

**REPUBLIC OF KENYA**



**MIGORI COUNTY**

**FISCAL STRATEGY PAPER 2015/2016**

**A vibrant and Prosperous County**

**FEBRUARY 2015**

## **FOREWORD**

The Migori County 2015/2016 Fiscal Strategy Paper sets out the framework for the preparation of the 2015/2016 budget as required under Section 117 of the Public Finance Management Act, 2012. It articulates economic policies and structural reforms as well as sector based expenditure programs that the County intends to implement in line with the Annual Development Plan 2015/2016 in realization of Migori County Integrated Development Plan 2013-2017.

The Medium Term Expenditure Framework aims at ensuring efficiency and effectiveness in the implementation of the development activities outlined in the 2014 Annual Development Plan. This is important to create fiscal space for financing priority projects by the departments in the County.

In compliance with the mandate bestowed on the County governments by the Constitution, Migori County Government is dedicated to prudently utilizing the available resources and enhancing fiscal discipline so as to improve the living standards of her citizens. The County Government will work on the improved macro-economic environment to overcome the devolution transition and the various interrelationship challenges within the national and county governance structures. The County Government will promote value addition, investment on infrastructure and support especially the small and medium enterprises so as to expand employment opportunities.

Once the strategies that have been highlighted in this document shall be enforced and implemented, the county shall witness improved growth that shall result to reduced poverty and improved standard of living among the people of Migori.

**Hon Tom Kasera**

CECM Finance and Economic Planning

## **ACKNOWLEDGEMENTS**

The Migori County Fiscal Strategy Paper 2015-2016 is informed by the Public Finance Management Act 2012 Section 117 (1) which stipulates that the County Treasury should prepare the Fiscal Strategy Paper for the County. It sets out broad strategic priorities and policy goals that will guide the Migori County Government in preparing its budget over the medium term and for the Financial Year 2015/2016.

The content of this Fiscal Strategy Paper has benefited from an array of expertise of professionals and key stakeholders in the County. Their tireless efforts have informed the four chapters of this Strategic paper. We wish to express our gratitude to all those persons that participated in the drafting and printing of this paper.

We are particularly grateful to His Excellency the Governor for his lead role, direction and guidance in developing this document; His Excellency the Deputy Governor, County Executive Committee Members and Chief Officers for their input in providing the much needed information.

Special thanks goes to the secretariat coordinator and Director of Economic Planning Mr. Lazarus Onyancha, Mr. Paul Mwita Director of Finance, Mwita Robi head of Revenue, Collins Bala Head of Accounting Treasury; County economists, Mr. Douglas Kimaiga, Francis Kiboi, Andrew Njogu, Duncan Mburu, Emilly Moraa and Evon Sarah Atieno.

We cannot forget the role of members of the public, for their contributions during the public forums held in the eight sub counties.

Finally, it is our sincere hope that this Fiscal Strategy Paper would serve to guide the budget making process for the 2015/2016 Financial year.

**Samuel Omuga**

Chief Officer Finance and Economic Planning

## Table of Contents

FOREWORD .....	2
ACKNOWLEDGEMENTS .....	3
ABBREVIATIONS .....	6
1. CHAPTER ONE: COUNTY STRATEGIC BLUEPRINT .....	7
1.1. Overview .....	7
1.2. Objective .....	8
1.3. Outline of the 2015/2016 Fiscal Strategy Paper .....	9
2. CHAPTER TWO: RECENT ECONOMIC DEVELOPMENTS AND POLICY OUTLOOK .....	10
2.2. Overview of Economic Performance .....	10
2.3. Fiscal Performance and Emerging Challenges .....	13
2.3.1. Development and Recurrent Expenditures .....	13
2.4. Revenue Projections .....	16
2.5. Macroeconomic Policies and Outlook .....	19
2.5.1. Growth Prospects.....	19
2.5.2. Sustaining Inclusive Growth.....	21
2.6. Risks to the Outlook.....	21
2.6.1. External Risks: .....	21
2.6.2. Fiscal Risks:.....	22
2.6.3. Summary .....	22
3. CHAPTER THREE: FISCAL POLICY AND BUDGET FRAMEWORK.....	23
3.1 Overview. ....	23
3.2. Fiscal Policy Framework.....	23
3.3. Fiscal Responsibility Principles.....	24
3.4 <i>Fiscal Structural Reforms</i> .....	25
3.6 <i>2015/2016 Budget Framework</i> .....	25
3.6.1 Revenue Projections .....	25
3.6.2 Expenditure Forecasts.....	25
3.6.3 Recurrent Expenditure .....	26
3.6.4 Development.....	26
3.4. Summary .....	26

4.	CHAPTER FOUR: MEDIUM TERM EXPENDITURE FRAMEWORK.....	27
4.2.	Resource Envelope.....	27
4.2.1.	Medium –Term Expenditure Estimates .....	27
4.3.	Spending Priorities .....	28
4.4.	Details of Sector Priorities.....	29
4.4.4	Roads, Public Works and Energy.....	30
4.4.5	Public Service Management.....	31
4.4.6	County Service Board .....	31
4.4.7	Water, Agriculture, Livestock and Fisheries.....	31
4.4.8	Education, Culture and Sports .....	32
4.4.9,	Environment and Disaster Management.....	32
4.4.10	Finance and Economic Planning .....	33
4.4.11	Health Services.....	33
4.4.12	Land, Housing, Physical Planning and Urban development.....	34
4.4.13	Trade Development, Regulation and Industry.....	34
4.5.	Migori County 2014/2015 Revised Estimate .....	<b>Error! Bookmark not defined.</b>
	Table 6: Summary of supplementary budget (Recurrent) .....	<b>Error! Bookmark not defined.</b>
4.6.	Annex 1: Summary of Issues in the Fiscal Strategy Paper 2014-2015 .....	36

## **ABBREVIATIONS**

ADP	ANNUAL DEVELOPMENT PLAN
AMS	AGRICULTURAL MECHANISATION SERVICES
CCTV	CLOSED CIRCUIT TELEVISION
CECs	COUNTY EXECUTIVE COMMITTEE MEMBER
CFMIS	COUNTY FINANCIAL MANAGEMENT INFORMATION SYSTEM
CIDP	COUNTY INTEGRATED DEVELOPMENT PLAN
ECDE	EARLY CHILDHOOD DEVELOPMENT EDUCATION
FSP	FISCAL STRATEGY PAPER
FY	FINANCIAL YEAR
GDP	GROSS DOMESTIC PRODUCT
ICT	INFORMATION COMMUNICATION TECHNOLOGY
IFMIS	INTEGRATED FINANCIAL MANAGEMENT SYSTEM
KPLC	KENYA POWER AND LIGHTING COMPANY
KSHS	KENYA SHILLING
MCA	MEMBER OF COUNTY ASSEMBLY
MTEF	MEDIUM TERM EXPENDITURE FRAMEWORK
PFM	PUBLIC FINANCE MANAGEMENT
SBP	SINGLE BUSINESS PERMIT
SMEs	SMALL AND MEDIUM ENTERPRISES
TOL	TEMPORARY OCCUPATION LICENSE

# **1. CHAPTER ONE: COUNTY STRATEGIC BLUEPRINT**

## **1.1. Overview**

2. The 2015/2016 Fiscal Strategy Paper identifies the broad strategic priorities and policy goals that will guide the County Government in preparing its budget for Financial Year (FY) 2015/2016 and the Medium Term.

3. The paper discusses the performance of the FY 2014/2015 budget up to 31<sup>st</sup> December, 2014 which forms the basis for projecting the financial outlook with respect to the County Government revenues and expenditures for FY 2015/2016 and over the Medium Term.

4. The County priorities outlined in this paper shall form the basis for formulation of FY 2015/2016 budget and the Medium Term. The framework ensures adherence to principles of public finance and fiscal responsibility principles as set out in the Constitution and the Public Finance Management Act 2012. Specifically, the paper will ensure that the development to recurrent expenditures has been maintained within the required ratios of 46:54. It will detail on how the expenditures will be funded fully from the allocations from the equitable share, Local revenue sources and revenue from the development partners.

5. The paper covers the following broad areas: review of the fiscal performance of first half of the FY 2014/2015; highlights of the recent economic developments and economic outlook; broad strategic priorities and policies for FY 2015/2016 as spelled out in the Annual Development Plan and the Medium Term Fiscal Framework as outlined in the County Integrated Development Plan (CIDP) 2013-2017.

6. During the medium term plan the following areas of concern shall be given priority as articulated in the 2013-2017 CIDP and Governor's manifesto;

- i. Infrastructural development
- ii. Socio-economic empowerment particularly provision of solar lamps, street lighting, bursaries, education, health and water improvement.
- iii. Affirmative action
- iv. Environmental management

The focus of this paper and Medium Term Plan is to expand and maintain infrastructure development specifically roads network in the county, increase employment opportunities, improve health facilities, reduce poverty levels and enhance social protection.

7. This fiscal strategy paper articulates economic policies and structural reforms as well as sector based expenditure programmes that the county intends to implement in order to achieve the

broad goal of its development agenda. In particular, it emphasizes continued shift of resources in favour of programmes that enhance growth and job creation, and to support stronger private sector investment in pursuit of new opportunities in a changing economic environment. The proposed fiscal framework ensures continued fiscal discipline and provides support for sustained growth, broad based development and employment growth that benefits all citizens.

8. The County government through its CIDP 2013-2017 has prioritized physical infrastructure as the key driver in facilitating the private sector to expand its business, promote productivity and build resilience necessary for employment creation and poverty reduction. Key priorities in infrastructure include investing in roads and energy. Other strategic priorities include adequate allocation to key socio-economic sectors such as agriculture, energy, water, environment, health and education through a pro-poor approach to address the endemic poverty levels that have afflicted the citizens of Migori County over the years. All these will be done within the fiscal framework to avoid budget deficit.

9. The County Government of Migori will build on the comparative advantage in resource availability and enhance fiscal discipline to navigate through the challenges posed by the global and domestic development in order to sustain and improve the resilience of the county economy.

10. With limited resources, the County government will be required to be more efficient to make meaningful gains in poverty reduction. The fiscal framework outlined in this Fiscal Strategy Paper (FSP) requires greater fiscal discipline and alignment of resources and priorities. In particular, better control of expenditure and a clear focus on core mandates by county departments will be required. Thus, in preparing the 2015/2016 budget, departments will be expected to identify savings that will contribute to financing the county government's targeted outcomes in line with the CIDP.

### **1.2. Objective**

11. The objective of the 2015/2016 Fiscal Strategy Paper is to set the frame work for the preparation of the County budget. It is a requirement under section 117 of the Public Finance Management Act, 2012 that each County Treasury shall prepare and submit to the County Executive Committee the Fiscal Strategy Paper for approval, and the County Treasury shall submit the approved Fiscal Strategy Paper to the County Assembly by the 28<sup>th</sup> February of each year. This Fiscal Strategy Paper contains the following:

- The principles that will guide the 2015/2016 budgetary process;
- The broad fiscal parameters for the 2015/2016 budget and the key strategies and policies for management of revenues and expenditures;
- The broad strategic priorities and policy goals that will guide the preparation of the budget over the medium term;



- A discussion of risks to the budget parameters and Budget Strategies;
- The medium–term outlook for county government revenues and expenditures;
- A discussion of how the Budget Strategies relates to the County priorities as drawn from the County Integrated Development Plan (CIDP); and
- A framework for the preparation of departmental forward budget estimates and the development of detailed budget policies.

### **1.3. Outline of the 2015/2016 Fiscal Strategy Paper**

12. The Fiscal Strategy Paper is presented in four Chapters. Chapter One presents an overview and objective of the Paper, Chapter Two outlines the economic context within which the 205/2016 budget will be prepared, the recent economic developments and the macroeconomic outlook covering the global, national and domestic scene.

13. Chapter Three, presents the Fiscal Policy and Budget Framework that will support planned growth over the medium to long term, while continuing to provide sufficient resources to support programmes earmarked for implementation during the plan period.

14. Chapter Four presents the resource envelope and spending priorities for the proposed 2015/2016 budget and medium term. Sector achievements and priorities are also reviewed.

## **2. CHAPTER TWO: RECENT ECONOMIC DEVELOPMENTS AND POLICY OUTLOOK**

### **2.2. Overview of Economic Performance**

15. Nationally macroeconomic conditions remained stable, with single digit inflation and a stabilized exchange rate. The GDP growth for the last 6 months averaged at 5.6 percent. The first quarter of FY 2014/2015 registered growth rate of 5.7 percent as compared to 4.6 percent registered during the same period in FY 2013/2014. Growth was mainly driven by finance and insurance activities, wholesale and retail trade and agriculture and forestry while the tourism sector shrank for the seventh consecutive quarter. The recent developments in infrastructure have created numerous jobs opportunities across the county and have sparked further economic growth in the county. The real estate has largely profited from this as well and will continue to grow in the future.

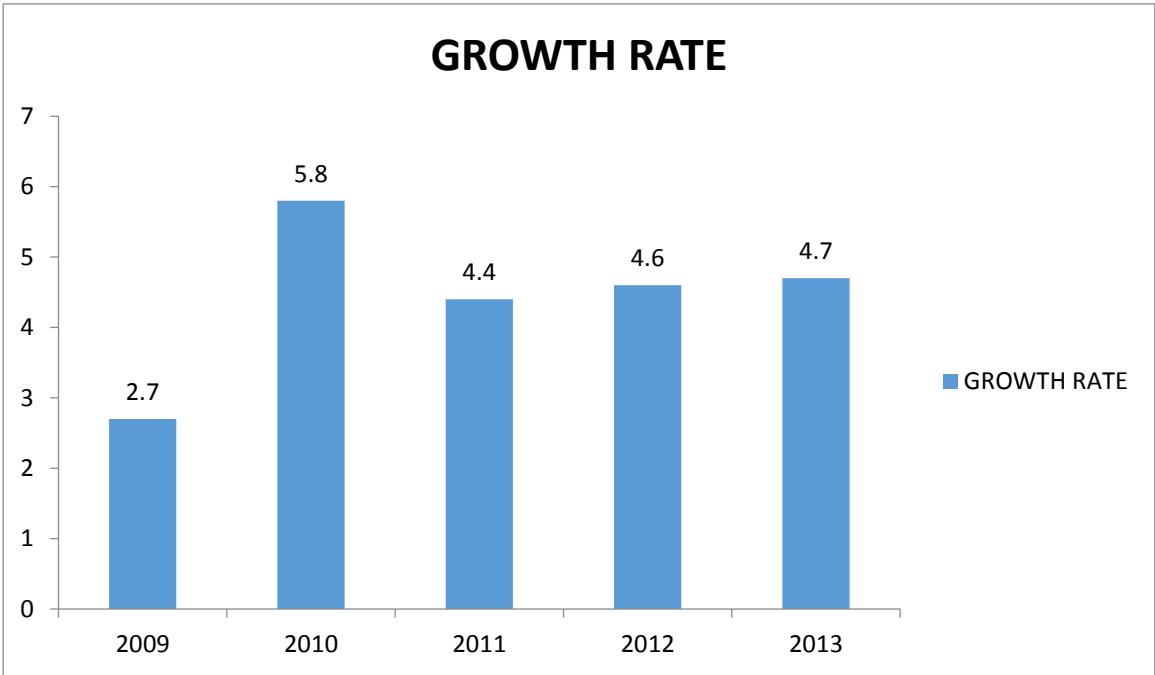
16. The country's Gross Domestic Product (GDP) expanded by 4.7 per cent in 2013 compared 4.6 per cent in 2012. This performance was supported by;-

- The stable macroeconomic environment for the better part of the year.
- Low and stable inflation supported by improved supply of basic foods, international prices and lower costs of electricity.
- Infrastructural development
- Construction sector

#### **Reasons for lower Growth than the Projected**

- Depressed performance of the rains that affected the agriculture sector which is the single largest contributor to our GDP.
- Decline in exports resulting to worsening of trade balance
- Comparably higher interest rates.
- Reduced spending by government agencies, during the transition.
- Risk aversion in the lead up to the general election in the first quarter
- Insecurity concerns

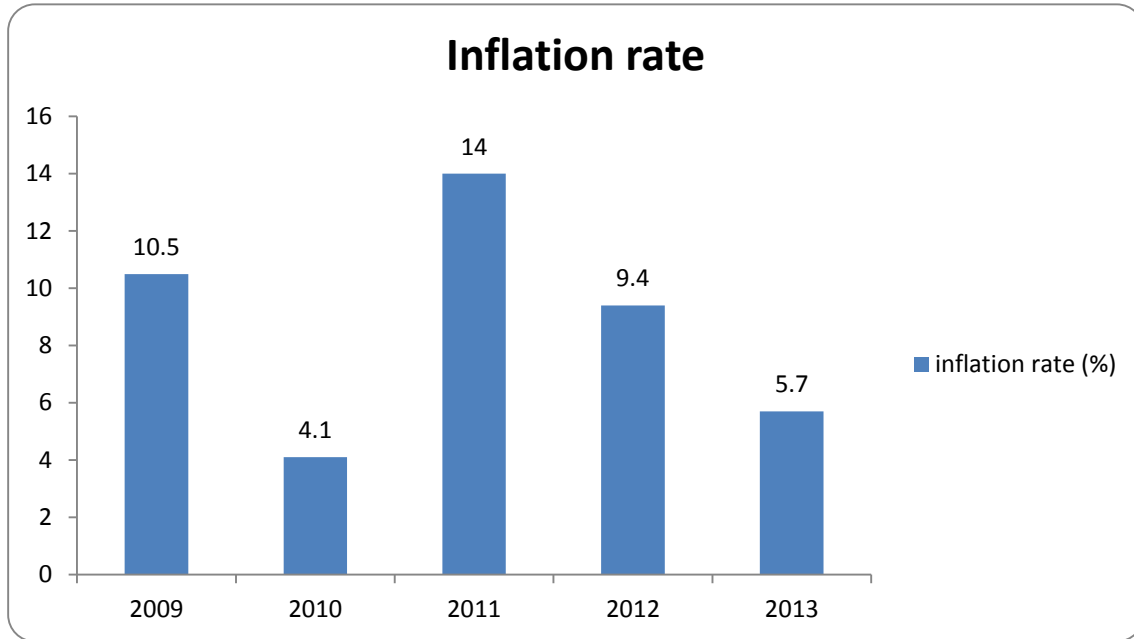
Figure 1: Kenya's GDP growth



Source: [www.Tradingeconomics.com](http://www.Tradingeconomics.com)

17. Short term interest rates have also eased in line with the drop in inflation. The Central Bank of Kenya has left the interest rate at 8.5 percent as the current monetary policy stance is considered to deliver the desired objective of price stability. Overall inflation declined in 2013 to 4.7 within the prescribed range of the medium term target of 5 percent. This was mainly due to better food supply resulting from favourable weather conditions. These trends portend improvement in the performance of the economy for the country and to the county as well.

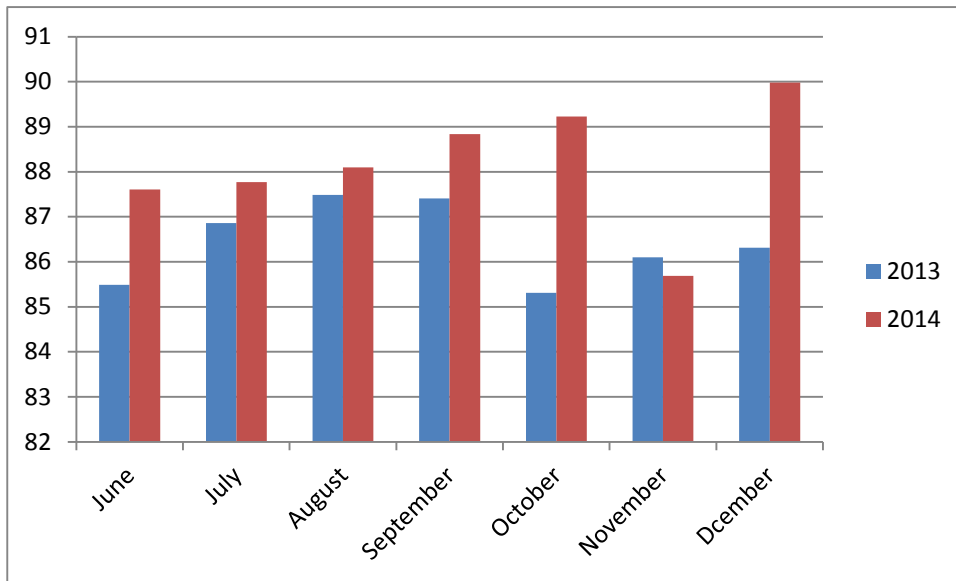
Figure 2: Inflation rates



Source: Central Bank of Kenya website.

19. However, the Kenyan Shilling continued to lose value against the dollar between July and December 2014 as compared to the same period in 2013 as shown in the Figure 3 below. This affected the market prices of Kenyan exports in the foreign markets. Tea which is the major export from the country fetched low prices as compared to 2013.

Figure 3: Exchange Rate in US Dollar



Source: Central Bank of Kenya Website

### 2.3. Fiscal Performance and Emerging Challenges

20 The Migori County Assembly approved the 2014/2015 budget with expenditures amounting to Kshs.5.2 billion, comprising of recurrent expenditure of KShs 2.9 billion, and development expenditures of Kshs.2.3 billion or 56 per cent and 44 per cent respectively. This budget will be financed by KShs. 4.9 billion from national equitable share and KShs. 300 million from local revenue sources

21. Fiscal outcome for the first six months of the financial year was fairly satisfactory, but revenue shortfalls continued to persist amid rising expenditure pressures arising from the increasing wage bill. This trend is likely going to negatively affect the resources earmarked for the implementation of the development projects during the period under review.

#### 2.3.1. Development and Recurrent Expenditures

22. The National Government has disbursed a total of Kshs. 2.052 billion as at 31<sup>st</sup> December 2014, comprising of Kshs. 1.132 billion for recurrent expenditure and Kshs. 920 million for development expenditure. Out of these disbursements, the County had spent Kshs. 1.393 billion on recurrent expenditure and Kshs. 672 million on development expenditure as at the end of December 2014.

**Table 1: Recurrent Budget Out-turn for the First Six Months of FY 2014/2015**

<b>Department</b>	<b>Budget Estimates 2014/15</b>	<b>Exchequer Issues as at 31/12/2014</b>	<b>Expenditure as at 31/12/2014</b>	<b>Balance as at 31/12/2014</b>	<b>Absorption Rate(%)</b>
	(Kshs.)		(Kshs.)	(Kshs.)	
County Assembly	656,129,300	93,333,504	140,395,452		34.31%
Finance and Economic	158,315,494	63,496,191	34,233,222		154.84%
Agriculture, Livestock, Fisheries	191,662,665	56,626,092	14,785,580		13.89%
Health services	241,473,221	84,275,230	78,324,918		64.75%
Energy and Water	30,525,602	10,076,369	13,198,709		86.48%
Trade Dev and Regulations	48,032,541	19,446,801	7,289,588		27.68%
Land, Physical Planning	70,430,770	45,488,188	18,989,136		53.57%
Education and Youth affairs Culture, Sports, Youth	52,729,340	21,277,821	10,256,194		17.03%
Public Works, Roads and Transport	39,200,000	11,605,760	13,905,478		70.95%
Public Service Management	1,429,445,522	722,838,899	1,034,732,191		132.38%
Environment and Disaster Management	12,182,000	3,565,147	9,233,879		461.46%
<b>Total</b>	<b>2,930,126,455</b>	<b>1,132,030</b>	<b>1,375,344,347</b>		

**Table 2: Development Budget Out-turn for the First Six Months of FY 2013/2014**

Department	Budget Estimates FY 2014/2015 (Kshs.)	Exchequer Issues as at 31/12/2014 (Kshs.)	Expenditure as at 31/12/2014 (Kshs.)	Balance as at 31/12/2014 (Kshs.)	Absorption Rate (%)
County Assembly	111,500,000	168,023,961	34,415,337.00		61.73%
Finance and Economic	625,942,733	29,266,652	50,790,000.00		44.21%
Agriculture, Livestock, Fisheries	134,884,776	95,751,562	20,305,744.00		23.99%
Health services	391,379,000	182,923,557	108,586,266.00		50.34%
Energy and Water	147,676,000	80,444,388	32,120,140.00		43.50%
Trade Dev and Regulations	55,499,261	Nil	1,216,179.00		3.12%
Land, Physical Planning	134,467,350	Nil	-		0.00%
Education and Youth affairs Culture, Sports, Youth	125,937,523	54,257,477	64,381,008.00		124.13%
Public Works, Roads and Transport	298,500,000	132,649,874	161,676,132.00		62.85%
Public Service Management	214,600,000	163,334,251	168,496,240.00		128.25%
Environment and Disaster Management	99,050,000	13,348,279	30,633,250		0.68%
<b>Total</b>	<b>2,339,436,643</b>	<b>920,000,000</b>	<b>672,620,296.00</b>		<b>56.29%</b>

Source: MIGORI County Treasury

23. During the period under review most departments did not initiate new projects as they continued to settle the ongoing projects from the 203/14 FY. This means that commencement of

the implementation of the 2014/15 projects might be delayed consequently resulting to the possibility of projects spilling over to 2015/16 financial year

24. To adhere to the financial regulations, the County Treasury shall ensure that no department shall spend more than the exchequer releases and expenditures remains within the departmental ceilings as we move towards the closure of the financial year.

25. Various measures have been put in place to enhance fiscal discipline among departments particularly on development funds. This includes the introduction of IFMIS in the procurement of goods and services, preparation of regular work plans and holding of regular monitoring and evaluation of projects and programmes to determine the extent to which they have achieved their intended objectives.

26. The County Government should institute adequate plans to ensure that instances of budget revisions are minimized. Where necessary such revisions should be informed by appropriate reconciliation of withdrawals and expenditures and should be undertaken in good time to allow time for budget execution.

#### **2.4. Revenue Projections**

27. The 2014/15 budget will target revenue collection of Ksh500 million which translates to 35 per cent decrease from the 2013/14 projections. To achieve this target, greater efforts shall be made by the county government to fast track the on-going reforms in tax policy and revenue administration as articulated in the PFMA 2012 and the Finance Act 2014. The County Government projected to raise KShs 250m from local sources in the first six months of FY 2014/2015, however only Kshs146m or 58.6% was realised in the same period. This translates to a shortfall of Kshs 104m or 41.6%

**Table 3: Revenue projections FY 2014/2015**

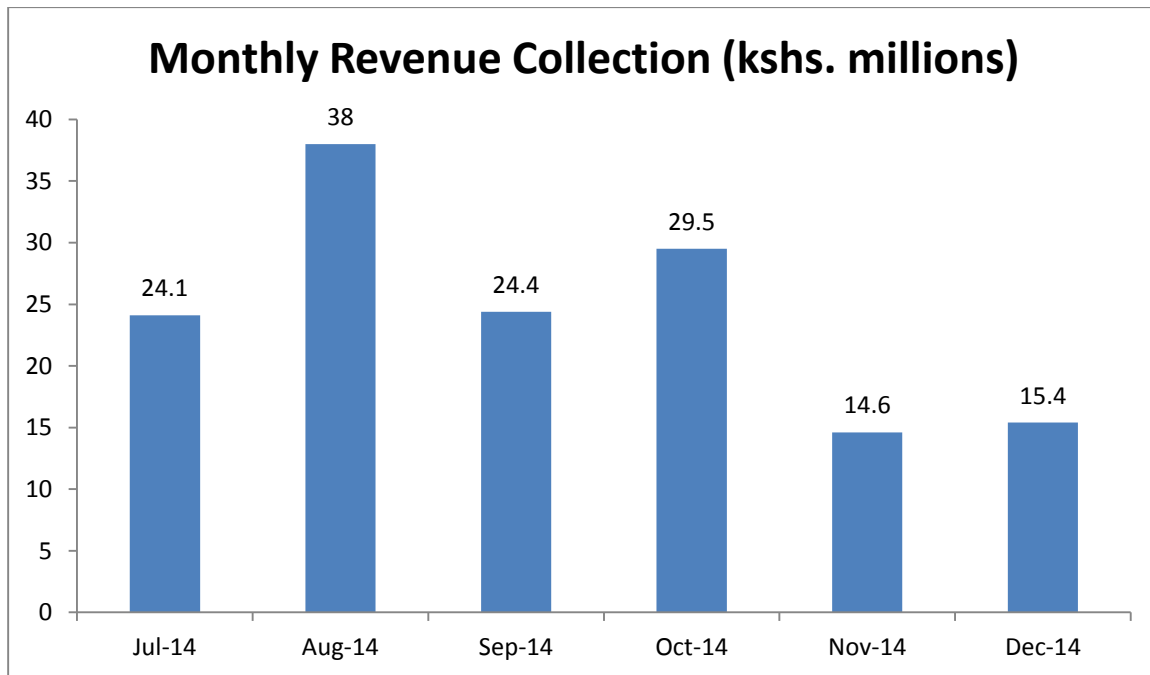
<b>REVENUE ITEM</b>	<b>Target</b>	<b>Actual December 2014</b>	<b>VARIANCE (shortfall)</b>
S.B.P./APPLICATIONS	15,804,429	9,241,020	6,563,409
PARKING - BUS PARK	43,553,121	25,465,980	18,087,141
- TAXI/CAR	1,637,356	957,380	679,976
- MOTORCYCLES	14,503,734	8,480,490	6,023,244
MARKET DUES	37,543,012	21,951,804	15,591,208
C/A,C/F,S.H.FEES	14,475,772	8,464,140	6,011,632



REVENUE ITEM	Target	Actual December 2014	VARIANCE (shortfall)
KIOSK FEES	4,645,493	2,716,270	1,929,223
PLOT RENT/CARD APPLICATION	298,507	174,540	123,967
KIOSK/GROUND RENT/T.O.L	1,754,885	1,026,100	728,785
PLAN APPROVAL/SEARCH FEES	466,761	272,920	193,841
BILL-BOARD/ADVERTISEMENT	107,746	63,000	44,746
CESS - SAND/STONES	4,396,344	2,570,590	1,825,754
- FISH	286,039	167,250	118,789
- SUGAR-CANE	22,077,374	12,908,879	9,168,495
- TOBACCO	9,838,292	5,752,555	4,085,736
- MAIZE/POTATOES	8,828,694	5,162,233	3,666,461
- COPPER	259,513	151,740	107,773
- HIDES & SKIN	3,557	2,080	1,477
TRANSPORT ON LAND	1,067,228	624,020	443,208
ENTRY/EXIT FEE.	4,277,739	2,501,240	1,776,499
CEMENTRY/BURIAL PERMITS	22,575	13,200	9,375
FUEL LEVY	187,152	109,430	77,722
KPLC/ ELECTRICITY BILL	13,682	8,000	5,682
NEEMA ACTIVITIES	53,018	31,000	22,018
PENALTY/FINES	267,996	156,700	111,296
SURVEY FEE	655,606	383,340	272,266
PHYSICAL PLANNING FEE	9,406	5,500	3,906
AGRICULTURE - VETENARY	453,481	265,155	188,326
- AMS	1,268,328	741,605	526,723

REVENUE ITEM	Target	Actual December 2014	VARIANCE (shortfall)
- FISHERIES	362,487	211,950	150,537
PUBLIC WORKS (BUILDING)	674,463	394,366	280,097
YOUTH AFFAIR&SPORT	576,509	337,091	239,418
PROCUREMENT	177,866	104,000	73,866
TRADE	156,488	91,500	64,988
LANDS DEPT.(LAND - RATES)	3,127,055	1,828,423	1,298,632
TRASFER	43,097,173	25,199,382	17,897,791
MISCELENEOUS	12,518,255	7,319,559	5,198,696
PUBLIC SERVICE BOARD	552,864	323,266	229,599
<b>GRAND TOTAL</b>	<b>250,000,000</b>	<b>146,177,698</b>	<b>103,822,302</b>

**Figure 4: Monthly Local Revenue Collection**



28. An in depth analysis of the above table reveals that the county is yet to capture all the revenue sources. Even those that are captured are yet to realize their full optimization. They are operating below capacity.

29. Analysis of the monthly local collection shows a major decline in first quarter compared to second quarter collection. The month of August recorded the highest amount of revenue (Kshs. 38 million) compared to November which recorded the lowest amount of revenue (Kshs. 14.6 million). To address the challenges of revenue shortfalls, the County Government will step up efforts on revenue administration and mobilization to eliminate leakages and increase revenue collection as targeted in the FY 2015/2016 as well as rationalize expenditure so as to minimize budget deficit.

30. Among the appropriate measures aimed at to enhancing revenue collection during the 2014/2015 FY includes installation of the automated machines for parking fee; development of valuation role; renovating and upgrading County Government houses for monthly rent; updating of register for all the traders in the market sheds and kiosks

31. Other measures to institute includes; registering all the vehicles using the enclosed bus park; fencing all open air markets in the county and enhancing collection of sugarcane, log and other cess and particularly enforcing the collection of land rates in the county. Broadening revenue base, enhancing enforcement services, setting targets, setting up a court to handle revenue related cases, and facilitating revenue officers with motor bikes to facilitate movement.

## **2.5. Macroeconomic Policies and Outlook**

### **2.5.1. Growth Prospects**

32. The growth prospect in the county during the period under review is favourable assuming the favourable weather conditions that prevailed in the previous year persist. This will however be boosted if the on-going infrastructural projects in the roads, energy, education and trade are completed on time. However great caution should be taken to control the growing wage bill not to crowd out the gains so far made.

33. Domestic demand is expected to be robust following a drop in inflation at the national level, and fostering of investor confidence.

34. Over the period under review, the County Government shall continue with strategic interventions to accelerate growth and improve competitiveness. Specifically, the following strategies will be implemented:

#### ***2.5.1.1. Maximizing the use of County's Natural Resources***

35. The mining of Gold at Macalder in Nyatike is an important economic activity that provides over 7,000 people with incomes. However, full exploitation of the mineral has not been achieved as low technologies are utilized. Another natural resource to be exploited is sand from Sori, Kehancha and Isebania which is crucial for the construction industries both in and out of the county.

36. Water is another resource to be exploited in the County with Lake Victoria providing fresh water for both human consumption and industrial purposes. Production of power from Gogo falls to enhance power supply for industrial development shall also be explored with the view of enhancing supply and reducing the cost of doing business

The beautiful sceneries and the rich tourist sites is equally a good asset for revenue enhancement in the county.

#### ***2.5.1.2. Agro-processing***

37. The County has enormous raw materials to support value addition in the agricultural sector. The County Government will place major emphasis on agricultural inputs; marketing; value addition; agricultural extension services; and staffing. It will also develop appropriate policies and strategies to eliminate middlemen in all areas of agricultural marketing, and establish community and village markets to improve food security and increase household income.

38. The crops targeted for value addition include; tobacco, sunflower, fruits among others. On the other hand, the County Government will solicit for funding for the construction of refrigeration facilities to preserve much of the produce currently going to waste including fish from lake Victoria. In emerging sugar producing areas, like Suna East and West including Kuria, the County Government will explore the feasibility of inviting a strategic investor to set up a sugar processing plant in the area.

#### ***2.5.1.3. Supporting Small and Medium Enterprises (SMEs)***

39. The County Government will support the Joint Loan Board credit scheme so that the youth, women group and disadvantaged individuals who cannot access commercial loan can benefit from the scheme. Furthermore the County government will set aside land for micro and small enterprises activities and promote access to markets, and collaborate with other partners to improve trade and the trading environment. The current road network to manufacturing zones in the county has not been well maintained over time leading to dilapidated sections. These sections will be the focus of maintenance programme and will receive priority funding.

#### ***2.5.1.4. Supporting Manufacturing***

40. Although there are a number of commercial activities in Migori County, an industrial base is glaringly non-existent. The potential of the County cannot be unleashed without a solid commercial and industrial base anchored on the readily available local raw materials, abundant labour force and the entrepreneurial spirit of the Migori community. Trade and industry are key components in accelerating economic development, reducing poverty and enabling equitable

distribution of income. Migori County is strategically positioned to be a hub of trade and industry in the region to serve other counties including Narok, Kisii, Homa Bay, and across the border to Tanzania.

41. To accelerate growth, investment and employment, initiatives will focus on cottage industries that are labour intensive with the potential to export, joining regional and global supply chains and becoming competitive logistics hubs.

42. The County has positioned itself to be an industrial hub in the region. To realise this vision, the County is committed to address challenges facing manufacturing sector. The County Government in collaboration with the National Government will provide adequate security in the manufacturing zones through street lighting and security operations. Power outages are also a major challenge as investors have to incur extra costs to install alternative sources of energy. The County Government will continue holding consultative discussions with the Kenya Power and Lighting to resolve this issue.

### **2.5.2. Sustaining Inclusive Growth**

43. Besides mobilizing significant resources and providing an appropriate environment for businesses to thrive, sustaining inclusive growth requires us to continue building transparent, responsive, accountable, efficient and effective government.

44. In addition, the County Government will ensure that gains from growth are widely distributed through sustainable employment in order to guarantee durable reduction in poverty. These will be complimented by measures to address socio-economic inequities and improving the county's human capital. To this end, the County Government will continue implementing the socio-economic priority programmes articulated in the County's first County Integrated Development Plan as well as increased devolved resources to local levels in line with the Constitution.

### **2.6. Risks to the Outlook**

45. The risks to the economic outlook for 2015 includes both external and fiscal risks which may impact negatively on the economic performance of the county

#### **2.6.1. External Risks:**

46. The external risks to the economic outlook of the county for the year 2015 and medium-term include weakening in global economic growth and unfavorable weather conditions should there be any drought or floods in the year. Other risks are frequent power blackouts, crop failure and high cost of production. Challenges faced by the County Government with regard to transition to a decentralized system of government could weaken investor confidence and slow down economic growth. The County government in consultation with the National government will undertake appropriate measures to safeguard macroeconomic stability if any challenges arise.

### **2.6.2. Fiscal Risks:**

47. Inadequate infrastructure particularly roads, electricity and other social amenities could affect the level and rate of private investment in the county. The County Government will strive to ensure conducive environment for the investors through infrastructure development across the county. This will boost various sectors such as tourism, agriculture and trade.

48. The increasing county wage bill which is expected to increase to more than 30 per cent of the total expenditure during 2015/16. If unmanaged the high wage bill may affect the economic growth of the County through decreased allocation of funds to development projects

49. Revenue collection risks may also affect the economic outlook of the County due to the shortfall of the actual revenue from the targeted revenue. Efficient measures will have to be put in place to reduce the gaps between the target and the actual revenue collected including the adoption of automated revenue collection systems among other measures.

### **2.6.3. Summary**

49. The current economic conditions call for caution in the fiscal dispensation. The economy remains resilient and the macroeconomic environment has improved significantly. Overall, the national macroeconomic environment has improved as compared to 2014 setting the stage for renewed growth of the Kenyan economy, as long as interest and inflation rates do not go beyond their current levels.

50. At the local level, the County will prioritize infrastructural development to enhance mobility and ease of access to goods and services and other support sectors like energy and ICT. Particular attention will also be placed on social services including health and education.

51. Looking ahead, the world economy is going through a period of slower growth and increased uncertainty. Due to revenue shortfalls and a high wage bill, the threat of a budget deficit increase is ever present. However, with improved revenue performance following revenue collection reforms and moderation in spending, the fiscal position is expected to improve over the next three years to realise a balanced budget.

### **3. CHAPTER THREE: FISCAL POLICY AND BUDGET FRAMEWORK**

#### **3.1 Overview.**

52. The Migori County 2015 Medium-Term Fiscal Framework emphasizes the following key measures

- ✓ Retaining the ratio of recurrent expenditure on county budget to around 54 percent through efficiency spending as well as improved revenue collection following reforms as spelled out in the Migori county Finance Bill 2014.
- ✓ That the level of expenditure is adequate to sustain county development investment in the following key priority areas: road development, Street lighting, market development, health care, education and water development
- ✓ The improvement of expenditure while at the same time ensuring that adequate resources are available for operations and maintenance, and the implementation of the Migori CIDP.
- ✓ That all measures shall be instituted to contain the wage bill and maintain a balanced budget in 2015/2016 Financial Year and the subsequent years

#### **3.2. Fiscal Policy Framework**

53. Fiscal policy will continue to support County development activities while providing room for the implementation of the CIDP within a context of sustainable public financing. During the previous two years, the County Government has refocused its priority towards the expansion of programmes and projects in roads, health, social protection, education, agriculture, water and infrastructure. This process will be strengthened in the FY 2015/16 with relevant legislative framework put in place to enable the County Government implement critical programmes that will accelerate socio-economic development while endeavouring to run a balanced budget.

54. Based on the trends on revenue collection over the last six months and with the anticipation to install automated revenue collection system, local revenues have been revised upwards to Kshs.500, 000,000 per annum in the supplementary budget for 2014/15 from the initial projected Kshs 300,000,000. This figure is projected to hit Ksh550, 000,000 in the 2015/16FY. With transfers from the National Government projected to be KShs.5.8 billion. This totals to Kshs 6.35 billion compared to 5.8 billion for the last FY implying an overall increase of 9 per cent of the total resource budget to the county.

55. Departmental ceilings for FY 2015/16 have been revised accordingly. Table 3 presents the County Government fiscal projections over the medium term.

**Table 3: County Government Fiscal Projections, 2014/2015-2017/2018**

	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>
<b>Revenue/Grants</b>	<b>5,802,869,787</b>	<b>6,350,000,000</b>	<b>6,900,000,000</b>	<b>7,450,000,000</b>
National Gov't	5,302,869,787	5,800,000,000	6,300,000,000	6,800,000,000
Local revenue	500,000,000	550,000,000	600,000,000	650,000,000
<b>Expenditure</b>	<b>5,802,869,787</b>	<b>6,350,000,000</b>	<b>6,900,000,000</b>	<b>7,450,000,000</b>
Recurrent	2,930,367,205	3,236,500,000	3,519,000,000	3,799,500,000
Development	2,872,502,582	3,113,500,000	3,381,000,000	3,650,500,000

### **3.3. Fiscal Responsibility Principles**

56. The County Government acknowledges the fact that the fiscal stance it takes today will have implications into the future. The County Government will ensure strict adherence to Section 107 of the Public Finance Management (PFM) Act of 2012 which outlines the fiscal responsibility principles as follows;

- ✓ The County Government's expenditure shall not exceed its total allocation in that financial year
- ✓ Forty six percent of all expenditure is dedicated to development expenditure and fifty four per cent to recurrent expenditure over the medium term;
- ✓ Wage bill shall be limited to less than thirty percent of the government's total revenue:
- ✓ County Debt financing to be only used for development 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;
- ✓ Sustainable debt: The County's debt shall be maintained at a sustainable level not exceeding fifteen percent of the County Government's total revenue as approved by the County Assembly. Short term borrowing shall be restricted to management of cash flows and shall not exceed five percent of the most recent audited County Government revenue.
- ✓ Prudent risk management: Fiscal risks shall be managed prudently and key areas of uncertainty that may have a material effect on the fiscal outlook and the potential policy decisions outlined
- ✓ Predictable taxes: A reasonable degree of predictability 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.



- ✓ The County Government will operate under a balanced budget fiscal regime. National and foreign borrowing will be limited to projects that guarantee revenue streams and support long-term growth.

### **3.4. Fiscal Structural Reforms**

57. For effective and efficient management of financial resources, the County through the revenue directorate will continue to eliminate leakages and enhance revenue collection as well as rationalize expenditure. Some of the measures include automation of revenue collection, simplify the revenue code in line CFMIS, in order to help improve revenue compliance, minimize delays, and raise revenue base.

58. The County Government will continue with prudent financial management with the aim of improving efficiency and reduction in wastages in line with section 107 of the PFM Act of 2012 on fiscal responsibility principles. Implementation of IFMIS and e-procurement across departments

### **3.5. Financing Policy**

59. The County Government will have a balanced budget in the FY 2015/2016 and over the medium term.

### **3.6. 2015/2016 Budget Framework**

60. The County Government's strategic objectives and priorities as outlined in the CIDP (2013-2017) and the Annual Development Plan (ADP) 2014 forms the basis for the Migori County 2015/2016 budget framework. The County is expected to realize key developments by ensuring adequate budgetary allocations in the project activities and programmes of the priority areas.

#### **3.6.1 Revenue Projections**

61. The Migori County 2015/2016 financial year budget targets local revenue collection of Kshs. 500 million and equitable share of KShs.5.8billion from the National Government. The revenue department will institute measures to expand the revenue base and curb revenue leakages.

#### **3.6.2 Expenditure Forecasts**

62. The County Government's funding allocation decisions for the FY 2015/2016 are guided by the Annual Development Plan (2014) which outlines the priority areas to be addressed in the FY 2015/2016 in the realization of the CIDP. Overall expenditures are projected at Kshs.6.35 billion comprising of Kshs.3billion for development and Kshs.3.4 billion for recurrent.

63. Efficiency saving initiative will be adopted by the County to ensure that funds are directed to service delivery rather than non-essential spending and cut down expenditures on non-priority activities..

### **3.6.3 Recurrent Expenditure**

64. Recurrent expenditures shall be maintained at 54 percent of the County budget. This translates to Kshs 3.4b of the total budget for the 2015/14. The County will exercise essential controls and ensure prudent management of the wage bill by ensuring that recruitment is only done to cater for cater for natural attrition, retirement and on very critical need basis,

### **3.6.4 Development**

65. The County Government will endeavour to allocate adequate resources towards development outlays and maintained at 46 per cent of the county budget so as to complete critical infrastructure priority projects that have wider impact on the community. During the Financial year 2015/2016, the ceiling for development expenditures excluding donor funded projects is expected to be KShs.3 billion

### **3.7. Summary**

66. Fiscal policy will support growth within a sustainable path of public spending by allowing deficit to decline drastically, therefore moderation in government spending will help assure debt sustainability and intergenerational equity in line with the constitution and fiscal responsibility principles in the PFM Act 2012. Meanwhile, efficiency and economical spending of County Government resources will be enhanced to create room for critical interventions and pro-poor spending

## **4. CHAPTER FOUR: MEDIUM TERM EXPENDITURE FRAMEWORK**

### **4.2. Resource Envelope**

67. The Constitution of Kenya 2010 stipulates that County Governments should have reliable, stable and predictable sources and allocation of revenue. Migori County has two main sources of funding. Revenue from local sources and the equitable share from the National Government as provided under Article 201 of the Constitution .The resource envelope available for allocation among the spending units is based on the medium term fiscal framework outlined in chapter three.

#### **4.2.1. Medium –Term Expenditure Estimates**

68. Based on the above resource envelope, expenditure estimates for each sector, shall be distributed as follows in order to realize the anticipated county medium-term objectives as articulated in the annual development plan and the CIDP 2013/2017.

**Table 5: Total Expenditure Ceilings for MTEF Period 2013/2014-2016/17**

MINISTRY	2013/14 000	2014/15 000	2015/16 000	2016/17 000	13/14	14/15	15/16	16/17
Agriculture, Livestock Production, Fisheries, Veterinary Services and Water	298,980	427,481	500,000	520,000	7%	8%	7.9%	7%
Lands, Housing, Physical Planning and Survey	98,000	204,898	160,000	200,000	2%	4%	2.5%	4%
Roads, Public Works, Transport and Energy	341,883	414,968	900,000	950,000	8%	8%	14.1%	11%
Trade Development and Regulation	210,536	103,532	150,000	180,000	5%	2%	2.3%	4%
Health	572,781	632,852	600,000	630,000	13%	12%	9.4%	9%
Education, Youth, Sports, Culture and Social Development	305,917	178,667	220,000	250,000	7%	3%	3.4%	5%
Water and Energy	226,905	0	0	0	5%	0	0	0
Public Service Management	1,097,489	265,571	180,000	200,000	24%	5%	2.8%	4%
Public Service Board	0	25,949	100,000	110,000	0	0%	1.7%	2%
ICT	0	182,690	150,000	172,500	0	3%	2.3%	3%
Finance and Economic Planning	25,000	784,258	790,000	900,000	1%	15%	12.4%	11%
Environment and Disaster Management	122,488	111,232	120,000	180,000	3%	2%	1.9%	3%
County Assembly	105,000	566,000	616,000	655,500	2%	9.2%	9.4%	10%
County Executive	0	0	430,000	445,000	0	0	4.7%	5%
Salaries	1,105,010	1,370,964	1,404,000	1,766,400	25%	26%	25%	26%
<b>Total</b>	<b>4,509,989</b>	<b>5,269,562</b>	<b>6,328,000</b>	<b>6,900,000</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

### **4.3. Spending Priorities**

69. Prioritization of resource allocation will be based on the 2014 ADP which spells out programmes to achieve County priorities identified during the County-wide budget consultative meetings.

70. The County Government will reorient its expenditure programmes to focus on the following sector priorities

71. Under the social pillar, priority shall be given to the following areas:

- ✓ Provision of Solar lamps to vulnerable households in the county
- ✓ Provision of clean water through drilling of boreholes and construction of dams
- ✓ Supply of medicines and medical supplies and expansion of existing health infrastructure in all facilities and opening closed facilities
- ✓ School bursaries and scholarship to needy and deserving children from poor families,
- ✓ construction and equipping existing ECDE centres including and employing of instructors; sport development and talent nurturing;
- ✓ Youth development programmes and people with disabilities.

72. Under economic pillar, priority shall be given to the following areas;

- ✓ Road opening and gravelling
- ✓ Tarmacking of major roads
- ✓ Construction of the county headquarters at Lichota
- ✓ Street lighting to strategic major towns/markets
- ✓ Construction/rehabilitation of markets/shades,
- ✓ Development and rehabilitation of tourism sites
- ✓ Enhancing food security through strengthened and improved farmers' access to subsidized farm inputs,
- ✓ Improvement of livestock marketing, disease and pest control and promotion of sustainable capture fisheries

73. Under governance pillar, priority shall be given to the following areas;

- ✓ Facilitating proper and prudent collection,
- ✓ Utilization, management and accounting of county resources,
- ✓ Streaming measures aimed at rejuvenating revenue generation,
- ✓ Staff rationalization and training,
- ✓ Establishment and strengthening of devolved units and establishment ICT villages among others
- ✓ ICT Development

#### **4.4. Details of Sector Priorities**

74. The future county's medium term expenditure estimates will ensure the resource allocation is done based on the prioritised programmes aligned with the CIDP, the Kenya Vision 2030 and other policy initiatives that ensure accelerated growth, wealth and employment creation and also poverty reduction within the county.

##### **4.4.1 County Assembly**

75. This is a key sector in the implementation of development programmes in the county as it has the oversight role. It also plays the role of strengthening the democratic space and governance in the county. Due to the crucial role of the sector, it was allocated Kshs 566 million in 2014/15 to cater for both salaries, operation and maintenance together with development projects representing 10.2 per cent of the total allocation to the county . In 2015/16FY, the sector plans to accomplish the following projects: Purchase of land for MCAs offices, Construction of MCAs offices, digitalization of County Assembly, CCTV and electrical fencing and construction of modern county chambers. In order to accommodate some of these projects, it is proposed that the sector be allocated Kshs. 616 million or 9.4 per cent of the total allocation in 2015/16 FY.

##### **4.4.2 County Executive**

76. This is the sector that is in charge of enhancing public service delivery, organization and coordination of County Government business through planning, mobilization of financial and human resources in the public sector. The sector also plays the role of linking the rest of the world in matters of development. The sector is comprised of the Governor, Deputy Governor, CECs, County Secretary, chief of staff, county treasury, CPSB, sub-county and ward administrators ,Chief Officers and staff at the governor's office.

77. This sector requires considerable funding to oversee the implementation of the Kenyan Constitution, Vision 2030, CIDP, provision of leadership and policies in governing of the county. It has the task of supervising the County Government departments.

78. Due to the vital role the sector plays, in the FY 2014/2015 budget, the sector was allocated Ksh.294m representing 5 per cent of the total allocation to the county. In 2015/16FY it is proposed that the sector be allocated Kshs. 430 million representing 6.7 per cent of the total allocation. This allocation shall cater for salaries, operations and maintenance.

#### **4.4.3 Ward Development Fund**

79. This is a fund that is established by an Act of Migori County Assembly. Its main objective is to administer the implementation of projects at the ward level. Due to the vital role the sector plays, in the FY 2014/2015 budget, the sector was allocated Ksh.458m representing 7 per cent of the total allocation to the county. In 2015/16FY this amount shall remain the same as in 2014/15FY so as to cover projects in all sectors including provision of school bursaries to needy and deserving students through the normal government regulations as articulated in the Migori Ward Development Fund Act sect 38 sub-sect 1. Disbursement shall be done through the Ministry of Finance and Economic Planning.

#### **4.4.4 Roads, Public Works and Energy**

80. The priority includes areas in Roads, bridges, foot bridges, bitumen road construction, and purchase of road equipments. The overall goal of the priority is to have a well-developed and maintained physical road network for rapid and sustainable economic growth and poverty reduction. The development of infrastructure has a multiplier effect on the county economy as it enhances access to markets, improves trade and contributes towards the creation of many entrepreneurial related jobs. Funds will be apportioned to create and maintain a network of roads, bridges that will provide adequate and efficient transport of farm produce to the markets. The county will construct parking slots, rehabilitate bus parks and purchase motor grader and backhoe loader.

81. In the energy sub-sector, the following have been earmarked: supply and installation of solar street lights in major towns and markets, installation of solar PV in county headquarters and provision of solar lamps in villages among other priorities

82. In order to achieve these programmes, it is proposed that the sector be allocated Kshs 900 million or 14.1 per cent of the total county allocation in 2015/16 up from Kshs 415 million in 2015/16 FY

#### **4.4.5 Public Service Management**

83. The sector plays a key role in enhancing public service delivery, organization and coordination of County Government business. The sector is expected to provide leadership and policy direction in the governance of the county; coordinate and supervise County Government affairs; articulate and implement the county's policies, promote efficient and effective human resource management and development for improved public service delivery, and public service integrity.

84. The sector has achieved the following: Establishment of the organizational structures, construction of sub-county and ward offices and renovation of the public service offices among other achievements. In 2015/16, the sector intends to construct administration offices in all the sub-counties, wards and villages to enhance service delivery.

To achieve the above objectives, it is proposed that the sector be allocated Kshs. 180 Million in the FY 2015/2016 compared to Kshs 266 million in the FY 2014/2015.

#### **4.4.6 County Service Board**

85. This is a key department in the management of public servants in the County. The department plans to construct modern MCPSB offices in 2015/16 FY. In order for the department to successfully accomplish its mandate, it is proposed that the sector be allocated Kshs100 million up from Kshs.26 million in the FY 2014/2015. This is an increase of 300%.

#### **4.4.7 Water, Agriculture, Livestock and Fisheries**

86. This sector is critical to the county's economic growth, employment creation and poverty reduction. The sector contains multiple linkages with other key sectors such as manufacturing, wholesale and retail, transport and distribution and other service related sectors. The challenges facing the sector include; low value addition and competitiveness, inadequate physical infrastructure, Poor quality breeding stock and lack of livestock breeding centre in the county, low production and productivity due to the use of uncertified seeds, , poor marketing and marketing infrastructure, and low access to financial services as well as affordable credit.

87. Among the major achievement in this sector includes distribution of farms inputs to farmers, purchase of tractors, rice milling machines and the establishment of fruit tree nursery at Oyani. Others includes: Construction and rehabilitation of Migori Water Supplies and Sanitation projects, Purchase and distribution of 160 plastic water storage tanks 10,000 litre capacity each, construction of 13spring protection works, construction of 2 earth dams each of capacity 15000m<sup>3</sup>and drilling and equipping 3 boreholes.

88. The sector aims to address the above challenges in the 2015/2016 budget by raising agricultural productivity through provision of farm inputs to needy farmers, increased agricultural commercialization through value addition, improvement in the provision of extension services; improved livestock breeds through artificial insemination; purchase of dairy cows for tobacco farmers, adoption of appropriate livestock production technologies; introduction of traditional food crops; land development, and promotion of sustainable management of fisheries .

89. Other priorities includes :Expansion/rehabilitation of 6 no existing piped water supply systems, drilling boreholes, supporting roof harvesting in public institutions, construction of dams and protection of water springs

90. To achieve the above targets, it is proposed that the sector be allocated Kshs.500 million compared to Kshs. 427 million set aside for the sector in the 2014/2015.

#### **4.4.8 Education, Culture and Sports**

91. The County is assigned pre-primary education, village polytechnics, sports, culture and Youth development. The mandate of the sectors includes: dissemination and implementation of Education policies, Administration and Management of Education programmes and construction and equipping of ECDE schools among others. The sector faces many challenges including inadequate infrastructure, inadequate learning materials and staffing. During the previous year, the sector has managed to construct 120 ECDE classrooms, 10 Youth Polytechnics and supported several activities in the sports arena. In the FY 2014/2015, the sector intends to construct ECD classrooms, purchase learning materials, recruit teachers and construct an ECDE training college. For youth polytechnics, the sector intends to construct workshops and classrooms, purchase tools, and recruit instructors.

92. Other priorities of the sector are to establish a cultural centre in the county; organize sports establish sports centres and talent centres.

93. Efforts shall be made to address social and economic issues affecting the vulnerable groups in the county, promote cultural heritage, empower youth, women and people living with disabilities.

94. Special efforts shall be made to address the educational needs from the disadvantaged groups through provision of bursaries and scholarship

95. In order for this sector to effectively cater for these objectives, it is proposed that the sector be allocated Kshs.220 million in FY 2015/2016 compared to Kshs. 179 million in FY 2014/2015. This is an increase of 22%.

#### **4.4.9, Environment and Disaster Management**

96. This is a critical sector in the county economy charged with the responsibility to promote, conserve, and protect the environment to reduce the occurrences of disaster through community empowerment and enforcement of existing legislation for sustainable county development. During the period of one year, the sector has managed to undertake the following: establishment of a demonstration farm ,Riverine conservation, Promotion of on -farm tree growing and trained tree seedlings producer sand community on Disaster Risk Reduction strategies

97. Under the disaster response management, the sector aims to purchase disaster emergency supplies, engine and construction of county environment disaster centre. Under forestry, the sector intends to do reforestation of degraded hills tops and promote farm trees including purchase of tree



seedlings. In public health services, the sector intends to construct solid waste management facilities and identify and protect of dumping sites in all major towns and purchase garbage transport trucks among other priorities.

98. It is proposed that the sector be allocated Kshs.120 million in FY 2015/2016 compared to an allocation of Kshs. 111 million allocated in FY 2014/2015. This is an increase of 8%.

#### **4.4.10 Finance and Economic Planning**

99. This is one sector that links all the departments in the county and the county with the rest of the world. The key role of the sector is to provide leadership and policy direction in the governance of the County, coordination and supervision of County affairs, promote sound public financial and economic management for socio-economic development promote macroeconomic stability, planning and budgetary process, implementation, monitoring and evaluation. In the last one year the sector has put mechanisms in place for smooth functioning of the treasury, IFMIS and the preparation of the County Integrated Development plan.

100. The sector targets to establish county headquarter at Lichota, pay for pending bills from the FY 2014/2015, mortgage fund for the MCAs, Ward Development Fund, track all development projects and programmes; prepare quarterly briefs or reports on development; enhance revenue collection; source for development partners and ensure that funds in the county are prudently utilized to achieve the county objectives and the realization of the vision 2030. To achieve these objectives its proposed that the sector be allocated Kshs. 790 million in 2015/16 FY .

#### **4.4.11 Health Services**

101. This is a key sector in the development in any economy and therefore it is one of the County priorities. The goal of the sector is to provide equitable and affordable health care to the people of Migori County. The aim of the sector is to improve immunization coverage, reduce deaths due to malaria and other diseases, and increase the proportion of mothers delivering in health facilities among others. However, the sector is facing numerous challenges ranging from inadequate infrastructure for service delivery to shortage of personnel and untimely supply of drugs.

102. The County Government will try to address these challenges through continued investment in training of health workers; upgrading and equipping of health facilities, construction of maternity wards, laboratories and ICU; completion of Migori MTC, purchasing ambulances for all health facilities in the long-run and allocating more resources to the procurement of drugs.

103. It is proposed that the sector be allocated Kshs. 600 million in FY 2015/2016 compared to Kshs. 591 million allocated in FY 2014/2015 budget. This is 9% of the total county budget.

#### **4.4.12 Land, Housing, Physical Planning and Urban development**

104. This sector is in charge of lands, survey and physical planning of the county. The sector faces many challenges ranging from lack of town plans, GIS, lack of proper register of public land; lack of urban development plans, lack of firefighting equipment; and shortage of dwelling units.

105. So far over the last one year the sector has achieved the following; Demarcated and beaconed over 12 public titled land, Surveyed over 10 acquired sites to be titled and converted into public land, resolved over 40 land related conflicts and issued over 2000 new parcel numbers to facilitate production of Title deeds.

106. To address the above shortcomings, the sector intends to prepare town plans for all major towns in the county; prepare county spatial plan, fast track the issuance of land documents and prepare an integrated urban development plans among others.

107. To achieve the above targets, in the FY 2015/2016, it has been proposed that the sector be allocated Kshs. 160 million compared to Kshs 205 million in the previous FY 2014/2015.

#### **4.4.13 Trade Development, Regulation and Industry**

108. The sector has been entrusted with the following sub-sectors; Trade, cooperatives, weight and measures, tourism and industrialization. The mandate of the sector includes facilitating trade and investment by creating enabling environment and infrastructure development, facilitating the development of cooperative movements to ensure that they are vibrant and self-reliant through savings mobilization, education and training. Ensuring fair trade practices and consumer protection. Facilitating product development, innovations and marketing tourism products.

109. Over the past one year, the sector achieved the following :Registered ten new cooperatives societies, Revived 7 dormant cooperatives societies dealing in dairy, fish and rice, Carried out education, training and mobilization of savings in cooperative societies in the county, Capacity building of SMEs ,Participated in the India for Africa business forum in Mumbai and Production of county investment opportunities profile brochure

110. However, the sector is facing many challenges ranging from high cost of production, stiff competition from accessing international markets and congestion in Migori Town. The sector targets to undertake the following projects in 2015/16 FY; construction of modern markets, fencing of markets establishment of beach tourist resort, provision of business loans among other priorities..

111. To achieve these goals, it is proposed that the sector be allocated Kshs.150million in FY 2015/2016 up Kshs. 104 million in FY 2014/2015. This is an increase of 44%.

#### **4.4.14 Information, Communication and Technology**

112. Over the past one year, the sector achieved the following; website design, setting up local area network, installation and configuration of network bandwidth, establishment of digital villages, structured network cabling, wiring of fibre cable, unified network security management system, design and implementation of citizen service charters, installation of window server 2012, installation and configuration of IPBX system, among others.

113. To achieve its mandate, it is proposed that the sector be allocated Kshs. 159 million in FY 2015/2016 down from Kshs. 183 million in FY 2014/2015. This is a decrease of 13%

#### **4.4.15 Salaries**

114. The county has over two thousands employees who drew approximately Kshs. 1.37 billion in 2014/15 FY. This will increase with additional staff being hired especially in the health sector. Technical staffs have also been hired in various sectors in an effort to boost the capacity of the county in service delivery. To cater for this, it is proposed that salaries be allocated Kshs. 1.404 billion in FY 2015/2016. This represents an increase of 11% from 2014/15 FY.

#### 4.5. Annex 1: Summary of Issues in the Fiscal Strategy Paper 2014-2015

##### **Fisheries and Livestock Development**

Name of sector: Agriculture, Fisheries and livestock Development

Name of the sub sector: Fisheries Development, livestock Production & Veterinary Services

Sector policy: Food security

Sector mandate: Promote, regulate and facilitate Agriculture, Livestock and Fisheries for socioeconomic development And industrialization

##### **Key achievement (one year ago):**

###### Fisheries Development:

1. Inventory Survey to map out status of aquaculture with regards to the ESP was successful completed;
2. Successful monitoring, surveillance and control of capture fisheries;
3. Development of Draft Migori County Fisheries Development Policy and Development of Policy on Fish Trades Licence and Fish Movement Permit;

###### Livestock Production

1. Promotion of honey production through training of farmers and distribution of bee hives;
2. Policy on one dairy cow per sugarcane farmer was successfully developed to help alleviate the milk deficit currently existing in the county;
3. Successful sensitization, clustering, selection & training of farmers in 7 sub counties for the implementation of the one cow project;
4. The departments through its extension officers have also been continuously offering livestock extension advice to farmers.
5. Development of Draft Migori County Livestock production Policy;

###### Veterinary Services

1. Successful monitoring, surveillance and control of notifiable diseases mainly Foot and Mouth Disease, Anthrax ,black quarter, and East Coast Fever;
2. Successful vector control mainly ticks and Tsetse flies especially in Karungu;
3. Development of Draft Migori County Veterinary Policy;

<b>KEY ISSUE/CHALLENGES</b>	<b>PROPOSED INTERVENTION (PROJECTS)</b>	<b>WHERE</b>	<b>COST (KSHS)</b>
<b>1. FISHERIES DEPARTMENT</b>			
Unavailability and high cost of fish farming inputs	Support fish farmers with fish production inputs (high quality fingerlings and feeds)	Rongo, Awendo Uriri, Suna West, Suna East, Kuria West, Kuria East and Nyatike	15,000,000
Inadequate patrol and extension services (facilities)	2.Procure three (3) fibre boats and three outboard engines	Nyatike	5,400,000
	3.Procure four(4) motorcycles for fisheries extension services	Suna East, Kuria West, Uriri, Rongo	1,600,000
	4.Procure Double Cabin(Toyota)	County Headquarters	4, 500, 000
Low fish production	5. Installation of fish feed production machine using locally available materials	Suna West, Rongo	3, 000, 000
	6. Construction of fingerling multiplication Centre (Hatchery) Unit	Kuria West	6, 000, 000
	7. Support construction of 400 fish ponds	Rongo, Awendo, Uriri, Suna West, Suna West, Suna East, Kuria West, Kuria East and Nyatike	3, 600, 000

<b>KEY ISSUE/CHALLENGES</b>	<b>PROPOSED INTERVENTION (PROJECTS)</b>	<b>WHERE</b>	<b>COST (KSHS)</b>
	8. Installation of modern fish cages in large dams across the county	Rongo, Awendo, Uriri, Suna West, Suna East, Kuria West, Kuria East and Nyatike	1, 500, 000
Inadequate office space at county headquarters	9. Extension of fisheries office at the Headquarters	County Headquarters	2, 500, 000
Unhygienic fish handling and high post-harvest losses	10. Rehabilitation of Nyang'wina fish landing site	Nyatike	3, 000, 000
	11. Construction of modern Omena drying shades with complete solar systems in Sori	Nyatike	2, 500, 000
<b>Total Fisheries Development</b>			48, 600, 000
<b>1. LIVESTOCK PRODUCTION</b>			
Milk deficit in the county. The community members over rely on tobacco and sugar cane farming at the expense of dairy production	1. Purchase of dairy cows for sugarcane/tobacco farmers	Rongo, Awendo, Uriri, Suna West, Suna East, Kuria East, Kuria West	23, 000, 000
Poor quality breeding stock and lack of livestock breeding centre in the county	2. Establishing breeding centre for dual purpose cows (Sahiwal) in Macalder	Macalder(Nyatike)	9, 500, 000
High cost of livestock feeds	3. Establishing fodder banks	Rongo, Awendo, Uriri, Suna West, Suna East, Kuria	5, 500, 000

<b>KEY ISSUE/CHALLENGES</b>	<b>PROPOSED INTERVENTION (PROJECTS)</b>	<b>WHERE</b>	<b>COST (KSHS)</b>
		East, Kuria West, Nyatike	
Huge market for poultry and poultry products exists in the county but there is inadequate production hence there is a lot of imports of poultry products	4. Development for local poultry production centres	Rongo, Awendo, Uriri, Suna West, Suna East, Kuria East, Kuria West, Nyatike	20, 100, 000
Inadequate beef production to meet the huge market(both domestic and international)	5. Purchase of beef cattle for at least four public schools in each ward.	Rongo, Awendo, Uriri, Suna West, Suna East, Kuria East, Kuria West, Nyatike	9, 600, 000
Huge market for honey products while there are only few farmers producing honey despite the suitable vegetation for bee keeping	6. Expansion of honey production among community groups	Uriri, Kuria East, Kuria West, Suna East	4, 500, 000
Inadequate pig products to meet the huge market	7. Development of pig multiplication centre in Sori	Nyatike	3, 500, 000
Inadequate livestock breeding capacity in the county	8. Strengthening Oyani Livestock Multiplication Centre	Uriri	6, 500, 000
Inadequate high quality breeding stock for goats	9. Strengthening Macalder as Goats multiplication centre	Nyatike	6, 500, 000
Inadequate transport facilities	10. Purchase of Motorbikes for	Suna East, Kuria West, Uriri, Rongo	1, 600, 000

<b>KEY ISSUE/CHALLENGES</b>	<b>PROPOSED INTERVENTION (PROJECTS)</b>	<b>WHERE</b>	<b>COST (KSHS)</b>
	livestock extension services		
<b>Total Livestock Production</b>			90, 300, 000
<b>2. VETERINARY SERVICES</b>			
Tick-borne diseases	1. Construction of cattle dip.	Rongo, Awendo, Uriri, Suna West, Suna East, Kuria East, Kuria West, Nyatike	9, 500, 000
Poor genetic material for milk/beef production	2. Artificial insemination intervention to upgrade local cows for milk and beef production	Rongo, Awendo, Uriri, Suna West, Suna East, Kuria East, Kuria West, Nyatike	1, 600, 000
	3. Construction of cattle crush pens to facilitate AI and disease control	Rongo, Awendo, Uriri, Suna West, Suna East, Kuria East, Kuria West, Nyatike	1, 200, 000
Frequent outbreaks of notifiable diseases	4. Procurement of sera, vaccines, tsetse traps	Rongo, Awendo, Uriri, Suna West, Suna East, Kuria East, Kuria West Nyatike	5, 500, 000
Hygienic slaughter and handling of carcasses	5. Completion of Karamu slaughter house (Mabera)	Kuria West	70, 000, 000
Lack of diagnostic facility for livestock diseases	6. Completion of Migori County Veterinary Lab	County headquarters	3, 800, 000



<b>KEY ISSUE/CHALLENGES</b>	<b>PROPOSED INTERVENTION (PROJECTS)</b>	<b>WHERE</b>	<b>COST (KSHS)</b>
Inadequate transport for patrols and extension services	7. Purchase six motorbikes	Rongo, Awendo, Uriri, Suna West, Suna East, Nyatike	2, 500, 000
	8. Purchase of one pickup	County headquarters	4, 500, 000
<b>Total Veterinary Services</b>			98, 600, 000
<b>Total</b>		<b>Grand</b>	237, 500, 000

**NAME OF SECTOR: TRADE, TOURISM, COOPERATIVES AND MUSEUM**

**NAME OF SUB SECTORS:**

1. Trade
2. Cooperatives
3. Weights and Measures
4. Tourism
5. Industrialization and Enterprise development

**SECTOR POLICY OR MISSION STATEMENT**

To promote, coordinate and implement integrated socio economic policies and programmes for a rapidly industrializing economy

**MONDATE OF THE SECTOR**

1. Facilitating trade and investment by creating enabling environment and infrastructure development
2. Facilitating the development of cooperative movements to ensure that they are vibrant and self-reliant through savings mobilization, education and training.
3. Ensuring fair trade practices and consumer protection.
4. Facilitating product development, innovations and marketing tourism products.
5. Creating conducive environment for industrial and enterprise development.

**SECTOR ACHIEVEMENTS**

1. Registered ten new cooperatives societies
2. Revived 7 dormant cooperatives societies dealing in dairy, fish and rice
3. Carried out education, training and mobilization of savings in cooperative societies in the county
4. Capacity building of SMEs
5. Participated in the India for Africa business forum in Mumbai
6. Production of county investment opportunities profile brochure.

No	SECTORS KEY ISSUES/CHALLENGES	PRIORITY RANKING	PLANNED ACTIVITIES	INTENDED COSTKshs
1	Lack of /Inadequate markets infrastructure and unfavorable trading environment	High	Construction of modern markets Fencing of markets Fresh produce market-Kakrao Sanitary facilities at markets Lighting and water provision in markets	300M 40M 100M 40M 20M
2	Lack of a County investment channel	High	Formation of Migori Investment Authority	5M
3	Lack/inadequate awareness and business skills	High	Establish business advisory /solution centres-2 Conduct business trainings Hold business interactive/sensitizations/counseling forums and conferences	30M 2m 3m
4	Limited access to business credit	High	Give business loans to small upcoming businesses	70m
5	Inadequate marketing and value addition channels		Development of producer cooperative societies	40m
6	Inadequate access to affordable credit facilities		Establishment of a cooperative investment fund	100m
7	Low accountability in financial and accounting standards		Automation of payments in cooperative societies	3M
8	Lack of goodwill from stakeholders and poor		Formation of cooperative societies	5m

No	SECTORS KEY ISSUES/CHALLENGES	PRIORITY RANKING	PLANNED ACTIVITIES	INTENDED COSTKshs
	leadership and management qualities			
9	Fair trade practices and consumer protection	1	Verification	2M
			Inspection	3M
			Consumer education	3M
			Prosecution	1M
			Publicity and awareness campaigns	2M
10	Working space and testing laboratories	1	Construction and equipping Metrology laboratories	30M
11	Standards and test equipment	1	Procurement of standards and test equipment	10M
12	Setting up county weighbridges (5 units)	2	Procurement and installation	50M
13	Setting up Tankers calibration rig	3	Construction of the calibration bay and procurement of bulk meters	20M
14	Setting up a restaurant at the air strip	1	Tendering and construction	5M
15	Development of tourist attraction sites	1	Establishment of a beach tourist resort (Muhuru Bay)	100M
			Electricity connection to sites	10M
			Development of sites( Thim Lich, Crying stone in Kuria)	30M
			Mapping of tourist attraction sites	5M

<b>No</b>	<b>SECTORS KEY ISSUES/CHALLENGES</b>	<b>PRIORITY RANKING</b>	<b>PLANNED ACTIVITIES</b>	<b>INTENDED COSTKshs</b>
16	Establishment and operationalisation of Migori Tourism board	1	Recruitment and setting up structures	20M
17	Support to hospitality industry	1	Promotions, adverting and publicity campaigns	20M
18	Industrial development	1	Development of an industrial park	100M
19	Value addition and marketing	1	Training entrepreneurs on value addition	10M
			Training SMEs on product development, packaging and marketing.	10M
			Facilitating SMEs to attend trade shows and exhibitions	5M
20	Resource mapping	1	Resource mapping on available raw materials	10M
21	Technical support	1	Facilitating acquisition of machinery	20M
22	Support to OVOP		Supporting OVOP programmes	10M
23	Constituency industrial development centers	1	Completion and operationalization of CIDCs	50M

**NAME OF SECTOR: WATER DEVELOPMENT**

**NAME OF SUB SECTORS**

1. Water Supply Services
2. Waste Water/Sanitation Services

**SECTORS POLICY OR MISSION STATEMENT**

To provide adequate Water and Sanitation infrastructure and related services in a sustainable manner

**MANDATE OF THE SECTOR**

Anchored on the Constitution of Kenya 2010, the County Government Act 2012 and the Water Act 2002 among other statutory regulations, the mandate of Migori County Water department is thus;

- (i.) To develop Water and Sanitation infrastructure
- (ii.) To provide technical assistance on water services provision and
- (iii.) To provide water and sanitation services

**SECTOR ACHIEVEMENTS (LAST ONE YEAR)**

- ▶ Construction and rehabilitation of Migori Water Supplies and Sanitation projects.
- ▶ Purchase and distribution of 160 plastic water storage tanks 10000 litre capacity each
- ▶ Construction of 13 spring protection works
- ▶ Construction of 2 earth dams each of capacity 15000m<sup>3</sup>
- ▶ Drilling and equipping 3 boreholes. One borehole in Uriri sub county is completed and two are ongoing at various stages in Suna East and Kuria East sub counties
- ▶ Refurbishment of the County Water Offices

<b>No.</b>	<b>Sectors Key Issues /Challenges</b>	<b>Priority Ranking</b>	<b>Planned Activities</b>	<b>Intended Cost Kshs</b>
1.	Unsafe water	1	Rehabilitation/Augmentation of the 6 existing piped water supply systems and 25 water points	100,000,000.00
2	Inadequate water supply and low sanitation coverage	2	Supply and installation of 340No. plastic water storage tanks (roof catchment)	51,000,000.00
3.	Low sanitation coverage	3	Construction of 32No.spring protection works	32,000,000.00
4.	Unimproved sanitation facilities	4	Drilling and equipping of 85No. boreholes	212,500,000.00
5.	Affordability of the Water and Sanitation services	5	Construction and rehabilitation of 82No. water dams/pans	492,000,000.00
6.	Sustainability of the Water and Sanitation infrastructure	6.	Construction of 52No. public ablution blocks	260,000,000.00
7.	Effective use of the sanitation facilities	7.	Construction of 4No. conventional waste water treatment systems and solid waste management systems	5,000,000,000.00
8.	Inadequate transport for field operations	8.	Purchase of 1No. 10ton clean water bowser	10,000,000.00
9.	Inadequate professional skills	9.	Purchase of saloon vehicle for County Chief Officer's office	6,000,000.00
10.	Inadequate office space, equipment and furniture	10.	Training of water staff and facility management committees	3,000,000.00

No.	Sectors Key Issues /Challenges	Priority Ranking	Planned Activities	Intended Cost Kshs
			Construction, equipping and furnishing 8No. offices	25,000,000.00
	<b>TOTAL</b>			<b>6,100,500,000.00</b>

## **PUBLIC SERVICE MANAGEMENT**

**NAME OF SECTOR:** Public Service Management.

### **NAME OF SUB-SECTORS:**

1. Human Resource Management and Development.
2. Administration and Governance.
3. County Public Service Board.
4. Legal Unit.

### **SECTOR POLICY OR MISSION STATEMENT:**

To provide leadership and policy direction in resource mobilization and management for quality public service delivery.

### **MANDATE OF THE SECTOR:**

To provide for institutions, systems and mechanisms for human resource utilization and development in a manner that best enhances service delivery by county public service institutions.

### **SECTOR ACHIEVEMENTS (LAST ONE YEAR):**

1. Establishment of organizational structures.
2. Renovation of Public Service Management Offices.
3. Construction of Sub-County and Ward Offices which is still ongoing.
4. Completion of ongoing buildings which improved the Work Environment.
5. Development of basic ICT Infrastructure.



No	Sector's Key Issues/ Challenges	Priority Ranking	Planned Activities	Intended Cost
1	Enhance Management, Coordination and Supervision	High	Management, Coordination & Supervision  Special Programmes  Legal/Litigation  Intergovernmental Relations/Governors' Summit	234,302,400  50,000,000  19,800,000  20,000,000
2	Establishment of the Devolved Units	High	Construction of Sub-County Offices at Nyatike and Uriri  Construction of 16No Ward Offices  Construction of Village Offices	26,000,000  160,000,000  120,000,000
4	ICT Infrastructure	High	Hospital Mgt Information System  ICT Infrastructure	113,000,000  207,040,393
5	Information and Communication Services	High	ICT/Huduma Centres  Radio Station & Print Media Services	100,000,000  45,000,000
6	Peace Building, National Cohesion and National Values	High	Peace Building Initiatives	10,405,000
7	Research, Development and Training	High	Capacity Building & Training  Data Collection & Statistical Information	24,000,000  6,150,800

No	Sector's Key Issues/ Challenges	Priority Ranking	Planned Activities	Intended Cost
<b>TOTAL</b>				2,675,219,615

**PUBLIC WORKS, ROADS, TRANSPORT AND ENERGY**

**NAME OF SUB SECTOR:**

- 1. Roads and Transport
- 2. Energy
- 3. Public Works

**SECTORS POLICY OR MISSION STATEMENT**

To provide to the county quality services in transport, construction and maintenance of public works structure and Roads.

**MANDATE OF THE SECTOR**

To be the leading government institution in the facilitation of Transport Services, and in construction and maintenance of public Works structures and Roads.

**SECTOR ACHIEVEMENTS (LAST ONE YEAR)**

- 1. Opened rural roads
- 2. Bitumized roads
- 3. Constructed major river crossing structures
- 4. Supervised building construction works

<b>NO</b>	<b>SECTORS KEY ISSUES/CHALLENGE</b>	<b>PRIORITY RANKING</b>	<b>PLANNED ACTIVITIES</b>	<b>INTENDED COST</b>
1	Lack of bridges (40 bridges)		Construction of planned bridges	400,000,000
2	Upgrading to bitumen standard of selected rural and urban roads		Construction of roads to bitumen standards	600,000,000
3	Rural roads		Opening and maintenance of rural access roads	400,000,000
4	Parking slots		Construction of parking slots/slotted drains in major towns	40,000,000
5	Graders & back hore loader		Purchase of motor grader and backhore loader	37,000,000
	<b>GRAND:</b>			1,477,000,000

**NAME OF SUB SECTOR:**

Energy

**SECTORS POLICY OR MISSION STATEMENT**

Provide access to reliable, quality and affordable energy services while promoting, conserving and protecting the environment.

**MANDATE OF THE SECTOR**

Improve access to Energy for sustainable for Migori county socio-economic development

**SECTOR ACHIEVEMENTS (LAST ONE YEAR)**

1. Repair and rehabilitation of grid street lights in Migori, Awendo and Rongo Towns.
2. Supply and installation of solar street lights at Ntimaru, Isebania, Maberu, Rapogi, Awendo, Rakwaro, Macalder and Sori.
3. Energy Sector Plan finalized and sector way forward completed.
4. Power connected to various schools and markets through REA.

5.

NO	SECTORS KEY ISSUES/CHALLENGE	PRIORITY RANKING	PLANNED ACTIVITIES	INTENDED COST
1	Frequent power blackouts. No reliable and quality power.	1	Supply and installation of solar street lights in various towns and centres	200m
2	High energy costs	2	Supply and installation of solar high most floodlights	50m
3	High initial capital out lay for development of energy infrastructure	3	Installation of solar PV systems in county HQ offices	30m
4	Low levels of industrialization and low per capital income	4	Repair and rehabilitation of both solar and grid street lights	15m
5	Lack of awareness of the benefits of renewable energy	5	Provision of solar lamps in villages	80m
6	The department has no staff, resources and assets	6	Supply and installation of electricity at Osirigold mines	10m
7	Rapid population growth in both urban and rural areas.	7	Baseline survey of renewable energy penetration	5m
8	Low investment rate in the Energy sub sector	8	Produce energy master plan for Migori County	10m
	<b>GRAND TOTAL:</b>			400M

## 2015/2016 FY SECTORAL PRIORITIES

### SUB SECTOR: HOUSING DEPARTMENT

No.	Sectors Key Issues/Challenges	Priority Ranking	Planned Activities	Intended Cost
1.	Adequate office space for all staff	ONE (I)	Expansion of office block	Appxt Ksh 17,500,000
2.	Appropriate land for specific/essential uses	Two (II)	Land Banking for housing development and other uses	Appxt Ksh 30,000,000 (CONTINUOUS)
3.	Adequate, affordable and decent housing	Three (III)	Housing development	Appxt Ksh 150,000,000 (CONTINUOUS)

### Physical Planning Department Budget Estimates for FY 2015/16

S/No	Sector's Key Issues	Priority Ranking	Planned Activities	Estimated Cost (KSHs)
1	Lack of county spatial plan. The County Government under section 107(1)(c)	Rank 1	Preparation of Migori County Spatial Plan covering the entire County	205 Million

S/No	Sector's Key Issues	Priority Ranking	Planned Activities	Estimated Cost (KSHs)
	<p>mandates County Governments to prepare G.I.S based County Spatial Plan. This plan will provide framework for a well balanced system of settlement and ensure productive use of scarce land and other resources for economic, social and environmental development.</p> <p>It will also form the base upon which preparation of other lower level plans such as Integrated Urban Development Plans will be prepared</p>		<p>Preparation of the plan will entail the following:</p> <ul style="list-style-type: none"> <li>-Expert consultations</li> <li>-outsourcing</li> <li>-Base map preparation and digitization</li> <li>-Acquisition of Aerial image, Toposheets, RIMs and consolidation of other existing plans</li> <li>-Stakeholders for a</li> <li>-Primary and Secondary data Collection</li> <li>-Purchase of Computers, Project Vehicle, Tracing Films and Technical pens E.T.C</li> </ul>	
2	<p>Lack of Town Plans. This has resulted to un orderly developments within the major towns and inadequate development control tools.</p> <p>The county Government Act , 2012 section107(1)(d) and Urban Areas and Cities Act, 2011 section 36,37 and 38 mandates County Governments to prepare G.I.S based Integrated Urban Development Plans</p>	Rank 2	<p>Preparation of G.I.S based Integrated Urban Development Plans for Key Towns Within Migori County i.e Migori, Rongo, Awendo, Isebania and Sori.</p> <p>The preparation of each town plan will entail the following:</p> <ul style="list-style-type: none"> <li>- Expert consultations</li> <li>-outsourcing</li> <li>-base map preparation and digitization</li> <li>-Acquisition of Aerial image, Toposheets, RIMs and consolidation of other existing plans</li> <li>-Stakeholders for a</li> <li>-Primary and Secondary data Collection</li> <li>-Purchase of Tracing Films and Technical pens</li> </ul>	255 Million
3	Lack of G.I.S Database system. This has resulted	Rank 3	<p>Establishment of a G.I.S Lab.</p> <p>It will entail :</p>	20 Million

S/No	Sector's Key Issues	Priority Ranking	Planned Activities	Estimated Cost (KSHs)
	<p>into inability to digitize Land records.</p> <p>County Government Act, 2012 section 105(10)(f) mandates the county Planning Unit to establish A G.I.S database system. A G.I.S database system will be integral in preparation of Spatial plans and development control</p>		-Acquisition of G.I.S software, Computers, Scanner, Plotter, Server, UPS, geodetic GPS, capacity Building, routine Machinery Maintenance.	
4	<p>Lack of urban development plans for urban centers within which key Government projects are located e.g Rongo University College and proposed Mhuru Bay Boarder point and Kehancha. This has resulted to mass sub-division of land and unregulated land use changes within such centers. This will have negative long term effect on food security and functionality of the urban centers.</p>	Rank 4	<p>Preparation of Integrated Urban development Plans for Kitere, Kehancha and Muhuru</p> <p>Preparation of each urban plan will entail the following;</p> <ul style="list-style-type: none"> <li>-Base map preparation and digitization</li> <li>-Acquisition of Aerial image, Toposheets, RIMs and consolidation of other existing plans</li> <li>-Stakeholders for a</li> <li>-Primary and Secondary data Collection</li> <li>-Purchase of Tracing Films and Technical pens</li> </ul>	60 Million
5	<p>Acquisition of land for public purpose use.</p> <p>Lack of parking space, taxi ranks, Hawker's markets and recreational parks.</p>	Rank 5	<p>Acquisition of land for public purpose use such as car park and taxi rank in 5 strategic Towns (Migori, Rongo, Isebania, Awendo and Sori).</p> <p>-10 acres per town</p>	50 Million
6	<p>Valuation role development and Enforcement of laws,</p>	Rank 6	<p>Opening up of areas encroached and applying planning regulations.</p> <p>Rental assessment</p>	25 million

S/No	Sector's Key Issues	Priority Ranking	Planned Activities	Estimated Cost (KSHs)
	policies and physical planning acts And litigations.			

**SUB SECTOR NAME:**

Survey Department

**SUB SECTOR ACHIEVEMENTS (LAST ONE YEAR):**

- Demarcated and beacons over 12 public titled land
- Surveyed over 10 acquired sites to be titled and converted into public land
- Oversight role on the land adjudication program which will culminate into the issuance of over 20,000 title deeds to the residents of Nyatike Sub County
- Over 40 land related conflicts resolved
- Issued over 2000 new parcel numbers to facilitate production of Title deeds.

No.	SUB SECTOR KEY ISSUES	PRIORITY RANKING	PLANNED ACTIVITIES	INTENDED COST KShs.
1.	Land adjudication Oversight Program	2	--Demarcation fieldwork --Random field checks --Office checking/verification --Geo referencing --Acquisition of reference data --Updating of dilapidated records --Forwarding of completed sections to the Director of Surveys	1,000,000
2	Base map surveys for two urban centres within the county...sori and another	3	--Reconnaissance mapping/fieldwork --Purchase of materials Setting out of base lines fieldwork --Acquisition of reference data --Data collection fieldwork	1.8 Million



<b>No.</b>	<b>SUB SECTOR KEY ISSUES</b>	<b>PRIORITY RANKING</b>	<b>PLANNED ACTIVITIES</b>	<b>INTENDED COST KShs.</b>
			Plotting of collected field data --Digitization --Printing of maps	
<b>3</b>	Surveying, demarcation, titling Of public lands	6	--Field reconnaissance --Beaconing of titled parcels --Field sub divisions of newly Acquired parcels --Drawing of relevant instruments i.e mutations etc --Submission of drawn instruments to Land registrar	500,000
<b>4</b>	Surveying of plots in one selected urban centre to facilitate issuance of titles/ leases in the place of plot cards	7	--Field reconnaissance --Field surveys --Beaconing of boundaries ---Drawing of relevant instruments i.e mutations, plans etc --Submission of drawn instruments to Land registrar	2 million
<b>5</b>	Renovations and extension of The county survey office	1	--Construction of the extension --general renovation as per BQ	2.8 million
<b>6</b>	Procurement of fire proof map Cabinets	8	--Procurement procedures	4,,000,000
<b>7</b>	Procurement of scanning Equipment.	9	Procurement procedures	3.45 Million
<b>8</b>	Procurement of digital plotting Equipment.	10	Procurement procedures	3.85 Million
<b>9</b>	Purchase of basic surveying Tools, .tapes, steel bands, Hand held GPS, calculators, Drawing sets etc	4	Procurement procedures	1.6 million

## **HEALTH**

### **NAME OF SUB SECTORS**

- 1.
- 2.
- 3.

### **SECTOR POLICY/MISSION STATEMENT**

To provide integrated, responsive and high quality client-centered promotive, preventive, curative and rehabilitative health care services that is evidence based and technologically driven to the people of Migori County.”

### **SECTOR MANDATE**

The sectors mandate is delivery of quality health services to the people with emphasis on targeted interventions towards mother and Child, vulnerable and people with special needs

## SECTOR ACHIEVEMENTS (LAST ONE YEAR)

NO.	SECTORS KEY ISSUES/CHALLENGES	PRIORITY RANKING	PLANNED ACTIVITIES	INTENDED COST
1.	Inadequate space/weak preventive maintenance plan and laundry units	High	Renovation of sub county hospitals and Construction of Laundry units	27,500,000
2.	Inadequate space and diagnostic equipment in most facilities	High	Construction and equipping of laboratories	79,129,000
3.	-Inadequate space in maternity /newborn and post natal units  - Inadequate space/weak preventive maintenance in MCH department in the County Referral Hospital	High	Construction of maternity/ MCH department	83,000,000
4.	-Lack of ICU/High dependency unit in the County Referral Hospital	High	Construction of ICU/High dependency unit	22,000,000
5.	-Lack of Medical training institution in the County  -Inadequate health human resource in the County	High	Construction of MTC	25,000,000
6.	Inadequate office space for County health management team	High	Construct sub county health offices	16,000,000
7.	-Inadequate office space for County health team/	High	Construct County health offices/store	25,000,000

NO.	SECTORS KEY ISSUES/CHALLENGES	PRIORITY RANKING	PLANNED ACTIVITIES	INTENDED COST
	-Inadequate space warehousing and storage for health products			
8.			Renovation of Primary care facilities (Health Centers and dispensaries)	

**ENVIRONMENT, NATURAL RESOURCES AND DISASTER MANAGEMENT**

**NAME OF SUB-SECTORS:**

- 1 Disaster Management.
- 2 Forestry Development.
- 3 Public Health Services

**SECTOR VISION:**

Sustainable and manageable environment appreciated and safe for all in Migori County.

**MISSION STATEMENT:**

To promote, conserve, and protect the environment to reduce the occurrences of disaster through community empowerment and enforcement of existing legislation for sustainable county development.

**MANDATE OF THE SECTOR:**

To provide for institutions, systems and mechanisms for a clean and healthy environment that enhances sustainable development for all.

**SECTOR ACHIEVEMENTS (LAST ONE YEAR):**

1. Establishment of a demonstration farm
2. Riverine conservation
3. Promotion of on farm tree growing and trained tree seedlings producers
4. Trained medics, teachers and community on Disaster Risk Reduction strategies
5. Established/strengthened disaster management institutions.

No	Sector's Key Issues/ Challenges	Priority Ranking	Planned Activities	Intended Cost
1.	Disaster Response and Management	High	a) Purchase of equipment and machinery (1 fire engine) b) Mapping of disaster and conflict prone areas c) Purchase of disaster emergency supplies d) Development of Disaster Management Plans (DMP) for each disaster zone e) Construction of County Environment and Disaster Resource Centre	30,000,000  2,000,000  5,000,000 3,000,000  10,000,000  (Phase 1)
			f) Development and Improvement of Livelihood Options (Strengthening disaster coping strategies/Resilience)	5,000,000
2	Research, Development and Training	High	a) Capacity Building & Training	5,000,000

No	Sector's Key Issues/ Challenges	Priority Ranking	Planned Activities	Intended Cost
	<b>Sub total</b>			50,050,000
3	Forestry Development	High	<p>a) Reforestation/maintenance of degraded hill tops, fragile degraded areas and bare land, schools and riverine, Urban forestry(public lands)</p> <p>b) Promote farm trees,establishment and management of sustainable tree nurseries(Agroforestry)</p> <p>c) Encourage the use of alternative sources of energy e.g biogas, briquettes, energy saving jikos</p> <p>d) Purchase of tree seedlings from community tree seedlings producers</p> <p>e) Conservation of Eco-tourism sites (Maena, Thimlich oinga, Mugabo ruins, Agongo springs)</p> <p>f) Eco-challenge competition</p>	<p>10,000,000</p> <p>6,000,000</p> <p>2,000,000</p> <p>20,000,000</p> <p>1,000,000</p> <p>1,000,000.000</p>
4	Research, Development and Training	High	b) Capacity Building & Training	10,000,000
	<b>Sub -total</b>			40,000,000

No	Sector's Key Issues/ Challenges	Priority Ranking	Planned Activities	Intended Cost
5	Public Health Services	High	<ul style="list-style-type: none"> <li>a) Construction of transfer stations 40 NO</li> <li>b) Construction of solid waste management facilities 3 NO (Rongo, Awendo and Isibania)</li> <li>c) Contracted professional services=town cleaning</li> <li>d) Purchase of other waste disposal equipments</li> <li>e) Purchase of 9 skips and 1 trailer</li> <li>f) Purchase of 1 tipper</li> <li>g) Protection and management of dumping sites, (Isibania and Mariwa)</li> <li>h) Reclamation of wastelands (abandoned mines/tailings)</li> <li>i) Mapping and management of wetlands in the county</li> </ul>	10,000,000 6,000,000 65,000,000 1,000,000 15,000,000 7,000,000 1,000,000 2,000,000 1,500,000
7	Research, Development and Training	High	c) Capacity Building & Training	5,000,000
	<b>Sub total</b>			105,550,000
<b>GRAND TOTAL</b>				196,250,000

**NAME OF THE SECTOR**

Education

**NAME OF SUB SECTOR**

Early Childhood Education

**SECTOR POLICY OR MISSION STATEMENT**

**VISION:** To be globally competitive education, training, research, innovation and sustainable development.

**Mission:** To provide, promote and coordinate quality education and training, integration of science, technology and innovation in sustainable socio-economic development process.



## **MANDATE OF THE SECTOR**

- Dissemination and implementation of Education policies
- Administration and Management of Education programmes
- Planning and implementing education and training investment programmes
- Curriculum implementation
- Provision of curriculum support materials
- Provision of technical personnel, policy guidelines & financial resources
- Construction and equipping of ECDE schools
- Quality assurance

## **SECTOR ACHIEVEMENTS (LAST ONE YEAR)**

- ✓ Initializing construction of 120 ECDE classrooms
- ✓ Procurement of tools and equipment

<b>No</b>	<b>Sectors Key Issues/Challenges</b>	<b>Priority Ranking</b>	<b>Planned Activities</b>	<b>Intended Cost (Millions)</b>
1.	Infrastructural Development	1.	Construction of new ECDE classrooms	160
		2.	Construction of ECDE Teachers Training College	20
		3.	Construction of Toilets in 120 ECDE Centres	6
		4.	Construction of Day Care Centres	5
		5.	Construction of Home Craft Centres	5
		6.	Construction of Library and Equipping	10
2.	Tools and Equipment	7.	Procuring of tools and Equipment for ECDEs	16
3.	Field Operations	8.	Creating Awareness on ECDE programmes in Public Forums	3

No	Sectors Key Issues/Challenges	Priority Ranking	Planned Activities	Intended Cost (Millions)
		9.	Shows and exhibitions for ECDE programmes	2
		10.	Monitoring and Evaluation ECDE Centres	2
		11.	Meeting Educational stakeholders in 8 sub Counties	3
4.	Educational Support	12.	Provision of Support to the Needy Children through Bursary Funds	21
		13.	Awards to Best Performers in curriculum and Co-curriculum activities (Education Day)	3
		14.	Testing Pupils and Students (County Exams)	5
		15.	Provision Support grants to Needy Schools	20
		16.	Donation to Schools i.e. Books and Trophies	5
		17.	Support to Student with disabilities	12
5.	Employment	18.	Recruitment and Training of ECDE Teachers	137
		19.	Recruiting of Sub county ECDE officers & Quality Assurance Officers	32
		20.	Recruiting Care Takers	10
6.	Co-curriculum activities	21.	Supporting Co-curriculum activities e.g. Drama and Music Festival	5

No	Sectors Key Issues/Challenges	Priority Ranking	Planned Activities	Intended Cost (Millions)
7.	Registration of ECDE Centres	22.	Registering of 660 Schools	3
<b>TOTAL</b>				
<b>373,000,000</b>				

**NAME OF THE SECTOR:**

Education

**NAME OF SUB SECTORS**

Youth Polytechnics and Trainings

**SECTOR POLICY OR MIISION STATEMENT**

**VISSION:** A globally competitive education, training, research, innovation and sustainable development

**Mission:** To provide, promote and coordinate quality education and training, integration of science, technology and innovation in sustainable socio-economic development process.

## **MANDATE OF THE SECTOR**

- Dissemination and implementation of Education policies
- Administration and Management of Education programmes
- Planning and implementing education and training investment programme
- Curriculum implementation
- Provisions of curriculum support materials
- Provision of technical personnel, policy guidelines & financial resources
- Resource mobilization and management of education programmes at all levels

## **SECTOR ACHIEVEMENTS (LAST ONE YEAR)**

- ✓ Construction of 10 Youth Polytechnics
- ✓ Procurements of tools and equipments for Youth Polytechnics

<b>NO</b>	<b>SECTORS KEY ISSUES/CHALLENGES</b>	<b>PRIORITY RANKING</b>	<b>PLANNED ACTIVITIES</b>	<b>INTENDED COST (MILLION)</b>
1.	Infrastructural development	1.	Construction of 8 new polytechnics	80
		2.	Refurbishment, and Rebranding of YPs	24
		3.	Construction of Computer Laboratories in 22 Youth Polytechnics	55
		4.	Digging septic units in all YPs	20
		5.	Fencing of all youth polytechnics within the County	4
		6.	Constructing Students & Staff toilets	5
		7.	Construction of 12 twin workshops	36
2.	Tools and equipments	8.	Procuring tools and equipments for 22 youth polytechnics	44

3.	Field Operations	9.	Creating Awareness on the Youth Polytechnics in public Forums	2
		10.	Monitoring and Evaluating YP & Field activities	3
		11.	Shows and exhibitions for Youth Polytechnics	2
		12.	Creation of Awareness on Youth Polytechnic Trainings	5
		13.	Establishment of a Task Force	1
4.	Co curriculum activities	14.	Supporting YP Sports & Cultural activities	3
5.	Registration	15.	Registering of YP centres	3
		16.	Survey of Land and obtaining of Titles deeds for YPS	3
6.	Employments	17.	Recruiting Of Quality assurance and Standard Officers	30
		18.	Recruiting of 120 YP Instructors	30
7.	Trainings	19.	Tuition support for youth polytechnic trainees	15
		20.	Training of Officers and Instructors	2
8.	Resource Mobilization	21.	Supporting income Generating activities in Youth Polytechnics	3
<b>TOTAL398, 000,000</b>				

**NAME OF SUB SECTOR**

Sport

**SECTOR POLICY OR MISSION**

To mobilize sensitive and provide direction for the citizen of Migori to participate in sport including people with disabilities for recreation, good health, completion , career development industry.

**MANDATE OF THE SECTOR**

**SECTOR ACHIEVEMENT [LAST ONE YEAR]**

<b>NO</b>	<b>SECTORS KEY ISSUEE/ CHALLENGES</b>	<b>PRIORITY RANKING</b>	<b>PLANED ACTIVITIES</b>	<b>INTENDED COST</b>
1	Coordinating preparation of annual work plans, sport highlights and reports	1		4,000,000
2	Organizing sports championships/ tournaments	2		24,000,000
3	Capacity building [staff training]	3		3,000,000
4	Procurement and distribution of sport equipments	4		72,000,000
5	Organizing ball games in wards / sub county/ county	5		28,000,000
6	Presenting teams for Regional/ Nation competitions	6		24,000,000
7	Organizing athletic events [ road races / track / field events	8		13,000,000
8	Training of coaches and referees	7		9,000,000
9	Entering Youth teams in international torments MIGORI YC- LONDON STANDREWS YC- DUBAI RAPOGI YC -MWANZA TANZANIA	9		18,000,000
10	Rehabilitation of sub county sport stadia	11		90,000,000

<b>NO</b>	<b>SECTORS KEY ISSUEE/ CHALLENGES</b>	<b>PRIORITY RANKING</b>	<b>PLANED ACTIVITIES</b>	<b>INTENDED COST</b>
11	Sport Academic (Talent search in sport)	12		75,000,000
12	Monitoring and Evaluation	13		6,000,000
13	Bidding and Hosting National Championships	14		50,000,000
14	Affiliating County teams for National Leagues	15		84,000,000
15	Construction of offices block	16		50,000,000
<b>GRAND TOTAL</b>				