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COUNTY GOVERNMENT OF KITUI



**MINISTRY OF FINANCE, ECONOMIC
PLANNING AND REVENUE MANAGEMENT**

COUNTY FISCAL STRATEGY PAPER

2023/2024 FINANCIAL YEAR

*“The Bottom up Economic Transformation Agenda for Inclusive
Growth”*

28th February 2023

FOREWORD

Kitui County Fiscal Strategy Paper (CFSP) FY 2023/24 builds direct linkages between policies, plans, and budgets, and sets the County Government priority programs to be implemented through the medium-term period 2023/2024–2025/2026. 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 draft CIDP 2023-2027, the 16-point governor’s manifesto, and the approved 2023/2024 Annual Development Plan.

The theme for development for FY 2023/2024 is *The Bottom-up Economic Transformation Agenda for Inclusive Growth*. The Government has prioritized programs aimed at increasing household income. 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.

This document is aligned with the National Treasury's Budget Policy Statement (BPS) 2023, which outlines the national broad strategic priorities and policy goals that will guide budget preparation for the next fiscal year at the national level. It is mandatory to subject the proposals to public scrutiny in order to ensure transparency and accountability. In this regard, public participation on the paper was held, and the opinions expressed were taken into consideration.

In the FY 2023/24, equitable share is projected to increase to Kshs 10,672,321,736.00 from Kshs 10,393,970,413.00 in 2022/2023 FY. Overallly, the total Revenue will reduce to **Kshs 11,646,279,120** (excluding revote) from **Kshs 12,379,005,756** (Inclusive of a Revote of Kshs 1,118,001,643 for the current financial year) in the FY 2022/23. The Total Revenue comprises of the equitable share **Kshs 10,822,198,611**, Own Revenue **Kshs 450,000,000.00** and Grants **Kshs 374,080,509.00**. Of the total revenue projection, **93** percent of the revenues represent the equitable share while county generated revenues and grants represents **4** percent and **3** percent respectively of the total projected revenues.

The County Ministries will develop their programmes concept notes to support the development outcomes envisioned in this County Fiscal Strategy Paper in order to implement FY 2023/24 annual budget estimates. In this regard, all sectors should ensure that their program-based budgets are supported by concept notes and that their expenditures are outcome-oriented.

Every ministry will strengthen its resource mobilization strategy for effective revenue collection and financial management to ensure effective service delivery. This will be accomplished by establishing realistic revenue targets, dependable policies, and laws to support Public Private Partnerships (PPPs) and National Government Development Partners (NGDPs) in funding the key flagship and strategic interventions prioritized in the Vision 2030 and CIDP 2023-2027 for the country's socioeconomic transformation. The County Government proposes allocating more resources to programs and projects addressing water supply challenges, access to affordable and high-quality health care, and infrastructure development, particularly in the road sector.

Peter Mwikya Kilonzo

County Executive Committee Member

Ministry of Finance, Economic Planning and Revenue Management

ACKNOWLEDGEMENT

The 2023 County Fiscal Strategy Document was created in accordance with Section 117 of the Public Finance Management Act of 2012. It describes the present situation of the economy, gives a fiscal prognosis for the medium term, and identifies the established strategic priorities and policy goals, as well as a description of the Government spending plans, as the foundation for the FY2022/23 budget. Over the Medium-Term Expenditure Framework (MTEF), 2023/24-2025/26, the government will continue to manage public resources prudently.

The preparation of the CFSP for 2023 was a collaborative effort of various Government Departments, Government partners, members of the public, and other stakeholders. We are grateful for their contributions. We thank all spending units, Ministries, Government Departments, and Agencies for providing information on time.

Finally, I express my gratitude to the leadership of H.E. the Governor, H.E the Deputy Governor, the entire County Executive Committee members, and all Chief Officers and accounting officers for respective County Spending entities for their support and input. Special appreciation goes to the entire Economic Planning and Budgeting department staff under the leadership of Director Paul Kimwele, Assistant Directors Alex Muthyoi, Solomon Musembi, and Victor Mwangu; the entire team of county economists, including Daniel Mbathi, Boniface Muli, Faith Munah, Doris Samuel, Charles Mulatia, Nicholas Koome, Geoffrey Gisaina, Dickens Mutunga, Linda Musee, Gabriel Mitau, Mary Mwendu, Joy Mutanu, Felistus Munyao, and Onesmus Kaki, who helped put this document together. The team put tireless quality time in production of this document.

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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

1.0 INTRODUCTION

1.1 OVERVIEW

1. The County Fiscal Strategy Paper (CFSP) 2023/2024 Financial Year has been prepared by taking cognizance of the 2023/2024 economic outlook and the sixteen development agenda namely: Agriculture, Water, Health, Education, Urban Development, Roads and Construction, Trade and Investments, Micro Small and Medium Enterprises (MSMEs), Co-Operation Societies, Tourism and Hospitality, Women, Youth and PWDs, Environment, Energy, Information and Communication; and Security.

2. To achieve the goals and prioritized projects by the public, the CFSP gives the implementation framework which is aligned to the Vision 2030, the 4th Medium Term Plan, the United Nations Sustainable Development Goals (SDGs), national government policies and guidelines as communicated through various circular's, the 2023/ 2024 Budget Policy Statement (BPS), the draft County Integrated Development Plan (CIDP) 2023-2027 and the County's Annual Development Plan for 2023/2024 FY.

3. The implementation of the 2021/2022 FY budget which is presented by 2021/22 FY County Budget Review and Outlook Paper (CBROP) has played a key reference in 2023/2024 FY strategic paper. The CBROP indicated significant 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.

4. The policy paper has considered the public participation forums conducted across all county wards and memorandums submitted by special groups, faith-based organizations, non-governmental organizations and individuals.

5. The 2023/2024 FY programmes, policies, strategies and activities established in the CFSP, are based on the new county government structural reforms required for actualization of the County Government of Kitui sixteen (16) development Agenda.

6. In the 2023/2024 FY CFSP recommendations, the County Government should capacity build on Public Financial Management (PFM) to improve financial governance which determines the county general achievements on the objectives of fiscal discipline and sound financial management. With improvement in financial management, resources are coupled with clarity of vision and strategic planning, the County will ensure to achieve improved service delivery, create more conducive business environment, jobs to the youth and wealth creation for better livelihoods of our people.

7. 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 food and wealth.

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

1.2 STRATEGIC COMMITMENT

9. During the 2023–2024 fiscal years, the County Government of Kitui commits to continue rolling out various programs, 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 sixteen-pillar County development agenda. Great emphasis will be put on food production, the provision of clean water, wealth creation and value addition in crop products, livestock, the textile sector, agribusiness, and empowerment programs.

1.3 AGRICULTURE AND LIVESTOCK

10. In 2023–2024 FY, the ministry will host the Kitui Agricultural Show and Trade Fair for farmers to learn about modern agricultural practices ranging from crop production and livestock management. The ministry will improve the capacity of ATC to provide quality training services to farmers and customers.

11. In provision of reliable supply of agricultural water, the ministry will develop 60 sand dams in every ward and water pans machinery to support farmers.

12. In FY 2023/24, the ministry will distribute certified seeds of green grams, cowpeas, and foliar seeds to farmers with the intention of improving quality food production. To mitigate the spread of diseases and pests, the ministry will procure insecticides, fungicides, and herbicides; in addition, it will procure spray equipment like backpack sprayers, gum boots, hand gloves, and hermetically sealed bags. Through the Donor Funds, the ministry will support the county producer groups, community micro-projects, Strengthened Capacity Building of Producer Organizations and Supported Community Multi-community institution

13. To boost food production and security, in FY 2023/24, the ministry will scale up the adoption of the subsidized tractor ploughing services across all 40 wards by providing two tractors in each ward.

14. In 2023/2024 FY, the ministry will promote improvement of livestock local breeds through farmers' sensitization, provision dairy breed artificial insemination. This program aims at increasing meat, milk, and hide productivity using the locally available breeds. In addition, the ministry will promote the livestock disease management program through the provision of

quality extension services, acaricides, spray pumps (manual and motorized), carrying out disease surveillance, procuring an assortment of vaccines and sera to cover common and frequent disease outbreaks, and carrying out vaccination.

15. In addition, the department intends to provide high-quality pasture seeds for feed production and seed multiplication, as well as build the capacity of farmers. These will include establishing 2,500 acres of pasture, 60 pasture demonstration farms, reaching 750 farmers in 20 farmer groups, rehabilitating 3000 acres, and conserving 500 acres of range lands. Finally, the ministry intends to provide farmers with modern beehives for apiary establishment and honey extraction equipment.

1.4 WATER

16. According to the Kenyan population census of 2019, Kitui county has a population of 1,136,187, of which 55% have 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.

17. Kitui County is located in a semi-arid area where rainfall is usually minimal throughout the year, hence the provision of clean water for domestic and agricultural use faces serious drawbacks all year round with the fifth year of below-normal rains.

18. Due to above challenge, the ministry in FY 2023/24 will promote water provision for both agriculture and domestic use, the ministry will construct one Mega dam in each sub-County (8 Mega dams), two large dams in each ward (80 large dams) and one medium dam in each village (247 Medium Dams)

19. The ministry will drill boreholes in strategic points in every village, provide subsidized borehole drilling services across the 40 wards, and promote pipeline extension from water sources to water distribution points.

20. Kitui County is water deficient despite the potential presented by the seasonal runoff and streams and the unexploited groundwater and the need to further develop the potential sources in order to serve more people and undeserved areas.

1.5 HEALTH

21. In the forthcoming FY2023/24, the Ministry will continue to enhance healthcare access in the County. Already, the Ministry has operationalized the 2018-2022 Medium Term County Health plan to guide it in key priority areas to ensure quality health care in the County.

22. To enhance access to healthcare, the ministry will establish a teaching and referral hospital in Mwingi and Kitui. Establish a Level 4 hospital in each sub-county, a Level 3 hospital in each ward, a Level 2 hospital in each village, a modern maternity unit in each of the Level 2 and Level 3 hospitals, and the provision of one ambulance in each ward. Expansion of 12 hospitals to enable them to attain Level IV status (Tseikuru, Kyuso, Nuu, Migwani, Kauwi,

Katulani, Kanyangi, Mutitu, Zombe, Ikanga, Mutomo, and Ikutha). The ministry in 2023/2024 FY, will ensure PHC funding to all health centres and dispensaries funding.

23. Improvement of infrastructure in hospitals will be a key factor in FY 2023-2024, which will include upgrading the kitchen at KCRH, completion of construction of a stone fence at Mwingi Level IV Hospital, renovations of health facilities (health centers and dispensaries), 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).

24. Construction of Nzamba Kitonga Memorial Hospital, Modern Health Records and Information Department at KCRH, and equipping the offices with data entry desktops, as well as the equipping and furnishing of a new Outpatient Department (OPD)/casualty Department for Kitui County referral hospital.

25. Completion of the stalled Maternity/Paediatric Ward at KCRH, completion of the construction of a Maternity and Newborn Unit at Mwingi Level IV Hospital, Completion of Construction of 7 Classrooms and an Ablution Block at Mwingi MTC.

26. In 2023-2024 FY, the ministry will purchase the following laboratory equipment for the 14 hospitals: a blood bank freezer, a blood bank refrigerator, 10 blood donor couches, a plasma extractor, a plasma thawing bath, a plasma agitator with an incubator, a cooled centrifuge, a 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;

27. IN 2023/2024FY, the ministry will purchase medical equipment for rehabilitation departments in KCRH and Mwingi Level IV Hospital; complete and equip mortuaries in KCRH and Mwingi Level IV Hospital; construct and equip a psychiatric unit at KCRH; and rationalize the cancer center at KCRH.

28. Finally, the ministry will complete and install the integrated health management information system (IHMS) in hospitals, equip the surgical/amenity ward at Mwingi Level IV Hospital, and provide bio-medical engineering working tools.

1.6 EDUCATION

29. In 2023–2024 FY, the county education sector will continue to work towards achieving its overall goal of equipping early childhood development education (ECDE) to improve the quality of ECD education, promote youth development, and integrate ICT into all county government operations.

30. 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.

31. The ministry in 2023/2024 FY, construct a modern ECDE classroom in every public primary school, construction of modern feeder ECDE classrooms and completion of stalled ECDE classes across the county in order to reduce distance covered by pupils and improve the education standards.

32. The ECDE human resource department will hire ECDE teachers on a permanent and pensionable basis, rather than on a temporary basis. This will increase motivation among ECDE teachers throughout the county. In the fiscal year 2023-2024, the ministry will equip and refurbish ECDE facilities with modern play equipment and learning aids to help children develop through co-curricular activities.

33. Due to urbanization in major towns in Kitui County there is increased in population in those towns hence increased population of children in need of day care center. In 2023/2024 FY, the county will establish One-day care center in the county's major towns as prioritized in each sub- county.

34. Under the medium-term plan 2023-2024, the county will work with the national government to develop primary, secondary, and TVET infrastructure, as well as to revitalize the county mentorship program. They will provide learners with a conducive learning environment while adhering to the CBC Curriculum. As the world and institutions adopt digital modes of operation, the ministry will provide ICT equipment and install WI-FI in all polytechnics in the fiscal year 2023/2024.

1.7 ROADS, PUBLIC WORKS & TRANSPORT

35. 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 construction, maintenance and repairs of both rural access roads and urban roads to improve connectivity and enable farmers and traders to access markets for their products and commodities faster and cheaper. Playing fields and access roads to learning institutions and vocational centres will be leveled and constructed respectively, within the county. This will be achieved through road opening, routine repairs and maintenance of roads and related infrastructure like bridges, drifts, and culverts, as well as a bush clearing and grading program.

36. In FY 2023–2024, the county government will upgrade roads in specific towns to bitumen standards under the "dustless town" program in an effort to support business activities and reduce dust levels in these towns.

37. The County Government will establish in-house grading, road opening, and bush clearing for a total of 4000 km (i.e.100 km per ward). Due to the exercise, the county will maintain plant,

machinery, and equipment; construct and equip a modern mechanical workshop; purchase heavy plant machinery (a low-loader); purchase heavy plant machinery (2 dozers); purchase heavy plant machinery (2 graders); and purchase and equip a specialized mechanical service van.

38. Transport and boda boda department will be re-structured such that all county vehicles, machinery and equipment will be managed and domiciled in the department for effective and efficient management. This will include establishing modern central mechanical workshops from where repairs and maintenance services for all county vehicles, machinery and equipment will be done.

39. Develop framework to recognize Boda boda sector as a legitimate sector supported by the county government with staffs that appreciate the sector.

1.8 TRADE, INDUSTRY, MSMES, INNOVATION & COOPERATIVES

40. The Ministry of Trade, Industry, MSMEs, Innovation, and Cooperatives aims to provide an enabling business environment through appropriate incentives and innovation to promote trade, industry, medium and small enterprises, and viable cooperatives for job and wealth creation. This will be achieved through strengthening the cooperative movement, initiating various business enterprises, and promoting viable value chains within the county.

41. In FY 2023/24, the Ministry will support the operational rationalization and marketing of the county's six Economic and Investment Zones (EIZs), which have the potential to produce agricultural products, cultural heritage, mining, and tourism products, thereby ensuring wealth creation across the investment zones. The zones are Kyuso-Tseikuru-Mumoni economic and investment zone, Mui basin economic and investment zone, Mwingi town and its environs (Mwingi Municipality) economic and investment zone, Kitui County Headquarters and its environs (Kitui Municipality) economic and investment zone, Kanyangi-Kanyoo-Kwa Vonza economic and investment zone, and Mutomo-Ikutha-Kaziko economic and investment zone.

42. The ministry in 2023-2024 FY will facilitate the formation of self-help groups and Saccos to raise the welfare of boda boda operators through the construction of more spacious boda boda sheds with cabro floors in every market center, and capacity building on entrepreneurship and business skills for entrepreneurs.

43. The Ministry will fast-track the promotion and registration of new cooperative societies as well as training, supervision of society, elections, the general meeting of the cooperative society, SI attendance, cooperative society management committee meetings, cooperative society governance workshops, inspection of cooperative societies, and conducting cooperative audits.

44. The Ministry will continue its program to build new markets and modernize existing markets by building market storage facilities in FY 2023–2024. This will make it possible to

install and maintain the infrastructure needed to support 24-hour business operations throughout the county market centers.

45. The ministry will brand all county offices/premises at the county and ward levels as part of the 2023/2024 FY plan to make them easier for the public to recognize and locate when seeking out services. It will also brand all county assets, such as landmarks, county staff IDs, business cards, ministry offices, county projects, tourist hotspots, and natural resources sites. Some of the branding on the light boxes lining the town's streets will bring in revenue for the ministry.

46. In the 2023–2024 fiscal year, the ministry will collaborate with different sales outlets like supermarkets to market county production with participation in various sales and marketing forums and exhibitions, promotion through advertisements in various media when necessary, documentaries to market county products, attractions like mining and game parks, etc. and highlight the available investment opportunities, as well as utilize social media as a marketing tool–To market Kitui county locally and internationally.

1.9 ENERGY, ENVIRONMENT, FORESTRY, NATURAL & MINERAL RESOURCES

47. The ministry of Energy, Environment, Forestry, Natural & Mineral Resource Management is committed to transforming community livelihoods in the 2023–2024 FY by supplying affordable, dependable, and green energy to support the other county's development blueprint pillars.

48. The County Ministry will devote a significant amount of resources to a tree-growing program, the preservation of forests and woodlands in public spaces, and the management of gazetted forests in order to slow down global warming in the County. The program will encourage the use of contemporary agro-forestry technology in the county wards and educate farmers on the benefits of adopting forest farming.

49. In 2023–2024 FY, the ministry will create awareness among farmers and the community about the harvesting of non-wood forest products, e.g., gums, resins, honey, etc., and the domestication and propagation of High Value and Multi-Purpose Trees and Shrubs (HVMPTS). The ministry will promote river-line rehabilitation and conservation by initiating value-added enterprises with sand resources in resource-rich areas in partnership with TARDA and other stakeholders.

50. In 2023–2024 FY, the county ministry will acquire machinery to lift sand from the river to safe depots before rains and plant cover grass and bamboo on hill slopes in water catchment areas. In collaboration with other ministries, the ministry will identify and construct sand dams across county rivers and streams to slow soil erosion, facilitate water retention, enhance vegetative regeneration, and increase crop resilience.

51. In 2023–2024 FY, the ministry will institute and operationalize the 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; and growing drought-tolerant fruit trees and crops (green grams, cowpeas, pigeon peas, etc.).

52. 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 legislation, 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.

53. 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.

1.10 TOURISM

54. In the 2023–2024 fiscal year, the county tourism department will be domiciled under the office of the Deputy Governor, who will ensure effective tourism marketing and management. The department will develop Ikoo Valley as a tourist attraction site (Bazaar View Point) and the Yanzuu Rock Retreat Center.

55. In the previous financial years, the County established Kalundu Eco Park, which acts as a recreational center; hence, the ministry will develop phase 2 of Kalundu Eco Park (swimming pool, orphanage, zipline, quickshops, benches, nature trails, landscaping).

56. During the 2023–2024 Fiscal Year, the ministry will develop a tourism support infrastructure for Museve Shrines, including a well-maintained road from Kitui town to the Shrines. In addition, the ministry will create a 143-km cut line and access roads for game drives and security surveillance.

57. The ministry in 2023/2024 FY will construct a snake houses and operationalization of Mutomo reptile park, promote bird watching expeditions in Mumoni and Mutitu hills IBA centres, construction of entry gate at Tulima and sentry house a hence more jobs will be created and increased revenue to the ministry.

58. In 2023-2024 FY, the ministry will organize three tourism investment and hospitality workshops to build the capacity of all tourism stakeholders, including the public, on human-wildlife conflicts, which have been witnessed along the national parks and game reserves.

59. The ministry will establish tourism promotion and marketing events such as familiarization trips, exhibitions, camping expeditions, hospitality symposiums, stakeholder engagement, documentaries, and end-of-year tourism expos.

60. The following investments will be made by the ministry to improve the infrastructure for tourism: Masyungwa's construction of a security base, Desilting of 2 water pans at Kanyonyoo, Masyungwa Gate renovation, George Adamson Picnic Site renovation, Ikime Campsite opening, Ikime Campsite renovation, Ikime Campsite renovation, grading and opening of access and feeder roads for game drives and security patrols, and creation of the county conservancies establishment bill.

1.11 CULTURE, GENDER, YOUTH, ICT, SPORTS & SOCIAL SERVICES

61. The County Government will build sports facilities in the county during the 2022–2023 fiscal year as part of its efforts to promote sports. This calls for the construction of stadiums, top-notch sports facilities, and related infrastructure throughout the county. Modern amenities will be installed in each of these areas to enable the development of local talent in conditions that are competitive and that are supported by programs and activities.

62. A robust sporting talent development program 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 an adequate supply of uniforms, balls, and other equipment that may be required for the full realization of their potential. The County Government targets to have a playground with dais in every sub-county as well as ward.

63. There shall also be technical training on the part 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 centers and clubs.

64. 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 the Ikutha Early Christianity Route and 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 places 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 artifacts, 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.

65. Gender mainstreaming and the implementation of programs targeting the elimination of gender-based violence will be undertaken, as well as involvement in the mainstreaming of gender and a robust women's empowerment program. This is doable only with effective collaboration with the key stakeholders and relevant national government agencies. This collaboration will be nurtured through the 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.

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

1.12 FINANCE, ECONOMIC PLANNING & REVENUE MANAGEMENT

67. The achievements of the county manifesto necessitate prudent management of available public resources. As such, the Ministry of Finance, Economic Planning, and Revenue Management will continue to strengthen expenditure control and improve the efficiency of public spending through the strengthening of systems and PFM reforms with a view to enhancing transparency and accountability and providing fiscal space for financing priority programs. The focus will be to fast-track consideration of reports on budget implementation, audited accounts of the county and its agencies and 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 of all this will be building the capacity of our staff, with the major area being budgeting and financial reporting and staff car loan and mortgage facility.

68. The priorities of Treasury operations in FY 2022–2023 will be to facilitate all ministries and entities and offer maximum support for the effective implementation of the prioritized programs. 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.

69. In FY 2023/24, 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).

70. 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's projects and programs.

71. Along the budget cycle, the County Treasury will continue to organize public input for all policy papers of interest. They include the County Fiscal Strategy Paper (CFSP), the Finance Bill, the Budget Estimates, and the Annual Development Plan (ADP). The County Treasury will continue to implement comprehensive county revenue administrative reforms and legislative frameworks to oversee revenue collection in order to maximize our own source revenue and so enhance our revenue base.

72. The County Treasury will look for outside financial backing to implement capital projects in order to mobilize resources. The County Treasury will create a risk management strategy in the future.

1.13 KITUI MUNICIPALITY

73. Urbanization is an overpowering phenomenon with the world's population projected to be 60% urban by the year 2030. The high correlation between urbanization and economic growth is of critical interest to decision makers, especially aiming at harnessing the opportunities urbanization presents. Hence, SDG number 11 "to make cities and human settlements safe, inclusive, resilient and sustainable" is anchored on the need to optimize the opportunities in the urban areas for the benefit of the people. Kenya's vision 2030 is a development blue-print aimed at actualizing among other things the economic transformation potential sustainable urbanization nudges.

74. The Urban Areas and Cities Act (UACA) 2011 is the legal anchorage for the creation of well planned, vibrant and efficient urban areas in Kenya. The Act in operationalizing the Constitution of Kenya 2010 and the County Governments Act 2012, provides that urban areas are of critical importance to the County Governments and as such should be managed in an efficient and effective manner with their own semi-autonomous management structure (towns and municipalities) to ensure quality service delivery. Hence, Kitui Municipality which is the Kitui County headquarters has its own administrative structure as required by law. The County Headquarters covers 587 Square Kilometers (former Kitui Municipality), with the core town covering 195 Square Kilometers. The core town population was about 137,844 (The Kenya Bureau of Statistics (KBS) census of 2019).

75. During the FY 2023/2024 Kitui Municipality will implement projects geared towards creating a conducive business environment. These include Construction of 100No.modern stalls within the municipality, Construction of 5 No. boda boda sheds, Construction of perimeter wall at Kalundu market, Renovation of three (3No.) public toilets in Kitui Town, Construction of 1No new slaughter house outside town at Isaangwa, Refurbishment of Kitui Municipality offices(Wall repairs and floor tiling), Formulation and facilitation of approval and adoption of Municipal policies on: Solid waste management and Kitui Municipality land subdivision policy, Installation of 120 No. poles of solar powered security/streetlights with Concrete poles, Desilting of roads and drainages, Potholes patching and re-carpeting of tarmacked roads within Kitui Municipality,2.5km Installation of cabro paved walkways and parking slots in Kitui CBD, 5km Walk ways, culverts, Storm water drains in other towns within kitui Municipality, Construction of parking bay at Kitui Municipality Office Block, Installation of parking shed for Fire engine vehicle, Fabricate 15 (Number) (@ Ksh. 500,000) waste bins (bulk bins/skips), Maintenance of Kalundu Dump site-Excavation and relocation of wastes from Kalundu dumpsite to Kanyonyoo and Purchase 2 No. Tractor mounted skip loader with front end loader

1.14 MWINGI TOWN ADMINISTRATION

76. Mwingi Town Administration Fiscal Strategy Paper (CFSP) 2023/24 sets out the priority projects and programs to be implemented in FY 2023/24. These projects and programs will serve as a furtherance of the County development agenda in various ways.

77. The county's residents' health and, by extension, the health of the entire county, will be ensured by the administration's effective waste management and enhanced drainage system. A consistent supply of food for the town's population will be ensured through improved road infrastructure, which will make it easier for farmers' market vendors to access food markets. In addition to offering parking spaces, cabro pavement will aid in reducing the spread of contagious respiratory illnesses linked to dust. A way to encourage prolonged business hours and ongoing income generation for market vendors is through Lit Town. Moreover, illuminated backyards will increase security in residential neighborhoods.

78. The provision of a 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.

1.15 LANDS, HOUSING AND PHYSICAL PLANNING

1.15.1 LAND DEVELOPMENT

79. 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 in fast-tracking the issuance of title deeds and settlement of land adjudications, as well as undertake physical planning through proper engineering and design plans for Mwingi, Mutomo, Kyuso, Zombe, Kwa Vonza, and Kanyangi.

1.15.2 HOUSING

80. 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, and modern living, as well as 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 the construction of decent housing units, the county will develop a comprehensive housing program to be implemented through a joint venture arrangement to incentivize low-cost housing.


1.16 THE VALUE CHAIN APPROACH

81. 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 production costs. The county government will ensure that information and training on the value chain are available to the producer.

82. Value chains focus on products, processes, and people. During the 2023/24 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.

83. To that end, the CFSP proposes making concerted efforts to encourage organized groups (including faith-based organizations, youth groups, and women's groups) to transform themselves into sector-focused co-operatives, with a particular emphasis on value addition and access to local, regional, and global markets.

84. During FY 2023/24, the County Government also plans to invest heavily in human capacity development through applied training and 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.



2.0 RECENT ECONOMIC DEVELOPMENTS AND MEDIUM-TERM OUTLOOK

2.1 OVERVIEW

85. The Kenyan economy continued to expand in 2022, albeit at a slower pace than the 7.5 percent recorded in 2021. Despite subdued agricultural performance and weaker global growth, real GDP is expected to grow by 5.5 percent in 2022, led by the services sector. The economy is projected to rebound to 6.1 percent in 2023, reinforced by the government's development agenda geared towards economic turnaround and inclusive growth.
86. The coordination between monetary and fiscal policies continued to support macroeconomic stability with interest rates remaining relatively stable. Year-on year overall inflation rate declined for the second consecutive month in December 2022. Inflation rate eased to 9.1 percent in December 2022 from 9.5 percent in November 2022 due to a decline in food prices with the favorable rains and declining international prices of edible oils. However, this inflation rate was higher than the 5.7 percent recorded in December 2021.
87. The external sector has remained stable despite the tight global financial conditions attributed to the strengthening US dollar and uncertainties regarding the ongoing Russian-Ukraine conflict. Due to the strong dollar, the exchange rate for the Kenya shilling, like all world currencies, has weakened but strengthened against other major international currencies. The current account deficit was generally stable at 5.2 percent of GDP in the 12 months to November 2022, compared to 5.4 percent of GDP in November 2021, on account of improved receipts from service exports and resilient remittances. The official foreign exchange reserves, at 4.2 months of import cover in November 2022, continue to provide an adequate buffer against short-term shocks in the foreign exchange market.
88. To ensure debt sustainability, fiscal policy continues to pursue growth-friendly fiscal consolidation. This will be achieved through enhancing revenue collection and curtailing non-core expenditures while prioritizing high-impact social and investment expenditures. As such, the fiscal deficit is projected to decline from 5.8 percent of GDP in FY 2022/23 to 4.3 percent.

2.2 RECENT ECONOMIC DEVELOPMENTS AND OUTLOOK

2.2.1 GLOBAL AND REGIONAL ECONOMIC DEVELOPMENTS

89. Global economic outlook has become more uncertain - reflecting the impact of the ongoing Russia-Ukraine conflict, elevated global inflation, lingering effects of COVID-19 pandemic, and persistent supply chain disruptions. Global growth is

expected to slow down to 3.2 percent in 2022 and is projected to slow down to 2.7 percent in 2023 from the earlier forecast of 2.9 percent. The USA economy is projected to slow down to 1.0 percent in 2023 from 1.6 percent in 2022, Euro Area economies will slow down to 0.5 percent from 3.1 percent in 2022. China economy is projected to improve to 4.4 percent from 3.2 percent in 2022 (**Table 1**).

90. In the sub-Saharan Africa region, growth is projected at 3.7 percent in 2023 from a growth of 3.6 percent in 2022. This outlook is weaker than the growth of 4.7 percent in 2021 reflecting lower trading partner growth, tighter financial and monetary conditions, and a negative shift in the commodity terms of trade.

Table 1: Global Economic Growth, Percent

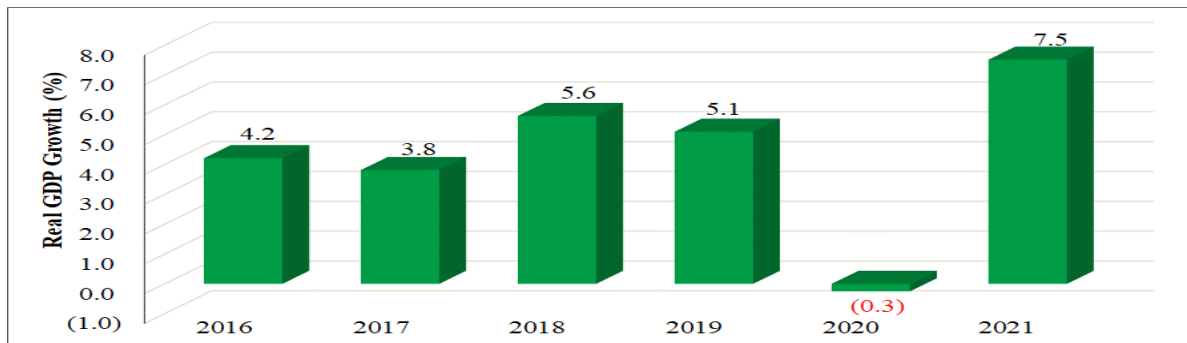
Economy	2020	2021	2022*	2023*
	Actual		Oct. WEO	Oct. WEO
World	(3.1)	6.0	3.2	2.7
Advanced Economies	(4.5)	5.2	2.4	1.1
Of which: USA	(3.4)	5.7	1.6	1.0
Euro Area	(6.1)	5.2	3.1	0.5
Emerging and Developing Economies	(2.0)	6.6	3.7	3.7
Of which: China	2.2	8.1	3.2	4.4
India	(6.6)	8.7	6.8	6.1
Sub-Saharan Africa	(1.6)	4.7	3.6	3.7
Of which: South Africa	(6.3)	4.9	2.1	1.1
Nigeria	(1.8)	3.6	3.2	3.0
EAC-5	0.9	6.6	4.7	5.4
Of which: Kenya***	(0.3)	7.5	5.5	6.1
<i>* Estimate *** budget estimate</i>				
<i>EAC-5: Burundi, Kenya, Rwanda, Tanzania and Uganda</i>				

Source of Data: October 2022 WEO

2.2.2 DOMESTIC ECONOMIC DEVELOPMENTS

91. The Kenyan economy demonstrated remarkable resilience and recovery from COVID-19 shock due to the diversified nature of the economy and the proactive measures by the Government to support businesses. The economy expanded by 7.5 percent in 2021, a much stronger level from a contraction of 0.3 percent in 2020 (**Figure 2.1**).

Figure 2.1: Annual Real GDP Growth rates



Source of Data: Kenya National Bureau of Statistics, The National Treasury

92. The growth momentum continued in the first three quarters of 2022 averaging 5.5 percent despite subdued performance in agriculture and weaker global growth. The economy grew by 6.7 percent in the first quarter and 5.2 percent in the second quarter compared to a growth of 2.7 percent and 11.0 percent in similar quarters in 2021.

93. In the third quarter of 2022, the economy grew by 4.7 percent compared to a growth of 9.3 percent in the corresponding quarter of 2021. Most sectors posted slower growths owing to the significantly high growth rates recorded in the third quarter of 2021 that signified recovery from the impact of the COVID-19 pandemic. The growth in the third quarter of 2022 was mainly supported by the service sectors particularly Accommodation and Food Service activities, Wholesale and retail trade, Professional, Administrative and Support services, Education and Financial and Insurance activities. The growth was however slowed by declines in activities of the Agriculture, Forestry and Fishing, and Mining and Quarrying sectors

94. The agriculture sector recorded a contraction of 0.6 percent in the third quarter of 2022 compared to a growth of 0.6 percent recorded in the corresponding quarter of 2021. The slowdown in performance of the sector was mainly attributed to unfavorable weather conditions that prevailed in first three quarters of 2022. The decline was reflected in the decline in vegetable exports and milk intake by processors. The sector's performance was cushioned from a steeper contraction by improved production in fruits, coffee and cane.

95. The performance of the industry sector slowed down to a growth of 3.4 percent in the third quarter of 2022 compared to a growth of 8.3 percent in the same period in 2021. This was mainly on account of normalization of activities in the manufacturing sub-sector after the strong recovery in 2021. Manufacturing subsector expanded by 2.4 percent in the third quarter of 2022 compared to 10.2 percent growth recorded in the same period of 2021. The growth in the industry sector was supported by positive growths in Electricity and Water Supply subsector and construction sub-sector which grew by 4.7 percent and 4.3 percent, respectively.

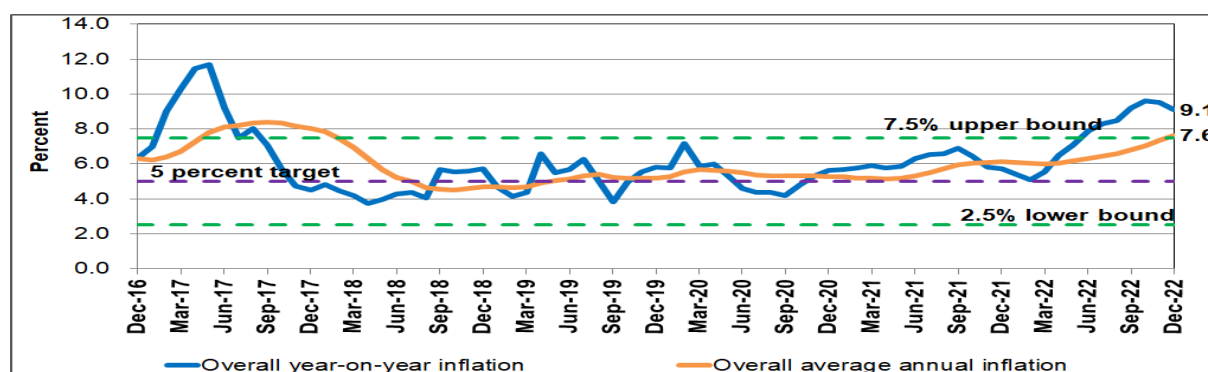
96. The activities in the services sector normalized and remained strong in the third quarter of 2022 after a strong recovery in 2021 from the effects of COVID- 19 pandemic. The sector growth slowed down to 6.1 percent in the third quarter of 2022 compared to a growth of 11.4 percent in the third quarter of 2021. This performance

was largely characterized by substantial growths in accommodation and food services, wholesale and retail trade, professional, administrative and support services and education sub-sectors.

2.2.3 INFLATION RATE

97. The year-on-year inflation rate eased for the second consecutive month in December 2022 but was still above the 7.5 percent upper bound target. Inflation rate eased to 9.1 percent in December 2022 from 9.5 percent in November 2022 due to a decline in food prices as a result of favorable rains and declining international prices of edible oils (**Figure 2.2**). However, this inflation rate was higher than the 5.7 percent recorded in December 2021. Overall annual average inflation increased to 7.6 percent in December 2022 compared to the 6.1 percent recorded in December 2021.

Figure 2.2: Inflation Rate, Percent



Source of Data: Kenya National Bureau of Statistics

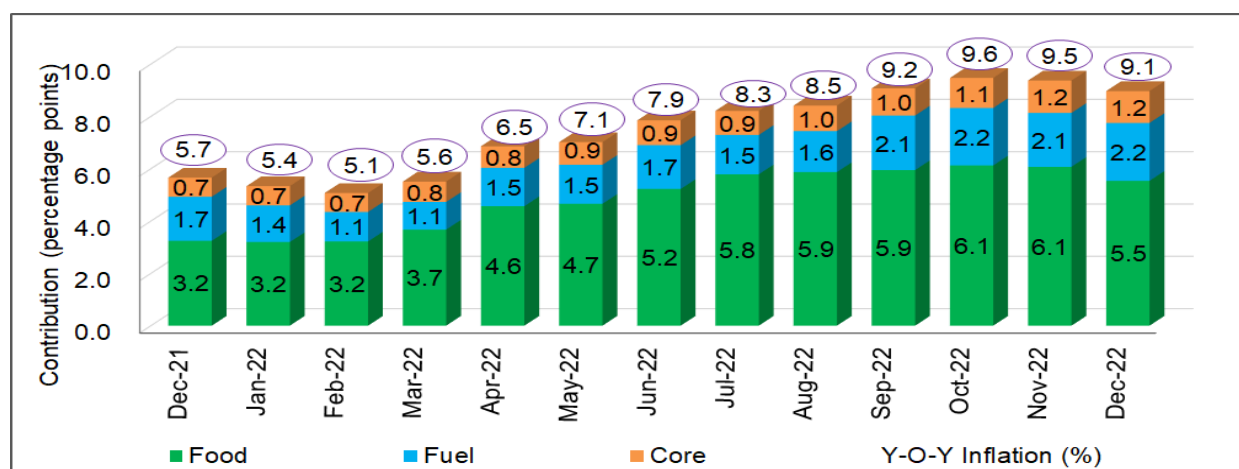
98. Food inflation remained the main driver of overall year-on-year inflation in December 2022, contributing 5.5 percentage points, an increase, compared to a contribution of 3.2 percentage points in December 2021 (**Figure 2.3**). The increase was mainly attributed to unfavourable weather conditions and supply constraints of key food items particularly maize grain (loose), fortified maize flour, cooking oil (salad), cabbages, beef with bones and mangoes.

99. Fuel inflation also increased to contribute 2.2 percentage points to year-on-year overall inflation in December 2022 from a contribution of 1.7 percentage points in December 2021. This was mainly driven by increases in electricity prices due to higher tariffs and increased prices of kerosene/paraffin, diesel and petrol on account of higher international oil prices.

100. The contribution of core (non-food non-fuel) inflation to year-on-year overall inflation has been low and stable, consistent with the muted demand pressures in the economy, supported by prudent monetary policy. The contribution of core inflation to

overall inflation increased to 1.2 percentage points in December 2022 compared to 0.7 percentage point's contribution in December 2021.

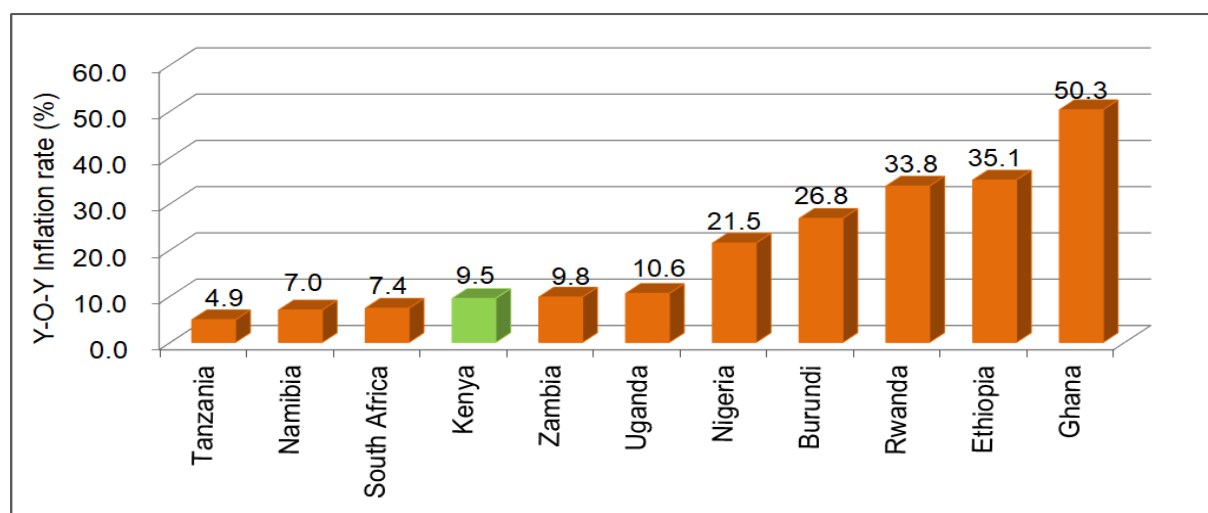
Figure 2.3: Contributions to Inflation, Percentage Points



Source of Data: Kenya National Bureau of Statistics

101. While inflation has been rising and remains high in most economies, Kenya's inflation rate at 9.5 percent in November 2022 is much lower than that of some countries in the Sub-Saharan African region that have double digits' inflation (**Figure 2.4**).

Figure 2.4: Inflation Rates in selected African Countries (November 2022)



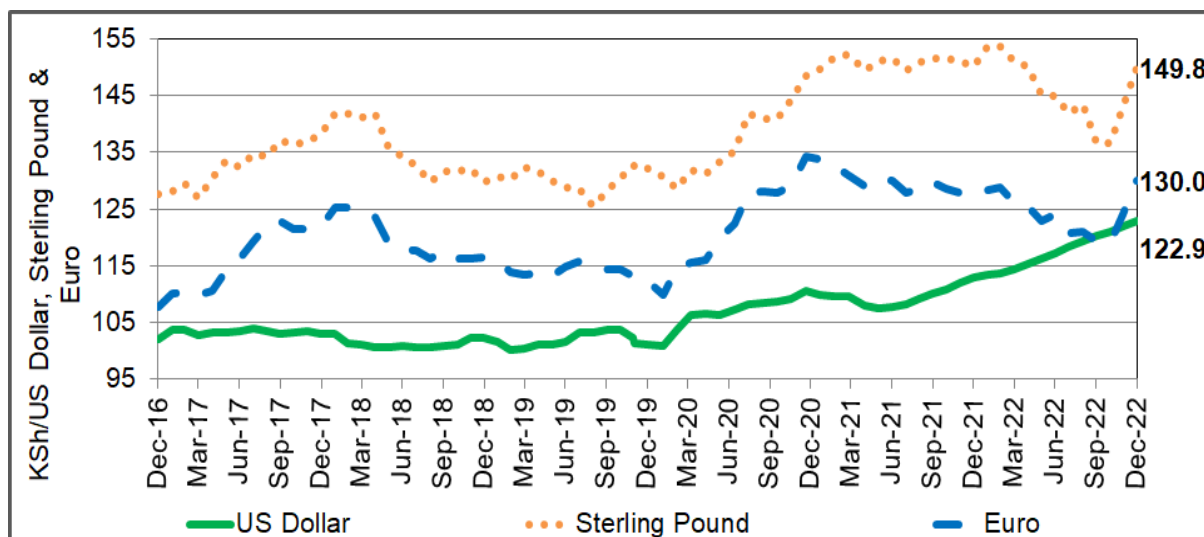
Source of Data: National Central Banks

2.2.4 KENYA SHILLING EXCHANGE RATE

102. The foreign exchange market has largely remained stable despite the tight global financial conditions attributed to strengthening US Dollar and uncertainties regarding the ongoing Russian-Ukraine conflict. Due to the strong dollar, the exchange rate to the Kenya shilling like all world currencies has weakened to exchange at Ksh 122.9 in December 2022 compared to Ksh 112.9 in December 2021

(Figure 2.5). Against the Euro, the Kenya shilling also weakened to Ksh 130.0 from Ksh 127.6 over the same period. The Kenyan Shilling strengthened against the Sterling Pound to Ksh 149.8 in December 2022 from Ksh 150.2 in December 2021.

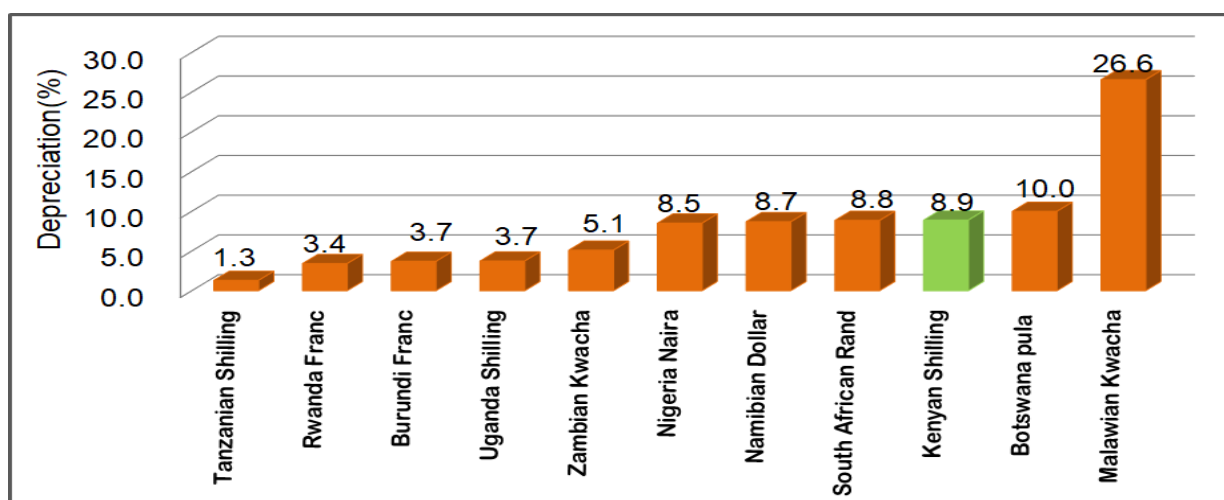
Figure 2.5: Kenya Shillings Exchange Rate



Source of Data: Central Bank of Kenya

103. In comparison to Sub-Saharan Africa currencies, the volatility of the Kenya Shilling exchange rate has remained relatively low at 8.9 percent against the US Dollar in November 2022 (Figure 2.6). The depreciation rate of the Kenya Shilling was lower than that of Namibian Dollar, Botswana pula, South African Rand and Malawi Kwacha. The stability in the Kenya Shilling was supported by increased remittances, adequate foreign exchange reserves and improved exports receipts.

Figure 2.6: Performance of Selected Currencies against the US Dollar (December 2021 to December 2022).



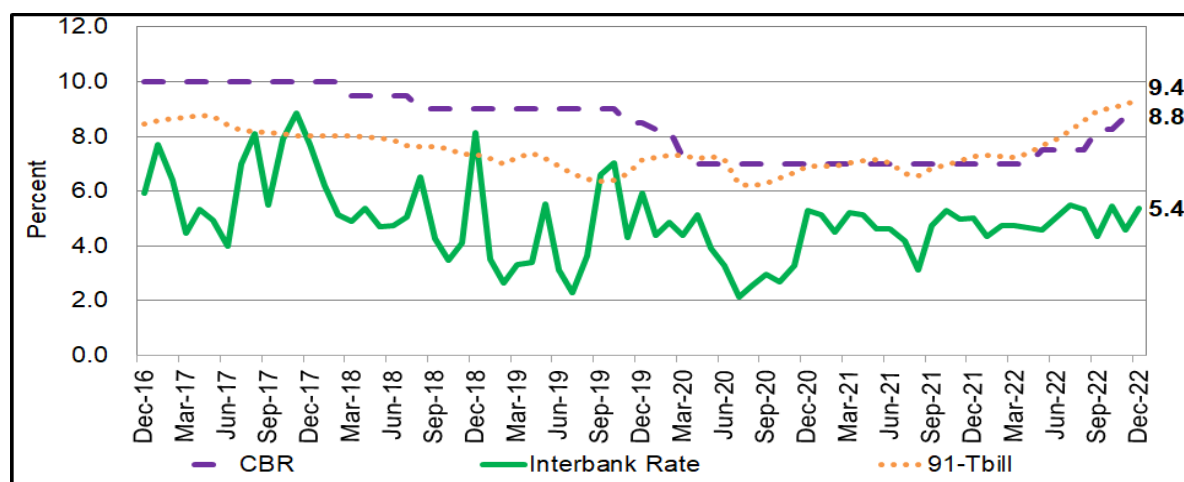
Source of Data: National Central Banks

2.2.5 INTEREST RATES

104. Monetary policy stance remains tight to anchor inflation expectations due to the sustained inflationary pressures, the elevated global risks and their potential impact on the domestic economy. In this regard, the Central Bank Rate was raised from 8.25 percent to 8.75 percent in November 2022 (**Figure 2.7**).

105. The interbank rate remained stable at 5.4 percent in December 2022 compared to 5.0 percent in December 2021 while the Treasury bills rates increased in December 2022 due to tight liquidity conditions. The 91-day Treasury Bills rate was at 9.4 percent in December 2022 compared to 7.3 percent in December 2021.

Figure 2.7: Short Term Interest Rates, Percent



Source of Data: Central Bank of Kenya

106. Commercial banks' lending rates remained relatively stable in October 2022 supported by the prevailing monetary policy stance during the period. The average lending rate was at 12.4 percent in October 2022 from 12.1 percent in October 2021 while the average deposit rate increased to 7.0 percent from 6.4 percent over the same period. Consequently, the average interest rate spread declined to 5.4 percent in October 2022 from 5.7 percent in October 2021.

2.2.6 MONEY AND CREDIT

107. Broad money supply, M3, grew by 7.2 percent in the year to December 2022 compared to a growth of 6.1 percent in the year to December 2021 (**Table 2.2**). The growth in December 2022 was mainly due to an increase in domestic credit particularly net lending to the private sector. This growth was however curtailed by a decline in the Net Foreign Assets (NFA).

108. **Table 2.2: Money and Credit Developments (12 Months to December 2022 (Ksh billion))**

				Change		Percent Change	
	2020 December	2021 December	2022 December	2020-2021 December	2021-2022 December	2020-2021 December	2021-2022 December
COMPONENTS OF M3							
1. Money supply, M1 (1.1+1.2+1.3)	1,720.1	1,848.1	1,971.1	128.0	123.0	7.4	6.7
1.1 currency outside banks (M0)	233.7	253.5	260.8	19.8	7.3	8.5	2.9
1.2 Demand deposits	1,385.8	1,498.3	1,605.0	112.5	106.8	8.1	7.1
1.3 Other deposits at CBK	100.7	96.3	105.3	(4.3)	9.0	(4.3)	9.3
2. Money supply, M2 (1+2.1)	3,250.2	3,431.6	3,617.5	181.3	185.9	5.6	5.4
2.1 Time and savings deposits	1,530.1	1,583.5	1,646.4	53.4	62.9	3.5	4.0
Money supply, M3 (2+3.1)	3,990.9	4,235.2	4,538.5	244.3	303.3	6.1	7.2
3.1 Foreign currency deposits	740.7	803.7	921.1	63.0	117.4	8.5	14.6
SOURCES OF M3							
1. Net foreign assets (1.1+1.2)	746.9	590.1	283.9	(156.9)	(306.1)	(21.0)	(51.9)
1.1 Central Bank	738.5	700.6	537.8	(37.9)	(162.7)	(5.1)	(23.2)
1.2 Banking Institutions	8.5	(110.5)	(253.9)	(118.9)	(143.4)	(1,406.7)	(129.8)
2. Net domestic assets (2.1+2.2)	3,244.0	3,645.1	4,254.6	401.2	609.4	12.4	16.7
2.1 Domestic credit (2.1.1+2.1.2+2.1.3)	4,245.8	4,876.9	5,439.7	631.1	562.8	14.9	11.5
2.1.1 Government (net)	1,343.3	1,723.6	1,924.3	380.3	200.7	28.3	11.6
2.1.2 Other public sector	91.2	100.1	81.9	8.9	(18.2)	9.8	(18.2)
2.1.3 Private sector	2,811.3	3,053.2	3,433.5	241.9	380.4	8.6	12.5
2.2 Other assets net	(1,001.8)	(1,231.8)	(1,185.2)	(229.9)	46.6	(23.0)	3.8

Source of Data: Central Bank of Kenya

109. Net Foreign Assets (NFA) of the banking system in the year to December 2022 contracted by 51.9 percent, compared to a contraction of 21.0 percent in the year to December 2021. The decline in NFA partly reflected a reduction in reserves at the Central Bank due to scheduled debt service, and the increase in commercial bank's borrowing from foreign sources.

110. Net Domestic Assets (NDA) registered a growth of 16.7 percent in the year to December 2022, an improvement compared to a growth of 12.4 percent over a similar period in 2021. The growth in NDA was mainly supported by resilient growth in credit to the private sector as business activities improved. Growth of domestic credit extended by the banking system to the Government moderated to 11.6 percent in the year to December 2022 compared to a growth of 28.3 percent in the year to December 2021. Lending to other public sector also declined during the period, mainly due to repayments by county governments and parastatals

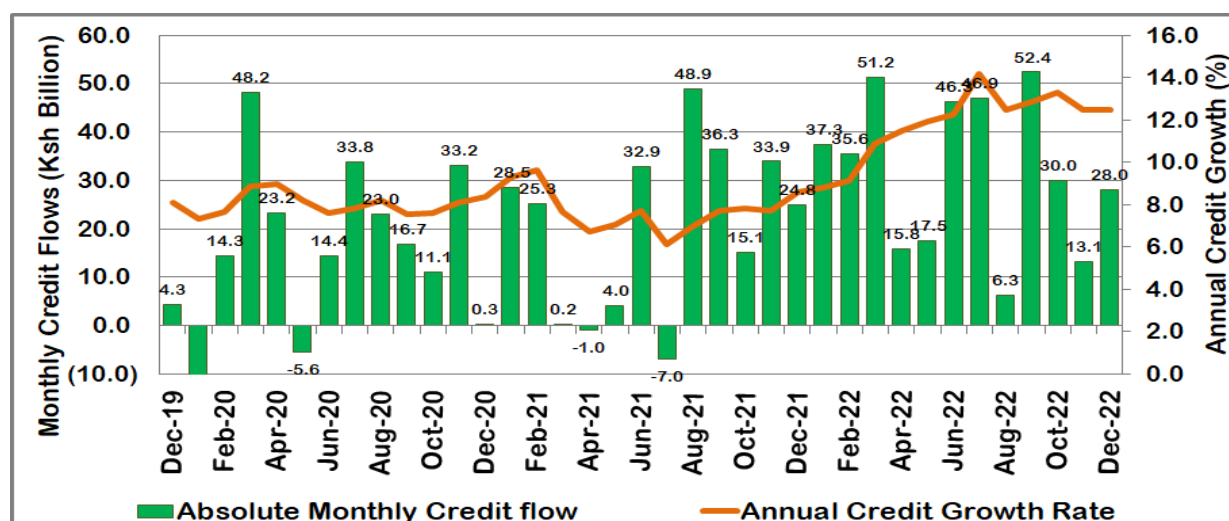
2.2.7 PRIVATE SECTOR CREDIT

111. Private sector credit improved to a growth of 12.5 percent in the 12 months to December 2022 compared to a growth of 8.6 percent in the year to December 2021 (**Figure 2.8**). All economic sectors registered positive growth rates reflecting increased credit demand following improved economic activities. Strong credit growth was observed in the following sectors: mining, transport and communication, agriculture, manufacturing, business services, trade, and consumer durables. Monthly credit flows (month on month) have also improved from Ksh 24.8 billion in December 2021 peaking at Ksh 28.0 billion in December 2022.

112. The Government has launched the Hustlers Fund, as an intervention to correct market failure problems that led to predatory lending. This program aims to lift those

at the bottom of the pyramid through structured products in personnel finance that includes savings, credit, insurance and investment.

Figure 2.8: Private Sector Credit



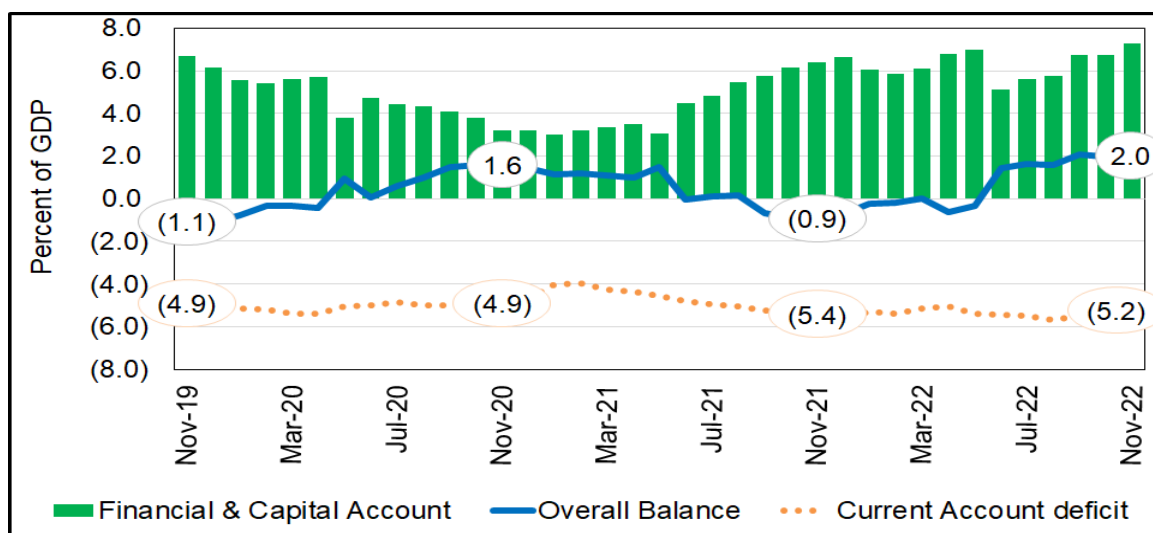
Source of Data: Central Bank of Kenya

2.2.8 EXTERNAL SECTOR DEVELOPMENTS

113. The overall balance of payments position improved to a surplus of USD 2,245.4 million (2.0 percent of GDP) in November 2022 from a deficit of USD 976.8 million (0.9 percent of GDP) in November 2021 (**Figure 2.9**). This was mainly due to an improvement in the capital account despite a decline in the merchandise account reflecting increased imports of petroleum products owing to high international crude oil prices.

114. The current account deficit was generally stable at USD 5,771.0 million (5.2 percent of GDP) in November 2022 compared to USD 5,811.6 million (5.4 percent of GDP) in November 2021. The current account balance was supported by an improvement in the net receipts on the services account and the net secondary income balance despite a deterioration in the net primary income balance and merchandise account.

Figure 2.9: Balance of Payment (Percent of GDP)



Source of Data: Central Bank of Kenya

115. The balance in the merchandise account declined by USD 1,238.0 million to a deficit of USD 12,186.7 million in November 2022 mainly due to increased payments on imports in spite of an improvement in the export earnings (**Table 2.3**). In the year to November 2022, exports grew by 12.4 percent primarily driven by improved receipts from tea and manufactured goods despite a decline in receipts from horticulture. The increase in receipts from tea exports reflects improved prices attributed to demand from traditional markets. On the other hand, imports of goods increased by 11.7 percent in the year to November 2022 mainly due to increases in imports of oil and other intermediate goods.

2.2.9 BALANCE OF PAYMENTS (USD MILLION)

116. Net receipts on the services account improved by USD 1,104.3 million to USD 1,678.7 million in November 2022 compared to a similar period in 2021. This was mainly on account of an increase in receipts from transportation and tourism as international travel continues to improve. Net Secondary income remained resilient and increased by USD 417.3 million during the review period owing to an increase in remittances. The balance on the primary account widened by USD 243.0 million to a deficit of USD 1,692.8 million in November 2022, from a deficit of USD 1,449.8 million in the same period last year, reflecting higher interest related payments on other investments.

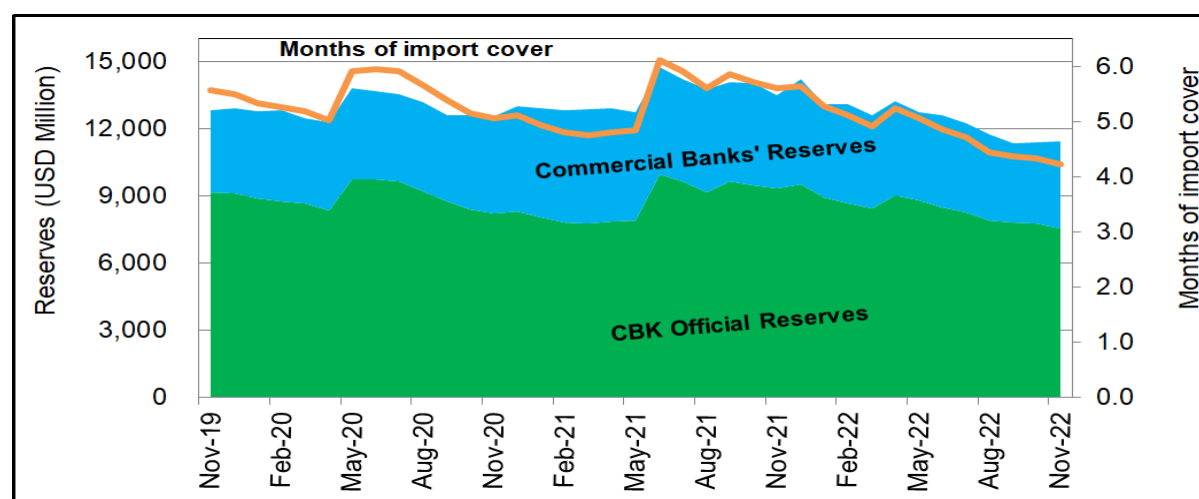
117. The capital account balance improved by USD 1,190.2 million to register a surplus of USD 1,386.3 million in November 2022 compared to a surplus of USD 196.1 million in the same period in 2021. Net financial inflows remained vibrant at USD 6,635.1 million in November 2022 compared to USD 6,696.3 million in November 2021. The net financial inflows were mainly in the form of other investments, financial derivatives and direct investments. Portfolio investments registered a net outflow during the period.

2.2.10 FOREIGN EXCHANGE RESERVES

118. The banking system's foreign exchange holdings remained strong at USD 11,407.7 million in November 2022 from USD 13,503.0 million in November 2021. The official foreign exchange reserves held by the Central Bank stood at USD 7,548.8 million compared to USD 9,306.3 million over the same period (**Figure 2.10**).

119. The official reserves held by the Central Bank in November 2022 represented 4.2 months of import cover as compared to the 5.6 months of import cover in November 2021. It, therefore, fulfilled the requirement to maintain it at a minimum of 4.0 months of imports cover to provide adequate buffer against short term shocks in the foreign exchange market. Commercial banks holdings decreased to USD 3,859.2 million in November 2022 from USD 4,196.8 million in November 2021.

Figure 2.10: Official Foreign Reserves (USD Million)

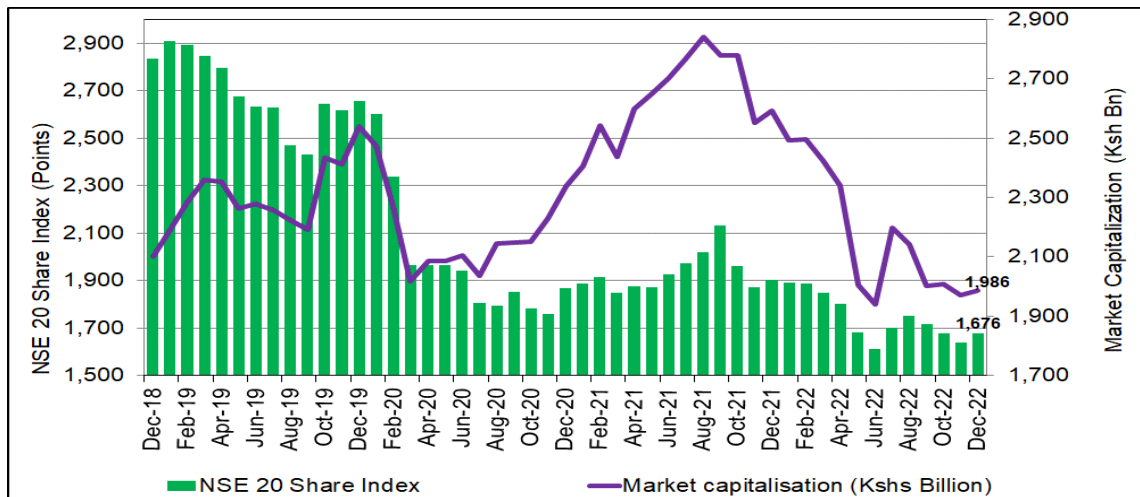


Source of Data: Central Bank of Kenya

2.2.11 CAPITAL MARKETS DEVELOPMENT

120. Activity in the capital markets slowed down in December 2022 compared to December 2021 due to the outflow of investors as advanced economies tightened their monetary policy amid recession fears. The NSE 20 Share Index declined to 1,676 points in December 2022 compared to 1,903 points in December 2021 while Market capitalization also declined to Ksh 1,986 billion from Ksh 2,593 billion over the same period (**Figure 2.11**).

Figure 2.11: Performance of the Nairobi Securities Exchange



Source of Data: Nairobi Securities Exchange

2.3 FISCAL PERFORMANCE

121. Budget execution in the first five months of FY 2022/23 progressed well. Revenues continued to record positive growth albeit revenue shortfall reflecting improvement in business environment, tax policy measures and enhanced revenue administration by the Kenya Revenue Authority. Revenue targets for the FY 2022/23 are also expected to be achieved considering the performance in the first five months.

122. Overall expenditures were below programme target underpinned by shortfalls recorded in revenue performance and inadequate liquidity in the government securities market. However, ministerial expenditure targets were not fully met partly due to low absorption of foreign and domestic financed projects. Disbursement to the counties was also short of the target for the period to November 2022.

2.3.1 REVENUE PERFORMANCE

123. Revenue collection to November 2022 grew by 10.6 percent compared to a growth of 29.5 percent in November 2021. This decline in rate of growth is attributed to the fact that the previous FY's growth was anchored on a lower base – a contraction recorded in the FY 2019/20 which had the effects of COVID-19 pandemic. As at end November 2022, the cumulative total revenue inclusive of Ministerial Appropriation in Aid (A-i-A) was Ksh 893.8 billion against a target of Ksh 912.9 billion. This performance was Ksh 19.1 billion below the set target.

124. Ordinary revenue to November 2022 recorded a growth of 9.5 percent compared to a growth of 27.2 percent in November 2021. This growth was also recorded in all broad categories of ordinary revenue. Specifically, Income tax grew by 10.3 percent, Value Added Tax (VAT) by 8.9 percent, Excise taxes by 7.9 percent, and Import duty by 18.8 percent. In nominal terms, ordinary revenue collection to November 2022 was Ksh 786.5 billion against a target of Ksh 818.7 billion. This performance was Ksh 32.2 billion below the target.

125. Ministerial A-i-A inclusive of the Railway Development Levy was Ksh 107.3 billion against a target of Ksh 94.3 billion recording a surplus of Ksh 13.1 billion reflecting timely reporting of Semi-Autonomous Government Agencies (SAGAs) A-i-A. Ministerial A-i-A revenue, recorded 19.0 percent growth for the period ending November 2022.

2.3.2 EXPENDITURE PERFORMANCE

126. Total expenditure and net lending for the period ending November 2022 was Ksh 1,096.6 billion which was below the projected amount of Ksh 1,183.7 billion by Ksh 87.1 billion. Recurrent spending amounted to Ksh 825.6 billion; development expenditure was Ksh 149.0 billion while transfer to County Governments was Ksh 122.1 billion.

127. Recurrent spending was below the projected target by Ksh 18.8 billion mainly on account of lower than targeted expenditure on pensions and other CFS and domestic interest. Development expenditure was below target by Ksh 26.0 billion on account of below target disbursements to both domestic and foreign financed programmes by Ksh 14.3 billion and Ksh 11.6 billion respectively.

128. Fiscal operations of the Government by end of November 2022 resulted in an overall deficit including grants of Ksh 199.5 billion against a projected deficit of Ksh 268.2 billion. This deficit was financed through net domestic borrowing of Ksh 180.7 billion and net foreign financing of Ksh 39.0 billion.

2.4 FISCAL POLICY

129. The fiscal policy stance over the medium term aims at supporting the economic recovery agenda of the Government through a growth friendly fiscal consolidation plan designed to slowing the annual growth in public debt and implementing an effective liability management strategy, without compromising service delivery to citizens. This is expected to boost the country's debt sustainability position and ensure that Kenya's development agenda honours the principle of inter-generational equity.

130. The fiscal policy also indicates a deliberate convergence path towards the fiscal targets under the East African Community Monetary Union Protocol that sets a ceiling of fiscal deficit including grants of 3.0 percent of GDP and deficit excluding grants of 6.0 percent of GDP.

131. The fiscal policy will target to grow tax revenues above 17.8 percent of GDP in the FY 2023/24 and above 18.0 percent of GDP over the medium term (**Table 2.4**). As part of the economic turnaround plan, the Government will scale up revenue collection efforts by the Kenya Revenue Authority (KRA) to Ksh 3.0 trillion in the FY 2023/24 and Ksh 4.0 trillion over the medium term. In order to achieve this, the

Government will undertake a combination of both tax administrative and tax policy reforms.

132. On the tax administrative side, KRA will implement among others, the following measures:

133. Going forward, KRA will address some of the challenges hampering enhanced tax compliance as follows:

134. On the tax policy, the Government will implement various tax policy measures to further boost revenue collection. In addition, to further strengthen revenue mobilization efforts, the Government will finalise the development of the National Tax Policy and the Medium-Term Revenue Strategy (MTRS) for the period FY 2023/24 - 2025/26.

135. The National Tax Policy Framework will enhance administrative efficiency of the tax system, provide consistency and certainty in tax legislations and management of tax expenditure. On the other side, the Medium-Term Revenue Strategy will provide a comprehensive approach of undertaking effective tax system reforms for boosting tax revenues and improving the tax system over the medium term.

136. On the spending side, total expenditures are projected to decline from 23.7 percent as a share of GDP in the FY 2021/22 to 22.3 percent as a share of GDP in the FY 2026/27. The Government will sustain efforts to improve efficiency in public spending and ensure value for money by eliminating non priority expenditures; retiring expensive and unsustainable consumption subsidies; reducing tax exemptions; scaling up the use of Public Private Partnerships financing for commercially viable projects; and rolling out an end-to-end eprocurement system. 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 that was rolled out in January 2021.

137. The Government will also strengthen public investment management by implementing the Public Investment Management (PIM) Regulations, 2022. This will enhance efficiency in identification and implementation of priority social and economic investment projects. This will further curtail runaway project costs, eliminate duplications and improve working synergy among implementation actors for timely delivery of development projects. To realize these benefits, the Government will roll-out and sensitize both the National Government and County Governments on the Regulations; develop and roll-out the Public Investment Management Information System (PIMIS) which automates the PIM process as outlined in the Regulations; and institutionalize a joint PIM-PPP planning framework to ensure that only projects with the highest social - economic returns are undertaken.

138. The above reforms on the revenue and expenditure side, will result in reduction in the fiscal deficit including grants from Ksh 849.2 billion (5.8 percent of GDP) in the FY 2022/23 to Ksh 695.2 billion (4.3 percent of GDP) in the FY 2023/24 and further to Ksh 832.6 billion (3.6 percent of GDP) in the FY 2026/27. This

reduction will result in reduction in the growth of public debt thereby boosting the country's debt sustainability position.

2.5 ECONOMIC OUTLOOK

139. The global economic outlook remains highly uncertain with growth projected to slowdown from 3.2 percent in 2022 to 2.7 percent in 2023. This projected growth in 2023 was revised downwards from the initial projection of 2.9 percent largely reflecting a slowdown in advanced economies despite a gradual pick up in the emerging market and developing economies.

140. Domestically, the economy continued to expand, albeit at a slower pace than the 7.5 percent recorded in 2021. Real GDP grew by 5.5 percent in the first three quarters of 2022 (6.7 percent in quarter one, 5.2 percent in quarter two and 4.7 percent in quarter three) supported by the ongoing recovery in the services sector, driven by accommodation and food services, wholesale and retail trade, finance and insurance, education and transport and storage.

141. The economy is expected to grow by 5.5 percent in 2022 and recover in 2023 to 6.1 percent and maintain that momentum over the medium-term (in terms of fiscal years the economic growth is projected at 5.8 percent in the FY 2022/23 and 6.1 percent in the FY 2023/24). This growth will be supported by a broad-based private sector growth, including recoveries in agriculture while the public sector consolidates. From an expenditure perspective, private consumption is expected to support aggregate demand, supported by the ongoing labour market recovery, improved consumer confidence, and resilient remittances.

142. The growth outlook will be reinforced by the Government's development agenda geared towards economic turnaround and inclusive growth. Special focus will be placed on increased employment, more equitable distribution of income, social security while also expanding the tax revenue base, and increased foreign exchange earnings. The economic turnaround programme will seek to increase investments in at least five sectors envisaged to have the biggest impact on the economy as well as on household welfare. These include Agriculture; Micro, Small and Medium Enterprise (MSME); Housing and Settlement; Healthcare; and Digital Superhighway and Creative Industry.

143. In furtherance of the agenda on inclusive growth and innovation in Micro, Small, and Medium Enterprises (MSMEs), the Government has launched the Hustlers Fund, as an intervention to correct market failure problems at the bottom of the pyramid. This program aims to lift those at the bottom of the pyramid through structured products in personnel finance that includes savings, credit, insurance and investment. To address the adverse impact of the ongoing drought, the Government in partnership with the Development Partners and the private sector under the auspices of the National Steering Committee on Drought Response has provided response to

affected persons, regions and communities. The Committee will work with both the National and County Governments in strengthening the national capacity for resilient recovery to protect development gains from recurrent drought.

144. At the county level, the economic growth has been affected by persistent drought which has hit the county for the last three years. This phenomenon coupled with the impact of COVID 19 pandemic has led to devastating impact in our production sector. This has led to food insecurity and high cost of living in the county. With decline in investment activities as a result of the aforementioned challenges, the county has witnessed low revenue collections, hence curtailing government investments in development agenda. Additionally, the county has not been able to meet set own source revenue target over the years and this has led to upsurge of pending bills. On this, during the FY 2023/2024 and over the MTEF the county will commit to setting realistic revenue targets based on the previous year's actual performance.

145. Going forward, during the FY 2023/2024 and over the MTEF, the County will be rolling out fiscal policies which will curtail non-core expenditures while prioritizing high impact social and investment expenditure. In doing so, the County will allocate resources towards the 16 – sector county development agenda as outlined in the Third Generation County Integrated Development Plan (CIDP) 2023-2027 as follows:

i **Agriculture:**

- Intensive extension of agricultural services;
- Water pans machinery and support to farmers;
- Two well maintained and managed farm tractors for each ward;
- Regular training of farmers on modern farming and agribusiness
- Establishment of viable livestock trade centers in each ward.

ii **Water:**

- 60 sand dams in every ward (2,400 for the entire county);
- 1 mega dam in each sub county;
- 2 large dams in each ward;
- 1 medium dam in each village and
- Boreholes in strategic points in each ward/Village.

iii **Health:**

- Teaching and referral hospital in Kitui and Mwingi,
- Level (iv) hospital in each sub county,
- Level (iii) hospital in each ward,
- Level (ii) hospital in each village,
- Modern maternity in each level (ii) and (iii) hospitals
- An ambulance in each ward

iv **Education:**

- Construction of modern ECDE classrooms in every public primary school,
- Collaboration with national government to improve primary and secondary schools' infrastructure
- Install WI-FI in every youth polytechnic.

v **Urban Development:**

- Re-installation and maintenance of street lights in urban centers;
- Installation of solar security lights in each wards headquarter, small and upcoming trading centers,
- Establishment of refuse collection and re-cycling centers and
- Improving water and sanitation services in each sub-county headquarter and municipalities (solid waste management, water connectivity.)

vi **Roads and Construction:**

- Tarmacking and or slabbing of Kitui town- Museve-Miambani –Ndithini- Kiviu-Kamandio- Ikoo - Mwanzilu-Nzeluni- Mumbuni- Kalisasito Mwingi town road;
- Tarmacking of main streets in ward headquarters and key towns;
- Slabbing, culverting of other prioritized county roads (Ndithini- Malili- Mikuyuni and branching to Mutito-Mui-Nuu),
- Grading and improvement of security enhancing roads
- Mutha to Kona kaliti,
- Ukasi-Sosoma –Engamba, Kandolongwe,

- Kwa Kamuru (Ngalange)- Kaningo –Kora and George Adamson bridge,
- Kwa-Vonza- Mwakini-Kanyonyoo B2 ranch etc),
- Grading and putting murram 50 kms per year of county roads in each ward
- Acquisition and maintenance of road construction machineries for each sub county (dozers, graders, excavators, shovels, rollers, backhoes)

vii **Trade and Investments:**

- Operationalization and marketing of the county’s six Economic and Investment Zones (EIZs),
- Organize One Investor Conference within the first 18 months,
- Reinstate and organize an agricultural and trade fair every year,
- Ensuring safe and environmental friendly operations at the crusher,
- Establishing annual livestock auction markets in each sub county
- Construction of a storage facility in each modern market

viii **Micro Small and Medium Enterprises:**

- Installation and maintenance of infrastructure to facilitate 24-hour economic activities (e.g. access roads, water and sanitation facilities, street lighting, enhance security, merchandise storage facilities, well lit merchandise loading and offloading bays, convenient bodaboda, taxi and vehicle parking facilities, etc.);
- Facilitation and support in the acquisition of modern working equipment (e.g., fabricated kiosks, computerized wheel alignment, hair dressing machines, shavers, carpentry and masonry tools, concrete mixers) and
- Capacity building on entrepreneurial and business skills (innovation, production, marketing, packaging, branding, distribution, human resource and financial management, Information Communication Technologies, customer relations etc.)

Cooperative Societies:

- Facilitate registration of cooperatives per sector (honey producers, tailoring and garment making, hide and skins, charcoal producers etc.);
- Training and strengthening of cooperative societies through enforcing self-regulations in the internal operations, administrative guidelines and application of information technology (internal audits and automation of the operations) and
- Support for and revival of dormant cooperatives through partnerships and capacity building in management, access to finance, production and marketing (honey processing, fruit processing etc.)

x Tourism and Hospitality:

- Refinement and marketing of a robust and sustainable tourism circuit connecting Kitui county with coastal region and Mount Kenya region;
- Protection, conservation and erection of entry gates for the South Kitui Game Reserve, Mwingi North game Reserve and the Mutomo Reptile Park
- Provide incentives for private sector investors/businesses in the entire hotel and hospitality value chain (through moderate taxation, licensing fees, land rates)

Women, Youth and Persons with Disabilities:

- Scouting and nurturing of local talents in various fields (athletics, football, acting, music, modeling, drawing and painting among others);
- Support and facilitate at least one self-help group in each sub-county in the formation of cooperatives in key economic sectors including: boda, taxi/probox, tailoring, livestock trading, weaving, fruit farmers, poultry farmers, food vendors, hire of events tents, chairs, tables, public address system, bee keepers and honey processors, vegetable vendors, salon's, hawkers, car wash, shoe shiners, mechanics, hotels and restaurants, bar owners, social welfare association.
- Support of Persons Living with Disabilities (PWDs) to register with the National Council for Persons with

Disabilities (NCPWD) and with the National Treasury to enable their 5% Access to Government Procurement Opportunities (AGPO) and Reservation of 30% of the County's budgeted annual procurement opportunities for AGPO women, youth and PWDs.

- Consideration of youth – both men and women - for county senior level and other employment opportunities.
- Participation of all youth, women and people living with disabilities in public participation forums.

xii **Boda Boda**

- Establishment of division within the ministry responsible for transport headed and staffed by officers who appreciate the sector and are passionate in the promotion, empowerment and development of the persons operating within the sector.
- Facilitate formation of self-help groups and Sacco's to raise the welfare of boda boda operators.
- Assisting boda boda operator's access subsidized loan facilities to help them acquire motor bikes on manageable repayment terms.
- Arranging training sessions as well as road safety sensitization programs, and assisting them in acquisition of motor bike licenses
- Facilitate acquisition of reflector jackets and safety head helmets for both the operator and the passenger.
- Construct more spacious boda boda sheds with cabro floor in every market center.
- Grading of all roads and construction of drifts, and installation of culverts to improve movement.
- Appropriately equipping Level 4 and 5 county hospitals with necessary equipment and treatment facilities in the event of accidents.

xiii **Environment:**

- Tree planting in county schools, river banks and county forests;

- Supporting planting at least 5 trees in each homestead;
- Training and sensitization on environmental conservation in collaboration with other stakeholders;
- Implement sustainable charcoal management policy;
- Sustainable sand harvesting management policy;
- Formulate and implement a sustainable mineral management policy.

xiv **Energy:**

- Enhance household electricity connection in collaboration with REA,
- Provision of solar power to off-grid social facilities (schools, hospitals and youth polytechnics),
- Community solar access in partnership with private sector and NGOs, Support community access to green energy (Biogas, Solar, Wind) in partnership with National government, private sector, NGOs, CBOs and Faith Based Organizations.

xv **Information and Communications:**

- Installation of mobile telephony masts in underserved areas of county in collaboration with mobile service providers;
- Installation of boosters and modern technologies for improved network coverage and Facilitate access to fiber optic infrastructure and
- Use of digital technology in government offices and private sector entities within Kitui, Mwingi, Kwa-Vonza and other key county urban centers.

xvi **Security:**

- -Security and street lighting in the county's towns, market centers and public facilities including hospitals, village polytechnics, administration offices, day care centers,
- Collaboration with the national government in security enhancement within the location/villages, divisions/wards, sub-counties and in border areas susceptible along the county borders,

- Operationalization of the County Policing Authority in partnership with the National Government and Installation of CCTV monitors in the county's two municipalities of Kitui and Mwingi in partnership with private sector/business.

2.6 RISKS TO THE ECONOMIC OUTLOOK

146. There are down side risks to this macroeconomic outlook emanating from domestic as well as external sources. On the domestic front, risks emanate from climate change resulting in unfavorable weather conditions. This could affect agricultural production and result to domestic inflationary pressures.

147. On the external front, uncertainties in the global economic outlook have also increased which could impact on the domestic economy. These risks include: the possible worsening of the Russia - Ukraine conflict which could heighten the risk of oil and commodity price volatility and elevated inflationary pressures; lingering effects of COVID-19 (coronavirus) pandemics; and global monetary policy tightening, especially in the United States, could increase volatility in the financial markets.

148. 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 fiscal consolidation. 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 of the risks if they were to materialize

3.0 BUDGET FOR FY 2023-24 AND THE MEDIUM TERM

149. The County government is committed to fiscal discipline 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 programs within the budget.

3.1 FY 2023/24 BUDGET FRAMEWORK

150. In the FY 2023/24 prioritization of resource allocation will be based on the County Integrated Development Plan (CIDP) 2022-2027, ADP (2023/2024), Departmental priorities, programmes and development policies of the County Government. The 2023/24 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

151. The County government projects to receive a transfer of about **Kshs.11.196** billion from the National Government for the FY 2023/24 constituting an equitable share allocation **of 10.822 billion** and conditional grants of Kshs 0.374 billion respectively. The allocations are indicative as the actual allocation will be provided in the County Allocation of Revenue Act (CARA), 2023.

152. The projected total revenue for the FY 2023/24 is therefore Kshs 11.646 billion (Excluding Revote), both Kshs. 0.450 billion as County's own revenues, Kshs. 10.822 billion as transfers from the National Government and Kshs 0.374 billion as grants.

153. The County Executive will present to the County Assembly, more detailed structural measures to boost revenue generation through the Finance Bill, 2023, for consideration and enactment as required by the PFM Act, 2012.

Table 2: Revenue Projections for FY 2023/2024 and the MTEF

S/N	Source	Actual Revenue 2020/21	Actual Revenue 2021/22	Approved Revenue Estimates 2022/23	Revenue Estimates 2023/24	Projected Estimates	
		Kshs	Kshs	Kshs	Kshs	2024/25 (Kshs)	2025/26 (Kshs)
1	Equitable share	8,830,350,000	9,562,452,779	10,393,970,413	10,817,497,530	11,268,069,671	11,732,310,474
	Transfer of Library Services				4,701,081	4,892,638	5,092,000
	Sub-Total Equitable Share	8,830,350,000	9,562,452,779	10,393,970,413	10,822,198,611	11,272,962,309	11,737,402,474
2	Grants					-	-
	Free Maternal Healthcare					-	-
	Compensation for User Fees Forgone	22,499,906			-		-
	Road Maintenance Fuel Levy	264,131,437			-		-
	Grants from World Bank (KDSP)	45,000,000			-		-
	World Bank (Universal Health)	36,872,242	23,942,835		-		-
	World Bank (Agriculture - Rural Growth)	190,631,819	150,349,620	283,089,026	169,475,223	176,457,547	183,727,541
	World Bank (Emergency Locust Response Project (ELRP))		14,076,914	30,223,000	70,223,000	73,116,165	76,128,527
	IDA (World Bank) credit (National Agricultural Value Chain Development Project				70,000,000	72,883,977	75,886,773

S/N o	Source	Actual Revenue 2020/21	Actual Revenue 2021/22	Approved Revenue Estimates 2022/23	Revenue Estimates 2023/24	Projected Estimates	
		Kshs	Kshs	Kshs	Kshs	2024/25 (Kshs)	2025/26 (Kshs)
	(NAVCDP)						
	HSSP/HSPS - (DANIDA/IDA)			18,609,300	28,405,688	29,575,993	30,794,514
	World Bank loan to Supplement financing of County Health Facilities	25,110,000			-		-
	World Bank Credit to Finance Locally - Led Climate Action Program (FLLoCA)			125,000,000	22,000,000	22,906,393	23,850,129
	UNFPA (9th Country Programme Implementation)				-		-
	Development of Youth Polytechnics				-		-
	Other GOK Grants (Doctors & Nurses Allowance)				-		-
	Kenya Urban Support Project - World Bank	92,149,894			2,339,915	2,436,319	2,536,694
	Kenya Urban Support Project (UIG)- World Bank				-		-
	ASDSP	126,367,908	16,926,637	10,112,374	11,636,683	12,116,111	12,615,290
	KCEP-KRLA				-		-
	FAO	12,329,648			-		-

S/N o	Source	Actual Revenue 2020/21	Actual Revenue 2021/22	Approved Revenue Estimates 2022/23	Revenue Estimates 2023/24	Projected Estimates	
		Kshs	Kshs	Kshs	Kshs	2024/25 (Kshs)	2025/26 (Kshs)
	GoK Conditional Grant - Covid Fund					-	-
	Pro Poor				-		-
	Sub-Total Grants	815,092,853	205,296,006	467,033,700	374,080,509	389,492,504	405,539,469
		9,645,442,853	9,767,748,785	10,861,004,113	11,196,279,120	11,662,454,813	12,142,941,943
3	Own Source Revenue						-
	County Ministry/ Entity						-
	Office of the Governor	11,970,550	9,128,100	10,106,642	11,369,972	12,791,218	13,138,690
	Ministry of Finance, Economic Planning & Revenue Management	83,755,939	64,270,545	79,390,967	89,314,838	100,479,193	103,208,702
	Ministry of Health and Sanitation	111,901,160	188,550,071	200,367,881	225,413,866	253,590,599	260,479,366
	Ministry of Education, Training & Skills Development	5,395,440	6,030,092	6,676,524	7,511,090	8,449,976	8,679,519
	Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives	1,284,195	3,963,257	4,388,122	4,936,637	5,553,717	5,704,583
	Ministry of Roads, Public Works & Transport	40,536,210	3,468,925	2,011,552	2,262,996	2,545,870	2,615,028
	Ministry of Culture, Gender, Youth, ICT, Sports & Social	26,000	72,000	79,718	89,683	100,894	103,635

S/N o	Source	Actual Revenue 2020/21	Actual Revenue 2021/22	Approved Revenue Estimates 2022/23	Revenue Estimates 2023/24	Projected Estimates	
		Kshs	Kshs	Kshs	Kshs	2024/25 (Kshs)	2025/26 (Kshs)
	Services						
	Ministry of Water and Irrigation	11,152,488	3,867,163	4,281,727	4,816,943	5,419,061	5,566,269
	Ministry of Energy, Environment, Forestry, Natural & Mineral Resources	1,505,065	1,823,310	2,183,168	2,456,064	2,763,072	2,838,131
	Kitui Municipality	37,785,490	35,805,225	40,578,966	45,651,337	51,357,754	52,752,883
	Mwingi Town Administration	21,137,774	21,707,796	23,099,510	25,986,948	29,235,317	30,029,492
	Ministry of Agriculture & Livestock		1,480,136	1,638,808	1,843,659	2,074,117	2,130,460
	Ministry of Lands, Housing & Urban Development		21,104,722	25,196,415	28,345,967	31,889,213	32,755,481
	Sub-Own Total	326,450,311	361,271,342	400,000,000	450,000,000	506,250,001	520,002,239
	TOTAL	9,971,893,164	10,129,020,127	11,261,004,113	11,646,279,120	12,168,704,814	12,662,944,182
	<i>% of Equitable Share</i>	89	94	92	93	93	93
	<i>% of Own Resources</i>	3	4	4	4	4	4
	<i>% of Grants</i>	8	2	4	3	3	3
		100	100	100	100	100	100
4	Revote from previous budget	1,578,584,301	769,547,038	1,118,001,643	-	-	-
	TOTAL RESOURCE ENVELOPE	11,550,477,465	10,898,567,165	12,379,005,756	11,646,279,120	12,168,704,814	12,662,944,182

Source: KITUI County Treasury.

3.3 EXPENDITURE PROJECTIONS

154. In order to redirect expenditure to priority programs, county departments will review their budgets with the goal of removing low-priority expenditures and one-time expenditures from previous years in order to realize savings that can be realigned/reallocated to high priority programs and ensure completion of ongoing projects.

155. The performance of previously sponsored projects/programs will also be evaluated in order to improve development project execution and absorption capability. This will also guarantee that initiatives are properly planned and performed.

Table 3 below shows the proposed ceilings per spending entity.

Table 3: COUNTY FISCAL STRATEGY PAPER FY 2023/24 CEILINGS PER SPENDING ENTITY

VOTE	County Ministry	Recurrent Estimates		Total Recurrent Estimates	Development Estimates	Total Budget Estimates	% of the Total Budget
		PE	O&M				
3711	Office of the Governor	578,217,887	593,426,242	1,171,644,129	785,000,000	1,956,644,129	16.8%
3728	Office of the Deputy Governor	61,710,454	89,446,732	151,157,186	63,200,000	214,357,186	1.8%
3729	Ministry of Water & Irrigation	58,194,466	60,257,567	118,452,033	467,507,486	585,959,519	5.0%
3730	Ministry of Education, Training & Skills Development	612,571,218	67,226,591	679,797,809	235,183,917	914,981,726	7.9%
3731	Ministry of Roads, Public Works & Transport	99,203,247	68,105,112	167,308,359	548,251,340	715,559,699	6.1%
3716	Ministry of Health & Sanitation	2,497,270,315	916,196,455	3,413,466,770	129,340,824	3,542,807,594	30.4%
3732	Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives	77,217,227	83,226,781	160,444,008	215,458,990	375,902,998	3.2%
3733	Ministry of Energy, Environment, Forestry, Natural & Mineral Resources	77,413,543	25,097,687	102,511,229	160,137,928	262,649,157	2.3%
3734	Ministry of Culture, Gender, Youth, ICT, Sports & Social Services	22,123,713	35,229,309	57,353,022	138,850,914	196,203,936	1.7%
3735	Ministry of Finance, Economic Planning & Revenue Management	323,189,953	277,932,319	601,122,273	0	601122272.6	5.2%
3722	County Public Service Board	31,847,496	52,404,547	84,252,043	0	84252042.9	0.7%
3723	County Assembly Service Board	478,403,137	398,689,101	877,092,238	-	877,092,238	7.5%
3724	Kitui Municipality	28,644,301	47,042,387	75,686,688	152,761,711	228,448,399	2.0%
3725	Mwingi Town Administration	25,850,143	31,612,326	57,462,469	29,900,000	87,362,469	0.8%
3736	Ministry of Agriculture & Livestock	264,931,809	40,510,302	305,442,111	498,005,609	803,447,720	6.9%
3737	Ministry of Lands, Housing and Urban Development	42,657,551	22,107,731	64,765,282	134,722,752	199,488,034	1.7%
	TOTALS	5,279,446,459	2,808,511,189	8,087,957,649	3,558,321,471	11,646,279,120	100.0%
	PERCENTAGES	45	24	69	31	100	

3.4 RECURRENT EXPENDITURE PROJECTIONS

156. Total recurrent expenditure budget in the FY 2023/2024 is estimated to be Kshs 8.08 billion as compared to kshs 8.67 billion of FY 2022/23. The wage bill is projected at Kshs 5.279 billion as compared to Kshs. 4.86 Billion in the FY 2022/23. The projected wage bill is 45 percent of total revenues.

157. 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.

158. 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 2023/2024 is 2.808 billion from FY 2022/23 is Kshs. 3.592 billion.

3.5 DEVELOPMENT EXPENDITURE PROJECTIONS

159. In the FY 2023/2024 the development expenditure is projected to be Kshs 3.46 billion which accounts for 30 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

160. 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 2023/24. 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 2023/24 fiscal framework is therefore fully financed.

3.7 RISKS TO THE 2023/24 COUNTY BUDGET FRAMEWORK

161. The risks to the fiscal framework for the FY 2023/24 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 a risk to the fiscal framework for the FY 2023/24. 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) The County's high wage bill that stands at 45.9%. 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 on 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

162. 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.

163. 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

164. 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.

165. 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.

166. 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.

167. 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.
- d) Implement a strict commitment control system to reduce the stock of pending bills.

3.9 GUIDING PRINCIPLES IN RESOURCE ALLOCATION

168. 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:

169. 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.

3.10 COUNTY'S ADHERENCE TO THE FISCAL RESPONSIBILITY PRINCIPLES.

170. The proposed MTEF adheres to the fiscal responsibility principles outlined by law: The development expenditures have been projected at 36 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 2023/24 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

171. Allocation of Departmental ceilings over the medium term has been informed by these guidelines. In the recurrent expenditure category, non-discretionary expenditures take first charge. This includes payment of Salaries and wages projected at 45.93 percent of the expected total revenue receipts. Other recurrent expenditures that include operations and maintenance account for 23.91 Percent of the projected total revenue. Development expenditure takes 30.16 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 4.

Table 4: Medium Term Department Ceilings, 2021/22-2023/24 (Kshs)

Vote	Spending Entity	Approved Estimates 2021/22	% of the Total Budget 2022/23	Approved Estimates 2022/23 (A)	% of the Total Budget 2022/23	Projected Estimates 2023/24 (B)	% of the Total Budget 2023/24	Change from the 2022/23 Budget (B-A)	% Change from the 2022/23 Budget
3711	Office of the Governor	1,796,881,967	14	2,006,331,803	16	1,956,644,129	17	-146,287,674	22.7
3728	Office of Deputy Governor		0	72,553,016	1	214,357,186	2	129,081,135	-20.0
3712	Department of Public Service Management and Administration	542,905,844	4	138,201,788	1	0	-	-138,201,788	21.4
3729	Ministry of Water & Irrigation	1,385,368,195	11	657,470,379	5	585,959,519	5	-99,673,377	15.5
3730	Ministry of Education, Training & Skills Development	756,457,050	6	684,778,736	6	914,981,726	8	241,409,524	-37.4
3731	Ministry of Roads, Public Works & Transport	953,339,246	8	900,888,158	7	715,559,699	6	-141,949,341	22.0

3716	Ministry of Health & Sanitation	3,659,074,318	29	3,619,190,402	29	3,542,807,594	30	-43,544,263	6.7
3732	Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives	426,422,006	3	241,647,525	2	375,902,998	3	143,105,213	-22.2
3733	Ministry of Energy, Environment, Forestry, Natural & Mineral Resources	266,110,361	2	305,987,775	2	262,649,157	2	-38,408,225	6.0
3734	Ministry of Culture, Gender, Youth, ICT, Sports & Social Services	199,186,734	2	217,751,839	2	196,203,936	2	-14,627,173	2.3
3735	Ministry of Finance, Economic Planning & Revenue Management	767,570,305	6	581,993,591	5	601,122,273	5	63,727,948	-9.9
3722	County Public Service	37,989,707	0	84,278,383	1	84,252,043	1	10,268,432	-1.6

	Board								
3723	County Assembly Service Board	1,007,399,062	8	1,529,877,619	12	877,092,238	8	-652,785,381	101.2
3724	Kitui Municipality	305,669,631	2	290,696,976	2	228,448,399	2	-53,007,191	8.2
3725	Mwingi Town Administration	113,284,137	1	114,257,871	1	87,362,469	1	-20,685,222	3.2
3736	Ministry of Agriculture & Livestock	130,459,448	1	798,973,486	6	803,447,720	7	13,220,404	-2.0
3737	Ministry of Lands, Housing and Urban Development	151,657,262	1	134,126,409	1	199,488,034	2	103,248,743	-16.0
	Total Voted Expenditure Kshs	12,499,775,273	100	12,379,005,756	100	11,646,279,120	100	-645,108,236	100.0

Source: County Treasury

3.12 PRUDENT MANAGEMENT OF FISCAL RISKS

3.12.1 PENDING BILLS

172. Pending Bills have become a matter of national interest. They negatively impact local enterprises causing an undesirable ripple effect to the economy. The ultimate consequences of Pending Bills are; businesses shutting down, loss of jobs, shrinking of purchasing power, lenders suffering increase in non-performing loans, poverty increase and inequality widening leading to dwindling of individual, county and national savings. The resulting slump in economic growth impacts the government through delays and reductions in tax remittances leading to fiscal imbalances and reduction in borrowing capacity.

173. H.E the Governor gazetted a committee known as Kitui County Pending Bills Review Committee 2022, through gazette notice No.11948 dated 7th October, 2022 to verify Claims and Pending Bills and audit the procurement processes. The purpose of the committee was to advise and guide the County Government on the settlement of genuine Pending Bills. The Committee commenced the exercise on 21st October, 2022 and completed it on 6th February 2023. The committee received and analyzed a total of 1585 Claims and Pending Bills totaling to **Ksh. 2,560,718,638.82**.

174. These were categorized into works, supply of goods, consultancy, non-consultancy and legal matters. After analysis of the same, the total value of Eligible Bills was Kenya Shillings One Billion, Four Hundred and Thirty-One Million, Two hundred and Twenty-Six thousand, Nine and Sixty-Five cents (**1,431,226,009.65**) making up 55.89%. The total value of Ineligible Bills was Kenya Shillings One Billion, One Hundred and Twenty- Nine Million, Four Hundred and Ninety-Two Thousand, Six Hundred and Twenty-Nine and Seventeen Cents Only (**Ksh. 1,129,492,629.17**) making up 44.11%.

175. Legal matters had court decrees and arbitral awards totaling to Kenya Shillings Five Hundred Thirty-Three Million, Six Hundred Thirty-One Thousand, Four Hundred and Eighty-One and Thirty-seven Cents (**Ksh. 533,631,481.37**). The Legal Claims and Pending Bills payable constituted 37.28% of the total payable Claims and Pending Bills. The County Government incurred these huge costs mostly due to illegal termination of contracts and non-appearance in court to defend cases. Some legal firms handling county legal matters submitted legal fee notes which were not negotiated.

176. Ineligible Claims and Pending Bills which are not payable until defects are rectified and valuation of works for abandoned projects is done amounts to Kenya Shillings Four Hundred and Sixty-Five Million, Seven Hundred and Fifty-Nine Thousand, Eight Hundred and Thirty-Eight and Sixty-Six Cents (**Ksh. 465,759,838.66**).

177. It is also worth noting that Kitui County Textile Centre (KICOTEC) Claims and Pending Bills amounting to **Kshs. 61,020,138.76** were not payable since there was no evidence of procurement provided by the management.

4.0 DEPARTMENTAL/ SECTOR PRIORITIES FOR THE FY 2023/2024 COUNTY FISCAL STRATEGY PAPER

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
Office of the Governor	Public Service and General Administration	Operations and Maintenance (O&M)	Enhanced service delivery: PE	328,217,887
		Personnel Emoluments (PE)	O&M	578,217,887
				906,435,774
		Education support programme (Pro-poor)	Enhanced transition and retention of the needy students in schools	120,000,000
		Community Level Infrastructure Development Programme (CLIDP)	Improved social economic life and enhance living standards for Kitui County residents	575,000,000
		Refurbishment/partitioning of buildings (staff offices)	Improved service delivery	10,000,000
				705,000,000
				1,611,435,774
	Office of the County Attorney	Operations and Maintenance (O&M)	Enhanced service delivery	60,000,000
	Governors Service Delivery Unit & Public Communication	Operations and Maintenance (O&M)	Enhanced service delivery	60,058,800

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
	Decentralized units, SEKEB and Intergovernmental relations	Civic education programmes in collaboration with other stakeholders	Well informed citizenry	10,000,000
		Completion of Ward Offices		70,000,000
				80,000,000
		Rent Offices for Village Administrators	Efficient and effective Service delivery	9,600,000
		Operations and Maintenance (O&M)	Efficient and effective Service delivery	50,000,000
		Purchase of a vehicle for Chief the Officer	Efficient and effective Service delivery	7,000,000
		Purchase of a vehicle for the Directorate	Efficient and effective Service delivery	6,000,000
		Purchase 2 of vehicles for Sub County Administrators	Efficient and effective Service delivery	12,000,000
		Constitution of Liquor Licensing Board and various committees as outlined in the Alcoholic drinks control act,2014 and operationalization	Enhanced economic growth	10,000,000
		Casuals: Engage market cleaners	Improved health for Kitui County public	15,000,000
		To support and operationalize SEKEB Secretariat and governing structures as provide for in the SEKEB Act 2022	Functional SEKEB Secretariat with structures.	17,549,555
		To support cooperation, consultations and coordination of intergovernmental relations as provided for in Intergovernmental Relation Act 2012	Effective intergovernmental relations	10,000,000

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		Capacity building and training.	Effective service delivery.	8,000,000
				145,149,555
				225,149,555
	Grand Total			1,956,644,129
Office of the Deputy Governor	General Administration Planning and Support Services	Personnel Emoluments (PE)	Enhanced service delivery - PE	61,710,454
		Operations and Maintenance (O&M)	O&M	10,146,732
		Sub Total		71,857,186
	Tourism, Hospitality and Game Reserves Department	Development of Ikoo Valley (Bazaar View Point) and Development of Yanzuu Rock Retreat centre	Provision of social amenities for visitors and better view of the attraction site	2,000,000
		Development phase 2 of Kalundu Eco-park (Swimming pool , Orphanage, Zipline, Quick Shops, Benches, Nature trails, Landscaping)	Increase visitation to more than 1000 persons per week and enhance revenue collection	2,000,000
		Development of Tourism support infrastructure and Promotions: Museve Shrines; Mumoni and Mutitu hills IBA centres	Increase access and visitation to the shrine	8,000,000
		Construction of snake house and operationalization of Mutomo reptile park(Snake cages installation and stoking)	Increased tourists numbers to Mutomo Reptile Park	7,500,000
		Construction of entry gate at Tulima and	Provide a control point for accessibility	

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		sentry house(Establishment of reserve boundary, preparation of architectural designs and Bills of Quantities)		1,000,000
		Establishment of a rangers base at Kalalani Primary to a County/KWS Rangers camp (For posting once the rangers are trained). Drilling of a borehole at Kalalani base	Improved security within South Kitui National Reserve)	3,500,000
		Marking up and beacons of 143 km cut line and access roads for game drives and security surveillance	To curb encroachment and enhance security	200,000
		Drilling of borehole at Kaningo HQs, Clearance of 74KM cutline(Wikithuki-Mitamisiyi) Establishment of security base at Masyungwa/Mandongoi Renovation of George Adamson picnic site, Opening up of Ikime campsite, renovation of Masyungwa Gate; Community sensitization and awareness creation on human – wildlife conflict and tourism benefits	Operationalize and secure the protected area for tourism development as per vision 2029 on little visited game reserves; Minimize on human- wildlife conflict	9,000,000
		Establishment of Kanyonyoo community wildlife conservancy with Grading and opening up of access and feeder road, Development of county conservancies bill and Training of Rangers / Wardens	Improvement of wildlife conservation, Ease on accessibility for game drives and security patrols, Regulate and manage establishment of community conservancies, Restored/Restocked Wildlife habitats	11,000,000
		Sub Total		44,200,000
	Performance	Operation & Maintenance		

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
	Contracting, Disaster and Emergency Services Department	Capacity build through technical assistance programmes.	Efficient service delivery	2,000,000
		Establishment of a fully-fledged department of performance contracting, disaster and emergency services	Reduced risks and harmful effects of disasters and calamities	1,500,000
		Response to emergencies and support services informed by need and research (response to drought, sanitation, floods, fire, human-wildlife conflict and any other disaster)	Reduced risks and harmful effects of disasters and calamities	15,000,000
		Reward on top 3 ministries under performance appraisal system rank 1 -1/4 of the basic, rank 2 -1/8 basic and rank 3 - 1/12 of the basic	Boosted staff motivation	30,000,000
		Public sensitization on matters of disaster risk reduction, preparedness, response and recovery	Reduced disaster risks	2,000,000
		Review of performance guideline, Negotiation and vetting of performance targets for all the departments (3 Weeks this will involve payment to facilitators, independent evaluators, conference hall and catering services)	Enhance public service delivery	1,000,000
		Mid- year review of the performance Contracts (PCs) (One week) – independent evaluators, hall and catering services	To assess and monitor implementation of the targets set in the PC	1,500,000
		Quarterly Reviews and Reports to the relevant Agencies dealing with the cross-	To assess and monitor implementation of the targets sets	1,300,000

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		cutting issues		
		Evaluation, Monitoring and ranking of the departments (2 Weeks) done by independent evaluators	To assess implementation of the performance contracts by the departments	2,500,000
		Performance evaluation report dissemination forum (Doom tent, allowances to the staff and catering services)	To enhance public service delivery within the County	3,000,000
		Rewards and sanctions to the departments	To enhance public service delivery	1,500,000
		Inter-Ministerial Committee plus secretariat (Committee allowances and catering services)	To enhance public service delivery	1,000,000
		Purchase of Motor vehicles for the Deputy Governor and Performance Contracting, Disaster and Emergency Services Department.	To enhance public service delivery within the County.	17,000,000
			Sub Total	79,300,000
		Construction of Emergency Response Center, Equipping the Resource Center, 24/7 Call center operation		6,000,000
		Procurement of fire engine equipment for Mwingi Municipality	Ensure prompt response to fires	5,000,000
		Purchase of Emergency response Center Management software		8,000,000
			Sub Total - Development	19,000,000
			Sub Total -Department	

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
				63,200,000
			Total	214,357,186
Ministry of Water & Irrigation	Water and Irrigation	Personnel Emoluments (PE)		58,194,466
		Operations and Maintenance (O&M)		60,257,567
				118,452,033
	Irrigation Department	Construction of 5 cluster irrigation projects	Farm productivity & income generation	5,000,000
		Athi-Kilawa Irrigation scheme	Farm productivity & income generation	-
		Solar powered irrigation	Farm productivity & income generation	2,507,486
		Construction of sand dams	Enhanced water resources for small-holder irrigation	160,000,000
				167,507,486
	Water Department	Drilling and Equipping of Boreholes	Reduced distances to safe, clean and affordable water	50,000,000
		Construction/desilting of Mega earth dams	Reduced distances to water sources for both domestic and livestock uses	55,000,000
		Construction/desilting of medium earth dams	Reduced distances to water sources for both domestic and livestock uses	50,000,000
		Construction/desilting of small earth dams/pans and Feasibility Studies (Surveys & designs of water supply infrastructure)	Reduced distances to water sources for both domestic and livestock uses	42,000,000
		Construction/Extension of water pipelines	Reduced distances to safe, clean and	

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		including Spring Water Supplies	affordable water	30,000,000
		Construction of Sump Well Water Supplies (Sand/sub-surface dams with uptake wells, infiltration galleries and distribution lines)	Reduced distances to safe, clean and affordable water	20,000,000
		Water Supplies maintenance, repairs & rehabilitations and Committees capacity bulding	Reduced downtime to rural community water supplies	23,000,000
		Subsidies to Water Service Providers (WSPs), Kiambere-Mwingi Water & Sanitation Company (KIMWASCO) & Kitui Water & Sanitation Company (KITWASCO).	Ensure continuous supply of affordable water to urban areas of the county	30,000,000
				300,000,000
			467,507,486	
			Total - Ministry of Water and Irrigation	585,959,519
Ministry of Education, Training & Skills Development	General Administration Planning and Support Services	Personnel Emoluments (PE)	Improved Service Delivery	612,571,218
		Operations and Maintenance (O&M)		60,726,591
			673,297,809	
	Education, Training and skills Development	Construction of 40 ECDE classrooms	High Learner Achievement	48,000,000
		Construction of 40 modern feeder ECDE classrooms	Increased Enrolment	48,000,000

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		Purchase of fixed outdoor play equipment	High Learner Achievement	4,635,000
		ECDE feeding and Deworming programme	Improved Learner Achievement, Increased enrolment	3,000,000
		Provision of anthropometric tools ie: weighing scale, MUAC tape, length and height board	Improved learner health	5,278,917
		Teaching and learning materials	Improved quality of education, Improved learner attainment	5,910,000
		ECDE Furniture	Improve pupil :desk ratio, Improve learner motivation	12,000,000
		Construction of Child care facilities	Improved health of the learners, Relief to the working mothers	5,000,000
		Supply and installation of water tanks to ECDE centres	Improved learning condition, Improved learner health	2,000,000
		Wash programme – ECDE toilets	Learners practice proper toiletry, Sustained good health of learners	5,000,000
		Collaborative strategies for improvement of education standards.	Improved performance in the national exams	2,000,000
		i. Consultative meetings on Education	Improved learner achievement	3,000,000
		iii. Benchmarking		3,000,000
	iv. Mentorship			
	Education, Training and skills Development	Face lifting of existing VTCs.	Improved infrastructure.	20,000,000
Establishment of ICT centres in VTCs without		Quality training in the VTCs, Equipped ICT centres, Learning of ICT Technology	6,000,000	

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		-Supply of tools and Equipment	Increased number of tools and equipment, Better ratio of trainee/tool ratio	13,000,000
		-Establishment of 10 new VTCs/operationalizing VTCs under the Community	Improved infrastructure. Quality training in the VTCs.	6,000,000
		-Provision of Start- up tool kits to VTC graduates	Smooth transition of VTC graduates to work environment	12,000,000
		Employment of 50 VTC instructors	Enhanced youth skills	6,500,000
		Capacity Building of VTC instructors, supervisors and BoMs on implementation of CBC and school management (Training of BoM members and VTC instructors on CBC)	Constitution of Boards of Management of VTCs and induction	3,000,000
		Establishment of a centre of specialization and homecraft centres at Manyenyoni ,Kanyonyoo and Syongila (Current KIYODEC,Leather industry &KICOTEC) in Masonry,leather work and clothing)	New equipment and infrastructure	10,000,000
		Capitation (payment of tuition and operations fees for trainees)	Improved training materials and stationery	18,360,000
				241,683,917
Totals				914,981,726
Ministry of Roads, Public Works &	General Administration Planning and	Personnel Emoluments (PE)	Improved Service Delivery	99,203,247

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
Transport	Support Services			
		Operations and Maintenance (O&M)		68,105,112
	Total PE & OM			167,308,359
	Roads Department	Construction and maintenance of roads, box culverts, slabs and drifts	Improved mobility, accessibility, connectivity and safety	254,251,340
		Dustless Towns programme in which market roads will be upgraded to bitumen standards	Improved Mobility, accessibility, connectivity, safety and Security and reduced dust in towns and market centres.	50,000,000
		Access Roads (Fuel, in-house grading works)	Improved Mobility, accessibility, connectivity safety and Security	30,000,000
		In-house grading and Bush clearing 2000km-50km per ward (Hire of MTF graders to aid in implementing grading works)	Improved Mobility, accessibility, connectivity safety and Security	40,000,000
		In-house gravelling and dozing works	Improved accessibility, connectivity and safety	13,000,000
	Transport and bodaboda Sector	Maintenance of Plant, Machinery and Equipment, and Motor Vehicles	Improved service delivery leading to well-maintained infrastructure	23,000,000
		Purchase of Heavy Plant Machinery (Low-loader) and Motor Vehicles	Improved service delivery leading to well-maintained infrastructure	55,000,000
		Purchase of Motor Vehicles (2 utility vehicles for CECM and CO, 2 double cab pickups)	Improved service delivery leading to well-maintained infrastructure	
		Purchase of Workshop Tools, Spares and Small equipment	Improved service delivery leading to well-maintained infrastructure	5,000,000

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		Purchase of Plant Machinery Tyres and accessories	Improved service delivery leading to well-maintained infrastructure	8,000,000
		Formulation of Policy and legislative framework, and self-regulating mechanisms to ensure effective registration, regulation, monitoring and governing of the sector to facilitate unlocking its full potential.	Improve and promote organized and accountable bodaboda transport operators	15,000,000
		Construction of bodaboda sheds and related infrastructures	Improved working conditions	15,000,000
	Public Works section	Proposed Completion of stalled offices at Kyusyani and associated Electrification.	Completion of indicated Departmental offices	5,000,000
		Proposed Completion of stalled offices at Kabati together with associated Electrifications.	Completion of indicated Departmental offices	8,000,000
		Proposed other civil and infrastructural works existing Headquarters offices	Completion of indicated infrastructure structures.	5,000,000
		Construction of Ministry of Roads, Public Works & Transport Offices	Consolidate Ministry offices at one place for better and efficient service delivery	22,000,000
			Sub Total	548,251,340
			Total	715,559,699
	Health and Sanitation	Medical services	PE	Enhanced service delivery
Casual wages			Enhanced service delivery	1,800,000
FIF			Enhanced service delivery	

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
				327,161,455
		Refined fuel	Enhanced service delivery	3,000,000
		Maintenance of vehicles/purchase of tyres and tubes	Enhanced service delivery	5,000,000
		Staff training (Capacity building)	Enhanced service delivery	5,000,000
		Training of health facility management committees	Enhanced service delivery	5,000,000
		Printing and Distribution of assorted Registers and Summary tools	Improved reporting rates	11,292,000
		Purchase of 2 vehicles for the COs	enhance healthcare delivery in the facility	-
		Other O&M(Utilities, DSAs, general office supplies, purchase of computers and catriges, purchase of office furniture, communication-airtime, internet, courier and postal services, etc)	Enhanced service delivery	8,710,320
		Total PE and O&M		1,247,889,136
		Development		
		Upgrading of the kitchen at KCRH	Improve nutritional status in the facility	1,000,000
		Completion of Construction of stone Fence at Mwingi Level IV Hospital	Improved security in the two facilities	5,000,000
		Expansion of 3 hospitals to enable them attain Level IV status (completion of Tseikuru x-ray department , completion of Kauwi x-ray block, completion of Mutitu	enhance healthcare delivery in the facilities	6,000,000

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		theatre)		
		Completion of Construction of a medical store at Kitui County Referral Hospital and Mwingi level IV hospital	Minimized stock outs	5,000,000
		completion of Construction of surgical and amenity block at KCRH	enhance healthcare services in the County	6,000,000
		Completion of blood satellite at KCRH	enhance healthcare services in the County	3,585,824
		Construction of Nzamba Kitonga Memorial Hospital	enhance healthcare services in the County	20,000,000
		Completion and equipping of mortuaries in KCRH and Mwingi level IV hospitals	Better preservation of bodies	8,000,000
		Construction and equipping of psychiatric unit at KCRH	Enhance capacity to handle Psychiatric patients	4,000,000
		Operationalization of cancer centre at KCRH	enhance healthcare delivery in the facility	4,000,000
		Completion of Installation of integrated health management information system(IHMIS) in Hospitals	enhance healthcare delivery in the facility	5,000,000
		Completion of stalled Maternity/ paediatric ward at KCRH	Reduced maternal and child mortality rates	8,000,000
		Completion of Construction of a female ward at Mwingi Level IV hospital	Reduced maternal and child mortality rates	6,000,000
		Total development		81,585,824
		Total Medical Services		1,329,474,960
	Public Health and	PE	Enhanced service delivery	

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
	Sanitation			861,479,556
		Casual wages	Enhanced service delivery	13,505,000
		50% DANIDA counter-part funding	Enhanced service delivery	12,555,000
		Primary Health Centres funding (health centres and dispensaries funding)	Enhanced service delivery	42,555,000
		Refined fuel	Enhanced service delivery	3,509,680
		Maintenance of vehicles/purchase of tyres and tubes	Enhanced service delivery	3,000,000
		Staff training (Capacity building)	Enhanced service delivery	2,500,000
		Other O&M(Uilities, DSAs, general office supplies, purchase of computers and catriges, purchase of office furniture, communication-airtime, internet, courier and postal services, etc)	Enhanced service delivery	9,707,429
		Purchase of 8 motorbikes for the 8 sub-counties	enhance healthcare delivery in the facility	2,800,000
		Stipend allowances for the 2470 CHVs	Increased access to healthcare services	88,920,000
		Total PE and O & M		1,040,531,665
		Development		
		Renovations of health facilities (Health centers and dispensaries-Yatta Health centre,Thitani health centre,Mbitini health centre)	enhance healthcare delivery in the facilities	10,000,000

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		Completion of Construction of 7 classrooms and Ablution block at Mwingi MTC	Enhance training capacity in the county on health matters	-
		DANIDA 50% funding	Enhanced service delivery	12,555,000
		Total Development		22,555,000
		Total Public Health & Sanitation		1,063,086,665
	Drugs and Medical Supplies management	PE	Enhanced service delivery	754,865,398
		Casual wages	Enhanced service delivery	1,200,000
		Refined fuel	Enhanced service delivery	3,000,000
		Maintenance of vehicles/purchase of tyres and tubes	Enhanced service delivery	2,000,000
		Staff training (Capacity building)	Enhanced service delivery	2,500,000
		Maintenance of medical equipment	Enhanced service delivery	1,500,000
		Supplies for production (Kitui Pharma Industries -raw materials)	enhance healthcare delivery in the facility	3,600,000
		Other O&M(Utilities, DSAs, general office supplies, purchase of computers and catriges, , purchase of office furniture, communication-airtime, internet, courier and postal services, etc)	Enhanced service delivery	6,380,572
		Pharms and non-pharms	Enhanced service delivery	

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
				350,000,000
		Total PE and O & M		1,125,045,970
		Development		
		Equipping and furnishing of new Outpatient Department (OPD)/ casualty Department for Kitui County referral hospital	Enhance healthcare delivery in the facility	5,000,000
		Purchase of the following laboratory equipment for the Hospitals: a Blood bank freezer; a Blood bank refrigerator; 3 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 3 hospitals with: Automated biochemistry analyser, Automated hematology analyser, Analytical balance, Electrolyte analyser, Laboratory incubator and a Microscope. The facilities are: Tseikuru, Migwani, Mutitu.	Improve diagnostic services in the facilities	10,000,000
		Purchase of medical equipment for rehabilitation departments in KCRH and Mwingi Level IV Hospital (Gym unit @ 2,400,000, Shortwave diathermy @ 1,500,000, Vacuum sanction machine @ 1,100,000)	enhance healthcare delivery in the facility	4,000,000
		Equipping of surgical/amenity ward at	enhance healthcare delivery in the	

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		mwingi level IV hospital	facility	4,000,000
		Expansion of Ikutha hospital to attain Level IV status (Equipping of Ikutha theatre-oxygen piping, lighting , anaesthesia mine tray,biochemistry machine, theatre lamp)	enhance healthcare delivery in the facilities	2,000,000
		Bio-medical engineering working tools	Improve maintenance of medical equipment	200,000
		Total development		25,200,000
		Total drugs & Medical supplies management		1,150,245,970
Total Recurrent				3,413,466,770
Total Development				129,340,824
Grand Total				3,542,807,594
Ministry of Trade, Industry, MSMEs, Innovation & Cooperatives	General Administration, Planning and Field Support Services	Personnel Emoluments (PE)	Enhanced service	77,217,227
		Operations and Maintenance (O&M)	delivery	27,955,364
				105,172,591
	Department of Trade	Promote investment in the county by creating a conducive environment for doing business through improvement of	Improved markets	5,000,000

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		markets and creation of national and foreign market linkages for local products		
		Operationalization and marketing of the county's six Economic and Investment Zones (EIZs),	Improvement investment and County economic growth	7,500,000
		Establishing livestock auction markets	Improved livestock market	5,000,000
		Construction of modern Market storage facilities	Improved Market storage facilities	4,540,000
		Installation and maintenance of infrastructure to facilitate 24-hour economic activities	Improved market infrastructure to facilitate 24 hour working economy	5,000,000
		Facilitation and support in the acquisition of modern working equipment	Improved traders working environment	3,000,000
		Establishment of aggregation and Industrial Park at the six Economic and Investment Zones	Improved livelihoods through conducive business environment	150,000,000
		Ensuring safe and environmental friendly operations of crusher	Improved operations of crusher to generate revenue for the County government	6,918,990
		Capacity building on entrepreneurship and business skills to entrepreneurs	Trained entrepreneurs with Improved skills and knowledge on business and entrepreneurship	4,000,000
		Organize Investor Conference	Enhanced economic growth and investment	15,000,000
		Reinstate and organize an agricultural and trade fair	Improved farmers/traders skills and knowledge and enhanced market linkages	7,500,000

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		verifying weighing scales	weighing scales verified to enhance fair trade and consumer protection	2,000,000
		SUB-TOTAL		215,458,990
	Cooperative Department	Promote registration of new cooperative societies	Strong cooperative movement	4,271,417
		Co-operators Training	Enlightened cooperative Members	5,000,000
		Supervision of Society Elections	Improved governance	3,000,000
		Attend Cooperative Societies General Meetings	Improved Governance	2,000,000
		Attend Cooperative Societies Management Committee Meetings	Improved management	2,000,000
		Cooperative societies governance workshops	Improved leadership	3,000,000
		Inspection Of cooperative Societies	Enhance transparency and accountability	2,000,000
		Conduct cooperative audits	Enhance transparency and accountability	4,000,000
				25,271,417
	Marketing and Branding Unit department	Brand all county offices/premises at the county and ward levels	Enhanced awareness of county premises/properties	5,000,000
		Brand all county and properties e.g. vehicles and IT equipment	Reduced misuse and loss of county property	
		Branding of all county staff IDs, Business cards etc.	Enhanced staff identity recognition	
		Branded stand-up banners for all	Create clarity about each ministry's	

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		ministries, highlighting ministry vision. mission and objectives, duties and responsibilities, to be strategically placed at each ministry's main gates	key role and responsibilities; Act as guidance tool centre to all staff, as well as an information centre to other stakeholders	2,500,000
		Brand all ongoing county projects with standard county brand colours and architecture	Amplify and create awareness/visibility about the achievements /progress being made by the county government	1,000,000
		Branding all county tourist attraction sites, products and natural resource sites	Improve perception of the county business competitiveness and marketability of its products and tourist attractions.	2,500,000
		Develop and advise on creation of uniform standards for all branded county materials both internal and external use	Create brand uniformity and eliminate confusion hence enhance brand recognition and competitiveness	1,000,000
		Brand all Kitui county borders with other counties to eliminate confusion, eliminate future disputes as well assist in securing the county resources	Create awareness and eliminate county boundary confusions and likely future disputes	2,500,000
		Participate in all ministries' activities that require branding and whenever required offer all county ministries on advice branding of their various branding materials/ venues/activities	To ensure brand identity is conspicuous and consistently applied at all times	1,000,000
		Generate/procure various generic branding materials e.g. pull-p banners, tear drops etc. for each specific county ministries	Creation of a harmonious brand identity that communicates the same county theme, vision and mission consistently	2,500,000
		Procure branded give-away products for executive use e.g. calendars, diaries,	Boosting the county brand image	1,000,000

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		writing pads		
		In conjunction with roads authorities install county-branded light boxes to be used to generate advertising revenues	Increase of own-revenue from hire of the same	1,500,000
	2. MARKETING	Market surveys /research to establish demand/opportunities for Kitui products	Awareness creation	2,500,000
		Field sales and Marketing trips	Improved revenues	
		Collaboration with various sales outlets e.g. Supermarkets	Improved acceptance/awareness of county programmes and services	
		Participation on various sales and marketing forums/ exhibitions/ fairs/ conferences		
		Active participation in various sales and marketing forums e.g. exhibitions	Secure new markets and broaden existing ones	1,500,000
		Information pamphlets to highlight the various programmes being undertaken and success stories	Create awareness and acceptance of the existing county programmes	1,000,000
		Promotion through advertisements in various media where necessary	Increase the knowledge about resources and the available economic opportunities in the county	1,500,000
		Documentaries to market county products, attractions e.g. mining and game parks etc. and highlight the available investment opportunities	Improve game park visitation hence revenues, Improved number of investors in the county	1,500,000
		Create partnerships with various international entities to create awareness about investment opportunities in the county	Improved partnerships and improved investor interest and inquiries	500,000
Use social media as a marketing tool-To	Increased interest and more investors			

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		market Kitui county locally and internationally	to Kitui county	1,000,000
	Sub-total			30,000,000
	Total Development			270,730,407
	TOTAL			375,902,998
Energy, Environment, Forestry, Natural and Mineral Resources	General Administration	Personnel Emoluments (PE)	Enhanced service delivery	77,413,543
		Operations and Maintenance (O&M)	Enhanced service delivery	25,097,687
	Total PE & OM			102,511,229
	Environment and Forestry Department	County tree growing programme	Increased forest cover	3,000,000
		Forest and woodland conservation	Enhanced community livelihoods	
		Enziu, Upper Tyaa, Mumaki and Thua riverine rehabilitation and conservation projects	Improved water catchments	2,000,000
		Institute and operationalize Kitui County Climate Change Fund (KCCCF) by allocating 1.5% of the County Development budget to climate adaptation and mitigation projects;	Attract the Ksh 125,000,000 grant on climate change improved community livelihoods through FLLoCA Programme	52,012,700
		Promotion of environmental conservation in forested and protected areas, tree growing, Tree Nursery Establishments and enhanced community afforestation. (10M)		

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		Conservation of water catchment areas and rehabilitation of degraded ecosystems. (3M)		
		Institute measures for building community resilience against climate change through community led adaptation strategies. (10M)		
		Promotion of Sustainable waste management within the communities through trainings on Reduce, Recycling, Reuse (3Rs) (5M)		
		Promotion and training of communities on installation of clean cook stoves (3M)		
		Promotion of uptake of renewable energy to mitigate climate change. (10M)		
		Promote uptake of sustainable biomass and biogas technology. (3M)		
		Mapping, documenting, training and capacity building of artisanal and small-scale miners on value addition of gemstones and other minerals as a climate change adaptation measure (8M)		
		Conduct training and capacity building workshops on climate change mainstreaming of the CCU and other officers (6M)	Enhanced resilient amongst communities, v	22,000,000
		Development of a participatory Risk Assessment Report (4M)	Increased standards of living	
		Develop a Kitui County Climate Change		

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		Action Plan (4M)		
		Develop Ward Planning Committees. 17 in place 23 to be formed (6M)		
		Purchase of equipment, tools and stationeries for the climate change office and desk	A fully equipment centralized office to handle climate change in the county	1,000,000
		Training and capacity building communities on climate change resilience and 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, Increased standards of living	500,000
		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)		
		Publication and distribution of educational and awareness creation materials and media campaigns	Increased awareness on sustainable environmental conservation and management	500,000
		Utilize benchmarking for exposure to best practices in environmental sensitization		
		Mount trainings and workshops for our staff and community groups (youth and women) on environmental conservation		
		Develop solid waste management policy and strategy for the Kitui county	Improved hygiene and sanitation	1,000,000
		Acquire designs for an integrated waste		

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		management plant for Kitui County in collaboration with Municipalities		1,000,000
		Conduct and support clean ups in major towns and shopping centres in the County e.g. through awareness, public sensitization, communal activities and distribution of dustbins and brooms	Improved hygiene and sanitation	1,000,000
		Environmental research and development e.g. monitoring of trends in charcoal and sand harvesting and trade	Enhanced data development for decision making and management	2,000,000
		Facilitation of the environmental and conservation community user committees	Enhanced environmental conservation in the County	2,000,000
		Review and assessment of the Strategic Environmental Assessment (SEA) and Environmental and Social Impact Assessments (ESIAs) and Environmental Audits (EAs)	Enhanced compliance to environmental controls and regulations	500,000
	Energy, Natural and Mineral Resources Department	Rural electrification of institution	Enhanced access of	5,000,000
		Installation and maintenance of	Improved security and extended working hours	13,000,000
		Installation of solar powered water pumping systems.	Reduction in energy costs	5,000,000
		Promotion and training of	Reduced indoor air	2,000,000
		Establishment of 8 Sub County energy centres	Improved energy efficiency and conservation	2,000,000
		Training of local artisans on operations and maintenance of solar security lights in	Improved energy efficiency and conservation	2,000,000

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		partnership with EPRA and KEREA		
		Awareness creation on alternative sources of energy	Increased awareness on sustainable utilization of forest products and other alternative sources of energy in promotion of low carbon pathway.	2,000,000
		Promotion of sustainable and efficient production of briquettes	Enhance wealth creation and waste management	1,000,000
		Promotion of woodlots of fast maturing trees for wood fuel	Increased sustainable availability of wood fuel	1,500,000
		Training and capacity building of artisanal and small-scale miners on value addition of gemstones and other minerals	Increased awareness on mineral resources and improved skills of artisanal miners in Kitui County	2,000,000
		Conduct marketing and exhibitions of county gemstones in local and international mining forums including Mining Indaba in South Africa and other countries	Increased income generation to the local artisanal miners	900,000
		Hold artisanal mining committee meetings for evaluation and granting of artisanal mining permits	Enhance artisanal mining operations in the County	1,000,000
		To develop awareness, information, and education to communities in mineral rich areas of the county, establish and capacity build community liaison committees in Kanziko, Mui basin, Ikutha/Athi, mbandwani, Ngaie, and Twimuma	Enhance investment and benefit sharing to the community	2,000,000
		Formulation and implementation of sustainable mineral management policy	Increased investments into the county mining sector	2,000,000
		Formulation and implementation of	Increased awareness on sustainable	

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates	
		sustainable sand harvesting management policy and bill	mineral resources utilization in Kitui County	2,000,000	
		Geological assessment of mineral resources in Nguni, Ngomeni and Nuu wards in Kitui County	Enhance investment into the county mining sector	2,000,000	
		Construction of Gemology centre, mineral testing lab and offices at County Headquarters	Enhance minerals investments and revenue collection in the county	21,000,000	
		Gemstone and mineral testing laboratory equipment	Enhance minerals investments and revenue collection in the county	5,225,228	
		TOTAL		160,137,928	
	Total			262,649,157	
Ministry of Culture, Gender, Youth, ICT, Sports & Social Services	General Administration	Personnel Emoluments (PE)		22,123,713	
		Operations and Maintenance (O&M)		35,229,309	
				57,353,022	
	Sports		Develop Kitui Stadium – Perimeter wall		10,000,000
			Establishment of 10 sports facilities/village based		10,000,000
			Develop ultra-modern stadium in Kyoani Village in Ikutha ward in Kitui South Sub/county.		5,000,000
			Develop ultra-modern stadium in Kivou Village in Kivou ward of Mwingi Central		5,000,000

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		Sub/county.		
		County competitions and tournaments in popular sports disciplines to nurture, develop and expose sports talent (including Kenya Youth Inter-county Sports Association – KYISA and Kenya Inter-County Sports and Cultural Association – KICOSCA)		10,000,000
		Procure and Supply sports equipment such as uniforms, balls, nets and playing boots to all active Sports clubs in the County.		3,000,000
		Train sports federation officials and athletes in various sports to build up their capacity in all skills.		
		Formulate and operationalize a Sports policy		
	Gender and Social Services	Carry out outreaches to sensitize community members on GBV, referral services, reporting and other interventions	Achievement of gender parity in the county	2,800,000
		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	Enhanced collaboration and networking with partners	1,200,000
		Establish a Rescue Centre for GBV survivors in Kitui at Ikutha Level IV Hospital	Rescue centre established	5,000,000
		Operationalize the County Gender Policy	Policies in place	

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		and SGBV legislation.		2,000,000
		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 (AGPO), assist them to register businesses and train them on how to interact with contract application documents.	Sensitized and trained communities on AGPO	2,200,000
		Procure and supply materials for support of groups to start income generating activities as per the group requests – Socio-economic empowerment	Set soci-economic strengthening of groups	2,000,000
		Procure PWDs assistive devices such as wheelchairs and white canes	PWDs assistive devices provided	2,500,000
		Support marking and celebration of International Days; International Women's Day, International Day of Disability, International Day of African Child	International days celebrated	2,090,000
		Support children homes (CCIs) with food and other utilities	CCIs supported	2,000,000
	Culture	Rehabilitation / Protection of Cultural Centres in AIC Ikutha, AIC Mulango, Kavea caves and develop a Culture and	Support for cultural programs for schools, performing groups and artists and gazettement of naed heritage sites	2,400,000

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		Heritage Policy-	and Culture and Heritage Policy developed	
		Participate in the Kenya Music and Cultural Festival program in the Country.	Music and cultural festival held	1,550,000
		Identification, documentation, preservation and Promotion of historical and cultural sites:	Identification, documentation and preservation of historical and cultural sites	500,000
		Prefeasibility studies for Cultural sites and development of online repository for Kamba artefacts.	Prefeasibility studies done	
		Equip Mwingi and Kyoani Resource Centres complete with culinary and audio sets for seminar hosting	Resource centres equipped	1,500,000
		Operationalize Mwitika Social hall	Mwitika Social hall operational	2,500,000
		Support County and National Cultural Celebrations	County and National celebrations celebrated	10,000,000
		Purchase of band equipment for youth talent development in music and dance development of a recording studio	Band equipment purchased and recording studio developed	1,508,786
		organize and host the annual County Cultural Festival	Organize and host the Cultural Festival	
		Complete works at the Manyenyoni Resource Centre	Complete Manyenyoni Resource Center	2,000,000
		Mapping of 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	Comprehensive studies carried out on heritage in conjunction with NMK, KNATCOM, UNESCO and National Department of Culture	750,000

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		of herbalists and other cultural practitioners. Develop policies to facilitate promotion and preservation of culture and heritage in the county		
	Youth Development	Identify youth for training, secure placement to existing enterprises, monitor training, support post training to employment	Improved Youth Skills	19,852,128
		Construction and Equipping of an all-inclusive Youth Empowerment / talent Centre	Improved Youth Talent	20,000,000
		Conduct Baseline Survey to profile youth alongside skills (To identify skills available among youth for planning purposes on employability and training, To plan with locally available human resources in mind)	Improved Youth Talent	3,000,000
		Organize youth exchange programmes within and outside the county	Improved Youth Talent	1,000,000
		Organize one County forum on youth peace, national integration to sensitize youth on positive values, patriotism and peaceful coexistence.	Improved Youth Talent	2,500,000
		Conduct campaigns on responsible sexual behavior, contraceptives, teenage pregnancy, early marriages, abortion and HIV/AIDS prevention among the youth in all the wards	Improved Youth Talent	2,000,000
		ICT	Website design and development	Improved Youth Talent

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		Bulk SMS Platform	Improved Youth Talent	1,000,000
		Cloud-based Email Communication	Improved Youth Talent	1,000,000
		ICT Equipment Acquisition	Improved Youth Talent	3,000,000
		County employees using internet connection	Improved Youth Talent	1,500,000
		Centralization of ICT systems and network	Improved Youth Talent	3,000,000
		Asset register and tagging report	Improved Youth Talent	2,000,000
		ICT Policy sensitization	Improved Youth Talent	
		Expansion of Mobile Telephony Network in the County	Improved Youth Talent	500,000
		Establish a facility for mentorship, coaching and development of innovative talents in the ICT sector	Improved Youth Skills	1,000,000
		Installation of Wi-Fi in youth polytechnics	Improved Youth Skills	1,000,000
		ICT Equipment in ten two (10) Youth Polytechnics	Improved Youth Skills	4,000,000
		ICT Equipment maintenance in 22 Youth Polytechnics	Improved Youth Skills	3,000,000
	Total Development		Sub Total	158,850,914
	Totals		Total	216,203,936

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
Ministry of Finance, Economic Planning & Revenue Management	General Administration, Planning and Field Support Services	Operationalize staff emoluments and other general expenses.	Enhanced service delivery	323,189,953
		O&M	Enhanced service delivery	46,521,273
		Car & Mortgage Facility for County Executive Staff	Effective service delivery	60,000,000
	Economic Planning Department (Planning; Budgeting; M&E, and County statistics Divisions)	Dissemination of CIDP III	Timely completion of programmes/projects in CIDP III	10,000,000
		County budget preparation, implementation coordination and control	To ensure timely preparation and smooth implementation of the budget	20,000,000
		Development of Updated County Statistical Database/ County wellbeing survey in a form of booklet giving information per ministry.	Effective decision making	10,000,000
		Development of policies and plans – Including Strategic Plan for the Ministry	Increased County implementation of development projects	5,000,000
		Coordinate County Monitoring and Evaluation of programmes and projects and operationalization of County Integrated Monitoring and Evaluation System (CIMES).	Value for Money Projects and databank for county projects/ programmes	20,000,000
		Finance Department (Accounting, Revenue Management; County Audit and Procurement Divisions)	County assets management, investments and inventory control.	Registered county assets
		Automation of county operations and support to other revenue management services	Effective Reporting	15,000,000
		Cash management	To ensure timely budget implementation and payment	5,000,000
		Capacity building of staff	Efficient Service Delivery	

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
				20,000,000
		County Revenue reforms (formulation and implementation of revenue Management policy)	Regulated Revenue Collection and Management	5,000,000
		Purchase of 4 revenue vehicles for all the sub counties and One Vehicle for inspection purposes	Increased collection of revenue	15,000,000
		Improvement of Cess Collection point (Maintenance of existing cess points, installation of additional cess points at Kitui town and Mwingi town; Digitalization of Kwa vonza and Kanyonyoo Cess check point)	Increased collection of revenue	10,000,000
		Purchase of staff uniforms (revenue staff, Boots and rain coats and identification badges)	Ease identification and Increase collection of revenue	4,000,000
		Business data mapping	Increased generation of collected revenue	10,000,000
		Risk framework policy (Including Installation of Auditing software, establish Risk register)	Enhanced financial control and prudence	7,000,000
		Capacity building	Efficient Service Delivery	5,411,046
				277,932,319
Totals				601,122,273
County Public Service Board	County Public Service Board	Personnel Emoluments (PE)	Enhanced service delivery	31,847,496

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		Operations and Maintenance (O&M)		
		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,	13,061,145
		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.		
		Review and advise on departmental structures,	Optimal staffing levels within the County Government,	17,783,272
		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.		
		Sensitize Cos and HROs on Training policy,	Efficient delivery of county public services,	4,000,000
		Approve and authorize long duration training,	Motivated workforce,	

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		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.		
		Review and enhance the discipline procedure manual,	Efficient processing of Discipline cases	8,000,000
		Sensitize county HR Advisory Committee on discipline matters,	Disciplined County Public Service	
		Process and finalize discipline cases.		
		Review of Board Strategic Plan,	Clear direction on the operations of CPSB,	9,560,130
		Develop Board brand elements,	Efficient delivery on CPSB mandate.	
		Review Board Service Charter, and other policy documents,	Cut on Expenditure/Cost (Rent)	
		Purchase Board Vehicles,		
		Internet Connectivity,		
		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)		

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		Renovation of current CPSB offices,	Improving Board image	
		Installation of biometric system	Improved time management skills	
		LCD (screen)65” and projector	Ease Board operations	
		Sub Total		52,404,547
Totals				84,252,043
County Assembly Service Board	General Administration, Planning and Field Support Services	Personnel Emoluments (PE)	Enhanced service delivery - PE	478,403,137
		Operations and Maintenance (O&M)	Enhanced service delivery - O&M	360,169,101
				838,572,238
	Legislation, Oversight and Representation	Training and Development	Improved service delivery by members of staff in supporting the legislature	11,000,000
		Purchase of office equipment	Ease in duty performance by staff to effectively support the legislature.	10,000,000
		Training and Development	Improved legislation and oversight	17,520,000
				38,520,000
			877,092,238	
Kitui Municipality	Kitui Municipality	Personnel Emoluments (PE)	PE: Enhanced service delivery	28,644,301
		Operations and Maintenance (O&M)	O&M: Enhanced service delivery	47,042,387

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
				75,686,688
		Construction of 100No.modern stalls within the municipality	Increased trading space ,Conducive business environment for traders, Increased revenues	10,000,000
		Construction of 5 No. boda boda sheds.	Improved working environment	2,500,000
		Construction of perimeter wall at Kalundu market	Improved security in the market	8,000,000
		Renovation of three(3No.) public toilets in Kitui Town	Improved hygiene	5,000,000
		Construction of 1No new slaughter house outside town at Isaangwa	Conducive working area	20,000,000
		Refurbishment of Kitui Municipality offices(Wall repairs and floor tiling)	Improved working environment	5,000,000
		Formulation and facilitation of approval and adoption of Municipal policies on: Solid waste management and Kitui Municipality land subdivision policy	Sustainable urban management and utilization of resources	3,500,000
		Installation of 120 No. poles of solar powered security/streetlights with Concrete poles	Improved security and safe working environment	24,000,000
		Desilting of roads and drainages	Improved transport.	3,000,000
		Potholes patching and re-carpeting of tarmacked roads within Kitui Municipality	Improved transport infrastructure	10,000,000
		2.5km Installation of cabro paved walkways and parking slots in Kitui CBD	Improved mobility and walkability	11,000,000
		5km Walk ways, culverts, Storm water	Improved transport infrastructure	

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		drains in other towns within kitui Municipality		10,000,000
		Construction of parking bay at Kitui Municipality Office Block.	Conducive working environment	4,000,000
		Installation of parking shed for Fire engine vehicle	Safety of fire engine	4,000,000
		Fabricate 15 (Number) (@ Ksh. 500,000) waste bins (bulk bins/ skips))	Enhanced waste collection and temporal storage	7,500,000
		Maintenance of Kalundu Dump site- Excavation and relocation of wastes from Kalundu dumpsite to Kanyonyoo	Well maintained dump site, Well contained solid waste	7,261,711
		Purchase 2 No. Tractor mounted skip loader with front end loader	Enhance waste collection and disposal	18,000,000
				152,761,711
				228,448,399
Mwingi Town Administration	Administration Planning and Support Services	Personnel Emoluments (PE)	Enhanced service delivery	25,850,143
		Operations and Maintenance (O&M)	Enhanced service delivery	31,612,326
				57,462,469
	Development	Design and construction of municipal offices phase 1	Efficiency in service delivery.	5,000,000
		2 nd Phase of Rehabilitation of street lights	Improved security hence reduced criminal activities as well as aesthetic value	3,500,000
	Purchasing of 3/4 acre land for	Decongested Garissa highway and		

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		construction of Nguni/Garissa bus park	increased pedestrians' safety	3,500,000
		Beautification of town- between KCB Junction and Satsons petrol station	Improved town aesthetic value	4,000,000
		Extension of car park cabro paving works at Kanini Kaseo probox stage	Designated parking slots hence increased county revenue collection	3,500,000
		Construction of open storm water drainage and culverts from Mutunga diagnostic clinic to Mavoko stream	Increased connectivity, commercial activities and efficient mobility within the town and its environs.	4,000,000
		Construction of phase II of walling of the Mwingi Ngwatano Dumpsite	Improved solid waste and environmental management	4,500,000
		Construction/installation of slaughterhouse gate, slab and other renovation works	Enhanced security and sanitation at the slaughterhouse	1,900,000
				29,900,000
				87,362,469
Ministry of Agriculture & Livestock	Administration Planning and Support Services	Personnel Emoluments (PE)	Enhanced service delivery	264,931,809
		Operations and Maintenance (O&M)	Enhanced service delivery	40,510,302
				305,442,111
	Crop Development and Food Security	Procure 125 MT seeds(Promotion of drought tolerant crops production)	Increased productivity and profitability	22,418,088
		Procure of 0.17MT & 0.08 MT of seeds & pesticides to promote horticulture production through SHEP approach	Increased productivity and profitability)	5,800,000
		Establishment 1,800 kitchen gardens- Promote production of nutrient dense	Improved nutrition uptake	4,500,000

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates		
		vegetables.				
		Procure 10.67 MT of planting materials procured and distributed-Promote production of nutrients' fortified foods (Improved nutrition uptake	3,000,000		
		Promote cotton production (0.5 MT of pesticides procured & distributed)	Increased food safety	1,000,000		
		Promote utilization of locally produced foods (30 food utilization demonstrations conducted)	Increased food security	1,006,000		
		National value chain development programme (NAVCID)	Increased productivity and profitability	70,000,000		
		· Support 300 Farmer groups with micro-project investments				
		· Train 100 community members to support in extension service provision				
		· Facilitate 4,000 farmers and CIGs access financial services				
		· Farmer-led irrigation developed for 100 farmers				
		· Develop 1 market infrastructure				
		· Develop 1 farmer digital data platform				
		· 180 TOTs on TIMPs trained by KALRO				
		Emergency Locust Response Project (ELRP)			Enhanced livelihood resilience	70,223,000
						177,947,088
	0103003710 P3:	Promote agri-preneur skills (8	Improved skills			

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
	Agribusiness and Information Management	entrepreneurs trained)		1,000,000
	0103013710 SP3.1: Agribusiness and Market Development, including land development	Promote soil and water conservation (50 Levelling Kits procured and distributed)	Area of land conserved	250,000
		Subsidized tractor ploughing/Ripping (10,800 acres ploughed/ripped)	Improved agricultural productivity	20,813,444
		Procure 5 farm tractors	Increased productivity and profitability	32,500,000
		Procure 2 sub-soilers	Enhanced service delivery	1,000,000
		Procure 10 disc ploughs		6,000,000
		Procure 5 rippers		2,000,000
				63,563,444
		0103023710 SP 3.2 Agricultural Information Management (Agricultural Extension services)	Extension and Advisory services programme (100,000 farmers trained on GAP)	Increased agriculture production
	Refurbishment/Construction of 2 Offices (Kitui South & East Counties)		Improved work environment	6,000,000
	Procure 15 assorted Extension ICT equipment		Increased efficiency in service delivery	1,500,000
	Host 1 Kitui Agricultural show and trade fair		Increased technologies transferred	23,000,000
	Improving the capacity of ATC to provide quality services to farmers/customers		Improved service delivery by ATC	-
	10,000 tissue culture banana plantlets		Improved service delivery by ATC	

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
				1,000,000
		· 160 kg assorted fruit trees and vegetable seeds for ATC nursery	Improved service delivery by ATC	800,000
		· 5,000 packets of polybag tubes/sleeves	Improved service delivery by ATC	250,000
		Poultry/ Rabbit improvement programme	Enhanced productivity and profitability	2,000,000
		World Bank (Agriculture - Rural Growth)	Enhanced productivity and profitability	169,475,223
		Agricultural sector development support programme (ASDSP) [3 value chains supported]	Enhanced productivity and profitability	11,636,683
				225,661,906
				467,172,438
	0105003710 P5: Fisheries Development and Management	Aquaculture Development (12 ponds-climate smart) and 12 Dams stocking	Improved livestock production and productivity	4,698,400
	0105013710 SP 5: 1 Aquaculture Development			
				4,698,400
	0106003710 P 6: Livestock Resources Management and Development	Procure and distribute 15 incubators-Poultry breed improvement	Improved livestock productivity and profitability	1,500,000
	0106013710 SP	Procurement of 3000 doses of semen and		

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
	6.1 Livestock Production and Management	1000L of Liquid nitrogen		2,288,000
		Procure and distribute 3.3 MT of assorted pasture seeds-Establish 2,500 acres of pasture (Increased livestock pasture	4,134,615
		Establishment 38 pasture Demonstration farms (750 farmers reached in 20 farmer groups)		4,500,156
		Rehabilitate 1,500 acres (Identification and rehabilitation of denuded land through exclusions and sub soiling)		3,000,000
		Conserve 500 acres of range lands (Terracing, pitting, road run off harvesting)		2,500,000
		Procure and distribute 250 box hives and beekeeping equipment)	Increased honey and other hive products	2,500,000
				20,422,771
	0106023710 SP 6.2 Livestock Diseases Management and Control	Procure and distribute 100 motorized spray pumps, and 500lts Acaricides)	Improved livestock health	3,500,000
		Procure and 10,000 FMD 50,000, LSD 500,000, NCD 25,000 Anti rabiesand vaccinate 375,000 assorted livestock)	Improved livestock health	4,500,000
				8,000,000
				33,121,171
				500,293,609
				805,735,720

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
Ministry of Lands, Housing and Urban Development	Personal Emoluments	Personnel Emoluments (PE)	Effective service delivery to the public	42,657,551
	Operation and Maintenance	Operations and Maintenance (O&M)	Effective service delivery to the public	22,107,731
	Sub-Total			74,044,097
	Lands and Housing	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	2,750,000
		Data collection and analysis; Situation analysis presentation; Draft plan report	Guided development of land and infrastructure (Sustainable and optimum utilization of land resources)	21,500,000
		Notice of intention to plan, Reconnaissance survey Base map preparation, Data collection, Conduct consultative stakeholder meetings in conjunction with MCAs and Planning report Advertisement Publication for approval Approved plan	Guide land use and controlled development.	9,055,000
		Public participation in conjunction with County Assembly, Policy/Bill production, Presentation to the county assembly for approval.	Provide a legal and institutional framework guiding planning activities.	1,700,000
		- Preliminary training and capacity building of staff.	Ensure an authentic and clean land records and effective land administration.	8,500,000
		- Digitization of Plans and Other Spatial Records.	-Streamline and reduce the scope of land and property disputes, thereby	2,000,000


Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
			Improving transparency in the maintenance of planning records.	
		Collection of more data and storage into the existing geodatabase	Enhance efficiency in data storage and retrieval, which is key in making informed decisions	1,000,000
		-Data collection, preparation of a basemap, advertisement, survey works and approval.	Help reduce cases of land disputes and grabbing of public land.	1,500,000
		- 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.	2,000,000
		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.	1,936,922
		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	1,620,000
		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	700,000
		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	706,156
		To value all the county loose and fixed	Organised records for valued assets for	

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		(land and buildings) assets for insurance and book keeping purposes. Value buildings, land, plant and machinery, computers and accessories	insurance purposes or book keeping purposes	1,000,000
		Land Banking	Offer conducive business environment for county staff	20,000,000
				55,968,078
	Urban Planning/ Development	Establishment of Mutomo and Kyuso Town Administrations	Running Town administrations at Mutomo and Kyuso	21,500,000
		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.	3,954,000
		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.	
		Installation of street lights along the roads of 8 the urban areas.	Lighting of our urban areas and promoting 24 our economy hence increase income and enhanced revenue collection.	20,000,000
		Elevation of water Tanks and connectivity to water supply in our 6 urban areas.	Provision of water in the urban areas to promote live in terms of health and sanitation	1,000,000
		Construction of Transfer stations and installation of assorted dust bins at 8	To promote environmental cleanliness, health and sanitation.	1,000,000

Ministry	Department	Proposed Projects and Programmes for FY 2023/2024	Expected Outcomes	Budget Estimates
		grown Urban Areas in the county.		
		Public Participation on Establishment of new Municipalities	To promote businesses in our towns	2,000,000
		Upgrading to Bitumen Standard roads within the 6 Sub County Head Quarters using Low Volume Sealed Roads (LVSR)	Dustless towns hence Enhanced efficient transport and support effective service delivery through upgraded roads in the urban areas.	2,000,000
		Planting of trees along the urban roads and urban open spaces in the 6 Urban areas in the county	Increased vegetation cover and enhanced town aesthetics.	1,000,000
		. 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	2,500,674
		Construction 2 No fencing	Improved sanitation and security in estates	3,800,000
				58,754,674
				188,766,849
				11,646,279,120


ANNEX I: PUBLIC PARTICIPATION FORUM REPORT FOR THE COUNTY FISCAL STRATEGY PAPER 2023/2024


The County Treasury conducted Public Participation Exercise for the FY 2023/2024 County Fiscal Strategy Paper. The Public Participation Report for the County Fiscal Strategy Paper 2023/2024 is available on county website via the link: www.kitui.go.ke;

In addition, the report can also be accessed via the hyperlink below 

[FINAL FY 2023-2024 CFSP PUBLIC PARTICIPATION FORUM REPORT....pdf](#)

Further, the proceedings of the Kitui County Public Participation Forum on the FY 2023/2024 County Fiscal Strategy Paper (CFSP) were also being broadcasted live on **Facebook** and on **YouTube**

● Youtube  <https://youtu.be/dA5kMdMW15g>

● Facebook  <https://fb.watch/ihXbLZaA-k/>

ANNEX II: PICTORIAL PRESENTATION OF THE CFSP PUBLIC PARTICIPATION PROCEEDINGS



PICTURE 1: DEPUTY GOVERNOR H.E. AUGUSTINE KANANI WAMBUA-Chief Guest



PICTURE 2: CFSP PUBLIC PARTICIPATION IN SESSION



PICTURE 3: CFSP PUBLIC PARTICIPATION IN SESSION



PICTURE 4: CFSP PUBLIC PARTICIPATION IN SESSION



PICTURE 5: CFSP PUBLIC PARTICIPATION IN SESSION



Picture 6: Network of Civil Society Organization presenting CFSP Memorandum to Mr. Paul Kimwele, A.g. Chief Officer-Economic Planning and Budgeting

ADVERT FOR THE FY 2023-24 CFSP PUBLIC PARTICIPATION FORUM

Monday, January 16, 2023 THE STAR.CO.KE 7

NEWS GENERAL

IN THE RED

Knec broke as capital deficit hits Sh1.3bn, says auditor general

The report shows exams council had a budget shortfall of Sh684 million during the year

MOSES OCHAMBO
@TheStarKenya



The Kenya National Examinations Council is cash-strapped, joining the list of several state agencies declared insolvent by the Auditor general.

A new report after a review of the examinations agency's books as of June 30, 2021, reveals that the council is operating with negative working capital of Sh1.33 billion.

The report by Auditor General Nancy Gathungu shows that Knec had a budget shortfall of Sh684 million during the year.

The amount is almost double the shortage of Sh350 million reported in the previous year, revealing the extent to which Knec is in the red, and heavily indebted.

At the moment, the council's liabilities are to the tune of Sh3.07 billion which compares lowly with its assets worth Sh1.7 billion.

"The council is therefore technically insolvent and may not meet its short-term obligations when they fall due," Gathungu said.

"Its [Knec's] continued existence as a going concern is dependent upon financial support from its creditors and the government."

The auditor concluded that "in the circumstances, the continued existence of the council couldn't be confirmed."

Apart from the fees charged for administering exams by various testing bodies, Knec depends on the exchequer for survival.

KCPE and KCSE examination fees, which were the council's primary income, were waived by President Uhuru Kenyatta's administration.

Its liquidity, therefore, depends on when the National Treasury avails funds, a situation that has been blamed for delayed payments of contractors involved in logistics, security and production of exams.

An ugly sign of the tough times played out recently after teachers marking CRE exams walked out of a marking centre in protest over poor facilities.

Gathungu, in the telling audit, further revealed that taxpayers paid Sh455 million to a contractor for the delays in the completion of the New Mitihani House in South C, Nairobi.

The report reveals that millions awarded by the court after the contractor sued had been paid as of June 30, 2021. "Review of records revealed that the amount paid constituted the final dues to the contractor since the contract had earlier been terminated," Gathungu said.

For the umpteenth time, the delayed completion of the multi-billion-shilling office complex is raising audit queries.

Works on the block started 33 years ago but the building is yet to be completed, albeit some parts are already being utilised by Knec.

But with the project yet to be completed, the auditor is alarmed that the costs will escalate. "In the circumstances, the delays in completion of the project may lead to cost escalation due to inflationary pressures and the council may not get value for money for the project," Gathungu said.

At the height of its cash woes, Knec is unable to collect Sh25 million from debtors, including Sh19 million owed by an institute it helped administer exams for ECDE teachers in 2014.

Management explained that it had released the examination certificates to the Foundation Institute of Africa relating to the unpaid examination fees.



Kenya National Examinations Council head office at Mitihani House in Nairobi South C / CHARLENE MALWA

TO IN MISED

Four dead after matatu rams into cane trailer in Kakamega

CHETI PRAXIDES
@TheStarKenya



Four people died after a matatu rammed into a cane trailer in Musembe on the Eldoret-Webuye highway on Sunday morning.

Ten others were seriously injured during the 5.45am accident, according to witnesses.

The driver of the matatu, which was travelling from Bungoma to Nairobi, lost control of the vehicle and veered off the road, ramming the stationary cane trailer from behind.

The trailer is said to have been parked and was picking up casuals for the day's work.

Three passengers of the matatu died on the spot while a fourth one succumbed as he was being rushed to hospital.

The injured, including the driver of the matatu who is said to have sustained serious injuries, were taken to Lumakanda and Webuye hospitals in Bungoma and Kakamega counties respectively.

The bodies were taken to Kimbililo Funeral Home in Lugart, Bungoma county.

The accident happened a few months after eight people died at the same place after a matatu rammed into yet another stationary cane trailer. Residents want speed bumps erected on the road to reduce the growing loss of lives on the spot.

The scene of accident where four people died after a matatu rammed into a cane trailer in Musembe on the Eldoret-Webuye highway yesterday morning / CHETI PRAXIDES

COUNTY GOVERNMENT OF KITUI

TEL: 044-4422041, 4422304
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P.O. BOX 33 - 90200
KITUI

COUNTY TREASURY

INVITATION TO PUBLIC PARTICIPATION FORUM ON THE FY 2023/24 COUNTY FISCAL STRATEGY PAPER

Pursuant to Section 125(2) of the PFM Act 2012, the County Treasury hereby invites members of the public, civil society groups, private sector, state agencies and all other interested stakeholders to public consultative forums for the FY 2023/24 County Fiscal Strategy Paper. The County Fiscal Strategy Paper 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 County Integrated Development Plan 2023-2027 and the FY 2023/2024 Annual Development Plan.

The meeting will be held on **26th January 2022** at Kefri - Kitui Town from **10.00am**.

The draft FY 2023/24 County Fiscal Strategy Paper is available on Kitui County Government's website via link www.kitui.go.ke. The members of the public, civil society groups, private sector, state agencies and all interested persons or groups are also invited to submit their comments, memoranda and proposals for inclusion in the FY 2023/2024 County Fiscal Strategy Paper at the following offices:


1. Chief Officer's office, Economic Planning and Budgeting at the County Treasury.
2. Any of our Sub County or Ward offices

The public may also submit their views online via the email planning@kitui.go.ke so as to be received on or before **26th January, 2022**. The members of the public can also follow the proceedings through a link to be posted on Kitui County Government's website i.e. www.kitui.go.ke and the county's official social media platforms.

County Executive Committee Member
County Treasury

ANNEX III: LIST OF WARD LEVEL PROJECTS PROPOSED DURING THE CIDP 2023-2027 PUBLIC FORUMS ON 3RD NOVEMBER, 2022

The List of Ward Level Projects identified during Public Participation forums for the County County Integrated Development Plan 2023-2027 is available on county website via the link: www.kitui.go.ke;

The list can also be accessed via the hyperlink below 

[CGoKTI CIDP III PROPOSED PROJECTS.....pdf](#)