

# COUNTY GOVERNMENT OF SAMBURU



## **MEDIUM-TERM**

## **COUNTY FISCAL STRATEGY PAPER**

**January 2023**

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## Abbreviations and Acronyms

ASDSP	Agriculture Sector Development Support Programme
BPS	Budget Policy Statement
CFSP	County Fiscal Strategy Paper
CHMT	County Health Management Team
CIDP	County Integrated Development Plan
COVID-19	Corona Virus Disease 2019
CRA	Commission on Revenue Allocation
ECD	Early Childhood Development
FY	Financial Year
GDP	Gross Domestic Product
ICT	Information, Communication, and Technology
KSH	Kenya Shillings
MTEF	Medium Term Expenditure Framework
NARIGP	National Agriculture Rural Inclusive Growth Programme
PFMA	Public Financial Management Act 2012
SHMT	Sub County Health Management Team
SMEs	Small and Micro Enterprises
SNR	Samburu National Reserve

## Foreword

The 2023 Samburu County Fiscal Strategy Paper (CFSP) is prepared against a background of global economic slowdown underpinned by the ongoing Russia-Ukraine conflict, elevated global inflation, and the lingering effects of the COVID-19 pandemic and climate change related supply chain disruptions. As the effects of COVID-19 pandemic started to fade away, the Kenyan economy bounced back recording a GDP growth rate of 7.5 percent in 2021. However, the momentum has been disrupted again by the Russia-Ukraine conflict that has disrupted global trade with increased fuel, fertiliser and food prices. For the first time in five years the inflation rate in Kenya is above the Government target range mainly driven by supply side constraints occasioned by external shocks and climate related food and energy prices. The CFSP 2023 outlines the economic policies and sector priority programs to be implemented in the next MTEF period (2023/24-2025/26) whose priorities are derived from the Samburu residents and as anchored in the County Integrated Development Plan (CIDP), and the National Government's economic policy under Vision 2030.

The policy document outlines the following broad areas: a review of the fiscal performance of the first Six months of FY 2021/2022; highlights of the recent economic developments and economic outlook; broad strategic priorities and policies for FY 2023/2024 as indicated in the Annual Development Plan 2023/2024 and as outlined in the Samburu County Integrated Development Plan III (2023-2027). The County's priorities will be focusing on: Agriculture; Micro, Small and Medium Enterprise (MSME); Healthcare; Tourism promotion, Increased accessibility to water. Special focus will be placed on expanding the tax revenue base.

In the FY 2023/24 budget estimates, the total revenue is projected to be Ksh. **6.3 Billion**. This is comprised of an equitable share of **Ksh 5.5 Billion** as provided in 2023 BPS and **Ksh 485 Million** as Loans as well as unconditional and conditional grants. Own source revenue is projected to be **Ksh 256 Million** and ksh 50 million balance brought forward. The County Government has projected that overall expenditure will be equal to the forecasted County receipts for FY2023/2024. The County allocation for development expenditure will be **Ksh 1.9 Billion** which is 30.1% of total expenditure while recurrent expenditure will amount to **Ksh 4.4 Billion** which is 69.9 % of total expenditure.

The 2023 CFSP emphasizes containing costs and improving efficiency across government departments and entities. These efforts are expected to moderate the pace of public expenditure growth while accelerating the delivery of quality services. Spending baselines which are the basis for ceilings allocations have undergone rigorous review taking into account facts that which include: the capacity of departments and public entities to manage resources, the link between outcomes, expenditure and departmental mandates, proposals from the public, and Programme performance so far and the provisions of the Public Finance Management (County Governments) Regulations, 2015.

I therefore, call upon all Sector Working Groups to adhere to the hard sector ceilings, and the strict deadlines provided in this document to facilitate the finalization of the FY 2023/24 and the medium-term budget proposals.

**Hon. Silvana Kaparo**  
**CECM – Finance, Economic Planning, and ICT**

## Acknowledgment

The 2023 CFSP is prepared in compliance with the provisions of the Public Finance Management Act, 2012. The CFSP is a continuation of the County Government's efforts to ensure effective linkage between policies, planning, and budgeting. It provides an updated resource envelop and presents a fiscal framework for the next budget and the medium-term plan. It also updates the Medium Term Expenditure Framework (MTEF) for the financial years 2023/2024 to 2025/26. It also sets indicative sectoral ceilings in line with indicative priorities and programs in line with the available resources.

The 2023 Budget Policy Statement (BPS) from the National Treasury was a useful reference document on key issues and policy direction. We also acknowledge that the successful completion of this 2023 CFSP was made under the leadership of the county executive member for Finance, Economic Planning, and ICT Hon. Silvana Kaparo. Her advice, direction, and facilitation in carrying out the exercises are much appreciated. In summary, CFSP comprises; **performance, priorities, projections, and sector ceilings.**

While developing the budget proposals for the medium-term, the County Treasury undertook a critical scrutiny of budget execution reports of all county department and spending units in a view of curtailing growth of recurrent budget. In allocation of resources priority will be accorded to completion of ongoing projects especially those which are supportive of accelerating inclusive growth and sustainable development.

The preparation of the 2023 CFSP was a collaborative effort among various county departments/entities and we are grateful for their timely inputs. Special thanks goes to the County Executive Member for Finance and Economic Planning for steering the entire process of preparation of this policy document. I also wish to appreciate officers from all county departments and spending units for their immense contribution and input in the development of this County Fiscal Strategy Paper (CFSP).

**Mr. Solomon Letirok**

**Chief Officer - Finance Economic Planning and ICT**

## Legal Basis

### **Legal Basis for the Publication of the CFSP.**

The county fiscal strategy paper is prepared in accordance with Section 117 of the PFMA. The law states that:

**(1)** The County Treasury shall prepare and submit to the County Executive Committee the CFSP for approval and the County Treasury shall submit the approved CFSP to the County Assembly, by the 28<sup>th</sup> February of each year.

**(2)** The County Treasury shall align its CFSP with the national objectives in the BPS.

**(3)** In preparing the CFSP, 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 CFSP 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 CFSP, the County Treasury shall seek and take into account the views of —

- (a) the CRA;
- (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 CFSP 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 2020/21.

**(8)** The County Treasury shall publish and publicize the CFSP within seven days after it has been submitted to the County Assembly.

## Fiscal Responsibility

### **Fiscal Responsibility Principles in the PFMA**

In line with the Constitution, the PFMA, sets out the fiscal responsibility principles to ensure prudence and transparency in the management of public resources. The PFMA (Section 107) states that:

- (a)** The County Government's recurrent expenditure shall not exceed the County Government's total revenue;
- (b)** Over the medium term a minimum of thirty percent of the County Government's budget shall be allocated to the development expenditure;
- (c)** The county government's expenditure on wages and benefits for its public officers shall not exceed a percentage of the county government's total revenue as prescribed by the County Executive member for finance in regulations and approved by the County Assembly;
- (d)** Over the medium term, the government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure;
- (e)** The county debt shall be maintained at a sustainable level as approved by county assembly;
- (f)** The fiscal risks shall be managed prudently; and
- (g)** A reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained, taking into account any tax reforms that may be made in the future.



## CHAPTER ONE: OVERVIEW

### Introduction:

1. The preparation of the CFSP 2023 was a consultative process that involved seeking and considering the views of The Commission on Revenue Allocation; The National Treasury; the public and interested Stakeholders.
2. The County Fiscal Strategy Paper contains:
  - a) The **performance** section provides up-to-date information on county government expenditure and revenue collection. It helps to determine whether the decisions made going forward on revenue collection and expenditure are realistic.
  - b) The **projections** which indicate the overall revenue and expenditure expected for 2023/24 budget year.
  - c) **The Priorities** which deal with identifying what to fund or the distribution of needs across sectors.
  - d) The **ceilings** which determine the amount of money allocated to each sector and how the money is distributed across sectors. The ceilings should show the amount of money the county will spend on meeting the identified priorities
  - e) The fiscal responsibility principles and financial objectives over the Medium Term.

### Outline of the 2023 County Fiscal Strategy Paper

3. The CFSP document contains five chapters that are organized as follows:

**Chapter 1:** This chapter gives the overview and the organization of the CFSP.

**Chapter 2:** This chapter provides an overview of the recent economic developments and the medium term outlook that covers the global and domestic scene.

**Chapter 3:** This chapter contains the Fiscal Policy and Budget Framework. The chapter also gives the budget overview for 2023/24 and its compliance with the fiscal responsibility principles

**Chapter 4:** This chapter contains the Medium Term Expenditure priorities for the County Government of Samburu.

**Chapter 5:** This chapter finally gives the conclusion and next steps.

## CHAPTER TWO: RECENT ECONOMIC DEVELOPMENTS AND POLICY OUTLOOK

### Overview of Recent Economic Performance

#### A. Overview

4. The Kenyan economy continued to expand in 2022, albeit at a slower pace than the 7.5 percent recorded in 2021. Real GDP is expected to grow by 5.5 percent in 2022 supported by the services sector despite subdued performance in agriculture and weaker global growth. 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.
5. 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 favourable rains and declining international prices of edible oils. However, this inflation rate was higher than the 5.7 percent recorded in December 2021.
6. The external sector has 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 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 continues to provide adequate buffer against short term shocks in the foreign exchange market.
7. The fiscal policy continues to pursue growth friendly fiscal consolidation to preserve debt sustainability. This will be achieved through enhancing revenue collection and curtailing non-core expenditures while prioritizing high impact social and investment expenditure. As such fiscal deficit is projected to decline from 5.8 percent of GDP in FY 2022/23 to 4.3 percent of GDP in FY 2023/24.

## **Recent Economic Developments and Outlook**

### **Global and Regional Economic Developments**

8. 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.
9. 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.

### **Domestic Economic Developments**

10. 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.
11. 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.
12. 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

13. 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.
14. 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 sub-sector 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 sub-sector and construction sub-sector which grew by 4.7 percent and 4.3 percent, respectively.
15. 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.

### **Inflation Rate**

16. 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. 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.
17. 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. 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.

18. 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.
19. 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 points contribution in December 2021.
20. 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

#### **Kenya Shilling Exchange Rate**

21. 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. 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.
22. 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. 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.

#### **Interest Rates**

23. 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.

24. 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.
25. 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.

### **Money and Credit**

26. 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. 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).
27. 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.
28. 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.

### **Private Sector Credit**

29. 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. 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.

- 30.** 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.

### **External Sector Developments**

- 31.** 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. 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.
- 32.** 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.
- 33.** 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. 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.
- 34.** 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.

35. 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.

### **Foreign Exchange Reserves**

36. 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.
37. 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.

### **Capital Markets Development**

38. 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 .

### **Fiscal Performance**

39. Budget execution in the six months for the FY 2021/22 was hampered by the General elections held in the year. The County Government has embarked on expenditure rationalization and prioritization to ensure that expenditures are on the most impactful programmes that yield the highest welfare benefits to the residents.



## **Total County revenue**

### **Own Source Revenue**

40. The Own Source Revenue was budgeted at Ksh 240 million. The collection for Six months of the financial year was Ksh 103 million which was 43% of the target as shown in Table 1. The revenue collected is further analyzed by departments as shown in Table 2. Own Source Revenue forms part of the total revenue for the county and its adequacy is important to funding development projects.

### **External revenue**

41. The County expects to receive Ksh 5.37 billion as the equitable share of revenue raised nationally, generate Ksh 240.0 million from its own sources of revenue. The county expected to receive the following in the period;
- a) Conditional Grant-Compensation for User Fee Foregone Ksh 5,235,578.
  - b) Conditional Grant-Leasing of Medical Equipment –Ksh 110,638,298.
  - c) Kenya Urban Support Programme (UDG and UIG) –Ksh 13,069,989 .
  - d) Kenya Devolution Support Program (KDSP)- Ksh 57,215,708.
  - e) DANIDA (Health support funds) –Ksh 18,142,325 .
  - f) World bank loan for National agricultural and rural inclusive growth project Ksh 212,277,520.
  - g) EU Grant for instrument for devolution advice and support (Abattoir Construction) ksh 38,686,279.
  - h) Agriculture Sector Development Support Programme (ASDSP) Ksh 17,088,307.
  - i) COVID FUND Ksh 5,500,000.
  - j) World Bank Loan for transforming health systems for universal care project Ksh 1,576,606.
  - k) Emergency Locust Response Program (ELRP) Ksh 86,765,397
  - l) Finance Locally led Climate Action Program(FLLoCA) Ksh 125,000,000.
  - m) cash balance of Ksh 744,788,985 million from FY 2021/22.

42. The actual receipt for Six months from equitable share was Ksh 2,199,729,180 and Ksh 19,200,816 from development partners.

### **Expenditure Performance**

43. There has been a lot of public attention on County Government spending. The County Government always aims to shift more public resources from recurrent to capital investment to promote sustainable and inclusive growth.

The County's approved budget for FY 2021/22 is **Ksh 7.04 billion**, comprising **Ksh 2.31 billion** (32.8%) and **Ksh 4.73 billion** (67.2% ) allocation for development and recurrent programs respectively. The expenditure for Six months was Ksh 2,349,377,228 of which recurrent was **Ksh 1,736,926,358 1** and development was **Ksh 612,450,870** as shown in Table 4.

44. The expenditure can further be categorized into three major economic classifications as shown in Table 5 namely;
- a) Personnel emolument is composed of basic staff salaries and all allowances.
  - b) Operation and maintenance include expenditure incurred in running the offices such as payment of bills, maintenance of vehicles, maintenance of buildings, fueling of vehicles, traveling cost and purchase of working tools such as stationeries, computer and accessories and any other cost incurred in running the offices. The procurement of drugs, food and bursary disbursement is also included.
  - c) Development expenditure involves costs incurred in the payment of capital projects.

### **Fiscal Policy**

45. The County Government's fiscal policy seeks to support structural reforms while improving service delivery. It aims to;
- a) Promote and support a higher level of investment in tourism and agriculture
  - b) Reduction of recurrent expenditure to devote more to development;
  - c) Reform expenditure management and tax collections regimes;
  - d) Enhancing governance, transparency, accountability and human resource productivity in the delivery of public good and service
46. The county government shall continue with prudent public finance management and ensuring it adheres to the fiscal responsibilities in accordance to the PFM law. This is expected to enhance prudent and transparent management of public resources. This will help in maintaining county development expenditure above the 30% threshold provided in the PFM law. Prudent financial management and creating of a conducive business environment is also expected to boost both investors and creditors confidence culminating to much needed investment in the county.
47. Towards ensuring that more resources are devoted for development, the County government of Samburu remains committed in ensuring that discretionary expenses are reduced.

Reforms in the expenditure management and revenue administration will continue to be implemented so as to increase efficiency, reduce wastages and increase revenues collected. This is expected to create fiscal space for spending on development programmes within the budget.

**Reform expenditure management and tax collections regimes;**

48. The County Treasury is the process of acquiring revenue system to collect and administer own source revenue. This move is expected to improve efficiency in revenue collection through optimization in local revenue collection, revenue mapping and revenue forecasting.
49. The County Government shall continue tracking of the implementation of the CIDP 2023-2027 within the framework of the cascaded County Integrated Monitoring and Evaluation System (CIMES) with the commitment to pioneer the adoption of e-CIMES in the county by building capacity in all county departments; Championing for technology enabled M&E reporting in the departmental level; Sensitize COs and CECs on the systems and the underlying advantages
50. The County will seek to implement the County Access to Government Procurement Opportunities (AGPO) by training and sensitization of the same, public participation in the formulation of County Statutory documents, up-scaling of the County complaints handling mechanisms and providing feedback to the external stakeholders and further use such information to make improvements

**Enhancing governance, transparency, accountability and human resource productivity in the delivery of public good and service**

51. To achieve the County's goal prudence in management of County resources both financial and non-financial is key. The focus in achieving good governance, transparency and accountability envisaged in the Constitution of the Kenya 2010 shall entail the following: employee performance management; training and development; recruitment, induction and deployment; strengthening of internal control systems.
52. The County Government has operationalized the performance management system through the Performance Contracting process as envisaged in Section 27 of the County Government Act 2012. Going forward the County Government has prioritized implementing strategies aimed at significantly improving the Departmental performance contract commitments through the department of Public Service and Training Devolution.

In addition, departmental performance champions appointed by respective COs shall spearhead performance contracting and performance appraisal in their departments. To enhance service delivery to the public, staff training shall be conducted. Aligning of training to staff's schemes of service and committing resources for training and employee development by the County Government to further promote employee performance and efficiency shall continue.

53. To achieve sound human resource conduct and discipline the County Government will continue to enforce the Public officer ethics Act (2006), values and principles for public service in accordance with Article 232 of The Constitution of Kenya 2010.
54. To promote access to information as envisaged in the Access to Government Information Law, the County has taken deliberate steps to continuously publish all the statutory documents including key budget documents like the CFSP, CBROP, Approved budget, County plans and other key documents. Further, tender applications are issued via the e-procurement and job advertisements through the County Website.
55. To achieve the fiscal responsibility principles envisaged in Section 107 of the PFM Act 2012 and the PFM (County Governments) Regulations 2015, the County Government shall through County Treasury, utilize the available PFM tools to enforce fiscal responsibilities and move towards prudence in public finance management. Further, the Samburu County Budget and Economic Forum shall facilitate private sector participation and the Samburu County Audit Committee. These two committees shall continue to instil transparency and accountability in the County through expenditure management, quarterly audit review meetings and providing feedback to the governor which has helped in prudent financial management. Further, an Alternative dispute resolution mechanism has been initiated to fore stall influx of litigation to courts given cost implications.

### **Economic Outlook**

56. 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.
57. 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.

**58.** 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.

**59.** The economic turnaround programme will seek to increase investments in sectors envisaged to have the biggest impact on the economy as well as on household welfare and include Agriculture; Micro, Small and Medium Enterprise (MSME) and Healthcare.

### **Risks to the Economic Outlook**

**60.** 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 unfavourable weather conditions. This could affect agricultural production and result to domestic inflationary pressures.

**61.** 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.

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

## **County Specific Performance 2021/2022**

The performance for Samburu County for the financial year 2021/22 in different sectors was as follows;

### **County Assembly**

#### **63. Performance of the sector for FY 2021-2022**

- a) Construction of Speaker's house which is so far 80% complete.
- b) Construction of County Assembly Ultra-modern block which is now 90 % complete.
- c) Construction of eight ward Offices which are complete.
- d) Enacting and passing 4 bills.
- e) Procurement of Mortgage software system.

### **Public Service/County Administration**

#### **64. Performance of the sector for FY 2021-2022**

The County Executive is also undertaking the construction of ward offices and equipping of Sub County Office in Samburu East.

Going forward, the County Executive will continue to put in place appropriate measures by implementing performance contracts by cascading them to lower levels and develop departmental service charter to enhance service delivery and mitigate the adverse effects to promote county economic growth, public administration and human resource management. The public communications office will be strengthened to enhance the dissemination of information and provide essential publicity for the county government.

The main constraint in budget implementation has been caused by the vastness of the County coupled with the poor road infrastructure and delayed funding and release of equitable share from the National Treasury. In addition, accrued pending bills led to insufficient funds for priority projects since they form the first charge of the budget. Covid-19 pandemic has caused scaling down of the budget for the department and has slowed down administration operations.

### **County Public Service Board**

#### **65. Performance of the sector for FY 2021-2022.**

County Public Service Boards are created by the law. They are then given a host of mandatory duties and responsibilities which they have to accomplish.

Among these responsibilities are implementation of Articles 10 and 232 of the Constitution of Kenya on National Values and Principles in the county government. This is designed to be done through preparation of training materials on topical issues and thereafter carrying out civic education to the county public service and the public. The county public service board also faced numerous financial challenges due to irregular flow of funds from the National Exchequer. This derailed effort to carry out some of the mandatory duties and responsibilities. However, the county public service board carried out some of its responsibilities among them recruitment of staff as per department requests, staff promotion, administering declaration of incomes, assets and liabilities.

## **Department of Finance, Economic Planning and ICT**

### **66. Performance of the sector for FY 2021-2022.**

The department of Finance, Economic Planning and ICT is charged with responsibilities of developing and implementing policies, strategies and development plans for financial accounting, budget formulation and management, planning and management of socio-economic and political development resources.

The County Treasury's achievements during the period include; completion of value for money audits in selected departments, implementation of policy on access to County Government procurement opportunities for women, successful implementation of e-procurement, implementation of AGPO on the youth, women and persons with disabilities, preparation of annual procurement plan, revenue collections despite the Covid-19 pandemic, preparation of financial statement on time, preparation of the annual budget, preparation of County Post Covid-19 Recovery Strategy, preparation of quarterly progress reports and County Annual Progress Report. The M and E Unit developed project reports through random sampling just to ensure that no ghost projects are paid for non-existing projects. These project reports are undertaken in collaboration with the departmental technical persons such as roads engineers, water engineers and quantity surveyors. The county treasury coordinated the implementation of the Kenya Devolution Support program (KDSP) with County Budget (CB) Plan preparation and quarterly reporting done.

**67.** The main constraint in budget implementation has been caused by the covid-19 effects, the vastness of the County coupled with the poor road infrastructure, delay in disbursement of funds by the National Treasury, in addition, accrued pending bills leads to insufficient funds for priority projects since they form the first charge of the budget.



**68.** Going forward, the County Treasury will continue to put in place appropriate measures by fully implementing performance contracts, developing the department service charter to enhance service delivery to promote county economic growth. The requirement of preparation of Programme based budgets and application of e-procurement is to be adhered to by all departments.

**69.** The department shall enforce the implementation of completion certificate template.

Some departments did not fully adhere to this requirement.

### **Special programmes.**

### **70. Performance of the sector for FY 2021-2022.**

- (i) Training of 15 Village level disaster risk management committees.
- (ii) Development and publishing of the County Disaster Risk Management policy 2021.
- (iii) Supplied 495 metric tons of emergency relief food to 109,000 vulnerable households.
- (iv) Conducted 16 peace committees' meetings across the county reaching out to 1,200 peace stakeholders.
- (v) Conducted County Capacity Needs gaps assessment and development of the county capacity strengthening Programmes
- (vi) Controlled 630 swarms of desert locusts and spraying over 94,500 Ha.
- (vii) Through partnership with development partners 4,900 vulnerable households received about Kshs 400 million cash transfer. This is in addition to 12,171 receiving about Kshs 200 million cash per year
- (viii) With the support of the Kenya Red cross society established Kshs 10 million worth county emergency operation Centre.

### **Department of Agriculture, Livestock Development, Veterinary Services and Fisheries.**

### **71. Performance of the sector for FY 2021-2022**

#### **Livestock production projects.**

- a) Community Camel breed improvement and food security project (Provision of 688 Somali camel breeds breeding camels to pastoralist living in the lowlands)
- b) Sahiwal breeding cattle (Provision of 196 Sahiwal breeds breeding cattle to Agro-pastoralist Poro, Suguta Marmar, Loosuk, Lodokejek, Baawa, Maralal and Angata Nanyukie).
- c) Dorper breeding sheep Project (Provision of 160 Dorper rams)



- d) Dorper breeding sheep Project (Provision of 100 Dairy goats)
- e) Dairy Cattle Project (Provision of 8 Ayrshire Heifers)
- f) Improved chicken Project (Provision of 625 improved indigenous chicken)
- g) Apiculture Project (Provision of 100 modern bee hives for improved honey production)
- h) Development and Rehabilitation of livestock marketing infrastructures (Construction of Loibor Ngare Sale Yard))
- i) Pasture and Fodder Development Project (Supply & delivery of 1,500 Kg of Assorted pasture seeds)
- j) Construction of Nomotio abattoir & Auxiliary structures (EU-LED IDEAS Projects).

#### **Fisheries development projects**

- a) Identification of potential areas for fish farming - Six (6) dams and 2 springs/streams were identified.
- b) Training of identified fish farmers on construction of ponds and ponds design-15 farmers trained.
- c) Twenty-one (21) fishponds constructed, 11 liner ponds and 10 raised ponds.

#### **Agriculture projects**

- a) Development of county crop policy.
- b) Recruitment of new staff (10).
- c) Provision of Certified maize and beans seeds worth ksh 20 million.
- d) Completion of Lulu irrigation scheme worth ksh 15 million in an area of 33.5 acres.

#### **Veterinary services projects.**

- a) Vaccinations and/or treatments of 339, 011 animals including cats and dogs.
- b) Three (3) cattle crushes completed and handed over to the community during commissioning in Waso, Wamba North and Lodungokwe
- c) Silango cattle dip renovated in Angata Nayekie ward
- d) Twelve (12) missions achieved for disease surveillance

#### **NARIG Project**

- a) The project advertised, through local newspapers, request for expression of interest from qualified firms to provide extension service to farmers under four (4) agricultural value chains supported by the project; Sheep/goats value chain, local Chicken Value Chain (VC), Dairy and Apiculture VCs. A total of 25 applications were received, evaluated and applicants given feedback

- b) The project conducted backstopping of the CDDCs at the ward level to ensure compliance to the requirements of the committee to operate as required by the project documents. Several meeting were later held to support CDDCs on various other issues to enhance their capacity to manage project resources at the ward level
- c) CDDCs and SCTT vetted community micro-projects and forwarded to CPCU for further appraisal by County Technical and Advisory Committee (CTAC) and eventually approval by County Project Steering Committee (CPSC). A total of 400 community micro-projects were approved for funding
- d) The project organized for a ceremony to present cheques to CDDCs for the 100 approved micro-projects. H.E Moses Lenolkulal, former Governor Samburu County, led other leaders and stakeholders in presenting cheques to the CDDCs. Additional cheques were presented during the 2<sup>nd</sup> ceremony for funding of approved 300 community micro-projects. The former County Governor and other leaders presided the presentation ceremony.
- e) The project trained four (4) data collection clerks per ward on data collection using Open Data Kit (ODK) mobile app. The data clerks collected project, group and household data for all the 400 funded groups. The objective is to have the entire funded project geo-tagged and all beneficiaries captured in the project beneficiary database.
- f) The project trained four (4) PFS facilitators per ward and also trained ward extension officers on farmer field school methodology. Field school is a participatory approach to extension where farmers meet regularly, guided by a trained facilitator, to analyze their production system and identify the best options through a discovery based approach. It's expected that all funded farmer groups will for the PFS platform for farmer training and engagement.
- g) The project trained all the 15 CDDCs and SAIC members on fiduciary issues. The CDDCs, through their respective procurement committees, developed procurement plans and procured materials on behalf of the funded groups. SAIC role is to oversight the CDDCs to ensure materials of the right quality and quantity reach the farmer groups.
- h) The project organized value chain stakeholders' forums for four (4) priority value chains supported by the project. The forums were conducted on separate dates at Maralal safari lodge with a view of bringing stakeholders together to chart a way

forward to develop selected VCs in Samburu. Stakeholders' platform was formed for each of the VC to spearhead agreed action plans

- i) The project supported Dairy PO, (two) 2 Honey POs to develop proposals for inclusion and membership registration drive grants proposals as well as matching grants proposals
- j) The project has supported farmers under the sheep/goats VC to form producer organizations at the sub-county level through federation of funded groups. 3 new POs formed and registered to support farmers under the value chain
- k) Thirty-five (35) youths were trained to PET to dramatize project messages as a way to raise project awareness. Trained youth were used during project occasions.
- l) The project engaged technical departments and the community in the identification of the multi-community investment as prioritized by the community during the PICD process and County CIDP. Technical teams developed technical proposals for the following MCIs;
  - i. Nontoto SLM and water catchment integrated project
  - ii. Three (3) livestock sale yards' projects in Tankar, Kisima and Archer's post.
  - iii. Lesepeti Water Catchment improvement project in Baawa.
  - iv. Sordo/Ntepess SLM project.
  - v. Nomotio LIC improvement project.
- m) Survey and design development was done for Nontoto pan, Lesepetei pan, Sordo pan and designs for three proposed sale yards
- n) Three (3) POs were funded to undertake membership recruitment exercise;
  - i. Samburu Dairy Farmer's Cooperatives – KShs 1,500,000
  - ii. Hope Enterprise Society Ltd – KShs 1,500,000
  - iii. Samburu Bee Keepers Cooperative Society –KShs 1,500,000

### **DRSLP Project**

- (i) Bore Holes (No.13)-Noomboroi, Muruankai (Lbukoi), Muger, Lowa, Mabati, Swari, Locho, Angata Nanyukie, Longewan, Lesuwa Loiting, Lowabebne, and Lkichaki. Except Lkichaki and Lowabebne, all the other sites are complete and handed over to WUA committees.
- (ii) Lkichaki and Lowabebne quality analysis ongoing.

- (iii) Ten (10) New sites for boreholes identified and hydrological surveys done. Advertised for tendering and evaluation process for awarding ongoing.
- (iv) All borehole sites to reduce distance to water drawing points from an average of 10 km to less than 1km once complete.
- (v) Water user's association [WUAs]: All sites have management committees trained and carrying out their duties.

**a) Infrastructure for market access**

- i. Livestock sale yards (No.4)-Maralal, Lekuru, Suguta Marmar and Poro.
- ii. Construction works complete and sites handed over to management committees.
- iii. Two more sites for sale yards identified, Kurungu and Lolkuniani. Kurungu is new while Lolkuniani it is upgrading and expansion of existing market

**b) Improved rangeland management**

- i. Communal Pasture demonstration plots (100Ha).
- ii. Two sites identified and confirmed; Longewan 50Ha and Nchoro Lerai 50Ha.
- iii. Nchoro Lerai site doing well. Sixth harvest overdue for lack of machinery but store has about 3000 bails. Longewan site subdivided to individual farms during survey and land subdivision in the area

**c) Improved livestock health**

- i. Veterinary assorted equipment worth Kshs. 3.8 million handed over to County director of veterinary services, Samburu. Some are in use while others are in store awaiting completion of veterinary laboratory under construction by the county government.
- ii. Four (4) Cattle dips awarded for construction, Sawan, Loiting, Lesidai and Baawa. Two are complete and in use-Sawan and Loiting. The other two constructions still ongoing

**IDEAS Project**

- a) Plumbing works at Nomotio Abattoir at a cost of Ksh 4.78 million.
- b) Drilling of Borehole at Nomotio Abattoir at a cost of Ksh 3.4 million.
- c) Construction of Lairage at Nomotio Abattoir at a cost of Ksh 4.6 million.

- d) Construction of Main Nomotio and Auxiliary sub-structure at a cost of Ksh 44.1 million.

## **Department of Water, Environment, Natural Resources and Energy**

### **72. Performance of the sector for FY 2021-2022.**

The County Water and Environment sector comprises of: Water and Sanitation; Environment and Climate Change; Natural Resources and Energy. The sector also has a semi-autonomous institution, the Samburu Water and Sanitation Company (SAWASCO) that it supports to provide water and sanitation services within the urban centers' and/or major towns of the county.

The sector is one of the key players towards the achievement of Sustainable Development Goals (SDGs), specifically **Goal 6:** Ensure availability and sustainable management of water and sanitation for all; **Goal 7:** Ensure access to affordable, reliable, sustainable and modern energy for all; **Goal 13:** Take urgent action to combat climate change and its impacts; and **Goal 15:** Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt/reverse land degradation and halt biodiversity loss. It is also an enabler in a number of other SDG's, Vision 2030 and core pillars of Government plan mainly on;

- i. Agriculture.
- ii. Micro, Small and Medium Enterprise (MSME) economy.
- iii. Housing.
- iv. Healthcare.

In view of the above, during the period 2021-2022, some of the key achievements realized by the department include:

- a) Undertaking hydrogeological surveys and water feasibility studies to ascertain underground and surface water potentials for 24 proposed borehole sites.
- b) Borehole drilling in 22 sites.
- c) Borehole equipping of 16 sites.
- d) Rehabilitation of Forty-two (42) kilometres of water extensions and/or supplies and numerous repairs and overall maintenance of rural water supplies across the county;
- e) Excavation and desilting of Seven (7) earth dams/pans in Lerata A, Ntarakwai, Lbaa Rongai, Ledero East, Lkitembe, Moru – A - Konges & Moru – Ngubuin / Charda.

- f) Construction of two (2) Sand dams at Muruarrat (Lemugur) & Lerata B.
- g) Designated and constructed a perimeter wall to secure Barsilinga water point (Borehole);
- h) Construction of South Horr masonry storage tank;
- i) Construction of a gate, guard house and workshop at Maralal water office.
- j) Observation of critical days to sensitize the public with regards to water related issues in general such as World Water Day.
- k) Capacity building of Water User Associations (WUA's) and Water Resource User Associations (WRUA's) on the proper utilization and management of water resource and water catchment areas.
- l) In partnership with UNICEF supported the development and rehabilitation of 13 water points.
- m) In collaboration with other government Agencies like NDMA, NWWA, ENDDA, WRA, MWI etc in establishment and rehabilitation of water utilities.
- n) In partnership with Water Service Trust Fund (WSTF) who supported the development of Garma water project that comprises Borehole Equipping, pipeline laying of 42 Kms, construction of elevated 100m<sup>3</sup> Steel tanks, Construction of water Kiosks and Masonry storage tanks.
- o) In Partnership with Northern Water Works, the construction and completion of Yamo Dam to support water supplies for Maralal urban populations. Once treatment works and piping of this project is completed, this will see a number of households connected and supplied with clean and safe drinking water.
- p) The Development of Climate Change, Sustainable Forest Management and Tree growing, and Rangelands Management Policies, which are currently awaiting approval by the cabinet. These policies were developed with financial and technical support from our valued partners namely FAO, WFP, PACIDA, Mercy Corps (SCALE Program), IMPACT Trust and Northern Rangelands Trust.
- q) The development, enactment and publishing of the Climate Change Act, and the Forest Management and tree growing Act.
- r) Construction of Soil and Water Conservation structures (Gabions) at South-horr, Lesirikan and Porro (Lorrok Mixed Secondary School) areas in an effort to control soil erosion.

- s) Completed the construction of a cafeteria and Three (3) cottages within West-gate Community conservancy to support Holistic Rangelands Management programme.
- t) Undertake Six (6) sensitization forums on energy efficient technologies and skills in areas of Wamba, Lodung'okwe, Kirimon, Nachola, Marti and Barsaloi.
- u) In partnership with VSF-Suisse, trained four (4) community groups in Samburu East (Lerata, Lengusaka, Sirata Le Nkamarinta and Lentanai) on Participatory Rangelands Management (PRM) techniques including control, management and sustainable utilization of invasive species (such as *Prosopis* and *A. reficiens*) to make briquettes and animal feeds.
- v) In partnership with Mercy Corps and IMPACT Trust, trained communities in Baragoi and Amaiya on Climate change matters and natural resource sharing mechanisms as well as conflict resolution and/or management techniques.
- w) In partnership with FAO and The Boma Project, supported capacity strengthening of Community Forest Associations and WRUAs in the county through trainings and conducting exposure visits to well established community institutions in Meru, Isiolo, Kirinyanga, Nyeri and Kajiado Counties.
- x) In partnership with the Ministry of Environment and Forestry as well as Global Water Partnership, undertook a baseline survey in preparation to implementation of Climate Change Adaptation project towards Strengthening Drought Resilience for Small Holder Farmers and Pastoralists in the IGAD Region.
- y) In partnership with Ministry of Energy and World Bank through the Kenya Off-grid Solar Access Project (KOSAP), the department was able to undertake land acquisition processes and ESIA for solar connectivity through establishment of Mini-grids in eight (8) sites within the county and two (2) other border sites (South Horr and Ngurunit areas) where mini-grid will be installed as well as stand-alone solar systems for community facilities (dispensaries and schools) and solarization of boreholes. In addition, KOSAP is implementing the programme on solar home systems and clean cooking solutions in efforts to improve accessibility of energy saving jikos (those that use charcoal and firewood) and solar equipment's.

## **Department of Education and Vocational Training.**

### **73. Performance of the sector for FY 2021-2022.**

The sector presents a platform for imparting much-needed skills, competencies, and attitudes to propel the County's development.



S/N	Project	No	Project cost (Ksh)
1.	Construction of Classrooms	42	51,915,447.95
2.	Procurement of Furniture	54	8,316,000
3.	procurement of Water tanks	60	6,991,999.80
4.	Construction of Fences	19	14,223,000
5.	Construction of kitchen	16	11,112,266.55
6.	Construction of Store, office	16	25,129,373.45
7.	Construction of Pit latrines	58	35,440,750
8.	Supply and Delivery of ECDE foodstuff		49,869,700

### **Department of Medical Services, Public Health and Sanitation.**

#### **74. Performance of the sector for FY 2021-2022.**

The department of Health services has three health sector programs namely, Curative and rehabilitative health services, Preventive and promotive health services and General administration, planning, management support and coordination. There various achievements across all the mentioned programs. Some of the key achievements for the financial year 2021/2022 are: -

The total number of facilities are one hundred and thirty-nine categorized into 6 Hospitals, 33 Health centers, 66 Dispensaries and 33 Private clinics. The six hospitals are 5 GOK and 1 FBO. Of the 33 Health Centres, 28 is GOK while 3 are FBO facilities. In terms of distribution, Samburu North has 40 (40 GOK/\$ FBOs) Health facilities, Samburu central 62(45 GOK,6 FBOS and 11 Private Clinics) while Samburu East has 37 (21 GOK ,2 FBO and 5 Private). There are 4 facilities with theatres namely Maralal County Referral, Baragoi, SDH, Catholic Hospital Wamba and Suguta Health Centre (proposed to be Upgraded to a hospital). The county has a total number of 15 Ambulances with eleven belonging to County government and 4 belonging to FBO facilities.

- a) A fairly functional referral system with ambulance system serving the whole county.
- b) Archers Post Sub County Sub County Hospital now fully functional and staff deployed.
- c) Purchased a new Ambulance and positioned it at Wamba Health Centre for Wamba East Ward.



- d) According to data extracted from iHRIS August 2021 the County has a total of 821 health workers across all cadres. This Consisted of 16 Medical Officers, 5 Consultants (2 surgeons,1 Tropical Medicine specialist, 2 family Physicians, 2 Dentists 4 pharmacists and One (1) Epidemiologist. The Doctor (Medical Officers) to Patient ratio is about 1:19327.
- e) There were 339 Nurses in all County GoK health facilities translating to (one) 1 nurse per 1004 persons. The Number of Clinical officers stood at 56 both specialized and Non specialized. Among the Laboratory personnel, the total number was 27 which included technologists and technicians.
- f) Improved commodity reporting rates.
- g) Adoption of online reporting for all commodities and especially for ARV's and TB Commodities.
- h) Improved commodity storage conditions (availability of palettes)
- i) Monthly data review meetings to discuss data.
- j) Quarterly Data quality audits.
- k) Engagement of National HIS and Health IT in establishing EMRs in Samburu County Referral, Kisima Model Health Centre, Wamba Health Centre and Baragoi Sub-District Hospital.
- l) M&E officers are able to generate information products\.
- m) Additional Hrio through support of UHC.
- n) Installation of fibre optic in Samburu County Referral Hospital.
- o) Completion of County Referral Outpatient Block.
- p) Completion of Several dispensaries
- q) Deployment of staff to the new completed facilities.
- r) Covid-19 vaccination introduction.
- s) Establishment of new Community Health Units.

Skilled birth deliveries in the county was 48.7% despite the effects of Covid-19 pandemic, while Immunization service utilization stood at 85.5% based Penta 3 antigen administered. Fully immunized performed at 58.7% against a target of 80%. Notably Cervical cancer screening and gender-based violence performed poorly at 0.4% and 0.001% for the year 2021/2022. On maternal and child health Indicators, only 32.5% of pregnant women completed at least 4 Antenatal clinic sessions.

Total covid-19 vaccinations stood at 47,413 Females 21,341 and Males 26, 071 by August 2022.

## **Department of Lands, Housing, Physical Planning and Urban Development**

### **75. Performance of the sector for FY 2021-2022**

- a) Purchase of GNSS Machine.
- b) Planning of Lolmolog urban Centre.
- c) Finalization of Lodungokwe, Poro and Lesirikan plan.
- d) Maralal Cabro Paving, parking & Storm Water drainage- 1.4 Km of paved surface and Parking slots.

## **Department of Roads, Transport and Public Works**

### **76. Performance of the sector for FY 2021-2022.**

- a) Assisted in Preparation of BoQs and supervision of on-going construction works for other departments. A total of 205 number of bid documents were prepared for client departments.
- b) Supervised six major projects of high value namely:
  - i. Construction of in-patient complex in health department
  - ii. Completion of county assembly chambers
  - iii. Cabro pavings within Maralal town
  - iv. Construction of Governors official residence.
  - v. Construction of the county assembly speakers' official residence.
  - vi. Construction of Nomotio abattoir.
- c) Conducted two (2) firefighting trainings for schools and dispensaries at Samburu East and Samburu North sub-counties.
- d) Conducted inspection for premises/dealers selling gas cylinders and petroleum products. These were done for 30 dealers in Samburu central, 20 dealers in Samburu east and 6 in Samburu north for their state of preparedness.
- e) Maralal floodlights for FY 2021/22 were completed.
- f) Kisima streetlight, Suguta-Marmar streetlight, Loosuk streetlight, Poro streetlight are ongoing. Baragoi floodlights and Wamba floodlight are yet to be completed.
- g) The Department budgeted a total of 64 No. projects out of which:
  - i. Sixty-one (61) projects successfully went through the procurement process.

- ii. Out of the 61 projects that successfully went through procurement, 43 have been completed and paid, 12 have been completed but not paid while 6 are on-going.

**Department of Tourism, Trade, Enterprise Development and Co-operatives.**

**77. Performance of the sector for FY 2021-2022.**

**Trade sub-sector**

- a) Construction of Suguta Public toilet
- b) Construction of Bodaboda shades at Ichingei

**Tourism and wildlife sub-sector**

- a) Equipping of Cafeteria and Staff units at Malaso Campsite at a cost of ksh 2.9 million
- b) Construction of rangers' camp at Ndoto west – Lesirikan – Ndoto ward at a cost of ksh 3.95 million.
- c) Construction of rangers' camp at Lpetpet lodokejek ward at a cost of ksh 3.955 million.
- d) Renovation of Directors house at Samburu National Reserve.
- e) Renovation of Staff quarters at Samburu National Reserve -Archers gate.
- f) Renovation of Maralal Safari lodge at a cost of Ksh 14 million.
- g) Construction and Renovation of Yare Camp 1<sup>st</sup> phrase at a cost of ksh 5.88 million.
- h) Construction of 2 Door/ Urinal Pit Latrines block and fencing at Lerra/ Leparashau rangers camp at a cost of ksh 1.447 million.
- i) Construction of SNR complex building (2<sup>nd</sup> phrase) at cost of Ksh 3 million.
- j) Development of Samburu County Tourism Strategy at a cost of ksh 4 million.
- k) Support of existing conservancies, through SNR revenue sharing; Kalama & West gate at a cost of ksh 10 million.
- l) Support of six (6) newly established conservancies at a cost of Ksh 85 million.
- m) Construction of a Tourist banda at Sera Community Conservancy is on-going, fully funded at grants of Ksh. 2.5 Million.
- n) Supply of Water to Milgis Trust community Project is on-going, fully funded at grants of Ksh. 2.5 Million.
- o) Support for operation of Kirisia Nkoteya community scout program and Kirisia Forest ecosystem is on-going, fully funded at grant of Ksh. 3 Million.
- p) Support of ranger operation program at Meibae community conservancy is on-going, fully funded at grant of Ksh. 1.5 Million.

- q) Support of ranger operation program at Namunyak community conservancy – Ngilai unit. fully funded at grant of Ksh. 1 Million.
- r) Support of ranger operation program at Namunyak community conservancy – Kalepo unit. fully funded at grant of Ksh. 1 Million.
- s) Drilling and equipping of a borehole in Kalama community conservancy is on-going. fully funded at grant of Ksh. 6 Million.
- t) The department participated at Sarit Centre Holiday fair, in March 2021, STTA conference and Sarit Expo, Other events like and World Trade Fair in Berlin March 2021 at a cost of Ksh 4 million.
- u) Formulation Community Conservation Fund Regulation at a cost of Ksh 1.6 million
- v) Training for Conservancy Management boards at a cost of Ksh 3 million.

### **Cooperatives Sub-sector.**

- a) A total of four (4) new cooperatives registered: One (1) new Sharia compliant Sacco and three (3) new marketing cooperatives registered
- b) Six (6) pre cooperative education meetings carried out for livestock marketers with a view to forming Umbrella Livestock Society at a cost of ksh 0.4 million
- c) Eight (8) members' trainings for Livestock marketing cooperative societies undertaken countywide at a cost of Ksh 0.8 million.
- d) Sixty-five (65) cooperative leaders' trainings undertaken in the course of financial year targeting Sacco Leaders, Marketing Cooperatives and County Cooperative Leaders Forum at a cost of ksh 1.8 million.
- e) Eight (8) cooperatives audits carried out.
- f) One exposure visit for County Cooperative Leaders Forum took place :13 representatives of marketing cooperatives (Ushanga and beekeeping) facilitated to market their products during trade fares both locally and internationally at a cost of Ksh 4.9 million.
- g) Beads, beading equipment procured for the 15 registered Ushanga at a cost of Ksh 3.5 million.
- h) Cooperative Awareness week at a cost of Ksh 0.84 million.

### **Department of Gender, Culture, Social Services, Sport and Youth Affairs.**

#### **78. Performance of the sector for FY 2021-2022.**

During the period under review the sub-sector of Gender, Culture and Social Services in the department of Gender, Culture, Social Services, Sport and Youth Affairs made significant strides. The following was realized: completed fencing of Maralal Green Park, construction

of Longewan, Lesirkan and Nachola social halls. The department also conducted women empowerment training in Samburu North, Central and East sub-counties, commemorated international women's day, trained various youth on drugs and substance abuse. Participated in the 8<sup>th</sup> Edition of KICOSCA games held in Embu County and sensitized the girl child on the dangers of FGM.

The following was realized in the development and promotion of sports: participated in cross country championships where three (3) of our athletes managed proceed to the national competition. We also participated in the 8<sup>th</sup> edition of the Kenya Inter-Counties Sports & Cultural Association (KICOSCA) games held in Embu where seven (7) of our staff were selected to represent team Kenya in the East Africa Local Authorities Sports & Cultural Association (EALASCA) games held in Eldoret Uasin Gishu County.

We renovated Baragoi stadium, built basketball court in Archers Post and graded Loruko playground. The high altitude sports center Lesidai was also undergoing construction but it stopped due to a land dispute. Establishment of Samburu Soccer League so far two (2) teams have been promoted to the Lower Rift league, procured sports equipment and uniforms for various teams.

Participated in the 10<sup>th</sup> Edition of the Desert Wheel Race held in Isiolo County where we were runners up and five of our best cyclers represented the county in the 18<sup>th</sup> Edition of the Standard Chartered Marathon held in Nairobi. We supported various youth talent development programs and training in business and product marketing skills and serving and lending skills.

We undertook training of coaches and referees and also conducted tournaments in Elbarta, Angata Nanyokie, Wamba West, Lodokejek and Poro wards.

Going forward the department will put more emphasis on completion of the ongoing infrastructure projects. Further the department intends to widen links with stakeholders and partners to ensure better collaboration for effective implementation of programs.

## **79. Implementation Challenges**

- a) Low absorption of development funds as indicated by the expenditure.
- b) Under-performance of own-source revenue.
- c) High inflation rates contributing to a higher cost of living. This affect the ease of doing

business in the county, and access to credit to small and micro enterprises.

- d) Weak revenue base thereby leading to over-reliance on the transfers from the national government resources which are inadequate and limits resources allocations to key sectors.
- e) Expenditure pressures, especially high recurrent expenditures pose fiscal risks. The county is going to maintain a sustainable recurrent expenditure by strictly adhering to austerity measures and hence free more resources for development expenditure over the medium term.

### **Risks to Fiscal Outlook**

**80.** Risks facing the county's economy will also affect its economic performance. These factors include:

- a) The covid-19 Pandemic has devastated global economies with Kenya not being spared. On the domestic front, the economic impact of the Pandemic is already being felt across all sectors of the economy. Measures to contain the pandemic in the County have led to a decline in revenue collection and closure of businesses.
- b) Further, the desert locust invasion still being witnessed in parts of the county poses a risk to agricultural production and food security. Another risk relates to rising global oil prices due to tensions between U.S.A and Iran, the uncertainty of the global trade agreements as well as uneven and sluggish growth in advanced and emerging market economies could hamper the forecasted growth.
- c) The proposed National Treasury allocation to county governments has stagnated thus there is no growth in the equitable share from the national government. The implication of this is that allocation to the county will be the reduction of allocations to programs which may slow down the development agenda of the county.
- d) The county is prone to natural disasters including landslides, flooding and drought, these disasters pose a huge risk to life and property. The disasters also threaten food security, utilities, road network and public health. The occurrence of such disasters will require huge financial resources and thus pose a fiscal risk to the county government.
- e) Transfers from the national government are not adequate to meet the cost of offering the services as stipulated in schedule four of the constitution.

The Government will monitor the above risks and take appropriate measures to safeguard macroeconomic stability including preparation of supplementary budgets to regularize and align any emerging issues.

Final Draft

## **CHAPTER THREE: BUDGET FOR FY 2023/24 AND THE MEDIUM TERM**

### **Fiscal Responsibility Principles**

**81.** Section 107 of the PFM Act, 2012 and regulation 25 of the PFM (County Governments) Regulations, 2015 sets out the fiscal responsibility principles which the County Governments have to observe and enforce through the County Treasury. The guiding principles that are considered in the allocation of the available resources include:

- a) The requirement that the County's public debt shall never exceed twenty (20) percent of the County Government's total revenue at any one time. The County Government have no intention of borrowings in the period.
- b) The County Government wages shall be contained at thirty-five (35) percent of the County Government's total revenue in the medium term. The percentage on wages in the current budget is 38.1% and is projected to be 40% in the 2023-24 financial year. The increase in the percentage is due to Covid 19 negative effect on revenues both internal and external while implementing the annual increment to members of staff. The County Government have taken various measures to address the increase in the percentage of the wage bill by undertaking the following:
- i. Improving our own-source revenue. The County was greatly hit by the Corona Virus pandemic affecting our main source of revenue which is Tourism in Samburu National Reserve. Since the disease has been contained the revenues from tourism are expected to improve and hence the personnel ratio goes down.
  - ii. The County Public Service Board is in the process of establishing an optimal staffing structure. Meanwhile, the County Government in the short run has frozen all vacant posts. Members of staff who exit from service are not replaced except if the post they occupied was for the provision of essential services.
  - iii. The county is going to maintain a sustainable recurrent expenditure by strictly adhering to austerity measures and hence free more resources to development expenditure over the medium term.
  - iv. Adjusting non-priority expenditures to cater to the priority sectors by deterring the increase of recurrent expenditures in favor of productive capital spending.
- c) The approved expenditures of a County Assembly will be as per the senate's recommendations. This shall not exceed 7% of the total revenues of the County Government or twice the personnel emoluments of that County Assembly, whichever is lower.
- However, in the County Allocation on Revenue Act the ceilings for expenditure are normally stipulated.
- d) The County Government's actual expenditure on development shall be at least thirty percent of the County Government's total expenditure. The current expenditure is 36% and it's projected to be 30.1% in the 2023-24 financial year.



- e) A reasonable degree of predictability concerning the level of tax rates and tax bases shall be maintained, taking into account any tax reforms that may be made in the future. The County has not changed the level of taxation in the current year and does not intend to change in the 2023-24 financial year.

**82.** In the FY 2023/24 and the medium term, the County Treasury will ensure that the budgets are prepared in a way that ensures strict adherence to these principles. For the County to achieve the above fiscal responsibilities the following controls will be exercised;

- a) Legislative (County Assembly) control: The Authority of raising revenue and their appropriation is provided by the County Assembly. The County Executive will work closely with the County Assembly to ensure the legitimacy of collection of taxes and appropriation of the same.
- b) The Controller of Budget: the office of the controller of the budget will oversee the implementation of county budgets by authorizing withdrawals from the county revenue fund.
- c) The Auditor General: The office of the Auditor-General will be involved in auditing the accuracy of all accounts, the propriety of the expenditure, and the appropriateness of all county public finance matters.
- d) In collaborating with the office of the Auditor-General, the county treasury will ensure efficiency, effectiveness and guard against unauthorized expenditure

### **Fiscal Structural Reforms**

**83.** Prudent public financial management is critical for the achievement of the county's development aspiration as detailed in the CIDP 2023-2027. Progress has been made in improving the efficiency of institutions and resource management including rolling out of additional IFMIS Modules. The county government will continue building the capacity of its technical officers so that they can competently undertake the public financial management reforms including operationalization of e-procurement platform.

**84.** The County Government has also established the Office of the County Attorney that is entitled to provide legal services to the County Government of Samburu. The mandate of the Office are; the principal legal adviser to the County Government; attend the meetings of the County Executive Committee as an ex-officio member of the Executive Committee;

represent the County Executive in court or in any other legal proceedings to which the County Executive is a party, other than criminal proceedings; advise departments in the County Executive on legislative and other legal matters; negotiate, draft, vet and interpret documents and agreements for and on behalf of the County Executive and its agencies as well as being responsible for the revision of County Laws. The creation of this Entity will further cause budget implications as more resources will be allocated to the Entity to enable it carry on with its mandate.

- 85.** The County will continue to streamline monitoring and evaluation of County projects through operationalization of the electronic-County integrated Monitoring and Evaluation (e-cimes) System that will help in fast-tracking of the development projects and also improve on efficiency and effectiveness.
- 86.** The County will undertake the preparation of the County Statistical Abstract that will provide baseline indicators in all Sector for proper planning and decision making. This exercise will be undertaken in collaboration with the Kenya National Bureau of Statistics (KNBS).
- 87.** The County Government undertook a further reorganization of its functions that saw the establishment of the Maralal Municipal Board. In line with provisions of the PFM Act 2012 and PFM Regulation 2015, the County has reviewed its policy framework to enable allocation to the new Entity to reflect the new realities and confirm with the provision of the law. The County Assembly in this respect working with County Executive will formulate and approve a framework for allocation of resources to the Municipal Board.
- 88.** The county will undertake the operationalization of the contributory pension scheme for staff devolved from the national government who were previously under the non-contributory scheme. This is in line with the County Government Retirement Benefits Scheme Act of September 2019 which portends a contingent liability on the part of the County dating back to 2013 the advent of devolution. Details on the level of liability will be provided in the Medium Debt Strategy Paper of 2023.
- 89.** To achieve a result-oriented employee performance, the County Government will apply integrated tools on Result Based Management (RBM with the rollout of the Performance Contracting (PC). Going into the next MTEF period 2023/2024-2025/2026 the County Government will continue to allocate resources aimed at inducting key County employees into a culture of performance as well as facilitating to the lowest level of management the process of performance contracting, vetting, and reporting.

## **Budget Framework for proposed budget year 2023-24**

90. With the County Government's commitment in improving infrastructure countywide, the share of resources going to priority physical infrastructure sector, such as roads, early childhood development centers, health facilities, Immunization, water infrastructure amongst others will continue to rise over the medium term period. This will help the sector provide quality and reliable services.
91. The priority social-economic sectors will continue to receive adequate resources to promote development. The Health, Education and social service sectors will receive significant share of resources in the budget in coming years. The sector actors are thus required to utilize the allocated resources more efficiently in order to generate fiscal space to accommodate other strategic interventions like disease outbreaks and improved productivity per man hour.
92. The economic sectors including agriculture and livestock will receive increasing share of resources to boost agricultural productivity with a view to promote value addition and deal with threats in food security in the county. In addition, the priority programmes under tourism, wildlife, trade, industry and cooperatives will be allocated adequate resources based on Programme based budgeting.
93. The fiscal framework for the financial year 2023/24 entails a deliberate effort to continue exercising prudence in public expenditure management with the principal goal of containing fiscal risks, gradually lowering the fiscal deficit, and adopting austerity measures to deter the increase of recurrent expenditures in favor of productive capital spending.
94. Going forward, and given the limited resources, MTEF budgeting will entail adjusting non-priority expenditures to cater to the priority sectors. In the meantime, the resource allocation will be based on the Annual Development Plan and the Fiscal Strategy Paper.

### **Revenue Projections**

95. The cumulative revenue forecast for FY 2023/24 will be Ksh 6.3 billion. This comprises an equitable share of revenue projected at Ksh 5.5 billion as provided in 2023 BPS and Ksh 535 million as conditional grants and loans. Own source revenue is projected to be Ksh 256 million. Summaries for both own source revenue and national transfers forecast over the medium-term period are as presented in Annex I.
96. The County Government will continue to adopt measures aimed at improving its own-source revenue to expand its fiscal space for development Programmes. This includes

implementation of the Revenue Enhancement Strategy and reforms in local revenue administration that has seen a legislative review of the current revenue-related laws through the Finance Act 2022 which is aimed at strengthening local revenue performance.

- 97.** Revenues from local sources are expected to finance 4% of the County Government's expenditures while the balance will be financed by transfers from National Government and development partners.
- 98.** The national transfers in form of the equitable share of revenue and conditional grants will be firmed up on the passage the of Division of Revenue Bill and CARB 2023.

### **Expenditure Projections**

- 99.** In pursuing a balanced budget, the County Government has projected that overall expenditure will equal the forecasted County receipts for FY 2023/2024. In this regard, the County Government's total expenditure will be Ksh 6.3 billion in the FY 2023/2024. Compensation to employees will account for 39.6 % of the total County budget approximately Ksh 2.5 billion. The proportion of the County wage bill is above the envisaged level of 35 percent of total revenues as recommended in Section 25 of the PFM (County Government Regulations) 2015. To contain the percentage expenditure on staff salaries within the regulation requirement, the County has frozen all hiring for new staff at all levels except technical staff in critical areas and also has enhanced the collection of its own-source revenues.

### **Criteria for Resource Allocation**

- 100.** The PFM Act, 2012 and the PFM (County Regulations), 2015 set out fiscal responsibilities principles that guide the Medium-Term Expenditure Framework (MTEF) for the County. The Criteria for resource allocation will consider;
- a) Linkage of the Programme with the CIDP 2023-2028 and the objectives of the Fourth Medium-Term Plan of Vision 2030.
  - b) The degree to which a Programme addresses job creation and poverty reduction.
  - c) The degree to which the Programme is addressing the core mandate of the County department.
  - d) Expected outputs and outcomes from a Programme; and
  - e) Cost-effectiveness and sustainability of the Programme.
  - f) On-going projects: emphasis will be given to completion of on-going capital projects and in particular infrastructure projects with high impact on poverty reduction, equity

and employment creation;

- g) Counterpart funds: priority was also given to adequate allocations for projects with counterpart funding. Donor counterpart funds are the portion that the Government must finance in support of the projects financed by development partners.

**101.** Further allocation for other recurrent expenditures will remain at the current level. The allocation to the County Executive and the County Assembly will be recommended by CRA later in the financial year.

**102.** The County allocation for development expenditure will stand at 30.1% in FY 2023/2024. Total County development expenditure will be Ksh 1.9 billion. The County development expenditure needs will be primarily financed by the projected National transfers to County Government (the equitable share and the conditional grants). The expenditure allocations are shown in Table 7 under departmental Ceilings 2023/24.

### **Deficit Financing**

**103.** Reflecting on the projected revenue and planned expenditure the fiscal deficit is projected to be nil. In line with the PFM Act, 2012 borrowing can only be made to undertake development projects in line with the framework developed between the National and County Governments. Given this underlying reason, the County has projected a balanced budget with projected expenditure fully funded by own-source revenues, transfers from National Government, and approved donor support.

## **CHAPTER FOUR: DEVELOPMENT PRIORITIES 2023-24**

### **Overview**

#### **104. (a) Resource Envelope**

The law provides for several sources wherefrom counties can generate revenues namely, transfers from national government (Article 202 & 204), local collection and borrowing (Article 212). The sources of revenue for Samburu County Government in the past years have

been from all of the above sources except borrowing. The transfers from national government comprise the equitable share (Article 202 (1) and additional conditional resources including grants (Article 202 (2) and Equalization fund (Article 204). The resource envelope available for allocation among the county's departments is based on the County Government's final resource projections contained in the medium term fiscal framework previously. The county will have completed revenue automation and roll out - e-revenue system as a matter of priority to enhance own source revenue.

### **(b) Spending Priorities**

CFSP is anchored on five pillars- food security, peace and cohesion, affordable health, bursary enhancement, youth and women empowerment. The effects of drought and climate change will be considered in coming up with new development projects in addition to observing the fiscal responsibilities. The priorities per each sector are;

### **County Assembly**

The Objectives of the county assembly can be derived from Article 185 of the Constitution of Kenya. To achieve the objective, the following activities will be done;

- a) To perform its legislative and oversight role to the best of its ability to the people of the county at a cost of Ksh 136,360,000.
- b) To deliver excellent services to customers and other stakeholders at a cost of Ksh 162,685,000.
- c) To do its representation role to satisfy the needs of the people of the County at a cost of Ksh 221,600,000. The Assembly Chambers and speaker's house will be furnished at a cost of Ksh 100 million in addition of increasing the mortgage amount by Ksh 58 million.

### **County Executive**

This sector provides overall leadership and oversight in the management of the County affairs through legislation, public policy formulation, coordination and prudent resource management. Public Service and Quality Management prioritizes development of a performance management system; the development and implementation of a quality assurance manual and carry out staff skills development. County Administration will embark on construction and equipping of sub-County and ward offices, purchase of administration uniforms, and purchase of communication equipment.

- a) Administration and Coordination of County Affairs at a cost of Ksh 279,000,000.

- b) Construction and equipping of Sub-county/Wards offices at a cost of Ksh 44,424,480.
- c) Consolidation of Information sharing and Improving Information sharing at a cost of Ksh 19,030,600.
- d) Co-ordination of Public participation and community Programmes at a cost of Ksh 36,061,200.
- e) Effective Public Communication at a cost of Ksh 13,222,440.
- f) Implementation of Public Participation Act at a cost of Ksh 36,061,200.
- g) Civic Education and Advocacy at a cost of Ksh 18,030,600.

### **County Public Service Board**

- a) Approval of Revised schemes of services and ensuring that Succession management systems are in place at a cost of Ksh 25 million.
- b) Upgrading/promotion/Acting and temporary appointments of officers including Human Resource Reforms at a cost of Ksh 25 million.
- c) Record of minutes of hearing proceedings for those with disciplinary cases and Formulation of a discipline policy at a cost of Ksh 4 million.
- d) Implementation of an effective employee performance appraisal and reward mechanism at a cost of Ksh 10 million.
- e) Preparation of Monitoring and evaluation reports for employees at a cost of Ksh 8 million.

### **Finance, Economic Planning, and ICT**

Finance finalize on the digitization of revenue collection and management system, preparation of revenue, financial, and budget policy documents. Formation of project management committees, stakeholder engagement (public participation/feedback forums), site verification visits (M&E) and publication of County reports/statistics and project tracking system will be prioritized. Development of planning documents such as CIDP 2023-2027, Annual development plan 2024-2025, Sector plans, and Annual Progress Report 2022-2023 will be undertaken by Economic Planning.

Information, Communication, and Technology (ICT) form the backbone of today's digital economy and have a strong potential to accelerate economic growth. In light of this, the government continues to invest in ICT infrastructure and improve efficiency and



effectiveness in service delivery. To this end, the Government has installed Local Area Network (LAN), telephone IP system, and headquarters CCTV Coverage. In addition, to enhance ease of doing business over the medium term, the County has partnered with National Government will enhance internet connectivity in the County. The following activities will be undertaken;

- a) Staff training on the operationalization of the ICT strategy at a cost of Ksh 5,901,804.
- b) Systems maintenance at a cost of Ksh 5,556,017.
- c) Risk-based audits; Institutional risk management policy framework rolled out; Audit committee training manual and regulations; audit committees trained; Capacity building in information systems audit undertaken; Value for money audits undertaken; teammate rolled at a cost of Ksh 10,345,786.
- d) Monitoring and Evaluation planning/framework; Annual performance reviews; Strengthening line department progress reporting at a cost of Ksh 33,203,035.
- e) Preparation of ADP 2024-2025 at a cost of Ksh 4.5 Million.
- f) Monitoring and evaluation of the revenue collected at a cost of Ksh 16,450,902.
- g) Continuous capacity building of Staff at all levels at a cost of Ksh 19,806,920.
- h) Training of revenue collection centers staff at a cost of ksh 6,450,902.
- i) Accounting systems and financial regulations reviewed and developed at a cost of Ksh11,562,937.
- j) Purchase of an asset management system at a cost of Ksh 3,773,169.
- k) Stakeholders' involvement in budget Making Process at a cost of Ksh 17,668,053.
- l) Training of Officers across departments on MTEF and Programme-Based Budgeting at a cost of Ksh 1,947,442.
- m) Training on e-Procurement to suppliers special/disadvantaged groups accessing procurement at a cost of Ksh 9,006,920.
- n) Training of ICT staff on work competency manual and formulation of standardized guidelines for end-users at a cost of Ksh 8,441,571.
- o) Develop staff skills and competencies, safety measures relating to personnel, documents and information at a cost of Ksh 391,006,063.

### **Special Programs**

- a) Peace and Cohesion at a cost of Ksh 25,168,774.



- b) Disaster management at a cost of Ksh 40 million.
- c) Emergency relief food and cash transfers at cost of Ksh 50 million.
- d) Partner Relations and coordination at a cost of Ksh 5,000,000.

### **Agriculture, Livestock Development, Veterinary Services and Fisheries**

Agriculture remains the backbone of County's economy and its focus is to ensure food security and nutrition to all residents while striving to create employment both directly and indirectly from Agricultural activities. In pursuit of this, the Government has been implementing various measures such as provision of free certified seeds, tractor services, pasture seeds, subsidized farm inputs, fish fingerlings, vaccination of livestock, implementing programmes to support smallholder farmers and promoting the use of appropriate farming techniques. To cushion farmers from adverse effects and further secure food supply chain over the medium term the County will;

- a) Construction and furnishing of two (2) sub-county office blocks to house the three sub-counties, departmental officers, at a cost of Ksh 16 million.
- b) Construction of Ward Extension Offices at a cost of Ksh 6.7 million
- c) Complete construction and equipping of the Nomotio Abattoir at a cost of ksh 20 million
- d) Finalization of Grazing and range management policy at a cost of Ksh 2 million.
- e) Provision of Community breeding stock at a cost of Ksh 75.2 million.
- f) Grant to support Nomotio farm for development at a cost of Ksh 5 million.
- g) Provision of improved pasture seeds for pasture establishment and range reseeding at a cost of Ksh 5 million.
- h) Rehabilitation of 2 Slaughter Houses and construction at a cost of ksh 16 million.
- i) Control livestock diseases through vaccination and monitoring of attack/spread at a cost of Ksh 31 million.
- j) Furnish veterinary laboratory-Maralal at a cost of Ksh 16 million.
- k) Purchase of certified seeds at a cost of Ksh 17 million.
- l) Provision of Farm tractors, implements, and support Agriculture Machinery Services with spare parts including workshop implements at a cost of Ksh 11 million.
- m) Kenya Livestock Commercialization Project (KELCLOP) at a cost of ksh 33.5 million

- n) Agricultural Sector Development Support Programme (ASDSP) II –Counter fund of ksh 2,750,000.
- o) Value chain development grants and sustainable land management at a cost of ksh 140 million.
- p) Provision of pond/dam liners to fish farmers at a cost of Ksh 1.5 million.
- q) Support fish farmers with fish feeds (21 existing ponds and 60 to be established) starter feed, pre-grower, grower, and finisher feeds at a cost of Ksh 1 million.
- r) Support fish farmers with certified seeds (fingerlings) at a cost of Ksh 2.4 million.
- s) Support fish farmers with fishing gear and water storage tanks at a cost of Ksh 3 million.

### **Water, Environment, Natural Resources, and Energy**

The Government remains committed in ensuring access to clean and safe water for all the County Residents. Samburu being water scarce county it is imperative that deliberate efforts are made towards the development and expansion of the sector in order to complement efforts towards primary health care and labour productivity. To date the County has drilled and equipped boreholes, constructed water dams and pans and supplied water to various public institutions. Moving into the future, the Government will continue to invest in clean water supply through;

- a) Water supply pipeline extensions and rehabilitation at a cost of Ksh.80 million.
- b) Conduct Hydrogeological surveys in various sites at a cost of Ksh 13 million.
- c) Drilling and equipping of boreholes in various sites at a cost of Ksh 175 million.
- d) Construction of Earth dams/pans and check dams at a cost of Ksh 90 million.
- e) Construction of Rock catchment at a cost of ksh 40 million.
- f) Development of County Water Master Plan at a cost of ksh 6 million.
- g) Construction of Ablution Block at a cost of ksh 10.5 million.

Moreover, in recognition of the critical role played by environmental conservation in achieving the sustainable development through poverty eradication, the Government has rolled out plans to create awareness on environment and climate change issues, Mainstreaming climate change activities in County projects and programs and provision of tree seedling to the citizens.

Over the medium term in order to manage environment, domesticate and implement Multilateral Environmental Agreements and programmes, restore all degraded landscapes, rivers & wetlands, implement the Climate Change Action Plan and coordinate implementation of both the National and County Environment Action Plans. In addition, to manage environment and natural resources the County will;

- a) Operationalize County Environment Committee and create awareness on environmental issues at a cost of Ksh 12.5 million.
- b) To strengthen the capacity of environmental clubs at a cost Ksh 4 million.
- c) Improve solid waste management in the county at a cost of Ksh 30 million.
- d) To improve garbage collection in towns and markets at a cost of Ksh 15 million
- e) Increased tree cover in the county at a cost of Ksh 3.5 million.
- f) To promote Non-Wood Forest Products & other nature-based enterprises as alternative livelihood options at a cost of Ksh 5 million.
- g) Establishment & capacity strengthening of forest institutions such as Forest community groups, Community Forest Associations (CFAs) at a cost of Ksh 5.5 million.
- h) To Sensitize stakeholders and/or communities on minerals, mineral products and energy exploration/exploitation approaches and relevant legislations at a cost of Ksh 5.5 million.
- i) To enhance management & conservation of water resource at a cost of ksh 7.8 million.
- j) To establish Institutions under the Climate Change Act at a cost of ksh 9.5 million.
- k) To support implementation of Adaptation & Mitigation Measures towards addressing Climate Change effects at a cost of Ksh 25 million.
- l) To create awareness on environmental issues at a cost of Ksh 2 million.
- m) To Support promotion of alternative clean energy techniques e.g. energy cook stoves/jikos at a cost of ksh 2 million.
- n) To reduce riverine degradation at Ewaso Ngiro River at a cost of Ksh 3 million.
- o) To Promote & support Rangelands rehabilitation (pasture conservation & production; & rangelands reseeding) at a cost of Ksh 8 million.
- p) To reduce invasive species spread in the county at a cost of Ksh 6 million.

- q) Capacity building & strengthening of community institutions to enhance pasture management & conservation at a cost of Ksh 25 million.

## **Education and Vocational Training**

The Government takes cognizance of the critical role, quality early childhood development and vocation training play in equipping labor force with relevant skills necessary for economic growth. Over the years the government has implemented various projects such as construction of ECDE centers, rehabilitation and equipping of Maralal polytechnic. To leverage on these gains, the County will implement the following projects in the FY 2023/2024.

- a) Construction of 30 ECDE classrooms at a cost of Ksh 365 million.
- b) Supply of fifty-four (54) sets of child-appropriate furniture at a cost of Ksh 8.4 million
- c) Provision of forty-five (45) outdoor fixed play and learning materials at a cost of Ksh 4.95 million.
- d) Fencing of fifteen (15) ECDE centers at a cost of Ksh 10.1 million
- e) Construction of 15 ECDE kitchens at a cost of Ksh 10.4 million
- f) Monitoring and evaluation of ECDE centers at a cost of Ksh 6 million
- g) CBC assessment books and materials at a cost of Ksh 5 million
- h) Pre-school feeding Programme at a cost of Ksh 78 million
- i) Provision and installation of 60 water harvesting tanks in ECDE centers at a cost of Ksh 6.9 million.
- j) Construction of 50 Sanitary blocks at a cost of ksh 30 million
- k) Construction of 15 Office, and store at a cost of ksh 23.7 million
- l) Training of ECDE teachers on Competency Based Curriculum at a cost of Ksh 6 million
- m) Procurement of health status of ECDE at a cost of Ksh.....
- n) Provision of bursaries for the bright and needy students in various institutions at a cost of Ksh 100 million.
- o) Implementation of scheme of service at a cost Ksh 10 million
- p) Purchase of assorted tools for vocational training at a cost of Ksh 2 million.
- q) Provision of bursaries and scholarships at a cost of ksh 175 million.

- r) Construction of two workshops in each center (Wamba and Baragoi) at a cost Ksh 10 million
- s) Construction of sanitary blocks at Wamba and Baragoi at a cost Ksh 3 million.
- t) Purchase of dining hall and multi- purpose Hall furniture at a cost of Ksh 5.5 million

### **Medical Services, Public Health and Sanitation**

Access to quality and affordable health care services is necessary in developing a holistic human capital base that will in turn increase productivity and enhance economic development. To date the County has made great strides in this sector through; provision ambulances services, construction of community Health facilities to reduce the distance to health center, construction of maternity wing and rehabilitation of existing health facilities. In order for the government to achieve universal health coverage it will;

- a) Undertake the following activities at a cost a Ksh 56,736,596.
  - i. Health education at community level.
  - ii. Upscale active disease surveillance.
  - iii. Upscale community strategy.
  - iv. Construction of PH latrine in community, facility and markets.
  - v. Upscale health education in schools.
  - vi. Hygiene and up scaling of CLTS.
  - vii. Upscale health education of drug and substance abuse.
  - viii. Construction of a rehabilitation centre in the county
  - ix. Conduct outreaches and Support supervision.
  - x. Purchase of basic equipment.
- b) Undertake the following activities at a cost of Ksh 61,105,000.
  - i. Development of ARP.
  - ii. Conduct operational research.
  - iii. Capacity building of health workers
  - iv. Support for professional bodies conferences and meetings
  - v. Continue funding community units
  - vi. Support for international and national health days.

- vii. Support for CME at facility divisional levels.
- viii. Expansion of health facilities (laboratories in Porro, Loosuk, Barsaloi, Seriolipi Health Centre,).
- ix. Support for quarterly stakeholders meeting.
- x. Maintenance and repair for motor vehicles and motor bikes.
- xi. Scale up school health clubs.
- xii. Procurement of mosquito nets
- xiii. support for beyond zero activities (outreaches)
- xiv. Support functionality of maternal shelters.
- xv. Expansion of KEPI room.
- xvi. Establishment of ambulance command centre.
- xvii. Purchase of spare parts for KEPI fridges
- c) Undertake the following activities at a cost of Ksh 20 Million.
  - i. Improving access to universal healthcare.
- d) Undertake the following activity at a cost of Ksh 200 Million.
  - i. Procurement of health commodities in the county
- e) Undertake the following activity at a cost of Ksh 11 Million
  - i. Scale up management of acute malnutrition
- f) Undertake the following activity at a cost of Ksh 10 Million.
  - i. Upgrade the EMR system in the county referral and high volume facilities
- g) Undertake the following activity at a cost of Ksh 7 Million.
  - i. Construction of a ware house and Vaccine store in Wamba Health Centre
- h) Undertake the following activity at a cost of Ksh 10 Million
  - i. Upgrade the EMR system in the county referral and high volume facilities
- i) Undertake the following activities at a cost of Ksh 28.5 Million
  - i. Fencing of the existing 19 facilities
- j) Undertake the following activities at a cost of Ksh 5 million

- i. Construction of Administration Block Wamba HC
- k) Undertake the following activities at a cost of Ksh 975 Million.
  - i. Payment of salaries, allowances and incentives.

## **Lands, Housing, Physical Planning and Urban Development**

Proper planning is a necessary precondition for achieving sustainable socio-economic growth. To realize this, the Government continues to implement revision of valuation roll, Digitalization of building approval process and Development of GIS online land records system. Urban and Development sub-sector will undertake urban regeneration, survey and titling urban center's. During 2023-24 the department will prioritize the following activities;

- a) Cadastral survey of Baragoi, Logorate, and Lodungokwe at a cost of Ksh 50 million
- b) County Land Information Management System at a cost of ksh 10 million
- c) Adjudication of Nairimirimo and Lonjorin at a cost Ksh 3 million
- d) Boundary dispute resolution at a cost of Ksh 2 million.
- e) Preparation of valuation roll for Maralal Municipality at a cost of ksh 20 million.
- f) To prepare physical and land use development plans for the county and various urban areas at a cost of Ksh 25 million.
- g) To manage Maralal Municipality for sustainable urban development at a cost of Ksh 10 million.
- h) To manage urban areas for sustainable urban development at a cost of Ksh 25 million
- i) Management of county government Housing at a cost of Ksh 4 million.

## **Roads, Transport and Public Works**

Infrastructure development contributes enormously towards improving our competitiveness and also interconnectivity of the County. For this reason, the Government has continued to scale-up connectivity through murraming and grading of roads, upgrading of roads to gravel standard, construction of drifts, culverts and gabions. Moving forward the County will build on the existing and ongoing infrastructural development and road. Over the medium term in order to ensure that Samburu residents enjoy the benefits of expanded road network, the government will construct new roads, carry out road maintenance, grade and

gravel feeder roads, construct new bridges and construct drainage structures (culvert, drift and gabions).

- a) Actual construction works for Construction of Fire brigade station at a cost of Ksh 20 million
- b) Construction of Bridges, drifts and Culverts at a cost of Ksh 30 million
- c) Routine maintenance and Improvement of Roads at a cost of Ksh 140 million
- d) Purchase of specialized equipment for road survey and mapping at cost of Ksh 10 million
- e) Opening of new roads at a cost of Ksh 50 million
- f) Installation of street lights in major urban centres at a cost of Ksh 30 million.
- g) Drainage works in Wamba, Maralal and South Horr Drainage works at a cost of Ksh 30 million
- h) Develop staff skills and competencies, safety measures relating to personnel, documents, and information at a cost of Ksh 130 Million.

### **Tourism, Trade, Enterprise Development & Cooperatives**

The County Government remains dedicated to creating and sustaining a more conducive business environment through enhancing security to attract investors and promoting trade leading to job creation. Towards this end the Government has prioritized construction of market sheds; fencing and upgrading of livestock markets; business conferences, trade fairs and exhibitions; construction of jua kali sheds; construction and upgrading of boda-boda sheds; construction of modern bus-stop sheds.

Tourism and Sports sub-sectors play a key role in spurring economic development in the County. With this realization, concerted efforts have been geared towards promoting of County as a preferred tourism destination.

- a) Undertake tourism promotion and marketing locally and internationally at a cost of Ksh 6 million.
- b) Hosting Maralal international Camel Derby and cultural events to market tourism in the county at a cost of 12 million
- c) Establish and operationalize a tourist information and research Centre at SNR at a cost of Ksh 10 million.



- d) Develop departments website and operationalize it to enhance information flow on tourism trade and cooperative at a cost of ksh 3.5 million
- e) Establishment of Conference Facilities, Beaconing of SNR boundary and corridor at a cost of Ksh 34 million
- f) Community sensitisation meetings, workshops and exposure tours of communities around SNR at a cost of Ksh 7 million
- g) Capacity building for staff through training on career progression, mentorship on the job training, workshops, and seminars in line with the job at a cost of Ksh.5 million
- h) Equipping of Molpusi Eco- lodge at a cost of Ksh 6 million
- i) Fencing of Suyian and Bendera camps at a cost of Ksh 3.5 million
- j) Development for conservancy management plans at a cost of Ksh 6 million
- k) Funding New conservancies development & livelihood projects at a cost of Ksh 140 million.
- l) Support of old Community Conservancies at a cost of Ksh 10 million
- m) Establish one (1) No. Eco-Lodges at the North and Central sub-counties at a cost of Ksh 23 million

#### **Trade and Enterprise Development**

- a) Construction of 1bbodaboda sheds urban centers at cost of Ksh 1 million
- b) Contribution to Joint Loan Board scheme revival of Ksh 20 million
- c) Additional funding to Youth and women enterprise fund of Ksh 10 million
- d) Routine inspection and verification of weighing Machines and Petrol pumps at a cost of Ksh 5 million
- e) Trade Development and Promotion at a cost of Ksh 30 million.
- f) Construction of markets shed and latrines in all trading Centre's in the county at a cost of Ksh 15 million

Over the medium term the Co-operative sub-sector will implement the following programmes;

- a) Promotion of cooperatives-carry out sensitization meetings, feasibility studies, pre-cooperative education at a cost of Ksh 5 million
- b) Conduct Cooperative Leaders and members' education at a cost of Ksh 11 million.

- c) Training of 15 Beadwork/Ushanga Cooperatives at a cost of Ksh 8 million
- d) Procurement of Beadwork raw materials and development of Marketing strategy/linkages for Ushanga Cooperatives at a cost of Ksh 2 million
- e) Equipping Meloni Tannery at a cost of Ksh 3 million
- f) Continue contribution to County Cooperatives Development Fund worth Ksh 30 million.
- g) Construction of honey refinery for Tuum Beekeepers at a cost of Ksh 3 million
- h) Procurement of Beehives & harvesting kits for Tuum & Wamba beekeeping cooperatives at a cost of Ksh 1 million

### **Culture, Social Services, Gender, Sports and Youth Affairs**

Strengthening the social safety net and empowering the youth and the women The County will continue to promote gender, youth and improve the livelihoods for the vulnerable groups and people living with disabilities. This will be achieved through Provision of necessary devices to PLWDs.

Culture contribute immensely to economic development through job creation. Concerted efforts have been geared towards sport establishing cultural center. Moving forward, the Government will support performance of music and dance.

- a) Plan and construct 1 cultural information centre and Manyatta at a cost of Ksh 10 million.
- b) Plan and document one cultural day documentary att a cost of Ksh 3 million
- c) Organize and fund annual Samburu cultural night at a cost of Ksh 3 million
- d) Contribute to Disability board fund to the tune of Ksh 8.6 million
- e) Establishment of recreational facilities at green park costing Ksh 6 million
- f) Participate in National days' celebrations at a cost of Ksh 2 million.
- g) Reduce retrogressive cultural practices like FGM/FGC and beading of girls at a cost of Ksh 8 million
- h) Support women empowerment programs at a cost of Ksh 5 million.
- i) Create awareness on gender rule and women leadership at a cost of Ksh 3 million.
- j) Activities geared to Reduction in cases of Gender-Based Violence at a cost of Ksh 4.5 million.

- k) Support liquor licensing activities (Enforcement and inspection for liquor premises) at a cost of Ksh 2 million.
- l) Promotion of Cultural documentation, preservation and upholding cultural heritage at a cost of Ksh 5 million.

### **Sport and Youth affairs**

- a) Rehabilitation and upgrade of Kenyatta Stadium Maralal phase 2 at a cost of ksh 65 million
- b) Continue funding of Samburu County sports league at a cost of Ksh 7 million
- c) Hold athletics and cross country championships at a cost of Ksh 11 million.
- d) Participate in the Kenya Youth Inter-Counties Sports Association Games at a cost of Ksh 4 million.
- e) Organize Governor's cup from the ward to the county level at a cost of ksh 8 million
- f) Procurement of sports equipment at a cost of Ksh 5 million
- g) Participate in National days' celebrations at a cost of Ksh 2 million.
- h) Participate in the Kenya Inter-County Sports and Cultural Activities (KICOSCA) at a cost of Ksh 7 million
- i) Promote sports for People living with Disabilities at a cost of Ksh 5 million
- j) Capacity building of youth groups, couches, referee's, team managers, and administrators at a cost of Ksh 2 million.
- k) Participate in the Maralal International Camel Derby event at a cost of Ksh 2 million
- l) Identify, develop and nurture young sports talent at a cost of Ksh 2 million.

## **CHAPTER FIVE – CONCLUSION**

**105.** The set of policies outlined in this CFSP 2023 aims at striking a balance between changing circumstances and emerging issues. The fiscal policies are broadly in line with the CIDP 2023-2027 and the fiscal responsibility principles outlined in the PFM Act. They are also consistent with the national strategic objectives outlined in the 2023 BPS which set a basis for County Government allocation of public resources. Details of these strategic objectives are contained in the County Integrated Development Plan (2023-2027). The policies and sector ceilings annexed herein will guide the Sectors/Departments in finalizing and adjusting 2023/2024- 2025/2026 Draft MTEF budget estimates. Budgetary resources are usually limited thus departments must prioritize their Programmes within the

available resources to ensure that utilization of public funds are in line with County Government priorities.

- 106.** Departments need to carefully consider detailed costing of projects, strategic significance, deliverables (output and outcomes), alternative interventions, administration, and implementation plans in allocating resources. There is also a need to ensure that recurrent resources are being utilized efficiently and effectively before funding is considered for Programmes.
- 107.** Going forward, MTEF budgeting will entail adjusting non-priority expenditures to cater to the priority sectors. The resource allocation and planning process will be modified in the context of the above realities while this paper will provide final ceilings for adjustment of the draft estimates and finalization of the budget process.
- 108.** Proper implementation of the budget is thus critical towards providing services that will promote sustainable growth. Sustainability requires greater effort from all the stakeholders including County Government Departments, Civil Society, Communities, County Assembly, and development partners to get things done. This means providing for continuous consultation, monitoring finding solutions and encouraging innovation to build a sustainable County.

## ANNEXES

**Table 1: First Six months local Revenue 2022-23**

Month	Exchequer	Local Revenue	Dev Partners	Total
July	856,892,670	14,250,363		871,143,034
August		18,411,141		18,411,141
September	886,272,096	20,255,470		906,527,566
October		21,790,983		21,790,983

November	456,564,414	17,928,421	19,200,816	493,693,650
December		10,945,960		10,945,960
<b>Total</b>	<b>2,199,729,180</b>	<b>103,582,337</b>	<b>19,200,816</b>	<b>2,322,512,334</b>
<b>Percentage</b>	<b>95%</b>	<b>4%</b>	<b>1%</b>	

Source: County Treasury 2023

**Table 2: Local Revenue Analysis by departments (31-12-2022)**

Department	Budget	Own	%	Variance
<b>Treasury</b>	780,000	3,917,046.45	502	<b>3,137,046</b>
<b>Agriculture</b>	12,280,000	4,773,455.00	39	<b>(7,506,545)</b>
<b>Environment</b>	9,600,000	10,231,250.00	107	<b>631,250</b>
<b>Education</b>	400,000			
<b>Health</b>	16,600,000	4,325,043.00	26	<b>(12,274,957)</b>
<b>Land</b>	50,000,000	9,612,230.00	19	<b>(40,387,770)</b>
<b>Works</b>	7,870,500	569,430.00	7	<b>(7,301,070)</b>
<b>Tourism</b>	136,800,000	70,053,882.95	51	<b>(66,746,117)</b>
<b>Culture</b>	6,000,000	100,000.00	2	<b>(5,900,000)</b>
<b>Totals</b>	<b>240,330,500</b>	<b>103,582,337</b>	<b>43</b>	<b>(136,748,163)</b>

Source: County Treasury 2023

**Table 3: First Six months External Revenue 2022-23**

DESCRIPTION	JULY	AUG	SEPT	TOTAL Q1	OCT	NOV	DEC	TOTAL Q2	TOTAL Q1+Q2
Exchequer releases	429,707,684		886,272,096	1,315,979,780		456,564,414		456,564,414	1,772,544,194
CRF b/f	427,184,986			427,184,986				-	427,184,986
Agriculture Sector Development Support Programme (ASDSP) B/F						19,200,816		19,200,816	19,200,816
<b>TOTAL</b>	<b>856,892,670</b>		<b>886,272,096</b>	<b>1,743,164,766</b>		<b>475,765,230</b>		<b>475,765,230</b>	<b>2,218,929,996</b>

Source: County Treasury 2023

**Table 4: Comparison of Budget Estimates and Actual Expenditure. (31-12-22)**

DEPARTMENT	RECURRENT (Ksh).	Actual (Ksh)	DEVELOPMENT (Ksh.)	Actual (Ksh)	TOTAL(Ksh)	Total -Actual (Ksh)	REC	DEV
County Assembly	535,331,727	227,427,406	131,000,000	104,686,583	666,331,727	332,113,989	42%	80%
County Executive	533,627,536	214,932,765	33,929,036	25,499,999	567,556,572	240,432,764	40%	75%
Finance, Economic Planning & ICT	909,910,134	265,182,656	64,521,681	6,420,200	974,431,815	271,602,856	29%	10%
Agriculture, Livestock Development, Veterinary Services & Fish	265,606,960	100,900,935	353,861,226	88,155,302	619,468,186	189,056,237	38%	25%
Water, Environment, Natural Resources & Energy	211,706,281	55,995,784	561,671,733	95,296,032	773,378,014	151,291,816	26%	17%
Education and Vocational Training	486,915,583	122,837,187	136,370,132	9,342,087	623,285,715	132,179,274	25%	7%
Medical Services, Public Health & Sanitation	1,176,060,467	639,012,602	410,181,674	67,958,979	1,586,242,141	706,971,581	54%	17%
Lands, Housing, Physical Planning & Urban Development	144,881,662	31,439,389	118,069,989	9,705,968	262,951,651	41,145,357	22%	8%
Roads, Transport & Public Works	114,439,919	11,955,124	214,918,424	59,524,640	329,358,343	71,479,764	10%	28%
Tourism, Trade, Enterprise Development & Cooperatives	234,109,851	39,783,156	222,958,952	132,433,310	457,068,803	172,216,466	17%	59%
Culture, Social Services, Gender, Sports & Youth Affairs	124,365,550	27,459,354	63,223,012	13,427,770	187,588,562	40,887,124	22%	21%
<b>TOTAL</b>	<b>4,736,955,670</b>	<b>1,736,926,358</b>	<b>2,310,705,859</b>	<b>612,450,870</b>	<b>7,047,661,529</b>	<b>2,349,377,228</b>	<b>37%</b>	<b>27%</b>

Source: County Treasury 2023

**Table 5:Economic Classification of Expenditure (31-12-2022)**

Description	Budget Estimates 2022/2023	Total Expenditure 2020/2021	% of Budget Absorption
Personnel Emoluments	2,451,033,749	1,171,874,417	48%
Operational & Maintenance	2,285,921,921	565,051,941	25%
Development Expenditure	2,310,705,859	612,450,870	27%
<b>TOTAL</b>	<b>7,047,661,529</b>	<b>2,349,377,228</b>	<b>33%</b>

Source: County Treasury 2023

**Table 6: Revenue Estimates for the period**

ITEMS	Projection 2023/24
<b>COUNTY GENERATED REVENUE</b>	
Land Rates	36,800,000
Single Business Permits	16,000,000
Total Cess Receipts	12,312,000
Game Parks/Nature Reserves Fees	125,983,800
Markets and Slaughter House Fees	11,000,000

Vehicle Parking Receipts/Transport	5,326,000
Wheat Cess	288,400
Hospital Charges	17,000,000
Liquor License	6,180,000
Various Health Departments Fees	624,000
Agricultural Machinery Services	1,693,400
Approval of plans and supervision	1,251,900
Hawker	1,854,000
Miscellaneous Revenue	803,400
Advertisement	2,400,000
Environment and conservancy	16,510,500
<b>SUB-TOTAL LOCAL SOURCES</b>	<b>256,027,400</b>
<b>SUMMARY</b>	
<b>Revenue from Local Sources</b>	<b>256,027,400</b>
Revenue transfer from national government	5,515,899,470
Conditional Grant-Compensation for User Fee Foregone	
Conditional Grant-Leasing of Medical Equipment	
DANIDA (Health support funds)	8,431,000
Agriculture Sector Development Support Programme (ASDSP)	2,793,523
World bank loan for National agricultural and rural inclusive growth project	140,000,000
Kenya Livestock Commercialization Project (KELCLOP)	33,500,000
ELRP( Locust)	200,970,152
Balance brought forward- CRF	50,000,000
Finance Locally led Climate Action Program(FLLoCA)	100,000,000
<b>GRAND TOTAL</b>	<b>6,307,621,545</b>

Source: County Treasury 2023

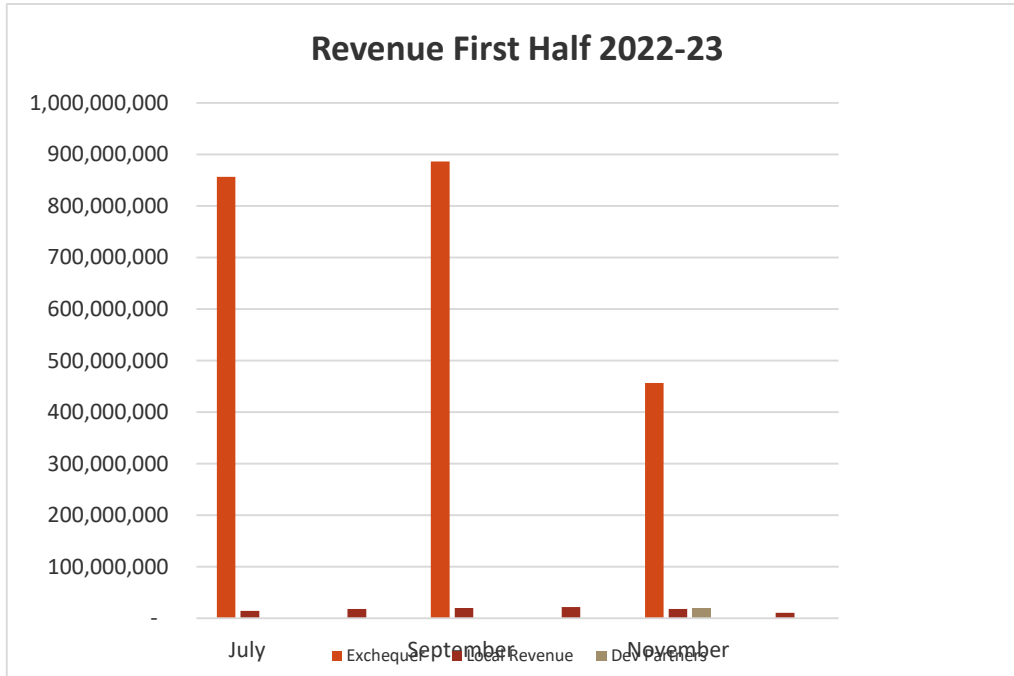
**Table 7: MTEF Sector Ceilings 2023/2024 -2025/26**

	INITIAL BUDGET 2022/23	Arbsorption 21-22	CFSP Ceilings 2023/24	%	NET	Salary 2023- 24	% of salary	Loans,grant and development partners	Projected Estimates 2024/25	Projected Estimates 2025/265
County Assembly	666,331,727	98	667,999,097	11%	667,999,097	294,629,969	44%		584,890,640	595,164,000
County Executive	478,018,844	93	486,162,767	8%	486,162,767	320,879,047	66%		491,332,800	498,702,790
Finance, Economic Planning & ICT	592,950,111	93	627,238,485	10%	627,238,485	212,586,872	34%		609,465,170	618,607,100
Agriculture, Livestock Development, Veterinary Services & Fisheries	586,551,748	75	640,374,111	10%	263,110,436	128,820,052	20%	377,263,675	634,750,800	644,272,000
Water, Environment, Natural Resources & Energy	640,693,900	53	426,439,655	7%	326,439,655	52,214,700	12%	100,000,000	620,957,000	630,271,500
Education and Vocational Training	644,918,250	93	847,357,008	13%	847,357,008	307,014,522	36%		662,880,700	672,823,900
Medical Services, Public Health & Sanitation	1,457,824,273	82	1,505,264,068	24%	1,496,833,068	894,417,193	59%	8,431,000	1,498,532,800	1,520,260,700
Lands, Housing, Physical Planning & Urban Development	253,369,202	71	202,197,424	3%	202,197,424	66,645,510	33%		270,526,100	274,584,000
Roads,Transport & Public Works	290,200,760	71	311,457,788	5%	311,457,788	51,232,833	16%		348,583,500	353,512,200
Tourism, Trade, Enterprise Development & Cooperatives	404,970,273	78	392,743,615	6%	392,743,615	123,068,750	31%		416,249,600	422,493,300
Culture, Social Services, Gender, Sports & Youth Affairs	197,040,270	86	200,387,527	3%	200,387,527	49,063,556	24%		212,528,300	215,566,200
TOTAL	6,212,869,358		6,307,621,545	100%	5,821,926,870	2,500,573,003	40%	485,694,675	6,350,697,410	6,446,257,690

Source: County Treasury 2023



**Figure 1: Six Months Year Revenue 2022-23**



Source: County Treasury 2023

**Table 8: Summary of Public Participation Highlights**

<b>Sector</b>	<b>Issues</b>	<b>Proposed Way forward/Action/Response</b>

**County Assembly**

**County executive**

**Finance, Economic Planning, and ICT**

**Agriculture, Veterinary, Livestock, and Fisheries**

**Water, Environment, Natural Resources & Energy**

**Education and Vocational Training**

**Medical Services, Public Health & Sanitation**

**Lands, Housing, Physical Planning & Urban Development**

**Roads, Transport & Public Works**

**Tourism, Trade, Enterprise Development & Co-operatives**

**Culture, Social Service, Youth, and Sports**