



**REPUBLIC OF KENYA  
THE NATIONAL TREASURY AND PLANNING**

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**Ref:** TNT/CONF/356/01/B(41)

**Date:** 23<sup>rd</sup> July, 2020

**TREASURY CIRCULAR NO. 9/2020**

**TO: ALL CABINET SECRETARIES  
ALL PRINCIPAL SECRETARIES/ACCOUNTING OFFICERS**

**GUIDELINES ON MANDATORY REPORTING OF DISASTER-RELATED  
EXPENDITURES BY MINISTRIES, DEPARTMENTS AND AGENCIES**

**I. PURPOSE**

1. This Circular provides guidelines for Ministries, Departments and Agencies (MDAs) on how to report disaster-related expenditures. It introduces a disaster expenditure reporting template that will facilitate quarterly data submissions that as of the fourth quarter of FY 2019/20 has become mandatory for all MDAs that incur disaster-related expenditures to report on these expenses.

**II. INTRODUCTION**

2. To support the budgetary planning and preparation processes, the National Treasury and Planning seeks to strengthen data collection and reporting on consolidated post-disaster expenditure by the MDAs. Strengthening procedures on disaster-related expenditure reporting is expected to lead to higher standards of fiscal transparency and efficiency of the budgetary process.

3. In addition, the data will facilitate the National Treasury and the Office of the Controller of Budget in the production of regular budget implementation review reports such as the Quarterly Budget and Economic Review (QBER) Report and the National Government Budget Implementation Report including Public Expenditure and Financial Accountability (PEFA) Reports and the International Monetary Fund's (IMF) Fiscal Transparency Evaluations (FTEs).

### **III. GUIDELINES FOR EFFECTIVE REPORTING OF DISASTER-RELATED EXPENDITURES**

4. The disaster expenditure reporting template, attached as **Annex I** of this Circular, should be used for reporting on disaster-related expenditures incurred in the previous quarter. Following specific disasters, the National Treasury and Planning may also request for submission of information for a different, shorter or longer period.
5. However, unless otherwise instructed, submissions should be made to the National Treasury and Planning at the time of submitting quarterly expenditure reports in accordance with Section 83 of the Public Finance Management Act, 2012. If disaster expenditures continue past the date of delivery, the remaining information should be included in the disaster expenditure report for the subsequent quarter.
6. Types of disasters for which expenditure reporting is required include:
  - Drought
  - Floods
  - Epidemics and Pandemics
  - Fires including wildfires
  - Earthquakes
  - Industrial disasters (for example: natural gas and oil production accidents)
  - Structural failures and collapses (for example: dam failures)
  - Food contamination incidents
  - Severe storms
  - Heat waves
  - Landslides
  - Volcanic eruptions
  - Mass Evacuations
  - Pest infestation (for example: desert locust infestation)
7. Disaster related expenditures not only target specific disasters, but also are geared towards disaster risk management. Disaster Risk Management involves some key interventions namely Mitigation, Preparedness, Recovery and Response. A description of each of these interventions is outlined in Table 1. The information provided in Table 1 will guide the MDAs in giving further details of the nature and category of the disaster related expenditure, that is, whether it was geared towards mitigation, preparedness, recovery or response.

**Table 1: Category of disaster-related activities that require expenditure reporting**

| Mitigation   | Preparedness   | Recovery   | Response  |
|--|--|--|---|
| <ul style="list-style-type: none"> <li>• Hazard identification [refer to a specific hazard]</li> <li>• Land-use planning/regulation of growth [refer to a specific area]</li> <li>• Promotion of construction standards [refer to a specific standard]</li> <li>• Adoption and enforcement of zoning</li> <li>• Enforcement of building codes [describe the action]</li> <li>• Retro-engineering of buildings</li> </ul> | <ul style="list-style-type: none"> <li>• Risk/hazard analysis and monitoring</li> <li>• Resource inventory and stockpiles</li> <li>• Disaster planning, training, and testing</li> <li>• Training and testing of local capability</li> <li>• Early warning and evacuation</li> <li>• Interagency and mutual aid plans</li> </ul> | <ul style="list-style-type: none"> <li>• Restoration of infrastructure</li> <li>• Restoration of public services</li> <li>• Debris removal/repair of infrastructure</li> <li>• Repair of public and private property [refer to a specific property]</li> <li>• Restoration of public services</li> <li>• Restoration of individual health</li> </ul> | <ul style="list-style-type: none"> <li>• Tangible assistance to communities</li> <li>• Interagency coordination [name agencies coordinated]</li> <li>• Damage assessment</li> <li>• Restoration of essential infrastructure</li> <li>• Emergency communications</li> <li>• Search, rescue, and evacuation</li> <li>• Fire, medical, and police actions</li> <li>• Provision of food, water and shelter</li> </ul> |

#### IV. DESCRIPTION OF THE DISASTER EXPENDITURE REPORTING TEMPLATE

8. The disaster expenditure reporting template as outlined in **Annex 1** contains seven columns as follows:

- Column I – Program: The Accounting officer is required to provide information on the program under which the disaster-related expenditure was incurred.
- Column II- Sub- program: The Accounting officer is required to provide information on the sub- program under which the disaster-related expenditure was incurred.
- Column III- Disaster type: The Accounting officer is required to provide information on the type of disaster, as per paragraph 6, for which expenditure has been incurred.
- Column IV- Category of disaster-related activity: The Accounting officer is required to provide information on the purpose of spending whether it is related to disaster a) preparedness, b) response, c) recovery, or d) mitigation. Most of the time, reported expenditures would relate to response, recovery or mitigation but in some cases, a disaster may lead to spending on preparedness for similar events in the future, in which case they should be included.

- Column V- Expenditure item: The Accounting officer is required to provide a brief description on the specific expenditure item.
- Column VI – Amount (KSh): The Accounting officer is required to provide the actual amount incurred in Kenya Shillings. If the cost was incurred in a different currency or in-kind, provide an estimate and explain in the column titled “comments”
- Column VII- Comments: This column gives an opportunity to the Accounting officer to provide more details on the type or form of expenditure or request further clarification.

#### V. ACCESS TO THE DISASTER EXPENDITURE REPORTING TEMPLATE

9. The disaster-expenditure reporting template can also be downloaded from the National Treasury website ([www.treasury.go.ke](http://www.treasury.go.ke)). All accounting officers are required to submit a soft copy of the template with the disaster related expenditure information and use the hard copy only if justified.

#### VI. SPECIAL NOTES FOR THE FIRST SUBMISSION

10. Following catastrophic flooding that took place towards the end of year 2019, desert locust infestation and the ongoing COVID-19 pandemic, the first submission should cover all the four quarters of financial year 2019/20. Subsequently, all submissions shall be for the respective quarters. For any clarification please contact the office of the Director General of Budget, Fiscal and Economic Affairs or the Office of the Director of Financial and Sectoral Affairs Department at the National Treasury.

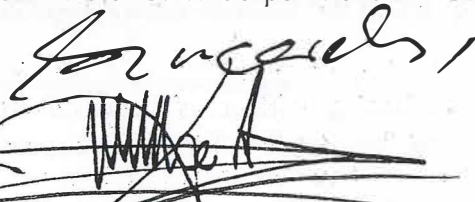
#### VII. EFFECTIVE DATE

11. The first disaster expenditure reports will be due not later than **14<sup>th</sup> August, 2020**.

#### VIII. CONCLUSION

12. Finally, Accounting Officers are required to strictly adhere to the contents of this Circular and bring it to the attention of all officers working under them, including Chief Executive Officers of State Corporations and Semi-Autonomous Government Agencies (SAGAs).

Yours



**HON. (AMB.) UKUR YATANI, EGH**  
**CABINET SECRETARY/ NATIONAL TREASURY AND PLANNING**

Copy to: **Dr. Joseph K. Kinyua, EGH**  
 Head of Public Service  
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State House

**Justice (Rtd) Paul Kihara Kariuki, CBS**  
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State Law Office & Department of Justice  
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**CPA, Dr. Margaret Nyakang'o**  
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**Bima House**

**Nancy Gathungu**  
The Auditor General  
Office of the Auditor General  
**Anniversary Towers**





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**Annex 1: Disaster Expenditure Reporting Template**

|  |                    |                      |   |                         |                     |                   |
|--|--------------------|----------------------|---|-------------------------|---------------------|-------------------|
| <b>Date :</b>                                    |                    |                      |   |                         |                     |                   |
| <b>Vote :</b>                                    |                    |                      |   |                         |                     |                   |
| <b>Period to which this report refers (FY)</b>   |                    | <b>Year:</b>         |   |                         | <b>Quarter:</b>     |                   |
| <b>Name of reporting officer:</b>                |                    |                      |   |                         |                     |                   |
| <b>Position of reporting officer:</b>            |                    |                      |   |                         |                     |                   |
| <b>Contact details of the reporting officer:</b> |                    | <b>Email:</b>        |   |                         | <b>Telephone:</b>   |                   |
| <b>Column I</b>                                  | <b>Column II</b>   | <b>Column III</b>    | <b>Column IV</b>  | <b>Column V</b>         | <b>Column VI</b>    | <b>Column VII</b> |
| <b>Program</b>                                   | <b>Sub-program</b> | <b>Disaster Type</b> | <b>Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)</b> | <b>Expenditure item</b> | <b>Amount (KSh)</b> | <b>Comments</b>   |
|  |                    |                      |   |                         |                     |                   |
|  |                    |                      |   |                         |                     |                   |
|  |                    |                      |   |                         |                     |                   |
|  |                    |                      |   |                         |                     |                   |
|  |                    |                      |   |                         |                     |                   |

