelihood that the appeal could succeed, potentially overturning the High Court's decision.</p> <p>3. Additionally, efforts are underway to entrench NG-CDF into the Constitution, which would resolve any legal uncertainties regarding its existence. Parliament also retains the power to enact new legislation to ensure the continuity of NG-CDF programs. However, as the legal process unfolds, concerns have emerged regarding the funding of ongoing projects, many of which are at various stages of completion. Without adequate provisions in the FY 2025/26 budget and beyond, there is a risk of project abandonment, which could negatively impact development initiatives and educational bursaries supported by NG-CDF. Given that legal appeals may take time, there is a strong argument for continued budgetary allocations to sustain critical projects and prevent disruptions in service delivery.</p> <p><b>The National Treasury Governance, Administration, and Revenue Management of the E-Citizen Platform</b></p> <p>1. It was observed that the E-Citizen platform is fully owned by the government, with a private vendor contracted for three years to manage its operations and provide capacity-building support. The vendor's compensation is structured based on the number of government entities utilizing the platform, aligning payment with the system's expansion and adoption.</p> <p>2. It was also noted that the platform was initially under the Ministry of</p>	<p>services provided, assess the financial implications of the agreement, and ensure the effective use of public funds. Additionally, this aims to enhance transparency, strengthen accountability, and facilitate the proper monitoring of the contractual and operational aspects of the E-Citizen platform.</p> <p>2. Within two weeks after the approval of the Budget Policy Statement, the National Treasury should submit a detailed report to the Departmental Committee on Finance and National Planning outlining the measures being implemented to address revenue collection shortfalls. This report should include specific tax revenue-raising strategies to support the projected revenue for FY 2025/26. This will help to assess whether the proposed revenue measures align with the Medium-Term Revenue Strategy (MTRS) and the National Tax Policy, both of which provide a long-term framework for sustainable revenue mobilization and predictability of the revenue raising measures.</p> <p>3. Within one week after the approval of the Budget Policy Statement, the National Treasury should submit a comprehensive report to the Departmental Committee on Finance and National Planning detailing the implementation status of the new digitized pension system, including key milestones and timelines. Additionally, the Treasury should provide an action plan outlining measures to clear outstanding pension arrears, ensure the timely remittance of contributions, and enhance pension administration efficiency. This report should also include the findings and recommendations of the task force on pension administration. These measures will improve transparency, strengthen accountability, and ensure retirees receive their rightful benefits without unnecessary delays.</p>	

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	<p>ICT but later came under the administration of the Immigration Department, which now serves as the custodian of the agreement documents. This transition has placed the Immigration Department in charge of overseeing the platform’s contractual and operational aspects.</p> <p>3. Furthermore, it was observed that the convenience fee collected through the E-Citizen platform is now deposited directly into a government account.</p> <p><b><i>Transition to Accrual-Based Accounting Under IPSAS 33</i></b></p> <p>1. It was also observed that the government will commence its transition from cash-based to accrual-based accounting on July 1, 2025, with a planned three-year implementation period. This shift, aligned with IPSAS 33, aims to enhance financial transparency and resource management.</p> <p>2. The transition will be overseen by an Implementation Steering Committee and will follow a phased approach. In the first year, the focus will be on recognizing financial assets, while in the second and third years, the process will expand to include non-financial assets, such as natural resources. This structured implementation ensures a gradual and comprehensive migration to the new accounting framework.</p> <p><b><i>Rising Pension Arrears and Challenges in Pension Administration</i></b></p> <p>1. It was observed that a new digitized pension system is set to be implemented, with the rollout scheduled to begin in May 2025. This system aims to streamline pension administration by enhancing efficiency, reducing bureaucratic delays, and ensuring the timely processing of payments.</p> <p>2. Further, despite legal requirements, pension arrears continue to rise, with unremitted contributions reaching KSh. 54.468 billion in the public sector and KSh. 2.474 billion in the private sector as of December 31, 2024. These amounts, already deducted from employees’ salaries, remain unpaid, raising serious concerns about financial mismanagement and accountability.</p> <p>3. Additionally, pension administration remains inefficient, hindered by slow digitization and bureaucratic delays, which have significantly prolonged payment processing. Some retirees have been forced to wait up to 26 years to receive their pensions, leaving many in financial distress and struggling to afford necessities, despite their years of</p>	

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	<p>service.</p> <p>4. In addition, it was observed that the National Treasury has established a task force to assess the progress of pension administration. The task force is currently working to determine the actual pension arrears and accrued interest while formulating recommendations on how these arrears will be cleared.</p> <p><b><i>Unrealistic Revenue Growth Projections Amid Persistent Shortfalls</i></b></p> <p>1. It was also observed that the government’s revenue collection has consistently fallen short, with deficits increasing from KSh. 123.6 billion in FY 2022/23 to KSh. 205 billion in FY 2023/24, and KSh. 204.9 billion in FY 2024/25. Furthermore, as of January 2025, the current FY 2024/25 recorded an ordinary revenue shortfall of KSh. 113 billion.</p> <p>2. The National Treasury attributes these persistent revenue deficits to inefficiencies in tax administration, weak enforcement, poor policy implementation, and low compliance levels. Additionally, gaps in existing legislation limit the government’s ability to capture all taxable transactions, particularly those involving multinational companies and businesses operating in Kenya. These shortcomings have significantly impacted revenue mobilization, further straining the country’s fiscal position.</p> <p>3. Despite these challenges, the National Treasury projects a sharp increase in revenue to KSh. 3,385.8 billion in FY 2025/26, raising concerns about the credibility of these targets. With slower economic growth expected, revenue collection is also likely to increase at a slower pace, making these ambitious projections highly questionable.</p>	
<b>Social Protection</b>	<p>1. The Committee observed that there were notable missed opportunities in the BPS 2025 such as ending Gender Based Violence and the merger of the National Council for Persons Living with Disabilities Fund and the Disabled Fund of Kenya.</p> <p>2. The Committee observed that an additional Kshs 21.7 billion needs to be provided for in the Inua Jamii program for the financial year 2025/26 and the medium-term in order to achieve equity in reaching out to persons eligible but cannot benefit from the monthly cash transfers due</p>	<p>1. Where Presidential directives that have monetary implications are issued, it is incumbent upon the National Treasury to prioritize such directives in the next budget cycle. The Cabinet Secretary for National Treasury should ensure that Presidential directives obtain funding priority in the fiscal year that follows immediately after the directive, should further ensure the resultant programmes are not subjected to funding cuts midstream, and should additionally publish guidelines on implementation framework of all presidential</p>

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	<p>to under-provision in the budget. The Committee was apprised of a situation where a 70-year of woman was currently receiving the monthly Inua Jamii funds, while her equally 70-year old neighbour was not receiving anything at all.</p> <ol style="list-style-type: none"> <li>3. The Committee further observed that the reduction of Kshs 209 million from the National Fund for Persons with Disabilities base year allocation of Kshs 259 million will greatly affect the procurement and distribution of Assistive Devices for persons who rely on the Council for these devices across the country.</li> <li>4. The Committee noted that Autism support requires intensive care, psychosocial support, treatment and therapy. However, the budget line for the implementation of the national autism support has remained at Kshs 100 million over the years. This program needs an additional Kshs 75 million.</li> <li>5. The Committee also noted that the Presidential Secondary Schools Bursary has a ceiling of Kshs 100 million in the 2025/26 financial year compared to the base year allocation of Kshs 400 million. This reduction will greatly impact on the intended beneficiaries of these bursaries, who are all extremely needy and vulnerable learners, who may drop out of school as a direct consequence of insufficient allocations.</li> <li>6. The Committee observed that the Street Family Rehabilitation Trust Fund (SFRTF) continues to face challenges due to limited budget despite having an enormous task of locating, rehabilitating, and linking of families to their rural homes. The Fund requires an additional Kshs 150 million in the 2025/2026 financial year.</li> <li>7. The Committee took note of declassification and de-funding of the Child Welfare Society of Kenya announced the previous month, and expressed its displeasure since the Society supports over 700,000 children countrywide mostly brought in by Government officials and agencies day and night for protection, medical care, education and</li> </ol>	<p>directives by 30<sup>th</sup> May, 2025.</p> <ol style="list-style-type: none"> <li>2. An over-arching policy framework for the coordination of social protection in the country, which is key to the streamlining of resource mobilization for Social Safety Net Programs, is still lacking. The Cabinet Secretary for Labour and Social Protection should thus ensure that the Social Protection Bill reaches the National Assembly for consideration by 30<sup>th</sup> June 2025.</li> <li>3. The Committee took note of the important role the Child Welfare Society of Kenya (CWSK) plays in the welfare of the Kenyan vulnerable children. The CWSK was noted as being the National Emergency Response and Rescue Organization for Children as well as the National Adoption Society. CWSK promotes, protects and secures the rights of children, thus ensuring safe environment for them to lead happy, fulfilling and fruitful lives. CWSK does this by providing for the welfare needs of children and supporting families through rescue of children in distress, family tracing and reintegration, alternative family care (foster care, guardianship and adoption), pregnancy crisis support, emergency preparedness and response, education and skill building, family strengthening, mediation and empowerment, counselling, prevention of child labour and commercial sexual exploitation of children, prevention of child trafficking, prevention of HIV/AIDS, promoting adolescent reproductive health, promoting child participation, capacity building of duty bearers, protection of OVC (Orphaned and Vulnerable Children), among others. The agency has set-up offices/branches and works throughout the county to reach children and vulnerable young persons, and its impact since inception has been undoubtedly phenomenal and remarkable. The Cabinet Secretary for Labour and Social Protection should therefore put on hold any course of action that will inconvenience or endanger the hundreds of thousands of vulnerable children as the Committee seeks re-consideration and</li> </ol>

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	<p>welfare. The Committee undertook to pursue a reversal of the decision. It was further noted in the 2025 BPS the Society's budget has been reduced from the base year allocation of Kshs 1.015 billion to Kshs 498.15 million.</p> <p>8. The Committee further observed that the State Department for Social Protection has a pending bill on the legal case-Eldoret HCC NO.160 of 2011, Eldoret water sanitation and company limited and Mur'anga case MCG. NO.174 2013 which may continue to earn interest if the payment of Kshs 21.4 million is not settled appropriately.</p> <p>9. The Committee observed that the Kenya Social-Economic Inclusion Programme (KSEIP II) with an allocation of Kshs 1.724 billion for the financial year 2025/26 requires a counterpart funding of Kshs 600 million which is not factored into the ceilings provided in the BPS 2025.</p> <p>10. The Committee observed that pursuant to a presidential directive, the Kenya National Innovation Agency (KENIA) requires a provision of Kshs 1.5 billion under recurrent vote for operation budget or start-up funding to support commercialization of innovations and other entrepreneurial ventures.</p> <p>11. The Committee also observed that via a presidential directive, the National Youth Service has been instructed to increase service recruits to 100,000 within the medium-term. In the course of this year the Service intends to recruit 40,000 service men and women in two cohorts. The Service is currently recruiting the first 20,000 cohort with a budget constraint.</p> <p>12. The Committee also observed that the development budget for the National Youth Service has significantly reduced over the years and the current allocation cannot fix the deplorable conditions of the sanitation systems, exiting infrastructures in the barracks including dining halls, classrooms, workshops among others.</p> <p>13. The Committee noted that the National Youth Service requires a seed capital of Kshs 9 billion to fund and actualize the commercialization</p>	<p>reversal of decision regarding declassification and defunding of the Society. The Committee further, having noted that the CWSK is a Trust operating under an Irrevocable Trust Deed, and is additionally an Approved and Exempt Society having Government representation, recommends that the tenets of the African Charter on the Rights and Welfare of the Child, of which Kenya is a signatory, be honoured and upheld under the facilitation of the Child Welfare Society of Kenya.</p>

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	<p>plans in order to build a foundation for financial self-sustenance and wean it off the Exchequer in coming years.</p> <p>14. The Committee further observed that policies on anti-Female Genital Mutilation (Anti-FGM) campaigns and Gender Based Violence (GBV) are slowing down due to lower budgetary provisions and over-reliance on donors. The underfunding affects campaigns and advocacy against the vices and establishment of safe houses for victims of GBV.</p>	
<p><b>Health</b></p>	<p><b>General Observations</b></p> <ol style="list-style-type: none"> <li>For the 2025/26 financial year, the health sector's proposed total expenditure ceiling is Kshs 204.5 billion. Kshs.171.9 billion and Kshs 31.9 billion have been allocated to the State Department for Medical Services and State Department for Public Health and Professional Standards, respectively.</li> <li>There is underfunding for personal emoluments in SAGAs particularly in referral hospitals and the specialized hospitals planned to be established.</li> <li>The government has made UHC a central pillar of the Bottom-Up Economic Transformation Agenda (BETA) and enacted four key health laws in 2023 to ensure access to comprehensive healthcare. The successful implementation of UHC depends on adequate funding, with key initiatives such as The Primary Healthcare Fund and the Emergency, Chronic, and Critical Illness Fund significantly underfunded.</li> <li>Recent U.S. presidential sanctions have resulted in the withdrawal of key donor funding for healthcare programs in Kenya. This has affected initiatives in areas such as HIV/AIDS, TB, Malaria treatment, maternal and child health, tuberculosis and child vaccine procurement. The reduction in donor support may force the government to reallocate domestic resources, potentially straining other health sector priorities.</li> </ol> <p><b>State Department for Medical Services</b></p> <ol style="list-style-type: none"> <li>The Ministry aims to increase health commodity availability from 64% to 75% in 2025, with a long-term goal of 100% by 2027. Achieving this requires a robust supply chain, investment in local pharmaceutical manufacturing, and reforms at the Kenya Medical Supplies Authority (KEMSA). However, disruptions caused by donor funding withdrawals may impact essential supplies, including child vaccines, Tuberculosis diagnosis</li> </ol>	<p><b>General Recommendations</b></p> <ol style="list-style-type: none"> <li>The National Treasury to prioritize increasing budgetary allocations for UHC programs. The Ministry of Health should ensure efficient utilization of funds and closely monitor the impact of reduced donor funding on critical healthcare programs.</li> <li>The Cabinet Secretary of Health to engage with international partners to negotiate alternative funding arrangements. Additionally, the National Treasury should prioritize domestic resource mobilization to compensate for donor withdrawals, ensuring that critical health programs remain operational.</li> <li>The Cabinet Secretary for health to prepare a Cabinet Memo on the housing of all health SAGAs without permanent offices in one building situated at the parcel of land owned by the NQCL.</li> <li>The National Treasury, in light of the reduction in donor support, to allocate funding for the promotion of local research and manufacturing in institutions such as KEMRI, KIPRE and BIOVAX Limited.</li> <li>The Cabinet Secretary for health, in consultation with the Cabinet Secretary for correctional services, to develop a legal framework for the handling of convicted offenders who are found to be of unsound mind or to have permanent intellectual disability.</li> </ol> <p><b>State Department for Medical Services</b></p> <ol style="list-style-type: none"> <li>The Ministry of Health to fast-track reforms at KEMSA to enhance efficiency, accountability, and transparency in procurement. The Principal Secretary, State Department for Medical Services to submit report on the assessment and evaluation of the Managed Equipment Services (MES) Project and the negotiated Intergovernmental</li> </ol>

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<p>and treatment, HIV/AIDS medication, and Malaria treatments.</p> <ol style="list-style-type: none"> <li>2. There is inadequate budgetary allocation for the health sector to support implementation of health programmes in view of the reduced donor funding. GAVI will end its support to Kenya by 2028/2029. The government therefore ought to increase exchequer funding on vaccine and immunization programmes, human vaccine production and human health research through the Kenya BioVax Institute and the Kenya Medical Research Institute (KEMRI) respectively.</li> <li>3. The Kenya BioVax is setting up a fill and finish human vaccine production facility with a capability to produce up to 6 million doses of vaccines per month and 72 million doses per annum. The project contract sum is Kshs 470.6 million and at the end of quarter 1 of financial year 2024/25, Kshs 179 million has been certified for payment.</li> <li>4. The Wellcome Trust has been supporting research and development at KEMRI. The funded research activities at KEMRI are designed by research partners. Notably, 800 workers have been employed by Wellcome Trust. The Committee notes that the contract has ended, and this will render the employees jobless.</li> <li>5. Kenya Institute of Primate Research (KIPRE) and Kenya Medical Research Institute (KEMRI) have entered into an MOU to undertake clinical trials and snake anti-venom manufacturing. The commercialization of the products will generate revenue.</li> <li>6. Although training is a function of the national government, the Ministry and the county governments are yet to come up with a funding framework for the training of registrars working in the Level 6 referral hospitals.</li> <li>7. The counties are paying KEMSA pending bills from the County Revenue Fund. Payment of KEMSA pending bills from Facilities Improvement Fund (FIF) and would ensure that KEMSA pending bills are paid promptly.</li> <li>8. The Oxygen plant at Kenyatta National Hospital has not been handed over to KNH. The Project Implementation Team (PIT) is currently assessing the project. Further, in 2023/24 financial year the project was allocated Kshs 70 million for procurement of generators. However, the generators are expected to be delivered in March 2025. Notably, during this period KNH is purchasing oxygen.</li> <li>9. Spinal Injury and Mathari National Teaching and Referral Hospital has been classified as Semi-Autonomous Agencies under the Ministry of Health.</li> </ol>	<ol style="list-style-type: none"> <li>2. Within sixty (60) days, The Cabinet Secretary, Ministry of Health to develop a policy framework for the training of Registrars working in National Referral hospitals and their re-integration back to the County Governments.</li> <li>3. In preparation of the 2025/26 financial year budget, the National Treasury creates a separate budget line for the Mathari National Teaching and Referral Hospital and Spinal Injury Hospital.</li> <li>4. In the next thirty (30) days, the Ministry of Health and National Treasury to table a detailed report on status of all donor-funded programmes and projects under the Health Sector.</li> <li>5. In the next sixty (60) days the National Treasury should facilitate engagements with all MDAs that have outstanding debts under the defunct NHIF to develop a structured debt repayment plan for settling the KES 12.064 billion owed including WIBA, Kenya Police Service and the Civil Servants scheme. Additionally, a comprehensive and transparent audit of outstanding obligations should be conducted to verify the legitimacy of claims and ensure accountability in the repayment process.</li> <li>6. To enhance public awareness and improve service utilization, the Social Health Authority (SHA) should launch a nationwide communication campaign. This initiative should leverage multiple channels; including digital platforms, print and broadcast media, and community outreach to educate citizens on SHA's benefits, coverage, registration process, and service accessibility. Additionally, the National Treasury, through the Ministry of Health, should allocate supplementary funding to support SHA in addressing operational needs and resolving initial implementation challenges. This financial support will ensure a smoother transition and effective service delivery in the early stages of its implementation.</li> </ol> <p><b>State Department for Public Health and Professional Standards</b></p> <ol style="list-style-type: none"> <li>1. The National treasury through the Ministry of Health allocates resources to public health laboratories, disease surveillance systems, and emergency response mechanisms. The Cabinet Secretary for health to seek Partnerships with international health organizations to</li> </ol>	<p>Participatory Agreements (IPAs) with County Governments and the new contracts for the National Equipment Support Programme within thirty (30) days.</p>

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	<p>However, the Ministry has failed to fully operationalize the SAGAs by providing transfers to these referral facilities. These facilities have not been able to procure and recruit new staff.</p> <p>10. Mathari National Teaching and Referral Hospital is unable to claim to SHA for services offered to prisoners. Most of these prison patients don't have unique identifiers i.e. Identity cards required for SHA registrations. The referral hospital ends up with unpaid bills left by discharged prisoners.</p> <p>11. The defunct NHIF owes co-insurers KES 8.137 billion for civil servants' Work Injury Benefits Act (WIBA) claims, along with an additional KES 3.927 billion in accumulated WIBA claims predating April 2021. While Section 26(4) of WIBA mandates insurers to resolve claims within 90 days of their submission, the now-defunct NHIF provided this insurance service before receiving payments from respective government agencies. These outstanding debts are among those that the Social Health Authority (SHA) is seeking to recover.</p> <p>12. A major challenge facing the Social Health Authority (SHA) system has been inadequate communication. Many people remain uninformed about the program's benefits, coverage options, registration process, and how to access healthcare services under the new system, resulting in confusion and difficulty in utilizing healthcare services effectively. Additionally, SHA has struggled with insufficient funding in its administrative and support functions. The Act capped administrative expenditure at 5% of its revenue collection.</p> <p>13. The defunct NHIF owes healthcare providers an estimated KES 30.9B. Additionally, NHIF owes co-insurers KES 8.137B for civil servants' WIBA claims and a further KES 3.927B in accumulated WIBA claims before April 2021. NHIF also has outstanding premium receivables totaling KES 25.5B across various government-funded schemes, including the civil service medical cover, Linda Mama program, and indigent support.</p> <p><b>State Department for Public Health and Professional Standards</b></p> <p>1. Kenya continues to face significant public health challenges, including emerging infectious diseases and persistent threats such as tuberculosis (TB), Malaria, Ebola and Monkey pox, Marburg and Covid-19 among others. While the government has strengthened disease surveillance mechanisms, funding limitations hinder the full implementation of</p>	<p>mitigate funding gaps occasioned by USAID withdrawals.</p> <p>2. Within 60 days, Kenya Medical Training College provide a progress report on operationalization of the 18 new KMTCs. Further, The Principal Secretary, State Department for Public Health and Professional Standards and the National Treasury to prioritize allocating more funds for the recruitment of staff to operationalize other KMTC facilities ready for operationalization.</p> <p>3. The Cabinet Secretary to develop Regulations on the sale and use of nicotine products under the Tobacco Control Act, Cap. 245A within six (6) months.</p> <p>4. Within ninety (90) days, The Kenya Medical Practitioners and Dentist Council to inspect and categorize all health facilities in Kenya to ensure quality of care and facilitate effective empanelment of healthcare providers by Social Health Authority.</p> <p>5. Within sixty days, The Ministry of Health develop amendments to the Universities Act, Cap. 210 to allow regulatory bodies to regulate the training of health workers and inspection of healthcare training in all training institutions.</p> <p>6. In preparation of 2025/26 financial year budget estimates, the National Treasury to provide full funding of Kenya Medical Practitioners and Dentist Council and other regulatory bodies. The Cabinet Secretary for health, within one month, to seek legal advice from the Office of the Attorney General and the Department of Justice on the framework for the merging and declassification of the State Corporations as directed by the Cabinet. The regulatory bodies should continue to receive funding from the exchequer awaiting the Attorney general's advisory.</p> <p>7. To support the achievement of World Health Organization (WHO) Maturity Level 3, the Principal Secretary, State Department for Public Health and Professional Standards, in collaboration with the Principal Secretary, National Treasury, should ensure the allocation of adequate funds to the Pharmacy and Poisons Board (PPB) for the absorption of contract staff currently funded by the World Bank.</p>

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	<p>monitoring and response programs. The withdrawal of donor support may further strain resources allocated for disease control, laboratory services, and emergency preparedness.</p> <ol style="list-style-type: none"> <li>2. To improve service delivery, the government has committed to expanding the health workforce through the Afya Nyumbani program and increasing training capacity at the Kenya Medical Training College (KMTc). Funding constraints have led to over-reliance on internally generated revenues for Personnel emoluments in referral hospitals and other health institutions.</li> <li>3. The contract signed by the Ministry of Health for the purchase of kits for Community Health Promoters included the replenishment of consumables for which the Ministry will continue to engage the supplier to meet their contractual obligations.</li> <li>4. Most of the regulatory bodies and agencies under the State Department are renting their office spaces. However, NQCL has four acres of land which is sufficient to construct a complex to host the agencies that do not have office space.</li> <li>5. Kenya is working towards achieving WHO Maturity Level 3; however, several challenges continue to hinder progress. These include weak regulation of health products and technologies, inadequate control over over-the-counter (OTC) drug sales, and staffing shortages at the Pharmacy and Poisons Board. The Kenya Health Products and Technologies Regulatory Authority Bill, 2022, passed by the National Assembly, and is currently in Senate is a key enabler in attaining this milestone. The Committee, therefore, urges the Senate to expedite its consideration.</li> <li>6. There are forty-two (42) professional cadres of health workers in Kenya out of which eight (8) are regulated by eleven (11) professional bodies, thirty-one (31) are totally unregulated which presents a challenge in the management of the health profession in the country.</li> <li>7. The declassification of regulatory bodies such as the Kenya Medical Practitioners and Dentists Council (KMPDC), the Clinical Officers Council, and the Nursing Council of Kenya, among others as directed by the Cabinet, poses a significant risk to healthcare service delivery. This directive could undermine quality-of-care surveillance, facility and health professional licensing, and the enforcement of care standards, ultimately compromising the entire healthcare system. For instance, KMPDC may be pushed to increase the licensing fee for a Level 3 facility from the current Ksh 20,000</li> </ol>	

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	<p>to Ksh 100,000 to effectively fulfill its mandate. In the long run, this increase will drive up the overall cost of healthcare, making services less accessible and potentially exacerbating the National disease burden.</p> <p>8. A total of 29,000 KMTC students require student loans yearly. The Higher Education Loans Board (HELB) does not provide KMTC students with loans despite Kenya Universities and Colleges Central Placement Service (KUCCPS) undertaking placement of KMTC students.</p> <p>9. There is an increased demand for construction of KMTC colleges in the country (especially at the county level). Notably, the county governments construct KMTC colleges and later approach KMTC management to provide resources for operationalization of the colleges including human resources. This has constrained the KMTC budget. KMTC require Kshs.1 billion to operationalize the 18 newly constructed KMTCs</p>	
<p><b>Defence, Intelligence and Foreign Relations</b></p>	<p><b>Ministry of Defence (MoD)</b></p> <ol style="list-style-type: none"> <li>1. In FY 2025/26, the proposed ceiling for MoD is <b>KES.204.63 billion</b> (<i>recurrent-KES.192.11 billion &amp; development-KES.12.52 billion</i>). This is <b>KES.31.68 billion</b> (<i>recurrent-KES.20.69 billion &amp; development-KES.10.99 billion</i>) more than the FY 2024/25 allocation of <b>KES.172.95</b> (<i>recurrent-KES.171.42 billion &amp; development-KES.1.53 billion</i>).</li> <li>2. The total proposed ceiling of KES.204.63 billion has been distributed as follows to the four programmes that MoD will implement in FY 2025/26: <ol style="list-style-type: none"> <li>(i) <b>KES.192.55 billion</b>-Defence Programme;</li> <li>(ii) <b>KES.335 million</b>-Civil aid Programme;</li> <li>(iii) <b>KES.2.64 billion</b>-General Administration Planning and Support Services (GAPSS) Programme; and</li> <li>(iv) <b>KES.9.10 billion</b>-Defence Industrialization Programme.</li> </ol> </li> <li>3. Defence industrialization is a new programme that has been introduced whose aim is to achieve self-reliance by domestically developing technologies and enhancing the Army Engineering Brigade's capabilities for equipment repairs. Additionally, it seeks to position the MoD as a significant contributor to national manufacturing development.</li> <li>4. Despite a budgetary requirement of KES.368.7 billion, the Ministry of Defence (MoD) secured a ceiling of KES.204.6 billion, creating a funding gap of <b>KES.164.1 billion</b>. After prioritizing its needs, the MoD</li> </ol>	<ol style="list-style-type: none"> <li>1. To maintain engagement with the diaspora amidst limited resources, the Principal Secretary in charge of the State Department for Diaspora Affairs (SDDA) should, within twelve (12) months upon approval of the 2025 BPS by the National Assembly, collaborate with the Principal Secretary in charge of the State Department for Foreign Affairs (SDFA) to utilize already posted staff in missions (e.g., Migration Attachés) to take on additional responsibilities related to diaspora affairs. This strategy maximizes the utility of current staff without incurring extra costs associated with deploying new officers.</li> <li>2. That, within twelve (12) months upon approval of the 2025 BPS by the National Assembly, the Cabinet Secretary in charge of the Ministry of Foreign and Diaspora Affairs (MFDA) in conjunction with the Cabinet Secretary in charge of the National Treasury (NT) to develop a plan of restructuring Kenya's foreign service. The plan should involve consolidating or closing economically unsustainable and underperforming missions and reallocating resources to prioritize funding for key missions. The objective of this initiative is to ensure that Kenya has missions that are well-funded and staffed that are more effective than multiple under-resourced ones.</li> <li>3. That, within twelve (12) months upon approval of the 2025 BPS by the National Assembly, the Cabinet Secretary in charge of the</li> </ol>

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	<p>requested enhancement of its ceiling by <b>KES.4.48 billion</b> for the following critical funding gaps:</p> <ol style="list-style-type: none"> <li>i. <b>KES.980 million</b> for the National Air Support Department (NASD) to fulfill its contractual obligation for the refurbishment of M1-17, Augusta, and MD 500.</li> <li>ii. <b>KES.500 million</b> for the operationalization of the Ulinzi Prime Health Services Fund.</li> <li>iii. <b>KES.500 million</b> for the Kenya Space Agency (KSA) to purchase land for the establishment of a spacecraft.</li> <li>iv. <b>KES.1.5 billion</b> for KMC's factory modernization to meet international standards and gain access to the export market.</li> </ol> <p>5. The MoD is in the process of developing the next phase of its modernization programme, aiming to enhance capabilities in both personnel and equipment/systems. Comprehensive details of the planned modernization, resourcing plan (covering budgetary allocations and funding sources), and a progress report on the achievements of the current phase will be submitted to the Committee for assessment of its efficacy and performance.</p> <p>6. In FY 2023/24, the Ministry of Defence (MoD) had a pending bill balance of <b>KES.22.5 billion</b> due to exchequer shortfalls, with <b>KES.15.9 billion</b> settled as per National Treasury guidelines. This has led to a budget gap in FY 2024/25, which, if unresolved, will continue to disrupt MoD's programmes and activities, negatively impacting efficiency in achieving its mandate.</p> <p>7. MoD's contingent liabilities arising from legal liabilities currently stands at <b>KES.2.8 billion</b>. The Ministry has continuously settled the liabilities as and when they rise in collaboration with the Office of The Attorney General and the NT.</p> <p>8. Changes in US foreign policy have resulted in the suspension and cancellation of some training, equipment acquisition, and construction programs that were previously funded through grants and Foreign Military Funding (FMF). This shift may significantly impact the MoD's capabilities, necessitating adjustments in funding plans and exploring alternative partnerships to maintain essential programs and initiatives.</p> <p>9. The Ministry is experiencing delays in finalizing and signing financial agreements for ECA funding due to prolonged engagements between</p>	<p>Ministry of Foreign and Diaspora Affairs (MFDA) prioritizes the appointment of Honorary Consuls as an alternative to opening full-fledged missions in critical regions where Kenya doesn't have a diplomatic footprint. This plan will help the MFDA make the best use of its limited resources while also keeping a strong presence abroad without having to pay for fully-fledged missions, which are usually expensive.</p> <ol style="list-style-type: none"> <li>4. The Principal Secretary in charge of the Ministry of Defence (MoD) to submit a comprehensive report to the committee by April 30th, 2025 detailing the next phase of its modernization programme. The report to include: <ol style="list-style-type: none"> <li>i. Breakdown of planned modernization in personnel, equipment, and systems.</li> <li>ii. Detailed resourcing plan, including budgetary allocations and funding sources.</li> <li>iii. Progress report on the achievements of the ongoing modernization phase.</li> </ol> </li> <li>5. The Principal Secretary in charge of the State Department for Foreign Affairs (SDFA) to submit a comprehensive evaluation report by April 30th, 2025 on the efficacy and performance of Kenya's 65 diplomatic missions. This report should provide: <ol style="list-style-type: none"> <li>i. A mission-by-mission assessment of operational efficiency and financial sustainability.</li> <li>ii. An analysis of each mission's strategic contribution to Kenya's foreign policy and economic interests.</li> </ol> </li> </ol>

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	<p>the National Treasury and financiers after agreement deposit. These delays hinder the commencement of projects that depend on ECA funding.</p> <p><b>State Department for Diaspora Affairs (SDDA)</b></p> <ol style="list-style-type: none"> <li>1. The proposed ceiling to the Department for FY 2025/26 is <b>KES.675.90 million</b> which is <b>KES.38.07 million</b> more than the approved budget for FY 2024/25 of <b>KES.637.83 million</b>.</li> <li>2. The Department's proposed ceiling of <b>KES.675.90 million</b> for FY 2025/26 is equivalent to <b>20.10%</b> of its budgetary requirement of <b>KES.3.36 billion</b> for FY 2025/26. Consequently, it has a budget shortfall of <b>79.90% (KES.2.69 billion)</b>. The resource gap is more pronounced for this department and this calls for strategic prioritization of the key activities and programmes and adaptability by the Department to work within the available resources.</li> <li>3. The most critical funding gap for the Department is <b>KES.1.37 billion</b> comprising: <ol style="list-style-type: none"> <li>(i) <b>KES.507 million</b>-Operationalization of the Diaspora Placement Agency created in line with the expanded mandate as outlined in Executive Order No. 2 of 2023;</li> <li>(ii) <b>KES.367.20 million</b>-Funds needed for facilitation of Diaspora Officers in missions abroad and related costs including rent (KES.124.80 million), O&amp;M (KES.42.6 million) and one-off acquisition/set up costs in selected missions abroad (KES.199.8 million); and</li> <li>(iii) <b>KES.500.00 million</b>-Evacuation and Welfare Facility (evacuation and repatriation of Kenyan abroad; leasing of safe houses).</li> </ol> </li> <li>4. Due to limited resources, the Department should collaborate with the State Department of Foreign Affairs (SDFA) and utilize existing posted staff, such as migration attachés, rather than deploying its own Diaspora Officers. This approach could optimize resource utilization and enhance inter-departmental cooperation.</li> <li>5. The Department is duplicating labour issues (<i>Diaspora Placement Agency (DPA)- connecting Kenyan professionals to global job markets</i>) that should be handled by the Ministry of Labour. Consequently, it should concentrate on its main responsibility of championing the protection of the rights and promoting the welfare and interests of</li> </ol>	

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	<p>Kenyans overseas. Focusing on its main objective will help the Department improve efficiency by guaranteeing the best use of the given resources.</p> <p>6. The Department indicated that they had verified pending bills totalling <b>KES.177 million</b> of which <b>KES.171 million</b> are for FY 2023/24 while <b>KES.6 million</b> are historical pending bills for FY 2022/23.</p> <p><b>State Department for East African Community (SDEAC)</b></p> <p>1. The proposed ceiling for the SDEAC is <b>KES.587.40 million</b>. It is important to note that the proposed ceiling is <b>KES.14.66 million</b> more compared to the approved budget for FY 2024/25 of <b>KES.572.74 million</b>.</p> <p>2. The department has a proposed ceiling of <b>KES.587.40 million</b> which is equivalent to 28.15% of the Department's budgetary requirement of <b>KES.2,086.80 million</b> for FY 2025/26. Consequently, it has a budget shortfall of 71.85%. (<b>KES.1,499.40 million</b>).</p> <p>3. Among the MDAs that fall under the purview of the Committee, the SDEAC receives the least amount of funding, but it still plays a crucial role in the integration process. Additionally, it is responsible for monitoring and evaluating the implementation of the Northern Corridor development projects, which are vital for enhancing trade and connectivity among East African nations.</p> <p>4. Kenya currently holds the Chairmanship of the EAC, a rotational position assumed on 30th November 2024. As Chair, Kenya is responsible for providing policy direction to the EAC Secretariat, mediating between the Secretariat and Partner States, and presiding over all EAC meetings at policy, technical, and expert levels. Adequate funding for the SDEAC is essential to enable Kenya to effectively execute its mandate as the current EAC Chair.</p> <p>5. Out of the funding gap of <b>KES.1,499.40 million</b>, the Department considered <b>KES.439.76 million</b> for EAC Chairmanship as the most critical funding gap because the position has a huge responsibility towards meeting our regional integration objectives. The critical funding gap will be used for the following activities;</p> <p>(i) <b>KES.195.54 million</b>- In November 2025, Kenya will host the Council and EAC Head of States Summit and a High-Level</p>	

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	<p>Infrastructure Retreat, which is a platform for advancing regional integration and sustainable development with leaders, policymakers and stakeholders to evaluate and prioritize investments in critical infrastructure projects across Partner States.</p> <p>(ii) <b>KES.90.06 million</b>-The EAC MSMEs Trade Fair, a platform for fostering economic integration and showcasing the diverse range of goods and services produced within the region.</p> <p>(iii) <b>KES.154.16 million</b>-Budget for EAC Chairmanship meetings which include AU Summit, Council, EAC Sectoral Council, COP 30, Regional and technical meetings.</p> <p>6. The Department indicated that they had verified pending bills totalling <b>KES.79.20 million</b> for FY 2023/24 which if not settled by the end of FY 2024/25 will distort the resources available for FY 2025/26 as they are budgeted as a first charge in the budget, in accordance with Regulation 56(2)(b) of the PFM (NG) Regulations 2015.</p> <p><b>State Department for Foreign Affairs (SDFA)</b></p> <ol style="list-style-type: none"> <li>1. In FY 2025/26, the proposed ceiling for SDFA is <b>KES.23,158.00 million</b> (recurrent-<b>KES.20,811.60 million</b> &amp; development-<b>KES.2,346.40 million</b>). This is <b>KES.3,144.85 million</b> (recurrent-<b>KES.798.45 million</b> &amp; development-<b>KES.2,346.40 million</b>) more than the FY 2024/25 allocation of <b>KES.20,013.15 million</b> comprising of only recurrent spending with zero allocation for development.</li> <li>2. The total resource requirement for SDFA is FY 2025/26 is <b>KES.49,143.70 million</b> comprising of recurrent amount of <b>KES.39,213.10 million</b> and <b>KES.9,930.60 million</b> for development. Compared to the proposed ceiling for FY 2025/26, the SDFA total budget has been funded by 47.12% of which the recurrent funding rate is 53.07% while that for development funding rate is 23.63%. This results in a total funding gap of 52.88% of which the recurrent is 46.93% while for development is 76.37%.</li> <li>3. Given that the development resource gap is more pronounced than the recurrent one (because project requirements far exceed the proposed ceiling in the BPS), it is essential to prioritize ongoing capital projects with a high level of completion. Allocating limited resources to these near-complete projects ensures that investments already made are not wasted and that benefits can start accruing sooner.</li> </ol>	

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	<p>4. To address the shortfall in development budget allocation, the following are the critical but unfunded projects:</p> <ul style="list-style-type: none"> <li>(i) <b>KES.350 million</b>-to enable contracting of firms to undertake annual maintenance on all existing 110 properties.</li> <li>(ii) <b>KES.3 billion</b>-for refurbishment of mission properties that have deteriorated over time in New York, Paris, London, Addis Ababa, Stockholm, Lusaka, Harare, Kinshasa, Islamabad, Dar es Salaam and Windhoek.</li> </ul> <p>5. Inadequate budgetary provision for renovations has led to the dilapidation of mission properties abroad, particularly in countries with harsh weather conditions that demand constant maintenance. This neglect has forced missions to relocate to rental accommodation, resulting in high rental costs for diplomatic properties due to leases and rent expenses. Therefore, investing in the upkeep of owned properties ought to be prioritized because regular maintenance not only preserves the value of government assets but also ensures that missions operate efficiently without the disruptions that come with relocating to new rental spaces.</p> <p>6. Due to inadequate budgetary resources for the maintenance and acquisition of missions, the SDFA should leverage the use of public-private partnerships (PPPs) to acquire, renovate, and maintain mission properties abroad. This initiative will lessen reliance on GoK exchequer.</p> <p>7. The expansion of Kenya's diplomatic footprint has brought to light significant challenges that question the sustainability and strategic rationale behind this growth. Currently, Kenya maintains sixty-five (65) diplomatic missions, four (4) consulates general, 1 Liaison Office in Hargeisa and thirty (30) Honorary Consuls. In the past two years, the government has operationalized five (5) fully-fledged Diplomatic Missions; three (3) Consulates and a Liaison Office. Additionally, there are plans to operationalize two new missions/consulates general in FY 2025/26. However, most existing missions are grappling with:</p> <ul style="list-style-type: none"> <li>(i) Inadequate budget allocations are hindering operational effectiveness.</li> <li>(ii) Delayed salaries is affecting staff morale and efficiency in the missions.</li> <li>(iii) Deteriorating infrastructure due to inadequate budgetary</li> </ul>	

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	<p>provisions for maintenance is leading to the dilapidation of properties, especially in regions with harsh weather conditions.</p> <ol style="list-style-type: none"> <li>8. The above issues, coupled with other challenges, makes some missions economically unsustainable. This raises questions about whether expansion is motivated by strategic necessity or merely by the desire to increase their numbers. Therefore, the SDFA should always assess the already existing missions to justify further expansion and before setting up a new mission a cost-benefit analysis should be conducted to warrant its establishment.</li> <li>9. A well-funded, properly staffed mission is far more effective than multiple under-resourced ones. Before launching new missions, the government should address existing difficulties such as inadequate funding, infrastructural problems, and delayed salaries. Otherwise, Kenya risks spreading its resources too thin, resulting in ineffective diplomacy.</li> <li>10. As of 20<sup>th</sup> February 2025, the SDFA had pending bills balance of <b>KES.4 billion</b> (recurrent-<b>KES.2.9 billion</b> and development-<b>KES.1.1 billion</b>. If the pending bills are not settled by the end of FY 2025/26, it will disrupt the Ministry's budgeted programmes and activities adversely affecting efficiency in the achievement of the set mandate.</li> </ol> <p><b>National Intelligence Service (NIS)</b></p> <ol style="list-style-type: none"> <li>1. The National Intelligence Service (NIS) implements only one programme, i.e., National Security Intelligence whose proposed ceiling for FY 2025/26 is <b>KES.52.40 billion</b>. The proposed expenditure ceiling is <b>KES.6.05 billion</b> more than the baseline allocation of <b>KES.46.35 billion</b> for FY 2024/25.</li> <li>2. The proposed expenditure ceiling for FY 2025/26 will be utilized on the following activities undertaken by the Agency: (i) <i>Domestic Intelligence</i>; (ii) <i>External Intelligence</i>; (iii) <i>Counter Terrorism</i>; (iv) <i>Counter Intelligence</i>; (v) <i>Information, Communication and Technology (ICT)</i>; (vi) <i>Human Capital Development</i>; and (viii) <i>Research and Development</i>.</li> <li>3. The Agency proposed ceiling of <b>KES.52.40 billion</b> for FY 2025/26 is 79.82% of its budgetary requirements amount of <b>KES.65.65 billion</b>. Consequently, it has a budget shortfall of 20.18%. (<b>KES.13.25 billion</b>).</li> </ol>	

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	<p>Out of the total shortfall of <b>KES.13.25 billion</b>, <b>KES.5.00 billion</b> was considered as most critical to cater for:</p> <ul style="list-style-type: none"> <li>a) <b>KES.1.00 billion</b> - recruitment of additional personnel; and</li> <li>b) <b>KES.4.00 billion</b> - expansion of surveillance systems.</li> </ul> <p>4. The Agency does not have any pending bills.</p>	
<p><b>Transport and Infrastructure</b></p>	<p><b>General Observations</b></p> <ol style="list-style-type: none"> <li>1. All State Departments under the Departmental Committee on Transport and Infrastructure oversight have been allocated ceilings below their budgetary requirements for implementing various programmes, projects, and activities.</li> <li>2. Infrastructure projects require huge capital outlay for timely completion and meaningful contribution to the economy. However, the Sector has been struggling with issues emanating from inadequate funding, which has resulted in the non-completion of earmarked projects and the accumulation of pending bills denying the economy the intended benefits in the short run.</li> </ol> <p><b>State Department for Roads</b></p> <ol style="list-style-type: none"> <li>1. The State Department for Roads has continued to experience a budget shortfall in its Operations &amp; Maintenance budget at the Headquarters. The ceilings provided in the BPS 2025 for Operations &amp; Maintenance at the Headquarters of Kshs.108 million are inadequate to oversee a Development Budget of Ksh 140 billion under the Road Agencies.</li> <li>2. The State Department for Roads has a proposed ceiling of Kshs. 198,889 million for FY 2025/26, up from Kshs. 191,984 million in the revised estimates 1 for FY 2024/25. The ceiling comprises Kshs. 71,898 million and Kshs. 126,991 million for recurrent and Development expenditures, respectively. It is worth noting that the recurrent ceiling includes resources from the fuel levy for maintenance of roads across the Country through the road agencies.</li> <li>3. The State Department for Roads has a net GOK resource requirement of Kshs. 287 billion for the 2025/2026 Financial Year but has only been allocated a ceiling of Kshs. 60.5 billion, resulting in a shortfall of Kshs. 226.5 billion. The total outstanding project portfolio chargeable to the GOK component of the budget is approximately Ksh 700 billion, excluding an outstanding pending bills component of Ksh 175 billion as</li> </ol>	<ol style="list-style-type: none"> <li>1. That in pursuit of the Policy goal of mobilizing private sector resources to develop and expand key trunk networks in the country, in particular, the <i>Mombasa - Nairobi – Malaba/Busia</i> road corridor as outlined in the first Budget Policy Statement (BPS 2023), the Ministry of Roads and Transport in consultation with the National Treasury initiates the process of engaging the Private Sector to finance the remaining sections of the Corridor, particularly the stretch between <i>Mau summit to Kisumu</i> and beyond to avoid traffic snarl-up at <i>Mau summit</i>.</li> <li>2. That, during the formulation of the annual Estimates for the Financial Year 2025/26, the State Department for Roads and Road Agencies prioritize funding towards the maintenance of existing low-volume seal roads. However, consideration should be given to areas that do not have low-volume seal roads to ensure equity;</li> <li>3. That, during the formulation of annual Estimates for the Financial Year 2025/26, the National Treasury retains an independent budget line for LAPSSET Corridor Development Authority (LCDA) under the State Department for Transport. This is to safeguard a structure that ensures the realization of the original goal of the LAPSSET integrated economic multi-modal transport corridor and smoothly executes its critical role of coordination, planning, development and management of the Corridor.</li> </ol>

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	<p>of 31 December 2024, mainly because of inadequate budget provisions over the years.</p> <ol style="list-style-type: none"> <li>4. The Cabinet approved the securitization of the additional Ksh 7 per litre of the Fuel Levy which translates to approximately Ksh 32 billion additional collection per year. Based on the Cabinet's approval, the State Department, through the Kenya Roads Board, is securitizing the Ksh7 through a bond issuance with a goal of raising Ksh 175 billion by 30 June 2025. The amount raised will mainly be utilized to settle pending bills. The budget provision balances in the current budget will be utilized to settle current works on contracted projects.</li> <li>5. In its first Budget Policy Statement (BPS 2023), the current administration planned to mobilize private sector resources to develop and expand key trunk networks in the country, particularly the <i>Mombasa - Nairobi – Malaba/Busia road</i> corridor. However, there is no reference to the sections of the Corridor beyond <i>Mau –summit</i>.</li> <li>6. The Statement Department for Roads and Road Agencies prioritise the construction of new low-volume seal roads as opposed to the maintenance of existing roads, which are key assets to the country. This leads to dilapidated roads that are more costly to rehabilitate.</li> </ol> <p><b>State Department for Transport</b></p> <ol style="list-style-type: none"> <li>1. The State Department is allocated <b>Kshs. 66,449 million</b> in the proposed BPS for 2025/26, compared to Kshs. 48,344 million in the revised estimates 1 for FY 2024/25. The ceilings are broken down into Kshs. 21,009 million for recurrent expenditures and Kshs. 22,021 million for Development expenditures.</li> <li>2. The LAPSSET Corridor Development Authority (LCDA) is one of the agencies affected by the Cabinet resolution on reforming State Corporations. LCDA was established under the State Corporations Act Cap. 446, <i>Executive Order Gazette Notice No 58 of 2013</i>, to serve as one of the delivery agencies under the State Department for Transport. The Authority support's the coordinated planning, development, and management of Multi-Modal Transit and Transport corridors.</li> </ol> <p><b>State Department for Shipping and Maritime Affairs</b></p> <ol style="list-style-type: none"> <li>1. The State Department for Shipping and Maritime is allocated <b>Kshs.</b></li> </ol>	

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	<p><b>6,050 million</b> in the proposed ceilings, increasing from the Kshs. 2,973 million allocations in the revised estimates 1 for the FY 2024/25. The proposed ceiling comprises Kshs. 3,691 million and Kshs. 2,359 million for recurrent and development expenditures, respectively.</p>	
<p><b>Housing, Urban Planning and Public Works</b></p>	<p><b>State Department for Housing and Urban Development</b></p> <ol style="list-style-type: none"> <li>The Ceiling for the State Department for Housing and Urban Development amounts to <b>Ksh. 114,301 million</b>, comprising of <b>Ksh. 1,440 million</b> for recurrent expenditure and <b>Ksh. 112,861 million</b> for Development expenditure. Development funding will be sourced from the GoK exchequer (<b>Ksh. 1,324 million</b>), Appropriation in Aid from Housing Levy proceeds (<b>Ksh. 96,000 million</b>) and rental income from Government pool housing (<b>Ksh. 839 million</b>), and Donor funding (<b>Ksh. 16,138 million</b>).</li> <li>The Committee noted that as of January 2024, the State Department had completed and put up for sale 4,888 housing units, including 1,041 social housing units, 2,133 affordable housing units, and 1,714 middle-class affordable units across 21 projects. Additionally, out of an annual target of 200,000 units annually, 124,000 housing units were at various stages of completion across 75 sites in 37 counties.</li> <li>The Committee also noted that on the Boma Yangu online platform, more than 547,000 users have registered, with 52,000 having collectively saved over Ksh 2.3 billion toward homeownership and that the Affordable Housing Program has also generated over 164,000 jobs in the housing value chain.</li> <li>As of January 2025, total Housing Levy collections since its introduction in August 2023 amounted to approximately <b>Ksh. 96,455 million</b>, comprising <b>Ksh. 54,720 million</b> from FY 2023/24 and <b>Ksh. 41,735 million</b> from July 2024 to January 2025, reflecting a 117% performance rate. However, by December 31, 2024, only <b>Ksh. 18,801 million</b> had been utilized. Further, the State Department reported an increase in Housing Levy proceeds invested in Treasury Bills from <b>Ksh. 20,000 million</b> to <b>Ksh. 46,600 million</b>, highlighting fund absorption challenges due to legal disputes delaying the Affordable Housing Act of 2024 and the slow establishment of the Affordable Housing Board.</li> <li>The Affordable Housing Program is expanding in scale, with the</li> </ol>	<p><b>State Department for Housing and Urban Development</b></p> <ol style="list-style-type: none"> <li>To ensure compliance with the Affordable Housing Act, track project progress in real time, and optimize coordination among key stakeholders across national and county governments, the Principal Secretary of the State Department for Housing and Urban Development shall, by December 31, 2025, ensure the development of a Building Information Management (BIM) Digital Platform.</li> <li>To mitigate the risk of project incompletion and align with the provisions of the Affordable Housing Act, the Principal Secretary of the State Department for Housing and Urban Development shall, by <b>December 31, 2025</b>, ensure that all ongoing projects initiated before the enactment of the Affordable Housing Act, and which meet the eligibility criteria under <b>Section 11</b>, are prioritized for funding through the Affordable Housing Fund. This will safeguard project continuity and prevent further delays arising from budget cuts during in-year budget revisions.</li> </ol> <p><b>State Department for Public Works</b></p> <ol style="list-style-type: none"> <li>To ensure the completion of projects that include vital pedestrian access infrastructure, such as footbridges, and coastline infrastructure like jetties that connect rural and coastal populations to schools, markets, and essential healthcare services, while also minimizing reliance on the Government exchequer, the Cabinet Secretary for Land, Public Works, Housing, and Urban Development shall revoke Legal Notice No. 24 of 2017, dated February 28, 2017, as referenced in Kenya Gazette Corrigenda No. 25 of 2017, thus reintroducing the construction levy as per NCA Act Section 31 by December 31, 2025.</li> </ol>

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	<p>construction of 124,000 housing units, along with associated social and physical infrastructure across 75 sites in 37 counties, leading to increased recurrent expenditure for the State Department. The State Department's recurrent expenditure also covers the operationalization of the National Secretariat for Human Settlement, the Building Climate Resilience United Cities initiative, and the hosting of the United Cities and Local Governments of Africa (UCLG) conference. The State Department requires Ksh. 290 million in additional funding to address the Operations and Maintenance shortfall in the FY 2025/26 recurrent expenditure.</p> <ol style="list-style-type: none"> <li>6. The Committee observed that several projects that began before the enactment of the Affordable Housing Act of 2024 have either missed their completion deadlines or fallen behind schedule due to budget cuts during in-year budget revisions. In this regard, these projects, previously funded through the GoK exchequer, face incompleteness risks despite meeting the criteria for funding under section 11 of the Affordable Housing Act.</li> <li>7. As at December 2024, the State Department had a total pending bill amounting to Ksh. 1,976,449,326 comprising of Ksh. 4,042,216 for recurrent expenditure, Ksh. 1,439,537,109 for development expenditure and Ksh. 532,870,000 in court awards.</li> </ol> <p><b>State Department for Public Works</b></p> <ol style="list-style-type: none"> <li>1. The State Department proposed ceiling was Ksh. 4,603 million comprising of Ksh. 3,832 million for recurrent expenditures and Ksh. 771 million for development expenditures against a total requirement for development expenditure for earmarked capital projects of Ksh. 6,303 million. This creates a significant funding shortfall of Ksh. 5,532 million in the development expenditure ceiling.</li> <li>2. All projects under the State Department for Public Works have either missed their completion dates or deadlines or completely stalled due to recurring budget cuts during in-year budget reviews.</li> <li>3. As an enabler of the BETA key pillars, particularly the Housing and Settlement pillar, the State Department aims to design, document, and supervise 855 public buildings in FY 2025/26; inspect and audit 5,000 buildings and structures for safety; test 220 buildings for structural</li> </ol>	

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	<p>integrity; register 29,500 contractors; accredit 156,000 skilled workers and site supervisors; and enhance capacity in the construction industry. As such, the State Department would require additional funding of <b>Ksh. 537 million</b> to cover the shortfall of Operations and Maintenance costs in the FY 2025/26 recurrent expenditure.</p> <p>4. Section 5 (2)(g) of the National Construction Authority Act authorizes the Authority to enforce the Building Code within the construction industry. The new Building Code 2024, effective March 1, 2024, replaces the 1968 version. To facilitate stakeholder sensitization and capacity building for the County Governments, professionals, and contractors, the NCA requires an additional <b>Ksh. 830 million</b> in funding. The objective is to reach all 290 constituencies in the FY 2025/26.</p> <p>5. At the end of the first Quarter of September 2024, the State Department for Public Works had a total Pending bill amounting to Ksh. 1,541,832,047, comprising Ksh. 51,099,889 for recurrent, Ksh. 733,737,068 for Development, and Ksh. 756,995,090 for the National Construction Authority (NCA). Failure to settle these pending bills, which form a first charge, may result in the non-achievement of proposed priorities.</p>	
<p><b>Communication, Information and Innovation</b></p>	<p><b>Cross-cutting observations</b> <i>Inconsistency in the basis of costing of programmes and projects</i></p> <p>1. An examination and review of the proposed ceilings and the envisaged targets revealed lack of proportionate relationship. This could imply inaccuracy in the estimated and planned costs of executing the programmes. The costs can either be inflated or underestimated. In this sector, examples of this is manifested under:</p> <p>i. E-Government Services programme in the State Department of ICT and Digital Economy which though is proposed to have an increase in allocation amount to KSh 1.4 billion in the financial year 2025/2026(an increase of by 41%), the envisaged targets in government services to be on-boarded on e-citizen which is a Key Performance Indicator in the programme is proposed to have its target reduced by 50% to 2,000 up from 4,000 in the current financial year.</p>	<p><b>Cross-cutting Recommendations</b> <i>Full entrenchment of Zero-based Budgeting</i></p> <p>1. In the formulation of estimates for the financial year under review 2025/26, the National Treasury should fully entrench and apply a zero-based budgeting approach through the reportedly new module incorporated in the IFMIS. This shall reorient budgeting and expenditure framework and appreciate through allocation of sufficient resources to priority sectors such as Communication, information and technology whose economic impact as enabler is yet to be optimized. The traditional incremental approach in budget making process does not appreciate the importance of investing in the sector to spur economic growth and development.</p> <p><i>Streamlining costing of programmes and projects and targets setting during</i></p>

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	<p>ii. The Information and Communication programme under the State department for Broadcasting and Telecommunication despite the proposed increase in resource allocation by KSh 1.067 billion (a rise by 15%), the proposed targets remain largely unchanged.</p> <p><b><i>Substantial Underfunding of the programmes under implementation derailing the realization of the noble envisaged targets</i></b></p> <p>1. The priorities and envisaged deliverables within the Communication and Information sector risks not being achieved on account of underfunding. The proposed ceilings for the two votes when compared to resource requirements reflect huge resource gaps as:</p> <p>i. The State Department for ICT and Digital Economy of with proposed ceiling of KSh 21.2 billion against resource requirement of KSh 55.4 billion results into a funding gap of KSh 34.2 billion. The proposed ceilings only cater for 38% of the resource requirements.</p> <p>ii. The proposed ceilings for the State Department for Broadcasting and Telecommunication is KSh 6.8 billion against a resource requirement of KSh 16.6 billion resulting into a funding gap of KSh 9.8 billion. The proposed ceiling only caters for 41% of the resource requirements.</p> <p>2. Starving the sector in resource allocations waters down the possibility of realizing the aspirations of Bottom-Up-Economic Transformation Agenda (BETA) which is premised on utilization of limited resources to areas where they shall be most impactful in generating income and job opportunities to those in the lowest economic pyramid.</p> <p><b><i>No indication of adoption of Zero Based Budgeting Approach in the formulation of budget.</i></b></p> <p>1. Despite the government's reported intention to entrench zero-based budgeting approach which does not rely on historical allocations to determine future budgets but which rather every financial year formulates the budget from the scratch by identification and costing of the priorities of a given sector, the proposed ceilings for 2025/26 and the medium term are largely incremental. The modest proposed increases do not appreciate the critical role this sector plays as an enabler to others sectors in the economy.</p> <p>2. The various economic blueprints such as Vision 2030, the Kenyan Digital Masterplan, the Kenya Kwanza Manifesto and the Digital Economy Strategy</p>	<p><b><i>the budget process</i></b></p> <p>1. By the time of finalizing the formulation of estimates for 2025/26 (before 30<sup>th</sup> April 2025), the National Treasury in collaboration with the Ministries, Departments and Agencies should streamline by adopting a model of costing that is predictable and verifiable to inform expenditures plans. Setting of targets should also be improved to reflect as proportionate as possible with the levels of resource allocation.</p> <p><b><i>Optimization of workforce in Ministries, Departments and Agencies</i></b></p> <p>1. By 30<sup>th</sup> June 2025, the Public Service Commission in collaboration with the MDAs in the sub-sector of Communication, Information and Technology to undertake workforce evaluation with a view of establishing optimum levels of personnel and the best and cost-effective ways of addressing the problems of bloated workforce within the sector. Consequently, a report on the same to be submitted to this Committee.</p> <p><b><i>State Department for ICT and Digital Economy</i></b></p> <p>1. By 30<sup>th</sup> June 2025, the National Treasury to submit to the National Assembly the pre-requisite Sessional Paper for processing to facilitate the removal of the Japanese loan as a liability from the financial statements of the Kenya Broadcasting Corporation.</p> <p>2. Before the Committee finalizes processing of the estimates for the 2025/26, the State department to submit the strategies and any agreements established for collaboration with other stakeholders such as County Governments to foster sustainability and reliable utilization of the installed public wi-fi hotspots.</p> <p>3. By 30<sup>th</sup> September 2025, the State department to submit to the Committee the drafts of policies on Data Protection and Artificial Intelligence for examination and review for subsequent processing and enactment.</p> <p>4. By 30<sup>th</sup> June 2025, the Cabinet Secretary for the Ministry of ICT and Digital Economy to ensure that a strategy on possible consolidation of the various Youth empowerment programmes within the sub-sector that</p>

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	<p>recognize the fact that the Information and Communication technology is a significant source of economic growth and development with spill-over effects in almost every sector of the economy. According to various issues of Economic Surveys and Statistical Abstracts by the Kenya National Bureaus Statistics (KNBS), the Information and Communication Technology sector on average has been contributing 7.7% to the Gross Domestic Product (GDP).</p> <p><b>Compensation to employees crowding out other expenditure priorities</b></p> <p>1. The submission by the various Ministries, Departments and Agencies within the sector revealed that the tentative resources that are proposed to be spent on compensation to employees are so substantial. Besides, crowding out development expenditures, the value for money in the engaged workforce may not be optimized on account of little allocation of resources to development expenditures. This may contribute to contravention of the PFM (National Government) Regulations 26 that prescribes that National Government on compensation to employees (including benefits and allowances) shall not exceed 35% of the raised revenue. Such was observed under:</p> <ol style="list-style-type: none"> <li>i. <i>Kenya Broadcasting Corporation (KBC)</i>: Out of the projected total revenue of KSh 2.39 billion in the FY 2025/26, a whopping KSh 1.516 billion which translates to 63% of its total revenue is planned to be spent on personnel emoluments.</li> <li>ii. <i>Office of the Data Protection Commissioner</i> : Out of the projected total revenue of KSh868.3 million in the FY 2025/26, Ksh 598.3 million which translates to 69% of total revenue is planned to be spent on personnel emoluments</li> <li>iii. <i>Kenya Institute of Mass Communication (KIMC)</i>: Out of the projected total revenue of KSh 248 million in the FY 2025/26, Ksh 164.5 million which translates to 66% of total revenue is planned to be spent on personnel emoluments.</li> </ol> <p><b>Existence of Huge Pending Bills and Contingent Liabilities</b></p> <p>1. As at 24<sup>th</sup> February 2025, there exist huge pending bills among the MDAs in the sub-sector which not only constrains the fiscal space but also escalates expenditures related to the contingency liabilities there-from (resultant fines, penalties and rising interest due to elongated periods of settlement). This is</p>	<p>facilitates central co-ordination is developed and submitted to the National Assembly for examination and review. The programmes for to be considered for consolidation include Jitume Programme, Ajira Digital Programme, Presidential Digital Talent Programme, and Village digital hubs/ Constituency Innovation Hubs and the Digital Literacy Programme.</p> <p>5. Before the formulation of estimates for the financial year 2025/26 is concluded, the PS State Department for of ICT and Digital Economy to ensure that appropriate Key Performance Indicators which measure quality of public service delivery such as the percentage of up-time for the various connectivity installations such as public Wi-Fi hotspots, Constituency Innovation Hubs, digital smart village hubs, connectivity to public health facilities, Schoolnets (Connectivity to Schools) and Jitume Programmes are incorporated in the tabled estimates.</p> <p><b>State Department for Broadcasting and Telecommunication</b></p> <p>1. By 30<sup>th</sup> September 2025, the State Department for Broadcasting and Telecommunication to develop and institute a Public Communication Manual, modules and a reviewed policy to be adopted by all the Ministries, Departments and Agencies. The state department to develop and enforce a strategy that ensures co-ordination of all public communications by the MDAs is centralized and managed at the State Department.</p> <p>By the time of consideration of the full year 2024/25 report on budget implementation, the PS for the State Department for Broadcasting and Telecommunication in collaboration with the Director General of the Communication Authority to submit the performance report of the Universal Service Fund. Thereafter, reports on the Fund's performance shall be submitted on quarterly basis. This shall enhance the oversight on the equitable distribution of the digital and telecommunication networks.</p>

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	<p>as :</p> <ol style="list-style-type: none"> <li data-bbox="517 331 1319 443">i. <b>The State Department for ICT &amp; Digital Economy:</b> Has pending bills amounting to KSh 592.4 million out of which KSh 409.4 million is at the Headquarters and KSh 183 million is on Capital projects at Konza Technopolis.</li> <li data-bbox="517 448 1319 676">ii. <b>The State department for Broadcasting and Telecommunication:</b>Has pending bills amounting toKSh 874.3 million of which pending bills for government advertising amounts to KSh 865 million. Besides, in its books KBC has over KSh 91 billion liabilities that arose from a Ksh 50 billion Japanese loan acquired in 1989 for KBC modernization programme. Though the loan has since been paid up by the National Treasury, it still remains reflected in KBC’s financial statements as a debt which continues accumulating interests.</li> </ol> <p data-bbox="495 695 1319 807">2. The arbitration case continuing in the United Kingdom between KBC and Channel II over the 40 billion lawsuits on account of a breach of contract has the possibility of exposing KBC to the risk of contingent liability on unknown value. The case also continues to generate huge legal fees.</p> <p data-bbox="495 842 1272 866"><b><i>Discrepancies in data and information on submitted supporting documents</i></b></p> <ol style="list-style-type: none"> <li data-bbox="495 887 1319 999">1. The submissions on breakdowns of the proposed recurrent expenditures for various programmes that formed the basis of setting the BPS ceilings had discrepancies that could not be immediately explained. The variances were identified in such areas including: <ul style="list-style-type: none"> <li data-bbox="622 1003 1189 1027"><i>Under the State Department of ICT &amp; Digital Economy</i></li> <li data-bbox="562 1032 1319 1144">i. Information, Communication and Technology Authority(ICTA): Out of the proposed recurrent transfer ceilings of KSh 867 million, the submitted proposed expenditure only accounted for KSh.20.8 million resulting to unexplained variance of KSh.666.2 million</li> <li data-bbox="562 1149 1319 1260">ii. Konza Technopolis Development Authority(KoTDA): Out of the proposed recurrent transfer ceilings of KSh 763.1 million, the submitted expenditure plans only covered an amount of KSh 214 million resulting into a discrepancy of KSh.549.1 million.</li> <li data-bbox="622 1265 1296 1289"><i>Under State Department for Broadcasting and Telecommunication</i></li> <li data-bbox="528 1294 1319 1347">i. Out of the proposed ceilings on recurrent expenditures of KSh 6.194 billion, the submitted breakdown only added up to KSh. 3.973.9 billion</li> </ul> </li> </ol>	

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	<p>resulting into a variance of KSh.2.22 billion to the headquarters to which no breakdown was provided.</p> <p>2. Details submitted on The Project of KBC Analogue to Digital TV Migration indicated that the estimated total cost for the project is KSh 6 billion and cumulative expenditure currently standing at KSh 5.816 billion, this results to an outstanding balance of KSh 184 million. However, the submitted proposed allocation to the project in the FY 2025/26 is KSh 195 million, which exceeds the total estimated costs by KSh 11 million</p> <p><i>Some targets lack aspects of quality in public services delivery</i></p> <p>1. The targets set in some areas are merely quantitative in nature and do not incorporate basis of measuring whether the intended public services are being satisfactorily delivered. This has led to some of the installed projects remaining unutilized due to persistent downtimes. Some of the noted areas where such occur include Public Wi-Fi hotspots, Constituency Innovation Hubs, Schoolnets (Connectivity to Schools) and Jitume Programmes. Not having key performance indicators relating to quality of public services such as percentage of uptime of such installations, transition rate of trainees to income earning, viewership of KBC TV programmes may compromise assessment of value for public money in the ventures.</p> <p><i>Gaps in the Legal Framework within the Sector</i></p> <p>1. The Ministry established a Sector Working Group on policy and legislative reforms which is currently working to examine existing policy, legislative, institutional, administrative and operational structures, systems and strategies and recommend reforms in the sub-sector. There need to fast track enactment of legislations to seal identified gaps. Such include:</p> <ul style="list-style-type: none"> <li>i. Development for enactment of a policy and Regulations on Data Protection &amp; Cyber-Security</li> <li>ii. Development of Regulations and Policy on Artificial Intelligence</li> </ul> <p><b>The State Department for ICT and. Digital Economy</b></p> <p><i>Weak sustainability framework for ICT installations(Public Wi-Fi hotspots )</i></p>	

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	<p>1. The sustainability framework for the public Wi-Fi hotspots is under review to enhance the quality of public service delivery. This is to address the various teething problems faced in the initial phases of establishment and operations of the hotspots. Key among the identified problems include: power outages, vandalism of the installations, weak internet signals and the digital divide with expansive underserved and underserved regions. The Ministry is pursuing collaborative frameworks with the County Governments for the financing of operational costs such as power bills, leveraging on existing installations of the County Governments in locating the sites for enhanced security, accelerating connectivity by partnering with the KPLC and adoption of emerging technologies such as satellites.</p> <p><b>Data Protection and Cyber-security</b></p> <p>1. There is some progress that has been made in data protection and cyber-security. This includes: enhanced operationalization of the Office of Data Protection Commissioner, enactment of laws on Data Protection and establishment of regional offices. There is also regular conducts of Cyber-Security Systems Audits in MDAs to assess compliance with ICT standards, digitization, security, data back-ups and business continuity plans. The department has also laid foundation for establishment of a centralized Cyber Security Management which is proposed to have an allocation of KSh 1 billion in the financial year 2025/26. The centralization is aimed at strengthening national capacity to deal with cyber-security, standardization and prevention of duplication of expenditures by MDAs. Despite the progress, the pace in capacity building and public sensitization in this space is still low and needs to be up-scaled.</p> <p><b>Slow pace in connectivity to Public Institutions</b></p> <p>1. Connectivity to learning institutions and health facilities has been below targets. The underperformance has largely been due to challenges such as poor mapping of the institutions planned for connectivity without first ensuring that the pre-requisite foundations to facilitate connectivity and subsequent utilization of the internet services are in place. The operations and utilization of the connectivity rely on availability of electric power, the digital accessories and ability to cater for associated operational costs. Some institutions mapped for connectivity lack these pre-requisite facilitative</p>	

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	<p>resources. Not involving stakeholders such as political leaders, management of learning institutions and health facilities, among others contribute to ineffective mapping and implementation of the planned connectivity.</p> <p><b>Change of Strategy to accelerate laying of fibre Optic Cables</b></p> <p>1. To hasten the pace of connectivity through fibre optic cables in a bid to achieve the target of laying a network of 100,000 kilometres, the State Department in collaboration with the Kenya Power is leveraging on the electricity lines to accelerate roll out the fibre optic cables. This has helped in reduction of costs, circumventing challenges of wayleaves and benefit from the scope of security associated to the lines as critical infrastructure. To address the challenges of digital divide in remote regions, the usage of emerging technologies such as satellites as used by Starlink is fast getting policy attention in the sector. In the long term, such technologies shall address degradation which the traditional fibre optic networks are prone to with passage of time and enhance internet speeds.</p> <p><b>The State Department for Broadcasting and Telecommunication Streamlining Public Communication</b></p> <p>1. The interventions and efforts of the State department in a bid to improve public communication are yet to yield tangible results. Some of the Public Communication officers deployed by the State Department to various MDAs to help co-ordinate and standardize information dissemination faced resistance. Besides, some MDAs have also been engaging services of private practitioners instead of using the services of available public communication officers. The Department is developing various manuals and modules on public communication that aim at addressing challenges emanating from poorly co-ordinated public communication which has led to conflicting reporting. The State Department has also rolled out capacity building programmes to the relevant public officers serving in the space of public communication.</p> <p><b>The Universal Service Fund (USF) in bridging the divide in the access of ICT and Telecommunication (voice) services.</b></p> <p>1. As opposed to the previous selection criteria for identifying areas for network coverage based on then categorized marginalized regions(14 counties) , currently the criteria used is based on Access Gaps Study</p>	

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	<p>periodically conducted by the Universal Service Advisory Council. This has widened the scope for coverage since some pockets of regions within relatively developed towns also qualify to benefit from the coverage interventions. The pace of covering identified regions is so slow and cannot be felt on the ground despite the impressive periodic reports on the performance of the USF Fund. There exists weak monitoring and evaluation on the projects and programmes under implementation by the Fund.</p> <p><b>Restructuring of State Corporations</b></p> <ol style="list-style-type: none"> <li>1. The restructuring of State corporations recently approved by the cabinet shall affect the following agencies within the sector: <ol style="list-style-type: none"> <li>i. <b>The Kenya Yearbook Editorial Board</b> : This board which was established vide legal Notice No. 187 of 2nd November, 2007 with the mandate to: Compile, edit and publish the Kenya Yearbook; Document and detail the work of the Government of Kenya; Document the government development programmes of action for improved economy; and Document and disseminate Kenya's immense resources and potential. The Board though is earmarked for dissolution and have its mandate and activities transferred to headquarters and KBC, the BPS has allocation amounting to KSh 182 million to the Board which shall require reallocation once the dissolution is finalized.</li> <li>ii. <b>Revamping Postal Corporation Kenya and Kenya Broadcasting Corporation:</b> The two corporations have been identified as some of the state agencies that play critical mandates which necessitate their business turn-around accelerated to alleviate their financial struggles and improve their solvency positions. This prioritization should accelerate the processing of the Cabinet memo which among others aims at streamlining the workforce and related costs. The two corporations have vast wealth in underutilized and idle pieces of land some of which can be leased out or sold to generate the much-needed funds to facilitate the revitalization.</li> </ol> </li> </ol>	
<b>Education</b>	<p><b>State Department for Technical Vocational Education and Training</b></p> <ol style="list-style-type: none"> <li>1. The proposed expenditure ceiling for the Department in 2025/26 is Kshs 42.6 Billion which is expected to support the Department in implementing 3</li> </ol>	<ol style="list-style-type: none"> <li>1. That, within the next three months, the State Department for TVET should ensure that all TVET institutions that are operational have their Board of Management (BOM's) are fully constituted to</li> </ol>

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<p>programmes with the key programme being the Technical Vocational Education and Training. Despite this allocation the Department has major funding gaps in the student centered areas of capitation, Loans and scholarships amounting to Kshs 20.9 Billion. This funding gap shall pose a challenge to students and institutions if not addressed;</p> <p>2. The Committee is concerned that there are a number of TVET institutions where the Board of Management (BOM's) are not constituted. This affects decision making at the Institution level hence creating a backlog of pending matters to be addressed for better management of these Institutions;</p> <p>3. That the government intends to recruit 2,000 TVET instructors in 2025/26 to address the gap which currently stands at 6,000. However, the Committee is concerned that the strained relationship between the Department and the Public Service Commission on the recruitment modalities usually hinders timely on boarding of these Instructors. This, if not addressed may result to unnecessary delays in the recruitment and deployment;</p> <p>4. The Committee notes that the Kshs 960 Million is proposed for the Construction of TTT's in Constituencies that still do not have a TTI institution in 2025/26. However, the Committee is concerned that these funding is usually rationalized in supplementary budgets hence no tangible progress is made in implementation of these projects and exposes these projects to the risk of being stalled or accumulation of pending bills;</p> <p>5. The Committee is concerned that the Department for TVET has for a longtime been operating manually in the administration of capitation to TVET learners which poses a risks in terms of management of public resources set aside for this purpose. Whereas progress has been made in deploying ICT infrastructure, there is need for the Department to have clear timelines on full transition to use of technology especially as the new funding model begins to take shape ;</p> <p>6. The Committee is concerned that despite the existing government efforts to expand access to TVET across the country, there is still lack of visibility on various courses which TVET's have to offer which affects enrolment targets. This has been due to lack of outreach programmes by the Department to showcase what TVET institutions have to offer;</p> <p><b>State Department for Basic Education</b></p> <p>1. The proposed expenditure ceiling for the Department in 2025/26 is</p>	<p>facilitate decision making and effective management of these Institutions;</p> <p>2. That, within the next three months, the State Department for TVET together with the Public Service Commission develop clear guidelines on the management of TVET instructors to address the confusion. The guidelines should cover among other the recruitment processes, deployment, transfers and promotions.</p> <p>3. That, beginning next financial year, the State Department for TVET to rollout outreach programmes targeting the youth showcasing what the TVET institutions have to offer in terms of various courses and programmes;</p> <p>4. That, within the next six months, the State Department for Basic Education and the Teachers Service Commission to submit to the National Assembly an exit report on the Secondary Education Quality Improvement Project (SEQIP);</p> <p>5. That, within the next three months, the State Department for Basic Education to report on the progress made in the on- boarding and registration of learners in the new Social Health Insurance scheme to allow learners get medical attention promptly when and as required;</p> <p>6. That, beginning of the next financial year 2025/26 and within the existing budgetary allocation, the State Department for Basic Education to ensure that all learners in the public Special Needs Education (SNE) schools are covered under the school feeding programme;</p> <p>7. That, within the next three months, the State Department for Higher Education and Research to finalize the revision of the new funding model to address the challenges the model is facing to ensure the model responds to the concerns and needs of the students as well as institutions;</p> <p>8. That, within the next six months, the Teachers Service Commission review the Teachers Career progression guidelines and policies to ensure recognition of the the country's educational system that takes into account the outcome of life-long training that encompasses different stages of qualifications and pathways for academic progression;</p>	

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	<p>Kshs 149.2 Billion which is expected to support the Department in implementing four programmes with the key programmes being primary and secondary education programmes. The Department still has major funding gaps relating to capitation for learners at various levels. The resource deficit for capitation is Kshs 27.1 Billion. This funding gap may pose a challenge to students and institutions if not addressed;</p> <ol style="list-style-type: none"> <li>2. The Committee takes note that the Secondary Education Quality Improvement Project (SEQIP), which is a World Bank funded project that targets various interventions in schools is coming to an end in 2024/25 after 6 years of implementation. The Committee is concerned that the Department has no exit report detailing the impact this programme has had in various schools. Such a report is necessary to assist in evaluating the effectiveness of the programme and address challenges in subsequent funding such as existing incomplete projects which were initiated under this programme;</li> <li>3. There is a general lack of awareness among the public on the transition to Senior School which is expected to take place in January 2025. This includes guidance on the three pathways (STEM, Arts and Humanities) to be pursued as well as modalities for placement of learners in Senior Schools. This is attributed to late and poor communication strategies by the State Department. This has created room for circulation of inaccurate information regarding the expected transition;</li> <li>4. The Committee is concerned that Learners Health insurance cover arrangements under SHIF has not been implemented well. Under the new arrangement, learners are expected to be registered and covered under parents/guardians yet this registration is not happening at the expected pace. In addition, it is not clear on the health benefit packages which learners will derive from this new system. This, if not addressed timely may jeopardize provision of health cover to learners;</li> <li>5. The Government undertook to have in place special tariffs for utilities such as water, electricity and internet for public schools. This was well articulated in the BPS 2023. However, there has been no attempt actualize this by the Ministry and other concerned government Agencies. The implementation of this policy will significantly reduce the operations costs in public learning institutions;</li> <li>6. The Committee is concerned that the sector has not given adequate</li> </ol>	

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	<p>attention to Special Needs Education (SNE) where public special needs schools have to a great extent been neglected in terms of infrastructure development, availability of learning aids and assistive devices as well as the general well-being of the learners. This has resulted to disadvantaging of SNE learners who are already disadvantaged;</p> <p>7. The Committee notes that school managers are not well capacity built to manage their institutions especially on critical matters such as public finance management as well as public procurement among other critical areas for effective management of the schools. This is partly due to limited resources allocated to KEMI, the institution which is mandated to train school managers. The training of school managers is critical as the government works towards establishment of comprehensive schools under the new curriculum;</p> <p>8. The Committee notes that Low Coast Boarding Schools (LCBS) were established in order to expand access to basic education in the ASAL areas. Currently, there are 993 registered LCBS distributed in nine (9) ASAL Counties. However, the impact and visibility of these affirmative action initiative is minimal due to lack of a clear policy in terms of financing and management;</p> <p><b>State Department for Higher Education and Research</b></p> <p>1. The proposed expenditure ceiling for the Department in 2025/26 is Kshs 149.8 Billion which is expected to support the Department in implementing three programmes with the key programmes being the University education programmes. The Department still has also funding gaps relating to loans and scholarships for continuing students as well as the requirement for the 2024 cohort is Kshs 61.4 Billion. This funding gap may pose a challenge to students and institutions if not addressed;</p> <p>2. The Committee is concerned that there is no mention of specific efforts in the BPS 2025 regarding support to public universities despite the challenges faced by these institutions. There is no indication of a road map in the next MTEF planning period to address the challenges facing the public Universities;</p> <p>3. The Committee is concerned on the sustainability of the new student centered funding model for Universities and TVET students given the projected resource requirement for its full implementation coupled by the</p>	

DEPARTMENTAL COMMITTEE	OBSERVATIONS	POLICY RECOMMENDATIONS
	<p>increased enrolment levels in the various institutions. This resource requirement if not adequately addressed the institutions as well as the students may not derive the desired benefits out of this funding model;</p> <p>4. The Committee notes that through the proposed restructuring of the State Corporations, it is proposed that Higher Education Loans Board (HELB) and Universities Fund Board (UFB) are merged. The Committee welcomes this proposal since it will create one institution to deal with all matters relating to Tertiary Education funding. This will create efficiency, minimize conflicts as well as do away with duplication of functions which currently exist.</p> <p>5. The Committee notes that Presidential directive projects are critical in quickly addressing infrastructure concerns in various institutions. However, this makes the Departments to deviate away from implementing ongoing projects in terms of resource allocation and there is a danger than the ongoing projects if derived of resources may completely stall;</p> <p><b>Teachers Service Commission</b></p> <p>1. The Committee notes that in 2025/26 based in the ceiling provided, the Commission intends to recruit 18,000 intern teachers for secondary as well as 18,000 permanent secondary school teachers. The Commission will also promote 20,000 teachers. These recruitments and promotions will continue to address the gaps in teaching resources as well as motivate teachers in terms of career progression;</p> <p>2. The Committee is concerned that the Commission employs discriminatory policies in determining career progression of teachers which demotivates teachers who have over time attained higher academic qualifications. For instance there are a number primary school teachers who have progressively earned higher academic qualifications such as undergraduate degrees and in some instances even Masters and PhD qualifications in the relevant education fields but cannot progress and teach in Junior or Senior schools because of grades attained at secondary school level;</p> <p>3. The Committee is concerned that pension dues for retired teachers takes a very long time to be processed by the Commission due to a tedious bureaucratic system. This has a very serious negative impact on retiree teachers, some of who even die before accessing their retirement dues;</p>	

DEPARTMENTAL COMMITTEE	OBSERVATIONS	POLICY RECOMMENDATIONS
	<p>4. The Committee notes that the Commission has adopted innovativeness in delivery of curriculum through live streams of lessons in areas experiencing teacher shortage. Through live streams a teacher can deliver lessons to more than one class. This, if well implemented may address to some extent the teachers shortage in hard to staff areas;</p> <p>5. The Committee also takes note that the Secondary Education Quality Improvement Project (SEQIP), which is a World Bank funded project that targets various interventions for teaching staff is coming to an end in 2024/25. The Committee is concerned that the Commission has no exit report detailing the impact of this programme has had in the teaching profession especially on capacity building of teachers. Such a report is necessary to assist in evaluating the effectiveness of the programme;</p>	

## **Annex 2: Submissions by Stakeholders**



**THE NATIONAL ASSEMBLY  
THIRTEENTH PARLIAMENT - FOURTH SESSION - 2025**

**LIAISON COMMITTEE**

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**ANNEX II: SUBMISSIONS FROM THE PUBLIC**

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**MARCH 2025**

**DIRECTORATE OF AUDIT, APPROPRIATIONS  
& GENERAL-PURPOSE COMMITTEES  
THE NATIONAL ASSEMBLY  
PARLIAMENT BUILDINGS  
NAIROBI**

The Committee received the following submissions on the 2025 Budget Policy Statement from members of the public.

**I. Environmental protection, water and natural resources sector.**

- 1) On the policy contained in the 2025 BPS enablers, regarding inclusive green growth, members of the public recommended that the government should focus on implementing National Climate Change Action Plan 2023-2027.

**Committee observation**

The Committee observed that the Ministry of Environment, Climate Change and Forestry is implementing the National Climate Change Action Plan 2023 -2027 and it has aligned the plan with the MTP IV. The ceiling for the State Department for Environment and Climate Change addresses climate change interventions under the Environment Management and Conservation programme.

- 2) Concerns were raised on the need for transparency and accountability in the administration of Financing Locally Led Climate Action (FloCCA) Fund at the county level; to ensure trickle down of resources to ward levels through funding of ward Climate Change Planning Committees and action plans.

**Committee observation**

The Committee will ensure that the County Governments Additional Allocation Bill, 2025, addresses these concerns.

- 3) On the policy regarding interventions for agricultural sector transformation, it was recommended that the Government should invest more resources in non-extractive value chains including beekeeping, milk production and agroforestry, and to divest in extractive sectors such as mining since they have consequences such as land degradation and greenhouse gas emissions.

**Committee observation**

The National Assembly is committed to allocate resources to the proposed value chains in the medium term taking into account existing budgetary constraints.

- 4) It was proposed that the National Government should collaborate with the County Governments to establish and strengthen Community Forest Associations. Emphasis was laid on the need to promote agro-forestry with the aim of enhancing food security and increasing the tree cover nationally. It was further submitted that there is need for sensitization campaigns on climate change adaptation and mitigation at both levels of government.

**Committee observation**

The National Tree Growing Programme contained in the 2025 BPS aims to grow 15 million trees across the country. Further, the commitment to reduce emissions by 32 percent by 2030. The implementation of these policy interventions takes into consideration a whole government approach.

- 5) It was submitted that there is need for the Government to enforce the implementation of the Water Act 2016, and support counties to develop water master plans to map out available water sources. Further, it is proposed that small dams and water pans should be constructed in ASAL counties to mitigate the effects of drought.

**Committee observation**

The Committee agrees with this proposal, and the government will endeavor to scale up resources for these interventions.

- 6) Concerns were raised concerning the risk in the implementation of the Water (Amendment) Bill, 2023. It was submitted that, since national water agencies will be allowed to enter into bulk water agreements through PPPs, there is a risk of consumer prices depending on the terms of the agreements.

**Committee observation**

The Committee has noted the concerns over consumer prices given the bulk water agreements. The National Assembly through legislative interventions, will ensure that consumers are protected from pricing exploitation.

- 7) It was further proposed that there is need to have a policy for inclusivity of PWDs to promote the access to water and sanitation.

**Committee observation**

The government will ensure the completion of last mile connectivity for water projects, to ensure that water is accessible to all citizens. This will improve access to water and sanitation services for PWDs.

- 8) It was also submitted that there is need to fast-track Mzima and Mwache Dams to serve the Coastal region. It was also submitted that Aror and Kimwarer Dams should be fast-tracked.

**Committee observation**

The Committee noted that these are ongoing projects and the completion of these projects will be prioritized in the medium term.

**II. Remuneration of state officers**

- 9) Concerns were raised by members of the public regarding the remuneration of State Officers. It was submitted that the proposed increase in remuneration for State Officers should be rationalized entirely in FY 2025/26.

**Committee observation**

The Committee has taken note of this proposal, however, reviewing salaries and benefits for state officers is the mandate of the Salaries and Remuneration Commission which is an independent office, as provided for in the Constitution.

### **III. Child protection Services**

10) It was proposed that, programmes should be established in the State Department for Social Protection specifically to cater for violence against children. It was further proposed that, an allocation for the national parenting programme should be included to train on positive parenting and the funding for alternative care for children should also be enhanced.

#### **Committee observation**

The government is implementing programs for child protection services under the State Department for Social Protection and sufficient budgetary allocation has been provided in FY 2025/26.

11) It was further proposed that the allocation to the National Council of Children Services (NCCS) should be enhanced for monitoring the 47 counties in the operationalization of Children Advisory Committees. It was also proposed that additional children officers should be recruited to respond to the cases of abuse and violence against children.

#### **Committee observation**

The government is committed to implementing programs for child protection services and sufficient budgetary allocation has been provided in FY 2025/26. Further, the Directorate of Children services will ensure that there are adequate children officers across the country in the medium term.

12) It was submitted that the BPS should include a section called Children Agenda, with policies to prioritize the needs and rights of children. It was also proposed that a vote known as child protection should be established and consequently the allocation for programmes under child protection should be enhanced. It was further proposed that the views of children should be included in the budget process.

#### **Committee observation**

The State Department for Social Protection and Senior Citizen Affairs implements a programme on Social Development and Children Services which encompasses child welfare and protection services.

### **IV. Health**

13) It was submitted that the allocation for the health sector should be increased to 15 percent of the national budget. It was also submitted that SHIF is underfunded and there is need to increase additional resources.

#### **Committee observation**

The allocation for the health budget is proposed to increase by Kshs.13 billion in FY 2025/26. The government is committed to further increase the allocation in the medium term with the aim of solving challenges in the health sector.

Notably, SHIF is funded through contributions and it is managed by Social Health Authority. It therefore does not require an increase in budgetary allocation.

14) It was submitted that some critical programs such as the HIV programs are mostly donor funded and there is need for these programs to be funded from the exchequer. It was further submitted that there is need to establish a structured PPP framework for healthcare infrastructure.

**Committee observation**

The government is assessing the impact of withdrawal of donor funds from critical health programs, and initiating strategic solutions within the existing budgetary allocation, including; alternative funding arrangements and domestic resource mobilization.

15) It was proposed that processing medical bills and clearing of payments under SHIF should be fast tracked. It was submitted that there is need to strengthen claim reimbursement mechanisms. It was further submitted that the Health Insurance Coverage should be expanded to cover more members of the public including the marginalized population within the medium-term period.

**Committee observation**

The Committee has taken note of the proposals and the government intends to incorporate them in the medium term.

16) It was further submitted that health is a devolved function and the National Government's allocation towards health should be channeled to the counties.

**Committee observation**

The Committee noted that IGRTC has undertaken delineation of functions for transfer to county governments in line with the fourth schedule of the Constitution.

17) Further, concerns were raised over the stipends of Community Health Promoters experiencing delays and being subjected to deductions.

**Committee observation**

Parliament is committed to fast track the enactment of the County Governments Additional Allocations Bill to unlock these resources.

18) It was proposed that primary health care should be strengthened by equipping primary health facilities with essential medical supplies and technologies and by strengthening disease surveillance and awareness campaigns. It was further proposed that there is need to improve access to rehabilitative services such as physiotherapy among others and further increasing the availability of assistive devices. It was also proposed that family planning services should be expanded as well as maternal and health care services. Additionally, it was proposed that Neglected Tropical Diseases (NTDs) should be addressed through government interventions.

**Committee observation**

The Committee observed that these interventions, are under implementation by the State Department for Medical Services and the State Department for Public Health

and Professional Standards, in the various programmes including the UHC and this is in collaboration with the County Governments.

- 19) It was submitted that there should be policy proposals promoting the local manufacture of life saving drugs and essential health products to reduce reliance on imported drugs. It was further submitted that tax breaks and subsidies should be given to manufacturers.

**Committee observation**

The government has in the recent past provided incentives in the health sector to promote local manufacturing. The incentives include VAT exemptions.

- 20) It was proposed that there is need to digitize health care services and to have an integrated health information system. It was further proposed that there is need to strengthen cybersecurity measures to protect personal health data.

**Committee observation**

The Committee observed that there are ongoing interventions in the Ministry of Health. Further, County Governments are also implementing their health management information systems.

- 21) It was proposed that KEMSA is restructured to improve efficiency and transparency.

**Committee observation**

The Committee observed that the government is implementing reforms in KEMSA including recapitalization.

- 22) It was proposed that there is need to give a further breakdown of the health budget ceilings.

**Committee observation**

Section 25 of Public Finance Management Act, provides that the Budget Policy Statements sets out broad policy priorities as well as expenditure ceilings for the coming financial year and the medium term. However, a detailed breakdown of expenditures is provided for in the subsequent Budget Estimates for FY 2025/26.

**V. Overall budget**

- 23) Concerns were raised regarding historical underachievement of revenue targets and the need for credibility in tax revenue projections and collections. It was further submitted that there are concerns over time lags for the tax policy and revenue administration policy to materialize. It was further submitted that there is need to improve efficiency in revenue collection as opposed to tax hikes.

**Committee observation**

The Committee has taken note of the proposals, and the recommendations will be considered in tax laws amendments.

- 24) It was further noted that the BPS should have included the first half year expenditure performance such that members of the public can ascertain whether the ceilings provided are realistic.

**Committee observation**

Section 25 of Public Finance Management Act, provides that the Budget Policy Statements sets out broad policy priorities as well as expenditure ceilings for the coming financial year and the medium term. Past performance is provided for on the National treasury website under Sector Reports and the Quarterly Economic Budgetary Review as well as the Controller of Budget Reports.

- 25) It was recommended that expenditures should be rationalized especially noncore spending.

**Committee observation**

The increase in budgetary ceilings in FY 2025/26 has majorly catered for core government spending including key sectors such as the health and education sectors.

- 26) It was submitted that the National Treasury should adhere to the Constitution with regard to the equitable share and it was further proposed that the allocation to counties should be enhanced. Further, it was submitted that the National Assembly should expedite the approval of the latest audited accounts of national revenue since the most recent audited accounts is for FY 2020/21. Additionally, on the equalization fund, it was proposed that the funds should be disbursed in a timely and transparent manner.

**Committee observation**

The Committee observed that, the equitable share shall not be less than 15 percent of the most recent audited accounts of revenue in accordance with Article 203 of the Constitution. The county equitable share in FY 2025/26 is 25.8 percent of the most recent audited accounts of revenue. Further, the county equitable share is Kshs. 405.1 billion which is an increase from Kshs. 387.4 billion allocated in FY 2024/25.

On the Equalization Fund, the National Assembly is committed to ensure timely disbursement of resources. Further, the 2025 BPS has included carryovers for the fund amounting to Kshs. 2.8 billion.

- 27) It was proposed that the fiscal deficit as a share of GDP should be further reduced to slow down the growth in public debt and an alignment between the fiscal deficit proposals in the BPS and the MTDS should be considered. It was further proposed that there is need to set an annual budget deficit limit.

**Committee observation**

The National Assembly is committed to align the fiscal deficit as a share of GDP for FY 2024/25, contained in both the MTDS and the BPS, by the close of the financial year. In the FY 2025/26 projections, the deficit is aligned at 4.3 percent as a share of GDP.

Further, the implementation of an annual fiscal deficit limit guided by legislation on the same, shall be considered in the medium term.

28) It was further noted that there are concerns that the National Treasury overestimated the nominal GDP for FY 2025/26 resulting to a lower fiscal deficit to GDP ratio.

**Committee observation**

The Committee has taken note of the concerns however, there is no evidence to show that nominal GDP is overestimated.

29) It was submitted that supplementary budget cuts should not affect service delivery in essential sectors such as in health.

**Committee observation**

The Committee has taken note of this proposal however there are no envisaged budgetary cuts in essential sectors in FY 2025/26.

30) To deal with public debt, it was proposed that the forensic audit on public debt should be fast tracked; there should be clear reporting on public debt; as well as the establishment of an autonomous PDMO office. It was further proposed that borrowing should be used to finance development expenditure and not recurrent expenditure.

**Committee observation**

The Committee noted that there are ongoing measures by the Auditor General to audit public debt and upon completion, the Auditor General will report to Parliament. In addition, the National Assembly has severally recommended for an independent PDMO as well as the implementation of Section 15 of the Public Finance Management Act, 2012, regarding borrowing for development expenditure.

**VI. Agriculture**

31) It was proposed that the allocation for the Agriculture Rural and Urban Development sector should be increased to enhance food security. It was further proposed that there is need to increase the number of agricultural extension officers to provide farmers with training on modern farming techniques. It was submitted that, there is need for progress to be reported on previous interventions and policies regarding agriculture.

**Committee observation**

The allocation for the agriculture sector has been proposed to increase by Kshs. 1 billion in FY 2025/26 to fund the various programs in the agriculture sector. Notably, the recruitment of agricultural extension officers is a devolved function. Further, the performance of government interventions is reported by the Office of the Controller of Budget as well as the National Treasury Sector Reports and the Quarterly Economic Budgetary Review on the National Treasury website.

**VII. Education**

32) It was proposed that there is need for policies to increase enrollment in universities and TVETs. It was also proposed that the school feeding program

should be strengthened with a focus on marginalized and food insecure areas. Additionally, it was proposed that additional funding should be allocated to scale up the school feeding program.

**Committee observation**

The higher education funding model is tailored to enhance the enrollment in universities as well as TVETs in a progressive and sustainable manner. Further KUCCPS, enables streamlined application and placement processes that has centralized admission hence enhancing enrollment.

Further, Kshs. 3 billion is proposed for the school feeding program in FY 2025/26. Notably, the figure is projected to increase its coverage in the medium term.

33) It is proposed that the teacher shortage should be addressed by deploying additional teachers to understaffed schools.

**Committee observation**

The Committee observed that the government is targeting to hire teachers in FY 2025/26, and it is targeting to recruit up to 18,000 teachers.

34) It was proposed that NACONEK should consider all regions and not only the learners in ASALs for school feeding since climate change has affected all regions. It is further proposed that ECDE learners should not be sidelined in the program. It was further submitted that there is need to provide a budget line for ECDE in the county budgets.

**Committee observation**

Currently the school feeding program is implemented by the State Department for Basic Education and caters for learners in ASALs and disadvantaged areas. The Committee has taken note of the proposal and the government will consider increasing the allocation for the program to cater for learners in all areas.

Further, ECDE is a county government function and it should be implemented by the respective counties.

35) The use of Differentiated Unit Cost (DUC) capitation approach to be able to cater for the needs of special needs learners is also proposed. It was further proposed that SNE schools should be adequately equipped and SNE teachers equitably deployed.

**Committee observation**

DUC is an old funding model for universities that is being phased out. However, the government has ensured that SNE learners receive a higher capitation to support their needs. Additionally, the government is in the process of finalizing the assembling of assistive devices at Kenya Institute of Special Education (KISE).

36) It was further proposed that, to address the gaps in the implementation of CBC, there is need for additional funding, timely procurement and timely disbursement of resources. It was also proposed that an assessment of the staffing needs per school should be conducted for commensurate support on the same.

**Committee observation**

The Committee observed that the assessment of the staffing needs has already been conducted. Notably, this has been informing the posting of additional teachers recruited and it is expected to continue in the medium term. Further, the allocation to the education sector has increased by Kshs. 42 billion in FY 2025/26 and this will support the implementation of CBC.

- 37) It was proposed that the capitation towards the education sector should be enhanced especially for JSS. It was also proposed that more schools should be constructed in areas with a high average school size.

**Committee observation**

The allocation to the education sector has increased by Kshs. 42 billion in FY 2025/26 to address the highlighted issues.

- 38) It was proposed that the various laws governing education and training should be harmonized to avoid duplication and to ensure effective management of resources.

**Committee observation**

The Presidential Working Party on education reforms has identified various laws within the education sector which need to be amended to streamline the sector. The ongoing reforms in the education sector including CBC, higher education funding model and the proposed merger of regulatory institutions are aimed at ensuring effective management of resources in the education sector.

- 39) It was submitted that there is need to digitize systems and publicize data on enrolment, teachers, pupils and pupil teacher ratio annually.

**Committee observation**

The Committee observed that there is need to improve and reengineer information systems within the education sector and this shall be implemented in the medium term.

**VIII. Social justice and public administration**

- 40) It is proposed that the funding for civic education and peace building initiatives is increased for improved engagement in governance. It was further submitted that there is need to fast track the Conflict-of-Interest Bill which will enhance transparency in governance.

**Committee observation**

The Committee has taken note of this proposal and will consider its implementation in the medium term. Additionally, the mediated version of the Conflict of Interest Bill has been processed and it is due for debate by the House.

- 41) It was also submitted that there is need for capacity building for government officers in the transition from cash to accrual accounting such that there will be seamless adoption.

### **Committee observation**

The government will implement this proposal in phases during the transition from cash to accrual accounting. This will enable seamless implementation of the accrual accounting system.

- 42) It was recommended that the reforming and restructuring process of state corporations should be fast tracked. It was further proposed that ongoing projects should be prioritized for completion and that the settlement of pending bills should be expedited.

### **Committee observation**

The Committee has already incorporated these proposals in its recommendations for implementation by the various line ministries in FY 2025/26.

## **IX. Public participation**

- 43) It was submitted that the public participation window should be increased to 14 days and the channels available for engagement should also be increased. It was further proposed that the method used by the National Treasury to respond to issues raised by the public in the 2025 BPS is a good approach.

### **Committee observation**

Public participation for budget documents is conducted by both the executive and Parliament and this gives members of the public an opportunity to submit views at every stage. Notably, the BPS has statutory deadlines and it should be processed within 14 days by Parliament upon tabling. These timelines shall be considered for amendment to take the proposed recommendation into account.

- 44) It was proposed that the Public Finance Management Act should be amended to include public participation before acquisition of public debt.

### **Committee observation**

The Committee observed that public participation is a constitutional requirement and the Committee will endeavor to initiate legislative amendments to ensure that this is adhered to.

## **X. Gender responsive budgeting**

- 45) It was submitted that there is need to submit a separate statement on the gender responsiveness in the 2025 BPS, and to introduce relevant budget codes for transparency.

### **Committee observation**

The Committee recommends that the National Treasury should implement this proposal and that going forward, a separate statement on gender responsiveness should be submitted alongside budget documents. Further, budget codes for respective gender responsive items, should be introduced for transparency.

## **XI. Social protection, sports, culture and recreation**

46) It was submitted that there is need for a detailed breakdown on the allocation to the social protection, culture and recreation sector budget, and the need for the allocation to consider; promotion of employment, culture and heritage and creative arts, sports and talents.

### **Committee observation**

The BPS speaks to broad policy priorities of the Government as well as budgetary ceilings. The allocation breakdown is however provided for within the Budget Estimates. The issues highlighted above are budgeted for in the Ministry of Youth Affairs, Creative Economy and Sports and the Ministry of Labor and Social Protection.

47) It was further proposed that funding for children with special needs should be enhanced.

### **Committee observation**

Programs for SNE learners are funded in the Ministry of Education in the State Department for Basic Education. Notably, special needs learners receives higher capitation however, the proposal to increase the funding shall be implemented by the Government in the medium term.

48) It is recommended that a shift is considered from a charity-based model such as cash transfers for PWDs, to an empowerment focused approach to address the issues of PWDs and the vulnerable.

### **Committee observation**

The Committee observed that the State Department for Social Protection, is implementing a program that ensures that vulnerable households are supported through economic inclusion. The program is designed to support households by establishing businesses and issuing loans, ensuring that they are able improve their livelihoods.

49) It was recommended that part of the National Social Safety Net program should be utilized to reinstate funding for the children program for vulnerable children.

### **Committee observation**

Budgetary allocations for vulnerable children are covered under the Child Welfare Society of Kenya, the Department for Children Services and partly through the National Council for persons with disabilities. Equally, there is support to orphans and vulnerable children under the National Social Safety Net program.

## **XII. Trade and Industry**

50) It was submitted that a more robust and predictable tax system should be implemented with increased stakeholder engagement to address the challenges faced by players in the sector.

**Committee observation**

The Government is focused on implementing a predictable tax regime to improve the business environment in Kenya in the coming financial year and the medium term. Additionally, the government will conduct an assessment of the impact of tax policies for further action.

51) It was also submitted that trade barriers should be eliminated to strengthen engagements within the EAC, COMESA and AfCFTA and to promote exports especially for MSMEs.

**Committee observation**

The State Department for Trade is pursuing negotiations with trading partners to eliminate Non-Tariff Barriers (NTBs). The State Department has identified various trade barriers and to address them in FY 2025/26, it targets the elimination of 14 NTBs.

52) It was submitted that there is need for funding towards the opening of cross boarder points at Mulwanda to facilitate trade.

**Committee observation**

The Committee has taken note of this proposal and the government will assess the impact of this proposal in improving trade prospects in the area, for further consideration.

53) Proposal for the allocation of funds towards the improvement of Mulwanda Ginnery.

**Committee observation**

The completion of Luanda Ginnery is ongoing and its completion will be prioritized in FY 2025/26.

**XIII. Transport**

54) Prioritization of the Mombasa SGR connection to MGR and the expansion of the Nairobi Railway City Project.

**Committee observation**

55) The connection of the Mombasa SGR to MGR and the expansion of the Nairobi Railway City project are ongoing and will be prioritized in the medium term.

56) It was also proposed that there is need to improve and maintain transport infrastructure and to integrate road, rail and inland waterway transport for seamless trade logistics.

**Committee observation**

The Committee observed that there are ongoing efforts by the government to integrate transport systems.

57) In the aviation sector, it was submitted that due to a number of freighters withdrawing from operating at JKIA, this led to loss in cargo capacity and an

increase in cargo freight costs. This has resulted to losses for exporters of fresh produce and it is proposed that, land ferry flights be allowed to land in Kenya, temporary concessions be initiated to attract freighters to Kenya and wet leasing by local operators should be encouraged.

#### **Committee observation**

The Committee has noted the proposal and the Ministry of Transport in collaboration with the Kenya Civil Aviation Authority will conduct an assessment and take necessary action.

### **MATRIX OF SUBMISSIONS FROM THE PUBLIC**

	<b>Issue/ Sector</b>	<b>Organization name</b>	<b>Individuals' names</b>
1.	Environmental protection, water and Natural Resources sector	1. World Vision International Kenya 2. Coast Regional Budget Hub	-
2.	Remuneration of state officers	-	1. Rachel Ng'ang'a 2. Njambi Warui 3. Mabuti N. 4. Irene Mutua 5. Claudio wangu 6. Jerry Ombar 7. Dylan Kibet 8. Samuel; <a href="mailto:arofat86@yahoo.com">arofat86@yahoo.com</a> 9. Jones Mwashumbe 10. <a href="mailto:kisah254@gmail.com">kisah254@gmail.com</a> 11. Erick Kosgey 12. Lyne Cherotich 13. Michael Okoth 14. W. Nyote 15. Ingrid Beryl 16. Peter Njenga 17. <a href="mailto:gibson@moore.co.ke">gibson@moore.co.ke</a> 18. Nashon Musa 19. Peter Kamau Mburu 20. Kevin Chirchir 21. Ndubi Matthews 22. Michael Mwai 23. Ann Gitungo 24. Charles Mucuha 25. Anncarl Mwendwa

	<b>Issue/ Sector</b>	<b>Organization name</b>	<b>Individuals' names</b>
3.	Child protection	<ol style="list-style-type: none"> <li>1. UNICEF Kenya Office (Child Protection Section)</li> <li>2. Joining Forces Alliance for All Children in Kenya (JFA-K)</li> </ol>	-
4.	Health	<ol style="list-style-type: none"> <li>1. Hennes</li> <li>2. Lake Region Budget Hub</li> </ol>	-
5.	Overall Budget	<ol style="list-style-type: none"> <li>3. Coast Regional Budget Hub</li> <li>4. Institute of Public Finance</li> <li>5. Kenya Women Parliamentary Association (KEWOPA)</li> <li>6. Bajeti Hub</li> <li>7. Institute for Social Accountability</li> <li>8. Chapter Six Group</li> </ol>	-
6.	Education	<ol style="list-style-type: none"> <li>1. Lake Region Budget Hub</li> <li>2. Bajeti Hub</li> <li>3. Children Rights Advancement Network (CRAN)</li> <li>4. World Vision International Kenya</li> <li>5. Citizen Voice and Action, Funyula</li> </ol>	-
7.	Social justice and public administration	Lake Region Budget Hub	-
8.	Public participation	<ol style="list-style-type: none"> <li>1. Bajeti Hub</li> <li>2. Institute for Social Accountability</li> </ol>	-
9.	Social Protection, culture and recreation	Bajeti Hub	-
10.	Transport	Shippers Council of Eastern Africa	-
11.	Trade and Industry	<ol style="list-style-type: none"> <li>1. Shippers Council of Eastern Africa</li> <li>2. Citizen Voice and Action, Funyula</li> </ol>	-