



**REPUBLIC OF KENYA**



**BARINGO COUNTY GOVERNMENT**

**COUNTY FISCAL STRATEGY PAPER**

**THEME: Delivering as One to Transform the Lives of the People of Baringo to the Highest Standard of Living**

**FEBRUARY, 2023**

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## **FOREWORD**

One of the key stages in the County budget preparation cycle is the production of the County Fiscal Strategy Paper (CFSP). It sets out the county policy goals and strategic priorities that will be the basis for formulation of the County's Financial Year 2023/2024 budget and the Medium-Term projections. This is an annual planning document that shows the various fiscal strategies that the County Government intends to employ to meet its overall objective of improving the livelihoods of its citizens.

The County priorities and goals outlined herein is drawn from the County Integrated Development Plan as enunciated in the 2023/2024 Annual Development Plan with emphasis on investment in: Agricultural transformation, accessibility of water for domestic, livestock and irrigation purposes, accessibility to quality health care services and investment growth for wealth and employment creation. These priorities link the county planning and policies to the budget process and forms the basis for the formulation of 2023/2024 FY.

The policy outlined in this CFSP draws from the national development agenda as outlined in the Fourth Medium Term Plan (MTP IV) of the Vision 2030 and targets to attain the Sustainable Development Goals (SDGs) of the United Nations. The policy supports investments in "The Bottom – Up Economic Transformation Agenda for Inclusive Growth" Which include the core pillars namely, Agricultural Transformation; Micro, Small and Medium Enterprise (MSME) Economy; Housing and Settlement; Healthcare; and Digital Superhighway and Creative Industry

As a build-up on the County Budget Review and Outlook Paper (CBROP) 2022, which analyzed the performance in the FY 2021/2022 financial year's budget, scanned the current year's fiscal environment and provided an outlook for the FY 2023/2024 and the medium term, this CFSP shows the allocation of resources in all sectors and departments.

The main sources of county revenue, in the medium term, will be the equitable share, conditional grants, local revenue collections and donor funding. In the FY 2023/2024 and the medium term, the County Government proposes a series of measures to increase revenue and balance its fiscal spending. The County will focus on broadening the capital base through increased revenue streams with a view to stimulate economic growth and development. This paper, therefore, puts into perspective how the County anticipates expending its scarce resources in the FY 2023/2024 and the medium term.

It is the aspiration of the County, through this CFSP, that departments will strive to achieve their targets through greater transparency, effectiveness and efficiency in public financial management in order to ensure fiscal discipline.

**Hon. Wilson Cheserek Ruto**  
**County Executive Committee Member**  
**Finance and Economic Planning**

## **ACKNOWLEDGEMENT**

The development of the County Fiscal Strategy Paper was a highly consultative process as a requirement of principles of public finance under the Constitution of Kenya, 2010.

We are indebted in gratitude to all those who participated directly and indirectly in the formulation of this CFSP document. Special acknowledgement and appreciation go to the County leadership led by the Governor, His Excellency Hon. Benjamin Cheboi, the Deputy Governor and the County Executive Committee members for their invaluable guidance and advice throughout the process. The County Executive Committee members provided the much-needed technical and coordination support to the Sector Working Groups by identifying and alignment the prioritized programmes and projects to the broader pillars of this planning document.

To the members of the public, we say a big thank you for your continued participations in the public participation forums. We affirm that your views and proposals which have been included in this document.

Last and most importantly, I say a big thank you to the Department Finance and Economic Planning Staff for your commitment and dedication in coordinating the entire process of CFSP development. Specifically, my gratitude goes to the following, technical officers: Solomon Kimuna, Michael Ngetich, Richard Tumeiyo, Ken Nadeiwa, CPA Sammy Kibor and Roxana Kandie. Your role in collecting, analyzing and collating all data helped in the development of this document.

And, to everyone else whom I have not mentioned by name and contributed to the development of this document in one way or the other, kindly accept my sincere appreciation.

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CFSP 2023

## CFSP Legal Framework

Section 117 of the Public Finance Management Act, 2012, provides that the County Treasury shall prepare and submit to the County Executive Committee a County Fiscal Strategy Paper (CFSP) for approval and the County Treasury shall submit the approved Fiscal Strategy Paper to the county assembly, by the 28th February of each year. In preparing the Paper:

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

## National and County Government Fiscal Responsibility Principles

In order to ensure prudence and transparency in management of resources, the County Treasury shall be guided by the fiscal responsibility principles as spelt out the PFM Act 2012, section 107 and that;

- i. Over the Medium Term, a minimum of 30 percent of the County budget shall be allocated to development expenditures
- ii. The County Government's expenditure on wages and benefits for county public officers shall not exceed thirty-five (35) percent of the County revenue.
- iii. Upon approval of the borrowing framework by Parliament, over the Medium Term, the county government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure. Short term borrowing shall be for purposes of cash management.
- iv. public debt and obligations shall be maintained at a sustainable level as approved by the County Assembly
- v. Fiscal risks shall be managed prudently
- vi. 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 future



## SECTION I

### 1.0 RECENT ECONOMIC DEVELOPMENTS AND MEDIUM-TERM OUTLOOK

#### 1.1 Overview

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 have grown 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 Bottom-up Economic Transformation Agenda geared towards economic turnaround and inclusive growth.

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 third consecutive month in January 2023. Inflation rate eased to 9.0 percent in January 2023 from 9.1 percent in December 2022 and 9.5 percent in November 2022 due to a decline in food prices following the favorable rains and declining international prices of edible oils. However, this inflation rate was higher than the 5.4 percent recorded in January 2022.

The external sector has remained stable despite the tight global financial conditions attributed to strengthening of 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 continue to provide adequate buffer against short term shocks in the foreign exchange market.

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 5.7 percent of GDP in FY 2022/23 to 4.4 percent of GDP in FY 2023/24.

#### 1.2 Global and Regional Economic Developments

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 projected to slow down to 2.9 percent in 2023 from the estimated at 3.4 percent in 2022 mainly driven by sluggish growth in advanced economies. The advanced economies is projected to decline from the estimated 2.7 percent in 2022 to 1.2 percent in 2023 reflecting slowdown in the growth in the USA, Euro Area and United Kingdom.

Growth in the emerging markets and developing economies is projected to rise modestly to 4.0 percent in 2023 from an estimated 3.9 percent in 2022 mainly driven by recovery of activities in China with the full reopening in 2023. China economy is projected to improve to 5.2 percent from 3.0 percent in 2022. In the sub-Saharan Africa region, growth is projected to remain moderate at 3.8 percent in 2023. This outlook reflects Nigeria's rising growth in 2023 due to measures to address insecurity issues in the oil sector.

### 1.3 Domestic Economic Developments

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.

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.

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 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.

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 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.

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.

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.

#### 1.4 Inflation Rate

The year-on-year inflation rate eased for the third consecutive month in January 2023 but was still above the 7.5 percent upper bound target. Inflation rate eased to 9.0 percent in January 2023 from 9.1 percent in December 2022 and 9.5 percent in November 2022 due to a decline in food prices as a result of favorable rains and lower global commodity prices particularly for edible oils and wheat with the easing of international supply chain disruptions. However, this inflation rate was higher than the 5.4 percent recorded in January 2022. Overall annual average inflation increased to 7.9 percent in January 2023 compared to the 6.1 percent recorded in January 2022.

Food inflation remained the main driver of overall year-on-year inflation in January 2023, contributing 5.2 percentage points, an increase, compared to a contribution of 3.2 percentage points in January 2022. The increase was mainly attributed to relatively higher prices key food items particularly cowpeas, maize grain (loose), beans, potatoes (Irish), green grams, and mangoes.

Fuel inflation also increased to contribute 2.4 percentage points to year-on-year overall inflation in January 2023 from a contribution of 1.4 percentage points in January 2022. 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 and scaling down of the fuel subsidy.

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 1.3 percentage points in January 2023 compared to 0.7 percentage points contribution in January 2022.

#### 1.5 Kenya Shilling Exchange Rate

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 Kes 123.9 in January 2023 compared to Kes 113.4 in January 2022. Against the Euro, the Kenya shilling also weakened to Kes 133.4 from Kes 128.4 over the same period. The Kenyan Shilling strengthened against the Sterling Pound exchange at Kes 151.3 in January 2023 compared Kes 153.6 in January 2022.

In comparison to Sub-Saharan Africa currencies, the depreciation of the Kenya Shilling exchange rate has remained relatively low at 9.3 percent against the US Dollar in January 2023. The depreciation rate of the Kenya Shilling was lower than that of Botswana pula, South African Rand, Namibian Dollar and Malawi Kwacha. The stability in the Kenya Shilling was supported by increased remittances, adequate foreign exchange reserves and improved exports receipts.

### 1.6 Interest Rates

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 and retained at the same rate on 30th January 2023.

The interbank rate increased to 6.0 percent in January 2023 compared to 4.4 percent in January 2022 while the 91-day Treasury Bills rate also increased to 9.5 percent compared to 7.3 percent over the same period due to tight liquidity conditions. Commercial banks' lending rates remained relatively stable in November 2022 supported by the prevailing monetary policy stance during the period. The average lending rate was at 12.6 percent in November 2022 from 12.2 percent in November 2021 while the average deposit rate increased to 7.1 percent from 6.4 percent over the same period. Consequently, the average interest rate spread declined to 5.5 percent in November 2022 from 5.7 percent in November 2021.

### 1.7 Money and Credit

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).

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.

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.

### 1.8 Private Sector Credit

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 Kes 24.8 billion in December 2021 peaking at Kes 28.0 billion in December 2022.

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

### 1.9 Banking Sector

The Banking Sector remained stable and resilient in 2022. The sector was well capitalized with core and total capital adequacy ratios of 16.2 percent and 19.0 percent, respectively, as at end December 2022. These were above the statutory limit of 10.5 percent and 14.5 percent, respectively. To build resilience, several banks have consolidated and combined with notable expansion in the region to exploit emerging opportunities. To stop predatory lending by the Digital Credit Providers (DCPs), the Central Bank of Kenya (Digital Credit Providers) Regulators 2022 were approved on May 18, 2022. The regulations provided for the CBK to license and oversight previously unregulated Digital Credit Providers by September 17, 2022 or cease operation. As at end December 22, 10 applicants had been granted licenses. CBK will continue with the focus of building a resilient banking sector with strong business models and governance frameworks.

### 1.10 Capital Markets Development

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 Kes 1,986 billion from Kes 2,593 billion over the same.

### 1.11 County Fiscal Performance

Budget execution in the first half of FY 2022/23 progressed well. Revenues continued to record positive growth albeit below targets performance. Revenue performance is expected to pick up in the second half of FY 2022/23 to reflect the County Government efforts in administrative policy reforms and leveraging on technology and enhanced data analytics to enhance revenue per unit; and, up scaling the technical capacity of staff through skills and use of technology.

### 1.12 Revenue Performance

Revenue collection to December 2022 grew by 11.1 percent compared to a growth of 36 percent in December 2021. This decline in rate of growth is attributed to the fact that the previous FY's growth was anchored on a lower base a contraction recorded in the FY 2019/20 reflecting the effects of COVID-19 pandemic. The half year decline was also attributed Kes 40 million outstanding processed NHIF claims which is due for payment. As at end December 2022, the cumulative total revenue was Kes 114,959,139 against a target of Kes 128,920,403. This performance was Kes 13,961,264 below the set target.

### 1.13 Expenditure Performance

Total expenditure as at December 2022 was Kes 2,733,927,399 compared to Kes 2,314,330,776 for the period ending December 2021 which represented an improvement of 18 percent. Expected overall revenues for the same period were below target by Kes 1,529,282,859. Increase in expenditure as at December 2022 was attributed to payment of development expenditure to suppliers of goods and services on time.

### 1.14 Economic Outlook

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.

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

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

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

### 1.15 Risks to the Outlook

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

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.

The upside risk to the domestic economy relate to faster than projected rebound in economic activities that would result in higher Government revenues providing fiscal space that would support fiscal consolidation. The Kenyan Government continues to monitor the domestic and external environment and will take appropriate policy measures to safeguard the economy against the adverse effects of the risks if they were to materialize

## SECTION II:

### 2.0 DELIVERING AS ONE TO TRANSFORM THE LIVES OF THE PEOPLE OF BARINGO TO THE HIGHEST STANDARD OF LIVING

#### 2.1 Overview

This section highlights the county specific risks, achievements and the strategies/interventions the county government has put in place to deliver on its agenda of delivering as one to transform the lives of the people of Baringo to the highest standards of living.

#### 2.2 County Specific Risks

Some of the risks anticipated to affect the County Fiscal performance include amongst others:

- The effects of climate change
- The prolonged effects of the Covid-19 pandemic, mainly in MSME sector
- Shrinking Local Revenue collection
- Increased Public Expenditure pressure
- High insecurity in some parts of the County
- Low staffing levels resulting in inefficiency in service delivery
- High rates of unemployment

#### 2.3 County proposed interventions to mitigate risks

The County propose to implement the following interventions to reduce the risks to the County's economic outlook.

- Strengthen the Human Resource base to improve service delivery
- Promote MSME growth by providing an enabling environment for businesses to thrive
- Promote and stimulate industrial and technological skills development through youth empowerment programmes
- Put in place measures to address revenue shortfalls, by investing on revenues structures and system and broadening revenue streams i.e. investing on revenue roads, valuation roll, and ICT systems on revenue collection among others.
- To enhance revenue collection, the government will train enforcement officers and strengthen internal controls.
- Formulate and implement policies to support climate change mitigation at the County level and increase coordination of climate change measures and activities.
- To improve on trade and market, the County will formulate policies and regulations that will strengthen the protection of farmers from exploitation by brokers through packaging and also provide the infrastructure necessary for market access.
- The government will put up structures that will create an enabling environment to foster business growth and stability. This will ensure recovery of business affected by COVID 19 pandemic.



- Strengthen emergency response system including medical services to reduce the spread of pandemic through continuous vaccination, fire, floods, locusts and other natural catastrophes.
- The county will strengthen and enhance security in the affected areas in collaboration with national Government and other security agencies.
- an enabling environment to foster business growth and stability. This will ensure recovery of business affected by COVID 19 pandemic.
- Strengthen emergency response system including medical services to reduce the spread of pandemic through continuous vaccination, fire, floods, locusts and other natural catastrophes.
- The county will strengthen and enhance security in the affected areas in collaboration with national Government and other security agencies.

#### 2.4 County Recovery Strategies from the effects of the recent economic development

Key areas of focus that the county government aims to mitigate the effects of the recent economic development are:

##### 2.4.1 Boosting Private Sector Activity

- (i) Leverage on the Hustler Fund initiative to build and strengthen self-sustaining funds dedicated and easily accessible to MSMEs in the County; promoting tailor made financial literacy programmes for MSMEs; and establishing a framework for micro-leasing for the MSMEs.
- (ii) County government in partnership with other institutions both from public and private spheres to facilitate development of adequate and well-equipped worksites with workshops, common user facilities, incubation centres and showrooms for artisans which is cluster informed and fully serviced.
- (iii) Provide access to affordable energy in collaboration with the national government and other stakeholders.
- (iv) Collaborate with the National government to ensure security is enhanced to reduce on crime and create a peaceful business environment.
- (v) Develop appropriate road infrastructure especially the county roads while collaborating with the private sector through PPP's to get financing of the projects.
- (vi) Enhance market access for private sector both locally and regionally by developing the regional bloc value chains, market diversification and facilitating greater use of ecommerce in shifting transactions to digital economy

##### 2.4.2 Strengthening ICT Capacity

The status of ICT access and use in the county is low, especially among households. 35 per cent of the population 3 years and above own mobile phone which is lower than the national average of 47.3 per cent. While 87 per cent of the internet users in Baringo County rely on mobile phone, with a marginal population relying on mobile broad that uses a sim card. In the new normal driven COVID-19, the County will fast track the implementation of various projects to ensure

business continuity and build resilience of the County against future pandemics and disasters in the following Strategies.

- (i) Support programmes in partnership with the private sector that will enable households acquire ICT assets such as smart phones and laptops and increase mobile phone ownership from the low of 35 per cent to 100 per cent in line with the global agenda for Universal Access to Mobile Telephony.
- (ii) Adopt programmes to ensure ubiquitous access to reliable and affordable internet (internet everywhere) by applying aerial and satellite-based communication technologies.
- (iii) Enhance internet connectivity to public buildings and key trade centres to boost e-commerce especially for MSMEs in trade and business. The NOFBI programme can be expanded to the sub-county administrative units to further enable deployment of e-governance solutions. This is in line with the CIDP programme to facilitate internet connectivity, system utilization and ICT resource sharing in 85 County Offices and interlink all county entities by 2022.
- (iv) Make ICT a stand-alone sector for planning and budget allocation. This is aimed at giving strategic prominence to planning, budgeting and investment in ICT.
- (v) Develop and implement ICT policies and procedures to mitigate the cyber threats and collaborate with the national Computer Incident Response Team (CIRT) and the Communications Authority (CA) towards managing cyber threats. This is because enhanced use of ICT is known to raise threats and risks related to cyber-crime and misinformation.

#### 2.4.3 Human Capital Development

On this account, the County will invest in all the economic sectors and specifically to the labor-intensive sectors of health, education and agriculture. The County will:

- (i) Transform human capital outcomes for greater productivity through investing in health, nutrition and producing requisite skills for all sectors of the County economy.
- (ii) Promote implementation of a stronger Labour market interventions and policy reforms that drive employment creation. The County shall deepen technical education, training and skills development.
- (iii) Enhance investments and mechanisms for up skilling and reskilling, deepening technical skills as well as ICT skills; and retraining employees on how to work from home, where applicable.
- (iv) Protect workers in the informal economy by pursuing innovative policies to reach them quickly through a combination of non-contributory and contributory social security schemes and facilitating their transition to the formal economy in the longer term.

#### 2.4.4 Support to Key Sectors

##### ***Trade & Industry/manufacturing***

Manufacturing sector contributes 0.2 per cent to the Baringo Gross County Product (GCP). Manufacturing in Baringo County mainly include food products (46.3 per cent), furniture (13.8 per cent), wearing apparel (13.2 per cent), fabricated metal products (6.7 per cent), leather and

leather products (6.3 per cent), wood and wood products (5.8 per cent) and textiles (5.3 per cent). The key products useful in value addition and driving manufacturing include; honey refinery, livestock production, meat processing, textiles, fruit processing, dairy processing, leather, coffee, timber, cotton ginnery and aloe processing. Hence, it is essential in supporting recovery of the economy of the County from the effects of the recent economic development and especially due to its strong forward and backward linkages. Additionally, the county will leverage on the National Government support to develop aggregated Industrial Parks by injecting additional Kes. 100 million.

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

Agriculture accounts for the largest share of economic activity in Baringo County. More than a half of county economic activity is driven by the agriculture sector. About 60 per cent of the households produce crops, 56 per cent produce livestock, 0.4 per cent practice aquaculture and about 0.6 per cent are involved in fishing. About 5 per cent of the households practice irrigation farming. As the agri-food sector gradually shifts from an emergency response to re-engineering, recovery and building resilience, the Baringo County will: -

- (i) Develop partnership with the National Government, NGOs, Development Partners, Research Institutions and the Private sector in enhancing agro-processing and value addition capacities of the county especially in horticulture (Watermelon, onions and vegetables), milk meat and leather processing.
- (ii) Establish new irrigation schemes and rehabilitate existing ones in 3 sub-counties at an estimated cost of Kes. 100 million in the 2023/2024 FY
- (iii) Invest in access roads to enhance linkage between farms and markets. Extensive rural road infrastructure plays a central role in provision of affordable access to both markets for agricultural outputs and modern inputs. Baringo's rural access index (RAI) fairs poorly at 46 per cent. This is low compared to the national average of 69.4 per cent. Other crucial market infrastructure includes lighting and water services to facilitate trade activities.
- (iv) Investment in storage and cooling facilities particularly at collection points to minimize spoilage and post-harvest losses. Specifically, Kes. 20 million will be budgeted to construct fish cold rooms in the FY 2023/2024.
- (v) Digitize the agri-food sector to support: - training and building capacities of farming households in modern agricultural technologies, provision of advisory and information services, marketing agricultural produce at a wider scope beyond the county level, and improving access to innovative support services including credit and insurance services.
- (vi) Enhance farmer's access to quality and affordable inputs including certified seeds, water, animal feeds, artificial insemination (AI) services, fertilizers, livestock vaccination and mechanized ploughing services by county tractor hire services. Access to affordable inputs would reduce cost of production in the county thereby improving the competitiveness of the county's outputs relative to cheap imports. Agricultural value chains targeted for development in

FY 2023/2024 include: Coffee, Cotton, Pyrethrum, Sisal, Assorted fruits (macadamia, mangoes, Avocados.). Kes, 40 million will be budgeted for this intervention.

(vii) Revamp Koibatek ATC and AMS at an estimated budget of Kes.20 million

(viii) Establish programmes for surveillance of disasters such as extreme weather conditions at the county level equipped with relevant technical specialists and finances to effectively prevent, prepare, respond and prevent risks. There is also need for the county to mitigate disasters, such as those related to floods, through institutional capacity development, vulnerability analyses and updates, monitoring and early warning systems, and public education.

(ix) Expansion of sustainable irrigation in the county through partnership with development partners. To support expansion of sustainable irrigation, there is will promote development of Irrigation Infrastructure and technologies in the county. The key irrigation scheme in the county is the Perkerra Irrigation Scheme covering 3,000 acres.

(x) Establish county multisectoral committees to deal with cross-cutting issues such as marketing of agricultural produce that cuts across the trade, ICT and infrastructure sectors that provide crucial market infrastructure such as road infrastructure, lighting and water services.

(xi) Build the capacity of farmers in adoption of modern farming technologies (modern production, harvesting, processing and post-harvest aggregation and storage methods), standards and practices and adopt sustainable land management practices to minimize environmental degradation. This can be done by establishing model farms & farmer training centers.

(xii) Strengthen agricultural cooperatives through effective stakeholder engagement and implementation of interventions for more sustainable models of financing and customized training of cooperative members.

### ***Water and Sanitation***

There is low access to piped water among urban households (23.40per cent), rural households (6.67per cent) and peri urban households (43.9per cent). Access to piped sewer among households is low which stands at 3.3 per cent both in rural urban and peri-urban areas. Additionally, most of rural households (34.63 per cent) and peri urban households (4.99 per cent) do not have access to sanitation facilities. About 61 per cent of households share a toilet with other households; this is more common in urban areas than in rural and peri urban households. Similarly, only 48.68 per cent of households have access to improved sanitation (KIHBS 2015/2016.)

Environmental conservation and access to adequate supply of clean water is fundamental for the achievement of the socio-economic development as envisioned by the Kenya Vision 2030. Towards this end, the Government continues to prioritize sustainable exploitation, utilization, management and conservation of the environment as well as protection of water catchment areas. To address water shortage, the County Government is in the process of constructing small pan dams, tanks and water distribution.

The county 2023-2027 CIDP programs under WASH, environment management and conservation seek to promote Access to clean and safe water through; Development of major

rural water supplies; Reticulation water system for urban centers and upcoming towns; Upgrading of JICA boreholes; Sanitation facilities

The recovery strategies include the following; The county to upscale the construction of water pans and dams as well as round water in order to solve water shortage, especially during dry seasons. This will help to increase water supply in households, institutions and public places through drilling of boreholes in all the sub-counties.

- (i) Upscale abstraction of water from rivers, spring protections, harvesting of rainwater from roof and other catchments to help achieve increase to water access.
- (ii) Integrate public private partnerships arrangements to enhance water provision in the County.
- (iii) Expand and rehabilitate the existing piped water connection infrastructure to help increase access to water. This can be achieved by expanding water infrastructure.
- (iv) Fast track the development of water governance and management policy.
- (v) Include both male and female in decision making on water management
- (vi) Undertake water trucking during times of prolonged drought and emergencies to households with water deficiencies
- (vii) Expand sewer infrastructure to accommodate more households, and yield safe sanitation coverage. Increased access to sanitation can be achieved through collaboration of the county government, development partners and PPP to expand sewer infrastructure and to accommodate more households.
- (viii) Construct toilets in in communities, schools, health centers and other public places. The county will collaborate with private sector and launch public toilet construction programmes.
- (ix) Fast track and implement policy on water governance and environment conservation and management.
- (x) Promote the importance of hand washing and construct WASH facilities to increase access at the household level.
- (xi) Provide maximum protection to employees working in water and sanitation through provision of personal protection equipment

### ***Urban Development and Housing***

The county has challenges in quality of the housing stock. Approximately 53 per cent of houses are constructed using finished materials for walls; floor and roofing, compared to 47 per cent constructed using rudimentary materials. With regard to primary energy source for cooking, 96 per cent of households rely on unclean sources of energy such as firewood, paraffin and charcoal, which could adversely affect respiratory health of women and children. For re-engineering and recovery, the County will:

- (i) Integrate the “build back better” principles into the pandemic recovery process to fit in resilience building in County Spatial Planning.
- (ii) Fastrack implementation of the affordable housing programme with a focus on improving living conditions and building quality applying finished materials for walls,

floors and roofing. This is in line with the CIDP programme to construct new housing units in Kabarnet and renovate existing housing stock.

- (iii) Acquisition of land and construction of Governor's & Deputy Governor residence
- (iv) Acquire Kabarnet Hotel premises and space for the construction of office block
- (v) Undertake spatial planning of urban areas, and fast-track identification and designation of urban centers for upgrade (Kabarnet, Eldama Ravine and Marigat, Chemolingot, Kabartonjo and Mogotio) pursuant to provisions of the Urban Areas and Cities (amendment) Act, 2019.
- (vi) Collaborate with National Government, Physical Planning Department and Universities to train county staff to address inadequate technical staff-physical planners, surveyors and housing officers as identified in the CIDP.
- (vii) Improve urban infrastructure in Kabarnet municipality & Eldama Ravine town to boost business environment.

### ***Transport***

The infrastructure development is critical for sustainable economic recovery, job creation, and empowerment of small businesses and lays grounds for the achievement of the Kenya Kwanza and the Governor's Agenda. The County Government has invested in road construction and rehabilitation which include construction of new roads, rehabilitation and maintenance of existing roads. To enhance mobility options for residents and improve road conditions to support economic, social and subsistence activities the County has put a lot of emphasis on urban infrastructure development and will upgrade 6km to bitumen standard. Towards improvement of accessibility, the department will:

- (i) Focus on increasing the share of unpaved roads in good and fair condition to above 62 per cent which is the national average. For the unpaved road network, focus on adopting the Low Volume Sealed Roads (LVSR) technology for greater network coverage cost effectively.
- (ii) Identify a core rural road network for prioritization to improve the rural access index (RAI) from the current 46 per cent with a target to match the national average of 70 per cent.
- (iii) Improve and expand infrastructure for Non-Motorized Transport (NMT) in urban areas and along roads with heavy –high speed traffic to promote sustainable mobility options and enhance road safety for all road users. This is in line with the Integrated National Transport Policy 2009 and the Sustainable Development Goals3.
- (iv) Adopt climate smart road engineering designs to safeguard road and bridge infrastructure from floods and to harvest storm water for irrigation and productive use.

## ***Tourism***

Baringo County is endowed with unique geographical features, landscapes and other attractions such as caves, lakes, hills, escarpments, hot springs and museums. Lakes Baringo and Bogoria stand out as the most popular geological feature but little is known of Simot falls, Tugen Hills, Ruko Conservancy; Pakka Hills, Stone Frog, Kipsaraman Museum, Releng Hot Springs and Cheploch Gorge, and Ngenyin fossil site in Baringo North, Kipngochoch God's window which have been mapped out to bid for the status of UNESCO Global Geopark. The county also has other good attraction sites such as beautiful terrain, nice caves, hot springs, wide variety of bird species, unique species of giraffes among many other features that if well marketed and tapped will bring fame and money to our great county. As the County awaits to clinch to UNESCO Global Geopark status, more resources will be allocated to the department as well as encourage local, national and internal investor to set up hospitality.

The strategies include:

- (i) Develop a county tourism master-plan diversify into conference tourism, water sports, excursions, hiking, guided tours, scenic drives, and cultural tours, villages and cultural festivals.
- (ii) Development of tourism information centres; marketing the county as a tourist destination.
- (iii) Renovate infrastructure around the tourism attraction sites along with improving sanitation conditions.
- (iv) Provide incentives in establishment of star-rated accommodation and M.I.C.E facilities to leverage the rich endowment in scenic tourist attraction sites.

## ***Health***

The county health department has the overall goal of delivering quality and affordable health care that is accessible to all residents of Baringo County. The investments towards the health sector in the County has grown over the period under devolution resulting to increased availability of key inputs e.g., increased number of health workers, improvements in health infrastructure and reduction in rate of stock-outs for essential medical drugs. The health sector is largely financed from four main sources; the equitable share, own source revenue, conditional grants and external loans and grants from development partners. The county strategies under this sector are:

- (i) The county government will support regular training of the Healthcare workers on various management protocols and infection prevention control across the levels of healthcare system in Baringo county, also due to the gap in the numbers and skills of staff under the county health sector, there is need for the county to invest in employment and deployment of additional medical officers, key among them medical specialists.
- (ii) Adopt and strengthen community health outreach programs to sensitize citizens to adopt proper health seeking behaviors that could have been affected by the pandemic. Attention will be

directed to expectant women on the will attend regular antenatal clinics for checkup and the caregivers of children on the importance of immunization.

(iii) Promote upgrading and equipping of health facilities through additional funding to health sector, this will enable the county to achieve the health outcomes.

(iv) Promote and support public and community health including the installation of hand washing facilities in homes and institutions such as schools, tertiary education learning institutions workplaces and health care facilities within Baringo County.

(v) Upgrade Kabarnet and Eldama Ravine hospitals.

### ***Education and Training***

The strategies include;

(i) The county will prioritize projects that consolidate WASH, PPEs, feeding programme in ECDE sections, ECDE capitation grants. The county will also put measures in place to increase primary and secondary enrollment rates. For TVETs, the main focus will be to bridge the gap in training at middle level and technical training through improved construction of new centers and incorporation of ICT infrastructure and equipment.

(ii) The County with support from stakeholders will continue to invest in early childhood development through infrastructural development to allow for adequate social distancing; deployment of ECDE teachers and provision of sanitation facilities.

(iii) The county will combine community participation and large-scale direct communication campaigns to parents, and where possible, increase attendance options to accommodate all children, including those with highest risk of dropping out, also promote back to school campaign and community outreach to ensure that no child is being dropped out of school due to COVID-19 emergency.

(iv) Provide financial or in-kind support, such as school feeding, to help families overcome the increased costs of attending school, also provides psychosocial support to teachers and learners.

(v) The County will prioritize projects that improve school water, sanitation and hygiene facilities and management in order to reduce future effect of similar or related outbreak while promoting public health in learning institutions.

### ***Youth Affairs, Sports, Gender & Social Protection***

The strategies will include the following interventions:

(i) Promote the Universal Healthcare Programme (UHC), to support the vulnerable communities and register them with NHIF to help them access health service at minimal cost.

(ii) Build resilience and promote affirmative action for addressing challenges facing vulnerable groups; promote gender mainstreaming, protection and response against gender-based violence and involvement in all sectors.

(iii) Extend sickness benefit coverage to all, with attention given to informal employment, the self-employed and vulnerable groups.



- (iv) Ensure basic income security, for persons whose jobs or livelihoods have been disrupted by the crisis, also coordinate social protection providers and strengthen linkages across various social protection interventions in the county.
- (v) Protect vulnerable groups in the population from health costs by enhancing NHIF coverage; improving knowledge of the existing insurance schemes to improve uptake; and subsidizing NHIF premiums for targeted vulnerable populations.
- (vi) Complete and operationalize Kabarnet Stadia
- (vii) Equipping and operationalize youth empowerment and incubation centres

### ***Environment and Natural Resources Management***

The county faces the following environmental challenges; wildlife conflict, land degradation, landslides, forest fire, natural resource bases conflict floods and droughts. The challenges threaten the existence of biodiversity for instance most households (80.9 per cent) use wood fuel and charcoal (13.84) as major sources of energy for cooking. Additionally, most household (13.1 per cent) dump their solid waste in the street/ vacant plot/ drain while 81.81 per cent of households burn in open. On the other hand, 13.7 per cent of households have experienced droughts or floods in the past 5 years that has adversely affected their farming activities (KIHBS 2015/2016) This reduces the ability of households to be food secure.

To mitigate these environmental risks, the County has put in place measures to mainstream environmental and climate change in county planning and budgeting processes with aim of strengthening disaster risk mitigation measures and reducing damages caused by natural hazards like floods and droughts. Strategies under this sector include:

- (i) Promote alternative sources of energy for cooking to minimize over reliance of wood fuel. The county can have partnerships and collaborations with established stakeholders in natural resource management and conservation.
- (ii) Reclaim forest land and water catchment land that's under encroachment.
- (iii) The county to provide capacity building of communities around Mau Forest, Mochongoi and Koibatek forests on Sustainable Forest Management.
- (iv) Promote and facilitate regular environment clean up exercises at neighborhood and in towns, sensitization programs on importance of tree planting, environment management conservation. The county government can work in collaboration with donor agencies, private sector, local communities to come up with up with initiatives to manage solid waste.
- (v) Increase percentage of solid waste collected by the county.
- (vi) Segregate waste resource at the source to easily facilitate recycling solid waste.
- (vii) Cushion households from the adverse effects of droughts or to achieve food security, minimal damages from droughts and floods, it's important for counties can work with the national government, donor agencies, private sector, local communities to come up with up mitigation measures to droughts and floods.

### **Legislation, Representation and Oversight Services**

The County Assembly is charged with three key mandates of representation, legislation and oversight. The County Assembly is also mainly responsible for performing the roles as set out in Article 185 of the constitution of Kenya. To support such programmes including construction of speaker's residence, it has been allocated Kes 729 million. The County Assembly CRA allocation was Kes 828 including Kes 99 for reimbursement which was re-imbursed during the revised budget estimates of FY 2022/2023.

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## SECTION III

### 3.0 BUDGET FOR FY 2023/2024 AND THE MEDIUM TERM

#### 3.1 Fiscal Framework

The FY 2023/2024 Budget framework is underpinned by-

- a) Strategic policy direction: Priority is given to the Governor's agenda, the national agenda aspirations and social equity.
- b) Strict project prioritization - only high impact projects will be considered for financing.
- c) Priority to completion and operationalization of ongoing projects.
- d) Allocation based on realistic outcomes and achievable results.

#### 3.2 Revenue projections

Equitable share has been key financing component of the County's budget contributing over ninety percent of the total revenue over the years. In FY 2021/2022 equitable share received was Kes 6.369 billion and remained the same in the FY 2022/2023. It is expected to increase to Kes 6.640 billion in FY 2023/2024 and rise to Kes 6.972 billion in the FY 2024/2025 and Kes 7.32 billion in FY 2025/2026.

In the FY 2021/22 own source revenue collected was Kes 264 million against a target of Kes 288 million this was occasioned by effects of covid-19 pandemic coupled with weather vagaries. This revenue performance will be underpinned by on-going investments on revenue sources, revenue administration and change in policy. It is estimated that Kes. 312 million will be collected in the FY 2022/2023. Within the MTEF period, it is projected that own source revenue will be 328million, 344 million and 361 for the FY 's 2023/24; 2024/25 and 2025/26 respectively. A summary of this is as shown the table 1 below:

**Table 1: Revenues**

	<b>2022/2023</b>	<b>2023/2024</b>	<b>2024/2025</b>	<b>2025/2026</b>
<b>Revenue</b>	<b>Approved Budget</b>	<b>CFSP CEILING</b>	<b>Projection</b>	
Aggregated Industrial Park Programme	-	100,000,000	105,000,000	110,250,000
Transfer for Library Services	-	24,613,310	25,843,976	27,136,174
Leasing Of Medical Equipment	110,638,298	-	116,170,213	121,978,723.55
Bal c/f -Grants & Loans	746,917,253	-	-	-
Grants & Loans	319,826,199	-		
<b>Sub Total</b>	<b>1,177,381,750</b>	<b>124,613,310</b>	<b>247,014,188</b>	<b>259,364,898</b>
Bal c/f CRF	1,422,042,692	-		
Equitable Share	6,369,394,592	6,640,106,963	6,972,112,311	7,320,717,927
Local Revenue	312,474,282	328,097,996	344,502,896	361,728,041
<b>Sub Total</b>	<b>8,103,911,566</b>	<b>6,968,204,959</b>	<b>7,316,615,207</b>	<b>7,682,445,968</b>
<b>Total Revenues</b>	<b>9,281,293,316</b>	<b>7,092,818,269</b>	<b>7,563,629,396</b>	<b>7,941,810,865</b>

### 3.3 Expenditure Projections

Overall budget expenditure for FY 2023/24 is projected at Kes 7.092 billion from the revised budget of Kes 9.281 billion in the FY 2022/2023. These expenditures comprise recurrent of Kes 4.975 billion and development of Kes 2.117 billion for FY 2023/2024 and recurrent of Kes 5.171 billion and development of Kes 4.109 billion in the FY 2022/2023.

Most of the outlays are expected to support critical infrastructure and improvement of livelihoods of the county residents.

### 3.4 Public Participation Hearings and Involvement of Stakeholders

To ensure inclusivity of all stakeholders before the budget proposals are firmed up, the county government organized a series of public participation forums across the county. These forums provided the citizens an opportunity to participate in the public hearings and present their proposals. Additionally, other alternative avenues through which stakeholders presented their proposals were submission of written memorandums and the use of on-line platform provided by the county government. The public participation report was prepared and analyzed to give the key priority areas which include:

- i. Agricultural Transformation
- ii. Access to quality Healthcare Services
- iii. Access to Water for domestic, Livestock & Irrigation purposes
- iv. Land tenure system
- v. Peace and Security
- vi. Investment & Industrial Promotion
- vii. Leveraging on Technology (Digital superhighway & creative industry)

### 3.5 CFSP Ceilings for 2023/2024 per Department

Programme Based Budget (PBB) is a budgeting approach which directly links the planned expenditures to programmes that deliver the mandate of the County Government. The approach is organized around programmes with clear objectives and focuses more on connection between inputs, outputs and outcomes. It entails development of programme objectives, key outputs, indicators and targets that are realistic and achievable.

The PBB framework gives the purpose of the budget and means to measure budget performance. It also allows for the identification of key inputs that facilitate core operations and processes required to achieve the County’s strategic objectives. In this County Fiscal Strategy Paper, that is expected to be considered for approval by the county assembly, allocation of ceilings is based on the priority programmes as shown in table 2 below:

**Table 2: CFSP Ceiling for FY 2023/2024**

Sub-Sector	Code	Programme	CFSP Ceiling Approved by Cabinet			
			Recurrent	Development	Total	
Health services	P1	Curative and Rehabilitative		80,000,000	80,000,000	
		<b>Sub-Total</b>	-	<b>80,000,000</b>	<b>80,000,000</b>	
	P2	Preventive and Promotive		108,487,241	108,487,241	
		<b>Sub Total</b>	-	<b>108,487,241</b>	<b>108,487,241</b>	
	P3	General Administration, Planning and Support Services	380,341,962		380,341,962	
		<b>Sub Total</b>	<b>380,341,962</b>	-	<b>380,341,962</b>	
		<b>Total</b>	<b>380,341,962</b>	<b>188,487,241</b>	<b>568,829,203</b>	
County Assembly	P 1	General Administration, Planning and Support Services	378,440,000	20,000,000	398,440,000	
		<b>Sub Total</b>	<b>378,440,000</b>	<b>20,000,000</b>	<b>398,440,000</b>	
	P 2	Legislation, Representation and Oversight Services	351,522,650		351,522,650	
		<b>Sub Total</b>	<b>351,522,650</b>	-	<b>351,522,650</b>	
			<b>Total</b>	<b>729,962,650</b>	<b>20,000,000</b>	<b>749,962,650</b>
	County Executive	P 1:	General Administration, Planning and Support Services	55,118,939		55,118,939
Infrastructure Development			-	62,000,000	62,000,000	
<b>Sub Total</b>		<b>55,118,939</b>	<b>62,000,000</b>	<b>117,118,939</b>		
Public Service Administration and e-government		General administration planning and support services	3,807,008,998		3,807,008,998	
		Infrastructure Development	-	67,687,729	67,687,729	

Sub-Sector	Code	Programme	CFSP Ceiling Approved by Cabinet		
			Recurrent	Development	Total
		Infrastructure Development Sub county adm	-	32,529,434	32,529,434
		<b>Sub-Total</b>	<b>3,207,608,998</b>	<b>100,217,163</b>	<b>3,307,826,161</b>
County Secretary	P 2	General administration planning and support services	43,000,000		43,000,000
		<b>Sub-Total</b>	<b>43,000,000</b>	-	<b>43,000,000</b>
	P3	Human Resource Management Services	186,000,000		186,000,000
		<b>Sub-Total</b>	<b>186,000,000</b>	-	<b>186,000,000</b>
		Infrastructure Development		30,000,000	30,000,000
		<b>Sub Total</b>	-	<b>30,000,000</b>	<b>30,000,000</b>
County Public Service board	P4	County Public Service Board Services	17,922,030	10,000,000	27,922,030
		<b>Sub Total</b>	<b>17,922,030</b>	<b>10,000,000</b>	<b>27,922,030</b>
E-Governance and ICT	P6	Data Governance and Information Management			-
		<b>Sub Total</b>			-
	P7	ICT promotion and Idea Incubation programme		3,000,000	3,000,000
	P8	ICT Infrastructure Development		8,000,000	8,000,000
		<b>Sub Total</b>		<b>11,000,000</b>	<b>11,000,000</b>
		<b>Total</b>	<b>3,509,649,967</b>	<b>213,217,163</b>	<b>3,722,867,130</b>
Finance and Economic Planning	P5	General administration planning and support services	102,315,000		102,315,000
		<b>Sub-Total</b>	<b>102,315,000</b>		<b>102,315,000</b>
		Economic Planning Services	26,500,000		26,500,000
		<b>Sub-Total</b>	<b>26,500,000</b>		<b>26,500,000</b>
	P6	Revenue services	16,000,000	15,000,000	31,000,000
		<b>Sub Total</b>	<b>16,000,000</b>	<b>15,000,000</b>	<b>31,000,000</b>
		KDSP Programme	15,000,000		15,000,000
		<b>Sub Total</b>	<b>15,000,000</b>		<b>15,000,000</b>
		<b>Total</b>	<b>159,215,000</b>	<b>15,000,000</b>	<b>174,215,000</b>
Youth, Sports, Culture and Social services	P1	General Administrative Services	4,892,453	-	4,892,453
	SP1.1:	<b>Sub Total</b>	<b>4,892,453</b>		<b>4,892,453</b>
	SP2:	Sports Infrastructural development	3,000,000	20,000,000	23,000,000
		<b>Sub Total</b>	<b>3,000,000</b>	<b>20,000,000</b>	<b>23,000,000</b>
	P2	Cultural and Creative Arts Development	1,000,000	10,922,713	11,922,713

Sub-Sector	Code	Programme	CFSP Ceiling Approved by Cabinet		
			Recurrent	Development	Total
		<b>Sub Total</b>	<b>1,000,000</b>	<b>10,922,713</b>	<b>11,922,713</b>
	P3	Youth Development and Management	2,000,000	20,000,000	22,000,000
		<b>Sub Total</b>	<b>2,000,000</b>	<b>20,000,000</b>	<b>22,000,000</b>
	P4	Gender development and management	1,000,000	3,000,000	4,000,000
		<b>Sub Total</b>	<b>1,000,000</b>	<b>3,000,000</b>	<b>4,000,000</b>
	P5	County social safety nets	3,000,000	30,334,799	33,334,799
		<b>Sub Total</b>	<b>3,000,000</b>	<b>30,334,799</b>	<b>33,334,799</b>
		<b>Total</b>	<b>14,892,453</b>	<b>84,257,512</b>	<b>99,149,965</b>
Agriculture, Livestock and Fisheries Development	P1	General Administration, Planning and Support Services	11,869,781	11,500,000	23,369,781
		<b>Sub Total</b>	<b>11,869,781</b>	<b>11,500,000</b>	<b>23,369,781</b>
	P2	Crops Management and Development	3,000,000	156,738,400	159,738,400
		<b>Sub Total</b>	<b>3,000,000</b>	<b>156,738,400</b>	<b>159,738,400</b>
	P3	Fisheries development and management		24,000,000	24,000,000
		<b>Sub Total</b>	<b>-</b>	<b>24,000,000</b>	<b>24,000,000</b>
	P4	Livestock resources management and development		129,530,002	129,530,002
		<b>Sub Total</b>	<b>-</b>	<b>129,530,002</b>	<b>129,530,002</b>
		<b>Total</b>	<b>14,869,781</b>	<b>321,768,402</b>	<b>336,638,183</b>
Lands and Urban Development	P5	General administration and planning support services-Lands & Housing	9,003,832		9,003,832
		<b>Sub Total</b>	<b>9,003,832</b>	<b>-</b>	<b>9,003,832</b>
	P6	Land use planning and Information management		79,701,813	79,701,813
		<b>Sub Total</b>	<b>-</b>	<b>79,701,813</b>	<b>79,701,813</b>
	P7	Housing Development and management		25,000,000	25,000,000
		<b>Sub Total</b>	<b>-</b>	<b>25,000,000</b>	<b>25,000,000</b>
Kabarnet Municipality	P9	Kabarnet Municipality Services	6,759,157	67,500,000	74,259,157
		<b>Sub Total</b>	<b>6,759,157</b>	<b>67,500,000</b>	<b>74,259,157</b>
Eldama Ravine Town	P10	Eldama Ravine and other sub-county Town Services	5,154,129	30,000,000	35,154,129
		<b>Sub Total</b>	<b>5,154,129</b>	<b>30,000,000</b>	<b>35,154,129</b>
		<b>Total</b>	<b>20,917,118</b>	<b>202,201,813</b>	<b>223,118,931</b>
Education and VTC	P1	General Administration, planning and support services	15,090,000		15,090,000
		<b>Sub Total</b>	<b>15,090,000</b>	<b>-</b>	<b>15,090,000</b>

Sub-Sector	Code	Programme	CFSP Ceiling Approved by Cabinet		
			Recurrent	Development	Total
	P2	Early Childhood Development	15,000,000	119,758,059	134,758,059
		<b>Sub Total</b>	<b>15,000,000</b>	<b>119,758,059</b>	<b>134,758,059</b>
	P3	Vocational Training Development	30,000,000	30,000,000	60,000,000
		<b>Sub Total</b>	<b>30,000,000</b>	<b>30,000,000</b>	<b>60,000,000</b>
		<b>Total</b>	<b>60,090,000</b>	<b>149,758,059</b>	<b>209,848,059</b>
Trade Cooperatives	P1	General Administration, Planning and Support Services	7,892,000		7,892,000
		<b>Sub Total</b>	<b>7,892,000</b>		<b>7,892,000</b>
	P2	Trade development and marketing services	1,000,000	46,684,982	47,684,982
		<b>Sub Total</b>	<b>1,000,000</b>	<b>46,684,982</b>	<b>47,684,982</b>
	P3	Legal Metrology	1,000,000		1,000,000
		<b>Sub Total</b>	<b>1,000,000</b>		<b>1,000,000</b>
	P4	Cooperative Development and Management	1,000,000	7,300,000	8,300,000
		<b>Sub Total</b>	<b>1,000,000</b>	<b>7,300,000</b>	<b>8,300,000</b>
	P5	Tourism development	2,000,000	20,000,000	22,000,000
		<b>Sub Total</b>	<b>2,000,000</b>	<b>20,000,000</b>	<b>22,000,000</b>
	P6	Industrial Development		233,000,000	233,000,000
		<b>Sub Total</b>	<b>-</b>	<b>233,000,000</b>	<b>233,000,000</b>
		<b>Total</b>	<b>12,892,000</b>	<b>306,984,982</b>	<b>319,876,982</b>
Water and Irrigation	P1	General Administration, planning and support services	42,955,512	20,000,000	62,955,512
		<b>Sub Total</b>	<b>42,955,512</b>	<b>20,000,000</b>	<b>62,955,512</b>
	P2	Water resource development and supplies management	2,000,000	213,084,676	215,084,676
		<b>Sub Total</b>	<b>2,000,000</b>	<b>213,084,676</b>	<b>215,084,676</b>
	P3	Irrigation infrastructure development		111,100,000	111,100,000
		<b>Sub Total</b>	<b>-</b>	<b>111,100,000</b>	<b>111,100,000</b>
		<b>Total</b>	<b>44,955,512</b>	<b>344,184,676</b>	<b>389,140,188</b>
Environment and Natural Resources	P1	General administrative services	10,301,809		10,301,809
		<b>Sub Total</b>	<b>10,301,809</b>	<b>-</b>	<b>10,301,809</b>
	P2	Environmental Conservation and Management	1,000,000	15,000,000	16,000,000
		<b>Sub Total</b>	<b>1,000,000</b>	<b>15,000,000</b>	<b>16,000,000</b>
	P3	Natural Resources Conservation,	2,000,000	15,067,459	17,067,459



Sub-Sector	Code	Programme	CFSP Ceiling Approved by Cabinet		
			Recurrent	Development	Total
		Exploitation and Management			
		<b>Sub Total</b>	<b>2,000,000</b>	<b>15,067,459</b>	<b>17,067,459</b>
	P4	Climate change Adaptation		25,000,000	25,000,000
		<b>Sub Total</b>	<b>-</b>	<b>25,000,000</b>	<b>25,000,000</b>
		<b>Total</b>	<b>13,301,809</b>	<b>55,067,459</b>	<b>68,369,268</b>
Transport and Public works	P1	General Administration, Planning and Support Services	11,700,173	24,000,000	35,700,173
		<b>Sub Total</b>	<b>11,700,173</b>	<b>24,000,000</b>	<b>35,700,173</b>
	P2	Road Infrastructure Development	1,000,000	192,102,537	192,102,537
		<b>Sub Total</b>	<b>1,000,000</b>	<b>192,102,537</b>	<b>193,102,537</b>
	P3	Public works development	2,000,000		2,000,000
		<b>Sub Total</b>	<b>2,000,000</b>	<b>-</b>	<b>2,000,000</b>
	P4	Energy Access Infrastructure Development			-
		Sub Total	-	-	-
	P5	Air and Marine Transport			-
		Sub Total	-	-	-
		<b>Total</b>	<b>14,700,173</b>	<b>216,102,537</b>	<b>230,802,710</b>
		<b>G.Total</b>	<b>4,975,788,425</b>	<b>2,117,029,844</b>	<b>7,092,818,269</b>
			<b>4,975,788,425</b>	<b>-</b>	<b>7,092,818,269</b>

### Departmental Budget Allocation

The budget is divided into two broad economic classifications, that is, development and recurrent allocation of Kes 2,117,029,844 and Kes 4,975,788,425 respectively as shown in table 3 below:

**Table 3: Development Ceiling for 2023/2024 FY CFSP**

Departments	Economic Classification	Revised Budget	CFSP Ceilings		Projections	
			2022/2023	2023/2024	2024/2025	2025/2026
	<b>Sub Total</b>	<b>802,801,028</b>	<b>230,802,710</b>	<b>346,204,066</b>	<b>363,514,269</b>	
Transport, Energy and Infrastructure	Rec. Gross	13,700,173	14,700,173	15,435,182	16,206,941	
	Dev. Gross	789,100,855	216,102,537	226,907,664	238,253,047	
Finance and Economic Planning	<b>Sub Total</b>	<b>409,798,693</b>	<b>174,215,000</b>	<b>261,322,500</b>	<b>274,388,625</b>	
	Rec. Gross	151,978,813	159,215,000	167,175,750	175,534,538	

Departments	Economic Classification	Revised Budget	CFSP Ceilings	Projections	
		2022/2023	2023/2024	2024/2025	2025/2026
	Dev. Gross	257,819,880	15,000,000	15,750,000	16,537,500
Water and Irrigation	<b>Sub Total</b>	<b>1,004,964,980</b>	<b>389,140,188</b>	<b>408,597,197</b>	<b>429,027,057</b>
	Rec. Gross	44,955,512	44,955,512	47,203,288	49,563,452
	Dev. Gross	960,009,468	344,184,676	361,393,910	379,463,605
Environment, Mining and Natural Resources	<b>Sub Total</b>	<b>125,938,520</b>	<b>68,369,268</b>	<b>71,787,731</b>	<b>75,377,118</b>
	Rec. Gross	13,301,809	13,301,809	13,966,899	14,665,244
	Dev. Gross	112,636,711	55,067,459	57,820,832	60,711,874
Agriculture, Livestock and Fisheries	<b>Sub Total</b>	<b>703,846,081</b>	<b>336,638,183</b>	<b>353,470,092</b>	<b>371,143,597</b>
	Rec. Gross	27,669,781	14,869,781	15,613,270	16,393,934
	Dev. Gross	676,176,300	321,768,402	337,856,822	354,749,663
Lands and Urban Development	<b>Sub Total</b>	<b>198,437,593</b>	<b>223,118,931</b>	<b>234,274,878</b>	<b>245,988,621</b>
	Rec. Gross	31,932,474	20,917,118	21,962,974	23,061,123
	Dev. Gross	166,505,119	202,201,813	212,311,904	222,927,499
Education	<b>Sub Total</b>	<b>349,821,924</b>	<b>209,848,059</b>	<b>220,340,462</b>	<b>231,357,485</b>
	Rec. Gross	49,090,000	60,090,000	63,094,500	66,249,225
	Dev. Gross	300,731,924	149,758,059	157,245,962	165,108,260
Health Services	<b>Sub Total</b>	<b>847,255,034</b>	<b>568,829,203</b>	<b>597,270,663</b>	<b>627,134,196</b>
	Rec. Gross	393,740,332	380,341,962	399,359,060	419,327,013
	Dev. Gross	453,514,702	188,487,241	197,911,603	207,807,183
Trade, Cooperatives, Industrialization and Tourism	<b>Sub Total</b>	<b>99,911,162</b>	<b>319,876,982</b>	<b>335,870,831</b>	<b>352,664,373</b>
	Rec. Gross	11,855,092	12,892,000	13,536,600	14,213,430
	Dev. Gross	88,056,070	306,984,982	322,334,231	338,450,943
Social Protection, Culture, Youth and Gender	<b>Sub Total</b>	<b>172,887,601</b>	<b>99,149,965</b>	<b>104,107,463</b>	<b>109,312,836</b>
	Rec. Gross	14,892,453	14,892,453	15,637,076	16,418,929
	Dev. Gross	157,995,148	84,257,512	88,470,388	92,893,907
Public Service and Administration	<b>Sub Total</b>	<b>3,522,232,691</b>	<b>3,722,867,130</b>	<b>3,909,010,487</b>	<b>4,104,461,011</b>
	Rec. Gross	3,467,295,203	3,509,649,967	3,790,421,964	3,979,943,063
	Dev. Gross	54,937,488	213,217,163	226,010,193	237,310,702
County Assembly	<b>Sub Total</b>	<b>1,043,398,009</b>	<b>749,962,650</b>	<b>787,460,783</b>	<b>826,833,822</b>
	Rec. Gross	951,229,060	729,962,650	773,760,409	812,448,429
	Dev. Gross	92,168,949	20,000,000	22,448,916	23,571,362
	<b>Gran. Total</b>	<b>9,281,293,316</b>	<b>7,092,818,269</b>	<b>7,563,629,396</b>	<b>7,941,810,865</b>
	<b>Rec. Gross</b>	<b>5,171,640,702</b>	<b>4,975,788,425</b>	<b>5,337,166,971</b>	<b>5,604,025,320</b>
	<b>Dev. Gross</b>	<b>4,109,652,614</b>	<b>2,117,029,844</b>	<b>2,226,462,424</b>	<b>2,337,785,545</b>

The table below shows economic classification per department.

**Table 4: Ceiling per Economic Classification**

Department	Recurrent			Development	G. Total
	Salary	O&M	Total		
County Assembly	402,600,860	327,361,790	729,962,650	20,000,000	749,962,650
The Governor's Office	-	40,429,600	40,429,600	42,000,000	82,429,600
County Secretary Office	-	229,000,000	229,000,000	30,000,000	259,000,000
Public Services, Administration, Devolution , & ICT	3,147,522,862	30,153,018	3,177,675,880	78,687,729	3,256,363,609
Tiaty West Sub-Counties	-	4,009,080	4,009,080	2,000,000	6,009,080
Tiaty East Sub-Counties	-	3,361,000	3,361,000	8,529,434	11,890,434
Baringo North Sub County	-	4,586,222	4,586,222	7,000,000	11,586,222
Baringo Central Sub County	-	4,728,027	4,728,027	2,000,000	6,728,027
Baringo South Sub County	-	4,524,000	4,524,000	2,000,000	6,524,000
Mogotio Sub County	-	4,372,377	4,372,377	9,000,000	13,372,377
Eldama Ravine Sub County	-	4,352,412	4,352,412	2,000,000	6,352,412
Deputy Governor Office	-	14,689,339	14,689,339	20,000,000	34,689,339
County Public Service Board	-	17,922,030	17,922,030	10,000,000	27,922,030
Finance and Economic Planning	-	159,215,000	159,215,000	15,000,000	174,215,000
Roads, Transport, Energy and Public Works	-	14,700,173	14,700,173	216,102,537	230,802,710
Trade, Cooperatives, Industrialization and Tourism	-	12,892,000	12,892,000	306,984,982	319,876,982
Education and Vocational training	-	60,090,000	60,090,000	149,758,059	209,848,059
Health Services	-	380,341,962	380,341,962	188,487,241	568,829,203
Lands, Housing & Urban Development	-	9,003,832	9,003,832	104,701,813	113,705,645
Eldama Ravine Town	-	5,154,129	5,154,129	30,000,000	35,154,129
Kabarnet Town	-	6,759,157	6,759,157	67,500,000	74,259,157
Agriculture, Livestock, and Fisheries Management	-	14,869,781	14,869,781	321,768,402	336,638,183
Youth Affairs, Sports, Culture, Gender and Social services	-	14,892,453	14,892,453	84,257,512	99,149,965
Water and Irrigation	-	44,955,512	44,955,512	344,184,676	389,140,188
Wildlife Management , Natural Resources and Mining	-	13,301,809	13,301,809	55,067,459	68,369,268

Department	Recurrent			Development	G. Total
	Salary	O&M	Total		
<b>Totals</b>	3,550,123,722.27	1,425,664,702	4,975,788,425	2,117,029,844	7,092,818,269

CFSP 2023