

COUNTY GOVERNMENT OF KITUI



COUNTY TREASURY

COUNTY FISCAL STRATEGY PAPER

2022/2023 FINANCIAL YEAR

ACCELERATING ECONOMIC RECOVERY FOR IMPROVED LIVELIHOOD

DECEMBER 2021

FOREWORD

The 2022 Kitui County Fiscal Strategy Paper (CFSP) builds direct linkages between policies, plans and budgets, and sets the County Government priority programs to be implemented through the medium term period 2022/2023– 2024/2025. It provides an overview of recent economic development and outlook as well as expenditure ceilings for County Departments, units and agencies and detailed guidelines that are aimed at structuring County Government expenditure towards prevalence areas. The programs and policies herein reflect the concerns of the Kitui Citizenry and are anchored under the approved CIDP 2018-2022 and the 2022/2023 Annual Development Plan.

The theme for development for FY 2022/2023 will be *accelerating economic recovery for improved livelihood*, the Government has prioritized programs aimed at increasing the household income amidst the Covid-19 pandemic. This will be through accelerating rural economic development through investment in the productive sectors of the economy, Promotion of savings and investment among the households and Public sector restructuring and reorganization to enhance efficiency and productivity.

The County's poverty index is 62 Percent with a level of food sufficiency of 51 Percent. In order to invest in the productive sectors of the economy, the Government has prioritized interventions geared towards enhancing the county agricultural production, which actually contributes 87.3 Percent of income to the rural population. The Government will also be keen in enhancing value addition for agricultural products, which has overtime increased household income and generated employments for women and the youths. The Government aims at enhancing community involvement in development, which will be outlined in the cluster community action plans. This will ensure communities are active participants in development and in long run become economically self- reliant.

In the FY 2022/23, the total revenue collection is projected to decrease to Kshs 11,399,195,524 from Kshs 12,499,775,275 in the FY 2021/22. The decrease is associated with projected reduction in grants. 91 percent of the revenues represents the equitable share while county generated revenues and grants represents 4 percent and 4 percent respectively of the total projected revenues.

This document is aligned to the Budget Policy Statement (BPS) 2022 prepared by the National Treasury which sets out the national broad strategic priorities and policy goals guiding budget

preparation for the next financial year at the national level. It is a requirement to subject the proposals to public scrutiny as a way of ensuring transparency and accountability. In this regard, public participation on the paper was conducted and the views arising thereof taken on board. Further, the draft CFSP has also been approved by the County Budget and Economic Forum (CBEF) and their views also incorporated. The report was shared with the Commission on Revenue Allocation (CRA). Their inputs and positive criticism has gone a long way in shaping this paper.

As we translate to the budget for FY 2022/23, sectors will be required to develop their programme concept notes to support the development outcomes envisaged in this County Fiscal Strategy Paper. In this regard, all sectors should ensure their program-based budgets are supported with the concept notes and expenditures are outcomes oriented.

Going forward, emphasis will be done to enhance our resource mobilization strategy in the medium term. This will be effected through setting up required policies and laws to support PPP investments, development partnership and borrowing to fund the key flagship and strategic interventions as prioritized in the Vision 2030 and CIDP 2018-2022 for socio economic transformation of the county. The County Government proposes to allocate more resources to programmes and projects targeted towards addressing water provision challenges; access to affordable, accessible and quality health care and infrastructural developments especially in the road sector.

Ben Katungi

CECM, County Treasury

County Government of Kitui.

ACKNOWLEDGEMENT

The 2022 County Fiscal Strategy Paper has been prepared in compliance with the provisions of Section 117 of the Public Finance Management Act, 2012. It outlines the current state of the economy, provides fiscal outlook over the medium term and specifies the set strategic priorities and policy goals together with a summary of the Government spending plans, as a basis of the FY2022/23 budget. The Government will continue to sensibly manage use of public resources over the 2022/23-2024/25 Medium Term Expenditure Framework (MTEF).

The preparation of the 2022 CFSP was a collaborative effort of various Government Departments, Government partners, members of the public and other stakeholders. We are very grateful for their inputs. We thank all the spending units, the Ministries, Government Departments and Agencies for timely provision of information.

We express our gratitude to the leadership of H.E the Governor, H.E the Deputy Governor and the entire County Executive Committee members for their support and inputs. Special appreciation goes to the entire County Budget and Economic Forum (CBEF) for their inputs and comments, in addition to comments from the public and input from all county ministries.

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TABLE OF CONTENTS

ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v
BACK GROUND INFORMATION	1
1. INTRODUCTION	2
1.1 Overview	2
1.2 Strategic Commitment	3
1.3 The Value Chain Approach	3
1.4 Ministry of Infrastructure, Housing, Transport and Public Works	4
1.5 Ministry of Lands and Physical Planning	4
1.6 Health and Sanitation	5
1.7 Ministry of Agriculture, Water and Irrigation	6
1.8 Ministry of Livestock, Apiculture and Fisheries	7
1.9 Ministry of Basic Education, ICT & Youth Development	8
1.10 Ministry of Trade, Co-operatives and Investments	9
1.11 Ministry of Environment, Tourism and Natural Resource Management	10
1.10 Ministry of Gender, Sports and Culture	11
1.11 The County Treasury	12
1.12 Mwingi Town Administration	13
2. RECENT ECONOMIC DEVELOPMENTS AND MEDIUM-TERM OUTLOOK	14
2.1 Overview	14
2.2 Recent Economic Developments and Outlook	14
2.2.1 Global and Regional Economic Developments	14
2.2.2 Quarterly GDP growth of 2021	18
2.2.3 Inflation Rate	19
2.2.4 Kenya Shilling Exchange Rate	20
2.2.5 Private Sector Credit	22
2.2.6 External Sector Developments	23
2.2.7 Foreign Exchange Reserves	24
2.3 CAPITAL MARKETS DEVELOPMENT	25
2.4 Fiscal Performance	25
2.4.1 Revenue Performance	26
2.4.2 Expenditure Performance	26
2.4.3 Fiscal Policy	27
2.5 Economic Outlook	28
2.5.1 Global Growth Outlook	28

2.5.2 Domestic Growth Outlook.....	28
2.5.3 County Growth Outlook	29
2.6 Risks to the Economic Outlook	31
3. BUDGET FOR FY 2022-23 AND THE MEDIUM TERM	32
3.1 FY 2022/23 Budget Framework.....	32
3.2 Revenue Projections	32
3.3 Expenditure Projections.....	36
3.4 Recurrent Expenditure Projections.....	36
3.5 Development Expenditure Projections	38
3.6 Overall Deficit and Financing	38
3.7 Risks to the 2022/23 County budget framework	38
3.8 Fiscal Structural Reforms	39
3.8.1 Revenue mobilization.....	39
3.8.2 Expenditure Management.....	39
3.9 Guiding Principles in Resource Allocation	40
3.9 County’s Adherence to the Fiscal Responsibility Principles.	40
3.11 Resource Sharing Guidelines	41
4.0 ANNEX I: DEPARTMENTAL/ SECTOR PRIORITIES.....	43
4.1 Office of the Governor	43
4.2 Public Service Management and Administration	44
4.3 Ministry of Agriculture, Water and Irrigation	45
4.4 Ministry of Basic Education, ICT and Youth Development	48
4.5 Ministry of Infrastructure, Housing, Transport and Public Works.....	49
4.6 Ministry of Health and Sanitation	54
4.7 Ministry of Trade, Cooperatives and Investments.....	59
4.8 Ministry of Environment, Tourism and Natural Resources	61
4.9 Ministry of Gender, Sports and Culture	68
4.10 The County Treasury	70
4.11 County Public Service Board	71
4.12 The County Assembly	73
4.13 Kitui Municipality	74
4.14 Mwingi Town Administration	77
4.15 Ministry of Livestock, Apiculture and Fisheries	79
Ministry of Livestock, Apiculture and Fisheries Development	79
4.16 Ministry of Lands and Physical Planning.....	80
ANNEX II: LIST OF PROJECTS PROPOSED AT WARD LEVEL DURING CFSP PUBLIC	84

DRAFT

LIST OF TABLES

Table 1: Global Economic Growth, Percent	15
Table 2: Sectoral GDP Performance	16
Table 3: Sectoral GDP Performance	18
Table 4: Money and Credit Developments (12 Months to September 2021 Ksh billion)	22
Table 5: Revenue Projections for FY 2022/2023 and the MTEF	33
Table 6: Proposed CFSP Estimates Deviations from Proposed Ceiling 2022/23 Per Ministry	37
Table 7: Medium term department ceilings, 2020/21-2022/23 (Kshs)	42

LIST OF FIGURES

Figure 1: Annual Growth Projections, percent	17
Figure 2: Inflation Rates in selected African Countries (September 2021)	19
Figure 3: Kenya Shillings Exchange Rate	20
Figure 4: Performance of Selected Currencies against the US Dollar (October 2020 to October 2021).	20
Figure 5: Short Term Interest Rates, Percent	21
Figure 6: Commercial Bank Rates, Percent	21
Figure 7: Private Sector Credit.....	23
Figure 8: Balance of Payments (Percent of GDP)	23
Figure 9: Official Foreign Reserves (USD Million)	25
Figure 10: Performance of the Nairobi Securities Exchange	25

BACK GROUND INFORMATION

The County Fiscal Strategy Paper is published in accordance with Section 117 of the Public Finance Management Act, 2012. The law states that:

1. The County Treasury shall prepare and submit to the County Executive Committee the County Fiscal Strategy Paper for approval and the County Treasury shall submit the approved Fiscal Strategy Paper to the County Assembly, by the 28th February of each year.
2. The County Treasury shall align its County Fiscal Strategy Paper with the National objectives in the Budget Policy Statement.
3. In preparing the County Fiscal Strategy Paper, the County Treasury shall specify the broad strategic priorities and policy goals that will guide the County Government in preparing its budget for the coming financial year and over the Medium term.
4. The County Treasury shall include in its County Fiscal Strategy Paper the Financial outlook with respect to County Government revenues, expenditures and borrowing for the coming financial year and over the medium term.
5. In preparing the County Fiscal Strategy Paper, the County Treasury shall seek and take into account the views of—
 - (a) The Commission on Revenue Allocation;
 - (b) The public;
 - (c) Any interested persons or groups; and
 - (d) Any other forum that is established by legislation.
6. Not later than fourteen days after submitting the County Fiscal Strategy Paper to the County Assembly, the County Assembly shall consider and may adopt it with or without amendments.
7. The County Treasury shall consider any recommendations made by the County Assembly when finalizing the budget proposal for the financial year concerned.
8. The County Treasury shall publish and publicize the County Fiscal Strategy Paper within seven days after it has been submitted to the County Assembly

1. INTRODUCTION

1.1 Overview

1. The County Fiscal Strategy Paper (CFSP) 2022/2023 has been prepared by taking cognizance of the 2021/2022 economic outlook and the five Pillar county development agenda namely: Food and Water; Healthcare; Education and Youth Development; Women Empowerment and Wealth Creation. Further, the paper seeks to give a framework for implementation of programmes and projects prioritized by the citizens. The paper is aligned to the Vision 2030, the 3rd Medium Term Plan, the United Nations Sustainable Development Goals (SDGs), national government policies and guidelines as communicated through various circular's, the 2022/ 2023 Budget Policy Statement (BPS), the approved County Integrated Development Plan (CIDP) 2018-2022 and the County's Annual Development Plan for 2022/2023 FY.

2. The 2020/21 County Budget Review and Outlook Paper (CBROP) has also been a key point of reference in the preparation of this document. The previous financial year's fiscal performance as analyzed in the CBROP has indicated an improvement in the absorption rate of development funds from 86% to 88.8%. This implies that the County has witnessed an economic growth. This information is crucial in informing future performance projection and the choice of broad fiscal parameters.

3. Additionally, this policy paper benefited from feedback from members of the public and other relevant stakeholders. It will serve as a guide in the preparation of the budget estimates for FY 2022/23.

4. The paper highlights programmes, policies, strategies and activities while at the same time underpinning the structural reforms required for actualization of the County Government of Kitui five (5) development Agenda.

5. This CFSP recommends strengthening of Capacity in Public Financial Management (PFM) to improve governance and this will underpin our achievements on the objectives of fiscal discipline and sound financial management. With improvement in management of resources coupled with clarity of vision and strategic planning, the County will ensure to achieve improved service delivery, create more jobs and wealth for better livelihoods of our people. Its imperative to note that Kitui County has been both food and water insufficient, a situation which has been compounded by diverse effects of the Covid-19 pandemic and the pandemic containment measures alongside the poor weather conditions, a common phenomenon in the County. During the second quarter of 2021/22, the County received moderate rainfall and the farmers are expecting moderate harvest. Despite rampant un-employment and under-employment (particularly among the youth and women), and the lack of formal cash crop (s), Kitui County residents are now hopeful into the future due to many impactful programmes currently being rolled out to combat the adverse effects of the Covid-19 pandemic and the destructive desert locusts, thus calling for very prudent fiscal discipline, policies and well-designed programmes to realize the full benefits and meet the high expectations.

6. Additionally, the CFSP proposes deliberate efforts will also be undertaken to grow the local revenue base, seal all leakages while at the same time develop new and innovative ways of generating additional revenue. To stimulate the full realization of the five agenda manifesto, the County Government will aggressively seek the support of development partners, while at the same time identifying projects and activities with the highest potential to generate wealth.

7. Further, the County Government will continue using programme based budgeting with the view to formulating and prioritizing expenditure plans and budgets within the available resource envelop; with public participation being the hallmark of the development of this Fiscal Strategy Paper as well as in the development of the Annual Budget. By so doing, both ownership and sustainability of the programmes and projects identified for implementation will be assured.

1.2 Strategic Commitment

8. During 2022/2023 FY, the County Government of Kitui Strategic commitment will continue rolling out various programmes, projects and activities with the highest potential for high economic and social impact over the medium term. These development interventions will be in line with the five pillar County development agenda. great emphasis will be put on value addition in the livestock sector, textile sector, agribusiness and empowerment programmes.

1.3 The Value Chain Approach

9. The County Government will continue to support farmers to produce according to the market demand and supply of products and services. The value chain approach will enable the producers to improve the quality of the products and ensure high prices at the end of the supply chain with minimal cost of production. The County Government will ensure that information and training on value chain is available to the producers.

10. Value Chains focuses on Products, Processes and People. During the 2022/23 FY, the County Government plans to continue supporting producers directly right from operations at the farm level/production through: increasing agricultural output and productivity, reduction of pre and post-harvest losses, mechanization of farming activities; intensification and commercialization of small holder agriculture, planting of certified seeds; supply of subsidized fertilizers timely use of appropriate pesticides; and complete post-harvest management services (transport / logistics related to bulking and to the final market/ marketing outlets; value addition, branding and marketing.

11. To achieve this, the CFSP proposes deliberate efforts will be put on organized groups (including faith based organizations, youth groups, women groups) and encourage them to transform themselves into sector focused Co-operatives, with special focus to value addition and access to local, regional and global markets.

12. During the FY 2022/23, the County Government also plans to invest heavily on human capacity development through applied training / learner centered knowledge diffusion with the view to ensuring that, regardless of one's previous academic background, a critical mass of people

from Kitui acquire practical skills alongside the specific value chains identified above. Through Vocational Training Centers, Co-operatives, Financial Services Associations (FSAs), and other credit giving institutions, the County Government plans to ensure that there is affordable credit for our women and youth for wealth and income generation.

1.4 Ministry of Infrastructure, Housing, Transport and Public Works

1.4.1 Roads

13. To support and unlock the country's potential in contributing to the national economy and supporting wealth creation within the County, the County will continue to invest in road maintenance and repairs of both rural access and urban roads to improve connectivity and enable farmers and traders access markets for their produces/commodities faster and cheaply. This will be achieved through routine repairs and maintenance of roads and related infrastructure like bridges, drifts and culverts, bush clearing and grading programme.

14. In the FY2022/2023 county government will carry out upgrade of roads in specific towns to bitumen standards under dustless town program in an effort to support business activities and reduce dust levels in these towns.

1.4.3 Housing

15. The housing situation in Kitui County is characterized by an acute shortage of affordable housing. This situation is exacerbated by the rapidly rising rural urban migration in search of work, business opportunities as well as modern living and the low percentage of individuals within the County who are engaged in gainful economic activity. The County will improve efficiency in house provision and safe disposal of asbestos waste within Kitui County. To enable construction of decent housing units, the county will develop a comprehensive housing programme to be implemented through a joint venture arrangement to incentivize low cost housing.

1.5 Ministry of Lands and Physical Planning

1.5.1 Land Development

16. As a factor of production, land is critical to economic, social, political and cultural development. Secure access to land and its sustainable use remain significantly important for employment creation, food security and the socio-economic development of the county. In order to support the attainment of the county manifesto, the county will assist to fast track issuance of title deeds and settlement of land adjudications as well as undertake physical planning through proper engineering and design plans of Mwingi, Mutomo, Kyuso, Zombe, Kwa Vonza towns and Kanyangi.

1.6 Health and Sanitation

17. In the forthcoming FY2022/23, the Ministry will continue to enhance healthcare access in the County. Already the Ministry has operationalized the 2018-2022 Medium Term County Health Sector Strategic Plan to guide it on key priority areas to ensure quality health care in the County.

18. To enhance access to healthcare, reduce out-of-pocket expenditure on health and to ensure quality of healthcare, the County rolled out Kitui County Universal Health targeting 85 households. Towards this, the Ministry subsidise by 50% yearly premium for NHIF cost for each household. The Ministry will continue mobilizing Kitui people to scale up the uptake of health insurance cover. Additionally, the national government through the Ministry of Health is rolling out Universal Health Coverage programme countrywide to complement the County interventions. The number of people accessing health care has more than doubled since KCHIC was rolled out and this will be increased further once NHIF uptake is fully rolled out. Other programmes being undertaken include:

a) Expansion of other county hospitals. The county has embarked on expansion of the other 12No. Hospitals with the view of improving service delivery in the facilities. This involves operationalization of maternity theatres in Tseikuru and Migwani hospitals, operationalization of X-ray machines in Nuu, Mutitu, Kyuso, Zombe and Ikanga among other activities.

b) Kitui County is one of the vastest counties in the country, covering 30,540 km². Consequently, there are some areas where people walk for long distances to access health care. The ministry will continue to operationalize additional new health facilities in those underserved areas. This involves completion of construction works of the new facilities, staffing and equipping to make them operational. Installation of health information management system (HIMS) in all the 14 hospitals in the county is ongoing. This will improve on data management in the hospitals.

c) To enhance leadership and governance in the sector, the Ministry has implemented Health Facilities Management Bill to streamline management of health facilities across the county. For this reason, new health facilities committees have been operationalised. At the County level, Kitui County Health Management Board has also been operationalized.

19. To ensure a healthy and productive County, as envisaged in the Ministry's Vision, there is need to address various health gaps. These health gaps include:

a) Inadequate budgetary allocations to the ministry has led to phased implementation of the programmes, sometimes leading to increase in estimated costs

b) Poor flow of funds to the Ministry; coupled with liquidity problems at the County Treasury has seriously affected timely implementation of activities.

c) Inadequate staff in all cadres

d) Delays in projects documentation and procurement process by technical departments leading to delays in implementation of the projects. Sometimes the bills of

quantities (BoQs) do not capture all the major aspects of the project resulting to variations to make the projects usable. These results to increase in project costs and delays in implementation.

e) Inadequate projects supervision by the technical departments leading to delay in projects completion and sometimes low quality works

20. To reduce high burden of both communicable and non-communicable disease, the ministry will revamp the Community Health Strategy. This is a community based promotive and preventive health services. To make this more effective, the County is in the process of engaging Community Health Volunteers (CHVs) and equip them with the relevant resources and skills.

1.7 Ministry of Agriculture, Water and Irrigation

22. Kitui County is located in Semi-Arid area where rainfall is usually minimal throughout the year hence rain-fed agriculture faces serious draw back for growing both food and cash crops, with cyclical drought and famine being the norm than the exception. With increasing negative effects of climate change now being a reality in Kitui County, deliberate efforts will be made to tap seasonal rivers by constructing dams to ensure that water is available for use by residents during dry seasons. During the second quarter of 2021/22 the county received moderate rainfall. The county is expecting moderate harvest.

23. Kitui county has a population of 1,136,187 (Kenya National Bureau of Statistics Report, 2019) whereby 55% has access to clean and safe drinking water with the rest of the population (45%) relying on unimproved sources like open wells in several seasonal rivers within the county.

24. The sources of water are ground water (drilled and equipped boreholes), perennial and seasonal Rivers with pipeline networks and other civil works. Projects already in place include; Masinga-Kitui & Kiambere-Mwingi water supplies, Athi- Mutomo pipelines among others, shallow wells, protected springs, Earth dams and sand/subsurface dams.

25. Kitui County is water deficient despite its potential presented by the seasonal runoff and streams and the unexploited ground water and the need to further develop the potential sources in order to serve more people and underserved areas.

26. The projects will be implemented through contracts, drilling of boreholes by use of county acquired drilling rigs and Earth dams desilting/construction through contracting and also Agricultural Mechanization services (AMS) machinery. During the FY 2022/2023, deliberate efforts will also be made to lay the ground work for irrigated agriculture under 40 irrigation clusters along river meanders. Efficient use of water resources to increase area under irrigation development and re-habitation along rivers (Wikithuki, Athi, Kilawa and 40 irrigation clusters), micro irrigation schemes will be developed around dams, riverine areas along seasonal rivers, shallow wells and weirs. *Myanda* irrigation will continue to be given priority to ensure that farmers improve production of high value horticulture crops like tomatoes, onions, water melons, spinach, chilies, coriander and local vegetables among others. The government will also support Mbondoni water project in Mwingi West.

27. The County proposes to utilize available land to enhance food security and wealth creation of Kitui citizenry during FY 2022/2023. To increase Agriculture production, food and nutrition security the County plans to purchase certified seeds for farmers in a timely manner to facilitate timely planting and quality yield for drought and disease resistant crops. The ministry will continue promoting agriculture mechanization service. This will promote productivity and mechanization of farming activities for improved crop production. There will also be establishment of ndengu processing plant and honey processing plant to support farmers. The plan to support livestock farmers and traders has already been alluded to under the value chain approach.

28. Cotton production will be prioritized to provide raw materials to Kitui County Textile Centre (KICOTEC) to complete the value chain, the concept of forward linkage with the garment factory. To enhance production and productivity, the County shall support farmers with quality seeds, pesticides, marketing and value addition.

29. Sorghum is best suited to the local climate. In FY 2022/23, the ministry will promote Sorghum production and utilization. Sorghum is grown in all the eight sub counties although concentration is more on the agro-ecological zones LM4, LM5 and IL5 where large tracts of land can be readily available for investment in the crops. To enhance production and productivity, there will be need to invest in quality seeds, marketing, utilization and value addition.

30. Access to adequate supply of clean water is fundamental for the achievement of the first pillar of the County Government of Kitui manifesto. Indeed, adequate safe drinking water and sanitation do compliment efforts towards improved primary health care and productivity of labor. In addition, adequate supply of water is essential for increased agricultural production. For this reason, the county will continue to invest in clean water supply, prioritize construction of earth dam, pipe line extension, borehole drilling and repairs and water pans across the county as well as completing the ongoing water projects in urban and rural areas in order to increase the number of people connected to clean water. In addition, the county will continue to expand sanitation infrastructure in urban areas within Kitui Municipality and Mwingi Town administration.

1.8 Ministry of Livestock, Apiculture and Fisheries

31. In FY 2022/23, the ministry will scale up improvement of local livestock breeds. This will be undertaken through sensitization of farmers, use of hormones to synchronize ovulation and use of artificial insemination. This programme aims at increasing meat and milk productivity using the locally available breeds. This programme will further be supported by a livestock disease management programme. The later programme will address the high threats of vector borne diseases which lead to poor animal health and high mortality rate hence affecting livelihoods. The county shall support the farmers with acaricides, spray pumps (manual and motorized), carry out disease surveillance, procure an assortment of vaccines and sera to cover common and frequent disease outbreaks and carry out vaccination

32. In addition, the department intends to provide high quality cocks for breeding and Galla and dairy bucks, pasture seeds for feed production and seed multiplication as well as building capacity of farmers. Also the ministry will undertake Range Improvement Programme; Capacity building of farmers and provision of fencing, soil conservation and water harvesting materials,

Construction of sample storage structures and procurement of grass harvesting equipment. The ministry intends to provide farmers with modern bee hives for apiary establishment and honey extraction equipment.

1.9 Ministry of Basic Education, ICT & Youth Development

33. The education, ICT and Youth development sector continues to work towards achieving its overall goal of equipping Early Childhood Development Education (ECDE) to improve the quality of ECD education, promoting youth development and integration of ICT in all County government operations.

34. In order to improve access to education and support the national government policy of 100% transition from primary to secondary schools the ministry will continue to offer bursaries and scholarships to support bright but vulnerable students to complete their secondary and university education.

35. To mitigate the high unemployment rate among the youth, the County will continue to make deliberate efforts to support out of school youth to acquire technical skills which increase their chances of getting employment or starting their own small businesses. Towards this end during the FY 2022/2023 the county government will rehabilitate and equip existing Vocational Training centers (Youth Polytechnics) with training tools and equipment to provide out of school youth with increased access to Vocational skills training. In addition, the government will continue to partner with key strategic partners including National Industrial Training Authority (NITA), International Labor Organization (ILO), Toolkit Institute, among others, to develop and implement tailor made short intensive work based skills development programmes for the youth to enhance their employability status.

36. In order to provide youth acquiring basic technical skills with an opportunity to advance their careers by undertaking specialized courses the Ministry plans to establish and equip one Skills Training Center of excellence to offer advanced Technical Training and applied research courses at Certificate and Diploma Levels.

37. On ICT, the county will continue to leverage on ICT to improve service delivery through initiatives such as e-procurement, IFMIS, revenue automation and online tracking of county programmes and projects. Further, the county will continue to increase online access to government publications and information through digitizing government records and expanding the available ICT infrastructure.

38. The government is committed to promoting an active reading culture in the County. Towards this end the ministry proposes to construct and equip one library facility and youth resource center within Kitui town as a multi-year project. This facility will provide school going children with opportunities for reference materials, study and research resources, as well as provide youth with supportive services such as career guidance, job applications and unlimited internet services.

39. The County Government recognizes the role played by Information and Communications Technology (ICT) to drive social economic development. In the 2022/2023 FY the government

will seek to integrate ICT in its operations and service delivery programmes and promotion of e government services. The sub sector will undertake development of ICT infrastructure at both county offices and sub county levels to support service delivery, e-government use and adoption.

1.10 Ministry of Trade, Co-operatives and Investments

40. The Ministry of Trade, Cooperatives and Investment aims to provide an enabling business environment through appropriate incentives and innovation to promote trade, industry and viable cooperatives for job and wealth creation. This has been achieved through strengthening the cooperative movement, initiating various business enterprises and promoting the viable value chains within the County.

41. The Kitui County Textile Centre (KICOTEC) set up in Syongila Polytechnic aims to promote people's livelihoods by ensuring Kitui wealth is retained within its borders. Over 700 youths have been equipped with skills and knowledge and employed at the Factory of which 82% are women. So far, school uniforms have been made at affordable prices and of high quality for various institutions within the county. This has reduced the burden on the parents and the generated savings now being used for other economic activities. The County government has partnered with the National government through the Ministry of Interior and Coordination to produce police, chiefs and assistant chiefs' uniforms. The County government also plans to set up other textile industries in Mwingi and Mutomo.

42. In the FY 2021/22, the Ministry of Trade, Cooperatives and Investments rolled out the Empowerment Fund to enable Kitui residents to access funds for their businesses and farming activities. The funds will be rolled out with each resident requiring capital within a group given the chance to access the funds for upscale of their income generating activities. This is geared towards wealth creation for Kitui Citizenry especially amongst those that lack financial muscle to undertake relevant activities that generate income. This is expected to improve the livelihood of most resident as well as create employment through the multiplier effect.

43. The Ministry has set up a ballast crushing plant in Kyusani, Kitui Rural Sub County to exploit the huge deposits of ballast making raw materials. Currently, the plant has engaged some 5 staff performing different roles; operators, electricians, casuals etc. Around 1000 community members are expected to benefit from the plant directly in form of sale of stones/boulders to the crusher. The plant will continue creating employment for various relevant professionals, promote use of local construction materials and increase revenue collection in the County.

44. In FY 2022/23, the Ministry will continue with the programme of modernization of markets and the Jua Kali industry. To empower the residents of Kitui County, the ministry will continue to allocate funds to the County Empowerment Fund and support establishment of the County Investment Corporations. The ministry will also undertake a multi-year project of construction of a county abattoir at Kanyonyoo area. In this line the government will also support leather and shoe making factory and as a result create more job opportunities to the youth.

1.11 Ministry of Environment, Tourism and Natural Resource Management

45. The Environment, Tourism and Natural Resource Management is committed to bring about transformation of the livelihoods of the community by providing affordable, reliable and secure energy to enable drive the other pillars of the county development blue print. This includes affordable and reliable energy supply to power water supply installations to improve food production and water sufficiency in the rural areas. Energy is also key in ensuring effective post-harvest management of the farm products for food security through value addition and safe storage of perishable foodstuffs. In education and youth empowerment, energy will be utilized in electrification of early childhood and vocation training centres. Furthermore, youth and women will benefit through expansion of micro and small scale enterprises which flourish with supply of affordable and reliable supply to rural trading centres towards youth and women empowerment and wealth creation. With Kitui County being a front runner in production sector, there is need for coordinated management of energy provision to the upcoming industries. Kitui County has the benefit of having high potential for supply of renewable energy including solar photovoltaic, solar thermal, wind and biomass energy. The county has invested massively in harvesting solar energy for lighting in towns and trading centres. This has enabled improvement of security for small scale traders and extended business hours for wealth creation for the lit trading centres. In order to effectively address the gaps and challenges in energy provision and give impetus to investments in the energy sector, the ministry established the County Energy Plan (CEP), 2020 in line with the requirements of the national Energy Act, 2019. Kitui was the first county in Kenya to establish the CEP, which will serve as an input into the upcoming Integrated National Energy Plan (INEP).

46. To counter the serious threats posed by climate change, the County will continue to enhance mitigation and adaptation measures against climate change and variability. In particular, the County, through the County Assembly of Kitui legislations, has set up the Kitui County Climate Change Fund (KCCCF) through the Kitui County Climate Change Fund Regulations (KCCCFR), 2018. The fund will be key in mobilizing climate change finances from both national and international partners through devolved climate finance mechanisms. The ministry has been and will continue to actively implement national determined commitments (NDCs) in an attempt to roll back the impacts of climate change and variability. Kitui County was also among the first five counties in Kenya to put in place structures for addressing climate change and hence has a vantage position to roll out climate related programmes with support of the partners who can advantage of these established structures. The county through this ministry has a fully structured mechanism to receive and manage climate finances and we are committed to provision of the basic right to all citizens in access to clean and healthy environment while providing a conducive environment for investments in the county minerals sector. In addition to these efforts and with the aim of minimizing health and environmental effects of deteriorating climate, the county government imposed a ban on trade and transportation of charcoal and sand outside the county. So far, the ban has been a major milestone, earning the county international recognition for the efforts and the good results yielded. Going forward, the county will continue to enforce the ban and mainstream climate change mitigation measures such as tree planting programmes and supporting

the local population in the affected areas with alternative economic income generating activities such as brick making using modern technology kilns and briquette making. Through the Transitional Implementation Plans (TIPs), counties including Kitui county received a number of devolved Forest functions from Kenya Forest Service (KFS). These functions are very important in mitigating climate change through sustainable forest conservation and management. The ministry has been undertaking these devolved forestry function with very little capacity hence the need for special attention to programmes in Forestry and Forest conservation especially enhancement of both tree and forest cover in the county. The county government is committed to supporting the national governments aspiration of increasing forest cover to 10% by the year 2030 and even earlier. The ministry seeks to achieve this target by promoting adoption of drought tolerant tree species which have multiple economic values, such as *melia volkensii* (mukau), *tamarindus indica* (muthumula), *terminalia brownii* (muuku) and *Vitex fayos* (Kimuu) among others, for greater buy in by the community as a means of adaptation to climate change as well.

47. To promote the skills of local artisanal miners and increase the value of their products, the county will commit more resources to construct and equip a mineral lab in the county. The county has a massive potential of both industrial minerals and mineral gemstones which can be utilized to transform the livelihoods of her citizens through sustainable extraction. The Ministry has so far trained about 120 artisanal miners on mineral identification, mining skills and trade, to facilitate this wealth creation agenda and is prepared to take the next steps in creating value addition and stir the sector towards effective market linkage for more wealth generation. In the financial year, the ministry will seek to put in place sample finished gemstone products to bring the community as well as the investors on the potential inherent in our rural areas

48. In the 2022-2023 FY, the County Tourism department proposes to market Kitui County as a Tourist destination through completion of Kalundu Eco-Park as world class recreation and sport tourism facility. During the said financial year, the county will promote other heritage sites as tourist attraction sites including Ikoo Valley, Nzambani Rock, Yanzuu and Kavia through provision of water and other necessary tourism infrastructure. The Tourism department will seek to rehabilitate South Kitui National Reserve, Mwingi National Reserve, enhance Wildlife Conservation at Kanyonyoo and assist interested parties in establishing community owned conservancies.

49. Further, the department will seek to complete and operationalize Mutomo Reptile Park, support community Ecotourism projects in Mutitu, Mumoni hills and conduct various tourism Promotion and Marketing activities.

1.10 Ministry of Gender, Sports and Culture

50. In the 2022-2023 Financial Year, in sports development, the County Government will develop sports facilities in the county. This will involve the establishment of stadia, high standard sports grounds and related facilities in the county. All these spaces will be fitted with modern facilities so that local talent may be nurtured in competitive environments and accompanying programmes and activities.

51. A robust sporting talent development programme will be implemented in partnership with Sports Federations to tap talent from the village up to the County level and thereafter support the youth so identified nationally and internationally. The sports department will work with clubs to ensure adequate supply of uniforms, balls and other equipment that may be required for the full realization of their potentials. The County Government targets to have a playground with dais in every sub-county as well as ward.

52. There shall also be technical training on the side of the athletes as well as the sports officials with the aim of equipping them with the most relevant and necessary skills in various sports in readiness for competitions. The department also intends to continually support sports centres and clubs.

53. On Culture, the County Government proposes to preserve, develop and promote culture within the county for purposes of posterity and also enhance Cultural tourism. This will be done through the establishment of Ikutha Early Christianity Route through the preservation of one of the early churches and the graves of the first missionaries to Kitui. The government will also gazette and develop Mulango Mission Houses constructed in the 1800s for their unique architecture and their significance as where education in the County took root, as well as Christianity. Rock Art preservation and promotion will be undertaken through the gazettement and rehabilitation preservation of Kavea Rock. Recording of artists. Promotion of talents among the out of school youth, preservation of artefacts and support of traditional and indigenous knowledge and traditional medicine in the County. The County Government will equip and operationalize the Lower Eastern Heritage Center in Tseikuru.

54. Gender mainstreaming and implementation of programmes targeting the elimination of Gender Based Violence will be undertaken. and involvement in the mainstreaming of gender as well as a robust women empowerment program will be undertaken This is doable only with effective collaboration with the key stakeholders and relevant National Government agencies. This collaboration will be nurtured through a systematic framework of a Technical Working Group. It is also apparent that concerted efforts at mainstreaming will go a long way in propagating equality hence institutionalize gender responsive programming to reduce GBV.

55. Community empowerment especially women, youth, men and people with disabilities will be enhanced. This shall be effected through the collaboration with national government and other state actors and Civil Society. Continuous training of groups will be undertaken to enhance their capacities to manage Income Generating Activities.

1.11 The County Treasury

56. Achievements of the county manifesto necessitates prudent management of available public resources. As such, the County Treasury will continue to strengthen expenditure control and improve the efficiency of public spending through strengthening of systems and PFM reforms with a view to enhancing transparency and accountability to provide fiscal space for financing priority programmes. The focus will be to fast track consideration of reports on budget implementation, audited accounts of the county and its agencies/ corporations, digitization of all payments, review

of revenue sources, adoption of e-procurement and expanding automation of public service delivery systems. These activities will go a long way in entrenching good governance and ensuring accountability of public resources. A major focus to all this will be capacity building of our staff with the major area being on budgeting and financial reporting.

57. The priorities of Treasury operations in the FY 2022/2023 will be to facilitate all ministries/entities and offer with maximum support for effective implementation of the prioritized programmes. To achieve the objective, the County Treasury plans to train more staff through capacity building and technical assistance by mobilizing donor support which will ensure effective service delivery to the public. County planning requires real data for decision making. In the FY 2022/23 the ministry will continue updating the County Statistical Database that will inform the County Statistical Abstract. This will be done in partnership with the Kenya National Bureau of Statistics (KNBS).

58. To effectively and efficiently track implementation of development projects in the County, the ministry will roll out a comprehensive package of Monitoring and Evaluation (M&E) and uptake of County Integrated Monitoring and Evaluation Systems (CIMES). The M&E reports will ensure value for money in the County projects and programmes.

59. The County Treasury will continue to coordinate public participation for all policy documents of concern along the budget cycle. These comprise; the Annual Development Plan (ADP), the County Fiscal Strategy Paper (CFSP), the Finance Bill and the Budget estimates. To maximize our own source revenue and hence strengthen our revenue base, the County Treasury will continue to undertake a comprehensive county revenue administrative reforms and legislative frameworks to guide revenue collection.

60. To mobilize resources, the County treasury will seek external financial support for implementation of capital projects. Further the County Treasury will develop risk management strategy.

1.12 Mwingi Town Administration

61. Mwingi Town Administration Fiscal Strategy Paper (CFSP) 2022/23 sets out the priority projects and programs to be implemented in FY 2022/23. These projects and programs will serve as a furtherance of the County development agenda in various ways. Efficient waste management as well as improved drainage system will ensure sanitation for wellbeing of county residents and by extension the whole county. Improved road infrastructure will ease the access to food markets by farm produce traders hence ensuring constant supply of food to the town demography. Besides providing parking lots, cabro paving will help in mitigating new infections of communicable respiratory diseases associated with dust. Lit town will be an avenue for promoting extended business hours and continued wealth creation to market merchants. Besides, lit back areas will result to improved security in residential areas. Conducive business environment will attract both low capital business investments mostly embraced by women and youth: and large business ventures by both local and external investors, which is vital for employment and wealth creation.

2. RECENT ECONOMIC DEVELOPMENTS AND MEDIUM-TERM OUTLOOK

2.1 Overview

62. The Kenyan economy contracted by 0.3 percent in 2020 compared to a growth of 5.0 percent in 2019. This performance is attributed to adverse effects of the COVID19 pandemic, which disrupted activities mainly in the services sectors particularly wholesale and retail trade, education, accommodation and restaurant, and transport and storage. The economy is expected to rebound to 6.0 percent in 2021, as a result of continued reopening of the services sectors, recovery in manufacturing, and stronger global demand. This is manifested through robust performance of construction, manufacturing, education, real estate and transport and storage sectors.

63. The economy continues to register macroeconomic stability with low and stable interest rates and a competitive exchange rate that supports exports. Year on-year overall inflation rate has remained low, stable and within the policy target range of 5+/-2.5 percent since the end of 2017. The year-on-year inflation rate increased to 6.45 percent in October 2021 from 4.84 percent in October 2020 driven by higher food prices. However, the inflation rate remained within the target range supported by muted demand pressures.

64. The foreign exchange market has largely remained stable but partly affected by tight global financial conditions attributed to uncertainty with regard to the COVID-19 pandemic. In this regard, the Kenya Shilling to the US Dollar exchanged at Ksh 110.9 in October 2021 compared to Ksh 108.6 in October 2020. The current account deficit is estimated at 5.5 percent of GDP in the 12 months to August, and is projected at 5.2 percent of GDP in 2021

2.2 Recent Economic Developments and Outlook

2.2.1 Global and Regional Economic Developments

65. Global growth in 2021 is projected at 5.9 percent from a contraction of 3.1 percent in 2020 (WEO October 2021). However, most of the emerging markets and developing economies are projected to experience a more challenging recovery from the COVID-19 pandemic compared to their developed counterparts. This is largely on account of uneven access to COVID-19 vaccine which is therefore likely to impact negatively on the full resumption of economic activities in these economies. Additionally, the rapid spread of COVID 19 Omicron variant and the threat of new variants have increased uncertainty about how quickly the pandemic can be overcome.

66. The advanced economies are projected to recover to 5.2 percent in 2021 from a contraction of 4.5 percent in 2020. This projected recovery, particularly in the United States, reflects the anticipated legislation of additional fiscal support in the second half of 2021 and broader vaccinations coverage across the globe.

67. Economic growth in the Sub-Saharan Africa region is projected at 3.7 percent in 2021 from a contraction of 1.7 percent in 2020 due to improved exports and commodity prices, and the rollout of vaccination programmes which has led to opening up of economies. This growth will also be supported by a recovery in both private consumption and investment as economies

re-open. However, the recent increase in infection rates in sub-Saharan Africa is expected to weigh down the region's recovery in 2022 (**Table 1**).

Table 1: Global Economic Growth, Percent

Economy	2019	2020*	2021**	2022**
World	2.8	(3.1)	5.9	4.9
Advanced Economies	1.6	(4.5)	5.2	4.5
Of which: USA	2.2	(3.4)	6.0	5.2
Emerging and Developing Economies	3.7	(2.1)	6.4	5.1
Of which: China	6.0	2.3	8.0	5.6
India	4.0	(7.3)	9.5	8.5
Sub-Saharan Africa	3.2	(1.7)	3.7	3.8
Of which: South Africa	0.2	(6.4)	5.0	2.2
Nigeria	2.2	(1.8)	2.6	2.7
EAC-5	6.5	(0.2)	5.7	5.3
Of which: Kenya***	5.0	(0.3)	6.0	5.8
* Estimate ** Projected *** National Treasury Projection				
EAC-5: Burundi, Kenya, Rwanda, Tanzania and Uganda				

*Source of Data: October 2021 WEO; ***Projections by the National Treasury Domestic Economic Developments*

68. The National Accounts were revised and rebased in 2020 where the base year was changed from 2009 to a more current base year of 2016. The revised growth rates were relatively lower than in the previous estimates, largely on account of an expanded base, change of benchmark data, data sources as well as revision of time series indicators.

69. The economy contracted by 0.3 percent in 2020 from a growth of 5.0 percent in 2019 following the adverse impact of COVID-19 pandemic and the resultant swift containment measures. The government's priority was premised on the need to safeguard the lives of her citizens while at the same time cushioning the economy from the effects of COVID-19 pandemic. Consequently, the health crisis required the introduction of temporal restrictive measures to curb the spread of the virus which resulted to negative impacts on some key sectors of the economy. Many businesses especially those related to tourism and service activities closed down during the second quarter of 2020. Pick up of economic activities resumed in the third quarter of 2020 with further improvements in subsequent quarters (**See Table 2**).

70. The economic growth contraction was spread across all sectors of the economy but was more dismal in accommodation and food services activities, education, and transport sectors. The overall performance of the economy in 2020 was cushioned from a deeper slump by accelerated growths in agricultural production (4.8 percent), mining and quarrying (6.7 percent), construction activities (11.8 percent) and health services (6.7 percent).

71. The agriculture sector was more vibrant in 2020 compared to 2019 despite a contraction in global demand in 2020. The sector's Gross Value Addition was 4.8 percent in 2020 compared to 2.6 percent in 2019. This was mainly on account of favorable weather conditions in 2020 which improved production of food crops such as beans, rice, sorghum millet, livestock and related products such as milk and meat. Improved production of cash crops such as tea and sugarcane also supported the sector's growth.

Table 2: Sectoral GDP Performance

Sectors	Sector Growth (%)														
	2018					2019					2020				
	Q1	Q2	Q3	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
Primary Industry	4.1	4.8	5.3	6.7	5.2	4.5	3.4	0.9	1.6	2.7	4.4	4.9	4.3	6.0	4.9
Agriculture, Forestry and Fishing	4.1	5.3	6.3	7.6	5.7	4.8	3.2	0.7	1.3	2.6	4.3	4.9	4.2	5.8	4.8
Mining and Quarrying	4.4	(4.6)	(11.4)	(7.2)	(4.7)	(1.2)	7.0	5.5	6.4	4.3	6.4	4.4	7.0	9.2	6.7
Secondary Sector (Industry)	5.4	4.2	4.4	3.4	4.4	3.2	4.2	3.5	2.6	3.4	4.8	(0.5)	3.2	7.5	3.8
Manufacturing	5.2	2.9	2.7	3.5	3.6	2.5	4.1	2.6	0.9	2.5	2.2	(4.7)	(1.7)	3.8	(0.1)
Electricity and Water supply	4.1	3.0	4.1	3.2	3.6	3.0	1.5	1.5	0.9	1.7	1.5	(4.7)	0.2	3.5	0.1
Construction	6.6	7.0	7.6	3.3	6.1	4.6	5.5	6.1	6.2	5.6	11.0	8.3	12.3	15.7	11.8
Tertiary sector (Services)	5.4	5.9	5.5	7.2	6.1	6.7	7.6	6.6	5.9	6.7	3.8	(6.7)	(4.6)	(1.0)	(2.2)
Wholesale and Retail trade	5.1	6.4	5.8	6.4	5.9	4.6	6.4	5.3	4.8	5.3	4.9	(4.2)	(5.0)	2.6	(0.4)
Accommodation and Restaurant	16.8	15.9	10.9	18.5	15.6	15.6	11.7	11.9	17.6	14.3	(8.1)	(56.8)	(63.4)	(62.2)	(47.7)
Transport and Storage	4.3	6.7	5.3	7.7	6.0	6.8	8.8	4.6	5.2	6.3	2.2	(16.8)	(10.1)	(6.1)	(7.8)
Information and Communication	7.2	8.0	7.7	8.7	7.9	9.5	7.5	7.1	6.1	7.5	5.6	2.6	3.2	7.6	4.8
Financial and Insurance	2.7	0.9	0.7	6.3	2.7	6.1	8.0	9.3	4.4	6.9	7.5	4.4	3.0	7.4	5.6
Public Administration	5.8	7.3	9.3	9.1	7.9	9.0	10.8	10.2	9.7	9.9	4.0	2.7	6.3	8.4	5.3
Others	6.2	6.1	5.7	6.5	6.2	6.1	6.3	6.0	5.6	6.2	3.4	(7.9)	(5.6)	(3.2)	(3.5)
of which Real Estate	6.2	6.4	6.6	6.8	6.5	7.0	7.0	6.7	6.2	6.7	5.4	4.6	3.7	2.7	4.1
Education	7.9	6.2	5.9	5.6	6.4	3.8	3.4	5.6	6.2	4.7	1.8	(22.4)	(17.4)	(5.3)	(10.8)
Health	5.4	6.6	5.0	4.9	5.4	5.7	6.1	6.8	6.4	6.2	7.4	9.8	5.2	4.7	6.7
Taxes less subsidies	5.8	12.2	4.4	1.8	5.9	(1.5)	5.3	4.3	6.7	3.7	5.1	(20.8)	(8.5)	(6.4)	(7.9)
Real GDP	5.2	6.0	5.3	6.0	5.6	4.8	5.9	4.8	4.4	5.0	4.4	(4.7)	(2.1)	1.2	(0.3)
of which Non-Agriculture	5.4	5.5	5.1	6.2	5.6	5.6	6.8	5.9	4.8	5.8	4.4	(5.5)	(2.8)	1.1	(0.7)

72. The performance of the industry sector improved to a growth of 3.8 percent in 2020 compared a growth of 3.4 percent in 2019. This was mainly on account of improved performance of the construction sector. The construction sector grew by 11.8 percent in the 2020 compared to a growth of 5.6 percent in 2019. The strong growth was attributed to the continued investments in road infrastructure by the Government, expanded construction in the housing sub-sector and the ongoing rehabilitation of the Metre Gauge Railway (MGR).

73. Electricity and water Supply sector grew by 0.1 percent in 2020 compared to a growth of 1.7 percent in 2019 mainly on account of decline in thermal and wind generation despite the increase in hydro generation. Activities in the manufacturing sector slowed down in 2020 mainly due to COVID-19 containment measures. The sector is estimated to have contracted by 0.1 percent in 2020 compared to 2.5 percent growth in 2019 mainly on account of significant contractions in production in key food products such as processing of coffee and manufacture of beverages. The manufacture of leather and wood products also contracted during the review period.

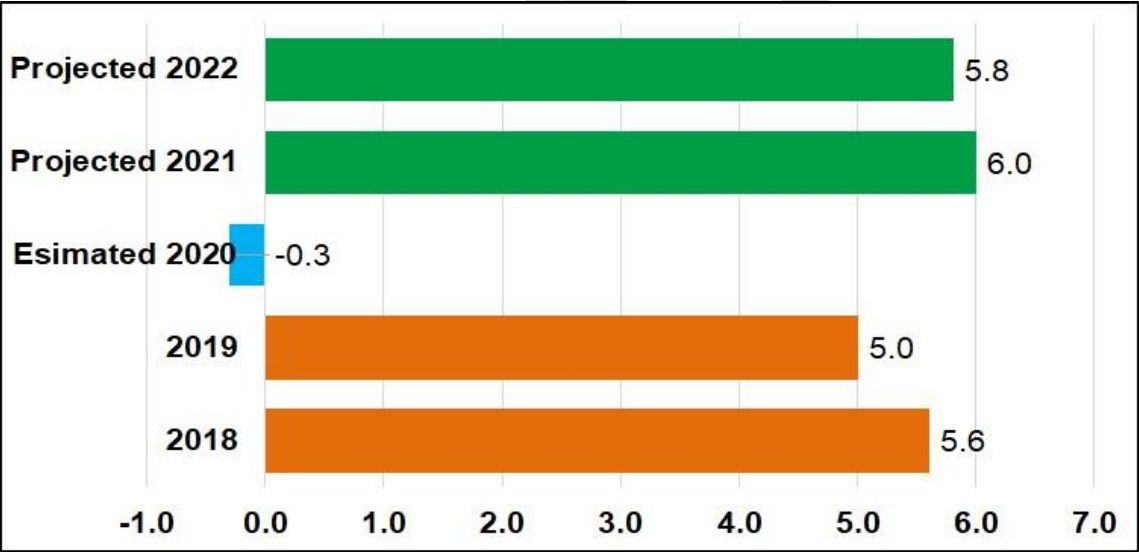
74. Services sector was adversely affected by the closure of the economy thereby recording negative growths in most of the sectors in 2020. The sector contracted by 2.2 percent in 2020 compared to a growth of 6.7 percent in 2019. Accommodation and Food Services was adversely affected by the COVID -19 containment measures compared to other service sectors and contracted by 47.7 percent in 2020 compared to a growth of 14.3 percent in 2019. This was due to restrictions of international travels while domestic travel was negatively impacted on by restriction of movement to and from some counties and zones for some months especially in the second quarter of 2020. Most hotels and restaurants also either closed or scaled down their

operations due to public health measures taken to prevent the spread of the pandemic as well significant reduction in the number of customers.

75. Transportation and storage sector contracted by 7.8 percent compared to a growth of 6.3 percent 2019. The sector’s performance was constrained by the COVID-19 pandemic containment measures including restriction of movement across the borders as well as and within the country, social distance in public service vehicles and arrangements of working remotely. However, the sector was cautioned from a deeper contraction by an increase in freight transport through the Standard Gauge Railway from 4,159 thousand tonnes in 2019 to 4,418 thousand tonnes in 2020. Information and Communication sector’s growth slowed to 4.8 percent in 2020 compared to 7.5 percent growth in 2019. The growth was mainly supported by increased uptake of digital services as the COVID-19 measures which resulted in increased remote working and learning activities remotely as well as rise in cashless payments for financial transactions.

76. Similar to the global economy, Kenya’s economy is projected to rebound in 2021 to 6.0 percent from an earlier projection of 7.0 percent in the 2021 BPS. The downward revision was due to the impact of containment measures between March and July period as a result of the third wave of the COVID-19 pandemic (Figure 1).

Figure 1: Annual Growth Projections, percent



Source of Data: The National Treasury

77. The growth in 2021 is partly attributed to lower indicator base of 2020 when most service sectors were adversely affected by the closure of the economy thereby recording negative growths. The outlook in 2021 will be reinforced by the prevailing stable macroeconomic environment and the ongoing implementation of the strategic programmes of the Government under the “Big Four” Agenda, Economic Recovery Strategy and other priority programmes as outlined in the Third Medium Term of Vision 2030. Further, the weather conditions are expected to be favourable supporting agricultural output. As a result, export of goods and services will expand as global demand stabilises.

78. The Government is currently focusing on the implementation of the Economic Recovery Strategy (ERS) that aims at restoring the economy to a strong growth path, creating jobs and economic opportunities across all regions of the country with a view to tackling social and income inequalities. It is expected that the successful implementation of the Economic Recovery Strategy which is also aligned to the “Big Four” Agenda will promote inclusive growth and transform the lives of Kenyans.

2.2.2 Quarterly GDP growth of 2021

79. Overall, the economy grew by 10.1 percent in the second quarter of 2021 compared to a contraction of 4.7 percent in a similar period in 2020 (**Table 3**). This growth was mainly supported by the rebound in economic activities in Mining and quarrying, Construction, Wholesale and Retail, Information and Communication, Education and Health sub-sectors.

80. It is however noted that agriculture, forestry and fishing sectors declined by 0.9 percent in the second quarter of 2021 compared to a growth of 4.9 percent over the same period in 2020. This is mainly attributed to the depressed rainfall distribution that has affected production of crops such as Tea. However, the sectors performance was cushion from a steeper slump from a further decline by favorable performance in milk production, horticultural export and sugarcane production.

Table 3: Sectoral GDP Performance

Sectors	Sector Growth (%)													
	2018				2019				2020				2021	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Primary Industry	4.1	4.8	5.3	6.7	4.5	3.4	0.9	1.6	4.4	4.9	4.3	6.0	0.7	(0.1)
Agriculture, Forestry and Fishing	4.1	5.3	6.3	7.6	4.8	3.2	0.7	1.3	4.3	4.9	4.2	5.8	(0.1)	(0.9)
Mining and Quarrying	4.4	(4.6)	(11.4)	(7.2)	(1.2)	7.0	5.5	6.4	6.4	4.4	7.0	9.2	16.4	17.7
Secondary Sector (Industry)	5.4	4.2	4.4	3.4	3.2	4.2	3.5	2.6	4.7	(0.5)	3.3	7.7	3.7	7.9
Manufacturing	5.2	2.9	2.7	3.5	2.5	4.1	2.6	0.9	2.2	(4.7)	(1.7)	3.8	1.5	9.6
Electricity and Water supply	4.1	3.0	4.1	3.2	3.0	1.5	1.5	0.9	1.5	(4.7)	0.2	3.5	2.0	5.1
Construction	6.6	7.0	7.6	3.3	4.6	5.5	6.1	6.2	10.4	8.2	12.5	16.2	7.9	6.5
Tertiary sector (Services)	5.4	5.9	5.5	7.2	6.7	7.6	6.6	5.9	3.8	(6.7)	(4.6)	(1.0)	2.1	15.7
Wholesale and Retail trade	5.1	6.4	5.8	6.4	4.6	6.4	5.3	4.8	4.9	(4.2)	(5.0)	2.6	7.4	9.5
Accommodation and Restaurant	16.8	15.9	10.9	18.5	15.6	11.7	11.9	17.6	(8.1)	(56.8)	(63.4)	(62.2)	(48.8)	9.1
Transport and Storage	4.3	6.7	5.3	7.7	6.8	8.8	4.6	5.2	2.2	(16.8)	(10.1)	(6.1)	(8.7)	16.9
Information and Communication	7.2	8.0	7.7	8.7	9.5	7.5	7.1	6.1	5.6	2.6	3.2	7.6	16.1	25.2
Financial and Insurance	2.7	0.9	0.7	6.3	6.1	8.0	9.3	4.4	7.5	4.4	3.0	7.4	9.4	9.9
Public Administration	5.8	7.3	9.3	9.1	9.0	10.8	10.2	9.7	4.0	2.7	6.3	8.4	9.1	13.0
Others	6.2	6.1	5.7	6.5	6.1	6.3	6.0	5.6	3.4	(7.9)	(5.6)	(3.2)	1.5	19.4
of which Real Estate	6.2	6.4	6.6	6.8	7.0	7.0	6.7	6.2	5.4	4.6	3.7	2.7	4.5	4.9
Education	7.9	6.2	5.9	5.6	3.8	3.4	5.6	6.2	1.8	(22.4)	(17.4)	(5.3)	10.0	67.6
Health	5.4	6.6	5.0	4.9	5.7	6.1	6.8	6.4	7.4	9.8	5.2	4.7	9.1	10.0
Taxes less subsidies	5.8	12.2	4.4	1.8	(1.5)	5.3	4.3	6.7	5.1	(20.8)	(8.5)	(6.4)	(14.5)	0.5
Real GDP	5.2	6.0	5.3	6.0	4.8	5.9	4.8	4.4	4.4	(4.7)	(2.1)	1.2	0.7	10.1
of which Non-Agriculture	5.4	5.5	5.1	6.2	5.6	6.8	5.9	4.8	4.4	(5.5)	(2.8)	1.1	2.7	14.7

Source of Data: Kenya National Bureau of Statistics

81. The Service sub sector grew by 15.7 percent in the second quarter of 2021 compared to a contraction of 6.7 percent over the same period in 2020. The growth was largely attributed to the growth in the Wholesale and retail trade (9.5 percent), Information and communication (25.2

percent), Transport and Storage (16.9 percent), Health (10.0 percent) and Education (67.6 percent) sectors.

82. The industry sector grew by 7.9 percent in the Second quarter of 2021 from a contraction of 0.5 percent in a similar quarter in 2020. The manufacturing and electricity and water supply sector grew by 9.6 percent and 5.1 percent in second quarter of 2021 from a contraction of 4.7 percent in both sector in similar period of 2019. The construction sectors decline to 6.5 percent in second quarter in 2021 over a growth of 8.2 percent in a similar period of 2020.

2.2.3 Inflation Rate

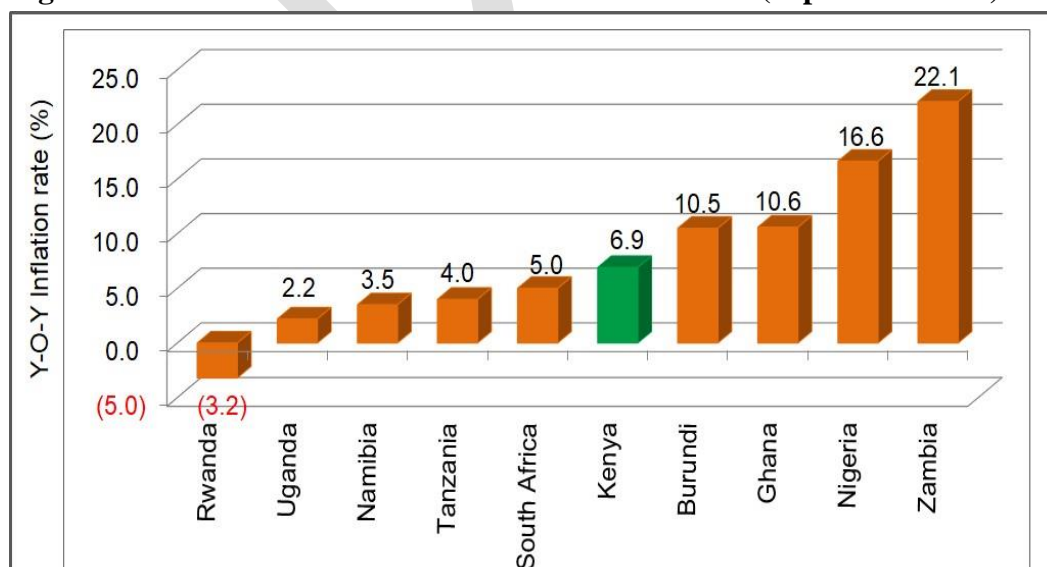
83. Year-on-year overall inflation rate has remained low, stable and within the policy target range of 5+/-2.5 percent since end 2017. The year-on-year inflation rate increased to 6.45 percent in October 2021 from 4.84 percent in October 2020 driven by higher food prices. However, the inflation rate remained within the target range supported by muted demand pressures

84. Food inflation remained the main driver of overall inflation in October 2021, contributing 3.8 percentage points, an increase, compared to a contribution of 2.3 percentage points in October 2020. The increase was mainly attributed to dry weather conditions and supply constraints that resulted in a rise in prices of key food items particularly tomatoes, spinach, beef with bones, onions, oranges and Potatoes (Irish). Fuel inflation contributed 1.6 percentage points to overall inflation in October 2021 compared to 1.7 percentage points in October 2020 following relatively lower international oil prices largely on account of buildup of oil inventories amid concerns on supply growth.

85. The contribution of core inflation to overall inflation has been low and stable, consistent with the muted demand pressures in the economy on account of prudent monetary policies. The contribution of core inflation to overall inflation increased to 0.9 percentage points in October 2021 from 0.7 percentage points in October 2020, reflecting a pick-up in economic activity and the effects of the implemented tax measures.

86. Kenya's year-on year inflation rate compares favorably with the rest of Sub Saharan Africa countries. In September 2021, Kenya recorded a lower inflation rate than Burundi, Ghana, Nigeria and Zambia (Figure 2).

Figure 2: Inflation Rates in selected African Countries (September 2021)

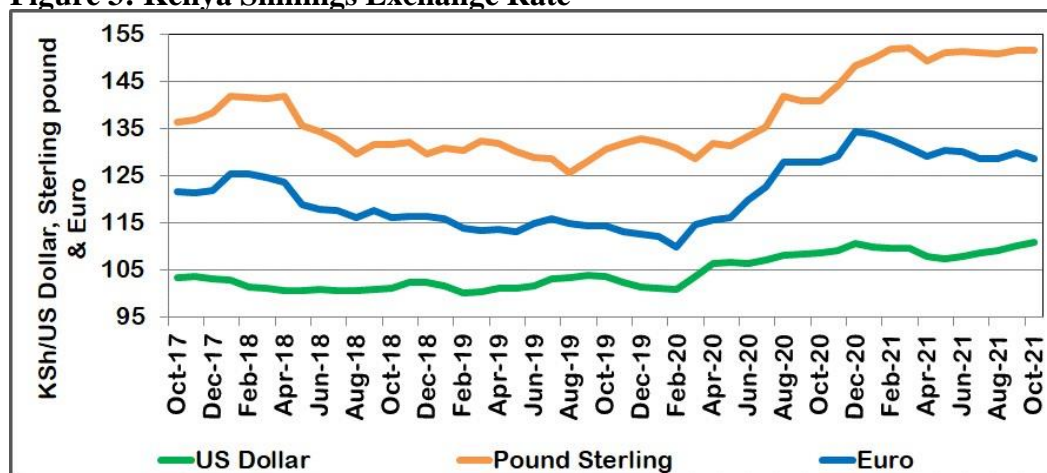


Source of Data: Central Bank of Kenya.

2.2.4 Kenya Shilling Exchange Rate

87. The foreign exchange market has largely remained stable but partly affected by tight global financial conditions attributed to uncertainty with regard to the COVID 19 pandemic. In this regard, the Kenya Shilling to the US Dollar exchanged at Ksh 110.9 in October 2021 compared to Ksh 108.6 in October 2020 (**Figure 3**).

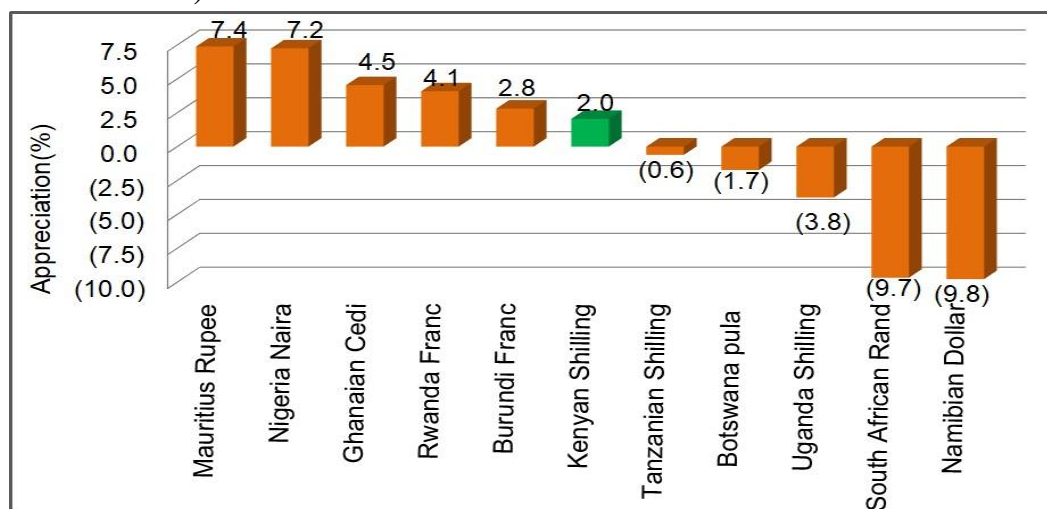
Figure 3: Kenya Shillings Exchange Rate



Source of Data: Central Bank of Kenya.

88. In comparison to most Sub-Saharan Africa currencies, the Kenya Shilling has remained relatively stable weakening by 2.0 percent against the US Dollar in the year to October 2021 (**Figure 4**). This depreciation of the Kenya Shilling was lower than that of Rwanda Franc, Nigerian Naira, Mauritius Rupee, Burundi Franc and Ghanaian Cedi. The stability in the Kenya Shilling was supported by increased remittances, adequate foreign exchange reserves and favorable horticultural exports

Figure 4: Performance of Selected Currencies against the US Dollar (October 2020 to October 2021).

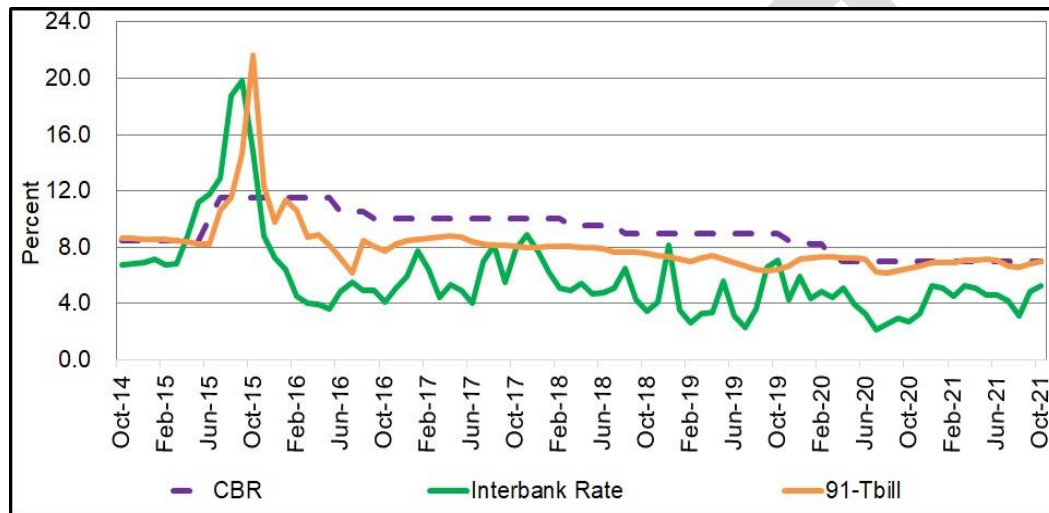


Source of Data: National Central Banks Interest Rates

89. Short-term interest rates remained fairly low and stable. The Central Bank Rate was retained at 7.0 percent on 28th September 2021 to signal lower lending rates in order to support credit access by borrowers especially the Small and Medium Enterprises distressed by COVID-19 pandemic. The money market was relatively liquid in October 2021 supported by Government payments. As such, the interbank rate remained low but increased slightly to 5.3 percent in October 2021 from 2.7 percent in October 2020 (**Figure 5**).

90. Interest rates on the Treasury bills remained relatively stable in October 2021. The 91-day Treasury Bills rate was at 7.0 percent in October 2021 compared to 6.5 percent in October 2020. Over the same period, the 182-day Treasury Bills rate increased to 7.4 percent from 6.9 percent while the 364-day also increased to 8.3 percent from 7.8 percent.

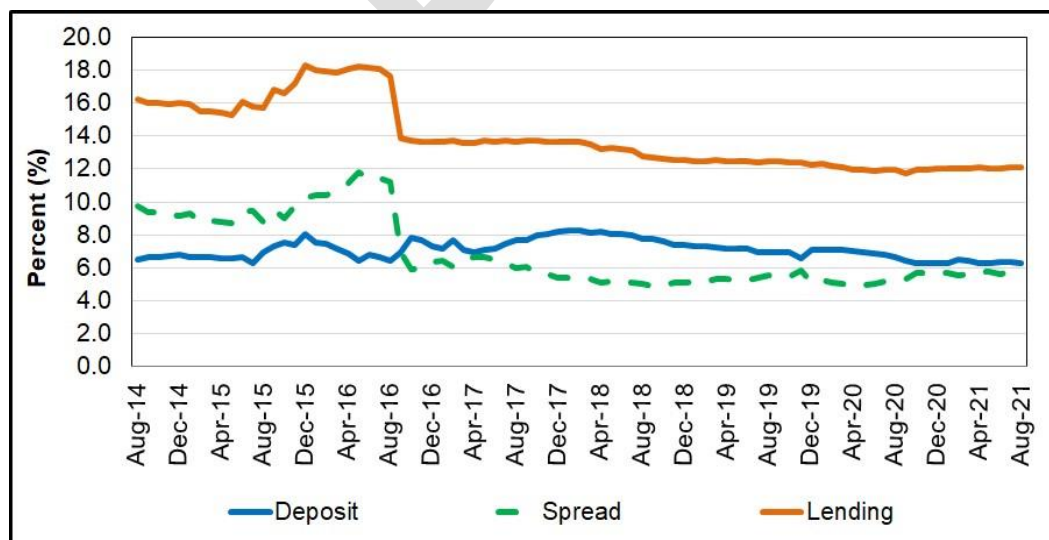
Figure 5: Short Term Interest Rates, Percent



Source of Data: Central Bank of Kenya Money and Credit

The improved liquidity in the money market has resulted in stable commercial bank rates. The average lending rate remained stable at 12.1 percent in August 2021 compared to 11.9 percent in August 2020 while the average deposit rates declined from 6.6 percent to 6.3 percent over the same period. This led to an increase in the average interest rate spread by 0.5 percentage points over the review period (**Figure 6**).

Figure 6: Commercial Bank Rates, Percent



Source of Data: Central Bank of Kenya Money and Credit

91. Broad money supply, M3, moderated to a growth of 8.7 percent in the year to September 2021 compared to a growth of 10.7 percent in the year to September 2020 (Table 4). This reflected a relatively lower Net Foreign Assets (NFA) and reduced growth in the net lending to Government component of the Net Domestic Assets (NDA).

92. Net Foreign Assets (NFA) of the banking system in the year to September 2021 contracted by 11.7 percent, compared to a contraction of 10.3 percent in the year to September 2020. The decline in NFA of the Central Bank was largely due to scheduled debt service and other central bank operations. The NFA of commercial banks also declined during the review period as a result of a decrease in deposits abroad.

Table 4: Money and Credit Developments (12 Months to September 2021 Ksh billion)

				Change		Percent Change	
	2019 September	2020 September	2021 September	2019-2020 September	2020-2021 September	2019-2020 September	2020-2021 September
COMPONENTS OF M3							
1. Money supply, M1 (1.1+1.2+1.3)	1,459.7	1,665.8	1,770.8	206.0	105.0	14.1	6.3
1.1 currency outside banks (M0)	157.7	217.6	234.4	59.9	16.8	38.0	7.7
1.2 Demand deposits	1,190.6	1,371.0	1,421.3	180.4	50.3	15.2	3.7
1.3 Other deposits at CBK	111.4	77.2	115.1	(34.3)	38.0	(30.8)	49.2
2. Money supply, M2 (1+2.1)	2,866.0	3,180.5	3,408.1	314.5	227.6	11.0	7.2
2.1 Time and savings deposits	1,406.3	1,514.7	1,637.3	108.5	122.6	7.7	8.1
Money supply, M3 (2+3.1)	3,473.4	3,843.5	4,177.7	370.1	334.2	10.7	8.7
3.1 Foreign currency deposits	607.4	663.0	769.5	55.6	106.5	9.1	16.1
SOURCES OF M3							
1. Net foreign assets (1.1+1.2)	835.4	749.7	661.9	(85.8)	(87.8)	(10.3)	(11.7)
1.1 Central Bank	871.5	804.9	760.8	(66.6)	(44.1)	(7.6)	(5.5)
1.2 Banking institutions	(36.1)	(55.2)	(98.9)	(19.2)	(43.7)	(53.2)	(79.1)
2. Net domestic assets (2.1+2.2)	2,637.9	3,093.8	3,515.8	455.9	422.0	17.3	13.6
2.1 Domestic credit (2.1.1+2.1.2+2.1.3)	3,566.6	4,051.4	4,588.0	484.9	536.6	13.6	13.2
2.1.1 Government (net)	894.3	1,196.0	1,527.9	301.7	331.9	33.7	27.7
2.1.2 Other public sector	99.8	88.7	80.8	(11.2)	(7.8)	(11.2)	(8.8)
2.1.3 Private sector	2,572.4	2,766.7	2,979.3	194.3	212.5	7.6	7.7
2.2 Other assets net	(928.6)	(957.6)	(1,072.2)	(29.0)	(114.6)	(3.1)	(12.0)

Source of Data: Central Bank of Kenya

93. Meanwhile, Net Domestic Assets (NDA) registered a growth of 13.6 percent in the year to September 2021, a decline compared to a growth of 17.3 percent over a similar period in 2020. This moderation mainly reflected a slowdown in net ending to government resulting from a reduced utilization of Government deposits at the Central Bank of Kenya. Net credit flows to the private sector and other public sectors improved during the review period.

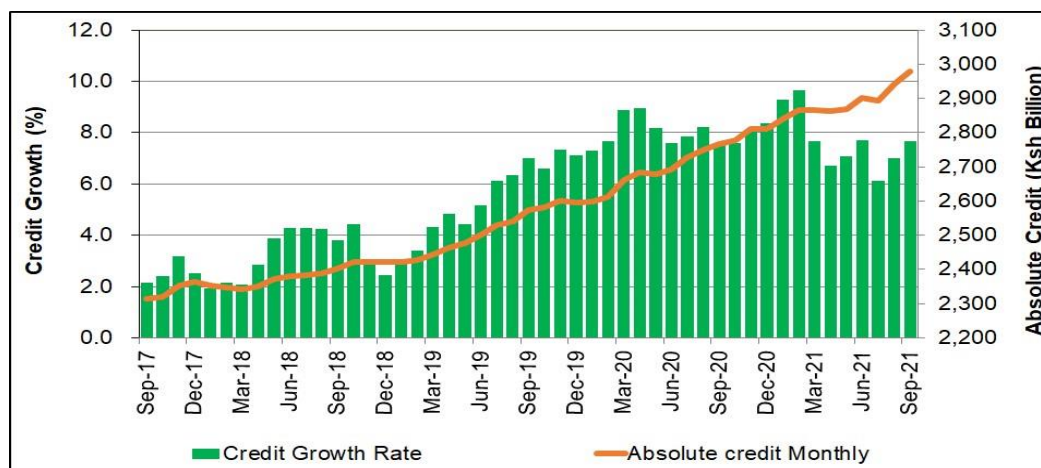
2.2.5 Private Sector Credit

94. Private sector credit improved to a growth of 7.7 percent in the 12 months to September 2021 compared to a growth of 7.6 percent in the year to September 2020 (Figure 7). All economic sectors except mining and quarrying, registered positive credit growth rates reflecting improved demand as economic activities picked up in the first three quarters of 2021. Strong credit growth was mainly observed in consumer durables (17.6 percent), finance and insurance

(11.7 percent), transport and communication (10.9 percent), manufacturing (9.8 percent) and business services (7.6 percent).

95. The Credit Guarantee Scheme for the vulnerable Micro, Small and Medium Enterprises (MSMEs) that was launched in October 2020, continues to de-risk lending by commercial banks and is critical to increasing credit flow to the sector.

Figure 7: Private Sector Credit

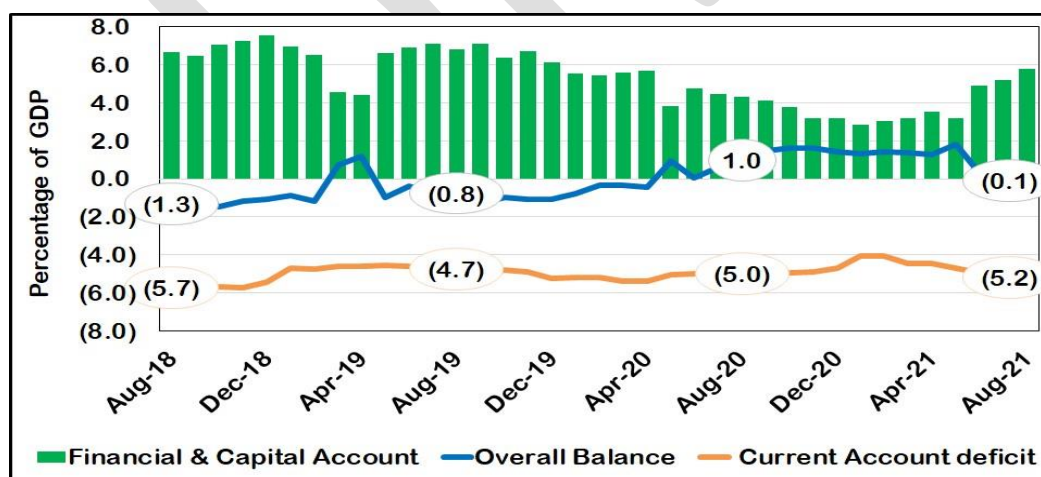


Source of Data: Central Bank of Kenya

2.2.6 External Sector Developments

96. The overall balance of payments position declined to a deficit of USD 107.6 million (0.1 percent of GDP) in the year to August 2021 from a surplus of USD 989.5 million (1.0 percent of GDP) in the year to August 2020 (Figure 8). This was mainly due to a decline in receipts from services despite an improvement in the capital and financial accounts.

Figure 8: Balance of Payments (Percent of GDP)



Source of Data: Central Bank of Kenya

97. The current account remained stable in the year to August 2021. The current account deficit was at USD 5,707.3 million (5.2 percent of GDP) compared to USD 4,975.6 million (4.8

percent of GDP) in the year to August 2020. The current account balance was supported by an improvement in the net primary income balance and the net secondary income balance

98. The balance in the merchandise account reduced by USD 979.9 million to a deficit of USD 10,069.7 million in the year to August 2021 mainly due to increased payments on imports despite an improvement in the export earnings (Table 3). In the year to August 2021, exports grew by 9.9 percent primarily driven by increased receipts from exports of horticulture and manufactured goods. On the other hand, imports of goods increased by 10.4 percent in the year to August 2021 mainly reflecting increases in imports of oil and other intermediate goods.

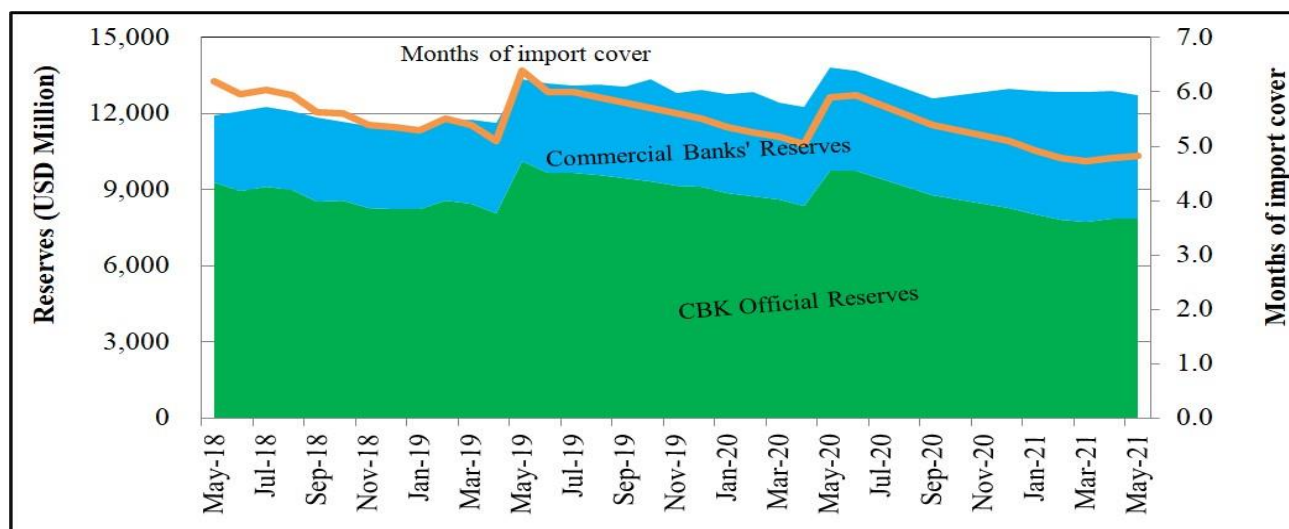
99. Net receipts on the services account declined by USD 577.4 million to USD 143.3 million in the year to August 2021 compared to USD 720.8 million in a similar period in 2020 mainly on account of lower receipts from transport and travel services. The balance on the primary account improved by USD 151.6 million to a deficit of USD 1,440.5 million in the year to August 2021, due to lower reinvestment related outflows. Secondary income inflows remained resilient and increased by USD 674.0 million during the review period supported by remittances.

100. The capital account balance improved by USD 278.3 million and registered a surplus of USD 412.2 million in the year to August 2021. Net financial inflows also improved to USD 5,923.5 million in August 2021 compared to USD 4,157.9 million in August 2020. The net financial inflows were mainly in the form of other investments, portfolio investments and financial derivatives. Direct investments recorded net financial outflows during the same period.

2.2.7 Foreign Exchange Reserves

101. The banking system's foreign exchange holdings remained strong at USD 12,745.4 million in May 2021 from USD 13,805.7 million in May 2020. The official foreign exchange reserves held by the Central Bank was at USD 7,871.6 million (4.8 months of import cover) in May 2021 compared with USD 9,738.3 million (5.9 months of import cover) in May 2020 (**Figure 9**). This fulfills the requirement to maintain reserves at minimum of 4.0 months of import cover to provide adequate buffer against short term shocks in the foreign exchange market. Commercial banks holdings increased to USD 4,873.8 million in May 2021 from USD 4,067.3 million in May 2020.

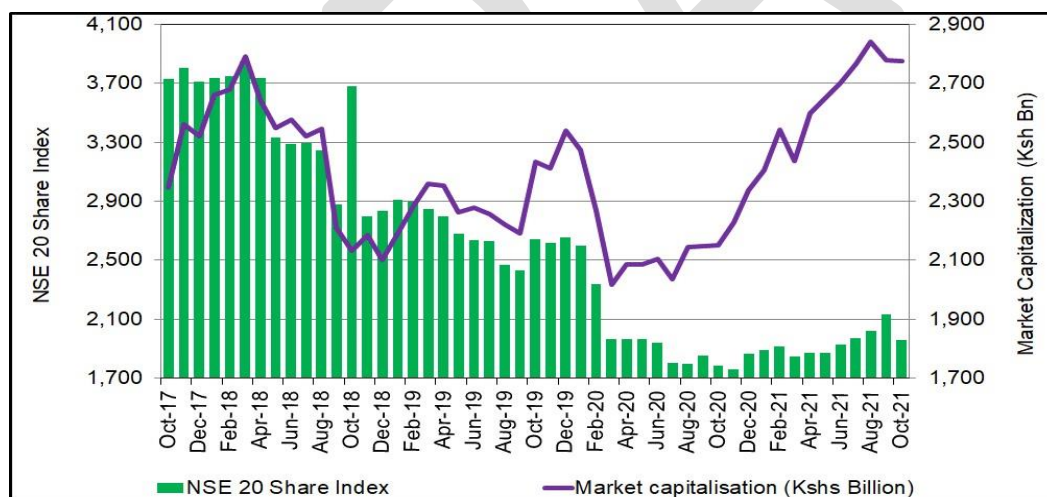
Figure 9: Official Foreign Reserves (USD Million)



2.3 CAPITAL MARKETS DEVELOPMENT

102. Activity in the capital markets improved in October 2021 compared to October 2020 with equity share prices increasing as shown by the NSE 20 Share The NSE 20 Share Index stood at 1,960 points by end of October 2021, an increase compared to 1,784 points by end of October 2020. Market capitalization also increased to Ksh. 2,775 billion from Ksh. 2,150 billion over the same period indicating increased trading activities

Figure 10: Performance of the Nairobi Securities Exchange



Source of Data: Nairobi Securities Exchange

2.4 Fiscal Performance

103. Budget execution in the first three months of FY 2021/22 progressed well. Revenues recorded positive growth rates to reflect improvement in business environment, impact of reversal of some tax relief measures effected in January 2021, tax policy measures and enhanced revenue administration by the Kenya Revenue Authority. Revenues are expected to progressively improve in the rest of the fiscal year following the reopening of the economy, uptake of the COVID-19 vaccine and the increased demand for imports as well as improved

domestic sales. Revenue targets for the FY 2021/22 are also expected to be achieved considering the performance in the first quarter.

104. The Government has embarked on expenditure rationalization and prioritization to ensure that expenditures are on the most impactful programmes that yield the highest welfare benefits to Kenyans.

2.4.1 Revenue Performance

105. Revenue collection to September 2021 grew by 33.7 percent compared to a contraction of 10.0 percent in September 2020. This growth is attributed to the improved business environment following the reopening of the economy and ease on measures put in place to contain the spread of the COVID-19 pandemic. As at end September 2021, the cumulative total revenue inclusive of Ministerial Appropriation in Aid (AiA) was Ksh 506.3 billion against a target of Ksh 480.3 billion. This performance was Ksh. 26.0 billion above the set target.

106. Ordinary revenue to September 2021 recorded a growth of 29.0 percent compared to a 10.9 percent in September 2020. This growth was recorded in all broad categories of ordinary revenue. Specifically; Income tax grew by 29.2 percent, Value Added Tax (VAT) by 44.9 percent, Excise taxes by 23.4 percent and import duty by 16.8 percent. In nominal terms, ordinary revenue collection to September 2021 was Ksh 441.8 billion against a target of Ksh. 425.1 billion. This performance was Ksh. 16.7 billion above the target.

107. Ministerial A-I-A inclusive of the Railway Development Levy was Ksh 64.5 billion against a target of Ksh 55.2 billion reflecting timely reporting of SAGAs AiA. Ministerial AIA revenue, recorded 78.7 percent growth for the period ending September 2021 compared to a contraction of 1.9 percent over a similar period in 2020.

2.4.2 Expenditure Performance

108. Total expenditure and net lending for the period ending September 2021 was Ksh 631.7 billion which was below the projected amount by Ksh 34.7 billion. Recurrent spending amounted to Ksh 453.7 billion while development expenditures amounted to Ksh 117.0 billion. Transfer to County Governments amounted to Ksh. 61.1 billion.

109. Recurrent spending was above the projected target by Ksh 5.0 billion mainly on account of higher than targeted expenditures on domestic interest payments and on operation and maintenance.

110. Development expenditure was below target by Ksh 7.8 billion on account of below target disbursements to foreign financed programmes by Ksh 23.5 billion signaling continued challenges with absorption of externally financed projects as well as the effects of the COVID-19 pandemic. Disbursements to domestically financed programmes on the other hand, was above target by Ksh 16.4 billion reflecting accelerated absorption in the first quarter of the financial year.

111. Fiscal operations of the Government by end of September 2021 resulted in an overall deficit, including grants of Ksh 111.9 billion against a projected deficit of Ksh 174.9 billion. This deficit was financed through net domestic borrowing of Ksh 140.0 billion and net foreign repayment of Ksh 28.2 billion.

2.4.3 Fiscal Policy

112. Going forward into the medium term, the Government will continue with its revenue mobilization and expenditure prioritization policy geared towards economic recovery to support sustained, rapid and inclusive economic growth, safeguard livelihoods and continue the fiscal consolidation programme to create fiscal space for the implementation of the “Big Four” Agenda. This will curtail growth in public expenditures to ensure it attains its fiscal consolidation path over the medium term and strengthen management of public debt to minimize cost and risks of the portfolio, while accessing external concessional funding to finance development projects. The fiscal deficit is projected to decline from 8.3 percent of GDP in FY 2020/21 to 3.8 percent of GDP by FY 2025/26.

113. To achieve this target, the Government will continue to restrict growth in recurrent spending and double its effort in domestic resource mobilization. The Government has also been cutting down on non-priority expenditures such as: hospitality, training, travel and freezing of employment in non-priority sectors in order to manage the public wage bill.

114. Further, Public Investment Management (PIM) Unit at the National Treasury continues to play a great role in enhancing efficiency in identification and implementation of priority social and investment projects. This takes into account the Government’s efforts to increase efficiency, effectiveness, transparency and accountability of public spending. In particular, the implementation of PIM regulations under the PFM Act, 2012 will streamline the initiation, execution and delivery of public investment projects. It will also curtail runaway project costs, eliminate duplications and improve working synergy among implementation actors for timely delivery of development projects.

115. In order to ease the burden of pension payments in future, the Government will continue with implementation of the Super Annuation Scheme for all civil servants below the age of 45 years rolled out in January 2021. Further, the government will continue to support devolution and ensure quality services are offered by the devolved units. The National Government in FY 2021/22 has increased the shareable revenue to the counties to Ksh 370.0 billion.

116. In this regard, expenditures as a share of GDP are projected to decline from 24.3 percent in the FY 2020/21 to 21.5 percent in the FY 2025/26. On the other hand, revenues as a share of GDP are projected to increase from 15.8 percent in the FY 2020/21 to 16.3 percent in the FY 2021/22 and 18.1 percent in the medium term.

117. Revenue performance will be underpinned by the on-going reforms in tax policy and revenue administration and boosted by economic recovery occasioned by implementation of priority programmes under the Economic Recovery Strategy, the “Big Four” Agenda and other priority programmes outlined in MTP III of Vision 2030. In particular, the reversal of tax cut measures which took effect from

January 2021, will enhance revenue collection. In addition, in the FY 2021/22, the Government is implementing tax policy measures through the Finance Act, 2021 that will boost revenue performance.

118. Given the expenditure rationalization and the revenue recovery measures put in place, fiscal deficit inclusive of grants is projected to decline from Ksh 1,029.3 billion (8.2 percent of GDP) in the FY 2021/22 to Ksh 862.7 billion (6.0 percent of GDP) in the FY 2022/23 and

further to Ksh 743.6 billion (3.8 percent of GDP) in the FY 2025/26 In the medium term, debt is projected to remain sustainable.

2.5 Economic Outlook

2.5.1 Global Growth Outlook

119. The global economic recovery continues to strengthen, largely supported by gradual reopening of economies, relaxation of COVID-19 restrictions particularly in the major economies, ongoing deployment of vaccines, and strong policy measures. Nevertheless, the outlook for global growth remains highly uncertain, due to the resurgence of infections, the reintroduction of containment measures, and the uneven pace of vaccinations across the globe. As such, global growth is projected to grow at 6.0 percent in 2021, moderating to 4.9 percent in 2022 from the contraction of 3.2 percent in 2020.

120. Global growth is expected to moderate to 3.4 percent over the medium term reflecting projected damage to supply potential and forces that preceded the pandemic, including slower labour force growth due to aging population in advanced economies and some emerging market economies. The emerging market economies and low-income developing countries have been hit harder and are expected to suffer more significant medium-term losses.

121. The Sub-Saharan African region has not been spared the negative effects of the pandemic with the region estimated to have contracted by 1.8 percent in 2020. Consistent with forecast in other regions, economic growth in the region is expected to recover to 3.4 percent in 2021 and 4.1 percent in 2022 supported by improved exports and commodity prices along with a recovery in both private consumption and investment. However, per capita output is not expected to return to 2019 levels until after 2022.

2.5.2 Domestic Growth Outlook

122. Like the rest of the world, the domestic economy was not spared from the adverse impact of the Pandemic in 2020. As such, economic growth is estimated to have contracted to 0.3 percent in 2020. The economic growth is projected to bounce back to 6.0 percent in 2021 reflecting recovery due to reopening after the closure associated with the COVID-19 Pandemic. This also in part reflects the lower base in 2020 when most service sectors especially accommodation and restaurant, education as well transport services contracted in second and third quarters of 2020 with huge margins.

123. In terms of fiscal years, the economy is projected to expand by 2.9 percent in the FY 2020/21, 5.9 percent in FY 2021/22 and 6.1 percent in FY 2025/26. This outlook will be reinforced by the prevailing stable macroeconomic environment and the ongoing implementation of the strategic priorities of the Government under the “Big Four” Agenda and Economic Recovery Strategy. Weather conditions are expected to be favorable supporting agricultural output. As a result, export of goods and services will expand as global demand normalizes. These factors will push up consumer demand and increase both public and private sector investment reinforcing the projected growth. The economic growth projections over the medium term are aligned to those of the Third Medium Term Plan (2018-2022) of the Vision 2030.

2.5.3 County Growth Outlook

124. Kitui County's economy slightly shrunk in the 2020/2021 FY as compared to 2019/2020 FY but grew slightly in 2021/22 FY. This has been due to the Covid-19 pandemic that has led to closure of small and medium enterprises due to shortage of supply and high cost of doing business resulting from restriction measures and or low incomes realized by the surviving businesses. The local revenue under the period decreased by 20.1% in relation to the previous 2019/2020 FY.

125. In the National Economic Outlook, there is an anticipated slow economic growth in 2022 partially due to the oncoming general elections. This in return is expected to trickle down to the County level. However, the County has measures in place to cushion its economic status and ensure sustainable growth, however sluggish, especially in the election year. The focus of the policies in the CFSP is to continue providing an enabling environment for economic recovery to safeguard livelihoods, jobs, businesses and industrial recovery. In this respect, the County Government will strengthen implementation of programmes and measures that ensure a more inclusive growth, foster macroeconomic stability, and avail liquidity to the private sector including initiating innovative products to boost credit to Micro, Small and Medium Enterprises (MSMEs) as herein discussed.

126. Training Youths on Entrepreneurship through Kitui Youth Skills and Enterprise Centre (KIYOSEC) on garment making, vocational skills and technical skills e.g. electrical, plumbing, mechanical (Qualified artisans) etc., Capacity building for the Boda boda operators by equipping them with necessary skills, safety measures and formation of co-operatives, Support Car washing businesses, Attachment, internship and apprenticeship program (on-job training), Formation of groups (co-operatives) to drive business processes and assisting them acquire various equipment for value addition, Upscaling youth business skills; (upgrading business skills and startup kit for small scale businesses – Access to credit) and Establishment of centers of excellence in Youth Polytechnics; (modern technical workshops) will go a long way to address the socio-economic issues within the County.

127. In the 2019/2020 FY, the county purchased a stone crusher and leased land with an aim of creating more wealth and maximizing the available resources in Kitui Rural Sub-County. The crusher will act as an economic booster with its supply of ballast to Thwake dam and other infrastructure within the county. In addition, the crusher will create job opportunities to the youths and increase overall County revenue. To date, the crusher has been able to produce around 6,000 tons of ballast with 5 employees working as operators, electricians and casuals. Around 1000 community members are expected to benefit from the plant directly in form of sale of stones/boulders to the crusher.

128. With the aim of wealth creation and Youth empowerment, the County established a Textile center (garment factory) at Syongila in Kitui Township ward. The Kitui County Textile Centre (KICOTEC) was awarded a tender by the National Government to produce uniforms to all chiefs across the country. The factory has continuously produced school uniforms to secondary and primary schools, special group's uniforms. The Textile Centre was tasked to manufacture masks and protective gears in aid of curbing the Covid-19 pandemic. Due to its operational, the factory

has created over 700 job opportunities to youths of which 80% are women and additional revenue to the County.

129. In 2021/2022 FY, the county empowered the farmers in bee keeping and honey production which involved training of the 36 farmer groups, purchase and distribution of 490 cab hives (modern hives) and accessories to the groups. This ensured the modern methods of bee keeping with increase the honey production and quality hence value chain addition on the honey. The groups harvested 6 tons of honey in 2020 and have so far harvested 1.8 tons in January 2021. The county government in 2022/2023 FY intends to provide 50 groups with 1,000 modern hives.

130. Within the same period 2021/2022 FY, the county promoted the high value horticultural crops programmes in the Myanda irrigation project which aimed to increase the food security. The projects involved supply of assorted seeds, fungicides and the insecticides to the selected areas benefiting 22,409 farmers and generated produce worth Kshs. 687,362,750. In 2021/2022 FY, 8,057 farmers were supported with 2,751 Kg of horticultural seeds (mostly tomatoes) worth Kshs 659, 680. Distribution to cluster groups is ongoing.

131. In addressing the County Government agenda of food security, 40 farm tractors were procured to assist farmers in land preparation and within the same period, operationalization of farm tractor ploughing services was conducted across the County with an aim of improving the food productivity covering 14,549 acres benefiting 10,982 farmers for the entire period of 2017/18-2021/22FYs. The long and short rains of year (2020/21) was below normal hence affected the productivity of green grams and other crops.

132. In the 2020/2021 FY, to provide the county residence with clean water for domestic use and agriculture, the County constructed/ desilted 6 surface water sources (earth dams/ pan and rock catchments), 16 water pipelines extensions and drilling and equipping of 7 boreholes. These promoted the production of food and development of the livestock across the county. The boreholes were installed with solar powered pumps which reduces the cost of operation.

133. In the 2019/20 FY, the county government provided subsidies to water supply providers (WSPs) to KITWASCO & KIMWASCO worth Kshs. 137,651,525 who supply water to Kitui town and Mwingi town respectively. These promoted the provision of clean water to residence of the two towns with 100,000 people benefiting.

134. For any economy to grow, road infrastructure is a key enabler hence the county graded, constructed and repaired roads across the county. The road project included 2,000KM grading/bush clearing, 384.10KM road maintenance and 1391M drifts constructed. As a result, there smooth movement of persons and goods across the county. Also, The Ministry of Infrastructure, Transport, Housing and Urban Development has been able implement various projects including: Drifts at Tseikuru Junction –Mama Maria Academy among others, Construction and maintenance of fourteen Culverts and Slabs across the entire Kitui County, Opening and Grading of various roads across the county, Upgrading of Kanyangi Market road to bitumen standard, Formulation of policies guiding elevation of Mutomo, Kabati, Zombe and Kyuso to Town, Refurbishment and maintenance of residential housing and renovation of offices.

2.6 Risks to the Economic Outlook

135. There are risks to this macroeconomic outlook emanating from domestic as well external sources. On the domestic front, the emergence of new COVID-19 variants that may require broader reinstatement of containment measures, in the country and its trading partners could lead to renewed disruptions to trade and tourism. Other risks relate to lower agricultural output due to potential adverse weather conditions and continued desert locust infestation in the northern region of the country, which could potentially reduce production of food crops and animal feeds. Additionally, increased public expenditure pressures, particularly wage and other recurrent expenditures would put a strain to the fiscal space.

136. The upside risk to the domestic economy relate to faster than projected rebound in economic activities that would result in higher Government revenues providing fiscal space that would support faster reduction in fiscal deficit and debt accumulation. Additionally, potential lower oil prices in the international market would result in improved terms of trade.

137. On the external side, risks will depend on how the world responds to the health crisis, including whether the new COVID-19 strains are responsive to vaccines. Additionally, growth would be weaker than projected if logistical hurdles in procuring and distributing vaccines especially in emerging market and developing economies will be slow. The delays would allow the new variants to spread, with possibly higher risks of infections among the vaccinated populations. World economies will be shaped by policies taken to limit persistent economic disruptions; the evolution of financial conditions and commodity prices especially oil in the international market; and, the adjustment capacity of the economies.

138. On the upside, better global cooperation on vaccines could help prevent renewed waves of infection and the emergence of new variants, end the health crisis sooner than assumed, and allow for faster normalization of activity, particularly among emerging market and developing economies. The Kenyan Government continues to monitor the domestic and external environment and will take appropriate policy measures to safeguard the economy against the adverse effects were the risks to materialize.

3. BUDGET FOR FY 2022-23 AND THE MEDIUM TERM

139. The County government is committed to fiscal discipline in order to stimulate overall economic growth and ensure productive sector growth. In this regard, revenue administration reforms and expenditure management will be implemented to upsurge efficiency, diminish wastage and mobilize revenues to create fiscal space for funding development programmes within the budget.

3.1 FY 2022/23 Budget Framework

140. In the FY 2022/23 prioritization of resource allocation will be based on the County Integrated Development Plan (CIDP), Departmental priorities, programmes and development policies of the County Government. The 2022/23 FY budget will institute reforms targeted at consolidating gains, achieving efficiency and productivity of government spending. The CIDP takes into account the development Agenda of the County by including programmes for the County residents with high impact on their welfare.

3.2 Revenue Projections

141. The County government projects to receive a transfer of about Kshs.10.39 billion from the National Government for the FY 2022/23 constituting an equitable share allocation of Kshs. 10.39 billion and conditional grants of Kshs 0.505 billion respectively. The allocations are indicative as the actual allocation will be provided in the County Allocation of Revenue Act (CARA), 2022.

142. For the 2022/23 FY, the County projects Kshs. 0.5 billion revenues from its own sources. The projected total revenue for the FY 2022/23 is therefore Kshs 11.39 Billion, both Kshs. 0.50 billion as County's own revenues, Kshs. 10.39 billion as transfers from the National Government and inclusive of Kshs 0.505 Billion as grants

143. The County Executive will present to the County Assembly, more detailed structural measures to boost revenue generation through the Finance Bill, 2020, for consideration and enactment as required by the PFM Act, 2012.

Table 5: Revenue Projections for FY 2022/2023 and the MTEF

S/No	Source	Actual Revenue 2018/19	Actual Revenue 2019/20	Actual Revenue 2020/21	Revenue Estimates 2021/22	Revenue Estimates 2022/23	Projected Estimates		
		Kshs	Kshs	Kshs	Kshs	Kshs	2022/23 (Kshs)	2023/24 (Kshs)	
1	Equitable share	8,729,200,000	8,830,350,000	8,830,350,000	10,393,970,413	10,393,970,413	11,433,367,454	12,576,704,200	
2	Grants								
	Free Maternal Healthcare		-						
	Compensation for User Fees Forgone	22,499,906	22,499,906	22,499,906			-	-	
	Road Maintenance Fuel Levy	287,290,294	250,655,344	264,131,437			-		
	Grants from World Bank (KDSP)		30,000,000	45,000,000	112,815,048	112,815,048	121,840,252	131,587,472	
	World Bank (Universal Health)	67,082,450	103,785,962	36,872,242	14,548,168	14,548,168	15,712,021	16,968,983	
	World Bank (Agriculture - Rural Growth)	50,078,476	268,608,366	190,631,819	283,089,026	283,089,026	305,736,148	330,195,040	
	World Bank (Emergency Locust Response Project (ELRP))				38,964,000	38,964,000	42,081,120	45,447,610	
	HSSP/HSPS - (DANIDA/IDA)	29,008,126	35,792,500	25,110,000	19,564,875	19,564,875	21,130,065	22,820,470	
	World Bank loan to Supplement financing of County Health Facilities	-					-	-	
	UNFPA (9th Country Programme Implementation)				7,386,704	7,386,704	7,977,640	8,615,852	
	Development of Youth Polytechnics	44,141,075	72,588,298	92,149,894			-	-	
	Other GOK Grants (Doctors & Nurses Allowance)	-	-				-	-	
	Kenya Urban Support Project - World Bank	232,374,200	166,203,043	126,367,908			-	-	
	Kenya Urban Support Project (UIG)- World Bank	41,200,000	8,800,000				-	-	
	ASDSP	8,946,484	19,410,807	12,329,648	28,857,290	28,857,290	31,165,873	33,659,143	
	GoK Conditional Grant - Covid Fund		488,788,000				-	-	
	Subtotal	782,621,011	1,467,132,226	815,092,853	505,225,111	505,225,111	545,643,120	589,294,569	
		9,511,821,011	10,297,482,226	9,645,442,853	10,899,195,524	10,899,195,524	11,979,010,574	13,165,998,769	
3	Own Revenue								

S/No	Source	Actual Revenue 2018/19	Actual Revenue 2019/20	Actual Revenue 2020/21	Revenue Estimates 2021/22	Revenue Estimates 2022/23	Projected Estimates	
		Kshs	Kshs	Kshs	Kshs	Kshs	2022/23 (Kshs)	2023/24 (Kshs)
	County Ministries/Entity							
	Office of the Governor		-	-			-	-
	Ministry of Public Service Management and Administration	9,876,970	12,048,730	11,970,550	41,670,000	24,511,765	43,753,500	45,941,175
	The County Treasury	126,941,699	62,542,260	83,755,939	84,505,000	49,708,824	88,730,250	93,166,763
	Ministry of Health and Sanitation	176,097,641	181,897,534	111,901,160	368,353,582	216,678,577	386,771,261	406,109,824
	Ministry of Basic Education, ICT and Youth Development	-		5,395,440	30,788,000	18,110,588	32,327,400	33,943,770
	Ministry of Trade, Cooperatives and Investments	1,046,812	44,752,398	1,284,195	58,597,823	34,469,308	61,527,714	64,604,100
	Ministry of Infrastructure, Housing, Transport and Public Works	26,925,512	18,417,352	40,536,210	7,294,000	4,290,588	7,658,700	8,041,635
	Ministry of Gender, Sports and Culture	132,500	138,000	26,000	1,300,000	764,706	1,365,000	1,433,250
	Ministry of Agriculture, Water and Irrigation	16,418,764	29,343,230	11,152,488	41,556,029	24,444,723	43,633,830	45,815,522
	Ministry of Environment, Tourism and Natural Resources	850,900	2,183,100	1,505,065	19,300,000	11,352,941	20,265,000	21,278,250
	Kitui Municipality	57,387,816	36,591,889	37,785,490	39,639,566	23,317,392	41,621,545	43,702,622
	Mwingi Town Administration	27,966,066	20,370,670	21,137,774	24,210,000	14,241,176	25,420,500	26,691,525
	Ministry of Livestock, Apiculture and Fisheries Development				8,111,000	4,771,176	8,516,550	8,942,378
	Ministry of Lands and Physical Planning				124,675,000	73,338,235	130,908,750	137,454,188
	Subtotal	443,644,680	408,285,163	326,450,311	850,000,000	500,000,000	892,500,000	937,125,000
	TOTAL	9,955,465,691	10,705,767,389	9,971,893,164	11,749,195,524	11,399,195,524	12,871,510,574	14,103,123,769
	% of Equitable Share	88	82	89	88	91	89	89
	% of Own Resources	4	4	3	7	4	7	7
	% of Grants	8	14	8	4	4	4	4
		100	100	100	100	100	100	100
	Revote from previous budget	880,167,531	526,210,232	1,578,584,301	750,579,751			

S/No	Source	Actual Revenue 2018/19	Actual Revenue 2019/20	Actual Revenue 2020/21	Revenue Estimates 2021/22	Revenue Estimates 2022/23	Projected Estimates	
		Kshs	Kshs	Kshs	Kshs	Kshs	2022/23 (Kshs)	2023/24 (Kshs)
	Total Resource Envelope	10,835,633,222	11,231,977,621	11,550,477,465	12,499,775,275	11,399,195,524	12,871,510,574	14,103,123,769

Source: KITUI County Treasury

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3.3 Expenditure Projections

144. To redirect expenditure to the priority programmes, County departments will review their budgets with an aim of removing low-priority expenditures and one-off expenditures from previous years in order to realize savings that can be realigned/reallocated to high priority programmes and ensure completion of the ongoing projects. The performance of earlier funded projects/programmes will also be reviewed with a view to improving the implementation and absorption capacity of development projects. This will also ensure that projects are well planned and executed as planned.

3.4 Recurrent Expenditure Projections

145. Total recurrent expenditure budget in the FY 2022/23 is estimated to be Kshs.7.6 billion as compared to Kshs.8.3 billion in FY 2021/22 printed budget estimates. The wage bill is projected at Kshs. 4.9 Billion in the FY 2022/23 compared to Kshs. 4.7 Billion in 2021/22 FY thereby increasing by 5.0%. The projected wage bill is 43.65 percent of total revenues.

146. The PFM (County Governments) Regulations, 2015, requires that the County Governments maintain employee compensation levels at not more than 35 percent of their total revenue. In the medium term, the County government is committed to ensuring compliance with this fiscal responsibility principle.

147. The Operations and Maintenance expenditures will be lower in the medium term due to removal of one-off expenditures such as office infrastructure and equipment from the recurrent budget coupled with other expenditure rationalization measures. The estimated amount in the FY 2022/23 is Kshs. 2.68 billion down from the printed estimate of Kshs. 3.6 billion for the FY 2021/22.

Table 6: Proposed CFSP Estimates Deviations from Proposed Ceiling 2022/23 Per Ministry

Vote	Spending Entity	Printed Estimates 2021/22	Recurret Estimates 2022/23	Development Estimates 2022/23	Total Budget Ceilings 2022/23
3711	Office of the Governor	1,796,881,967	608,474,822	1,030,195,348	1,638,670,170
3712	Department of Public Service Management and Administration	542,905,844	484,160,666	10,943,424	495,104,090
3713	Ministry of Agriculture, Water & Irrigation	1,385,368,195	443,615,913	819,773,434	1,263,389,347
3714	Ministry of Basic Education, ICT & Youth Development	756,457,050	501,826,169	188,026,379	689,852,548
3715	Ministry of Infrastructure, Housing, Transport and Public Works	953,339,246	255,782,868	613,616,799	869,399,667
3716	Ministry of Health & Sanitation	3,659,074,318	3,188,772,470	148,127,807	3,336,900,278
3717	Ministry of Trade, Cooperatives & Investment	426,422,006	169,130,357	219,746,060	388,876,417
3719	Ministry of Environment, Tourism & Natural Resources	266,110,361	123,909,966	118,769,920	242,679,886
3720	Ministry of Gender, Sports & Culture	199,186,734	95,298,786	86,349,962	181,648,748
3721	The County Treasury	767,570,305	575,475,716	124,511,587	699,987,303
3722	County Public Service Board	37,989,707	34,644,791	-	34,644,791
3723	County Assembly Service Board	1,007,399,062	854,149,078	64,550,549	918,699,627
3724	Kitui Municipality	305,669,631	108,269,076	170,486,967	278,756,043
3725	Mwingi Town Administration	113,284,137	63,546,165	39,763,534	103,309,699
3726	Ministry of Livestock, Apiculture and Fisheries Development	130,459,448	70,656,614	48,316,146	118,972,760
3727	Ministry of Lands and Physical Planning	151,657,262	81,388,664	56,915,485	138,304,149
	Total Kshs	12,499,775,275	7,659,102,121	3,740,093,403	11,399,195,524

Source: Kitui County Treasury

3.5 Development Expenditure Projections

148. In the FY 2022/23, the overall development expenditure is expected to be Kshs. 3.74 billion. This accounts for 33 percent of the overall budget, which is in line with the fiscal responsibility requirement of allocating at least 30 percent of the budget to development expenditure.

3.6 Overall Deficit and Financing

149. To avoid deficits that have no clear plan on how they will be funded, the County Government has allocated resources for spending that are corresponding to the revenues expected in the FY 2022/23. In that FY therefore, the County budget shall be financed through transfer from the National Government and local revenue collected from fees, charges, rates, among others as allowed by the governing legal framework. The FY 2022/23 fiscal framework is therefore fully financed.

3.7 Risks to the 2022/23 County budget framework

150. The risks to the fiscal framework for the FY 2022/23 includes:

- a. Over reliance on national government transfers is a risk that undermines the County's fiscal autonomy. Coupled with the unpredictability on account of the delays in release of the resources, this poses a great risk to proper implementation of the County's budget. This can be curbed by measures to increase local revenue collection by the County Government. The monies mobilized can be used to cushion the County in the times that the National Government delays in exchequer releases.
- b. The County's frequent failures to meet the revenue target due to unforeseen factors is another risk to the fiscal framework for the FY 2022/23. This remains a major challenge as it can generate pending bills and cause general cash flow problems or even cause undue demand for borrowing. To counter this, the County will put in structural reforms aimed at sealing loopholes in revenue realization, revenue enhancement measures while ensuring there are efficient and cost effective methods of collecting the revenues.
- c. Another risk is the County's high wage bill that stands at 43.65 %. Even though recruitment of new staff in the county has been put on hold, there have been ongoing promotions for departmental staff. Furthermore, the County is waiting for proposed recommendations under the CARPs programme and the SRC's job evaluation exercise. The lack of clear guidelines for clarity, harmony of operations and delay by the National Government in finalizing the CARPS exercise has been a drawback. It is expected that once the exercise is completed, the National Treasury will allocate enough funds for implementation of the recommendations, which may include staff compensation in the event of rationalization. However, in a bid to lower the wage bill, the County Government has been laying off Casual workers who have been largely contributing to the ballooned wage bill. Further, the County anticipates the

retirement of a big number of workers who have attained the legal retirement age. This will automatically lower the wage bill, considering the fact that the positions will be revised to ensure retainment of only crucial/necessary positions.

- d. Duplication of functions in some areas that are still contentious between the National and County Governments that risk generating intergovernmental conflicts, wasteful spending and financing gaps that could adversely affect implementation of the County's fiscal framework is another risk that needs to be mitigated through dialogue and consensus building.
- e. Delays in passing of crucial bills by the County Assembly could also affect budget implementation. This can be mitigated by ensuring political goodwill through harmonious working relationship between the County Assembly and the Executive. This will lead to timely approval of crucial policy and budget documents without much conflict.

3.8 Fiscal Structural Reforms

3.8.1 Revenue mobilization

151. The County government will put in place measures to meet its revenue target as this will enable the County to implement its development programmes. The County has so far implemented various reforms aimed at sealing revenue leakage loopholes. This will be facilitated through completion of the automation of systems and revenue collection. By so doing, all payments in the County will be made electronically and in return administrative costs are expected to significantly reduce. Also, this will minimize leakages and expand access to payment points, which will improve on accountability.

152. The County Government will adopt other key strategies amongst them; mobilization of additional revenue by strengthening enforcement and expansion of the revenue base. This will continue to remain the key focus in the next FY. The County will focus on land and property tax as the most appropriate and equitable source of revenue to finance development and provision of essential services. To this effect, the County will finalize and implement the Valuation Roll completed recently in order to widen the tax base. These, and other measures laid down for implementation are contained in a Revenue Enhancement plan by County Treasury.

3.8.2 Expenditure Management

153. The County will continue to use Integrated Financial Management System (IFMIS) as the system for processing payments. On implementation of projects, the County will continue to undertake capacity building initiatives to properly support other Departments. Consultations with the County Budget and Economic Forum (CBEF) will be deepened on all matters of planning, budgeting and financial management. Audit Committees have so far been formed and fully operational. Such consultations also ensure that there is transparency, accountability, and adherence to the PFM Act on budget making process.

154. The County Government will use participatory approach on project identification. Projects will be identified at the ward level based on community needs in each ward. This will be approved by the County Assembly and implemented by the County Executive in compliance with the law. The County services are expected to be brought closer to residents which will go a long way in deepening devolution.

155. The County Government will continue with civic education programmes to enhance awareness and facilitate proper flow of information. Increased cooperation between the County Government and the County Assembly will ensure there is efficient running of County government thereby improving service delivery.

156. In order to contain recurrent and non-essential spending, the County will focus on the following areas of intervention:

- a) Foreign and domestic travel will be limited to essential travels
- b) Limiting training to the need basis and essential/critical.
- c) Issuance of circulars and strict enforcement of cost reduction measures to all County Departments.
- d) Implement a strict commitment control system to reduce the stock of pending bills.

3.9 Guiding Principles in Resource Allocation

157. The PFM Act, 2012 and the PFM (County Regulations), 2015 sets out fiscal responsibility principles that guide the Medium Term Expenditure Framework (MTEF) for the County. The guiding principles that are considered in the allocation of the available resources include:

158. The requirement that the County public debt shall never exceed twenty (20) percent of the County government's total revenue at any one time. The county will not be incurring any debt; The County Government wages shall be contained at thirty-five (35) percent of the County government's total revenue in the medium term; the approved expenditures of a County assembly will be as per senate's recommendations, the County government actual expenditure on development shall be at least thirty percent.

3.9 County's Adherence to the Fiscal Responsibility Principles.

159 The proposed MTEF adheres to the fiscal responsibility principles outlined by law: The development expenditures have been projected at 33 percent of the County budget against an obligatory minimum of 30 percent. Fiscal risks will be managed prudently to ensure a reasonable degree of predictability with respect to the level of tax rates, charges and tax bases. The County does not intend to borrow in the FY 2022/23 and has therefore adhered to the principle of debt not exceeding 20 percent of the County government's total revenue.

3.11 Resource Sharing Guidelines

160 Allocation of Departmental ceilings over the medium term has been informed by these guidelines. In the recurrent expenditure category, nondiscretionary expenditures take first charge. This includes payment of Salaries and wages projected at 43.65 percent of the expected total revenue receipts. Other recurrent expenditures that include operations and maintenance account for 23.54 Percent of the projected total revenue. Development expenditure takes 33 percent of the total revenue available. Development expenditures have been shared out on the basis of the CIDP priorities and strategic interventions identified in various forums. Also included in the criteria used for apportioning the capital budget is ongoing projects and intervention on investment projects in priority areas that support social development, economic growth and transformation of the County. The projected Departmental expenditure ceilings are summarized in the table 7.

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Table 7: Medium term department ceilings, 2020/21-2022/23 (Kshs)

Vote	Spending Entity	Approved Estimates 2020/21 - Kshs	Approved Estimates 2021/22 (A)	% of the Total Budget 2021/22	Projected Estimates 2022/23 (B)	% of the Total Budget 2022/23	Change from the 2021/22 Budget (B-A)	% Change from the 2021/22 Budget
3711	Office of the Governor	1,758,560,906	1,796,881,967	14	1,638,670,170	14	(158,211,797)	14
3712	Department of Public Service Management and Administration	399,690,154	542,905,844	4	495,104,090	4	(47,801,754)	4
3713	Ministry of Agriculture, Water & Irrigation	1,408,296,535	1,385,368,195	11	1,263,389,347	11	(121,978,848)	11
3714	Ministry of Basic Education, ICT & Youth Development	812,294,728	756,457,050	6	689,852,548	6	(66,604,502)	6
3715	Ministry of Infrastructure, Housing, Transport and Public Works	1,045,461,365	953,339,246	8	869,399,667	8	(83,939,579)	8
3716	Ministry of Health & Sanitation	3,379,649,875	3,659,074,318	29	3,336,900,278	29	(322,174,040)	29
3717	Ministry of Trade, Cooperatives & Investment	662,712,821	426,422,006	3	388,876,417	3	(37,545,589)	3
3719	Ministry of Environment, Tourism & Natural Resources	205,960,021	266,110,361	2	242,679,886	2	(23,430,475)	2
3720	Ministry of Gender, Sports & Culture	200,604,202	199,186,734	2	181,648,748	2	(17,537,986)	2
3721	The County Treasury	572,341,040	767,570,305	6	699,987,303	6	(67,583,002)	6
3722	County Public Service Board	28,650,646	37,989,707	0	34,644,791	0	(3,344,916)	0
3723	County Assembly Service Board	881,002,159	1,007,399,062	8	918,699,627	8	(88,699,435)	8
3724	Kitui Municipality	389,416,798	305,669,631	2	278,756,043	2	(26,913,588)	2
3725	Mwingi Town Administration	95,169,369	113,284,137	1	103,309,699	1	(9,974,437)	1
3726	Ministry of Livestock, Apiculture and Fisheries Development	(0)	130,459,448	1	118,972,760	1	(11,486,689)	1
3727	Ministry of Lands and Physical Planning	(0)	151,657,262	1	138,304,149	1	(13,353,113)	1
	Total Voted Expenditure Kshs	11,839,810,618	12,499,775,275	100	11,399,195,524	100	(1,100,579,751)	100

Source: County Treasury

4.0 ANNEX I: DEPARTMENTAL/ SECTOR PRIORITIES

4.1 Office of the Governor

County Ministry/ Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programmes for FY 2021/2022	Expected Outcomes	Budget Estimates
Office of the Governor	PE and OM	To enhance General Administration Planning and Support Services	Operationalize staff emoluments and other general expenses	Enhanced service delivery	802,472,395.00
	Promote socio-economic development in the community	To increase the rate of access, transition and retention of learners from financially disadvantaged backgrounds through school fees bursary support	Education support programme (Pro-poor)	Enhanced transition and retention of the needy students in schools	60,000,000.00
	Promote socio-economic development in the community	To promote equitable development across the entire County's 40 Wards and 247 villages through implementing small scale infrastructure projects addressing immediate community needs	Community Level Infrastructure Development Programme (CLIDP)	Improved social economic life and enhance living standards for Kitui County residents	850,000,000.00
			Pending bills for the already invoiced CLIDP works		174,097,769.00
	Improved service delivery	To provide residence as well as hosting and reception during county functions	Construction of the Governor and the Deputy Governor's residence:	Sufficient and safe residence for the Governor of Kitui County	50,000,000.00
	Improved service delivery	To ensure a conducive staff working environment	Refurbishment/partitioning of buildings (staff offices)	Improved service delivery	20,000,000.00
	Improvement of records management within County Government of Kitui	Build capacity of records management staff	Construction of county records centre and purchase of records management digitization software	Enhanced service delivery	20,000,000.00
GRAND TOTAL					1,976,570,164.00

4.2 Public Service Management and Administration

County Ministry / Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed projects and programmes for FY 2022/23	Expected impact	Estimated cost
Public Service Management and Administration	<ul style="list-style-type: none"> ● To coordinate and ensure participation of communities in Governance at the local level ● To enhance the implementation of development projects in the County 	<ul style="list-style-type: none"> □ To provide Civic Education and disseminate county policies and strategies □ Track the progress of county projects in order to ensure compliance with set deadlines. □ Coordinate other departments to harmonize county projects and ensure fairness in distribution of projects and avoid duplication of projects ✓ Identify and Prioritize county projects to enhance the spirit of public participation 	<ul style="list-style-type: none"> □ Civic education programmes in collaboration with other stakeholders □ Tracking programmes for County projects and programmes □ Harmonization activities/programmes in collaboration with other stakeholders □ Project identification and prioritization programmes in collaboration with other stakeholders 	<ul style="list-style-type: none"> □ Well informed citizenry □ Efficient and effective service delivery □ Sustainability of the implemented projects 	<p>60,000,000</p> <p>50,000,000</p>

Public Management and Administration	Service ➤ Provide conducive working environment for efficient and effective service delivery to the residents of Kitui.	<input type="checkbox"/> To provide office space for good county image/ service delivery <input type="checkbox"/> To improve and dignify the movement of ward and village administrators from one place to another within their areas of jurisdiction.	<input type="checkbox"/> Completion of Ward Offices <input type="checkbox"/> Construction of sub county and Village offices <input type="checkbox"/> Acquisition of land for office construction <input type="checkbox"/> Purchase of Motorbikes for village administrators. <input type="checkbox"/> Purchase of a vehicle for the Directorate of Administration <input type="checkbox"/> Purchase of 8 vehicles: for SubCounty Administrators	Efficient and effective Service delivery	100,000,000 ,988,000,000 49,400,000 6,000,000 48,000,000
	➤ Liquor Licensing Board	✓ To ensure smooth licensing of liquor business	<ul style="list-style-type: none"> Operationalization of Kitui Alcoholic drinks control act,2014 	Enhanced economic growth	10,000,000
	➤ Staff Training and capacity development program.	✓ To enhance public administration staff skills for improved service delivery	<ul style="list-style-type: none"> Capacity building and training. 	Effective service delivery.	30,000,000

4.3 Ministry of Agriculture, Water and Irrigation

County Ministry/ Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programmes for FY 2021/2022	Expected Outcomes	Budget Estimates (Ksh)
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Ministry of Agriculture, water and Irrigation	PE and OM	To enhance General Administration Planning and Support Services	Operationalize staff emoluments and other general expenses	Enhanced service delivery	733,256,000
	Total				733,256,000
	Increased agricultural production, food and nutrition security	i) Increasing agricultural output and productivity ii) Reduction of pre- and postharvest crop losses	Promotion of horticultural crops- Fruits and vegetables (Mangoes, onions, tomatoes, etc) through use of SHEP Approach	Improved livelihoods, food and nutrition security	11,500,000
			Emergency Locust Response Project (ELRP)		23,000,000
	Sub Total				34,500,000
	Improved farm income and profitability	i) Intensification and commercialization of smallholder agriculture ii) Enhance value addition of locally produced/available fruits, vegetables and sugarcane	Operationalization Kitui Foods Processing Plant	Improved incomes through value addition	8,000,000
			National agricultural and rural inclusive growth project (NARIGP)	Enhanced productivity and profitability	68,000,000
	Sub Total				76,000,000
	Improved human and institutional capacity of ATC	Effective delivery and supply of agricultural extension and advisory services	Procure assorted fruit-tree and vegetable seeds		300,000
			Procure assorted polybag tubes for nursery use		500,000
			Procure 5 in calf heifers and feeds		1,500,000
			10,000 tissue culture banana plantlets		1,000,000
Agricultural sector development support programme		Development of sustainable priority value chains for improved income, food and	Enhanced productivity and profitability	14,000,000	

		nutrition security(3 value chains supported)		
Sub Total				17,300,000
Total Agriculture and Irrigation				260,300,000
Water Department				
Improvement of water availability and accessibility	Enhancing accessibility and availability of safe water	Construction sand dam/sump well water supplies	Reduced distances to safe, clean and affordable water	100,000,000
		Construction/desilting of earth dams/pans and Rock catchments	Reduced distances to water sources for both domestic and livestock uses	131,849,014
		Drilling and Equipping of Boreholes		80,000,000
		Construction/Extension of water pipelines	Reduced distances to water sources for both domestic and livestock uses	70,000,000
		Borehole hybridization- Conversion of public water points from genset to solar powered engines	Reduced distances to safe, clean and affordable water	20,000,000
		Supply & installation of water storage tanks (5No. per ward)	Reliable & affordable water provision	10,000,000
Efficient utilization and management of water supplies	To ensure sustainability and reliable water services	Subsidies for WSP's	Reduced downtime to rural community water supplies	70,000,000
		Borehole & pipeline repairs/rehabilitation	Ensure continuous supply of affordable water to urban areas of the county	25,000,000
		Capacity building of water management committees	Ensure sustainability of rural water supplies	5,000,000
		Surveys & designs		5,000,000
		Procurement of SCWOs vehicles (1No.double cabin & 1No. land cruiser)	Reduced cost of operation at the station & improved sustainability.	10,000,000
Total -Water Department				526,849,014
Grand Total				1,523,905,014

4.4 Ministry of Basic Education, ICT and Youth Development

COUNTY MINISTRY	DEPARTMENT/ SECTOR	BROAD STRATEGIC PRIORITIES AND POLICY GOALS	BROAD STRATEGIC OBJECTIVES	PROPOSED PROJECTS / PROGRAMMES	Proposed budget allocation (KShs)
Ministry of Education, ICT and Youth Development	OM & PE	- Office maintenance, Staff salaries and other office operations	-To create conducive working environment	-Provision of office space -Provision of furniture and other essentials	554,791,825.00
	Basic Education (BE)	- Improve teaching and learning environment in ECDE centres in all 40 wards	-To improve the quality of education offered in the pre- primary schools. -To improve infrastructure in ECDE centres in all 40 wards - To improve Schools infrastructure through a collaborative development programme	-Construction of ECDE Classrooms -Provision of sanitation facilities -Provision of appropriate teaching / learning materials to ECDE centres -Adequate staffing in ECDE Centres -Capacity Building of ECDE teachers so as to be CBC compliant	82,577,732.57
	Training and Skills Development (TSD)	- Revitalization of Vocational Training Centres in all 40 wards - Equipping of people with modern employable skills	-Face-lifting and equipping of Vocational Training Centres in the County -Improve Quality of training offered at VTCs	-Construction of workshops -Provision of relevant tools and equipment -Adequate staffing in VTCs	118,577,732.57
	Youth Empowerment and Development (YD)	-Youth skills empowerment programs - Creation of employment opportunities	-To provide apprenticeships opportunities to interns -Youth Mentorship programme	-Teenage girls' mentorship programmes -Youth Career mentorship programmes -Youth access to financial support and	54,077,732.57

				government opportunities -Youth Groups trainings / sensitization programmes	
	Information & Communications Technology (ICT)	-Improved ICT Infrastructure Development and connectivity	-To Increase internet connectivity across the County -To enhance ICT use and adoption in learning centers	-Expansion and equipping of ICT Centres -Connecting ICT centres to internet	22,077,732.57
Totals					832,102,755.28

4.5 Ministry of Infrastructure, Housing, Transport and Public Works

County Ministry/ Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programmes for FY 2022/2023	Expected Outcomes	Budget Estimates (Ksh)
Ministry of Infrastructure, Housing, Transport and Public Works	PE and OM	To enhance General Administration Planning and Support Services	Operationalize staff emoluments and other general expenses	Enhanced service delivery	239,673,170.68
	Roads Department				
	Improving Infrastructure within the County	Enhance efficient transport and support effective service delivery through construction, maintenance and rehabilitation of road network in the County.	Lease /Hire of road construction Machinery for Grading works	Improved Mobility, accessibility, safety of road users	76,000,000.00
			Dustless Towns programme in which market roads will be upgraded to bitumen standards	Improved Mobility, accessibility, safety and Security, improve business activities and reduced dust in towns and market centers.	50,000,000.00
			In house roads works (Fuel, Maintenance of plant and Machinery)	Improved Mobility, accessibility, safety and Security	50,000,000.00
Road Construction and Maintenance works			Improved accessibility connectivity and safety	284,000,000.00	

County Ministry/ Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programmes for FY 2022/2023	Expected Outcomes	Budget Estimates (Ksh)
			(Box culverts drifts, culverts, gravelling, concrete slabs, gabions)	(Improved level of service)	
			Road Widening and Dozing Works	Improved accessibility and safety	60,000,000.00
Mechanical services and Transport services	Mechanical services and Transport services				
	Improving Infrastructure within the County	Enhance efficient transport and support effective service delivery through construction, maintenance and rehabilitation of road network in the County	Maintenance of Motor Vehicle	Improved service delivery leading to well-maintained infrastructure	15,000,000.00
			Maintenance of Plant, Machinery and Equipment	Improved service delivery leading to well-maintained infrastructure	40,000,000.00
			Purchase of Heavy Plant Machinery (Low-loader)	Improved service delivery leading to well-maintained infrastructure	25,000,000.00
			Purchase of Heavy Plant Machinery (DOZER)	Improved service delivery leading to well-maintained infrastructure	30,000,000.00
			Purchase of Heavy Plant Machinery (2 GRADERS)	Improved service delivery leading to well-maintained infrastructure	50,000,000.00
			Purchase and equipping of specialized mechanical Service van	Timely response to breakdowns leading to improved service delivery	10,000,000.00
			Purchase of Motor Vehicles (2 utility vehicles for CECM and CO, 2 double cab pickups)	Improved service delivery leading to well-maintained infrastructure	27,000,000.00
			Purchase of Workshop Tools, Spares and Small equipment	Improved service delivery leading to well-maintained infrastructure	20,000,000.00
			Purchase of Plant Machinery Tyres and accessories	Improved service delivery leading to well-maintained infrastructure	25,000,000.00
Public works	Supervision of construction			Completion of 1no.office block so as to achieve	6,000,000.00

County Ministry/ Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programmes for FY 2022/2023	Expected Outcomes	Budget Estimates (Ksh)
	works of all building projects and other works, then maintenance of the same	Development and maintenance of public buildings and other works	Construction of field office at Zombe in Zombe/Mwitika ward (new project)	Enhance office accommodation capacity Improved working conditions Better office facilities Overall enhanced efficiency and effectiveness in service delivery	
			Completion of kyusiani ithud field office in yatta kwa Vonza ward-kitui rural sub-county (stalled project)	Completion of 1no.office block so as to achieve a) Enhance office accommodation capacity b)Improved working condition c)Better office facilities d)Overall enhanced efficiency and effectiveness in service delivery	4,000,000.00
			Completion of Kabati ithud field office in Kauwi ward-Kitui west sub county (stalled project)	Completion of 1no.office block so as to achieve Enhance office accommodation capacity Improvised working conditions Better office facilities Overall enhanced efficiency and effectiveness in service delivery	4,200,000.00
			Renovation of ithud offices county wide	Refurbishment of 6no.office blocks so as to achieve	6,000,000.00
			I Public works headquarters	Enhance office accommodation capacity	
			II Kitui central works office block	Improvised working conditions	
			III. Mwingi west ithud office block	Better office facilities	

County Ministry/ Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programmes for FY 2022/2023	Expected Outcomes	Budget Estimates (Ksh)
			IV.Mwingi central Lihud office block	Overall enhanced efficiency and effectiveness in service delivery	
			V. Mwingi north Lihud office block		
			VI. Kitui south Lihud office block		
			Procure office furniture and equipment for county wide office	To enhance efficient service delivery	10,000,000.00
			Feasibility study to promote designs, strength of materials and have software for production of quality structures	Acquisition of well-planned and improvised sound structure resulting in efficient service delivery	3,000,000.00
		Ablution block at public works-headquarters	Improve sanitation to achieve conducive working environment	3,000,000.00	
Valuation Housing and Urban Development					
Valuation Housing and Urban Development		To enhance access to housing services and improve living conditions	Purchase of 5 housing units from the Affordable Housing projects. Feasibility study of affordable housing in other urban areas.	Increased number of affordable housing units for the county government. (County Housing stock)	7,500,000.00
			Refurbishment of 30 Nos. Institutional Residential Houses for devolved functions		
		Inventory for all county residential houses	Formulation of a Policy on alternative building technology within the county	Improved adoption of alternative building technology to lower the cost of construction and creation of employment countywide. Property/housing register capturing all county residential houses	2,500,000.00
			To prepare a data register for the county houses for book purposes,	Smooth management of the county houses (including easy tracking of repairs, vacancy and refurbishment)t	5,000,000.00

County Ministry/ Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programmes for FY 2022/2023	Expected Outcomes	Budget Estimates (Ksh)
	Maintenance of Offices	To provide conducive working environment and service delivery	Refurbishment of 6 Offices in sub county headquarters	Improved working environment	5,500,000.00
	Draft Supplementary Valuation Roll	To capture changes in rate able properties to maximize on revenue from Property Rates	Prepare draft supplementary Valuation roll to capture changes due to increased value, new subdivisions and new plots	Enhanced own source revenue sources from property Rates	2,000,000.00
	County valuation asset register	Phase I Valuation of County Assets-Fixed and loose(movable) assets for each county department	To value all the county loose and fixed (land and buildings) assets for insurance and book keeping purposes. Value buildings, land, plant and machinery, computers and accessories	Organised records for valued assets for insurance purposes or book keeping purposes	3,000,000.00
	Implementation of the urban areas and cities Act, 2019	Fill the gap of the urban hierarchy by elevating two urban areas to Town Status	Establishment of Mutomo and Kyuso Town Administrations	Running Town administrations at Mutomo and Kyuso	50,000,000.00
	Inventory for all county Urban areas per sub county	Smooth management and ranking of the urban areas.	To prepare a data register for the urban areas in the county for ranking purposes. To prepare a data register for the urban areas in the county for ranking purposes.	County Urban Areas inventory ranking them as per the hierarchical provisions of the Urban Areas and Cities Act.	
			To prepare a data register for the urban areas in the county for ranking purposes.	Enhanced Revenue collection and improved orderliness in all urban areas.	10000000
			Capture the urban areas spatial location, its development rate, population as per the current census available infrastructural services.	Providing data for the required infrastructural service in case of elevation for every urban area.	
	To mitigate upcoming disasters in urban areas-	Formulate a Risk framework policy for the county urban areas.	. Formulation of Kitui County Risk/ disaster management policy for the 8 sub counties urban areas	Minimized risk destruction in urban areas, harmonized business and living environment	2,500,000.00

County Ministry/ Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programmes for FY 2022/2023	Expected Outcomes	Budget Estimates (Ksh)
	preparedness, and recovery.(collapsing buildings, fire, floods, explosions etc)				
	Other Infrastructure and Civil Works including fencing	Construction of drainage system and fencing	Construction 2 No fencing	Improved sanitation and security in estates	10,000,000.00
Total					1,135,873,170.68

4.6 Ministry of Health and Sanitation

County Ministry/ Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programmes for FY 2022/2023	Expected Outcomes	Budget Estimates (Ksh)
Health & Sanitation	PE and OM	To enhance General Administration Planning and Support Services	Operationalize staff emoluments and other general expenses	Enhanced service delivery	3,415,520,162
			Universal Health care; registration and support of the disadvantaged County households @300 Ksh. Per household	Improved access to health care, reduced out of pocket expenditure on health and ensure provision of quality healthcare to the citizens of Kitui	200,000,000
			Total PE and O & M		3,615,520,162
	1. Increasing access to healthcare quality,	To improve quality of healthcare	Construction of a modern kitchen at KCRH and Tseikuru sub-county hospital	Improve nutritional status in the facility	10,000,000

timely and responsive health care services.	To improve quality of healthcare	Construction a Intensive care Unit (ICU) at Kitui County Referral Hospital and Mwingi Hospital	minimise referrals in the County	8,000,000
	To improve quality of healthcare	Completion of stalled construction of Kitui County referral hospital Amenity/ Surgical Ward	Increase capacity of the facility on emergency cases and amenity services	20,000,000
	To improve quality of healthcare	Completion of stalled Maternity/ paediatric ward at KCRH	Reduced maternal and child mortality rates	10,000,000
	To improve quality of healthcare	Completion of Construction of stone Fence at Kitui County Referral Hospital, CHMT compound and Mwingi Level IV Hospital	Improved security in the two facilities	30,000,000
	To improve quality of healthcare	Relocation of a gate and fence, drug store and other buildings affected by Kibwezi- Kitui road)	Improved quality of healthcare in the facility	4,000,000
	To improve quality of healthcare	Expansion of 12 hospitals to enable them attain Level IV status (Tseikuru, Kyuso, Nuu, Migwani, Kauwi, Katulani, Kanyangi, Mutitu, Zombe, Ikanga, Mutomo and Ikutha)	enhance healthcare delivery in the facilities	15,000,000
	To improve quality of healthcare	Renovations of health facilities- Renovation of OPD at Kanyangi-5M, Renovation of roof of a Lab at KCRH- 3M, Renovation and expansion of maternity wing and toilets at Nguni health center 4M, renovation of other health facilities-8M	enhance healthcare delivery in the facilities	20,000,000

	To improve quality of healthcare	Equipping and furnishing of new Outpatient Department (OPD)/ casualty Department for Kitui County referral hospital	Enhance healthcare delivery in the facility	10,000,000
	To improve quality of healthcare	Completion of Construction of a medical store at Kitui County Referral Hospital and Mwingi level IV hospital (for buffer stock for the county to avoid drug stock-outs in the implementation of UHC)	Minimised stock outs	8,000,000
	To improve quality of healthcare	Construction and equipping of model health centre at Voo and Nguni	enhance healthcare services in the County	8,000,000
	To improve quality of healthcare	Strengthen Cold chain system in the county through procurement of 50 KEPI fridges; 100 solar batteries; 37,000 solo shots and 300 vaccine carriers for distribution in all the 40 wards.	increase immunization coverage in the county	25,000,000
	To Improve workplace environment	Construction of Modern Health Records and Information Department in all the KCRH and mwingi Hospital and equipping the offices with desktops for data entry	Improve workplace environment	5,000,000

	To improve quality of healthcare	Purchase of the following laboratory equipment for the 14 Hospitals: a Blood bank freezer; a Blood bank refrigerator; 10 Blood donor couches, a Plasma extractor; Plasma thawing bath; Plasma agitator with incubator; Refrigerated centrifuge; tube sealer; 1,000 Ziplo bags and 100 Cool boxes; Equipping Laboratory Units in 12 hospitals with: Automated biochemistry analyser, Automated hematology analyser, Analytical balance, Electrolyte analyser, Laboratory incubator and a Microscope. The facilities are: Tseikuru, Kyuso, Nuu, Migwani, Kauwi, Katulani, Kanyangi, Mutitu, Zombe, Ikanga, Mutomo and Ikutha;	Improve diagnostic services in the facilities	15,000,000
	To improve quality of healthcare	Completion and equipping of mortuaries in KCRH and Mwingi level IV hospitals	Better preservation of bodies	30,000,000
	To improve quality of healthcare	Construction and equipping of a Trauma; psychiatric centre and a cancer treatment centre at KCRH	Enhance capacity to handle Trauma; Psychiatric and cancer patients	30,000,000
	To improve quality of healthcare	Preparation of a Master plan for KCRH	Enhance proper planning in the facility	2,000,000
	To improve quality of healthcare	Completion of blood satellite bank at KCRH	increase blood supply in the County	8,000,000
	To improve quality of healthcare	Construction of Sewerage system for KCRH	improve sanitation conditions of the facility	5,000,000

	To improve quality of healthcare	Oxygen piping at KCRH theatre, Amenity and NBU	minimise maternal and neonatal deaths	4,000,000
	To improve quality of healthcare	Completion of Ndiuni maternity wing	enhance healthcare services in the County	4,000,000
	To improve quality of healthcare	Completion of X-Ray at Kauwi sub-county hospital	enhance healthcare services in the County	3,000,000
	To improve quality of healthcare	Equipping of Mwingi level IV amenity	enhance healthcare services in the County	11,000,000
2. Improving maternal, new born and child health care	To Minimise maternal mortalities and child mortalities in the County	Equipment for 7 Maternity, theatre and newborn Units (Mutitu, Mutomo, Kauwi, Kanyangi, Ikutha, Kyuso and Katulani)	Reduce maternal and child mortality rates	4,000,000
		Establishment (construction and equipping) of Kangaroo Mother rooms in all the 14 hospitals	minimise neonatal deaths	3,500,000
		Completion of Construction of a maternity and newborn unit at Mwingi Level IV hospital	enhance healthcare delivery in the facility	10,000,000
3. Strengthening health information systems for tracking performance	To strengthen Health information systems for effective monitoring and evaluation system in the Ministry	Completion of Installation of integrated health management information system(IHMIS) in all 14 Hospitals	Enhance revenue collection and efficiency in service delivery	76,801,920
4. Scaling up of Primary health care services and promoting community based promotive and preventive health services	To improve quality of healthcare	Purchase of medical equipment for rehabilitation departments in KCRH and Mwingi Level IV Hospital (Including Orthopedic beds)	improve rehabilitative services in the County	10,000,000

	5. Increasing access to healthcare quality, timely and responsive health care services.	To Improve access to Medical products & Vaccines and Technologies	Scaling up Kitui Pharma Industry to increase production of health commodities	Increased revenues generated by the County and minimal stock-outs of health commodities in health facilities	20,000,000
	0Sub-total				409,301,920
	Grand total				4,024,822,082

4.7 Ministry of Trade, Cooperatives and Investments

County Ministry	Broad Priorities	Broad Objectives	Strategic	Proposed Projects/Programmes	Proposed Budget Allocation (ksh)
Trade, Cooperatives & Investment					
	Administrative Services Department				
	Personnel Emoluments and Operations and Maintenance	Provision of general administrative and support programs		-Staff training -Staff Recruitment -Casuals engagement (need basis) -Equipment provision and maintenance	109,000,000
	Trade and Investments Department				
	Creation of an enabling environment for trade, industrial and investment development	Provision of enabling legislative framework for guiding trade		Formulation of Trade development legislative frameworks (Bills, Policies, regulations, among others) Promote trade in the county by creating a conducive environment for doing business	266,000,000
		Create an enabling environment for the growth of micro, Small and Medium Enterprises (MSMEs)		Development of market infrastructure, stock yards, gated markets centers, purchase of land and renovation of markets centers in all 40 wards.	
		Promote local manufacturing and industrialization;		Operationalization of leather factory at Manyenyoni. Establishment of 2 additional textiles center at Mutomo and Mwingi and mass production of ballast and other quarry products.	
		Promote financial deepening and inclusion through affordable credit to organized groups, and cooperatives		Support MSMEs with affordable credit for start-ups and existing businesses through disbursement of affordable loans by Kitui County Empowerment Fund	

		Facilitate value addition of county livestock industry through provision of affordable means of transport for the livestock and products and reinvigorate the County abettors	-Maintenance of trucks and formation of agents for aggregation of livestock at market centres to easy transportation to end markets - expand the capacities of County abettors and slaughter houses	
		Promote fair trade and ensure consumer protection	Verification and stamping of weighing and measuring instruments	
	Cooperative Department			
	Promote Co-operative development; create Market linkages and Enhance value addition through organized co-operatives.	.Cooperative Governance, education, audit and promotion of new Cooperative societies .Formulation of county cooperative bills and policies	-Promote registration of new cooperative societies -Co-operators Training - Supervision of Society Election - Attend Cooperative Societies General Meetings - Attend Cooperative Societies Management Committee Meetings - Cooperative societies governance workshops - Inspection of cooperative Societies - Conduct cooperative audits	30,064,206
	Branding and Marketing			
	Spearhead the overall county branding programmes to safeguard and enhance the image of Kitui County through deliberately focused branding activities	To create a strong and easily-recognizable Kitui County brand Identity	-Brand all county offices and properties e.g. vehicles -Brand all county products and services -Install signage at all Kitui County projects	64,000,000
	To market all manufactured Kitui County products and services to increase/enhance the county revenue base as well as creating awareness of the products' existence in order to gain acceptance	To improve market share and sales volumes in order to improve on own-source revenue base To create and cement acceptance of Kitui County locally manufactured goods	-Market surveys /research to establish demand/opportunities for Kitui products -Field sales and Marketing trips -Recruitment of sales field staff to push sales at all levels- personal, corporate etc. -Collaboration with various sales outlets e.g. Supermarkets	

	amongst the Kitui population and beyond		-Participation in various sales and marketing forums/exhibitions/fairs -Create various sales outlets amongst major towns within Kitui County	
	Enhance/improve Kitui county brands locally and beyond	To improve the overall Kitui County brand and products' perception	-Documentaries on Kitui county products -Create mail flyers send to targeted customers -Create partnerships with various international entities -Use social media as a marketing tool	
	Offer a central branding support and advisory services to all Kitui county ministries so as to preserve and enhance brand uniformity, recognition and loyalty and achieve the county government goals	To strengthen brand consistency and uniformity To gain brand acceptability/loyalty and support amongst all staff	-Generate/procure various generic branding materials -Participate in all ministries' activities that require branding -Advise all county ministries on branding of their various branding materials/venues/activities	
TOTAL				469,064,206

4.8 Ministry of Environment, Tourism and Natural Resources

A) ENVIRONMENT AND CLIMATE CHANGE DEPARTMENT

COUNTY MINISTRY	BROAD PRIORITIES	BROAD STRATEGIC OBJECTIVES	PROPOSED PROJECTS/PROGRAMMES FOR 2022/2023 FY	EXPECTED OUTCOME	BUDGET ESTIMATE (KShs)
Ministry of Environment, Tourism and Natural Resources	Tree Growing and Forest Conservation	To increase the forest cover throughout the county	County tree growing programme	Increased forest cover	10,000,000.00
			Forest and woodland conservation	Enhanced community Livelihoods	
			Tree growing in all county hilltops, riverine and institutions	Rehabilitated ecosystems	
			Promote modern agro-forestry technology in the county wards		

			Sensitize farmers to adopt forest farming for wealth Creation		
			Create awareness to farmers and community on harvesting of non- wood forest products e.g. gums, resins, honey etc		
			Domestication and propagation of High Value & Multi – Purpose Trees and Shrubs (HVMPTS)		
Climate Change adaptation and mitigation	Conservation of water catchment areas and rehabilitation of degraded ecosystems	Enziu, Upper Tyaa, Mumaki and Thua Riverine rehabilitation and conservation projects	Improved water catchments	2,000,000.00	
		Initiate value addition enterprises of sand resources in resource rich areas e.g. Lower Tyaa / Kiromboko site in partnership with TARDA	Improved hygiene and sanitation		
		Acquire machinery to lift sand from the river to safe depots before rains	Enhanced community livelihoods		
		Planting of cover grass and bamboo on hill slopes in water catchment areas			
		Identify and construct sand dams across county rivers and streams to slow soil erosion, facilitate water retention, enhance vegetative regeneration and crop resilience			
		Enhance community capacity to harvest rock and surface run-off water for use in kitchen gardening, tree nurseries, domestic and livestock use through construction of tanks and embankments around rocks surfaces			

		Build community capacities to adapt and cope with adverse impacts of climate variability	Institute and operationalize Kitui County Climate Change Fund (KCCCF) by allocating 1% of the County budget to climate adaptation and mitigation projects; diversification of livelihoods e.g. Income generating activities, growing drought tolerant fruit trees and crops- green grams, cowpeas, pigeon peas, etc	Enhanced resilient amongst communities Improved access to donor funding	5,000,000.00
			Conduct training and capacity building workshops on climate change Mainstreaming	Increased standards of Living	
	Environmental management and awareness	To enhance community's environmental education and awareness for sustainable development	Environmental education and awareness programme (the programme consists of the commemoration of international environmental events, schools and church outreach activities and general civic education and campaigns)	Increased awareness on sustainable environmental conservation and management	1,500,000.00
			Publication and distribution of educational and awareness creation materials and media campaigns		
			Utilize benchmarking for exposure to best practices in environmental Sensitization		
	Sustainable waste management	To formulate measures and mechanisms for waste management	Develop solid waste management policy and strategy for the Kitui county	Improved hygiene and sanitation	1,000,000.00

			To build partnerships through private- public partnerships for sustainable waste management and utilization e.g. collaboration with individuals, organizations, clubs, societies, women and youth groups	Increased employment amongst the youth and women	
			Acquire and develop suitable land for establishing modern waste disposal facility for toxic and hazardous waste	Reduced water borne and airborne diseases	
			Strengthen environmental compliance and enforcement through acquisition of enforcement equipment, tools and uniforms	Enhanced compliance	1,000,000.00
			TOTAL		20,500,000.00

(B) ENERGY DEPARTMENT

	1. To enhance access of electricity to rural areas	To promote utilization of electricity, alternative/renewable sources of energy within the county	Rural electrification of institution and households in partnership with REREC and Kenya power	Enhanced access of electricity and connectivity in rural areas through maximization and installation of transformers	16,590,000.00
	2. Promotion and adoption of renewable energy technologies		Installation and maintenance of solar security light in the upcoming markets in the county	Improved security and extended working hours	30,000,000.00
			Maintenance of solar systems powering water pumps at community boreholes and lighting in trading centres	Improved efficiency in utilizing affordable and reliable power supply systems;to the rural communities	10,000,000.00

		To equip youth and women groups with hands on skills on energy efficient and sustainable technologies	Promotion and training of communities on installation of clean cook stoves	Increased earnings and Reduced indoor air pollution for the rural communities	4,500,000.00
			Promotion of energy conservation and efficiency technologies	Improved energy efficiency and conservation	
			Community sensitization of wood fuel production	Increased awareness on forest conservation	
			Promotion of sustainable and efficient production of briquettes	Enhance wealth creation and waste management	
			Promotion of woodlots of fast maturing trees for wood fuel	Increased sustainable availability of wood fuel	
3. To provide alternative livelihood to communities affected by charcoal ban	To promote sustainable production of wood fuel in line with wealth creation		Establishment of cottage industries for briquette production, wood fuel production and carbon trading	Improved livelihoods for communities affected by the charcoal ban	10,000,000.00
Sub – Total					71,090,000.00
(C) MINERALS RESOURCES INVESTMENTS AND DEVELOPMENT					
Establishment of Kitui County Mineral Resources Coordination Resource Centre	To train Artisanal miners, conduct exposure tours, conduct community trainings and capacity building workshops	Community training and capacity building programme	Increased awareness on mineral resources and improved skills of artisanal miners in Kitui County	20,000,000.00	
	To carry out mineral resources and especially gemstones collection, value addition, packaging, certification and licensing	Mineral resources value chain analysis	Increased wealth creation for communities improved standards of living		
	To establish and build artisanal miners training hall, conference rooms and staff offices	Kitui County mineral resources laboratory and exhibition centre	Increased training and staff working space		

	Community sensitization and awareness creation on mineral resources	To develop awareness, information and education materials for mineral rich areas of the county	Community awareness and sensitization	Increased awareness on sustainable mineral resources utilization in Kitui County	500,000.00
		Holding community awareness and sensitization meetings in Mwingi North, Kitui South and Kitui East	Community awareness and sensitization	Increased awareness on sustainable mineral resources utilization in Kitui County	3,200,000.00
Sub – Total					23,700,000.00
(D) TOURISM DEPARTMENT					
	Tourism development	To develop and promote tourism activities in the county	Tourism Promotion and Marketing events of familiarization trips, camping expeditions and end year tourism expos' and organize tourism investment and hospitality workshops	Increased tourism activities	10,200,000
			Development of Ikoo Valley as a tourist attraction site (Bazaar View Point) and Development of other touristic sites	Improved visitor experience	6,500,000
			Complete and operationalize Kalundu Eco-park (Swimming pool, canoes, boat riding competition, Zipline and construction of a floating restraint)	Increased tourism activities	28,000,000
			Construction of Iko-Toilet, erection of shades,provision of water and lights ,nature trails ,perimeter fence and roads at Nzambani	Secure attraction sites	9,000,000

			,yanzuu and Kavia rocks		
			Complete Construction of snake houses and operationalization of Mutomo reptile park	Conserve reptile species, enhance research and diversify tourism products	32,000,000
			Promote bird watching expeditions in Mumoni and Mutitu hills IBA centres	Improve income generation for the site support group	11,800,000
	Enhance wildlife conservation	To develop wildlife based tourism and enhance wildlife conservation	Operationalization of mwingi national reserve(Drilling of borehole at Kaningo HQs, Establishment of security base at Masyungwa, Renovation of George Adamson picnic site, Opening up of Ikime campsite)	Improved wildlife based tourism, security and service delivery	16,000,000
			Rangers camp completion and equipping ,fencing and water pans in Kanyonyoo wildlife conservancy	Improved security	13,400,000
	Accessibility for game drives	to grade access roads	Opening up new roads and grading of access roads in South Kitui, National reserves, Mumoni IBA Mwingi National Reserve, and at Kanyonyoo Wildlife Conservancy	Improved accessibility	15,000,000
	Sub Total				141,900,000

TOTALS (A +B+C+D)

233,490,000 .00

4.9 Ministry of Gender, Sports and Culture

County Ministry/Spending entity	Broad Priorities	Broad Objectives	Strategic	Proposed objectives and programmes for 2022/2023 FY	Estimated Cost/Kshs	Project
Gender, Sports and Culture						
Sports	Development of Sports Facilities and Talent Promotion	To upgrade sports Infrastructure To identify, nurture and develop sports talent		Develop Kitui Stadium – Perimeter wall, Construction of changing rooms, spectator terraces, flood lights, packing area and toilets to attain international standards.	70,000,000	
				Establishment of 15 sports facilities	45,000,000	
				County tournaments in Football, Volleyball, Athletics and Basketball from village level culminating into Governor’s Road Race and Governor’s Cup.	12,000,000	
				Organize, Prepare teams and participate in Kenya Youth Inter-county Sports Association games (KYISA).	6,000,000	
				Participate in KYISA and KICOSCA games	4,500,000	
				Support Federation Tournaments (Athletics Kenya, Football Federation of Kenya and Kenya Volleyball Federation)	3,800,000	
				Identify and develop Rugby, Badminton, Lawn tennis, Handball teams, and Scrabble teams in the County.	10,000,000	
				Procure and Supply sports equipment such as uniforms, balls, nets and playing boots to all active Football and Volleyball clubs in the County. Train sports federation officials and athletes in various sports to build up their capacity in all skills.	30,000,000	
Gender and Social Services	Promotion of gender parity and participation in nation building	To enhance reporting of atrocities and ensure successful prosecution of GBV perpetrators		Carry out outreaches to sensitize community members on GBV, referral services, reporting and other interventions	3,800,000	
				Collaborate with partners both Civil society and private players to Facilitate interventions in cases of violations; Support the Kitui County GBV Committee in enhancing access to justice for survivors of GBV	5,400,000	

	To eliminate Gender Based Violence in the community	Establish a Rescue center for GBV survivors in Kitui Township and facilitate linkages with the Judiciary, Office of the Public Prosecutor, Department of Health, the Kenya Police Service and other stakeholders who have a role in the chain of evidence	25,000,000
	Enhance the legislative and policy environment for effective gender mainstreaming and gender promotive work	Operationalize the County Gender Policy Operationalize the Kitui County Gender Mainstreaming Bill and Kitui County Women Empowerment Fund	1,800,000
Promoting economic empowerment through enhanced access to government procurement opportunities	Facilitate equal access for members of the community especially the marginalized to Government Procurement Opportunities	Sensitize communities and carry out trainings for registration of businesses, technical capacity to deal with procurement documentation and related knowledge. Facilitate registration of business enterprises for marginalized groups to increase uptake of the 30% Government Procurement Opportunities set aside for Women, Youth And Persons with Disabilities.	4,800,000
Support Community On social life and self-supporting economic systems	Empowerment of the marginalized segments of the society : women, youth, men and PLWDS	Carry out trainings on AGPO and assist groups of Women and PWDs to register businesses and teach them how to interact with contract application documents	2,500,000
		Procure and supply materials for support of groups to start income generating activities(as per the group requests)	18,500,000
		Procure PWDs assistive devices such as wheelchairs and white canes	9,500,000
		Support marking and celebration of International Days; International Women's Day, International Day of Disability, International Day of African Child	2,400,000
Support Community Charitable Children Institutions (CCCI)	Promote healthy living for the youth and members of the community	Support children homes (CCIs) with food and other utilities	3,800,000

Culture	Preservation, Promotion and	Conservation of the Intangible Kamba heritage	Support recording of Cultural programs for community performing groups, artists and schools through drama, music, acrobatics, visual arts and other forms of art Rehabilitation / Protection of Cultural Centers in AIC Ikutha, AIC Mulango, Kavea caves	7,400,000
	Development of culture	Rehabilitation and restoration of tangible heritage (cultural sites) for tourism and research	Participate in the Kenya Music and Cultural Festival program in the Country	4,700,000
			Identification, documentation, preservation and Promotion of historical and cultural sites:	1,500,000
			Prefeasibility studies for Cultural sites, Ngomeni, Mukenyeke Shrine, and development of online repository for Kamba artifacts	3,900,000
			Equip Mwingi and Kyoani Resource Centers complete with culinary and audio sets for seminar hosting	8,500,000
			Operationalize Mwitika Social hall	3,500,000
			Complete Lower Eastern Heritage Center Gallery 1 and curator's residence	15,000,000
			Purchase of band equipment for youth talent development in music and dance development of a recording studio	3,500,000
			Public park, construction of a tuck shop, VIP toilets, benches and dustbins	
			Carry out a comprehensive study to map the county heritage in conjunction with National Museums of Kenya, KNATCOM-UNESCO and the National Department of Culture Sponsor bills to facilitate registration and licensing of herbalists and other cultural practitioners. Develop policies to facilitate promotion and preservation of culture and heritage in the county	6,500,000

4.10 The County Treasury

County Ministry/ Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programmes for FY 2021/2022	Expected Outcomes	Budget Estimates (Ksh)
	PE and OM	To enhance General Administration Planning and Support Services	Operationalize staff emoluments and other general expenses	Enhanced service delivery	734,327,335.00

Administration	Staff Training and capacity development program.	To improve staff performance through capacity building and training	Undertake staff capacity building through technical assistance programmes.	Efficient service delivery	80,000,000.00
	Emergency Fund	To promote quick and sustainable interventions to the public in case of emergency occurrences	Emergency Fund.	Sustainable development in both the medium and long term	30,000,000.00
Totals					110,000,000.00
Grand Total					844,327,335.00

4.11 County Public Service Board

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed projects and programmes for FY 2021/2022	Expected Outcomes	Amount
	PE and OM	To enhance General Administration Planning and Support Services	Operationalize staff emoluments and other general expenses.	Enhanced service delivery	28,631,304.00
County Public Service Board	Efficient Implementation of Values and principles	Promotion of Values and Principles in the County Public Service	Develop, produce and distribute Values and Principles IEC Materials,	Enhanced compliance with values and principles referred to in articles 10 and 232 of the constitution of Kenya 2010,	15,000,000
			Sensitize public service officers on values & principles,	Effective and efficient delivery of services,	
			Monitor compliance with values and principles,	Enabling working environment for county public service officers.	
			Prepare and submit regular reports on the extent of compliance with values & principles to the county assembly,		
	Carry out satisfaction surveys.				
	Strengthen Human Resource systems and procedures	Efficient procurement and management of human resource services	Review and advise on departmental structures,	Optimal staffing levels within the County Government,	31,000,000.00

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed projects and programmes for FY 2021/2022	Expected Outcomes	Amount
			Review and approve job indents/adverts,	Well defined career progressions for various cadres,	
			Advertise and fill vacant positions,	Efficient management of casual employees,	
			Develop, harmonize and review schemes of service for all cadres,	A working succession plan.	
			Audit casuals to inform rationalization,		
			Legislative engagements,		
			Facilitate development of a succession planning policy.		
	Improve productivity within the county public service	Enhance employee capacity	Sensitize Cos and HROs on Training policy,	Efficient delivery of county public services,	32,368,696.00
			Approve and authorize long duration training,	Motivated workforce,	
			Facilitate pre –retirement programmes,	Smooth transition for retiring officers.	
			Sensitize county public service on pension’s policy,		
			Capacity building (Training) for Board members and secretariat.		
	Strengthen discipline procedure	Efficient provision of discipline services within the county	Review and enhance the discipline procedure manual,	Efficient processing of Discipline cases	3,000,000.00
			Sensitize county HR Advisory Committee on discipline matters,	Disciplined County Public Service	
			Process and finalize discipline cases.		
	Promote operational efficiency of the Board	Improve Board Image Improve Board operation	Review of Board Strategic Plan,	Clear direction on the operations of CPSB,	100,000,000.00
Develop Board brand elements,			Efficient delivery on CPSB mandate.		
Review Board Service Charter,			Cut on Expenditure/Cost (Rent)		
Purchase Board Vehicle,					
			Internet Connectivity,		

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed projects and programmes for FY 2021/2022	Expected Outcomes	Amount
			Buy Land for construction of KCPSB offices, Construction of Board offices Establishment of Board's Archive- purchase of two (2) 40 Ft. containers. Purchase of office furniture and equipment(30 Office chairs, tables, 6 laptops,4 desktops, 10 printer, 2 scanner, 10 UPS, 10 connection cables, 2 photocopier, 10 cabinets and 10 pcs ofTracent)		
Total					181,368,696.00
Grand total					210,000,000.00

4.12 The County Assembly

County Ministry/Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for 2022/2023 FY	Expected Impact	Budget Estimate (Kshs)
County Assembly	➤ PE and OM	<ul style="list-style-type: none"> To enhance General Administration Planning and Support Services 	<ul style="list-style-type: none"> Operationalize staff emoluments and other general expenses 	<ul style="list-style-type: none"> Enhanced service delivery 	
	➤ Housing the Speaker	<ul style="list-style-type: none"> Enhance the Speakers performance 	<ul style="list-style-type: none"> Construction of Speaker's Residence 	<ul style="list-style-type: none"> Enhance the Speakers performance through providing a residential house 	45,000,000
	➤ Provide offices for Members and Staff	<ul style="list-style-type: none"> Ensure Conducive Working Environment 	<ul style="list-style-type: none"> Construction of Office Block 	<ul style="list-style-type: none"> Provide Members and Staff with conducive working environment 	100,000,000

	➤ Ensure improved Legislation, Representation and Oversight.	<ul style="list-style-type: none"> Impact necessary legislative skills to members and staff 	<ul style="list-style-type: none"> Carry out necessary capacity building programs to members and staff 	<ul style="list-style-type: none"> Provide Members and staff with necessary legislative skills to effectively carry out their mandate 	25,000,000
		<ul style="list-style-type: none"> Improve performance through provision of requisite tools and equipment 	<ul style="list-style-type: none"> Purchase of Office Equipment 	<ul style="list-style-type: none"> Ease in duty performance 	20,000,000
		<ul style="list-style-type: none"> Provide a recreational facility for Members 	<ul style="list-style-type: none"> Construction of a recreational facility 	<ul style="list-style-type: none"> Ease in duty performance by members 	20,000,000
		<ul style="list-style-type: none"> Reduce amounts paid in monthly rent 	<ul style="list-style-type: none"> Construction of ward offices 	<ul style="list-style-type: none"> Conducive working environment for members as they serve their electorate 	20,000,000

4.13 Kitui Municipality

County Ministry/ Spending Entity	Broad Priorities	Broad Objectives	Strategic	Proposed Projects and Programmes for FY 2022/2023	Expected Outcome	Budget Estimate
Kitui Municipality	PE &OM	To enhance General Administration, Planning and support services		Operationalize staff emoluments and other general expenses	Enhanced service delivery	130,594,570
	Mapping Revenue collection stations	To map and update record register of all businesses within Kitui municipality		Recording of all businesses in the municipality and updating the register	Improved revenue collection	4,000,000

Construction of Non-residential Buildings	To create favorable business environment for vendors and Increase trading space	Construction of 200No.modern stalls (Mama Ngina Street at Kwa Miraa,Opposite Coop-Bank and Opposite Kunda Kindu buspark along Kitui County referal hospital wall)	Conducive business environment for vendors. ,Increased trading space	10,000,000
	To create favorable business environment for vendors and Increase trading space	Construction of 20 No.market sheds at Kunda Kindu and Kalundu Bus park for mama mboga and traders.	Conducive business environment for vendors. ,Increased trading space	15,000,000
	To create favorable business environment for vendors and Increase trading space	Rehabilitation and development of Kiembeni market and six other markets within the municipality(Museve,Matinyani,Chuluni,Katulani,Wikilye and Mulutu Markets)	Conducive business environment for vendors. ,Increased trading space	6,000,000
	To have improved sanitation	Construction of 1No.ablution block using biodigester technology at kiembeni market	Improved hygiene	2,000,000
	To create favorable business environment for vendors and Increase trading space	Construction and Renovation of 3No. shoe shiners /hawkers sheds	Conducive business environment for vendors.	3,507,024
Sustainable Urban management Policy	To have Sustainable urban management and utilization of resources	Formulation and facilitation of approval and adoption of Municipal policies on:Sub-division of land,Market stall acquisition, ownership and transfer	Sustainable urban management and utilization of resources	2,000,000
Construction of Civil Works	To have efficient and effective transport.	Gravelling Kitui town road network-20KM(from Kitui Resort Hotel to SDA to Kafoca Hotel,Kitui stadium to Kalundu River,	Improved transport and mobility	30,000,000

		Pastoral Centre estates roads and Intellect College to kalundu Dam)		
	To have efficient and effective transport.	Road opening and improvement and other infrastructure-5km(Savani Estate roads,Kiluilu new residential settlements,Unyaa,Mulutu and Mutune new residential Settlements)	Improved transport infrastructure	15,000,000
	To enhance revenue collection	Construction of parking slots along Lower Mama Ngina and Kilungya Streets-from Jubilee college to BAT,Hospital RD,Around Kitui public park,Hospital road,Kitui Park, and opposite Min. of Trade offices	Improved accessibility and enhanced revenue collection	25,000,000
		Installation of cabro paved walkways and parking slots in Kitui CBD-2.5km (Mukuti street,B7 Road from AIC junction to Magunas Supermarket)	Improved mobility and walkability	20,000,000
	To have improved transport infrastructure	Walk ways, culverts, Storm water drains in other towns within kitui Municipality-5km	Improved transport infrastructure	20,000,000
	To have better working environment	Construction of parking bay at Kitui Municipality Office Block.	Conducive environment	6,000,000
	To enhance fire engine safety	Installation of parking shed for Fire engine vehicle-1No	Safety of fire engine	4,000,000
	To have well maintained Dumpsite	Reinforce fencing, installation of gate at the county dump site and general maintenance	Well maintained dump site,Well contained solid waste	5,300,000
	To enhance aesthetic value of the county Headquarter	Rebranding /Facelifting of all buildings in kitui town	Improved business environment/aesthetic value	8,000,000

	Sustainable waste management	To enhance Sustainable waste management	Fabricate and install 63 (@ Ksh 45,000) metallic litter bins at the CBD, markets and along the main roads	Reduced littering	2,835,000
		To enhance Sustainable waste management	Fabricate 20 (Number) (@ Ksh. 450,000) waste bins (bulk bins/skips)	Enhanced waste collection and temporal storage	9,000,000
	Specialized Equipment, Materials and Supplies	To enhance waste collection and disposal	Purchase 1(Number) skip loader for offloading skips	Enhance waste collection and disposal	18,000,000
					336,236,594

4.14 Mwingi Town Administration

County Ministry/ Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programmes for FY 2022/2023	Expected Outcomes	Budget Estimate (Kshs)
Mwingi Town Administration	General administration and support services	To create enabling environment for an inclusive and safe work place through effective administration and corporate services	General office operations, training and capacity building.	Improved Service Delivery	76,649,625
			Town public fora.		
			Office equipment and ICT Infrastructure		
	Specialized Equipment, Materials and Supplies	To ensure efficiency in solid waste management, service delivery and clean town environment	Purchase of a double cabin vehicle	Efficiency in solid waste management	7,000,000
			4 No. Skipper		1,000,000
			Assorted cleansing tools and equipment		Efficiency in service delivery and clean environment

County Ministry/ Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programmes for FY 2022/2023	Expected Outcomes	Budget Estimate (Kshs)	
	Construction of Non-residential Buildings	To provide more working space	Office renovations, new kitchen and connectivity of water to the offices	Efficiency in service delivery and clean environment	4,000,000	
		To improve security, ensure extended business hours as well as provision of aesthetics	Installation of two 'Mulika Mwizi' in Stock yard area and Behind Mosque/huruma water kiosk area	Improved security hence reduced criminal activities	7,000,000	
		To expand town and increase land bank	Purchase of land	Enhanced areas for conducting jua kali business	6,000,000	
		To provide permanent water supply to the slaughter house	Drilling of a borehole	Availability of water on site , improved sanitation and quality meat	2000,000	
		To improve on county own source revenue collection	One cabro paved car park adjacent to Target Supermarket	Designated parking slots hence increased county revenue collection	3,500,000	
	Construction of Civil Works	To have Conducive business environment for about 5000 traders and their customers	Redesigning and construction of storm water drainage within the town	Increased commercial activities and efficient mobility in Town.	3,500,000	
		To ensure efficient traffic flow, reduced risks of accidents and controlled storm water.	Grading, Gravelling, Culverts and Bush clearing on road from Bethel Academy to Kathonzweni Secondary	Increased commercial activities and efficient mobility within the Town and its environs	3,500,000	
			To improve accessibility to residential areas.	Grading, Gravelling, Culverts and Bush clearing on road from Internet Petrol Station to Kathozweni Secondary	and commercial activities within the Town and its neighbouring shopping centres.	3,000,000
			To improve accessibility to residential areas.	Grading, Gravelling, Culverts and Bush clearing on road from Kwa Mwendu Junction through Mukulima to Slaughterhouse	Improved town connectivity and decongestion in the CBD	4,000,000

County Ministry/ Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programmes for FY 2022/2023	Expected Outcomes	Budget Estimate (Kshs)
		Improved accessibility and opened back areas for efficient service delivery.	Grading and gravelling of Backstreet Roads (5 kilometer of roads)	Conducive and traversable road for residents	2,462,926
Total Budget Estimate					124,612,551

4.15 Ministry of Livestock, Apiculture and Fisheries

County Ministry	Broad Priorities	Broad strategic objectives	Proposed Projects/Programmes for 2020/2021 FY	Expected outcome	Proposed budget
Ministry of Livestock, Apiculture and Fisheries Development	and OM	To enhance General Administration Planning and Support Services	Operationalize staff emoluments and other general expenses	Enhanced service delivery	114,649,568
	Sub-Total				114,649,568
	livestock breeds improvement and management	Increased livestock output, productivity and quality of products	Dairy/Beef improvement through artificial insemination (AI) Provision of high quality cocks for breeding and Galla bucks	Improved livestock production and productivity	5,000,000
	Pasture and fodder production and conservation	Improving pasture and fodder production and conservation	Provision of pasture seeds for feed production and seed multiplication as well as building capacity of farmers		6,500,000
	Rehabilitation of denuded rangelands	Improve production from rangelands and the provision of feed for livestock while conserving soils and harvest water.	Range Improvement Programme; Capacity building of farmers and provision of fencing, soil conservation and water harvesting materials. Construction of sample storage structures and procurement of grass harvesting equipment		12,500,000
	Apiculture and management	Improving technology adoption, market linkage and value addition	Local sourcing of beehives for apiary establishment and honey extraction equipment.		8,500,000
					8,000,000

County Ministry	Broad Priorities	Broad strategic objectives	Proposed Projects/Programmes for 2020/2021 FY	Expected outcome	Proposed budget
	Livestock disease prevention and control	Reducing livestock disease incidence and outbreak	Provision of portable spray pumps, disease surveillance and animal vaccinations	Improved animal health and production	23,500,000
	Promotion of aquaculture	Promoting interventions in aquaculture development that increase fisheries productivity and profitability	Climate smart (water saving) aquaculture demonstrations	Improved Fisheries production	2,218,400
			Dam restocking/stocking		2,480,000
			Fish breeding centre at ATC	Improve fingerling access by fisher folks	5,000,000
	Sub-Total				73,698,400
	Total				188,347,968

4.16 Ministry of Lands and Physical Planning

County Ministry/ Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for FY 2022/2023	Expected impact	Amount
Physical Planning	Develop 400 Geo referenced market layouts (5 in each of the 40 wards).	To have timely and up to date data for making key planning decisions and resolving related land disputes as well as providing a basis for preparation of future physical development plans	Market stakeholders meeting, delineation of market boundaries and ground picking of data in respective markets followed by validation exercise.	Reduce the scope of land disputes and enhance efficient and effective planning	4,000,000
	Develop Special Area (purpose) plan for Thwake Multipurpose dam, Special Economic Zone plan for Kanyonyoo and Regional	To provide a basis for expansion and future development of physical and social infrastructure like roads, schools, and industries	Notice of intention to plan	Guided development of land and infrastructure.	15,000,000

County Ministry/ Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for FY 2022/2023	Expected impact	Amount
	Development Plan for Mui Basin.	Improved service delivery to the public across the county.	Reconnaissance survey Base map preparation Data collection and analysis Conduct Consultative stakeholder meetings Planning report Advertisement Publication for approval Approved plan Engagement of Neighboring Counties of Machakos, Embu and Makueni.		
	Preparation of Physical and Land Use Plans for Kyuso, Mutomo, Mbitini, Ikutha, Nguutani, Mutitu, Tulia, Kwa-Vonza, Nguni, Endau and Tseikuru urban centres.	To provide a basis for expansion and future development of physical and social infrastructure like roads, schools	-Notice of intention to plan -Reconnaissance survey Base map preparation -Data collection -Conduct consultative stakeholder meetings in conjunction with MCAs. -Planning report Advertisement Publication for approval Approved plan	Guide land use and controlled development.	11,000,000
	Preparation of land use bills and policies, <i>(i.e. Development management policy/bill, GIS utilization policy, Land use regularization</i>	To provide a legal basis for addressing pertinent issues affecting the public	- Public participation in conjunction with County Assembly, - Policy/Bill production,	Provide a legal and institutional framework guiding planning activities.	3,000,000

County Ministry/ Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for FY 2022/2023	Expected impact	Amount
	<i>policy/bill, Land sub-division policy/bill).</i>		- Presentation to the county assembly for approval.		
	Installation of a land Management System (LIMs).	To procure and establish a fully functional land management system.	- Preliminary training and capacity building of staff. - Procurement of the system. - On-job training and support for effective administration of the system.	Ensure an authentic and clean land records and effective land administration.	15,000,000
	Digitization of Planning Records, and geo-referencing of key county government facilities, including tourism sites, health facilities, ECD centers, etc.	To have an up to date records for key decision making and enhanced Service Delivery and Plan Records Management.	- Digitization of Plans and Other Spatial Records. -Geo-referencing of tourism sites, health facilities, ECD centers, etc.	-Streamline and reduce the scope of land and property disputes, thereby Improving transparency in the maintenance of planning records.	5,000,000
	Enhancement of the GIS lab <i>-Remote sensing software -Scanner cum printer & plotters A0 to A4, Cameras, Software, Tablets, etc.</i>	To have a functional and an up to date geodatabase with all the necessary data adequately backed up.	Collection of more data and storage into the existing geodatabase	Enhance efficiency in data storage and retrieval, which is key in making informed decisions	3,000,000
	Land titling and adjudication.	To have plot owners furnished with clear land ownership documents which shall increase the utility of the plots.	-Data collection, preparation of a basemap, advertisement, survey works and approval.	Help reduce cases of land disputes and grabbing of public land.	5,000,000

County Ministry/ Spending Entity	Broad Priorities	Broad Strategic Objectives	Proposed Projects and Programs for FY 2022/2023	Expected impact	Amount
	Land clinics	To promote and educate the public on the role of the county ministry of land in land management and administration.	- In liaison with the county assembly educate the public on the role of the ministry of lands in land management in the county.	- Enhance effective land administration, diminish land conflicts, and promote optimum utilization of the land as a primary factor of production.	4,000,000
	Establishment of County Land registry	To have a modern master registry for all public land within the County	Procurement of; -Safes & cabinets (Fire proof), -Files, -Scanners for digitization of the files. -Operationalization of the registry.	Improve efficiency in land management and administration within the county. This will also form a basis for decision making in adverse cases of land disputes.	5,000,000
Total Development					70,000,000
Operations & Maintenance (O & M)					50,822,988
Personnel Emoluments (PE) (Actual with the growth provision)					46,000,000
Total Ministerial Budget Ceiling (As given)					166,822,988

ANNEX II: LIST OF PROJECTS PROPOSED AT WARD LEVEL DURING CFSP PUBLIC PARTICIPATION FORUMS