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THIRTEENTH PARLIAMENT - THIRD SESSION -2024

SELECT COMMITTEE ON BUDGET AND APPROPRIATIONS

**REPORT ON THE BUDGET POLICY STATEMENT FOR FY
2024/2025 AND THE MEDIUM TERM.**

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE:	05 MAR 2024
	DAY: TUESDAY
TABLED BY:	Hon Ndindi Nyoro, CBS, MP Chairperson, Budget & Appropriations
CLERK-AT THE TABLE:	Inzogu mwale

The Clerk's Chambers
National Assembly
Parliament Buildings
NAIROBI

March, 2024

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FOREWORD BY THE CHAIRPERSON

The budget making process from a Legislature point of view begins with consideration of the budget policy statement which presents policies and expenditure ceilings agreed upon by the sector working groups and approved by the Cabinet. Section 25(7) of the Public Finance Management Act, 2012 and Standing Order 232(7) mandates the Budget and Appropriations Committee to examine the Budget Policy Statement and present a report to this House. It is on this basis that I am privileged on behalf of the Committee, to present the report on the Budget Policy Statement for Financial Year 2024/2025 and the medium term.

The 2024 Budget Policy Statement is themed “Sustaining Bottom-Up Economic Transformation Agenda for Economic Recovery and Improved Livelihoods”. This is the second Budget Policy Statement to be prepared under the Kenya Kwanza Government in line with its manifesto that is predicated on a Bottom up Approach to Economic Transformation. It seeks to build on the gains already secured while capitalizing on the lessons learnt.

The Budget Policy Statement is anchored on five pillars and twelve enablers. These pillars include Agriculture, Micro, Small and Medium Enterprises, Housing and Settlement, Healthcare, and Digital and Creative Economy. The choice of these sectors as the key pillars is informed by their potential to turnaround the economy given their impact on inclusive growth, household welfare and their interlinkages with the rest of the economy.

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 National Assembly, the ceilings will form the basis for the preparation of the national budget for financial year 2024/2025 as well as form the basis for the Division of Revenue Bill, 2024.

PROCEDURE FOR REVIEW OF THE BUDGET POLICY STATEMENT

The Budget Policy Statement was tabled on the floor of the House on Thursday, 15th February 2024. Pursuant to Standing Order 232 (5) and (6), the BPS was committed to the Budget and Appropriations Committee as well as the Departmental Committees who have deliberated on the document in line with their respective mandates and have made recommendations to the Budget and Appropriations Committee.

The Committee held consultative engagements with all the Departmental Committees and received their recommendations that greatly enriched this process. Discussions were also held with the Office of the Auditor General and the Parliamentary Service Commission on their broad policy priorities as well as budget ceilings given that they are under the purview of the Budget and Appropriations Committee.

Article 201 of the Constitution on Public Participation is cognizant that budgets are made for the prosperity of the people. As such, the Committee invited the public to give their views on the BPS. Previously, the Committee has relied only on the submitted memoranda from the public, however, this year, the Committee held consultative engagements with stakeholders

such as the International Budget Partnership, Kenya National Farmers Federation, Kenya Association of Manufacturers and the Council of Governors.

The request for submission of memorandum was published in leading daily newspapers and publicized on the website of the Parliament. The Committee received a total of 15 memoranda from the following stakeholders and community-based groups: RSM Eastern Africa Consulting, Citizens of Ruaraka Constituency, Citizens of Mathare Constituency, World Vision Kenya, Institute of Public Finance, Civil Society Parliamentary Engagement Network. Children Agenda Forum, Kenya on School Meals, Rift Valley Budget Hub, Citizens Kitui East Constituency, Citizens of Kitui Rural Constituency, Children Rights Kenya, People of Voi, Wundanyi, Taita and Taita Taveta Constituency, Civil Society Organizations, Kerio Valley development Authority and CPF Financial Services.

The Committee held a consultative engagement with the National Treasury before the report was finalized to build consensus on various matters arising. The recommendations stemming from these deliberations including submissions from the public participation have been incorporated into this report.

KEY RECOMMENDATIONS

Following extensive deliberations, the Committee made the following recommendations:

Non-Financial Recommendations

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

General Recommendations

1. **Medium Term Plan IV:** That, given the need to link the Bottom up Economic Transformation Agenda to the Vision 2030, the Cabinet Secretary for National Treasury and Economic Planning to submits the fourth medium term plan of the vision 2030 to the National Assembly before submission of the Budget Estimates for FY 2024/25.
2. **Costing of Government Policies:** That, Given the huge variance between planned and actual cost of government policies, the Cabinet Secretary for National Treasury and Economic Planning to prepare guidelines for proper costing of government policies, programmes and projects to minimize discrepancies between the planned and actual resource requirement before preparation of the 2025 BPS.
3. **Land Compensation:** That, in view of delayed compensation for land acquired from individuals by the government for various projects, the Cabinet Secretary for National Treasury and Economic Planning to prioritize payment for land compensation in the FY 2024/25 estimates before they are submitted to the National Assembly. Going forward, no government project should commence before the owners of the land are compensated.
4. **Locally Made Materials for Affordable Housing:** That, cognizant of the role that affordable housing can play in stimulating demand for local production, before submission of the Budget Estimates for FY 2024/25, the Cabinet Secretary for Housing,

Urban Planning and Public Works to provide to the National Assembly the guidelines on use of locally made materials in development of affordable houses to spur the economy and create the intended job opportunities.

5. **One Stop Shop for Manufacturers and Exporters:** That, cognizant of the need to improve the ease of doing business, the Cabinet Secretary for Industry, Trade and Investments develops a framework for establishment of one stop shop for all required certifications targeting manufacturers and exporters in the lines of the Huduma Center model by 30th June 2024.
6. **Last Mile Distribution of Farm Inputs:** That, in view of the challenges that smallholder farmers encounter in accessing the subsidized farm inputs due to the distance from collection centers, before finalization of the Budget Estimates for FY 2024/25, the Cabinet Secretary for Agriculture and Livestock develops a framework for last mile delivery of subsidized fertilizer, seeds and seedlings to farmers across the country in partnership with the county governments.
7. **Delay in Passport Issuance:** That, given the funding challenges facing the Department of Immigration and Citizen Services on issuance of documents such as passports, Identity Cards, Birth and Death certificates. Before finalization of the Annual Estimates for FY 2024-25, the Cabinet Secretary for the National Treasury to enhance the Appropriation in Aid for the Department from the current Kshs. 1.3 billion to 20 percent of all the revenues it generates to the Exchequer through issuance of documents. (An equivalent of Kshs. 3.980 billion in FY 2024/25 Revenue estimates).
8. **Gender Responsive Budgeting:** That, to improve the gender responsiveness of government policies, before finalization of the 2025 Budget Policy Statement, the Cabinet Secretary for National Treasury and Economic Planning to incorporate a section on the gender responsiveness of the various policy proposals in line with international best practices.
9. **Transfer of Devolved Functions:** That, cognizant of the duplication of functions between the National and County levels of government and the need to identify, cost and transfer such functions, the Intergovernmental Relations Technical Committee (IGRTC) gazettes these functions and submits a report to the National Assembly on the same by 30th April 2024.
10. **EAC Customs Regime:** That, given the East Africa Customs Management Act of 2004 allows the Council of Ministers to review the regional customs tariffs, and that these changes have not been subjected to public participation, the Cabinet Secretary for the National Treasury to ensure that any such reviews are subjected to public participation and submitted to the National Assembly before they are formally ratified.
11. **County Additional Allocations:** That, given the delays in approval of the County Government Additional Allocation of Revenue Bill and subsequent interruption in implementation of those programmes, the Cabinet Secretary for the National Treasury to ensure that there are no requests for mid-year revision in compliance to the provisions of Section 191(1) of the PFM Act, 2012.

Social Protection, Culture and Recreation Sector

12. That by 30th June 2024, the State Department for Sports in conjunction with Sports Kenya, submit to the National Assembly a clear resource requirement and funding options for each stadia and training grounds earmarked for upgrading and construction in preparation of CHAN 2024 and AFCON 2027.
13. That by 30th June 2024, the Cabinet Secretary for Gender, Culture, the Arts and Heritage to develop the framework for coordinating the distribution of sanitary towels between the State Department for Gender and Affirmative Action and offices of the 47 County Women Representatives.
14. That by 30th June 2024, the Cabinet Secretary for Youth Affairs, Creative Economy and Sports submits a report to the National Assembly on the roadmap for the Talanta Hela Programme, institutions implementing the programme, expected outputs, talent identification, nurturing and marketing from the grassroots.

National Security Sector

15. That, in the 2025 BPS, the Ministry of Defense to consider the leasing of equipment and systems it uses since rapid changes in technology make leasing more affordable than purchasing. That way, the Ministry will avoid the risk of sinking huge budgets into equipment and systems that become obsolete before the end of their useful period.

Public Administration and International Relations Sector

16. That by 230th April 2024, the CS National Treasury to submit a detailed report on Public-Private Partnership (PPP) projects to the National Assembly. This report should address the shortcomings identified in the BPS by providing comprehensive information on the nature, scope, and status of individual PPP initiatives.
17. That before finalization of the FY 2024/25, the Cabinet Secretary for National Treasury to transfer the resources previously being utilized by the Government Delivery Services from the Office of the Prime Cabinet Secretary, Vote 1013 to the State Department for Performance and Delivery Management where the service is currently domiciled.

General Economic and Commercial Affairs Sector

18. That, by 30th June 2024, the Cabinet Secretary, Ministry of Cooperatives and MSMEs Development, to review the implementation of the various funds under the Ministry, and submit to the National Assembly proposals for better implementation of the funds with an aim to enhance efficiency and improved outcome.
19. That by 30th December 2024, the Cabinet Secretary for Tourism and Wildlife to submit to the National Assembly revised Tourism Promotion Fund regulations that are aimed at ensuring that 80% of the funds is geared towards funding of core tourism activities and 20% towards tourism promotion and marketing.
20. That by 30th April 2024, the Principal Secretary for Wildlife to present to the National Assembly a comprehensive report on the compensation for human-wildlife conflict victims. This report should clearly indicate payments done, pending verified claims and those awaiting verification.

21. That before finalization of the Estimates for FY 2024-25, the Nairobi Rivers Commission to submit to the National Assembly an action plan with clear timelines for rehabilitation of the Nairobi River and management plans for the Nairobi rivers ecosystem.

Agriculture, Rural and Urban Development Sector

22. That in the 2025 BPS, 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 as well as achievement of the Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods.
23. That, before submission of the Annual Estimates for FY 2024-25, the State Department for Lands and Physical Planning to ensure that the areas to be digitized should go hand in hand with the areas the State Department intends to undertake geo-reference to lower cost and ensure the process is seamless.
24. That, before submission of the 2025 BPS, the Cabinet Secretary, National Treasury to authorize the National Land Commission to be a collector of revenue for the national government as per the Public Finance Management Act, 2012 Section 76(1) to enhance AIA collections in the sector.

Environment Protection Water and Natural Resources Sector

25. That, by 30th June 2024, the Cabinet Secretary for Environment, Forestry and Mining to roll out the formalization of Artisanal and Small-Scale Mining programme that aims to expedite promotion of mineral-based cottage industries in all counties with viable mineral deposits.
26. That by 30th December 2024, the Principal Secretary for Irrigation reviews the structure of the Irrigation sub-sector so as to address the current overlap in mandates of the National Irrigation Authority (NIA), National Water Harvesting and Storage Authority (NWHSA) and the State Department Headquarters. Currently, there are overlaps in the projects being implemented by the 3 entities raising concerns on whether government is getting value for money.
27. That by 30th June 2024, the Principal Secretary for Irrigation develops a framework to provide technical support to the County Irrigation Development Units and the Irrigation Water User Associations. Currently, they have weak administrative capacity to manage the irrigation projects leading to sustainability challenges for these projects once they are handed over to county government and the community.

Energy, Infrastructure and ICT Sector

28. That by 30th June 2024, the Cabinet Secretary, Ministry of ICT and Digital Economy submits to the National Assembly a roadmap on consolidation of the various Youth empowerment programmes including Jitume Programme, Ajira Digital Programme, Presidential Digital Talent Programme, and Village digital hubs/ Constituency Innovation Hubs and the Digital Literacy Programme.

29. That by 30th June 2024, the State department for Broadcasting submits to the National Assembly a draft policy on decentralization of government advertising services with an aim to addressing the problems associated with the current centralized system key among them being the accumulation of pending bills due to failure by the MDAs to settle advertisement costs incurred by the Government Advertising Agency.
30. That by June 30, 2024, to support the building and construction value chain, the Cabinet Secretary for Housing, Urban Development and Public Works to provide roadmap for the construction of Alternative Building and Construction Technology centers in each constituency in the medium term and also establish a public portal providing information on local engagement in construction.
31. That by 30th June 2024, the Cabinet Secretary in charge of Energy and Petroleum in conjunction with Rural Electrification and Renewable Energy Corporation (REREC) submits to the National Assembly a report detailing the scope, works in progress, and pending works including amounts accrued as well as pending bills for last mile connectivity given that the financing agreements will lapse on 30th December 2024.

Governance Justice Law and Order Sector

32. That before finalization of the 2025 BPS, the State Department for Correctional Services to develop proposals for public private partnerships in order to modernize the prison industries and improve their outputs including development of the huge tracks of land at its disposal through mechanization to generate adequate food to complement the exchequer receipts.
33. That the Independent Electoral and Boundaries Commission in close collaboration with the National Treasury to undertake thorough scrutiny and audit of the all the pending bills particularly the bills owed to the suppliers with a view to settle the eligible pending bills.

Education Sector

34. That, before finalization of estimates for FY 2024/25, in line with the Presidential Working Party Report on Education Reforms, the Cabinet Secretary for National Treasury transfers the Low-Cost Boarding Schools function and the attendant budgetary provisions to the National Council for Nomadic Education in Kenya (NACONEK), which is best suited to implement the programme. This will ensure that the LCBS are given adequate attention to address education disparities and oversee interventions that will enhance access, retention, transition and completion rates in ASAL areas.
35. That, before finalization of the Annual Estimates for FY 2024-25, the State Department for TVET Education to complete and fully operationalize the TVET Education Management Information System (TEMIS) to create a pool of accurate, verifiable and credible data of TVET learners and Institutions in order to promote accountability and improve management of disbursements for capitation and scholarships funds;
36. That, before finalization of the Annual Estimates for FY 2024-25, the State Department for Basic Education and the NGCDF Board, through the Inter-Ministerial technical committee established to develop collaborative guidelines to support and guide infrastructure funds disbursements for Junior schools;

37. That, beginning FY 2024/25 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

Health Sector

38. That, before finalization of the budget estimates for FY 2024/25, the Principal Secretary, State Department for Medical Services transfers the National Cancer Control Programme from the Ministry to the National Cancer Institute to enhance coordination of cancer related services in the country.
39. That by 30th April 2024, the Principal Secretary, State Department for Public Health and Professional Standards to provide a progress report to the National Assembly on operationalization of the 21 completed KMTCS.

Financial Recommendations

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

- i. **That**, the National Government budget ceiling be approved at Kshs.

Of which:

Executive	Kshs. 2,488,650,300,000
<i>Of which:</i> Office of the Auditor General	Kshs. 8,599,500,000
Parliament	Kshs. 43,623,000,000
Judiciary	Kshs. 23,690,300,000

- ii. **That**, the allocation to County Government Equitable Share be approved at Kshs. **391,117,000,000**
- iii. **That**, 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**
- iv. **That**, the arrears to the equalization fund be set at Kshs. **3,547,185,275**
- v. **That**, the allocation for the County Additional Allocations be approved at Kshs. **48,196,590,924** as per the third schedule which shall form the basis for the County Government Additional Allocation Bill, 2024.
- vi. **That**, consistent with the approved borrowing strategy in the Medium-Term Debt Management Strategy, the projected fiscal deficit be set at Kshs **703,870,000,000** (3.9% of GDP) being the difference between total revenues and grants and total expenditure and net lending.
- vii. **That**, the first and second schedule forms the basis for the ceilings for the FY 2024-25 Budget Estimates.
- viii. **That**, once approved by this House, these recommendations **SHALL** form the basis for FY 2024/2025 budget estimates.

ACKNOWLEDGMENTS

The Budget and Appropriations Committee registers sincere gratitude to the Office of the Speaker and the Clerk of the National Assembly for the support extended in fulfilling this important assignment. The Committee is indebted to the Departmental Committees for the extensive engagements and insightful recommendations that eased decision making. The Committee extends gratitude to all the Ministries, Departments and Agencies, as well as the National Treasury for being part of this important process. Finally, the Committee appreciates stakeholders and members of the public who submitted their views for consideration, thank you for taking time to positively impact on the policy direction of the Country.

The Committee would also like to thank the Parliamentary Budget Office for the critical role in providing technical support to the Committees of the House during this process; the Directorate of Appropriations, Audit, and General-Purpose Committees and the Directorate of the Departmental Committees for the extensive work undertaken in the review and processing of the Budget Policy Estimates FY 2024/2025.

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

SIGNED


.....

HON. NDINDI NYORO, CBS, M.P.

CHAIRPERSON, THE BUDGET AND APPROPRIATIONS COMMITTEE


.....

DATE

1.0 PREFACE

Establishment and Mandate of the Committee

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

Membership of the Committee

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

CHAIRPERSON

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

VICE CHAIRPERSON

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

MEMBERS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Committee Secretariat

3. The Committee Secretariat is comprised of the following:

**Mr. Danson Kachumbo
Fiscal Analyst/ Lead Clerk**

**Mr. Jibril Mohamud
Fiscal Analyst/ Clerk Assistant**

**Ms. Sylvia Ocharo
Clerk Assistant**

**Mr. Rngine Mutwiri
Fiscal Analyst/ Clerk Assistant**

**Mr. Simon Ouko
Serjeant-at-arms**

**Mr. Nimrod Ochieng
Audio Officer**

**Ms. Mercy Mayende
Media Relations**

**Mr. Jared Amara
Office Assistant**

Technical Staff from Parliamentary Budget Office

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

**Dr. Martin Masinde
Director, Parliamentary Budget Office**

**Mr. Robert Nyagah
Senior Deputy Director**

**Ms. Millicent Makina
Fiscal Analyst I**

**Dr. Abel Nyagwachi
Fiscal Analyst I**

**Ms. Julie Mwithiga
Fiscal Analyst I**

**Mr. Solomon Alubala
Fiscal Analyst III**

**Mr. Kioko Kiminza
Fiscal Analyst III**

**Ms. Priscilla Wangu
Fiscal Analyst III**

**Mr. Cyrille Mutali
Fiscal Analyst III**

2.0 REVIEW OF THE 2022 BUDGET POLICY STATEMENT

2.1 Background

5. Section 25 of the Public Finance Management Act, 2012, requires the National Treasury to prepare and submit to Parliament the Budget Policy Statement (BPS) clearly providing an assessment of the current state of the economy and the financial outlook over the medium term, including macro-economic forecasts, the overarching policies of the government, resource envelop and expenditure ceilings. The 2024 Budget Policy Statement was submitted to Parliament on Thursday, 15th February 2024 and committed to Departmental Committees and the Budget and Appropriations Committee in accordance with Standing Order 232.
6. The 2024 Budget Policy Statement is designed to build on the gains under the policy interventions pronounced in the 2023 BPS that was themed "*Bottom-Up Economic Transformation Agenda for Inclusive Growth*". As such the 2024 BPS is titled "**Sustaining Bottom-Up Economic Transformation Agenda for Economic Recovery and Improved Livelihoods**". This is in line with the Manifesto of the government that is founded on a bottom-up approach to economic transformation.
7. The 2024 Budget Policy Statement is the second to be prepared under the Kenya Kwanza administration. It highlights progress made in the last one year and sets out the priority programs, policies and reforms of the administration that will be implemented this year and in the Medium-Term. The BPS is anchored on five pillars and twelve enablers that are broadly expected to contribute to macroeconomic stability, economic growth and employment creation. These pillars include Agriculture, MSME Economy, Housing and Settlement, Healthcare, and Digital and Creative Economy.
8. The 2024 BPS has been conceptualized at a time that the economy is faced with multiple challenges both on the external and domestic scene: These include: prolonged supply chain disruptions and external shocks that have resulted in high prices of imported commodities including fuel, agricultural inputs, food items among others. The unprecedented rise in interest rates globally has significantly affected capital flows to developing countries. Further, high debt service burden amplified by exchange rate instability, lacklustre business environment and limited fiscal space to respond to these eventualities continue to weigh down on the overall performance of the economy.
9. 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 National Assembly, the ceilings will form the basis for the preparation of the national budget for financial year 2024/2025 and over the medium term as well as form the basis for the Division of Revenue Bill, 2024.

10. The Committee assessed the BPS to ascertain compliance to the underpinning legal framework. A critical review of the submitted document revealed that most of the information has been provided. However, there is some critical missing information such as details of policies and how they have been costed. The Committee further evaluated the alignment of the BPS to the National Development Agenda, credibility of the proposed Macroeconomic Framework, adherence to the Hard Budget Constraints and criteria for the proposed Allocations to the sub national level of government.

2.2 Alignment to National Development Agenda

11. The National Development Agenda is articulated in the Kenya Vision 2030 that seeks to transform the country to a middle-income status by 2030 and is implemented through five-year Medium-Term Plans that defines, critical milestones and flagship projects that are to be attained in the defined span of time. The Committee noted with concern the fourth Medium Term Plan that would aid in linking the Bottom Up Economic Transformation Agenda (BETA) and Vision 2030.

12. The BPS has indicated that through the agricultural transformation pillar, the government intends to align all policies and strategies under the agriculture sector towards increasing food production and reducing the cost of food. The strategies under this pillar will be geared towards addressing the cost, quality and availability of farm inputs; reducing the cost of living ; reducing the number of food insecure Kenyans; raising productivity of key food value chains; increasing access to affordable credit and agricultural extension services; creating direct and indirect jobs, increasing average daily income of farmers as well as foreign exchange earnings by revamping underperforming export crops while expanding emerging crops such as avocado.

13. The progress reported in implementation of the agricultural transformation pillar include: countrywide digital registration of farmers on the e-voucher programme; provision of 5.5 million bags of fertilizer to farmers; reduction of cost of fertilizer from Kshs 6,500 to Kshs 2,500; provision of 17 certified warehouses and grain drying equipment in maize growing areas to contain post-harvest losses and mainstreaming key value chains for enhanced productivity and value addition.

14. The Committee noted the need to scale up some of the measures including provision of quality and certified seeds and planting materials; designing a last mile fertilizer distribution mechanism to bring it closer to the farmer; enhancing post-harvest management interventions to cover more farmers and wider variety of agricultural produce; upscaling the crop and livestock insurance to cushion farmers; enhancing irrigation capacity to reduce overreliance on rain fed agriculture and streamlining the marketing of agricultural produce to cushion farmers from exploitation by other value chain actors.

15. The Micro, Small and Medium Enterprises plays an important role in the economy especially in providing job and income generating opportunities both in the formal and informal sector. To optimize on the potential of the MSMEs, the BPS proposes to improve business environment for MSMEs, establishment of industrial parks and business incubation center in every TVET, promoting access to affordable finance, rationalize business licensing processes and establishment of business development centers in every ward and Industrial Aggregation Centers in all counties over the medium term.
16. In terms of progress achieved in harnessing the MSMEs, among other interventions, the government rolled out the Financial Inclusion Fund, which has disbursed over Kshs. 36.6 billion. The fund has also rolled out group product which has attracted about 20,000 groups which have cumulatively received approximately Kshs. 152 million.
17. The Committee noted with concern that the MSME sector is faced with a multiplicity of challenges that include access to affordable and reliable energy; unpredictability of tax policies; pending bills owed by government agencies. There is need for provision of long-term financing and inculcation of the culture of prompt payment for goods and services for the MSMEs to be sustainable.
18. With regard to the Affordable Housing pillar the government aims to provide at least 250,000 houses in every financial year by fast tracking the delivery of affordable houses and enabling low-cost housing mortgages. The BPS reports that 46,792 urban houses are underway while another 40,000 units are ready to commence construction. It estimates a total of 746,795 housing units are in the various stages of delivery.
19. The government is structuring affordable long-term housing finance schemes, including a National Housing Fund and Cooperative Social Housing Schemes, that will guarantee off take of houses from developers. The pillar targets job creation for graduates from TVETs through linkages to the Jua kali sector to produce high quality construction fittings.
20. The Committee underlined the need for a structured way to meaningfully and continuously engage value chain actors such as Jua kali artisans during the delivery of the affordable housing pillar. The Committee underscored the importance of upscaling efforts towards the enforcement of use of the locally produced components and inputs into the affordable housing to spur local manufacturing, production and job creating where the projects are being undertaken.
21. The choice of the Universal Health Coverage as a key pillar of the Bottom up Economic Transformation Agenda was informed by Article 43 of the Constitution that guarantees Kenyans the right to the highest standards of healthcare. To ensure realization of this, the government has put in place a number of measures including enactment of the relevant laws

to anchor healthcare reforms. The efforts are geared to implementation of the Social Health Insurance Fund, Primary Health Fund, Chronic, Emergency and Critical Illness Fund.

22. It is noted that to deliver universal health coverage, the government is committed to institute a paradigm shift from curative to preventive and promotive healthcare. The shift will be supported by the promotive services provided by Community Health Promoters (CHPs) at the household level. The CHPs have been engaged by the National Government in partnership with the County Government. These efforts are aimed at provision of all essential services from preventive, promotive, curative, palliative and rehabilitative health care services.
23. The Committee noted that while healthcare reforms are long overdue, the pronounced policies are not comprehensive enough to address the challenges bedeviling the sector. The measures broadly address the health financing component of universal health coverage but not the service delivery and governance issues facing the sector. The Committee also expressed concerns over lack of information among the general public on the operation of the recently introduced healthcare funds and the specific benefits that accrue to a household that is enrolled into the scheme.
24. The BPS is cognizant of the increasing role that the digital economy as an avenue for opportunity, productivity and competitiveness. The Bottom up Economic Transformation Agenda therefore commits to promoting investments in the digital superhighway, supporting extension of the fibre optic backbone infrastructure and digitization and automation of government services. It further indicates that the government is pursuing implementation of Maisha Namba and National Population Master Register to ease delivery of government services.
25. To achieve the envisaged objectives of the Digital superhighway and Creative Economy pillar some progress has been made including digitization of over 16,000 government services from an initial 250 to enhance efficiency in service delivery and revenue collection; expansion of the ICT capacity in TVETs; and continued expansion of the ICT infrastructure including setting up several WiFi hotspots in market centers and public spaces in some parts of the Country.
26. The Committee noted with concern that with increasing promotion and adoption of the digital technologies, there are emerging risks related to data privacy and cyber security. The Budget Policy Statement has remained silent on proposals to mitigate and deal with such threats especially with the consolidation of payment for all government services into the e-citizen platform. Further, the distinction or linkages between the Maisha number and the Huduma number that has been pursued previously is not elaborated.

2.3 Credibility of the Macroeconomic Framework

27. The 2024 budget policy statement projects that the economy will grow by 5.5 percent in 2024. This growth will be driven by both demand and supply side factors. On the supply side, key drivers include rebound of agriculture sector on account of sufficient rainfall and subsidized input prices, recovery of the industry sector driven by availability of raw materials for agroprocessing and construction sub sector on account of investments in affordable housing.
28. The service sector growth will be supported by the recovery in accommodation and restaurant subsector, increased tourists' arrivals as well as the telecommunication and ICT developments driven by efforts in digital transformation. On the demand side growth will be supported by increased household consumption and robust private sector investment, as well as government investments, and resilient remittances.
29. The Committee noted that the key driver for growth is expected to be agricultural sector, however, contribution of the sector to overall economic growth has been fluctuating over time an indication of the vulnerability of the sector to weather shocks. Despite the central role that the agriculture sector plays in household incomes and job creation it continues to face major hurdles including overreliance on rainfall, dysfunctional agricultural markets, lack of affordable working capital, unreliable extension services, poor post-harvest handling and unsustainable land use practices. This confluence of risks has a bearing on productivity in agriculture thereby impacting food security and cost of living.
30. The Committee expressed concerns over the declining contribution of the industry sector to economic growth. The performance of the sector is majorly driven by the manufacturing and construction sub-sectors. The performance of the manufacturing component has been dwindling over the years. The decline has been attributed to deteriorating business environment and regional developments including tariff changes under the East Africa Customs Management Act.
31. Inflation remained below the 7.5 percent band but above the CBK target of 5 percent due to elevated inflationary pressures. It is however notable that it declined from 9.0 percent in January 2023 to 6.9 percent in January 2024. The slowdown was majorly driven by food inflation which decelerated from 12.8 percent in January 2023 to 7.9 percent in January 2024. The decline was supported by easing prices of food commodities due to improved weather conditions and government backed importation of non-vegetable food items and edible oils.
32. The Committee noted that fuel inflation remained elevated majorly on account of the volatility of the Kenyan Shilling, unpredictable international oil prices and high electricity prices. The contribution of fuel inflation to overall inflation increased from 27.8 percent in January 2023 to 36.2 percent in January 2024 driven by rising prices of electricity and increases in fuel pump prices.

33. The tightening monetary policy globally has had severe consequences including rise in interest rates and capital flight from developing countries as investors pursue higher returns in the developed economies. In response and to anchor inflation expectations, the CBK raised the CBR to 13% in February 2024. The high interest rates imply higher cost of borrowing for households, firms and the government which is likely to have a negative effect on both the investment and consumption components of the economy.

2.4 Linking Sector Priorities to Hard Budget Constraints

34. The Budget Policy Statement projects that ordinary revenue as a share of GDP will increase from 14.3 percent in FY 2022/23 to 19.1 percent in FY 2024/25. To achieve this, the government has published the Medium-Term Revenue Strategy (MTRS) whose objectives include: raising revenue as a share of GDP from 14.3 percent to 20 percent; increasing tax compliance rate from 70 percent to 90 percent; and increasing investment to GDP ratio from 19.3 percent to 25.7 percent by FY 2026/27 for sustained growth.

35. Some of the strategies in the MTRS include the reduction of the corporate income tax rate to boost Kenya's competitiveness and enhance investment and review of Pay as You Earn (PAYE) bands to improve progressivity. Further, to optimize revenue collection from Value Added Tax (VAT), the MTRS proposes rationalization of exempt and zero-rated supplies, a downward review of VAT rates, and an introduction of VAT on services such as education and insurance.

36. The Budget Policy Statement projects ordinary revenue collection for FY 2024/25 at Kshs. 2,948.1 billion. This represents a 14 percent growth relative to the National Treasury's expected collection in FY 2023/24. The Committee noted with concern that the revenue-raising measures contained in the 2023 BPS and Finance Act, 2023 have not achieved the revenue growth targets. The revenue shortfall by December 2023 amounted to Kshs. 178 billion. If the revenue target for FY 2023/24 is missed by a big margin, that would indicate similarly, the FY 2024/25 targets is way too high.

37. The Committee noted that the total expenditure and net lending as a share of GDP has been maintained at around 24 percent between 2013/14 and 2022/23. However, expenditures on interest payments on public debt as a share of GDP has increased from 2.4 percent to 4.8 percent, while development expenditure has declined from 6 percent to 4 percent. The proposed increase in the ceiling for development expenditure is laudable and will spur economic growth if the projects are realized efficiently.

38. The Budget Policy Statement proposes that the expenditure ceiling for FY 2024/25 be set at Kshs. 4,143.7 billion representing a Kshs. 162.1 billion increase relative to the approved supplementary estimates I for FY 2023/24. The main drivers for the increased budget include an additional Kshs. 89.9 billion on interest payment on public debt as well as a Kshs. 70.7 billion increase in development expenditure.

39. Given the disparity in revenue and expenditure, the resultant fiscal deficit for FY 2024/25 is projected at Kshs. 704 billion. To finance the deficit, the government proposes to borrow Kshs. 326 billion from external markets and Kshs. 377.7 billion from the domestic market. The projected borrowing from the domestic market for FY 2024/25 is significantly lower than the borrowing for FY 2023/24. Reduced domestic borrowing over the medium term may crowd in the private sector investments and spur private sector-led economic growth.

2.5 County Resource Allocation

40. The 2024 Budget Policy Statement highlights County Governments' compliance with the fiscal responsibilities Principles as provided for in Chapter Twelve of the Constitution and the Public Finance Management Act. The law requires certain expenditures such as development budget and wages to be maintained at a given threshold. Its noteworthy that counties have been complying with the thirty percent requirement for development expenditure while budgeting, however actual expenditure in development has dwindling from 29 percent in FY 2018/19 to 23 percent in FY 2022/23. This trend has a serious implication on realization of development programmes and service delivery.

41. The 2024 BPS notes the dismal performance of the Own Source Revenue (OSR) among all the county governments and proposes several measures to assist counties to enhance their revenue collection including the enactment of the National Rating Bill and the County Governments (Revenue Raising Process), Bill as well as offering rigorous training on tax policy and Revenue Forecasting.

42. The National Rating Bill purposes to provide the framework for the imposition of property taxes on land and buildings by County governments. The Bill also gives the procedure for claiming and payment of Contribution in Lieu of Rates (CILOR); and timely updating of valuation rolls by the County Governments. The overall objective of the Bill is to provide for enhancement, certainty, uniformity, and fairness in levying of property rates by the counties.

43. The BPS proposes that County Governments receive Ksh.391.117 billion as equitable share for FY 2024-25 from the projected ordinary revenue of Kshs. 2,948.1 billion. The amount is 24.86 percent of Kshs.1,573.4 billion being the most recent audited revenues raised nationally for FY 2019/20 as per the National Treasury and 13.3 percent of the total projected ordinary revenue for FY 2024/25. However, Parliament recently approved the audited revenues for FY 2020/21 amounting to Kshs 1,570.56 billion which now forms the basis for revenue sharing.

44. Pursuant to Article 202(2) of the Constitution, County governments are expected to receive additional allocations amounting to Ksh.48.2 billion in FY 2024/25. The additional allocations consist of Kshs 8.5 billion from the National Government's share of revenue and Ksh.35.66 billion from proceeds of loans and grants from development partners.

3.0 SUBMISSIONS TO THE BUDGET AND APPROPRIATIONS COMMITTEE

45. The Budget and Appropriations Committee oversees the Office of the Auditor General (OAG) and the Parliamentary Service Commission (PSC). The Committee invited the two to provide insights on policies informing proposed ceilings in the 2024 BPS. The Committee received submissions from the Departmental Committees on the ceilings for the Ministries, Departments and Agencies (MDAs) that they oversee. 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.

3.1 Submissions by the Office of the Auditor General

46. The Committee invited the office of the Auditor General to make submissions on two issues. First to appraise the Committee on key issues arising from audit processes that may inform the overall budget making process and second to provide insight on policies underlying the expenditure ceilings for the office.

3.1.1 Overarching Concerns from Audit Perspective

47. The Auditor General raised pertinent issues on budget credibility by underscoring the emerging deviations between approved expenditure and actual expenditure and large deviations between revenue targets and actual collections. The Auditor General raised concerns that supplementary budget and requests for additional allocations especially under Article 223 of the constitution significantly distort the budget as approved by the Legislature.

48. The Auditor General noted other risks to the budget credibility including delayed disbursement of exchequer releases to implementing agencies, challenges in implementation of donor funded projects, slow uptake and progress of projects, unused balances at the end of project period, pending bills and rising cost of debt service.

49. The Auditor General underscored the need to ensure greater coordination between the National Treasury and other stakeholders contributing critical information and macroeconomic data for fiscal forecasting, including the Kenya National Bureau of Statistics and the Kenya Revenue Authority. This will enhance the quality and accuracy of macroeconomic and fiscal forecasting to enhance budget credibility.

3.1.2 Expenditure Ceilings for the Office of the Auditor-General

50. The Office of the Auditor General has been allocated a budget ceiling of Kshs. 8.599 billion with Kshs.8.284 billion in recurrent expenditure and Development expenditure amounting to Kshs.315 million. This is against an estimated budgetary requirement of Kshs.11.380 billion meaning that there is a budgetary shortfall of Kshs.3.086 billion. This is despite the expansion of government programs over time to ensure sustainable development and delivery of continuous and quality services to the citizens.

51. The OAG indicated that government policies always result to additional institutions that the office is required to audit. For instance, the healthcare legislative framework has created additional entities which include, the Social Health Authority, Primary Healthcare Fund, Social Health Insurance Fund and Emergency Chronic and Critical Illness Fund that require to be audited. Additionally, the office will be expected to audit the Housing Levy Fund which is both a revenue and expenditure entity as well as the Financial Inclusion Fund which may require separation of business units in future due to its existing structure that has a savings component, a pension and a banking element.
52. Further, the Auditor General noted that the continued underfunding of oversight institutions such as Parliament, Office of the Auditor General, Ethics and Anti-Corruption Commission, Controller of Budget, Office of the Director of Public Prosecutions and the Judiciary. All these institutions have been allocated a mere 2% of the total national budget over the years, including FY 2024/25. There is need to increase the funding to these Institutions to see the fruits of the fight against wastage and corruption.

3.2 Submissions by the Parliamentary Service Commission

53. 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 PSC 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.
54. The Commission submitted that the 2024 BPS proposes a ceiling of Kshs 41.623 billion for the PSC as compared to Kshs 40.77 billion in FY 2023/24 approved estimates. The marginal increase is not sufficient to cater for the annual wage drift and the employer contribution to the Housing Levy. The proposed ceilings are against a total resource requirement of Kshs 65.810 billion for the FY 2024/25. The resource requirement is informed by the need to facilitate Members of Parliament in achieving their Constitutional mandate as well as promoting Parliamentary democracy. If the situation is not remedied, it essentially implies that the Legislature will continue to be underfunded and unable to implement its Constitutional mandate.
55. Concerned by the constant underfunding of the Legislature and noting the need to ensure predictability and adequacy of resources for the Legislature, the Commission recommended that going forward, the annual allocation to Parliament be pegged at an amount of not less than 2.5% (two and a half per centum) of all the national government's share of revenue as divided by the annual Division of Revenue Act enacted pursuant to Article 218 of the Constitution. A predictable allocation of funds to Parliament ensures that legislative, oversight and scrutiny programmes are adequately funded as part of the good governance best practices for democratic societies.

3.3 Submissions by Stakeholders.

56. Pursuant to Article 201 of the Constitution on Public Participation, the Committee invited the public to give their perspectives on the BPS. The request for submission of memorandums was published in leading daily newspapers and publicized on the website of Parliament. The Committee held engagements with International Budget Partnership, the Kenya National Farmers Federation, the Kenya Association of Manufacturers and the Council of Governors.
57. Further, the Committee received a total of 15 memoranda from the following stakeholders and community-based groups: RSM Eastern Africa Consulting, Citizens of Ruaraka Constituency, Citizens of Mathare Constituency, World Vision Kenya, Institute of Public Finance, Civil Society Parliamentary Engagement Network. Children Agenda Forum, Kenya on School Meals, Rift Valley Budget Hub, Citizens Kitui East Constituency, Citizens of Kitui Rural Constituency, Children Rights Kenya, People of Voi, Wundanyi, Taita and Taita Taveta Constituency, Civil Society Organizations, Kerio Valley development Authority and CPF Financial Services. The submissions from the public engagements have been attached to this report as annex 2.

3.4 Submissions by the National Treasury

58. The National Treasury in their submission noted that during the preparation of the 2024 Budget Policy Statement, they received numerous requirements for the FY 2024/25. The National Treasury was not in a position to accommodate all within the set ceilings in view of the resource constraint. These expenditures relate to new policies introduced during the financial year 2023/24. The total unfunded expenditures for the FY 2024/25 amount to Kshs 859.5 billion as indicated in Table 1. This comprises Recurrent Expenditures of Kshs. 484.9 billion and Development Expenditures of Kshs. 374.5 billion.
59. There is need provision for the critical unfunded priorities especially the Education Sector (New Funding Model for Universities and TVET and JSS, Health Sector (shortfall for Community Health Promoters and Medical Specialized Kits for CHP) and National Security (Modernization and salary adjustment for the police, prisons and NYS) and to align the budget proposals to address the shortfall during the finalization of the FY 2024/25 Budget.

Table 1: Unfunded priorities for FY 2024/25 by Sector Amount in Ksh. Million

S/No.	Sector	Recurrent	Development	Total
1	Agriculture, Rural & Urban Development	2,492.4	7,150.0	9,642.4
2	Energy, Infrastructure and ICT	15,563.3	225,832.4	241,395.7
3	Education	146,875.8	16,255.0	163,130.8
4	General Economic and Commercial Affairs	4,738.4	40,824.0	45,562.4
5	Health	51,172.0	15,885.0	67,057.0
6	Governance, Justice Law and Order	96,819.5	1,800.0	98,619.5
7	Public Administration and International Relations	124,712.7	16,391.5	141,104.2
8	National Security	10,600.0	-	10,600.0
9	Social Protection, Culture and Recreation	20,014.5	22,737.4	42,751.9
10	Environment Protection, Water and Natural Resources	12,002.6	27,630.0	39,632.6
	Grand Total	484,991.2	374,505.3	859,496.5

4.0 SUBMISSIONS BY DEPARTMENTAL COMMITTEES

60. The Committee received submissions from Departmental Committees on policies and ceilings for programmes and votes being implemented by the MDAs that they oversight. Based on submissions by the MDAs, the Departmental Committees made observations, some of which are captured in this report. A comprehensive matrix of observations and recommendations by Departmental Committees are part of this report as annex 1.
61. 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 envelop. The unfunded requests are detailed in the forth schedule of this report.

4.1 Social Protection, Culture and Recreation Sector

62. The Departmental Committee on Social Protection observed that the commitments under Article 81(5) of the Constitution, to ending Gender Based Violence and merging of the National Council for Persons Living with Disabilities Fund and the Disabled Fund of Kenya to enhance sector coordination were not met.
63. The Committee noted that despite the increased cases of femicide and Gender Based Violence there is no concrete policy nor resource increase towards addressing these vices. The fight against Gender Based Violence continues to rely on donors, thereby exposing it to lengthy processes and underfunding.

64. The Committee observed that there is no coordination between the State Department for Gender and the offices of the 47 County Women Representatives in both the supply and distribution of sanitary pads in the Counties. This has caused poor targeting of needy cases and delays in availing these critical items to the girl child.
65. The Departmental Committee on Labour noted that the funding shortfalls within the sector will adversely affect key priority areas especially the Human Resource Management and Development Programme where the Public Service Internship Programme (PSIP) is domiciled. The programme is a strategic government intervention to expose graduates to the job market and ease their absorption.
66. The Departmental Committee on Sports, Arts and Culture noted that Kenya is poised to host two important sporting events alongside Uganda and Tanzania, these are CHAN (2024) and AFCON (2027). Consequently, the State Department for Sports requires considerable resource allocation to adequately prepare for these important continental tournaments. The State Department has however not developed a comprehensive resource requirement for the upgrade of Stadia and training grounds for these tournaments.

4.2 National Security Sector

67. The Departmental Committee on Defence, Intelligence and Foreign Relations observed that given the nature of work that the National Intelligence Service undertakes, it has not been possible to engage in leasing of equipment and systems for acquiring the necessary equipment. However, in view of constantly changing technology, there is need to consider leasing of such equipment to cushion the Service from the high cost of replacing them every time there are technological advancements.
68. The Committee noted that the procedure to access the Export Credit Agency (ECA) for the security sector is too long on account of the time taken to deposit the agreement and to do due diligence before the finalization and signing of the financing agreements. This therefore affects the commencement of the projects that are dependent on the ECA funding.

4.3 Public Administration and International Relations Sector

69. The Departmental Committee on Finance and National Planning noted that the BPS has highlighted the significant role of the Public-Private Partnership (PPP) in alternative financing. There are 31 projects at different stages within the PPP project cycle. However, there is lack of detailed disclosure which makes it challenging for stakeholders to assess the potential impact of these projects.
70. The Departmental Committee on Defence Intelligence and Foreign Relations noted that to ensure the effectiveness of the posted Ambassadors, the Department for Foreign Affairs has put all the Ambassadors under performance contracts for their 4-year tenure where they do

have an initial two-year contract after which evaluation is done and if the performance is poor the Ministry recommends their recall by the appointing authority.

71. The Committee noted that the Government Delivery Services had been transferred to the State Department of Performance & Delivery Management but the resources towards the same are still being held by the Office of the Prime Cabinet Secretary, highly compromising the deliverables of the entity.
72. The Committee noted with concern that over 800,000 Kenyans had applied for passport and remitted to the government through the e-citizen platform passport fees amounting to over Kshs 5 billion as of 23rd February 2024 but the State Department could not process the passport due to lack of booklets. The Committee noted that failure to transfer resources to the department promptly has affected service delivery and inconvenienced many Kenyans.
73. The Committee observed that the provision of Group Life and Group Personal Accident Cover through an insurance firm is not effective for the National Police Service Officers. This is because the officers are not being compensated as required despite the National Police Service paying premiums of Kshs. 2.342 billion. The Committee observed that the Kenya Defence Forces model is effective given that Section 3 of the Work Injury Benefits Act of 2007 exempts KDF from the requirement. There is need to develop a policy exempting the police officers just like the Defence Forces.
74. The Committee was concerned with the rise in drug and substance abuse due to structural issues arising from the weaknesses of the Alcoholic Drinks Control Act, 2010. The Constitution provides that liquor licensing is a function of the County Governments. However, the ruling on Petition No. E225 of 2020 declared that liquor licensing was a concurrent function between the National and county governments given that licensing for imports and regulation of manufacturing is a mandate of the National Government. The Committee observed that there was a need to review the legal framework on standardization, regulation, manufacture, importation, promotion, sale and consumption of alcoholic drinks.

4.4 General Economic and Commercial Affairs Sector

75. The Committee on Trade Industry and Cooperatives noted that the State Department for Cooperatives is undertaking modernization of cotton ginneries. However due to shortfall in resources, the department is implementing only one ginnery per financial year. There is need to channel adequate resources to cater for the modernization of all ginneries concurrently given the growth in cotton production in the country. There are only 6 ginneries currently in Kenya, five owned by private owners, while one is Government owned.
76. The Committee noted that the Warehouse Receipt System has been facing underfunding challenges despite the critical role it is supposed to play on the harnessing potential of various

value chains. The project targets to create a warehousing system in which farmers will be given warehouse receipts as they await to trade their commodities in the market. The intended impact is a reduction in post-harvest losses and improved access to markets and credit by farmers, who may use the warehouse receipts as collateral.

77. The Committee raised concern on the multiplicity of funds in the purview of the State Department for MSME development such as the Hustlers Fund and Uwezo Fund. It was noted that, the funds face similar challenges, such as default and they are likely not to achieve their intended impact if they are not restructured and aligned to evolving realities.
78. The Committee on Tourism and Wildlife noted the growth of the Airbnb as a critical component of the hotels and accommodation sub sector and its potential contribution to growth of the hospitality industry. However, the sector is largely unregulated and uncoordinated hurting the entire sector.
79. The Committee observed that the Tourism Promotion Fund holds the responsibility of financing various programs and initiatives aimed at the development, promotion, and branding of tourism products in Kenya. However, much of the resources have been allocated to non-core tourism activities that have not meaningfully contributed to the improvement in sector performance. There is need to relook at the structure of the fund to optimize on interventions that address critical bottlenecks in the sector.
80. The Committee observed that the National Drought Management Authority purposes to establish feed lots in thirty-one ASAL counties in Kenya to support pastoralists communities. The establishment and proper management of feedlots will bring about positive transformations in the livestock sector promoting resilience, sustainability, and economic development in these regions.
81. The Committee expressed concerns that despite the Nairobi Rivers Commission, developing and commissioning the Nairobi Rivers Rehabilitation Strategy, no major milestone has been accomplished on the ground towards the rehabilitation of the rivers.

4.5 Agriculture, Rural and Urban Development Sector

82. The Departmental Committee on Agriculture and Livestock acknowledged that the agriculture sector has good policies which if implemented to the latter, can transform agricultural productivity and the country's economic performance. However, the challenge is low budgetary allocations to key priority interventions which are often subjected to budget cuts during budget revisions disrupting project execution hence the non-achievement of the intended targets.

83. The Committee expressed concerns over lack of agricultural extension services in the country despite increased efforts on agricultural and livestock production. With the increased provision of improved animal genetics and subsidized farm inputs including fertilizers, seeds and seedlings, the missing component is agricultural extension services.
84. The Departmental Committee of Lands and Physical Planning noted that the State Department for Lands and Physical Planning intends to undertake digitization of ten Land offices with small registries namely: Baringo, West Pokot, Tana River, Vihiga, Laikipia, Gatundu North & South, Marsabit, Kisii and Nyeri. Further, the Department intends to undertake geo-referencing of land parcels in nine different counties.

4.6 Environment Protection, Water and Natural Resources Sector

85. The Committee on Environment, Forestry and Mining expressed concerns over revenue lost from the mining sub-sector due to lack of proper surveillance at entry and exit points and operating areas of the large mining companies. Further the Committee noted that the Cabinet decriminalized Artisanal Mining Activities. The Artisanal and Small-Scale Mining sub-sector is one of the highest contributors to job creation and rural growth. The formalization of ASM will entail setting up SACCOs that will enhance their productivity, enhance miners' health and safety and access to better market access.
86. The Committee observed that the government intends to strengthen actions to halt and reverse biodiversity loss, prevent deforestation, combat desertification and restore degraded landscapes as part of a broader programme to fulfil the commitments to reduce emissions by 32 percent by 2030. This is expected to achieve land degradation neutrality, implement a global biodiversity framework and enhance the integrity and efficacy of carbon markets.
87. The Departmental Committee on Blue Economy, Water and Irrigation noted that there is a lot of overlap in the mandates of the National Irrigation Authority (NIA), National Water Harvesting and Storage Authority (NWHSA) and the State Department Headquarters especially on implementation of projects.
88. The Committee noted that there are sustainability challenges for irrigation projects that have been handed over to county government and the community. This has led to the collapse of most of these projects leading to loss in value for money for the Kenyan taxpayer. The cause of this has been the slow formation of County Irrigation Development Units (CIDU) and the Irrigation Water User Associations (IWUA) resulting in weak administrative and management capacity of irrigation projects.
89. The Committee noted that the changes to the Water Act, 2016 by an amendment through the Statute Law (Miscellaneous Amendments) Act of 2017 complicated WRA's regulation of salt firms through issuance of water permits by exemption from Section 36 of the Water Act, 2016.

The effect of this has been the lack of regulation of salt firms through issuance of permits and payment of water user charges. This also reduces the potential of AIA collection by WRA.

4.7 Energy, Infrastructure and ICT Sector

90. The Committee on Communication, Information and Innovation noted the existence of several programmes within the sub-sector which are coordinated by various agencies such as Jitume Programme, Ajira Digital Programme, Presidential Digital Talent Programme, and Village digital hubs, Constituency Innovation Hubs, Studio Mashinani, Digital Literacy Programme and programmes on Business Process Outsourcing. Implementation of these noble interventions in a disjointed manner poses the risk of duplications of expenditures and efforts which derails their performance in service delivery.
91. The Committee observed that the centralization of government advertising services was largely informed by the need to standardize costs of advertising and subsequently to cut associated public expenditures however, the intended purpose has not been realized. Given that there is no mechanism to ensure that MDAs promptly pay Government Advertising Agency for the services, it has incurred huge pending bills that have made it inefficient. There is need to review the effectiveness of the Centralized System in government advertising with a view of decentralized system.
92. The Committee on Transport and Infrastructure noted that the BPS 2024 allocates Kshs. 10.52 billion to County Governments as a conditional grant from Road Maintenance Levy Fund (RMLF) effective Financial Year 2024/25. This is in spite of the House Resolution of 28th September, 2023 directing the Kenya Roads Board to strictly apply the formula for sharing the RMLF as set out in section 6 of the of the Kenya Roads Board Act, 1999.
93. The Committee observed that the gravel and murrum roads are critical in rural areas as they play a vital role in economic development by connecting rural communities to markets, schools and other social utilities. These roads have been affected by the flash floods and require additional resources for rehabilitation.
94. The Committee raised concerns over the pending bills on road contracts including land compensation for individuals and relocation of public amenities amounted to Kshs.162.4 billion mainly due to budgetary deficiency. There is need to prioritize compensation of individuals whose properties have been acquired by the government to pave way for roads and other infrastructural developments.
95. The Departmental Committee on Housing, Urban Planning and Public Works noted that implementation challenges have necessitated adjustments in name, location, and budgets for the Economic Stimulus Programme (ESP) markets. The design review was mandated by

Executive Directive that aimed at enhancing market viability to accommodate approximately 300 traders per market and installation of all required amenities.

96. The Committee noted that through Alternative Building and Construction Technology Centres (AMBT), the State Department for Housing and Urban Planning intend to enhance the building and construction value chain by fostering transfer of technical skills and promoting the use of local material. This will enhance the role of locals in the affordable housing pillar.
97. The Committee observed that the government entered into a financing agreement with four (4) financiers i.e. BADEA, OFID, Abu Dhabi, and Saudi for the implementation of rural electrification projects in five regions at a total cost of Kshs.5.828 billion since September 2013 with an expected completion date of 30th December 2024. However, most of these projects are yet to commence while others are in the initial stages.
98. The Committee noted that the LPG Distribution and Infrastructure project (Mwanachi Gas) which was initiated in 2016 and has been revamped under the LPG growth policy has been faced with a myriad of challenges including distribution challenges, procurement of cylinders among others. These challenges continue to hamper the achievement of its envisaged objective of cutting low-income households' reliance on wood fuels by increasing access and affordability of LPG.

4.8 Governance Justice Law and Order Sector

99. The Departmental Committee on Justice and Legal Affairs observed that there is need for the State Department for Correctional Services to leverage on public private partnerships to implement some of its programmes including utilization of the huge tracks of land at its disposal for food production to complement receipts from the exchequer.
100. The Committee noted that correctional facilities in the country are congested putting pressure on available infrastructure and supplies. There is need for the departments in the Justice sector to collaborate together with a view to developing policies that are geared towards decongesting prisons considering other forms of restorative justice.
101. The Committee noted with concern that the Independent Electoral and Boundaries Commission has pending bills amounting to Kshs 4.8 billion of which non-legal suppliers account for Kshs 0.7 billion and Kshs 4.1 billion account for legal fees. The Committee stressed the need to engage in-house lawyers to undertake some of the petitions.
102. The Committee expressed concerns over the delayed implementation of section 4 (c) and (d) of the Judiciary Fund Act, 2016 that allows the Judiciary to retain monies that may accrue from investments, fees and levies administered by the judiciary. It is therefore imperative for the

National Treasury to fully operationalize the Judiciary Fund in order for the agency to benefit from the revenues it has been raising over years.

4.9 Education Sector

103. The Departmental Committee on Education noted with concern that the proposed ceilings are far below the current financial year baseline for the three State Departments. The proposed ceiling for the major programmes being implemented has decreased by Kshs 49.3 Billion. This means the budgeted amounts mainly for capitation (in primary and secondary level) as well as loans and scholarships (for Technical and University level) will significantly reduce. This is despite the fact that that this key sector has never been fully funded previously.
104. The Committee observed that the Ministry of Education and the NGCDF Board has not yet finalized the collaborative framework/guideline to support and guide infrastructure development in junior school by clearly outlining the roles of each institution involved and the flow of resources.
105. The Committee is concerned that the sector has not given adequate 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 underprivileged;
106. The Committee was concerned that the Department for TVET operates manually in the administration of capitation which poses a risk 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 clear timelines in terms of finalization of the ICT project given that adequate resources were provided in the current financial year.
107. The Committee observed that the Government, through Sessional Paper No.1 of 2003 established the Low-Cost Boarding Schools to expand access to basic education in the ASALs. Currently, there are 993 registered schools in nine Counties. However, the impact and visibility of this initiative is minimal mainly due to inadequate funding. The Committee noted that The Presidential Working Party Report on Education Reforms recommended that the LCBS function be implemented by the National Council for Nomadic Education in Kenya.

4.10 Health Sector

108. The Departmental Committee on Health noted that there is duplication of functions and roles within the sector with the Ministry of Health retaining some functions of SAGAs for instance the National Cancer Control Programme at the Ministry of Health is still performing some cancer related functions while the National Cancer Institute was established vide the Cancer Prevention and Control Act, No. 15 of 2012 to handle all matters related to cancer.

109. The Committee observed that the Primary Health Care Fund has not been allocated any funds while the Emergency, Chronic and Critical Illness Fund has been allocated Kshs.500 million. The two Funds are essential in the implementation of Universal Health Coverage in Kenya. Further, the actual resource requirements for operationalization of the various funds in the sector and the impact on overall national government expenditure has not been estimated.

110. The Committee expressed concerns over lack of clear framework on the establishment of level six hospitals in all counties in line with the Kenya Health Policy, 2014-2023. There is need to make legal provision for cooperation and partnership programmes between the National referral Hospitals and county hospitals that serve large number of people.

111. The Committee expressed concerns over delayed operationalization of the completed twenty-one Kenya Medical Training College campuses in various parts of the country. There is need to prioritize allocating more funds for the recruitment of staff to operationalize these campuses.

5.0 RECOMMENDATIONS BY THE BUDGET AND APPROPRIATIONS COMMITTEE

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

5.1 Non- Non-Financial Recommendations

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

General Recommendations

1. **Medium Term Plan IV:** That, given the need to link the Bottom up Economic Transformation Agenda to the Vision 2030, the Cabinet Secretary for National Treasury and Economic Planning to submits the fourth medium term plan of the vision 2030 to the National Assembly before submission of the Budget Estimates for FY 2024/25.
2. **Costing of Government Policies:** That, Given the huge variance between planned and actual cost of government policies, the Cabinet Secretary for National Treasury and Economic Planning to prepare guidelines for proper costing of government policies, programmes and projects to minimize discrepancies between the planned and actual resource requirement before preparation of the 2025 BPS.
3. **Land Compensation:** That, in view of delayed compensation for land acquired from individuals by the government for various projects, the Cabinet Secretary for National Treasury and Economic Planning to prioritize payment for land compensation in the FY 2024/25 estimates before they are submitted to the National Assembly. Going forward, no government project should commence before the owners of the land are compensated.

4. **Locally Made Materials for Affordable Housing:** That, cognizant of the role that affordable housing can play in stimulating demand for local production, before submission of the Budget Estimates for FY 2024/25, the Cabinet Secretary for Housing, Urban Planning and Public Works to provide to the National Assembly the guidelines on use of locally made materials in development of affordable houses to spur the economy and create the intended job opportunities.
5. **One Stop Shop for Manufacturers and Exporters:** That, cognizant of the need to improve the ease of doing business, the Cabinet Secretary for Industry, Trade and Investments develops a framework for establishment of one stop shop for all required certifications targeting manufacturers and exporters in the lines of the Huduma Center model by 30th June 2024.
6. **Last Mile Distribution of Farm Inputs:** That, in view of the challenges that smallholder farmers encounter in accessing the subsidized farm inputs due to the distance from collection centers, before finalization of the Budget Estimates for FY 2024/25, the Cabinet Secretary for Agriculture and Livestock develops a framework for last mile delivery of subsidized fertilizer, seeds and seedlings to farmers across the country in partnership with the county governments.
7. **Delay in Passport Issuance:** That, given the funding challenges facing the Department of Immigration and Citizen Services on issuance of documents such as passports, Identity Cards, Birth and Death certificates. Before finalization of the Annual Estimates for FY 2024-25, the Cabinet Secretary for the National Treasury to enhance the Appropriation in Aid for the Department from the current Kshs. 1.3 billion to 20 percent of all the revenues it generates to the Exchequer through issuance of documents. (An equivalent of Kshs. 3.980 billion in FY 2024/25 Revenue estimates).
8. **Gender Responsive Budgeting:** That, to improve the gender responsiveness of government policies, before finalization of the 2025 Budget Policy Statement, the Cabinet Secretary for National Treasury and Economic Planning to incorporate a section on the gender responsiveness of the various policy proposals in line with international best practices.
9. **Transfer of Devolved Functions:** That, cognizant of the duplication of functions between the National and County levels of government and the need to identify, cost and transfer such functions, the Intergovernmental Relations Technical Committee (IGRTC) gazettes these functions and submits a report to the National Assembly on the same by 30th April 2024.
10. **EAC Customs Regime:** That, given the East Africa Customs Management Act of 2004 allows the Council of Ministers to review the regional customs tariffs, and that these changes have not been subjected to public participation, the Cabinet Secretary for the National Treasury to ensure than any such reviews are subjected to public participation and submitted to the National Assembly before they are formally ratified.

11. **County Additional Allocations:** That, given the delays in approval of the County Government Additional Allocation of Revenue Bill and subsequent interruption in implementation of those programmes, the Cabinet Secretary for the National Treasury to ensure that there are no requests for mid-year revision in compliance to the provisions of Section 191(1) of the PFM Act, 2012.

Social Protection, Culture and Recreation Sector

12. That by 30th June 2024, the State Department for Sports in conjunction with Sports Kenya, submit to the National Assembly a clear resource requirement and funding options for each stadia and training grounds earmarked for upgrading and construction in preparation of CHAN 2024 and AFCON 2027.
13. That by 30th June 2024, the Cabinet Secretary for Gender, Culture, the Arts and Heritage to develop the framework for coordinating the distribution of sanitary towels between the State Department for Gender and Affirmative Action and offices of the 47 County Women Representatives.
14. That by 30th June 2024, the Cabinet Secretary for Youth Affairs, Creative Economy and Sports submits a report to the National Assembly on the roadmap for the Talanta Hela Programme, institutions implementing the programme, expected outputs, talent identification, nurturing and marketing from the grassroots.

National Security Sector

15. That, in the 2025 BPS, the Ministry of Defense to consider the leasing of equipment and systems it uses since rapid changes in technology make leasing more affordable than purchasing. That way, the Ministry will avoid the risk of sinking huge budgets into equipment and systems that become obsolete before the end of their useful period.

Public Administration and International Relations Sector

16. That by 230th April 2024, the CS National Treasury to submit a detailed report on Public-Private Partnership (PPP) projects to the National Assembly. This report should address the shortcomings identified in the BPS by providing comprehensive information on the nature, scope, and status of individual PPP initiatives.
17. That before finalization of the FY 2024/25, the Cabinet Secretary for National Treasury to transfer the resources previously being utilized by the Government Delivery Services from the Office of the Prime Cabinet Secretary, Vote 1013 to the State Department for Performance and Delivery Management where the service is currently domiciled.

General Economic and Commercial Affairs Sector

18. That, by 30th June 2024, the Cabinet Secretary, Ministry of Cooperatives and MSMEs Development, to review the implementation of the various funds under the Ministry, and submit to the National Assembly proposals for better implementation of the funds with an aim to enhance efficiency and improved outcome.

19. That by 30th December 2024, the Cabinet Secretary for Tourism and Wildlife to submit to the National Assembly revised Tourism Promotion Fund regulations that are aimed at ensuring that 80% of the funds is geared towards funding of core tourism activities and 20% towards tourism promotion and marketing.
20. That by 30th April 2024, the Principal Secretary for Wildlife to present to the National Assembly a comprehensive report on the compensation for human-wildlife conflict victims. This report should clearly indicate payments done, pending verified claims and those awaiting verification.
21. That before finalization of the Estimates for FY 2024-25, the Nairobi Rivers Commission to submit to the National Assembly an action plan with clear timelines for rehabilitation of the Nairobi River and management plans for the Nairobi rivers ecosystem.

Agriculture, Rural and Urban Development Sector

22. That in the 2025 BPS, 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 as well as achievement of the Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods.
23. That, before submission of the Annual Estimates for FY 2024-25, the State Department for Lands and Physical Planning to ensure that the areas to be digitized should go hand in hand with the areas the State Department intends to undertake geo-reference to lower cost and ensure the process is seamless.
24. That, before submission of the 2025 BPS, the Cabinet Secretary, National Treasury to authorize the National Land Commission to be a collector of revenue for the national government as per the Public Finance Management Act, 2012 Section 76(1) to enhance AIA collections in the sector.

Environment Protection Water and Natural Resources Sector

25. That, by 30th June 2024, the Cabinet Secretary for Environment, Forestry and Mining to roll out the formalization of Artisanal and Small-Scale Mining programme that aims to expedite promotion of mineral-based cottage industries in all counties with viable mineral deposits.
26. That by 30th December 2024, the Principal Secretary for Irrigation reviews the structure of the Irrigation sub-sector so as to address the current overlap in mandates of the National Irrigation Authority (NIA), National Water Harvesting and Storage Authority (NWHSA) and the State Department Headquarters. Currently, there are overlaps in the projects being implemented by the 3 entities raising concerns on whether government is getting value for money.

27. That by 30th June 2024, the Principal Secretary for Irrigation develops a framework to provide technical support to the County Irrigation Development Units and the Irrigation Water User Associations. Currently, they have weak administrative capacity to manage the irrigation projects leading to sustainability challenges for these projects once they are handed over to county government and the community.

Energy, Infrastructure and ICT Sector

28. That by 30th June 2024, the Cabinet Secretary, Ministry of ICT and Digital Economy submits to the National Assembly a roadmap on consolidation of the various Youth empowerment programmes including Jitume Programme, Ajira Digital Programme, Presidential Digital Talent Programme, and Village digital hubs/ Constituency Innovation Hubs and the Digital Literacy Programme.
29. That by 30th June 2024, the State department for Broadcasting submits to the National Assembly a draft policy on decentralization of government advertising services with an aim to addressing the problems associated with the current centralized system key among them being the accumulation of pending bills due to failure by the MDAs to settle advertisement costs incurred by the Government Advertising Agency.
30. That by June 30, 2024, to support the building and construction value chain, the Cabinet Secretary for Housing, Urban Development and Public Works to provide roadmap for the construction of Alternative Building and Construction Technology centers in each constituency in the medium term and also establish a public portal providing information on local engagement in construction.
31. That by 30th June 2024, the Cabinet Secretary in charge of Energy and Petroleum in conjunction with Rural Electrification and Renewable Energy Corporation (REREC) submits to the National Assembly a report detailing the scope, works in progress, and pending works including amounts accrued as well as pending bills for last mile connectivity given that the financing agreements will lapse on 30th December 2024.

Governance Justice Law and Order Sector

32. That before finalization of the 2025 BPS, the State Department for Correctional Services to develop proposals for public private partnerships in order to modernize the prison industries and improve their outputs including development of the huge tracks of land at its disposal through mechanization to generate adequate food to complement the exchequer receipts.
33. That the Independent Electoral and Boundaries Commission in close collaboration with the National Treasury to undertake thorough scrutiny and audit of the all the pending bills particularly the bills owed to the suppliers with a view to settle the eligible pending bills.

Education Sector

34. That, before finalization of estimates for FY 2024/25, in line with the Presidential Working Party Report on Education Reforms, the Cabinet Secretary for National Treasury transfers the Low-Cost Boarding Schools function and the attendant budgetary provisions to the National Council for Nomadic Education in Kenya (NACONEK), which is best suited to implement the programme. This will ensure that the LCBS are given adequate attention to address education disparities and oversee interventions that will enhance access, retention, transition and completion rates in ASAL areas.
35. That, before finalization of the Annual Estimates for FY 2024-25, the State Department for TVET Education to complete and fully operationalize the TVET Education Management Information System (TEMIS) to create a pool of accurate, verifiable and credible data of TVET learners and Institutions in order to promote accountability and improve management of disbursements for capitation and scholarships funds;
36. That, before finalization of the Annual Estimates for FY 2024-25, the State Department for Basic Education and the NGCDF Board, through the Inter-Ministerial technical committee established to develop collaborative guidelines to support and guide infrastructure funds disbursements for Junior schools;
37. That, beginning FY 2024/25 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

Health Sector

38. That, before finalization of the budget estimates for FY 2024/25, the Principal Secretary, State Department for Medical Services transfers the National Cancer Control Programme from the Ministry to the National Cancer Institute to enhance coordination of cancer related services in the country.
39. That by 30th April 2024, the Principal Secretary, State Department for Public Health and Professional Standards to provide a progress report to the National Assembly on operationalization of the 21 completed KMTCS.

5.2 Financial Recommendations

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

- i. **That**, the National Government budget ceiling be approved at Kshs.

Of which:

Executive	Kshs. 2,488,650,300,000
<i>Of which:</i> Office of the Auditor General	Kshs. 8,599,500,000
Parliament	Kshs. 43,623,000,000
Judiciary	Kshs. 23,690,300,000

- ii. **That**, the allocation to County Government Equitable Share be approved at Kshs. **391,117,000,000**
- iii. **That**, 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**
- iv. **That**, the arrears to the equalization fund be set at Kshs. **3,547,185,275**
- v. **That**, the allocation for the County Additional Allocations be approved at Kshs. **48,196,590,924** as per the third schedule which shall form the basis for the County Government Additional Allocation Bill, 2024.
- vi. **That**, consistent with the approved borrowing strategy in the Medium-Term Debt Management Strategy, the projected fiscal deficit be set at Kshs **703,870,000,000** (3.9% of GDP) being the difference between total revenues and grants and total expenditure and net lending.
- vii. **That**, the first and second schedule forms the basis for the ceilings for the FY 2024-25 Budget Estimates.
- viii. **That**, once approved by this House, these recommendations **SHALL** form the basis for FY 2024/2025 budget estimates.

SIGNED

Handwritten signature

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

CHAIRPERSON, THE BUDGET AND APPROPRIATIONS COMMITTEE

04.03.24

DATE

DATE: 05 MAR 2024

DAY

TABLED
BY:

CLERK-AT
THE-TABLE:

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REPUBLIC OF KENYA



NATIONAL ASSEMBLY
THIRTEENTH PARLIAMENT

BUDGET AND APPROPRIATIONS COMMITTEE
ADOPTION SCHEDULE

We, the undersigned Members of the Budget and Appropriations Committee, today 04:03:24.....do hereby affix our signatures to this **REPORT ON THE BUDGET POLICY STATEMENT FOR FY 2024/2025 AND THE MEDIUM TERM**, to affirm our approval and confirm accuracy, validity and authenticity: -

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

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

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2024/25

VOTE CODE	VOTE & PROGRAMME	FINAL BUDGET CEILINGS FOR FY 2024/25 (Approved by National Assembly)		
		CURRENT	CAPITAL	TOTAL
	Office of the President	4,578,600,000	852,300,000	5,430,900,000
1011	0603000 Government Printing Services	694,300,000	500,000,000	1,194,300,000
	0701000 General Administration Planning and Support Services	1,699,200,000	194,300,000	1,893,500,000
	0703000 Government Advisory Services	1,247,600,000	-	1,247,600,000
	Programme: Leadership and Coordination of Government Services	937,500,000	158,000,000	1,095,500,000
	Office of the Deputy President	4,219,200,000	250,400,000	4,469,600,000
1012	0734000 Deputy President Services	4,219,200,000	250,400,000	4,469,600,000
	Office of the Prime Cabinet Secretary	1,502,100,000	-	1,502,100,000
1013	0755000 Government Coordination and Supervision Services	1,502,100,000	-	1,502,100,000
	State Department for Parliamentary Affairs	846,100,000	-	846,100,000
1014	0759000 Parliamentary Liaison and Legislative Affairs	289,700,000	-	289,700,000
	0760000 Policy Coordination and Strategy	260,600,000	-	260,600,000
	0761000 General Administration, Planning and Support Services	295,800,000	-	295,800,000
	State Department for Performance and Delivery Management	1,064,500,000	-	1,064,500,000
1015	0762000 Public Service Performance Management and Delivery Services	297,600,000	-	297,600,000
	0764000 General Administration, Planning and Support Services	431,100,000	-	431,100,000

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2024/25				
VOTE CODE	VOTE & PROGRAMME	FINAL BUDGET CEILINGS FOR FY 2024/25 (Approved by National Assembly)		
		CURRENT	CAPITAL	TOTAL
	Programme: Coordination and Supervision of Government Services	36,500,000	-	36,500,000
	Service Delivery Management	299,300,000	-	299,300,000
1016	State Department for Cabinet Affairs	881,800,000	-	881,800,000
	0758000 Cabinet Affairs Services	881,800,000	-	881,800,000
1017	State House	7,675,100,000	1,558,700,000	9,233,800,000
	0704000 State House Affairs	7,675,100,000	1,558,700,000	9,233,800,000
	State Department for Correctional Services	35,964,100,000	1,175,800,000	37,139,900,000
1023	0623000 General Administration, Planning and Support Services	614,000,000	12,000,000	626,000,000
	0627000 Prison Services	32,932,600,000	943,300,000	33,875,900,000
	0628000 Probation & After Care Services	2,417,500,000	220,500,000	2,638,000,000
	State Department for Immigration and Citizen Services	10,289,300,000	5,584,000,000	15,873,300,000
1024	0605000 Migration & Citizen Services Management	4,232,200,000	2,660,000,000	6,892,200,000
	0626000 Population Management Services	5,177,400,000	2,612,000,000	7,789,400,000
	0631000 General Administration and Planning	879,700,000	312,000,000	1,191,700,000
1025	National Police Service	112,162,800,000	2,128,900,000	114,291,700,000
	0601000 Policing Services	112,162,800,000	2,128,900,000	114,291,700,000

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2024/25

VOTE CODE	VOTE & PROGRAMME	FINAL BUDGET CEILINGS FOR FY 2024/25 (Approved by National Assembly)		
		CURRENT	CAPITAL	TOTAL
1026	State Department for Internal Security & National Administration	27,799,200,000	7,437,300,000	35,236,500,000
	0629000 General Administration and Support Services	8,622,600,000	6,580,500,000	15,203,100,000
	Programme: National Government Field Administration Services	17,734,600,000	741,800,000	18,476,400,000
	0630000 Policy Coordination Services	1,442,000,000	115,000,000	1,557,000,000
1032	State Department for Devolution	1,817,500,000	2,740,000,000	4,557,500,000
	0712000 Devolution Services	1,817,500,000	2,740,000,000	4,557,500,000
1036	State Department for ASALs and Regional Development	9,488,000,000	7,507,700,000	16,995,700,000
	0733000 Accelerated ASAL Development	6,467,400,000	1,750,100,000	8,217,500,000
	0743000 General Administration, Planning and Support Services	402,800,000	-	402,800,000
	1013000 Integrated Regional Development	2,617,800,000	5,757,600,000	8,375,400,000
1041	Ministry of Defence	161,734,600,000	38,836,000,000	200,570,600,000
	0801000 Defence	158,376,700,000	38,836,000,000	197,212,700,000
	0802000 Civil Aid	350,000,000	-	350,000,000
	0803000 General Administration, Planning and Support Services	2,657,900,000	-	2,657,900,000
	0805000 National Space Management	350,000,000	-	350,000,000
	State Department for Foreign Affairs	20,260,900,000	2,390,100,000	22,651,000,000

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2024/25

VOTE CODE	VOTE & PROGRAMME	FINAL BUDGET CEILINGS FOR FY 2024/25 (Approved by National Assembly)		
		CURRENT	CAPITAL	TOTAL
1053	0714000 General Administration Planning and Support Services	4,376,700,000	426,700,000	4,803,400,000
	0715000 Foreign Relation and Diplomacy	15,717,400,000	1,713,400,000	17,430,800,000
	0741000 Economic and Commercial Diplomacy	51,800,000	-	51,800,000
	0742000 Foreign Policy Research, Capacity Development and Technical Cooperation	115,000,000	250,000,000	365,000,000
1054	State Department for Diaspora Affairs	1,258,100,000	-	1,258,100,000
	0752000 Management of Diaspora and Consular Affairs	1,258,100,000	-	1,258,100,000
1064	State Department for Technical Vocational Education and Training	23,992,000,000	6,474,000,000	30,466,000,000
	0505000 Technical Vocational Education and Training	23,677,000,000	6,474,000,000	30,151,000,000
	0507000 Youth Training and Development	45,000,000	-	45,000,000
	0508000 General Administration, Planning and Support Services	270,000,000	-	270,000,000
1065	State Department for Higher Education and Research	127,642,000,000	3,956,000,000	131,598,000,000
	0504000 University Education	126,640,000,000	3,602,000,000	130,242,000,000
	0506000 Research, Science, Technology and Innovation	678,000,000	354,000,000	1,032,000,000
	0508000 General Administration, Planning and Support Services	324,000,000	-	324,000,000
	State Department for Basic Education	126,972,000,000	17,490,000,000	144,462,000,000
	0501000 Primary Education	19,030,000,000	8,712,000,000	27,742,000,000

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2024/25				
VOTE CODE	VOTE & PROGRAMME	FINAL BUDGET CEILINGS FOR FY 2024/25 (Approved by National Assembly)		
		CURRENT	CAPITAL	TOTAL
1066	0502000 Secondary Education	97,510,000,000	8,375,000,000	105,885,000,000
	0503000 Quality Assurance and Standards	5,076,000,000	303,000,000	5,379,000,000
	0508000 General Administration, Planning and Support Services	5,356,000,000	100,000,000	5,456,000,000
1071	The National Treasury	79,583,400,000	72,512,200,000	152,095,600,000
	0717000 General Administration Planning and Support Services	64,872,900,000	9,624,000,000	74,496,900,000
	0718000 Public Financial Management	12,630,800,000	49,041,200,000	61,672,000,000
	0719000 Economic and Financial Policy Formulation and Management	1,472,100,000	13,820,000,000	15,292,100,000
	0720000 Market Competition	607,600,000	27,000,000	634,600,000
	State Department for Economic Planning	4,174,300,000	65,119,700,000	69,294,000,000
1072	0706000 Economic Policy and National Planning	2,400,900,000	62,604,800,000	65,005,700,000
	0707000 National Statistical Information Services	1,267,300,000	2,479,400,000	3,746,700,000
	0708000 Monitoring and Evaluation Services	150,200,000	35,500,000	185,700,000
0709000 General Administration Planning and Support Services	355,900,000	-	355,900,000	
1082	State Department for Medical Services	66,833,900,000	59,113,200,000	125,947,100,000
	0402000 National Referral & Specialized Services	49,636,900,000	20,591,300,000	70,228,200,000
	0410000 Curative & Reproductive Maternal New Born Child Adolescent Health RMNCAH	1,388,200,000	21,508,700,000	22,896,900,000

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2024/25

VOTE CODE	VOTE & PROGRAMME	FINAL BUDGET CEILINGS FOR FY 2024/25 (Approved by National Assembly)		
		CURRENT	CAPITAL	TOTAL
	0411000 Health Research and Innovation	3,457,000,000	1,337,000,000	4,794,000,000
	0412000 General Administration	12,351,800,000	15,676,200,000	28,028,000,000
	State Department for Public Health and Professional Standards	20,491,100,000	5,161,500,000	25,652,600,000
1083	0406000 Preventive and Promotive Health Services	1,158,000,000	4,251,000,000	5,409,000,000
	0407000 Health resources development and Innovation	13,481,600,000	785,500,000	14,267,100,000
	0408000 Health Policy, Standards and Regulations	5,080,500,000	75,000,000	5,155,500,000
	0412000 General Administration	771,000,000	50,000,000	821,000,000
1091	State Department for Roads	72,197,000,000	149,757,000,000	221,954,000,000
	0202000 Road Transport	72,197,000,000	149,757,000,000	221,954,000,000
1092	State Department for Transport	16,540,000,000	44,806,000,000	61,346,000,000
	0201000 General Administration, Planning and Support Services	1,147,000,000	2,402,000,000	3,549,000,000
	0203000 Rail Transport	500,000,000	37,389,000,000	37,889,000,000
	0204000 Marine Transport	601,000,000	3,000,000,000	3,601,000,000
	0205000 Air Transport	11,471,000,000	935,000,000	12,406,000,000
	0216000 Road Safety	2,821,000,000	1,080,000,000	3,901,000,000
1003	State Department for Shipping and Maritime Affairs	2,665,000,000	1,570,000,000	4,235,000,000

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2024/25

VOTE CODE	VOTE & PROGRAMME	FINAL BUDGET CEILINGS FOR FY 2024/25 (Approved by National Assembly)		
		CURRENT	CAPITAL	TOTAL
	0220000 Shipping and Maritime Affairs	2,665,000,000	1,570,000,000	4,235,000,000
	State Department for Housing and Urban Development	1,364,000,000	81,170,000,000	82,534,000,000
1094	0102000 Housing Development and Human Settlement	855,000,000	71,340,000,000	72,195,000,000
	0105000 Urban and Metropolitan Development	188,000,000	9,830,000,000	10,018,000,000
	0106000 General Administration Planning and Support Services	321,000,000	-	321,000,000
	State Department for Public Works	3,394,000,000	1,527,000,000	4,921,000,000
1095	0103000 Government Buildings	595,000,000	673,000,000	1,268,000,000
	0104000 Coastline Infrastructure and Pedestrian Access	96,000,000	660,000,000	756,000,000
	0106000 General Administration Planning and Support Services	355,000,000	14,000,000	369,000,000
	0218000 Regulation and Development of the Construction Industry	2,348,000,000	180,000,000	2,528,000,000
	State Department for Irrigation	1,530,000,000	23,467,000,000	24,997,000,000
1104	1014000 Irrigation and Land Reclamation	860,000,000	19,555,000,000	20,415,000,000
	015000 Water Storage and Flood Control	484,000,000	2,746,000,000	3,230,000,000
	1022000 Water Harvesting and Storage for Irrigation	36,000,000	1,166,000,000	1,202,000,000
	1023000 General Administration, Planning and Support Services	150,000,000	-	150,000,000
	State Department for Water & Sanitation	6,145,000,000	60,903,000,000	67,048,000,000

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2024/25

VOTE CODE	VOTE & PROGRAMME	FINAL BUDGET CEILINGS FOR FY 2024/25 (Approved by National Assembly)		
		CURRENT	CAPITAL	TOTAL
1109	1001000 General Administration, Planning and Support Services	692,000,000	269,000,000	961,000,000
	1004000 Water Resources Management	1,954,000,000	18,804,000,000	20,758,000,000
	1017000 Water and Sewerage Infrastructure Development	3,499,000,000	41,830,000,000	45,329,000,000
	State Department for Lands and Physical Planning	4,113,100,000	5,093,500,000	9,206,600,000
1112	0101000 Land Policy and Planning	2,808,000,000	4,227,500,000	7,035,500,000
	0121000 Land Information Management	53,000,000	866,000,000	919,000,000
	0122000 General Administration, Planning and Support Services	1,252,100,000	-	1,252,100,000
	State Department for Information Communication Technology & Digital Economy	3,958,000,000	25,885,000,000	29,843,000,000
1122	0207000 General Administration Planning and Support Services	355,000,000	-	355,000,000
	0210000 ICT Infrastructure Development	848,000,000	22,972,000,000	23,820,000,000
	0217000 E-Government Services	2,755,000,000	2,913,000,000	5,668,000,000
	State Department for Broadcasting & Telecommunications	6,296,000,000	795,000,000	7,091,000,000
1123	0207000 General Administration Planning and Support Services	342,000,000	-	342,000,000
	0208000 Information and Communication Services	5,676,000,000	545,000,000	6,221,000,000
	0209000 Mass Media Skills Development	278,000,000	250,000,000	528,000,000
1132	State Department for Sports	1,295,900,000	16,974,400,000	18,270,300,000

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2024/25

VOTE CODE	VOTE & PROGRAMME	FINAL BUDGET CEILINGS FOR FY 2024/25 (Approved by National Assembly)		
		CURRENT	CAPITAL	TOTAL
1134	0901000 Sports	1,295,900,000	16,974,400,000	18,270,300,000
	State Department for Culture and Heritage	3,625,300,000	175,500,000	3,800,800,000
	0902000 Culture / Heritage	2,259,500,000	124,300,000	2,383,800,000
1134	0905000 General Administration, Planning and Support Services	378,700,000	-	378,700,000
	0916000 Public Records Mangement	86,900,000	17,000,000	103,900,000
	Programme 4: The Arts	380,400,000	-	380,400,000
	0904000 Library Services	519,800,000	34,200,000	554,000,000
	State Department for Youth Affairs and the Arts	2,216,500,000	1,354,400,000	3,570,900,000
1135	0711000 Youth Empowerment Services	282,600,000	680,000,000	962,600,000
	0748000 Youth Development Services	806,500,000	399,000,000	1,205,500,000
	0749000 General Administration, Planning and Support Services	325,700,000	-	325,700,000
	0903000 The Arts	801,700,000	275,400,000	1,077,100,000
	State Department for Energy	11,566,000,000	65,316,000,000	76,882,000,000
1152	0211000 General Administration Planning and Support Services	409,000,000	150,000,000	559,000,000
	0212000 Power Generation	2,615,000,000	13,110,000,000	15,725,000,000
	0213000 Power Transmission and Distribution	8,451,000,000	51,501,000,000	59,952,000,000

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2024/25

VOTE CODE	VOTE & PROGRAMME	FINAL BUDGET CEILINGS FOR FY 2024/25 (Approved by National Assembly)		
		CURRENT	CAPITAL	TOTAL
	0214000 Alternative Energy Technologies	91,000,000	555,000,000	646,000,000
1162	State Department for Livestock	4,528,500,000	11,037,500,000	15,566,000,000
	0112000 Livestock Resources Management and Development	4,528,500,000	11,037,500,000	15,566,000,000
1166	State Department for the Blue Economy and Fisheries	3,074,300,000	10,502,900,000	13,577,200,000
	0111000 Fisheries Development and Management	2,737,800,000	8,436,900,000	11,174,700,000
	0117000 General Administration, Planning and Support Services	293,900,000	-	293,900,000
	0118000 Development and Coordination of the Blue Economy	42,600,000	2,066,000,000	2,108,600,000
1169	State Department for Crop Development	17,435,900,000	33,707,400,000	51,143,300,000
	0107000 General Administration Planning and Support Services	8,140,300,000	2,546,000,000	10,686,300,000
	0108000 Crop Development and Management	3,705,500,000	30,054,400,000	33,759,900,000
	0109000 Agribusiness and Information Management	156,900,000	780,000,000	936,900,000
	0120000 Agricultural Research & Development	5,433,200,000	327,000,000	5,760,200,000
1173	State Department for Cooperatives	3,856,800,000	503,800,000	4,360,600,000
	0304000 Cooperative Development and Management	3,856,800,000	503,800,000	4,360,600,000
	State Department for Trade	3,450,400,000	50,000,000	3,500,400,000
	0309000 Domestic Trade and Enterprise Development	2,004,900,000	50,000,000	2,054,900,000

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2024/25

VOTE CODE	VOTE & PROGRAMME	FINAL BUDGET CEILINGS FOR FY 2024/25 (Approved by National Assembly)		
		CURRENT	CAPITAL	TOTAL
1174	0310000 Fair Trade Practices And Compliance of Standards	79,500,000	-	79,500,000
	0311000 International Trade Development and Promotion	900,500,000	-	900,500,000
	0312000 General Administration, Planning and Support Services	465,500,000	-	465,500,000
	State Department for Industry	2,776,900,000	6,904,200,000	9,681,100,000
1175	0301000 General Administration Planning and Support Services	471,000,000	-	471,000,000
	0320000 Industrial Promotion and Development	1,122,900,000	4,919,000,000	6,041,900,000
	0321000 Standards and Quality Infrastructure & Research	1,183,000,000	1,985,200,000	3,168,200,000
	State Department for Micro, Small and Medium Enterprises Development	2,464,900,000	6,196,800,000	8,661,700,000
1176	0316000 Promotion and Development of MSMEs	517,200,000	114,300,000	631,500,000
	0317000 Product and Market Development for MSMEs	731,400,000	882,500,000	1,613,900,000
	0318000 Digitization and Financial Inclusion for MSMEs	703,400,000	5,200,000,000	5,903,400,000
	0319000 General Administration, Planning and Support Services	512,900,000	-	512,900,000
		State Department for Investment Promotion	1,357,800,000	4,605,400,000
1177	0322000 Investment Development and Promotion	1,357,800,000	4,605,400,000	5,963,200,000
	State Department for Labour and Skills Development	4,344,300,000	1,008,200,000	5,352,500,000
1184	0910000 General Administration Planning and Support Services	396,400,000	-	396,400,000

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2024/25

VOTE CODE	VOTE & PROGRAMME	FINAL BUDGET CEILINGS FOR FY 2024/25 (Approved by National Assembly)		
		CURRENT	CAPITAL	TOTAL
1107	0906000 Labour, Employment and Safety Services	1,280,000,000	431,100,000	1,711,100,000
	0907000 Manpower Development, Industrial Skills & Productivity Management	2,667,900,000	577,100,000	3,245,000,000
1185	State Department for Social Protection and Senior Citizen Affairs	33,348,500,000	2,070,400,000	35,418,900,000
	0908000 Social Development and Children Services	4,416,900,000	142,500,000	4,559,400,000
	0909000 National Social Safety Net	28,405,500,000	1,927,900,000	30,333,400,000
	0914000 General Administration, Planning and Support Services	526,100,000	-	526,100,000
1192	State Department for Mining	1,317,000,000	931,800,000	2,248,800,000
	1007000 General Administration Planning and Support Services	697,000,000	-	697,000,000
	1009000 Mineral Resources Management	269,000,000	292,800,000	561,800,000
	1021000 Geological Survey and Geoinformation Management	351,000,000	639,000,000	990,000,000
1193	State Department for Petroleum	27,326,000,000	4,036,000,000	31,362,000,000
	0215000 Exploration and Distribution of Oil and Gas	27,326,000,000	4,036,000,000	31,362,000,000
1202	State Department for Tourism	10,303,000,000	606,700,000	10,909,700,000
	0313000 Tourism Promotion and Marketing	883,400,000	110,400,000	993,800,000
	0314000 Tourism Product Development and Diversification	9,134,800,000	496,300,000	9,631,100,000

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2024/25				
VOTE CODE	VOTE & PROGRAMME	FINAL BUDGET CEILINGS FOR FY 2024/25 (Approved by National Assembly)		
		CURRENT	CAPITAL	TOTAL
	0315000 General Administration, Planning and Support Services	284,800,000	-	284,800,000
1203	State Department for Wildlife	11,809,000,000	1,433,000,000	13,242,000,000
	1019000 Wildlife Conservation and Management	11,809,000,000	1,433,000,000	13,242,000,000
1212	State Department for Gender and Affirmative Action	2,287,100,000	3,501,400,000	5,788,500,000
	0911000 Community Development	43,400,000	3,000,000,000	3,043,400,000
	0912000 Gender Empowerment	1,857,700,000	501,400,000	2,359,100,000
	0913000 General Administration, Planning and Support Services	386,000,000	-	386,000,000
1213	State Department for Public Service	23,908,200,000	1,383,000,000	25,291,200,000
	0710000 Public Service Transformation	1,234,800,000	443,000,000	1,677,800,000
	0709000 General Administration Planning and Support Services	399,300,000	-	399,300,000
	0747000 National Youth Service	12,990,800,000	84,000,000	13,074,800,000
	Programme: Public Service Human Resource Management and Development	9,283,300,000	856,000,000	10,139,300,000
1221	State Department for East African Community	607,600,000	35,400,000	643,000,000
	0305000 East African Affairs and Regional Integration	607,600,000	35,400,000	643,000,000
1252	The State Law Office	6,312,800,000	190,900,000	6,503,700,000
	0606000 Legal Services	3,090,100,000	-	3,090,100,000

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2024/25

VOTE CODE	VOTE & PROGRAMME	FINAL BUDGET CEILINGS FOR FY 2024/25 (Approved by National Assembly)		
		CURRENT	CAPITAL	TOTAL
1274	0607000 Governance, Legal Training and Constitutional Affairs	1,964,500,000	68,900,000	2,033,400,000
	0609000 General Administration, Planning and Support Services	1,258,200,000	122,000,000	1,380,200,000
1271	Ethics and Anti-Corruption Commission	3,899,900,000	57,900,000	3,957,800,000
	0611000 Ethics and Anti-Corruption	3,899,900,000	57,900,000	3,957,800,000
1281	National Intelligence Service	46,851,000,000	-	46,851,000,000
	0804000 National Security Intelligence	46,851,000,000	-	46,851,000,000
1291	Office of the Director of Public Prosecutions	3,637,000,000	47,500,000	3,684,500,000
	0612000 Public Prosecution Services	3,637,000,000	47,500,000	3,684,500,000
1311	Office of the Registrar of Political Parties	1,999,800,000	-	1,999,800,000
	0614000 Registration, Regulation and Funding of Political Parties	1,999,800,000	-	1,999,800,000
1321	Witness Protection Agency	782,000,000	-	782,000,000
	0615000 Witness Protection	782,000,000	-	782,000,000
1331	State Department for Environment & Climate Change	3,848,000,000	2,550,000,000	6,398,000,000
	1002000 Environment Management and Protection	1,832,000,000	2,065,000,000	3,897,000,000
	1010000 General Administration, Planning and Support Services	530,000,000	-	530,000,000
	1012000 Meteorological Services	1,014,000,000	416,000,000	1,430,000,000

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2024/25

VOTE CODE	VOTE & PROGRAMME	FINAL BUDGET CEILINGS FOR FY 2024/25 (Approved by National Assembly)		
		CURRENT	CAPITAL	TOTAL
	Programme 4: Water Rehabilitation and Conservation	472,000,000	69,000,000	541,000,000
1332	State Department for Forestry	9,900,000,000	5,131,000,000	15,031,000,000
	1018000 Forests and Water Towers Conservation	9,900,000,000	5,131,000,000	15,031,000,000
2011	Kenya National Commission on Human Rights	523,500,000	-	523,500,000
	0616000 Protection and Promotion of Human Rights	523,500,000	-	523,500,000
2021	National Land Commission	1,668,400,000	147,800,000	1,816,200,000
	0119000 Land Administration and Management	1,668,400,000	147,800,000	1,816,200,000
2031	Independent Electoral and Boundaries Commission	4,353,800,000	24,300,000	4,378,100,000
	0617000 Management of Electoral Processes	4,321,000,000	24,300,000	4,345,300,000
	0618000 Delimitation of Electoral Boundaries	32,800,000	-	32,800,000
2061	The Commission on Revenue Allocation	587,400,000	-	587,400,000
	0737000 Inter-Governmental Transfers and Financial Matters	587,400,000	-	587,400,000
2071	Public Service Commission	2,672,300,000	45,300,000	2,717,600,000
	0725000 General Administration, Planning and Support Services	954,600,000	45,300,000	999,900,000
	0726000 Human Resource Management and Development	1,436,800,000	-	1,436,800,000
	0727000 Governance and National Values	173,700,000	-	173,700,000

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2024/25

VOTE CODE	VOTE & PROGRAMME	FINAL BUDGET CEILINGS FOR FY 2024/25 (Approved by National Assembly)		
		CURRENT	CAPITAL	TOTAL
	0744000 Performance and Productivity Management	51,200,000	-	51,200,000
	0750000 Administration of Quasi-Judicial Functions	56,000,000	-	56,000,000
2081	Salaries and Remuneration Commission	559,900,000	-	559,900,000
	0728000 Salaries and Remuneration Management	559,900,000	-	559,900,000
2091	Teachers Service Commission	369,438,000,000	505,000,000	369,943,000,000
	0509000 Teacher Resource Management	359,793,000,000	395,000,000	360,188,000,000
	0510000 Governance and Standards	1,313,000,000	-	1,313,000,000
	0511000 General Administration, Planning and Support Services	8,332,000,000	110,000,000	8,442,000,000
2101	National Police Service Commission	1,269,500,000	-	1,269,500,000
	0620000 National Police Service Human Resource Management	1,269,500,000	-	1,269,500,000
2111	Auditor General	8,284,500,000	315,000,000	8,599,500,000
	0729000 Audit Services	8,284,500,000	315,000,000	8,599,500,000
2121	Office of the Controller of Budget	758,400,000	-	758,400,000
	0730000 Control and Management of Public finances	758,400,000	-	758,400,000
2131	Commission on Administrative Justice	772,400,000	-	772,400,000
	0731000 Promotion of Administrative Justice	772,400,000	-	772,400,000

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2024/25

VOTE CODE	VOTE & PROGRAMME	FINAL BUDGET CEILINGS FOR FY 2024/25 (Approved by National Assembly)		
		CURRENT	CAPITAL	TOTAL
2141	National Gender and Equality Commission	498,000,000	-	498,000,000
	0621000 Promotion of Gender Equality and Freedom from Discrimination	498,000,000	-	498,000,000
2151	Independent Policing Oversight Authority	1,090,900,000	-	1,090,900,000
	0622000 Policing Oversight Services	1,090,900,000	-	1,090,900,000
	Sub-Total: Executive	1,612,040,100,000	876,610,200,000	2,488,650,300,000
1261	The Judiciary	21,287,400,000	1,500,000,000	22,787,400,000
	0610000 Dispensation of Justice	21,287,400,000	1,500,000,000	22,787,400,000
2051	Judicial Service Commission	902,900,000	-	902,900,000
	0619000 General Administration, Planning and Support Services	902,900,000	-	902,900,000
	Sub-Total: Judiciary	22,190,300,000	1,500,000,000	23,690,300,000
2041	Parliamentary Service Commission	1,067,000,000	-	1,067,000,000
	0765000 General Administration, Planning and Support Services	1,027,000,000	-	1,027,000,000
	0766000 Human Resource Management and Development	40,000,000	-	40,000,000
2042	National Assembly	26,228,000,000	-	26,228,000,000
	0721000 National Legislation, Representation and Oversight	26,228,000,000	-	26,228,000,000
	Parliamentary Joint Services	6,465,000,000	2,065,000,000	8,530,000,000

FIRST SCHEDULE: BUDGET CEILINGS FOR FY 2024/25				
VOTE CODE	VOTE & PROGRAMME	FINAL BUDGET CEILINGS FOR FY 2024/25 (Approved by National Assembly)		
		CURRENT	CAPITAL	TOTAL
2043	0723000 General Administration, Planning and Support Services	6,247,811,050	2,065,000,000	8,312,811,050
	0746000 Legislative Training Research & Knowledge Management	217,188,950	-	217,188,950
2044	Senate	7,798,000,000	-	7,798,000,000
	0767000 Senate Legislation and Oversight	3,236,650,000	-	3,236,650,000
	0768000 Senate Representation, Liaison and Intergovernmental Relations	2,108,199,100	-	2,108,199,100
	0769000 General Administration, Planning and Support Services	2,453,150,900	-	2,453,150,900
	Sub-Total: Parliament	41,558,000,000	2,065,000,000	43,623,000,000
	Grand Total	1,675,788,400,000	880,175,200,000	2,555,963,600,000

05/03/2024 13:20		SECOND SCHEDULE						
		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS						
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS				Notes	
			Recurrent		Development			
			Reduction	Increase	Reduction	Increase		Net Change
1	ADMINISTRATION & INTERNAL AFFAIRS		-	-	-	-	-	
1011		Office of the President	-	-	-	-	-	
1011		0603000 Government Printing Services						
1011		0701000 General Administration Planning and Support Services						
1011		0703000 Government Advisory Services						
		Leadership and Coordination of Government Services						
1012		Office of the Deputy President	-	-	-	-	-	
		0734000 Deputy President Services						
1013		Office of the Prime Cabinet Secretary	-	-	-	-	-	
1013		0755000 Government Coordination and Supervision						
1014		State Department for Parliamentary Affairs	-	-	-	-	-	
1014		0759000 Parliamentary Liaison and Legislative Affairs						
1014		0760000 Policy Coordination and Strategy						
1014		0761000 General Administration, Planning and Support Services						
1015		State Department for Performance and Delivery Management	-	-	-	-	-	
1015		0762000 Public Service Performance Management and Delivery Services						
1015		0764000 General Administration, Planning and Support Services						
1015		Coordination and Supervision of Government Services						
1015		Service Delivery Management						
1016		State Department for Cabinet Affairs	-	-	-	-	-	
1016		0758000 Cabinet Affairs Services						
1017		State House Affairs	-	-	-	-	-	
		0704000 State House Affairs						
1024		State Department for Immigration and Citizen Services	-	-	-	-	-	
1024		0605000 Migration & Citizen Services						
1024		0626000 Population Management Services						
1024		0631000 General Administration and Planning						
1025		National Police Service	-	-	-	-	-	
1025		0601000 Policing Services						
1026		State Department for Internal Security & National Administration	-	-	-	-	-	

05/03/2024 13:20		SECOND SCHEDULE						
		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS						
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS				Notes	
			Recurrent		Development			
			Reduction	Increase	Reduction	Increase		Net Change
1026		0629000 General Administration and Support Services					-	
		National Government Field Administrative Services					-	
1026		0630000 Policy Coordination Services					-	
2101		National Police Service Commission	-	-	-	-	-	
2101		0620000 National Police Service Human Resource Management					-	
2151		Independent Policing Oversight Authority	-	-	-	-	-	
2151		0622000 Policing Oversight Services					-	
2	AGRICULTURE AND LIVESTOCK		-	1,000,000,000	-	2,500,000,000	3,500,000,000	
1162		State Department for Livestock	-	-	-	-	-	
1162		0112000 Livestock Resources Management and Development					-	
1169		State Department for Crop Development	-	1,000,000,000	-	2,500,000,000	3,500,000,000	
1169		0107000 General Administration Planning and Support Services		1,000,000,000			1,000,000,000	Increase Ksh. 1 billion (Recurrent) for sugar reforms support project.
1169		0108000 Crop Development and Management				2,500,000,000	2,500,000,000	Increase Ksh. 2.5 billion (Development) for the Fertilizer Subsidy Programme.
1169		0109000 Agribusiness and Information Management					-	
1169		0120000 Agricultural Research & Development					-	
3	BLUE ECONOMY & IRRIGATION		-	-	-	1,000,000,000	1,000,000,000	
1104		State Department for Irrigation	-	-	-	1,000,000,000	1,000,000,000	
1104		1014000 Irrigation and Land Reclamation				500,000,000	500,000,000	Increase Ksh. 500 million (Development) for National Irrigation Authority Projects.
1104		1015000 Water Storage and Flood Control				500,000,000	500,000,000	Increase Ksh. 500 million (Development) for Umaa Dam.
1104		1022000 Water Harvesting and Storage for Irrigation					-	
1104		1023000 General Administration, Planning and Support Services					-	
1109		State Department for Water & Sanitation	-	-	-	-	-	
1109		1001000 General Administration, Planning and Support Services					-	
1109		1004000 Water Resources Management					-	
1109		1017000 Water and Sewerage Infrastructure Development					-	
1166		State Department for Blue Economy and Fisheries	-	-	-	-	-	
1166		0111000 Fisheries Development and Management					-	

05/03/2024 13:20		SECOND SCHEDULE						
		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS						
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS				Notes	
			Recurrent		Development			
			Reduction	Increase	Reduction	Increase		Net Change
1166		0117000 General Administration, Planning and Support Services					-	
1166		0118000 Development and Coordination of the Blue Economy					-	
4	COMMUNICATION, INFORMATION & INNOVATION						-	
1122		State Department for Information Communication and Technology & Innovation					-	
1122		0207000 General Administration Planning and Support Services					-	
1122		0210000 ICT Infrastructure Development				7,000,000,000	7,000,000,000	Increase Ksh. 7 billion (Development) for the Digital Economy Acceleration project which was placed in the wrong programme.
1122		0217000 E-Government Services				(7,000,000,000)	(7,000,000,000)	Reduce Ksh. 7 billion (Development) for the Digital Economy Acceleration project which was placed in the wrong programme.
1123		State Department for Broadcasting & Telecommunications					-	
1123		0207000 General Administration Planning and Support Services					-	
1123		0208000 Information and Communication Services					-	
1123		0209000 Mass Media Skills Development					-	
5	DEFENCE, INTELLIGENCE AND FOREIGN RELATIONS			3,000,000,000			3,000,000,000	
1041		Ministry of Defence		2,000,000,000			2,000,000,000	
1041		0801000 Defence		2,000,000,000			2,000,000,000	Increase Ksh. 2 billion (Recurrent) for national security.
1041		0802000 Civil Aid					-	
1041		0803000 General Administration, Planning and Support Services					-	
1041		0805000000 National Space Management					-	
1053		State Department for Foreign Affairs					-	
1053		0714000 General Administration Planning and Support Services					-	
1053		0715000 Foreign Relation and Diplomacy					-	
1053		0741000 Economic and Commercial Diplomacy					-	
1053		0742000 Foreign Policy Research, Capacity Development and Technical Cooperation					-	
1054		State Department for Diaspora Affairs					-	
1054		0752000 Management of Diaspora and Consular Affairs					-	

05/03/2024 13:20		SECOND SCHEDULE						
		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS						
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS				Notes	
			Recurrent		Development			Net Change
			Reduction	Increase	Reduction	Increase		
1221		State Department for East African Community	-	-	-	-		
1221		0305000 East African Affairs and Regional Integration						
1281		National Intelligence Service	-	1,000,000,000	-	-	1,000,000,000	
1281		0804000 National Security Intelligence	-	1,000,000,000			1,000,000,000	Increase Ksh. 1 billion (Recurrent) for enhanced security operations due to regional instability, upgrading of equipment and dealing with intercommunal conflicts propagated through cattle rustling and banditry.
6	EDUCATION AND RESEARCH		-	10,000,000,000	-	-	10,000,000,000	
1064		State Department for Vocational and Technical Training	-	2,500,000,000	-	-	2,500,000,000	
1064		0505000 Technical Vocational Education and Training		2,500,000,000			2,500,000,000	Additional Ksh. 2.5 billion (Recurrent) for funding/scholarships to TVET students
1064		0507000 Youth Training and Development					-	
1064		0508000 General Administration, Planning and Support Services					-	
1065		State Department for Higher Education & Research	-	5,000,000,000	-	-	5,000,000,000	
1065		0504000 University Education		5,000,000,000			5,000,000,000	Increase Ksh. 5 billion (Recurrent) for scholarships and loans to students.
1065		0506000 Research, Science, Technology and Innovation					-	
1065		0508000 General Administration, Planning and Support Services					-	
1066		State Department for Basic Education	-	2,500,000,000	-	-	2,500,000,000	
1066		0501000 Primary Education					-	
1066		0502000 Secondary Education		2,500,000,000			2,500,000,000	Additional Ksh. 2.5 billion (Recurrent) for capitation shortfalls.
1066		0503000 Quality Assurance and Standards					-	
1066		0508000 General Administration, Planning and Support Services					-	
2091		Teachers Service Commission	-	-	-	-	-	
2091		0509000 Teacher Resource Management					-	
2091		0510000 Governance and Standards					-	
2091		0511000 General Administration, Planning and Support Services					-	
7	ENERGY		-	-	-	12,000,000,000	12,000,000,000	
1152		State Department for Energy	-	-	-	12,000,000,000	12,000,000,000	
1152		0211000 General Administration Planning and Support Services					-	
1152		0212000 Power Generation					-	

05/03/2024 13:20		SECOND SCHEDULE						
		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS						
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS					Notes
			Recurrent		Development		Net Change	
			Reduction	Increase	Reduction	Increase		
1152		0213000 Power Transmission and Distribution				12,000,000,000	12,000,000,000	Increase Ksh. 12 billion (Development) for last mile connectivity under RREC (10 billion to be shared equally among all constituencies and 2 billion for other interventions)
1152		0214000 Alternative Energy Technologies					-	
1193		State Department for Petroleum	-	-	-	-	-	
1193		0215000 Exploration and Distribution of Oil and Gas						
8	ENVIRONMENT, FORESTRY AND MINING		-	-	-	-	-	
1331		State Department for Environment and Climate Change	-	-	-	-	-	
1331		1002000 Environment Management and Protection					-	
1331		1010000 General Administration, Planning and Support Services					-	
1331		1012000 Meteorological Services					-	
1331		Water Rehabilitation and Conservation					-	
1192		State Department for Mining	-	-	-	-	-	
1192		1007000 General Administration Planning and Support Services					-	
1192		1009000 Mineral Resources Management					-	
1192		1021000 Geological Survey and Geoinformation Management					-	
1332		1332 State Department for Forestry	-	-	-	-	-	
1332		1018000 Forests Management and Water Towers Conservation					-	
9	FINANCE AND NATIONAL PLANNING		-	-	-	2,500,000,000	2,500,000,000	
1071		The National Treasury	-	-	-	2,500,000,000	2,500,000,000	
1071		0717000 General Administration Planning and Support Services					-	
1071		0718000 Public Financial Management				2,500,000,000	2,500,000,000	Increase Ksh. 2.5 billion (Development) for public participation.
1071		0719000 Economic and Financial Policy Formulation and Management					-	
1071		0720000 Market Competition					-	
1072		State Department for Economic Planning	-	-	-	-	-	
1072		0706000 Economic Policy and National Planning					-	
1072		0707000 National Statistical Information Services					-	
1072		0708000 Public Investment Management Monitoring and Evaluation Services					-	

05/03/2024 13:20		SECOND SCHEDULE						
		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS						
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS					Notes
			Recurrent		Development		Net Change	
			Reduction	Increase	Reduction	Increase		
1072		0709000 General Administration Planning and Support Services					-	
2061		The Commission on Revenue Allocation	-	-	-	-	-	
2061		0737000 Inter-Governmental Transfers and Financial Matters					-	
2121		Office of the Controller of Budget	-	-	-	-	-	
2121		0730000 Control and Management of Public finances					-	
10	HEALTH		-	-	-	4,000,000,000	4,000,000,000	
1082		State Department for Medical Services	-	-	-	4,000,000,000	4,000,000,000	
1082		0402000 National Referral & Specialized Services				4,000,000,000	4,000,000,000	Increase Ksh. 4 billion (Development) an conditional grant to Counties for health facility improvement and equipping.
1082		0410000 Curative & Reproductive Maternal New Born Child Adolescent Health RMNCAH					-	
1082		0411000 Health Research and Innovations					-	
1082		0412000 General Administration					-	
1083		State Department for Public Health and Professional Standards	-	-	-	-	-	
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					-	
11	HOUSING, URBAN PLANNING & PUBLIC WORKS		-	-	-	1,000,000,000	1,000,000,000	
1094		State Department for Housing and Urban Development	-	-	-	1,000,000,000	1,000,000,000	
1094		0102000 Housing Development and Human Settlement				1,000,000,000	1,000,000,000	Increase Ksh. 1 billion (Development) for slum upgrading
1094		0105000 Urban and Metropolitan Development					-	
1094		0106000 General Administration Planning and Support Services					-	
1095		State for Public Works	-	-	-	-	-	
1095		0103000 Government Buildings					-	
1095		0104000 Coastline Infrastructure and Pedestrian Access					-	
1095		0106000 General Administration Planning and Support Services					-	
1095		0218000 Regulation and Development of the Construction Industry					-	

05/03/2024 13:20		SECOND SCHEDULE						
		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS						
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS					Notes
			Recurrent		Development		Net Change	
			Reduction	Increase	Reduction	Increase		
12	JUSTICE AND LEGAL AFFAIRS COMMITTEE		-	-	-	-	-	
1023		State Department for Correctional Services	-	-	-	-	-	
1023		0623000 General Administration, Planning and Support Services					-	
1023		0627000 Prison Services					-	
1023		0628000 Probation & After Care Services					-	
1252		State Law Office	-	-	-	-	-	
1252		0606000 Legal Services					-	
1252		0607000 Governance, Legal Training and Constitutional Affairs					-	
1252		0609000 General Administration, Planning and Support Services					-	
1271		Ethics and Anti-Corruption Commission	-	-	-	-	-	
1271		0611000 Ethics and Anti-Corruption					-	
1291		Office of the Director of Public Prosecutions	-	-	-	-	-	
1291		0612000 Public Prosecution Services					-	
1311		Office of the Registrar of Political Parties	-	-	-	-	-	
1311		0614000 Registration, Regulation and Funding of Political Parties					-	
1321		Witness Protection Agency	-	-	-	-	-	
1321		0615000 Witness Protection					-	
2011		Kenya National Commission on Human Rights	-	-	-	-	-	
2011		0616000 Protection and Promotion of Human Rights					-	
2031		Independent Electoral and Boundaries Commission	-	-	-	-	-	
2031		0617000 Management of Electoral Processes					-	
2031		0618000 Delimitation of Electoral Boundaries					-	
2131		Commission on Administrative Justice	-	-	-	-	-	
2131		0731000 Promotion of Administrative Justice					-	
1261		The Judiciary	-	-	-	-	-	
1261		0610000 Dispensation of Justice					-	
2051		Judicial Service Commission	-	-	-	-	-	
2051		0619000 General Administration, Planning and Support Services					-	
13	LABOUR		-	-	-	-	-	
1184		State Department for Labour	-	-	-	-	-	
1184		0910000 General Administration Planning and Support Services					-	
1184		0906000 Labour, Employment and Safety Services					-	

05/03/2024 13:20		SECOND SCHEDULE						
		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS						
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS					Notes
			Recurrent		Development		Net Change	
			Reduction	Increase	Reduction	Increase		
1184		0907000 Manpower Development, Employment and Productivity Management					-	
1213		State Department for Public Service	-	-	-	-	-	
1213		0710000 Public Service Transformation					-	
1213		0709000 General Administration Planning and Support Services					-	
		Public Service Human Resource Management and Development					-	
2071		Public Service Commission	-	-	-	-	-	
2071		0725000 General Administration, Planning and Support Services					-	
2071		0726000 Human Resource management and Development					-	
2071		0727000 Governance and National Values					-	
2071		0744000 Performance and Productivity Management					-	
		Administration of Quasi-Judicial Functions					-	
2081		Salaries and Remuneration Commission	-	-	-	-	-	
2081		0728000 Salaries and Remuneration Management					-	
14	LANDS		-	-	-	-	-	
1112		State Department for Lands and Physical Planning	-	-	-	-	-	
1112		0101000 Land Policy and Planning					-	
1112		0121000 Land Information Management					-	
1112		0122000 General Administration, Planning and Support Services					-	
2021		National Land Commission	-	-	-	-	-	
2021		0116000 Land Administration and Management					-	
15	REGIONAL DEVELOPMENT		-	-	-	2,000,000,000	2,000,000,000	
1032		State Department for Devolution	-	-	-	-	-	
1032		0712000 Devolution Services					-	
1036		State Department for ASALS & Regional and Northern Corridor Development	-	-	-	2,000,000,000	2,000,000,000	
1036		0733000 Accelerated ASAL Development					-	
1036		0743000 General Administration, Planning and Support Services					-	
1036		1013000 Integrated Regional Development				2,000,000,000	2,000,000,000	Increase Ksh. 2 billion (Development) for Regional Development Authorities. (KVDA-550m, ENNDA- 550m, ENSDA-300m, TARDA-200m, LBDA-200m CDA-200m).
16	SOCIAL PROTECTION		-	259,000,000	-	(259,000,000)	-	

05/03/2024 13:20		SECOND SCHEDULE						
		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS						
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS				Notes	
			Recurrent		Development			Net Change
			Reduction	Increase	Reduction	Increase		
1185		State Department for Social Protection, Pensions & Senior Citizen Affairs	-	259,000,000	-	(259,000,000)	-	
1185		0908000 Social Development and Children Services		259,000,000		(259,000,000)	-	
							Reduce Ksh. 259 million (Development) from National Council for persons with disability. Increase Ksh. 259 million (Recurrent), for National Council for persons with disability, to be used for sunscreen and other devices used by persons with disability which are captured under the development budget.	
1185		0909000 National Social Safety Net					-	
1185		0914000 General Administration, Planning and Support Services					-	
1212		State Department for Gender and Affirmative Action	-	-	-	-	-	
1212		0911000 Community Development					-	
1212		0912000 Gender Empowerment					-	
1212		0913000 General Administration, Planning and Support Services					-	
1135		State Department for Youth Affairs and the Arts	-	-	-	-	-	
1135		0711000 Youth Empowerment Services					-	
1135		0748000 Youth Development Services					-	
1135		0749000 General Administration, Planning and Support Services					-	
2141		National Gender and Equality Commission	-	-	-	-	-	
2141		0621000 Promotion of Gender Equality and Freedom from Discrimination					-	
1213		State Department for Public Service	-	-	-	-	-	
1213		0747000 National Youth Service					-	
17	SPORTS AND CULTURE		-	-	-	-	-	
1132		State Department for Sports	-	-	-	-	-	
1132		0901000 Sports					-	
1134		State Department for Culture and Heritage	-	-	-	-	-	
1134		0902000 Culture/ Heritage					-	
1134		0905000 General Administration, Planning and Support Services					-	
1134		0916000 Public Records Management					-	
1134		Programme 4 The Arts					-	
1134		0904000 Library Services					-	
1135		State Department for Youth Affairs and the Arts	-	-	-	-	-	
1135		0903000 The Arts					-	
1135		0904000 Library Services					-	

05/03/2024 13:20		SECOND SCHEDULE						
		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS						
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS					Notes
			Recurrent		Development		Net Change	
			Reduction	Increase	Reduction	Increase		
18	TOURISM AND WILDLIFE		-	-	-	-	-	
1202		State Department for Tourism	-	-	-	-	-	
1202		0306000 Tourism Development and Promotion					-	
1202		0314000 Tourism Product Development and Diversification					-	
1202		0315000 General Administration, Planning and Support Services					-	
1203		State Department for Wildlife	-	-	-	-	-	
1203		1019000 Wildlife Conservation and Management					-	
19	TRADE, INDUSTRY AND COOPERATIVES		-	2,000,000,000	-	-	2,000,000,000	
1173		State Department for Cooperatives	-	2,000,000,000	-	-	2,000,000,000	
1173		0304000 Cooperative Development and Management		2,000,000,000			2,000,000,000	Increase Ksh. 2 billion (Recurrent) for Coffee Cherry Fund.
1174		State Department for Trade	-	-	-	-	-	
		Regional Economic Integration Initiatives						
1174		0309000 Domestic Trade and Enterprise Development					-	
1174		0310000 Fair Trade Practices And Compliance of Standards					-	
1174		0311000 International Trade Development and Promotion					-	
1174		0312000 General Administration, Planning and Support Services					-	
1175		State Department for Industry	-	-	-	-	-	
1175		0301000 General Administration Planning and Support Services					-	
1175		0320000 Industrial Promotion and Development					-	
1175		0321000 Standards and Quality Infrastructure & Research					-	
1176		State Department for Micro, Small and Medium Enterprises Development	-	-	-	-	-	
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		State Department for Investment Promotion	-	-	-	-	-	

05/03/2024 13:20		SECOND SCHEDULE						
BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS								
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS				Notes	
			Recurrent		Development			Net Change
			Reduction	Increase	Reduction	Increase		
1177		0322000 Investment Development and Promotion					-	
20	TRANSPORT AND INFRASTRUCTURE		-	-	-	1,500,000,000	1,500,000,000	
1091		State Department for Roads	-	-	-	1,500,000,000	1,500,000,000	
1091		0202000 Road Transport				1,500,000,000	1,500,000,000	Increase Ksh. 1.5 billion (Development) for critical roads.
1092		State Department of Transport	-	-	-	-	-	
1092		0201000 General Administration, Planning and Support Services						
1092		0203000 Rail Transport						
1092		0204000 Marine Transport			-			
1092		0205000 Air Transport						
1092		0216000 Road Safety						
1093		State Department for Shipping and Maritime Affairs	-	-	-	-	-	
1093		0219000 Shipping and Maritime Affairs						
21	BUDGET & APPROPRIATIONS COMMITTEE		-	2,381,000,000	-	500,000,000	2,881,000,000	
		Parliament	-	2,381,000,000	-	500,000,000	2,881,000,000	
2041		Parliamentary Service Commission	-	150,000,000	-	-	150,000,000	
2041		0765000 General Administration Planning and Support Services		150,000,000			150,000,000	Increase Ksh. 50 million (Recurrent) for funding of the commission. Increase Ksh. 30 million (Recurrent) for facilitation of the IEBC selection panel. Increase Ksh. 70 million (Recurrent) for O&M.
2041		0766000 Human Resources Management and Development						
2042		National Assembly	-	1,516,000,000	-	-	1,516,000,000	
2042		0721000 National Legislation, representation and oversight		1,516,000,000			1,516,000,000	Increase Ksh. 550 million (Recurrent) for constituency offices. Increase Ksh. 445 million (Recurrent) for facilitation of Members of Parliament on official assignment. Increase Ksh. 50 million (Recurrent) for Continental lift replacement. Increase Ksh. 50 million (Recurrent) for National Assembly facelift. Increase Ksh. 250 million (Recurrent) for legislative oversight by committees. Increase Ksh. 171 million (Recurrent) for O&M.
2043		Parliamentary Joint Services	-	120,000,000	-	500,000,000	620,000,000	

05/03/2024 13:20		SECOND SCHEDULE						
		BUDGET COMMITTEE FINANCIAL RECOMMENDATIONS						
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS				Notes	
			Recurrent		Development			Net Change
			Reduction	Increase	Reduction	Increase		
2043		0723000 General Administration, planning and support services		100,000,000		500,000,000	600,000,000	Increase Ksh. 500 million (Development) for ongoing development projects. Increase Ksh. 50 million (Recurrent) for parliament facelift. Increase Ksh. 50 million (Recurrent) for O&M.
2043		0746000 Legislative Training Research & Knowledge Management		20,000,000			20,000,000	Increase Ksh. 20 million (Recurrent) for O&M.
2044		Senate Affairs	-	595,000,000	-	-	595,000,000	
2044		0767000 Senate Legislation and Oversight		180,000,000			180,000,000	Increase Ksh 90 million (Recurrent) to facilitate Senators on official assignment. Increase Ksh. 60 million (Recurrent) for legislative oversight by Committees. Increase Ksh. 30 million (Recurrent) for O&M.
2044		0768000 Senate Representation, Liaison & Intergovernmental Relations		325,000,000			325,000,000	Increase Ksh. 75 million (Recurrent) for county office operations. Increase Ksh. 250 million (Recurrent) for Senate Oversight Fund.
2044		0769000 General Administration Planning and Support Services		90,000,000			90,000,000	Increase Ksh. 50 million (Recurrent) for parliament facelift. Increase Ksh. 40 million (Recurrent) for O&M.
2111		Auditor General	-	-	-	-	-	
2111		0729000 Audit Services					-	
		Total Expenditure	-	18,640,000,000	-	26,741,000,000	45,381,000,000	

THIRD SCHEDULE		
SN		Amount in Kshs.
Additional Conditional Allocations from the National Government's Share of Revenue for FY 2024/25		
1	Supplement for Construction of County Headquarters	445,000,000
2	County Aggregated Industrial Parks (CAIP) Programme	4,500,000,000
3	Community Health Promoters (CHPs)	2,500,000,000
4	Transfer of Museum Function	30,184,835
5	Health Facilities Improvement and Equipping	4,000,000,000
	Sub-Total	11,475,184,835
Additional Unconditional Allocations from the National Government's Share of Revenue for FY 2024/25		
1	Court Fees and Fines emanating from Contravention of County Legislation	7,431,745
2	20 % share of Mineral Royalties due for the FY 2021/22	1,055,205,814
	Sub-Total	1,062,637,559
	Total Allocation from GoK Revenue	12,537,822,394
Additional Conditional Allocations Financed from proceeds of loans and grants from Development Partners for FY 2024/25		
1	IDA (World Bank) credit National Agricultural Value Chain Development Project (NAVCDP)	5,000,000,000
2	IDA (World Bank) Credit - Food Systems Resilience Project (FSRP)	2,250,000,000
3	IDA (World Bank) credit: Water & Sanitation Development Project (WSDP)	5,700,000,000
4	DANIDA Grant - Primary Health Care in Devolved Context	487,500,000
5	IDA (World Bank) Credit - Second Kenya Devolution Support Program (KDSP II)	1,762,500,000
6	IDA (World Bank) Credit (Financing Locally- Led Climate Action (FLLoCA) Program, County Climate Resilience Investment (CCRI) Grant	3,712,000,000
7	(KfW) (German Financial Cooperation) - Drought Resilience Programme in Northern Kenya (DRPNK)	781,969,410
8	IDA (World Bank) Credit - Emergency Locust Response Project (ELRP)	1,900,000,000
9	IDA (World Bank) Credit - Kenya Informal Settlement Improvement Project (KISIP II)	10,600,000,000
10	IFAD-Kenya Livestock Commercialization Project (KeLCOP)	378,730,000
11	IFAD-Aquaculture Business Development Project (ABDP)	245,879,120
12	KfW (Germany Financial Cooperation) Credit -Co-Financing Locally-Led Climate Action(FLLoCA) Programm -County Climate Resilience Investment (CCRI) Grant	1,200,000,000
13	IDA (World Bank) Credit – Kenya Urban Support Project (KUSP) – Urban Institutional Grant (UIG)	1,575,000,000
14	UNFPA Grant - 10th Country Kenya Programme	65,190,000
	Total loans and Grants from Development Partners	35,658,768,530
	Grand total of Additional Allocations	48,196,590,924

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1	ADMINISTRATION & INTERNAL AFFAIRS		-	-	-	
1011		Office of the President	-	-	-	-
1011		0603000 Government Printing Services				-
1011		0701000 General Administration Planning and Support Services				-
1011		0703000 Government Advisory Services				-
		Leadership and Coordination of Government Services				-
1012		Office of the Deputy President	-	-	-	-
		0734000 Deputy President Services				-
1013		Office of the Prime Cabinet Secretary	-	-	-	-
1013		0755000 Government Coordination and Supervision				-
1014		State Department for Parliamentary Affairs	-	-	-	-
1014		0759000 Parliamentary Liaison and Legislative Affairs				-
1014		0760000 Policy Coordination and Strategy				-
1014		0761000 General Administration, Planning and Support Services				-
1015		State Department for Performance and Delivery Management	-	-	-	-
1015		0762000 Public Service Performance Management and Delivery Services				-
1015		0764000 General Administration, Planning and Support Services				-
		Coordination and Supervision of Government Services				-
		Service Delivery Management				-
1016		State Department for Cabinet Affairs	-	-	-	-
1016		0758000 Cabinet Affairs Services				-
1017		State House Affairs	-	-	-	-
		0704000 State House Affairs				-
1024		State Department for Immigration and Citizen Services	-	-	-	-
1024		0605000 Migration & Citizen Services				-
1024		0626000 Population Management Services				-
1024		0631000 General Administration and Planning				-

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development		Gross Total
1025		National Police Service	-	-	-	
1025		0601000 Policing Services				
1026		State Department for Internal Security & National Administration	-	-	-	
1026		0629000 General Administration and Support Services				
		National Government Field Administrative Services				
1026		0630000 Policy Coordination Services				
2101		National Police Service Commission	-	-	-	
2101		0620000 National Police Service Human Resource Management				
2151		Independent Policing Oversight Authority	-	-	-	
2151		0622000 Policing Oversight Services				
2	AGRICULTURE AND LIVESTOCK		370,000,000	22,120,900,000	22,490,900,000	
1162		State Department for Livestock	-	5,485,900,000	5,485,900,000	
1162		0112000 Livestock Resources Management and Development		5,485,900,000	5,485,900,000	Additional Ksh. 4 billion (Development) for payment of Halal Meats Limited pending bill. Additional Ksh. 25.9 million (Development) for payment of Associates Architects Limited pending bill. Additional Ksh. 580 million (Development) for modernization of Kenya Veterinary Vaccines Production Institute (KEVEVAPI). Additional Ksh. 680 million (Development) for completion of critical facilities at Kenya Leather Industrial Park at Kenanie. Additional Ksh. 200 million (Development) for provision of seeds and seedlings.
1169		State Department for Crop Development	370,000,000	16,635,000,000	17,005,000,000	
1169		0107000 General Administration Planning and Support Services	370,000,000		370,000,000	Additional Ksh. 370 million (Recurrent) for sugar reforms support project.
1169		0108000 Crop Development and Management		16,635,000,000	16,635,000,000	Additional Ksh. 7.5 billion (Development) for the Fertilizer Subsidy Programme. Additional Ksh. 100 million (Development) for Cashew Nut Revitalization Programme. Additional Ksh. 9 billion (Development) for payment of validated pending bills.

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			Notes
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1169		0109000 Agribusiness and Information Management				
1169		0120000 Agricultural Research & Development				
3	BLUE ECONOMY & IRRIGATION		25,141,000,000	23,365,000,000	28,026,000,000	
1104		State Department for Irrigation	470,000,000	16,425,000,000	16,895,000,000	
1104		1014000 Irrigation and Land Reclamation	250,000,000	10,025,000,000	10,275,000,000	Additional Ksh. 250 million (Recurrent) for National Irrigation Authority to cater for A in A shortfall. Additional Ksh. 350 million (Development) for Resettlement Action Plan (RAP) of persons displaced by the Lower Nzoia Irrigation Project. Additional Ksh. 2 billion (Development) for Resettlement Action Plan (RAP) of persons displaced by Mwache Dam. Additional Ksh. 3 billion (Development) for Resettlement Action Plan (RAP) of persons displaced by Rwabura Dam. Additional Ksh. 4.5 billion (Development) for pending bills at National Expanded Irrigation Project. Additional Ksh. 175 million (Development) for Galana Irrigation Development Project.
1104		1015000 Water Storage and Flood Control	120,000,000	4,400,000,000	4,520,000,000	Additional Ksh. 3 billion (Development) for Resettlement Action Plan (RAP) of persons displaced by Soin-Koru Dam. Additional Ksh. 120 million (Recurrent) to operationalize regional offices-National Water Harvesting and Storage Authority. Additional Ksh. 1.4 billion (Development) for Umaa Dam.
1104		1022000 Water Harvesting and Storage for Irrigation		2,000,000,000	2,000,000,000	Additional Ksh. 1 billion (Development) for construction of strategic water facilities NWHSA. Additional Ksh. 1 billion (Development) for Household Irrigation Water Harvesting Project for settling pending bills.
1104		1023000 General Administration, Planning and Support Services	100,000,000		100,000,000	Additional Ksh. 100 million (Recurrent) for O&M at HQ.
1109		State Department for Water & Sanitation	22,867,000,000	6,310,000,000	8,697,000,000	
1109		1001000 General Administration, Planning and Support Services	158,000,000		158,000,000	Additional Ksh. 158 million (Recurrent) for shortfall in PE and operations at the Kenya Water Institute.

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			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1109		1004000 Water Resources Management	1,102,000,000	1,380,000,000	2,482,000,000	<p>Additional Ksh. 207 million (Recurrent) for PE and operations at Regional Center on Groundwater Resources.</p> <p>Additional Ksh. 836 million (Recurrent) for Water Resources Authority shortfalls in A in A.</p> <p>Additional Ksh. 59 million (Recurrent) for operationalization of the Hydrologists Registration Board.</p> <p>Additional Ksh. 380 million (Development) for Nairobi Rivers Restoration Basin Programme to pay pending VAT.</p> <p>Additional Ksh. 1 billion (Development) for settlement of pending bills and expansion- Cross County Bulk Water and Sanitation Improvement Project.</p>
1109		1017000 Water and Sewerage Infrastructure Development	1,951,000,000	5,208,000,000	7,159,000,000	<p>Additional Ksh. 71 million (Recurrent) for Athi Water Works Development Agency to cater for operations shortfall.</p> <p>Additional Ksh. 346 million (Recurrent) for operations at Water Sector Trust Fund.</p> <p>Additional Ksh. 84 million (Recurrent) to Tanathi Water Works Development Agency for operations and salaries.</p> <p>Additional Ksh. 211 million (Recurrent) to Lake Victoria South Water Works Development Agency for PE shortfall and operations.</p>
						<p>Additional Ksh. 591 million (Recurrent) to Coast Water Works Development Agency for PE shortfall and operations.</p> <p>Additional Ksh. 278 million (Recurrent) to Tana Water Works Development Agency for PE shortfall and operations.</p> <p>Additional Ksh. 108 million (Recurrent) to Northern Water Works Development Agency for operations.</p> <p>Additional Ksh. 10 million (Recurrent) to North Rift Water Works Development Agency for operations.</p> <p>Additional Ksh. 58 million (Recurrent) to Central Rift Water Works Development Agency for operations.</p>

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
						<p>Additional Ksh. 50 million (Recurrent) to Water Services Regulations Board for operations.</p> <p>Additional Ksh. 144 million (Recurrent) to Lake Victoria North Water Works Development Agency for shortfall in PE and operations.</p> <p>Additional Ksh. 1 billion (Development) to National Water Harvesting and Ground Water Exploitation for settling pending bills.</p> <p>Additional Ksh. 200 million (Development) to Northern Water Collector for payment of pending VAT.</p> <p>Additional Ksh. 400 million (Development) for Nairobi Water and Sanitation Project to pay pending VAT.</p> <p>Additional Ksh. 101 million (Development) for Homa Bay Water Supply to pay pending VAT.</p>
						<p>Additional Ksh. 100 million (Development) for Kisumu Sewerage Project for counterpart funding.</p> <p>Additional Ksh. 500 million (Development) Kegonga Cluster Water Supply.</p> <p>Additional Ksh. 300 million (Development) for Mbeere South Water Supply.</p> <p>Additional Ksh. 100 million (Development) for Kacheliba Water Supply Project.</p> <p>Additional Ksh. 500 million (Development) for Kakamega-Bungoma Bulk Water Supply and Sanitation Project.</p> <p>Additional Ksh. 500 million (Development) for Mt. Elgon-Bungoma Busia Gravity Scheme Project.</p>
						<p>Additional Ksh. 800 million (Development) for Moi's Bridge Matunda Water and Sewerage Project.</p> <p>Additional Ksh. 300 million (Development) for Mosongo Water Project.</p> <p>Additional Ksh. 407 million (Development) for Kiserian Sewerage Project.</p>
1166		State Department for Blue Economy and Fisheries	1,804,000,000	630,000,000	2,434,000,000	

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1166		0111000 Fisheries Development and Management	1,467,000,000	630,000,000	2,097,000,000	<p>Additional Ksh. 68 million (Recurrent) for staff medical insurance at KFS.</p> <p>Additional Ksh. 82 million (Recurrent) for operations at KFS.</p> <p>Additional Ksh. 272 million (Recurrent) for payment of court awards at Kenya Marine Fisheries Research Institute.</p> <p>Additional Ksh. 545 million (Recurrent) for operationalization of RV Mtafiti.</p> <p>Additional Ksh. 150 million (Recurrent) for operationalization of Kenya Fish Marketing Authority.</p> <p>Additional Ksh. 50 million (Recurrent) for Kenya Fish Marketing Authority market information system.</p>
						<p>Additional Ksh. 300 million (Recurrent) for Kenya Fishing Industries Corporation O&M.</p> <p>Additional Ksh. 480 million (Development) for completion of the Shimoni Mariculture Research Hatchery and Training Center.</p> <p>Additional Ksh. 150 million (Development) for construction of Fisheries Monitoring Control and Surveillance Center.</p>
1166		0117000 General Administration, Planning and Support Services	337,000,000		337,000,000	<p>Additional Ksh. 300 million (Recurrent) to fund expanded mandate/HQ Admin Services.</p> <p>Additional Ksh. 37 million (Recurrent) for Court Awards issued to Okeno and Sons Building Contractors.</p>
1166		0118000 Development and Coordination of the Blue Economy			-	
4	COMMUNICATION, INFORMATION & INNOVATION		-	-	-	
1122		State Department for Information Communication and Technology & Innovation				
1122		0207000 General Administration Planning and Support Services			-	
1122		0210000 ICT Infrastructure Development			-	
1122		0217000 E-Government Services			-	

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			Notes
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1123		State Department for Broadcasting & Telecommunications	-	-	-	
1123		0207000 General Administration Planning and Support Services				
1123		0208000 Information and Communication Services				
1123		0209000 Mass Media Skills Development				
5	DEFENCE, INTELLIGENCE AND FOREIGN RELATIONS		25,675,180,000	9,616,000,000	35,291,180,000	
1041		Ministry of Defence	7,911,000,000	6,616,000,000	14,527,000,000	
1041		0801000 Defence	7,911,000,000	6,216,000,000	14,127,000,000	Additional Ksh. 6.2 billion (Development) for equipment modernization. Additional Ksh. 7.9 billion (Recurrent) for border securitization.
1041		0802000 Civil Aid				
1041		0803000 General Administration, Planning and Support Services				
1041		0805000000 National Space Management		400,000,000	400,000,000	Additional Ksh. 400 million (Recurrent) for contractual obligations.
1053		State Department for Foreign Affairs	5,120,000,000	3,000,000,000	8,120,000,000	
1053		0714000 General Administration Planning and Support Services				
1053		0715000 Foreign Relation and Diplomacy	4,120,000,000	3,000,000,000	7,120,000,000	Additional Ksh. 3 billion (Development) for refurbishment of existing properties. Additional Ksh. 4.1 billion (Recurrent) for personnel emolument, posting of officers to missions abroad and remuneration of retired ambassadors.
1053		0741000 Economic and Commercial Diplomacy				
1053		0742000 Foreign Policy Research, Capacity Development and Technical Cooperation	1,000,000,000		1,000,000,000	Additional Ksh. 1 billion (Recurrent) for operationalization of Foreign Service Academy.
1054		State Department for Diaspora Affairs	342,400,000	-	342,400,000	
1054		0752000 Management of Diaspora and Consular Affairs	342,400,000		342,400,000	Additional Ksh. 342.4 million (Recurrent) for emergency response, repatriation and evacuation of diaspora in times of distress, operations at the State Department HQ, and refurbishment/partitioning of offices.
1221		State Department for East African Community	301,780,000	-	301,780,000	

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1221		0305000 East African Affairs and Regional Integration	301,780,000		301,780,000	Additional Ksh. 301.78 million (Recurrent) for shortfalls in deployment of staff to Kenya consulate in Arusha and participation in regional cooperation and integration policy dialogue.
1281		National Intelligence Service	12,000,000,000	-	12,000,000,000	
1281		0804000 National Security Intelligence	12,000,000,000		12,000,000,000	Additional Ksh. 12 billion (Recurrent) for enhanced security operations due to regional instability, upgrading of equipment and dealing with intercommunal conflicts propagated through cattle rustling and banditry.
6	EDUCATION AND RESEARCH		82,450,000,000	-	82,450,000,000	
1064		State Department for Vocational and Technical Training	7,850,000,000	-	7,850,000,000	
1064		0505000 Technical Vocational Education and Training	7,850,000,000		7,850,000,000	Additional Ksh. 7.8 billion (Recurrent) for scholarships for first year TVET students expected to join various TVET institutions in 2024/25.
1064		0507000 Youth Training and Development			-	
1064		0508000 General Administration, Planning and Support Services			-	
1065		State Department for Higher Education & Research	41,100,000,000	-	41,100,000,000	
1065		0504000 University Education	41,100,000,000		41,100,000,000	Additional Ksh. 11.2 billion (Recurrent) for scholarships. Additional Ksh. 29.9 billion (Recurrent) for loans to students.
1065		0506000 Research, Science, Technology and Innovation			-	
1065		0508000 General Administration, Planning and Support Services			-	
1066		State Department for Basic Education	33,500,000,000	-	33,500,000,000	
1066		0501000 Primary Education			-	
1066		0502000 Secondary Education	33,500,000,000		33,500,000,000	Additional Ksh. 33.5 billion (Recurrent) for capitation shortfalls.
1066		0503000 Quality Assurance and Standards			-	
1066		0508000 General Administration, Planning and Support Services			-	
2091		Teachers Service Commission	-	-	-	
2091		0509000 Teacher Resource Management			-	

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			Notes
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
2091		0510000 Governance and Standards				-
2091		0511000 General Administration, Planning and Support Services				-
7	ENERGY		-	5,000,000,000	5,000,000,000	
1152		State Department for Energy	-	5,000,000,000	5,000,000,000	
1152		0211000 General Administration Planning and Support Services				-
1152		0212000 Power Generation		500,000,000	500,000,000	Additional Ksh. 200 million (Development) for Suswa geothermal project. Additional Ksh. 200 million (Development) for Bogoria Silali Geothermal Projects. Additional Ksh. 100 million (Development) for Menengai Geothermal Development Project.
1152		0213000 Power Transmission and Distribution		4,500,000,000	4,500,000,000	Additional Ksh. 500 million (Development) for off-grid electrification schemes-KPLC. Additional 500 million (Development) for street lighting project-KPLC. Additional Ksh. 1.5 billion (Development) for installation of transformers in constituencies project-REREC. Additional Ksh. 1.5 billion (Development) for electrification of public facilities project-REREC.
						Additional Ksh. 100 million (Development) for Kenya Power Transmission Expansion Project -132kV Awendo Isebania, 132kV Sultan Hamud Loitokitok and 220kV Isinya Konza. Additional Ksh. 200 million (Development) for Sondu Homabay Ndhiwa-Awendo Electrification Project. Additional Ksh. 200 million (Development) for Rabai-Kilifi transmission line.
1152		0214000 Alternative Energy Technologies				-
1193		State Department for Petroleum	-	-	-	
1193		0215000 Exploration and Distribution of Oil and Gas				-
8	ENVIRONMENT, FORESTRY AND MINING		6,615,400,000	307,000,000	6,922,400,000	
1331		State Department for Environment and Climate Change	682,200,000	-	682,200,000	

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			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1331		1002000 Environment Management and Protection	300,000,000		300,000,000	Additional Ksh. 300 million (Recurrent) for environmental management and protection programme at NEMA.
1331		1010000 General Administration, Planning and Support Services	372,200,000		372,200,000	Additional Ksh. 179 million (Recurrent) for operations and maintenance at the HQ. Additional Ksh. 193 million (Recurrent) for payment of pending bills. Additional Ksh. 36 million (Recurrent) enhancing capacity of the Mineral Rights Board and Geologist Registration Board.
1331		1012000 Meteorological Services	10,000,000		10,000,000	Additional Ksh. 10 million (Recurrent) for operation at KMD.
1331		Water Rehabilitation and Conservation			-	
1192		State Department for Mining	788,200,000	307,000,000	1,095,200,000	
1192		1007000 General Administration Planning and Support Services	369,200,000		369,200,000	Additional Ksh. 84 million (Recurrent) for security enforcement/efficient facilitation. Additional Ksh. 58 million (Recurrent) for Governance Support and Turn Around. Additional Ksh. 85 million (Recurrent) for legal review of explosive act cap 1115 Geologist Registration Act 1991. Additional KSh. 106 million (Recurrent) for payment of pending bills. Additional Ksh. 36 million (Recurrent) for enhancing capacity at Minerals Rights Board and Geologist Registration Board.
1192		1009000 Mineral Resources Management	243,000,000		243,000,000	Additional Ksh. 56 million (Recurrent) for technical staff recruitment. Additional Ksh. 187 million (Recurrent) for monitoring and compliance inspections at mining sites, dealers premises and collaborating agencies offices by authorized officers.
1192		1021000 Geological Survey and Geoinformation Management	176,000,000	307,000,000	483,000,000	Additional Ksh. 307 million (Development) for Mineral Certification Laboratory. Additional Ksh. 176 million (Recurrent) for operation and maintenance budget for regional mining offices.
1332		1332 State Department for Forestry	5,145,000,000	-	5,145,000,000	

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			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1332		1018000 Forests Management and Water Towers Conservation	5,145,000,000		5,145,000,000	Additional Ksh. 4.5 billion (Recurrent) for Kenya Forestry Service. Additional Ksh. 645 million (Recurrent) for purchase of Lab chemicals, equipment and research material at KEFRI. Additional Ksh. 70 million (Development) for KEFRI to develop forestry research technologies. Additional Ksh. 100 million (Development) for fencing of experimental sites and research materials.
9	FINANCE AND NATIONAL PLANNING		-	-	-	
1071		The National Treasury	-	-	-	
1071		0717000 General Administration Planning and Support Services			-	
1071		0718000 Public Financial Management			-	
1071		0719000 Economic and Financial Policy Formulation and Management			-	
1071		0720000 Market Competition			-	
1072		State Department for Economic Planning	-	-	-	
1072		0706000 Economic Policy and National Planning			-	
1072		0707000 National Statistical Information Services			-	
1072		0708000 Public Investment Management Monitoring and Evaluation Services			-	
1072		0709000 General Administration Planning and Support Services			-	
2061		The Commission on Revenue Allocation	-	-	-	
2061		0737000 Inter-Governmental Transfers and Financial Matters			-	
2121		Office of the Controller of Budget	-	-	-	
2121		0730000 Control and Management of Public finances			-	
10	HEALTH		125,608,000,000	77,145,000,000	202,753,000,000	
1082		State Department for Medical Services	125,052,000,000	74,670,000,000	199,722,000,000	

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1082		0402000 National Referral & Specialized Services	4,602,000,000	10,070,000,000	14,672,000,000	<p>Additional Ksh. 3.4 billion (Development) for procurement of blood transfusion essential commodities.</p> <p>Additional Ksh. 500 million (Development) to relocate Spinal Injury Hospital to Ngong.</p> <p>Additional Ksh. 450 million (Development) for Linear accelerator and Simulator for Kenyatta National Hospital.</p> <p>Additional Ksh. 1.5 billion (Recurrent) for KNH personnel emoluments.</p> <p>Additional Ksh. 907 million (Recurrent) for Mwai Kibaki Teaching and Referral Hospital O&M.</p>
						<p>Additional Ksh. 500 million (Development) for construction and equipping of children hospital at Kenyatta University Teaching and Referral Hospital.</p> <p>Additional Ksh. 500 million (Recurrent) Kenyatta University Teaching Referral and Research Hospital O&M.</p> <p>Additional Ksh. 1.2 billion (Recurrent) for Moi Teaching and Referral Hospital O&M.</p> <p>Additional Ksh. 720 million (Development) for training of registrars in national referral hospitals.</p> <p>Additional Ksh. 495 million (Recurrent) for KEMSA personnel emoluments.</p>
1082		0410000 Curative & Reproductive Maternal New Born Child Adolescent Health RMNCAH	450,000,000	14,400,000,000	14,850,000,000	<p>Additional Ksh. 14.1 billion (Development) for procurement of Family planning & Reproductive Health commodities.</p> <p>Additional Ksh. 300 million (Development) for the National Cancer Institute.</p> <p>Additional Ksh. 450 million (Recurrent) for National Aids Control Council O&M.</p>
1082		0411000 Health Research and Innovations		200,000,000	200,000,000	Additional Ksh. 200 million (Development) construction of KEMRI Kirinyaga.
1082		0412000 General Administration	120,000,000,000	50,000,000,000	170,000,000,000	<p>Additional Ksh. 120 billion (Recurrent) for scaling up Social Health Insurance Fund (SHIF).</p> <p>Additional Ksh. 50 billion (Development) for operationalization of the Primary Healthcare fund.</p>
1083		State Department for Public Health and Professional Standards	556,000,000	2,475,000,000	3,031,000,000	

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development		Gross Total
1083		0406000 Preventive and Promotive Health Services		800,000,000	800,000,000	Additional Ksh. 300 million (Development) for completion & operationalization of phase 1 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	15,000,000	1,000,000,000	1,015,000,000	Additional Ksh. 15 million (Recurrent) for Kenya Human Resource Advisory Council O&M. Additional Ksh. 500 million (Development) for Research and Development at Kenya Institute of primate research. Additional Ksh. 500 million (Development) for manufacturing of antivenoms at Kenya Institute of Primate Research.
1083		0408000 Health Policy, Standards and Regulations	541,000,000	675,000,000	1,216,000,000	Additional Ksh. 240 million (Recurrent) for Kenya Health Professions Oversight Authority. Additional Ksh. 230 million (Recurrent) for pharmacy and poisons board PE shortfall. Additional Ksh. 11 million (Recurrent) for Health Records and Information Managers Board O&M. Additional Ksh. 60 million (Recurrent) for operationalization of Clinical Officers Council. Additional Ksh. 675 million (Development) for equipping of state of the art laboratory-Bational Quality Control Laboratory.
1083		0412000 General Administration				
11	HOUSING, URBAN PLANNING & PUBLIC WORKS		906,000,000	1,117,000,000	2,023,000,000	
1094		State Department for Housing and Urban Development	350,000,000	400,000,000	750,000,000	
1094		0102000 Housing Development and Human Settlement	350,000,000	400,000,000	750,000,000	Additional Ksh. 400 million (Development) for construction of Alternative Building and Construction Technology (AMBT) centres in constituencies with active affordable housing construction sites. Additional Ksh. 350 million (Recurrent) for monitoring of ongoing and planned affordable housing units.
1094		0105000 Urban and Metropolitan Development				

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			Notes
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1094		0106000 General Administration Planning and Support Services				-
1095		State for Public Works	556,000,000	717,000,000	1,273,000,000	
1095		0103000 Government Buildings				-
1095		0104000 Coastline Infrastructure and Pedestrian Access	556,000,000	717,000,000	1,273,000,000	Increase Ksh. 717 million (Development) for completion of 152 footbridges. Increase Ksh. 556 million (Recurrent) to facilitate staff and purchase motor vehicles.
1095		0106000 General Administration Planning and Support Services				-
1095		0218000 Regulation and Development of the Construction Industry				-
12	JUSTICE AND LEGAL AFFAIRS COMMITTEE		12,959,600,000	1,650,000,000	14,609,600,000	
1023		State Department for Correctional Services	1,198,800,000	-	1,198,800,000	
1023		0623000 General Administration, Planning and Support Services				-
1023		0627000 Prison Services	1,198,800,000		1,198,800,000	Additional Ksh. 398.8 million (Recurrent) for purchase of prisoners bedding and linen. Additional Ksh. 250 million (Recurrent) for food and rations. Additional Ksh. 200 million (Recurrent) for security operations. Additional Ksh. 150 million (Recurrent) for purchase of tractors and seeds for the prison service agency. Additional Ksh. 200 million (Recurrent) for domestic travel and subsistence.
1023		0628000 Probation & After Care Services				-
1252		State Law Office	639,600,000	-	639,600,000	
1252		0606000 Legal Services				-

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1252		0607000 Governance, Legal Training and Constitutional Affairs	639,600,000		639,600,000	Additional Ksh. 300 million (Recurrent) for equipping and decentralization of services. Additional Ksh. 42 million (Recurrent) for Council for Legal Education. Additional Ksh. 172.6 million (Recurrent) for O&M at the National Council for Law Reporting. Additional Ksh. 125 million (Recurrent) to Nairobi Center for international Arbitration for recruitment, relocation and law reform of ADR policy.
1252		0609000 General Administration, Planning and Support Services			-	
1271		Ethics and Anti-Corruption Commission	592,500,000	-	592,500,000	
1271		0611000 Ethics and Anti-Corruption	592,500,000		592,500,000	Additional Ksh. 80 million (Recurrent) to trace, preserve and recover assets from unexplained and corruptly acquired assets. Additional Ksh. 30 million (Recurrent) for public education. Additional Ksh. 60 million (Recurrent) for prevention of corruption. Additional Ksh. 322.5 million (Recurrent) for staff recruitment. Additional Ksh. 100 million (Recurrent) for automation of business process.
1291		Office of the Director of Public Prosecutions	687,000,000	250,000,000	937,000,000	
1291		0612000 Public Prosecution Services	687,000,000	250,000,000	937,000,000	Additional Ksh. 530 million (Recurrent) for personnel emoluments. Additional Ksh. 157 million (Recurrent) for rolling out of uadilifu case management system. Additional Ksh. 150 million (Development) for construction of regional offices. Additional Ksh. 100 million (Development) for construction of prosecution training institute admin block and lecture halls.
1311		Office of the Registrar of Political Parties	231,000,000	-	231,000,000	

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1311		0614000 Registration, Regulation and Funding of Political Parties	231,000,000		231,000,000	Additional Ksh. 75 million (Recurrent) for establishment of five regional offices. Additional Ksh. 25.5 million (Recurrent) for recruitment of additional staff. Additional Ksh. 50 million (Recurrent) for refurbishment of offices. Additional Ksh. 55.5 million (Recurrent) for purchase of vehicles. Additional Ksh. 25 million (Recurrent) for maintenance of mobile platforms.
1321		Witness Protection Agency	283,000,000	-	283,000,000	
1321		0615000 Witness Protection	283,000,000		283,000,000	Additional Ksh. 150 million (Recurrent) for witness protection programme. Additional Ksh. 133 million (Recurrent) for recruitment of additional officers. Additional Ksh. 113.2 million (Recurrent) for implementation of the strategic plan.
2011		Kenya National Commission on Human Rights	277,700,000	-	277,700,000	
2011		0616000 Protection and Promotion of Human Rights	277,700,000		277,700,000	Additional Ksh. 137.7 million (Recurrent) for complaints, investigation, public education and awareness. Additional Ksh. 50 million (Recurrent) for car loan and mortgage scheme. Additional Ksh. 90 million (Recurrent) for purchase of vehicles.
2031		Independent Electoral and Boundaries Commission	7,200,000,000	1,000,000,000	8,200,000,000	
2031		0617000 Management of Electoral Processes	7,200,000,000	1,000,000,000	8,200,000,000	Additional Ksh. 1 billion (Development) for construction of uchaguzi center. Additional Ksh. 7.2 billion (Recurrent) for boundary delamination process.
2031		0618000 Delimitation of Electoral Boundaries			-	
2131		Commission on Administrative Justice	150,000,000	-	150,000,000	

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
2131		0731000 Promotion of Administrative Justice	150,000,000		150,000,000	Additional Ksh. 50 million (Recurrent) for promotion of open governance. Additional Ksh. 35 million (Recurrent) for automation and digitization of ombudsman services. Additional Ksh. 30 million (Recurrent) for purchase of motor vehicles. Additional Ksh. 35 million (Recurrent) for public education and awareness.
1261		The Judiciary	1,700,000,000	400,000,000	2,100,000,000	
1261		0610000 Dispensation of Justice	1,700,000,000	400,000,000	2,100,000,000	Additional Ksh. 400 million (Development) for refurbishment of the supreme court. Additional Ksh. 200 million (Recurrent) for settlement of outstanding arbitration award settlement. Additional Ksh. 300 million (Recurrent) for purchase and leasing of vehicles. Additional Ksh. 300 million (Recurrent) for mortgage. Additional Ksh. 400 million (Recurrent) for facilitation of new judges. Additional Ksh. 200 million (Recurrent) for operationalization of small claims courts. Additional Ksh. 300 million (Recurrent) for digital strategy and automation.
2051		Judicial Service Commission	-	-	-	
2051		0619000 General Administration, Planning and Support Services				
13	LABOUR		17,309,750,000	3,003,000,000	20,312,750,000	
1184		State Department for Labour	3,832,880,000	-	3,832,880,000	

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			Notes
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1184		0910000 General Administration Planning and Support Services	3,547,880,000		3,547,880,000	<p>Additional Ksh. 475 million (Recurrent) to facilitate foreign employment for the Kenya Migrant workers.</p> <p>Additional 300 million (Recurrent) for operationalization of 13 wage councils, Child Labour Committees, National Labour Board and Alternative Dispute Resolution Mechanism.</p> <p>Additional Ksh. 80 million (Recurrent) for National Council for Occupational safety and Health.</p> <p>Additional Ksh. 297 million (Recurrent) for participation in International and Regional Commitments.</p> <p>Additional Ksh 97 million (Recurrent) for O&M for field offices.</p> <p>Additional 43 million (Recurrent) for Occupational Safety and Health Offices across the country Labour Offices.</p>
			-			<p>Additional Ksh. 1.6 billion (Recurrent) for Establishment of Labour Attaché Offices.</p> <p>Additional Ksh. 175 million (Recurrent) for review and implementation of labour laws.</p> <p>Additional Ksh. 12.5 million (Recurrent) for Registrar of Trade Unions.</p> <p>Additional Ksh. 400 million (Recurrent) to ensure safe working environment.</p> <p>Additional 32 million (Recurrent) for purchase of motor vehicles.</p>
1184		0906000 Labour, Employment and Safety Services	285000000		285,000,000	<p>Additional Ksh. 70 million (Recurrent) for capacity building of staff.</p> <p>Additional Ksh. 215 million (Recurrent) for post training skills and development.</p>
1184		0907000 Manpower Development, Employment and Productivity Management			-	
1213		State Department for Public Service	10,118,000,000	3,003,000,000	13,121,000,000	

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1213		0710000 Public Service Transformation	877,000,000	3,003,000,000	3,880,000,000	Additional Ksh. 608 million (Development) for construction of infrastructural projects at KSG. Additional Ksh. 2.3 billion (Development) for construction of new Huduma Centers. Additional Ksh. 419 million (Recurrent) for Huduma Mashinani and operations at Huduma Centers. Additional Ksh. 458 million (Recurrent) for maintained of Huduma Kenya ICT infrastructure.
1213		0709000 General Administration Planning and Support Services	9,241,000,000		9,241,000,000	Additional Ksh. 9 billion (Recurrent) for development and implementation of Post-Retirement Medical Insurance Scheme. Additional Ksh. 150 million (Recurrent) for upgrading of GHRIS. Additional Ksh. 91 million (Recurrent) for establishment and operationalization of central registry and strong room.
		Public Service Human Resource Management and Development				
2071		Public Service Commission	3,031,800,000	-	3,031,800,000	
2071		0725000 General Administration, Planning and Support Services	659,300,000		659,300,000	Additional Ksh. 59.3 million (Recurrent) for recruitment of additional staff. Additional Ksh. 400 million (Recurrent) for implementation of the New Commission Organizational Structure. Additional Ksh. 200 million (Recurrent) for purchase of Motor Vehicles.
2071		0726000 Human Resource management and Development	2,326,000,000		2,326,000,000	Additional Ksh. 60 million (Recurrent) for recruitment of Chancellors, Vice Chancellors and Principals of public Universities. Additional Ksh. 66 million (Recurrent) for TVET functions. Additional Ksh. 2.2 billion (Recurrent) for Public Service Internship Programme.
2071		0727000 Governance and National Values				
2071		0744000 Performance and Productivity Management				

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
		Administration of Quasi-Judicial Functions	46,500,000		46,500,000	Additional Ksh. 46.5 million (Recurrent) for court litigation and administration of County University and State Corporations.
2081		Salaries and Remuneration Commission	327,070,000	-	327,070,000	
2081		0728000 Salaries and Remuneration Management	327,070,000		327,070,000	Additional Ksh 35 million (Recurrent) for mobilization and sensitization on job evaluation for the fourth remuneration review cycle. Additional Ksh. 7 million (Recurrent) for [labour market survey on pay. Additional Ksh. 14 million (Recurrent) for implementation of the allowances policy framework. Additional Ksh. 13.5 million (Recurrent) for sensitization and capacity building. Additional Ksh. 21.6 million (Recurrent) for monitoring and evaluation.
						Additional Ksh. 55 million (Recurrent) to conduct an inter-agency experiential studies. Additional Ksh. 16.97 million (Recurrent) for partnerships with key employers. Additional Ksh. 130 million (Recurrent) provision and maintenance of ICT infrastructure. Additional Ksh. 34 million (Recurrent) for purchase of motor vehicles.
14	LANDS		285,000,000	4,655,000,000	4,940,000,000	
1112		State Department for Lands and Physical Planning	195,000,000	4,195,000,000	4,390,000,000	
1112		0101000 Land Policy and Planning	155,000,000	2,800,000,000	2,955,000,000	Additional Ksh. 2.5 billion (Development) for purchasing Kedong Ranch in Naivasha for settlement of the landless. Additional Ksh. 300 million (Development) to geo-reference land parcels in 9 areas. Additional Ksh. 155 million (Recurrent) for land rent review in 6 Counties (Kiambu, Nairobi, Nakuru, Kisumu, Uasin Gishu and Mombasa)
1112		0121000 Land Information Management		1,395,000,000	1,395,000,000	Additional Ksh. 1.3 billion (Development) for digitization in 9 lands offices. - Baringo, West Pokot, Tana River, Vihiga, Laikipia, Gatundu North & South, Marsabit, Kisii and Nyeri.

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1112		0122000 General Administration, Planning and Support Services	40,000,000		40,000,000	Additional Ksh. 40 million (Recurrent) for purchase of motor vehicles.
2021		National Land Commission	90,000,000	460,000,000	550,000,000	
2021		0116000 Land Administration and Management	90,000,000	460,000,000	550,000,000	Additional Ksh. 460 million (Development) to develop monitoring tools to track implementation of guidelines on land management and disposition by public institutions; vest compulsorily acquired land and document surrenders; monitor and oversight land use planning throughout the country. Additional Ksh. 90 million (Recurrent) to conduct historical land injustices hearings in all 47 counties.
15	REGIONAL DEVELOPMENT		1,673,000,000	3,289,000,000	4,962,000,000	
1032		State Department for Devolution	1,210,000,000	-	1,210,000,000	
1032		0712000 Devolution Services	1,210,000,000		1,210,000,000	Additional Ksh. 771 million (Recurrent) for payment of Africities pending bills. Additional Ksh. 75 million (Recurrent) for WSPU. Additional Ksh. 264 million (Recurrent) for transfer of functions. Additional Ksh. 100 million (Recurrent) for County management framework tool.
1036		State Department for ASALS & Regional and Northern Corridor Development	463,000,000	3,289,000,000	3,752,000,000	
1036		0733000 Accelerated ASAL Development		2,289,000,000	2,289,000,000	Additional Ksh. 550 million (Development) for feedlots in 31 ASAL Counties. Additional Ksh. 1.7 billion (Development) for National Drought Emergency Fund.
1036		0743000 General Administration, Planning and Support Services	100,000,000		100,000,000	Additional Ksh. 100 million (Recurrent) for state department HQ operations.

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1036		1013000 Integrated Regional Development	363,000,000	1,000,000,000	1,363,000,000	Additional Ksh.243 million (Recurrent) for RDA personnel emolument shortfalls(KVDA-50m, ENNDA-20m, ENSDA-100m, TARDA-23m, LBDA-50m). Additional Ksh. 120 million (Recurrent) for LBDA enterprise resource planning system. Additional Ksh. 600 million (Development) for drought interventions. Additional Ksh. 300 million (Development) for Tana Delta rice irrigation. Additional Ksh. 100 million (Development) for Agro-processing factory.
16	SOCIAL PROTECTION		250,000,000	2,000,000,000	2,250,000,000	
1185		State Department for Social Protection, Pensions & Senior Citizen Affairs	250,000,000	2,000,000,000	2,250,000,000	
1185		0908000 Social Development and Children Services	250,000,000	2,000,000,000	2,250,000,000	Additional Ksh. 250 million (Recurrent) for emergency support response for children under Child Welfare Society. Additional Ksh. 2 billion (Development) for completion of foster homes in Joska, Isiolo, Murang'a, Nanyuki and Bungoma.
1185		0909000 National Social Safety Net			-	
1185		0914000 General Administration, Planning and Support Services			-	
1212		State Department for Gender and Affirmative Action	-	-	-	
1212		0911000 Community Development			-	
1212		0912000 Gender Empowerment			-	
1212		0913000 General Administration, Planning and Support Services			-	
1135		State Department for Youth Affairs and the Arts	-	-	-	
1135		0711000 Youth Empowerment Services			-	
1135		0748000 Youth Development Services			-	
1135		0749000 General Administration, Planning and Support Services			-	
2141		National Gender and Equality Commission	-	-	-	
2141		0621000 Promotion of Gender Equality and Freedom from Discrimination			-	

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			Notes
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1213		State Department for Public Service	-	-	-	
1213		0747000 National Youth Service				
17	SPORTS AND CULTURE		175,000,000	324,000,000	499,000,000	
1132		State Department for Sports	100,000,000	-	100,000,000	
1132		0901000 Sports	100,000,000		100,000,000	Additional Ksh. 100 million (Recurrent) for recruitment of staff at the sports registrar and develop ICT infrastructure.
1134		State Department for Culture and Heritage	-	-	-	
1134		0902000 Culture/ Heritage				
1134		0905000 General Administration, Planning and Support Services				
1134		0916000 Public Records Management				
1134		Programme 4 The Arts				
1134		0904000 Library Services		106,000,000	106,000,000	Additional Ksh. 106 million (Development) for Kenya National Library Service for repair of Maktaba Kuu, Buruburu Library and Nakuru Library facilities.
1135		State Department for Youth Affairs and the Arts	75,000,000	324,000,000	399,000,000	
1135		0903000 The Arts	75,000,000	324,000,000	399,000,000	Additional Ksh. 55 million (Recurrent) for Kenya Film Commission to set up the Audio-Visual and Cinema Commission (AACC). Additional Ksh. 20 million (Recurrent) for Kenya Film School to pay pending bills. Additional Ksh. 324 million (Development) for acquisition and refurbishment of cinema theatre.
1135		0904000 Library Services				
18	TOURISM AND WILDLIFE		3,300,000,000	1,326,600,000	4,626,600,000	
1202		State Department for Tourism	-	1,126,600,000	1,126,600,000	
1202		0306000 Tourism Development and Promotion		797,080,000	797,080,000	Additional Ksh. 797.08 million (Development) for sustaining new markets & siting booths in tourism target market.

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1202		0314000 Tourism Product Development and Diversification		319,520,000	319,520,000	Additional Ksh. 80 million (Development) for coastal beach management programme. Additional Ksh. 21 million (Development) for National Tourism Digital Service Platform. Additional Ksh. 98.52 million (Development) for National Mapping and Development of Tourism Niche. Additional Ksh 120 million (Development) for establishment of National Tourism Amenities.
1202		0315000 General Administration, Planning and Support Services		10,000,000	10,000,000	Additional Ksh. 10 million (Development) for Tourism Policy and Legislative reforms.
1203		State Department for Wildlife	3,300,000,000	200,000,000	3,500,000,000	
1203		1019000 Wildlife Conservation and Management	3,300,000,000	200,000,000	3,500,000,000	Additional Ksh. 3.3 billion (Recurrent) compensation of Human-Wildlife Conflict Claims. Additional Ksh. 200 million (Development) for National Wildlife Gene Bank.
19	TRADE, INDUSTRY AND COOPERATIVES		970,000,000	4,658,000,000	5,628,000,000	
1173		State Department for Cooperatives	139,000,000	2,900,000,000	3,039,000,000	
1173		0304000 Cooperative Development and Management	139,000,000	2,900,000,000	3,039,000,000	Additional Ksh. 139 million (Recurrent) for recruitment of 120 cooperative officers at State Department HQ. Additional Ksh. 1.2 billion (Development) for expansion of New KCC new plants (KSh. 400 million each for Narok, Embu and Baringo). Additional Ksh. 900 million (Development) for modernization of New KCC milk processing plants. Additional Ksh. 800 million (Development) for modernization of new KPCU (400 million each for modernization program in Dandora and Sagana)
1174		State Department for Trade	250,000,000	758,000,000	1,008,000,000	
		Regional Economic Integration Initiatives				
1174		0309000 Domestic Trade and Enterprise Development		758,000,000	758,000,000	Additional Ksh. 500 million (Development) for operationalization at Kenya Commodity Exchange Platform (KOMEX). Additional Ksh. 258 million (Development) for operationalization of Warehouse Receipt System (WSR).

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			Notes
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1174		0310000 Fair Trade Practices And Compliance of Standards				
1174		0311000 International Trade Development and Promotion	250,000,000		250,000,000	Additional Ksh. 250 million (Recurrent) to facilitate ongoing trade negotiations with USA, Indonesia and UAE.
1174		0312000 General Administration, Planning and Support Services				
1175		State Department for Industry	-	-	-	
1175		0301000 General Administration Planning and Support Services				
1175		0320000 Industrial Promotion and Development				
1175		0321000 Standards and Quality Infrastructure & Research				
1176		State Department for Micro, Small and Medium Enterprises Development	581,000,000	-	581,000,000	
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	581,000,000		581,000,000	Additional Ksh. 581 million (Recurrent) for recruitment of technical officers.
1177		State Department for Investment Promotion	-	1,000,000,000	1,000,000,000	
1177		0322000 Investment Development and Promotion		1,000,000,000	1,000,000,000	Additional Ksh. 1 billion (Development) for Naivasha SEZ.
20	TRANSPORT AND INFRASTRUCTURE		3,313,610,000	440,994,000,000	444,307,610,000	
1091		State Department for Roads	-	435,000,000,000	435,000,000,000	
1091		0202000 Road Transport		435,000,000,000	435,000,000,000	Additional Ksh. 285 billion (Development) to complete ongoing roads. Additional Ksh. 150 billion (Development) for pending bills.
1092		State Department of Transport	3,113,610,000	5,994,000,000	9,107,610,000	

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Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			Notes
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
1092	-	0201000 General Administration, Planning and Support Services	946,900,000	84,000,000	1,030,900,000	Additional Ksh. 447 million (Recurrent) for LAPSSET Corridor Development Authority. Additional Ksh. 273 million (Recurrent) for Nairobi Metropolitan Area Transport Authority. Additional Ksh. 81 million (Recurrent) for compensation of employees at State Department HQ. Additional Ksh. 144 million (Recurrent) for O&M at State Department HQ. Additional Ksh. 84 million (Development) for KUMIP project preparatory activities.
1092		0203000 Rail Transport		4,080,000,000	4,080,000,000	Additional Ksh. 450 million (Development) for Railway Metro Line-Athi River Station -East African Portland Cement. Additional Ksh. 450 million (Development) for Railway Metro Line-Athi River Station -NSSF-Mavoko. Additional Ksh. 3.1 billion (Development) to acquire 10 high capacity DMU train sets.
1092		0204000 Marine Transport			-	
1092		0205000 Air Transport		430,000,000	430,000,000	Additional Ksh. 138 million (Development) for Kakamega airstrip. Additional Ksh. 92 million (Development) for Wajir International Airport. Additional Ksh. 200 million (Development) for Garissa Airstrip.
1092		0216000 Road Safety	2,166,710,000	1,400,000,000	3,566,710,000	Additional Ksh. 2.1 billion (Recurrent) for NTSA. Additional Ksh. 1.4 billion (Development) for emergency response and training of Boda Boda riders.
1093		State Department for Shipping and Maritime Affairs	200,000,000	-	200,000,000	
1093		0219000 Shipping and Maritime Affairs	200,000,000		200,000,000	Additional Ksh. 200 million (Recurrent) to implement its new mandate.
21	BUDGET & APPROPRIATIONS COMMITTEE		2,611,738,572	-	26,798,338,572	
		Parliament	-	-	24,186,600,000	Additional Ksh. 24 billion
2041		Parliamentary Service Commission	-	-	-	
2041		0765000 General Administration Planning and Support Services				

05/03/2024 12:30		FOURTH SCHEDULE				
Vote Code	Departmental Committee	VOTE/PROGRAMME CODES & TITLE	ADDITIONAL REQUESTS			Notes
			BUDGET POLICY STATEMENT 2024/25 EXPENDITURE CEILINGS			
			Gross Current	Gross Development	Gross Total	
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				
2044		0769000 General Administration Planning and Support Services				
2111		Auditor General	2,611,738,572	-	2,611,738,572	
2111		0729000 Audit Services	2,611,738,572		2,611,738,572	Additional Ksh.477 million (Recurrent) to cater for personnel emoluments shortfall. Additional Ksh 2.1 billion (Recurrent) for shortfall in other recurrent expenditures.
		Total Expenditure	309,613,278,572	600,570,500,000	913,890,378,572	

MINUTES OF THE 14TH SITTING OF THE BUDGET AND APPROPRIATIONS COMMITTEE HELD AT PAVILION SUITES CONFERENCE HALL, HILTON GARDEN INN HOTEL ON MONDAY, 4TH MARCH 2024, AT 4.00 P.M.

PRESENT:

1. **Hon. Ndindi, Nyoro, CBS, M.P.- Chairperson**
2. Hon. (Dr.) Makali, Mulu, M.P.
3. Hon. Lekuton, Joseph, M.P.
4. Hon. Lesuuda, Josephine Naisula, OGW, M.P.
5. Hon. Robi, Mathias Nyamabe, M.P.
6. Hon. Shinali, Bernard Masaka, M.P.
7. Hon. Atandi, Samuel Onunga, M.P.
8. Hon. Mwirigi, John Paul, M.P.
9. Hon. Wangaya, Christopher Aseka, M.P.
10. Hon. Wachira, Rahab Mukami, M.P.
11. Hon. Wanjiku, John Njuguna, M.P.
12. Hon. Guyo, Ali Wario, M.P.
13. Hon. Kitilaj, Ole Ntutu, M.P.
14. Hon. (Dr.) Murumba, John Chikati, M.P.
15. Hon. Busia, Ruth Adhiambo Odinga, M.P
16. Hon. Serгон, Flowrence Jematiah, M.P.
17. Hon. Mokaya, Nyakundi Japheth, M.P.

ABSENT WITH APOLOGY:

1. **Hon. Otucho, Mary Emaase, M.P.- Vice Chairperson**
2. Hon. Odhiambo, Millie Grace Akoth, M.P.
3. Hon. Chumel, Samwel Moroto, M.P.
4. Hon. Ochieng, David Ouma, M.P.
5. Hon. Muchira, Michael Mwangi, M.P.
6. Hon. Mwakuwona, Danson Mwashako, M.P.
7. Hon. Mejjadonk, Benjamin Gathiru, M.P.
8. Hon. (Dr.) Masara, Peter Francis, M.P.
9. Hon. Ongili, Babu Owino Paul, M.P.
10. Hon. Abdirahman Mohamed Abdi, M.P.

PARLIAMENTARY BUDGET OFFICE

- | | |
|-----------------------------|--------------------|
| 1. FA. (Dr.) Martin Masinde | Director |
| 2. Mr. Robert Nyaga | Deputy Director |
| 3. Ms. Millicent Makina | Fiscal Analyst I |
| 4. Dr. Abel Nyagwachi | Fiscal Analyst I |
| 5. Ms. Julie Mwithiga | Fiscal Analyst I |
| 6. Mr. Kioko Kiminza | Fiscal Analyst III |
| 7. Mr. Solomon Alubala | Fiscal Analyst III |

COMMITTEE SECRETARIAT

1. Mr. Danson Kachumbo	Fiscal Analyst I/ Clerk
2. Mr. Jibril Mohamud	Fiscal Analyst III/ Assistant Clerk
3. Mr. Ringine Mutwiri	Fiscal Analyst III/ Assistant Clerk
4. Ms. Sylvia Ocharo	Clerk Assistant III/ Assistant Clerk
5. Mr. Nimrod Ochieng	Audio Officer
6. Mr. Simon Ouko	Sergeant-at-Arms
7. Mr. Jared Amara	Office Assistant

AGENDA

1. *Preliminaries & Confirmation of Agenda*
2. *Adoption of the Report on 2024 Budget Policy Statement*
3. *Any Other Business (A.O.B)*

MIN. NO. NA/BAC/2024/68: PRELIMINARY

The Chairperson welcomed the Committee Members to the meeting and called the meeting to order at 3.30 p.m. A prayer was said by Hon. John Paul Mwirigi, M.P. Thereafter, the Committee confirmed and adopted minutes in the following manner:

1. Minutes to the 4th sitting were proposed by Hon. Lekuton, Joseph, M.P. and seconded by Hon. Sergon, Flowrence Jematiah, M.P.
2. Minutes to the 5th sitting were proposed by Hon. (Dr.) Makali, Mulu, M.P. and seconded by Hon. Kitilai, Ole Ntutu, M.P.
3. Minutes to the 6th sitting were proposed by Rahab Mukami, M.P. and seconded by Hon. Wangaya, Christopher Aseka, M.P.
4. Minutes to the 7th sitting were proposed by Hon. Guyo, Ali Wario, M.P. and seconded by Hon. Robi, Mathias Nyamabe, M.P.
5. Minutes to the 8th sitting were proposed by Hon. Christopher Aseka, M.P. and seconded by Hon. Babu Owino, M.P.
6. Minutes to the 9th sitting were proposed by Hon. Christopher Aseka, M.P., M.P. and seconded by Hon. (Dr.) Makali, Mulu, M.P.
7. Minutes to the 10th sitting were proposed by Hon. Sergon, Flowrence Jematiah, M.P.
8. and seconded by Hon. Christopher Aseka, M.P.
9. Minutes to the 11th sitting were proposed by Hon. Christopher Aseka, M.P. and seconded by Hon. Rahab Mukami, M.P.
10. Minutes to the 12th sitting were proposed by Hon. Mwirigi, John Paul, M.P. and seconded by Hon. (Dr.) Makali, Mulu, M.P.

11. Minutes to the 13th sitting were proposed by Kitilai, Ole Ntutu, M.P. and seconded by Hon. Rahab Mukami, M.P.
12. Minutes to the 14th sitting were proposed by Hon. Robi, Mathias Nyamabe, M.P. and seconded by Hon. Guyo, Ali Wario, M.P.

MIN.NO.NA/BAC/2024/69: ADOPTION OF THE DRAFT REPORT ON THE 2024 BUDGET POLICY STATEMENT

The Parliamentary Budget office took members through the draft report. The report was proposed by Hon. Wangaya, Christopher Aseka, M.P. and seconded by Hon. Wachira, Rahab Mukami, M.P. After deliberations the report was **ADOPTED** with the following recommendations as follows:

A. Non-Financial Recommendations

General Recommendations

1. **Medium Term Plan IV:** That, given the need to link the Bottom-up Economic Transformation Agenda to the Vision 2030, the Cabinet Secretary for National Treasury and Economic Planning to submit the fourth medium term plan of the vision 2030 to the National Assembly before submission of the Budget Estimates for FY 2024/25.
2. **Costing of Government Policies:** That, Given the huge variance between planned and actual cost of government policies, the Cabinet Secretary for National Treasury and Economic Planning to prepare guidelines for proper costing of government policies, programmes and projects to minimize discrepancies between the planned and actual resource requirement before preparation of the 2025 BPS.
3. **Land Compensation:** That, in view of delayed compensation for land acquired from individuals by the government for various projects, the Cabinet Secretary for National Treasury and Economic Planning to prioritize payment for land compensation in the FY 2024/25 estimates before they are submitted to the National Assembly. Going forward, no government project should commence before the owners of the land are compensated.
4. **Locally Made Materials for Affordable Housing:** That, cognizant of the role that affordable housing can play in stimulating demand for local production, before submission of the Budget Estimates for FY 2024/25, the Cabinet Secretary for Housing, Urban Planning and Public Works to provide to the National Assembly the guidelines on use of locally made materials in development of affordable houses to spur the economy and create the intended job opportunities.
5. **One Stop Shop for Manufacturers and Exporters:** That, cognizant of the need to improve the ease of doing business, the Cabinet Secretary for Industry, Trade and Investments develops a framework for establishment of one stop shop for all required certifications targeting manufacturers and exporters in the lines of the Huduma Center model by 30th June 2024.
6. **Last Mile Distribution of Farm Inputs:** That, in view of the challenges that smallholder farmers encounter in accessing the subsidized farm inputs due to the

distance from collection centers, before finalization of the Budget Estimates for FY 2024/25, the Cabinet Secretary for Agriculture and Livestock develops a framework for last mile delivery of subsidized fertilizer, seeds and seedlings to farmers across the country in partnership with the county governments.

7. **Delays in issuance of passports:** That, given the funding challenges facing the Department of Immigration and Citizen Services on issuance of documents such as passports, Identity Cards, Birth and Death certificates. The Cabinet Secretary for the National Treasury to enhance the Appropriation in Aid for the Department from the current Kshs. 1.3 billion to 20 percent of all the revenues it generates to the Exchequer through issuance of documents. (An equivalent of Kshs. 3.980 billion in FY 2024/25 Revenue estimates) before finalization of the Annual Estimates for FY 2024-25.
8. **Gender Responsive Budgeting:** That, to improve the gender responsiveness of government policies, before finalization of the 2025 Budget Policy Statement, the Cabinet Secretary for National Treasury and Economic Planning to incorporate a section on the gender responsiveness of the various policy proposals in line with international best practices.
9. **Transfer of Devolved Functions:** That, cognizant of the duplication of functions between the National and County levels of government and the need to identify, cost and transfer such functions, the Intergovernmental Relations Technical Committee (IGRTC) gazettes these functions and submits a report to the National Assembly on the same by 30th April 2024.
10. **EAC Customs Regime:** That, given the East Africa Customs Management Act of 2004 allows the Council of Ministers to review the regional customs tariffs, and that these changes have not been subjected to public participation, the Cabinet Secretary for the National Treasury to ensure that any such reviews are subjected to public participation and submitted to the National Assembly before they are formally ratified.
11. **County Additional Allocations:** That, given the delays in approval of the County Government Additional Allocation of Revenue Bill and subsequent interruption in implementation of those programmes, the Cabinet Secretary for the National Treasury to ensure that there are no requests for mid-year revision in compliance to the provisions of Section 191(1) of the PFM Act, 2012.

Social Protection, Culture and Recreation Sector

12. That by 30th June 2024, the State Department for Sports in conjunction with Sports Kenya, submit to the National Assembly a clear resource requirement and funding options for each stadium and training grounds earmarked for upgrading and construction in preparation of CHAN 2024 and AFCON 2027.
13. That by 30th June 2024, the Cabinet Secretary for Gender, Culture, the Arts and Heritage to develop the framework for coordinating the distribution of sanitary towels between the State Department for Gender and Affirmative Action and offices of the 47 County Women Representatives.
14. That by 30th June 2024, the Cabinet Secretary for Youth Affairs, Creative Economy and Sports submits a report to the National Assembly on the roadmap for the Talanta Hela

Programme, institutions implementing the programme, expected outputs, talent identification, nurturing and marketing from the grassroots.

National Security Sector

15. That, during preparation of the 2025 BPS, the Ministry of Defense to consider the leasing of equipment and systems it uses since rapid changes in technology make leasing more affordable than purchasing. That way, the Ministry will avoid the risk of sinking huge budgets into equipment and systems that become obsolete before the end of their useful period.

Public Administration and International Relations Sector

16. That by 230th April 2024, the CS National Treasury submit a detailed report on Public-Private Partnership (PPP) projects to the National Assembly. This report should address the shortcomings identified in the BPS by providing comprehensive information on the nature, scope, and status of individual PPP initiatives. The report will enable stakeholders to make informed decisions, mitigate risks, and ensure the successful implementation of PPP projects.
17. That before finalization of the FY 2024/25, the Cabinet Secretary for National Treasury to transfer the resources previously being utilized by the Government Delivery Services from the Office of the Prime Cabinet Secretary, Vote 1013 to the State Department for Performance and Delivery Management where the service is currently domiciled.

General Economic and Commercial Affairs Sector

18. That, by 30th June 2024, the Cabinet Secretary, Ministry of Cooperatives and MSMEs Development, to review the implementation of the various funds under the Ministry, and submit to the National Assembly proposals for better implementation of the funds with an aim to enhance efficiency and improved outcome.
19. That by 30th December 2024, the Cabinet Secretary for Tourism and Wildlife to submit to the National Assembly revised Tourism Promotion Fund regulations that are aimed at ensuring that 80% of the funds is geared towards funding of core tourism activities and 20% towards tourism promotion and marketing.
20. That by 30th April 2024, the Principal Secretary for Wildlife to present to the National Assembly a comprehensive report on the compensation for human-wildlife conflict victims. This report should clearly indicate payments done, pending verified claims and those awaiting verification.
21. That before finalization of the Estimates for FY 2024-25, the Nairobi Rivers Commission to submit to the National Assembly an action plan with clear timelines for rehabilitation of the Nairobi River and management plans for the Nairobi rivers ecosystem.

Agriculture, Rural and Urban Development Sector

22. That in the 2025 BPS, 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 as well

as achievement of the Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods.

23. That, before submission of the Annual Estimates for FY 2024-25, the State Department for Lands and Physical Planning to ensure that the areas to be digitized should go hand in hand with the areas the State Department intends to undertake geo-reference to lower cost and ensure the process is seamless.
24. That, before submission of the 2025 BPS, the Cabinet Secretary, National Treasury to authorize the National Land Commission to be a collector of revenue for the national government as per the Public Finance Management Act, 2012 Section 76(1) to enhance AIA collections in the sector.

Environment Protection Water and Natural Resources Sector

25. That, by 30th June 2024, the Cabinet Secretary for Environment, Forestry and Mining to roll out the formalization of Artisanal and Small-Scale Mining programme that aims to expedite promotion of mineral-based cottage industries in all counties with viable mineral deposits.
26. That by 30th Dember 2024, the Principal Secretary for Irrigation reviews the structure of the Irrigation sub-sector so as to address the current overlap in mandates of the National Irrigation Authority (NIA), National Water Harvesting and Storage Authority (NWHSA) and the State Department Headquarters. Currently, there are overlaps in the projects being implemented by the 3 entities raising concerns on whether government is getting value for money.
27. That by 30th June 2024, the Principal Secretary for Irrigation develops a framework to provide technical support to the County Irrigation Development Units and the Irrigation Water User Associations. Currently, they have weak administrative capacity to manage the irrigation projects leading to sustainability challenges for these projects once they are handed over to county government and the community.

Energy, Infrastructure and ICT Sector

28. That by 30th June 2024, the Cabinet Secretary, Ministry of ICT and Digital Economy submits to the National Assembly a roadmap on consolidation of the various Youth empowerment programmes including Jitume Programme, Ajira Digital Programme, Presidential Digital Talent Programme, and Village digital hubs/ Constituency Innovation Hubs and the Digital Literacy Programme.
29. That by 30th June 2024, the State department for Broadcasting submits to the National Assembly a draft policy on decentralization of government advertising services with an aim to addressing the problems associated with the current centralized system key among them being the accumulation of pending bills due to failure by the MDAs to settle advertisement costs incurred by the Government Advertising Agency.
30. That by June 30, 2024, to support the building and construction value chain, the Cabinet Secretary for Housing, Urban Development and Public Works to provide roadmap for the construction of Alternative Building and Construction Technology centers in each constituency in the medium term and also establish a public portal providing information on local engagement in construction.

31. That by 30th June 2024, the Cabinet Secretary in charge of Energy and Petroleum in conjunction with Rural Electrification and Renewable Energy Corporation (REREC) submits to the National Assembly a report detailing the scope, works in progress, and pending works including amounts accrued as well as pending bills for last mile connectivity given that the financing agreements will lapse on 30th December 2024.

Governance Justice Law and Order Sector

32. That before finalization of the 2025 BPS, the State Department for Correctional Services to develop proposals for public private partnerships in order to modernize the prison industries and improve their outputs including development of the huge tracks of land at its disposal through mechanization to generate adequate food to complement the exchequer receipts.
33. That the Independent Electoral and Boundaries Commission in close collaboration with the National Treasury to undertake thorough scrutiny and audit of the all the pending bills particularly the bills owed to the suppliers with a view to settle the eligible pending bills.

Education Sector

34. That, before finalization of the Annual Estimates for FY 2024-25, the State Department for TVET Education to complete and fully operationalize the TVET Education Management Information System (TEMIS) to create a pool of accurate, verifiable and credible data of TVET learners and Institutions in order to promote accountability and improve management of disbursements for capitation and scholarships funds;
35. That, before finalization of the Annual Estimates for FY 2024-25, the State Department for Basic Education and the NGCDF Board, through the Inter-Ministerial technical committee established to develop collaborative guidelines to support and guide infrastructure funds disbursements for Junior schools;
36. That, beginning FY 2024/25 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;
37. That, by 30th September 2024, the State Department for Basic Education to review and operationalize the Alternative Provision of Basic Education and Training (APBET) policy 2009, to align it to the current government education sector priorities aimed at expanding access to basic education.

Health Sector

38. That, before finalization of the budget estimates for FY 2024/25, the Principal Secretary, State Department for Medical Services transfers the National Cancer Control Programme from the Ministry to the National Cancer Institute to enhance coordination of cancer related services in the country.
39. That by 30th April 2024, the Principal Secretary, State Department for Public Health and Professional Standards to provide a progress report to the National Assembly on operationalization of the 21 completed KMTCs.

B. Financial Recommendations

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

- i. **That**, the National Government budget ceiling be approved at Kshs.

Of which:

Executive	Kshs. 2,488,650,300,000
<i>Of which:</i> Office of the Auditor General	Kshs. 8,599,500,000
Parliament	Kshs. 43,623,000,000
Judiciary	Kshs. 23,690,300,000

- ii. **That**, the allocation to County Government Equitable Share be approved at Kshs. **391,117,000,000**
- iii. **That**, 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**
- iv. **That**, the arrears to the equalization fund be set at Kshs. **3,547,185,275**
- v. **That**, the allocation for the County Additional Allocations be approved at Kshs. **48,196,590,924** as per the third schedule which shall form the basis for the County Government Additional Allocation Bill, 2024.
- vi. **That**, consistent with the approved borrowing strategy in the Medium-Term Debt Management Strategy, the projected fiscal deficit be set at Kshs **703,870,000,000** (3.9% of GDP) being the difference between total revenues and grants and total expenditure and net lending.
- vii. **That**, the first and second schedule forms the basis for the ceilings for the FY 2024-25 Budget Estimates.
- viii. **That**, once approved by this House, these recommendations **SHALL** form the basis for FY 2024/2025 budget estimates.

MIN.NO.NA/BAC/2024/70: ANY OTHER BUSINESS & ADJOURNMENT

There being no other matters to consider, the meeting was adjourned at 8.00 p.m. The the next meeting will be communicated at a later date.

SIGNED



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

.....
DATE



REPUBLIC OF KENYA

**CONSOLIDATED DEPARTMENTAL COMMITTEES' OBSERVATIONS AND NON-FINANCIAL
RECOMMENDATIONS FOR THE 2024 BUDGET POLICY STATEMENT**

MARCH 2024

S N	Departmental Committee	Observations	Non-Financial Recommendations
1.	Departmental Committee on Justice and Legal Affairs	<p>Judiciary and Judicial Service Commission</p> <ul style="list-style-type: none"> i. The Judiciary resource requirement in the FY 2024/2025 is Kshs 44.9 billion comprised of Kshs 38.6 billion for recurrent expenditure and Kshs 6.3 billion for development expenditure. However, the department was allocated Kshs. 22.8 billion comprised of Kshs 21.3 billion for recurrent expenditure and Kshs 1.5 billion for development expenditure leading to a shortfall of Kshs 22.1 billion which translates to 49.2% of the total resource requirement for the FY 2024/25. ii. The areas to be affected by the budget shortfalls include the following: facilitation of 36 new judges with office equipment, fuel and reimbursable utilities – Kshs 317.7 million, Settlement of outstanding arbitration awards - Kshs 0.2 billion, Purchase and leasing of motor vehicles – Kshs 0.8 billion, Operationalization of new courts – Kshs 0.15 billion, Operationalization of small claims Courts – Kshs 0.08 billion, Digital Strategy and Automation – Kshs 0.25 billion, Tribunals' operations – Kshs 50 million, Mortgage - Housing loans – Kshs 0.3 billion and Special benches established by the Hon CJ - Kshs 96 million. iii. 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. iv. The Judiciary held court deposits and other funds held in trust for third parties amounting to Kshs. 6.69 billion by June, 2022. This was a decrease from the Kshs 6.72 billion that was held at the end of FY 2020/21. The Judiciary has raised Kshs.362 million in the last four financial years (2019/20-2022/23) as interests from court deposits held in commercial banks. v. The Judiciary and Administration of Justice (SOJAR report) for FY 2021/2022 indicate that the court awards stood at Kshs. 1.150 billion out of which Kshs 710 million was settled leaving a balance of Kshs 440 million. These bills continue to grow owing to interest accruing over the period they 	<p>State department for correctional services</p> <ul style="list-style-type: none"> i. 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. ii. The Committee recommends the state department for correctional services 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. <p>Independent Electoral and Boundaries Commission</p> <ul style="list-style-type: none"> i. The Committee recommends that the IEBC in close collaboration with the National Treasury to undertake thorough scrutiny and audit of the all the pending bills particularly the bills owed to the suppliers and settle them expeditiously.

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>remain unpaid. It is important to note that Kshs. 95 million was allocated for the same in FY 2024/2025.</p> <ul style="list-style-type: none"> vi. The Judiciary has many ongoing projects yet there are no adequate funds for the completion of those projects. vii. Judicial Service Commission was allocated Kshs 902.0 million against a resource requirement of Kshs 2,432 million in the Financial Year 2024/25. The following are the key unfunded areas; Recruitment of judges, judicial officers and staff – Kshs 50 million, Operations and maintenance – Kshs 54 million, Judges, magistrates and Kadhis Colloquium – Kshs 120 million and Kenya Judiciary Academy – Kshs 200 million. viii. The Committee has also observed that the Judiciary intends to make the Kenya Judiciary Academy a semi-autonomous government agency. The legal instruments are currently under consideration at the state law office. <p>Office of the Attorney General and Department of Justice</p> <ul style="list-style-type: none"> i. In the FY 2024/25, the office resource requirement is Kshs 13.83 billion composed of Kshs 12.99 billion for recurrent expenditure and Kshs 0.84 billion for development expenditure. However, the proposed ceiling for the department is Kshs 6.50 billion composed of Kshs 6.31 billion for recurrent expenditure and Kshs 0.191 billion for development expenditure. ii. The budget shortfall will affect :Equipping, and decentralization of services to 47 counties – Kshs 300 million, recruitment of additional staff for Council for Legal Education – Kshs 42 million, Additional allocation of Kshs 500 million for operation and maintenance for the State Law Office, business registration services – Kshs 255 million, National Council for Law Reporting (operations and maintenance) – Kshs 172.6 million, Nairobi Centre for International Arbitration (Recruitment, Relocation from current offices and law reform for ADR Policy) – Kshs 125 million and operationalization of the National Coroner Service – Kshs 70 million. iii. 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 	

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>state agencies in terms of facilitating the legal counsels with daily subsistence allowance in order for them to execute their work.</p> <p>iv. 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.</p> <p>v. The State Law Office is faced with the challenge of retaining staff due to uncompetitive remuneration package by the Office. The Office has lost considerable number of staffs to other organization such as Parliament, Judiciary and Ethics and Anti-Corruption Commission.</p> <p>State Department for Correctional Services</p> <p>i. The 2024 BPS proposes budget ceiling for the department is Kshs 37.14 billion composed of Kshs 35.96 billion for recurrent expenditure and Kshs 1.2 billion for development expenditure against a resource requirement of Kshs 67.4 billion comprised of Kshs 60.9 billion for recurrent expenditure and Kshs 6.5 billion for development expenditure.</p> <p>ii. The budgetary shortfall will affect the following areas; food and rations – Kshs 1.9 billion, purchase of uniforms and clothing for staff and inmates – Kshs 2.183 billion, purchase of bedding and linen for inmates – Kshs 1.181 billion, medical drugs – Kshs 1.045 billion, operationalization of Magereza Level IV Hospital and settling of hospital pending bills – Kshs 517.8 million, purchase of security equipment – Kshs 7.8 billion, purchase of uniforms and clothing for staff – Kshs 1.49 billion, Maintenance of motor vehicles – 72.9 million, domestic travel and subsistence – Kshs 1.6 billion among other needs.</p> <p>Independent Electoral and Boundaries Commission</p> <p>i. The Commission resource requirement for the FY 2024/25 is estimated to be Kshs 19.00 billion comprised of Kshs 17.7 billion for recurrent expenditure and Kshs 1.30 billion for development expenditure. However, the Commission was allocated Kshs. 4.38 billion comprised of Kshs 4.35</p>	

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>billion for recurrent expenditure and Kshs 24.3 million for development expenditure.</p> <p>ii. The Commission's budgetary shortfall of Kshs 13.3 billion will affect the following key areas in the FY 2024/25.; Kshs 1.2 billion for Uchaguzi Centre and Kshs 7.2 billion for boundary delimitation process comprised of Kshs 1.1 billion for wages, equipment – Kshs 0.6 billion, legal fees – Kshs 1.3 billion, ICT – Kshs 0.4 billion, Capacity building – Kshs 0.3 billion, Communication – Kshs 1.1 billion, public education and partnerships – Kshs 1.2 billion and post delimitation voter registration – Kshs 1.2 billion.</p> <p>iii. The commission has a pending bills amounting to Kshs 4.8 billion of which non-legal suppliers account for Kshs 0.7 billion and Kshs 4.1 billion account for legal fees.</p> <p>Commission for Administrative Justice</p> <p>i. The Commission's proposed ceiling in the 2024 BPS is Kshs 772.4 million against a resource requirement of Kshs 1,745 million leading to a budgetary shortfall of Kshs 973.3 million.</p> <p>ii. The Commission's budgetary shortfall will affect the following critical areas; Promotion of open governance in public administration – Kshs 50 million, Automation and digitization of ombudsman services – Kshs 35 million, purchase of motor vehicles for the branch offices and outreach services – Kshs 30 million, public inquiries and mediation – Kshs 15 million, establishment of two county offices – Kshs 30 million, public education and awareness creation – Kshs 35 million and Research and investigations – Kshs 30 million.</p> <p>Witness Protection Agency</p> <p>i. The Agency's proposed budget ceiling is Kshs 781.95 million against a resource requirement of Kshs 1,487.1 million. The shortfall will affect the following key areas; witness protection programme – Kshs 150.0 million, Acquisition of motor vehicles – Kshs 120 million, recruitment of additional core staff – Kshs 113.0 million and Kshs 313.2 million implementation of new strategic plan 2023-28.</p>	

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>ii. 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>Kenya Human Right Commission</p> <p>i. The Commission was allocated a budget ceiling of Kshs. 523.5 million in the FY 2024/25 against a resource requirement of Kshs. 989.9 million by the National Treasury. This leaves a resource gap of about Kshs. 466.4 million.</p> <p>ii. The underfunded areas of the Commission include: Complaints, investigation, public education and awareness – Kshs 137.7 million, KNCHR staff car loan and mortgage scheme – Kshs 50 million, Devolution of Human Right Services to the Counties – Kshs 118.8 million, purchase of new Commissioners' vehicles – Kshs 90.0 million, and prevention of Torture Act and Intersex Rights – Kshs 70 million.</p> <p>Ethics and Anti-Corruption Commission</p> <p>i. The Commission's resource requirement for FY 2024/25 is 4.8 billion comprising of Kshs 4.5 billion for recurrent expenditure and Kshs 0.273 billion for development expenditure. However, the proposed budget ceiling is Kshs 3.96 billion comprised of Kshs 3.9 billion for recurrent expenditure and Kshs. 57.9 million for development expenditure.</p> <p>ii. The Commission has a shortfall in the following key areas; Trace, preserve and recover assets from unexplained and corruptly acquired assets – Kshs 80 million, public education and outreach services – Kshs 30 million, prevention of corruption and unethical practises – Kshs 60 million, Staff recruitment and promotion – Kshs 322.5 million, investigation of corruptly acquired assets/unexplained assets – Kshs 100 million, refurbishment of EACC Headquarters – Kshs 114.9 million and Automation of Business Processes – Kshs 100 million.</p> <p>iii. The Committee observed that the commission is currently operating at 50% of its establishment with an in post of 767 employees against a staff</p>	

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>establishment 1,508 employees. The commission requires resource allocation of Kshs 322 million to recruit 63 technical officers.</p> <p>Office of the Director of Public Prosecution</p> <ul style="list-style-type: none"> i. The Office of Director of Public Prosecutions budgetary requirement in FY 2024/25 is Kshs. 7.98 billion comprising of Kshs 5.03 billion for recurrent expenditure and Kshs 2.95 billion for development expenditure. The proposed allocation in FY 2024/25 is Kshs 3.7 billion comprised of Kshs 3.64 billion for recurrent expenditure and Kshs 42.5 billion for development expenditure. The office has a budgetary shortfall of Kshs 4.28 billion comprised of Kshs 1.4 billion for recurrent expenditure and Kshs 2.91 billion for development expenditure. ii. The Committee has also observed that the ODPP has an offer of Kshs 2 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>Registrar of Political Parties</p> <ul style="list-style-type: none"> i. The Office resource requirement in the FY 2024/25 is Kshs. 10.9 billion out of which Kshs 1.34 billion was to cater for the Agency's Office operations, Kshs 9.5 billion for the Political Parties Fund and Kshs.101.6 million for the Political Parties Liaison Committee. ii. The 2024 BPS has proposed a budget ceiling of Kshs 1.998 billion in FY 2024/25, out of which Kshs 509.5 million will cater for the Office Operations, Kshs 1.48 billion will cater for the Political Parties Fund and Kshs 14.99 million for Political Parties Liaison Committee. This will result in budgetary shortfall of Kshs 8.9 billion. iii. The Committee observed that the allocation to the Political Parties Fund was 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. 	

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>iv. 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.</p>	
2	Departmental committee on tourism and wildlife	<p>State Department for Tourism</p> <ul style="list-style-type: none"> i. The proposed ceilings for the State Department for Tourism amounts to KSh. 10,909.7 million consisting of KSh. 10,303 million under the recurrent vote and KSh.606.7 million under the development vote. ii. The Kenya Utalii College, renowned as a leading hospitality training institution, expressed interest in extending its reach to additional regions, including Narok County, with plans to establish a training facility within the area. iii. The Tourism Regulatory Authority (TRA) is in the process of formulating regulations pertaining to Airbnb operations. These regulations will undergo public participation before implementation. iv. The Tourism Promotion Fund (TPF) holds the responsibility of financing various programs and initiatives aimed at the development, promotion, and branding of tourism products, encompassing niche products and tourism events, as outlined in predetermined ratios. v. The State Department for Tourism is undertaking digitization efforts, aiming to establish and manage a National Tourism Service Portal. This initiative seeks to disseminate comprehensive information about Kenya's tourism offerings to prospective visitors, thereby bolstering the country's appeal as a desirable destination. Additionally, the portal aims to improve service delivery within the tourism sector. vi. There is an ongoing review of the National Tourism Policy and associated legislation that aims to ensure alignment with the provisions of the 2010 Constitution, the BETA plan, and emerging issues within the tourism sector. This process seeks to modernize and optimize the policy framework to better address current challenges and opportunities while adhering to constitutional principles and national development priorities. 	<p>State Department for Tourism</p> <ul style="list-style-type: none"> i. Within 3 months of the approval of the 2024 BPS, the Chief Executive Officer of the Kenya Utalii College should develop a comprehensive roadmap outlining the transition of the College from a traditional training institution to a professional tourism sector accreditor, commonly referred to as a "finishing school". This is to enhance the College's financial sustainability by increasing revenue generation and thereby boosting its contribution to the tourism sector economy. ii. The Chief Executive Officer of the Tourism Regulatory Authority to develop regulations on the operations of the Airbnb, subject to public participation, and submits the same to Parliament by 30th June 2024. This would ensure timely implementation while maintaining transparency and accountability in the regulatory process. iii. By 30th April 2024, the Cabinet Secretary for the Ministry of Tourism and Wildlife and the Cabinet Secretary for the National Treasury to spearhead the review of the Tourism Promotion Fund regulations by ensuring that 80% of the funds is geared towards funding of core tourism activities and 20% towards tourism development to achieve massive marketing of tourism products in Kenya.

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>vii. As a flagbearer in the events industry, KICC continuously strives to uphold standards of excellence and adapt to evolving trends and demands. Through strategic partnerships, investment in technology, and proactive marketing initiatives, KICC maintains its position as a dynamic hub for hosting impactful events that contribute to the socio-economic advancement of Kenya.</p> <p>State Department for Wildlife</p> <p>i) The State Department for Wildlife has a proposed ceiling of KSh. 13,242 million consisting of KSh. 11,809 million under the recurrent vote and KSh. 1,433 million under the development vote.</p> <p>ii) There is a total outstanding bill from human-wildlife conflict claims compensation amounting to KSh. 4,196.48 million out of which KSh. 4,164.16 million are the bills verified and payable while KSh. 35.33 million is court awards.</p> <p>iii) The Wildlife Research Training Institute (WRTI) Naivasha Headquarters is strategically located, offering an ideal setting for the establishment of a conference facility. With its spacious layout and favorable surroundings, including scenic views and convenient accessibility, the WRTI Naivasha Headquarters presents a promising opportunity to develop a conference venue.</p> <p>iv) The Wildlife Research Training Institute (WRTI) is currently preparing to undertake the construction of a National Wildlife Gene Bank, Bio-prospecting, and Biotechnology facility at its headquarters in Naivasha.</p>	<p>iv. By 30th September 2024, the Cabinet Secretary for the Ministry of Tourism and Wildlife should ensure the implementation of a comprehensive digitized tourism marketing strategy. This strategy will involve the development of an integrated destination marketing system for Kenya, closely aligned with the goals and objectives outlined in the BETA digitization initiative and also position Kenya as a top tourist destination in the global tourism market.</p> <p>v. Within Six (6) months of the approval of the 2024 BPS, the Cabinet Secretary for the Ministry of Tourism and Wildlife to facilitate the establishment of a legal framework designating the Kenyatta International Convention Centre (KICC) as a Convention Bureau for Meetings, Incentives, Conferences, and Exhibitions (MICE). Additionally, the framework should empower KICC to provide capacity-building initiatives for County Governments on hosting events.</p> <p>State Department for Wildlife</p> <p>i. Within one month of the National Assembly's approval of the 2024 Budget Policy Statement (BPS), the Principal Secretary for the State Department for Wildlife should lead the implementation of strategies to raise awareness and sensitization through media channels such as radio, television and social media advertisements regarding wildlife attacks. This initiative should include comprehensive educational campaigns aimed at promoting understanding and effective management of conflicts between wildlife and human populations.</p>

S N	Departmental Committee	Observations	Non-Financial Recommendations
3.	The Departmental Committee On Energy	<p>State Department for Energy</p> <ul style="list-style-type: none"> i. The State Department for Energy has a budget ceiling of Kshs. 64.882 billion consisting of Kshs. 11.566 billion under the recurrent vote and Kshs. 53.316 billion under the development vote for the FY 2024/25. ii. There is a disparity between the proposed interventions to lower the cost of electricity 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. iii. The 13 IPPs have been licensed to undertake greenfield geothermal projects since 2009, with most of the licenses being issued between 2013 and 2018, and the licensing conditions, stating that the IPPs were required to drill exploration wells within three years of license issuance, however little progress has been made to this effect. iv. The transition from the FIT policy to the REAP policy has been slow with the implementation and enactment of regulations of the Renewable Energy Auction Policy (REAP) and the 2021 Feed in Tariff (FIT) Policy still pending. v. The BPS 2024 does not contain a policy roadmap outlining the implementation of the Kenya Power 4-point action plan which includes (a) the Transfer of all transmission assets/ lines to Kenya Electricity Transmission Company (KETRACO);(b) Settle the outstanding Rural Electrification Schemes (RES) operations and maintenance cost deficit of Ksh19.4 billion as of June 2022 which has since risen to Kshs.26.9 billion and ensure that KPLC and Rural Electrification and Renewable Energy Corporation (REREC) enter into a commercial contract for the future Rural Electrification Schemes maintenance costs;(c) Develop and implement a turnaround strategy that includes the reduction of system losses from the current 23.49% to 14.4% by end June 2025; and (d) Establish a new governance structure at KPLC to give private shareholders fair representation, which was approved by the cabinet and backed by the World Bank under the Kenya Green and Resilient Expansion of Energy (GREEN) Program to the tune of approximately USD 600 million to restore KPLC's medium-term profitability and plug the liquidity gap. 	<p>State Department for Energy</p> <ul style="list-style-type: none"> i. Within 2 months upon approval of the 2024 BPS by the National Assembly, the State Department for Energy in conjunction with KETRACO provide an update on the status/stage of the proposed PPP projects to support electricity transmission and percentage of completion of key identified transmission lines which can contribute to efforts to lower the cost of power in the country. ii. Within 3 months upon approval of the 2024 BPS by the National Assembly, the office of the Auditor General conducts a special audit on the geothermal licenses issued since 2008 to ascertain whether the licensees adhered to the provisions of sections 80,81,82 and 84 of the Energy Act,2019. iii. The Energy and Petroleum Regulatory Authority (EPRA) to submit to the National Assembly, the attendant regulations operationalizing the REAP (Renewable Energy Auction Policy) and the 2021 FIT (Feed in Tariff) Policy which should include provisions geared towards improving the bankability of projects and the appeal of the REAP to investors and their financiers owing to the lengthy process of acquisition of land rights in the country as well as reducing the extensive licensing regime for undertaking Renewable Energy(RE) projects in the country by 30th April 2024. iv. The Cabinet Secretary in charge of Energy and Petroleum in conjunction with Kenya Power provides a progress report on the 4-point action plan which should include but not limited to; (a)

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>vi. The BPS 2024 does not contain a policy roadmap outlining the delinking of development initiatives such as the Last mile connectivity, Street Lighting, Retrofitting of Mini Grids, KOSAP, and Off-grid Electrification schemes from Kenya Power and letting the company operate on commercial principles as outlined in the BPS 2023 and the Kenya Kwanza Manifesto.</p>	<p>the itemization and valuation of the transmission assets/ lines to be transferred to KETRACO, (b) staff to be transferred between the two SAGAs,(c) operation and maintenance of the transmission lines after the transfer, (d) measures to reduce the system losses as well as (e) the effect of the transfer on the balance sheet of the two companies by 30th June 2024.</p>
		<p>vii. The Government of Kenya entered into a financing agreement with four (4) financiers i.e. BADEA, OFID, Abu Dhabi, and Saudi for the implementation of rural electrification projects in five (5) regions at a total cost of Kshs.5.828 billion since September 2013 with an expected completion date of 30th December 2024. Out of the total budgeted project cost of Kshs.5.8 billion, projects with a total cost of Kshs.1.5 billion (26%) had not been started and projects worth Kshs.1.1 billion (19%) were in progress.</p> <p>State Department for Petroleum</p> <p>i. The proposed ceiling for the State Department for Petroleum in the 2024 BPS for FY 2024/25 is Kshs.31.362 billion consisting of Kshs. 27.326 billion under the recurrent vote and Kshs. 4.036 billion under the development vote.</p> <p>ii. There is undue delay in review and finalization of the Field Development Plan (FDP) for South Lokichar Oil by EPRA and subsequent approval by the Cabinet Secretary. 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.</p> <p>iii. The proposed revitalization and commercialization strategy for NOCK which was indicated to be 80% complete as of 30th January 2024 is marred by a lack of clarity on the nature of the partnership that NOCK is entering into, and the strategic interventions proposed in the restructuring and the commercialization strategy.</p> <p>iv. The LPG Distribution and Infrastructure project(Mwanachi Gas) which was initially initiated in 2016 and has now been revamped under the LPG growth policy 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</p>	<p>v. The Cabinet Secretary in charge of Energy and Petroleum fast tracks the process of delinking development initiatives from Kenya Power and letting the company to operate on commercial principles to turn around the fortunes of the utility company while improving efficiency in the implementation of the development initiatives geared towards achieving universal access to electricity through REREC.</p> <p>vi. Within 3 months upon approval of the 2024 BPS by the National Assembly, the Cabinet Secretary in charge of Energy and Petroleum in conjunction with Rural Electrification and Renewable Energy Corporation (REREC) submits to the National Assembly a report detailing the scope, works in progress, and pending works including amounts accrued as well as pending bills for the Rural Electrification in Five Regions Project as well as mitigation measures put in place to fast track the implementation of the projects considering the fact that the financing agreements will lapse on 30th December 2024.</p> <p>State Department for Petroleum</p>

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>objective of cutting low-income households' reliance on wood fuels by increasing access and affordability of LPG.</p> <p>v. The construction of a common user facility in Mombasa by Kenya Pipeline Company(KPC) which was expected to be completed by December 2023 to pave the way for the regulation of the sector as well as lowering the LPG prices was behind schedule.</p> <p>vi. There has been a delay in commencing implementation of the clean cooking gas for boarding institutions project that emanated from a presidential directive of provision of clean cooking gas to 5,000 boarding institutions in the next 4-5 years, with the funding of the project ought to be obtained from the Anti-Adulteration Levy that is collected at Kshs.18 per litre of Kerosene and amounts to Kshs.2.5 billion per annum. The National Treasury has not actualized the conversion of the levy to an AIA for the State Department to use for the project.</p> <p>vii. The Petroleum Development Fund Act,1991 has no legal provision for the cross-subsidization policy currently in place which provides that oil marketers charge higher prices for super petrol to subsidize diesel prices, then later compensated for the difference by EPRA.</p> <p>viii. There was an over-recovery by Oil Marketing Companies (OMCs) of Kshs.55.9 million that is attributed to the cross-subsidy as at December 2023.</p>	<p>i. The Cabinet Secretary in charge of Energy and Petroleum in conjunction with EPRA completes 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 30th April 2024.</p> <p>ii. The Cabinet Secretary in charge of Energy and Petroleum submits a report to the National Assembly within 2 months upon approval of the 2024 BPS by the National Assembly, containing but not limited to; (a) the identity of the strategic investor, (b)concessions made to the strategic investor in running the retail stations network,(c) the amount of capital being injected into the business (d) restructuring of the corporation (e) handling of the loans owed to the Banks by NOCK which had risen to the tune of Kshs.9.3 billion due to interest and penalties and pending bills which amounted to Kshs.12.1 billion as at 31st January 2024.</p> <p>iii. The Cabinet Secretary in charge of Energy and Petroleum in conjunction with EPRA 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 in the LPG growth policy by 30th April 2024.</p> <p>iv. The Cabinet Secretary in charge of Energy and Petroleum in conjunction with KPC ensures the</p>

S N	Departmental Committee	Observations	Non-Financial Recommendations
			<p>fast-tracking of the common user facility in Mombasa to pave the way for the regulation of the sector as well as the lowering of LPG prices through offering bulk LPG import handling and storage facilities to the OMCs similar to the Open Tender System for white fuels by 30th June 2024.</p> <p>v. The Cabinet Secretary responsible for National Treasury and Economic Planning, includes in the Finance Bill, 2024 amendments to the Miscellaneous Fees and Levies Act, 2016 in order to allow for the securitization of the AiA from the Anti-Adulteration Levy of approximately Kshs.2.5 billion per annum which will be used to support the clean cooking gas for boarding learning institutions initiative.</p> <p>vi. The Energy and Petroleum Regulatory Authority (EPRA) submits to the National Assembly the requisite regulations anchoring the cross-subsidy policy to law within 3 months upon passage of the 2024 BPS by the House.</p> <p>vii. The Energy and Petroleum Regulatory Authority (EPRA) ensures the recovery of Kshs. 55.9 million over-recovered by OMCs due to the cross-subsidy mechanism currently in place during the next fuel price review slated for 14th March 2024.</p>
4	Departmental Committee on Regional Development	<p>State Department for Devolution</p> <p>i. The State Department for Devolution has a total resource requirement for FY2024/25 is Kshs.7.46 billion comprising of Kshs.3.55 billion recurrent and Kshs.3.91billion development. However, State Department was allocated a gross total budget of Kshs.4.56billion comprising of Kshs.1.82billion recurrent and Kshs.2.74billion development in the 2024 BPS translating to 39% financing gap.</p>	<p>State Department for Devolution</p> <p>i. The Intergovernmental Relations Technical Committee (IGRTC) under the State Department to finalize transfer of devolved functions to the county governments within the FY 2024/25.</p> <p>ii. The State Department to invest in county management framework tool that will be used to</p>

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>ii. The State Department has pending bills amounting to Ksh2.881 billion out of which Kshs.771 million are recurrent pending bills associated with Africities conference owed to suppliers (Caterers 127million, audio system Ksh131million, Events and management Ksh210 million, Transport 17million, Tents and accessories 286 million), during the event and has led to closure of some businesses due to lack of operation monies.</p> <p>iii. The complete transfer of all functions constitutionally earmarked to counties was in the 2023 BPS with a timeline of Six months and is still a policy priority in the 2024 BPS.</p> <p>iv. Despite the Nairobi rivers commission, developing and commissioning the Nairobi Rivers rehabilitation strategy, no major milestone has been accomplished on the ground towards the rehabilitation of the river.</p> <p>State Department for ASALs & Regional Development</p> <p>i. The State Department proposed ceiling for ASALs, and Regional Development FY 2024/25 is Kshs.14.996 billion of which Kshs.9.488 billion is recurrent and Kshs.5.508 billion is development expenditure. However, resource requirement for FY 2024/25 is Kshs.61.743 billion of which Kshs.26.294billion is recurrent and Kshs.35.449 billion is development translating to 75% financing gap.</p> <p>ii. The State Department's ceiling for general administration expenditure for FY 2024/25 has been reduced by Kshs.100 million. This will hamper the implementation of State Departments operations as it faces challenges in traversing challenging terrains in ASALs regions. Also, taking into account the unique circumstances of the State Department there is need to enhance the allocation of different operational budget lines.</p> <p>iii. The National drought management Authority aim to establish feed lots in 31 ASALs counties in Kenya to support pastoralists communities. The establishment and proper management of feedlots will bring about positive transformations in the livestock sector of ASALs, promoting resilience, sustainability, and economic development in these regions.</p> <p>iv. The National Drought Emergency Fund (NDEF) is a government-supported project aimed at promoting drought preparedness, response, and livelihood</p>	<p>measure and assess the performance of the devolved system of governance in Kenya as a way of accelerating county performance and reduce fiscal risk associated with the devolved system of governance by end of FY 2024/25.</p> <p>iii. The Nairobi Rivers Commission to fastrack the coordination and rehabilitation of the Nairobi River and fasttrack legal frameworks for management of Nairobi River ecosystem by end FY 2024/25.</p> <p>iv. The State Department for Devolution to clear the recurrent pending bills accrued to small traders who made supplies during the Africities conference by FY 2024/25.</p> <p>State Department for ASALs & Regional Development</p> <p>i. The state department for ASALS and Regional Development to enhance collaboration with the county governments during implementation of their projects in FY 2024/25 in order to ensure sustainable, inclusive and well-coordinated regional development.</p> <p>ii. The State Department should invest in long-term drought mitigation interventions by ensuring there is access to water and animal feeds through establishment of feed lots by end of the FY 2024/25.</p> <p>iii. The RDAs to come up with a resource mobilization framework by end FY 2024/25 that will enable them mobilize resources required to undertake their activities without them relying on the government for funding due to the constraint fiscal space.</p>

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>recovery. It connects early warning to action, ensuring drought is addressed before it becomes an emergency. During emergencies, it provides financial transfers to help vulnerable people and maintain essential social economic infrastructure such as schools, hospitals, and boreholes. The fund was expected to be allocated Kshs 2 billion for a 10-year period, but this has never been actualized. The current proposed ceiling is Kshs 261 million for FY2024/25.</p> <p>v. There's still huge pending bills of State Department for ASALs and Regional Development amounting Kshs. 3,037 million as at December 2023.</p> <p>vi. The operationalization of several projects, including the gum Arabic and resin in Ewaso Ngiro North, the rice mill project for LBDA, the leather plant in Ewaso Ngiro South, and others, has left the RDA short on personal emoluments (PE) as a result of necessitating labor to achieve their planned targets. Further, the recurrent budget cut to the integrated development programme has resulted in reduction of personal Emoluments resulting to the authorities' inability to meet staff compensations.</p> <p>vii. The Presidential Directive issued during the National Tree Growing and Restoration Campaign with a target of achieving 15 billion trees by 2032. It directed Regional Development Authorities to produce 5 billion fruit tree seedlings, contributing 30% to the national target. To achieve this directive, the RDA requires 18.6 billion. However, no funds have been set aside to accomplish this directive.</p>	
5.	Departmental Committee on Administration & Internal Security	<p>Executive Office of the President</p> <p>i. The Executive Office of the President Sector budgetary allocation was KSh. 4,433 million but the BPS ceiling was adjusted from sector allocation to KSh. 5,480 million. Despite the budgetary enhancement, the gap in resource allocation amounted to KSh.10,550 million. This shortfall would affect implementation of critical policy initiatives of the government including reforms as recommended in the Power of Mercy Policies that was approved by Cabinet in 2023, Modernization of Government Printer, and Demarcation of Kenya-South Sudan Borders among others.</p>	<p>General recommendations.</p> <p>i. The Comptroller of State House in consultation with the Office of the First Lady and that of the Spouse to the Deputy President to fastrack the development and finalization of a Bill that will anchor the two offices in Law within 6 months for onward transmission to Parliament, upon adoption of the BPS 2024 by the House.</p> <p>ii. The Inspector General of Police to work on policy regulations towards exempting the uniformed</p>

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<ul style="list-style-type: none"> ii. The delay in Modernization of Government Printer would subsequently lead to poor service delivery in other areas including printing of Title deeds, Bills, and other Government documents. iii. The pending Bills accrued by the defunct Nairobi Metropolitan Services amounting to KSh. 13 billion had not been paid. The Bills had been subjected to pending bills verification Committee which had delayed releasing its first review report. iv. There was duplication in mandates across most departments in the sector. The duplication was rampant on functions of coordination of government activities which was also appearing in Office of the Deputy President, Office of the Prime Cabinet Secretary, State Department for Parliamentary Affairs and State Department for Cabinet Affairs. <p>Office of the Deputy President</p> <ul style="list-style-type: none"> i. The Office of the Deputy President sector allocation amounted to KSh. 3,369.4 million but had an enhanced allocation of KSh. 4,469.6 million in the BPS. Notwithstanding the enhanced allocation, the Office had a budgetary shortfall of KSh. 5,968.7 million. This shortfall would affect critical interventions of the Office which included Steering Coffee and Tea Sector reforms, coordination of government activities among others. ii. The Office was implementing activities related to the mandates of other departments as a way of giving strategic directions to such initiatives. They included prevention and mitigation of alcohol and drug substance abuse, implementation of affirmative action interventions for special interest groups among others. iii. There was a need to anchor the Office of the Spouse to the Deputy President in law. <p>Office of the Prime Cabinet Secretary</p> <ul style="list-style-type: none"> i. The Office of the Prime Cabinet Secretary was allocated KSh. 802 million when they contested for resources during the PAIR Sector Working Group, but their budget was enhanced to KSh. 1,502 million. The enhanced allocation was attributed to critical operations expenses which were not factored in during the Sector working group. Notwithstanding the enhanced allocation, the office of the Prime Cabinet Secretary had a shortfall of KSh. 	<p>officers of the National Police Service from the provisions of Work Injuries Benefit Act(WIBA), 2007 similar to the Kenya Defence Forces before the House can initiate amendments to the Act and report to Parliament on or before 31st December 2024.</p> <ul style="list-style-type: none"> iii. To effectively deal with funding challenges facing the state Department of Immigration on issuance of documents such as passports, Identity Cards, Birth and Death certificates, it is recommended that the Cabinet Secretary for the National Treasury to enhance the Appropriation in Aid for the State Department from the current KSh. 1,300 million to 20 percent of all the revenues it generates to the Exchequer through fees on such documents effective from the FY 2024/2025. iv. The Cabinet Secretary for Internal Security and National Administration to fastrack the finalization of the Alcoholic Control Bill of 2023 to address challenges in the Alcohol and Drug Abuse regulatory framework for onward transmission to Parliament within 6 months after adoption of the Budget Policy Statement 2024 by the House. v. The Cabinet Secretary for National Treasury to transfer all the resources previously being utilized by the Government Delivery Services from the Office of the Prime Cabinet Secretary, Vote 1013 to the State Department for Performance and Delivery Management, Vote 1015 before finalization of the annual estimates on 30th of April 2024.

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>843 million. The shortfall would affect the ongoing Refurbishment of the OPCS offices at Kenya Railways Headquarters, Operationalization and facilitation of the National Government Coordination Secretariat and facilitation of the Prime Cabinet Secretary.</p> <p>ii. The Office was taking a lead role in the implementation of the National Labour Migration Policy as a key pillar of Kenya's foreign policy.</p> <p>State Department for Parliamentary Affairs</p> <p>i. The State Department had been allocated KSh. 645.3 million during the PAIR Sector working group but had their budget ceiling enhanced to KSh. 846.1 million in the draft BPS 2024 to address gaps in its operations expenditures. However, there is still a budget gaps would affect 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>ii. The State Department was created to coordinate the implementation of the National Government's legislative agenda across all MDAs for transmission to Party/Coalition leadership in Parliament. However, it was observed that the State Department had not lived up to this mandate given the uncoordinated manner some bills had been presented to Parliament.</p> <p>State Department for Performance and Delivery Management</p> <p>i. The sector allocation to the State Department was KSh. 664.5 million but the BPS is proposing to enhance the allocation to KSh. 1,064.5 million. Despite this, the State Department was still underfunded to the tune of KSh. 1,014 million. 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.</p> <p>ii. The resources towards Government Delivery Services (GDS) which had been transferred to the State Department of Performance & Delivery</p>	

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>Management were still being held by the Office of the Prime Cabinet Secretary.</p> <p>State Department for Cabinet Affairs</p> <ul style="list-style-type: none"> i. The BPS ceiling for the State Department amounted to KSh. 881.1 million against a resource requirement of KSh. 1,507.6 million. The Shortfall would affect major outputs of Provision of Technical Support to Cabinet Committees, Developing Frameworks for Monitoring Implementation of Cabinet Decisions and President Directives in the MDAs. <p>State House</p> <ul style="list-style-type: none"> i. State House requested for KSh. 16,204.7 million during the PAIR sector working group but was given KSh. 8,233 million. The BPS however adjusted its ceiling to KSh. 9,233.8 million to address critical gaps on operations they could not do without. ii. The estimated cost of constructing the ongoing State Pavilion amounted to KSh. 2,300 million and already, they had incurred KSh. 1,200 million. In the FY 2024/25, KSh. 500 million had been allocated towards fastracking the completion of the project by 30th June 2027. The project was necessitated by the fact that over its 117 years of its existence, such facelift had not been done. iii. The State House was implementing a total of 13 projects across various state Houses and lodges at an estimated cost of KSh 10.8 billion. The refurbishments were in line with the government policy of hosting national holidays in various parts of the country and therefore the State Houses/Lodges would provide accommodation to the Head of State during such events. iv. The State House required additional resources to effectively facilitate the operationalization of two new key offices of President's Strategy and Execution and Minorities & Marginalized Affairs units. <p>State Department for Immigration and Citizen Affairs</p>	

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<ul style="list-style-type: none"> i. The State Department Sector allocation under GJLOS Working Group was KSh. 16,673 million however the BPS ceilings saw its allocation reduced by KSh. 800 million to stand at KSh. 15,873 million. ii. The State Department had requested for KSh. 27,118.3 million to address challenges they are experiencing in providing critical services to citizenry but were now allocated KSh. 15,873 million. The Critical areas to be affected included issuance of Passports, labour migration and Shirika plan among others. iii. Service delivery under the State Department was hampered by lack of funds to buy passport supplies. The Committee observed that over 800,000 Kenyans had applied for passport and remitted to the government through the e-citizen platform passport fees amounting to over KSh. 5 billion as of 23rd February 2024 but the State Department could not process the passport due to lack of booklets. iv. The roll-out of visa free entry to Kenya had been rolled out and Kenya had received over 200,000 tourists since its inception. v. The state Department was in the process of rolling out the third generation ID cards (Maisha card) and Maisha number (Unique Personal Identifier) following the lifting of orders to do so by courts. <p>National Police Service</p> <ul style="list-style-type: none"> i. The key areas of focus by the NPS will be Automation of Key Services, Review, and Comprehensive Implementation of the Modernization Programme, Completing the Equipping, Training and Accreditation of the Forensic Laboratory, increased recruitment of officers to the Service and implementation of the Maraga Taskforce Reforms on Police. ii. In FY 2024/25, the National Police Service requested for KSh. 171.9 billion but were only allocated KSh. 114.2 billion. The shortfall will mainly affect areas of security operations underfunded by KSh. 4,594 million, Insurance underfunded by KSh. 6,671 million, recruitment of 5,000 police officers underfunded by KSh. 2,343 million, Police Airwing underfunded by KSh. 2,451 million, National Police Reservist underfunded by KSh. 3,026 million among others. 	

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>iii. The Committee observed that the provision of Group Life Cover and Group Personal Accident/ Work Injury Benefits Act through an insurance policy was not effective given that officers were not being compensated as required despite the National Police Service paying premiums of KSh.2, 342 million. The Committee observed that the Kenya Defence Forces model was effective given that they were exempted by Section 3 of the Work Injury Benefits Act of 2007 but the National Police Service were duty bound to provide insurance policy for all of its officers. There was need to develop a policy gearing towards exempting the police similar to the Kenya Defence Forces model.</p> <p>iv. There was disharmony in the working of the Police and the National Government Administration Officials (NGAO) were not having police at their disposal thus compromising service delivery to the citizenry. To cure this disharmony, the Inspector General of Police was planning to gazette Chiefs camps as police posts.</p> <p>State Department for Internal security and National Administration</p> <p>i. The policy priorities for the State Department included security sector institutional reforms, upgrade of systems for delivery of citizen services, improved border control, institutional reforms and capacity building, and Drugs, Alcohol and Substance Abuse Management.</p> <p>ii. The State Department requested KSh. 49,789 million to implement the policy priorities but were only allocated KSh. 35,236 million comprising of KSh. 27,799 million for Recurrent and KSh. 7,437 million for Development. Out of KSh. 7,437 million for development expenditures, KSh. 6,500 million was earmarked towards Police Modernization. The shortfall in resource allocation would affect construction of NGA Offices (KSh. 1,300 million), Equipping of the Kenya Coast Guard (KSh. 970 million) Security Roads and Airstrips (KSh. 55 million).</p> <p>iii. There was rise in drug and substance abuse due to structural issues arising from the weaknesses of the Alcoholic Drinks Control Act, 2010. Schedule 4-part 2 paragraph 4 (c) of the Constitution gave the liquor licensing to County Governments. However, The Judgement in the Nairobi High Court</p>	

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>Constitutional Petition No. E225 of 2020 declared that liquor licensing was a concurrent function between the National and county governments given that functions of licensing for imports and regulation of manufacturing was the sole mandate of the National Government. The Committee observed that there was a need to review the legal framework on standardization, regulation, manufacture, importation, promotion, sale and consumption of alcoholic drinks.</p> <p>iv. There was a delay in the appointment of chiefs and assistant chiefs due to the process of authentication of successful candidates' certificates. Further, there was also a delay in operationalization of some new administrative units which were previously gazetted due to contestations in boundaries. Out of the 28 sub counties previously gazetted, only 8 had been operationalized.</p> <p>v. The National Cohesion and Integration Commission did not have sufficient legal framework to deal with its recommendations on ethnic audit in the public service. There was need to review the NCIC Act to provide it with more powers to implement such recommendations.</p> <p>vi. There was a need to cater for scaled up surveillance along Kenya's borders and regions with inter-ethnic conflicts mainly cattle rustling and implementation of a directive to crackdown on illegal firearms, drugs, and narcotics. The BPS ceilings only provided for KSh. 1 billion against a Resource Requirement of KSh. 2.5 billion.</p> <p>vii. The Kenya Coast Guard services had not been felt across the waters of the Republic given the numerous water accidents where many Kenyans have lost their lives with no urgent response from the Service. They did not have boats for example in inland waters such as Lake Victoria and Turkana. There was need to enhance their resources for acquisitions of boats and maintenance of the newly acquired ships by a further KSh. 650 million.</p> <p>National Police Service Commission</p> <p>i. The BPS ceiling for the National Police Service Commission amounted to KSh. 1,269.5 million against a resource requirement of KSh. 2,090.8 million. The shortfall would affect key critical police reforms initiatives of</p>	

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>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. 150 million).</p> <p>Independent Policing Oversight Authority</p> <ul style="list-style-type: none"> i. The Authority's BPS ceiling of KSh. 1,090 million against a Resource Requirement of KSh. 2,090 million 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. ii. 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. iii. The authority requested for funds amounting to KSh. 300 million for acquisition of land, design and construction of Model IPOA Headquarters but did not receive funding. 	
6	Departmental Committee On Sports And Culture	<p>State Department for Sports</p> <ul style="list-style-type: none"> i. The proposed budget ceiling for the State Department in FY 2024/25 is Kshs. 18.27 billion, comprised of Kshs. 1.3 billion for recurrent expenditure and Kshs. 16.97 billion for development expenditure. Part of the development ceiling of Kshs 16.97 billion, the estimated Appropriation in Aid (AIA) from Sports, Art and Social Development fund will be Kshs. 16.8 billion and Kshs. 174.4 million will be from the exchequer. ii. The Office of the Sports Registrar is underfunded thus grossly hampering its effectiveness in executing its mandate of registration of sports 	<p>State Department for Sports</p> <ul style="list-style-type: none"> i. Before finalization of the Budget Estimates for FY 2024/25, the State Department for Sports in conjunction with Sports Kenya, should put enough resources over the medium term towards the rehabilitation of Moi International Sports Complex (MISC), Nyayo National Stadium (NNS) and Kipchoge Keino Stadium and construction of the Talanta Stadium on time in readiness of AFCON

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>organizations, licensing of sports persons, inspections of sports organizations, sensitization programmes across the country and roll out of an online registration and payment platform.</p> <p>iii. Kenya is poised to host two important sporting events alongside Uganda and Tanzania, these are CHAN (2024) and AFCON (2027). Consequently, the State Department for Sports requires considerable resource allocation to adequately prepare for these important continental tournaments. The State Department has however not developed a comprehensive resource requirement for the upgrade of Stadia and training grounds for these tournaments. Specifically, the State Department will be upgrading 3 stadia (Moi International Sports Complex (MISC), Nyayo National Stadium (NNS) and Kipchoge Keino Stadium,) and design and construct the Talanta Stadium as well as 10 training grounds to support the hosting venues in preparation of AFCON 2027.</p> <p>iv. There is over-reliance on Sports, Arts and Social Development Fund for establishment of infrastructure development in the Sector despite the mandate of SASDF to support the development and promotion of sports and arts and the promotion of social development including universal healthcare</p> <p>v. The State Department requires Kshs. 4.5 billion as mandatory payments to CAF as hosting rights for AFCON 2027.</p> <p>State Department for Culture, the Arts and Heritage</p> <p>i. The proposed budget ceiling for the State Department in FY 2024/25 is Kshs. 3.8 billion, comprised of Kshs. 3.63 billion for recurrent expenditure and Kshs. 175.5 million for development expenditure.</p> <p>ii. That despite the recent Ratification of the UNESCO 1970 Convention on the means of prohibiting and preventing the illicit export and transfer of Cultural Property, Kenya is yet to receive its ratification certificate from UNESCO to enable restitution of cultural artefacts held in foreign capitals.</p> <p>iii. There will be an increment in the budget for the State Department compared to the approved estimates for FY 2023/24 on account of re-organization of Government in the Executive Order No. 2 of 2023 where The Arts and Library Services were transferred from the State Department for Youth Affairs. Agencies that were transferred include: Kenya Cultural Centre,</p>	<p>2027, and upgrading on time the Bukhungu Stadium and Kanduyi Stadium in readiness of CHAN 2024. The State Department should submit to the National Assembly a clear funding model and an itemized budget for each stadia and training grounds earmarked for upgrading and construction in preparation of these competitions within 60 days of the tabling of this Report.</p> <p>ii. The Cabinet Secretary for the Ministry of Youth Affairs, Creative Economy and Sports completes the review of the Sports Act 2013 to strengthen the institutions in the State Department for Sports including Office of Sports Registrar to ensure the institution is adequately staffed and funded as it plays a key role in registration of sports persons and organization, issuing of licenses and inspection of sports organizations and submits the same to Parliament for consideration and approval by 30th April 2024.</p> <p>iii. The Cabinet Secretary for the Ministry of Youth Affairs, Creative Economy and Sports submits a report to the National Assembly before finalization of the Budget Estimates for FY 2024/25, containing and indicating a clear policy implementation framework and roadmap of the Talanta Hela Programme, institutions implementing the programme, targets, expected outputs, financial implications and a sports curriculum that highlights a roadmap of talent identification, nurturing and marketing.</p> <p>iv. Before finalization of the Budget Estimates for FY 2024/25, the State Department for Sports in conjunction with the Kenya Academy of Sports</p>

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>Kenya Copyright Board, Kenya National Library Service Permanent Presidential Music Commission.</p> <p>iv. 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 not received any funding from the exchequer affecting implementation of the projects.</p> <p>v. The BPS 2024 identifies eight (8) museums that will be transferred to the County Governments, earmarked as devolved functions. They include Meru-Njuri-Njeke, Narok, Garissa, Wajir Museum, Loiyangalani, Kisumu, Kitale and Isiolo Museums.</p> <p>vi. The Kenya National Library Service requires Kshs. 106 million for the repair and maintenance of Maktaba Kuu, Buruburu Library and Nakuru Library facilities and settle a historical pending bill due to the contractor for installation of lifts at Maktaba Kuu Tower.</p> <p>vii. The Kenya Copyright Board (KECOBO) requires additional funding towards procurement of ICT infrastructure for copyright works, engage stakeholders and conduct public participation in readiness for review of Copyright Act, staff recruitment and registration and vetting of copyright holders in line with government policy.</p> <p>State Department for Youth Affairs and Creative Economy</p> <p>i. That the Committee oversights the Film Development Services programme and the proposed budget ceiling in FY 2024/25 is Kshs. 1.08 billion, comprising of Kshs. 801.7 million for recurrent expenditure and Kshs. 275.4 million for development expenditure. The Film Development Services comprises of the following institutions: Kenya Film Commission, Kenya Film Classification Board and the Kenya Film School.</p> <p>ii. The Creative Economy Masterplan, expected to navigate the nascent sector towards transition into a key player in the economy is still not in place. This is a matter of concern considering that the development of the creative economy together with the Digital Super Highway is one of the Pillars under the Bottom-Up Economic Transformation Agenda.</p>	<p>should put up enough resources over the medium term to fast-track the implementation of the Constituency Sports Academies and ensure the projects will be completed on time by June 2026.</p> <p>State Department for Culture, the Arts and Heritage</p> <p>i. The State Department for Culture and Heritage, the State Law Office and the State Department for Foreign Affairs should fast track the process of submission of the Ratification Instruments for UNESCO 1970 Convention on Cultural Property to pave the way for the issuance of the Ratification Certificate. This is expected to create a platform for the country to seek reparation and restitution for its cultural artefacts held in the United Kingdom and other European countries. The aforementioned State Departments should submit a status report to the National Assembly within 30 days of the tabling of this Report.</p> <p>ii. 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 30th April 2024.</p>

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>iii. The Kenya Film Commission requires Kshs 150 million to setup 5 film hubs that will enable incubating of upcoming film makers at the grassroots level and film empowerment programmes to support emerging film makers.</p>	<p>State Department for Youth Affairs and Creative Economy</p> <p>i. The Cabinet Secretary for the Ministry of Youth Affairs, Creative Economy and Sports in conjunction with the Kenya Film Commission (KFC) and Kenya Film Classification Board (KFCB), submits a report to the National Assembly before finalization of the Budget Estimates for FY 2024/25, a Policy Framework and Master Plan for the development of Creatives that will promote the growth of the film industry in the country and submit a status report to the National Assembly within 30 days after approval of the 2024 BPS.</p>
7.	Departmental Committee on Health	<p>General Observations</p> <p>i. The health sector has a total allocation of Kshs.147.6 billion with Kshs. 121.8 billion (82.63%) allocated to the State Department for Medical Services and Kshs.25.67 billion allocated to the State Department for Public Health and Professional Standards which translates to 17.39% of the sector allocation.</p> <p>ii. There is underfunding for personal emoluments in SAGAs particularly in referral hospitals and the specialized hospitals planned to be established</p> <p>iii. The use of internally generated revenues (A-in-A) to pay salaries has affected the ability of health facilities to provide quality healthcare services to patients.</p> <p>iv. Legislation in the health sector is not well synchronized causing conflict and overlap of the mandates and functions of various agencies under the Ministry.</p> <p>v. There is duplication of functions and roles within the sector with the Ministry of Health retaining some functions of SAGAs for instance the Ministry of Health National Cancer Control Programme is still performing some cancer related functions while the National Cancer Institute was established vide the Cancer Prevention and Control Act, No. 15 of 2012 to handle all matters related to cancer.</p>	<p>General Recommendations</p> <p>i. The National Treasury to consider increasing the budgetary allocation to the health sector from 6% as share of national government budget, proposed in 2024 Budget Policy Statement, to 15% of national government. This will ensure that the health care needs of the Kenyan population are met</p> <p>ii. The National Treasury to allocate monies for the payment of personal emoluments for referral hospitals and their development funding. The Appropriation in Aid raised by referral hospitals to be used to meet operations and maintenance costs.</p> <p>iii. The Ministry of Health to ensure that all SAGAs are established and governed by an Act of Parliament and that there is no overlap or duplicity of functions between the SAGAs or between the SAGAs and the Ministry of Health.</p>

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>State Department for Medical Services</p> <ul style="list-style-type: none"> i. The provision of national health insurance is being transitioned from the repealed NHIF to the Social Health Authority (SHA) in light of the enactment of the Social Health Insurance Act, 2023. Social health insurance is a system where a group of people collectively pool resources and funds to provide health coverage and services to its members. The government therefore seeks to increase coverage for all Kenyans and in particular for the indigent and vulnerable Kenyans including the elderly and orphans. ii. 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 2027. 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 iii. There is no clear framework on the establishment of level six hospitals in all counties in line with the Kenya Health Policy, 2014-2023. As a starting point to this, there is need to make legal provision for mentorship programmes between the National Referral Hospitals and county hospitals that serve large volumes of persons. iv. Mental health has not been adequately funded even though mental health and substance abuse are a major concern in the country as highlighted in the Kenya Kwanza manifesto and as further exemplified by the recent alcohol-related deaths in Kirinyaga County. The Ministry submitted that mental health has been embedded as part of primary healthcare to ensure access of these services by all Kenyans. v. KEMSA is going through reforms which are geared towards improving operational efficiency and overall effectiveness. It is forecasted that it will soon earn a surplus which is positive progress since KEMSA had made losses since 2021. 	<ul style="list-style-type: none"> iv. The National Treasury to increase funding for the employment and retention of health workers to ensure optimal provision of specialized health services so that Kenyans can benefit from investments made in the health sector. v. Due to the increase in the number of indigents, the National Treasury and the Ministry of Health should increase funding for the indigents and the publicly funded Primary Healthcare Fund. The latter is critical to the attainment of Universal Health coverage by focusing on prevention rather curative healthcare. vi. The Ministry of Health in collaboration with the SAGAs to review their laws and policies to align with the Constitution and the Health Act, Cap. 214. <p>State Department for Medical Services</p> <ul style="list-style-type: none"> i. Within two months, The Ministry of Health, National Treasury to provide a progress report on country's preparedness in mobilizing domestic resources to address the impending exit by development partners who have been supporting TB, HIV, Malaria and Reproductive Maternal Neonatal Child Adolescent Health (RMNCAH) strategic programmes. ii. The Principal Secretary State Department for Medical Services, National Treasury to allocate funds for the Primary Healthcare Fund (established under the Social Health Insurance Act, No. 16 of 2023) in the 2024/25 budget estimates to refocus attention on primary health care services which will reduce the burden of non-

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>vi. The management of regional cancer centers which has been left to county governments needs to be improved as some of these centers are not fully operational.</p> <p>vii. The funding for the Cancer Treatment Center at Kenyatta National Hospital be reinstated as the cancer burden at the hospital is still high and the treatment waiting period is too long at over twenty (20) days.</p> <p>viii. The Ministry of Health has signed new contracts for the servicing of the medical equipment acquired under the lapsed Managed Equipment Services (MES) project.</p> <p>ix. The Legal Notices that established referral hospitals have lapsed and the referral hospitals are currently not anchored under any law.</p> <p>State Department for Public Health and Professional Standards</p> <p>i. The Primary Health Care Fund has not been allocated any funds while the Emergency, Chronic and Critical Illness Fund provided for in the Health Act, Cap. 241 and the Social Health Insurance Act, No. 16 of 2023 has been allocated Kshs.500 million. The two Funds are essential in the implementation of Universal Health Coverage in Kenya as provided in the four laws assented to by His Excellency the President on 19th October 2023.</p> <p>ii. There are some county governments have not paid the stipend for the Community Health Promoters.</p> <p>iii. 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.</p> <p>iv. The Tobacco Act, Cap. 245A does not facilitate the enforcement of compliance within the tobacco industry. Regulations have also not been made to regulate the sale and use of nicotine products such as Vape.</p> <p>v. Kenya is in the process of achieving WHO maturity level 3 however several challenges including the weak regulation of health products and technologies, lack of control of drugs that are sold Over the Counter (OTC), inadequate staffing at Pharmacy and Poisons Board, the independence and capacity of the National Quality Control Laboratory and inadequate human</p>	<p>communicable diseases such as cancer and diabetes.</p> <p>iii. 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 Participatory Agreements (IPAs) with County Governments and the new contracts on the servicing of the MES equipment within seven sixty days.</p> <p>iv. The Cabinet Secretary, Ministry of Health to develop a policy framework for the training of Registrars funded by the National Government and their re-integration back to the County Governments and make a provision for the initial implementation of the policy within six months.</p> <p>v. Within sixty days, The Ministry of Health to develop a financing framework for the operation and maintenance of regional cancer centers in the country.</p> <p>vi. To enhance coordination of cancer related services in the country, The Principal Secretary, State Department for Medical Services to initiate the transfer of National Cancer Control Programme to the National Cancer Institute within ninety days.</p> <p>State Department for Public Health and Professional Standards</p> <p>i. Within 60 days, Kenya Medical Training College provide a progress report on operationalization of the 21 KMTCs. Further, The Principal Secretary, State Department for Public Health and Professional Standards and the National Treasury</p>

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>resource capacity within the drug regulatory agencies continue to hinder and delay the attainment of this level.</p> <p>vi. There are forty-two (42) professional cadres of health workers in Kenya out of which eight (8) are regulated under eleven (11) professional bodies while thirty-one (31) are totally unregulated which presents a challenge in the management of the health profession in the country.</p> <p>vii. Regulatory authorities do not regulate the curriculum of professionals in the health sector as this function is being performed by the Commission for University Education pursuant to the Universities Act, Cap. 210. The Kenya Medical Practitioners and Dentists Council is experiencing difficulties in the execution of its function of inspection of health training institutions. The KMPDC proposed the introduction of a post-graduate examination to ensure the quality of the health-related courses offered in and outside the country.</p>	<p>to prioritize allocating more funds for the recruitment of staff to operationalize other KMTCC facilities ready for operationalization.</p> <p>ii. Within six months, The Principal Secretary, State Department for Public Health, and Professional Standards to assess the status of the Tobacco Control Board and amend the Tobacco Control Act, Cap. 245A to re-establish the Tobacco Control Board as a SAGA and to give the Board enforcement powers.</p> <p>iii. The Cabinet Secretary to develop Regulations on the sale and use of nicotine products under the Tobacco Control Act, Cap. 245A within six months.</p> <p>iv. In preparation of budget estimates for the financial year 2024/25 The Principal Secretary, State Department for Public Health and Professional Standards and Principal Secretary National Treasury to budget for the recruitment of additional staff at the Pharmacy and Poisons Board in the 2024/2025 Financial Year to support the achievement of World Health Organization Maturity level3.</p> <p>v. Within ninety days, The Kenya Medical Practitioners and Dentist Council to inspect and re-categorize all health facilities in Kenya to ensure quality of care and facilitate effective empanelment of healthcare providers by Social Health Authority.</p> <p>vi. Within ninety days, The Ministry of Health to develop a regulatory framework for all cadres of healthcare workers and modernize the regulation of all health professionals by aligning all existing</p>

S N	Departmental Committee	Observations	Non-Financial Recommendations
			<p>vii. regulatory laws on the health professionals to the Health Act, Cap. 241.</p> <p>vii. The Ministry of Health to implement the Health Act, Cap. 241 in relation to the mandate of Kenya Health Human Resource Advisory Council (KHHHRAC) and the necessary regulations to be developed to that effect by 1st July 2024.</p>
			<p>viii. 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 in all training institutions.</p>
8	Departmental Committee on Labour.	General Observations. <ol style="list-style-type: none"> i. The resource ceiling for the sub-sector proposed by the 2024 BPS and the medium-term is less compared to the resource requirement for the sub-sector. The sub-sector overall resource ceiling amounts to Kshs. 20,846.4 million against a resource requirement of Kshs. 62,186.8 million. The gap is more pronounced in the recurrent expenditure where there is a financing gap is Kshs 41,340.4 million. The huge and significant variation in resource requirements against projected ceilings by programmes undermines realization of planned strategic objectives and key deliverables and greatly impedes achievement of the expected outcomes and targets. ii. The Committee notes that most often, at the end of budget cycle, there are notable variances between the approved budget estimates and the actual expenditures at the close of the financial year. This has negative effect and impedes timely project execution of planned activities and interferes with the procurement plans which are likely to lead to pending bills and costs escalation. iii. The Committee noted with concern about huge pending bills and outstanding court awards that are historical and remain unsettled for long. Continued unsettled bills ordinarily attracts penalties and fines and may 	General observations <ol style="list-style-type: none"> i. Arising from consistent glaring huge disparities over the years between the MDAs' submitted resource requirements and the proposed BPS ceilings, by end of the FY 2024/2025 the National Treasury and Economic Planning in consultation with all MDAs, conducts a robust training and develops an effective Master plan costing all Government policies, programmes /projects and activities in phased manner to bridge the huge resounding disparities between the submitted resource requirements and the actual resources allocated in each financial year. This should inform subsequent resource allocations and help in realization of planned strategic objectives and key deliverables and the expected outputs and targets. ii. In the medium term, all development projects funding should not lapse at the end of the financial year but adopt accrual accounting where funding

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>continue to accrue interests. This may lead to further loss of public resources and put expenditure pressures.</p> <p>State Department for Labour and Skills Development</p> <ul style="list-style-type: none"> i. The State Department plays a critical role in the country's development through promotion of harmonious industrial relations; safety and health at workplace; employment promotion; industrial training; productivity management; national human resource planning and utilization; registration and regulation of trade unions; and provision of social security. ii. The proposed budget ceiling for the State Department in FY 2023/24 is Kshs. 5,253.5 million, comprised of Kshs. 4,344.3 million for recurrent expenditure and Kshs. 1,008.2 million development expenditure. iii. During the Sector Working Group organized by the National Treasury, the State Department has been allocated as per the BPS 2024 Kshs. 5.35 billion against a requirement of Kshs. 11.26 billion. The shortfall of Kshs. 5.91 billion will hinder the implementation of some of the key mandates under the Vote iv. Due to inadequate Sector ceilings some projects have not received allocation in the last three years. v. The State department has been carrying out registration drive for Foreign Employment services to register private employment agencies to ensure they operate within the set standards to promote ethical recruitment of migrant workers. vi. Additionally, the State Department has been in negotiation and Signing Bilateral Labour Agreements in key labour destination countries to enhance protection of migrant workers and access to more employment opportunities for the skilled cadre. vii. Under the sub programme - Human Resource Planning and Development, the State Department is planning to undertake Manpower Survey to establish the stock of skills and gaps in the country viii. The state Department has a Total of eight (8) projects at various stages that were allocated funds in FY 2024/25. 	<p>are ring-fenced for particular project until completion and ensure timely project execution of planned activities giving priority to old/aging and ongoing projects.</p> <ul style="list-style-type: none"> iii. By close of this financial year 2023/24, the MDAs should settle all current pending bills and outstanding court awards that are historical and remain unsettled for long.

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>State Department for Public Service</p> <ol style="list-style-type: none"> i. The State Department for Public Service in the Government's implementation of Bottom -Up Economic Transformation Agenda (BETA) for economic turnaround and inclusive growth that require Kenya to build a highly skilled, agile and responsive public sector workforce well equipped with requisite skills, knowledge, attitudes and competencies needed to realize these objectives. ii. The State Department is Upgrading the existing GHRIS and developed a 'unified Human Resource (UHR) System' for the Public Service to ensure the Public Service Human Resource Data and Wage bill is consolidated in one system for ease of decision-making; iii. The State Department has three (3) programmes to implement in the Medium Term Expenditure Framework (MTEF) period. iv. During the Sector Working Group, the State Department presented a budget requirement for the FY 2023/24 of Kshs. 27,531.69 million composed of Kshs. 22,621.53 million and Kshs. 4,910.15 million in Recurrent and Development respectively. However, the State Department was allocated Kshs. 12,216.4 million comprising of Kshs. 10,917.4 million and Kshs. 1,299.0 million Recurrent and Development respectively. <p>Salaries and Remuneration Commission</p> <ol style="list-style-type: none"> i. The Salaries and Remuneration Commission plays an important role in the Human Resource Management in the public service. It has been envisaged that an efficient, performance or results-oriented public service is pivotal in the achievement of productivity in the public sector. ii. The Salaries and Remuneration Commission will be implementing only one programme in the Medium Term Expenditure Framework (MTEF) period with a proposed budget ceiling for recurrent expenditure in FY 2024/25 of Kshs.559.9 million. iii. The Commission has the following performance targets linked to the policies and programmes in the 2024 Budget Policy Statement: <ul style="list-style-type: none"> • Managing Public Sector wage bill • Recognize Performance and Productivity 	

S N	Departmental Committee	Observations	Non-Financial Recommendations								
		<ul style="list-style-type: none"> • Equity and fairness in Remuneration and Benefits • Attraction and retention of requisite skills in the public service • Identification of competitive strategies for attraction and retention of requisite skills in the Public Sector • Promote equity and fairness in public service pension benefit • Strengthen the legal framework • Wage bill monitoring & evaluation in public service institutions. <p>iv. The Commission submitted a resource requirement of Kshs. 958.70 million for the financial year 2024/25 to the Sector Working Group (SWG) through the Public Administration and International Relations (PAIR) sector. However, the allocation based on the sector's ceiling was Kshs. 559.9 million resulting into a funding gap of Kshs. 398.8 million.</p> <p>v. The Commission plans to acquire a system that is set to be integrated with the Government Human Resource Information System to facilitate timely monitoring of the wage bill, weed out fraudulent payrolls and for projection of the wage bill.</p> <p>vi. Need for the government to provide a clear criterion for evaluating and gazettement of hardship areas in the country.</p>									
9	Departmental Committee on Education	<p>General Observations</p> <p>i. The proposed expenditure ceiling for Education sector in 2024/25 is Kshs 666.5 Billion which is expected to support the sector in implementing 16 programmes spread across the three State Departments and the TSC. The 2024/25 proposed expenditure ceilings for the State Departments and TSC is as follows:</p> <table border="0" data-bbox="705 1098 1489 1236"> <tr> <td>• State Department for TVET Education</td> <td>Kshs 27.9 Billion.</td> </tr> <tr> <td>• State Department for Basic Education</td> <td>Kshs 141.9 Billion.</td> </tr> <tr> <td>• State Department for Higher Education</td> <td>Kshs 126.6 Billion.</td> </tr> <tr> <td>• Teachers Service Commission (TSC)</td> <td>Kshs 369.9 Billion.</td> </tr> </table> <p>ii. A comparison between the proposed ceilings and the current financial year baseline, there is a major decrease in allocation to the three State Departments. The proposed ceiling for the major programmes being implemented has decreased by Kshs 49.3 Billion. This means the budgeted</p>	• State Department for TVET Education	Kshs 27.9 Billion.	• State Department for Basic Education	Kshs 141.9 Billion.	• State Department for Higher Education	Kshs 126.6 Billion.	• Teachers Service Commission (TSC)	Kshs 369.9 Billion.	<p>General recommendations</p> <p>i. Within the next two (2) months, the State Department for TVET Education to complete and fully operationalize the TVET Education Management Information System (TEMIS) to create a pool of accurate, verifiable and credible data of TVET learners and Institutions in order to promote accountability and improve management of disbursements for capitation and scholarships funds.</p> <p>ii. Within the next two months, the State Department for Basic Education and the NGCDF Board, through the Inter-Ministerial technical committee established to develop collaborative guidelines to</p>
• State Department for TVET Education	Kshs 27.9 Billion.										
• State Department for Basic Education	Kshs 141.9 Billion.										
• State Department for Higher Education	Kshs 126.6 Billion.										
• Teachers Service Commission (TSC)	Kshs 369.9 Billion.										

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>amounts mainly for capitation (in primary and secondary level) as well as loans and scholarships (for Technical and University level) will significantly reduce coupled with the fact that this key area have never fully been funded previously.</p> <p>iii. There is a general lack of awareness among the public on the rollout of the CBC especially at Junior School level due to poor communication strategies adopted by the State Department for Basic Education. This has resulted a myriad of fake news and misinformation regarding the new curriculum resulting to lack of appreciation by the public on the efforts the government is putting on CBC.</p> <p>iv. The Ministry of Education and the NGCDF Board has not yet developed a collaborative framework/guidelines to support and guide infrastructure development in junior school by clearly outlining the roles of each institution involved. For instance, the State Department for Education is not aware whether the resource allocated for Junior School infrastructure under the NGCDF in the current financial year has been released or not creating disconnect.</p> <p>v. The Committee was concerned that every financial year, resources have been provided towards infrastructure improvement in both public primary and secondary schools. However, the implementation of this infrastructure programme has been done in a way that does not reflect equity hence creating disparities/imbalance among public schools.</p> <p>vi. The Committee observed that there is still a number of children who are of school going age are currently out of school children and hence cannot access basic education in formal schools especially in urban settings as well as in regions where poverty incidences are high. It is appreciated that the government has put a lot of effort in ensuring that all children access basic education in formal schools. Despite the effort there are still some children missing out of formal schools hence cannot access basic education.</p> <p>vii. 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. Having in place a</p>	<p>support and guide infrastructure funds disbursements for Junior schools.</p> <p>iii. In the beginning of the next financial year 2024/25 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>iv. In the beginning the next financial year 2024/25, the State Department for Basic Education to rollout public awareness and outreach programmes on the implementation of the CBC to ensure that the tenets of CBC education system are well articulated among the public to ensure its continued support and appreciation.</p> <p>v. In the beginning the next financial year 2024/25 and in line with The Presidential Working Party Report on Education Reforms, the Low Cost Boarding Schools function and the attendant budgetary provisions be transferred to and be implemented by to National Council for Nomadic Education in Kenya (NACONEK), which is an affirmative action Institution in the sector. These will ensure that the LCBS are given adequate attention to address education disparities and oversee interventions that will enhance access, retention, transition and completion rates in ASAL areas.</p> <p>vi. Within the next six months, the State Department for Basic Education to review and operationalize the Alternative Provision of Basic Education and Training (APBET) policy 2009, to align it to the</p>

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>special tariff will significantly reduce the operations costs in this public institutions.</p> <p>viii. The Committee was concerned that the sector has not given adequate 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>ix. The BPS 2024 has indicated that 2,000 TVET instructors will be recruited. However, the State Department for TVET has been allocated resources which can only recruit 1,000 instructors. Further, the instructors are usually recruited from different professional backgrounds hence the need to train them. The training cost aspect has not been factored in the BPS. This, if not addressed may result to delays in the deployment of the instructors once recruited.</p> <p>x. There is a concern 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 clear timelines in terms of finalization of the ICT project given that adequate resources were provided in the current financial year.</p> <p>xi. The Committee is concerned that there is little mention of specific efforts in the BPS 2024 regarding support to public universities despite the common knowledge of the challenges faced by these institutions including the thorny issue of huge pending bills. There is no indication of a road map in the next MTEF planning period to turn around the fortunes of public Universities to supplement the new funding model. In addition, the allocation under the University Education Programme has significantly declined.</p> <p>xii. The Government of Kenya, through Sessional Paper No.1 of 2003 established the Low Cost Boarding Schools (LCBS) 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</p>	<p>current government education sector priorities aimed at expanding access to basic education.</p>

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>and visibility of these affirmative action initiative is minimal mainly due to inadequate funding as well as limited attention given to it by the Directorate of Primary Education where the function is currently domiciled. The Committee is aware that The Presidential Working Party Report on Education Reforms recommended that the LCBS function be implemented by the National Council for Nomadic Education in Kenya (NACONEK).</p>	
		<p>xiii. The Committee notes and appreciates that the TSC has been resourced by Kshs 28.28 Billion to cater for the following critical areas: Recruitment of 20,000 intern teachers for junior school, conversion of 26,000 intern teachers to permanent employment, resources to cater for the second phase of the CBA, promotion of teachers as well as capacity building of teachers on CBC. This areas of intervention are critical for addressing the challenges of teachers shortage especially in Junior school as well as ensuring that there is tranquillity in the sector.</p>	
10	<p>Departmental Committee on Blue Economy, Water & Irrigation</p>	<p>State Department for Blue Economy and Fisheries</p> <p>i. The Committee noted that the State Department has been allocated an expenditure ceiling of Kshs. 13.577 billion in FY 2024/25. It comprises of Kshs. 3.074 billion for recurrent expenditure and Kshs. 10.503 billion for development expenditure.</p> <p>ii. The expenditure ceiling is lower than the requirement of the State Department by Kshs. 12.317 billion. The shortfall in recurrent expenditure amounts to Kshs. 2.255 billion while the shortfall in development expenditure amounts to Kshs. 10.062 billion.</p> <p>iii. Due to lower expenditure ceiling for recurrent expenditure, the following key areas have not been adequately funded:</p> <ul style="list-style-type: none"> • State Department (headquarters) requires an additional Kshs. 337 million comprising of Kshs. 300 million to fund the expanded mandate of the blue economy policy and Kshs. 37 million for payment of court awards issued to Okeno and Sons Building Contractors. • Kenya Fisheries Service (KeFS) requires an additional Kshs. 150 million comprising of Kshs. 68 million for medical insurance for staff and Kshs. 82 million to boost operations of the service. 	<p>General recommendations</p> <p>i. The Committee recommends that the State Department for Water and Sanitation should prepare a bill to amend the Water Act, 2016 to ensure proper regulation of salt companies since the current law exempts the Water Resources Authority (WRA) from issuance of permits to salt companies. This will improve the management of the water sector and also increase its Appropriations-in-Aid (AIA) collection in the form of water user charges. The draft amendment bill should be submitted to Parliament by June 2023.</p> <p>ii. The Committee recommends that when preparing the Finance Bill, 2024, the National Treasury should include an amendment to the Income Tax Act to exempt water resources charges from the definition of national resources income. This will ensure abstractors of water resources do not withhold 5% of the water user</p>

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<ul style="list-style-type: none"> • 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. • Kenya Fish Marketing Authority (KFMA) requires an additional Kshs. 200 million comprising of Kshs. 150 million for operationalization of the Authority and Kshs. 50 million for development of real time market information system. • Kenya Fishing Industries Corporation (KFIC) requires an additional Kshs. 300 million for operations and maintenance. • Fish Levy Trust Fund (FLTF) requires an additional 21 million comprising of Kshs. 11 million to boost its operations and Kshs. 10 million for automation of fish levy information management system. <p>iv. Further, due to lower expenditure ceiling for development expenditure, the following key projects have not been adequately funded:</p> <ul style="list-style-type: none"> • Shimoni Mariculture, Research, Hatchery and Training Centre requires an additional Kshs. 480 million to hasten the completion of the project. • Fisheries Monitoring Control and Surveillance Centre requires an additional Kshs. 150 million to hasten the completion of the project since it is critical for monitoring of fishing and reduction of illegal fishing in the Kenyan waters of the Indian Ocean. <p>v. The Liwatoni Ultra Mordern Fish Hub Phase I project was having challenges and the current contract had been terminated. The State Department has advertised for a new contractor to finish the remaining works. The Committee raised concerns about the risk of litigation by the terminated contractor and whether the country was getting value for money from the project. Therefore, there was need for the Committee to investigate the matter further.</p> <p>vi. There was lack of clarity on the impact of the Capacity Building for Deep Sea Fishing project to the country. The project has trained 888 students but the State Department could not sufficiently explain whether the government has put in place policy measures that will ensure the graduates get opportunities in the fishing vessels currently operating in the Kenyan waters</p>	<p>charges that they are supposed to pay to the Water Resources Authority (WRA). This will increase the AIA collection of the WRA.</p> <p>iii. The Committee recommends that the State Department for Irrigation reviews the structure of the Irrigation sub-sector so as to address the current overlap in mandates of the National Irrigation Authority (NIA), National Water Harvesting and Storage Authority (NWHSA) and the State Department Headquarters. Currently, there are overlaps in the projects being implemented by the 3 entities raising concerns on whether government is getting value for money. The review of the structure of the Irrigation sub-sector should be undertaken by May 2024 so that the changes can be taken into consideration when preparing the budget estimates for FY 2024/25.</p> <p>iv. The Committee recommends that the State Department for Irrigation should provide technical support to the County Irrigation Development Units (CIDU) and the Irrigation Water User Associations (IWUA). Currently, the CIDUs and IWUAs have weak administrative and management capacity to manage the irrigation projects leading to sustainability challenges for these projects once they are handed over to county government and the community. This has led to the collapse of most of these projects. The framework for providing this technical support should be developed by May 2024 and the funding for the same be included in the budget estimates for FY 2024/25.</p>

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>of the Indian Ocean. Therefore, there was need for the Committee to investigate the matter further.</p> <p>State Department for Irrigation</p> <ol style="list-style-type: none"> i. The Committee noted that the State Department has been allocated an expenditure ceiling of Kshs. 23.997 billion in FY 2024/25. It comprises of Kshs. 1.530 billion for recurrent expenditure and Kshs. 22.467 billion for development expenditure. ii. The expenditure ceiling is lower than the requirement of the State Department by Kshs. 57.743 billion. The shortfall in recurrent expenditure amounts to Kshs. 867 million while the shortfall in development expenditure amounts to Kshs. 56.876 billion. iii. Due to lower expenditure ceiling for recurrent expenditure, the following key areas have not been adequately funded: <ul style="list-style-type: none"> • State Department (Headquarters) requires an additional Kshs. 100 million for Operations and Maintenance. • National Water Harvesting and Storage Authority (NWHSA) requires an additional Kshs. 120 million to operationalize its regional offices for better management of the institution. Currently, most of the staff operate from the Nairobi Office and this increases the cost of operations since officers need to travel to projects all across the country. • National Irrigation Authority (NIA) requires an additional Kshs. 250 million due to AIA shortfall. The projected AIA comprises of revenues collected from irrigation schemes which are mainly used by the same schemes to defray their operations costs thus it is not available for the Authority to use. iv. Due to lower expenditure ceiling for development expenditure, the following key projects have not been adequately funded: <ul style="list-style-type: none"> • Lower Nzoia Irrigation Project under the Kenya Water Security and Climate Change Resilience (KWSCR-I) requires Kshs. 350 million for Resettlement Action Plan (RAP). • Soin-Koru Dam requires Kshs. 3 billion for Resettlement Action Plan (RAP). 	

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<ul style="list-style-type: none"> • Mwache Dam requires Kshs. 2 billion for Resettlement Action Plan (RAP). • Rwabura Dam requires Kshs. 3 billion for Resettlement Action Plan (RAP). • National Expanded Irrigation Project requires Kshs. 4.5 billion for settlement of pending bills and rehabilitation and expansion of existing public schemes • Galana Kulalu Irrigation Development Project requires Kshs. 175 million to fund the current budget deficit on ongoing works. • Household Irrigation Water Harvesting Project requires Kshs. 1 billion for settlement of pending bills. • National Water Harvesting and Storage Authority (NWHSA) requires Kshs. 1 billion for construction of strategic water facilities across all counties that are unlikely to be covered by the large dams it is currently implementing. • Umaa Dam requires Kshs. 1.4 billion. This is was a stalled project that the government has prioritized for completion to provide water for residents of Kitui County and also mitigate downstream flooding of River Nzeu. <p>v. The Committee noted that, there was a lot of overlap in the mandates of the National Irrigation Authority (NIA), National Water Harvesting and Storage Authority (NWHSA) and the State Department Headquarters especially on implementation of projects. The Committee proposed for harmonization of the functions of these three entities.</p> <p>vi. The Committee noted that there has been sustainability challenges for irrigation projects that have been handed over to county government and the community. This has led to the collapse of most of these projects leading to loss in value for money for the Kenyan taxpayer. The cause of this has been the slow formation of County Irrigation Development Units (CIDU) and the Irrigation Water User Associations (IWUA) resulting in weak administrative and management capacity of irrigation projects. It proposed that there was need for the State Department to support the capacity building of the CIDUs and IWUA.</p>	

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>State Department for Water and Sanitation</p> <p>i. The Committee noted that the State Department has been allocated an expenditure ceiling of Kshs. 67.048 billion in FY 2024/25. It comprises of Kshs. 6.145 billion for recurrent expenditure and Kshs. 60.903 billion for development expenditure.</p> <p>ii. The expenditure ceiling is lower than the requirement of the State Department by Kshs. 57.005 billion. The shortfall in recurrent expenditure amounts to Kshs. 3.089 billion while the shortfall in development expenditure amounts to Kshs. 53.916 billion.</p> <p>iii. Due to lower expenditure ceiling for recurrent expenditure, the following key areas have not been adequately funded:</p> <ul style="list-style-type: none"> • Water Sector Trust Fund (WaterFund) requires an additional Kshs. 346 million for operations of the fund since it has the potential of unlocking more funding to the sector through climate financing but the lower budget allocations has made it unable to recruit specialized staff for its operations. • Kenya Water Institute (KEWI) requires an additional Kshs. 158 million for shortfalls in Personnel Emoluments and operations of the Institute. • Regional Centre on Groundwater Resources (RCGWR) requires an additional Kshs. 207 million for shortfalls in Personnel Emoluments and operations of the Centre. • Water Resources Authority (WRA) requires an additional Kshs. 836 million to cater for shortfalls in its AIA collection. There are 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. • Athi Water Works Development Agency (AWWDA) requires an additional Kshs. 71 million for shortfalls in Personnel Emoluments and operations of the Agency. 	

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<ul style="list-style-type: none"> • Tanathi Water Works Development Agency (TANATHI) requires an additional Kshs. 84 million for implementation of the approved salary structure by SRC and operations of the Agency. • Lake Victoria South Water Works Development Agency (LVSWWDA) requires an additional Kshs. 211 million for shortfalls in Personnel Emoluments and operations of the Agency. • Lake Victoria North Water Works Development Agency (LVNWWDA) requires an additional Kshs. 144 million for shortfalls in Personnel Emoluments and operations of the Agency. • Coast Water Works Development Agency (CWWDA) requires an additional Kshs. 591 million for shortfalls in Personnel Emoluments and operations of the Agency. • Tana Water Works Development Agency (TWWDA) requires an additional Kshs. 278 million for shortfalls in Personnel Emoluments and operations of the Agency. • Northern Water Works Development Agency (NWWDA) requires an additional Kshs. 108 million for shortfalls in Personnel Emoluments and operations of the Agency. • Hydrologists Registration Board (HRB) requires an additional Kshs. 59 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. • North Rift Valley Water Works Development Agency (NRVWWDA) requires an additional Kshs. 10 million for shortfalls in Personnel Emoluments and operations of the Agency. • Central Rift Valley Water Works Development Agency (CRVWWDA) requires an additional Kshs. 58 million for shortfalls in Personnel Emoluments and operations of the Agency. • Water Services Regulation Board (WASREB) requires an additional Kshs. 50 million for shortfalls in Personnel Emoluments and operations of the Board. <p>iv. Further, due to lower expenditure ceiling for development expenditure, the following key projects have not been adequately funded:</p>	

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<ul style="list-style-type: none"> • Northern Water Collector requires Kshs. 200 million for payment of pending VAT. In the agreement with the donor, the government was to pay for all VAT accrued. • Nairobi River Restoration Programme requires Kshs. 380 million for payment of pending VAT. In the agreement with the donor, the government was to pay for all VAT accrued. • Nairobi Water and Sanitation Project requires Kshs. 400 million for payment of pending VAT. In the agreement with the donor, the government was to pay for all VAT accrued. • Homa Bay Water Supply requires Kshs. 101 million for payment of pending VAT. In the agreement with the donor, the government was to pay for all VAT accrued. • Kimumu Sewerage Project requires Kshs. 100 million for counterpart funding. This is a new project with donor funding of Kshs. 389 million in FY 2024/25 but has no provision of counterpart funding. This is likely to stall the start of the project. • Kiserian Sewerage Project requires Kshs. 407 million. This is a stalled project that should be revived since it has rendered the Kiserian dam unusable due to pollution. • Mbeere South Water Supply project requires Kshs. 300 million. This is an ongoing project which has not been considered for funding in FY 2024/25 thus it is likely to stall. • Kakamega – Bungoma Bulk Water Supply and Sanitation Project requires Kshs. 500 million. This is a priority project for the region since both towns currently have a water shortage and lack adequate sewerage systems. • Mt. Elgon – Bungoma – Busia Gravity Scheme Project requires Kshs. 500 million. This is an ongoing project which has not been considered for funding in FY 2024/25 thus it is likely to stall. • Kegonga Cluster Water Supply project requires Kshs. 500 million. This is an ongoing project which has not been considered for funding in FY 2024/25 thus it is likely to stall. 	

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<ul style="list-style-type: none"> • Cross County Bulk Water and Sanitation Improvement Project requires Kshs. 1 billion for settlement of pending bills and expansion of the project to cover more counties. • Moi's Bridge – Matunda Water and Sewerage Project requires Kshs. 800 million. This is an ongoing project which has not been considered for funding in FY 2024/25. Both towns currently have severe water shortage and lack sewerage systems. • Mosongo Water Project requires Kshs. 300 million. This is an ongoing project which has not been considered for funding in FY 2024/25. The project will provide water to Cherangany Sub-County which currently has not water supply. • National Water Harvesting and Ground Water Exploitation requires Kshs. 1 billion for settlement of pending bills and expansion of the project to cover more counties. <p>v. The amendment to the Water Act, 2016 by an amendment through the Statute Law (Miscellaneous Amendments) Act of 2017 complicated WRA's regulation of salt firms through issuance of water permits. This is because salt companies have been exempted from application of Section 36 of the Water Act, 2016. The effect of this amendment has been the avoidance of regulation of salt firms through issuance of permits and payment of water user charges. This also reduces the potential of AIA collection by WRA.</p> <p>vi. The introduction of 5% withholding tax on natural resources income for residents in 1st January 2015 complicated WRA's enforcement of water use charges payments. This is because it is unclear on whether the water resources charges fall under national resources income as defined in Section 2 of the Income Tax Act. This reduces the potential of AIA collection by WRA.</p>	
11	Departmental Committee on Finance and national Planning.	<p>General observations</p> <p>i. As at the end of January 2024, revenue collection amounted to Ksh 1,499.7 billion and was below target by Ksh 195.4 billion mainly on account of a shortfall in ordinary revenues of Ksh 232.6 billion. However, this revenue performance represented a growth of 14.4% percent compared to a growth of 9.8 percent in the same period in FY 2022/23. The revenue performance</p>	<p>General Recommendations</p> <p>i. Within thirty (30) days of the House approving the 2024 Budget Policy Statement (BPS), the National Treasury is to submit a comprehensive report to the Departmental Committee on Finance and National Planning on measures to ensure the</p>

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>in the fiscal year is anticipated to improve in light of improved tax administration.</p> <p>ii. The National Treasury projects to raise total revenue including Appropriation-in-Aid (A.i.A) of KSh 3,435.0 billion (19.1 percent of GDP). The ordinary revenue is projected at KSh 2,948.1 billion (16.4 percent of GDP) while the Appropriation-in-Aid (A.i.A) is projected to be 487 billion. The overall growth will be by Ksh 364.4 billion as compared to FY 2023/24 with ordinary revenues projected to grow by Ksh 323.5 billion while the Appropriation-in-Aid (A.i.A) is projected to increase by Ksh 40.9 billion.</p> <p>iii. The Kenya shilling exchange rate has shown significant strength against major international currencies in the week ending on 16th February 2024. For example, the Kenya shilling strengthened by 8.9 percent against the US Dollar, reaching Ksh 140 per US Dollar. It also strengthened by 9.1 percent against the Sterling Pound, standing at Ksh 180 per Pound, and by 9.0 percent against the Euro compared to the rates on 9th February 2024. This strengthening is attributed to the inflows of foreign exchange from the oversubscribed Government infrastructure bond and the impact of de-risking the 2024 Euro Bond, which received US\$1.5 billion from international investors. However, it is noted that this may not be sustainable in the long term as the strengthening of the Kenyan shilling is currently dependent on these specific factors.</p> <p>iv. The Budget Policy Statement is indeed a crucial process that outlines policy priorities and strategic objectives to guide government budgeting at all levels. It also includes fiscal projections, expenditure ceilings for Ministries, Departments, and Agencies (MDAs), allocations to counties, borrowing and debt limits, and fiscal responsibility principles. It is worth considering the statutory timeline provided for Parliamentary approval specifically the 14 days is limiting. There is a need to review the PFM Act and the National Assembly Standing Orders to provide adequate time for such critical considerations as this will result in comprehensive scrutiny and informed decision-making by the Parliament. This could lead to more effective budgetary processes.</p>	<p>long-term stability of the Kenyan shilling against the dollar and other currencies. The report should assess potential risks and external economic factors that could impact the currency's stability and develop sustainable strategies to address these concerns effectively. This is crucial for promoting economic stability, attracting foreign investment, and maintaining favorable exchange rates for international trade.</p> <p>ii. Within fourteen (14) days of the House approving the 2024 Budget Policy Statement (BPS), the National Treasury is to submit a detailed report on Public-Private Partnership (PPP) projects to the National Assembly. This report should address the shortcomings identified in the BPS by providing comprehensive information on the nature, scope, and status of individual PPP initiatives. Additionally, the report should outline clear guidelines for disclosing PPP projects, including their financial statements, to enhance transparency and accountability in PPP governance. The report will enable stakeholders to make informed decisions, mitigate risks, and ensure the successful implementation of PPP projects for the benefit of the economy and society as a whole.</p> <p>iii. Within fourteen (14) days of the House approving the 2024 Budget Policy Statement, the Kenya Revenue Authority (KRA) is to submit a report to the Departmental Committee on Finance and National Planning on the specific new revenue-raising measure that the government intends to use to raise additional KSh. 323.5 billion ordinary</p>

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		<p>v. Currently, pending bills at the national and county governments stand at Kshs 538.82 billion and Kshs. 156.34 billion respectively. This policy will mitigate the losses realised by those businesses that have provided goods and services to the government in the past. There must be enforcement of compliance by the National and County governments by requiring that all MDAs and Counties submit pending bill payment plans at the beginning of every financial year. There is also a need for constant monitoring and reporting on the status of the pending bill.</p> <p>vi. It was observed that, the Task force formed to address the recurring matter of pending bills has not yet completed its work on how to settle the problem effectively. Despite being tasked with this responsibility, the Taskforce has not yet finalized any concrete solutions or plans, leaving the issue unresolved. Consequently, the problem of pending bills persists without a clear resolution in sight, raising concerns about the Treasury's effectiveness in tackling the critical matter.</p> <p>vii. Further, the National Treasury has not provided the list of all valid pending bills as required. This lack of transparency and coordination further complicates efforts to address the issue comprehensively. Urgent action is needed to alleviate the burden on businesses and government entities.</p> <p>viii. There has been a surge in the number of Court awards granted to persons by the Court against actions by Government. This awards are outstanding despite the fact that in some of them the Government has not appealed the award. As result, the principle award continues to attract interest for each day the award remains to unpaid. Therefore, there is need for the MDAs through the FY2024/25 Estimates to prioritize the settlement of the awards specifically on awards that the Government has not appealed.</p> <p>ix. It was also observed that, the current administration has adopted a policy for a single payment window for all government services which is the e-Citizen platform. Whereas the policy has significantly improved the collection of A-in-A in the country, the ownership of the platform is still unclear. According to the National Treasury, the national government acquired the platform but has granted the previous owners for the next three years to continue maintaining the platform. This arrangement poses a</p>	<p>revenues from the current FY 2023/24 projections. The report should detail the specific revenue measures with measurable targets and projected revenue gains that will ensure the proposed measures contribute to the targeted increase of KSh. 323.5 billion. The report will help policymakers with detailed insights into specific measures proposed by the KRA on how to raise additional KSh. 323.5 billion, enabling informed decision-making for budget planning and execution. In addition, the report should ensure that decisions regarding revenue generation and expenditure are made in the best interest of the country and its citizens.</p> <p>iv. Within sixty (60) days of the House approving the 2024 Budget Policy Statement, the Controller of Budget is to submit a comprehensive report to the Departmental Committee of Finance and National Planning outlining a framework for incorporating both financial and non-financial aspects into future quarterly budget implementation status reports. This report is to include a framework on how to integrate specific targets and key performance indicators (KPIs) that are aligned with the program-based budget. Integration of financial and non-financial aspects into future budget implementation reports and aligning KPIs with the program-based budget seeks to foster accountability and efficiency in the management of public resources. This proactive approach will also enable stakeholders to make well-informed decisions and promote the effective utilization of public funds for the betterment of society.</p>

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		<p>national security risk by entrusting such a platform that currently raises approximately Ksh 300 million a day to private individuals.</p> <p>x. In addition, the Auditor General is currently conducting an audit of the platform to investigate various issues related to its operation. This audit aims to assess the platform's efficiency, effectiveness, and compliance with relevant regulations and standards. It will also examine the platform's financial management, security protocols, and data privacy measures to ensure transparency and accountability in its operations.</p> <p>xi. Currently, the government owns a significant number of assets, including buildings and other properties. Despite this ownership, many government entities still opt to rent additional space for various purposes. This situation raises questions about the efficient utilization of government-owned assets and the potential cost-effectiveness of renting external spaces. It highlights the need for better management and utilization of existing government assets to optimize resources and reduce unnecessary expenditure on rentals. Additionally, it underscores the importance of strategic planning and coordination among government agencies to ensure optimal use of available resources and facilities.</p> <p>The National Treasury</p> <p>i. The Government has embarked on the implementation of the Medium-Term Revenue Strategy (MTRS) that will further strengthen tax revenue mobilization efforts to over 20.0 percent of GDP over the Medium Term. In addition, tax administration by the Kenya Revenue Authority will be strengthened by scaling up the use of technology to seal leakages. In part, this will involve enhancements of iTax and Integrated Customs Management System (iCMS) and usage of Tax Invoice Management System (e-TIMS).</p> <p>ii. The Kenya Revenue Authority is not collecting optimally from the customs due to several challenges including aging scanners, the technology used in deploying the scanners and governance issues and as result importation of items that ca be locally produced find itself in the country therefore destroying the local industry. In order to seal the existing loop holes and ensure enhance customs revenue The National treasury through KRA must</p>	<p>v. Within sixty (60) days of the House approving the 2024 Budget Policy Statement, the National Treasury to submit a comprehensive report detailing all current valid pending bills for Ministries, Departments, and Agencies (MDAs) to the Departmental Committee on Finance and National Planning. This report is not only expected to list the outstanding bills but also to provide a robust framework for effectively managing and addressing pending bills in the future. The framework to encompass clear guidelines and procedures for the timely settlement of pending bills, with a primary focus on preventing their accumulation in the future. Additionally, mechanisms for enhanced transparency and accountability in the billing process should be incorporated to mitigate the recurrence of similar challenges. The is to ensure better financial management practices, streamline budget execution, and promote fiscal discipline across MDAs. In addition, this aims to contribute to improved public financial management and service delivery, ultimately benefitting the citizens and ensuring the responsible utilization of public funds.</p> <p>vi. Within sixty (60) days of the House approving the 2024 Budget Policy Statement, the Auditor General to submit a comprehensive audited report to the Departmental Committee on Finance and National Planning on the e-Citizen platform. This report details an analysis of the implications of entrusting a platform of the e-Citizen platform, to a private entity, especially in light of its daily</p>

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		<p>invest in the modernization of equipment at the ports and deployment of the latest technologies including Artificial Intelligence (AI) technologies to support customs in addition to enhancement of Integrated Customs Management System (iCMS).</p> <p>iii. The revision of the VAT rate downwards is likely to reduce prices for goods and services, stimulating consumer spending as products become more affordable. However, a decrease in VAT revenue without corresponding expenditure cuts or revenue increases from other sources will widen the fiscal deficit, potentially leading to higher government borrowing and debt accumulation. In addition, the businesses will pass on the cost of the tax cut to consumers in the form of higher prices.</p> <p>iv. The Budget Policy Statement (BPS) has highlighted the significant role of the Public-Private Partnership (PPP) in alternative financing. There are 31 projects at different stages within the PPP project cycle. With the majority of these projects currently in the procurement stage and the government aims to leverage these initiatives to generate KSh. 50 billion in the upcoming fiscal year (2024/2025). Although the ambitious target underscores the government's commitment to diversifying its revenue streams and reducing dependency on traditional sources the BPS lacks comprehensive information on the nature, scope, and status of individual PPP initiatives. This lack of detailed disclosure makes it challenging for stakeholders to assess the potential impact of these projects on the government's fiscal health and overall economic development.</p> <p>State Department for Planning</p> <p>i. The Committee was informed that, the Cabinet approved the Medium Term Plan IV (MTP IV) an overall planning tool for the country. The MTP IV will guide the country's planning and budgeting processes for the next five (5) years and is crucial in planning and tracking the implementation of government agendas e.g. BETA among other critical government deliverables. However, the Committee notes that, the MTP IV is yet to be launched and disseminated hence raising the question of what planning framework was 2024 BPS prepared?</p>	<p>revenue generation of approximately Ksh 300 million. Furthermore, the report should encompass an assessment of the platform's financial management practices, security protocols, and data privacy measures. This is to guarantee transparency and accountability in its operations, safeguard national security interests, and ensure adherence to legal and regulatory requirements in its ownership and operation. The insights to be detailed in the report should also be instrumental in helping the country understand the potential risks associated with the e-Citizen platform, thus enabling informed decision-making to mitigate these risks. Ultimately, the report should also serve to uphold the integrity of the platform, protect national interests, and ensure the responsible and secure management of its operations and finances.</p> <p>vii. Within one hundred twenty (120) days days of the House approving the 2024 Budget Policy Statement, the Commission on Revenue Allocation to submit a report to the Departmental Committee on Finance and National Planning detailing the results of an ongoing study being conducted to assess the Own Source Revenue (OSR) potential of each county through the County Revenue Administration Systems. This report is to facilitate the establishment of transparent criteria for determining Fiscal Effort and that will subsequently serve as a key factor in the horizontal revenue allocation process.</p> <p>viii. The National Treasury through the FY 2024/25 estimates to provide the modernization of</p>

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		<p>ii. The State Department has a funding gap of KSh. 5.135 billion, with KSh. 2.783 billion attributed to the underfunding in the Recurrent vote and KSh. 2.371 billion to the underfunding in the Development Vote, the funding gap could significantly impact the implementation of critical activities such as the operationalization of county planning offices, tracking the implementation of BETA priorities, and the re-engineering of the planning function. These activities are fundamental to the SDEP's strategic objectives and failing to adequately fund them could hamper progress towards achieving key developmental targets.</p> <p>iii. Monitoring and Evaluation a cardinal tool that facilitate effective oversight by both the legislature and executive in both levels of government, there is a need to harmonize the efforts of various government agencies, perhaps under the anchorage of the State Department for Planning through the National Integrated Monitoring and Evaluation System (e-NIMES) and Counties Integrated Monitoring and Evaluation System (e-CIMES) domiciled at the State Department.</p> <p>iv. The Committee noted that the Semi-Autonomous Agencies under the State Department for Planning such as the Kenya Institute for Public Policy Research and Analysis (KIPPRA), the Kenya National Bureau of Statistics (KNBS) the National Coordinating Agency for Population and Development (NCAPD) among other play a central role in carrying out research, analysis and data requisite for socio-economic planning and development of the country. However, their funding levels have not been commensurate with their mandates and responsibilities. Therefore, there is a need to adjust the ceiling to the State Department to cater to various core activities performed by these agencies.</p> <p>Office of the Controller of Budget</p> <p>i. The Controller of Budget is required, by law, to report to Parliament and the legislative assemblies in county governments, the budget implementation status. Nevertheless, it has been noted that the reporting is done mainly on</p>	<p>equipment at the ports and deployment of the latest technologies including Artificial Intelligence (AI) technologies to support customs in addition to enhancement of Integrated Customs Management System (iCMS).</p> <p>ix. During Budget Estimates of the FY2024/25 budget, the MDAs to provide funds specifically designated for the settlement of outstanding awards where the Government has not filed an appeal. This allocation should be based on a thorough review of the outstanding awards, prioritizing those with the highest interest accrual and those that pose the greatest financial liability to the Government. Additionally, all MDAs to submit a report to the National Assembly during the Budget Estimates on established mechanisms for monitoring and tracking the progress of award settlements to ensure timely and efficient resolution of these legal obligations. This will mitigate the financial burden associated with interest accrual and demonstrate the Government's commitment to fulfilling its legal obligations promptly.</p>

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		<p>the financial performance, leaving out the non-financial performance. Therefore, the Office should start analysing and reporting on the quarterly achievement of targets and key performance indicators to facilitate effective oversight by the legislature since the budget is programme based. Capacity challenges have been identified which may need to be addressed through enhancement of the ceiling to enable the office to optimally perform its Constitutional mandate.</p> <p>Commission on Revenue Allocation</p> <ul style="list-style-type: none"> i. The Commission is in the process of carrying out some critical activities in line with its Constitutional mandate such as the development of the basis of equitable sharing of revenue that forms the basis of equitable sharing of revenue between the two levels of government, the 4th generation of the marginalization policy which will inform the implementation of the Equalization Fund, among others. However, the proposed expenditure ceiling seems to be increasing only marginally such that it may not be sufficient to cater to the highlighted demand thus, may be considered for enhancement. Therefore, there is a need to revise the ceiling to ensure the Commission caters to unfunded critical tasks. ii. In the effort to define and enhance County's Own source revenue (OSR), the Commission is undertaking the study to assess OSR potential of every County through the County Revenue Administration Systems. The resultant study will be used to determine Fiscal Effort as criteria in determine horizontal revenue allocation. In line with this proposal the Commission of Revenue Allocation should re-introduce 'Fiscal effort' in the Fourth formula of revenue sharing among the Counties . 	
		<ul style="list-style-type: none"> i. The Committee observed that there were notable missed opportunities proposed in the BPS 2023 including the implementation of Article 81 (5) of the Constitution, ending Gender Based Violence and the merger of the National 	<ul style="list-style-type: none"> i. Social Protection is increasingly becoming expensive with more people falling within the bracket of vulnerable persons. By 30th December 2024, the

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	<p>12. Departmental Committee on Social Protection</p>	<p>Council for Persons Living with Disabilities Fund and the Disabled Fund of Kenya.</p> <p>ii. The Committee observed a disconnect between policy proposals and the resource ceilings provided for in the BPS 2024. For example, whereas the government commits to expanding the Social safety net in addressing both coverage gaps and targets the ceiling for the program is lower than the allocation for the current financial year.</p> <p>iii. The Committee also observed that there is an opportunity to reach out to the target of 2.5 million eligible beneficiaries with the addition of 500,000 new beneficiaries and the replacement of 194,000 persons who exited the program because of natural attrition and other factors.</p> <p>iv. The Committee also observed that despite the increased notable femicide and Gender Based Violence there is no concrete policy or resource increase towards addressing the vice. The fight against Gender-Based Violence continues to rely on donors exposing it to vulnerabilities of long processes.</p> <p>v. The Committee observed that the National Council for Persons with Disabilities (NCPWD) did not receive its development budget as of February 2024. It is for this reason that the Budget Committee in its report of the Supplementary Budget of 2023 recommended that the Council's development budget be moved to recurrent on the basis that it was meant to undertake activities that were recurrent in nature.</p> <p>vi. The Committee also observed that there is a need for a greater collaboration between county governments and the national government in the rehabilitation of street families.</p> <p>vii. The Committee also observed that despite the Children's Act, 2022 introducing an additional 18 functions to the role undertaken by the National Council for Children's Services, the ceilings of the Council has reduced by more than 60 percent.</p> <p>viii. Finally, The Committee observed that there is no coordination between the State Department for Gender and the 47 women MPs in both the supply and distribution of sanitary pads in the Counties.</p>	<p>State Department for Social Protection should develop a financing plan for the Social Safety Net program and establish an institutional framework for the coordination that encompasses both the private and public sectors. This proposal should also form part of the proposed Social Protection Bill which is currently at public hearing.</p> <p>ii. Recently, there has been a documented increase in cases of gender-based violence. The State Department for Gender should come up with a policy framework in combating femicide by June 30th, 2024.</p> <p>iii. By 30th April 2024, the State Department for Gender should come up with a mechanism for the coordination in the distribution of sanitary towels between the State Department and the offices of the 47 women Members of Parliament.</p>

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	<p>13. Departmental Committee on Agriculture and Livestock</p>	<ul style="list-style-type: none"> i. The agriculture sector, contributing approximately 21% to the country's GDP, receives only a 3.5% allocation of the total ministerial budget, indicating a significant disparity between its economic contribution and budgetary support. This inadequate allocation becomes more concerning given that six out of the nine value chains targeted under BETA are within the agriculture sector. ii. To achieve agricultural transformation and inclusive growth, the Ministry must implement various interventions. Despite Kenya being a signatory to the Malabo Declaration, which advocates for at least a 10% investment of national budgets in agriculture, the current allocation falls short. While the agriculture sector has commendable budget policies capable of driving productivity and economic performance, low budgetary allocations to key priority interventions pose a challenge. Moreover, these insufficient budgets are often subjected to cuts during revisions, disrupting project execution and hindering the achievement of intended targets. iii. The State Departments have historical pending bills that have not been considered for settlement in FY 2024/25. The pending bills have been subjected to verification and validation and cleared for payment. iv. There are no agricultural extension services in the country despite increased efforts on agricultural and livestock production. With the increased provision of improved animal genetics and subsidized farm inputs including fertilizers, seeds, and seedlings, the missing component is agricultural extension services. v. The State Departments have numerous projects at various stages of implementation some of which have taken too long to complete because of low budgetary allocations, frequent budget cuts, and inefficiencies in project execution. <p>The State Department for Agriculture</p> <ul style="list-style-type: none"> i. The Food Security and Crop Diversification Project charged with the provision of seeds and seedlings on the prioritized value chains is 	<ul style="list-style-type: none"> i. Within six months of the adoption of this report by the National Assembly, 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 as well as achievement of the Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods. The budget for the sector needs to be enhanced from the 2025 BPS. ii. Within six months of the adoption of this report by the National Assembly, 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. The pending bills have been subjected to verification and validation and cleared for payment. iii. The Cabinet Secretary, Ministry of Agriculture and Livestock to convene a meeting with the Council of Governors within three months of adoption of this report to come up with a way forward on the provision of agricultural extension services in the country and file an engagement report in the National Assembly.

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		<p>underfunded. The Program is critical in the achievement of the aspirations of the BETA value chains and it is therefore important to enhance funding.</p> <p>ii. Among the key BETA policies identified by the 2024 BPS is the revamping of the underperforming and collapsed export crops which includes the revitalization of pyrethrum, cotton, coconut, and cashew nut industries. Pyrethrum and cotton have each been underfunded despite the huge demand for government support.</p> <p>iii. There is an under-provision on the allocation for the Fertilizer Subsidy Program. It comes at a time when, the State Department, through the National Cereals and Produce Board, is collaborating with counties to establish last-mile satellite centers to enable last-mile distribution of fertilizers to the remotest rural areas for increased and easy access to fertilizers.</p> <p>iv. The Warehouse Receipt System (WRS) warehouses have not been utilized to provide storage facilities and credit facilities through the Receipt System as it was designed. Some warehouses are reported to be unutilized.</p> <p>v. There are four (4) new projects in the State Department, they are the Kenya Agricultural Business Development Program: Food systems Resilience Project; Capacity Development Project for Enhancement of Rice Production in Irrigation Schemes, Phase II (the three projects are donor funded); and the Nutrition-Sensitive Agriculture Program that is fully funded by the Government.</p> <p>The State Department for Livestock Development</p> <p>i. Three new projects have been introduced in the State Department. The projects are the construction and refurbishment of thirteen (13) Kenya Veterinary Board Regional Offices; the establishment of a Tannery Leather Factory in Narok; and the Establishment of a Livestock Training Institute in Mogotio.</p> <p>ii. The State Department has pending bills that occurred as a result of budget reductions and non-issuance of the exchequer.</p>	<p>i. Within three of the adoption of this report by the National Assembly, that, the Principal Secretary State Department for Agriculture, to engage the Principal Secretary of the State Department for Trade to ensure that the Warehouse Receipt System is working to benefit farmers in the storage of their produce and provision of credit.</p>

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		<ul style="list-style-type: none"> iii. The Leather value chain is one of the priority value chains under the State Department. According to the Principal Secretary for the State Department, forty-two (42) investors have expressed interest in investing in the industrial park. A delay in government support to activate the industrial park implies a delay in the creation of jobs, export earnings and loss of opportunity to transform the sector. iv. Kenya Veterinary Vaccines Production Institute (KEVEVAPI) requires funding to refurbish key structural facilities to meet GMP certification requirements which will allow the Institute to tap into the international vaccines market. 	
	<p>14. Defence, Intelligence and Foreign Affairs</p>	<p>State Department for East African Community (SDEAC)</p> <ul style="list-style-type: none"> i. Among the MDAs under the Committee's purview, the SDEAC least funded yet plays a critical role in the integration process and monitors and evaluates the implementation of the Northern Corridor development projects. ii. The new Mombasa-Voi-Taveta/Holili-Singinda-Kobero-Rusumo corridor is critical as it will provide an alternative option due to challenges experienced in the past limiting the competitiveness of the Northern Corridor. iii. The Department has a pending bill, which if not settled by the end of FY 2023/24 will distort the resources available for FY 2024/25 as they are budgeted as a first charge in the budget, following Regulation 56(2)(b) of the PFM (NG) Regulations 2015. iv. The nature of work for the Agency does not allow it to consider leasing of equipment and/or systems as an affordable option for acquiring the equipment/systems it needs. <p>Ministry of Defence (MoD)</p> <ul style="list-style-type: none"> i. The procedure for accessing the ECA funding involves the Ministry first signing the funding agreement which is then deposited with the National Treasury (NT) for negotiations and the signing of the financial contract 	<ul style="list-style-type: none"> i. The Ministry of Defence should explore leasing as a viable alternative for acquiring equipment and systems it needs due to the cost-effectiveness of this approach, which mitigates the risk of investing substantial budgets on equipment that may become outdated before reaching the end of their operational lifespan. A progress report to be submitted to Parliament by December 31st, 2024, showing the budget savings resulting from this. ii. The Ministry of Defence should expand its pipeline of ECA funding agreements deposited with the National Treasury (NT) to offer a broader range of ECA financing options. This will not trigger a restart of the process in the event the NT fails to agree with the financier when only one agreement is submitted, thereby expediting the rollout of ECA funding. A progress report to be submitted to Parliament by December 31st, 2024, outlining the number of agreements placed with NT and specifying those for which funding has been finalized.

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		<p>agreement. The time taken after the deposit of the agreement with the NT and the crystallization of the ECA funding is quite long because of the time taken by the NT and the financier to do their own due diligence before the finalization and signing of the financial contract agreement. This affects the commencement of the projects that are dependent on the ECA funding.</p> <ul style="list-style-type: none"> ii. The Ministry is in the process of finalizing the handover of the National Geophysical Project to the Ministry of Mining. iii. The KMC has benefited the local economy: In 2023 it paid approximately KES.2.6 billion to farmers and employed 389 Kenyans. iv. The customer's delayed payments are affecting KMC's planned capital expenditures (CAPEX) activities since the generated appropriation in aid is for recurrent spending. Therefore, there is a need for additional GoK exchequer funding for KMC to enable it to carry out CAPEX activities. v. The Ministry's pending bills If not cleared by the end of FY 2023/24, will distort the resources available for FY 2024/25 as they are budgeted as a first charge in the budget, following Regulation 56(2)(b) of the PFM (NG) Regulations 2015. <p>State Department for Diaspora Affairs (SDDA)</p> <ul style="list-style-type: none"> i. The State Department's pending bills, if not cleared by the end of FY 2023/24, will distort the resources available for FY 2024/25 as they are budgeted as a first charge in the budget, following Regulation 56(2)(b) of the PFM (NG) Regulations 2015. <p>State Department for Foreign Affairs (SDFA)</p> <ul style="list-style-type: none"> i. Since Kenya cannot establish diplomatic footprint in each country across the globe, the Department is utilizing the option of multiple accreditations due to financial constraints. ii. The State Department for Foreign Affairs suffers on average 20% forex losses (amounting to approximately KES.900 million) annually from currency depreciations especially in the Kenya Missions abroad. The forex 	

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		<p>losses do eat into the Department's budget which negatively impacts on the implementation of some planned programmes and activities.</p> <p>iii. To ensure the effectiveness of the posted Ambassadors, the Department has put all the Ambassadors under performance contracts for their 4-year tenure where they do have an initial two-year contract after which evaluation is done and if the performance is poor the Ministry recommends their recall by the appointing authority.</p> <p>iv. The Department is in the process of rationalizing wasteful expenditures in the Missions. The State Department was coming up with the maximum allowable rent for each job group for each destination in order to address the wastage.</p> <p>v. The Department has developed an Assets Acquisition and Management Plan (AAMP) to provide a framework that will guide decision-making in the allocation of resources for capital projects, provide criteria for determining the Missions where Kenya should own diplomatic properties, the optimal property mix for different Missions, and proposed a fifteen-year plan of acquisition. The plan addresses the following key areas: -</p> <p>vi. The State Department is exploring mortgage-like arrangements with the local banks to construct for them the properties in the missions they have. This will ensure that the local economy benefits from such an arrangement.</p>	
	<p>15. Departmental Committee on Trade, Industry and Cooperatives</p>	<p>i. The Committee observed that the State Department has an aging workforce and there is a need to recruit 120 cooperative officers to improve efficiency in the State Department.</p> <p>ii. It was noted that due to a shortfall in resources, the State Department is implementing the modernization of cotton ginneries at the rate of one ginnery in every financial year. The Committee observed that there is a need to channel adequate resources to cater for the modernization of all ginneries at once. This is in light of the growth in cotton production in the country. The State Department submitted that there are only 6 ginneries currently in Kenya, five (5) are owned by private owners, while one (1) is Government-</p>	<p>State Department for Cooperatives</p> <p>i. Arising from the challenges of the mismanagement of savings and deposits in financial SACCOs, within 90 days of the adoption of this report, the Commissioner for Cooperatives should submit to the National Assembly, legislative and administrative proposals on how to deal with the mismanagement of savings and deposits belonging to SACCO members. The</p>

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		<p>owned. It was noted that previously, there were 24 ginneries, which collapsed over time leaving a total of only six (6) ginneries.</p> <p>iii. The Committee raised concerns about the need for New KCC to be self-sufficient since it is a profit-making business. Further, the Committee sought to understand the measures the agency is undertaking to deal with issues of unprofitability. The agency submitted that it aims to lower its input costs by shifting from tetra pack to long-life milk, which is reported to have fairly cheaper packaging. The Committee, however, tasked the agency to reassess its operational strategy to improve its operations and lower its costs.</p> <p>iv. It was noted that following the ongoing coffee reforms, New KPCU shall be reformed to be an agency that aids farmers in trading coffee, and it shall only provide services such as milling, cupping, and warehousing. Currently, the agency is involved in the buying and selling of coffee.</p> <p>v. It was observed that savings and credit SACCOs have in the recent past had cases of mismanagement of savings and deposits. The Cooperatives Bill 2023 is currently under review and needs a reassessment of the penalties therein to aid in curbing the problem. Further, there is a need for the State Department to fast-track the Governance and Anti-Corruption Policy for cooperative societies.</p> <p>State Department for Trade</p> <p>i. The Committee observed that there is a need to operationalize the Kenya Multi-Commodity Exchange Platform (KOMEX), which will provide a trading system for agricultural and non-agricultural commodities, guaranteeing small-scale holders market efficiency.</p> <p>ii. It was noted underfunding in the 2024 BPS, which has affected the implementation of the Warehouse Receipt System. If fully funded, the project targets to create a warehousing system in which farmers will be given warehouse receipts as they await to trade their commodities in the market. The intended impact is a reduction in post-harvest losses (a key objective in</p>	<p>proposals will guide decision-making on the course of action to be undertaken.</p>

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>BPS 2024) and improved access to credit by farmers, who may use warehouse receipts as collateral.</p> <p>iii. Following a recommendation by the Committee, the State Department submitted to the Committee its intention to restructure the trade mission offices abroad, with a proposed move to recall some of the nonperforming trade attachés. The Committee advised the State Department to align trade attaché offices with various targets going forward, to be able to measure their performance.</p> <p>iv. The 2024 BPS indicates that one of the policy priorities under this State Department is the development of export markets. The State Department submitted that despite its intention to pursue this, there has been a challenge of lack of funding, and they are currently relying on pursuing donor funding to begin the development of export markets. The Committee observed that export market development is a preserve of KEPROBA, and there is a need to enhance its funding to cater to this.</p> <p>v. The State Department submitted to the Committee that the negotiations of the Strategic Trade and Investment Partnership (STIP) between Kenya and the US are currently ongoing. The Committee observed that the major challenge facing the negotiations is inadequate funding to cater for travel for experts and the hiring of experienced consultants in trade negotiations and for research. In addition, another challenge cited by the State Department is prolonged timelines in finalizing the negotiations as a result of long procedures undertaken by the USA before finalizing trade agreements. Notably, underfunding in the trade negotiations is a limitation that the State Department has been facing in all trade agreement negotiations.</p> <p>vi. It was noted that Kenya Exports and Branding Agency (KEPROBA), which is in charge of marketing and branding of Kenya's exports, is currently reassessing its scope to mirror the value chains. The Committee further noted that the agency seeks to change its name from Kenya Exports and Branding Agency to Kenya International Trade Agency for better visibility in international markets. This is in view of upholding its image as a marketing agency.</p>	

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>State Department for Industry</p> <ul style="list-style-type: none"> i. The State Department submitted that, with the ongoing cotton subsidy program, there are positive results given anticipated cotton production. However, this supply of raw materials is likely to be met by the inadequacy in the number of cotton ginneries to process the cotton. Notably, the total number of ginneries countrywide is reported to be only six (6). ii. The Committee observed that there is a need to research the kind of industries that can be set up in the counties, this is because the proposed County Aggregation and Industrial Parks (CAIPs), are likely to be at risk of underutilization. The success of the CAIPs will be driven by demand and supply factors, especially at the county level. iii. Further, the Committee noted that there is a need to complete the textile value chain by completing Kieni Value Addition and Nyando Value Addition Centers. The Government intended to supply garments from RIVATEX to value addition centers for stitching to enhance job creation. iv. The Committee observed that RIVATEX is under the ownership of Moi University. It was noted that the National Government listed RIVATEX as a SAGA, and has cumulatively funded its modernization, up to a total of Kshs. 6.8 Billion. It was noted that there is a need for the National Government to change the ownership of RIVATEX, such that it is no longer owned by Moi University. v. The Committee advised that the Numerical Machine Complex (NMC) should fast-track its decision-making process on its encroached land. NMC is currently facing the challenge of dealing with settlers on its land, which is partially encroached. The Committee observed that there is a need for regularization of the land, such that, NMC will be able to recover proceeds from the sale of already encroached land. The Committee advised the agency to invest the funds recovered in its operations to revive it. vi. Anti-Counterfeit Authority cited the challenges it is facing in executing its mandate of dealing with counterfeit goods and in promoting the protection 	<p>State Department for Industry</p> <ul style="list-style-type: none"> i. Arising from the need to solve the administrative challenges that RIVATEX is facing as a result of its ownership by Moi University, by 31st May 2024, the Cabinet Secretary, Ministry of Investments, Trade, and Industry should submit to the National Assembly, a report for consideration, containing recommendations on how to deal with the issue. The National Government through the Ministry, has funded the modernization and equipping of RIVATEX amounting to Ksh. 6.8 Billion since RIVATEX is listed as a SAGA. However, Moi University has 100% ownership of RIVATEX and this has resulted in administrative challenges. ii. That, within 30 days of the adoption of this report, the Cabinet Secretaries, Ministry of Investments, Trade and Industry, and the Ministry of Agriculture and Livestock Development should review the implementation of cotton seeds distribution across the country for improved outcomes. A report containing their findings should be submitted to the National Assembly, highlighting the administrative challenges facing the implementation of the cotton seeds programs and the identified opportunities for improved efficiencies.

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		<p>of intellectual property rights across various parts of the country. It cited understaffing as the key challenge. It was noted that it has 115 staff against a staff establishment of 250 officers.</p> <p>State Department for MSMEs Development</p> <ul style="list-style-type: none"> i. The State Department submitted that there is a policy proposal to target the issuance of loans by Kenya Industrial Estates (KIE) to edible oils MSMEs and MSMEs involved in the affordable housing program. KIE currently issues loans to MSMEs only in the manufacturing sector. ii. It was noted that there is a need to undertake an MSME survey that will inform policy formulation for the MSME sector. The State Department is currently relying on MSME data from 2016, which was conducted by the Kenya National Bureau of Statistics (KNBS) at the time. iii. It was noted that the State Department has shortages in the number of technical officers and it requires Kshs. 581 Million for recruitment. It was submitted that this has led to a slowdown in the implementation of its mandate, which includes one of the core pillars of the Bottom-Up Economic Transformation Agenda (BETA). iv. In its submission to the Uwezo Fund, the State Department informed the Committee of its intention to remodel the Uwezo Fund to digitize its products and services for improved efficiency. It was further submitted that there are constituencies with high default rates, which are hindering the fund from operating optimally. It was noted that a list of these constituencies was submitted to the National Assembly for review. v. The Committee raised concerns about the multiplicity of funds, such as the Hustlers Fund and Uwezo Fund. It was noted that the funds face similar challenges, such as default and they are likely not to achieve their intended impact if they are not considered for reforms. <p>State Department for Investment Promotion</p>	<p>State Department for MSMEs Development</p> <ul style="list-style-type: none"> i. That within 90 days of the adoption of this report, the Cabinet Secretary, Ministry of Cooperatives and MSMEs Development, should review the implementation of the loan funds under this Ministry, and submit to the National Assembly proposals for better implementation of the funds. This is because the Committee raised concerns about the need to consider merging these funds to enhance efficiencies and for improved outcomes of the funds. <p>State Department for Investment Promotion</p>

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<ul style="list-style-type: none"> <li data-bbox="622 279 1496 478">i. The Committee sought to understand the current policy direction with regard to the implementation of the Dongo Kundu SEZ. The State Department submitted that the development of Dongo Kundu SEZ shall be done by the Kenya Ports Authority (KPA), while the Special Economic Zones Authority (SEZA), which regulates special economic zones shall be the regulator of the SEZ. <li data-bbox="622 486 1496 614">ii. The Committee noted that there is a Turkish investor who had occupied 400 acres of land in Naivasha SEZ without undertaking any tangible investment activity. The State Department informed the Committee that the investor has been given a three-month termination notice to vacate the SEZ. <li data-bbox="622 622 1496 885">iii. The State Department submitted the differences between a Special Economic Zone (SEZ) and an Export Processing Zone (EPZ). It was noted that an EPZ's major focus is on exporting, while an SEZ targets both the local and foreign markets. EPZs majorly focus on manufacturing and services sectors, while SEZs have a broader scope of permitted services for instance it includes the livestock sub-sector. Lastly, it was noted that EPZs have many fiscal incentives, such as tax holidays, while SEZs have limited incentives, such as lower tax rates. <li data-bbox="622 893 1496 1125">iv. The Principal Secretary enumerated the actions that the State Department is undertaking to solve the confusion in the mandate of the EPZ and the SEZ. It was noted that the State Department shall submit its proposals to the Cabinet, which include the following; that one of the zones should be a developer, while one should be a regulator. Further, about the target market, one should focus on the domestic market and the other should focus on exportation. Lastly, one should be a scheme of the other. <li data-bbox="622 1133 1496 1228">v. It was noted that the State Department through Keninvest is pursuing mandatory registration of foreign investors as one of the efforts to regulate the foreign investors seeking to invest in the country. <li data-bbox="622 1236 1496 1364">vi. The Principal Secretary submitted the achievements of the State Department as follows; the State Department is mandated to reform the investment climate, and in this regard, it proposed investor reforms in the Finance Act, of 2023. Currently, it is in the process of proposing 	<ul style="list-style-type: none"> <li data-bbox="1545 279 2139 614">i. The Cabinet Secretary, Ministry of Investments, Trade and Industry should fast-track the ongoing review on improved implementation of the Special Economic Zones (SEZ) and Export Processing Zones (EPZ) and conclude within 30 days upon adoption of this report. This is because, the Committee noted that the EPZ can operate as a scheme of the SEZ, and the fiscal incentives can be reviewed for better implementation as well as for enhanced allocation of resources.

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		<p>amendments in the Business Amendment Bill. It was further submitted that Keninvest identifies and packages investment opportunities to make them attractive to investors. To this end, Keninvest has facilitated investment attraction amounting to USD 700 Million.</p> <p>vii. The Principal Secretary submitted that investors are also given options to invest in the SEZ and EPZ programs as part of the State Department's mandate. Currently, exports from EPZ amount to up to USD 800 Million. Lastly, Kenya Development Corporation (KDC) provides financing to interested investors, through the provision of debt or equity. It was noted that to mobilize resources, KDC has attracted donor funding of USD 100 Million targeting MSMEs, livestock, and green investments, which the State Department attributes as one of its achievements.</p>	
	<p>16. Departmental Committee on ICT</p>	<p>i. Underfunding of the Communication and Information Sector: The allocated 3.5% of the total ministerial budget to the Communication and Information Sector (CIS), amounting to KSh 29.8 billion, falls significantly short of the KSh 79.6 billion required. This substantial underfunding jeopardizes the sector's ability to meet its priority targets, hindering job creation, ease of doing business, and access to E-Government services. The resulting funding gap of KSh 49.6 billion poses a considerable opportunity cost for public welfare.</p> <p>ii. Disregard of Zero-Based Budgeting Approach: The resource allocations for the Communication and Information Sector lack adherence to the Zero-Based Budgeting Approach. Relying on historical allocations rather than considering the evolving national policy priority agenda leads to the underfunding of critical sub-sectors. The sector's digital superhighway pillar, crucial for development plans, suffers from this neglect, contradicting the purpose of implementing Zero-Based Budgeting.</p> <p>iii. Risks of Duplication in Youth Empowerment Programs: The existence of disjointed programs within the sector, such as Jitume, Ajira Digital, and</p>	<p>i. Enforcement of Zero-Based Budgeting: The National Treasury should strictly enforce the zero-based budgeting approach through Sector Working Groups to inform resource allocations in the Budget Policy Statement and subsequent Estimates.</p> <p>ii. Strategy on Settlement of Pending Bills: The National Treasury should devise a strategy before enacting the 2024/25 Appropriation Bill to settle verified pending bills owed to government agencies, ensuring financial stability for organizations like the Postal Corporation of Kenya.</p> <p>iii. Ring-Fencing Allocations to the Sector (Votes 1122 & 1123): The National Assembly should enact a law to ring-fence resources to the sector, considering allocating a portion of AiA generated</p>

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		<p>Presidential Digital Talent, poses a risk of duplication of expenditures and efforts. Coordinated efforts are essential to avoid imprudent expenditures and inequitable distribution of opportunities in youth empowerment programs.</p> <p>iv. Quality Aspects Lacking in Some Targets: Some targets lack quality aspects in public services, leading to unutilized projects due to persistent downtimes. Key areas, including Public Wi-Fi hotspots, Constituency Innovation Hubs, and Schoolnets, lack measurable indicators related to the quality of public services, impacting the value for money in project implementation.</p> <p>v. Gaps in the Legal Framework: Implementation of projects like Maisha Namba faces challenges due to a lack of appropriate regulatory frameworks. Urgent enactment of legislation, including the review and amendment of KICA, National Addressing System Policy, National Spectrum Policy, and others, is crucial to eliminate legal hurdles.</p> <p>vi. Existence of Huge Pending Bills: Significant pending bills, estimated at KSh 885 million under the State Department for ICT & Digital Economy and substantial amounts for KBC, GAA, and PCK, need a comprehensive strategy for settlement. The Committee has forwarded details of verified pending bills for further verification and settlement.</p> <p>vii. Need to Enhance Data Protection and Cybersecurity: With the rapid adoption of digital technologies, there's a need to enhance capacity in data protection and cybersecurity. The State Department of ICT and Digital Economy, the Office of Data Protection Commissioner, and the Communication Authority of Kenya should prioritize public sensitization on data privacy rights.</p> <p>viii. Change of Strategy for Fibre Optic Cables Laying: To expedite the laying of fibre optic cables and achieve the target of 100,000 kilometers, collaboration with relevant agencies should leverage existing electricity lines. This strategic move aims to reduce costs, circumvent wayleave challenges, and benefit from the security associated with electricity lines.</p> <p>ix. Weak Collaboration Frameworks for Installed Networks: Weak collaboration frameworks among stakeholders impede the effective</p>	<p>within the sector and a percentage of the total Ministerial allocations to cater for non-funded priority areas.</p> <p>iv. Youth Empowerment Program Consolidation: By June 30, 2024, the Cabinet Secretary for the Ministry of ICT and Digital Economy should institute a strategy for consolidating various youth empowerment programs within the sub-sector for centralized coordination.</p> <p>v. Incorporation of Quality Indicators in Estimates: Before concluding the formulation of Program-Based Budget estimates for 2024/25, the PS State Department for ICT and Digital Economy should ensure appropriate Key Performance Indicators measuring quality of public service delivery are incorporated.</p> <p>vi. Public Communication Policy: By September 30, 2024, the State Department for Broadcasting and Telecommunication should develop and institute a Public Communication Policy, centralizing coordination of all public communications by MDAs.</p> <p>vii. Performance Report of Universal Service Fund: By the consideration of the 3rd quarter 2023/24 report on budget implementation, the PS for the State Department for Broadcasting and Telecommunication should submit the performance report of the Universal Service Fund. Subsequent reports should be submitted quarterly for enhanced oversight.</p> <p>viii. Synergetic Strategy for Government Advertising: By June 30, 2024, the State Department for Broadcasting and</p>

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		<p>utilization of installed networks in public institutions. Stakeholders' failure to fulfill roles, particularly regarding power supply and security of gadgets, hinders full-time utilization of connections.</p> <p>x. Alignment of Resources to Programme Within Vote 1122: The misplacement of Kenya Digital Economy Acceleration under E-Government Services is noted, and corrective measures should place it under the ICT Infrastructure Development program for accurate resource alignment.</p> <p>xi. Government Advertising Strategy: Despite a substantial reduction in government advertising expenditures, further improvements in economic efficiency and effectiveness, including leveraging digital technologies, are recommended. The ill-structured Government Advertising Agency requires a review of the centralized system to reduce costs and ensure prompt payment by MDAs.</p> <p>xii. Performance of the Universal Service Fund (USF): The Universal Service Advisory Council's performance in bridging the digital and telecommunication divide needs improvement, with a revised strategy for identifying and connecting regions lacking network coverage.</p> <p>xiii. Lack of Substantive Government Communication Strategy: Inconsistent public communication calls for the development of a Public Communication Policy to centralize coordination among MDAs. Revitalization strategies for Postal Corporation Kenya and Kenya Broadcasting Corporation should be accelerated to mitigate financial struggles.</p> <p>xiv. Exclusion of Postal Services from USF Funding: Despite being considered universal services, Postal services lack funding from the Universal Service Fund, requiring a reconsideration of funding mechanisms</p>	<p>Telecommunication should come up with a synergetic strategy for utilizing the creative technical capacity of Kenya Yearbook Editorial Board in developing Government Advertising items.</p> <p>ix. Draft Policy on Decentralization of Government Advertising Services: By June 30, 2024, the State Department should draft and submit to the National Assembly a policy on decentralization of government advertising services to address issues associated with the current centralized system.</p> <p>x. These recommendations aim to address the observed challenges, enhance efficiency, and ensure the optimal utilization of resources within the Communication and Information Sector.</p>
	<p>17. Departmental Committee on Housing, Urban Planning and Public Works</p>	<p>State Department for Public Works</p> <p>i. Changes in Name, Location, and Budget for Stalled ESP Markets: In the financial year 2023/24, the State Department initially allocated Kshs. 3 billion for completing 182 stalled ESP markets. Implementation challenges prompted adjustments in name, location, and budget. A design review, mandated by executive directive, aimed at improving market viability and</p>	<p>State Department for Public Works</p> <p>i. Review of Legal and Institutional Framework: In the fiscal year 2024/25, the State Department plans to streamline the built environment through the development and review of policies and legislation. Key documents include the National</p>

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		<p>accommodating approximately 300 traders per market. This adjustment increased the average cost per market from Ksh. 15 million to Ksh. 57.4 million. Some markets deemed not viable couldn't justify further investment, while others require additional components for functionality.</p>	<p>Public Works policy, the Building Standards and Control bill, Architectural and Quantity Surveying practitioners bill, and the Building Code.</p> <p>ii. Shortfall in Resource Allocation for Monitoring and Supervision: The State Department, responsible for supervising national government projects, faces a resource shortfall impacting regular site inspections and essential oversight meetings.</p>
		<p>State Department for Housing and Urban Development</p> <p>ii. Technical and Logistical Support for Affordable Housing Program: With plans to construct 200,000 affordable housing units annually, the State Department presently has 46,762 units under construction across 38 sites, with an additional 40,000 set to commence in various constituencies. Inadequate technical personnel and motor vehicles pose challenges to project monitoring. The proposed allocation falls short of the recurrent resource requirement.</p> <p>iii. Funding for Alternative Building and Construction Technology Centers (AMBT): The State Department has engaged 50,000 previously unemployed Kenyans in Affordable housing construction sites, expecting increased employment as projects progress. Through AMBT Centers, they aim to enhance the building and construction value chain by fostering the transfer of technical skills and promoting the use of local materials. Due to the State Department's projected Development expenditure's reliance on housing levy proceeds, designated for the construction of affordable housing units and related infrastructure, the program is not adequately catered for in the 2024–2025 financial year.</p> <p>iv. Building Climate Resilience for the Urban Poor (BCRUP) Initiative: Launched at the UN Climate Action Summit in 2019, the BCRUP initiative aims to address climate change impacts on vulnerable urban populations. The State Department plans to kick-start the initiative, enhancing adaptive capacity and resilience.</p>	<p>iii. Effects of El-Nino on Rural Pedestrian Access: Under the Bottom-Up Economic Transformation Agenda, the State Department focuses on coastal infrastructure and rural pedestrian access. Excessive precipitation from El-Nino in 2023 has led to a shortfall in constructing 152 footbridges, affecting rural access to vital facilities.</p> <p>State Department for Housing and Urban Development</p> <p>i. Completion of Stalled ESP Markets: To successfully complete stalled ESP markets, collaboration between the State Department, County, and National leadership is crucial. By June 30, 2024, the Principal Secretary should conduct public participation to determine optimal locations for relocating poorly sited ESP markets. This process will also establish procedures for converting non-viable markets into Alternative Building and Construction Technology (ABMT) centers or Fresh Produce Aggregation centers.</p> <p>ii. Promotion of ABMT Centres: To support the building and construction value chain, the Cabinet Secretary for Housing, Urban Development and</p>

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>State Department for Public Works</p> <p><i>Strategy on Revenue Enhancement:</i></p> <ul style="list-style-type: none"> i. Minimizing Reliance on Government Exchequer: The Cabinet Secretary for Housing, Urban Development and Public Works should establish a strategy to boost revenues from regulatory bodies like the National Construction Authority (NCA), the Board of Registration of Architects and Quantity Surveyors (BORAQS), and the Building Surveyors Registration Board by December 31, 2024. The strategy should involve utilizing the State Department's idle machinery to generate additional revenue. ii. Policy on Rural Infrastructure Improvement: To address the impact of El-Nino on rural pedestrian access, the Cabinet Secretary for Housing, Urban Development and Public Works should develop a policy on rural infrastructure improvement with a focus on footbridges and present it to the Cabinet for approval by September 30, 2024 	<p>Public Works should ensure the construction of ABMT centers in each constituency in the medium term.</p> <ul style="list-style-type: none"> iii. Open Public Portal for Local Community Involvement: To ensure fair access to employment opportunities and conduct a systematic evaluation of the Affordable Housing Programme's effects on local economies, the Principal Secretary for Housing and Urban Development should develop an open public portal disseminating relevant information on local community involvement in construction projects by September 30, 2024.
	<p>18. Departmental Committee on Lands</p>	<ul style="list-style-type: none"> i. The State Department faces a lower ceiling than the Approved Estimates for FY 2023/24, impacting the realization of planned projects crucial for infrastructural development and affordable housing units as outlined in the Bottom-Up Economic Transformation Agenda. ii. The State Department identifies three key sectoral policies: The National Land Policy, focusing on sustainable land use; The National Land Use Policy, outlining long-term goals for optimal land utilization; and The National Spatial Plan Policy, guiding Kenya's long-term spatial development. iii. The Committee acknowledges the State Department's revenue collection potential, noting the collection of Kshs. 810.7 million in AIA during the 1st Half FY 2023/24 from land revenues, exceeding the targeted amount of Kshs. 504.5 million. iv. The Committee highlights the State Department's intention to prioritize purchasing Kedong Ranch in Naivasha and accelerate the Digitization program in ten Land offices, allocating Kshs. 2.0 billion. 	<p>State Department for Lands and Physical Planning</p> <ul style="list-style-type: none"> i. Fast-track the review of Sessional Paper No.3 of 2009 on National Land Policy by June 30, 2024, to align it with the Constitution and address emerging land sector issues. ii. Align the land areas for digitization with those for geo-referencing by June 30, 2024. <p>National Land Commission</p> <ul style="list-style-type: none"> i. Authorize the CEO, National Land Commission, as a collector of revenue for the national government, and remit it to the receiver by June

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<ul style="list-style-type: none"> v. The State Department plans to geo-reference land parcels in nine areas, a requirement for digitization under the Land Registration Act of 2012. vi. A land rent review is planned for six counties to enhance government revenue, though this funding is not accommodated in the BPS ceiling. vii. Pending Bills: The National Treasury owes the National Lands Commission Kshs. 900 million, meant for compensation of project-affected persons. viii. The Commission's intentions include developing monitoring tools, vesting compulsorily acquired land, identifying unalienated public land, and overseeing land use planning, among others, without funding accommodation in the BPS ceiling. 	<p>30, 2024, using powers vested by the Public Finance Management Act, 2012 Section 76(1).</p>
	<p>19. Departmental Committee Environment, forestry, and Mining Recommendations</p>	<p>State Department for Environment and Climate Change</p> <ul style="list-style-type: none"> i. The BPS ceiling for FY 2023/24 is below Approved Estimates, jeopardizing planned projects essential for strategic goals. ii. The State Department is at an advanced stage of transforming the Kenya Meteorological Department into a Semi-Autonomous Government Agency (SAGA). Relevant policy and bill are in the Second Reading in the Senate, enabling the SAGA to charge data fees and reduce dependence on the government's exchequer. iii. Areas affected by the lower ceiling include Operations & Maintenance for the Kenya Meteorological Department (KMD), impacting weather and climate information dissemination. <p>State Department for Mining</p> <ul style="list-style-type: none"> i. The State Department faces a lower ceiling than approved for FY 2023/24, affecting strategic projects. ii. The State Department intends to enhance capacity of semi-autonomous entities, implement the approved organization structure, and rehabilitate disused mines—all without budgetary allocation. iii. Legal reviews, formalization of artisanal mining, and promoting mineral-based cottage industries lack budgetary provisions in the BPS. 	<p>State Department for Environment and Climate Change</p> <ul style="list-style-type: none"> i. Coordinate with other actors for effective utilization of climate finance to increase impact by June 30, 2024. Mainstream climate considerations into investment decisions and align them with the country's climate ambitions. <p>State Department of Forestry</p> <ul style="list-style-type: none"> i. Integrate afforestation and reforestation into the design of a carbon pricing program, considering the potential for businesses to acquire offsets from forestry projects. Submit design suggestions for a carbon tax program by June 30, 2024. <p>State Department for Mining</p> <ul style="list-style-type: none"> i. Promote and formalize Artisanal and Small-Scale Mining (ASM) and expedite the promotion of mineral-based cottage industries in counties. Operationalize the National Mining Corporation

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<ul style="list-style-type: none"> iv. Revenue loss due to lack of surveillance calls for recruitment of technical officers and provision of off-road vehicles. v. Operational and logistics funds for Regional Mining Offices, decentralization of laboratory services, and setting up regional mini-laboratories are not factored into the BPS ceiling. 	<p>and empower it to exploit strategic minerals (Coltan, REE, Graphite, Copper, Manganese).</p>
	<p>20. Departmental Committee on Transport</p>	<ul style="list-style-type: none"> i. All State Departments overseen by the Departmental Committee on Transport and Infrastructure have been allocated ceilings below their budgetary requirements for implementing various programs, projects, and activities outlined in the BPS objectives. ii. Infrastructure projects demand significant capital for a timely and meaningful contribution to the economy. Unfortunately, the sector grapples with issues arising from inadequate funding, leading to incomplete projects and the accumulation of pending bills. <p>State Department for Roads</p> <ul style="list-style-type: none"> i. The Roads sub-sector serves as a crucial facilitator for realizing government deliverables in key thematic areas of the Bottom-Up Economic Agenda (BETA). Emphasizing proposed allocations for construction, rehabilitation, and maintenance of rural roads, the sub-sector aims to foster employment, equitable income distribution, social security, tax base expansion, and increased foreign exchange earnings by enhancing mobility and connecting rural and urban markets. ii. Box culverts and Gravel/Murram roads are pivotal in rural areas, contributing to economic development, local job creation, especially for youth, and improved accessibility by linking rural communities to markets, schools, and other social utilities. These roads, being affordable to build and maintain, are a practical choice for resource-limited rural areas. iii. As of the 9th National and County Coordinating Summit in February 2023, BPS 2024 allocates Kshs. 10.52 billion to County Governments as a conditional grant from the Road Maintenance Levy Fund (RMLF) for the Financial Year 2024/25. This allocation contradicts the National Assembly's 	<ul style="list-style-type: none"> i. That, the National Treasury and Ministry of Roads and Transport vacates the policy in the BPS 2024 converting a component of the Roads Maintenance Levy Fund (RMLF) to a conditional allocation to counties until section 6 of the Kenya Roads Board Act, 1999 is amended. This is to ensure adherence to the rule of law and to encourage county governments to maintain county roads from their equitable share of revenues. ii. That, effective FY 2024/25, the State Department for Roads prioritizes and allocates adequate resources from its available ceilings towards construction of Box culverts and Murram/ Gravel roads. iii. That, in the Financial Year 2024/25 and in view of the expenditure ceilings the State Department for Roads gives priority in allocations to payment of pending bills and outstanding compensation claims due to Project Affected Persons (PAPs).

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>resolution on 28th September 2023, directing the Kenya Roads Board to strictly apply the RMLF sharing formula outlined in the Kenya Roads Board Act, 1999.</p> <p>iv. The current RMLF collections fall short of meeting maintenance requirements for all roads nationwide, impacting project implementation. BPS 2024 envisions completing ongoing road projects within two years before starting new ones. The Committee notes a significant disparity between this policy and the budget, with a Kshs. 61.89 billion ceiling allocated as Net GoK component for the Financial Year 2024/25, far from the estimated requirement of Kshs. 285 billion.</p> <p>v. While Public Private Partnerships (PPPs) offer flexibility, the Committee acknowledges associated risks like potential breaches of contract obligations and unfunded additional commitments due to inflation and exchange rate fluctuations.</p> <p>State Department for Transport</p> <p>i. Projects like the Jomo Kenyatta International Airport (JKIA) Terminals 1E and 2E are slated for financing through Public Private Partnership (PPP). The project, currently in the Feasibility Study phase, aims to commence implementation in FY 2024/2025.</p> <p>ii. BPS 2024 introduces a policy objective to establish a new agency, the Kenya Transport Accident Investigations Board (KTAIB), focusing on the safety of roads, rail, pipeline, and marine transport. The Committee underscores the need for reviews, repeal, and amendments of laws empowering respective transport agencies for safety functions in different transport modes.</p> <p>State Department for Shipping and Maritime Affairs</p> <p>i. With seven additional mandates, the State Department requires extra funding to implement tasks such as developing national capacity for Kenya's</p>	

S N	Departmental Committee	Observations	Non-Financial Recommendations
		<p>maritime sector, ocean governance, marine management, and government clearing and forwarding services.</p> <p>ii. Recognizing the maritime sector's economic potential, the State Department now focuses on inland waters to expand investments in the blue space. The Bandari Maritime Academy needs to enhance its training curriculum to match international standards, ensuring Kenyan students/seafarers are globally marketable.</p>	



REPUBLIC OF KENYA

SUMMARY OF STAKEHOLDERS SUBMISSION ON THE 2024 BUDGET POLICY STATEMENT

MARCH 2024

Summary of Stakeholders submission on the 2024 Budget Policy Statement

1. KAM MEMORANDUM ON THE DRAFT 2024 BUDGET POLICY STATEMENT			
	ISSUE	PROPOSAL	JUSTIFICATION
1.	1.2.2 Transforming the Micro, Small, and Medium Enterprise (MSME) Economy (Page 3)	Introduce a lower tax rate for micro and small enterprises (MSEs) such as a corporate tax rate for a specified period to facilitate growth incubation.	<p>This proposal is based on the following justification:</p> <ul style="list-style-type: none"> • Kenya's MSMEs make up most businesses in Kenya. They therefore require more support to ensure their steady growth into large companies. • Currently all companies pay a uniform corporate tax and there is a need to consider a lower tax rate for MSEs to ensure they are incubated to allow growth. • High tax rates and a burdensome regulatory framework negatively affect small businesses, and this requires targeted intervention for this class of businesses to ensure their steady growth.

2.	Enhancing Kenya's Exports	<p>Prioritize review of the following:</p> <ul style="list-style-type: none"> (i) Challenges affecting Kenya's exports to accelerate export growth in the country which include domestic tax, regulatory, tariff barriers, non-tariff barriers, and technical barriers, among others. (ii) The Integrated National Exports Development and Promotion Strategy 2018-2022. (iii) Remove domestic and import tax on 	<p>This proposal is based on the following justification:</p> <ul style="list-style-type: none"> • Exports are instrumental in raising tax revenues for the government, reducing the growing fiscal deficit, increasing forex earnings, cushioning the local currency against depreciation, and stabilizing the exchange rate and inflation. Increased exports help manufacturing and agricultural sectors to absorb a large portion of the labour inputs from the country's skilled and non-skilled labor force creating and sustaining thousands of new jobs.
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		<p>all raw materials, intermediate products, and inputs/packaging for the manufacture of exports.</p> <p>(iv) Address the refund challenges associated with exports on value-added tax by increasing budget allocations to facilitate the same (create an export refund fund)</p>	<ul style="list-style-type: none"> • Kenya's exports have been denominated by commodity-based products characterized by low-value addition. • Kenya's trade deficit is a significant metric to assist the country in prioritizing investments in local production. Currently, Kenya is in a trade deficit that continues to widen due to increased import versus local production. • Some of the key challenges affecting export development and promotion include: <ul style="list-style-type: none"> (i) Taxes on inputs, raw materials, and packaging eg exports and investments promotion levy an excise tax on packaging, excise duty, RDL, and IDF. (ii) Refund challenges arising from the value-added tax regime. (iii) An uncompetitive local export market as compared to economic zones discouraging existing companies from increasing their exports. • There is a need for a review of domestic taxes impacting exports to ensure Kenya's exports remain competitive.
3.	<p>Lower cost of production</p> <p>Cost of Plants, machinery, and raw materials</p>	<p>(i) Exempt from tax plants, machinery, and raw materials used in manufacturing to encourage investments in manufacturing.</p> <p>(ii) Remove excise tax imposed on raw</p>	<p>This proposal is based on the following justification:</p> <ul style="list-style-type: none"> • Plants, machinery, and raw materials are critical and necessary implements for the manufacturing sector and whose costs must be kept at a minimum to allow investments in

	Raw materials, intermediate products, and packaging materials	materials, intermediate products, and packaging materials to promote manufacturing and competitiveness as well as ensure excise duty remains as a consumption and sin tax.	<p>manufacturing.</p> <ul style="list-style-type: none"> • Currently, plants and machinery are charged value-added tax which discourages investments. There is a need for the same to be exempted to ensure that investing in manufacturing is encouraged. • Manufacturers rely on raw and intermediate materials as well as packaging to support the production of their products. • When the costs of these items are high, locally manufactured products become uncompetitive.
4.	Simplified Tax Administration	<p>Introduce the following to attain a simplified tax administration system for businesses:</p> <ul style="list-style-type: none"> (i) Unified Tax Ledger per PIN: Maintenance of a unified tax ledger per pin under the tax administration to allow automatic tax set-off. (ii) A uniform date for tax payment: One date to be introduced for tax payment preferably the 10th or 20th of each month. There are more than 10 different dates for different taxation leading to administrative burden. 	<p>This proposal is based on the following justification:</p> <ul style="list-style-type: none"> • Kenya's tax administration system requires to be continuously reviewed to ensure its simplicity. This will encourage compliance by companies. • Having a unified tax ledger for each person under the tax system and having a uniform date for remitting tax should be prioritized under the Budget policy statement. • This will ensure Kenya becomes a competitive investment destination. • Currently there are more than 10 different dates for different taxation leading to the administrative burden: For example, NSSF, NHIF, PAYE, and the Housing levy are payable by the 9th of the following month;

			Corporate Tax- 19th of every April, June, Sept, December.
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			<ul style="list-style-type: none">• Advance Tax- 20th of January; Residential Rental Tax- 20th of the following month; VAT- paid by 20th of the following month; Withholding tax and withholding VAT are paid on every supplier payment within 5 days after supplier payment date; Instalment Tax- paid every 20th of April, June, September, December; Excise Duty-by 20th of every month but Alcoholic beverages and betting, gaming, lottery and prize competition is within 24 hours; National Training Levy-by 5th of every month.; Capital Gains Tax-The due date for CGT payment shall be the earlier of receipt of the full purchase price by the vendor or the registration of the transfer instrument in favor of the transferee; Tourism Levy-on or before the 10th of the following month; Betting, lottery, and gaming taxes-Betting, lottery, and gaming taxes under BLGA is the 20th day of the month following the month of collection; Stamp Duty -Transaction instruments that are prepared locally, the tax should be paid within 30 days after assessment. Documents executed abroad and sent for registration locally, Stamp Duty must be paid within 30 days of receiving the documents.
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5.	Low costs for tax administration systems	Introduce commitments to lower the costs of tax administration systems for manufacturers such as stamp costs for products and enforcement equipment for small and medium-term enterprises.	<p>This proposal is based on the following justification:</p> <ul style="list-style-type: none"> • Costs related to administrative compliance: and should provide that all costs related to administrative / compliance with excise tax shall be borne by the Government. This will allow the revenue administration and business to configure their systems to allow for seamless transition and enhance compliance. • Micro and small-term companies continue to be impacted by high costs due to the cost of purchase and installation of devices and equipment to support administration. This is especially due to the uniform application of compliance requirements for all companies. This is despite the existence of micro, small, and medium-term enterprises that require additional support for growth.
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6.	Agricultural Transformation and Inclusive Growth (Page 3) 2. To achieve efficiency, transparency, and accuracy in fertilizer distribution, the Government enrolled farmers on a digital register, with accurate details of the location and acreage of their agricultural landholding. The database enabled the Government to implement an e-voucher system through which farmers received their fertilizer consignments for planting and top-dressing maize, tea, coffee, rice, potatoes, cotton, and edible oil crops.	Introduce and implement provisions encouraging private sector investments in the fertilizer market and an effective regulatory government role to ensure its availability and affordability in the Kenyan market.	This proposal is based on the following justification: <ul style="list-style-type: none"> • The high cost of farm input remains the biggest challenge to farmers which requires government intervention to implement policies that support lower costs for local investments in fertilizer plants. This will ensure a sustainable market for fertilizer availability. • Kenya's market for fertilizer production has grown over the years due to local investments in its value chain including fertilizer producers, traders, and farmers. With additional support, the sector will continue growing. • Having private sector-led investments in fertilizer with a conducive policy and regulatory environment will ensure fertilizers are readily available to farmers and at an affordable rate.

7.	<p>Predictability in tax and regulatory changes</p>	<p>(i) Introduce provisions under Kenya's tax administration act to provide for a transition period before implementation of the new tax or regulatory changes of a minimum of three months before coming into effect to allow predictability of the business environment.</p> <p>(ii) Consolidate all national and county Government taxes, fees, levies, and licenses imposed on businesses to provide an overview of taxes on business to inform reform and adjustments.</p>	<p>This proposal is made based on the following justification:</p> <ul style="list-style-type: none"> • Kenya's tax and regulatory environment has over the years been rapidly changing. This has affected the business environment. • This is due to an increase in tax, levies, fees, charges, and licenses introduced at the national level as tax, by a myriad of regulators at the national level, and by 47 county governments. This situation continues to affect investors trading across the country, their mobility as well as continuing to drastically increase the cost of doing business in Kenya. • When the changes in the market are unpredictable, companies are unable to plan and make investments. This is because such plans are disrupted by rapid changes. Businesses such as manufacturers make investments, and any unexpected changes negatively affect their further investments. • The Government should commit to ensuring a more predictable environment
8.	<p>Fact-based transition plans.</p> <p>1.3.2.3 Building and Construction Materials</p>	<p>Undertake country capacity assessments through public-private collaboration to develop a transition plan to enhance local manufacturing of construction materials (clinker, cement, cabros, prefabs)</p>	<p>This proposal is made based on the following justification:</p> <ul style="list-style-type: none"> • Kenya is required to develop transition plans based on facts to ensure transformations. This is through using empirical fact-based data to

			<p>inform the same.</p> <ul style="list-style-type: none">• The use of fact-based data and verifications will ensure proper planning for the transition and support. It will avoid disruptions and shocks in the market.
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2. INTERNATIONAL BUDGET PARTNERSHIP MEMORANDA ON BPS

OBSERVATIONS

1. The proposed budget for 2024/25 shows a larger increase in consolidated fund services while the additional allocations to county governments and national governments remain relatively small. BPS 2024 proposes a 4 percent rise in total government expenditure of KES 162 billion, increasing expenditure from KES 3.98 trillion to KES 4.14 trillion. The projected increase is heavily driven by a rise in proposed expenditure on consolidated fund services, which houses debt servicing expenditures and pensions, of 109.5 billion – a marked 10 percent over the 2023/24 allocation.
2. Underperformance in revenue so far for FY2023/24 throws in doubt revenue projections for FY 2024/25. So far, the national government has struggled to meet this ambitious revenue target. Between July and November 2023, the government had only raised KES 0.879 trillion against its goal of KES 0.977 trillion over the same period – a 10 percent deviation of KES 0.098 trillion. While the collections to November mark an increase over the collection at the same time last year, the underperformance is a cause for concern. Of this under collection of KES 98 billion, KES 76 billion was not collected from income tax, which missed its target by 17 percent. Extrapolating this performance to the rest of the financial year, that is, revenue collection of KES.
3. The proposed decrease in the fiscal deficit over the medium term is promising but hinges on prudent in-year expenditure and revenue collection.

RECOMMENDATIONS

1. To ensure the continued and effective delivery of services at the national and sub-national level we recommend the national treasury devise ways to service debt obligations in a manner that enables more substantial additional allocations to national and county governments.
2. Given the underperformance in tax revenue as of Nov. 2023, particularly on income tax, the national government should clarify the basis upon which the targeted revenue collection has been increased by 15 percent in FY 2024/25. Furthermore, the government should indicate how the proposed measures in the Medium-Term Revenue Strategy for FY2024/25 will in reality increase ordinary revenue collections, given the unsatisfactory impact of the Finance Act 2023 measures on tax revenue so far. 175.5 billion per month, the national government can expect to collect 2.109 trillion by June 30th, missing its target for the FY 2023/24 by 18 percent.
3. The national government should employ realistic revenue targets and ensure adherence to the proposed fiscal deficit in FY 2024/25. On the expenditure side, explore options to reduce increases through

	<p>supplementary budgets. Among these is adherence to Article 223 (5) of the Constitution of Kenya which provides that, the National Government may not spend more than ten percent (10 percent) of the sum appropriated by Parliament for any financial year, unless in special circumstances Parliament has approved a higher percentage.</p>
<p>4. Revenue underperformance was claimed to be due to the rising cost of living, however, Central Bank of Kenya (CBK) data shows the monthly inflation rate was falling between June and November 2023.</p>	<p>4. The National government must provide clarity on the reasons and justification for the underperformance in revenue in FY 2023/24 given the negative impact of this underperformance on service delivery.</p>
<p>5. The proposed public borrowing mix in the BPS differs from the proposed mix in the MTDS. The proposed debt mix in the BPS differs from the proposed mix in the MTDS. In contrast to the 45:55 domestic-to-external debt mix proposed in the MTDS, the BPS proposes a domestic-to-external financing mix of 54:46.</p>	<p>5. We propose that the BPS of 2024 align with the proposed financing strategy in the MTDS to ensure sustainable and optimal borrowing in the coming financial year.</p>
<p>6. Expenditure on public debt obligations continues to pose a risk to the timely delivery of public services</p>	<p>6. We propose that debt repayments be restructured in the medium term to create less pressure on available tax revenues. It is clear that in the medium term, there will be limited fiscal space if the current CFS spending is sustained. The available windows should be utilized, and the public should be informed of what measures are being taken.</p>
<p>7. Kenya's public debt continues to be unsustainable, and costly, warranting more prudent borrowing practices over the medium term. Further, there is a continued trend of borrowing for refinancing.</p>	<p>7. Beyond fiscal consolidation measures, the national government must seek more affordable borrowing options over the medium term given the projected resource envelope and cost of borrowing. This includes reducing the prominence of commercial and domestic debt in our debt portfolio, exploring alternative sources of financing that are lower cost e.g. Samurai and Panda bonds, and attached to specific development objectives e.g. green and blue bonds.</p>
<p>DEVOLUTION</p>	

<p>1. The National government in the BPS of 2023 committed to transfer all functions within 6 months and it is critical that the process is fast-tracked. Where is the process and what remains to be done?</p>	<p>1. The National Assembly should fast-track the process of unbundling functions and transfer to respective levels of government and provide a progress report on how this process is going so far. Fast track the process of functions unbundling and transfer to respective levels of government and provide a progress report on how this process is going so far.</p>
<p>2. It is also important to note that “national interest” should not be used as a justification to unfairly disadvantage counties or undermine the principle of how resources are equitably shared. The interpretation of what entails and considered as “national interest” but also demonstrate how allocation to both levels is then sufficient.</p>	<p>2.</p>
<p>3. An audit of the status of the county headquarters that have been allocated resources for the last 10 years. Are they complete? What more do they need?</p>	<p>3.</p>
<p>4. Counties should develop realistic targets and capacity for their “own” source revenue without compromising the equitable sharing of national revenue.</p>	<p>4.</p>
<p>5. The Equalization Fund has a sunset clause of 20 years and there are concerns about implementation and service delivery in marginalized areas</p>	<p>5. Undertake all projects under the equalization fund including disbursement of all arrears.</p>
<p>6. The overall budget of the health sector has been growing over the past financial years. Similarly, the BPS 2024 allocates Kshs. 147.6 billion which is an increase of 6.3% from the previous financial year. However, even with the increase, the state and level of services being provided have been declining. Section 259 of the BPS 2024 under the priorities in the health sector lists all the programmes under the health sector as priorities.</p>	<p>6. Whereas it is important to have additional resources allocated consistently to the health sector, it is crucial that the government, especially the Ministry of Health ensures that all the resources allocated to the sector are fully utilized efficiently to improve the outcomes that they seek to achieve under the various programmes being implemented. The emphasis should be on budget execution beyond additional resource allocation.</p>

<p>7. The prioritization of clearing pending bills within the sector is encouraging for service delivery.</p>	<p>7. The National Assembly to follow up keenly on this particular matter to ensure that the national government and all the counties prioritize the pending bills and stalled projects to ensure that citizens receive the services that they require.</p>
<p>8. National government policy on health human resource requirements continues to place fiscal pressure on county governments. According to the BPS 2024, 8,429 workers whose contracts had lapsed have been renewed and 4,129 interns enrolled across the country under the program. This is also in line with the paradigm shift from curative towards preventive and promotive - a role that is squarely effective at the primary level (at the household). Additionally, government has collaborated with all County Governments to recruit and deploy 100,000 community health promoters (CHP) throughout the country</p>	<p>8. Whereas health is a shared function, the national government should focus more on policies and standardization of health across the country. Therefore, we urge the national assembly to continue protecting and promoting the objects of devolution by ensuring that the national government does not overstep its mandate and go into implementation of matters related to primary health care. A case in point is the allocation of resources and the direction being given by the national government towards the Community Health Promoters (CHPs).</p>
<p>9. The financial implication of new laws and policies enacted in the health sector and their implementation. In 2023, the national assembly passed four new laws that would seek to promote the outcomes under the health sector. The laws included 1) The Social Health Insurance Act 2) The Digital Health Act, 3) The Facility Improvement Financing, and 4) Primary Health Care Act. These were all passed at once and have direct financial implications on county budgeting in the health sector and their ultimate implementation. Therefore, there needs to be proper guidance on how these will be implemented and the potential impact of implementing them, especially financially.</p>	<p>9. The national government should give proper direction on how the laws will be implemented. The four laws also create some institutions that will need to be resourced for the laws to be fully implemented. The national assembly should ensure that the government allocates adequate resources to ensure full implementation of the laws.</p>
<p>10. The share of the Social Protection Culture and Recreation Sector in the overall budget allocation has been falling over time and should be increased FY 2024/25. This is in recognition of the contribution of the sector to gross domestic</p>	<p>10. In order to facilitate the sector's role in contributing to gross domestic product (GDP) and providing needed financial and social support and relief for Kenya's poor and marginalized we recommend an increase in the size of the SPCR sector's budget to KES 75 billion.</p>

<p>product and supporting the livelihoods of the poor and marginalized.</p>	<p>We propose that the additional 2.8 billion be sourced from the proposed increase to the Public Administration and International Relations (PAIR) of KES 52.37 billion in the BPS of 2024.</p>
<p>11. The BPS 2024 seeks to expand social protection cash transfer programs, while the proposed allocation to the National Social Safety Net programme has been reduced in FY 2024/25.</p>	<p>11. To increase the number of beneficiaries under the national social safety net program as envisaged by the BPS 2024 we propose that the allocation to the program be increased accordingly. At the least we propose that the allocation to the program be maintained at the current level of KES 33.36 billion to avoid a decrease in the number of beneficiaries covered under the various programs.</p>
<p>12. The proposed allocation for the Education sector in FY 2024/25 is Ksh 666.5 billion, a 3% decrease from the approved estimates of Ksh 689.6 billion in 2023/24. This is 27% of the total allocation across all national MDAs, 1 % reduction from the approved budget for 2023/24. With this reduction in the budget, the target to reach 16 million learners in the school feeding program thus proves unrealistic. The total number of learners met in FY 2022/23 according to the sector report was 2.4 million against a target of 4 million learners in FY2023/24. Targeting 16M learners in the upcoming financial year means increasing the expenditure by up to five times, which is not supported by the decrease in allocation for the sector.</p>	<p>12. We propose for development a policy that allows the NACONEK to work with other existing and upcoming School Feeding Programs at county levels such as <i>Dishi na County</i> in Nairobi County and Uji Feeding Program in Murang'a County. This will foster a coherent existence of the different programs in a way that strengthens their collaboration and extends their area of reach within learners faced with hunger. We also recommend more realistic and reachable targets for learners to be reached through the school feeding program based on the allocations and previously achieved targets.</p>
<p>13. Budget absorption in the sector has been good in the past at 96%, 98% and 96% in 2020/21, 2021/22 and 2022/23. However, the 2023 education sector report highlights the issue of delayed disbursement of funds.</p>	<p>13. We propose a keen realization of where the delay comes from before money is released for expenditure in the different sub-sectors. Identifying the root cause of these delays will ensure that the process is unclogged, and funds are received on time.</p>
<p>14. The sector reports highlight the problem of school infrastructure and the equity angle to the issue. However, the report does not provide details of the magnitude of the challenge.</p>	<p>14.</p>

<p>The BPS does not address the issue and only mentions school infrastructure under the potential impact of climate change of the fiscal environment. The Education Sector report shows that only 200 were targeted for renovation of infrastructures, in a whole year, in FY2022/2023, all of which were not reached as only 168 schools were reached with the reason given being reprioritization of projects. The target for FY2024/2025 is still very low at only 263.</p>	
<p>15. The number of students across basic education levels has grown significantly but that has not been accompanied by adjustments in the per capita allocation for education. The BPS shows that there has been a steady growth in student numbers for the medium term between 2020/21-2022/23. For example, in the three years, the number of students in secondary education grew by 12%. However, the per capita allocation under free primary and day secondary education has not grown in tandem. In addition, there is a dire need to continue investing in Free Primary Education, only 71% of the approved budget for Free Primary Education for FY2022/2023 was spent; and there is no clarity on why the remaining 29% was not spent, but even if the reason was lack of exchequer issue, there is still no clarity on why there was no exchequer issue.</p>	<p>15.</p>
<p>16. The issue of school dropouts continues to be a major area of concern in the education sector among the stakeholders. The BPS highlights a 100% transition into junior secondary, however, during transitions into higher levels of education, the transition reduces due to dropouts. According to the End Triple Threat Campaign, adolescent girls (10-19 years) are the most prone to school dropouts due to teenage pregnancies, Sexual and Gender-Based Violence, and</p>	<p>16. We recommend a focus on the implementation of the launched Protection against Domestic Violence Rules (PADV) as highlighted in the 2024 BPS, to emphasize on protection, intervention, and holistic support to the victims with a gender lense on the adolescent girls.</p>

<p>HIV/AIDS. The statistical numbers from the campaign as shown in the Figure below, are concerning and a call to action.</p>	
<p>17. The proposed budget allocation to the State Department for Crop Development has been slashed by Ksh. 12 billion, likely hampering food security efforts in the coming FY 2024/25.</p>	<p>17. The national assembly considers aligning the proposed allocations to the ARUD sector, particularly to the State Department for Crop Development in consideration of the central role of food security to the BETA and the feasibility of the proposed initiatives to be implemented over the medium-term.</p>
<p>18. Declining budget absorption rates have led to the stalling of water projects.</p>	<p>18. The completion of these projects should be prioritized before the government commences new projects. This will increase access and boost access to water in the intended regions.</p>
<p>19. Consider putting out a Gender Budgeting Statement following the Budget Policy Statement and preceding the Approved Budget.</p>	<p>19. As a policy document, the BPS should also be the place where the government outlines how the proposed priorities impact on gender. Parliament to recommend that the National Treasury prepares a Gender Budgeting Statement to show how the proposed budget considers gender perspectives.</p>

3.OFFICE OF THE AUDITOR GENERAL

AGENCY	OBSERVATIONS	RECOMMENDATIONS
1. Utilization of Expensive Loans	i. The report raises concerns about the need to assess the utilization of expensive loans, emphasizing a focus on productivity.	i. Consider amending laws to ensure loans contribute effectively to development, quoting relevant laws such as [Specify Applicable Laws]
2. County Budget Allocation for Health	i. Concerns are noted regarding the shrinking budget for health services, prompting an examination of the county budget allocation on health	i. Suggest amendments to relevant laws, particularly focusing on Article 223, to address budgetary concerns and ensure accurate budgeting
3. Supplementary Budget Challenges	i. The report highlights concern about the misuse of the supplementary budget, indicating inaccuracies and a lack of thoughtful budgeting	i. Propose amendments to strengthen the Public Finance Management (PFM) Act, quoting the need for a criteria framework for supplementary budget approval.
4. Donor-Funded Projects and Loan Utilization Timelines	i. Slow uptake and implementation of donor-funded projects, coupled with delays in utilizing loan funds, are identified as risks	i. Call for a transparent process and implementation matrix before loan commitments, emphasizing integration of government systems to ensure efficient fund utilization
5. Pending Bills and Fiscal Indiscipline	i. Discrepancies between audited figures and reported figures by counties on pending bills, attributed to fiscal indiscipline during election cycles	i. Propose sanctions for malpractices, possibly amending relevant laws, and advocate for the adoption of accrual accounting to address pending bill issues.
6. Efficiency in Government Systems	i. Inefficiencies in the implementation of the single government account and lack of	i. Recommend the integration of all government systems, potentially requiring amendments in laws governing financial management

	integration in government systems	
7. Commission on Pending Bills	i. Mention of a commission on pending bills	i. Seek further details and possibly propose amendments for the effective functioning of the commission

4. Kenya National Farmers' Federation (KENAFF) Memoranda		ACTIONS TO BE TAKEN/PROPOSALS
2024 BUDGET POLICY STATEMENT	ISSUES	
1. Total Revenue Allocation for Agriculture, Rural and Urban Development Sector – National Government		
<p>Agriculture, rural and urban development (ARUD) Budget allocation for the FY; - 2023/24 – Ksh. 98,089.1 Million – 4.03%</p> <p>Agriculture, rural and urban development (ARUD) Budget allocation for the subsequent FYs; - 2024/25 – Ksh. 87,808.0 Million – 3.50% - 2025/26 – Ksh. 95,811.3 Million – 3.51% - 2026/27 – Ksh. 97,228.6 Million – 3.25%</p>	<p>The total revenue allocation for Agriculture, Rural and Urban development in the MTEF period 2024/25 – 2026/27 still constitutes an average of about 3.5% of the total budget, which is way below the at least 10% recommendation of the Maputo Declaration, to which Kenya is a signatory.</p> <p>According to agriculture sector expenditures (<i>share of agricultural expenditure in total county expenditure for all counties between 2014 and 2017</i>, source Controller of Budget, 2018) majority of the counties are way below the 10% target that was established under the Malabo Declaration. Only seven out of forty-seven counties has recorded shares of agriculture expenditure in</p>	<p>KENAFF urges the government's fidelity to the Malabo Commitments to which Kenya is a signatory. Allocating at least 7% of our country's GDP to agricultural and rural development is the surest pathway to Bottom-Up socioeconomic transformation in our country. In this case increase the allocation by the same percentage (3.50%) = 3.50%+3.50% = 7.00% and do the same for the subsequent years.</p> <p>County governments should focus on agriculture as it is a devolve function and allocate at least 8% of the total county budget to agriculture sector.</p>

	total expenditure higher than 10%.	
<p>2. Land Use Management Policy</p> <p>During the 2020/21-2022/23 Medium-Term Expenditure Framework (MTEF) Period, the Sector:</p> <ul style="list-style-type: none"> - Registered and issued 1,233,706 title deeds countrywide; - Settled 24,112 landless households; - Geo-referenced 144,951 land parcels. <p>During the MTEF Period 2024/25-2026/27, the sector plans to:</p> <ul style="list-style-type: none"> - Register and issue 1,270,000 title deeds countrywide; - Settle 47,000 landless households; - Geo-reference 1,770,000 land parcels 	<p>Sub-division of agricultural land: - KENAFF is recognisant to the fact that there has been high rate of sub-division of agricultural land in counties regarded the national food basket which poses a threat to food security in Kenya.</p>	<p>KENAFF propose the following:</p> <p><i>(i). Land use management policy development</i> – the government with support from the lands and planning department/sector together with KENAFF and key stakeholders should develop land use management policy that will address the issue of sub-division of agricultural land in Kenya. Though, Kenya has a legislation on the sub-division of land {Agriculture Act (Chapter 318)} which is largely not effective.</p> <p>Countries to benchmark from in Africa: South Africa, Tanzania, Uganda, Ethiopia and Egypt.</p> <p>Countries outside Africa: Argentina</p> <p><i>(ii). Conduct a nationwide civic education on land laws, legislation and policies</i> – effective and robust communication is key especially through a variety of channels including; newspapers, television messages, radio broadcasts and newsletters is critical in creating awareness and educating a large audience. Therefore, a drive public education and awareness campaigns should be conducted on, before, during and after of implementation of land legislation and policies.</p>
<p>3. Livestock sub-sector</p>		
<p>During the 2020/21-2022/23 Medium-Term</p>	<p>Issues</p>	<p>- KENAFF believes meaningful, optimal and</p>

Expenditure Framework (MTEF) Period, the Sector:

- A national land value index in 25 counties;
- Graduated 2,632 veterinary and animal production technicians from livestock industry training institutions;
- Trained 2,293 actors in dairy, beef and apiculture value chains;
- Produced 3.4 million straws of semen and 85.7 million doses of assorted vaccines for livestock;
- Constructed a model feedlot in Baringo County.

During the MTEF Period 2024/25-2026/27, the sector plans to:

- Produce and distribute 135 million doses of assorted livestock vaccines;
- 10.5 million doses of semen and 45,000 improved embryos;
- Distribute 640 milk coolers to counties.

- Lack of attention in the ASAL areas;
- Lack of attention towards the farmers' in the livestock sub-sector;
- Unemployment of extension services officers.

sustainable agricultural transformation and growth shall always be function of a farmer-driven, market-oriented and well-deployed technical advisory system. KENAFF is ready to collaborate with the government on this through her well-developed approach of Training of Farmers (ToF) who get deployed in their communities as models of an extension instrument known as positive deviance modelling;

- Collaborate with the government to strengthen the livestock sub-sector as well as propose a 3.5% of the agriculture, rural and urban development total budget dedicated to the sub-sector with focus on ASALs areas (Garissa, Marsabit, Mandera, Samburu, Turkana, Baringo, Isiolo, Tana River and Wajir).

- KENAFF urges the Kenya Kwanza government to provide support to the National Farmer Organization as the ultimate avenue through which to consolidate, grown and sustain gains in the sector. This is also because KENAFF has the aspiration to organize all the farmers of Kenya into progressively better organized producer entities; culminating into cooperatives for enhanced incomes, agency and quality of life for the farmers.

4. The 6 value chain focus		
<p>The 2024 Budget Policy Statement has clearly outline the specific interventions achieved during the 2020/21-2022/23 Medium-Term Expenditure Framework (MTEF) period and what it sets to achieve during the MTEF period 2024/25 – 2026/27.</p>	<p>The 2024 Budget Policy Statement resource allocation for MTEF period 2024/25 – 2026/27 has no specific resource allocation for each of the 6 priority value chains but for the entire sector and period. It does not set specific targets or infrastructure developments that will enhance the 6 priority value chains in terms of <i>which crops, where to be planted, what kind of processing or value addition will be done and how the marketing will be done.</i></p>	<p>In order to achieve the interventions during the MTEF period 2024/25 – 2026/27, KENAFF believes the government would only be achieve through engagement with farmers under organized structures within the 6 priority value chains. There is need to clearly <i>sensitize and mobilize the farmers, building their capacity, development of the processing infrastructure and the marketing strategies for each value chains to encourage uptake.</i></p>
5. Agriculture, rural and urban development sector		
<p>Agriculture, rural and urban development sector (ARUD)</p>	<p>Urban development sector is in the agriculture, rural and urban development</p>	<p>KENAFF submits that the agriculture and rural development sector be decoupled with the urban development sector as the two are highly distinctive and with particularly varying priority needs.</p>

WRITTEN MEMORANDA ON THE 2024 BUDET POLICY STATEMENT

S/N	DATE	DATE RECEIVED BY PBO	NAME ORGANISATION	FINANCIAL REQUEST	NON-FINANCIAL REQUEST	ANY RELEVANT INFORMATION
1	26th February 2024	27th February 2024	Children Agenda Forum		<ol style="list-style-type: none"> 1. We propose adequate data on the Status of School Meals in Kenya is glaringly missing from the 2024 BPS and other government reports such as the 2023 Education Sector Report. 2. a comprehensive policy and legal framework on School meals. Whereas the National Assembly in October 2022 resolved that that the Ministry of Education, develops a school meals policy, the 2024 Budget Policy Statement falls short of outlining the status of affairs on the matter of school meals policy. 3. Sustainability Mainstreaming Climate Change adaptation in schools 	State Department for Basic Education to provide a status update on the issue of School Meals policy; and to further clarify whether the School Meals policy will be presented to the National Assembly and by what timelines
3	26 th February 2024	27th February 2024	The Rift Valley Budget Hub		<ol style="list-style-type: none"> 1. The National Assembly should demand for a sound strategy to improve budget implementation. II. National Assembly to demand for mitigation measures to reduce over reliance on external funding especially for capital projects. 2. The National Assembly Interrogate the priorities for capital expenditure based on established need in publicly available reports 	I.

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					e.g. KDHS as in the case of water, health and related sectors II. The National Assembly should put a caveat on initiation of new water projects in favour of completion of ongoing projects, especially in water scarce locations.	
5	27 th February 2024	27 th February 2024	Coast Regional Budget Hub		<p>Fiscal operations of the Government by end of November 2023 resulted in an overall deficit including grants of Ksh 144.4 billion against a projected deficit of Ksh 379.7 billion. This deficit was financed through net domestic borrowing of Ksh 156.2 billion and net foreign repayment of Ksh 23.4 billion.</p> <p>According to the BPS 2023, total revenue recorded a shortfall of Ksh 98.7 billion with ordinary revenue missing the November 2023 target by Ksh 98.2 billion and Ministerial Appropriation in Aid (AiA) recording a shortfall of Ksh 0.5 billion.</p> <p>Ministerial Appropriation in Aid (A-i-A) was Ksh 1,011.5 billion against a target of Ksh 1,110.2 billion recording a shortfall of Ksh 98.7 billion</p> <p>The Draft BPS records overall expenditures were below target by Ksh 335.7 billion in November 2023 on account of below target disbursements towards; recurrent expenditures by Ksh 166.7 billion,</p>	<p>Comments:</p> <p><i>The draft BPS should include half year performance up to December 2023</i></p> <p><i>The Government needs to come up with realistic targets to avoid budget deficits that will be later financed through domestic borrowing. That is not sustainable</i></p> <p><i>The National Treasury should ensure smooth disbursement of funds to the MDAs and the</i></p>

S/N	DATE	DATE RECEIVED BY PBO	NAME ORGANISATION	FINANCIAL REQUEST	NON-FINANCIAL REQUEST	ANY RELEVANT INFORMATION
0					development expenditure by Ksh 106.1 billion, and County Governments by Ksh 62.8 billion. The BPS 2024 projects revenue collection including Appropriation-in-Aid (A.i.A) is projected to increase to Ksh 3,435.0 billion (19.1 percent of GDP) up from the projected Ksh 3,070.6 billion (19.0 percent of GDP)	<i>County Governments to ensure absorption of development and recurrent budgets that will ensure effective service delivery.</i>
6	27 th February, 2024	27 th February, 2024	Citizens of Mathare		<ol style="list-style-type: none"> 1. Kiboro primary school is overwhelmed by the increasing number of pupils over the years, classes are congested and school resources are insufficient to support the large number pupils. The teacher pupil ratio is not in line with the set standard guideline. 2. The level of insecurity in Mathare Constituency is high, with mugging incidents and other forms of criminal acts happening in the area of Kiamutisya village in broad daylight. Nights are unbearable, compelling these hard-working citizens to stop their indulgence in economic activities by 7PM (not good for a country aspiring to be a 24-hour economy) Lawlessness everywhere in 	Deployment of more professional teachers at Kiboro primary schools in Mlango Kubwa ward and Hospital ward Construction of more classrooms at Kiboro primary school in Mlango Kubwa Ward and more educational centers in Hospital Ward. Mabatini ward on the other hand has no schools and this is an infringement of a

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					<p>the constituency. GBV cases are still high in the constituency.</p> <p>3. Vulnerable children and orphans in our constituency are in dire need of support and protection, most live in the streets (no shelter, no food nor medical care) and are regularly exposed to danger from criminal gangs and child traffickers</p>	<p>basic right. Residents are therefore requesting for facilities within the ward to ease the strain of children travelling distant areas in pursue of education.</p>
7.	27 th February, 2024	27 th February, 2024	World Vision Kenya		<p>School Meals / School Feeding</p> <ol style="list-style-type: none"> 1. Scrutinize the finer details from the State Department for Basic Education on how the school meals programme has bene planned for, including how the targets are set and how the unit cost per learner per day is determined. 2. Seek from the State Department for Basic Education the constituency specific data on the number of learners targeted for school meals so as to demonstrate if there may be need for the National Government Constituency Development Fund to be used for enhancing the school meals programme. 3. Be explicit on the number of learners in the pre-primary primary schools, junior secondary schools and secondary schools that should benefit from the school meals 	

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					<p>programme and if some learners are to be left out, then there should be a clear justification as to why some learners must be left out of the government funded school meals programme.</p> <p>4. Seek from the State Department for basic education if there are learners in primary and secondary schools benefiting from the County governments led school meals programme and how such initiatives are being finance by county governments, and any best practices that the National government may consider to scale up.</p> <p>5. Suggest to the State Department of Basic Education to confirm the timelines by which the envisioned school meals policy will be finalized and the timelines by which such a policy may be submitted to the National Assembly for consideration.</p> <p>Sanitary Towels for Adolescent Girls</p> <p>6. The 2024 BPS should acknowledge that among the responsibilities of the Government in the provision of basic education as outlined in the Basic Education Act, Section 39 (k) as was introduced in 2017 through an</p>	

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					amendment, is to provide free, sufficient and quality sanitary towels to every girl child registered and enrolled in a public basic education institution who has reached puberty and provide a safe and environmentally sound mechanism for disposal of the sanitary towels. 2. The 2024 BPS should further acknowledge that the Annual Budget Estimates for the State Department for Basic Education shall provide for conditional capitation funds to facilitate the acquisition of sufficient and quality sanitary towels to every adolescent girl as provided for under Section 88(g) as was amended in the Basic Education Act.	
8	26 th February, 2024	27 th February, 2024	Civil Society Parliamentary Engagement Network (CSPEN)		<p>Budgetary Concerns</p> <ul style="list-style-type: none"> • Exorbitant Revenue Increase: The BPS proposes an unrealistic and potentially burdensome revenue increase of 324 billion Kenyan shillings in FY 2024/25. This translates to an additional tax burden of KES. 27,000 per taxpayer, effectively doubling the national tax burden by FY 2027/28. • Missing Tax Measures: The analysis criticizes the omission of specific tax measures from the final version of the BPS submitted to parliament, despite 	<p>Recommendations:</p> <p>The Government should also review other ways of generating income to supplement tax collection</p>

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0					<p>their inclusion in the December draft, raising concerns about adherence to legal procedures.</p> <ul style="list-style-type: none"> • Unsustainable Budget Deficit: The proposed budget deficit of 753.2 billion, financed by further public debt accumulation, creates a long-term burden for taxpayers. • Spending Reform Proposals: The analysis recommends capping government spending at current levels until FY 2026/27 and transitioning to a zero-based budgeting approach. This approach would require ministries to justify their spending requests, enabling the identification and elimination of wasteful expenditures. • Underutilized Budget Review: The analysis critiques the failure to utilize the Budget Review and Outlook Paper (BROP) effectively. While the BROP identified underutilized budgets in education and health for FY 2023/24, the BPS proposes increased allocations to these sectors without clear justification. 	
9	26th February, 2024	27th February, 2024	The People of Kitui Rural Constituency		<p>We propose that water provision through drilling of bore holes, construction of dams in order to improve access to clean, safe and adequate water.</p> <ol style="list-style-type: none"> 1. We want water treatment facilities and support during rainy season. 	

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					<ul style="list-style-type: none"> 2. We want provision of equitable, accessible and affordable health care of the highest attainable standards 3. Return of Educare program for the schools we want laboratories to be constructed and well equipped in all schools in Kitui Rural constituency we want school feeding program across all the schools in the constituency. <p>Improved infrastructures i.e classrooms, laboratories, water catchment, roads, toilets, dormitories etc</p>	
10	26 th February, 2024	27 th February, 2024	The People of Kitui East Constituency		<ul style="list-style-type: none"> 1. Health facilities are not well equipped 2. Inadequate health facilities 3. There is no enough drugs in health facilities Understaffing in the health facilities 4. Children Travel long distance 5. Some schools in the constituency are not registered 6. Inadequate staffing 7. Poor and inadequate infrastructure 8. There are no school feeding programs <ul style="list-style-type: none"> a. Vulnerable girls do not access dignity kits 9. Defilement cases 10. -School drop outs 11. -Neglect 12. -child pregnancy 	<ul style="list-style-type: none"> 1. Deployment of health staffs at the facilities 2. Construction of maternity wings and equipment 3. The 100% transition to be enforced 4. The government to ensure social economic safety net are in place,

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					<ul style="list-style-type: none"> - Corporal punishment - Kangaroo courts in solving children - Poverty index is high 	<p>especially to the OVCs</p> <p>5. - Establishment of rescue centers</p>
11	26 th February, 2024	27 th February, 2024	Children's Rights Kenya		<ol style="list-style-type: none"> 1. We recommend that education institutions form the bulk of public institutions planned for connection to electricity and internet to enable & enhance access to digital literacy among basic education learners as an important 21st century skill. 2. The National Treasury and Ministry of Education should revise the per capita grant for primary, junior secondary, senior secondary, and special schools and advise county governments to introduce per capita grant in pre-primary. The revision and introduction should take into account: <ul style="list-style-type: none"> The National Treasury provide funds to the MoE and Department of Births and Deaths Registration to ensure that; i. No learner drops out of school on account of lacking Birth Certificates, assessment numbers or any other learner tracking mechanisms as may apply. 	

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					<p>ii. ECDE learners should be enrolled under NEMIS for ease of tracking the transition from Pre-primary to Primary.</p> <ul style="list-style-type: none"> - The National Treasury to provide adequate funding under Primary Healthcare Coverage for a comprehensive health and psychosocial framework for school based supportive intervention for children in distress especially adolescents living with HIV, special needs learners and nutritional needs 	
12			The People of Wundanyi, Taita, Taveta, Mwatate and Voi		<ol style="list-style-type: none"> 1. We propose water provision through drilling of fresh water bore holes, construction of check-dams and distribution to households in order to improve access to clean, safe and adequate water. 2. Building of water treatment sites and water analysis chambers 3. Commissioning of Mzima Phase II to serve Mwatate and Voi residents 4. Deployment of health staffs at the facilities 5. Ensuring the cancer center is fully equipped and operationalized. 6. The government to budget for a GBVRC van and construct, equip and operationalize GBVRC 	-

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					<ul style="list-style-type: none"> 7. The government should budget for establishment of an anti-venom center and fully equip it. 8. Construction of a safe home. 9. Provide school feeding programs in all primary and special unit schools 10. Provision of sanitary towels to all girls 11. Construct and equip all laboratories in the schools without like Zare Secondary School. 12. Equipping the special schools as per their needs. 13. To enable children access essential needs like health, reintroduce the health insurance for them. 14. Government to construct a dam in Mwatate for domestic, livestock and irrigation 15. Government to provide subsidized certified seeds and fertilizers 16. Introduction of good agricultural and farming technologies 17. Government to allocate more funds on relief food, cash transfer program and provision of alternative income generating activities such as Kazi Mtaani program. 	
13	27/3/24	1/3/24	Kerio Valley Development Authority	Request for additional funds Recurrent 80 million funding for		

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				Personal Emoluments		
14	23/3/24	1/3/24	CPF Financial Services		Enhancement on strategies for clearing pending Bills and superannuation scheme. Automation in form of consolidated social protection fund as envisioned in vision 2030.	-
15	26/02/2024	1/3/24	Civil Society Organizations (CSOs)		<p>General Comments and Recommendations</p> <ol style="list-style-type: none"> 1. There is need for full disclosure on donor funding in Kenya, including the sector, program, funding level, fund period and where appropriate a clear sustainability plan. 2. There is need for full disclosure on the counterpart funding in Kenya, including the amounts, program, funding period and expected counterpart financing levels. 3. Status report on the CPHs implementation in Kenya for the previous year should be availed including the co-financing obligations, number of CHPs and the Counties. 4. The Ministry of National Treasury and Economic Planning issued two supplementary budgets in FY23/24. In the two supplementary budgets, allocation to the health sector significantly reduced while there was no justification on the reduction. In the future, public participation should be held 	-

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					<p>to determine supplementary budget reductions.</p> <p>5. There is need for an analysis of the health budget funding and absorption levels. This should be indicated in the BPS and justification of the absorption levels realized.</p> <p>6. The national health budget allocation to Counties should be defined with a percentage indicated and ring-fenced. The process should be consultative with consideration of public participation.</p>	

Civil Society Organizations (CSOs)	
Sustaining the Bottom-up Economic Transformational Agenda for Economic Recovery and Improved Livelihoods	
Chapter 1	Healthcare
Section 1.2.4	

Paragraph	Issue of Concern	Justification	Proposal/Recommendation
27	The budget allocation for Primary Healthcare Fund is not indicated	The government has indicated the set up various funds including a public financed primary health care system, and emergency care fund to enable the achievement of Universal Health Coverage (UHC).	A certain percent of government national budget should be allocated to the PHC Fund. This will ensure a fully funded PHC in Kenya including PCN set up in the 47 Counties for sustainability.
28	The Budget Policy statement does not indicate the transition from NHIF to SHIF in the FY24/25. The Budget Policy Statement does not have a budget for indigents coverage in SHIF.	The government through the Ministry of Health is in the process of transiting from NHIF to SHIF after the president signed into law the SHIF Act 2023. The SHIF ACT 2023 indicates that the government will provide health insurance for indigents to ensure that they can access quality health services when needed.	The BPS should highlight the transition from NHIF to SHIF in the FY 24/25. This should include the transition plan and budget allocations. There should be a budget allocation on the number of indigents to be covered in their different demographics (children, youth, female, male, people with disabilities, the elderly).
30	Unclear CHP standardized stipend	CHPs make a significant contribution to health outcomes by providing health services at the community level. Their stipend should be commensurate to the work they do and should be in accordance to the set minimum wage.	The payment of stipends to CHPs is meant to be paid on a matching contribution of 50:50 by the county and national governments. The BPS should indicate the standardized CHP stipend for uniformity across the Country.
31	CHPs role in data protection	CHPs provide healthcare at the community level, which entails service provision and data collection. In adherence to the data protection Act, CHPs should be trained on data protection.	Consider the inclusion of data collection and protection training for all CHPs as well as their indemnity.
32	There is no budget indication on the scale up and management of PCNs in Kenya.	The government envisions PHC implementation to be through the PCNs structures which are a relatively new concept in the health care system.	PCNs set up, sustainability and public sensitization budget allocation should be included in the Health sector budget. A clear description of the implementation of the PCN structure should also be included.

